

GROUND LEASE

Effective Date: November 4, 2025

Between: City of Boardman, an Oregon municipal corporation ("LANDLORD")

And: Boardman Community Development Association, an
Oregon nonprofit corporation ("TENANT")

RECITALS

A. Landlord owns an approximate 1.31-acre parcel commonly known as tax lot 04N25E090000117 more fully described in Exhibit A (the "**Property**").

B. In light of the growing demand for pickleball in the Boardman community and the economic benefits to Boardman resulting from organized tournaments, Landlord desires to lease the Property to Tenant to construct and maintain pickleball courts thereon for recreational use.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties herein set forth, Landlord leases to Tenant and Tenant leases from Landlord the Property on the terms and conditions stated below.

Section 1. Occupancy

1.1 Original Term. The term of this Lease shall commence November 4, 2025, and continue through November 4, 2075, unless sooner terminated as hereinafter provided (the "**Term**").

Section 2. Rent

2.1 Base Rent. In lieu of rent Tenant shall be obligated to construct pickleball courts on the Property for use by the general public in accordance with Section 4 herein.

2.2 Additional Rent. Insurance costs, utility charges that Tenant is required to pay by this Lease, and any other sum that Tenant is required to pay to Landlord or third parties shall be additional rent.

Section 3. Use of the Property

3.1 Permitted Use. The Property shall be for the construction and operation of pickleball courts and for no other purpose without the written consent of Landlord in its sole discretion.

3.2 Restrictions on Use. In connection with the use of the Property, Tenant shall:

(1) Conform to all applicable laws and regulations of any public authority affecting the Property and the use and correct at Tenant's own expense any failure of compliance created through Tenant's fault or by reason of Tenant's use.

(2) Refrain from any use that would be reasonably offensive to other tenants or owners or users of neighboring premises or that would tend to create a nuisance or damage the reputation of the Property.

(3) Maintain and enforce operational hours as designated by Landlord and Tenant to prevent noise levels from interfering with neighboring premises use and enjoyment of their property.

(4) Not charge to use the Property, as the term "charge" is defined in ORS 105.672, without first obtaining the written permission of the Landlord. In the event that Landlord allows Tenant to charge for use of the Property, Tenant agrees to fully defend and indemnify the Landlord against any and all claims, demands, and/or other liabilities that are would otherwise be protected under ORS 105.668 – 105.700.

Section 4. Improvements

4.1 Pickleball Court. Tenant shall construct pickleball courts in compliance with USA Pickleball specifications and related improvements commensurate with and necessary for the authorized use of the Property and for the conduct of its operations there. All improvements shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes. Tenant will be responsible for the acquisition and maintenance of any and all permits and licenses for the construction of the improvements to and upon the Property. Tenant shall be responsible to pay one-half the cost for storm water and dry well improvements necessary for development of the Property for its permitted use. The Tenant shall maintain all improvements and structures in good condition and repair.

4.2 Improvements upon Expiration or Termination. Upon expiration or termination of the Lease, all improvements shall automatically become the property of the Landlord and shall thereafter be surrendered to the Landlord as permanent fixtures of the Property.

Section 5. Repairs and Maintenance

5.1 Landlord's Obligations. Landlord shall be under no obligation to make or perform any repairs, maintenance, replacements, alterations, or improvements on the Property.

5.2 Tenant's Obligations. Tenant, at its expense, shall maintain, repair, and replace the Property and any improvements placed thereon as necessary to keep them in good order, condition, and repair, operating condition, working order, and appearance and accordance with all Landlord standards. Tenants' obligations shall extend to both structural and nonstructural items and to all maintenance, repair, and replacement.

5.3 Inspection of Property. The right is hereby reserved to Landlord, its officers, agents, and employees, to enter upon the Property at all reasonable times and for any purpose necessary or convenient and inspect the same in order to determine whether Tenant is complying with the terms and conditions of this Lease or for any other purpose reasonably required by the Landlord in the exercise of its duties under the law.

Section 6. Waste

Tenant shall not do or suffer any strip, waste or damage of the Property or improvements and alterations and will comply at Tenant's expense with all statutes, ordinances, rules, regulations, restrictive covenants, notices, orders, and other requirements of any governmental authority.

