

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 08-136

Approving Third Amendment to Lease with Columbia Watumull, LLC, for Office Space at Columbia Pacific Plaza, 2205 NE Columbia Blvd., Portland, Oregon, and Authorizing County Chair to Execute Lease Amendments and Renewals

The Multnomah County Board of Commissioners Finds:

- a. Multnomah County has a lease with Columbia Watumull, LLC ("Watumull") for approximately 9,987 square feet of office space on the 1st floor of Columbia Pacific Plaza, 2205 NE Columbia Blvd., Portland, Oregon ("Property"). The current lease was entered into in 1999. Multnomah County has previously leased space in the Property for the Department of Community Justice ("DCJ") and the location has continuously served as a staff field office for conducting parole and probation counseling since 1986.
- b. Facilities and Property Management Division ("Facilities") has consulted with DCJ on their space needs and determined that an extension and expansion of the current space would be appropriate. Facilities has negotiated the attached Third Amendment to Lease with Watumull to achieve the extension and expansion of space at the Property to support the program needs of DCJ.
- c. It is in the best interests of the County to lease the Property on the terms and conditions set forth in the attached Third Amendment to Lease.

The Multnomah County Board of Commissioners Resolves:

1. The Board approves the lease extension and expansion of space at the Property and the County Chair is authorized to execute an agreement substantially conforming to the attached Third Amendment to Lease on behalf of Multnomah County.
2. The County Chair is authorized to execute renewals of the lease and execute amendments to the lease without further Board action.
3. Facilities and DCJ are directed to develop a comprehensive strategy for establishing a permanent location for this DCJ field office, providing the Board with alternatives to any future option to extend or renew the lease.

ADOPTED this 2nd day of October 2008.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON


Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By 
John S. Thomas, Deputy County Attorney

SUBMITTED BY:
Carol M. Ford, Director, Dept. of County Management

THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE is made this 3rd day of September, 2008, by and between COLUMBIA WATUMULL, LLC, (the "Landlord"), and Multnomah County, a Political Subdivision of the State of Oregon (the "Tenant").

WHEREAS, Landlord and Tenant entered into a LEASE AGREEMENT dated April 29, 1999, and FIRST AMENDMENT, dated March 25th, 2004, and SECOND AMENDMENT, dated September 27th, 2007, (the "Lease"), for certain Premises located at 2205 NE Columbia Blvd., Portland, Oregon 97211, ("Premises") and consisting of approximately 9,987 square feet, as more fully described in the Lease; WHEREAS, Landlord and Tenant desire to extend and the Lease for an additional term, and to modify the Lease accordingly, as follows;

NOW THEREFORE, in consideration of the covenants and agreements contained herein, the parties hereby mutually agree as follows:

1. **Term:** Effective October 1, 2008 through September 30, 2015; with one (1) option to renew for one (1) successive term of five (5) years at the same terms and conditions of the Lease Agreement and this Amendment and all prior Amendments.
2. **Premises:** The Premises consists of Suites #2205 and #2201. Tenant is in possession of first floor Suite #2205, which is approximately 9,987 square feet. Tenant shall occupy the additional second floor Suite #2201, which is approximately 17,256 square feet, or approximately 27,243 total square feet of occupied premises.
3. **Possession:** Tenant is in possession of Suite #2205. Possession of Suite #2201 shall be forty-five (45) days following the full execution of this Amendment.
4. **Base Rent:** Effective October 1, 2008 the base rental rate for Suite #2205 shall be \$10,820.00 monthly triple net. Effective forty-five (45) days following the execution of this Amendment the base rent for Suite #2201 shall be \$18,694.00 monthly triple net. The first month's rent shall be prorated based on the following: 1) total monthly rent divided by the days in the month 2) calculating the number of days left in the month by the date of occupancy to the remaining days in that month 3) Multiplying the daily amount by the total number of days remaining in the month. The annual rental rate shall be adjusted per the terms of the Lease Agreement.
5. **Tenant's Improvements:** Landlord shall grant Tenant an improvement allowance of eighty six thousand two hundred eighty dollars (\$86,280.00) for the Premises. This allowance shall be used for the painting of the interior office walls, carpeting the area, minor wall removal and replacement and associated work, and Tenant "Security Enhancements". The improvement allowance shall be paid to Tenant upon Tenant furnishing invoices and lien releases to Landlord that evidences job completion and full payment of these improvements.
Security Enhancements:
-Install a section of fencing at the northwest corner of the building and one at the southeast corner of the building with a door through each end that would allow individuals to leave in the case of the fire. (location identified on attached Exhibit 2)

- Tinting or provide shading for such exterior windows and doors as Tenant may select that will still allow light to come in but will prevent people from seeing in.
- Install panic buttons at the front desk that would alert staff throughout the building first and second floors of an emergency.
- Replace office doors that automatically shut with doors that do not have this feature.

