

## IMPACT STATEMENT

**Legislation title:** Authorize a lease extension with 2020 Portland Owner, LLC, for office space at Jacobs Center 2020 SW 4<sup>th</sup> Ave, expiring October 31, 2022 and October 31, 2024, at an average annual estimated cost of \$1.3 million (Ordinance)

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### Purpose of proposed legislation and background information:

The Bureau of Development Services ("BDS") expects demand for services to remain high and requires space sufficient to maintain existing staffing levels. BDS' current main location at 1900 SW Fourth Avenue, Portland, Oregon, commonly known as the 1900 Building, is a City co-owned property with Portland State University and is at full capacity.

BDS leases approximately 19,641 square feet from 2020 Portland Owner, LLC, on the 1<sup>st</sup> and 6<sup>th</sup> floors at 2020 SW Fourth Avenue, commonly known as the Jacobs Center. BDS also sub-leases approximately 18,652 square feet from Premera Blue Cross on the 10<sup>th</sup> floor at the Jacobs Center ("the Center"). The total leased space at the Center is approximately 38,293 square feet.

After the 10<sup>th</sup> floor sub-lease expires on April 30, 2020, BDS wishes to remain in the space under an amendment to the existing 1<sup>st</sup> & 6<sup>th</sup> floor lease with 2020 Portland Owner, LLC, commencing May 1, 2020 thru October 31, 2022. The amendment to add the 10<sup>th</sup> floor space also extends the term for the 1<sup>st</sup> floor space to October 31, 2024.

### Financial and budgetary impacts:

The annual lease cost is approximately \$1,300,000. Annual increases over the remaining term of the lease extension are approximately 3%. Funds are available to cover the increased rent over the lease term and are included in BDS' five-year financial forecast.

### Community impacts and community involvement:

None

### Budgetary Impact Worksheet

#### Does this action change appropriations?

☐ **YES:** Please complete the information below.

☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount