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## 37638

Resolution

### Direct the Office of Management and Finance on the plan to accommodate the physical space needs of the new Mayor, City Administrator, and twelve-member City Council

Adopted

WHEREAS, on November 8, 2022, voters approved Portland Measure 26-228, which amended the City's Charter by establishing a Mayor-Council form of government, establishing the role of a City Administrator, creating four new geographic districts with three Councilors representing each district, and electing City officials using ranked choice voting; and

WHEREAS, this new form of government takes effect on January 1, 2025; and

WHEREAS, on April 19, 2023, Council adopted Ordinance 191246 authorizing the Office of Management and Finance, Facilities Services (Facilities) to use an alternative contracting method as the process to develop a design and construction plan for creating a Council Chambers and downtown office space sufficient to accommodate the new City Council and staff; and

WHEREAS, Ordinance 191246 requires Facilities to secure a Guaranteed Maximum Price (GMP1) for the Council Chambers work, and a Guaranteed Maximum Price (GMP2) for the Council Offices work, both of which are subject to City Council approval before the construction contracts can be executed; and

WHEREAS, the City Council engaged in public work sessions to discuss Facilities' recommendations for how the Council Chambers and Council Offices work might proceed and gained further clarity on planning for Council Chambers, offices for the new Council in City Hall (City Hall Offices), space for the Mayor and City Administrator, and offices for the new Councilors within their districts (In-District Offices); and

WHEREAS, the purpose of this resolution is to provide direction from Council to Facilities on how to proceed with the renovations necessary to accommodate the new form of government; and

Introduced by

[Mayor Ted Wheeler](#)

Bureau

[Management and Finance;](#)  
[OMF Facilities](#)

Contact

**Maty Sauter**

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Management

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Requested Agenda Type

Time Certain

Date and Time Information

**Requested Council Date**

November 29, 2023

**Requested Start Time**

10:30 am

**Time Requested**

30 minutes

**Council Chambers (GMP1)**

WHEREAS, during the design process associated with preparing GMP1, Facilities determined that it would be possible to renovate the existing City Hall Council Chambers to accommodate the needs of the twelve new City Councilors; and

WHEREAS, Facilities has been provided with a schematic drawing of how the existing Council Chambers can be remodeled to accommodate the new City Council (Exhibit A), and Facilities has been provided with a construction cost estimate for the work on Council Chambers in the approximate amount of \$2,045,000; and

WHEREAS, Facilities recommends accomplishing the work on Council Chambers before January 1, 2025; and

WHEREAS, if the work is to proceed, the Council Chambers needs to be decommissioned and vacated November 17, 2023 before the report approving the GMP1 can be heard and considered by Council, due to the compressed nature of the construction timeline; and

**Council City Hall Offices (GMP2)**

WHEREAS, during the design process associated with preparing GMP2, Facilities determined that it is possible to renovate the existing second floor suites in City Hall to accommodate the office needs of the twelve new City Councilors; and

WHEREAS, to maximize efficiency, Facilities recommends completing several major maintenance projects that are necessary to replace equipment that is at or past end-of-life and not energy efficient, and to provide seismic stabilization, in the same spaces that will be under construction during the renovation; and

WHEREAS, the funding for these major maintenance projects will come from established capital maintenance reserves, but was not included in the approved scope of work, Facilities will bring an amendment to Ordinance 191246 to incorporate the additional work; and

WHEREAS, Facilities has been provided with a schematic drawing of how the existing second floor office suites can be remodeled to accommodate the new City Council (Exhibit B), and Facilities has been provided with a construction cost estimate for the work to renovate Council offices in the approximate amount of \$1,742,000, which was based on efficiencies gained by overlapping and commencing work with Council Chambers and will increase with a later construction schedule, and developed a construction cost estimate to complete the major maintenance projects in all spaces planned for renovation in the approximate amount of \$1,100,000; and

WHEREAS, Facilities recommends accomplishing the work on Council offices on the second floor of City Hall before January 1, 2025, and members of

Council have expressed a concern about how this timeline may impact their ability to perform their duties on behalf of the public; and

WHEREAS, because of the alternative contracting method being used, if the work is to proceed on the timeline Facilities recommends, the current Council offices would need to be vacated before the report approving the GMP2 can be heard and considered by Council; and

WHEREAS, Facilities would benefit from direction from Council about whether and how to proceed with the work on the Council offices on the second floor of City Hall, including the timing of the work on the offices and consideration of the report authorizing the GMP2; and

### **Mayor and City Administrator Offices**

WHEREAS, when Council adopted Ordinance 191246, there was insufficient clarity about the structure of the City Administrator's and Mayor's office requirements to include design and construction work in the ordinance; and

WHEREAS, the proposed (adopted) City Organization resolution provided sufficient clarity for Facilities to identify the need to provide space in City Hall for the City Administrator and staff, and Facilities has identified a location on the third floor of City Hall in the Mayor's office suite to accommodate these needs; and

