

June 6, 2019

Housing Authority Board of Commissioners  
Clackamas County

Members of the Board:

Adoption of Revisions to the Housing Advisory Board Bylaws

<b>Purpose/Outcomes</b>	Adoption of revisions to the Housing Advisory Board Bylaws
<b>Dollar Amount and Fiscal Impact</b>	No fiscal impact
<b>Funding Source</b>	N/A
<b>Duration</b>	June 6, 2019 until amended
<b>Previous Board Action</b>	none
<b>Strategic Plan Alignment</b>	1. Efficient & effective services 2. Build Public Trust through good government
<b>Counsel Review</b>	May 7, 2019
<b>Contact Person</b>	Jill Smith, HACC Executive Director (503) 742-5336
<b>Contract No.</b>	N/A

**BACKGROUND:**

The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing and Human Services Department, requests approval to adopt the Housing Advisory Board's Amended Bylaws (Bylaws). The Housing Advisory Board's (HAB) mission is to advise HACC on Housing Authority policy matters, housing issues, and programs & services for the low and moderate income residents in Clackamas County. The HAB shall:

1. Recommend and review goals, policies, and proposals related to housing development
2. Consider the community's needs for lower income housing and recommend activities to address these
3. Review and recommend HACC housing policies, funding and organization capacity
4. Review and recommend other affordable housing matters and perform such other advisory functions as housing objectives, housing goals and act as a liaison between the HAB and other housing boards and organizations

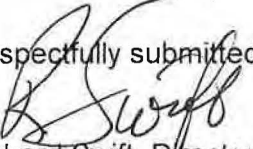
The proposed changes are non-substantive changes, bringing the bylaws into alignment with the purpose of the HAB. Specific changes are as follows:

- Article III, Section 1(B), states the need for a more diverse membership, including a member from a culturally specific or minority group within Clackamas County, a member from a culturally specific service provider, member from the elderly community, design and planning profession and general contracting profession.
- Article III, Section 2(E), update the Board members terms from two years to three years.

**RECOMMENDATION:**

Staff recommends that the Board approve the amended bylaws. Staff also recommends the Board authorize Jill Smith, HACC Executive Director, to sign the revised Bylaws.

Respectfully submitted,

  
Richard Swift, Director  
Health, Housing and Human Services

Clackamas County Housing Advisory Board  
By-Laws

ARTICLE I: NAME AND MISSION

This Board shall be known as the Housing Advisory Board (HAB). The mission of the HAB is to advise the Housing Authority of Clackamas County Board (HACC Board) on Housing Authority of Clackamas County policy matters, housing issues, and programs and services for the low and moderate income residents of Clackamas County.

ARTICLE II: PURPOSE

The Housing Advisory Board shall:

- A. Work with the Housing Authority of Clackamas County (HACC) to:
  - (1) Recommend and review development principles, goals, and policies
  - (2) Recommend and review priorities, analyze housing needs, and implement development activities.
  - (3) Review and make recommendations on development proposals that will be undertaken by HACC or will utilize HACC funds and resources.
- B. Consider the community's needs for lower income housing, the resources available to meet those needs and recommend activities to address these considerations accordingly;
- C. Review and make recommendations on HACC housing policies, funding, and organizational capacity;
- D. Review and make recommendations on other affordable housing matters and perform such other advisory functions as may be requested. These include:
  - (1) Provide input on annual housing objectives;
  - (2) Provide input and review on achievement of housing goals and objectives;
  - (3) Act as a liaison between this board and other affordable housing boards and organizations.

ARTICLE III: MEMBERSHIP

SECTION 1: Members

The Board shall endeavor to elect members that reflect the demographic and geographic diversity of Clackamas County

- A. Required Membership
  - (1) Housing Authority Resident
  - (2) Health, Housing, & Human Services Director – H3S (ex-officio)
  - (3) HACC Executive Director (ex-officio)
- B. Recommended Membership
  - (1) Member drawn from a culturally specific or minority group within Clackamas County
  - (2) Member from a culturally specific service provider serving Clackamas County
  - (3) Member drawn from the elderly community
  - (4) Member involved in real estate management and/or development
  - (5) Member with expertise in affordable housing
  - (6) Member drawn from the design and planning professions
  - (7) Member drawn from the construction general contracting profession
  - (8) Member drawn from the legal profession
  - (9) Member representing rural communities

SECTION 2: Appointment and Tenure

- A. Members of the Housing Advisory Board are appointed by the Clackamas County Board of County Commissioners (BCC).
- B. The Board shall consist of not more than 11 voting members.
- C. The HACC and H3S Directors shall be ex-officio members

- D. Initial recommendations of qualified candidates to the BCC shall be made by the Health, Housing & Human Services department for their review and approval. Subsequent membership shall be made by application to the BCC.
- E. Five initial Board members shall be appointed to a one year term. The remaining initial Board members and all new Board members shall be appointed for three-year terms. A Board member may be appointed for up to two (2) additional three-year terms upon approval of the BCC.
- F. Vacancies which occur before the expiration of a Board member's term shall be appointed for the unexpired portion of the term by the director of H3S.
- G. To be excused from a meeting, a Board member must notify the Chairperson or staff to the Board prior to the meeting.
- H. Three unexcused consecutive absences from regularly scheduled meetings of the Board shall constitute automatic resignation by that absent member. Approved leave of absence may be granted by the Chair and shall not be counted in the above formula.

### SECTION 3: Voting Privileges

Each Board member shall be entitled to one vote on all issues presented at regular and special meetings. Proxy votes will not be allowed.

### SECTION 4: Removal

Any Board member may be removed whenever the best interest of the Board will be served. Best interests include, but are not limited to, instances where a Board member has failed to declare an actual or potential conflict of interest, and when a Board member has acted contrary to Board directives or applicable laws including these bylaws. The Board member whose removal is placed at issue shall be given prior notice of removal, and a reasonable opportunity to appear and be heard at a meeting of the Board. A Board member may be removed pursuant to this section by a vote of a majority of the total number of Board members then serving on the Board. The terms, actual and potential conflict of interest, have the same meaning as defined in ORS 244.

## ARTICLE IV: OFFICERS AND DUTIES

### SECTION 1: Officers

The officers shall be a Chairperson and a Vice-Chairperson elected from the Members.

### SECTION 2: Election

Initial elections shall occur at the third meeting of the Board. All subsequent elections shall be held during the regularly scheduled Board meeting in June.

### SECTION 3: Term of Office

Each officer shall hold office during one fiscal year July 1 - June 30 or until relieved of the position by a two-thirds vote of the Members. Officers may hold succeeding terms of office, but may serve no longer than three consecutive terms.

### SECTION 4: Duties

- A. The Chairperson shall preside at all meetings that he or she attends, and shall be responsible for the expeditious conduct of the business.
- B. The Vice-Chairperson shall perform all the duties of the Chairperson during the Chairperson's absence. The Vice-Chairperson is also responsible for reviewing Board meeting attendance records and for advising the Chairperson regarding any Board member with absences requiring action in accordance with Article III, Section 2, item "H".
- C. The Board shall be staffed by HACC including providing meeting minutes, meeting notifications, and other support as directed by the Chair.

## ARTICLE V: SUB-COMMITTEES

## SECTION 1:

- A. Standing and special sub-committees may be established as deemed necessary by the Board. The Chairperson will appoint each Sub-committee Chairperson.
- B. Sub-committee membership shall be determined by the respective Sub-committee Chairperson. A majority of the members of any sub-committee must be members of the HAB Board. The Chair of each sub-committee must be a member of the Board.

## ARTICLE VI: MEETINGS

### SECTION 1: Schedule

- A. The Board shall meet at least monthly at a preannounced location. Special meetings may be called by the Chairperson and Vice-Chairperson.
- B. Meetings shall be conducted in accordance with Oregon Public Meeting Laws.
- C. Unless otherwise covered by these bylaws, all Board and sub-committee meetings shall be conducted in accordance with Robert's Rules of Order.
- D. A majority of voting members shall constitute a quorum. When a quorum is in attendance, actions may be approved upon a majority vote of Board members present, unless otherwise provided in the bylaws.
- E. No Board member is authorized to speak on behalf of the Board until the Board takes a position by formal action.
- F. In the event a Board member engages in business with the County that could present an actual or potential conflict of interest with matters within the Board's purpose, such member will declare the actual or potential conflict and announce its nature on the record at the meeting. Actual and potential conflicts should be declared as required by Oregon Ethics Law.

## ARTICLE VII: REPORTING PROCEDURES

The Board shall make its reports, findings and recommendations to the Clackamas County Board of Commissioners and Housing Authority Board through designated members and staff.

## ARTICLE VIII: AMENDMENTS TO BYLAWS

Amendments or repeal can occur only by a two-thirds (2/3) of Board members at a regular or special meeting. Any proposed change must be mailed to all members at least two weeks prior to the meeting at which the vote is to be held. Any amendment must be approved by the Board of County Commissioners and Clackamas County Counsel.

### **CLACKAMAS COUNTY**

Commissioner Jim Bernard, Chair  
Commissioner Sonya Fischer  
Commissioner Ken Humberston  
Commissioner Paul Savas  
Commissioner Martha Schrader

Signing on Behalf of the Clackamas County Board

\_\_\_\_\_  
Jill Smith, HACC Executive Director

\_\_\_\_\_  
Date



# Clackamas County Housing Advisory Board

## By-Laws

### ARTICLE I: NAME AND MISSION

This Board shall be known as the Housing Advisory Board (HAB). The mission of the HAB is to advise the Housing Authority of Clackamas County Board (HACC Board) on Housing Authority of Clackamas County policy matters, housing issues, and programs and services for the low and moderate income residents of Clackamas County.

### ARTICLE II: PURPOSE

The Housing Advisory Board shall:

- A. Work with the Housing Authority of Clackamas County (HACC) to:
  - (1) Recommend and review development principles, goals, and policies
  - (2) Recommend and review priorities, analyze housing needs, and implement development activities.
  - (3) Review and make recommendations on development proposals that will be undertaken by HACC or will utilize HACC funds and resources.
- B. Consider the community's needs for lower income housing, the resources available to meet those needs and recommend ~~programs~~activities to address these considerations accordingly;
- C. Review and make recommendations on HACC housing policies, funding, and organizational capacity;
- D. Review and make recommendations on other affordable housing matters and perform such other advisory functions as may be requested. These include:
  - (1) Provide input on annual housing objectives;
  - (2) Provide input and review on achievement of housing goals and objectives;
  - ~~(3) — Communicate HACC's affordable housing goals and objectives to the community;~~
  - ~~(4)~~(3) Act as a liaison between this board and other affordable housing boards and organizations.

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  - (3) HACC Executive Director (ex-officio)
- B. Recommended Membership
  - ~~(4) — One County Commissioner or designee~~
  - ~~(5) — Local elected official or city manager~~
  - ~~4. — Local elected official or city manager~~
  - (1) Member drawn from elderly and a culturally specific or minority group within Clackamas County
  - (2) Member from a culturally specific service provider serving Clackamas County
  - (3) Member drawn from the elderly community
  - ~~(2)~~(4) Member involved in real estate management and/or development
  - ~~(3)~~(5) Member with expertise in affordable housing
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- E. Five initial Board members shall be appointed to a one year term. The remaining initial Board members and all new Board members shall be appointed for ~~two~~three-year terms. A Board member may be appointed for up to two (2) additional three-year terms upon approval of the BCC.
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## ARTICLE VIII: AMENDMENTS TO BYLAWS

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**COPY**

June 6, 2019

Housing Authority Board of Commissioners  
Clackamas County

Members of the Board:

Approval to execute an Intergovernmental Agreement between the Housing Authority of Clackamas County and Health, Housing and Human Services to fund the Housing Developer position

<b>Purpose/Outcomes</b>	Approval to execute an Intergovernmental Agreement between Housing Authority of Clackamas County and Health, Housing and Human Services to fund the Housing Developer position.
<b>Dollar Amount and Fiscal Impact</b>	Not to exceed \$300,000 over three years, as funds are approved
<b>Funding Source</b>	Metro Affordable Housing Bond
<b>Duration</b>	July 1, 2019 - June 30, 2022
<b>Previous Board Action</b>	N/A
<b>Strategic Plan Alignment</b>	<ol style="list-style-type: none"> <li>1. Ensure safe, healthy and secure communities</li> <li>2. Individuals and families in need are healthy and safe</li> <li>3. Grow a vibrant community</li> <li>4. Sustainable and Affordable Housing</li> </ol>
<b>Counsel Review</b>	May 9, 2019
<b>Contact Person</b>	Jill Smith, HACC Executive Director (503) 742-5336
<b>Contract No.</b>	Contract No. 9301

#### BACKGROUND:

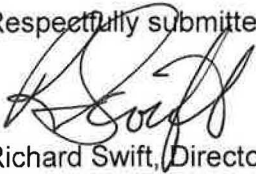
The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing and Human Services Department (H3S), requests approval to enter into an Intergovernmental Agreement (IGA) with Clackamas County, to fund a Housing Developer position. The investment in this position is important to the entire H3S Department as housing is the biggest need for the people we serve across our diverse business lines. Because of our recognition of this growing need the entire department is willing to invest in this position.

The HACC Housing Developer is a critical position in our efforts to redevelop our public housing portfolio and our ability to develop needed housing with Metro Affordable Housing Bond resources. The Housing Developer position is one which provides important project management through all phases of the development process and acts as an important linkage between our residents, the public, the stakeholders we collaborate with in regional government and the construction and finance industries. This one time funding will create the capacity within the Development team at HACC to redevelop Public Housing and ensure Metro bond funding is fully utilized in alignment with Metro requirements. This funding is adequate for three years and will be funded internally after that initial duration.

#### RECOMMENDATION:

Staff recommends the Board approve the Intergovernmental Agreement with Health, Housing and Human Services. Staff also recommends the Board authorize Jill Smith, HACC Executive Director, to sign the IGA on behalf of the Housing Authority Board of Commissioners, and Richard Swift to sign on behalf of the Clackamas County Board of County Commissioners.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'R. Swift', written over the printed name.

Richard Swift, Director  
Health, Housing and Human Services



**INTERGOVERNMENTAL AGREEMENT  
BETWEEN HOUSING AUTHORITY OF CLACKAMAS COUNTY  
AND CLACKAMAS COUNTY**

**I. Purpose**

- A. This Agreement is entered into between the Housing Authority of Clackamas County (HACC) and Clackamas County through its Health Housing and Human Services Department, Administration Division, for the provision of a full time Housing Developer. HACC is a Public Corporation, established under the Federal Housing Act of 1937 and the provisions of Chapter 456 of the Oregon Revised Statutes. Although it is a separate entity, the Housing Authority falls under the administrative structure of Clackamas County government as a Division within the Department of Health, Housing and Human Services (H3S). This Agreement is intended to memorialize the agreement for initial funding of a housing developer position at HACC ("Housing Developer").
- B. This Agreement provides the basis for a cooperative working relationship for HACC to hire a Housing Developer to implement and manage efforts in redevelopment of our public housing portfolio and develop needed housing with Metro Affordable Housing Bond. The Housing Developer position will provide project management through all phases of the development process and acts as an important linkage between our residents, our public image, and the critically important stakeholders we collaborate with in regional government and the construction and finance industries. The Scope of Work to be accomplished is described in Exhibit A (attached as "Exhibit A").

