



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: June 21, 2023

Department: Sheriff's Office Agenda Planning Date: 6/8/2023 Time required: 5 min

Audio/Visual aids

Contact: Allycia Weathers Phone: x3238

Department Head Signature: [Signature: m wood] D35430AD507F404...

Table with 2 columns: Label (TITLE, Issue, Description & Background, Financial Impacts, Impacts to Department & External Agencies, Options for Consideration, Recommendation, List of attachments, Presenter) and Content (Commercial lease @1301 Evergreen Rd Woodburn, Marion County Sheriff's Office entered into a lease with Fairway Development Group Inc on July 1, 2018 for the North District Office substation for deputies in the Community Corrections Division. The original agreement allows the option to extend for two five-year periods. The estimated amendment adds \$197,038 over a five-year period. The amendment allows for the extension of the lease for the deputies assigned to the substation in Woodburn. This substation allows deputies to supervise clients in the local area more efficiently. Approve or deny the extension of the lease through amendment #1. Approve the amendment. Amendment, Contract Review Sheet, Signature Page Commander Jay Bergmann)

Copies of completed paperwork sent to the following: (Include names and e-mail addresses.)

Copies to: Allycia Weathers at arweathers@co.marion.or.us

# Contract Review Sheet

SO-2201-18 (1)

Lease Agreement #: SO-2201-18 Amendment #: 1

Contact: Allycia Weathers Department: Sheriff's Office

Phone #: \_\_\_\_\_ Date Sent: \_\_\_\_\_

Title: Commercial lease @1301 Evergreen Rd Woodburn

Contractor's Name: Fairway Development Group Inc

Term - Date From: July 1, 2018 Expires: June 30, 2028

Original Contract Amount: \$55,330.00 Previous Amendments Amount: \$324,574.05

Current Amendment: \$0.00 New Contract Total: \$379,904.05 Amd% 587%

Incoming Funds  Federal Funds  Reinstatement  Retroactive  Amendment greater than 25%

Source Selection Method: 50-0600 Leasing Real Property N/A

## Description of Services or Grant Award

Amendment 1 adds five years to the lease for the North District Office substation for Deputies in the Community Corrections Division. This amendment exercises the option to extend for the first of two five-year periods.

Desired BOC Session Date: 5/10/2023 BOC Planning Date: 4/27/2023

Files submitted in CMS: 4/19/2023 Printed packet & copies due in Finance: 4/25/2023

BOC Session Presenter(s) \_\_\_\_\_

### FOR FINANCE USE

Date Finance Received: \_\_\_\_\_ Date Legal Received: \_\_\_\_\_

Comments: \_\_\_\_\_

### REQUIRED APPROVALS

\_\_\_\_\_  
Finance - Contracts Date

\_\_\_\_\_  
Contract Specialist Date

\_\_\_\_\_  
Legal Counsel Date

\_\_\_\_\_  
Chief Administrative Officer Date

**REQUEST FOR AUTHORIZATION OF CONTRACT  
SO-2201-18**

**Date:** 4/20/2023  
**To:** Chief Administrative Officer  
**Cc:** Contract File  
**From:** Allycia Weathers

**I. Subject:** Amendment Exceeds 25%

**DIPS CODE:** 180-31-34-341-3401-000000-527210/100-31-32-323-3206-000000-527210

**Budget Authority:**  Yes  No

**CIP:** N/A

The Marion County Sheriff's Office is requesting approval to amend a contract as described in Section 20-0265, 20-0270, 30-0320, 40-0160, and 40-0910 of the Marion County Public Contracting Rules. The contract is with Fairway Development Group Inc for Commercial lease @1301 Evergreen Rd Woodburn with a value of \$182,866.05 and an additional \$197,038 will be added to the contract for a new contract total of \$379,904.05 upon approval.

**A. BACKGROUND**

The original contract provided the option to extend for two five-year periods. The requested amendment adds five years to the lease.

**B. CURRENT AMENDMENT PURPOSE**

The original contract was for a five-year period with the option to extend the lease for two additional five-year periods. It is mutually desirable for Marion County and the contractor to extend the lease for an additional five years.

**C. JUSTIFICATION**

This agreement source selection method is 50-0600 Leasing Real Property.

