

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7100

**AUTHORIZING A TWO-YEAR LEASE WITH OREGON STORY BOARD FOR
THE PDC-OWNED SPACE IN THE DOWNTOWN WATERFRONT URBAN
RENEWAL AREA**

WHEREAS, Old Town Lofts is a mixed-use development located at 411 NW Flanders Street containing 60 residential and ground floor commercial condominiums;

WHEREAS, in 2010 the Portland Development Commission (“PDC”) was assigned ownership of the commercial space and 20 parking units;

WHEREAS, Oregon Storyboard (“OSB”) was recently selected from a group of interested parties to master lease the commercial space;

WHEREAS, the non-profit OSB intends to create more and stronger connections among five digital storytelling sectors: film/video, animation/visual effects, gaming, digital media, and content creation;

WHEREAS, PDC will invest approximately \$300,000 in tenant improvements prior to OSB occupancy; and

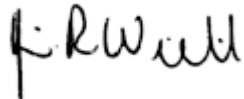
WHEREAS, lease of the Old Town Lofts commercial space to OSB will advance the Old Town/China Town Five-Year Action Plan by 1) activating new neighborhood investment, 2) promoting business vitality and 3) aligning resources and building local capacity for improving district livability.

NOW, THEREFORE, BE IT RESOLVED, that the PDC Board of Commissioners authorizes the execution of a lease substantially in the form attached hereto as Exhibit A to grant a leasehold to OSB;

BE IT FURTHER RESOLVED, that the Executive Director is authorized to modify the lease so long as the modifications, in the opinion of the Executive Director after consultation with General Counsel, do not materially increase PDC’s obligations or risks; and

BE IT FURTHER RESOLVED, that this resolution shall become effective immediately upon its adoption.

Adopted by the Portland Development Commission on February 11, 2015

A handwritten signature in black ink, appearing to read "Gina Wiedrick". The signature is written in a cursive, somewhat stylized font.

Gina Wiedrick, Recording Secretary

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7100

EXHIBIT A

**AUTHORIZING A TWO-YEAR LEASE WITH OREGON STORY BOARD FOR
THE PDC-OWNED SPACE IN THE DOWNTOWN WATERFRONT URBAN
RENEWAL AREA**

Exhibit A includes this cover page and contains 16 pages:

- Lease Agreement

LEASE AGREEMENT

LANDLORD: The City of Portland,
Acting by and through the Portland Development Commission
Attention: Real Estate Services
222 NW Fifth Avenue
Portland, OR 97209
Telephone: 503.823.3200
Facsimile: 503.823.3368

TENANT: Oregon Story Board,
an Oregon Domestic Non-Profit Entity
411 NW Flanders Street, Unit #100
Portland, Oregon 97209
info@oregonstoryboard.org

This Lease Agreement (the "Lease") is between the City of Portland, acting by and through the Portland Development Commission ("Landlord") and Oregon Story Board, an Oregon Domestic Non-Profit Entity ("Tenant") individually ("Party") and collectively ("Parties").

RECITALS

A. Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, the real property commonly known as the Old Town Lofts Commercial Condominium Unit (the "Property" or "Building") consisting of approximately 4,156 square feet of office space with the physical street address of 411 NW Flanders Street #100, Portland, OR 97209 (the "Premises") as more particularly described on Exhibit "A".

B. Tenant desires to use the Property for the purposes of the operation of an office space and as a business incubator space.

C. Tenant represents to Landlord that it is an Oregon Domestic Non-Profit Entity formed under the laws of the State of Oregon.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, Landlord and Tenant hereby agree to lease the Premises as follows:

Section 1. Occupancy.

1.1 Term. The term of this Lease (the "Term") will commence upon Landlord's substantial completion of its Tenant Improvements pursuant to the Exhibit "B" Work Agreement to this Lease ("the Commencement Date") and will continue for an initial term of twenty-four (24) consecutive months. Should Landlord be unable to deliver possession of the Premises on the Commencement Date, the Commencement Date shall be deferred until the date possession is delivered. The Parties shall execute a Supplemental Memorandum at the commencement of the Term stating the actual Commencement Date and the Expiration Date.

1.2 Possession. Tenant's right to possession and Tenant's obligations under the Lease shall commence on the first day of the Term as set forth at Section 1.1 hereof.

