



CITY OF BEND

August 29, 2023

LOCATION
710 NW Wall Street
Downtown Bend

Erik Tobiason
Bend Heroes Foundation
61114 Minaret Circle
Bend, OR. 97702

MAILING ADDRESS
PO Box 431
Bend, OR 97709

Dear Mr. Tobiason,

PHONE
(541) 388-5505
Relay Users Dial 7-1-1

Thank you for your HB 3395 application and for continuing to offer support to our community by expanding shelter capacity. The City is pleased to offer a conditional approval of your shelter siting under HB 3395.

FAX
(541) 385-6676

This approval of the emergency shelter application under HB 3395 (2023) is conditioned on the applicant securing all building permits and meeting any other City requirements. The enclosed memorandum outlines the City's review of the application under HB 3395. The City's approval of the application is based on the materials submitted by the applicant and criteria in HB 3395, and is not to be considered a general approval or authorization of the applicant's operations. The applicant is advised to perform its own due diligence to ensure that its operations will comply with any other applicable laws, regulations, and standards. Divergence from the plans and materials submitted by the applicant may be grounds for revocation of this approval.

WEB
bendoregon.gov

MAYOR
Melanie Kebler

MAYOR PRO TEM
Megan Perkins

We appreciate the work you do for our community and wish you the best of luck in this next endeavor. Thank you.

CITY COUNCILORS
Anthony Broadman
Barb Campbell
Arlel Méndez
Megan Norris
Mike Riley

Sincerely,

Eric King
Bend City Manager
eking@bendoregon.gov

CITY MANAGER
Eric King



Accommodation Information for People with Disabilities

To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. Please contact Brook O'Keefe at bokeefe@bendoregon.gov or 541-604-5233. Relay Users Dial 7-1-1.

INTERNAL MEMO



CITY OF BEND

To: Eric King

From: Brook O'Keefe

Date: 8/29/2023

Re: Bend Heroes Foundation Shelter Siting Under HB 3395

In previous sessions, the Oregon Legislature passed HB 4212 (2020), which was later amended by HB 2006 (2021) and HB 4051 (2022). This legislation, codified at ORS 197.782 *et seq.*, required local governments to approve applications for development of land for emergency shelters if certain conditions were met. House Bill 3395 (2023) made permanent, with some modifications, the siting and approval standards for emergency shelters established under HB 4212, as amended by HB 2006 and HB 4051.

Under HB 3395, local governments are required to approve application for the development of land for shelter that meet certain requirements, unless,

“At the time of filing, the most recently completed point-in-time count, as reported to...[HUD]... indicates that the total sheltered and unsheltered homeless population was less than 0.18 percent of the state population, based on the latest estimate from the Portland State University Population Research Center” (HB 3395, section 7, chapter 6).

On the date of the application, the total number of persons experiencing houselessness in Oregon exceeded 0.18% of the population. Therefore, the City of Bend is required to approve an application for emergency shelter that meets the criteria of the bill.

Bend Heroes Foundation (BHF) and Central Oregon Veterans and Community Outreach (COVO) are nonprofit organizations operating in Bend. In partnership, they operate 15 shelter units at 20355 Poe Sholes Drive, which were approved under HB 2006 siting in 2020. This application is for the construction of 7 additional shelter units on the property. The requirements for this statute and a brief analysis of how the BHF proposal meets each is outlined in this memo.

Section 7

“(1) A local government shall approve an application for the development or use of land for an emergency shelter...on any property...if the emergency shelter:

“(a) Includes sleeping and restroom facilities for clients”



An “emergency shelter” is defined as “a building or cluster of buildings that provides shelter on a temporary basis for individuals and families who lack permanent housing.” ORS 197.782(1).

BHF's site plan shows the 15 existing freestanding shelters and an existing community building, approved under HB 4212 in 2020. Restrooms are currently available in the community building and in each shelter unit.

Under this application, BHF intends to construct 7 additional freestanding shelters, which will contain sleeping and restroom facilities. These additional freestanding shelters are a cluster of buildings providing shelter on a temporary basis for individuals and family who lack permanent housing. Therefore, these 7 additional freestanding shelters meet the criteria for emergency shelter as set forth in the bill.

“(b) Will comply with applicable building codes”

The applicant self certifies that the facility will comply with applicable building codes and provide copies of any applicable building permit approvals associated with the application. Additionally, BHF is in the process of submitting permit applications and has discussed the additional construction with the Building Division, who has provided acknowledgement that there has been a discussion and it is reasonably likely that the proposed shelters can meet all building code requirements.

“(c) Is located inside the urban growth boundary...”

The shelter is located at 20355 Poe Sholes Drive, within the City's Urban Growth Boundary.

“(d) Will not result in the development of a new building that is sited within an area designated under a statewide planning goal related to natural disasters and hazards...”

The site is not designated as "goal protected lands" under Statewide Planning Goals. This means the property is not within any floodplain areas, natural hazards, or other mapped environmental health hazards.

“(e) Has adequate transportation access to commercial and medical services”

Poe Sholes is a fully improved street, which connects to Jamison Street. The property is located .3 miles from the Jamison at Poe Sholes bus stop, which

connects to route four of the Cascade East Transit System (CET). This route runs Monday-Saturday and connects to Hawthorne Station, which allows riders to connect to routes throughout the city, region, and state. Those who are disabled or are low-income seniors may also be eligible CET's free Bend Dial-A-Ride program. The site is also located within 1 mile of the Cascade Shopping Center, which has multiple grocery stores and retail establishments.

"(f) Will not pose a risk to public health and safety"

The applicant self certifies that the facility will not pose unreasonable health and safety issues and that the facilities will comply with applicable building codes and provide adequate access to emergency services and commercial/medical services. Bend Fire Department has confirmed emergency vehicles can safely access the proposed site and Building Division has confirmed that it is reasonably likely the proposed facilities can meet building code requirements. Staff believe that this application will meet basic public health and safety as submitted.

Agency Structure

Section 7, chapter 2, as amended, identifies specific entity types approved to operate an emergency shelter under this legislation, including:

- "(a) A local government as defined in ORS 174.116;*
- "(b) An organization with at least two years' experience operating an emergency shelter using best practices that is.... (C) A public benefit corporation, as identified in ORS 65.001, whose charitable purpose includes the support of homeless individuals, that has been recognized as tax exempt...for at least three years before the date of the application for a shelter; or...*
- "(c) a nonprofit corporation partnering with any other entity described in this subsection."*

Central Oregon Veteran & Community Outreach, Inc. and Bend Heroes Foundation are both registered 501(c)3 Public Benefit Corporations. Central Oregon Veteran's Outreach received 501(c)3 status on March 5, 2005, and has been providing support to homeless individuals for longer than three years, including the operation of a transitional housing program. Additionally, the application included a lease agreement between Deschutes County and Central Oregon Veteran & Community Outreach, Inc.

Additional Amenities and Services:

In the application, BHF provided a description of additional services which will include showers, laundry facilities, storage areas, food preparation services, and onsite case management that will focus on physical and behavioral health services, housing placement, financial counseling, job placement, and educational services.

Pursuing partnerships to increase capacity for emergency shelters is identified as one of the actions for City Council's 2023-25 goals. The increased capacity of this shelter will assist in the City achieving its goal. Staff recommends approval of the proposal from BHF with the following suggested additions:

The approval of this application will be conditional until all necessary building permits are secured, and inspections are performed, demonstrating compliance with building codes.

Brook Okeefe

From: Joseph McClay
Sent: Friday, August 25, 2023 10:55 AM
To: Brook Okeefe
Cc: Amy Fraley
Subject: RE: Emergency Shelter Siting Application - Bend Heroes Foundation

Hi Brooke,

So sorry for the late response and Thank You for the friendly follow-up! I've been was out the office for vacation and then again for a 3-Day Business Meeting so been doing my best to catchup!
I've had discussions regarding the additional 7 units at Vets Village and have full confidence that they can meet minimum building code requirements.
Please let me know if this email will be adequate or if needed I'm happy to provide additional email or letter to fulfill HB2006 Application requirements.

Thanks again and Happy Friday! 😊



Joseph D. McClay | Building Official, Building Safety Division
Community and Economic Development Department
O: 541-693-2145 | www.bendoregon.gov



From: Brook Okeefe <bokeefe@bendoregon.gov>
Sent: Friday, August 25, 2023 9:09 AM
To: Joseph McClay <jmcclay@bendoregon.gov>
Cc: Amy Fraley <afraley@bendoregon.gov>
Subject: RE: Emergency Shelter Siting Application - Bend Heroes Foundation

Joe,

Good morning! I just wanted to follow up about this question. We are hoping to get this application wrapped up by early next week.

Thanks,



Brook O'Keefe
Shelter Coordinator
[Supporting Houselessness Solutions](http://SupportingHouselessnessSolutions.com) | City of Bend
she / her / hers [Why pronouns?](#)
Cell: 541-604-5233



From: Brook Okeefe
Sent: Tuesday, August 22, 2023 2:03 PM
To: Joseph McClay <jmcclay@bendoregon.gov>
Cc: Amy Fraley <afraley@bendoregon.gov>
Subject: Emergency Shelter Siting Application - Bend Heroes Foundation

Joe,

I am reviewing an application for emergency shelter siting from Bend Heroes Foundation. They received approval under HB 2006 in 2020 for the Veterans Village, which currently has 15 living units and a community building. They have submitted an application to add an additional 7 units for a total of 24.

The application requires “Building Division acknowledgement that there has been a discussion and it is reasonably likely that the proposed shelter(s) can meet building code after further discussion.” The communication they submitted was from their 2020 application, so I am hoping you can provide this confirmation for the new application. I have attached here the email chain from 2020, the original site plans from 2020, which showed a total of 21 units planned, and their updated site plans with 22 units.

Please let me know if there are any questions.

Thanks,



Brook O'Keefe
Shelter Coordinator
[Supporting Houselessness Solutions | City of Bend](#)
she / her / hers [Why pronouns?](#)
Cell: 541-604-5233



Brook Okeefe

From: Jeff Bond
Sent: Friday, August 25, 2023 1:43 PM
To: Brook Okeefe
Cc: Jason Bolen; Amy Fraley
Subject: RE: Emergency Shelter Siting Application - Bend Heroes Foundation

Brooke,

I acknowledge that we can safely access the proposed site.

Thank you,



Jeff Bond
Assistant Fire Marshal
Bend Fire & Rescue
Office: 541-322-6381
Cell: 541-408-2936



From: Brook Okeefe <bokeefe@bendoregon.gov>
Sent: Tuesday, August 22, 2023 2:03 PM
To: Jeff Bond <jbond@bendoregon.gov>
Cc: Jason Bolen <jbolen@bendoregon.gov>; Amy Fraley <afraley@bendoregon.gov>
Subject: Emergency Shelter Siting Application - Bend Heroes Foundation

Hi Jeff,

I noticed Deputy Chief Bolen's out of office notification and am hoping you may be able to respond in his absence.

