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March 3, 2022

Board of County Commissioners
Clackamas County

Members of the Board:

Lease amendment and extension with the OLCC for the
Community Corrections' facility at 9000 SE McBrod Ave., Milwaukie, Oregon

Purpose/Outcomes	Approval of an amendment to renew a lease with the Oregon Liquor and Cannabis Commission for the Community Corrections' facility at 9000 SE McBrod Ave., Milwaukie, Oregon
Dollar Amount and Fiscal Impact	\$1.00 annual rent, no change in lease amendment
Funding Source	General Fund
Duration	Month to month, with termination date of June 30, 2025
Strategic Plan Alignment	Build public trust through good government
Previous Board Action	March 5, 1992.
County Counsel Review	Counsel has reviewed the draft guidelines.
Procurement Review	Not Required
Contact Person	Jeffrey D. Munns, Assistant County Counsel (503) 742-5984

BACKGROUND:

The Clackamas County Community Corrections Department has had a lease with the Oregon Liquor and Cannabis Commission (OLCC) since 1992 for the property located at 9900 SE McBrod Ave., Milwaukie, Oregon. This facility is used for residential treatment services. Community Corrections and OLCC desire to continue the lease under the same terms.

OLCC is planning on selling the property and moving. Through recent discussions with OLCC the parties are working to partition the property and convey to portion used by Community Corrections to Clackamas County prior to the State of Oregon selling the remaining OLCC site.

RECOMMENDATION:

Approve the lease amendment for the Community Corrections residential facility.

Sincerely,
Jeffrey D. Munns

LEASE AMENDMENT 2

THIS LEASE AMENDMENT 2 (this “**Amendment**”) is made and entered into as of the ____ day of _____, 2022 (the “**Amendment Date**”), by and between the State of Oregon, acting by and through the Oregon Liquor and Cannabis Commission (formerly the Oregon Liquor Control Commission) (“**Lessor**”) and Clackamas County, a political subdivision of the State of Oregon (“**Lessee**”). Lessor and Lessee are each a “**Party**” and together the “**Parties.**” Capitalized terms used but not defined in this Amendment shall have the same definitions as set forth in the Lease.

RECITALS

- A. Lessor and Lessee are the Parties to that certain Lease dated March 9, 1992, as amended on June 28, 1999 (as so amended, the “**Lease**”), for certain Premises in Clackamas County, Oregon.
- B. The Premises are part of a larger tract of real property owned by Lessor in Clackamas County, being tax lots 11E26AA00100 and 11E26AA00100E1 (“**Lessor’s Master Parcel**”).
- C. The Parties are in discussions about a potential conveyance of a portion of Lessor’s Master Parcel, including the Premises, to Lessee.
- D. The term under the Lease expires March 8, 2022, and Parties need more time to discuss the potential of a future conveyance transaction.
- E. Thus, the Parties wish to extend the term of the Lease on a month-to-month basis, while the Parties continue the discussions regarding a potential conveyance.

AGREEMENTS

The Parties hereby agree to amend the Lease as follows:

1. Monthly-to-Month Term. Commencing March 9, 2022, the term of the Lease will be month-to-month, terminating on the earlier of: (a) Lessor’s conveyance of any portion of Lessor’s Master Parcel containing the Premises to Lessee; or (b) February 1, 2025. Upon the termination of the Lease, all of the Parties’ rights and obligations under the Lease shall cease, except as specifically set forth therein. In the event the conveyance discussions do not result in a transaction, nothing contained in this Lease Amendment 2 precludes Parties from entering into a subsequent amendment or extension of this lease prior to this termination date.
2. Continuation of Lease Terms. Except as expressly amended herein, all other terms and conditions of the Lease shall remain in full force and effect.

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Each person signing this Amendment below on behalf of a Party represents and warrants that he or she is duly authorized by such Party and has legal capacity to do so.

LESSOR:

The State of Oregon, acting by and through the Oregon Liquor and Cannabis Commission

Signature _____, 2022
Name _____ Date
Title _____

LESSEE:

Clackamas County, a political subdivision of the State of Oregon

Signature _____, 2022
Name Tootie Smith Date
Title Chair of the Board of County Commissioners