

**LEASE AGREEMENT
CITY OF PORTLAND
MULTNOMAH ARTS CENTER**

This Lease agreement (“Lease”), is entered into by and between the CITY OF PORTLAND, acting by and through its Parks and Recreation Bureau, a municipal corporation of the State of Oregon, (“Lessor” or “PPR”) and _____ (“Lessee”).

AGREED:

In consideration of the leasing of the Premises described below and of the mutual agreements contained herein, each party expressly covenants and agrees as follows:

1. **PREMISES**

Lessor and Lessee agree to lease the real property situated in the City of Portland, County of Multnomah, State of Oregon, described as: Cottage 3 Office and Lobby Storage (Premises) and located on Multnomah Arts Center’s campus to the west of the main facility, 7688 SW Capitol Highway 97219 – upon the terms, conditions, and covenants hereinafter set forth. The leased Premises is approximately 413 square feet in size and depicted in Exhibit A.

2. **TERM**

The term of this Lease shall commence January 1, 2025 and shall terminate on June 30, 2029 (the “Initial Term”), unless sooner terminated under the provisions hereof. If the Lessee is not in default under the Lease, the Parties may mutually agree, in writing, to renew the Lease for one additional term of not more than five (5) years.

If Lessee remains in possession of the Premises or any part thereof after the expiration of the term hereof without the express written consent of Lessor, such occupancy shall be a tenancy from month-to-month with rent in the amount of the last monthly rent, plus all other charges payable hereunder, and upon all terms hereof applicable to month-to-month tenancy. The holdover tenancy may be terminated at will any time by Lessor. Lessor shall have the right to adjust the rent payments, charges or use fees upon 30 days written notice to Lessee. In the event of hold over beyond June 30 of any year, Lessee shall be responsible for payment of real property taxes for the entire year without proration.

3. **RENT**

During the Term hereof, Lessee shall pay Lessor as Base Monthly Rent (“Rent”) for the Premises using the following sums:

Period	Monthly Rent
July 1, 2026 through June 30, 2027	
July 1, 2027 through June 30, 2028	
July 1, 2028 through June 30, 2029	
July 1, 2029 through June 30, 2030	
July 1, 2030 through June 30, 2031	

The rent shall be calculated on a square foot basis of \$17.06 per square foot with the rate per square foot to be increased by 3.5% on July 1st of each year. Said rent shall commence upon the commencement of the term of this Lease as set forth in Section 2 hereof with proration of rent for any partial calendar month of the term hereof.

All Rent shall be paid on or before the first day of each month and shall be made payable, mailed or delivered to the City of Portland, Portland Parks and Recreation, Attention: Property Manager, PO Box 5066, Portland, Oregon 97208-5066, or such other place as the Lessor may designate.

The obligation to pay Rent shall commence upon the commencement of the Term of this Lease. By agreeing to this Lease, Lessee understands that the amount of Rent during this current Term is not negotiable. All Rent to be paid by Lessee to Lessor shall be in lawful money of the United States of America and shall be paid without deduction or offset, prior notice or demand.

No payment by Lessee or receipt by Lessor of a lesser amount than any installment or payment of Rent or other charges or fees shall be deemed to be other than on account of the amount due, and no endorsement or statement on any check or payment of Rent or other charges or fees shall be deemed an accord and satisfaction. Lessor may accept such check or payment without prejudice to Lessor's right to recover the balance of such installment or payment of rent or other charges or fees, or pursue any other remedies available to Lessor.

All Rent not paid by Tenant when due or demanded shall bear interest at the rate of one percent (1%) per month. The interest rate of one percent (1%) on overdue accounts is subject to periodic adjustment in writing to reflect Lessor's then current interest rate charged on overdue accounts.

In addition to all of the remedies provided by this Lease, if any Rent or other charge required by this Lease is not received by Lessor within ten (10) days after it is due, Lessor may impose a Late Fee equal to five-percent (5.00%) of the amount of the delinquent Rent or other charge for the month in which the Rent or other charge is delinquent. Lessee shall pay any Late Fees immediately upon invoicing by Lessor. The imposition by Lessor and/or the payment by Lessee of any Late Fees shall not waive or cure Lessee's default hereunder. Failure to impose a Late Fee on one occasion does not affect a waiver of Lessor's right to impose a Late Fee on subsequent delinquent payments.

4. **PERMITTED USE**

The leased Premises shall be used, managed and operated by Lessee continuously during the entire term hereof, for the exclusive purposes as related to the Lessee's mission as described in the organization's application and current bylaws.

The Lessee shall not use or permit in said Premises anything that may be dangerous to life or limb; or in any manner deface or injure said building or any portion thereof; or overload the floors; or permit any objectionable noise or odor to escape or to be emitted from said Premises; or to use or permit the use of said Premises for lodging or sleeping purposes, or for any illegal purposes; and that the Lessee will comply at Lessee's own cost and expense with all orders, notices, regulations or requirements of any municipality, state or other government authority respecting the use of said Premises. To the best of Lessor's knowledge, the use as specifically

described above does not violate any orders, notices, regulations or requirements of any municipality, state or other government authority respecting the use of the Premises.

5. **SECURITY DEPOSIT**

Upon execution of this Lease, Lessee will pay Lessor a security deposit equal to the monthly rent. The security deposit shall be returned to Lessee after the expiration of this lease, provided Lessee has fully and faithfully carried out all of its terms, including payment of all amounts due Lessor and surrender of the Premises to Lessor in the condition required by this lease. However, at its option, Lessor may apply the security deposit to payment of the last month's monthly rent. The security deposit may be co mingled with other funds of Lessor and shall bear no interest. In the event of a sale of the property upon which the Premises are located, Lessor shall have the right to transfer the security deposit to the purchaser to be held under the terms of this lease, and Lessor shall thereupon be released from all liability for the return of the security deposit. Lessee agrees to look solely to the new property owner for the return of the security deposit.