Section 2. Rent.

2.1 Total Rent. Rent shall be payable, without offset or deduction, on the first day of each month in advance at the address of Landlord or at such other place as Landlord may from time to time designate in writing. Total monthly rent shall be the sum of Base Rent and estimated Additional Rent, as described below. If the Lease commences on a date other than the first day of the month, the first and last month's rent shall be prorated.

The initial total monthly rent is \$5,507.00, which sum includes the Base Rent of \$3,117.00 and Estimated Additional Rent of \$2,390.00. If the actual Additional Rent for the year is greater or less than the estimated Additional Rent, Tenant shall pay any Additional Rent due, or receive a reimbursement or credit as described in Section 2.2 below. Effective January 1 of each year, the total monthly rent due shall be adjusted to reflect any increase in Landlord's estimate of Additional Rent for the following year.

2.2 Base Monthly Rent Adjustments. This Section is hereby deleted in its entirety.

2.3 Additional Rent. In addition to the Base Rent, Tenant shall pay to Landlord the following monthly operating expenses estimated at \$2,390.00 and incurred by Landlord in connection with the Property ("Additional Rent"):

i)	Owner Property and Causality Insurance	\$ 65.00
ii)	Real Property Taxes (Effective 07/01/2015)	\$ 875.00
iii)	Homeowners Association Fee	\$1,450.00

Landlord may in its good faith discretion increase or decrease these estimated amounts to reflect actual use of a service or expense. Landlord may reasonably modify Tenant's proportionate share of the Operating Expenses if the Property area is increased or decreased, as the case may be. In the event that Tenant applies for and receives any real property tax

exemption from Multnomah County, Oregon the amount of such exemption shall be subtracted accordingly from the total Additional Rent.

2.4 Security Deposit. To secure Tenant's compliance with all terms of this Lease, Tenant has paid Landlord the sum of \$3,117.00 as a deposit. Landlord may apply the Security Deposit to pay the cost of performing any obligation Tenant fails to perform under this Lease. If the Security Deposit is applied by Landlord, Tenant shall on demand pay the sum necessary to replenish the Security Deposit to its original amount. If Landlord sells its interest in the Premises during the term of this Lease and deposits with or credits the purchaser the Security Deposit, thereupon Landlord shall be discharged from any further liability or responsibility with respect to the Security Deposit, and any claims shall be limited to the successor Landlord. Landlord may commingle the deposit with its funds and Tenant shall not be entitled to interest on the deposit. Any adjustment to the monthly base rental amount pursuant to Section 2.2 above shall also require the Security Deposit be adjusted accordingly to the then current monthly base rental amount.

2.5 Late Charge. If Tenant fails to pay rent within ten (10) calendar days after it is due, Tenant shall pay to Landlord the additional sum of the greater of either \$50.00 or ten percent (10%) of all total outstanding past due amounts due to Landlord. The late charge shall be in addition to all other remedies available for Tenant's payment default, and collection of a late charge shall not waive the breach caused by the late payment.

2.6 Utilities. Tenant shall directly contract with and pay to the service provider for all electrical service to the Premises. All other utilities to the Premises are included in the monthly Homeowners Association Fee which is considered as an Additional Rent payment by the Tenant pursuant to Section 2.3 of this Lease.

Section 3 Permitted Use.

3.1 Use. Tenant shall use the Premises for the purposes of general office and as a business incubator space and for no other purpose. Any change in the aforementioned Use will require Landlord's prior written consent which shall not be unreasonable withheld. Tenant shall not create any nuisance nor allow objectionable odors or noise to be emitted from the Premises. Tenant shall not overload the floors or electrical circuits. Tenant shall not alter the plumbing or wiring, nor permit any signs, awnings or other apparatus to be painted or attached to the Building without Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion. Tenant shall have exclusive use of the Premises subject to Landlord's right to enter into or upon the Premises for the purposes of examining the condition thereof, or for any other lawful purpose. Landlord's right of inspection shall not unreasonably interfere with Tenant's use of the Premises. Interruption of services or utilities shall not be deemed an eviction or disturbance of Tenant's use and possession of the Premises, nor render Landlord liable to Tenant for damages.

