

ORDINANCE NO. 22

An ordinance approving an agreement between the Metropolitan Service District (MSD) and the Columbia Region Association of Governments (CRAG) for MSD to contract for office space from CRAG' authorizing the Chairman to sign the agreement after review by legal counsel; and declaring an emergency.

PUBLIC HEARING

October 11, 1974 - Emergency Ordinance

ADOPTED ON OCTOBER 11, 1974

ORDINANCE NO. 22

An ordinance approving an agreement between the Metropolitan Service District (MSD) and the Columbia Region Association of Governments (CRAG) for MSD to contract for office space from CRAG; authorizing the Chairman to sign the agreement after review by legal counsel; and declaring an emergency.

APPROVED METROPOLITAN
SERVICE DISTRICT
BOARD OF DIRECTORS

ACTION NO. 74-222

DATE 10-11-74

BY Leah M. Woods
CLERK OF THE BOARD

TITLE PAGE

ORDINANCE NO. 22

THE METROPOLITAN SERVICE DISTRICT ORDAINS:


Section 1. The Board approves the agreement between the Metropolitan Service District and the Columbia Region Association of Governments for the use of office space. A copy of this agreement is attached hereto and made a part of this Ordinance.


Section 2. The Board authorizes the Chairman to sign after review by legal counsel the attached agreement.

Section 3. The Board directs the Chairman to submit the approved agreement to CRAG for their approval.

Section 4. Immediate passage of this Ordinance being necessary for the orderly continuance of providing office space, an emergency is declared to exist, and this Ordinance takes effect upon passage.

Dated Oct. 11, 1974


Robert Schumacher, Chairman


James Robnett, Vice-Chairman

S U B L E A S E

DATED: October 15, 1974

BETWEEN: COLUMBIA REGION ASSOCIATION OF GOVERNMENTS (CRAG) Tenant

AND: METROPOLITAN SERVICE DISTRICT (MSD) Subtenant

The Subtenant wishes to lease from CRAG approximately 1,710 square feet of space as shown on Exhibit B on the third floor of the University Center Building situated at 527 SW Hall on Block 160, Portland Addition, in the City of Portland, County of Multnomah, State of Oregon.

CRAG subleases to MSD the described space for a term to expire on June 30, 1975, subject to renewal for an additional period of twelve (12) months. The rental shall be Five Thousand Two Hundred Dollars (\$5,200.00). Payment shall be made in advance each month for the month in the amount of Six Hundred Fifty Dollars (\$650.00). The rent for the additional 12 months option period, if exercised, will be Eight Hundred Seventeen Dollars and Ninety-five Cents (\$817.95) per month based on \$5.74 per square foot.

MSD may obtain up to four dedicated parking spaces from CRAG at no additional cost. Parking stalls for the additional 12 months option period, if exercised, shall be purchased at \$17.50 per space per month.

CRAG and MSD agree to abide by all applicable terms and conditions set forth in that certain lease agreement between U.S. Bancorp Realty and Mortgage Trust, an Oregon business trust, and Columbia Region Association of Governments dated August 12, 1974, a copy of which is attached hereto as Exhibit "A", and is incorporated herein by reference.

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this lease the day and year first written above.

METROPOLITAN SERVICE DISTRICT

by Charles Stump

COLUMBIA REGION ASSOCIATION
OF GOVERNMENTS

by Larry Reine

STATE OF OREGON

COUNTY OF Multnomah } SS.

Personally appeared before me Charles Kemper, who stated that he is the Manager of METROPOLITAN SERVICE DISTRICT, and that this lease was executed on behalf of such organization pursuant to the authority vested in him.

Subscribed and sworn to before me this 15 day of October, 1974.

Janet H. Wood
NOTARY PUBLIC for Oregon

My Commission Expires: 7-25-78

STATE OF OREGON

COUNTY OF Multnomah } SS.

Personally appeared before me Larry Rice, who stated that he is the Executive Director of COLUMBIA REGION ASSOCIATION OF GOVERNMENTS, and that this lease was executed on behalf of such organization pursuant to the authority vested in him.

Subscribed and sworn to before me this 15 day of October, 1974.

Marjorie H. Murlin
NOTARY PUBLIC for Oregon

My Commission Expires: 5/4/75

OFFICE LEASE

DATED:

August 7, 1974

BETWEEN:

U. S. BANCORP REALTY AND MORTGAGE TRUST,
an Oregon business trust

LANDLORD

AND:

COLUMBIA REGION ASSOCIATION OF GOVERNMENTS

TENANT

Tenant wishes to lease from Landlord the following described property, hereafter referred to as "the Premises":

Approximately 18,300 square feet of space, as shown on Exhibit B, on the third floor of the University Center Building situated at 527 S. W. Hall on Block 160, Portland Addition, in the City of Portland, County of Multnomah, State of Oregon.