**D. BUDGET IMPACTS**

1. Are the expected expenditures for the current fiscal year under the contract, including any additional funds being requested with this action, already included in the current year adopted budget?  Yes  No
2. If yes, amount \$32,721 Program / Account 180-31-34-341-3401 and 100-31-32-323-3206
3. If no, describe the amount and how the anticipated expenditures will be handled within the budget:
  - a. Amount: \$ \_\_\_\_\_

b. Managed with anticipated savings– explain why and from what costing:

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c. Will require a supplemental budget request – provide the expected funding source and costing:

i. Funding Source: \_\_\_\_\_

ii. Costing: \_\_\_\_\_

Submitted by:

Reviewed by:

\_\_\_\_\_  
Allycia Weathers  
Sheriff's Office

\_\_\_\_\_  
Contracts & Procurement

Acknowledged by:

Acknowledged by:

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Jan Fritz, CAO

**AMENDMENT NO. 1 TO COMMERCIAL LEASE**

This Amendment No. 1 to Commercial Lease (“**Amendment**”) is between Fairway Development Group (“**Landlord**”), and Marion County Sherriff’s Department (“**Tenant**”).

**RECITALS**

- A.** Landlord, as successor in interest to Fairway Development Group, and Tenant are parties to that certain Commercial Lease dated June 1st, 2018 (the “**Lease**”).
- B.** The parties desire to amend the Lease to extend the Term and make certain other modifications to the Lease.

**AGREEMENT**

- 1. Amendments.** The Lease is amended as follows:
  - (a) The initial lease Term is extended for 60 months (5) years beginning June 1 2023 and will expire on May 31,2028.
  - (b) During the extended Term, Tenant shall pay Landlord Rent, as follows:  
June 1, 2023 – May 31,2024, \$2722.73 per month + NNN of 275.
  - (c) Escalation continuing on each June 1,2024 and each June 1, thereafter the Base rent shall be increased by five percent (5%) over the prior year. Landlord will notify tenant in writing each year of a rent escalation.
  - (d) The Tenant shall have one (1) remaining five (5) year Option to Renew whereby the Tenant must provide no less than One Hundred Twenty (120) Days advanced notification in writing of Tenant’s intent to renew its lease.
- 2. Other Provisions.** The provisions of the Lease that are not amended or deleted by this Amendment remain unchanged and in full force and effect.
- 3. Signatures.** This Amendment may be signed in counterparts. An electronic transmission of a signature page will be considered an original signature page. At the request of a party, the other party will confirm an electronic transmitted signature page by delivering an original signature page to the requesting party.

Dated effective: June 1,2023

**LANDLORD:**

**TENANT:**

Fairway Development Group

Marion County Sheriff’s Office

By: \_\_\_\_\_  
Lowell Hankel

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**SIGNATURE PAGE FOR  
COMMERCIAL LEASE @1301 EVERGREEN RD WOODBURN - SO-2201-18  
between  
MARION COUNTY and FAIRWAY DEVELOPMENT GROUP INC**

**MARION COUNTY SIGNATURES  
BOARD OF COMMISSIONERS:**

\_\_\_\_\_  
Chair Date

\_\_\_\_\_  
Commissioner Date

\_\_\_\_\_  
Commissioner Date

Authorized Signature: \_\_\_\_\_  
Department Director or designee Date

Authorized Signature: \_\_\_\_\_  
Chief Administrative Officer Date

Reviewed by Signature: \_\_\_\_\_  
Marion County Legal Counsel Date

Reviewed by Signature: \_\_\_\_\_  
Marion County Contracts & Procurement Date

MARION COUNTY and FAIRWAY DEVELOPMENT GROUP, INC

LEASE AGREEMENT  
1301 Evergreen Rd, Woodburn Oregon

THIS AGREEMENT is entered this 20 day of May 2018, between FAIRWAY DEVELOPMENT GROUP, INC. thereafter referred to as "Landlord," and MARION COUNTY, a political subdivision of the State of Oregon, by and through the Sheriff's Office, hereafter referred to as "Tenant."

RECITAL:

Landlord owns an office building consisting of approximately 1,600 square feet of space located at 1301 Evergreen Rd, Woodburn Oregon located in Marion County. Landlord demises and leases to Tenant and Tenant rents from Landlord those certain premises hereinafter described:

AGREEMENT:

1. **Lease.** Landlord leases to Tenant and Tenant leases from Landlord the following described property (the Premises) on the terms and conditions contained in this Lease.
  - a. That certain office space, consisting of approximately 1,600 square feet, situated in the office building located at 1301 Evergreen Rd, Woodburn, Oregon located in Marion County.
  - b. Tenant and its invitees shall also have the non-exclusive right to use sidewalks, entry ways, driveway, passageways, parking areas and other common areas serving the improvements in which the premises are located.
2. **Term.** The term of this Lease shall be for five (5) years, to commence July 1, 2018 and continue through June 30, 2023.
  - (a) **Early Termination.** Tenant may terminate the lease with a minimum of 30 day notice plus one full month to Landlord prior to expiration due to lack of appropriations should the Marion County Board of Commissioners determine that any revenue sources are reduced, changed, modified, or otherwise eliminated, thereby requiring the Tenant to curtail services and reduced staff and office space.
3. **Option to Extend.** Tenant shall have and is hereby given the option to extend this lease for two (2) five (5) year periods. Tenant shall provide Landlord with not less than ninety (90) days' notice prior to the termination date, if Tenant desires to exercise this option to extend.
4. **Possession.** Tenant's right to possession and obligations under the lease shall continue beginning July 1, 2018.
5. **Rent.** Rent shall be payable on the first day of each month in advance at such place as may be designated by Landlord. During the term of this lease and any extension or renewal period, tenant shall pay to Landlord as rent the following amounts:
  - a. **Base Rent.** The sum of \$2,240.00 per month + NNN Per Month (NNN is currently \$275/month) for a total of \$2,515.00. Additionally, for the first two (2) years Marion County Sheriff's Office

