

## **LEASE AGREEMENT Main Branch Library**

This Lease Agreement is entered into by and between JOSEPHINE COUNTY, a political subdivision of the State of Oregon, hereinafter "County," and JOSEPHINE COMMUNITY LIBRARY DISTRICT, hereinafter "Lessee."

WHEREAS, County currently leases the Main Branch Library to Lessee; and

WHEREAS, Lessee is a special district for library services, organized under ORS 357.216 to 357.286, formed and established at an election on May 16, 2017; and

WHEREAS, the Main Branch Library serves as the headquarters for Lessee's district wide operations, including administrative functions, technology infrastructure, and service coordination for all library branches; and

WHEREAS, County recognizes that Lessee is a community partner providing library services.

NOW, THEREFORE, in consideration of the terms and conditions set forth below, the parties agree as follows:

1. **TERM:** This Agreement shall commence on the date last signed below and shall terminate at 11:59 p.m. on December 31, 2030, unless otherwise amended as provided herein.
2. **PREMISES:** County leases to Lessee the real property and building thereon, commonly known as the Main Branch of the Josephine Community Library District, located at 200 NW "C" Street, Grants Pass, OR 97526, with adjacent parking areas, hereinafter "the Premises." The Premises are depicted in the aerial photograph attached hereto as Exhibit 1 and incorporated herein.
3. **GENERAL PURPOSE:** The parties to this Agreement expressly understand that the demised premises shall be used for the following purposes, and no other, without the prior written consent of County: For the administration, operation, and maintenance of the library system by the Josephine Community Library District, consistent with the general powers granted to the District by ORS Chapter 357.216 to 357.286 and the specific powers granted by ORS 357.261.
  - 3.1 **Parking Areas:** Lessee shall use the Parking Areas as public parking for library patrons and for Lessee's employees.
4. **RENTAL:** Lessee agrees to pay as rent for the premises described above the sum of One Dollar (\$1.00) per year, which sum is payable to County in advance on the or before the first day of each year beginning January 1, 2026. County acknowledges that rent has been paid through December 31, 2025.
5. **TAXES:** Lessee shall timely pay all applicable real property taxes and personal property taxes, if any.
6. **UTILITIES:** Lessee shall pay all utilities, including but not limited to water, sewer, heat, light, electricity, telecommunications, gas, and garbage, including any deposits or service payments.
7. **MAINTENANCE:** Lessee shall be responsible for all routine maintenance and costs due to its usual and customary use of the building and premises, including parking areas, in a manner reasonably acceptable to County. In addition to routine maintenance, Lessee shall be responsible for repairs and renovations reasonably necessary to keep the building and premises in good condition, and which meets all applicable fire, life, safety and health codes.

- 7.1 **Building Exterior, HVAC:** Lessee shall provide, at Lessee's expense, all maintenance, repairs, and renovation of the exterior portions of the Premises, including landscaping, grounds upkeep, parking lots, and HVAC.
- 7.2 **Building Interior:** Lessee shall provide, at Lessee's expense, all maintenance to the interior portions of the library building, including janitorial services, and shall maintain the interior of the building in good condition. Lessee shall also be responsible for repairs and renovations to the interior portions of the library building due to damage caused by Lessee or library patrons, including but not limited to painting and carpet replacement.
- 7.2.1 **Consent of County:** Lessee shall obtain the written consent of County before undertaking any repairs or renovations, or before making any alterations to the building or to any fixture that alters the appearance of the building or that results in any structural change, regardless how small or inexpensive. The County shall not unreasonably withhold such consent. Notwithstanding the foregoing, Lessee may make minor or routine repairs without consent or notification.
- 7.3 **Hazards:** Lessee shall immediately notify County of any physical conditions of the premises located on the exterior portions of the Premises which could cause physical injury to patrons or staff. Lessee shall remedy, as soon as practicable, any physical conditions of the interior portions of the Premises which could cause physical injury to patrons or staff. Both parties shall take immediate action, upon discovery, to prevent any hazards from causing damage to persons, and such action shall be appropriate for the hazards involved, up to and including the evacuation and closure of the library until the hazards are corrected.
- 7.4 **Failure to Perform:** Failure by Lessee to perform required maintenance, repairs, or renovations shall be considered a violation of this Lease Agreement warranting termination by County after notice of right to cure.
- 7.5 **Major Repairs/Replacement:** In the event Lessee is required under this Lease to make major repairs or replacements, the useful life of which extends beyond the term of the Lease, the County shall reimburse Lessee a prorated amount of the cost of such repair/replacement upon the expiration of the Lease, based on the remaining useful life at the expiration of the Lease. The foregoing shall not apply in the event such repair/replacement is necessitated due to Lessee's negligence or lack of routine maintenance.
- 7.6 **Surrender of Premises:** Upon final termination of this Agreement, Lessee shall return the premises, including the building, parking lot, and landscaping, to County in as good condition as at the commencement of this lease, normal wear and tear excepted.