3.2 Condition. Tenant shall maintain and keep the Premises in a clean and orderly condition at all times. Tenant shall be responsible for and shall repair any damage to existing improvements, including landscaping and sidewalks that are caused or may result from Tenant's use of the Premises. Landlord shall have no obligation to provide security service to the Building and Premises.

3.3 Landlord Reimbursement. Any activities performed by Tenant upon the Premises shall be without expense of any kind (direct or indirect) whatsoever to Landlord. Tenant shall be solely responsible for all maintenance and operating costs that may result from use of the Premises. Should the Landlord incur costs or real property taxes as a result of Tenant's use of the Premises, Tenant agrees to reimburse Landlord promptly upon the presentation of an invoice and documentation of such expense.

Section 4. Insurance and Indemnification.

4.1 Insurance. Tenant shall obtain, maintain, and keep during the term of this Lease comprehensive general liability insurance written on an "occurrence" basis. Such insurance shall be in the amount of not less than \$1,000,000 combined single limit for liability, with a \$2,000,000 aggregate limit, insuring bodily and/or personal injury, including death and disease, property damages, and the liability indemnified by Section 4.3 below.

4.2 Certificate. Tenant agrees prior to commencement of the performance hereunder to provide a Certificate of Insurance containing an endorsement specifically naming the City of Portland and the Portland Development Commission as additional insureds. The Certificate shall provide that coverage afforded and shall not be canceled or amended without prior written notice to the Landlord. An additional insured endorsement in a form satisfactory to Landlord must be attached to the Certificate.

4.3 Indemnity. Tenant shall indemnify and hold harmless Landlord and the City of Portland from and against any and all third party legal suits, proceedings and claims and resulting liabilities, damages, losses and expenses, including but not limited to reasonable outside attorney fees, directly attributable to Tenant's use of the Premises, or the negligent errors or omissions of Tenant or anyone acting on behalf of Tenant, or any breach or violation of this Lease by Tenant.

4.4 Waiver of Subrogation. Tenant shall be responsible for insuring its personal property and trade fixtures located on the Premises and any alternations or tenant improvements it has made. Neither Landlord nor Tenant shall be liable to the other for any loss or damage caused by fire, water damage, sprinkler leakage or any risks that could be covered by a customary broad form of property insurance policy, or for any business interruption, and there shall be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.

4.5 Unauthorized Entry/Injury to Tenant's Property. Tenant shall agree to keep the Premises secure from the entry of unauthorized persons during the time of this Lease. Furthermore, the Tenant shall assume all liability related to injury, death or disease to invitees, licensees, or trespassers, whether resulting from latent or patent property defects

Section 5. Restrictions on Use; Hazardous Substances

5.1 Compliance with Laws. Tenant shall in the use of the Premises, observe all rules, regulations, and laws in effect by any local, state or federal authority having jurisdiction over the Premises, as they relate to the use of the Premises. Tenant is solely responsible for obtaining any permits or approvals as may be necessary for the use or alteration of the Premises.

5.2 Liens. Tenant shall not allow any lien of any kind, type or description to be placed or imposed upon the Premises or upon any improvements on the Premises by reason of any work, labor, services, or materials claimed to have been done for or supplied to, Tenant or anyone occupying or holding an interest in all or any part of the Premises. If any such lien shall at any time be filed against the Premises, Tenant shall cause the same to be discharged of record within 60 days after the date of filing the same, by either payment, deposit, or bond, or Tenant shall provide Landlord with other security reasonably satisfactory to Landlord in an amount that will ensure the discharge of the lien plus costs and interest.