will pay half (1/2) of the cost of the Tenant Improvements (TI's) (total cost not to exceed \$16,837.00), divided by 24 months and added to the \$2,240 + NNN.

b **Escalation.** Beginning on July 1, 2020 and each July 1 thereafter the Base Rent shall be increased by five percent (5%) over the prior year. Landlord will notify Tenant, in writing, each year of the rent escalation.

6. **Deposit.** The security deposit requirement is hereby waived by the Landlord.

7. **Additional payments.** Landlord agrees to pay for the monthly cost of collection of garbage and for landscaping and natural gas utility. Tenant agrees to provide and pay for electricity, water and all other services, including but not limited to janitorial services, data and phone services. The payment under this paragraph shall be made promptly as soon as such payments become due.

8. **Condition of Premises and Permitted Uses.** The Premises shall be used by Sheriff's Office staff in conjunction with delivery of services. Operation of a business office and other uses related or ancillary to Tenant's operations and activities, and to provide the normal and customary services associated with such function, and for no other purposes without the consent of Landlord, which consent shall not be withheld unreasonably. Tenant will at all times keep and maintain the Premises in a good state of repair, order and condition, as the existing at the commencement of the term, reasonable wear and tear from ordinary use thereof and damage by fire or the elements alone excepted. Tenant is aware that this is a no smoking office facility and therefore, no smoking is allowed on the interior of any office. Tenant shall assume full responsibility to see that cigarette debris (if any) is picked up daily in front of the Leased Premises.

9. **Restriction of Use.** In connection with the use of the Premises, Tenant shall:

a. Conform to all applicable laws and regulations of any public authority affecting the Premises and the use of the Premises. Tenant, at Tenant's own expense, shall correct any noncompliance under this section which is created by reason of Tenant's specific use of the property or by Tenant's other actions or failure to act which result in the failure to comply. However, Tenant shall not be required to make any structural changes to the Premises, which are necessary for compliance, unless the changes are required as a result of Tenant's specific use of the Premises.

b. Refrain from any activity that would make it impossible to insure the Premises against casualty, would increase the insurance rate, or would prevent Landlord from taking advantage of any ruling of the Oregon Insurance Rating Bureau, or its successor, unless Tenant pays the additional cost of the insurance.

c. Refrain from unreasonably loading the electrical system or floors to create an unsafe condition.

d. Refrain from making any marks on or attaching any sign, insignia, advertisements, notices, antenna, aerial, or other device to the exterior or interior walls, windows, or roof of the Premises, which would be visible from any public street without the written consent of the Landlord.

e. Tenant shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on or under the Premises. Tenant may use or otherwise handle on the Premises only those Hazardous Substances typically used or sold in the prudent and safe operation of the business specified in paragraph 8. Tenant may store such Hazardous Substances on the Premises only in quantities necessary to satisfy Tenant's reasonably anticipated needs. Tenant shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling and storage of Hazardous Substances and shall take all practicable measures to minimize the quantity and toxicity of Hazardous Substances used, handled, or stored on the Premises.



Upon the expiration or termination of this lease, Tenant shall remove all Hazardous Substances from the Premises. The term Environmental Law shall mean any federal, state, or local statute, regulation, or ordinance or any judicial or other governmental order pertaining to the protection of health, safety or the environment. The term Hazardous Substance shall mean any hazardous, toxic, infectious, or radioactive substance, waste, and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions.

