

**Ordinance No. 187634**

Authorize a three-year lease extension with Pioneer Office, LLC for the Bureau of Environmental Services' leased premises at Pioneer Tower through November 30, 2019 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. Pursuant to Resolution #37017 "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.
2. Pursuant to Resolution #37017, BIBS is working with bureaus to meet their operational space needs, and to determine the feasibility of meeting those needs by using City-owned office space.
3. Due to the pending renovations planned for the Portland Building, the Portland Building is not a viable option to provide sufficient space to accommodate the needs of the Bureau of Environmental Services (BES).
4. The City currently leases approximately 16,754 square feet from Pioneer Office, LLC, on the fourth floor, Suites 400 and 410, in the building known as Pioneer Tower, located at 888 SW Fifth Avenue, with an expiration date of November 30, 2016. The Parties agree to extend the Term of the lease for an additional three year period. The 2015-2016 annual lease cost is approximately \$502,620.
5. Annual increases over the remaining term of the new lease are approximately 2.4%. Funds are available to cover the new lease agreement and are included in the bureau's 5 year financial forecast.
6. It will not be feasible to relocate these operations to City space by November 30, 2016.
7. This lease extension provides only a three-year extension until November 2019. The Portland Building renovation project completion is estimated for 2020, and it will be infeasible for BES to relocate its operations back to City-owned spaces in the Portland Building. The Office of Management and Finance needs the flexibility to negotiate one further lease extension for BES until City-owned facilities are available in the Portland Building.

NOW, THEREFORE, the Council directs:

- a. 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, to

extend the lease term at 888 SW Fifth Avenue for an additional three-year period of time through November 30, 2019. The Director is further authorized to negotiate and execute one additional lease extension for BES after the expiration of the three-year extension term so long as City-owned facilities are not available due to the Portland Building renovation project.

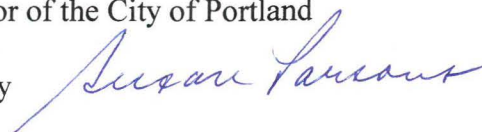
Passed by Council,  
Mayor Charlie Hales  
Prepared by Pauline Goble

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MAR 23 2016

Mary Hull Caballero  
Auditor of the City of Portland

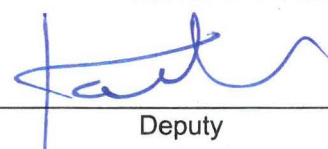
By:  
Deputy



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Agenda No.  
**Ordinance NO. 187634**  
 Title

Authorize a three year lease extension with Pioneer Office, LLC, for the Bureau of Environmental Services' leased premises at the building known as the Pioneer Tower through November 30, 2019. (Ordinance), amend  
 Contract No. 53134)

<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Mayor Charlie Hales</b>	CLERK USE: DATE FILED <b>MAR 08 2016</b>
<b>COMMISSIONER APPROVAL</b> Mayor—Finance and Administration - Hales Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Novick	Mary Hull Caballero Auditor of the City of Portland  By: _____ Deputy
<b>BUREAU APPROVAL</b> Bureau: Fred Miller, CAO <i>for met</i> Bureau Head: Bryant Enge, Director <i>for</i>	<b>ACTION TAKEN:</b> <b>MAR 16 2016 PASSED TO SECOND READING MAR 23 2016 9:30 A.M.</b>
Prepared by: Lynne Casey, Pauline Goble Date Prepared: Feb 22, 2016	
<b>Impact Statement</b> Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
<b>Portland Policy Document</b> If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>City Auditor Office Approval:</b> required for Code Ordinances	
<b>City Attorney Approval:</b> required for contract, code, easement, franchise, comp plan, charter <i>for</i>	
Council Meeting Date <b>March 16, 2016</b>	

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