5.3 Hazardous Substances. Neither Tenant nor Tenant's agents or employees shall cause or permit any Hazardous Material, as hereinafter defined, to be brought upon, stored, used, generated, released into the environment or disposed of on, in, or about the Premises and/or Building, except for reasonable quantities of legally compliant cleaning supplies and office supplies necessary as part of Tenant's business. Tenant covenants to remove from the Building upon expiration or sooner termination of this Lease and at Tenant's sole cost and expense, any and all Hazardous Materials brought upon, stored, used, generated, or released into the Building by Tenant, its licensees, agents, or employees during the Term. To the fullest extent permitted by law, Tenant hereby agrees to indemnify, defend, protect, and hold harmless Landlord and the City of Portland and each of their respective commissioners, officers, agents and employees, and their respective successors and assigns, from any and all claims, judgments, damages, penalties, fines, costs, liabilities, and losses that arise during or after the Term directly or indirectly from the Tenant's use, storage, disposal, release or presence of Hazardous Materials on, in, or about the Premises which occurs during the Term. Tenant shall promptly notify Landlord of any release of Hazardous Materials on, in, or about the Premises that Tenant, Tenant's agents or employees becomes aware of during the Term, whether caused by Tenant, Tenant's agents or employees, or any other persons or entities. As used herein the term "**Hazardous Materials**" includes without limitation, any material or substance that is 1) defined as a hazardous waste, hazardous substance or hazardous material under any federal, state or local law, 2) petroleum, and 3) asbestos. The provisions of this Section, including the indemnification provision herein, shall survive any termination of this Lease.

Section 6. Taxes and Assessments

6.1 Real Property Taxes and Assessments. Pursuant to Section 2.3 of this Lease, Tenant shall pay its proportionate share of all Real Property Taxes and Assessments on the Premises as Additional Rent. In the event that Tenant's use of the Premises may result in Real Property Taxes being assessed on the Premises for periods after the date the Lease term otherwise terminates, Landlord may require Tenant to pay Landlord for anticipated Real Property Taxes and Assessments after the date of Lease termination, which payment will be repaid to Tenant only when and if a subsequent tenant leases the Premises during the remaining tax year, and then only to the extent of such subsequent tenant's actual use for the remaining tax year.

6.2 Personal Property Taxes and Assessments. Any required Personal Property Tax Returns specific to any Tenant owned Personal Property located within the Premises shall be at the sole responsibility and expense of Tenant.

Section 7. Repairs, Maintenance, Tenant Improvements and Alterations

7.1 Landlord's Responsibilities. The following shall be the responsibility of Landlord:

7.1.1 Structural repairs and maintenance and repairs necessitated by structural disrepair or defects;

7.1.2 Repair and maintenance of the exterior walls, roof, gutters, downspouts, and the foundation of the Building. This shall not include maintenance of the operating condition of doors and windows or replacement of glass, nor maintenance of the storefront, which shall be Tenant's responsibility; and

7.1.3 Maintenance and repair of any electrical, mechanical, plumbing HVAC and similar systems serving the Building as a whole, if the Building is a multi-tenant Building (otherwise such maintenance and repair is covered by section 7.2.3 below).

7.1.4 Maintenance, repair and replacement of any Landlord provided initial Tenant Improvement's provided that such items are included under any construction and/or contractor warranty policy and periods issued to Landlord.

7.2 Tenant's Responsibilities. The following shall be the responsibility of Tenant:

7.2.1 The maintenance, repair and upkeep of the interior of the Premises including any interior decorating;

- 7.2.2 Any repairs and replacements necessitated by the negligence or use of the Premises by Tenant, its agents, employees and invitees;
- 7.2.3 Maintenance and repair of any electrical, mechanical, plumbing, HVAC and similar systems serving the Building as a whole, if the Building is a single tenant Building (otherwise such maintenance and repair is covered by section 7.1.3 above) However, Landlord reserves the right to contract with a service company for the maintenance and repair of the foregoing systems, or any of them; and such expenses shall be paid by Tenant to Landlord monthly;
- 7.2.4 Maintenance and repair of the interior walls and floor coverings (both hard surfaces and carpeting);
- 7.2.5 Any repairs or alterations required under Tenant's obligation to comply with all applicable Laws; and
- 7.2.6 All other repairs, maintenance, and replacements to the Premises which Landlord is not expressly required to make under Section 7.1 above, which includes, without limiting the generality of the foregoing, the replacement of all glass which may be broken or cracked during the Term with glass of as good or better quality than that in use at the commencement of the Term, the storefront, wiring, plumbing, drainpipes, sewers, and septic tanks including without limitation, repairs outside of the Premises if the need for the repair arises from Tenant's use of the Premises. All of Tenant's work shall be in full compliance with then current building code and other governmental requirements. Landlord reserves the right to require Tenant to contract with a qualified pest extermination company for regular extermination services to keep the Premises free of pests, vermin, and rodents.