WHEREAS, Facilities has begun preliminary evaluation of how the Mayor's office suite on the third floor of City Hall can be remodeled to accommodate the City Administrator and staff (Exhibit C); and

WHEREAS, Facilities initially estimated construction cost for the work in the Mayor's office in the approximate amount of \$985,000 and that amount was appropriated for the Charter Transition project in the FY 24-25 budget; and

WHEREAS, Facilities recommends accomplishing the work in the Mayor's office suite before January 1, 2025, and Facilities has identified construction efficiencies if work on the Mayor's office suite overlaps with the construction work on Council Chambers; and

WHEREAS, the work in the Mayor's office to accommodate the City Administrator and staff is not contemplated by the GMP1 and GMP2 authorized by Ordinance 191246, and an additional ordinance will be required to authorize the construction for this proposed work by January 1, 2025 in the Mayor's office suite; and

### **Council In-District Offices**

WHEREAS, during the public work sessions, members of Council expressed a desire for Facilities to develop a plan for providing the new City Councilors office space within their respective districts; and

WHEREAS, exploring In-District Offices has become more feasible for Facilities since the new City Council districts (Exhibit D) were finalized by the Independent District Commission on August 21, 2023; and

WHEREAS, obtaining In-District Offices depends on a variety of factors, including the availability of existing City-owned or City-affiliated spaces in neighborhoods, market availability, and other factors; and

WHEREAS, funding for lease costs, security and technology upgrades, and tenant improvements was not included in the FY 23-24 budget; and

WHEREAS, Facilities will include the estimated costs for leasing, security and technology upgrades, and tenant improvements, in a report to Council as part of the FY 24-25 budget process; and

WHEREAS, Facilities would benefit from direction from Council about whether and how to proceed with obtaining In-District Offices.

NOW, THEREFORE, BE IT RESOLVED, that the Council directs Facilities to proceed according to the following plan to accommodate the physical space needs of the new City Council:

#### 1. COUNCIL CHAMBERS

- A. **Scope of Work:** The work on Council Chambers will proceed substantially in the manner shown in Exhibit A.
- B. **Cost:** The cost of construction for the Council Chambers work is estimated to be \$2,045,000.
- C. **Construction Start Date:** Remodeling of the existing Council Chambers will begin on January 15, 2024, with the current Council Chambers being vacated and available for construction no later than November 17, 2023.
- D. **Presentation of GMP1:** The Chief Procurement Officer and Facilities will present a report to Council on the GMP1 as contemplated by Ordinance 191246 no later than February 15, 2024, which establishes the final cost of the Council Chambers project, which Council anticipates approving if it corresponds with the plan in this Resolution.
- E. **Construction Completion Date:** Construction will be completed by January 1, 2025.
- F. **Alternative Location:** Council meetings will be held virtually from November 17, 2023 to January 12, 2024, and Facilities will provide an alternative physical Council Chambers location at the 1900 Building no later than January 15, 2024.
- G. **Additional Direction and Common Understandings:** Construction on the Council Chambers will create noise, dust, and debris that may impact those working in City Hall.

#### 2. COUNCIL CITY HALL OFFICES

- A. **Scope of Work:** The work on the second floor City Hall office suites will proceed substantially in the manner shown in Exhibit B.

- B. **Cost:** The cost of construction for the work on the second floor City Hall office suites, inclusive of office renovations and major maintenance projects, is estimated to be \$2,470,000.
- C. **Construction Start Date:** Remodeling of the second floor City Hall office suites will begin on July 1, 2024 with the current second floor office suites being vacated and available for construction over the weekends of June 28 and July 12.
- D. **Presentation of Ordinance:** Facilities will present an ordinance to Council amending Ordinance 191246 to include the major maintenance projects in the scope of work of the CM/GC, which Council anticipates approving if it corresponds with the plan in this Resolution.
- E. **Presentation of GMP2:** The Chief Procurement Officer and Facilities will present a report to Council on the GMP2 as contemplated by Ordinance 191246 no later than February 15, 2024, which will establish the final cost for this part of the project, which Council anticipates approving if it corresponds with the plan in this Resolution.
- F. **Construction Completion Date:** Construction will be completed by January 1, 2025.
- G. **Alternative Location:** Facilities will provide an alternative physical location for the current personnel of the second floor City Hall offices at the 1900 Building no later than July 1, 2024.
- H. **Additional Direction and Common Understandings:** The alternative locations provided to current personnel of the second floor City Hall offices will include eight (8) private offices for the Commissioners and their Chiefs-of-Staff, open office workstations for support staff, and shared collaboration spaces.