**II. Scope of Cooperation**

- A. H3S Administration agrees to:
  - 1. Provide HACC funding for the Housing Developer position for a period not to exceed three (3) years.
- B. HACC agrees to:
  - 1. Hire a qualified Housing Developer for their department to perform the duties described in Exhibit A.

**III. Budget and Terms of Payment for Services Rendered**

- A. Budget: The cost of purchasing the services of a full-time Housing Developer will be \$300,000.00 for three years. HACC will determine specified amount per year, not to exceed \$300,000.00 in the three years.
- B. Terms of Payment:
  - 1. HACC will submit an invoice for the annual cost for the Housing Developer position. Upon receipt of the invoice, H3S Administration will be the annual amount no later than July 1, 2019.

**IV. Other Terms**

- A. Monitoring and Measurement. H3S Administration and HACC will develop benchmarks or metrics for monitoring the Housing Developer's impact on outcomes listed in Exhibit A, Section II of this Agreement.
- B. Amendments. This Agreement may be amended at any time upon written agreement between H3S Administration and HACC. Amendments become a part of this Agreement only after any written amendment has been signed by the proper signatories for each department.
- C. Insurance Requirements. H3S Administration is insured by Clackamas County and HACC is insured by the Housing Authority Risk and Retention Pool (HARRP).
- D. Control of Personnel. The Housing Developer is solely the employee of HACC. Control of personnel, supervision, standards of performance, discipline, and all other aspects of performance shall be governed entirely by HACC. Allegations of misconduct shall be investigated in accordance with applicable HACC policy and procedures. All liabilities for salaries, wages, any other compensation, injury, or sickness arising from performance of the services provided by the Housing Developer shall be that of HACC.

**V. Term of Agreement**

- A. This agreement is effective July 1, 2019 and will terminate on June 30, 2022. The term of this Agreement may be extended by Amendment as noted in Section IV above.

**VI. Termination**

- A. This agreement may be terminated by either party upon a written notice submitted 45 days prior to requested termination date or immediately if extraordinary circumstances emerge including, but not limited to, loss of funding, personnel terminations, lack of need for services or other situations beyond the control of one or both parties to this agreement.

**HOUSING AUTHORITY OF  
CLACKAMAS COUNTY BOARD**

Commissioner Jim Bernard, Chair  
Commissioner Sonya Fischer  
Commissioner Ken Humberston  
Commissioner Paul Savas  
Commissioner Martha Schrader  
Resident Commissioner Paul Reynolds

Signing on Behalf of the Housing Authority Board

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Jill Smith, Executive Director  
Housing Authority of Clackamas County

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Date

**CLACKAMAS COUNTY**

Commissioner Jim Bernard, Chair  
Commissioner Sonya Fischer  
Commissioner Ken Humberston  
Commissioner Paul Savas  
Commissioner Martha Schrader

Signing on Behalf of the Clackamas County Board

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Richard Swift, Director  
Health, Housing and Human Services Department

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Date



## **Exhibit A - Scope of Work**

### **Housing Developer for Housing Authority of Clackamas County (HACC)**

#### **I. Logistics and Management of Position:**

In a typical day a Housing Developer may be responsible for: contract negotiations, resident interactions throughout our portfolio (including play a key role in understanding and planning of relocation of residents through redevelopment), collaboration with internal and external financing partners, coordination of community service providers and community stakeholders, and participating in policies and procedures that will help shape the role of the development department.

#### **II. Primary Work Responsibilities of Housing Developer:**

Duties may include but are not limited to the following:

1. Assembles and manages development teams; participates in the negotiation of contracts; monitors community input and land use review processes; obtains bids for professional services and works with County Procurement to enter into contracts; provides guidance to project partners such as: general contractors, architects, surveyors, geotechnical engineers, and County staff.
2. Guides the construction management process including preparation of requisitions and financial draw requests; collaborates with HACC Finance and accounting firms regarding project cost certifications and closeouts; coordinates transition of completed projects to the HACC Asset Management team.
3. Participates in defining project concepts to meet housing needs and carry out the HACC mission; locates and analyzes sites to obtain site control; assesses feasibility of project development and operation on assigned projects.
4. Assesses financial feasibility of assigned projects from concept through completion; assists in obtaining financing for assigned HACC projects including bonds, grants, loans, tax credits, and other subsidies through the preparation of funding applications; participates in the negotiation of financing agreements and real estate closings on assigned projects.
5. Assists with the coordination, preparation and submittal of grant and funding applications; ensures compliance with grant reporting requirements; serves as liaison with granting agency for assigned projects.
6. Works with service providers and other community resources to develop appropriate support services agreements for each housing development project.
7. Participates in developing policies and procedures for improving development processes; prepares recommendations for proposed changes including estimated fiscal and organizational impacts; produces reports required by funders and investors; establishes and maintains records of all activities.

COPY

June 6, 2019

Housing Authority Board of Commissioners  
Clackamas County

Members of the Board:

Approval to execute an Intergovernmental Agreement between the  
Housing Authority of Clackamas County and Health, Housing and Human Services for  
Property Maintenance and Repair of the Veteran Village property

<b>Purpose/Outcomes</b>	Approval to execute an Intergovernmental Agreement between the Housing Authority of Clackamas County and Health, Housing and Human Services for Property Maintenance and Repair of the Veterans Village property.
<b>Dollar Amount and Fiscal Impact</b>	Not to exceed \$150,000.000 over three years, as funds are approved by Board of County Commissioners
<b>Funding Source(s)</b>	County General Funds through Policy Level Proposal – Affordable Housing & Services Fund
<b>Duration</b>	June 6, 2019 – June 30, 2022
<b>Previous Board Action</b>	none
<b>Strategic Plan Alignment</b>	<ol style="list-style-type: none"><li>1. Sustainable and affordable housing</li><li>2. Individuals and families in need are healthy &amp; safe</li><li>3. Ensure safe, healthy and secure communities</li></ol>
<b>Counsel Review</b>	March 26, 2019
<b>Contact Person</b>	Jill Smith, HACC Executive Director (503) 742-5336
<b>Contract Number</b>	Contract No. 9283

**BACKGROUND:**

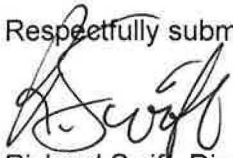
The Housing Authority of Clackamas County (HACC), a Division of the Health, Housing and Human Services Department (H3S), requests approval to enter into an Intergovernmental Agreement (IGA) with Clackamas County, to enable the funding of Property Maintenance and Repair at the Veteran's Village property.

The Housing Authority of Clackamas County has agreed to provide property maintenance and repair services for the Veteran's Village. The Veteran's Village project was sponsored by the Clackamas County Board of Commissioners to provide housing and services for homeless veterans in Clackamas County. The housing project is located at 16575 SE 115th Avenue, Clackamas, OR 97015. H3S is in charge of oversight of the project. H3S will work with the HACC to maintain the livability and safety of the site. HACC has a long standing history of successfully performing maintenance and repair services on housing and office properties.

**RECOMMENDATION:**

Staff recommends the Board approve the Intergovernmental Agreement with Health, Housing and Human Services. Staff also recommends the Board authorize Jill Smith, HACC Executive Director, to sign the IGA on behalf of the Housing Authority Board of Commissioners, and Richard Swift to sign on behalf of the Clackamas County Board of County Commissioners.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "R. Swift", written over the printed name.

Richard Swift, Director  
Health, Housing and Human Services

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN HOUSING AUTHORITY OF CLACKAMAS COUNTY  
AND CLACKAMAS COUNTY**

**I. Purpose**

- A. This Agreement is entered into between the Housing Authority of Clackamas County (HACC) and Clackamas County through its Health, Housing and the Department of Health Housing and Human Services (H3S) pursuant to ORS Chapter 190 and for purposes of providing property maintenance services at the Vet Village located at 16575 SE 115th Ave, Clackamas, OR 97015.
- B. The services to be provided by HACC are set forth in the Scope of Work, attached as "Exhibit A" and incorporated by this reference herein.

**II. Scope of Cooperation**

- A. H3S agrees to:
  - 1. Act as liaison between HACC and Vet Village resident management agent, Do Good Multnomah;
  - 2. Review and approve special project expenditures or estimates for work other than standard maintenance;
  - 3. Timely pay, within 30 days of receipt, all invoices received by HACC for the services described in Exhibit A and at the rates described in Exhibit B, attached hereto and incorporated by this reference herein.
- B. HACC agrees to:
  - 4. Provide property maintenance per the Scope of Work in Exhibit A of this Agreement;
  - 5. Collaborate with H3S in ensuring proper maintenance practices to maintain the residential and commercial structures in safe, decent and sanitary condition;
  - 6. Advise H3S on best maintenance practices and needs to maintain the integrity of all structures; and
  - 7. Invoice H3S on a quarterly basis.

**III. Budget and Terms of Payment for Services Rendered**

- A. Budget: The initial annual budget for this service will be \$50,000. H3S will manage the budget in collaboration with the HACC's liaison (see IV below).
- B. Payment for Services Rendered: HACC will invoice H3S on a quarterly basis. The costs of services are shown in Exhibit A of this Agreement. Services will be billed on an hourly basis and materials will be invoiced at cost plus five percent (5%) basis, as set forth in Exhibits A and B of this Agreement. H3S acknowledges and agrees that HACC's fee and rate schedule is subject to change, and it is H3S's responsibility to inquire as to HACC's current fee and rate schedule prior to requesting services. Invoice will show hours worked, rate of hourly workers and brief description of work performed.
- C. Terms of Payment: H3S agrees to pay HACC within 30 days of receipt of quarterly invoices.

**IV. Liaison Responsibility**

Liaison from HACC for the Program will be: Rich Malloy, 503-650-3128 or 971-221-2887, rmalloy@clackamas.us  
Liaison from H3S for the Program will be: Vahid Brown, 503-742-5345, VBrown@clackamas.us

**V. General Terms**

- A. Monitoring and Cost Control. Since the construction and physical nature of the Vet Village is unique and no clear standard for typical cost per unit in maintenance is available, HACC and H3S will meet quarterly or more frequently if necessary to discuss cost control and trends in expenditures for maintenance.
- B. Amendments. This Agreement may be amended at any time upon written agreement between HACC and H3S. Amendments become a part of this Agreement only after any written amendment has been signed by the proper signatories for each department.

- C. **Insurance Requirements.** The parties agree to maintain levels of insurance, or self-insurance, sufficient to satisfy their obligations under this Agreement and all requirements under applicable law. H3S agrees to name HACC as an additional insured under its self-insurance policy.
- D. **Renewal.** This agreement will renew automatically each year unless terminated by the parties as directed in Section VII below.
- E. **Indemnification:**  
Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, H3S agrees to indemnify, save harmless and defend HACC, its officers, elected officials, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts of H3S or its officers, elected officials, owners, employees, agents, or its subcontractors or anyone over which H3S has a right to control.
- Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, HACC agrees to indemnify, save harmless and defend H3S, its officers, elected officials, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts of HACC or its officers, elected officials, owners, employees, agents, or its subcontractors or anyone over which HACC has a right to control.
- F. **Limitations of Services:** Notwithstanding any other provision of this Agreement, the undersigned parties expressly agree and acknowledge that the services provided in this Agreement are subject to the availability of HACC resources, as determined by HACC in its sole administrative discretion. HACC may, for any reason, decline to provide H3S the services described in Exhibit A. HACC further reserves the right to prioritize or reschedule the services described in Exhibit A in the event of scheduling conflicts, budgetary concerns, emergencies, lack of expertise in a given area, or any other reason as determined by HACC in its sole discretion.
- G. **No Warranties:** The services are provided under this Agreement are as-is. HACC expressly disclaim all warranties, representations and guarantees of any kind, whether oral or written, express, implied, statutory or otherwise with respect to the services provided under this Agreement.

## **VI. Term and Termination of Agreement**

- A. This agreement is effective upon execution by both parties, and will terminate on June 30, 2022.
- B. Termination.
- Either party may terminate this Agreement for convenience at any time upon forty-five (45) days written notice to the other party.
  - Either H3S or HACC may terminate this Agreement in the event of a breach of the Agreement by the other. Prior to such termination however, the party seeking the termination shall give the other party written notice of the breach and of the party's intent to terminate. If the breaching party has not entirely cured the breach within fifteen (15) days of deemed or actual receipt of the notice, then the party giving notice may terminate the Agreement at any time thereafter by giving written notice of termination stating the effective date of the termination. If the default is of such a nature that it cannot be completely remedied within such fifteen (15) day period, this provision shall be complied with if the breaching party begins correction of the default within the fifteen (15) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable. The party giving notice shall not be required to give more than one (1) notice for a similar default in any twelve (12) month period.
  - H3S or HACC shall not be deemed to have waived any breach of this Agreement by the other party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach is of the same nature as that waived.

- d. Either party may terminate this Agreement in the event that party fails to receive expenditure authority sufficient to allow that party, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement, or if federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the services to be performed under this Agreement are prohibited or either party is prohibited from paying for such services from the planned funding source.
- e. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the parties prior to termination.

**HOUSING AUTHORITY OF  
CLACKAMAS COUNTY BOARD**

Commissioner Jim Bernard, Chair  
Commissioner Sonya Fischer  
Commissioner Ken Humberston  
Commissioner Paul Savas  
Commissioner Martha Schrader  
Resident Commissioner Paul Reynolds

Signing on Behalf of the Housing Authority Board

---

Jill Smith, Executive Director  
Housing Authority of Clackamas County

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Date

**CLACKAMAS COUNTY**

Commissioner Jim Bernard, Chair  
Commissioner Sonya Fischer  
Commissioner Ken Humberston  
Commissioner Paul Savas  
Commissioner Martha Schrader

Signing on Behalf of the Clackamas County Board

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Richard Swift, Director  
Health, Housing and Human Services Department

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Date

# EXHIBIT A – SCOPE OF WORK

## Maintenance at the Vet Village

### I. Scope of General Maintenance Services:

1. **General Repairs to Structures:** Conduct general repairs on all structures including but not limited to, doors and windows and related hardware, plumbing fixtures, electrical fixtures, flooring, roofing, vents and ventilation, walls, ceilings, stairs, handrails, gutters & downspouts, counters, cabinets, storage shelves, permanently installed bed frames.
2. **Grounds:** General clean-up of debris including vegetation, garbage or unsightly abandoned personal property, trimming of shrubs trees, removal of weeds or other invasive vegetation that is unsightly or a nuisance. Weeds or other unwanted vegetation may be sprayed per the limitations of staff licensing under applicable laws for use of chemicals for such purposes.
3. **Plumbing:** Unclog or repair toilets or drains as necessary to ensure safe and sanitary use. Repair plumbing leaks related to water supply lines, toilets, showers and kitchen sinks.
4. **Electrical:** Conduct electrical repairs not required by a licensed electrician with the exception of repairs made by staff who have the proper certifications or credentials.
5. **General Construction:** Conduct general construction tasks as requested by H3S including but not limited to installation of doors, windows, cabinets, countertops, flooring or other interior or exterior structural additions or modifications.
6. **Site Security:** HACC will make repairs to site security features such as fences or lighting as reasonable. HACC may contact an outside vendor for repairs that it is not qualified to complete.
7. **Health and Safety:** HACC will work with the local fire district to ensure fire safety code and measures are met. Smoke and carbon monoxide detectors will be checked on a regular basis.
8. **Periodic Inspections:** HACC will conduct an initial inspection to assess property maintenance needs, especially routine maintenance needs, to ensure safe and efficient operations of equipment (e.g. HVAC, plumbing, electrical, smoke and CO2 detectors etc.). HACC will conduct at least an annual inspection at which time general maintenance deficiencies will be corrected.
9. **Limitations:** HACC does not repair appliances but will install appliances provided by H3S, if feasible. If repair work or other maintenance requires use of an outside contractor, H3S will follow all applicable state and local procurement procedures, statutes, and regulations in the procurement of those goods and services. HACC may, upon written agreement by both parties, reimburse H3S for all or some of the costs of required third party services.

