

ORDINANCE No. 187777

Authorize an Intergovernmental Agreement with Multnomah County to transfer Multnomah County's tenancy interest in the 14th and 15th floors of The Portland Building to the City (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Portland Building (TPB) is a key City government office building with fifteen floors. Through an intergovernmental agreement dated November 16, 1979, Multnomah County was given a 'sublease' in TPB in perpetuity. As a result, the City and the County entered into a Sublease Agreement of January 22, 1981 whereby the County has tenancy interests in the 14th and 15th floors.
2. On or about November 18, 2004, the County through Board Resolution 05-021 determined that it did not need use of the 14th floor and that its operations on the 15th floor could be relocated. County staff commenced discussion with City staff for potential sale or lease of the County's tenancy interest in TPB to the City. Currently, the County has offices for Support Enforcement, Dispute Resolution and Tax Supervisor on the 15th floor.
3. Due to the City's increasing administrative needs, the City entered into a Lease Agreement with the County on or about January 5, 2005 in order for the City to make use of the 14th floor. Currently, the 14th floor is used by the Portland Water Bureau, Office of Management and Finance's (OMF's) Enterprise Business Solution, the Bureau of Human Resources and the Portland Bureau of Transportation.
4. Under the County's Sublease Agreement, the County pays the proportionate share of the overall building operating and maintenance expenses for the 14th and 15th floors. Under the City's Lease Agreement for the 14th floor, the City pays the County's share for building operating and maintenance expense for the 14th floor.
5. The City is reconstructing TPB with the goal to address structural and buildings issues as well as to improve the efficiency and functionality of TPB as a workplace (the "Reconstruction Project"). City bureau tenants and the County as a perpetual tenant would have fiscal responsibility in the overall costs of the Reconstruction Project. The County's anticipated share of the reconstruction cost will likely exceed the value of its tenancy interest.
6. In addition, it may be decided that the Reconstruction Project would require all or some building occupants to relocate to other office or commercial spaces for some or all of the reconstruction period. The County anticipates that its operations on the 15th floor can be relocated to another County space such as the new County courthouse, and the County does not desire to move back to TPB after County relocation space is available.

7. The City wishes to re-acquire full possessory interest in TPB. It is mutually beneficial for the parties to address the County's tenancy interest through relinquishment of interest to the City as indicated in the accompanying intergovernmental agreement.

NOW, THEREFORE, the Council Directs:

- a. The Chief Administrative Office of the Office of Management and Finance, or designee, is authorized to execute an Intergovernmental Agreement, in the form substantially consistent with attached Exhibit A and upon approval to form by the City Attorney, between the City and the Multnomah County.

Passed by the Council: JUN 01 2016

Mayor Charlie Hales
Prepared by: Pauline Goble
Date Prepared: April , 2016

Mary Hull-Caballero
Auditor of the City of Portland

By *Gayla Jennings*

Deputy

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<p>INTRODUCED BY Commissioner/Auditor: Mayor Charlie Hales</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor - Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: Fred Miller, CAO Bureau Head: Bryant Engle, Director</p> <p>Prepared by: PGoble Date Prepared: April 25, 2015</p> <p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p> <p>Council Meeting Date May 25, 2016</p>	<p>CLERK USE: DATE FILED <u>MAY 17 2016</u></p> <p>Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u><i>Austin Pearson</i></u> Deputy</p> <p>ACTION TAKEN:</p> <p><i>Handwritten:</i> MAY 25 2016 PASSED TO SECOND READING JUN 01 2016 9:30 A.M.</p>
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AGENDA

TIME CERTAIN
Start time: _____

Total amount of time needed: _____
(for presentation, testimony and discussion)

CONSENT

REGULAR

Total amount of time needed: _____
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	✓	
2. Fish	✓	
3. Saltzman	—	
4. Novick	—	
Hales	✓	