8. **COUNTY MAINTENANCE AND REPAIR OBLIGATIONS; REPAIR OF ROOF:** The roof of the Library Building is in need of replacement. County shall conduct the procurement for a new roof. Lessee shall pay to County the sum of \$20,424.00 (which constitutes the entire balance of its Repairs and Renovations Trust Account) toward the cost of replacing the roof. Additionally, Lessee shall pay to County a proportionate amount of the cost of the roof, less \$20,424.00, based on the anticipated life of the roof, for the 5-year term of this lease. (For a 30-year roof, Lessee shall pay to County 1/30 of the cost of the roof less \$20,424.00, for five years.) Both parties shall make all efforts to have the roof repaired before November 2025. Lessee shall pay to County the sum of \$20,424.00 prior to commencement of roof replacement.

Notwithstanding any other provisions herein and in addition to the foregoing obligations regarding

the roof, County shall be required to maintain and repair the structural integrity of the building exterior, to wit: the exterior walls (except for paint) and the foundation. In the event Lessee's maintenance or repair obligations necessitate alteration or removal of exterior walls, the foundation, roof, or other structural elements of the building, County shall be responsible for such alteration or removal to facilitate Lessee's maintenance or repair.

9. **ALTERATIONS AND FIXTURES:** Lessee shall not make any additions, alterations of a structural nature, or improvements in or to the Premises without County's prior written consent, which consent shall not be unreasonably withheld. All additions, alterations and improvements made in and to the Premises shall become the property of County, and shall be surrendered with the Premises upon the termination of this Agreement unless otherwise required by applicable grants. Trade fixtures shall remain Lessee's property. Lessee shall repair any damage caused by removal of trade fixtures.
10. **ACCESS BY COUNTY:** County, its officers, agents, and employees shall have free access to the Premises at reasonable times for the purpose of examining the same. County shall provide Lessee with reasonable advance notice.
11. **QUIET ENJOYMENT:** Lessee, upon performing the covenants and observing the conditions of this Lease, at all times during the term of this Lease, shall have the peaceable enjoyment of the Premises without hindrance or disturbance by County.
12. **INDEMNIFICATION:**
  - 12.1 Lessee shall defend, indemnify, reimburse, and hold harmless County, its officers, agents and employees, from any and all claims, liabilities, demands, damages, actions or proceedings arising from or relating to the negligence, wrongful acts, or omissions of Lessee in connection with this Agreement.
  - 12.2 County shall defend, indemnify, reimburse, and hold harmless Lessee, its officers, agents and employees, from any and all claims, liabilities, demands, damages, actions or proceedings arising from or relating to the negligence, wrongful acts, or omissions of County in connection with this Agreement.
  - 12.3 Lessee shall not be deemed an agent of County under the Oregon Tort Claims Act.
13. **INSURANCE:**
  - 13.1 Each party shall maintain insurance coverage for its property, including collections, materials, equipment, and furnishings. Lessee shall immediately notify County of any loss or damage to County's property after such loss and shall cooperate fully with all requests made by County's Risk Manager or designee. Lessee shall use its best efforts to monitor and protect County's property during the term of this Agreement. Each party shall cooperate with and provide claim-related information requested by the other party's insurance company after any loss.
  - 13.2 Lessee shall, at its own expense, provide and maintain insurance for the duration of this Agreement as follows:
    - a. Workers' Compensation Insurance as required by law.
    - b. Commercial General Liability insurance covering bodily injury and property damage on an "occurrence" form. Coverage shall be a minimum of \$2,000,000 per occurrence, and \$2,000,000 aggregate.