If the Premises consist of a portion but not all of a building, the building housing the Premises is hereafter referred to as "the Building".

Landlord leases the Premises to Tenant for a term of sixty (60) months commencing ~~October 1, 1974~~ ^{September 30, 1974}, and continuing through ~~September 30, 1979~~ ^{September 30, 1979}, at a rental of Eight Thousand Seven Hundred Fifty and no/100 Dollars (\$8,750.00) per month plus any increases under Paragraph 3 payable in advance on the first day of each calendar month commencing October 1, 1974. If Landlord consents in writing, Tenant may occupy the Premises prior to such commencement date upon payment of rent on a prorated basis and compliance with all terms of this lease.

Delivery of possession shall occur when the Premises are occupied by Tenant or are ready to be occupied by Tenant with all work to be performed by Landlord substantially completed. No notice shall be required from Landlord if the Premises are ready on the date set for commencement of the term or on the first business day thereafter. If Landlord is unable to deliver possession of the Premises to Tenant because of strikes, acts of God or any other cause beyond Landlord's control, then Tenant may take possession when Landlord notifies Tenant that the Premises are ready for possession, and the term of this lease shall commence on the first day of the first month following such date and continue for the specified number of months thereafter, notwithstanding the commencement and termination dates stated above. Tenant shall owe no rent until the Premises are ready for delivery of possession, and neither party shall have the right to terminate.

This lease is subject to the following additional terms to which the parties agree:

1. Use of the Premises.

(a) Tenant shall use the Premises as business offices for governmental agencies or as hereinafter provided on Page 3, Paragraph 7.

(b) In connection with its use, Tenant shall comply with all applicable laws, ordinances and regulations of any public authority; shall create no nuisance nor allow any objectionable liquid or noise to be emitted from the Premises; shall store no materials nor conduct any activities that will increase Landlord's fire insurance rates for the Premises; shall install only such machinery as is customary for general office use (not including electronic data processing equipment) and shall not overload the floors or electrical circuits of the Premises. Landlord shall have the right to approve in advance the installation of any power-driven machinery by Tenant and may select a qualified electrician whose opinion will control regarding electrical circuits and a qualified engineer or architect whose opinion will control regarding floor loads. Allowable floor load shall be seventy (70) pounds per square foot.

(c) No exterior signs, awnings, antennas, or other apparatus shall be painted on or attached to the Building or on any glass or woodwork

of the Premises without Landlord's written approval as to design, size, location and color. All exterior signs installed by Tenant shall be removed upon termination of this lease with the sign location restored to its former state.

(d) Tenant shall not make any alterations, additions or improvements to the Premises, change the color of the interior or install any floor covering without Landlord's prior written consent. Any such additions, alterations or improvements, except for unattached movable trade fixtures, shall at once become part of the realty and belong to Landlord unless the terms of the applicable consent provide otherwise.

2. Utilities and Services; Maintenance.

(a) Landlord shall furnish to the Tenant water, sewerage, electricity, light, heat, air conditioning, elevator service and janitorial service. Said janitorial service shall be by Sunday through Thursday inclusive, and shall be sufficient for Tenant's proper and comfortable occupancy of the Premises for normal office use.

(b) Landlord shall repair and maintain the Building structure, foundation, roof, gutters, exterior walls, halls, stairways and entryway and any landscaping or common facilities in clean and serviceable condition. Landlord shall also repair and maintain elevators, heating and air conditioning machinery, door and window hardware, plumbing, switches, light fixtures (including replacement of lamps), and wiring except for damage caused by Tenant's negligent use or breach of this lease. Ordinary maintenance of carpets and floors shall also be performed by Landlord.

(c) Landlord shall have the right to erect scaffolding and other apparatus necessary for the purpose of making required repairs. Landlord shall have no liability for failure to perform required maintenance and repair unless notice of the needed maintenance or repair is given by Tenant and Landlord fails to remedy the problem within a reasonable time. Landlord shall have no liability for interference with Tenant's use by needed repairs and installations provided these are performed in a manner so as to cause a reasonable minimum of interference to Tenant. Tenant shall have no claim against Landlord for any interruption of services caused by circumstances beyond Landlord's reasonable control.

