

## **ORDINANCE No.**

\* Authorize a five-year lease agreement for office space located at 1001 SW 5<sup>th</sup> Ave to accommodate increased staffing and operations of the Bureau of Transportation estimated at an average annual cost of \$612,500 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Portland Bureau of Transportation (PBOT) is experiencing unprecedented growth in terms of workload and staffing. PBOT currently occupies space on portions of the fourth, fifth and sixth floors of the Sixth + Main building (Building) located at 1001 SW 5<sup>th</sup> Avenue. These floors are at full capacity and cannot accommodate additional employee work stations.
2. PBOT will be hiring an additional 72 staff positions by the end of 2018 to support projects that have been identified due to increased funding. Long term, this increased staff count cannot be accommodated in the restack plan for The Portland Building (TPB). PBOT needs to locate additional space close to the TPB to maintain the close working relationships among bureau work groups, other bureaus, and City Hall.
3. PBOT has identified a couple of properties near TPB at commercially reasonable rental rates and terms to PBOT. OMF property management will do its due diligence to ensure that the lease provisions are reviewed and are consistent with commercial standards.
4. Funding for the new lease agreement will be covered by General Transportation Revenues and Regulatory Fees.
5. City Binding Policy ADM 13.01 directs bureaus to locate their operations in City owned or controlled facilities when these facilities reasonably meet the business need of the bureaus. Resolution No. 37017 reaffirmed ADM 13.01 and directed OMF to work with bureaus to fully implement relevant policies by bringing City operations back into City-owned facilities when cost effective to do so, and to bring leases or rental agreements to Council for approval.
6. OMF and PBOT have strategically assessed the space needs against availability of space in existing City-owned facilities in the downtown Central Business District. There are no viable options within City-owned facilities to provide sufficient space to accommodate PBOT's additional space needs.

NOW, THEREFORE, the Council directs:

- a. The Deputy Chief Administrative Officer or designee is authorized to execute a lease, including any necessary amendment or extension, to accommodate increased staffing and operations of PBOT, with the specific lease term to be subject to commercially reasonable rental rates and terms consistent with other City commercial office leases and vetted by OMF property management, with a lease term of approximately five years, and final agreement subject to approved as to form by the City Attorney.

Section 2. The Council declares that an emergency exists in order that this lease agreement may occur without delay; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council:

Mayor Ted Wheeler  
Prepared by: Tamara Brown  
Date Prepared: July 3, 2018

**Mary Hull-Caballero**  
Auditor of the City of Portland  
By:

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Deputy