I am reviewing an application for emergency shelter siting from Bend Heroes Foundation. They received approval under HB 2006 in 2020 for Veterans Village, which currently has 15 living units and a community building. They have submitted an application to add an additional 7 units for a total of 24.

The application requires "acknowledgement that emergency vehicles can safely access the proposed site." The communication they submitted was from their 2020 application, so I am hoping you can provide this confirmation for the new application. I have attached here the email chain from 2020, the original site plans from 2020 which show a total of 21 planned units, and their updated site plans with 22 units.

Please let me know if there are any questions!

Thanks,



CITY OF BEND

Brook O'Keefe

Shelter Coordinator

[Supporting Houselessness Solutions | City of Bend](#)

she / her / hers [Why pronouns?](#)

Cell: 541-604-5233



From: Larry Medina <lmedina@bendoregon.gov>
Sent: Wednesday, September 2, 2020 12:46 PM
To: Barry Johnson <BJohnson@parametrix.com>
Subject: RE: Veteran's Village

Barry,

Thanks for providing the draft Site Plan. This email is to acknowledge that emergency vehicles can safely access the proposed Veteran's Village site. If I can be of any further assistance please do not hesitate to contact my office.

Larry Medina
Deputy Chief - Prevention
Bend Fire & Rescue
541-322-6308

From: Barry Johnson <BJohnson@parametrix.com>
Sent: Wednesday, September 2, 2020 12:21 PM
To: Larry Medina <lmedina@bendoregon.gov>
Subject: RE: Veteran's Village

Larry,

Here's a draft Site Plan showing the layout and basic access. We will note a gate with a Knox Box or equivalent on future sets. I'm not sure at this point where the gate will be located but it could be somewhere about midway along the access road.

Please let me know if you have any comments and whether you can provide acknowledgement of appropriate access to the site.

Thanks,

Barry

Barry Johnson, PE

541-508-7710 | main
541-508-7819 | direct
541-420-2032 | cell

From: Larry Medina <lmedina@bendoregon.gov>
Sent: Tuesday, September 1, 2020 2:08 PM
To: Barry Johnson <BJohnson@parametrix.com>
Subject: Re: Veteran's Village

Barry,

I'm sure we can provide what you need.

Sent from my Verizon, Samsung Galaxy smartphone
Get [Outlook for Android](#)

From: Barry Johnson <BJohnson@parametrix.com>

Sent: Tuesday, September 1, 2020 1:55:35 PM

To: Larry Medina <Lmedina@bendoregon.gov>

Subject: Veteran's Village

Larry,

We're working on a site plan to meet the requirements of the City's application. I just wanted to give you a heads up that we expect to have a draft either tomorrow or Thursday morning. Per the application we will be needing the following from the Fire Department as part of the application.

4. Please provide Fire Department acknowledgement that emergency vehicles can safely access the proposed site. (Attach email or other correspondence.) Inquiries should be directed to: Larry Medina Lmedina@bendoregon.gov or 541-322-6308.

Once you review the plan we'll be sending (I will send to you via email once we have a draft site plan), do you expect you can provide the acknowledgement requested?

Thanks again for taking the time to review this with me last week.

Barry

Parametrix

ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

Barry Johnson, PE

Division Manager,

Vice President

541-508-7710 | main

541-508-7819 | direct

541-420-2032 | cell



PUBLIC RECORDS LAW DISCLOSURE: Emails are generally public records and therefore subject to public disclosure unless exempt from disclosure under Oregon Public Records Law. Emails can be sent inadvertently to unintended recipients and contain confidential or privileged information. If you are not the intended recipient (or authorized to receive for the recipient), please advise by return email and delete immediately without reading or forwarding to others. Thank you.

the recipient), please advise by return email and delete immediately without reading or forwarding to others. Thank you.

PUBLIC RECORDS LAW DISCLOSURE: Emails are generally public records and therefore subject to public disclosure unless exempt from disclosure under Oregon Public Records Law. Emails can be sent inadvertently to unintended recipients and contain confidential or privileged information. If you are not the intended recipient (or authorized to receive for the recipient), please advise by return email and delete immediately without reading or forwarding to others. Thank you.

From: Joseph McClay [mailto:jmcclay@bendoregon.gov]
Sent: Friday, September 11, 2020 2:06 PM
To: Tobaison, Erik <erik.tobaison@rbc.com>
Cc: Lynne McConnell <lmcconnell@bendoregon.gov>
Subject: RE: Central Oregon Veterans Village Application

Hi Erik,

The Veteran's Village team has been in regular contact with Buildings staff and is working to meet the requirements of building permit application. We have confidence that with further discussion and Building Permit application review the Veteran's Village will be able to meet building permit requirements.

Sincerely,



Joseph D. McClay | Building Official
O: 541-693-2145 | www.bendoregon.gov

Due to the COVID-19 epidemic, the City of Bend City Hall, including the Permit Center, will be closed to public access starting March 19, 2020. We are maintaining operations and are available via phone, email and electronic services. The latest information regarding our operations and contact information will be shown on the Community Development Department webpage. If you need general assistance or want to make a payment by phone, please call 541-323-8551. We appreciate your support and understanding

From: Tobaison, Erik <erik.tobaison@rbc.com>
Sent: Thursday, September 10, 2020 3:14 PM
To: Joseph McClay <jmcclay@bendoregon.gov>
Cc: Lynne McConnell <lmcconnell@bendoregon.gov>
Subject: Central Oregon Veterans Village Application

Hello Joe,

Given our discussions to date, and the designs we have shared, would you be able to provide the necessary "Acknowledgement from the Building Department that the shelters could meet building code after further discussion" for our Emergency Shelter Application?

I hope to submit the Application this week.

Thank you for all of your support,
Erik

Erik Tobiason
President
Bend Heroes Foundation
541-678-0662
bendheroes.org

MEMORANUM OF UNDERSTANDING

THIS MEMORANUDM OF UNDERSTANDING ("Agreement") is made as of the date of the last signature affixed hereto ("Effective Date") by and between **DESCHUTES COUNTY**, a political subdivision of the State of Oregon ("County"), **BEND HEROES FOUNDATION**, an Oregon public benefit corporation ("BHF") and **CENTRAL OREGON VETERAN & COMMUNITY OUTREACH, INC.** an Oregon nonprofit public benefit corporation ("COVO"). County, BHF and COVO referred to hereinafter as "Party" or "Parties."

A. RECITALS

1. The Parties desire to enter into an Agreement for the purpose of defining roles, responsibilities and obligations associated with the fiscal support, development and operations of a community based program referenced hereinafter as Veterans Village ("Village").
2. The purpose of this community based program ("Program") is to provide temporary housing to homeless veterans ("Residents") for a period of time not exceeding two (2) years.
3. The Program will provide said Residents with most essential services including but not limited to meals, showers, toilet and laundry facilities, community meeting and activity space, as well as case management and wraparound services on an as needed basis.
4. The Program goal is to place Residents in permanent housing or permanent supportive housing within two (2) years of the date that the Resident is first provided housing at the Village.
5. County owns certain real property located at the Deschutes County Public Safety Campus at 20355 Poe Sholes Drive, Bend. It contains +/- 7.79-acres as shown on Exhibit A, attached hereto and incorporated herein ("Property").
6. A portion of the Property containing +/- 54,450 square feet or +/- 1.25-acres ("Site") is currently unimproved and the County has agreed to provide said portion for the purpose of developing the Village referenced hereinafter as the project ("Project") as shown on Exhibit B, attached hereto and incorporated herein.
7. County will provide supportive funding towards the initial Project development and Program operations as referenced in Section B.
8. BHF will develop the Project and include certain requirements as outlined in Section C.
9. COVO will operate the Program and include certain requirements as outlined in Section D.

10. The Project will be deemed operational after the first four (4) Units have been installed.
11. Due to Site limitations and other known Veteran Village models, the intent for the initial number of overall shelters units ("Units") will be limited to fifteen (15), unless an increase of the number of Units is requested and agreed upon in writing as described in Section D.9.
12. As of the Effective Date of this Agreement, the County will hold a \$100,000 security interest in the Common Community Building. As long as the Program continues to exist and remains in continuous operation during the first three (3) years of this Agreement, the security interest will reduce by one-third each year on the anniversary date of this Agreement and will leave a zero (\$00.00) security interest on the anniversary date of the third year.
 - a. Anniversary date of Year 1, security interest is reduced by \$33,333; \$66,667 remaining;
 - b. Anniversary date of Year 2, security interest is reduced by \$33,333; \$33,334 remaining;
 - c. Anniversary date of Year 3, security interest is reduced by \$33,334, \$00.00 remaining
13. Upon expiration or termination of this Agreement, the Party holding title to the Units and Common Community Building shall coordinate with County to remove the Units and Common Community Building from the Site. The cost to complete said removals shall be paid by operating funds as described in Section B.4 or by other means as agreed upon in writing by the Parties.
14. Upon expiration or termination of this Agreement, the Party holding title to the Units and Common Community Building shall be responsible for asphalt demolition. The cost to complete said demolition shall be paid by operating funds as described in Section B.4 or by other means as agreed upon in writing by the Parties.
15. The term of this Agreement shall expire on **February 28, 2031**. This Agreement remains in effect until it expires or is terminated as provided in Section E.7 of this Agreement. Parties may by mutual consent renew or amend this Agreement on such terms and as agreed upon in writing. This Deschutes County Document Number 2021-107 replaces previous Deschutes County Document Number 2020-836.

B. COUNTY OBLIGATIONS

County is obligated and agrees to the following in reference to the Project and Program:

1. Provide +/- 1.25-acres described above as the Site for the purpose of developing and operating the Project/Program.

2. Enter into a separate ten (10) year Ground Lease ("Lease") with COVO for said Site.
3. Contribute Project funding support ("Project Funds") in the amount of One Hundred Fifty Thousand (\$150,000) Dollars payable to BHF. Only after the Effective date of this Agreement, BHF may submit an invoice for \$150,000, which is payable through the County's Grant Funding process and referenced as Grant Number 2020-787.
4. Contribute fiscal year annual Program funding support ("Program Funds") in the amount of One Hundred Thousand (\$100,000) Dollars payable to COVO. Only after the Effective Date of this Agreement, COVO may submit invoices to County based on the payment schedule outlined as follows:
 - a. Upon installation of the initial four (4) Units and fifty (50) percent occupancy; \$25,000
 - b. Upon installation of the next four (4) Units and fifty (50) percent occupancy; \$25,000
 - c. Effective July 1, 2021, if all Units have been installed, COVO may submit \$25,000 invoices to County in the months of July, October, January and April and for each subsequent year through the term of this Agreement.
 - i. In the event BHF fails to install Units as outlined, all subsequent Program Fund payments may be withheld until the next installation is complete at the sole discretion of County.
5. Provide periodic staff time to assist or advise on the Project or Program on an as needed basis. This may include but is not limited to, Facilities Director, Property Manager, Health Services, Veterans Services, or other staff/departments that may be identified from time-to-time. Staff time provided shall include at least one representative from the County who works in the social services or Health Services Department, who shall participate in monthly meetings with Lessee's representative, and a representative from the occupants of the temporary housing facility, for general support purposes. "General support" shall be further defined in the Village Operations Manual to be published, and essentially will involve a committee that will provide review and oversight of the day-to-day management of the Village as a whole. Notwithstanding this section B 5, the County is not a partner, joint venture or co-operator with any party to this Agreement.
6. If BHF or COVO cease to exist or discontinue operations, the County reserves the right, but is not obligated to solicit a replacement organization(s) to execute the Project or operate the Program.