- c. Automobile Liability Insurance covering all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$1,000,000.

13.3 **Certificates of Insurance:** All insurance policies shall be evidenced by Certificates of Insurance which shall be delivered to County prior to January 1, 2026. Each certificate or policy shall require that, thirty (30) days prior to cancellation or material change in the policies, notice of cancellation or material change must be given to the County by first class mail and/or email transmission. All such notices shall name the Lessee and identify this lease.

13.4 All insurance policies must name Josephine County as an additionally named insured and must be through an insurance company licensed in the State of Oregon. The insurance policy shall provide that "Josephine County" shall include all authorities, boards, bureaus, commissions, divisions, departments, districts, and offices of Josephine County and the individual members, employees and agents thereof in their official capacities.

13.5 **No Recourse and Deductibles:** The insurance companies issuing the insurance policies shall have no recourse against County for payment of any premiums or for assessments under any form of policy. Any and all deductibles shall be assumed by and be for the account of and at the sole risk of Lessee.

14. **CASUALTY DAMAGE:** If the Premises are damaged or destroyed by fire or other casualty to such a degree that the Premises are unsuitable for the purpose leased, County and Lessee may seek agreement on the costs of restoration of the building. In such instance, Lessee shall first use proceeds from all applicable insurance policies, and shall then seek to obtain from the patrons who enjoy the benefits of the Premises to fund the repairs or renovations.

14.1 The parties agree that within ninety (90) days after any such casualty damage, each party shall obtain at least one (1) estimate of required repairs or renovations, and shall meet to decide whether to cancel this Lease or to proceed with the necessary repairs. If the insurance proceeds are insufficient to make the necessary repairs, then Lessee may provide the remaining needed funds.

14.2 If the parties agree that the building is beyond repair, or that there are insufficient funds for rebuilding or repairing the building within one (1) year from the date of the damage, either party may cancel this Lease.

14.3 In the event that the parties decide not to proceed with repairs, then any insurance proceeds shall be divided between County and Lessee, with first reimbursement to the County for the value of destroyed improvements. All donations obtained by Lessee from patrons for repairs or renovations shall be the property of Lessee.

15. **TERMINATION:** In the event of a default of obligations under this Lease, the non-defaulting party may terminate the lease by giving to the defaulting party written notice of intent to terminate at least thirty (30) days prior to the effective date of termination. Written notice shall specify the nature of the breach with particularity. If the breach specified in the notice cannot be completely cured within the thirty-day period, but curative action is undertaken with reasonable diligence, in good faith, to cure the breach as soon as practicable, then such breach shall not constitute a default.

15.1 In the event of a default, before a party may bring an action in any court concerning this Agreement, such party must first make a good faith effort to resolve the issue through mediation, negotiation or other non-binding alternative dispute resolution. Pending final

resolution of a dispute, or pending termination of this Agreement, the parties shall proceed diligently with the performance of this Agreement unless otherwise notified in writing. If a default occurs and is not resolved, the injured party may elect to terminate this Agreement and pursue any equitable or legal rights and remedies available under Oregon law.

15.2 In case of a default the non-defaulting party shall be entitled to recover damages or any other remedy provided by applicable law, or it may elect to perform the defaulting party's obligation and recover from the defaulting party the costs of such remedy.

15.3 The rights and remedies of the parties provided herein are not exclusive and are in addition to any other rights and remedies provided by law.