### II. Compensation – Technician Hourly Fee, Mileage, Materials and Vendors:

1. **Fee for Service:** HACC will charge an hourly fee based the applicable HACC technician's hourly rate plus overhead (see Exhibit B - Hourly Rate Schedule). This schedule includes both regular and After Hours rates. HACC will charge a mileage fee based on the published IRS mileage rate for business miles driven from the HACC maintenance shop to the Vet Village and for the return trip HACC. Materials will be billed at HACC's cost.

After hours charges will have a minimum labor charge of 2 hours at the time and one-half rate listed in Attachment B - Hourly Rate Schedule. HACC will strive to utilize the most economical technician available.



However, with the exception of after-hours calls which may vary depending on which technicians are available for On Call After Hours Emergency Service. HACC will also strive to triage calls over the phone to reduce maintenance costs to the Management Agent. Rates will be subject to an annual cost of living adjustment (COLA).

2. Cost Control: HACC will strive to contain costs through utilizing its special pricing for materials, matching the technician with the level of work being performed, minimizing travel costs by overlapping mileage with other maintenance calls in the area and obtaining the best price for the value from vendors.
3. Materials: Materials and supplies will be billed at cost plus 5%.
4. HACC will bill Management Agent Monthly. Management agent shall remit payments for service to: Housing Authority of Clackamas County, PO Box 1510, 13930 S. Gain Street, Oregon City, OR 97045.

**III. Call for Service:**

1. The Vet Village should utilize the HACC Maintenance Line at 503-650-3535 ext. 3 or 4 during regular working hours 7:00 a.m. to 5:00 p.m. Monday through Thursday. After 5:00 p.m. on Thursday until 7:00 a.m. on Monday and Holidays that occur during Monday through Friday call the "After Hours emergency line at 503-780-3896. After hours charges will be billed at the rates shown in III.B above. There is a minimum charge of two hours labor for any After Hours calls for service. Technicians strive to triage calls over the phone to ensure the call is indeed an emergency and cannot wait until the next regular business day when a technician can repair the problem at regular hourly rates for service.

## Exhibit B - Hourly Rate Schedule

The table below includes the hourly rates for the 2019 program year. Rates are subject to change with annual cost of living or merit increases. Rates include all personnel costs including wages, benefits, taxes and overhead for administration. It is H3S's responsibility to inquire as to HACC's current fee and rate schedule prior to requesting services.

<b>HOUSING AUTHORITY OF CLACKAMAS COUNTY</b>		
<b>Hourly Maintenance Labor Rates - 2019</b>		
<b><i>POSITION</i></b>	<b><i>Regular Rate</i></b>	<b><i>Overtime Rate</i></b>
Maintenance Coordinator	\$69.49	\$98.93
Maintenance Specialist	\$57.43	\$81.77
Maintenance Assistant	\$45.58	\$64.89

June 6, 2019

Housing Authority Board of Commissioners  
Clackamas County

Members of the Board:

Approve an Intergovernmental Agreement between the Housing Authority of Clackamas County and Metro for the Webster Road property acquisition; approve the execution of all real estate documents pertaining to the acquisition of 1800 Webster Road, Gladstone, OR 97027

<b>Purpose/Outcomes</b>	Approve an Intergovernmental Agreement and all exhibits thereto between the Housing Authority of Clackamas County and Metro for the Webster Road property acquisition; approve the execution of all real estate documents pertaining to the acquisition of 1800 Webster Road, Gladstone, OR 97027 and authorization for signing authority be granted to Jill Smith, Executive Director of HACC or Richard Swift, Director of H3S, to sign all pertinent documents on behalf of the Housing Authority of Clackamas County
<b>Dollar Amount and Fiscal Impact</b>	Not to exceed \$2.7MM for acquisition and predevelopment financing.
<b>Funding Source(s)</b>	All funds are being provided by Metro Affordable Housing Bond proceeds
<b>Duration</b>	The acquisition financing is for a period of three (3) years from execution. On or before the end of the three (3) year period, HACC will apply for additional financing sources to complete the rehabilitation and modernization of the site. Sources may include but are not limited to the following: Metro Affordable Housing Bond; Permanent Supportive Housing (PSH) resources; 4% Low Income Housing Tax Credits (LIHTC); Project Based Section 8 (PSB) Vouchers; Permanent Loan
<b>Previous Board Action</b>	The Board previously authorized through Executive Session, entering into a purchase and Sale Agreement (PSA) on 6/12/18. Through Executive Session on 4/9/19, the board authorized moving forward with the final real estate transaction and entering into the necessary documents with Metro for closing.
<b>Strategic Plan Alignment</b>	<ol style="list-style-type: none"> <li>1. Sustainable and affordable housing</li> <li>2. Individuals and families in need are healthy &amp; safe</li> <li>3. Ensure safe, healthy and secure communities</li> </ol>
<b>Counsel Review</b>	May 23, 2019
<b>Contact Person</b>	Jill Smith, HACC Executive Director (503) 742-5336 & Stephen McMurtrey, Director of Housing Development (503) 650-3414
<b>Contract Number</b>	N/A

#### BACKGROUND:

The Housing Authority of the Health, Housing & Human Services Department request the Approval of an Intergovernmental Agreement with Metro for the Webster Road property acquisition; approve the execution of all real estate documents pertaining to the acquisition of 1800 Webster

Road, Gladstone, OR 97027. Gladstone SRO Redevelopment is the acquisition/redevelopment of a former 50-room youth congregate housing facility located at 18000 Webster Road, Gladstone, OR 97027. Located within the heart of Clackamas County's commercial and industrial corridor this redevelopment will provide an important resource for high barrier individuals within the County. Previously the Board was introduced to the property on June 6<sup>th</sup> 2018 and updated on the property on April 9<sup>th</sup> 2019. The Board concurred with HACC proceeding with negotiations to acquire the building for \$2.5MM and also to continue negotiations with Metro, through Intergovernmental Agreement, to use Metro Affordable Housing Bond proceeds to acquire the site and HACC's predevelopment investments to date. A purchase and sale agreement was previously executed, and HACC requests the Board to ratify execution of that agreement and approve amendments thereto, which are included as part of the real estate documents pertaining to the acquisition.

In November of 2018 voters in Clackamas, Washington, and Multnomah Counties approved the creation of a Metro Affordable Housing Bond in the amount of \$652.8MM for the acquisition and new construction of affordable housing units throughout the Metro Urban Growth Boundaries of each jurisdiction (UGB). The acquisition of 18000 Webster Road using these funds is detailed in the tables below:

	Metro Bond	% of Total
Clackamas County Allocation	\$116,188,094	100.0%
<u>Utilized to date</u> 18000 Webster Road	\$2,700,000.00	2%
Balance Remaining		98%

	Unit Production Targets			% of Total
Clackamas County	Total	30% AMI	Family size	
	812	333	403	
18000 Webster Road	45	45	0	6% of Total units; 14% of units at 30% AMI
Balance Remaining	762	288	0	94%

The expected development outcomes from the acquisition of 18000 Webster Road will be the development of 45 units of single-room occupancy (SRO) units in Gladstone serving low-income individuals in a PSH setting. The SRO unit is a missing piece of the County inventory and provides much needed housing for many that need a more in-depth supportive housing model.

All terms and conditions of the transactional documents with the property sellers and with Metro have been reviewed and approved through Clackamas County Counsel.

#### Attached for your review

- Intergovernmental Agreement with all Exhibits
- Purchase and Sale Agreement with all accompanying real estate documentation

*Healthy Families. Strong Communities.*

**RECOMMENDATION:**

Staff recommends the Board approve the Intergovernmental Agreement with Metro for the acquisition of 18000 Webster Road using Metro Affordable Housing Bond resources. Staff recommends the Board ratify the previously-executed purchase and sale agreement, execute the 2<sup>nd</sup> and 3<sup>rd</sup> amendments to the purchase and sale agreement, and approve final execution of all real estate documents for this transaction.

Staff also recommends the Board authorize Jill Smith, HACC Executive Director, or Richard Swift, Director of H3S, to sign the IGA and all pertinent real estate documentation on behalf of the Housing Authority of Clackamas County.

Respectfully submitted,

Richard Swift, Director  
Health, Housing and Human Services



600 NE Grand Ave.  
Portland, OR 97232-2736  
(503) 797-1700

# Intergovernmental Agreement

## Housing Bond Measure Phase I

**Metro Contract No. 936098**

THIS INTERGOVERNMENTAL AGREEMENT ("Agreement") is between Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 N.E. Grand Avenue, Portland, Oregon 97232-2736, and the Housing Authority of Clackamas County ("Local Implementation Partner"), located at 13930 Gain Street, Oregon City, Oregon 97045 and is dated effective as of the last day of signature set forth below (the "Effective Date").

### RECITALS

A. The electors of Metro approved Ballot Measure 26-199 on November 6, 2018 (the "Bond Measure"), authorizing Metro to issue \$652.8 million in general obligation bonds to fund affordable housing (the "Bonds").

B. On January 31, 2019, the Metro Council adopted Resolution No. 19-4956, approving the Metro Affordable Housing Bond Measure Program Work Plan (the "Work Plan") which, among other things, allows Metro to distribute a portion of the proceeds of the Bonds (the "Bond Proceeds") to eligible local government affordable housing implementation partners.

C. Local Implementation Partner is a participating local government partner potentially eligible to receive Bond Proceeds under the Work Plan.

D. In accordance with the Work Plan, Local Implementation Partner is in the process of completing its Local Implementation Strategy, and anticipates it will be approximately five months before Local Implementation Partner has completed this strategy and is eligible to receive Bond Proceeds under the Work Plan.

E. Local Implementation Partner has identified an opportunity to acquire certain real property and improvements in the City of Gladstone, which Local Implementation Partner intends to rehabilitate to create 45 single-room occupancy (SRO) units providing long-term supportive housing.

F. In an effort to advance this opportunity without delay, Local Implementation Partner desires to use Bond Proceeds to acquire the Gladstone property prior to Local Implementation Partner's completion of its Local Implementation Strategy.

G. The parties desire to enter into this Agreement to provide the terms and conditions under which Metro will provide advance Bond Proceeds to Local Implementation Partner to use for property acquisition.

## AGREEMENT

### 1. Purpose

The purpose of this Agreement is to provide Bond Proceeds to Local Implementation Partner for it to use to acquire certain real property commonly described as 18000 SE Webster Road, Gladstone, Oregon, and legally described in Exhibit A attached to this Agreement (the "Property"). Following acquisition, Local Implementation Partner plans to enter into a development and disposition agreement with a third-party (the "Project Developer") to redevelop the Property into affordable housing that supports veterans, seniors, and the disabled who are experiencing homelessness so they may transition to long-term supportive housing (the "Project"). The Project is more fully described in Exhibit B attached to this Agreement.

### 2. Metro Funding and Eligible Uses

Subject to Local Implementation Partner's full and complete performance under this Agreement, including without limitation, the Conditions Precedent to funding set forth below in Section 3, Metro will disburse to Local Implementation Partner Bond Proceeds in the amount not to exceed \$2,700,000.00 (the "Project Funds"). Local Implementation Partner may use the Project Funds, and any investment earnings thereon, only for the Property acquisition costs set forth in the "Permitted Acquisition Costs List" attached hereto as Exhibit C. Investment earning on the Project funds may only be expended on costs set forth in the Permitted Acquisition Costs List.

### 3. Conditions Precedent to Funding

The conditions precedent to disbursement (the "Conditions Precedent") of the Project Funds set forth on attached Exhibit D must be satisfied prior to Metro's obligation to provide the Project Funds to Local Implementation Partner. These Conditions Precedent to disbursement are solely for Metro's benefit, and Metro will have the sole right and discretion to waive by written notice any of the conditions.

### 4. Affordable Housing Restrictive Covenant

Contemporaneously with Local Implementation Partner's acquisition of fee title to the Property, Local Implementation Partner will cause to be recorded a fully executed and acknowledged Affordable Housing Restrictive Covenant, substantially in the form attached hereto as Exhibit E (the "Covenant"). The Covenant will be executed and acknowledged by Metro and Local Implementation Partner and recorded in the official deed records of Clackamas County, free and clear of all liens and encumbrances, except for the permitted exceptions agreed to by Metro. If



for any reason Local Implementation Partner fails to record the Covenant, then Metro may, at its sole option and upon written notice to Local Implementation Partner, terminate this Agreement, in which case any Project Funds delivered to Local Implementation Partner shall be immediately due and payable by Local Implementation Partner to Metro. The parties to this Agreement acknowledge and agree that upon the closing of the financing of the Project, or at such time as is reasonably required to permit Local Implementation Partner to receive funding to perform the redevelopment construction work described in Exhibit B, Local Implementation Partner and the Project developer will execute, deliver and record a restrictive covenant imposing long-term affordability restrictions on the Project in form and substance mutually acceptable to the parties, at which time Metro will release the Covenant so that it is removed from title.

#### **5. Failure to Acquire; Failure to Redevelop**

a) By accepting the Project Funds, Local Implementation Partner agrees to use best efforts to diligently acquire the Property and develop the Property to support the affordable housing program as described in the attached Exhibit B. If Local Implementation Partner fails to acquire the Property within thirty (30) days after the Effective Date, unless Metro otherwise directs in writing, the Project Funds, including any interest earned thereon shall be immediately due and payable to Metro by Local Implementation Partner.

b) If Local Implementation Partner acquires the Property but thereafter is unable to proceed with the development and financing of the Project or to commence construction support to the Project described in the attached Exhibit B on or before four (4) years following the Effective Date, Local Implementation Partner will immediately repay Metro the amount of the Project Funds, at which time Metro will release the Covenant recorded against the Property.

c) Local Implementation Partner acknowledges and expressly affirms its repayment obligations set forth in this section even if failure to acquire or redevelop the Property is through no fault of Local Implementation Partner. The obligations to repay include, without limitation, the obligation to return any Project Funds that Local Implementation Partner may have already obligated or spent on purposes approved and set forth on Exhibit C.

#### **6. General Obligation Bonds**

a) Local Implementation Partner acknowledges that the Project Funds are proceeds derived from the sale of voter-approved general obligation bonds that are to be repaid using ad valorem property taxes exempt from the limitations of Article XI, sections 11 and 11b of the Oregon Constitution. Local Implementation Partner covenants and agrees that it will take no actions that would adversely affect the validity of the Bonds or cause Metro not to be able to

levy and collect the real property taxes imposed to repay these bonds, which are exempt from Oregon's constitutional property tax limitations. Local Implementation Partner further covenants and agrees that (a) the Project Funds disbursed hereunder will be used only to pay for or reimburse costs that are of a type that are properly chargeable to a Capital Costs (or would be so chargeable with a proper election) to comply with the Oregon Constitution and other applicable laws with respect to the permitted expenditure of general obligation bond proceeds; and (b) it will take all reasonable measures to ensure that Bond Proceeds are expended consistent with the purposes of the Work Plan.

b) If Local Implementation Partner breaches the foregoing covenants, Local Implementation Partner will immediately undertake whatever remedies or other action may be necessary to cure the default and to compensate Metro for any loss it may suffer as a result thereof, including, without limitation, repayment to Metro of the Project Funds.

