

IMPACT STATEMENT

Legislation title:

*Authorize a sixty-six month lease with GVI-LC Harrison Square Owner, LP for office space at Harrison Square, 1800 SW First Ave, at an estimated annual cost of \$198,000 for the Fire & Police Disability & Retirement Board (Ordinance)

Contact name: Sam Hutchison

Contact phone: 503-823-5500

Presenter name: Sam Hutchison

Purpose of proposed legislation and background information:

In 1994, FPDR began leasing office space from Oregon Pacific Investment and Development Company (“Landlord”) located in certain office space at 1800 SW First Avenue, Suite 450, Portland, Oregon, and more commonly known as the Harrison Square Building (“Building”). Effective January 29, 2020, the Building was acquired by GVI-LC Harrison Square Owner, LP and assumed all obligations of the lessor under the lease. Effective April 2020, Ordinance 189917 authorized the lease extension for the existing 8,060 square feet of office space in Suite 450 through April 30, 2022.

FPDR recently re-assessed its office space needs and determined a smaller space was more suitable and cost effective for its operations and wishes to execute a lease for approximately 5,399 square feet in Suite 250 in the same building, Harrison Square. Occupancy commences the latter of July 1, 2022 or upon substantial of Tenant Improvements, and the lease includes one 5-year option to renew the term. The Landlord is willing to lease at commercially reasonable rental rates and terms, and to extend FPDR’s existing term in Suite 450 to bridge the gap until Suite 250 is ready for occupancy. FPDR will contract with union represented janitorial services in the space through the lease term.

Financial and budgetary impacts:

The expected financial impact for FY 22/23 is estimated at \$185,000 and is already built into the FPDR office space lease budget, including for subsequent years of the lease. Annual increases over the remaining term of the lease are approximately 3%. The savings from this lease is \$55,734 annually or \$278,670 for the duration of the lease.

Community impacts and community involvement:

No community impacts or involvement.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES: Please complete the information below.
 NO: Skip this section

Impact Statement for Requested Council Action

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount