

Klickitat County Port District No. 1  
**RESOLUTION NO. 12-2010**

A Resolution of the Port of Klickitat Commission  
**Establishing a Leasehold Improvements Policy**

**WHEREAS**, the Port owns and leases facilities to others; and

**WHEREAS**, Port tenants may wish to alter the facilities to meet their needs through Leasehold Improvements; and

**WHEREAS**, the Port Commission desires to provide its tenants with the freedom to alter the Port's facilities to suit their needs;

**NOW, THEREFORE, BE IT RESOLVED** that the Port Commission hereby rescinds all previous leasehold improvement policies and establishes the following leasehold improvement policy to be incorporated into all future leases and other agreements according to the following provisions:

1. Structural Components shall be defined as trusses, walls, supports, beams, posts, columns, rigid frames, and all other elements constructed to maintain the safety, stability, and integrity of a structure.
2. Exterior Components shall be defined as exterior walls, roof(s), lights, doors, windows, and all other elements installed on, or forming a part of, the exterior of a structure.
3. Leasehold Improvements shall be defined as any changes made to a facility by a tenant at its cost.
4. Tenant Improvements shall be defined as any changes made to a facility by the Port to accommodate the needs of a tenant.
5. Demolition shall be defined as the temporary, transitory, or permanent removal of any part, element, Component, or Improvement of a facility.
6. Leasehold Improvements may be constructed subject to the following requirements:
  - a. Tenant must request and receive written approval from the Port in advance of constructing any Improvements.
  - b. Tenant shall deliver to the Port engineered drawings of the work to be completed at the time of the request for approval.
  - c. Tenant must deliver a copy of any permit application to the Port within three (3) business days of submitting it.
  - d. Improvements must meet all applicable building codes and other requirements as may be established by state and local agencies.
  - e. Improvements are subject to all applicable inspections.
  - f. Tenant must deliver a copy of all signed final inspection notices to the Port within three (3) business days of receipt.
  - g. Engineered drawings of the completed work and reflecting any changes from the initial drawings submitted, if any, and known as "As-Builts" shall be provided in paper and electronic form within ten (10) business days of the completion of the Improvements.
7. Leasehold Improvements that do not include Demolition, do not affect Exterior or Structural Components, and cost less than \$10,000 (as estimated on any applicable permit) are exempt from requirements 6a and 6b (above).

8. At the termination of its lease, tenant shall, at its own cost and without regard to expense:
  - a. Return the premises to the same (or better) condition as existed at the time of first occupancy including, but not limited to, the removal of all Leasehold Improvements constructed during the term of its tenancy, unless otherwise agreed to, in writing, by the Port.
  - b. Restore any and all Components and Improvements, except Leasehold Improvements, subjected to Demolition during the term of its tenancy.

**ADOPTED IN OPEN SESSION** this 5th day of October, 2010.

ATTEST:

**PORT OF KLICKITAT COMMISSION**

/s/ MARGIE ZIEGLER  
Margie Ziegler, Port Auditor

/s/ S. WAYNE VINYARD  
S. Wayne Vinyard, President

/s/ WILLIAM A. SCHMITT  
William A. Schmitt, Vice-President

PORT SEAL

/s/ JIM HERMAN  
Jim Herman, Secretary