7.3 Inspections. Landlord shall have the right to inspect the Premises at any reasonable time or times to determine the necessity of repair.

7.4 Landlord's Work. If requested by Landlord, Tenant shall permit Landlord access to the Premises to perform maintenance or repair to the Premises or Building. While Landlord shall make reasonable efforts to limit interference with Tenant's use of the Premises, Tenant shall have no right to an abatement of Rent nor any claim against Landlord for any inconvenience or disturbance resulting from Landlord's performance of repairs and maintenance pursuant to Section 7.1 or 7.4. Landlord shall have no liability for failure to perform required maintenance and repair unless written notice of such maintenance or repair is given by Tenant and Landlord fails to commence efforts to remedy the problem in a reasonable time and manner. Landlord shall have the right to erect scaffolding and other apparatus necessary for the purpose of making repairs or alterations to the Building. Work may be done during normal business hours. Tenant shall have no claim against Landlord for any interruption or reduction of services or

interference with Tenant's occupancy caused by Landlord's maintenance and repair, and no such interruption or reduction shall be construed as a constructive or other eviction of Tenant.

7.5 Tenant's Improvements and Alterations. Tenant shall make no improvements or alterations on the Premises of any kind, including any initial work to be performed by Tenant in the Premises, without the prior written consent of Landlord, which consent shall not be unreasonably withheld. Prior to the commencement of any work by Tenant, Tenant shall first submit the following to Landlord and obtain Landlord's written consent to all of the following, which consent shall not be unreasonably withheld: Tenant's plans and specifications; Tenant's estimated costs; and the names of all of Tenant's contractors and subcontractors. If Landlord is to perform the work for some or all of such work, Landlord shall have the right to require Tenant to pay for the cost of the work in advance or in periodic installments. If the work is to be performed by Tenant, Landlord shall have the right to require Tenant to furnish adequate security to assure timely payment to the contractors and subcontractors for such work. All work performed by Tenant shall be done in strict compliance with all applicable building, fire, sanitary, and safety codes, and other Laws, and Tenant shall secure all necessary permits for the same. Tenant shall keep the Premises free from all liens in connection with any such work. All work performed by Tenant shall be carried forward expeditiously, shall not interfere with Landlord's work or the work to be performed by or for other Tenant's, and shall be completed within a reasonable time. Landlord or Landlord's agents shall have the right at all reasonable times to inspect the quality and progress of such work. All improvements, alterations, and any other work performed on the Premises by either Landlord or Tenant shall be the property of Landlord when installed, except for Tenant's trade fixtures, and may not be removed at the expiration of this Lease unless the applicable Landlord's consent specifically provides otherwise. Notwithstanding Landlord's consent to improvements or alterations by Tenant, all such improvements, alterations, or other work to be performed by Tenant shall be at the sole cost and expense of Tenant.

7.6 Premises accepted AS IS. Unless otherwise stated in this Lease (See Exhibit B), the Premises are leased and accepted AS IS in its condition now existing, with no alterations or other work to be performed by Landlord.

Section 8. Default; Remedies

8.1 Default. The occurrence of any of the following events constitutes an Event of Default by Tenant under this Lease:

8.1.1 Tenant fails to timely pay any sum owed to Landlord within ten (10) days after it is due.

8.1.2 If Tenant, whether by action or inaction, is in default of any of its obligations under this Lease (other than a payment default described in Section 8.1.1 above) and such default continues and is not remedied within ten (10) days after

Landlord has given Tenant a notice specifying the same, or, in the case of a default that can be cured but not within a period of ten (10) days, if Tenant has not (1) commenced curing such default within such ten (10) day period; (2) notified Landlord of Tenant's intention to cure the default; and (3) continuously and diligently pursued the cure of the default.

- 8.1.3 If Tenant has vacated or abandoned the Premises, or has ceased operations, without the written consent of Landlord.

Section 9. Remedies.

9.1 Remedies of Landlord. Upon the occurrence of an Event of Default as described in Section 8.1 above, Landlord shall have the right to the following remedies, which are intended to be cumulative and in addition to any other remedies provided by law or equity, or as otherwise provided in the Lease:

9.1.1 Termination. Landlord may, in its sole discretion terminate the Lease effective immediately upon Tenant's receipt of Landlord's written notice thereof. Any such termination shall be without prejudice to its right to damages as described below. Pursuant to law, Landlord may reenter, take possession and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.