C. BHF OBLIGATIONS

BHF is obligated to the following in reference to the Project and Program. BHF agrees to and shall comply with the following:

1. Collaborate and consult with County and COVO staff on an as needed basis or as required.

2. Obtain County's written approval of final Project development plans as shown in Exhibit C that will be added as an amendment to this Agreement.
3. Effectively and timely coordinate, execute and project manage the development of the Project.
4. Submit invoice(s) and supporting documentation to County as outlined in Section B.3.
5. Include the following specifics in the design and overall development of the Project:
 - a. As reasonably possible, future Project growth should be taken into consideration with the initial Site layout to avoid logistical difficulties including power lines, other infrastructure, etc.
 - b. Maximize the use of the Site by ensuring the Project layout is semi-circular or circular by nature.
 - c. Ensure contractors and subcontractors keep the Site tidy, free of debris and mitigate noise as reasonably possible during Project Development.
 - d. Work with its Project design team to identify and incorporate as reasonably possible, noise and nuisance reduction/mitigation features that may be helpful in an effort to reduce noise and nuisance to the adjacent west neighborhood. At a minimum, the Project shall include,
 - i. A six (6) foot privacy fence located between the Project and west neighborhood at depicted in Exhibit B.
 - ii. Trees planted adjacent to the west neighborhood that must be a minimum of eight (8) foot tall at planting.
 - e. Notwithstanding Section C.5.d.i, chain-link or other types of fencing may be installed around the remainder of the Project, but shall not extend into the rock outcrop area to the east of the Site. Fencing must be cohesive in nature. Location of Project fencing is depicted in Exhibit B.
 - i. A written request may be submitted to the County to extend the fencing into the rock outcrop area to the east. The request must include a project summary and description of how hazards will be mitigated.
 - f. Install landscaping and irrigation per the Project plan.
 - g. The County's capital contribution as described in B.3, may not be used for paving.
 - h. Ensure Units and all support buildings/structures will be pre-manufactured in nature and must be removable/transportable. No permanent foundations are permitted.

- i. During Project development, all utility costs will be the responsibility of BHF including but not limited to electricity, natural gas, water, sanitary sewer, and other such services as necessary.
- j. Ensure Units and support structures are accessible in accordance with the Americans with Disabilities Act of 1990 (ADA), as amended and in accordance with the City of Bend Building Code.
- k. Utilities supporting existing County buildings may not be utilized for the Project unless written consent is granted by County.

6. Complete any repairs, replacements, alterations, painting or other work performed on or around the premises in a workmanlike manner.

7. If BHF ceases to exist prior to the completion of the Project or fails to develop the Project or execute specifics as outlined in Section C, County will have no further obligation to contribute Project funding, and at such time County may provide written notice of termination of this Agreement to BHF and COVO.

8. Provide and maintain the required insurance coverage as outlined in Section E.3.

D. COVO OBLIGATIONS

COVO is obligated to the following in reference to the Project and Program. COVO agrees to and shall comply with the following:

- 1. Collaborate and consult with County and BHF staff on an as needed basis or as required.
- 2. Effectively coordinate, execute and manage the operations of the Program with support from the County pursuant to Section B 5.
- 3. Enter into a separate ten (10) year Ground Lease ("Lease") with the County.
- 4. Once the Project is deemed operational as defined in Section A.10, COVO shall be responsible for all utility costs including but not limited to electricity, natural gas, water, sanitary sewer, and other such utility services as necessary.
- 5. Submit invoices to County as outlined in Section B.4.
- 6. Shall make best efforts to maintain an average of seventy-five (75) percent occupancy through the term of this Agreement.
 - a. Monthly average occupancy reports must be submitted to the County on a quarterly basis by emailing to the email address referenced in Section E.2.
- 7. Prior to the start of Program Operations as described in Section A.10, COVO will develop and implement a "Village Manual" that will include but is not limited to,

- a. Village Resident screening policies and procedures
 - b. Village operational procedures
 - c. Village council mission statement and procedures
 - d. Village resident conflict mitigation conflict mitigation procedures
 - e. Village resident and adjacent residential neighborhood conflict mitigation and complaint procedures
 - f. Village emergency operation procedures, including fire drill procedures
8. Provide County with a copy of the annual profit and loss/operating statement and balance sheet associated with Village Program operations by April 15th of each year. Said statements shall be submitted to the County by emailing to the email address referenced in Section E.2.
9. If COVO desires to increase the number of Units as referenced in Section A.11, a written request may be made to the County for consideration.
10. If COVO ceases to exist or fails to operate the Program or execute specifics as outlined in Section D, County will have no further obligation to contribute Program funding, and at such time County may provide written notice of termination to COVO and BHF.
11. Although minimum security protocols as set forth in an Operations Manual will be provided, COVO is not required to hire or maintain security patrols. Local law enforcement is aware of the Village and is expected to patrol as is normal practice.

E. GENERAL TERMS

1. LAWS AND REGULATIONS. The Parties agree to abide by all applicable local, State and Federal laws and regulations.
2. NOTICES AND INVOICES. Any notice by County to BHF or COVO or to County must be mailed first class by the United States Postal Service (USPS), postage prepaid, addressed to the other at the address given below or at such other address as either may designate by written notice. Notice shall be deemed effective three (3) calendar days following posting at a USPS location as herein described. Invoices as outlined in Section B may be mailed by USPS as described or emailed to the County accordingly.

County:
Deschutes County
Attention: Property Manager
P.O. Box 6005

Physical Address:
14 NW Kearney Avenue
Bend, Oregon 97703

Bend, Oregon 97708-6005
541-385-1414
Fax: 541-317-3168
Kristie.Bollinger@deschutes.org

BHF:
Bend Heroes Foundation
Attn: Program Manager
1900 NE 3rd Street, #205
Bend, Oregon 97701
541-388-5591
erik.tobiason@rbc.com

COVO:
Central Oregon Veterans Outreach
Attn: Program Manager
61510 S Highway 97, #100
Bend, Oregon 97702
541-383-2793
kathy.skidmore@covo-us.org

3. **INSURANCE**. Prior to execution of this Agreement, in conjunction with all Project services performed under this Agreement, BHF shall maintain and provide certificates of insurance and endorsement or copies of insurance policies and declarations as evidence of insurance requirements under this Section.
 - a. Commercial general liability insurance with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate and shall name Deschutes County as a certificate holder and name Deschutes County, its elected officials, officers, agents, employees and volunteers as an additional insured.
 - b. Proof of personal Auto Liability insurance.
 - c. BHF shall comply with ORS 656.017 and shall maintain in force Workers' Compensation insurance unless otherwise exempt with Employers' Liability limits of not less than \$500,000/\$500,000/\$500,000.
 - i. Waiving the Workers' Compensation insurance requirement above is contingent upon BHF completing and signing the County's Workers Compensation Exemption form.
 - d. BHF shall immediately notify County if any insurance coverage required by this Agreement will be canceled, not renewed, or modified in any way. A thirty (30) day cancellation notice is required on all policies.
 - e. Insurance requirements specific to COVO are outlined in the Lease.
4. **INDEMNIFICATION**. Within the limits of the Oregon Tort Claims Act each of the Parties shall indemnify and defend the other and their elected officials, officers, employees, agents, volunteers and representatives from and against all claims, demands, penalties, and causes of action of any kind or character relating to or arising from this Agreement (including the cost of defense thereof, including attorney fees) in favor of any person on account of personal injury, death, damage to property, or violation of law, which arises out of, or results from, the negligent or other legally culpable acts or omissions of the indemnitor, its employees, agents, contractors or representatives.

5. **INTEGRATION.** This document constitutes the entire Agreement between the Parties on the subject matter hereof (excepting the lease agreement between County and COVO) and supersedes all prior or contemporaneous written or oral understandings, representations or communications of every kind on the subject. No course of dealing between the Parties and no usage of trade shall be relevant to supplement any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement and no waiver by a Party of any right under this Agreement shall prejudice the waiving Party's exercise of the right in the future.
6. **DEFAULT.** Failure of any Party to comply with any term, condition or obligation set forth in this Agreement within twenty (20) days after written notice thereof specifying the nature of the default with reasonable particularity is given, shall constitute a default under this agreement. If such failure to comply is of such nature that it cannot be completely remedied within the thirty (30) day post-notice period, that party shall not be in default if that party begins correction of the default within said twenty (20) days and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as possible.
7. **TERMINATION.**
 - a. **Termination on Default.** In the event of a default, the Agreement may be terminated at the option of the non-defaulting Party by notice in writing to the other(s). The non-defaulting Party(s) shall be entitled to any remedies available to that Party under applicable law.
 - b. **Termination (Convenience) of Agreement.** It is the intent of the Parties hereto that the Site shall be used during said term as outlined in Section A. Notwithstanding this intent, Parties have the right to terminate this Agreement at any time upon giving the other Parties ninety (90) days written notice.
8. **RESOLUTION OF DISPUTES.** If any dispute arises out of this Agreement and cannot be resolved by the respective Parties, the County Administrator and BHF and/or COVO's designees will attempt to resolve the issue. If the County Administrator and BHF and/or COVO are not able to resolve the dispute, the parties will submit the matter to mediation, each party paying its own costs, including attorney's fees, and sharing equally in common costs. If any dispute is not resolved by mediation, the Parties may agree to resolve it through binding arbitration, or may use any other legal process or remedy allowed by law.

9. **ARBITRATION.**

- a. **DISPUTES FOR ARBITRATION.** If any dispute arises between the Parties and the dispute cannot be resolved, the Parties shall submit the same to binding arbitration. If the Parties are unable to agree upon an arbitrator, then either party may apply to the presiding judge of

Deschutes County to appoint the required arbitrator.

- b. **PROCEDURE FOR ARBITRATION**. The arbitration shall proceed according to the Oregon statutes governing arbitration, and the award of the arbitrator shall have the effect therein provided. The arbitration shall take place in Deschutes County. Common costs of the arbitration shall be shared equally by the Parties, but each Party shall pay its own attorney fees incurred in connection with the arbitration.

10. INTERPRETATION OF AGREEMENT.

- a. This Agreement shall not be construed for or against any Party by reason of the authorship or alleged authorship of any provision.
- b. The paragraph headings contained in this Agreement are for ease of reference only and shall not be used in construing or interpreting this Agreement.
11. **SEVERABILITY/SURVIVAL**. If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired. All provisions concerning the limitation of liability, indemnity and conflicts of interest shall survive the termination or expiration of this Agreement for any cause.
12. **APPROVAL REQUIRED**. This Agreement and all amendments, modifications or waivers of any portion thereof shall not be effective until approved by 1) County's Board of Commissioner or County Administrator or designee and 2) BHF authorized signature and 3) COVO authorized signature.
13. **NO THIRD PARTY RIGHTS**. County and BHF and COVO are the only Parties to this Agreement and the only Parties entitled to enforce its terms. There are no intended beneficiaries and no rights granted to any third party.
14. **ASSIGNMENT**. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by BHF or COVO whether by operation of law or otherwise, without the prior written consent of County. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and assigns.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be effective for all purposes as of the Effective Date.

