

IMPACT STATEMENT

Legislation title: Authorize a 48-month sublease extension with Central City Concern for commercial office space at 110 NW Third Ave through June 30, 2024 at an estimated average lease cost of \$16,362 (Ordinance; amend Contract C52823)

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Purpose of proposed legislation and background information:

In 1995 through Ordinance 162735, the City of Portland, by and through the Mayor's office, entered into a commercial lease agreement with Central City Concern ("CCC") for a neighborhood contact office ("Office Space") for the Portland Police Bureau ("PPB"). The Office Space is located at 110 NW Third Avenue, Portland, Oregon, and more commonly known as the Estate Hotel ("Building").

In 2002 through Ordinance 176738, the Office of Management and Finance ("OMF") was given real property authority to execute agreements to include non-City owned properties. And in 2007, OMF entered into a sublease agreement ("Sublease") with CCC for the Office Space after the Building came under new ownership and CCC retained use of the commercial spaces through a Master Lease agreement

OMF strategically assessed PPB's space needs against availability of space in existing City-owned facilities. There are no viable options within City-owned facilities to meet the area-specific requirements of this key location in Old Town China Town.

The Sublease was extended in 2012 and 2016 to continue PPB's use of the Office Space and PPB wishes to extend the Sublease for a 48-month term. CCC is willing to continue to lease at commercially reasonable rental rates and terms.

Financial and budgetary impacts:

Rent for the initial 12-month term is \$14,748 with annual increases of 4%. Funding for this lease is in the existing PPB budget. OMF will add this lease to the Interagency Agreement between OMF and PPB in the Spring BMP and the FY 2021-22 agreement in either the Adopted Budget or Fall BMP.

Community impacts and community involvement:

This space allows PPB to have a more consistent presence in the Old Town district. There is a visible presence as well, as PPB has a parking space out front when they are utilizing this space.