(d) Landlord shall maintain the interior of the Premises in neat, clean and good condition at all times and shall replace all broken glass with glass of the same quality and shall repair all damage to the Premises other than damage specifically caused by the Tenant or its employees.

3. Taxes; Operating Expense Increases.

(a) Tenant shall pay all personal property taxes assessed against its property or trade fixtures on the Premises.

(b) Landlord shall pay all real property taxes and assessments levied against the property.

(c) Any increase or decrease in real property taxes as against the base tax year 1974-75, and any increases or decreases in the Landlord's cost of supplying the Premises with janitorial service, elevator maintenance or garbage service as against said costs for the first year of this lease will be subject to adjustment as follows: All adjustments will be made on the anniversary date of the lease and if there are increases or decreases over the base figures as outlined above for the second year of the lease or any of the following years, the monthly rental for the next succeeding year will be increased or decreased by 1/12 of the annual increase or decrease in taxes and cost of supplying the above-defined services. The Tenant's proportion of said increases or decreases shall be measured by the ratio between the rentable area of the building, which is 78,500 square feet, and the rentable area occupied by the Tenant, which is 18,300 square feet.

(d) If during the lease term a tax is assessed upon the Landlord's interest under this lease which is in lieu of the ad valorem real property tax, then to the extent permitted by law, Tenant shall pay a portion of the new tax equivalent to the portion of the ad valorem taxes which it was paying under Paragraph 3(c) prior to the imposition of such tax. Tenant, however, shall have no obligation to pay any income, profits or franchise tax levied upon the net income derived by Landlord from this lease.

4. Tenant's Indemnification.

Tenant shall not allow any liens to attach to the Premises as a result of its activities. Tenant shall hold Landlord harmless from and defend Landlord against any and all claims or liabilities for any injury or damage to any person or property whatsoever occurring in, on or about the Premises or any part thereof when such injury or damage shall be caused in part or in whole by the act, neglect, fault of or omission of any duty with respect to the same by Tenant, its agents, servants, employees or invitees.

5. Casualty Damage.

(a) If fire or other casualty causes damage to the Building or the Premises in an amount exceeding 30 percent of the full construction-replacement cost of the Building or Premises respectively, Landlord may elect to terminate this lease as of the date of the damage by notice in writing to Tenant within 30 days after such date. Otherwise, Landlord shall promptly repair the damage and restore the Premises to their former condition as soon as practicable. Rent shall be abated during the period and to the extent the Premises are not reasonably usable for the use permitted by this lease.

(b) Landlord shall be responsible for insuring the Premises and Tenant for insuring its personal property and trade fixtures located on the Premises. Neither party shall be liable to the other for any loss or damage caused by water damage or any of the risks covered by a standard fire insurance policy with an extended coverage endorsement, and there shall be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.

6. Condemnation.

If a condemning authority takes the entire Building or a portion sufficient to render the Premises unsuitable for Tenant's use, then either party may elect to terminate this lease effective on the date that title passes to the condemning authority. Otherwise, Landlord shall proceed as soon as practicable to restore the remainder of the Building. Rent shall be abated during the period of restoration to the extent the Premises are not reasonably usable by Tenant, and rent shall be reduced for the remainder of the term in an amount equal to the reduction in rental value of the Premises caused by the taking. All condemnation proceeds shall belong to Landlord, except for any sums specifically awarded to Tenant for relocation expenses. Notwithstanding anything to the contrary in this paragraph, any termination under this paragraph shall be without prejudice to the right of the Tenant with respect to leasehold improvements belonging to the Tenant.

7. Assignment and Subletting.

Tenant shall not assign or mortgage its interest under this lease or sublet the Premises without first obtaining Landlord's consent in writing. No consent in one instance shall prevent this provision from applying to each subsequent instance. This provision shall apply to all transfers by operation of the law including but not limited to mergers and changes in control of Tenant. No assignment shall relieve Tenant of its obligation to pay rent or perform other obligations required by this lease. Notwithstanding anything to the contrary contained herein, Tenant shall have the right to sublease certain areas of the demised premises to Portland Metropolitan Area Boundary Commission, Metropolitan Service District, Comprehensive Health Planning Association for the Metropolitan Area, or in lieu of the latter, to sublease that certain area consisting of approximately 1,710 square feet situated north of Column Line B as shown on Exhibit B attached, to any other subtenant which is acceptable to the Landlord.