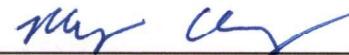
COUNTY:

DATED this 17 day of March, 2021

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON



ANTHONY DEBONE, Chair



PHIL CHANG, Vice-Chair

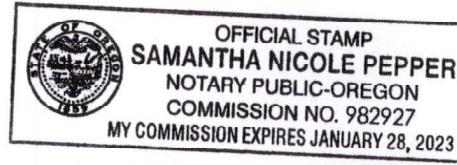


PATTI ADAIR, Commissioner

ATTEST:


Recording Secretary

STATE OF OREGON)
County of Deschutes) ss.



Before me, a Notary Public, personally appeared ANTHONY DEBONE, PHIL CHANG, and PATTI ADAIR, the above-named Board of County Commissioners of Deschutes County, Oregon and acknowledged the foregoing instrument on behalf of Deschutes County, Oregon.

DATED this 17 day of March 2021


Notary Public for Oregon

My Commission Expires: January 23 2023

[SIGNATURE PAGES FOLLOW]

CENTRAL OREGON VETERAN & COMMUNITY OUTREACH, INC.:

DATED this 4 day of MARCH, 2021

CENTRAL OREGON VETERAN &
COMMUNITY OUTREACH, INC. an
Oregon nonprofit public benefit corporation

John D. Bly
NAME and TITLE

Executive Summary

NAME and TITLE:
(optional other)

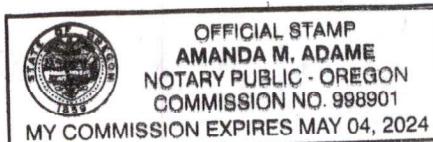
STATE OF OREGON)
) ss.
County of Deschutes)

Before me, a Notary Public, personally appeared Joseph Terry, the
Exec Dir of Central Oregon Veteran & Community Outreach, Inc., an Oregon nonprofit public benefit corporation and acknowledged the foregoing instrument on behalf of Central Oregon Veteran & Community Outreach, Inc., an Oregon nonprofit public benefit corporation.

DATED this 4th day of March, 2021

Notary Public for Oregon

My Commission Expires: May 07, 2024



[SIGNATURE PAGE FOLLOWS]

BEND HEROES FOUNDATION:

DATED this _____ day of _____, 2021

This page not needed included elsewhere
BEND HEROES FOUNDATION, an Oregon
public benefit corporation

NAME and TITLE: _____

NAME and TITLE:
(optional other) _____

STATE OF OREGON

)

) ss.

County of Deschutes

)

Before me, a Notary Public, personally appeared _____, the

of **Bend Heroes Foundation**, an Oregon
public benefit corporation and acknowledged the foregoing instrument on behalf of
Bend Heroes Foundation, an Oregon public benefit corporation.

DATED this _____ day of _____, 2021

Notary Public for Oregon My Commission Expires: _____

BEND HEROES FOUNDATION:
DATED this day

2021

of BEND HEROES FOUNDATION

Eric Tobaison, PRESIDENT
NAME, TITLE

Optional other NAME, TITLE

STATE OF OREGON)
) ss.
County of Deschutes)

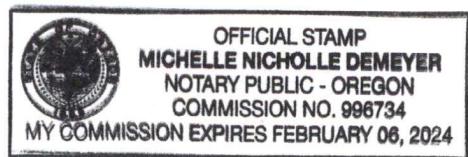
Before me, a Notary Public, personally appeared
the of Bend Heroes Foundation, an Oregon
Public Benefit Corporation and acknowledged the foregoing instrument on behalf of
Bend Heroes Foundation, an Oregon Public Benefit Corporation.

DATED this 5th day of February 2021

My Commission Expires: 2/01/24

Notary Public for Oregon

Michelle DeMeyer



Veterans Village

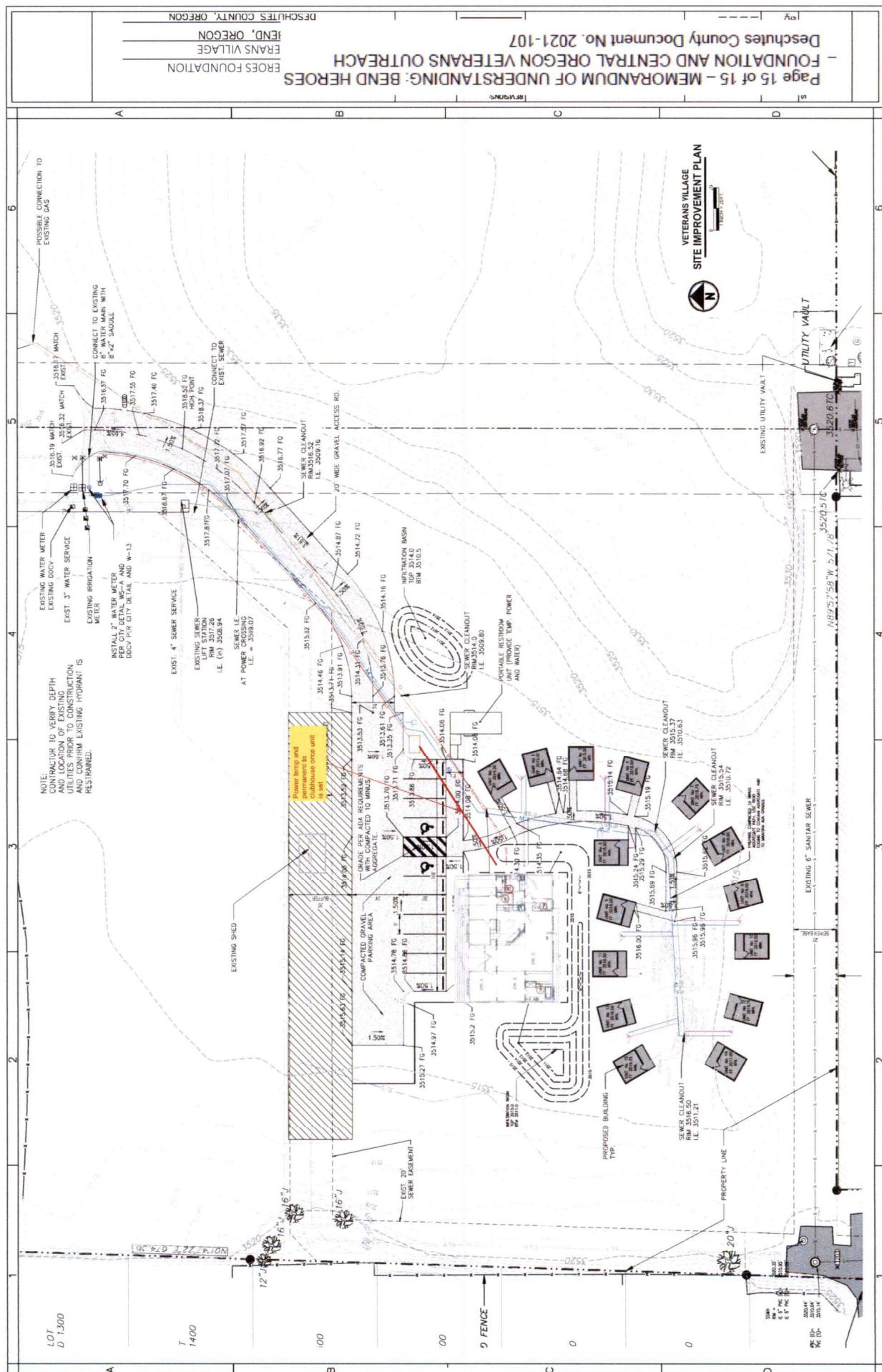
+/- 1.25-acres



VETERANS VILLAGE FENCING SCOPE

EXHIBIT B





GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT ("Agreement") is made as of the date of the last signature affixed hereto ("Commencement Date") by and between **DESCHUTES COUNTY**, a political subdivision of the State of Oregon ("Lessor"), and **CENTRAL OREGON VETERAN & COMMUNITY OUTREACH, INC.** an Oregon nonprofit public benefit corporation ("Lessee"). Lessor and Lessee are referred to herein as "Party" or "Parties."

A. RECITALS

1. Lessor owns certain real property located at the Deschutes County Public Safety Campus at 20355 Poe Sholes Drive, Bend. It contains +/- 7.79-acres as shown on Exhibit A, attached hereto and incorporated herein by reference. ("Property").
2. Subject to the terms and conditions of this Agreement, the Parties desire to enter into this Agreement to lease a portion of the Property containing +/- 1.25-acres (54,450 sq. ft.), more or less, as shown on Exhibit B, attached hereto and incorporated herein by reference ("Site").
3. Lessor agrees to lease to Lessee +/- 1.25-acres as further described in Exhibit C.
4. Lessor is highly supportive of Lessee's stated intent to operate a community program identified as Veterans Village ("Village"). The purpose of the program ("Program") is to provide temporary housing to veterans ("Residents") for up to two (2) years. The Program will provide most essential services including but not limited to meals, showers, toilet and laundry facilities, community meeting and activity space, as well as case management and wraparound services as needed. The Program goal is to place Residents in permanent or permanent supportive housing within two (2) years of the date that the Resident is first provided housing at the Village.
5. For the purpose of operating the Program, and as a condition precedent to this Agreement, Lessor and Lessee agree to enter into a separate Memorandum of Understanding (Deschutes County Document No. 2021-107), which outlines Lessor's and Lessee's Program requirements.

B. WITNESSETH

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

1. TERM. The term of this Agreement shall be effective March 19, 2021 ("Effective Date"), and shall expire February 28, 2031, unless sooner terminated in accordance with this Agreement, including that either party may terminate this Lease for any reason or no reason, with ninety (90) days advance written notice and as further described and provided in Section B.20 of this Agreement.

