

**THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE**

**URA RESOLUTION NO. 274**

**A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE AUTHORIZING EXECUTION OF A FIRST AMENDMENT TO SCHOOL FACILITIES LEASE WITH THE WEST LINN/WILSONVILLE SCHOOL DISTRICT FOR PROPERTY KNOWN AS THE “TOWN CENTER SCHOOL SITE”**

WHEREAS, on October 25, 2007 the Urban Renewal Agency of the City of Wilsonville (the “Agency”) acquired approximately 11.51 acres of land from the Northwest District of the Wesleyan Church for partial redevelopment as affordable housing and this land is comprised of the entirety of tax lots 02600, 02700, 02706, 02707, 02708, 02709, 02900, 03000, and 03100 on Map 3S1W13CD in Clackamas County; and

WHEREAS, at the time of purchase this land was improved with two buildings on tax lot 03000 (the “Property”) which were outside of the area redeveloped into the Creekside Woods Affordable Senior Housing project; and

WHEREAS, on July 15, 2008 the Agency entered into a lease with the West Linn/Wilsonville School District (the “District”) through which the Agency leased the Property to the District for use as a school for \$80,000 per year for a term expiring on June 30, 2011; and

WHEREAS, on May 17, 2011 the Agency and the District renewed the lease for \$90,000 per year, extending the lease term to June 30, 2013; and

WHEREAS, the Agency and the District entered into a lease for an additional three year lease term beginning July 1, 2013 and ending June 30, 2017, which was to have no further renewals; and

WHEREAS, the District has asked for one more five year lease renewal while it makes plans for a permanent home for the art and technical classes currently taught on the Property; and

WHEREAS, the City of Wilsonville and its Urban Renewal Agency are including the Property in its Town Center Master Plan but do not envision a need for the Property prior to July 1, 2022, and are therefore willing to amend the lease to enter into one (1) five (5) year renewal;

NOW, THEREFORE, THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City of Wilsonville's Urban Renewal Agency Board approves the terms of the First Amendment to School Facilities Lease, attached hereto as **Exhibit A** and incorporated herein by this reference, and authorizes its Executive Director to execute the same, as approved by the City Attorney.
2. The Lease Amendment shall have a five year term with no further renewals.
3. Annual rent for the initial year for the Property will be One Hundred Twenty Thousand Dollars (\$120,000) per year, payable in equal monthly installments of Ten Thousand Dollars (\$10,000) per month, payable in advance on or before the first day of each month, and shall be increased annually on July 1 of each lease year by the CPI-U index, as described in the Lease Amendment, with the first CPI increase to occur July 1, 2018.
4. This Resolution becomes effective upon the date of adoption.

ADOPTED by the Urban Renewal Agency of the City of Wilsonville at a regular meeting thereof this 19<sup>th</sup> day of June, 2017, and filed with the Wilsonville City Recorder this date.

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Tim Knapp, Board Chair

ATTEST:

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Sandra C. King, MMC, City Recorder

**SUMMARY OF VOTES:**

Board Chair Knapp	Yes
Board Member Starr	Excused
Board Member Stevens	Yes
Board Member Lehan	Yes
Board Member Akervall	Yes

Attachments:

Exhibit A – First Amendment to School Facilities Lease

**CITY OF WILSONVILLE  
FIRST AMENDMENT TO SCHOOL FACILITIES LEASE**

This First Amendment to School Facilities Lease (“First Amendment”) is effective the 1<sup>st</sup> day of July, 2017 (“Effective Date”), by and between the **Urban Renewal Agency of the City of Wilsonville** (“Lessor”), and the **West Linn-Wilsonville School District** (“Lessee”), upon the terms and conditions set forth below.

**RECITALS**

WHEREAS, Lessor entered into a School Facilities Lease (“Lease”) with Lessee on April 25, 2013, whereby two adjoining buildings owned by Lessor, located at 29796 SW Town Center Loop East in Wilsonville, Oregon (the “Buildings”), are being used by Lessee for school purposes; and

WHEREAS, the Lease terminates on June 30, 2017, but Lessor desires to continue using the Buildings for school purposes and wants to extend the term of the Lease for an additional five (5) year period; and

WHEREAS, Lessor is amenable to extending the Lease term for an additional five (5) year period, with the understanding that this will be the last five (5) year extension of this Lease;

NOW, THEREFORE, in consideration of these mutual promises and the terms and conditions set forth herein, the parties agree as follows:

**AGREEMENT**

The Lease is amended as follows:

**Section 1. Term**

This First Amendment shall be binding on the Parties as of July 1, 2017 (“Effective Date”), and the new Lease Term will commence on the Effective Date and continue thereafter for a period of five (5) years, terminating on June 30, 2021, unless earlier terminated under the provisions of the Lease.

**Section 2. Rent**

2.1 Basic Rent, Additional Rent, and Rent. This Lease is a triple net lease, meaning Lessee is responsible to pay all taxes, insurance, repair, and maintenance, as provided in this Lease, except as set forth in Section 3, below. Lessee shall pay Rent (as hereinafter defined) to Lessor as follows:

2.2 Basic Rent. “Basic Rent” for the Premises shall be ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000) for the first Lease Year (July 1, 2017 – June 30, 2018), payable in monthly installments of TEN THOUSAND DOLLARS (\$10,000), subject to annual increase each July 1 of each Lease Year, as provided in Section 3 of the Lease.

**Section 3. Lessor Maintenance**

Lessor will replace the roof in 2017. Lessor will also paint the building and repair siding, as Lessor deems needed during the Lease Term. All other repairs and maintenance shall be the sole responsibility of Lessee, and Lessor shall have no responsibility for other maintenance, repair, or replacement of the Premises. Lessor will also take over responsibility for landscaping, as Lessor deems appropriate, in its sole discretion. Lessee remains responsible for keeping landscaping free of debris and garbage at all times.

**Section 4. Lessee Maintenance and Repair Obligations**

Pursuant to Section 7.4 of the Lease, the following shall be added to the list of mandatory repairs to be performed by Lessee, to occur during and throughout the Lease Term:

- Clean and paint all handrails along walkway by September 2017
- Restripe parking lot by Spring 2018
- Clean parking lot of all debris by July 2017
- Heat pumps cleaned and maintained annually, including by July 1, 2017, with verification to Lessee
- Walk through inspection by the City prior to end of July 2017 to ensure compliance with all Lease terms
- Maintain ADA ramp transition going forward

**Section 5. All Other Terms**

Except as provided herein, all of the other terms and conditions of the Lease shall remain in full force and effect, as written. Unless otherwise defined herein, the defined terms of the Lease shall apply to this First Amendment.

The Lessee and Lessor hereby agree to all provisions of this First Amendment.

**LESSEE:**

West Linn-Wilsonville School District

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

(Print Name)\_\_\_\_\_

As Its: \_\_\_\_\_

**LESSOR:**

Urban Renewal Agency of the City of Wilsonville

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

Bryan Cosgrove  
As Its: Executive Director

APPROVED AS TO FORM:

\_\_\_\_\_  
Barbara A. Jacobson, City Attorney  
City of Wilsonville, Oregon

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**LESSEE:**

West Linn-Wilsonville School District

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

(Print Name)\_\_\_\_\_

As Its: \_\_\_\_\_

**LESSOR:**

Urban Renewal Agency of the City of Wilsonville

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

Bryan Cosgrove  
As Its: Executive Director

APPROVED AS TO FORM:

\_\_\_\_\_  
Barbara A. Jacobson, City Attorney  
City of Wilsonville, Oregon