6. **ACCEPTANCE OF PREMISES**

Lessee has examined the Premises and accepts them. No representations or warranties as to the condition of the Premises have been made by the Lessor or its agents. All furnishings, appliances, fixtures, improvements, surface coverings, decoration and other contents of the leased Premises shall be provided by Lessee at its own expense but shall not be installed except as provided in Section 9 and 10 of this Lease. Lessor shall have no liability to Lessee for any damage or injury caused by the condition of the Premises.

7. **UTILITIES**

Lessor shall pay promptly when due all charges for light, heat, water, garbage collection, janitorial service, sewage disposal or other utilities of any kind furnished to the Premises. In the event that Lessee's use of any of these utilities or services is unusually or unreasonably high, PPR may seek reimbursement from Lessee for utility costs incurred. Lessee shall make reasonable efforts to use utilities responsibly so as to conserve energy and water. If any utility services are provided by or through Lessor, charges to Lessee shall be comparable with prevailing rates for comparable services. If Lessor receives and pay bills for any utilities to the Premises which have been added or supplied at the special request of Lessee, Lessee shall reimburse Lessor upon demand. In no event shall the Lessee overload the electrical circuits from which Lessee obtains current.

8. **TAXES**

If any real property or personal property taxes or assessments of any kind are levied with respect to the Premises, Lessee shall be solely responsible for such taxes or assessments. If bills for such taxes or assessments are sent to PPR, rather than Lessee, PPR shall timely provide Lessee with such bills or, if appropriate, with an invoice and documentation evidencing Lessee's share of such taxes or assessments. Lessee shall pay all taxes or assessments for which it is responsible, above, before the same become delinquent. Lessee shall have the right, at no cost to PPR, to contest with the taxing authorities any such taxes or assessments. Lessee shall be solely responsible for the filing of any requested exemption of the real property taxes through the appropriate taxing jurisdiction.

9. **MAINTENANCE AND REPAIR**

- A. Except for repairs which are Lessor's responsibility, pursuant to subsection B of this section, Lessee shall at all times maintain the Premises and all improvements of any kind, which may be erected, installed or made thereon by Lessor or Lessee in a neat condition, free of trash and debris, in good and substantial condition, order and repair. Lessee will not be responsible for repairs not caused by Lessee's use of the Premises. All significant repairs that are the responsibility of Lessee shall be made by Lessor at Lessee's expense, unless otherwise agreed in writing. Lessee responsibility to the Premises shall include, without limitation, the following:
1. Performance of all necessary maintenance and repair upon the electrical fixtures, switches and wiring from the Lessee's service panel; doors; windows; hardware; exposed plumbing; and indoor ceilings, walls and floors;
 2. Replacement of all broken or cracked glass with glass of quality equal to that existing at the commencement of the term, unless such glass is broken or cracked as a result of vandalism or malicious mischief other than by Lessee, its officers, agents, employees or invitees.
 3. Replacement of all light bulbs, as needed.
- B. Subject to available funding and the limitations in Subsection C of this section, Lessor shall maintain in serviceable condition the roof, exterior walls and concealed plumbing in the Premises and building, and shall make any major repairs or replacement of the mechanical equipment, unless such maintenance and repair are caused by Lessee's or its agent's, employee's or invitee's negligence, misuse or failure to comply with any provisions of this Lease, in which case Lessee shall pay Lessor the actual cost of the maintenance and repairs. No rent abatement shall occur because of Lessee's inability to use of a portion of the Premises or the heating or air conditioning unit, as long as Lessor is making diligent efforts to make repairs in a timely manner.
- C. Lessor shall have no duty to make any repairs which are its obligations under this Lease until Lessee has given written notice to Lessor of the repairs to be made or condition to be corrected. Lessor shall have no liability for failure to make any repair required of it if the repair is completed within a reasonable time following the notice from Lessee. Lessee waives the right to make repairs or perform maintenance at Lessor's expense under any law, statute or ordinance now or hereafter in effect. If Lessee fails to perform any maintenance or repair task for which it is responsible, Lessor may perform such tasks and charge Lessee for all related costs.

10. **IMPROVEMENTS, ALTERATIONS AND ADDITIONS**

Lessee shall not make or allow to be made any improvements, alterations, or additions to or of the Premises or any part thereof or its contents without first obtaining the written consent of Lessor. Upon request of PPR, Lessee will submit its request for improvements through the PPR Non-Park Use Permit process for PPR review. Any improvements, alterations, or additions to or of the Premises, including, but not limited to wall covering, paneling, built-in cabinet work, but excepting movable furniture and trade fixtures, shall at once become a part of the realty and belong to Lessor and shall be surrendered with the Premises. If Lessor consents, improvements, alterations or additions to the Premises may be made by Lessee at Lessee's sole cost and expense.

All work performed by Lessee on the Premises shall be done in strict compliance with all applicable building, fire, sanitary and safety codes, and other applicable laws, statutes, regulations and ordinances, and Lessee shall secure all necessary permits for the work. To the extent required by law, Lessee shall apply for permits and submit permit plans to the City of Portland, Bureau of Development Services, within ten (10) days of obtaining Lessor's consent to Lessee's plans and specifications. All plans for construction, alteration, or changes shall be signed and sealed by an architect or engineer licensed by the State of Oregon. All plans for construction, alteration or changes shall be provided to Lessor's Property Manager for approval prior to commencement of said construction, alteration, or changes. All work performed by Lessee shall be carried forward expeditiously, shall not interfere with Lessor's work or the work to be performed by or for other tenants, and shall be completed within a reasonable time. All work shall be completed in a good workmanlike manner. Lessor or Lessor's agents shall have the right at all reasonable times to inspect the quality and progress of the work. Lessee agrees to provide Lessor with an "as built" sepia of the Premises and the improvements at completion of Lessee's construction.