6. Landlord's Improvements: Landlord shall complete the following improvements/repairs within forty-five (45) days of mutual execution of this Amendment:

- Replace the two (2) doors on the first floor that lead directly to the lobby with higher quality doors that are sound proof, final door quality to be at Landlord's reasonable discretion.
- Ensure the lighting is functioning on all exterior sides of the building.
- Remove the overgrown bushes that surround the building and that line Northeast Columbia Blvd. and Northeast 21st Ave.

7. First Right of Refusal: Tenant shall have the First Right of Refusal to lease additional office space under mutually acceptable terms and conditions to Landlord and Tenant. If Landlord receives a bona fide offer to lease office space, the Landlord shall give written notice to Tenant evidencing the offer, and Tenant shall have fifteen (15) business days to respond in writing and agree to terms acceptable to all parties.

8. Future Land Use Cooperation: Landlord acknowledges that Tenant intends to pursue regulatory land use actions for the Premises. Landlord shall reasonably cooperate with Tenant with respect to any proposed land use actions provided that such actions, if any, are for uses permitted under the Lease. Tenant shall bear all costs for such actions. Tenant will promptly notify Landlord of any proposed land use action prior to filing.

9. Tenant's Termination Right: The existing Paragraph 2.1 shall be deleted in its entirety and replaced with the following:

2.1 Tenant's Termination Right: Tenant's obligations under Paragraph 1.b notwithstanding, if Tenant's use of the Premises for parole and probation counseling is at any time during the Term of the Lease ruled, legislated, or otherwise found to be illegal for the Premises, despite Tenant's commercially reasonable efforts to seek the necessary approvals, then Tenant shall have the right to terminate this Lease strictly in accordance with, and subject to, the terms and conditions contained in this Paragraph 2.1 ("Tenant's Termination Right"). Tenant shall exercise Tenant's Termination Right, if at all, by giving notice thereof to Landlord (the "Termination Notice"), together with documents showing that Tenant's use of the Premises for parole and probation counseling has been determined to be illegal, and the payment to Landlord of 1) all unamortized Tenant Improvement allowance expenses paid by Landlord under paragraph 5 above and 2) Landlord's real estate brokerage fees related to the period between the Termination Date and September 30, 2015, prorated for partial years, based on the schedule attached as Exhibit 1. Such notice must be received by Landlord not less than one hundred twenty (120) days prior to the date Tenant desires to terminate this Lease (the "Termination Date") which date shall be specified in the Termination Notice. All obligations under this Lease shall continue up to and including the Termination Date, provided that, if as a result of the determination that Tenant's use of the Premises for parole and probation counseling is illegal, Tenant is prohibited from use and occupancy of the Premises for such use during such 120 day period, the provisions of paragraph 10c shall not apply. If not sooner

vacated, upon the Termination Date, Tenant shall surrender possession of the Premises and deliver the same to Landlord in the condition required under this Lease. This Termination right shall expire upon the expiration of this extension term (September 30, 2015), and there shall be no termination right during Tenant's Option to renew period.

EXCEPT AS SPECIFICALLY MODIFIED HEREIN, all terms and conditions of the original Lease and Amendment shall remain in full force and effect, except that with regard to any provision therein granting Tenant any right or privilege to renew or extend said lease; any provisions therein for alterations, repairs, or decorations; and any provisions granting free rent.

IN WITNESS THEREOF, the parties have executed this agreement the day and year first written above.