#### **7. Right to Withhold payments**

Metro may withhold payments to Local Implementation Partner as necessary, in Metro's reasonable opinion, to protect Metro against any loss, damage or claim which may result from Local Implementation Partner's performance or failure to perform under this Agreement.

#### **8. Funding Recognition**

Local Implementation Partner must publically recognize Metro and use of Metro's Bond proceeds in any publications, media presentations, or other presentations referencing the Property or the Project produced by or at the direction of Local Implementation Partner, including, without limitation, any on-site signage. Local Implementation Partner will also take all reasonable measures to require the Project Developer to recognize Metro and use of Metro's Bond proceeds in connection to any publications, media presentations, or other presentations referencing the Property or the Project. Local Implementation Partner will provide Metro with thirty (30) days' notice of any event recognizing, celebrating or commemorating any ground-breaking, completion, ribbon cutting or opening of an affordable housing development of the Property, and an opportunity to participate. Local Implementation Partner shall ensure that Metro will be officially recognized for its contribution to Project funding at any such event, and provide a speaking opportunity for the Metro elected official representing the district in which the Property is located, if such opportunities are provided to other third parties.

## **9. Notice of Project Risk**

Local Implementation Partner must inform Metro immediately of any actual or potential problems or defects that present potential risk to the Project moving forward.

## **10. Termination**

(a) Metro and Local Implementation Partner may jointly terminate all or part of this Agreement based upon a determination that such action is in the public interest. Termination under this provision will be effective upon ten (10) days' written notice of termination issued by Metro subject to that mutual agreement. In the event of a joint termination, Local Implementation Partner will reimburse Metro for all funds distributed to Local Implementation Partner under this Agreement, as well as any earnings thereon.

(b) Metro may terminate this Agreement at any time during the term if Metro reasonably determines that Local Implementation Partner has failed to comply with any provision of this Agreement and is in default hereunder. Metro will promptly document such default and notify Local Implementation Partner in writing of such determination. Local Implementation Partner will have thirty (30) days after receipt of written notice to cure any default. If the default cannot be cured within thirty (30) days, Local Implementation Partner will not be in default so long as it reasonably pursues with all due diligence to cure the default. In the event of termination of this Agreement pursuant to Section 5 or 6, Local Implementation Partner will reimburse Metro for all funds distributed to Local Implementation Partner under this Agreement, as well as any earnings thereon.

## **11. Local Implementation Partner Reporting Requirements**

(a) Beginning with the disbursement of the Project Funds, and continuing each calendar quarter thereafter until the Property is acquired; Local Implementation Partner will provide a report to Metro on or before the 15th day after the end of the immediately preceding calendar quarter containing the information described in this paragraph. Local Implementation Partner's first report will be due on or before October 15, 2019. Each report will contain: (i) an itemized list of Local Implementation Partner's expenditure of the Project Funds (and interest earnings thereon) through the end of the applicable calendar quarter detailing each entity to whom moneys were directly paid by Local Implementation Partner and the amount paid, (ii) information on Local Implementation Partner's progress in completing the Property acquisition against Local Implementation Partner's established timelines or deadlines, and (iii) a copy of Local Implementation Partner's itemized financial report of income and expenses for the acquisition of the Property to date.

(b) Promptly after acquisition of the property and in no event later than the expiration date of this Agreement, Local Implementation Partner will furnish Metro with a final report on the Property acquisition. The final report will contain a compilation related to the acquisition of the Property of the same information as provided in each quarterly report on Local Implementation Partner's expenditure of the Project Funds (and interest earnings thereon) and Local Implementation Partner's final itemized financial report of income and expenses for the Property acquisition.

(c) Local Implementation Partner will provide to Metro any other additional reports as Metro may reasonably request from time to time.

## **12. Audits, Inspections and Retention of Records**

Local Implementation Partner will keep proper books of account and records on all activities associated with the expenditure of all funds disbursed by Metro under this Agreement. Local Implementation Partner will maintain these books of account and records in accordance with generally accepted accounting principles through the date that is three (3) years after the anticipated maturity date of the Bonds or the anticipated maturity date of any obligations issued by Metro to refund the Bonds. Metro expects the Bonds will be outstanding until approximately May of 2039. Local Implementation Partner will permit Metro and its duly authorized representatives, upon prior written notice, to inspect books and records, properties, all work done, labor performed and materials furnished during normal business hours, and to review and make excerpts and transcripts of its books of account and records with respect to the receipt and disbursement of Bond Proceeds received from Metro. Access to these books of account and records is not limited to the required retention period. Metro's authorized representatives will have access to records upon reasonable notice at any reasonable time for as long as the records are maintained.

## **13. Notices and Parties' Representatives**

Any notices permitted or required by this Agreement will be addressed to the other party's representative(s) designated in this Section of this Agreement and will be deemed provided (a) on the date they are personally delivered, (b) on the date they are sent via facsimile, or (c) on the third day after they are deposited in the United States mail, postage fully prepaid, by certified mail return receipt requested. Either party may change its representative(s) and the contact information for its representative(s) by providing notice in compliance with this Section of this Agreement.

Metro:  
Emily Lieb  
600 NE Grand Ave.  
Portland, OR 97232  
503-797-1921  
[Emily.Lieb@oregonmetro.gov](mailto:Emily.Lieb@oregonmetro.gov)

Local Implementation Partner:  
Housing Authority of Clackamas County  
13930 Gain Street  
Oregon City, Oregon 97045  
ATTN: \_\_\_\_\_  
\_\_\_\_\_

#### **14. State and Local Law Compliance**

Local Implementation Partner must comply with all applicable federal, state, and local laws, regulations, executive orders and ordinances applicable to its acquisition and ownership of the Property, including future construction and development of the Property. By accepting the Project Funds, Local Implementation Partner agrees to use the Property solely for lawful purposes that comply with the Covenant.

#### **15. Discrimination Prohibited**

No recipient or proposed recipient of any services or other assistance under the provisions of this Agreement or any program related to this Agreement may be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with the funds made available through this Agreement on the grounds of race, color, or national origin, 42 U.S.C. §2000d (Title VI), or on the grounds of religion, sex, ancestry, age, or disability as that term is defined in the Americans with Disabilities Act. For purposes of this section, "program or activity" is defined as any function conducted by an identifiable administrative unit of Local Implementation Partner receiving funds pursuant to this Agreement.

#### **16. Insurance; Indemnification**

(a) Metro is self-insured for general liability insurance and workers' compensation insurance coverage and is responsible for the wages and benefits of its respective employees performing any work or services related to this Agreement. Local Implementation Partner is responsible for the wages and benefits of its respective employees performing any work or services related to this Agreement and has the following types of insurance, covering Local Implementation Partner, its employees, subcontractors and agents:

- i. ISO (Insurance Services Office) Approved Commercial General Liability policy, written on an occurrence basis, with limits not less than \$1,000,000 per occurrence. The policy includes coverage for bodily injury, death, property damage, personal injury, products/completed operations, and contractual liability assumed under this Agreement;

ii. Automobile insurance with coverage for bodily injury and property damage and with limits not less than minimum of \$1,000,000 per accident or combined single limit; and

iii. Workers' Compensation insurance meeting Oregon statutory requirements including Employer's Liability with limits not less than \$1,000,000 per accident or disease.

(b) Subject to the limitations and conditions of the Oregon Tort Claims Act, ORS chapter 30 and Article XI, Section 10 of the Oregon Constitution, Local Implementation Partner will defend, indemnify and hold harmless, Metro from and against any and all liabilities, claims, demands, damages, actions, costs, penalties, losses and expenses arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts of Local Implementation Partner, or its employees, agents, directors or officers, in connection with performance of this Agreement. ,

(c) In no event will either party be liable for special, punitive, exemplary, consequential, incidental or indirect losses or damages (in tort, contract or otherwise) under or in respect of this Agreement or for any failure of performance related to delivery of the Project Funds for this Agreement, however caused, whether or not arising from a party's sole, joint or concurrent negligence.

## **17. Governing Law**

This Agreement will be governed in accordance with the laws of the State of Oregon, without resort to any jurisdiction's conflicts of laws, rules, and doctrines. Any litigation between the parties that arises out of or relates to the performance of this Agreement will occur in the Multnomah County Circuit Court.

## **18. No Third Party Beneficiaries**

Local Implementation Partner and Metro are the only parties to this Agreement and are the only parties entitled to enforce its terms and the sole beneficiaries hereof. Nothing in this Agreement gives, is intended to give, or will be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons any greater than the right and benefits enjoyed by the general public.

## **19. Relationship of Parties**

Nothing in this Agreement or any acts of the parties hereunder shall be deemed or construed by the parties, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture or any association between any Local Implementation Partner and Metro. Furthermore, Metro will not be considered the owner, contractor or the developer of

the Property. This Agreement is not intended to be a contract that provides for the development or construction of the Property, either directly with a construction contractor or through a developer. Metro specifically waives any provision contained in this Agreement, to the extent it is construed to provide Metro the right to manage, direct or control the developer, general contractor or the subcontractors. The rights and duties of the developer, the general contractor and the subcontractors are the subject of a separate contract or contracts with Local Implementation Partner to which Metro is not a party.

#### **20. Assignment; Merger; Entire Agreement**

This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstance, be assigned or transferred by Local Implementation Partner without Metro's written consent. This Agreement and attached exhibit(s) constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. The failure to enforce any provision of this Agreement does not constitute a waiver by Metro of that or any other provision. No waiver, consent, modification or change of terms of this Agreement will bind either party unless it is in writing and signed by both parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, will be effective only in the specific instance and for the specific purpose given. The failure of a party to enforce any provision of this Agreement will not constitute a waiver by that party of that provision, or of any other provision.

#### **21. Further Assurances**

Each of the Parties will execute and deliver any and all additional papers, documents, and other assurances, and will do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent and agreements of the parties hereto.

#### **22. Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which will constitute one and the same instrument.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

**METRO**

**LOCAL IMPLEMENTATION PARTNER**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Exhibit A: The Property

Exhibit B: Affordable Housing Redevelopment Project Description

Exhibit C: Permitted Acquisition Costs List

Exhibit D: Conditions Precedent to Funding

Exhibit E: Affordable Housing Restrictive Covenant

# Intergovernmental Agreement

## The Property – Exhibit A

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**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

A tract of land situated in the Southeast one-quarter of Section 17, Township 2 South, Range 2 East of the Willamette Meridian, in the City of Gladstone, in the County of Clackamas and State of Oregon, being a part of the Fendal Cason Donation Land Claim No. 50, being more particularly described as follows:

Beginning at the re-entrant corner on the North line of the Fendal Cason Donation Land Claim No. 50, which point is marked by a Clackamas County Surveyor's monument being a 4 inch diameter brass disk in Webster Road; thence South 88°09'09" East along the North line of said Cason Donation Land Claim, 251.04 feet; thence leaving said North line, South 01°30'08" West 29.29 feet to a 5/8 inch iron rod; thence South 88°29'52" East 20.00 feet to a 5/8 inch iron rod; thence South 01°30'08" West 223.03 feet to a 5/8 inch iron rod; thence South 29°16'50" West 30.62 feet to a 5/8 inch iron rod; thence South 61°18'23" West 35.71 feet; thence South 74°10'34" West 95.53 feet to a 5/8 inch iron rod; thence North 80°31'47" West 58.22 feet to a 5/8 inch iron rod; thence on a curve to the left having a radius of 50.00 feet through a central angle of 38°00'36" (chord bears South 80°27'55" West 32.57 feet) 33.17 feet to a 5/8 inch iron rod; thence South 61°27'37" West 73.42 feet to a 5/8 inch iron rod on the Southerly line of that certain tract of land conveyed to Carl Campbell, et al, recorded in Book 680, Page 774, Deed Records; thence South 78°49'11" West along the Southerly line of said Campbell Tract, 116.54 feet to the centerline of Webster Road, as existing on March 23, 1966, from which point a 1/2 inch iron rod bears North 78°49'11" East 35.20 feet; thence North 20°19'11" East along said centerline, 409.73 feet to the point of beginning.

# Intergovernmental Agreement

## Affordable Housing Redevelopment Project Description – Exhibit B

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**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

Redevelopment of the site (2.21 acre parcel) and existing building (estimated to be between 27,000-31,000 square feet) to create 45 single-room occupancy (SRO) units providing long-term supportive housing for individuals making less than 30% of area median income (AMI), with a focus on serving individuals exiting homelessness.

The Housing Authority of Clackamas County will maintain ownership of the property, and will contract with a third-party service provider to operate the facility under a permanent supportive housing model.

The Housing Authority of Clackamas County anticipates use of the following resources to achieve its development plan:

- Project Based Section 8 vouchers;
- 4% Low Income Housing Tax Credits
- Tax Exempt private activity bonds
- Metro Housing Bond funding
- Permanent bank financing

The Housing Authority of Clackamas County plans to close on its construction financing in late 2019. The Project development will be consistent with and incorporate the processes and policies set forth in the Housing Authority of Clackamas County's forthcoming Bond Measure Local Implementation Strategy.

# Intergovernmental Agreement

## Permitted Acquisition Costs List – Exhibit C



**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

Vendor	Description	Amount
Lawyers Title	Acquisition- Building	\$2,500,000.00
Lawyers Title	Escrow Pmts. 1 & 2	\$50,000.00
Dalla Terra Architecture	Feasibility Study/Owner's Rep	\$2,200.00
Colliers International	Amendment to Real Estate Agreement (REA) 1-3; Drafting and Negotiating required extensions to REA with sellers; Brokers Opinion of Value (BOV)	\$5,700.00
PBS Engineering & Environmental	Phase I and Hazardous Materials Survey (HMS)	\$10,738.00
DJC	RFQ for Architectural Services	\$44.55
Office Max	Gladstone Plans and Printing Costs for acquisition	\$48.88
GTG Consultants, PC	Capital Needs Assessment (CNA)/ Seismic Risk Evaluation (SRE)	\$11,774.00
Clackamas County Counsel	Review and Advise regarding REA and Metro Documents	\$597.68
Colliers International	Property Appraisal	\$4,980.00
Clackamas County Development Services	Pre-Application submittal/Conference	\$500.00
Rob Sullivan, Outside Counsel	File review for Conditional Use Permit (CUP)	\$12,750.00
Lawyers Title	Title Closing Costs	\$10,000.00 - NTE

**Grand Total: \$2,609,333.11**

# Intergovernmental Agreement

## Conditions Precedent to Funding – Exhibit D



**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

Metro shall have received and approved the following due diligence documents:

Item		Status
Copy of purchase and sale agreement, option agreement, or sales contract for the property acquisition		
Third party appraisal, supporting the purchase price		
Preliminary Title Report		
Phase I ESA or Environmental Screening Report		
Soils/Geotechnical Report		
OHCS 4% Pre-App Site Checklist		
Zoning capacity assessment (prepared by architect)		
Plan for preserving 10-Year Hold Rule safe harbor		
Schematic site plan, massing drawing, with unit count (prepared by architect with knowledge of local building codes)		
Letter of endorsement		
Local Implementation Partner staff report		
Conceptual sources and uses		

# Intergovernmental Agreement

## Affordable Housing Restrictive Covenant – Exhibit E

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After recording return to:  
Office of Metro Attorney  
600 NE Grand Avenue  
Portland, OR 97232-2736  
Attn: \_\_\_\_\_

### DECLARATION OF AFFORDABLE HOUSING LAND USE RESTRICTIVE COVENANTS

This Declaration of Affordable Housing Land Use Restrictive Covenants (this "Declaration") is entered into as of \_\_\_\_\_, 2019 (the "Effective Date"), by and between Metro, a municipal corporation of the State of Oregon ("Metro") and \_\_\_\_\_, a \_\_\_\_\_ ("Owner").

