



LEASING THE PUBLIC RIGHT-OF-WAY FOR EXCLUSIVE UTILITY VAULTS

Overview- Title 17, Chapter 17.16.140 (E) Rental or Leasing of Real Property or Public Right-of-Way by the Bureau of Transportation:

Effective July 1, 2016, all new applications for building permits with designs that propose to locate exclusive utility vaults within the right-of-way will need to enter into a lease with the City of Portland through its Bureau of Transportation.

Highlights:

- Why is a lease required?
- Is a lease required for my exclusive utility vault that is located within the right-of-way?
- What is the process for a lease?
- How long will the lease process take?
- What will the rent be?
- When and where to pay fees and rent?
- When can construction begin?
- Sample lease rate

Why is a lease required?

Previously, leases were only required for subsurface enclosed spaces extending beyond the curb. This change now requires a lease for all exclusive utility vaults ("UVE") located in the right-of-way. There is a strong demand for the use of Portland's rights-of-way which results in competition for a very limited public asset, particularly on and below the street level. Such competing interests include linear public and private utilities (sewer, water, electric, gas, fiber optics and cable), as well as street features (signal, light and catenary poles, signs, trees, meters, trash receptacles, fire hydrants, parking, planters, storm water facilities, landscaping and public transportation stations). Private use of the public right-of-way for UVE purposes can directly limit, alter or eliminate the aforementioned uses. A revocable permit does not guarantee long-term use of the right-of-way; however, a lease for private use will provide greater long-term assurance for the facilities served by the UVE.

International Building Code chapter 32, section 3202.1.2, Vaults and other Enclosed Spaces, states that the construction and utilization of vaults and other enclosed spaces below grade shall be subject to the terms and conditions of the applicable governing authority. Administrative Rule TRN-8.11 provides guidelines for leasing real property and public right-of-way under the existing authority of the Director of the Bureau of Transportation, Title 17, Chapter 17.16.140(E). Under this Administrative Rule, leases are required for UVE and other enclosed spaces.

Is a lease required for my exclusive utility vault that is located within the right-of-way?

The leasing requirements for exclusive utility vaults in the right-of-way shall apply to all new applications for vaults effective July 1, 2016. Utility vaults that are not exclusive in nature will not require a lease.





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What is the process for a lease?

Once PBOT Development Review generates a “checksheet” informing the applicant of approval for the location of the UVE, a process line will be added to the City’s TRACS system and the applicant will need to contact Right of Way Acquisition (“RWA”) to request a lease. RWA will direct the applicant to fill out the lease application and pay the associated lease drafting fee as found on PBOT’s fee schedule. After confirmation that the payment and application information has been received, a lease will be drafted and sent to the applicant for signature(s). The applicant will then return the signed lease to RWA for City signatures and processing. Once the lease has been fully executed, TRACS will be updated and Development Review will be notified that the lease is complete, a copy of the lease will be returned to the applicant.

How long will the lease process take?

The initial draft lease should take approximately 3-4 weeks, at which time it will be provided to the applicant.

What will the rent be?

Please see PBOT fee schedule at: <http://www.portlandoregon.gov/citycode/article/308415>

When and where to pay fees and rent?

The lease drafting fee should be paid with the cashier in the BDS permit center located at 1900 SW 4th Avenue Portland, Oregon 97201. Rent payment shall be paid according to the terms of the lease and be made payable and sent to the City of Portland, Accounting Division, 1120 SW Fifth Avenue, Suite 1250, Portland, Oregon 97204, or such other place as the City may designate.

When can construction begin?

Upon completion of the lease, and verification by RWA that the insurance documents required by the lease have been received and approved, TRACS will be updated to notify PBOT Development Review. You will then need to contact PBOT Development Review for your permit to begin construction.

Sample lease rate.

TRN-8.11 – Right of Way Leasing Fee

Structure <http://www.portlandoregon.gov/citycode/article/551984>

Lease formulas and methodology are contained in TRN-8.11. Minor modifications to rates may be made by the Bureau of Transportation through authority granted in TRN 3.450 or through adoption of the rate schedule by City Council. For rates currently in effect, consult the Fee Schedule for the Portland Bureau of Transportation.