16. **HOLDING OVER:** Any holding over by the Lessee after the expiration of the term of this Lease, or the term of any extension thereof, shall be a tenancy from month to month.
17. **WARRANTY:** County covenants and warrants that it has good title to the Premises.
18. **COMPLIANCE WITH LAW:** Both parties shall comply with all applicable federal, state, and local laws, rules, and ordinances regarding the use, care, and control of the leased premises.
19. **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.
20. **VENUE:** Any claim, suit, action or other proceeding that arises from or relates to this contract shall be brought and conducted exclusively in the Circuit Court of the State of Oregon for Josephine County; provided, however, that if any such claim must be brought in a federal forum, it shall be brought and conducted exclusively in the United States District Court for the District of Oregon.
21. **FORCE MAJEURE:** Neither County nor Lessee shall be held responsible for delay or default caused by fire, riot, civil disobedience, acts of God, or war where such cause was beyond the control of either party. Both parties shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.
22. **WAIVER:** No waiver of any provision of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of the County to enforce any provision of this Agreement shall not constitute a waiver by the County of that or any other provision.
23. **SEVERABILITY:** If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.
24. **FURTHER ASSURANCES:** The parties agree to promptly execute and deliver any such further instruments and to perform any such further acts as may be required to carry out the intent and purpose of this Agreement.
25. **NOTICES:** Any communications or notices required under this Agreement shall be given in writing by personal delivery, or by certified mail, return receipt requested, to the address set forth below. Any communication or notice so addressed and mailed shall be deemed to be given three (3) days after mailing. Any communication or notice by personal delivery shall be deemed to be

given when actually delivered.

Lessee:  
Josephine Community Library District  
Attn: District Board President  
200 N.W. "C" Street  
Grants Pass, OR 97526

County:  
Board of County Commissioners  
Josephine County  
500 NW 6<sup>th</sup> Street, Dept. 6  
Grants Pass, OR 97526

26. **ASSIGNMENT OR SUBLEASE:** Lessee shall not assign or transfer any interest in this Agreement without County's prior written consent. No portion of the leased Premises shall be sublet by Lessee without the prior written consent of County.
27. **INTERPRETATION:** All covenants, agreements, conditions and terms contained in this Lease shall be binding upon, apply and inure to the benefit of the heirs, executors, administrators and assigns of the parties, and all covenants shall be construed as covenants running with the land.
28. **NO THIRD PARTY BENEFICIARY:** County and Lessee are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.
29. **AMENDMENT:** This Agreement may be amended or modified at any time upon the written Agreement of both parties, signed and secured in the same form and manner as below.
- 29.1 **Extension of Lease:** The Parties agree to meet in good faith 180 days prior to the expiration of this lease to consider extension or conduct renegotiations of this lease agreement.
30. **ENTIRE AGREEMENT:** This Lease Agreement, with the attached Exhibit, constitutes the entire Agreement between the parties with respect to the Lease of the Premises, and supersedes any previous promises, representations, leases, agreements, conditions or understandings between the parties. There are no other promises, representations, agreements, conditions or understandings, either oral or written, between the parties other than those set forth or expressly referred to in this Lease Agreement.

**LESSEE**

JOSEPHINE COMMUNITY LIBRARY DISTRICT  
DISTRICT BOARD

\_\_\_\_\_  
Gina Marie Agosta, President

Approved as to Form:

\_\_\_\_\_  
Attorney for Lessee

**JOSEPHINE COUNTY**

BOARD OF COMMISSIONERS

\_\_\_\_\_  
Andreas Blech, Chair

\_\_\_\_\_  
Chris Barnett, Vice Chair

\_\_\_\_\_  
Ron Smith, Commissioner

Date: \_\_\_\_\_  
Approved as to form:

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County Legal Counsel

Date: \_\_\_\_\_

**LEASE AGREEMENT**  
**Between Josephine County and Josephine Community Library District**  
**Main Branch Library**  
**Exhibit 1**