9.1.2 Damages. Landlord shall be entitled to recover immediately from Tenant any damages caused by Tenant's default, whether or not Landlord has elected to terminate the Lease. Damages shall include all court and attorney's costs.

9.1.3 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Landlord under applicable law or in equity.

9.2 Remedies of Tenant. Tenant shall be entitled to any remedies permitted at law or equity, except that in no event shall Tenant have the right to i) offset or deduction from Rent (unless otherwise agreed in writing by Landlord) or ii) any lost or prospective profits or any other consequential, incidental, or indirect losses or damages.

Section 10. Termination; Surrender

10.1 Removal of Property. Upon vacation of the Premises, Tenant shall remove all its furnishings and trade fixtures. Failure to remove such property shall be deemed an abandonment of the property and, following ten (10) days' written notice; Landlord may remove or dispose of the property in any manner without liability, and recover the costs of removal, storage and/or sale from Tenant.

10.2 Surrender of Premises. Upon termination of this Lease, Tenant shall repair any damage to the Premises that was caused from Tenant's use of the Premises and shall restore the Premises to the same or better condition as existing immediately prior to utilizing the Premises, or to such other condition as the Landlord may reasonably approve. At the Landlord's discretion, Tenant shall, in lieu of restoration, compensate Landlord for any physical damage to the Premises in the amount the Landlord may reasonably determine.

Section 11. Damage or Destruction

11.1 Fire or Casualty. If the Building or the Premises, or any of them, are destroyed or damaged during the Term by any cause, Landlord may elect to terminate the Lease as of the date of damage or destruction by notice given to Tenant in writing not more than 60 days following the date of damage. In such event all rights and obligations of the Parties shall cease as of the date of termination.

11.2 Restoration. In the absence of an election to terminate, Landlord shall proceed to restore the Premises. From the date of damage until the Premises are restored or repaired, Base Rent shall be abated or apportioned according to the part of the Premises usable by Tenant, unless the damage occurred because of the fault of Tenant.

Section 12. Eminent Domain

12.1 Partial Taking. If a portion of the Premises is condemned and neither Section 12.2 nor Section 12.3 applies, the Lease shall continue in effect. Landlord shall be entitled to all the proceeds of condemnation, and Tenant shall have no claim against Landlord as a result of condemnation. Landlord shall proceed as soon as reasonably possible to make such repairs and alterations to the Premises as are necessary to restore the remaining Premises to the condition as comparable as reasonably practicable to that existing at the time of condemnation. Base Rent shall be abated to the extent that the Premises are untenable during the period of alteration and repair. After the date on which title vests in the condemning authority, Base Rent shall be reduced commensurately with the reduction in the objective value of the Premises as an economic unit on account of the partial taking.

12.2 Substantial Taking of the Property. If a condemning authority takes any substantial part of the Property or any substantial part of the Building, the Lease shall, at the option of Landlord, terminate as of the date title vests in the condemning authority. In such event all rights and obligations of the Parties shall cease as of the date of 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. Tenant shall be free to make a separate claim for its moving expenses and lost trade fixtures so long as such claim does not interfere with or reduce Landlord's claim or award.

12.3 Substantial Taking of the Premises. If a condemning authority takes all of the Premises or a portion sufficient to render the remaining Premises reasonably unsuitable for Tenant's use, Tenant shall have the option to terminate this Lease upon written notice to Landlord given within 60 days of Tenant's receipt of notice of the taking. In such event, the Lease shall terminate as of the date title vests in the condemning authority. 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. Tenant shall be free to make a separate claim for its moving expenses and lost trade fixtures so long as such claim does not interfere with or reduce Landlord's claim or award.

12.4 Definition. Sale of all or any part of the Premises to a purchaser with the power of eminent domain in the face of a threat or probability of the exercise of the power shall be treated for the purpose of this Lease as a taking by condemnation.

Section 14. Performance by Landlord

Landlord 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 the same shall be due to any labor dispute, strike, lockout, civil commotion, or like operation, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations or controls, inability to obtain labor, services or materials, through acts of God, or other cause beyond the reasonable control of Landlord, providing such cause is not due to the willful act or neglect of Landlord.