8. Default.

Any of the following shall constitute a default by Tenant under this lease:

(a) Tenant's failure to pay rent or any other charge under this lease within 10 days after it is due, or failure to comply with any other term or condition within 20 days following written notice from Landlord specifying the noncompliance. If such noncompliance cannot be cured within 20-day period, this provision shall be satisfied if Tenant commences correction within such period and thereafter proceeds in good faith and with reasonable diligence to effect compliance as soon as possible.

(b) Tenant's insolvency; assignment for the benefit of its creditors; Tenant's voluntary petition in bankruptcy or adjudication as bankrupt, or the appointment of a receiver for Tenant's properties.

9. Remedies for Default.

In case of default as described in Paragraph 8 above, Landlord shall have the right to the following remedies which are intended to be cumulative and in addition to any other remedies provided under applicable law:

(a) Retake possession of the Premises by summary proceedings and relet the Premises upon any reasonable terms. No such reletting shall be construed as an acceptance of a surrender of Tenant's leasehold interest.

(b) Recover damages caused by Tenant's default which shall include reasonable attorneys' fees at trial and on any appeal therefrom. Landlord may sue periodically to recover damages as they occur throughout the lease term, and no action for accrued damages shall bar a later action for damages subsequently accruing. Landlord may elect in any one action to recover accrued damages plus damages attributable to the remaining term of the lease equal to the difference between the rent under this lease and the reasonable rental value of the Premises for the remainder of the term, discounted to the time of judgment at the rate of 6 percent per annum.

(c) Make any payment or perform any obligation required of Tenant so as to cure Tenant's default, in which case Landlord shall be entitled to recover all amounts so expended from Tenant, plus interest from the date of the expenditure at the rate of 10 percent per annum from the date of the expenditure.

10. Surrender on Termination.

(a) On expiration or early termination of this lease, Tenant shall deliver all keys to Landlord and surrender the Premises broom clean and in the same condition as at the commencement of the term subject only to depreciation and wear from ordinary use. Tenant shall remove all of its furnishings and trade fixtures that remain its property and restore all damage resulting from such removal. Failure to remove shall be an abandonment of the property, and Landlord may dispose of it in any manner without liability.

(b) If Tenant fails to vacate the Premises when required, Landlord may elect either to treat Tenant as a Tenant from month to month, subject to all provisions of this lease except the provision for term, or to eject Tenant from the Premises and recover damages caused by wrongful holdover.

11. Landlord's Liability.

(a) Landlord warrants that so long as Tenant complies with all terms of this lease, it shall be entitled peaceable and undisturbed possession of the Premises free from any eviction or disturbance by Landlord or persons claiming through Landlord.

(b) U. S. Bancorp Realty and Mortgage Trust is the designation of the Trust and its trustees under a Declaration of Trust dated March 1, 1972, as amended, filed with the Corporation Commissioner of the State of Oregon. All persons dealing with the Trust must look solely to the property and assets of the Trust for the payment of any claims against the Trust or for the performance of any obligation of the Trust as neither the trustees, shareholders, employees, officers nor agents of the Trust assume any personal liability for obligations entered into on behalf of the Trust, and their respective properties shall not be subject to the claims of any person in respect of any such liability or obligation.

(c) Landlord shall have no liability to Tenant for loss or damages arising out of the acts of other tenants.

12. Regulations.

Landlord shall have the right to make and enforce reasonable regulations consistent with this lease for the purpose of promoting safety, order, cleanliness, and good service to all Tenants of the Building. Copies of all such regulations shall be furnished to Tenant and shall be complied with as if part of this lease.

13. General Provisions.

(a) Waiver by either party of strict performance of any provision of this lease shall not be a waiver of nor prejudice the party's right otherwise to require performance of the same provision or any other provision.

(b) Subject to the limitations on transfer of Tenant's interest, this lease shall bind and inure to the benefit of the parties, their respective heirs, successors and assigns.

(c) Landlord shall have the right to enter upon the Premises at any time by pass-key or otherwise to determine Tenant's compliance with this lease, to perform necessary maintenance and repairs to the Building or the Premises, or to show the Premises to any prospective tenant or purchasers. Such entry shall be at such times and in such manner as not to interfere with the reasonable business use of the Premises by Tenant. During the last two months of the term, Landlord may place and maintain upon the Premises notices for leasing or sale of the Premises.

(d) If this lease commences or terminates at a time other than the beginning or end of one of the specified rental periods, then the rent (including Tenant's share of increased operating costs, if any) shall be prorated as of such date, and in the event of termination for reasons other than default, all prepaid rent shall be refunded to Tenant or paid on its account.