#### RECITALS

A. Owner is the owner of certain real property commonly known as 18000 Webster Road in Gladstone, Oregon, and legally described on Exhibit A attached hereto.

B. Owner and Metro are parties to that certain Intergovernmental Agreement dated \_\_\_\_\_, 20\_\_ (the "IGA"), pursuant to which Metro provided to Owner certain funds applied by the Owner to acquire the Property, which funds were proceeds of certain general obligation bonds issued by Metro for the limited purpose of funding affordable housing projects as authorized by Measure 26-199 approved by the voters on November 6, 2019 (the "Ballot Title").

C. Owner plans to improve a 2.21 acre parcel and modify an existing building from its current use as a congregate care facility into single room occupancy (SRO) units providing long-term supportive housing.

D. The Property is comprised of approximately 45 units of affordable housing (the "Project"). At initial occupancy, the Project will serve qualifying persons that earn 30% or less of area median income (AMI).

E. As required by the IGA, and as consideration for Metro's provision of general obligation bond funds to the Owner to acquire the Property, Owner agrees to the restrictions, covenants and obligations set forth herein.

#### SECTION 1 PROPERTY USE RESTRICTIONS

1.1 **Affordable Housing Land Use.** For the term of this Declaration, the Property and the Project shall at all times be owned, developed, constructed, improved and operated solely as "Affordable Housing" within the meaning of the Ballot Title and as described in the Metro Housing

Program Work Plan approved by the Metro Council on January 31, 2019 (the "Work Plan"). For purposes of the Ballot Title and the Work Plan, "Affordable Housing" is defined as improvements for residential units occupied by households earning 80% or less of median gross household income, adjusted for household size, for the Portland, Oregon metropolitan statistical area as established each year by the U.S. Department of Housing and Urban Development.

**1.2 Nondiscrimination.** In accordance with Title VI of the Civil Rights Act, as amended; 42 U.S.C. Section 2000d; Section 303 of the Age Discrimination Act of 1975, as amended; 42 U.S.C. Section 6102; Section 202 of the Americans With Disabilities Act of 1990; 42 U.S.C. Section 12132, no owner of the Property shall discriminate against any employee, tenant, patron or buyer of the Property improvements because of race, color, creed, national origin, sex, age or disability. In addition, any such owner shall comply, to the extent applicable to the Property, with the applicable federal implementing regulations of the above-cited laws and other applicable state and federal laws. "Owner" shall mean the fee simple title holder to the Property or any part thereof, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

**1.3 Running with the Land.** Owner hereby declares that the Property subject to this Declaration shall be held, sold and conveyed subject to the forgoing land use restrictions and covenants, which shall run with the Property and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of Metro. Owner agrees that any and all requirements of the laws of the State of Oregon to be satisfied in order for the provisions of this Declaration to constitute deed restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements of privileges of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to ensure that these restrictions run with the Property for the term of this Declaration.

## SECTION 2 GENERAL PROVISIONS

**2.1 Enforcement.** Metro shall have standing, and may bring an action at law or equity in a court of competent jurisdiction to enforce all restrictions and covenants established by this Declaration and to enjoin violations, ex parte, if necessary. The failure to enforce any provision shall in no event be deemed a waiver of the right to do so thereafter. If legal proceedings of any type are begun so as to enforce the Declaration, the prevailing party shall recover reasonable attorney's fees, including attorney's fees on appeal. However, attorney's fees shall not be recovered by a prevailing party that initiated the legal proceedings unless the initiating party provided 30 days' written notice to the other party, its successors, and assigns, prior to filing any legal action.

Metro is the only party entitled to enforce the restrictions and covenants set forth herein. Nothing in this Declaration gives, is intended to give, or will be construed to give or provide any benefit or right, whether directly, indirectly, or otherwise, to third persons.

**2.2 Duration.** Subject to the provisions of the IGA providing for the early termination of this Declaration upon the occurrence of certain events or conditions, or otherwise upon mutual consent of the parties, the restrictions established by this Declaration shall run with and bind the Property in perpetuity.



2.3 **Amendment.** This Declaration may not be amended or revoked except by written agreement executed by Metro and Owner, their respective successors and assigns, and duly recorded in the manner then provided for by law.

2.4 **Limitation of Liability of Metro.** Under no circumstances shall Metro have any liability to Owner, its successors and assigns, or other user or tenant, lessee, guest or invitee of Owner, its successors and assigns, by virtue of Metro's enforcement or failure to enforce the rights established by this Declaration, and Owner, its successors and assigns, should defend and hold harmless Metro from same.

2.5 **Choice of Law.** This Declaration shall be interpreted under the laws of the State of Oregon.

2.6 **Breach of Agreements.** Owner represents and warrants that this Declaration does not violate any of the terms or conditions of any other agreement to which Owner is a party, or to which the Property is subject.

The parties have caused this Declaration to be signed by their respective, duly authorized representatives, as of the Effective Date.

OWNER:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

State of Oregon                    )  
  ss.  
County of \_\_\_\_\_)

This instrument was acknowledged before me on \_\_\_\_\_, 2019, by  
\_\_\_\_\_, as \_\_\_\_\_, of \_\_\_\_\_, an Oregon \_\_\_\_\_.

\_\_\_\_\_  
(Signature of Notarial Officer)

METRO:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

State of Oregon )

ss.

County of \_\_\_\_\_)

This instrument was acknowledged before me on \_\_\_\_\_, 2019, by  
\_\_\_\_\_, as \_\_\_\_\_, of \_\_\_\_\_, an Oregon \_\_\_\_\_.

\_\_\_\_\_  
(Signature of Notarial Officer)

## **Exhibit A**

### **Property Legal Description**

A tract of land situated in the Southeast one-quarter of Section 17, Township 2 South, Range 2 East of the Willamette Meridian, in the City of Gladstone, in the County of Clackamas and State of Oregon, being a part of the Fendal Cason Donation Land Claim No. 50, being more particularly described as follows:

Beginning at the re-entrant corner on the North line of the Fendal Cason Donation Land Claim No. 50, which point is marked by a Clackamas County Surveyor's monument being a 4 inch diameter brass disk in Webster Road; thence South 88°09'09" East along the North line of said Cason Donation Land Claim, 251.04 feet; thence leaving said North line, South 01°30'08" West 29.29 feet to a 5/8 inch iron rod; thence South 88°29'52" East 20.00 feet to a 5/8 inch iron rod; thence South 01°30'08" West 223.03 feet to a 5/8 inch iron rod; thence South 29°16'50" West 30.62 feet to a 5/8 inch iron rod; thence South 61°18'23" West 35.71 feet; thence South 74°10'34" West 95.53 feet to a 5/8 inch iron rod; thence North 80°31'47" West 58.22 feet to a 5/8 inch iron rod; thence on a curve to the left having a radius of 50.00 feet through a central angle of 38°00'36" (chord bears South 80°27'55" West 32.57 feet) 33.17 feet to a 5/8 inch iron rod; thence South 61°27'37" West 73.42 feet to a 5/8 inch iron rod on the Southerly line of that certain tract of land conveyed to Carl Campbell, et al, recorded in Book 680, Page 774, Deed Records; thence South 78°49'11" West along the Southerly line of said Campbell Tract, 116.54 feet to the centerline of Webster Road, as existing on March 23, 1966, from which point a 1/2 inch iron rod bears North 78°49'11" East 35.20 feet; thence North 20°19'11" East along said centerline, 409.73 feet to the point of beginning.

COMMERCIAL ASSOCIATION OF BROKERS OREGON/SW WASHINGTON  
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR OPTION DEPOSIT  
(Oregon Commercial Form)

AGENCY ACKNOWLEDGMENT

Buyer shall execute this Acknowledgment concurrent with the execution of the Agreement below and prior to delivery of that Agreement to Seller. Seller shall execute this Acknowledgment upon receipt of the Agreement by Seller, even if Seller intends to reject the Agreement or make a counter-offer. In no event shall Seller's execution of this Acknowledgment constitute acceptance of the Agreement or any terms contained therein.

Pursuant to the requirements of Oregon Administrative Rules (OAR 863-015-0215), both Buyer and Seller acknowledge having received the Oregon Real Estate Agency Disclosure Pamphlet, and by execution below acknowledge and consent to the agency relationships in the following real estate purchase and sale transaction as follows:

(a) Seller Agent: **Skip Rotticci of Colliers International** firm (the "Selling Firm") is the agent of  
(check one):  
☐ Buyer exclusively; ☐ Seller exclusively; ☒ both Seller and Buyer ("Disclosed Limited Agency").

(b) Buyer Agent: **Skip Rotticci of Colliers International** firm (the "Buying Firm") is the agent of  
(check one):  
☐ Buyer exclusively; ☐ Seller exclusively; ☒ both Seller and Buyer ("Disclosed Limited Agency").

If the name of the same real estate firm appears in both Paragraphs (a) and (b) above, Buyer and Seller acknowledge that a principal broker of that real estate firm shall become the Disclosed Limited Agent for both Buyer and Seller, as more fully set forth in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and the named real estate agent(s).

ACKNOWLEDGED

Buyer: Housing Authority of Clackamas County

(sign) \_\_\_\_\_ DocuSigned by: Chuck Robbins Date: 8/3/2018 11:31:18 AM PDT  
E80B20DF185E44B

Seller: Northwest Behavioral Healthcare Services, Inc.

(sign) \_\_\_\_\_ DocuSigned by: Linden Fischer Date: 8/3/2018 10:52:32 AM PDT  
3B96E83BC229480

Seller: Gladstone Properties, LLC

(sign) \_\_\_\_\_ Date: \_\_\_\_\_

Seller: Derek R. Salway

(sign) \_\_\_\_\_ DocuSigned by: Derek R Salway Date: 8/2/2018 6:35:16 PM PDT  
1100FE0B47104X1

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COMMERCIAL ASSOCIATION OF BROKERS OREGON/SW WASHINGTON  
PURCHASE AND SALE AGREEMENT AND RECEIPT FOR OPTION DEPOSIT  
(Oregon Commercial Form)

AGENCY ACKNOWLEDGMENT

Buyer shall execute this Acknowledgment concurrent with the execution of the Agreement below and prior to delivery of that Agreement to Seller. Seller shall execute this Acknowledgment upon receipt of the Agreement by Seller, even if Seller intends to reject the Agreement or make a counter-offer. In no event shall Seller's execution of this Acknowledgment constitute acceptance of the Agreement or any terms contained therein.

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(a) Seller Agent: **Skip Rotticci of Colliers International** firm (the "Selling Firm") is the agent of (check one):  
☐ Buyer exclusively; ☐ Seller exclusively; ☒ both Seller and Buyer ("Disclosed Limited Agency").

(b) Buyer Agent: **Skip Rotticci of Colliers International** firm (the "Buying Firm") is the agent of (check one):  
☐ Buyer exclusively; ☐ Seller exclusively; ☒ both Seller and Buyer ("Disclosed Limited Agency").

If the name of the same real estate firm appears in both Paragraphs (a) and (b) above, Buyer and Seller acknowledge that a principal broker of that real estate firm shall become the Disclosed Limited Agent for both Buyer and Seller, as more fully set forth in the Disclosed Limited Agency Agreements that have been reviewed and signed by Buyer, Seller and the named real estate agent(s).

ACKNOWLEDGED

Buyer: Housing Authority of Clackamas County

(sign) \_\_\_\_\_ Date: \_\_\_\_\_

Seller: Northwest Behavioral Healthcare Services, Inc.

(sign) Linden Fischer Date: 8/3/2018 10:52:32 AM PDT  
DocuSigned by: 3B06E038C229480

Seller: Gladstone Properties, LLC

(sign) [Signature] Date: 8/16/18

Seller: Derek R. Salway

(sign) [Signature] Date: 8/2/2018 6:35:16 PM PDT  
DocuSigned by: 1100F004700001

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OPTION OF PURCHASE AND SALE AGREEMENT AND RECEIPT FOR OPTION MONEY

This PURCHASE AND SALE AGREEMENT AND RECEIPT FOR OPTION DEPOSIT (this "Agreement") dated July 18, 2018, for reference purposes only, shall be effective on the date when this Agreement has been executed and delivered by Seller and Buyer (the "Execution Date"):

BETWEEN: Northwest Behavioral Healthcare Services, Inc.;  
Gladstone Properties, LLC; and  
Derek Salway, as tenants in common (collectively "Seller")  
Address: 18000 Webster Road Gladstone, OR 97027  
Home Phone:  
Office Phone: (503) 722-4470  
Fax No.:  
E-Mail: [Lfischer@northwestbhs.com](mailto:Lfischer@northwestbhs.com)  
[lawlopardo@avamere.com](mailto:lawlopardo@avamere.com)  
[drsalway@me.com](mailto:drsalway@me.com)

AND: Housing Authority of Clackamas County or assigns ("Buyer")  
Address: 2051 Kaen Rd. Suite 239 Oregon City, OR 97045  
Home Phone:  
Office Phone: (503) 742-5345  
Fax No.:  
E-Mail: [vbrown@co.clackamas.or.us](mailto:vbrown@co.clackamas.or.us)

1. Purchase and Sale.

1.1 Generally. In accordance with this Agreement, Buyer agrees to buy and acquire from Seller, and Seller agrees to sell to Buyer the following, all of which are collectively referred to in this Agreement as the "Property": (a) the real property and all improvements thereon generally described or located at 18000 Webster Road in the City of Gladstone, County of Clackamas, Oregon legally described on Exhibit A, attached hereto (the "Real Estate") (if no legal description is attached, the legal description shall be based on the legal description provided in the Preliminary Report (described in Section 5), subject to the review and approval of both parties hereto), including all of Seller's right, title and interest in and to all fixtures, appurtenances, and easements thereon or related thereto; and (b) any and all personal property located on and used in connection with the operation of the Real Estate and owned by Seller (the "Personal Property"). If there are any Leases, see Section 21.1, below. The occupancies of the Property pursuant to any Leases are referred to as the "Tenancies" and the occupants thereunder are referred to as "Tenants." If there is any Personal Property, see Section 21.2, below.

1.2 Purchase Price. The purchase price for the Property shall be Two Million Five Hundred Thousand dollars (\$2,500,000.00) (the "Purchase Price"). The Purchase Price shall be adjusted, as applicable, by the net amount of credits and debits to Seller's account at Closing (defined below) made by Escrow Holder pursuant to the terms of this Agreement. The Purchase Price shall be payable as follows:

1.2.1 Option Deposit.

(a) Within five (5) days of the Execution Date, Buyer shall deliver into Escrow (as defined herein), for the account of Buyer, \$ 25,000.00 as an Option deposit (the "Option Deposit") in the form of:  
☐ Promissory note (the "Note"); ☒ Check; or ☐ Cash or other immediately available funds.

