

ORDINANCE No. 185705 As Amended

Authorize the Office of Management and Finance to exchange real property with Legacy Emanuel Hospital and Health Center (Ordinance)

The City of Portland ordains:

SECTION 1. The Council finds that:

1. The City is the owner of the real property, approximately 29,340 sq ft, legally described as Abends Addition, Block 1, Lots 1 to 9, Tax Lot 700, with Property Tax ID No. R100180 ("the Kerby Lot"). The Kerby Lot is situated across from OMF's CityFleet office and maintenance/repair building 2835 N Kerby Avenue. The Kerby Lot is used for parking City vehicles or equipment requiring fleet services and as a paved area for City vehicle parking and staging. OMF's Facilities Services Division ("Facilities Services") is assigned property management responsibility for the Kerby Lot, Stanton Yard and CityFleet facilities. The 2011 tax assessed value of the Kerby Lot is approximately \$350,700.
2. Legacy Emanuel Hospital and Health Center ("Legacy") is an Oregon public benefit corporation, operating as an IRC 501(c)(3) organization that provides health care services in the Portland community at its hospital campus located at 2801 N Gantenbein Avenue ("the Legacy Campus"). Legacy desired additional real property in order to undertake comprehensive expansion and development of the Legacy Campus. Legacy identified the Kerby Lot as a desirable parcel since the Kerby Lot is contiguous to the border of the Legacy Campus.
3. It is the intent of Legacy as part of its campus expansion to develop larger state-of-the-art operating rooms, including outpatient, minimally invasive, and robotic surgery at the Legacy Campus and to additionally reconfigure part of its operation rooms (OR) with a pediatric focus to address specific needs of children.
4. Legacy is the owner of a parcel of vacant and undeveloped land at 2729 N Kerby Avenue, approximately 2,970 sq feet, legally described as Proebstels Addition, Block 15, east 33 1/3 feet of Lots 9 and 10, with Property Tax ID no. R250594 ("the Legacy Lot"). The 2011 tax assessed value of the Legacy Lot is approximately \$87,000.
5. The City has determined that the impact of the loss of the Kerby Lot to the City's operational and functional requirements can be mitigated by the real property exchange, Legacy's financial offerings and the City's development of previously vacant City properties. A City wide poll of Bureaus indicated that there were no other Public interests in this property other than the Fleet operations.

6. As incentive to the City and in order to provide substitution for the public need for the Kerby Lot, Legacy will:
 - A. Enter into a land swap with the City wherein Legacy will exchange its Legacy Lot to the City for the City's Kerby Lot, in their "AS IS" conditions, with bargain and sale deeds;
 - B. Tender \$1,100,000 to the City;
 - C. Provide operations impact payment to the City of \$53,700 annually for ten years; a promissory note will be given to the City;
 - D. Lease to the City the Kerby Lot for 24 months for continued existing uses after conveyance of the Kerby Lot to Legacy, with no rent charged;
 - E. Grant use of a to-be-identified portion of Legacy Campus property located at N Russell Street for the City's emergency activation parking under an emergency parking easement agreement for a period of five years.
7. The City will utilize this \$1,100,000 to undertake improvement to the Legacy Lot and other parcels owned or leased by the City and the potential acquisition of other properties as determined necessary so that the City would have a substitute location to continue CityFleet operations based at the Kerby Lot. OMF intends to develop the Legacy Lot and City owned parcels located on N Graham Street and N Kerby Avenue, in Portland, as a replacement surface parking lot;
8. The City will utilize the \$53,700 annual payments to offset additional development and operational costs in support of fleet operations.
9. A copy of *The Kerby/Legacy Project – Emanuel Medical Center OR and ICU Expansion Project* presentation to Council is attached as Exhibit A.

NOW, THEREFORE, the Council directs:

- a. The Kerby lot, legally described as Abends Addition, Block 1, Lots 1 to 9, Tax Lot 700, with Property Tax ID No. R100180, is hereby declared surplus, and the Bureau of Internal Business Services is hereby instructed to dispose of the same through the process of a Real Estate Exchange and Purchase Agreement with Legacy Health.
- b. The Office of Management and Finance, through its Chief Administrative Officer (CAO) or designee, is authorized to execute a Real Estate Exchange and Purchase Agreement, a Commercial Lease, and an Emergency Parking Easement Agreement, in forms substantially in accordance with the attached and incorporated Exhibit B, subject to City Attorney's review and approval as to form.

- c. The CAO or designee may take all other necessary actions on behalf of the City, including executing any documents for the Legacy transaction, such as deeds and escrow instructions; entering into negotiations associated with acquisition of other properties as determined necessary to develop substitute a site in support of fleet operations; and execute any documents such as deeds and escrow instructions associated with those acquisitions.

Passed by the Council: OCT 31 2012

Mayor Sam Adams

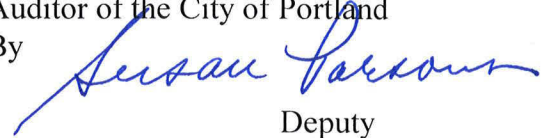
Prepared by: Bryant Enge

Date Prepared: 10-17-12

LaVonne Griffin-Valade

Auditor of the City of Portland

By



Deputy

Agenda No. **185705** **As Amended**
ORDINANCE NO.
 Title

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<p>INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams</p>	<p>CLERK USE: DATE FILED <u>OCT 19 2012</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Adams <i>Sam</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p style="text-align: right;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: OMF/Bureau of Internal Business Services</p> <p>CAO: Jack D. Graham <i>JDG</i></p> <p>Bureau Head: Bryant M. Enge <i>BME</i></p>	<p>ACTION TAKEN:</p> <p style="text-align: center;">OCT 24 2012 PASSED TO SECOND READING As Amended</p> <p style="text-align: right;">OCT 31 2012 9:30 A.M.</p>
<p>Prepared by: Bryant Enge Date Prepared: October 17th, 2012</p>	
<p>Financial Impact & Public Involvement Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document</p> <p>If "Yes" requires City Policy paragraph stated in document.</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	
<p>Council Meeting Date</p> <p>October 24th, 2012 <i>[Signature]</i></p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p>	

AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: 10:00 AM</p> <p>Total amount of time needed: 45 Min (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	_____	_____