



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: Feb. 2017)

Board Clerk Use Only

Meeting Date: 6/21/18
Agenda Item #: R.11
Est. Start Time: 10:40 a.m.
Date Submitted: 6/15/18

Agenda Title: Resolution Approving Sale of the Central Office Building, 421 SE 10th Avenue, Portland, Oregon to SamNick Holdings, LLC

Requested

Meeting Date: June 21, 2018 **Time Needed:** 10 minutes

Department: County Assets (DCA) **Division:** Facilities & Property Management (FPM)

Contact(s): Scott Churchill, Manager, Facilities Strategic Planning, Real Estate and Capital Projects

Phone: 503/988-4128 **Ext.** 84128 **Email:** Nicole.koen@multco.us

Presenters: Sherry Swackhamer, CIO and Director of Department of County Assets

General Information

1. What action are you requesting from the Board?

Adopt a Resolution approving the sale of the Central Office Building, 421 SE 10th Avenue, Portland, Oregon ("Property"), to SamNick Holdings, LLC, on the terms and conditions set forth in the Purchase and Sale Agreement ("Agreement") attached as Exhibit 1 to the Resolution; authorizing County Chair to execute sale documents; and directing county staff to proceed to closing.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer(s) this action affects and how it impacts the results.

The Property has been used by the Department of Community Justice ("DCJ") as a probation facility. DCJ has determined that the Property is no longer needed for its operations. In addition, the Director of the Multnomah County Facilities and Property Management Division ("Director") has determined that there is no other current or anticipated County use for the Property. Accordingly, through Resolution 2018-022 ((March 8, 2018), the Board declared the Property surplus and directed county staff to prepare and market the Property for disposition and solicit public comment through a 30 day public comment period. Staff has complied with the Board's directives and, in consultation with its marketing consultant on this matter, CBRE, execution of the attached Agreement is recommended to the Board.

Key terms in the Agreement include:

- A negotiated purchase price of \$1,850,000.00 in cash or cash equivalent;

- An earnest money down payment of \$250,000.00 in cash or cash equivalent; becomes non-refundable upon Buyer's satisfaction with the results of due diligence;
- A 43-day due diligence period; and
- Closing within 10 days after notice of Buyer's satisfaction with the results of due diligence.

3. Explain the fiscal impact (current year and ongoing).

This transaction is expected to result in net revenue to the County. There are a number of costs arising from this transaction, including: pre-marketing building preparation, including report preparation and document compiling; implementation of marketing; and implementation of the County's obligations under the Agreement. Some of these cost may be covered thru escrow, but others will need to be covered from the proceeds of the sale to reimburse the Facilities and Property Management Fund 3505.

4. Explain any legal and/or policy issues involved.

If approved, the County will assume the legal obligations specified in the Agreement for "Seller."

5. Explain any citizen and/or other government participation that has or will take place.

A public comment period was open commencing March 8, 2018 thru May 9, 2018.

Required Signature

**Elected
Official or
Department
Director:**

/s/ Bob Leek for Sherry
Swackhamer

Date: 6/15/2018