COLUMBIA WATUMULL, LLC

**MULTNOMAH COUNTY,
a Political Subdivision of the
State of Oregon**

By: _____

By: _____

Its: _____

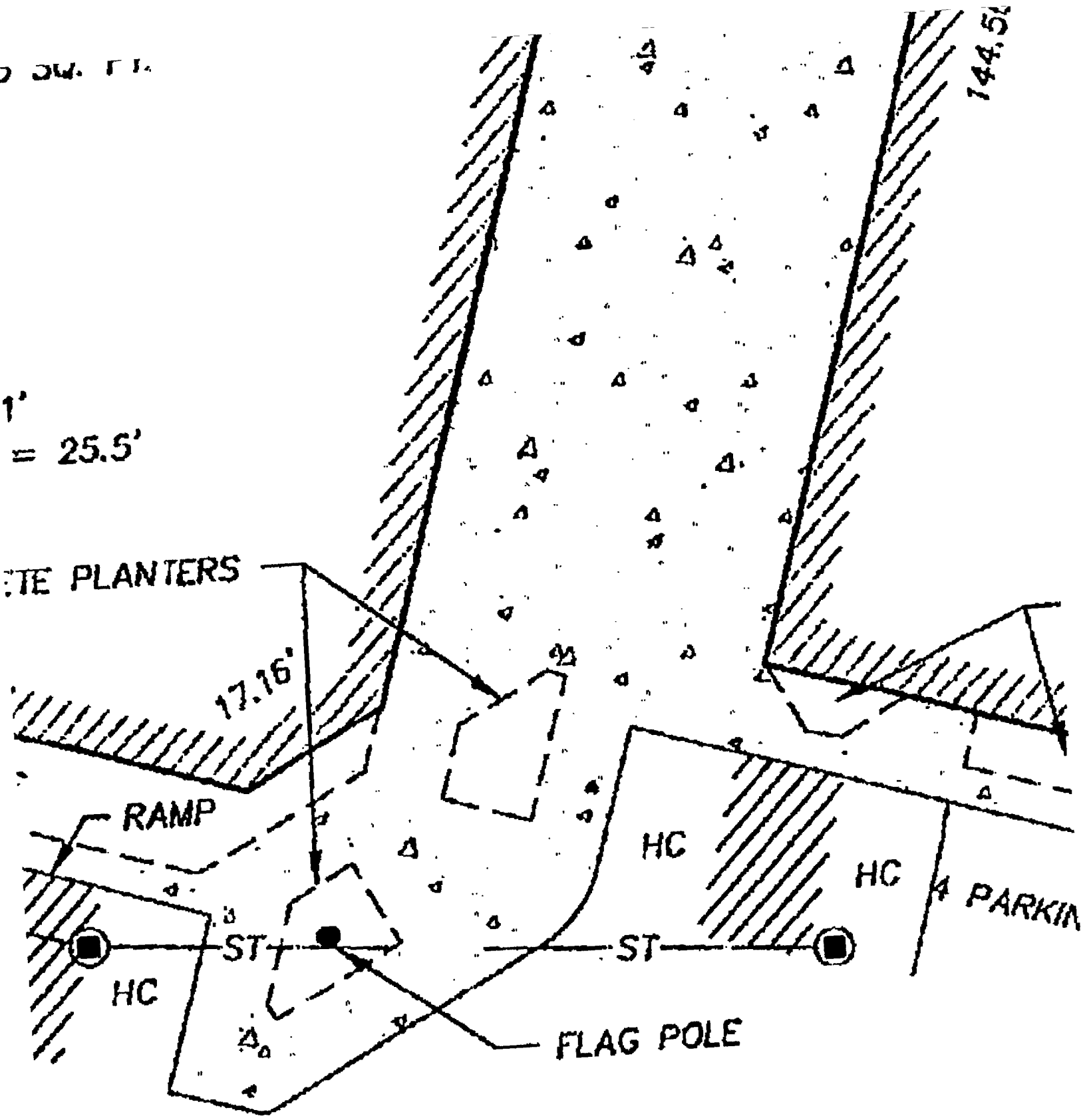
Its: _____

Dates	Monthly Rent	Term/ Months	Annual Rent	Fe
	\$0.00	0.0	\$0.00	0.0
	\$10,820.00	12.0	\$129,840.00	2.5
	\$10,820.00	12.0	\$129,840.00	2.5
	\$10,820.00	12.0	\$129,840.00	2.5
	\$10,820.00	12.0	\$129,840.00	2.5
	\$10,820.00	12.0	\$129,840.00	2.5
	\$10,820.00	12.0	\$129,840.00	1.2
	\$10,820.00	12.0	\$129,840.00	1.2
	\$0.00	0.0	\$0.00	0.0
	\$0.00	0.0	\$0.00	0.0
				0.0
		84.0	\$908,880.00	
	\$0.00	1.5	\$0.00	5.0
	\$18,694.00	10.5	\$196,287.00	5.0
	\$18,694.00	12.0	\$224,328.00	5.0
	\$18,694.00	12.0	\$224,328.00	5.0
	\$18,694.00	12.0	\$224,328.00	5.0
	\$18,694.00	12.0	\$224,328.00	5.0
	\$18,694.00	12.0	\$224,328.00	2.5
	\$18,694.00	12.0	\$224,328.00	2.5
		84.0	\$1,542,255.00	
	\$0.00	84.0	\$2,451,135.00	

DD FORM 1

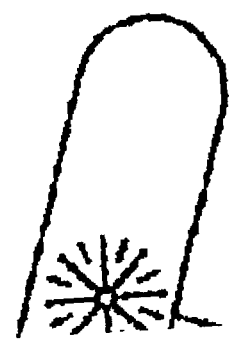
1' = 25.5'

ITE PLANTERS



ADDRESS: 2201-2207 NE
COLUMBIA BLVD.

NG STAIR



7 PARKING