Upon the termination of this Lease, Lessee shall upon written demand by Lessor given at least thirty (30) days prior to the end of the term, at Lessee's sole cost and expense, immediately, and with all due diligence, remove any improvements, alterations or additions made by Lessee, designated by Lessor to be removed. Lessee shall immediately and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by such removal.

11. **SIGNS AND ATTACHMENTS**

Lessee shall not, without Lessor's prior written consent, place any marks, signs, advertisement, notice, marquee, awning, decoration, antenna, aerial, or any other device or attachment in, on or to the roof, front, windows, doors or exterior walls of the Premises or the building. Any sign, or attachment placed upon the Premises by Lessee with Lessor's consent shall be removed at Lessee's expense upon termination of this Lease, and all damage caused by the removal shall be repaired at Lessee's expense. Subject to the provisions hereof, Lessee shall have the right to install or cause to be installed appropriate signs to advertise the nature of its business. The cost of such installations and operations shall be borne by Lessee. Additional rules and regulations regarding signs are included in Exhibit C.

12. **STYROFOAM**

Lessee shall comply with the requirements of City of Portland Ordinance No. 161573 regarding the use of polystyrene (Styrofoam). Lessee either shall use containers that comply with the content limitations of Section A of that ordinance or shall apply for and obtain an exemption under Section E of the ordinance. No products containing or composed of polystyrene shall be sold or used by Lessee on the Premises unless such products are exempted from this requirement by Lessor.

13. **NUISANCE, WASTE, HAZARD**

Lessee shall refrain from any use which is improper, unlawful, objectionable or which is offensive or annoying or interferes or obstructs the rights of Lessor or other lessees or owners, users, or occupants of nearby Premises. Lessee shall not create a nuisance or damage the reputation of the Premises, commit or suffer any strip or waste of the Premises or create or

permit to be created any condition which would constitute a fire hazard, impair the strength or durability of the structure, or be dangerous to persons or property. Lessee shall not sell or permit to be sold any spirituous, vinous, or malt liquors on the Premises excepting liquors Lessee may be licensed by law to sell and as may be expressly permitted by Lessor. Lessee shall not sell or permit to be sold any controlled substance on or about the Premises. Lessee shall not install any power machinery on the Premises except under the supervision and with written consent of Lessor. Lessee shall not store gasoline or other highly combustible materials on the Premises at any time. No use may be made of, on, or from the Premises relating to the handling, storage, disposal, transportation, or discharge of hazardous or toxic wastes, substances, pollutants, or contaminants as those terms are defined by federal, state or local law or regulation. Lessee will not use the Premises in such a way or for such a purpose that the fire insurance rating on the Premises or the improvements located therein is thereby increased or that would prevent Lessor from taking advantage of any ruling of any agency of the State of Oregon, or its successors, which would allow Lessor to obtain reduced premium rates for long term fire insurance policies.

14. **FIRE PREVENTION**

Lessee shall exercise due and reasonable care and caution to prevent and control fire on the Premises. All paints, oils and other flammable materials shall be stored in suitably protected and approved, fire-proof containers in accordance with rules and regulations as set forth by the Fire Marshall.

15. **LIENS**

Lessee shall keep the Premises free from all liens, including mechanics liens, arising from any act or omission of Lessee or those claiming under Lessee. Lessee shall pay as due all claims for work done, for services rendered or material furnished to the Premises at its request. If Lessee fails to pay any claims or to discharge any lien, Lessor may do so and collect all costs of discharge, including its reasonable attorneys' fees. Such action by Lessor shall not constitute a waiver of any right or remedy Lessor may have on account of Lessee's default. 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 ten days (10) after knowledge of filing, execute a discharge of the lien or deposit with Lessor cash or a sufficient corporate surety bond or other security satisfactory to Lessor in an amount sufficient to discharge the lien plus any costs, attorney's fees or other charges that could accrue as a result of any foreclosure sale or sale under the lien. This Lease shall be subject and subordinate to such liens and encumbrances as are on or as Lessor may hereafter impose on the land and building, and Lessee shall upon request of Lessor, execute and deliver agreements of subordination consistent with this section.

16. **EMINENT DOMAIN**

Either Party receiving any notice of an intended taking affecting the Premises or any portion thereof, any service of legal process relating to condemnation or any other notification in connection with any taking, condemnation or purchase, sale or transfer in lieu of condemnation, shall promptly give the other Party notice. For purposes of this Lease, taking or condemnation includes a sale to a purchaser with the power of eminent domain in the face of a threat or the probability of the exercise of the power. If all or a portion of the premises, is taken by a

corporation or governmental authority having right of eminent domain, by exercise of that right or by purchase, whether the taking be a direct physical taking or an indirect taking compensable by way of severance damages or the like, Licensor shall be entitled to all of the proceeds of the taking and Lessee shall have no claim against Licensor as a result of the taking except for a return of prepaid rent. If the premises remaining after the taking, if any, are sufficient for practical operation of Lessee's business, Lessee shall pay rent reduced commensurately with the reduction in size of the premises on account of the taking. If the premises remaining are not sufficient for practical operation of Lessee's business, this license shall terminate as of the date possession of the premises is taken, unless the parties otherwise agree.