**10. Repairs and Maintenance.** Landlord shall at its own cost and expense during the term of this lease keep and maintain the leased Premises, including any and all building improvements situated therein, in a good condition and state of repair.

a. The following shall be the responsibility of the Landlord:

1. Repair and maintenance of the interior HVAC and plumbing and exterior components of the premises, to include, in inclement weather, de-icing of the parking area and adjacent building sidewalks, excepting those items outlined in section 10.b below. Landlord is responsible for repairs to the original or Landlord installed systems and will repair any such systems at landlord's expense.
2. Construction of the tenant improvements outlined in attached Exhibits A. Interior paint colors, floor coverings and other finishes shall be the finishes standard for Marion County offices. Tenants shall be responsible for the installation, maintenance and repairs to all phone and data lines from the point of demarcation into the Premises.
3. Landlord to resolve reported repair emergencies within 24 hours, and non-emergency repairs issues with 48 hours. An emergency contact list with current phone numbers, including identification of a primary point of contact shall be provided to the Tenant.

b. The following shall be the responsibility of the Tenant:

1. Any repairs arising as a result of the normal use, wear and tear, actions or negligence of Tenant, their clients or invitees.
2. Ordinary maintenance and any repairs necessary because of improper maintenance, including light bulb replacement with the Premises. Cost to repair or replace items due to excessive wear and tear are the responsibility of the Tenant. To prevent excessive interior rug damage, door entry rugs and desk chair mats are required.
3. Any repairs or alterations required under Tenant's obligation to comply with laws and regulation as set forth in paragraph 9a.
4. Re-keying of locks. If after commencement of the term of the lease, Tenant requires that the door locks be re-keyed, Tenant may rekey the Premises at any time of their choosing with any licenses, qualified locksmith of their choice. The new keyway need not be part of the master key stem for the office complex. All rekeying and management of the key system will be the Tenant's responsibility and expenses. Tenant acknowledges that a key system outside of the Master key system for the office complex may cause delays in Landlord response to emergencies which require Landlord access, although Landlord will make every effort to minimize these delays.
5. Fire extinguisher(s). If required by the City of Woodburn Fire Code, Tenant shall supply and maintain their own fire extinguisher.

6. **Phone & Data.** Tenant shall be responsible for the installation, maintenance and repair of all phone and data services from the point of demarcation forward into the Premises.

11. **Americans with Disabilities Act (ADA).** Tenant shall be responsible for compliance with the ADA for all issues that arise with the respect to Tenant's trade fixtures, equipment and freestanding space dividers and any other fixtures or equipment installed or used on the Premises by Tenant.

Landlord shall be responsible for compliance with the ADA with respect to all issues that arise due to structural features of the Premises, to include ramps and other ADA access to the building interior and restroom compliance. With respect to each party's area of responsibility, each party shall pay all costs of compliance, promptly when due, and shall pay all penalties, fines, judgements, including attorney fees and court costs, levied or assessed because of a failure to comply with the ADA.

12. **Inspections and Other Entries.** Landlord shall have the right to inspect the Premises at any reasonable time with prior notification and with a Marion County escort to determine the necessity of repair and for any other purpose. Whether or not such inspection is made, the duty of Landlord to make repairs shall not mature until a reasonable time after Landlord has received from Tenant written notice of the repairs that are required. Landlord shall have the right to enter upon the Premises at any reasonable time with prior notification and with an escort to determine Tenant's compliance with this lease, to make necessary repairs to the building or to the Premises, or to show the Premises to any prospective tenant or purchaser, and in addition shall have the right at any time during the last two months of the term of the lease, to place and maintain upon the Premises notices for leasing or selling of the Premises.

Landlord, Tenant, Marion County Risk Management and Facilities must complete a building evaluation and inspection before Tenant takes position of the premises and at time of renewal.

13. **Alteration or Improvements.** Tenant shall make no improvements or alternations on the Premises of any kind without first obtaining Landlord's written consent. All alternations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes. As used herein, "alterations" includes but is not limited to, the installation of computer and telecommunications wiring, cables, and conduit. All improvements and alterations performed on the Premises by either Landlord or Tenant shall be the property of Landlord when installed unless the applicable Landlord's consent specifically provides otherwise. Improvements and alternations installed by Tenant shall, at Landlord's option, be removed by Tenant and the Premises restored unless the applicable Landlord's consent specifically provides otherwise.

14. **Insurance.** Landlord shall at the Landlord's expense maintain at all times property insurance and general liability insurance covering the premises. Tenant pursuant to applicable provisions of ORS 30.260 to 30.300, shall maintain a self-insurance program, which provides property damage and personal injury coverage. Tenant will meet the requirements for maintain comprehensive general liability coverage during the term of the lease and any renewals thereof through its self-insurance program and provide Landlord a self-insurance letter upon request.

Both parties agree to waive any and all recover rights against the other or against the officers, agents and employees for any loss or damage from any cause covered by any property insurance required to be carried under this agreement or any other insurance coverage carried by the parties. This waiver shall be valid only if the insurance policy in question expressly permits waiver of subrogation or if the insurance company agrees tin writing that such waiver will not affect of coverage under the polices. Each party agrees to use best efforts to obtain such an agreement from its insurer if the policy does not expressly permit a waiver of subrogation.

**15. Real Property Taxes.** Tenant will apply for exemption from ad valorem property taxes for the leased premise under ORS 307.112, and will file claim for such exemption in a timely manner, as prescribed by ORS 307.112.

