ORDINANCE No. 187873

*Authorize a three-year lease with SKBERGS 1, LLC for additional office space for Bureau of Development Services at 2020 SW 4th Ave, Suite 190 commonly known as the CH2M Center for approximately \$415,000 per year (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

- 1. The Bureau of Development Services ("BDS") is experiencing an unprecedented growth in terms of workload and staffing and the current location at 1900 SW Fourth Avenue, Portland, Oregon, and commonly known as the 1900 Building, is a City co-owned property with Portland State University and is at full capacity.
- 2. BDS needs to locate as close to 1900 Building as possible because of the close working relationships between these teams and the rest of the bureau. Therefore, BDS desires to lease 13,872 square feet from SKBERGS 1, LLC ("SKB") located in certain space at 2020 SW 4th Avenue., Suite 190, Portland, Oregon, and commonly known as the CH2M Center a LEED Gold Certified building.
- 3. The 2016-2017 annual lease cost is approximately \$415,000. Annual increases over the remaining term of the new lease are approximately 3%. Funds are available to cover the new lease agreement and are included in the BDS's five year financial forecast.
- 4. 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.
- 5. BIBS and BDS have strategically assessed the space need against availability of space in existing City-owned facilities in the downtown Central Business District. There are no viable options within City-owned facilities to provide sufficient space to accommodate the additional space needs.
- 6. Financial impact is on average approximately \$415,000 per year.

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, for the lease at 2020 SW Fourth Avenue for a three-year period through not later than October 31, 2019.

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

Passed by the Council: JUL 06 2016

Commissioner Dan Saltzman

Prepared by: Deborah Sievert Morris

Date Prepared: 6/24/16

Mary Hull-Caballero

Auditor of the City of Portland

Deputy

Agenda No. Ordinance NO.
Title

187873 for Bureau of ment services

*Authorize a three-year lease extension with SKBERGS 1, LLC, for certain space at 2020 SW Fourth Avenue, Suite 190, Portland, Oregon, commonly known as known as the CH2M Center through not later than October 31, 2019, For approximately \$415,000 per year (ordinance) add it is a fixe

INTRODUCED BY Commissioner/Auditor: Mayor Charlie Hales	CLERK USE: DATE FILED
COMMISSIONER APPROVAL Mayor—Finance and Administration - Hales	Mary Hull Caballero Auditor of the City of Portland
Position 1/Utilities - Fritz Position 2/Works - Fish	By: Deputy
Position 3/Affairs - Saltzman Position 4/Safety - Novick	ACTION TAKEN:
BUREAU APPROVAL Bureau: Fred Miller, CAO Bureau Head: Bryant Enge Director	
Prepared by: P. Goble Date Prepared: June 27, 2016	
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 July 6, 2016	

AGENDA		
TIME CERTAIN Start time:		
Total amount of time needed:(for presentation, testimony and discussion)		
<u>CONSENT</u> ⊠		
REGULAR		
Total amount of time needed:(for presentation, testimony and discussion)		

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