17. INDEMNIFICATION

If Lessee is an Oregon governmental entity, its indemnity is subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act. Lessee shall indemnify, defend, and hold harmless the PPR and its officers, directors, agents, and employees from any and all liability, damages, expenses, attorney's fees, causes of action, suits, claims or judgments, arising out of or connected with: (i) Lessee's entry, use, or occupancy of the Property; (ii) any failure of Lessee to comply with the terms of this Lease or any violation of law or ordinance associated with this Lease; (iii) the acts or omissions of Lessee or its officers, directors, agents, employees, or invitees in association with this Lease; or (iv) Lessee's handling, storage, discharge, transportation, or disposal of hazardous or toxic wastes or substances, pollutants, oils, materials, or contaminants as those terms are defined by federal, state, or local law or regulation as amended from time to time in association with this Lease. Lessee shall not be liable for claims caused by the sole negligence of the PPR, its officers, directors, agents, and employees. Lessee shall, at their own cost and expense, defend (with counsel acceptable to PPR) any and all suits which may be brought against Lessee or PPR, their officers, directors, agents, and employees, either alone or in conjunction with others upon any such above mentioned cause or claim, and shall satisfy, pay, and discharge any and all judgments, including attorney fees and costs, that may be recovered against PPR or Lessee, their officers, directors, agents, and employees in any such action or actions, including any appeals, in which they may be party defendants. Damages, costs, liabilities, and expenses include any amounts claimed to be owed by any regulating and administering agency.

Lessee assumes all legal liability and all risks of damage, loss, injury, or death resulting from the interest or use granted by this Lease. Lessee waives, releases, and discharges the PPR and its officers, directors, agents, and employees from any claim or cause of action, whether now known or later discovered, arising out of or connected with this Lease except for claims or causes of action due to their sole negligence. **Lessee acknowledges and agrees that the PPR and its officers, directors, agents, and employees have no liability to Lessee for any damage, loss, injury, or death arising out of this Lease except for liability caused by their sole negligence.**

18. INSURANCE

Lessee shall obtain and maintain in full force at Lessee expense, throughout the duration of the Agreement and any extension periods, the required insurance identified below. The PPR reserves the right to require additional insurance coverage as required by statutory or legal changes to the maximum liability that may be imposed on Oregon cities during the term of the Agreement.

Lessee shall obtain workers' compensation insurance as required by ORS Chapter 656 as it may be amended. Unless exempt under ORS Chapter 656, the Lessee shall maintain coverage for all subject workers. Lessee shall obtain general commercial liability (CGL) insurance covering bodily injury, personal injury, and property damage, including coverage for independent contractor's protection (required if any work will be subcontracted), premises liability, ongoing operations, contractual liability, products and completed operations, in per-occurrence limit of not less than \$2,000,000, and an aggregate limit of not less than \$4,000,000. Lessee shall obtain automobile liability insurance with coverage of not less than \$2,000,000 each accident. The insurance shall include coverage for any auto, or all owned, scheduled, hired and non-owned auto.

The Lessee agrees to maintain continuous, uninterrupted coverage for the duration of the Agreement. There shall be no termination, cancellation, material change, potential exhaustion of aggregate limits or nonrenewal of coverage without thirty (30) days written notice from Lessee to the PPR. If the insurance is canceled or terminated prior to expiration of the Agreement, Lessee shall immediately notify the PPR and provide a new policy with the same terms. Any failure to comply with this clause shall constitute a material breach and shall be grounds for immediate termination of this Agreement.

The liability insurance coverages, except workers' compensation, shall be without prejudice to coverage otherwise existing, and shall name the City of Portland and its officers, agents and employees as additional insureds, with respect to the Lessee's activities to be performed, or products or services to be provided. Coverage shall be primary and non-contributory with any other insurance and self-insurance. Notwithstanding the naming of additional insureds, the insurance shall protect each additional insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured.

Lessee shall provide proof of insurance through acceptable certificate(s) of insurance, including additional insured endorsement form(s) and all other relevant endorsements, to the PPR prior to execution of the Agreement. The Certificate(s) will specify all of the parties who are endorsed on the policy as Additional Insureds (or Loss Payees). Insurance coverages required under this Agreement shall be obtained from insurance companies acceptable to the PPR of Portland. The Lessee shall pay for all deductibles and premium. The PPR reserves the right to require, at any time, complete, certified copies of required insurance policies, including endorsements evidencing the coverage required.

19. **DAMAGE OR DESTRUCTION**

In the event of the damage or destruction of the Premises, or of the building of which they are a part, by fire, water or other casualty to the extent of 50% or more of the value thereof prior to the casualty, Lessor may elect either to reconstruct or not to reconstruct the Premises. If the election is not to reconstruct the Premises, then this lease shall terminate as of the date of casualty and Lessor shall have the right to take possession and occupy the Premises to the exclusion of Lessee, and Lessee agrees to vacate the Premises. Lessee shall be entitled to abatement of rent unless the damage is due to the fault or neglect of Lessee or its agents, employees or invitees. If, however, the repair so occasioned shall not amount to 50% of the value prior to the casualty, then Lessor shall repair the damaged portion of the Premises with all convenient speed. Lessor shall have the right to take possession of and occupy, to the exclusion

of Lessee, all of the Premises or any part thereof, for the purpose of such reconstruction or repair. Lessee agrees to vacate, upon request, all or any part of the Premises which Lessor may reasonably require for repair purposes. For the period of time between the date of the casualty and until the work is completed, there shall be such an abatement of rent as the nature of the injury or damage, and its interference with the occupancy of the Premises by Lessee, shall warrant unless the damage is caused by the fault or negligence of Lessee, its agents, employees or invitee. If the Premises shall be but slightly injured and the damage so occasioned shall not cause any material interference for the occupancy of the Premises by Lessee, then there shall be no abatement of rent and Lessor shall repair the Premises in a timely manner. Lessor shall not be required to make any repairs or replacements of any leasehold improvements, fixtures or other personal property of Lessee. Lessor shall be entitled to all proceeds of insurance, except that Lessee shall be entitled to the proceeds of insurance covering Lessee's leasehold improvements, Lessee's fixtures and Lessee's personal property.

Notwithstanding anything to the contrary contained in this section, Lessor shall not have any obligation whatsoever to repair, reconstruct or restore the Premises when the damage resulting from any casualty covered by this section occurs during the last six months of the term of this lease or any extension thereof.