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If the Option Deposit is being held by the ☐ Selling Firm ☐ Buying Firm, then the firm holding such Option Deposit shall deposit the Option Deposit in the ☒ Escrow (as hereinafter defined) ☐ Selling Firm's Client Trust Account ☐ Buying Firm's Clients' Trust Account, no later than 5:00 PM Pacific Time three (3) business days after such firm's receipt, but in no event later than the date set forth in the first sentence of this Section 1.2.1(a).

(b) The purchase and sale of the Property shall be accomplished through an escrow (the "Escrow") that Seller has established or will establish with **Lawyers Title Company Portland, Oregon** (the "Escrow Holder") within **three (3) days** after the Execution Date. Except as otherwise provided in this Agreement: (i) any interest earned on the Option Deposit shall be considered to be part of the Option Deposit; (ii) the Option Deposit shall be non-refundable upon satisfaction or waiver of all Conditions as defined in Section 2.1; and (iii) the Option Deposit shall be applied to the Purchase Price at Closing.

**1.2.2 Balance of Purchase Price.** Buyer shall pay the balance of the Purchase Price at Closing by ☐ cash or other immediately available funds; or ☒ Other: **Cash and the proceeds of a loan from the Department of Housing and Urban Development.**

**1.3 Section 1031 Like-Kind Exchange.** Each party acknowledges that either party (as applicable, the "Exchanging Party") may elect to engage in and affect a like-kind exchange under Section 1031 of the Internal Revenue Code of 1986, as amended, involving the Property (or any legal lot thereof) (a "1031 Exchange"). The non-exchanging party with respect to a 1031 Exchange is referred to herein as the "Cooperating Party." Buyer and Seller each hereby agrees to reasonably cooperate with the other in completing each such 1031 Exchange; provided, however, that such cooperation shall be at the Exchanging Party's sole expense and shall not delay the Closing for the Property. Accordingly, the Exchanging Party may assign the Exchanging Party's rights with respect to the Property (or any legal lot thereof) to a person or entity for the purpose of consummating a 1031 Exchange ("Intermediary"), provided that such assignment does not delay the Closing for the Property (or applicable legal lot thereof), or otherwise reduce or diminish the Exchanging Party's liabilities or obligations hereunder. Such assignment by the Exchanging Party shall not release the Exchanging Party from the obligations of the Exchanging Party under this Agreement. The Cooperating Party shall not suffer any costs, expenses or liabilities for cooperating with the Exchanging Party and shall not be required to take title to the exchange property. The Exchanging Party agrees to indemnify, defend and hold the Cooperating Party harmless from any liability, damages and costs arising out of the 1031 Exchange.

## 2. Conditions to Purchase.

2.1 Buyer's obligation to purchase the Property is conditioned on the following:

☐ None;

☒ Within **sixty (60) days** of the Execution Date, Buyer's approval of the results of (collectively, the "**Feasibility Contingency**"): (a) the Property inspection described in Section 3 below; (b) the document review described in Section 4 below; and (c) Environmental Assessment and review. **Upon successful completion of the Feasibility Contingency, Buyer will deposit an additional Option Deposit of Twenty Five Thousand Dollars (\$25,000) in Escrow which will be subject to the conditions set forth in the Financing Contingency. All Option Deposits and accrued interest shall remain in Escrow and be applied to the purchase price at closing.**

describe any other condition);

☒ Within **ninety (90) days of the expiration of the Feasibility Contingency period**, Buyer's receipt of confirmation of satisfactory financing (the "**Financing Condition**") and approval of Release of Funds by the Department of Housing and Urban Development; and/or

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DS DS  




☒ Other Notwithstanding any other provision of this Agreement, Buyer shall have no obligation to purchase the Property, and no transfer of title to the Buyer may occur, unless and until Clackamas County Community Development Division as the responsible entity has provided Buyer and/or Seller with a written determination, on the basis of a federally required environmental review and an approved request for release of federal funds, that purchase of the property by Buyer may proceed, subject to any other Contingencies in this Agreement, or may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property. Clackamas County Community Development Division shall use its best efforts to conclude the environmental review of the property expeditiously.

The Feasibility Contingency, Financing Conditions or any other Conditions noted shall be defined as "Conditions."

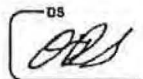
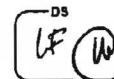
2.2 If Buyer decides to proceed to Closing, Buyer will give written notice to Seller before the expiration of the Feasibility Contingency indicating that Buyer waives the Conditions set forth in Section 2.1 or that the Conditions set forth in Section 2.1 have been satisfied. If, for any reason Buyer fails to give written waiver of the Conditions set forth in Section 2.1, or state in writing that such Conditions have been satisfied, by notice to Seller before the expiration of the Feasibility Contingency, this Agreement shall be deemed automatically terminated, the Option Deposit shall be promptly returned to Buyer, and thereafter, except as specifically provided to the contrary herein, neither party shall have any further right or remedy hereunder. In addition, if Buyer is unable to receive a Release of Funds from the Department of Housing and Urban Development the Option Deposit(s) shall be immediately returned to Buyer, and thereafter, except as specifically provided to the contrary herein, neither party shall have any further right or remedy hereunder.

3. Property Inspection. Seller shall permit Buyer and its agents, at Buyer's sole expense and risk, to enter the Property at reasonable times after reasonable prior notice to Seller and after prior notice by Seller to the Tenants as required by the applicable Leases, if any, to conduct any and all inspections, tests, and surveys concerning the structural condition of the improvements, all mechanical, electrical and plumbing systems, hazardous materials, pest infestation, soils conditions, wetlands, Americans with Disabilities Act compliance, zoning, and all other matters affecting the suitability of the Property for Buyer's intended use and/or otherwise reasonably related to the purchase of the Property including the economic feasibility of such purchase. If the transaction contemplated in this Agreement fails to close for any reason (or no reason) as a result of the act or omission of Buyer or its agents, Buyer shall promptly restore the Property to substantially the condition the Property was in prior to Buyer's performance of any inspections or work. Buyer shall indemnify, hold harmless, and defend Seller from all liens, costs, and expenses, including reasonable attorneys' fees and experts' fees, arising from or relating to Buyer's entry on and inspection of the Property. This agreement to indemnify, hold harmless, and defend Seller shall survive Closing or any termination of this Agreement.

4. Seller's Documents. Within **seven (7)** days after the Execution Date, Seller shall deliver to Buyer or Buyer's designee, legible and complete copies of the following documents, including without limitation, a list of the Personal Property, and other items relating to the ownership, operation, and maintenance of the Property to the extent now in existence and to the extent such items are or come within Seller's possession or control: **Including but not limited to Business records as the pertain to the facility, plans, permits, and approvals, reports, studies, assessments related to the property, environmental assessments, soils assessments and Geotechnical reports, correspondence from or to any governmental agency or regulatory agency regarding the Property within the last 5 years, any recorded or unrecorded easement related to the property.**

5. Title Insurance. Within **ten (10)** days after the Execution Date, Seller shall cause to be delivered to Buyer a preliminary title report from the title company (the "Title Company") selected by Seller (the "Preliminary Report"), showing the status of Seller's title to the Property, together with complete and legible copies of all

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documents shown therein as exceptions to title ("Exceptions"). Buyer shall have **five (5)** days after receipt of a copy of the Preliminary Report and Exceptions within which to give notice in writing to Seller of any objection to such title or to any liens or encumbrances affecting the Property. Within **five (5)** days after receipt of such notice from Buyer, Seller shall give Buyer written notice of whether it is willing and able to remove the objected-to Exceptions. Without the need for objection by Buyer, Seller shall, with respect to liens and encumbrances that can be satisfied and released by the payment of money, eliminate such exceptions to title on or before Closing. Within **five (5)** days after receipt of such notice from Seller (the "Title Contingency Date"), Buyer shall elect whether to: (i) purchase the Property subject to those objected-to Exceptions which Seller is not willing or able to remove; or (ii) terminate this Agreement. If Buyer fails to give Seller notice of Buyer's election, then such inaction shall be deemed to be Buyer's election to terminate this Agreement. On or before the Closing Date (defined below), Seller shall remove all Exceptions to which Buyer objects and which Seller agrees, or is deemed to have agreed, Seller is willing and able to remove. All remaining Exceptions set forth in the Preliminary Report and those Exceptions caused by or agreed to by Buyer shall be deemed "Permitted Exceptions."

**6. Default; Remedies.** Notwithstanding anything to the contrary contained in this Agreement, in the event Buyer fails to deposit the Option Deposit(s) in Escrow strictly as and when contemplated under Section 1.2.1 or Section 1.2 above, Seller shall have the right at any time thereafter, but prior to Buyer's deposit of the Option Deposit to Escrow, to terminate this Agreement and all further rights and obligations hereunder by giving written notice thereof to Buyer. If the conditions, if any, to Buyer's obligation to consummate this transaction are satisfied or waived by Buyer and Buyer fails, through no fault of Seller, to close on the purchase of the Property, Seller's sole remedy shall be to retain the Option Deposit(s) paid by Buyer. In the event Seller fails, through no fault of Buyer, to close the sale of the Property, Buyer shall be entitled to pursue any remedies available at law or in equity, including without limitation, the return of the Option Deposit(s) paid by Buyer or the remedy of specific performance. In no event shall either party be entitled to punitive or consequential damages, if any, resulting from the other party's failure to close the sale of the Property.

**7. Closing of Sale.**

7.1 Buyer and Seller agree the sale of the Property shall be consummated, in Escrow, ☐ on or before or ☒ **thirty (30)** days after the conditions set forth in Sections 2.1, 3, 4 and 5 have been satisfied or waived in writing by Buyer (the "Closing" or the "Closing Date"). The sale of the Property shall be deemed closed when the document(s) conveying title to the Property is/are delivered and recorded and the Purchase Price is disbursed to Seller.

7.2 At Closing, Buyer and Seller shall deposit with the Escrow Holder all documents and funds required to close the transaction in accordance with the terms of this Agreement. At Closing, Seller shall deliver a certification in a form provided by the Escrow Holder confirming whether Seller is or is not a "foreign person" as such term is defined by applicable law and regulations.

7.3 At Closing, Seller shall convey fee simple title to the Property to Buyer by ☒ statutory warranty deed or ☐ (the "Deed"). At Closing, Seller shall cause the Title Company to deliver to Buyer a standard ALTA form owner's policy of title insurance (the "Title Policy") in the amount of the Purchase Price insuring fee simple title to the Property in Buyer subject only to the Permitted Exceptions and the standard preprinted exceptions contained in the Title Policy. Seller shall reasonably cooperate in the issuance to Buyer of an ALTA extended form policy of title insurance. Buyer shall pay any additional expense resulting from the ALTA extended coverage and any endorsements required by Buyer.

**8. Closing Costs; Prorations.** Seller shall pay the premium for the Title Policy, provided, however, if Buyer elects to obtain an ALTA extended form policy of title insurance and/or any endorsements, Buyer shall pay the difference in the premium relating to such election. Seller and Buyer shall each pay one-half (1/2) of the escrow fees

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charged by the Escrow Holder. Any excise tax and/or transfer tax shall be paid in accordance with the local custom determined by the Title Company and applicable law. Real property taxes for the tax year of the Closing, assessments (if a Permitted Exception), personal property taxes, rents and other charges arising from existing Tenancies paid for the month of Closing, interest on assumed obligations, and utilities shall be prorated as of the Closing Date. If applicable, prepaid rents, security deposits, and other unearned refundable deposits relating to Tenancies shall be assigned and delivered to Buyer at Closing. ☒ Seller ☐ Buyer ☐ N/A shall be responsible for payment of all taxes, interest, and penalties, if any, upon removal of the Property from any special assessment or program.

9. Possession. Seller shall deliver exclusive possession of the Property, subject to the Tenancies (if any) existing as of the Closing Date, to Buyer ☒ on the Closing Date or ☐ \_\_\_\_.

10. Condition of Property. Seller represents that Seller has received no written notices of violation of any laws, codes, rules, or regulations applicable to the Property ("Laws"). Seller represents that, to the best of Seller's knowledge without specific inquiry, Seller is not aware of any such violations or any concealed material defects in the Property. Unless caused by Buyer, Seller shall bear all risk of loss and damage to the Property until Closing, and Buyer shall bear such risk at and after Closing. Except for Seller's representations set forth in this Section 10 and the attached Exhibit E, Buyer shall acquire the Property "AS IS" with all faults and Buyer shall rely on the results of its own inspection and investigation in Buyer's acquisition of the Property. It shall be a condition of Buyer's Closing obligation that all of Seller's representations and warranties stated in this Agreement are materially true and correct on the Closing Date. Seller's representations and warranties stated in this Agreement shall survive Closing for one (1) year.

11. Operation of Property. Between the Execution Date and the Closing Date, Seller shall continue to operate, maintain and insure the Property consistent with Seller's current operating practices. After Buyer has satisfied or waived the conditions to Buyer's obligation to purchase the Property, and the Option Deposit is non-refundable, Seller may not, without Buyer's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed, enter into: (a) any new leases or occupancy agreements for the Property; (b) any material amendments or modification agreements for any existing leases or occupancy agreements for the Property; or (c) any service contracts or other agreements affecting the Property that are not terminable at the Closing.

12. Assignment. Assignment of this Agreement: ☐ is PROHIBITED; ☐ is PERMITTED, without consent of Seller; ☐ is PERMITTED ONLY UPON Seller's written consent; ☒ is PERMITTED ONLY IF the assignee is an entity owned and controlled by Buyer. Assignment is PROHIBITED, if no box is checked. If Seller's written consent is required for assignment, such consent may be withheld in Seller's reasonable discretion. In the event of a permitted assignment, Buyer shall remain liable for all Buyer's obligations under this Agreement.

13. Arbitration. IF AND ONLY IF THIS SECTION IS INITIALED BY EACH OF BUYER AND SELLER, THE FOLLOWING SHALL APPLY TO THIS AGREEMENT:

ANY DISPUTE BETWEEN BUYER AND SELLER RELATED TO THIS AGREEMENT, THE PROPERTY, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT WILL BE RESOLVED BY ARBITRATION GOVERNED BY THE OREGON UNIFORM ARBITRATION ACT (ORS 36.600 et seq.) AND, TO THE EXTENT NOT INCONSISTENT WITH THAT STATUTE, CONDUCTED IN ACCORDANCE WITH THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF ARBITRATION SERVICES OF PORTLAND ("ASP"). THE ARBITRATION SHALL BE CONDUCTED IN PORTLAND, OREGON AND ADMINISTERED BY ASP, WHICH WILL APPOINT A SINGLE ARBITRATOR HAVING AT LEAST FIVE (5) YEARS EXPERIENCE IN THE COMMERCIAL REAL ESTATE FIELD IN THE \_\_\_\_ GEOGRAPHIC AREA (IF BLANK IS NOT COMPLETED, PORTLAND METROPOLITAN AREA). ALL ARBITRATION HEARINGS WILL BE COMMENCED WITHIN THIRTY (30) DAYS OF THE DEMAND FOR ARBITRATION UNLESS THE ARBITRATOR, FOR SHOWING

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OF GOOD CAUSE, EXTENDS THE COMMENCEMENT OF SUCH HEARING. THE DECISION OF THE ARBITRATOR WILL BE BINDING ON BUYER AND SELLER, AND JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. THE PARTIES ACKNOWLEDGE THAT, BY AGREEING TO ARBITRATE DISPUTES, EACH OF THEM IS WAIVING CERTAIN RIGHTS, INCLUDING ITS RIGHTS TO SEEK REMEDIES IN COURT (INCLUDING A RIGHT TO A TRIAL BY JURY), TO DISCOVERY PROCESSES THAT WOULD BE ATTENDANT TO A COURT PROCEEDING, AND TO PARTICIPATE IN A CLASS ACTION.