**16. Damage or Destruction.** If the Premises are destroyed or damaged to the extent of 40% of the Premises, Landlord may elect to terminate the lease as of the date of the damage or destruction by notice given to Tenant in writing not more than 45 days following the date of damage. In such event, all rights and obligations of the parties shall cease as of the date of termination, and Tenant shall be entitled to the reimbursement of any prepaid amounts paid by Tenant and attributable to the anticipated term. If less than 40% of the Premises are damaged or destroyed or Landlord elects not to terminate, Landlord shall proceed to restore the Premises to substantially the same form as prior to the damage or destruction. Work shall be commenced as soon as reasonably possible. Rent shall be abated during the repair of any damage to the extent the Premises are tenantable, except that there shall be no rent abatement where the damage occurred as the result of the fault of Tenant.

**17. Eminent Domain.**

**a. Partial Taking.** If a portion of the Premises is condemned and paragraph 17.b below does not apply, the lease shall continue on the following terms.

1. Landlord shall be entitled to all of the proceeds of condemnation, and Tenant shall have no claim against Landlord as a result of the condemnation.
2. Landlord, at Landlord's election, may proceed as soon as reasonably to make repairs and as reasonably practicable to that existing at the time of the condemnation.
3. After the date on which title vests in the condemning authority or an earlier date on which alterations or repairs are commenced by Landlord to restore the balance of the Premises in anticipation of taking, the rent shall be reduced in proportion to the reduction in value of the Premises as an economic unit on account for the partial taking. If the parties are unable to agree on the amount of the reduction of rent, the amount shall be determined by an independent appraiser selected by Landlord. The cost of such appraiser shall be divided equally between Landlord and Tenant.
4. If a portion of Landlord's property not included in the Premises is taken, and severance damages are awarded on account of the Premises, or an award is made for detrimental to the Premises as a result of activity by a public body not involving a physical taking of any portion of the Premises, this shall be regarded as a partial condemnation to which is paragraph 17.a applies, and the rent shall be reduced to the extent of reduction in rental value of the Premises as though a portion had been physically taken.

**b. Total Taking.** If a condemning authority takes all of the Premises or a portion sufficient to render the remaining Premises reasonably unsuitable for the use that Tenant was then making of the Premises, the lease shall terminate as of the date the title vests in the condemning authorities. Upon termination, Landlord shall be entitled to all of the proceeds of condemnation, and Tenant shall have no claim against Landlord as a result of the condemnation.

**c. Sale of Lieu of Condemnation.** Sale of all or part of the Premises to a purchaser with the power of eminent domain in the face of the threat or probability of the exercise of the power shall be treated for the purposes of this section as a taking by condemnation.

**18. Liens.** Except with respect to activities, for which Landlord is responsible, Tenant 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, following 10 days prior written notice from

Landlord, Tenant fails to apply any such claims or to discharge any lien, Landlord may do so and collect the cost as additional rent. Any amount so added shall be payable on demand. Such action by Landlord shall not constitute a waiver of any right or remedy which Landlord may have on account of Tenant's default.

**19. Indemnification.** Subject to the limitations of the Oregon Tort Claims Act and the Oregon Constitution, Tenant agrees to indemnify, defend and hold harmless the Landlord against any and all liability, loss and costs arising from actions, suites, claims or demands attributable solely and exclusively to acts or omissions of Tenant, and Tenant's officers, Agents and Employees, under this lease agreement.

During the term of the lease the Landlord shall defend, indemnify and hold Tenant harmless against any claim of liability of loss from personal injury or property damage caused by the negligence or willful misconduct of the Landlord, its employees or agents except to the extent that such claims or damages may be due to or caused by the acts or omission of the Tenant, its employees or agents.

**20. Assignment or Subletting.** No part of the Premises may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the Premises be conferred on any third person by any other means, without the prior written consent of Landlord. This provision shall apply to all transfers by operations of law. 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 this provision from applying to a subsequent instance. Landlord may withhold or condition such consent in its sole and arbitrary discretion.