20. **ASSIGNMENT AND SUBLETTING**

Lessee shall not assign, sublet, or otherwise transfer any interest in this Lease, nor permit any other person (other than agents and invitees of Lessee) to occupy or use the Premises or any portion thereof, without first obtaining the written consent of Lessor. Consent by Lessor to one assignment, subletting, occupation, or use by another person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. Consent to an assignment, sublet, occupation or use shall not release the original named Lessee from liability for the continued performance of the terms and provisions on the part of Lessee to be kept and performed, unless Lessor specifically and in writing releases the original named Lessee from liability. Any assignment or subletting without the prior written consent of Lessor shall be void and shall, at the option of Lessor, terminate this Lease. Lessee shall pay any costs incurred by Lessor in connection with a request for assignment or subletting, including reasonable attorneys' fees.

21. **USE OF PREMISES BY LESSOR**

Upon the mutual agreement of the Parties, Lessor or its agents, employees or invitees may use the Premises for its own purposes or allow third parties to use the Premises.

22. **ENTRY BY LESSOR**

Lessor reserves, and shall at any and all times have, upon notice to Lessee, the right to enter the Premises to inspect the same, to submit the Premises to prospective purchasers or tenants, to post notices of non-responsibility, to repair the Premises and any portion of the building of which the Premises are a part that Lessor may deem necessary or desirable, without abatement of rent and may for that purpose erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed, always providing that the entrance to the Premises shall not be unreasonably blocked thereby, and further providing that the business of Lessee shall not be interfered with unreasonably. Lessee hereby waives any

claims for damages or for any injury or inconvenience to or interference with Lessee's business, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the aforesaid purposes, Lessor shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Lessee's vaults, safes and files, and Lessor shall have the right to use any and all means which Lessor may deem proper to open the doors of the Premises in an emergency, in order to obtain entry to the Premises, without liability to Lessee, except for any failure to exercise due care for Lessee's property. Any entry to the Premises obtained by Lessor by any means shall not under any circumstances be construed or deemed to be forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Lessee from the Premises or any portion thereof. Lessor shall not be liable for the consequences of admitting by passkey or refusing to admit to the Premises Lessee or its agents or employees or other persons claiming the right of admittance.

Lessor and Lessor's agents and employees shall have the right from time to time during the term of this Lease to enter into and upon the Premises for the purpose of maintaining the Premises and making such alterations and repairs and doing such other things to the building or its equipment as may become necessary or advisable, without any interference or claim for damages by Lessee.

23. **TERMINATION**

Lessor or Lessee may terminate this Lease with at least ninety (90) days written notice. In the event that the Lessee so terminates, Lessee must pay rent through the ninety-day notice period, or until the Premises are leased to a new tenant, or until the expiration of the term of the Lease as provided in Section 2, whichever event first occurs. If Lessor terminates the Lease because of default, Lessee shall immediately pay all rent for the term remaining under section 2, and shall be liable for all costs incurred by Lessor in reletting the Premises, including, but not limited to, costs of cleanup, refurbishing, or removal, any costs occasioned by the Lessee's failure to quit the Premises upon termination or to leave them in the required condition, remodeling costs, attorneys' fees, court costs, broker's commissions, advertising costs, and the unpaid costs of any tenant improvements being amortized over the term of this Lease.

24. **SURRENDER UPON TERMINATION**

- A. Upon expiration of the Lease term or earlier termination because of default, Lessee shall deliver all keys to Lessor and shall surrender the Premises to Lessor in first-class condition and broom clean. Alterations constructed by Lessee pursuant to Lessor's permission shall be removed or restored to the original condition unless Lessor agrees otherwise in writing. Depreciation and wear from ordinary use for the purposes for which the Premises were let need not be restored, but all repair for which Lessee is responsible shall be completed prior to such surrender. Lessee's obligation under this section shall not apply in case of termination of this Lease because of destruction of the Premises.
- B. Except for Lessee's movable trade fixtures, all other fixtures placed upon the Premises during the term shall, at Lessor's option, become the property of Lessor. The Parties agree that there are no trade fixtures that will be retained by Lessee upon termination. Any trade fixtures purchased either in whole or part with funds from Lessor shall become the property of Lessor upon termination of this Agreement, unless otherwise agreed in writing.

- C. Lessee shall remove, on or before the date of termination, all furnishings, furniture and fixtures that remain the property of Lessee. Failure to do so shall be an abandonment of the property and Lessee shall have no further rights therein except as provided below. Lessor may elect to proceed as follows with respect to such abandoned property:
1. Retain or dispose of the property as Lessor sees fit.
 2. Following twenty day (20) written notice to Lessee, remove the property and place it in public storage for Lessee's account, in which case Lessee shall be liable for the cost of removal, transportation and storage of the abandoned property, and restoration of the Premises, plus interest as provided herein from the date of all expenditures.
- D. Should Lessee fail to vacate the Premises when required, Lessor's rights shall be as follows:
1. Lessor may elect to treat Lessee as a tenant from month to month subject to all the provisions of this Lease except that the monthly rent shall be triple the monthly rent being charged when the Lease term expired, plus other charges as provided by this Lease;
 2. Lessor may elect to take legal action to eject Lessee from the Premises and to collect any damages caused by Lessee's wrongful holding over.
- E. Lessee's failure to remove property as required by Sub-section A of this section shall constitute a failure to vacate to which Subsection D of this section shall apply if the property not removed will substantially interfere with occupancy of the Premises by another lessee or with occupancy by Lessor for any purpose including preparation for a new lessee.

