

REVIEWED

LEGAL COUNSEL

LEASE

This Lease ("Lease") is made by and between **DESCHUTES COUNTY**, a political subdivision of the State of Oregon ("Lessor"), and **OREGON STATE UNIVERSITY** ("Lessee").

The parties agree that the terms of this Lease are as follows:

- A. Premises: Lessor hereby leases to Lessee and Lessee takes from Lessor the "Premises" described as follows:

Approximately one hundred sixty-six (166) square feet of office space, along with common areas and access for ingress and egress, in the South County Services Building located at 51340 Highway 97, La Pine, Oregon 97739, Room 138, (the "Premises"), as shown on Exhibit A.

1. Term and Renewal. The effective date of this Lease shall be November 1, 2023, or the date on which the last party signed this Lease, whichever is later, and shall continue until October 31, 2025.
 - a. This Lease may be terminated by either party upon sixty (60) days' prior written notice.
 - b. Automatic Renewal. If the Lessee is not then in default and the Lease has not been terminated in accordance hereof, this Lease shall automatically renew ("Auto Renewal") for additional two (2) year terms under the same terms and conditions set forth herein except for any modifications agreed to in writing by amendment. The Auto Renewal will be memorialized by a letter signed by the Parties. The term of this Lease shall not exceed ten (10) years in total, including any automatic renewals.
 - c. Possession. During the Lease term, Lessee shall be entitled to access the Premises twenty-four hours a day, seven days a week. Changes to the hours and days of access may be made by mutual consent of the Parties.
2. Rent. Lessee shall pay to Lessor as rent, in advance on the first day of each month, the sum of Two Hundred Thirty Nine (\$239.00) Dollars per month, ("Rent"), beginning on November 1, 2023. On November 1 of each year, beginning November 1, 2024, Rent shall increase at a rate of three (3%) percent per year. In addition to Rent, Lessee shall reimburse Lessor for utility charges as specified in Section 9(a) below, beginning on November 1, 2023. Lessor will invoice Lessee for payment of Rent and utility charges. Payments are due upon the first day of the month, with invoices mailed on or about the 15th of the preceding month. Payments shall be mailed or delivered to the address noted in Section 17 Notices, or at such other place as may be designated in writing by Lessor. Any partial months shall be prorated. Except for the provisions listed in this Lease, nothing shall alleviate Lessee from the obligation for Rent during the effective term of the Lease.

Initial Term	Monthly Rent
November 1, 2023 – October 31, 2024	\$239.00 per month
November 1, 2024 – October 31, 2025	\$246.00 per month

3. Use of Premises. Lessee shall use the Premises for office space for the OSU – SNAP-Ed Program offices. Lessee, its principals or agents shall not use the Premises to operate a business other than that specified in this Lease and shall not use the Premises, business or mailing address for any other business than that specified in this Lease without obtaining the Lessor's written consent in advance.
4. Possession. Lessor shall provide Lessee with security badge access to the Premises during the term of the Lease.
5. Parking. Lessee, its employees and clientele shall have a nonexclusive right to access and utilize vehicle parking spaces located in the parking lot of the South County Services Building on a first-come, first-served basis.
6. Restrictions on Use. In connection with the use of the Premises, Lessee shall:
 - a. Conform to all applicable laws and regulations affecting the Premises and correct at Lessee's own expense any failure of compliance created through Lessee's fault or by reason of Lessee's use of the Premises. Lessee shall not be required to make any structural changes to affect such compliance, unless such changes are required because of Lessee's specific use.
 - b. Refrain from any use which would be reasonably offensive to the Lessor, other tenants, or owners or users of adjoining property or unoccupied portions of the real property, or which would tend to create a nuisance or damage the reputation of the real property.
 - c. Refrain from making any unlawful or offensive use of Premises or to suffer or permit any waste or strip thereof.
 - d. Exercise diligence in protecting from damage the Premises and common area of Lessor covered by and used in connection with this Lease.
 - e. Be responsible for removing any liens placed on Premises as a result of Lessee's use of Premises.
 - f. Comply with Lessor's policies, as periodically amended regarding smoking, parking, fragrances, facilities maintenance, facilities use, and violence in the workplace. Those policies are incorporated by reference herein and are available by Lessor upon request.
7. Lessee's Obligations. The following shall be the responsibility of the Lessee:
 - a. Lessee shall not be required to make structural repairs that would place the Premises in a better condition than at the commencement of this Lease.
 - b. Any repairs necessitated by the negligence of Lessee, its agents, trustees, employees or invitees, subject to the limitations and conditions of the Oregon Tort Claims Act, ORS 30.260-30.300 and the Oregon Constitution Article XI, Section 7.

- c. Any repairs or alterations required under Lessee’s obligation to comply with laws and regulations as set forth in “Restrictions on Use” above.
- d. Lessee shall take good care of the interior of the Premises and at the expiration of the term surrender the Premises in as good condition as at the commencement of this Lease, excepting only reasonable wear, permitted alterations, and damage by fire or other casualty.