**21. Default.** The following shall be events of default:

a. **Default in Rent.** Failure of Tenant to pay any rent or other charge within 10 days after it is due; a penalty charge of Two Hundred Dollars (\$200.00) will be due in addition to the outstanding rent.

b. **Default in Other Covenants.** Failure of Tenant to perform any obligation of the lease (other than the payment of rent or other changes) within 20 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 20 day period, this provision shall be complied with if Tenant begins corrections of the default within the 20 day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable;

c. **Insolvency.** Insolvency of Tenant; an assignment by Tenant for the benefit of creditors; the filing by Tenant of the voluntary petition in bankruptcy; an adjudication that Tenant is bankrupt or the appointment of a receiver of the properties of Tenant; the filing of any involuntary petition of bankruptcy and failure of Tenant to secure a dismissal of the petition within 30 days after filing; attachment of or the levying of execution on the leasehold interest and failure of Tenant to secure discharge of the attachment or release of the levy of execution within 10 days shall constitute a default; or

d. **Abandonment.** Failure of Tenant for 20 days or more to occupy the Premises for one or more of the purposes permitted under this lease, unless such failure is excused by other provisions of this lease.

e. Default by Landlord. Landlord will be in default of this Lease if Landlord fails to perform obligations within twenty (20) days after written notices from Tenant to Landlord describing the default; provided however that if the nature of Landlord's obligation is such that more than twenty (20) days are required to performance, then Landlord shall not be in default if Landlord commences performance within the Twenty (20) day period and thereafter diligently prosecutes the same to completion.

**22. Remedies on Default.** The following shall be remedies in the event of default:

a. Landlord Remedies. In the event of default by Tenant, and such violation is not cured within the time allowed under Section 21, 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 Premises, and remove any persons or property by legal action.

b. Reletting. Following reentry or abandonment, Landlord may relet the Premises and in that connection may make any suitable alterations or refurbish the Premises, or both, or change the character or use of the Premises, but Landlord shall not be required to relet for any use or purpose other than that specified in this lease or which Landlord may reasonably consider injurious to the Premises, or to any tenant that Landlord may reasonably consider objectionable. Landlord may relet all or part of the Premises, alone or in conjunction with other properties, for a term longer or shorter than the terms of this lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession.

c. Tenant's Remedies. If the Landlord shall violate or default in the performance of any Landlord's obligations within this Lease Agreement, and such violation is not cured within the time allowed under Section 21, the Tenant may terminate this Lease at the option of Tenant by providing written notice, and may recover damages and costs incurred by Tenant. If Landlord fails to commence repairs of the Premises as required in Section 10.a. above within twenty (20) days after written notice from Tenant, "tenant may terminate this Lease by giving notice to the Landlord, or Tenant may perform any such repairs and deduct the costs thereof from the monthly rent next falling due; provided, if such disrepair has the effect that Tenant cannot reasonably use the Premises in the manner set forth in Section 8, then the monthly rent shall be abated until the Premises can be reasonably operated for such use. Notwithstanding the preceding, Landlord shall use best efforts to avoid materially or unreasonably affecting or interrupting Tenant's use of the Premises.

**23. Surrender at Expiration.**

a. Condition of Premises. Upon expiration of the lease term or earlier termination on account of default, Tenant shall deliver all keys to Landlord and surrender the Premises in good condition and broom clean including removal of all rubbish and debris, clean walls, clean carpets, clean bathroom items, clean plumbing fixtures and window coverings, normal wear and tear excepted. Alterations constructed by Tenant with permission from Landlord shall not be removed or restored to the original condition unless the terms of permission for the alteration so require. Tenant's obligations under this section shall be subordinate to the provisions relating to destruction.

b. Fixtures

1. All fixtures placed upon the Premises during the term, other than Tenant's trade fixtures shall become the property of Landlord.

2. Prior to expiration or other termination of the lease term, Tenant shall remove all furnishings, furniture, and trade fixtures that remain Tenants property. If Tenant fails to do so, this shall be an abandonment of the property, and the Landlord may retain the property and all rights of Tenant with respect to it shall cease or, by notice in writing given to Tenant within 20 days after removal was required, Landlord may elect to hold Tenant to its obligation of removal. If Landlord elects to require Tenant to remove, Landlord may effect a removal and place the property in public storage for Tenant's account. Tenant shall be liable to Landlord for the cost of removal, transportation to storage, and storage, with interest at the rate of 10% on all such expenses from the date of expenditure by Landlord.

c. Holding Over. If the Tenant holds over after the term of this Lease, or any renewal thereof, with the consent of the Landlord, express or implied, the Tenant shall remain bound by all the covenants of this Lease, except that the holding over shall be construed to create a tenancy from month-to-month.

**24. Miscellaneous.**

a. 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 of any other provision.

b. Notices. Any notice required or permitted under this lease shall be given when actually delivered or 72 hours after deposited in United States mail certified mail addressed to the address as may be specified below or as may be changed from time to time by either of the parties in writing.

**LANDLORD:**

FAIRWAY DEVELOPMENT GROUP, INC.