Section 15. Landlord's Right to Cure Default

If Tenant shall fail to perform any of the covenants or obligations to be performed by Tenant, Landlord, in addition to all other remedies provided herein, shall have the option (but not the obligation) to cure such failure to perform after 15 days' written notice to Tenant. All of Landlord's expenditures incurred to correct the failure to perform shall be reimbursed by Tenant upon demand with interest from the date of expenditure at the Interest Rate. Landlord's right to cure Tenant's failure to perform is for the sole protection of Landlord and the existence of this right shall not release Tenant from the obligation to perform all of the covenants herein provided to be performed by Tenant, or deprive Landlord of any other right which Landlord may have by reason of default of this Lease by Tenant.

Section 16. Inspection

Landlord, Landlord's agents and representatives, shall have the right to enter upon the Premises at any time in the event of emergency and, in other events, at reasonable times after

prior verbal notice for the purpose of inspecting the same, for the purpose of making repairs or improvements to the Premises or the Building, for showing the Premises during the final 90 days of the Term, or for any other lawful purpose.

Section 17. Limitation of Landlord Liability

The liability of Landlord to Tenant for any default by Landlord under the terms of this Lease shall be limited to the interest of Landlord in the Building and the Property, and Landlord shall not be liable for any deficiency.

Section 18. Force Majeure

If the performance by either of the Parties of their respective obligations under this Lease (excluding monetary obligations) is delayed or prevented in whole or in part by any Legal Requirement (and not attributable to an act or omission of the party), or by any acts of God, fire or other casualty, floods, storms, explosions, accidents, epidemics, war, civil disorders, strikes or other labor difficulties, shortage or failure of supply of materials, labor, fuel, power, equipment, supplies or transportation, or by any other cause not reasonably within the Parties control, whether or not specifically mentioned, the Party shall be excused, discharged, and released of performance to the extent such performance or obligation (excluding any monetary obligation) is so limited or prevented by such occurrence without liability of any kind.

Section 19. General and Miscellaneous Provisions

19.1 Prior Agreements. This instrument is the entire, final and complete agreement of the Parties pertaining to the Lease of the Premises and supersedes and replaces all written and oral agreements heretofore made or existing by and between the Parties or their representatives insofar as the Lease of the Premises is concerned. Neither Party shall be bound by any other promises, representations nor agreements, except as are expressly set forth herein.

19.2 Time of the Essence. Time is expressly made of the essence of each provision of this Lease.

19.3 Notices. Any notice required or permitted under this Lease shall be in writing and shall be given when actually delivered or forty-eight (48) hours after having been deposited in the United States mail as certified or registered mail, or when sent by facsimile transmission with receipt confirmed, addressed as set forth in the preamble to this Lease, or to such other address or facsimile transmission number as one Party may designate by written notice to the other Party.

19.4 Attorney Fees and Costs. If legal action is commenced in connection with this Lease, the prevailing Party in such action shall be entitled to recover its reasonable attorney fees and costs incurred therein.

19.5 Nonwaiver. Failure by either Party at any time to require performance by the other Party of any of the provisions hereof shall in no way affect the Parties rights hereunder to enforce the same, nor shall any waiver by a Party of the breach hereof be held to be a waiver of any succeeding breach or a waiver of this nonwaiver clause.

19.6 No Merger. The obligations set forth in this Lease shall not merge with the transfer or conveyance of title to any part of the Premises, but shall remain in effect until fulfilled.

19.7 Amendments. This Lease may be amended, modified or extended without new consideration, but only by written instrument executed by both Parties.

19.8 Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of Oregon.

19.9 Severability. If any portion of this Lease shall be invalid or unenforceable to any extent, the validity of the remaining provisions shall not be affected thereby.

19.10 Counting of Days. Whenever a time period is set forth in days in this Lease, the first day from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday or legal holiday, including Sunday, in which event, the period runs until the end of the next day that is not a Saturday or legal holiday.

19.11 Binding Effect. The covenants, conditions and terms of this Lease shall extend to and be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the Parties hereto. Provided, however, no assignment by Tenant shall relieve Tenant of any of its obligations and liabilities under this Lease.

19.12 Assignment. This Lease may not be assigned by Tenant during the Term of this Lease without the advanced written approval of Landlord, which approval shall not be unreasonably withheld.