25. **DEFAULT BY LESSEE**

The following shall be events of default:

- A. Failure of Lessee to pay any rent or other charge required by this Lease within ten (10) days after it is due;
- B. Failure of Lessee to comply with any term or condition or fulfill any obligation of this Lease other than payment of rent or other charges, within thirty (30) days after written notice by Lessor 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 thirty (30) day period, this provision shall be complied with if Lessee begins correction of the default within the ten (10) day period and thereafter proceeds with reasonable diligence and in good faith to correct the default as soon as practical;
- C. The abandonment of the Premises by Lessee or the failure of Lessee of fifteen (15) days or more to occupy the property for one or more of the designated purposes of this Lease unless such failure is excused under other provisions of this Lease;

- D. The bankruptcy or insolvency of Lessee or if a receiver or trustee is appointed to take charge of any of the assets of Lessee, sub-lessees or assignees in or on the Premises and such receiver or trustee is not removed within thirty (30) days after the date of appointment, or in the event of judicial sale of the personal property in or on the Premises upon judgment against Lessee or any sub-lessee or assignee thereunder.

26. **REMEDIES ON DEFAULT BY LESSEE**

- A. In the event of a default, Lessor may elect to terminate Lessee's right to possession of the Premises by notice to Lessee. Following such notice, Lessor may re-enter, take possession of the Premises and remove any persons or property by legal action or self-help, with the use of reasonable force and without liability for damages. Lessor shall have a security interest in Lessee's property on the Premises at the time of re-entry to secure all sums owed or to become owing Lessor under this Lease. Perfection of such security interest shall be taking possession of the property or otherwise as provided by law.
- B. Following re-entry by Lessor because of Lessee's default, Lessor may re-let the Premises for a term longer or shorter than the term of this Lease and upon any reasonable terms, including the granting of rent concessions to the new lessee. Lessor may alter, refurbish, or change the character or use of the Premises in connection with such re-letting. No such re-letting by Lessor following Lessee's default shall be construed as an acceptance or a surrender of the Premises. If rent received upon re-letting exceeds the rent received under this Lease, Lessee shall have no claim to the excess.
- C. Following re-entry, Lessor shall have the right to recover from Lessee the following charges:
- (1) All unpaid rent or other charges for the period prior to re-entry, plus late charges as provided by this Lease;
 - (2) An amount equal to the rent lost during any period in which the Premises are not re-let if Lessor continuously uses reasonable efforts to re-let the Premises during such period. Lessor's listing of the Premises with a real estate broker experienced in leasing commercial properties in the area of the Premises shall constitute the taking of reasonable efforts to re-let the Premises;
 - (3) All costs incurred by Lessor by reason of Lessee's default, including, but not limited to the cost of recovering the Premises, of re-letting or attempting to re-let the Premises, including without limitation, the cost of clean up and repair and preparation for a new lessee, the cost of correcting any defaults or restoring any unauthorized alterations and the amounts of any real estate commissions or advertising expenses and the unamortized cost of any improvements installed at Lessor's expense to meet Lessee's special requirements;
 - (4) The difference between the rent provided by this Lease and the amount actually received by Lessor upon any re-letting;
 - (5) Reasonable attorney's fees incurred in connection with the default, whether or not any litigation has commenced.

- D. Lessor may institute actions periodically to recover damages as they accrue throughout the Lease term and no action for accrued damages shall be a bar to a later action for damages subsequently accruing. Nothing in this Lease shall be deemed to require Lessor to wait until the Lease expires to institute action. Lessor may obtain a decree of specific performance requiring Lessee to pay damages as they accrue. Alternately, Lessor 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 judgement at the rate of six percent (6%) per annum.
- E. In the event that Lessee remains in possession following default and Lessor does not elect to re-enter, this Lease will remain in effect and Lessor may enforce all of its rights and remedies hereunder and Lessor may recover all unpaid rent or other charges, plus late charges, and shall have the right to cure any non-monetary default and recover the cost of such cure from Lessee. In addition, Lessor shall be entitled to recover attorneys' fees reasonably incurred in connection with the default, whether or not litigation has commenced. Lessor may institute actions to recover such amount as they accrue and no one action for accrued damages shall bar a later action for damages subsequently accruing.
- F. The foregoing remedies shall not be exclusive but shall be in addition to all other remedies and rights provided under applicable law, and no election to pursue one remedy shall preclude resort to another consistent remedy. Lessee's liability to Lessor for default shall survive termination of this Lease.

27. **DEFAULT BY LESSOR, REMEDIES**

Lessor shall not be in default unless Lessor fails to perform obligations required of Lessor within a reasonable time. However, Lessor shall perform its obligations within thirty (30) days after receiving written notice from Lessee specifying where and how Lessor has failed to perform such obligations. However, if the nature of Lessor's obligation is such that more than thirty (30) days are required for performance then Lessor shall not be in default if Lessor commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In no event shall Lessee have the right to terminate this Lease as a result of Lessor's default and Lessee's remedies shall be limited to damages and/or an injunction.

28. **LESSOR'S INABILITY TO PERFORM**

Lessor shall not be deemed in default for the nonperformance or for any interruption or delay in performance of any of the terms, covenants and conditions of this Lease if due to any labor dispute, strike, lockout, civil commotion or operation, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations or controls, inability to obtain labor, services or materials, or through an act of God or other cause beyond the reasonable control of Lessor, providing such cause is not due to the willful act or neglect of Lessor.

29. **NOTICES**

Any notices required or permitted by law or this Lease to be given to either party shall be sufficiently given if sent by United States certified mail addressed as specified below, or to such

other address as either party may specify to the other in writing from time to time during the term of this Lease:

TO LESSOR: Multnomah Arts Center Director
Multnomah Arts Center, City of Portland
7688 SW Capitol Highway
Portland, OR. 97219

With Copy to:
Portland Parks & Recreation
Attn: Contracts and Property Manager
1120 SW 5th Ave., Room 858
Portland, OR 97204
Email: Parks.PropertyGroup@portlandoregon.gov

With Copy to:
City Attorney's Office
Attn: Parks Legal Advisor
1221 SW 4th Avenue, Room 430
Portland, Oregon 97204

TO LESSEE: Print Arts Northwest
Attn: Jane Pagliarulo, Executive Director
7688 SW Capitol Hwy
Portland, OR 97219
Email: jane@ateliermeridian.com

30. **MISCELLANEOUS**

A. **CUMULATIVE RIGHTS AND REMEDIES**

No right or remedy or election hereunder shall be deemed exclusive but shall, whenever possible, be cumulative with all other rights and remedies and law or in equity.

