

ORDINANCE No. 189627

*Authorize a 61 month lease from Jason and Myungja M. Lee to the Office of Management and Finance for space at 220 SW Main St located on the ground floor of the Justice Center for programs with ancillary services to the building at an average annual cost of approximately \$54,500 (Ordinance)

The City of Portland Ordains:

Section 1. The Council finds:

1. The Justice Center ("Building") is a public condominium located in Portland, Oregon that contains court, corrections and police services as well as ground floor retail facilities.
2. The City of Portland ("City"), by and thru the Office of Management and Finance ("OMF") and Multnomah County ("County") own the majority of the condominium units and have the shared purpose of operating and maintaining the Building. Jason and Myungja M. Lee ("the Lees") own the minority of the condominium units which are ground floor retail spaces.
3. The City, County and the Lees, as the condominium unit owners ("Owners"), collectively share in a supportive Owner relationship and desire that the Building be fully occupied. The Lees have a vacant space to rent on the ground floor of the Building with an address of 220 SW Main Street ("Retail Space").
4. OMF reviewed existing space needs to find the right City bureau that could occupy the Retail Space so the result would be an active and fully occupied Building. The Portland Police Bureau ("PPB") requires working space for two functions with ancillary services to the use of the Building. The Quartermaster program, which is an inventory management provider of uniforms and equipment for bureau members. The Operations Branch operates Central Precinct on the ground level and is in need of dedicated community member meeting space.
5. City Binding Policy ADM 13.01 directs bureaus to locate their operations in City owned or controlled facilities when these facilities reasonably meet the business need of the bureaus. Resolution No. 37017 reaffirmed ADM 13.01 and directed the Office of Management and Finance ("OMF") to work with bureaus to fully implement relevant policies by bringing City operations back into City-owned facilities when cost effective to do so, and to bring new leases or rental agreements to Council for approval.
6. OMF would like to execute a 61 month lease ("Lease") for working space from the Lees for PPB's Programs to be located at the Retail Space. The Lees are willing to lease to the City at commercially reasonable rental rates and terms. OMF has determined that the proffered Lease would meet the needs of the Programs.

7. Rent for the initial term is \$52,128 per year with annual increases of 2.5%. PPB has budgeted for a 5-year term with payments funded by existing bureau General Fund appropriation within the Quartermaster program in Fiscal Services. It is anticipated that efficiencies in resource management in the new location will offset the costs of this lease. The Lease includes one five (5) year option to renew.

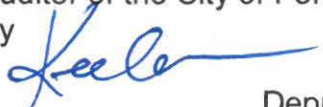
NOW, THEREFORE, the Council directs:

- a. The OMF Manager of the Division of Asset Management is authorized to execute a lease, including any necessary amendment or extension, to accommodate operations of the PPB, with the specific lease term to be subject to commercially reasonable rental rates and terms consistent with other City commercial office leases and vetted by OMF property management, with a lease term of approximately 61 months, and final agreement subject to approved as to form by the City Attorney.

Section 2. The Council declares that an emergency exists in order that this Lease agreement may occur without delay to promptly bring the property to full and active occupancy; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: JUL 31 2019

Mayor Ted Wheeler
Prepared by: Pauline Goble
Date Prepared: June 10, 2019

Mary Hull Caballero
Auditor of the City of Portland
By  Deputy

724
Agenda No. _____
Item Type: Ordinance No. 189627
Council Meeting Date: July 31, 2019

Title: *Authorize a 61 month lease from Jason and Myungja M. Lee to the Office of Management and Finance for space at 220 SW Main St located on the ground floor of the Justice Center for programs with ancillary services to the building at an average annual cost of approximately \$54,500 (Ordinance)

AGENDA TYPE

☐ Consent

☒ Regular

☐ Time Certain Start Time

Item ¹ of 1

Total amount of time needed for presentation, testimony and discussion (Regular and Time Certain Only): 10 Minutes

INTRODUCED BY: Mayor Wheeler

COMMISSIONER / AUDITOR APPROVAL

Mayor - Finance & Admin. - Wheeler Digitally signed by Mustafa Washington
Date: 2019.07.23 13:28:29 -0700

Position 1/ Utilities - Fritz

Position 2/ Works - Fish

Position 3/ Affairs - Hardesty

Position 4/ Safety - Eudaly

City Auditor - Hull Caballero

1) Is a completed Impact Statement attached? ☒ Yes

3) Is the item a Code ordinance? ☐ Yes ☒ No

If yes, Auditor Office Approval

5a) Is item a Portland Policy Document or Administrative Rule?

☐ Yes ☒ No

BUREAU APPROVALS

Bureau: OMF/CAO

OMF/CAO: Tom Rinehart Digitally signed by Tom Rinehart
Date: 2019.07.15 10:08:00 -0700

Bureau Approval: Shoshanah Oppenheim Digitally signed by Shoshanah Oppenheim
Date: 2019.07.15 09:42:40 -0700

Prepared By: Pauline Goble

Date Prepared: July 12, 2019

2) Does the item amend the budget? ☐ Yes ☒ No
If yes, Budget Office Approval

4) Is this item a contract (current or future), code, easement, franchise, comp plan or Charter? ☒ Yes ☐ No
If yes, Attorney Office Approval

Linda Law Digitally signed by Linda Law
Date: 2019.07.10 16:47:47 -0700

5b) If yes, is the City Policy/Admin Rule directive in the ordinance or resolution? ☐ Yes ☒ No

ACTION TAKEN:

JUL 31 2019

Rescheduled to July 31, 2019 at 2:00 pm

CLERK USE: DATE FILED 7/23/19

Mary Hull Caballero
Auditor of the City of Portland

By: Keelan McClymont Digitally signed by Keelan McClymont
Date: 2019.07.24 08:42:56 -0700
Deputy

FOUR-FIFTHS AGENDA

1. Fritz
2. Fish
3. Hardesty
4. Eudaly
Wheeler

COMMISSIONERS VOTED AS FOLLOWS:

	YEAS	NAYS
1. Fritz	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Fish	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Hardesty	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Eudaly	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Wheeler	<input checked="" type="checkbox"/>	<input type="checkbox"/>