19.13 Commissions. Tenant represents that it has not had dealings with any real estate broker, finder, or other person with respect to this Lease that would result in a Commission being paid by Landlord.

19.14 Common Area Access for Garbage and Recycling. Tenant shall be allowed access to the Garbage/Recycling Room located to the adjacent east of the Premises. Tenant shall comply with all building security and safety requirements in its use of this area.

19.15 Exhibits. The following Exhibits are attached hereto and incorporated as a part of this Lease:

Exhibit "A" Premises Floor Plan

Exhibit "B" Landlord's Work Agreement

Exhibit "C" Tenant's Sublease Agreement

Exhibit "D" Old Town Lofts Condominium Association Bylaws

Exhibit "E" Monthly Rent Roll

19.16 Option to Extend Lease Term. Tenant shall have the Option to Extend this Lease for one (1) additional Term of one (1) year and at a Base Rental Rate of \$3,463.00 commencing on the expiration dated as stated within Section 1.1 of this Lease. Tenant's right to exercise this Option is contingent upon i) Tenant not being in Default of any of the Lease Terms and Conditions, and ii) Tenant having given Landlord written notice of its election to exercise this Option at least six (6) month's prior to the then existing term.

19.17 Tenant's Right to Sublease. Tenant shall have the right to sublease space within the Premises to individuals and firms for the purpose of providing a business incubator space for office uses. Tenant shall enter into Sublease Agreements using the Landlord's approved form of Sublease Agreement attached hereto as Exhibit "C" and shall provide a copy of any Sublease Agreement to Landlord upon request by Landlord.

19.18 Compliance with Old Town Lofts Bylaws. Tenant shall comply with all terms and conditions of the Old Town Lofts Condominiums Association Bylaws attached hereto as Exhibit "D".

19.19 Tenant's Reporting of Monthly Rent Roll. Tenant shall provide to Landlord each month a Rent Roll using the Landlord's approved form attached hereto as Exhibit "E".

19.20 Tenant's Signs. Tenant shall be allowed to place its business signs upon the exterior walls and interior of the windows of the Premises provided such signs are in compliance with all applicable laws, Homeowner's Association Bylaws and subject to Landlord's advance written approval, which shall not be unreasonably withheld.

19.21 Shared Use of Premises. Tenant shall provide the equivalent of one (1) desk space for use by the Old Town/Chinatown Community Association District Manager. Tenant shall not charge Sublessee in excess of \$1.00 per month for this designated space.

IN WITNESS WHEREOF, Tenant and Landlord have caused this Lease to be executed by their duly authorized officers.

TENANT:

Oregon Story Board, an Oregon Domestic
Non-Profit Entity

By: 

Name: Jennifer Noede

Title: Executive Director

Date: January 30, 2015

LANDLORD:

The City of Portland,
Acting by and through the Portland Development Commission

By: _____
Patrick Quinton, Executive Director

Date: _____

Approved as to Legal Form

PDC Legal Counsel

Exhibit "A" Premises Floor Plan
Attached by separate document

Exhibit "B" Landlord's Work Agreement
Attached by separate document

Exhibit "C" Tenant's Sublease Agreement
Attached by separate document

Exhibit "D" Old Town Lofts Condominium Association Bylaws
Attached by separate document

Exhibit "E" Monthly Rent Roll
Attached by separate document

RESOLUTION NO. 7100

RESOLUTION TITLE:

AUTHORIZING A TWO-YEAR LEASE WITH OREGON STORY BOARD FOR THE PDC-OWNED SPACE IN THE DOWNTOWN WATERFRONT URBAN RENEWAL AREA

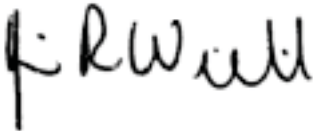
Adopted by the Portland Development Commission on February 11, 2015

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Tom Kelly	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Aneshka Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Mark Edlen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Charles Wilhoite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Consent Agenda <input type="checkbox"/> Regular Agenda				

CERTIFICATION

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and as duly recorded in the official minutes of the meeting.

	<p>Date:</p> <p>February 13, 2015</p>
<p>Gina Wiedrick, Recording Secretary</p>	