2. RENT. Except as otherwise provided elsewhere in this Agreement, in recognition of the public benefit rendered by Lessee's activities, the monthly lease rate is zero (\$00.00) for the term of this Agreement.
3. POSSESSION. Lessee's right to exclusive possession and obligations under the Agreement shall commence as of the Effective Date of this Agreement, except as otherwise provided herein.
4. CONDITION OF PROPERTY AND SITE. Lessor and Lessor's Agents as defined in Section B.11 have made no warranties or representations regarding the condition of the Property or Site, including, without limitation, the sustainability of the Property or Site for intended uses, except as may be expressly set forth herein. Lessor has no obligation to repair, alter, and/or construct any improvements on the Property. Lessee has inspected and accepts the Site in its "AS IS" condition upon taking possession, except as otherwise expressly set forth herein. Lessor will have no liability to Lessee, and Lessee will have no claim against Lessor, for any damage or injury or loss of use caused by the condition of the Property or Site, except as expressly set forth herein. Lessee is solely responsible for thoroughly inspecting the Site and ensuring that it is in compliance with all Legal Requirements (as defined below), except as expressly set forth herein.
5. PERMITTED USE. The real property shall be used for the purpose of Veterans Village, more fully described in Section A.4.
6. RESTRICTIONS ON USE. In terms of use of the Site, Lessee shall:
 - 6.1 Maintain improvements, structures and fences on the Site, if any, to standards of repair, orderliness, neatness, sanitation, and safety reasonably acceptable to Lessor, and shall not store solid waste on the Site.
 - 6.2 Except as undertaken in the ordinary course of conducting its Permitted Use and in compliance with applicable local, state and federal law, refrain from the disposal, spilling or discharging of any oil, gasoline, diesel fuel, chemicals, or other pollutants on the leased Property or Site. In the event of such spills, Lessee shall undertake any and all necessary actions to contain and remove from the Property or Site as provided by law.
 - 6.3 Conform to all applicable Legal Requirements of any public authority affecting the Site and Lessee's specific use of Site, and correct at Lessee's own expense any failure of compliance created by Lessee or by reason of Lessee's specific use of the Site, except as expressly set forth in this Agreement. For purposes of this Agreement, the term "Legal Requirement(s)" means any and all rules, regulations, covenants, conditions, restrictions, easements, declarations, laws, statutes, liens, ordinances, orders, codes, rules, and regulations applicable to the Property and/or Lessee's specific use thereof of the Site, including, without limitation, the Americans with Disabilities Act of 1990, as amended (and the rules and regulations promulgated thereunder), all as now in force and/or which may hereafter be amended, modified, enacted, or promulgated.

6.4 Refrain from any use which would create a nuisance either on the Property or Site or offsite or damage the Property or Site, including but not limited to, creating offensive odors, excessive dust or noise on the Property or Site or maintaining a fire on the Property or Site. Nothing herein shall be construed to prohibit normal activities necessary to utilize the Site for its Permitted Use.

6.5 Refrain from making any unlawful use of said Property or Site or to suffer or permit any waste stored at the Site.

7 LESSEE'S OBLIGATIONS. The following shall be the responsibility of the Lessee at Lessee's sole cost:

7.1 Arrangement for and delivery to the Site, as necessary, of all water, sanitary sewer, gas, electrical, and other utility services deemed necessary by Lessee.

7.2 Structural repairs and maintenance of any screening, fences, buildings, water, sanitary sewer, gas and electrical services, and other utility services to the Site.

7.3 All repairs necessitated by the activities or negligence of Lessee, its agents, employees, volunteers or invitees on or in connection with the Property or Site.

7.4 All repairs or alterations required under Lessee's obligation to comply with Legal Requirements and regulations as set forth in "Restrictions on Use" above.

7.5 All landscape maintenance to ensure vegetation remains tidy and viable, including replacement of any plantings as necessary as well as all irrigation repairs and maintenance to help ensure landscape viability.

7.6 All ad valorem tax and other real property assessments, bonds, levies or the like for the leased Site except as for provided and further described in Section B.8.

7.7 All taxes and assessments upon Lessee's personal property located on the Site as outlined in Section B.8 of this Agreement.

7.8 The cost of property and liability insurance as outlined in Section B.16 of this Agreement.

7.9 All utility charges associated with the operation for the Permitted Use of the Site, including but not limited to electricity, natural gas, water, sanitary sewer, and other such services as necessary.

7.10 All other costs operations or future improvements associated with the Permitted Use of the Site.

8. **TAXES AND ASSESSMENTS.** After execution of this Agreement, Lessee shall apply within fifteen (15) days for a property tax exemption status based on Lessee's nonprofit status. If the property tax exemption application is denied and the taxing authority assesses real property tax and assessments for the Property, Site or Site Improvements, Lessee shall pay before delinquency, all assessments and levies against the portion of the Property and Lessee may invoice the County annually for the amount equal to the assessment. Lessee shall pay before delinquent, all personal property taxes on Lessee's fixtures, equipment, inventory and other personal property in or about the portion of the Property subject to taxation.
9. **INSPECTION OF PROPERTY.** During the term of this Agreement, Lessor shall have the right to inspect the Property and Site in the Lessee's presence with reasonable notice by Lessor.
10. **REPAIRS.** Lessee accepts the Site in its "AS IS" condition, except as expressly set forth herein. Lessee will at all times keep the Site in good condition consistent with the condition of the Site on the Effective Date and make all repairs during the term of the Agreement necessary to maintain the Site in good condition.
11. **INDEMNIFICATION OF LESSOR.** Except to the extent caused by the gross negligence or willful misconduct of Lessor, Lessee will indemnify, defend, and hold Lessor and Lessor's current and future elected officials, officers, employees, contractors, agents and volunteers (collectively, "Lessor's Agents") harmless for, from, and against any and all claims, losses, damages, and/or liabilities arising out of or related to, whether directly or indirectly, the following: (a) any negligence or misconduct of Lessee and/or Lessee's members, managers, officers, employees, agents, contractors and volunteers (collectively, "Lessee's Agents") on or at the Property; (b) any condition of the Property (including, without limitation, any improvements constructed thereon) that is caused solely by Lessee and/or Lessee's Agents while the Property are in the possession or under the control of Lessee; and/or (c) Lessee's breach and/or failure to perform any Lessee obligation, covenant, representation, and/or warranty under this Agreement. Lessee's indemnification obligations under this Section B.11 will survive the expiration or termination of this Agreement.
12. **PARTIAL TAKING.** If a portion of the Property or Site is condemned and Section B.13 **TOTAL TAKING** does not apply, the Agreement shall continue on the following terms:
 - 12.1 Lessor shall be entitled to all of the proceeds of condemnation and Lessee shall have no claim against Lessor as a result of the condemnation.
 - 12.2 Lessor shall proceed as soon as reasonably possible to make such repairs and alterations to the Property or Site as reasonably practicable to return the Property or Site to its condition existing at the time of the condemnation, but in no event shall Lessor be liable for repairs in excess of condemnation proceeds awarded to and received by Lessor. The Lessor may, but shall not be required to, perform alterations prior to the actual taking after the portion to be taken has been finally determined. Rent shall be abated to the extent the Property or Site is untenable during the period of alteration and repair.

12.3 After the date on which title vests in the condemning authority or an earlier date on which alterations or repairs are commenced by Lessor to restore the balance of the Property or Site in anticipation of taking, the rent, if applicable, shall be reduced commensurately with the reduction in value of the leased Site as an economic unit on account of the partial taking. If the parties are unable to agree upon the amount of the reduction of rent, the amount shall be determined by arbitration.

12.4 If a portion of the Lessor's Property not included in the leased Site is taken and severance damages are awarded on account of the leased Site, or an award is made for detriment to the leased Site as a result of change of grade of adjacent streets or other activity by a public body not involving a physical taking of any portion of the land, this shall be regarded as a partial condemnation of which subparagraphs (A) and (C) of "Partial Taking" above apply, and the rent, if applicable, shall be reduced to the extent of diminution of value of the Site as though a portion had been physically taken.

13. **TOTAL TAKING.** If a condemning authority takes all of the Property or Site or a portion sufficient to render the Site reasonably unsuitable for the use which the Lessee was then making of the Site, the Agreement shall terminate as of the date the title vests in the condemning authority. Lessor shall be entitled to all of the proceeds of condemnation and the Lessee shall have no claim against Lessor as a result of the condemnation.

14. **SALE IN LIEU OF CONDEMNATION - DEDICATION TO THE PUBLIC.** Sale of all or part of the Property 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 Section B.14 as a taking by condemnation. Dedication to the public, sale, or transfer of all or a portion of the Property of Lessor to the State of Oregon, its political subdivisions or United States of America, shall be treated as a Total Taking or Partial Taking, as applicable.

15. **LIENS.**

15.1 Except with respect to activities for which the Lessor is responsible, the Lessee shall pay as due all claims for work done on and for services rendered or material furnished to the Site and shall keep the Property free from any liens.

15.2 Lessee may withhold payment of any claim in connection with a good faith dispute over the obligation to pay, so long as Lessor's Property interests are not jeopardized. If a lien is filed as a result of nonpayment, Lessee shall, within thirty (30) days after knowledge of the filing, secure the discharge of the lien or deposit with Lessor cash or a sufficient corporate surety bond or other surety satisfactory to Lessor in an amount sufficient to discharge the lien plus any costs, attorney fees and other charges that could accrue as a result of a foreclosure or sale under a lien.

15.3 If Lessee fails to pay any such claims or to discharge any lien, or bond over any such lien, within thirty (30) days after written notice of such lien, Lessee shall

remedy any lien. If Lessee fails to remedy any liens, Lessee will be in default and such default may be remedied or exercised in accordance to Section B.19.

16 INSURANCE

16.1 Lessee shall keep the Site improvements and personal property of the Lessee insured at its own expense against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage. The Lessor shall not be responsible for and shall not provide fire or extended coverage on the Site improvements or personal property of the Lessee.

16.2 Liability Insurance: Lessee shall procure and during the term of the Agreement shall continue to carry and maintain commercial general liability insurance including fire legal liability and automobile liability insurance at Lessee's cost issued by a responsible company with limits of not less than \$1,000,000 for each occurrence and \$2,000,000 in the aggregate for commercial general liability insurance and \$1,000,000 combined single limit for automobile liability insurance. The limits of the insurance shall be subject to statutory changes as to maximum limits of liability imposed on municipalities of the State of Oregon during the term of this Agreement. Such insurance shall protect Lessee against the claims of Lessor on account of the obligations assumed by Lessee under this Agreement, and shall name, as additional insureds, Lessor and its elected officials, officers, agents, and employees. It is an affirmative obligation on the Lessee to advise the Lessor within ten (10) business days of any substantive change of any insurance policy or endorsement set out herein, and failure to do so may be construed to be a breach of this Agreement. If the insurance is canceled or terminated prior to termination of the Agreement, Lessee shall provide a new policy with the same terms. Lessee agrees to maintain continuous, uninterrupted coverage for the duration of the Agreement.

16.2.1 Certificates evidencing such insurance and bearing endorsements requiring 30 days' written notice to Landlord prior to any change or cancellation shall be furnished to Lessor prior to Lessee's occupancy of the Site. Lessee shall maintain, on file with Lessor, a certificate of insurance certifying the coverage required as outlined. The adequacy of the insurance shall be subject to the approval of the Lessor's Risk Manager or Attorney. Failure to maintain liability insurance required by this paragraph shall be cause for immediate termination of this Agreement by Lessor.

16.3 Workers' Compensation Insurance: If Lessee is a subject employer under the Oregon Workers' Compensation law, it shall comply with ORS 656.017, by providing workers' compensation coverage for all its subject workers for the duration of this Agreement. The employer's liability limits shall have minimum limits of \$500,000 each accident; \$500,000 for disease, each employee and \$500,000 disease, policy limits.

