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OMF Advisory Meeting Committee Notes Tuesday, December 10, 2019

Members Present: Kristen Bishop (for Lois Cohen), Sara Boone, Mike Jordan, Jami Resch (for Danielle Outlaw), Suk Rhee, Sonia Schmanski, Chris Warner, and Rachel Whiteside.

Members Absent: Kristin Dennis, Rebecca Esau, Robert McCullough.

OMF Leadership Present: Carmen Merlo, Tom Rinehart.

City Staff Present: Shannon Fairchild, Julian Massenburg, Michelle Rubin, Katie Shifley.

Public Representatives Present: Sandra Comstock, Mark McLeod, John Murphy (*all representing Portland Metropolitan People's Coalition*).

Blended Rental Rate Challenge – Carmen Merlo

- A memo from CAO Tom Rinehart was sent to bureau directors outlining the approach for an upcoming pilot program regarding blended rental lease rates for downtown office space. The blended rental rate has been in the works since 2015 and is an enterprise approach to mitigate market fluctuation in office space costs for City operations in the downtown core. In time, the program will be expanded to all City facilities, regardless of location. The blended rental rate will begin on July 1, 2020.
- The pilot program includes costs for leased office space, debt management services, and operations & maintenance services. The rate does not include furniture and equipment. For tenants of the Portland Building, the rate includes additional costs for centralized services including A/V technology support, office supplies, shredding services, and battery recycling.
- Piloting this program will allow OMF to address nuances and consider how to implement the program beyond the downtown core. After two years of piloting the program, OMF will have better data to inform the subsequent blended rental rate proposal.
- Blended rate square footage costs are higher than rates in other leased spaces due to debt service associated with the 4th and Montgomery Building and Portland Building coming online in FY 2020-21.
- Bureau of Development Services' permit fees are not exempt from inclusion in the blended rental rate.

Citywide Significant Issues Draft – Tom Rinehart

- CAO Tom Rinehart is working with bureau directors and Council to do a better job of driving the City's issues. In the past, OMF's budget has reflected the most prominent issues relating to OMF.
- Initial topics include financial sustainability, modernizing City operations, and strengthening Citywide initiatives. OMF obtained feedback and ideas for inclusion from the OMF Advisory Committee:
 - Investments in technology and sustainability. Many emergency response vehicles are still relying on fossil fuel.
 - Citywide alignment with adopted plans that are already in place



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- Defining sustainability and preparing Portland to be a City of 800,000 or 900,000 residents
- Compensation and pay practices for employees
- Long-range facilities master plan
- Climate action initiatives
- Service level discussions and tradeoffs
- The Citywide issues will be vetted through the OMF Advisory Committee prior to submission.

The draft presentation of the Public Safety Working Group will be shared at a future meeting.