Section 7. Liability Insurance

Before the beginning of the Term, Tenant shall procure and thereafter during the term of the Lease shall continue to carry the following insurance at its cost Public liability and property damage insurance in a responsible company with limits of not less than \$1,000,000.00 for injury to one person, \$2,000,000.00 for injury to two or more persons in one occurrence, and \$1,000,000.00 for damage to property. Such insurance shall cover all risks arising directly or indirectly out of Tenant's activities on or any condition of the leased premises whether or not related to an occurrence caused or contributed to by the Landlord's negligence, shall protect against the claims of the Landlord on account of the obligations assumed by Tenant under Paragraph 10, and shall protect the Landlord and Tenant against claims of third persons. Certificates evidencing such insurance and bearing endorsements requiring ten days' written notice to the Landlord prior to any change or cancellation shall be furnished to the Landlord prior to Tenant's occupancy of the property.

Section 8. Liens.

Tenant shall pay as due all claims for work done and/or for services rendered or

materials furnished to the Property and shall keep the Property free from any and all liens.

Section 9. Taxes; Utilities

9.1 Taxes. Tenant shall pay to the proper authority, when and as the same become due and payable, all taxes, assessments, and similar charges, which, at any time during the term of this Lease, may be taxed, assessed, or imposed upon the Landlord or upon Tenant with respect to or upon the Property or improvements thereon.

9.2 Payment of Utilities Charges. Tenant shall pay when due all charges for services and utilities incurred in connection with the use, occupancy, operation, and maintenance of the Property.

Section 10. Indemnity

Tenant agrees to save and keep harmless and indemnify the Landlord from any and all costs, expenses, and damages and any and all claims, demands, or liability, on account or by reason of any act or omission, negligent or otherwise, of Tenant or any of its employees, officers, agents, contractors, or licensees, and in the event that any proceeding or suit is instituted against the Landlord or any of its officers or agents on account of any such claim as herein mentioned, then Tenant shall defend the same therein on behalf of the Landlord or any of its officers, employees or agents. If Tenant refuses or neglects to so defend any and all such actions, it shall pay all costs, expenses, and attorney's fees which the Landlord or its officers, employees or agents are subject to in the defense of the same. Landlord shall have no liability to Tenant for any injury, loss, or damage caused by third parties, or by any condition of the Property.

Landlord shall have no liability for the failure or interruption of utilities.

Section 11. Assignment and Subletting

No part of the Property may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the Property be conferred on any third person by any other means, without the prior written consent of Landlord in its sole discretion. This provision shall apply to all transfers by operation of law. If Tenant is a corporation or partnership, this provision shall apply to any transfer of a majority voting interest in stock or partnership interest of Tenant. No consent in one instance shall prevent the provision from applying to a subsequent instance. Landlord shall consent to a transaction covered by this provision when withholding such consent would be unreasonable in the circumstances.

Section 12. Default

The following shall be events of default:

12.1 Default in Rent. Failure of Tenant to pay any sums required under this Lease within 10 days after it is due.

12.2 Default in Other Covenants. Failure of Tenant to comply with any term or condition or fulfill any obligation of this Lease (other than the payment of rent or other charges) within 30 days after written notice by Landlord specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the 30-day period, this provision shall be complied with if Tenant begins correction of the default within the 30-day period and thereafter proceeds with reasonable diligence and in good faith to affect the remedy as soon as practicable.

Section 13. Remedies on Default

13.1 Termination for Default. In the event of a default the Lease may be terminated at the option of Landlord by written notice to Tenant. Whether or not the Lease is terminated by the election of Landlord or otherwise, Landlord shall be entitled to recover damages from Tenant for the default, and Landlord may reenter, take possession of the Property, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.

13.2 Other Remedies. Landlord shall have all remedies available under applicable law in the event of Tenant's default.

13.3 Right to Sue More than Once. Landlord may sue periodically to recover damages during the period corresponding to the remainder of the Term, and no action for damages shall bar a later action for damages subsequently accruing.

13.4 Landlord's Right to Cure Defaults. If Tenant fails to perform any obligation under this Lease, Landlord shall have the option to do so after 30 days' written notice to Tenant. All of Landlord's expenditures to correct the default shall be reimbursed by Tenant on demand with interest at the rate of 9% annum from the date of expenditure by Landlord. Such action by Landlord shall not waive any other remedies available to Landlord because of the default.