B. **AMENDMENTS**

This Lease shall not be amended or modified except by agreement in writing signed by the parties. The Director of Portland Parks and Recreation is authorized to execute all amendments to this Lease, so long as such amendments are consistent with the intent of the parties and do not result in significant cost or reduction in revenue to Lessor.

C. **EXHIBITS**

Exhibits A, B and C which are referred to in this Lease are attached hereto and by this reference incorporated herein. The Parties acknowledge that Exhibit A, B, and C are subject to change.

D. CONSENT OF LESSOR

Whenever consent, approval or direction by Lessor is required under the terms contained herein, all such consent, approval or direction must be in writing from the Director of the Multnomah Arts Center, unless otherwise specified herein.

E. OBSERVANCE OF LAW

Lessee shall conform to all applicable laws and regulations of any public authority affecting the Premises and correct at Lessee's own expense any failure of compliance created by the fault or use of Lessee or its agents, employees, or invitees.

F. CHOICE OF LAW and VENUE

This lease shall be governed by the laws of the State of Oregon. Any legal action arising under this lease shall occur in the court sitting in Multnomah County having proper jurisdiction.

G. OBSERVANCE OF LESSOR'S RULES

Lessee agrees to comply with all rules and regulations respecting use of the Premises and the common areas promulgated by Lessor from time to time and communicated to Lessee in writing. Lessee shall permit Lessor to make reasonable inspection of the Premises from time to time to determine whether Lessee is complying with Lessor's rules and regulations and the provisions of this Lease. A copy of Lessor's current rules and regulations is attached as Exhibit C.

H. QUIET POSSESSION

Upon Lessee paying the rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Lessee's part to be observed and performed hereunder, Lessee shall have quiet possession of the Premises for the entire term hereof, subject to all provisions of this lease.

I. RECORDATION

Neither Lessor nor Lessee shall record this lease, but a short form memorandum hereof may be recorded at the request of Lessor.

J. SECTION HEADINGS

The section headings to the sections of this lease are not part of the lease and shall have no effect upon the construction or interpretation of any part of it.

K. COMPLETE AGREEMENT

There are no oral arguments between Lessor and Lessee affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, advertising, agreements and understandings, oral or written, if any, between

Lessor and Lessee or displayed by Lessor or its agents to Lessee with respect to the subject matter of this Lease, the Premises or the building. There are no representations between Lessor and Lessee or between any real estate broker and Lessee other than those contained in this Lease and all reliance with respect to any representations is solely upon representations contained in this Lease.

L. JOINT OBLIGATION

If there be more than one Lessee, the obligations imposed hereunder shall be joint and several.

M. THIRD PARTIES

Lessor and Lessee are the only parties to this Lease and as such are the only parties entitled to enforce its terms. Nothing in this Lease gives or shall be construed to give or provide any benefit, direct, or indirect, or otherwise to third parties unless third persons are expressly described herein as intended beneficiaries of its term.

N. PARTIAL INVALIDITY

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and all other provisions shall remain in full force and effect.

O. ADMITTANCE

The Lessor shall not be liable for the consequences of admitting or refusing to admit to said Premises the Lessee or any of the Lessee's agents or employees. In addition to any other liability assumed by Lessee herein, Lessee assumes responsibility for anyone it admits to the Premises outside of the Property's normal hours of operation.

P. NO PARTNERSHIP

Lessor is not by virtue of this agreement a partner or joint venturer with Lessee in connection with the business carried on under this Lease, and shall have no obligation with respect to Lessee's debts or other liabilities.

Q. AFTER HOURS EMERGENCY CONTACT

Upon the execution of this Lease, the Lessee must provide the Multnomah Arts Administrative Office ("MAC Office") with an after-hours emergency contact phone number. The Lessee is responsible for promptly updating the MAC Office with any changes to the contact information.

~Signatures To Follow~

IN WITNESS WHEREOF, the Lessor and the Lessee have executed this Lease in triplicate on the day and year first herein written, a corporate signature of Lessee being by authority of the Board of Directors of the executing corporation.

LESSEE: Organization

By: _____

Date: _____

LESSOR: City of Portland

By: _____

Name and Title:

Date: _____

APPROVED AS TO FORM

City Attorney

EXHIBIT A

Premises is depicted in Yellow.