(e) Tenant shall within 10 days following Landlord's written request, deliver to Landlord a written statement specifying the date to which the rent and other charges have been paid, whether the lease is unmodified and in full force and effect, and any other matters that may reasonably be requested by Landlord. If any mortgage is placed against the Building or the Premises, no foreclosure of the mortgage shall permit Tenant to terminate this lease provided the mortgagee complies with all Landlord's obligations.

(f) Notices between the parties relating to this lease shall be in writing, effective when delivered, or if mailed, effective on the second day following mailing, postage prepaid, to the address for the party stated in this lease or to such other address as either party may specify by notice to the other. Rent shall be payable to Landlord at the same address and in the same manner.

Landlord - U. S. Bancorp Realty and Mortgage Trust
P. O. Box 4387
Portland, Oregon 97208

Tenant - Columbia Region Association of Governments
527 S. W. Hall Street
Portland, Oregon 97201

(g) Whenever Landlord's consent or approval is required under this lease, Landlord shall promptly exercise its judgment in a reasonable manner following Tenant's request and said consent or approval shall not be unreasonably withheld.

14. Recording.

This lease shall not be recorded without the written consent of Landlord. Landlord, however, agrees to execute and deliver, at the request of Tenant, a short form of this lease in recordable form sufficient to protect the interest of Tenant under this lease.

15. Preparation for Occupancy.

Prior to the date set for commencement of the term, Landlord shall cause the following work to be performed to the Premises in a good and workable manner:

According to Exhibit A attached.

16. Parking.

August 9, 1974 J.R. Q.T.
Tenant has entered into a Parking Lease with Robert Rowe dated July 1, 1974, for 40 parking spaces at University Center parking garage at the rate of \$17.50 per parking space per month. Landlord agrees that if, during the term hereof, Robert Rowe should fail to furnish to Tenant the 40 parking spaces pursuant to such Parking Lease, Landlord will lease an equivalent number of unattended parking spaces to Tenant at the same rate for the remainder of the term of subject lease, or will arrange for such a parking lease for Tenant from a third party.

17. Renewal Option.

If not in default, Tenant shall have the option to renew this lease for an additional five-year term by giving written notice of intent to renew at least 90 days prior to expiration of the original term. All provisions of this lease shall apply during the renewal period except that rental for the renewal period shall be an amount agreed upon by the parties prior to commencement of the term.

18. Attorneys' Fees.

If suit or action is instituted in connection with any controversy arising out of this lease, the prevailing party shall be entitled to recover, in addition to costs, such sum as the court may adjudge reasonable as attorneys' fees, including a reasonable attorney's fee on any appeal from a decision of a trial court.

19. Tenant's Liability.

Columbia Region Association of Governments (CRAG), a municipal corporation of the State of Oregon, formed under the authority of ORS 197.705 to 197.795, is a regional planning agency created by the Oregon Legislative Assembly for the purpose of providing coordinated regional planning in a designated metropolitan area. Its membership consists of certain designated governmental units. All persons dealing with CRAG must look solely to CRAG for any claims against CRAG or for the performance of any obligation of CRAG, as neither the Members, Associated Members, Members of the General Assembly, Members of the Board of Directors, Employees, or Agents of CRAG assume any personal liability for obligations entered into on behalf of CRAG and shall not be subject to any claim of any person in respect to any liability or obligation of CRAG.

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this lease the day and year first written above.

U. S. BANCORP REALTY AND
MORTGAGE TRUST (LANDLORD)

COLUMBIA REGION ASSOCIATION OF
GOVERNMENTS (TENANT)

By

Robert J. James

By

Harry Rice

By

J. J. J. J. J.

By

STATE OF OREGON

County of

Multnomah ss.

Personally appeared before me

Larry Rice

and

who stated that ^{he is} ~~they are~~ the

Executive Director

and

respectively, of COLUMBIA REGION ASSOCIATION OF GOVERNMENTS and that this lease was executed on behalf of such organization pursuant to the authority vested in ^{him} ~~them~~.

Subscribed and sworn to before me this 13 day of August, 1974.

Margaret H. Murlin

Notary Public for Oregon

My commission expires:

STATE OF OREGON

County of

Multnomah ss.