13.5 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Landlord under applicable law.

Section 14. Surrender at Expiration

14.1 Condition of Property. On or before 15 days after the expiration of this

Lease or its termination by either party, Tenant shall, at its expense, vacate the Property, remove its property therefrom, and restore the Property to as good order and condition as that existing upon the date of the commencement of the term of this Lease, less ordinary wear and tear to the Property. If Tenant shall fail or neglect to remove its property and so restore the Property, then, at the option of the Landlord, the property of Tenant shall either become the property of the Landlord without compensation therefor, or Landlord may cause it to be removed and Property to be so restored at the expense of Tenant, and no claim for damages against the Landlord or its officers or agents, shall be created by or made on account of such removal and restoration work.

14.2 Holdover

(1) If Tenant does not vacate the Property at the time required, Landlord shall have the option to treat Tenant as a tenant from month-to-month, subject to all of the provisions of this Lease except the provisions for term and renewal, or to eject Tenant from the Property and recover damages caused by wrongful holdover. Failure of Tenant to remove fixtures or trade fixtures that Tenant is required to remove under this Lease shall constitute a failure to vacate to which this section shall apply if the property not removed will substantially interfere with occupancy of the Property by another tenant or with occupancy by Landlord for any purpose including preparation for a new tenant.

(2) If a month-to-month tenancy results from a holdover by Tenant under this Section 15.2, the tenancy shall be terminable at the end of any monthly rental period on written notice from Landlord given not less than 10 days before the termination date which shall be specified in the notice. Tenant waives any notice that would otherwise be provided by law with respect to a month-to-month tenancy.

Section 15. Miscellaneous

15.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision. The acceptance of a late payment of rent shall not waive the failure to perform an obligation under this Lease except for the failure to pay the rent so accepted when due and shall not affect Landlord's remedies for failure to perform such other obligations.

15.2 Attorney 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 attorney fees at trial, on petition for review, and on appeal.

15.3 Notices. A written letter delivered by a party to this Agreement to the other party by both electronic mail and first-class US mail to the appropriate individual listed below, who shall be responsible for and shall be the contact persons for their

respective party for all communications regarding the performance of this Agreement. Notice shall be deemed effective as of the date of the electronic mail so long as receipt is confirmed by the receiving party with a reply electronic mail, or in any event, three days following mailing by first class US mail. The designated contact person for each party is as follows:

City of Boardman Attn.: City Manager
P. O. Box 229
Boardman, OR 97818
Email: _____

Boardman Community Development Association Attention: Executive Director
P.O. Box 227
Boardman, OR 97818
Email: _____

Either party may change its respective contact person or address listed above by written notice to the other party.

15.4 Succession. Subject to the above-stated limitations on transfer of Tenant's interest, this Lease shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

15.5 Time of Essence. Time is of the essence of the performance of each of Tenant's obligations under this Lease.

15.6 Representations. Tenant acknowledges that it has examined the Property and accepts it "As Is" and "With All Faults." Tenant further acknowledges that no representations as to the condition of the Property have been made by Landlord or any agent or person acting for Landlord. Landlord shall not be liable for injury or damage to person or property occurring within the Property, unless caused by or resulting from an affirmative act of negligence on the part of Landlord.

15.7 Captions. The captions heading the sections and subsections of this Lease are inserted for convenience of reference only, and are not to be used to define, limit, construe or describe the scope or intent of any term, provision or section of this Lease.

15.8 Integration. This Lease contains the final and exclusive agreement and understanding of the parties with respect to the subject matter of it, and supersedes all prior and contemporaneous agreement, oral or written. Except as set forth in this Lease, there are no promises, representations, agreements, or understandings, oral or written, among the parties relating to the subject matter of this Agreement.

15.9 Modification. This Lease may not be amended or modified except by written agreement executed by the parties affected thereby.

15.10 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. Electronic signatures transmitted either via facsimile or electronic mail in portable document format (pdf) are binding on the party providing the facsimile or electronic mail signatures.

LANDLORD:

City of Boardman

By: _____ Brandon Hammond, City Manager

TENANT:

Boardman Community Development Association

By: _____ Torrie Griggs, Executive Director

EXHIBIT A
(Legal Description)

Parcel 2 of Partition Plat No. 2003-15