8. Lessor's Obligations.

- a. Lessor shall perform all necessary maintenance and repairs to the structure, foundation, exterior walls, roof, doors and windows, elevators, emergency lighting, flooring, and Lessor-provided fire extinguishers, sidewalks, and parking area which are located on or serve the Premises. Lessor shall maintain the Premises in a hazard free condition and shall repair or replace, if necessary and at Lessor’s sole expense, the heating, air conditioning, plumbing, electrical, any electronic devices such as cameras or security systems and lighting systems in the Premises, obtaining required permits and inspections from Code enforcement authorities, and shall keep the Premises, improvements, grounds and landscaping in good repair and appearance replacing dead, damaged or diseased plant materials when necessary. Lessor shall replace ceiling fixture light bulbs.
- b. Should Lessor fail to maintain the Premises in accordance with above requirements, and after at least fourteen (14) days prior written notification to Lessor, Lessee may contract for necessary labor, equipment and material to bring Premises within those requirements and may deduct reasonable and necessary costs from future Rent payments.

9. Utilities, Services and Real Property Tax

- a. Lessor will cause the utilities and services listed below to be furnished to the Premises. Charges shall be paid as indicated:

<u>Utility or Service</u>	Monthly Charges Paid By:	
	Lessor	Lessee
Water	X	
Internet	X	
Phone	X	
Sewer	X	
Electricity	X	
Gas	X	
Trash Removal	X	
Janitorial Service		X
Janitorial Supplies (including recycling charges)		X
Window Washing	X	
Snow and Ice Removal	X	
Building Security (If applicable)	X	

- b. Utility Charges: Lessee shall reimburse Lessor for utility charges at the rate of Sixty Seven (\$67.00) Dollars per month, in addition to monthly Rent as specified in Section 2. On November 1 of each year, beginning on November 1, 2024, the amount Lessee reimburses to Lessor for utility charges shall increase at a rate of three (3%) percent per year as follows:

Initial Term	Utility Reimbursement
November 1, 2023 – October 31, 2024	\$67.00 per month
November 1, 2024 – October 31, 2025	\$69.00 per month
November 1, 2025 – October 31, 2026	\$71.00 per month
November 1, 2026 – October 31, 2027	\$73.00 per month

- c. Telephone Cable and Wire: Lessor shall be responsible for providing and maintaining all telephone cable and wire to the telephone/computer room/closet in the Premises, including bringing sufficient number of lines to the telephone closet(s) on the floor or in the area where the Premises are located for Lessee's use. Installation of any new station wire and maintenance of all station wire shall be Lessee's responsibility, except when such installation work is included in the Lessor's build-out work as may be agreed to by the parties under this Lease. Station wire means that wire or cable which runs between the station jack(s) and the telephone closet(s), and those which run between and among station jacks.
- d. Lessee is assumed to be tax exempt as to real property tax liability on leased real property as provided in ORS 307.166. Such status requires Lessee to file for such exemption each year. Lessor agrees to cooperate and aid Lessee in all reasonable respects with such application for exemption.

10. Liens.

- a. Except with respect to activities for which the Lessor is responsible, the Lessee shall pay as due all claims for work done on and for services rendered or material furnished to the Premises and shall keep the Premises free from any liens. If Lessee fails to pay any such claims or to discharge any lien, Lessor may do so and collect the cost from Lessee. Any amount so expended shall bear interest at the rate of nine percent (9%) per annum from the date expended by Lessor and shall be payable on demand. Such action by Lessor shall not constitute a waiver of any right or remedy which Lessor may have on account of Lessee's default.
- b. Lessee may withhold payment of any claim in connection with a good faith dispute over the obligation to pay, so long as Lessor's property interests are not jeopardized. If a lien is filed as a result of nonpayment, Lessee shall, within thirty (30) days after knowledge of the filing, secure the discharge of the lien or deposit with Lessor cash or a sufficient corporate surety bond or other surety satisfactory to Lessor in an amount sufficient to discharge the lien plus any costs, attorney fees and other charges that could accrue as a result of a foreclosure or sale under a lien.

11. Insurance.

- a. It is expressly understood that Lessor shall not be responsible for carrying insurance on any personal property owned by Lessee.
- b. Lessee will be required to carry fire and casualty insurance on Lessee's personal property on the Premises. Neither Party shall be liable to the other (or to the other's successors or assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy.
- c. Lessee shall provide to Lessor proof of workers' compensation insurance, upon request.
- d. Lessor is self-insured under ORS 30.282 and has established a self-insurance fund for liability arising out of any tort claim or property damage against any of its programs, officers, agents, employees and volunteers acting within the scope of their employment. This coverage is applicable under any Deschutes County agreement. A certificate of insurance will be provided upon request.
- e. Lessee is self-insured under ORS 352.087 with adequate levels of excess general liability and commercial auto liability insurance and maintains workers' compensation insurance for its employees in conformance with ORS Chapter 656.017.
- f. Lessee shall furnish a current Certificate of Insurance to Lessor. The Certificate shall state the deductible or, if applicable, the self-insured retention level, and that all applicable coverage is on an occurrence basis. Lessee shall be responsible for any deductible or self-insured retention. Lessee shall notify the County in writing at least 30 days in advance of any cancellation, termination, material change, or reduction of limits of the insurance coverage.