16.3.1 The policy coverage shall include a waiver of subrogation in Deschutes County's favor. A certificate of insurance, or copy thereof, shall be attached to this Agreement, if applicable, and shall be incorporated herein and made a term and part of this Agreement. The adequacy of the insurance shall be subject to the approval of Lessor's

Risk Manager or Attorney.

16.3.2 In the event the Lessee's workers compensation insurance coverage is due to expire during the term of this Agreement, the Lessee agrees to timely renew its insurance, either as a carrier-insured employer or a self-insured employer, as provided by Chapter 656 of the Oregon Revised Statutes, before its expiration, and the Lessee agrees to provide the Lessor such further certification of workers' compensation insurance as renewals of said insurance occur.

16.4 Subrogation: Neither party shall be liable to the other (or to the other's successors or assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, neither Party's insurance company shall have a subrogated claim against the other. This waiver shall be valid only if the insurance policy in question expressly permits waiver of subrogation or if the insurance company agrees in writing that such a waiver will not affect coverage under the policies. 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.

17. **ASSIGNMENT AND SUBLICENSE**. Lessee will not sell, assign, mortgage, sublet, lien, convey, encumber, and/or otherwise transfer (whether directly, indirectly, voluntarily, involuntarily, or by operation of law) all or any part of Lessee's interest in this Agreement and/or in the Property or Site (collectively, "Transfer") without Lessor's prior written consent. Notwithstanding anything to the contrary set forth in this Agreement, Lessee shall have the right to assign or transfer its interest in this Agreement to any affiliate of Lessee or subsidiary of Lessee's ultimate parent, without Lessor's consent but with written notice to Lessor. Upon any approved Transfer, (a) the terms and conditions of this Agreement will in no way be deemed to have been waived or modified, (b) consent will not be deemed consent to any further Transfer, (c) the acceptance of Rent by Lessor from any other person will not be deemed to be a waiver by Lessor of any provision of this Agreement, and (d) no Transfer relating to this Agreement, whether with or without Lessor's consent, will modify, relieve, or eliminate any liability or obligations Lessee or any guarantor of this Agreement may have under this Agreement. Any Transfer which does not comply with this Agreement will be void and will constitute a breach of this Agreement.

18. **DEFAULT**. Each of the following will constitute an "Event of Default" and a breach of this Agreement:

18.1 Failure of Lessee to pay taxes or assessments as applicable, utilities or any or other charge. If Lessor is notified of any such amounts related to the Site or Lessee's operations specific to the Site, said amounts must be paid by Lessee within ten (10) business days after written notice from Lessor.

18.2 Failure of Lessee to perform or comply with any term, condition, and/or covenant or fulfill any obligation of the Agreement (other than the payment of rent or other charge, cost, and/or expense) within thirty (30) days after written notice is received by Lessee from Lessor specifying the nature of the default with reasonable particularity. If the failure is in such a nature that it cannot be completely

remedied within the thirty (30) day period, the failure will not be a default if Lessee begins correction of the failure within the thirty (30) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable, so long as a full cure of said default is made within ninety (90) days of the original written notice.

18.3 Attachment, execution, levy, and/or other seizure by legal process of any right or interest of Lessee under this Agreement if not released within thirty (30) days.

18.4 Lessee becomes insolvent within the meaning of the United States Bankruptcy Code, as amended from time to time; an assignment by Lessee for the benefit of creditors; the filing by Lessee of a voluntary petition in bankruptcy; an adjudication that Lessee is bankrupt or the appointment of a receiver of the properties of Lessee; the filing of any involuntary petition of bankruptcy and failure of Lessee to secure a dismissal of the petition within thirty (30) days after filing; attachment of or the levying of execution on the leasehold interest and failure of Lessee to secure discharge of the attachment or release of the levy of execution within ten (10) days.

19. REMEDIES ON DEFAULT.

19.1 Upon the happening of an Event of Default, the Agreement may be terminated at the option of the Lessor or Lessee by notice in writing to Lessee or Lessor. The notice may be given at any time after any grace period for default given under Section B.19. All of Lessee's rights in relation to the Site and in all improvements on the Site will terminate as of the date of termination and/or expiration. Promptly after such notice, unless agreed upon by the Parties in writing, Lessee will surrender and vacate the Site and all improvements in broom clean and in good condition. Lessor may reenter and take possession of the Property and of all improvements and eject some or all parties in possession except any sub-lessee qualifying under any non-disturbance agreement by Lessor. Lessor and Lessee will have all rights and remedies available to Lessor and Lessee under this Agreement, at law, and in equity. Termination under this Section will not relieve Lessee from the payment of any sum then due to Lessor or from any claim for damages previously accrued or then accruing against Lessee. Termination under this Section will not relieve Lessor from the payment of any sum then due to Lessee or from any claim for damages previously accrued or then accruing against Lessor. If the Site is abandoned by Lessee in connection with a default, termination shall be automatic and without notice.

19.2 In the event Lessor terminates this Lease, the Lessor, or those having the Lessor's estate in the Property, lawfully at its option, may enter into and upon said demised Property and every part thereof, and repossess the same of Lessor's former estate, and expel said Lessee and those claiming by and through or under Lessee, and remove Lessee's effects at Lessee's expense, forcibly if necessary, and store the same, without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. If Lessor terminates the Agreement, Lessor will be entitled to recover immediately, without waiting until the due date of any future rent or until

the date fixed for expiration of this Agreement, and in addition to any other damages recoverable by Lessor, the reasonable costs of reentry and reletting including, without limitation, the cost of any clean-up, refurbishing, removal of Lessee's property and fixtures, and/or any other expense occasioned by Lessee's failure to quit the Property upon termination and to leave the Property in the required condition, including, without limitation, any remodeling costs, attorney fees, court costs, broker commissions, and advertising costs.

19.3 The foregoing remedies shall be in addition to, and shall not exclude, any other remedy available to Lessor under applicable law.

20. TERMINATION AND SURRENDER.

20.1 Upon expiration, abandonment, termination, revocation or cancellation of this Agreement, the Lessee shall surrender the Site to Lessor in the same condition as the Site was on the date of possession, except, that nothing in this Agreement shall be construed as to relieve Lessee of Lessee's affirmative obligation to surrender said Site in a condition which complies with all Legal Requirements. Upon Lessor's written approval, Lessee may leave Site improvements authorized by any land use permit. Lessee's obligation to observe and perform this covenant shall survive the expiration or the termination of the Agreement.

20.2 Termination on Default. In the event of a default, the Agreement may be terminated at the option of the non-defaulting Party by notice in writing to the other(s). The non-defaulting Party(s) shall be entitled to any remedies available to that Party under applicable law.

20.3 Termination (Convenience) of Agreement. It is the intent of the Parties hereto that the Site shall be used during said term as outlined in Section A. Notwithstanding this intent, Parties have the right to terminate this Agreement at any time upon giving the other Parties ninety (90) days written notice and in accordance with Section B.22 of this Agreement.

21. PERSONAL PROPERTY.

21.1 All personal property placed upon the leased Property during the term of this Agreement by Lessee shall remain the property of Lessee except as otherwise provided herein.

21.2 Unless agreed upon in writing by the Parties, upon abandonment, expiration, termination, revocation, or cancellation of this Agreement, Lessee shall remove from the Site all site improvements and personal property of Lessee on or prior to the date of such termination. If Lessee fails to remove all or part of such personal property on the expiration or termination of this Agreement then all such personal property shall become the property of Lessor.

22. NOTICES. Any notice by Lessee to Lessor or Lessor to Lessee must be mailed first class by the United States Postal Service (USPS), postage prepaid, addressed to the other at the address given below or at such other address as either may designate by written notice. Notice shall be deemed effective three (3) calendar days following posting at a USPS location as herein described.

LESSOR:
Deschutes County
Attention: Property Manager
P.O. Box 6005
Bend, Oregon 97708-6005
Physical: 14 NW Kearney
Bend OR 97703
541-385-1414 Office
541-317-3168 Fax
Kristie.Bollinger@deschutes.org

LESSEE:
Central Oregon Veterans Outreach
Attn: Program Manager
61510 SW Highway 97, #100
Bend, Oregon 97702
541-383-2793 Office
Kathy.Skidmore@covo-us.org

23. **NONWAIVER**. Waiver by either party of strict performance of any provision of this Agreement shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.
24. **PARTNERSHIP**. Lessor is not by virtue of this Agreement a partner or joint venture with Lessee in connection with activities carried on under this Agreement, and shall have no obligation with respect to Lessee's debts or any other liabilities of each and every nature.
25. **LESSEE NOT AN AGENT OF LESSOR**. It is agreed by and between the Parties that Lessee is not carrying out a function on behalf of the Lessor, and that Lessor does not have the right of direction or control of Lessee's operation under this Agreement or to exercise any control over the activities of Lessee.
26. **LAND USE PERMIT**. This Agreement does not constitute a land use permit, nor does acceptance of this Agreement by Lessor constitute approval of any legislative or quasi-judicial action required as a condition precedent to use of the land for the intended purpose. Lessee's possession of the Property pursuant to Section B.3 for the use described in Section B.6 of this Agreement and obligations under this Agreement are contingent upon the approval of any necessary land use permits. If Lessee is unable or unwilling to meet conditions of land use permits, Lessee has the right to terminate this Agreement, with thirty (30) days written notice to Lessor.
27. **LESSOR'S RIGHT TO CURE DEFAULTS**. If Lessee fails to perform any obligations under this Agreement, Lessor shall have the option, but not the obligation, to do so after thirty (30) days' written notice to the Lessee. All of Lessor's actual and reasonable expenditures to correct the default shall be reimbursed by Lessee on demand with interest at the rate of nine percent (9%) per annum from the date of expenditure by Lessor. In the event that Lessee, upon using Lessee's best efforts, is unable to obtain all required land use permits, Lessee may terminate this Agreement upon written notice to Lessor. Lessee shall remain liable to Lessor following termination for all unpaid lease payments, charges and damages due prior to termination and any damages, expenses, costs or losses suffered by Lessor due to Lessee's termination of this Agreement.
28. **NON-DISCRIMINATION**: No person shall be subject to discrimination in the receipt of any services or benefits made possible by, or resulting from this Agreement on the grounds of sex, race, color, religion, creed, marital status, age, national origin, or

disability. Any violation of this provision may be considered a material breach of this Agreement and grounds for termination by Lessor.