Personally appeared before me

James F. Kavanagh

and

Robert J. James

who stated that they are the

President

and

Assistant Treasurer

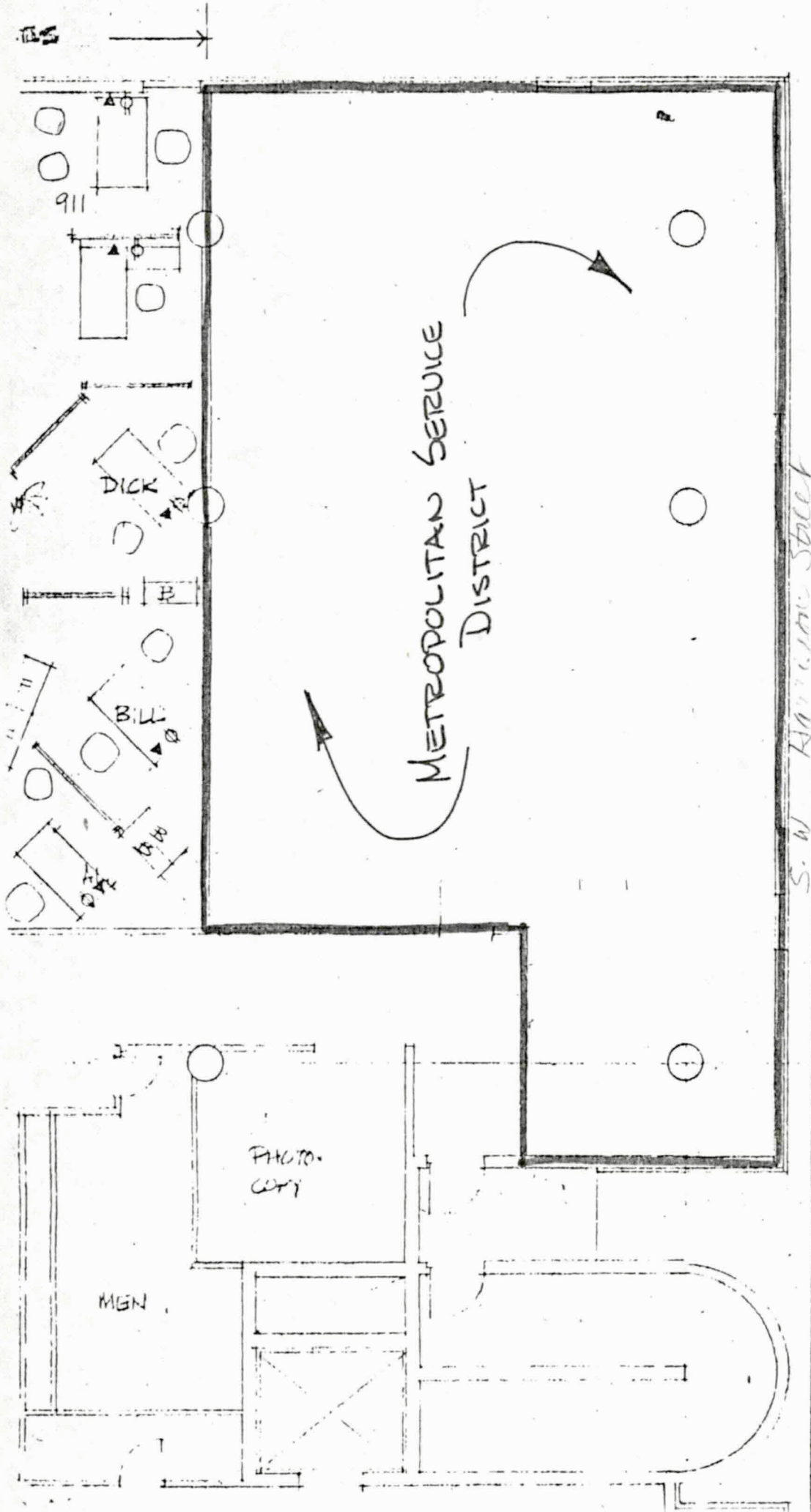
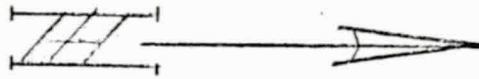
respectively, of U. S. BANCORP REALTY AND MORTGAGE TRUST and that this lease was executed on behalf of such organization pursuant to the authority vested in them.

Subscribed and sworn to before me this 19th day of August, 1974.

Malcolm E. Benton

Notary Public for Oregon

My commission expires: 2-17-75



ASSOCIATION Architect.

Design Collaborative

ina | design

approved - D. R. 10-15-74

CR 10-15-74

JULY 25, 1974

AUGUST 6, 1974

AUGUST 12, 1974

SEP 5, 1974

SEP 25, 1974