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Initials of Buyer

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Initials of Seller

14. Attorneys' Fees. In the event a suit, action, arbitration, or other proceeding of any nature whatsoever, including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of an attorney are retained, to interpret or enforce any provision of this Agreement or with respect to any dispute relating to this Agreement, the prevailing or non-defaulting party shall be entitled to recover from the losing or defaulting party its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred in connection therewith (the "Fees"). In the event of suit, action, arbitration, or other proceeding, the amount of Fees shall be determined by the judge or arbitrator, shall include all costs and expenses incurred on any appeal or review, and shall be in addition to all other amounts provided by law.

15. Statutory Notice. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

16. Cautionary Notice About Liens. UNDER CERTAIN CIRCUMSTANCES, A PERSON WHO PERFORMS CONSTRUCTION-RELATED ACTIVITIES MAY CLAIM A LIEN UPON REAL PROPERTY AFTER A SALE TO THE PURCHASER FOR A TRANSACTION OR ACTIVITY THAT OCCURRED BEFORE THE SALE. A VALID CLAIM MAY BE ASSERTED AGAINST THE PROPERTY THAT YOU ARE PURCHASING EVEN IF THE CIRCUMSTANCES THAT GIVE RISE TO THAT CLAIM HAPPENED BEFORE YOUR PURCHASE OF THE PROPERTY. THIS INCLUDES, BUT IS NOT LIMITED TO, CIRCUMSTANCES WHERE THE OWNER OF THE PROPERTY CONTRACTED WITH A PERSON OR BUSINESS TO PROVIDE LABOR, MATERIAL, EQUIPMENT OR SERVICES TO THE PROPERTY AND HAS NOT PAID THE PERSONS OR BUSINESS IN FULL.

17. Brokerage Agreement. For purposes of Sections 14 and 17 of this Agreement, the Agency Acknowledgement on page 1 this Agreement is incorporated into this Agreement as if fully set forth herein. Seller agrees to pay a commission to Selling Firm in the amount of either: ☒ five percent (5%) of the Purchase Price or ☐ \$. Such commission shall be divided between Selling Firm and Buying Firm such that Selling Firm receives

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Initials of Seller

one hundred percent (100%) and Buying Firm receives zero percent (0 %). Seller shall cause the Escrow Holder to deliver to Selling Firm and Buying Firm the real estate commission on the Closing Date or upon Seller's breach of this Agreement, whichever occurs first.

18. Notices. Unless otherwise specified, any notice required or permitted in, or related to this Agreement must be in writing and signed by the party to be bound. Any notice will be deemed delivered: (a) when personally delivered; (b) when delivered by facsimile or electronic mail transmission (in either case, with confirmation of delivery); (c) on the day following delivery of the notice by reputable overnight courier; or (d) on the day following delivery of the notice by mailing by certified or registered U.S. mail, postage prepaid, return receipt requested; and in any case shall be sent by the applicable party to the address of the other party shown at the beginning of this Agreement, unless that day is a Saturday, Sunday, or federal or Oregon State legal holiday, in which event such notice will be deemed delivered on the next following business day.

19. Miscellaneous. Time is of the essence of this Agreement. If the deadline under this Agreement for delivery of a notice or performance of any obligation is a Saturday, Sunday, or federal or Oregon State legal holiday, such deadline will be deemed extended to the next following business day. The facsimile and/or electronic mail transmission of any signed document including this Agreement in accordance with Section 18 shall be the same as delivery of an original. At the request of either party, the party delivering a document by facsimile and/or electronic mail will confirm such transmission by signing and delivering to the other party a duplicate original document. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same Agreement. This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements between them. Without limiting the provisions of Section 12 of this Agreement, this Agreement shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective successors and assigns. Solely with respect to Sections 14 and 17, Selling Firm and Buying Firm are third party beneficiaries of this Agreement. The person signing this Agreement on behalf of Buyer and the person signing this Agreement on behalf of Seller each represents, covenants and warrants that such person has full right and authority to enter into this Agreement and to bind the party for whom such person signs this Agreement to its terms and provisions. Neither this Agreement nor a memorandum hereof shall be recorded unless the parties otherwise agree in writing.

20. Governing Law. This Agreement is made and executed under, and in all respects shall be governed and construed by, the laws of the State of Oregon.

21. Lease(s) and Personal Property.

21.1 Leases. Intentionally Omitted.

21.2 Personal Property. If applicable, Seller shall convey all Personal Property to Buyer by executing and delivering to Buyer at Closing through Escrow (as defined below), a Bill of Sale substantially in the form of Exhibit C attached hereto (the "Bill of Sale"). A list of such Personal Property shall be attached to the Bill of Sale.

22. Residential Lead-Based Paint Disclosure. IF THE PROPERTY CONSISTS OF RESIDENTIAL HOUSING BUILT PRIOR TO 1978, BUYER AND SELLER MUST COMPLETE THE LEAD-BASED PAINT DISCLOSURE ADDENDUM ATTACHED HERETO AS EXHIBIT D.

23. Addenda; Exhibits. The following named addenda and exhibits are attached to this Agreement and incorporated within this Agreement:

☒ Exhibit A – Legal Description of Property [REQUIRED]

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- ☐ Exhibit B – Assignment of Lessor's Interest under Lease (if applicable)  
☒ Exhibit C – Bill of Sale (if applicable)  
☒ Exhibit D – Lead Paint Disclosure Addendum (if applicable)  
☒ Exhibit E – AS IS Exceptions (if applicable)

24. Time for Acceptance. If Seller does not return to Buyer a signed and dated version of this Agreement on or before 5:00 PM Pacific Time on **August 3, 2018**, then the Option Deposit shall be promptly refunded to Buyer and thereafter, neither party shall have any further right or obligation hereunder.

25. OFAC Certification. The Federal Government, Executive Order 13224, requires that business persons of the United States not do business with any individual or entity on a list of "Specially Designated nationals and Blocked Persons" - that is, individuals and entities identified as terrorists or other types of criminals. Buyer hereinafter certifies that:

25.1 It is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, specially designated national and/or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control; and

25.2 It has not executed this Agreement, directly or indirectly on behalf of, or instigating or facilitating this Agreement, directly or indirectly on behalf of, any such person, group, entity, or nation.

Buyer hereby agrees to defend, indemnify, and hold harmless Seller from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification. This certification by Buyer and agreement to indemnify, hold harmless, and defend Seller shall survive Closing or any termination of this Agreement.

DocuSigned by:  
**Buyer Signature:** Chuck Robbins **Date:** 8/3/2018 11:31:18 AM PDT  
659268F-105E44B

CONSULT YOUR ATTORNEY. THIS DOCUMENT HAS BEEN PREPARED FOR SUBMISSION TO YOUR ATTORNEY FOR REVIEW AND APPROVAL PRIOR TO SIGNING. NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE COMMERCIAL ASSOCIATION OF BROKERS OREGON/SW WASHINGTON OR BY THE REAL ESTATE AGENTS INVOLVED WITH THIS DOCUMENT AS TO THE LEGAL SUFFICIENCY OR TAX CONSEQUENCES OF THIS DOCUMENT.

THIS FORM SHOULD NOT BE MODIFIED WITHOUT SHOWING SUCH MODIFICATIONS BY REDLINING, INSERTION MARKS, OR ADDENDA.

Buyer **HOUSING AUTHORITY OF CLACKAMAS COUNTY**

By: Chuck Robbins  
 Name: **Chuck Robbins**  
 Title: **Director**  
 Date: 8/3/2018 11:31:18 AM PDT

Seller Acceptance. By execution of this Agreement, Seller agrees to sell the Property on the terms and conditions in this Agreement.

Seller: **NORTHWEST BEHAVIORAL HEALTHCARE SERVICES, INC.**

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397 DocuSigned by:  
398 Linden Fischer  
399 By: 1R05FA70C729480  
400 Name: **Linden Fischer**  
401 Title: **Vice President**  
402 Date: 8/3/2018 10:52:32 AM PDT  
403 Seller: **DEREK R. SALWAY**  
404 DocuSigned by:  
405 Derek R. Salway  
406 By: Derek R. Salway  
407 Name: **Derek R. Salway**  
408 Title: **an individual**  
409 Date: 8/2/2018 6:35:16 PM PDT  
410 Seller: **GLADSTONE PROPERTIES, LLC**  
411 [Signature]  
412 By: [Signature]  
413 Name: [Signature]  
414 Title: [Signature]  
415 Date: 8/1/18  
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

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CRITICAL DATE LIST:

The last party to execute this Agreement shall complete the information below (the "Critical Date List"), initial where indicated, and return a copy of the same to the other party for such party's review. This Critical Date List is for reference purposes only and, in the event of a conflict between this Critical Date List and the Agreement, the terms of the Agreement shall prevail.

	DATE:
• Execution Date (Introductory paragraph):	
• Option Deposit due date (Section 1.2.1(a)):	
• Seller shall open Escrow with the Escrow Holder (Section 1.2.1(a)):	Before 3 days following execution of this Agreement
• Seller shall deliver Seller's documents to Buyer (Section 4):	Within <u>7</u> days after the Execution Date
• Seller shall deliver Preliminary Report to Buyer (Section 5):	Within <u>10</u> days after the Execution Date
• Buyer's title objection notice due to Seller (Section 5):	Within 5 days after receipt of the Preliminary Report
• Seller's title response due to Buyer (Section 5):	Within 5 days after receipt of Buyer's title objection notice
• Title Contingency Date (Section 5):	Within 5 days after receipt of Seller's title response
• Expiration date for satisfaction of Feasibility Contingency (Section 2.1):	Within 60 days of the Execution Date
• Expiration date for satisfaction of Financing Condition (Section 2.1):	Within 90 days of the expiration of Feasibility Contingency Period
• By this date, Buyer must deliver the notice to proceed contemplated in Section 2.2.	Within 150 days of the Execution Date
• Closing Date (Section 7.1):	<u>Within 30 days following expiration of the Financing Conditions Period</u>

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Initials of Buyer: <sup>os</sup>  
Initials of Buyer: 


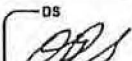


Initials of Seller: <sup>os</sup> <sup>os</sup>  
Initials of Seller:  

EXHIBIT A  
LEGAL DESCRIPTION OF PROPERTY

A tract of land situated in the Southeast one-quarter of Section 17, Township 2 South, Range 2 East of the Willamette Meridian, in the City of Gladstone, in the County of Clackamas and State of Oregon, being a part of the Fendal Cason Donation Land Claim No. 50, being more particularly described as follows:

Beginning at the re-entrant corner on the North line of the Fendal Cason Donation Land Claim No. 50, which point is marked by a Clackamas County Surveyor's monument being a 4 inch diameter brass disk in Webster Road; thence South 88°09'09" East along the North line of said Cason Donation Land Claim, 251.04 feet; thence leaving said North line, South 01°30'08" West 29.29 feet to a 5/8 inch iron rod; thence South 88°29'52" East 20.00 feet to a 5/8 inch iron rod; thence South 01°30'08" West 223.03 feet to a 5/8 inch iron rod; thence South 29°16'50" West 30.62 feet to a 5/8 inch iron rod; thence South 61°18'23" West 35.71 feet; thence South 74°10'34" West 95.53 feet to a 5/8 inch iron rod; thence North 80°31'47" West 58.22 feet to a 5/8 inch iron rod; thence on a curve to the left having a radius of 50.00 feet through a central angle of 38°00'36" (chord bears South 80°27'55" West 32.57 feet) 33.17 feet to a 5/8 inch iron rod; thence South 61°27'37" West 73.42 feet to a 5/8 inch iron rod on the Southerly line of that certain tract of land conveyed to Carl Campbell, et al, recorded in Book 680, Page 774, Deed Records; thence South 78°49'11" West along the Southerly line of said Campbell Tract, 116.54 feet to the centerline of Webster Road, as existing on March 23, 1966, from which point a 1/2 inch iron rod bears North 78°49'11" East 35.20 feet; thence North 20°19'11" East along said centerline, 409.73 feet to the point of beginning.

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PURCHASE AND SALE AGREEMENT AND RECEIPT FOR OPTION DEPOSIT (OREGON)  
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EXHIBIT A  
LEGAL DESCRIPTION OF PROPERTY

A tract of land situated in the Southeast one-quarter of Section 17, Township 2 South, Range 2 East of the Willamette Meridian, in the City of Gladstone, in the County of Clackamas and State of Oregon, being a part of the Fendal Cason Donation Land Claim No. 50, being more particularly described as follows:

Beginning at the re-entrant corner on the North line of the Fendal Cason Donation Land Claim No. 50, which point is marked by a Clackamas County Surveyor's monument being a 4 inch diameter brass disk in Webster Road; thence South 88°09'09" East along the North line of said Cason Donation Land Claim, 251.04 feet; thence leaving said North line, South 01°30'08" West 29.29 feet to a 5/8 inch iron rod; thence South 88°29'52" East 20.00 feet to a 5/8 inch iron rod; thence South 01°30'08" West 223.03 feet to a 5/8 inch iron rod; thence South 29°16'50" West 30.62 feet to a 5/8 inch iron rod; thence South 61°18'23" West 35.71 feet; thence South 74°10'34" West 95.53 feet to a 5/8 inch iron rod; thence North 80°31'47" West 58.22 feet to a 5/8 inch iron rod; thence on a curve to the left having a radius of 50.00 feet through a central angle of 38°00'36" (chord bears South 80°27'55" West 32.57 feet) 33.17 feet to a 5/8 inch iron rod; thence South 61°27'37" West 73.42 feet to a 5/8 inch iron rod on the Southerly line of that certain tract of land conveyed to Carl Campbell, et al, recorded in Book 600, Page 774, Deed Records; thence South 78°49'11" West along the Southerly line of said Campbell Tract, 116.54 feet to the centerline of Webster Road, as existing on March 23, 1966, from which point a 1/2 inch iron rod bears North 78°49'11" East 35.20 feet; thence North 20°19'11" East along said centerline, 409.73 feet to the point of beginning.

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PURCHASE AND SALE AGREEMENT AND RECEIPT FOR OPTION DEPOSIT (OREGON)  
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EXHIBIT C  
BILL OF SALE

**Northwest Behavioral Healthcare Services, Inc.**, an Oregon Corporation ("Seller"), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby bargain, transfer, convey and deliver to **Housing Authority of Clackamas County**, an Oregon Public Agency ("Buyer"), its successors and/or assigns:

All of the personal property owned by Seller (collectively, "Personal Property") located in or on the real property located at **18000 Webster Road** in the **City of Gladstone**, County of **Clackamas**, State of **Oregon**, which Personal Property is more particularly described on Schedule 1 attached hereto and incorporated herein by reference.

Seller hereby covenants with Buyer that said Personal Property is free and clear of and from all encumbrances, security interests, liens, mortgages and claims whatsoever and that Seller is the owner of and has the right to sell same. Seller, on behalf of itself and its successors, does hereby warrant and agree to defend the title in and to said Personal Property unto Buyer, its successors or assigns against the lawful claims and demands of all persons claiming by or through Seller.

