ORDINANCE No. 188218

*Authorize a 39-month sub-lease with Premera Blue Cross, for space at 2020 SW 4th Ave, known as as the CH2M Center, for use by Bureau of Development Services for approximately \$1,645,445 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

- 1. The Bureau of Development Services ("BDS") is experiencing an unprecedented growth in terms of workload and staffing and the current location at 1900 SW Fourth Avenue, Portland, Oregon, and commonly known as the 1900 Building, is a City co-owned property with Portland State University and is at full capacity.
- 2. BDS needs to locate as close to 1900 Building as possible because of the close working relationships between these teams and the rest of the bureau. Therefore, BDS desires to sub-lease 18,652 square feet from Premera Blue Cross located in certain space at 2020 SW 4th Avenue., Suite 1000, Portland, Oregon, and commonly known as the CH2M Center a LEED Gold Certified building.
- 3. The annual sub-lease cost is approximately \$519,000 with no annual increases over the remaining term of the sub-lease. Funds are available to cover the sub-lease agreement and are included in the BDS's five-year financial forecast.
- 4. Pursuant to Resolution #3701 "Reaffirming the City's Interest to Maximize Investment in City-Owned Facilities and Directing the Office of Management and Finance to Fully Implement ADM" 13.01, the Bureau of Internal Business Services ("BIBS") is working with bureaus to fully implement ADM 13.01 and ART 3.01 by bringing City operations back into City-owned facilities when possible.
- 5. BIBS and BDS have strategically assessed the space need against availability of space in existing City-owned facilities in the downtown Central Business District. There are no viable options within City-owned facilities to provide sufficient space to accommodate the additional space needs.
- 6. Financial impact is on average approximately \$506,300 per year, through the term of the sub-lease.

NOW, THEREFORE, the Council directs:

The Director of the Bureau of Internal Business Services or his designee is authorized to execute documents as necessary, once approved as to form by the City Attorney, for the sub-lease at 2020 SW Fourth Avenue through not later than April 30, 2020.

Section 2. The Council declares that an emergency exists in order that this sub-lease agreement may occur without delay; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council:

FEB 0 1 2017

Commissioner Chloe Eudaly

Prepared by: Pauline Goble/Deborah Sievert Morris Date Prepared: January 3rd, 2017

Mary Hull-Caballero

Auditor of the City of Portland

By

Agenda No. ORDINANCE NO.

188218

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Title

*Authorize a thirty-nine-month sub-lease with Premera Blue Cross, for certain space at 2020 SW-Fourth 4th Avenue, Suite 1000, Portland, Oregon, commonly known as known as the CH2M Center, through not later than April 30, 2020, for approximately \$1,645,445 (Ordinance)

Serveren JAN 2 4 2017 **INTRODUCED BY** CLERK USE: DATE FILED Commissioner/Auditor: Eudaly Mivy **COMMISSIONER APPROVAL** Mary Hull Caballero Auditor of the City of Portland Mayor—Finance & Administration - Wheeler Position 1/Utilities - Fritz Position 2/Works - Fish Deputy Position 3/Affairs - Saltzman Position 4/Safety - Eudaly ACTION TAKEN: **BUREAU APPROVAL** Bureau: OMF CAO: Tom Rinehapt Bureau Head: BIBS: Bryant Engex Prepared by: PGoble Date Prepared: January 3, 2017 Impact Statement Completed Amends Budget Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes No 🛛 City Auditor Office Approval: required for Code Ordinances City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter Council Meeting Date 2/1/2017

AGENDA	
TIME CERTAIN Start time:	
Total amount of time needed:(for presentation, testimony and discussion)	
CONSENT & Pulled	
REGULAR	
Total amount of time needed: (for presentation, testimony and discussion)	

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	/	
2. Fish	2. Fish	V .	
3. Saltzman	3. Saltzman	/	
4. Eudaly	4. Eudaly	/	
Wheeler	Wheeler	/	