

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 05-183

Approving an Amendment to a Real Property Lease and Termination Payment at the North Disability Services Office, Located at 4925 North Albina Avenue, Portland, Oregon

The Multnomah County Board of Commissioners Finds:

- a. Multnomah County currently leases 10,311 square feet at the North Disability Services Office, ("Property"), 4925 North Albina Avenue, Portland, Oregon, from Kelly Development, Inc. The lease expires May 31, 2006.
- b. In August 2005, the Department of County Human Services' North Disabilities Service Office relocated from the Property to the County-owned Walnut Park building. The move resulted in increased building efficiencies.
- c. The Property was previously recommended as a candidate for disposition in the Multnomah County Facilities Portfolio Consolidation and Disposition Strategy dated October 2004 and adopted by Resolution 04-168 dated November 18, 2004. The Strategy planned for this building included program relocation and a negotiated lease termination.
- d. Multnomah County and Kelly Development, Inc. representatives have conducted negotiations resulting in agreed terms for a lease termination. Both parties desire to amend the Lease by changing the termination date from May 31, 2006, to October 31, 2005. In exchange, Multnomah County will make a one time payment to Kelly Development, Inc. of \$70,000.00. This will save Multnomah County approximately \$32,000.00 of rent obligation, as well as the related maintenance responsibility and risk liability associated with a continued leasehold.
- e. It is in the best interests of the County to amend the Lease on the terms and conditions set forth in the attached Cancellation of Lease Agreement.

The Multnomah County Board of Commissioners Resolves:

1. The Board approves the terms of the lease termination. The County Chair is authorized to execute an Amendment on substantially the same terms as the attached Cancellation of Lease Agreement.
2. The County Chair is authorized to execute additional amendments to the Lease without further Board action.

ADOPTED this 27th day of October, 2005.



REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By John S. Thomas
John S. Thomas, Deputy County Attorney

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn
Diane M. Linn, Chair

CANCELLATION OF LEASE AGREEMENT

This CANCELLATION of LEASE is made this 12th day of October, 2005, (the "Agreement") by and between Kelly Development, Inc. ("Landlord"), and Multnomah County, Oregon ("Tenant").

RECITALS

A. Whereas Landlord and Tenant are parties to that certain lease dated March 26, 1991, as amended June 1, 2001, covering 10,311 square feet of Office space located at 4925 North Albina Avenue in Portland, Oregon (the "Premises").

B. Landlord and Tenant desire to cancel the Lease and to release each other from all further responsibilities, obligations, liabilities and claims respecting or arising out of the Lease, subject to the terms and conditions outlined below.

NOW THEREFORE, Landlord and Tenant covenant and agree as follows:

1. The Lease is canceled effective October 31, 2005, the "Cancellation Date."
2. From and after the Cancellation Date, Tenant shall have no further right or interest in and to the Lease or the Premises, or any fixtures or improvements located in the Premises.
3. Landlord and Tenant each release and discharge the other of and from any and all claims, demands, and causes of action, arising out of or respecting the Lease of the Premises that accrue from and after the Cancellation Date.
4. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, successors and assigns.
5. Consideration under this Cancellation Agreement shall be as follows: Tenant will provide Landlord with a one-time payment of \$70,000.00, no later than November 15, 2005.

By signing below, Landlord and Tenant have agreed to the matters set forth in this CANCELLATION of LEASE as to the date set forth above.

Approved & Accepted	
<div>Tenant: Multnomah County, Oregon By: <u>Diane M. Linn</u> Its: <u>Chair</u> Date:</div>	<div>Landlord: Kelly Development, Inc. By:  Its: <u>Landlord</u> Date:</div>