IT IS UNDERSTOOD AND AGREED THAT BUYER HAS EXAMINED THE PERSONAL PROPERTY HEREIN SOLD AND THAT THIS SALE IS MADE "AS IS, WHERE IS" AND SELLER DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTY OTHER THAN THE WARRANTY OF TITLE SET FORTH ABOVE, AS TO THE PERSONAL PROPERTY INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Buyer and Seller agree that this Bill of Sale shall be effective upon the delivery thereof by Seller to Buyer.

IN WITNESS WHEREOF, the parties have caused this Bill of Sale to be executed this \_\_\_\_\_ day of \_\_\_\_\_.

SELLER: **NORTHWEST BEHAVIORAL HEALTHCARE SERVICES, INC.**

BUYER: **HOUSING AUTHORITY OF CLACKAMAS COUNTY**

EXHIBIT D

LEAD-BASED PAINT DISCLOSURE ADDENDUM

(TO BE COMPLETED IF THE PROPERTY CONSISTS OF RESIDENTIAL HOUSING BUILT PRIOR TO 1978)

Seller and Buyer are parties to that certain Commercial Association of Brokers Oregon / SW Washington Purchase and Sale Agreement and Receipt for Option Deposit (Oregon Commercial Form) dated \_\_\_\_, 20\_\_ (the "Purchase Agreement") for the sale of the Property described therein. Capitalized terms used in this addendum without definition shall have the meanings given them in the Purchase Agreement. Except as expressly modified by this addendum and any other addendum to the Purchase Agreement executed by Buyer and Seller, the Purchase Agreement is unmodified. This addendum and the Purchase Agreement may not be modified except in a writing signed by both Seller and Buyer.

LEAD WARNING STATEMENT

EVERY PURCHASER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY ON WHICH A RESIDENTIAL DWELLING WAS BUILT PRIOR TO 1978 IS NOTIFIED THAT SUCH PROPERTY MAY PRESENT EXPOSURE TO LEAD FROM LEAD-BASED PAINT THAT MAY PLACE YOUNG CHILDREN AT RISK OF DEVELOPING LEAD POISONING. LEAD POISONING IN YOUNG CHILDREN MAY PRODUCE PERMANENT NEUROLOGICAL DAMAGE, INCLUDING LEARNING DISABILITIES, REDUCED INTELLIGENCE QUOTIENT, BEHAVIORAL PROBLEMS AND IMPAIRED MEMORY. LEAD POISONING ALSO POSES A PARTICULAR RISK TO PREGNANT WOMEN. THE SELLER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY IS REQUIRED TO PROVIDE THE BUYER WITH ANY INFORMATION ON LEAD-BASED PAINT HAZARDS FROM RISK ASSESSMENTS OR INSPECTIONS IN THE SELLER'S POSSESSION AND NOTIFY THE BUYER OF ANY KNOWN LEAD-BASED PAINT HAZARDS. A RISK ASSESSMENT OR INSPECTION FOR POSSIBLE LEAD-BASED PAINT HAZARDS IS RECOMMENDED PRIOR TO PURCHASE.

AGENT'S ACKNOWLEDGMENT

Seller Agent has informed Seller of Seller's obligations under 42 U.S.C. 4852(d) and Agent is aware of his/her responsibility to ensure compliance.

SELLER'S DISCLOSURE

.1 **Presence of lead-based paint and/or lead-based paint hazards (check one below):**

☐ Seller has knowledge of lead-based paint and/or lead-based paint hazards in the housing (explain).

☐ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

.2 **Records and reports available to Seller (check one below):**

☐ Seller has provided Buyer with all available records and reports relating to lead-based paint and/or lead-based paint hazards in the housing (list documents below):

☐ Seller has no reports or records relating to lead-based paint and/or lead-based paint hazards in the housing.

48 The following parties have reviewed the information above and certify, to the best of their knowledge, that the  
 49 information they provided is true and accurate. A photocopy of this completed LEAD-BASED PAINT DISCLOSURE  
 50 ADDENDUM, together with a copy of any documents listed in Section 2 of Seller's Disclosure above, may be treated  
 51 as an original.

Seller Agent \_\_\_\_\_ Date \_\_\_\_\_ ← Seller \_\_\_\_\_ Date \_\_\_\_\_ ←  
 Selling Firm \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_ ←

52  
 53 BEFORE BUYER IS OBLIGATED TO PURCHASE THIS PROPERTY UNDER ANY PURCHASE AND SALE  
 54 AGREEMENT, BUYER'S AND SELLER'S SIGNATURES ARE REQUIRED ON THE FORM BELOW.

55  
 56 BUYER'S ACKNOWLEDGMENT

57 .1 Buyer has received copies of all information listed above in Section 2 of Seller's Disclosure of  
 58 this form.

59  
 60 .2 Buyer has received the pamphlet "Protect Your Family from Lead in Your Home."

61  
 62 .3 Buyer has (check one below):

63 ☐ Elected a ten (10) day opportunity (or mutually agreed upon period) to conduct a ☐ risk assessment or ☐  
 64 inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards, providing Buyer the  
 65 right to rescind the Purchase Agreement by written notice to Seller no later than the end of such agreed upon 10 day  
 66 period if Buyer is not satisfied in Buyer's sole discretion with the results of such risk assessments or inspection, as  
 67 applicable. Buyer and Seller hereby agree the ten (10) day period described in the preceding sentence shall begin  
 68 and end \_\_\_\_\_. Buyer's failure to provide written notice of Buyer's election to rescind the Purchase Agreement to  
 69 Seller on or before \_\_\_\_\_, 20\_\_\_\_ shall be deemed a waiver of Buyer's right to rescind as provided in this addendum.  
 70 If Buyer timely elects to rescind the Purchase Agreement as provided herein, the Option Deposit shall be returned to  
 71 Buyer, together with any interest thereon.

72 ☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or  
 73 lead-based paint hazards.

Buyer \_\_\_\_\_ Date \_\_\_\_\_ ←

Buyer \_\_\_\_\_ Date \_\_\_\_\_ ←

74  
 75 CERTIFICATION OF ACCURACY

76  
 77 This section must be signed by Buyer before Seller signs lines below. The following parties have reviewed  
 78 the information and certify, to the best of their knowledge, that the information they provided herein is true and  
 79 accurate.

Buyer \_\_\_\_\_ Date \_\_\_\_\_ ← Seller \_\_\_\_\_ Date \_\_\_\_\_ ←

Buyer \_\_\_\_\_ Date \_\_\_\_\_ ← Seller \_\_\_\_\_ Date \_\_\_\_\_ ←

Buyer Agent \_\_\_\_\_ Date \_\_\_\_\_ ← Seller Agent \_\_\_\_\_ Date \_\_\_\_\_ ←

Buying Firm \_\_\_\_\_ Seller Firm \_\_\_\_\_

80  
 LINES WITH THIS SYMBOL ← REQUIRE A SIGNATURE

EXHIBIT E  
AS IS EXCEPTIONS

1  
2  
3  
4  
5  
6  
7  
8

☒ None  
☐  
☐  
☐

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PURCHASE AND SALE AGREEMENT AND RECEIPT FOR OPTION DEPOSIT (OREGON)  
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**FIRST AMENDMENT  
TO  
OPTION AGREEMENT AND RECEIPT FOR OPTION MONEY**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (the "**First Amendment**"), dated as of December 27, 2018, is made by and Northwest Behavioral Healthcare Services, Inc. Gladstone Properties, LLC, and Derek Salway as tenants in common ("Owner"), and Housing Authority of Clackamas County ("Optionee"), with reference to the following:

**WHEREAS**, Optionee and Owner are parties to that certain Option Agreement and Receipt of Option Money dated as of August 3, 2018 (the "**Option Agreement**");

**WHEREAS**, Owner and Optionee have agreed to enter into this First Amendment to set forth their agreement regarding the matters set forth herein.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Optionee and Owner hereby agree to the following:

1. Terms. All initially capitalized terms which are used in this First Amendment, but not otherwise defined herein, shall have the same meanings as ascribed thereto in the Option Agreement.
2. Extension of Financing Contingency Period. Owner and Optionee agree to extend the Financing Contingency Period for an additional ninety (90) days.
3. Option Agreement Ratified. In all other respects, except as otherwise provided by this First Amendment, the undersigned hereby ratify and confirm the Option Agreement and Receipt for Option Money which remains in full force and effect.
4. Counterparts. This First Amendment may be executed in counterparts, each of which shall be deemed an original and all of said counterparts shall constitute but one and the same instrument. Signatures delivered via facsimile or other electronic means shall be accepted as if original.

IN WITNESS WHEREOF, the undersigned hereby execute this First Amendment to be effective as of December 27, 2018.

OWNER:  
NORTHWEST BEHAVIORAL SERVICES, INC.

By:  Date: \_\_\_\_\_

OWNER:  
GLADSTONE PROPERTIES, LLC

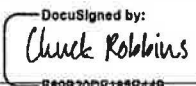
By:  Date: 1/2/2019

Owner:  
DEREK R. SALWAY

By: \_\_\_\_\_ Date: \_\_\_\_\_

Optionee:

**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

By:  Date: 12/27/2018  
B59B20DF185E44B

**FIRST AMENDMENT  
TO  
OPTION AGREEMENT AND RECEIPT FOR OPTION MONEY**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (the "First Amendment"), dated as of December 27, 2018, is made by and Northwest Behavioral Healthcare Services, Inc. Gladstone Properties, LLC, and Derek Salway as tenants in common ("Owner"), and Housing Authority of Clackamas County ("Optionee"), with reference to the following:

**WHEREAS**, Optionee and Owner are parties to that certain Option Agreement and Receipt of Option Money dated as of August 3, 2018 (the "Option Agreement");

**WHEREAS**, Owner and Optionee have agreed to enter into this First Amendment to set forth their agreement regarding the matters set forth herein.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Optionee and Owner hereby agree to the following:

1. Terms. All initially capitalized terms which are used in this First Amendment, but not otherwise defined herein, shall have the same meanings as ascribed thereto in the Option Agreement.
2. Extension of Financing Contingency Period. Owner and Optionee agree to extend the Financing Contingency Period for an additional ninety (90) days.
3. Option Agreement Ratified. In all other respects, except as otherwise provided by this First Amendment, the undersigned hereby ratify and confirm the Option Agreement and Receipt for Option Money which remains in full force and effect.
4. Counterparts. This First Amendment may be executed in counterparts, each of which shall be deemed an original and all of said counterparts shall constitute but one and the same instrument. Signatures delivered via facsimile or other electronic means shall be accepted as if original.

IN WITNESS WHEREOF, the undersigned hereby execute this First Amendment to be effective as of December 27, 2018.

OWNER:  
NORTHWEST BEHAVIORAL SERVICES, INC.

By: \_\_\_\_\_ Date: \_\_\_\_\_

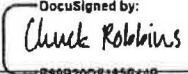
OWNER:  
GLADSTONE PROPERTIES, LLC

By:  \_\_\_\_\_ Date: \_\_\_\_\_  
Owner:  
DEREK R. SALWAY

By: \_\_\_\_\_ 12/30/2018 \_\_\_\_\_ Date: \_\_\_\_\_

Optionee:

**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

By:  Date: 12/27/2018  
DocuSigned by:  
Chuck Robbins  
E89B20D7-153E-44B

**SECOND AMENDMENT  
TO  
OPTION AGREEMENT AND RECEIPT FOR OPTION MONEY**

THIS SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT (the "**First Amendment**"), dated as of December 27, 2018, is made by and between Northwest Behavioral Healthcare Services, Inc., Gladstone Properties, LLC, and Derek Salway as tenants in common ("Owner"), and Housing Authority of Clackamas County ("Optionee"), with reference to the following:

**WHEREAS**, Optionee and Owner are parties to that certain Option Agreement and Receipt of Option Money dated as of August 3, 2018 (the "**Option Agreement**");

**WHEREAS**, Owner and Optionee have agreed to enter into this Second Amendment to set forth their agreement regarding the matters set forth herein.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Optionee and Owner hereby agree to the following:

1. Terms. All initially capitalized terms which are used in this Second Amendment, but not otherwise defined herein, shall have the same meanings as ascribed thereto in the Option Agreement.
2. Extension of Closing. Owner and Optionee agree to extend closing of the transaction to on or before June 1, 2019.
3. Option Agreement Ratified. In all other respects, except as otherwise provided by this Second Amendment, the undersigned hereby ratify and confirm the Option Agreement and Receipt for Option Money which remains in full force and effect.
4. Counterparts. This Second Amendment may be executed in counterparts, each of which shall be deemed an original and all of said counterparts shall constitute but one and the same instrument. Signatures delivered via facsimile or other electronic means shall be accepted as if original.

IN WITNESS WHEREOF, the undersigned hereby execute this Second Amendment to be effective as of May 2, 2019.

OWNER:  
**NORTHWEST BEHAVIORAL SERVICES, INC.**

By: \_\_\_\_\_ Date: \_\_\_\_\_

OWNER:  
**GLADSTONE PROPERTIES, LLC**

DocuSigned by:  
By:  Date: 5/3/2019  
E75380D58B07492...

OWNER:  
**DEREK R. SALWAY**

By: \_\_\_\_\_ Date: \_\_\_\_\_

Optionee:

**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

By: \_\_\_\_\_ Date: \_\_\_\_\_

**THIRD AMENDMENT  
TO  
OPTION AGREEMENT AND RECEIPT FOR OPTION MONEY**

THIS THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT (the "**Third Amendment**"), dated as of May , 2019, is made by and Northwest Behavioral Healthcare Services, Inc. Gladstone Properties, LLC, and Derek Salway as tenants in common ("Owner"), and Housing Authority of Clackamas County ("Optionee"), with reference to the following:

**WHEREAS**, Optionee and Owner are parties to that certain Option Agreement and Receipt of Option Money dated as of August 3, 2018 (the "**Option Agreement**");

**WHEREAS**, Owner and Optionee have agreed to enter into this Third Amendment to set forth their agreement regarding the matters set forth herein.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Optionee and Owner hereby agree to the following:

1. Terms. All initially capitalized terms which are used in this Third Amendment, but not otherwise defined herein, shall have the same meanings as ascribed thereto in the Option Agreement.
2. Financing Contingency. Optionee's obligation to purchase the Property is subject to the condition precedent of Optionee obtaining financing through the Metro Affordable Housing Bond program as a result of Measure 26-199.
3. Title Exceptions. Optionee's obligation to purchase the Property is subject to removal of the following title exceptions:
  - Special Exception #6
  - Special Exception #7
  - Special Exception #10
4. Closing Extension. Optionee and Owner agree to extend the closing date to on or before June 12, 2019.
5. Option Agreement Ratified. In all other respects, except as otherwise provided by this First Amendment, the undersigned hereby ratify and confirm the Option Agreement and Receipt for Option Money which remains in full force and effect.
6. Counterparts. This Third Amendment may be executed in counterparts, each of which shall be deemed an original and all of said counterparts shall constitute but one and the same instrument. Signatures delivered via facsimile or other electronic means shall be accepted as if original.

IN WITNESS WHEREOF, the undersigned hereby execute this THIRD AMENDMENT to be effective as of May , 2019.

OWNER:  
**NORTHWEST BEHAVIORAL SERVICES, INC.**

By: \_\_\_\_\_ Date: \_\_\_\_\_

OWNER:  
**GLADSTONE PROPERTIES, LLC**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Owner:  
**DEREK R. SALWAY**

By: \_\_\_\_\_ Date: \_\_\_\_\_

Optionee:

**HOUSING AUTHORITY OF CLACKAMAS COUNTY**

By: \_\_\_\_\_ Date: \_\_\_\_\_