12. Indemnification: Lessor and Lessee shall each be responsible for the negligent and willful acts of their officials, officers, agents, employees, clients, volunteers, and invitees. Parties liability exposure is restricted by the Oregon State Constitution, Article XI, and Oregon Revised Statutes 30.260 through 30.300, the Oregon Tort Claims Act.

13. Casualty Damage. If the Premises are damaged or destroyed by fire or other casualty to such a degree that the Premises are unusable for the purpose leased, and if repairs cannot reasonably be made within ninety (90) days, Lessee may elect to cancel this Lease. Lessor shall in all cases promptly repair the damage or ascertain whether repairs can be made within ninety (90) days, and shall promptly notify Lessee of the time required to complete the necessary repairs or reconstruction. If Lessor's estimate for repair is greater than ninety (90) days, then Lessee, upon receiving said estimate will have twenty (20) days after such notice in which to cancel this Lease. Following damage, and including any period of repair, Lessee's rental obligation shall be reduced to the extent the Premises cannot reasonably be used by Lessee.

14. Surrender of Premises. Upon abandonment, termination, revocation or cancellation of this Lease or the surrender of occupancy of any portion of or structure on the Premises, the Lessee shall surrender the Premises or portion thereof to Lessor in the same condition as the Premises was on the effective date, fair wear and tear excepted, except, that nothing in this Lease shall be construed as to relieve Lessee of Lessee's affirmative obligation to surrender Premises in a condition which complies with all local, state or federal environmental

laws, regulations and orders applicable at the time of surrender. Upon Lessor's written approval, Lessee may leave site improvements authorized by Lessor. Lessee's obligation to observe and perform this covenant shall survive the expiration or the termination of the Lease.

15. Nonwaiver. Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice of the party's right to require strict performance of the same provision in the future or of any other provision.

16. Default. Neither party shall be in default under this Lease until written notice of its unperformed obligation has been given and that obligation remains unperformed after notice for fifteen (15) days in the case of the payment or for thirty (30) days in the case of other obligations. If the obligation cannot be performed within the thirty-day period, there shall be no default if the responsible party commences a good faith effort to perform the obligation within such period and continues diligently to complete performance. In case of default the non-defaulting party may terminate this Lease with thirty (30) days' notice in writing to the defaulting party, shall be entitled to recover damages or any other remedy provided by applicable law, or may elect to perform the defaulting party's obligation. The cost of such performance shall be immediately recoverable from the defaulting party plus interest at the legal rate for judgment. If Lessee makes any such expenditures as the non-defaulting party, those expenditures may be deducted from monthly Rent payments.

17. Notices. Notices between the parties shall be in writing, effective when personally delivered to the address specified herein, or if mailed, effective 48 hours following mailing to the address for such party specified below or such other address as either party may specify by notice to the other, or by confirmed receipt of electronic mail:

Lessor: Deschutes County Property Management
Attention: Property Manager
14 NW Kearney Avenue
Bend, Oregon 97708-6005
541-385-1414
Kristie.Bollinger@deschutes.org

Mailing:
PO Box 6005
Bend, OR 97708-6005

Lessee: OREGON STATE UNIVERSITY
Attn: Katherine Ahern
3893 SW Airport Way
Redmond, Oregon 97756
541-548-6088
Katherine.ahern@oregonstate.edu

With a copy to: OSU Real Property
Attn: Nicole Neuschwander
850 SW 35th Street
Corvallis, Oregon 97333
541-737-6925
realproperty@oregonstate.edu

18. Assignment. Lessee shall not assign or sublease the Premises.

19. Holdover. If Lessee holds over after the end of the term, a tenancy from month to month shall be created at the same rental rate, and the holdover shall not be construed as an exercise of any renewal option contained herein.
20. Audit. Lessee reserves the right to audit, at Lessee's expense, Lessor's access records pertinent to this Lease.
21. Intentionally Left Blank.
22. Authority. The signatories to this Lease covenant that they possess the legal authority to bind their respective principals to the terms, provisions and obligations contained within this Lease.
23. Counterparts. This Lease may be executed in two or more counterparts, by facsimile or otherwise, each of which is an original, and all of which together are deemed one and the same Lease, notwithstanding that all parties are not signatories to the same counterpart.
24. MERGER.

THIS LEASE CONSTITUTES THE ENTIRE LEASE BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS LEASE SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY THE PARTY TO BE BOUND. SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS LEASE. LESSOR, BY THE SIGNATURE BELOW OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT LESSOR HAS READ THIS LEASE, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have caused this Lease to be effective for all purposes as of the date below.

LESSOR:

DATED this _____ of _____, 2023

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

PATTI ADAIR, Vice Chair

ATTEST:

Recording Secretary

PHIL CHANG, Commissioner

[Signature Page Follows]

LESSEE:

DATED this _____ of _____, 2023

OREGON STATE UNIVERSITY

Nicole Neuschwander
Director, Leasing and Strategic Real Property
Management

Exhibit A
Floor Plan

