ORDINANCE No. 187325

*Authorize acquisition of property at 4747 WI/E. Burnside Street from Katharine Lawrence, Peter Lawrence and Kenneth Moholt-Siebert by the Bureau of Internal Business Services (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

- Katharine Lawrence, Peter Lawrence and Kenneth Moholt-Siebert (the Sellers) own a 100% interest in the property at 4747 WI/ E. Burnside, Portland [R319223]. The private property is physically attached to, and part of, a two-story parking structure that is surrounded on three sides by City-owned property, otherwise known as the Penumbra Kelly Building Property. The private property is integral to the structural integrity of the entire parking garage/parking lot.
- 2. The Facilities Services division of the Bureau of Internal Business Services (Facilities) had previously leased from Multnomah County 54.3% of the Penumbra Kelly Building Property since 1982 for use as a Portland Police Bureau (PPB) Precinct, which included the private property. In 2005, the Sellers acquired their interest after the long term lease Multnomah County had with the previous owners was not extended and the private property was put up for sale.
- 3. Ordinance No. 184998 was passed by Council on November 16, 2011 to authorize Facilities to purchase Multnomah County's interest in the Penumbra Kelly Building Property for \$1.65 million. Facilities contacted the Sellers to express interest in acquiring the private property so the site would be complete and could be fully utilized. Previous attempts to negotiate an acquisition of the private property were not successful.
- 4. The PPB Precinct operations moved out in 2009 but the site is currently occupied by PPB investigative units, the Office of Neighborhood Involvement (ONI) and Facilities.
- 5. The PPB wishes to increase its presence in the neighboring community by placing additional operating units at the Penumbra Kelly Building. The constraint that limits the PPB is the availability of parking space for police vehicles and specialty rigs. Acquisition of the private property in the two-story parking structure will remove a major impediment to placing additional PPB operations onto the site.
- 6. Facilities, on behalf of the PPB, has negotiated a Purchase and Sale Agreement for acquisition of the property at 4747 WI/E. Burnside, Portland, Oregon at a sale price of \$485,000 plus closing costs. The negotiated purchase price is within the range of appraised value obtained by Facilities by a professional fee appraisal.
- 7. Facilities has determined that the cost to acquire nearby replacement property could cost in excess of \$500,000. This is without considering demolition of existing structures and subsequent site improvement and permitting costs.

- 8. The PPB's FY 2015-16 Adopted Budget includes a \$265,000 carryover from its FY 2014-15 operating budget specifically to fund this acquisition. Absent additional one-time appropriation for the purchase, the gap could be covered within the bureau's existing budget by reprioritization of current projects.
- 9. The sale agreement and closing documents will be approved as to form by the City Attorney.

NOW, THEREFORE, the Council directs:

- a. The Chief Administrative Officer, or designee, is authorized to take all actions to complete transaction and accept title to the property. The Chief Administrative Officer, or designee, is authorized to coordinate and direct the transfer of funds from the appropriate account for the acquisition, including closing costs, from the Facilities Services Fund.
- b. The Chief Administrative Officer, or designee is hereby authorized and directed to sign and accept deeds for the acquisition of the property at 4747 WI/ E Burnside, Portland, Oregon.
- c. The FY 2015-16 interagency service agreement with Facilities Services Division of the Bureau of Internal Business Services as provider and the Bureau of Police, or other potential tenants, as receiver will be amended in the next Budget Monitoring Process Ordinance.

Section 2. The Council declares an emergency exists since a delay in acceptance of the sale agreements and execution of the deeds in a timely manner may cause additional costs to both the Bureau of Internal Business Services and the Sellers; therefore, this ordinance shall be in full force and effect from and after its passage by Council.

Passed by the Council:

SEP 09 2015

Mayor Charlie Hales Prepared by: Pauline Goble Date Prepared: August 27th, 2015

Mary Hull Caballero Auditor of the City of Portland hison factors By Deputy

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Agenda No. ORDINANCE NO. 187325

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Title

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INTRODUCED BY Commissioner/Auditor: Mayor Charlie Hales	CLERK USE: DATE FILED SEP 0 4 2015
COMMISSIONER APPROVAL	Mary Hull Caballero
Mayor-Finance and Administration - Hales	Auditor of the City of Portland
Position 1/Utilities - Fritz	
Position 2/Works - Fish	By: Augan Parrows
Position 3/Affairs - Saltzman	Deputy
Position 4/Safety - Novick	ACTION TAKEN:
BUREAU APPROVAL	
Bureau: Bureau of Internal Business Services	
Bureau Head: Bryant Enge	
Prepared by: Pauline Goble	
Date Prepared: 8/27/2015	
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: September 9, 2015	

AGENDA	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
TIME CERTAIN Image: Control of the second			YEAS	NAYS
Total amount of time needed:	1. Fritz	1. Fritz	-	
(for presentation, testimony and discussion)	2. Fish	2. Fish	-	
CONSENT	3. Saltzman	3. Saltzman	-	
	4. Novick	4. Novick	-	
Total amount of time needed: (for presentation, testimony and discussion)	Hales	Hales	-	