~~1301 Evergreen Rd~~  
Suite 2B

Woodburn, Oregon 97071

Phone: (503) 981-6200

Email: [Patrick.e@realityhomes.com](mailto:Patrick.e@realityhomes.com)

2720 South J. Street  
TACOMA WA 98409  
(253) 926-6822

**TENANT:**

MARION COUNTY SHERIFF'S OFFICE

Attn: Camille Peterson, Contract Specialist

PO Box 14500

Salem, OR 97309

Phone: 503-589-3261

Email: [cpeterson@co.marion.or.us](mailto:cpeterson@co.marion.or.us)

c. 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.

d. Recordation. This lease shall not be recorded without the written consent of Landlord.

e. Probation or Rent. In the event of commencement or termination of this lease at a time other than the beginning or end of one of the specified rental periods, then the rent shall be prorated as of the date of commencement or termination and in the event of termination for reasons other than default, all prepaid rent shall be refunded to Tenant or paid on its account.

f. Time of Essence. Time is of the essence of the performance of each of Tenant's and Landlord's obligations under this lease.

g. Parking. Tenant shall leave exclusive use of all the parking stalls adjacent to the Leased Premises. Additionally, Landlord shall provide Tenant, its customers and employees, parking in common with the other tenants, their customers and employees of the complex. Any change in the common area parking shall be within Landlord's sole and absolute discretion

h. Real Estate Taxes. The base rent stipulated in Section 5 above has been adjusted to reflect any exemption for real property taxation under ORS 307.112 because Tenant is qualified for an exemption under ORS 307.130

i. Health Insurance Portability and Accountability Act (HIPAA). Landlord and Tenant are "covered entities" and/or "business associates" for the purposes of the provisions of the Health Insurance Portability and Accountability Act (HIPAA) of 1996, as amended. The parties agree to take such action as is necessary to amend this lease from time to time as needed for compliance with the requirements of the Security and Privacy Rules and other provisions of the HIPAA.

j. Civil Rights. Landlord agrees to comply with the Civil Rights Act of 1964 and 1991, and Section 504 of the Rehabilitation Act of 1973 as implemented by 45 CFR 84.4 which states in part, "No qualified person shall on the bases of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which received or benefits from federal financial assistance."

k. Termination. This lease may be terminated by mutual consent of both parties if set forth in writing.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first set forth above.