DRAFT

Exhibit B

MULTNOMAH ARTS CENTER				
MAINTENANCE RESPONSIBILITIES MATRIX				
Maintenance Item	Lessor	Lessee	N/A	Notes
Roof	X			Pursuant to Lease Section 9, Subsection B
Gutters/downspouts	X			Pursuant to Lease Section 9, Subsection B
Windows (incl. replacing cracked/broken glass)		X		Lessee reimbursable expense
Doors, exterior, including garage		X		Lessee reimbursable expense
Walls, exterior	X			Pursuant to Lease Section 9, Subsection B
Stairs, exterior	X			Pursuant to Lease Section 9, Subsection B
Interior walls/ceiling		X		Lessee reimbursable expense
Doors, interior		X		Lessee reimbursable expense
Floors		X		Lessee reimbursable expense
Interior stairs		X		Lessee reimbursable expense
Painting, interior		X		Lessee reimbursable expense
Painting, exterior	X			Pursuant to Lease Section 9, Subsection B
Masonry	X			Pursuant to Lease Section 9, Subsection B
Foundation	X			Pursuant to Lease Section 9, Subsection B
Mechanical systems/HVAC	X			Pursuant to Lease Section 9, Subsection B
Heat adjustments		X		Lessee reimbursable expense
Plumbing, in-wall (pipes, etc.)	X			Pursuant to Lease Section 9, Subsection B
Plumbing fixtures		X		Lessee reimbursable expense
Drain and toilet clogs		X		Lessee reimbursable expense
Electrical, in-wall (including switches and receptacles)		X		Lessee reimbursable expense
Electrical service and panels	X			Pursuant to Lease Section 9, Subsection B
Exterior lighting	X			Pursuant to Lease Section 9, Subsection B
Replace lightbulbs (includes fixture lamps)		X		Lessee reimbursable expense
Appliances (ranges, dishwashers, washers, dryers, air conditioners)		X		Lessee reimbursable expense
Kitchen equipment (hood, fans, ductwork, grease traps, disposals)		X		Lessee reimbursable expense
Elevators (passenger, freight, equipment)	X			Pursuant to Lease Section 9, Subsection B
Landscaping	X			Pursuant to Lease Section 9, Subsection B
Pathway maintenance, snow, ice and debris removal	X			Pursuant to Lease Section 9, Subsection B

Sidewalks (structural- trip hazards)	X			Pursuant to Lease Section 9, Subsection B
Leaf removal	X			Pursuant to Lease Section 9, Subsection B
Fencing	X			Pursuant to Lease Section 9, Subsection B
Custodial		X		Lessee reimbursable expense
Life/safety - Sprinklers	X			Pursuant to Lease Section 9, Subsection B
Alarm system- ongoing maintenance, repair		X		Lessee reimbursable expense
Alarm system, monitoring fees		X		Lessee reimbursable expense
Pest control using IPM-certified contractor		X		Lessee reimbursable expense
Special Features (fireplace, fountains, etc.)			X	
Tenant improvements		X		Pursuant to Lease Section 10

EXHIBIT C
Multnomah Arts Center Rules and Regulations

IN CASE OF EMERGENCY, CALL:

POLICE, call 911

AMBULANCE, call 911

FIRE, call 911

And notify Lessor at 503-823-2787

Note: For City phones, dial 9 for an outside line

NORMAL HOURS OF OPERATION

Monday – Thursday: 9:00 am - 9:30 pm

Friday & Saturday: 9:00 am - 5:00pm

All hours are subject to change.

The building will be closed on all City observed holidays.

COMMON AREAS

- Common areas shall be kept free of boxes and debris and shall not be used for storage without written permission for the Lessor.
- Bicycles shall be stored in the rack provided, or other approved areas, and not in the corridor.

SIGNS

- All signs must be in accordance with Multnomah Arts Center sign standards and guidelines and shall be approved by the Multnomah Arts Center Director before installation.
- Prior written approval of the Multnomah Arts Center office shall be obtained before any change or addition to interior or exterior signs.
- Temporary signs typically used for special events (posters, lawn signs, banners, etc.) will not be permitted in common spaces without prior written approval. They can be placed no more than 2 weeks.
- If glass doors facing halls (inside) are to be used for signs facing inside the tenant's space, the glass should be obscured in some agreed-upon manner.

LOCKS AND KEYS

- The Lessee is solely responsible for the maintenance and security of all locks and keys within their designated area, unless otherwise agreed upon in writing.
- The Lessee is responsible for the return of any keys checked out by their representatives as soon as that individual ceases to have authority to access the leased space (e.g. – upon separation or the end of board service).
- Any costs incurred for replacing locks and keys are the responsibility of the Lessee.
- The Lessee is required to maintain and provide a current list of designated officers within their organization who are authorized to check out keys to the Lessor. It is the Lessee's responsibility to update this list within 30 days of any change to authorized users.

SECURITY

Security of the building in use by the Lessee or Lessee's employees, agents, or visitors or Lessees during hours other than normal operation will be the responsibility of the Lessee.

ANIMALS

No animals other than service animals are permitted at the Multnomah Arts Center or in the Premises.

MAINTENANCE

- All food preparation areas are the responsibility of the Lessee and are to be cleaned by the Lessee after each use.
- No Lessee, nor any of the Lessee's employees, agents, visitors or Lessees, shall at any time bring or keep upon the Premises any flammable, combustible or explosive fluid, chemical or substance, or allow any unusual or objectionable odors to be produced upon the Premises, or permit animals to be brought or kept on the Premises.

TRASH AND RECYCLING

- Lessees are expected and encourage to recycle all materials as allowable by the City of Portland designated Boxes shall be broken down, flattened, stacked, and placed only in the container so designated (dumpster).
- All putrescent or odorous items (disposable diapers, food stuffs, etc.) must be disposed of in tightly-sealed containers and deposited in dumpster.
- For some events, tenant may be required at the discretion of the Multnomah Arts Center staff present to remove trash and/or to pay extra dumpster or trash removal fees.
- Tenants shall recycle as much of its waste as practicable, using standard recycling practices.

NON-PROGRAM SPACE (COMMON AREAS)

Each user is required to leave common areas as well-ordered and clean as they are found. Chairs and tables added to or subtracted from rooms must be replaced in the arrangement shown for that space, or as they were found if there is no arrangement shown. Each table must be the same size as shown for that space. Users are expected to do their own set-up, including table and chair arrangement, stage backdrop arrangement, carpet rolling or unrolling, divider placement, chalkboard erasing, and so on. This applies even if the space is not left properly by the previous user.

Lessees may use additional rental space, as available, under the same provisions as the general public. MAC's rental program provides an additional 20% discount to nonprofit organizations. The digital reader board at the front of the building is also available to the Lessee per the MAC rental program. Subject to change.