29. **LITIGATION FEES AND EXPENSES.** If any arbitration or litigation is instituted to interpret, enforce, or rescind this Agreement, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney's fees and other fees, costs, and expenses of every kind, including, without limitation, the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, the litigation, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.
30. **TIME IS OF THE ESSENCE.** Time is of the essence of each and every provision of this Agreement.
31. **SEVERABILITY.** The Parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be void, invalid or unenforceable, 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 this Agreement did not contain the particular term or provision held to be void, invalid or unenforceable.
32. **AUTHORITY.** Lessee covenants that it possesses the legal authority to bind its principals to the terms, provisions and obligations contained within this Agreement. If it is determined that Lessor does not have authority to enter into this Agreement, Lessor may terminate this Agreement by providing written notice to Lessee.
33. **MEDIATION and ARBITRATION.**
 - 33.1 **Mediation.** Before any party to this Agreement initiates Arbitration and/or litigation in Circuit Court, the parties must first attempt non-binding mediation. The parties shall split the cost of the mediator. If the parties are unable to agree on selection of the mediator, then the Director at Central Oregon Mediation shall choose. The mediation shall last no more than four (4) hours in duration.
 - 33.2 **Disputes for Arbitration.** If any dispute arises between the Parties and the dispute cannot be resolved, the Parties shall submit the same to binding arbitration. If the Parties are unable to agree upon an arbitrator, then either party may apply to the presiding judge of Deschutes County to appoint the required arbitrator.
 - 33.3 **Procedure for Arbitration.** The arbitration shall proceed according to the Oregon statutes governing arbitration, and the award of the arbitrator shall have the effect therein provided. The arbitration shall take place in Deschutes County. Common costs of the arbitration shall be shared equally by the Parties, but each Party shall pay its own attorney fees incurred in connection with the arbitration.
34. **ENTIRE AGREEMENT.** Excepting that Memorandum of Understanding (DC Document No. 2021-107), this Agreement and attached Exhibits, if any, constitute the entire agreement between the Parties concerning the subject matter of the Agreement

and supersede any and all prior or contemporaneous negotiations and/or agreements between the Parties, whether written or oral, concerning the subject matter of this Agreement which are not fully expressed herein. This Agreement may not be modified or amended except by a writing signed by all Parties to this Agreement.

35. **LESSOR DEFAULT.** No act or omission of Lessor will be considered a default under this Agreement until Lessor has received thirty (30) days' prior written notice from Lessee specifying the nature of the default with reasonable particularity. Commencing from Lessor's receipt of such default notice, Lessor will have thirty (30) days to cure or remedy the default before Lessor will be deemed in default of this Agreement; provided, however, that if the default is of such a nature that it cannot be completely remedied or cured within the twenty-day cure period, there will not be a default by Lessor under this Agreement if Lessor begins correction of the default within the thirty-day cure period and thereafter proceeds with reasonable diligence to effect the remedy as soon as practical.
36. **INTERPRETATION.** All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. The term "person" means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision, or any other entity. The titles, captions, or headings of the sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.
37. **SEVERABILITY/SURVIVAL.** If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired. All provisions concerning the limitation of liability, indemnity and conflicts of interest shall survive the termination or expiration of this Agreement for any cause.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be effective for all purposes as of the Effective Date.

LESSOR:

DATED this 17 day of March, 2021

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

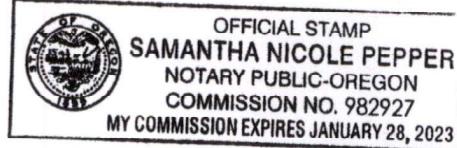
ANTHONY DEBONE, Chair

PHIL CHANG Vice-Chair

PATTI ADAIR Commissioner

Recording Secretary

STATE OF OREGON)
) ss.
County of Deschutes)



Before me, a Notary Public, personally appeared ANTHONY DEBONE, PHIL CHANG, and PATTI ADAIR, the above-named Board of County Commissioners of Deschutes County, Oregon and acknowledged the foregoing instrument on behalf of Deschutes County, Oregon.

DATED this 11 day of MARCH, 2021

Notary Public for Oregon

My Commission Expires:

[SIGNATURE PAGE FOLLOWS]

CENTRAL OREGON VETERAN & COMMUNITY OUTREACH, INC.:

DATED this 4 day of MARCH, 2021

CENTRAL OREGON VETERAN &
COMMUNITY OUTREACH, INC. an
Oregon nonprofit public benefit corporation

Joseph Terry Ex. Cr. Dir.
NAME and TITLE:

NAME and TITLE:

NAME and TITLE:
(optional other)

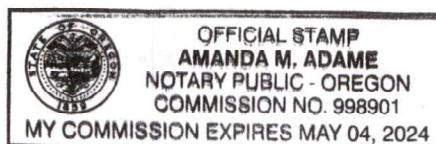
STATE OF OREGON)
) ss.
County of Deschutes)

Before me, a Notary Public, personally appeared Joseph Terry, the
Exec Dir of Central Oregon Veteran & Community Outreach, Inc., an Oregon nonprofit public benefit corporation and acknowledged the foregoing instrument on behalf of Central Oregon Veteran & Community Outreach, Inc., an Oregon nonprofit public benefit corporation.

DATED this 4th day of March, 2021

Notary Public for Oregon

My Commission Expires: May 04, 2024



[SIGNATURE PAGE FOLLOWS]

BEND HEROES FOUNDATION:

DATED this _____ day of _____, 2021, BEND HEROES FOUNDATION, an Oregon
public benefit corporation

NAME and TITLE:

NAME and TITLE:
(optional other)

STATE OF OREGON)
)
County of Deschutes) ss.

Before me, a Notary Public, personally appeared _____, the _____ of Bend Heroes Foundation, an Oregon public benefit corporation and acknowledged the foregoing instrument on behalf of Bend Heroes Foundation, an Oregon public benefit corporation.

DATED this _____ day of _____, 2021

Notary Public for Oregon _____ My Commission Expires: _____

Veterans Village

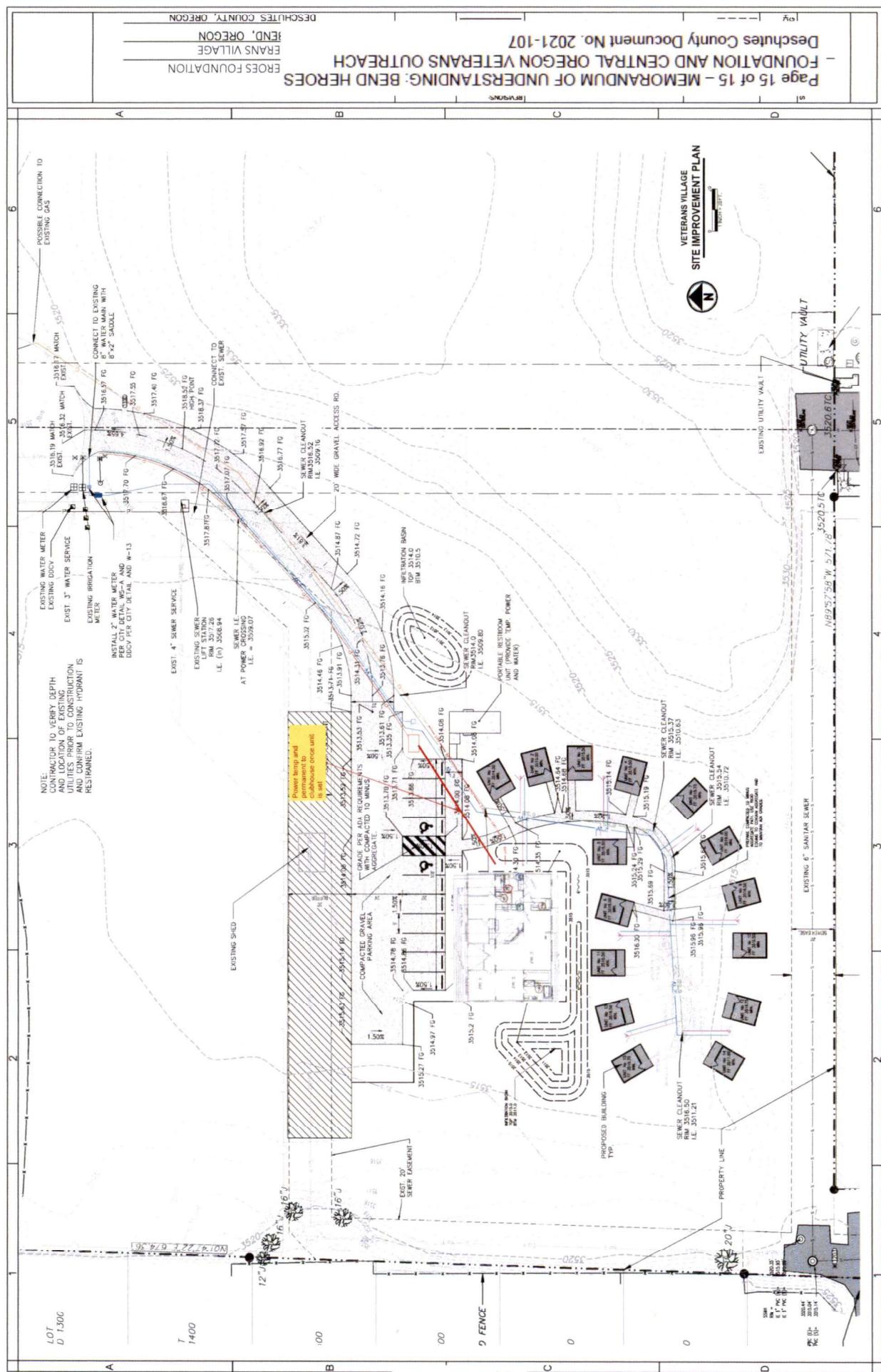
+/- 1.25-acres



VETERANS VILLAGE FENCING SCOPE

EXHIBIT B





Central Oregon Veterans Village Expansion Budget

Construction Costs		
Item	Description	Amount
Engineering/Architecture/Design		In Kind
Site preparation		205,000
	Grading	\$100,000
	Utilities/Trenching	\$50,000
	Parking	\$40,000
	Landscaping	\$15,000
Shelters (7)	Includes structure, insulation, heater, toilet, sink, bed, table, chairs, cabinets	\$245,000
Community Center		
- Building		\$50,000
Total Capital Costs		\$500,000
Operating Costs (Annual)		
Site Manager	1 FTE @ \$50,000/year	\$50,000
Utilities	Electricity, Water, Sewer	\$20,000
Food, paper products, etc.		\$20,000
Insurance & Maintenance		\$10,000
Total Operating Costs		\$100,000

<u>Construction Funds Secured</u>			
Architectural Services			In Kind
Civil Engineering Services			In Kind
Deschutes County	Cash	\$300,000	
Private Donors	Cash	\$180,000	
Total Funds Secured			\$480,000

Balance needed for construction \$20,000

Operational Funding Secured

-Deschutes County \$100,000 per year

Balance needed for operations \$0

HB 2006 Compliance Narrative

The Bend Heroes Foundation, in partnership with Central Oregon Veterans Outreach, is applying to expand Veterans Village, an Emergency Shelter at 63255 Service Rd, Bend, OR within the Deschutes County Public Safety Campus. The Expansion will consist of 7 shelters and modified community facilities. The shelters will contain sleeping and restroom facilities and will comply with applicable building codes, and public health and safety codes . The site is within the Urban Growth Boundary of the City of Bend . To the best of our knowledge the site is not within a statewide land use planning goal related to natural disasters and hazards Transportation access for the site will be through via CET route 4 accessed at a covered stop roughly 350 meters from the site. Through CET/Public Transit residents of the Village will be able to access commercial and medical services, as well as the Veterans Administration, the Public Library and other key service providers. Additionally, County Behavioral Health services will also be within the Public Safety Campus.