**MARION COUNTY SIGNATURE:**

 \_\_\_\_\_ Date 6-13-18

 \_\_\_\_\_ Date 6.13.18

 \_\_\_\_\_ Date 6-13-18

 \_\_\_\_\_ Date 6-1-18

 \_\_\_\_\_ Date 6/1/18

 \_\_\_\_\_ Date 6/6/18

 \_\_\_\_\_ Date Jun 4, 2018

**TENANT**

Jeff Wood, Commander

Date



5/21/17

Sheriff or Undersheriff

Date

**FAIRWAY DEVELOPMENT GROUP, INC.**



6-20-18  
Date

Printed Name: Jamie Hankel

Title: Sec/Treas



Marion County Contracts & Procurement

Date

**TENANT**

Jeff Wood

6.1.2018

Jeff Wood, Commander

Date

Sheriff or Undersheriff

Date

**FAIRWAY DEVELOPMENT GROUP, INC.**

Jamie Hankel

6-20-18

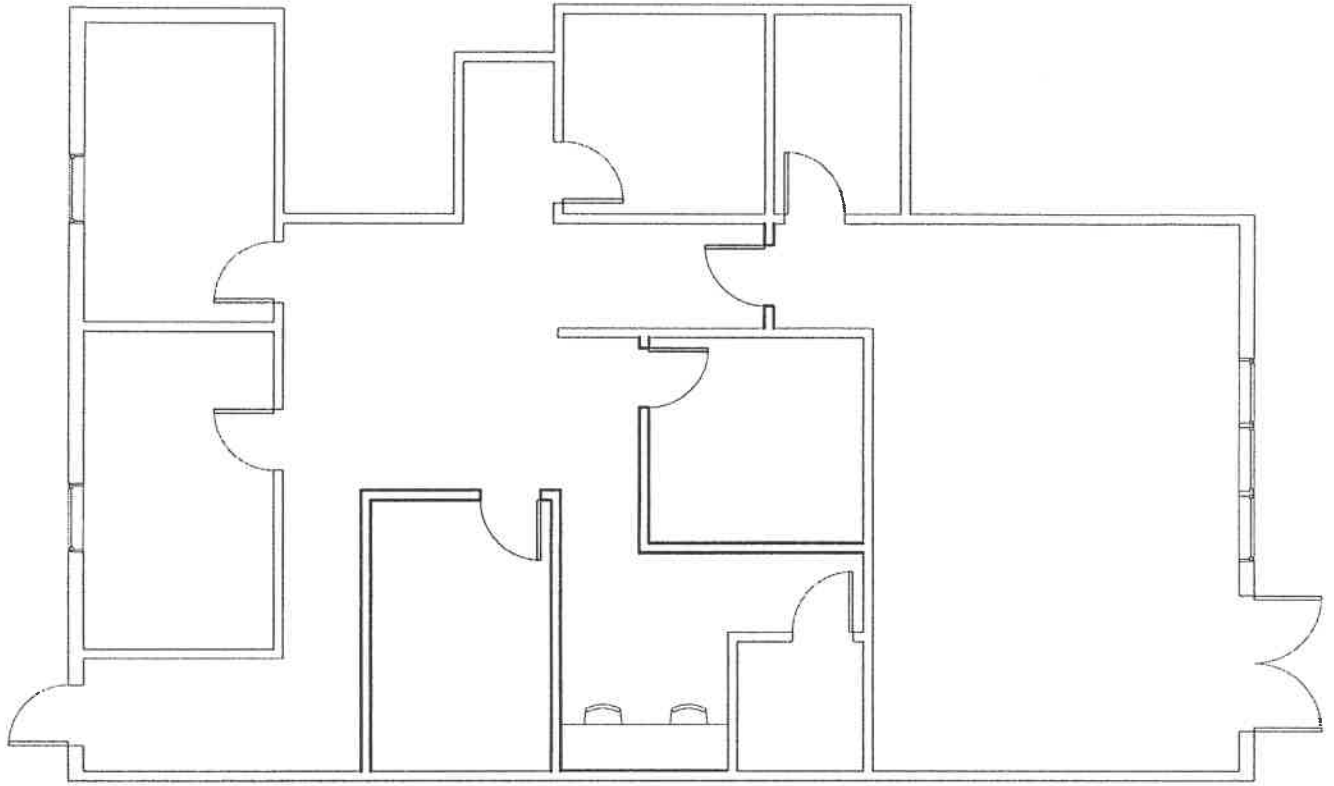
Date

Printed Name:

Jamie Hankel

Title:

Sec/Treas





**Marion County**  
OREGON  
Business Services  
Facilities Management

**BUDGETARY ESTIMATE**

Option 1 - Tenant Improvement

SO Woodburn Leased Space

1301 Evergreen Rd. Woodburn

March 13, 2018

Prepared by: Facilities Analyst

Description	Units	Quan.	Material/Labor	\$ Total
ARCH New Enclosure				
Gyp Board Walls	l.f.	50	\$ 80.00	\$ 4,000.00
Doors	ea.	3	\$ 1,350.00	\$ 4,050.00
ELEC Outlet Devices	ea.	8	\$ 285.00	\$ 2,280.00
Rough-in Telecom	ea.	8	\$ 60.00	\$ 480.00
Wiring/Conduit runs	l.f.	50	\$ 20.00	\$ 1,000.00
HVAC Duct Rerouting and Air Diffusers	ls.	1	\$ 1,500.00	\$ 1,500.00
CASE Countertop	l.f.	8	\$ 40.00	\$ 320.00
<b>SUBTOTAL - Direct Costs</b>				<b>\$ 13,310.00</b>
<b>SOFT COSTS</b>				
Contractor - Project overhead, profit	% of total	0%		0.00
Permit Drawings/Coordination/Engineering	% of total	8%		1,065.00
Permits- Plans review, Building Permit	% of total	2%		266.00
Contingency	%total	15%		2,196.00
<b>TOTAL (Includes Add Alternates)</b>				<b>\$ 16,837.00</b>



**Marion County**  
OREGON  
Business Services

**BUDGETARY ESTIMATE**

Option 2 - Tenant Improvement

SO Woodburn Leased Space

1301 Evergreen Rd. Woodburn

March 13, 2018

Prepared by: Facilities Analyst

Description	Units	Quan.	Material/Labor	\$ Total
ARCH New Enclosure				
Gyp Board Walls	l.f.	55	\$ 80.00	\$ 4,400.00
Doors	ea.	3	\$ 1,350.00	\$ 4,050.00
ELEC Outlet Devices	ea.	8	\$ 285.00	\$ 2,280.00
Rough-in Telecom	ea.	8	\$ 60.00	\$ 480.00
Wiring/Conduit runs	l.f.	50	\$ 20.00	\$ 1,000.00
HVAC Duct Rerouting and Air Diffusers	ls.	1	\$ 1,500.00	\$ 1,500.00
CASE Countertop	l.f.	8	\$ 40.00	\$ 320.00
<b>SUBTOTAL - Direct Costs</b>				<b>\$ 13,710.00</b>
<b>SOFT COSTS</b>				
Contractor - Project overhead, profit	% of total	0%		0.00
Permit Drawings/Coordination/Engineering	% of total	8%		1,097.00
Permits- Plans review, Building Permit	% of total	2%		274.00
Contingency	%total	15%		2,262.00
<b>TOTAL (Includes Add Alternates)</b>				<b>\$ 17,343.00</b>