ORDINANCE No. 188812 As Amended

*Declare property located at 1988 SE 3rd Ave as surplus real property and authorize the Bureau of Internal Business Services to dispose of the property (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

- The Bureau of Internal Business Services ("BIBS") owns the property located at 1988 SE 3rd Avenue, Portland, Oregon ("Property") composed of approximately 0.42 acres or 18,334 square feet, with Property Tax ID Number R673288, and as further described in the attached Exhibit A.
- 2. A portion of the Property was acquired from the Oregon Department of Transportation ("ODOT") pursuant to Ordinance No. 187259 (passed July 15, 2015), with a Deed transferring title recorded on August 31, 2105, Records No. 2015-112256. This ODOT portion of the Property consisted of approximately 9,073 square feet. Funds for acquisition of the ODOT portion of Property was generated from Ordinance 186463 (passed February 19, 2014).
- 3. The City, through Ordinance No. 187591 (passed February 18, 2016) vacated a portion of SE Harrison Street, east of SE 3rd Avenue, for incorporation into the ODOT acquired parcel, adding approximately 9,229 square feet, and resulting in the approximately 18,334 total square feet for the Property (49% from ODOT purchase and 51% from SE Harrison Street vacation).
- 4. Assigned to BIBS management, the Property was intended as a potential site for relocating Right 2 Dream Too (R2DToo). However, in August 2016, the State Land Use Board of Appeals (LUBA) determined that the proposed relocation and siting use for the Property to be inconsistent with the zoning code, and BIBS had to determine other uses for the Property.
- 5. Due to property zoning, site conditions and location, BIBS has determined that the Property is not suitable for active use and no future use of the Property has been identified. Therefore, for BIBS's operational and business purpose and needs, the Property is considered excess.
- 6. In accordance with ADM-13.02, Disposition of City Real Property, BIBS determined that the Property is a Category 3 real property, and accordingly followed the internal notification process for excess real property by offering the Property to other City bureaus in July 2017. No bureau expressed interest in putting the Property to use.

- 7. Thereafter, BIBS followed the external notification process for excess real property of ADM-13.02 and initiated and complied with the Public Comment Period in the disposition policy, by providing notice provided to the public for 60 days of public comment.
- 8. During the Public Comment Period, the adjacent property owner and a couple of other citizens have become aware of the property's availability and have contacted BIBS to indicate interest in the property.
- 9. No additional feedback has been received from the public since the conclusion of the Public Comment Period.
- 10. BIBS is now before Council to request that Council declare the property surplus and authorize BIBS to dispose of the Property by sale, disposition or exchange as BIBS in its property management expertise determines commercially prudent.
- 11. In the course of the relocation project proposed for the Property, BIBS incurred significant project expenditure. Upon completion of disposition of the property, BIBS will allocate gross sales proceeds in the following priority: a) pay for costs associated with disposition; b) reimburse funding sources other than the account associated with Ordinance No. 186463 for moneys used for the relocation project and property management expenditures (such as including but not limited to site assessment, engineering and right of way services, site improvement, property repair and maintenance, but excluding internal staff costs for BIBS project management); c) then replenish the account associated with Ordinance No. 186463 up to the original starting balance; and d) then reimburse funding sources to cover internal staff costs for BIBS project management; and e) if there is a remainder, allocate to Campsite Services programming.

NOW, THEREFORE, the Council directs:

- a. The Property at 1988 SE 3rd Avenue is declared to be surplus real property.
- b. The Director of the Bureau of Internal Business Services is authorized to take all steps necessary to dispose of the Property by sale, disposition or exchange as determined commercially prudent, under the best price, terms and conditions, and is hereby authorized to execute on behalf of the City any and all documents approved by the City Attorney required for disposition and conveyance of title to the Property.

c. Upon completion of disposition of the property, BIBS will allocate gross sales proceeds in the following priority: a) pay for costs associated with disposition; b) reimburse funding sources other than the account associated with Ordinance No. 186463 for moneys used for the relocation project and property management expenditures (such as including but not limited to site assessment, engineering and right of way services, site improvement, property repair and maintenance, but excluding internal staff costs for BIBS project management); c) then replenish the account associated with Ordinance No. 186463 up to the original starting balance; and d) then reimburse funding sources to cover internal staff costs for BIBS project management; and e) if there is a remainder, allocate to Campsite Services programming.

Section 2. The Council declares that an emergency exists because a delay in disposing of the property would unreasonably impact the sale and development of the property, therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: FEB 07 2018

Mayor Ted Wheeler Prepared by: Pauline Goble Date Prepared: October 30, 2017

Mary Hull-Caballero Auditor of the City of Portland By Lusan Partour Deputy

Agenda No. ORDINANCE NO. 188812 As Amended

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AGENDA	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
TIME CERTAIN Start time:		YEAS NAYS	S
Total amount of time needed: (for presentation, testimony and discussion)	1. Fritz	1. Fritz	
	2. Fish	2. Fish	
	3. Saltzman	3. Saltzman	
REGULAR 🛛	4. Eudaly	4. Eudaly	
30 Total amount of time needed: <u>1x Min</u> (for presentation, testimony and discussion)	Wheeler	Wheeler	

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