Both Bend Heroes Foundation and Central Oregon Veterans Outreach ("COVO") are 501(c)3 public benefit non-profits. The Village will be operated by COVO, which has 10 years of experience operating emergency shelters, including two years of successful operations of Veterans Village with 13 residents transitioned to permanent housing in its first 18 months of operations.

In addition to providing shelters containing sleeping and restroom facilities for homeless veterans, the Village will provide showers, storage, laundry, and food preparation services in its community buildings. The grounds will be interconnected with walkways, outdoor meeting areas, and a garden/recreation area. On-site case management within the community facilities will include services for physical and behavior health, housing placement, financial counseling, job placement, and vocational education.

A large, stylized American flag is positioned in the background, with its stars and stripes rendered in a soft, out-of-focus style. The colors are a mix of red, white, and blue.

Central Oregon Veterans Village

Expansion Proposal
4/10/23

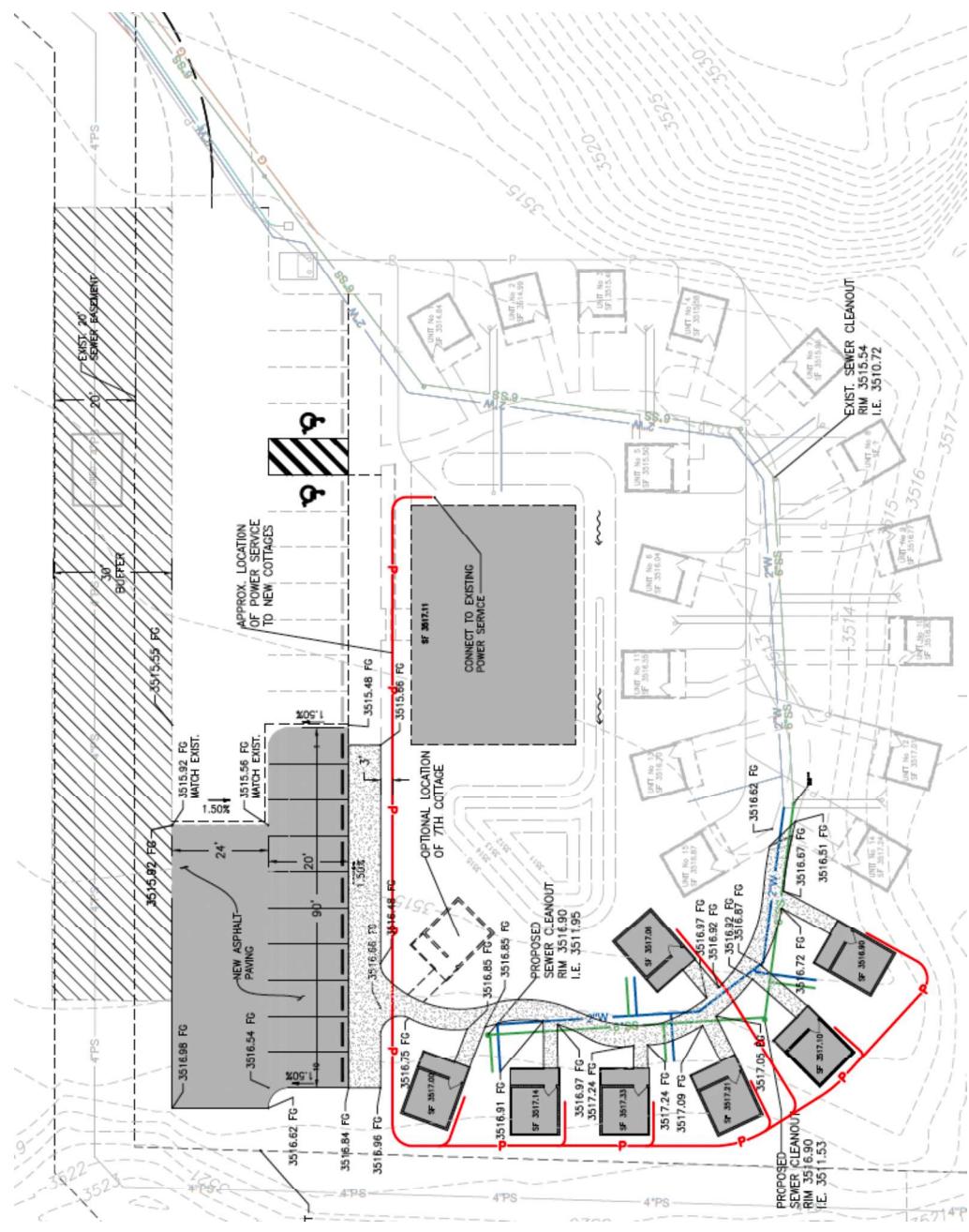
Central Oregon Veterans Village

- Transitional Shelter Community for Homeless Veterans
 - 15 Cabins/Shelters and Community Building
 - Opened 11/11/21, one year after application approval under HB4212
- Public-Private Partnership with City of Bend, Deschutes County, Bend Heroes Foundation and Central Oregon Veterans Outreach
- Objective: To End Homelessness for Central Oregon's Veterans
 - Get homeless Veterans back on their feet so they can gain permanent housing and self sufficiency
- Modeled after Clackamas County's successful operation
 - 20 Homeless Veterans transitioned to Permanent housing over 2 years
- Acute Need for a solution to Veteran Homelessness in Central Oregon
 - COVO VBNL* numbers more than 180 Individuals

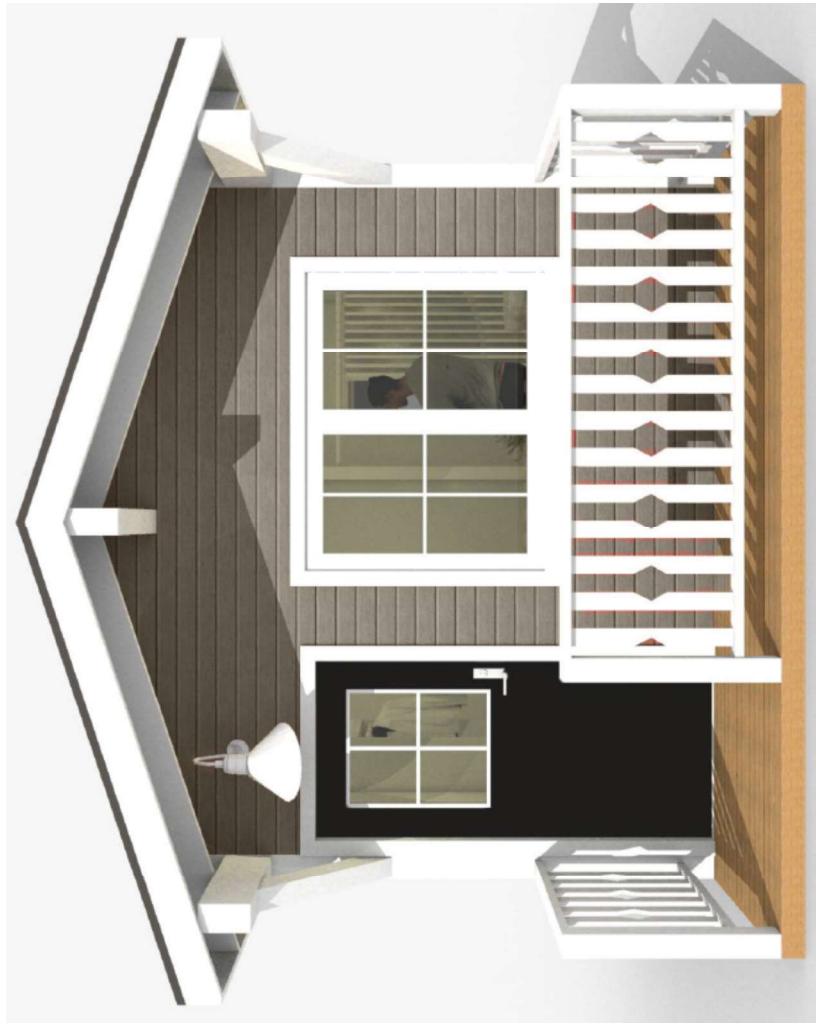
*Veterans by Name List, homeless veterans counted by COVO



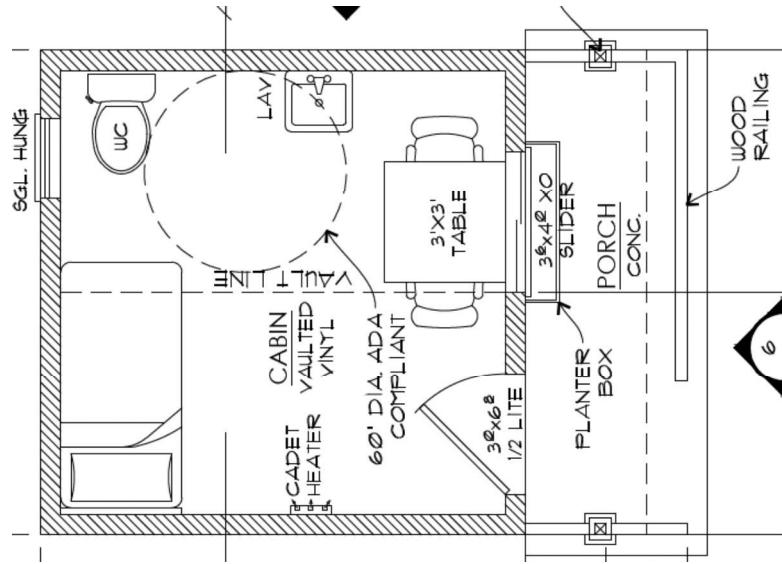
Site Plan-Proposed



Shelter Unit



- 150 Sq FT +/-
- Insulated
- Heated/Air Conditioned
- Toilet
- Sink
- Table
- Closet
- Locking Door



Project scope

- Add 7 Cabins for a total of 22 shelters
- Excavate, Fill and Grade Eastern portion of property
- Expand utilities
- Construct 7 12x12 Cabins, same design as original 15
- Minor changes to improve ease of construction
- Pave Perimeter Path
- Landscaping

Services

- Continue existing services, expanded to 7 additional residents
- On Site Case Management
 - Job placement
 - Physical Health
 - Mental Health
 - Substance Abuse
- Benefits coordination (VA, Social Security, etc.)

Project Budget

- Site Preparation
 - Excavation/Fill/Grading \$205,000
 - Utilities \$100,000
 - Paving \$50,000
 - Landscaping \$40,000
 - Cabin Construction \$15,000
- Community Building Modification \$245,000
- Total Project \$50,000
- Total Project \$500,000

Project Timeline

- Engineering 5/15/23
- Excavation/Utilities 7/1/23
- Grading/Fill 8/1/23
- Cabin Construction 10/1/23
- Occupancy 11/11/23

Questions?

centraloregonveteransvillage.org

bendheroes@gmail.com