### 3. MAYOR AND CITY ADMINSTRATOR OFFICES

- A. **Scope of Work:** The work on the Mayor's office suite to accommodate the City Administrator and staff will proceed substantially in the manner shown in Exhibit C.
- B. **Cost:** The cost of construction for the work on the Mayor's office suite, including renovation and major maintenance, is estimated to be \$1,360,000
- C. **Construction Start Date:** Remodeling of the Mayor's office suite will begin on July 1, 2024, with the current Mayor's office suite being vacated and available for construction no later than June 21, 2024
- D. **Presentation of Ordinance:** Facilities will present an ordinance to Council authorizing work on the Mayor's office suite no later than February 15, 2024, which Council anticipates approving if it corresponds with the plan in this Resolution.
- E. **Construction Completion Date:** Construction will be completed by January 1, 2025.
- F. **Alternative Location:** Facilities will provide an alternative physical location for the current personnel in the Mayor's office at the 1900 Building no later than June 24, 2024

- G. **Additional Direction and Common Understandings:** The alternative location provided to current personnel of the Mayor's office will include temporary workspace at the 1900 Building.


#### 4. COUNCIL IN-DISTRICT OFFICES


- A. **Scope of Work:** Facilities will identify In-District Offices for twelve Councilors and staff, in the four respective districts shown in Exhibit D for Council approval.
- B. **Cost:** The cost of obtaining the In-District Offices is unknown at this time and will need to be approved by Council as part of the FY 24-25 budget process.
- C. **Availability:** The In-District Offices will be available no later than January 1, 2025.
- D. **Updates to Council:** Facilities will update City Council in writing every 90 days on Facilities' progress in obtaining In-District Offices.
- E. **Additional Direction and Common Understandings:** The In-District Offices will provide for the following accommodations: room for 8 staff total per district, each with a designated desk/workstation; room to meet with the general public on a routine basis; a welcoming and accessible environment; proximity to public transit; wireless connectivity; secured entry and egress; and the existence of or ability to install appropriate signage and wayfinding.


BE IT FURTHER RESOLVED, that Council directs Facilities to take all necessary steps to implement the plan in substantially the form described in this Resolution.

BE IT FURTHER RESOLVED, the Council directs Facilities to promptly notify Council in writing if Facilities encounters any issues requiring a material deviation from the plan described in this Resolution, as any material deviation of the plan must be approved by further Council resolution.

### Documents and Exhibits

 [Exhibit A](https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution_exhibit-a.pdf) 191.05 KB  
([https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution\\_exhibit-a.pdf](https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution_exhibit-a.pdf))

 [Exhibit B](https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution_exhibit-b.pdf) 919.92 KB  
([https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution\\_exhibit-b.pdf](https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution_exhibit-b.pdf))

 [Exhibit C](https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution_exhibit-c.pdf) 978.14 KB  
([https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution\\_exhibit-c.pdf](https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution_exhibit-c.pdf))



([https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution\\_exhibit-d.pdf](https://www.portland.gov/sites/default/files/council-documents/2023/transition-renovation-resolution_exhibit-d.pdf))

## Impact Statement

### Purpose of Proposed Legislation and Background Information

This resolution directs the Office of Management and Finance efforts on the plan to accommodate the physical space needs of the new Mayor, City Administrator and twelve-member City Council. The plan includes four elements: Council Chambers, Council City Hall offices, Mayor and City Administrator offices, and Council in-district offices.

### Financial and Budgetary Impacts

The Council Chambers, Council City Hall offices, Mayor and City Administrator offices elements of the plan are funded by two sources. The first funding source is a \$7.217 million internally financed project approved as part of the FY 2023-24 budget process. The Facilities Services fund will do the project and pay for costs out of its Major Maintenance account and be repaid over a seven-year term from charges to City bureaus and funds. The use of Major Maintenance account money will not impact projects because much of this is for the Portland Building and no significant projects are planned for the seven-year period.

During the renovation of City Hall spaces for Council Chambers, Council City Hall offices, Mayor and City Administrator offices the plan also has Facilities taking advantage of this renovation period to replace heat pumps that are at the end of their life. This work is estimated at \$1.1 million and is funded out of the City Hall Major Maintenance account. This will require the Facilities Services fund budget to be updated in the Spring BMP report.

The Council in-district offices element of the plan is not funded, and funding would be requested thru the FY 2024-25 budget process.

### Community Impacts and Community Involvement

Not applicable.

### 100% Renewable Goal

Not applicable.

## Budget Office Financial Impact Analysis

This action directs OMF Facilities on the plan to accommodate the physical requirements related to Charter Transition, including updates to Council Chambers, Council City Hall offices, Mayor and City Administrator offices, and Council in-district offices. Funding for Council Chambers, Council City Hall, Mayor and City Administrator office include two funding source, \$7.2 million from Portland Building Major Maintenance Reserves and \$1.1 million from City Hall Major Maintenance account. The Portland Building Major Maintenance portion of funding is to be repaid over seven years via Bureau IGAs with Facilities and will not impact Portland Building major maintenance as no major projects are forecasted. Council in-district offices are currently unfunded and will be submitted through the FY 2024-25 Annual Budget Development process.

## Agenda Items

972 Time Certain in [November 29, 2023 Council Agenda](https://www.portland.gov/council/agenda/2023/11/29)  
(<https://www.portland.gov/council/agenda/2023/11/29>)

Adopted

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Mayor Ted Wheeler Yea