

## ORDINANCE No.

189167

\*Declare one modular building as surplus personal property and authorize the Office of Management and Finance - Facilities to proceed with disposition of the property. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. Through Ordinance 186463, dated February 19, 2014, the City received the net amount of \$858,000 ("Funds") to undertake certain real property acquisition and related tasks. These Funds had been held in the Facilities Services Fund ("Account") on behalf of Right to Dream Too. The Ordinance authorized the Funds to be used to find a site for relocating Right to Dream Too including the purchase or leasing of an alternative site, making improvements to such site and paying for operations at such site.
2. Using the Funds, the Office of Management and Finance - Facilities ("OMF") purchased a 2,400 square foot multiple purpose modular building ("Modular") in 2016 for \$216,175 for the Project.
3. It was intended that the Modular would be used as a communal space with bathrooms, showers, laundry and kitchen facilities. However, in August 2016, the State Land Use Board of Appeals (LUBA) determined that the proposed relocation site is inconsistent with the zoning code and OMF could not place the Modular at the proposed relocation site.
4. OMF did not have any operational use for the Modular. OMF made inquiries of other City Bureaus for their potential need or use of the Modular. No interest was received from other City Bureaus. OMF reached out to a number of non-profit agencies to solicit their interest in making use of the Modular building for homelessness services use, but no interest was received. OMF is seeking to sell the modular building to restore funds to the Right to Dream Too Account.
5. To ensure that the City can recoup value from its monetary investment in the Modular, OMF seeks to dispose of the Modular through an external auction service ("Auction"). OMF will comply with City Accounting Administrative Rules regarding disposal of Capital Assets. It is intended that the sealed bid Auction will establish an "as-is" sale seeking an all cash transaction with a minimum selling price or other commercially reasonable sales parameters.
6. In the event Auction is unsuccessful, OMF will take reasonable action to evaluate and undertake other disposition methods.

NOW, THEREFORE, the Council directs:

- a. The Modular is declared surplus Capital Asset and the Deputy Chief Administrative Officer of the Office of Management and Finance ("DCAO"), or designee, is authorized to take all steps necessary to dispose of the Modular.
- b. The DCAO may undertake disposition by external auction service seeking the best price, terms and conditions, and is hereby authorized to execute on behalf of the City any and all documents approved by the City Attorney required for disposition of the Modular. In the event the auction is unsuccessful, DCAO may evaluate and undertake other reasonable methods for prompt disposition in order to obtain recoupment for the City.
- c. Upon completion of disposition of the property, OMF will allocate gross sales proceeds in the following priority: a) pay for costs associated with disposition; b) reimburse funding sources other than the Account associated with Ordinance No. 186463 for moneys used for the relocation project and property management expenditures (such as but not limited to site assessment, engineering and right of way services, site improvement, property repair and maintenance, but excluding internal staff costs for OMF project management); c) then replenish the Account associated with Ordinance No. 186463 up to the original starting balance; and d) then reimburse funding sources to cover internal staff costs for BIBS project management; and e) if there is a remainder, allocate to Campsite Services programming.

Section 2. The Council declares that an emergency exists because a delay in disposing of the property would unreasonably impact the sale and development of the property, therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: SEP 12 2018

Mayor Wheeler  
Prepared by: Pauline Goble  
Date Prepared: August 28, 2018

**Mary Hull Caballero**

Auditor of the City of Portland

By



Deputy

964

Agenda No.

ORDINANCE NO.

Title

189167

J/40

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<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Mayor Wheeler</b>	CLERK USE: DATE FILED <u>SEP 04 2018</u>
<b>COMMISSIONER APPROVAL</b> Mayor—Finance & Administration - Wheeler <i>MP</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Eudaly	Mary Hull Caballero Auditor of the City of Portland By: <i>[Signature]</i> Deputy
<b>BUREAU APPROVAL</b> Bureau: OMF CAO: Tom Rinehart Bureau Head: Carmen Merlo <i>CM</i> Facilities Manager: David O'Longaigh <i>DOL</i> Prepared by: Pauline Goble Date Prepared: 8/28//2018 Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> City Auditor Office Approval: required for Code Ordinances City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <i>[Signature]</i> Council Meeting Date <b>9/12/2018</b>	<b>ACTION TAKEN:</b> CONTINUED TO SEP 12 2018 SEP 12 2018 3:00 PM

<b>AGENDA</b> <b>TIME CERTAIN</b> <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion) <b>CONSENT</b> <input checked="" type="checkbox"/> <i>Pulled</i> <b>REGULAR</b> <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)	<table border="1"> <tr> <th>FOUR-FIFTHS AGENDA</th> <th colspan="2">COMMISSIONERS VOTED AS FOLLOWS:</th> </tr> <tr> <th></th> <th>YEAS</th> <th>NAYS</th> </tr> <tr> <td>1. Fritz</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>2. Fish</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>3. Saltzman</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>4. Eudaly</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>Wheeler</td> <td></td> <td></td> </tr> </table>	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:			YEAS	NAYS	1. Fritz	<input checked="" type="checkbox"/>		2. Fish	<input checked="" type="checkbox"/>		3. Saltzman	<input checked="" type="checkbox"/>		4. Eudaly	<input checked="" type="checkbox"/>		Wheeler		
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