

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON  
**RESOLUTION NO. \_\_\_\_\_**

Approving the Purchase of Certain Real Property from State Office Building, LLC, and Authorizing the Chair to Execute all Necessary Documents to Complete the Purchase

**The Multnomah County Board of Commissioners Finds:**

- a. By Resolution 99-173, dated September 9, 1999, Multnomah County ("County") entered into a lease ("Lease") of 4,972 square feet in an office building complex located at 1245-1415 SE 122<sup>nd</sup> Avenue, Portland, Oregon owned by State Office Building, LLC, an Oregon limited liability company ("Seller"). The County has operated a Department of Community Justice ("DCJ") office at the site through a lease assignment since the transfer in 1992 of the probation and parole functions from the State of Oregon ("State") to the County.
- b. The Lease property was a portion of the entire business complex, which consists of a 2.46-acres site with three structures located at 1245 and 1415 SE 122<sup>nd</sup> Avenue in Portland, Oregon (the "Property"). The Property is centrally located for East County public services, and the Lease has been renewed repeatedly since commencement, most recently extending the term until September 30, 2017. Until May of 2016, the State leased the remaining portions of the Property.
- c. Multnomah County Facilities and Property Management Division ("Facilities") has been coordinating with County Departments, including DCJ, on a Facilities Asset Strategic Plan (FASP) for the future needs of County programs. The Property is located in an area of increasing demand for County services and it has been determined to have the potential to serve forecasted needs for DCJ services. Through consolidation of DJC programs, the County will be able to successfully relocate an expiring leasehold and dispose of an owned building, supporting FASP goals. Consolidation of County programs into the Property will also achieve operating efficiencies.
- d. The Seller and Facilities entered into negotiations for a potential acquisition of the Property in late 2014. Facilities has conducted extensive due diligence as to the suitability of the Property for County use, including programming, structural, environmental and operating considerations. Facilities and contractors have established budgets for the capital improvements to adapt and renovate the Property for County use. The capital program and associated contracting will be considered under separate Resolutions.
- e. Seller granted County a Right of First Offer to the purchase the Property that expired March 28, 2016. In order to demonstrate to the Seller that County was negotiating the purchase of the Property in good faith, the County executed a Letter of Intent dated June 2, 2016.
- f. The proposed Purchase and Sale Agreement and Joint Escrow Instructions ("Agreement", Attachment 1) commits the County to the purchase of the Property for \$4,500,000 upon the County's satisfaction or waiver of pre-closing conditions. The Agreement requires the County to pay \$45,000 of nonrefundable earnest money once this Resolution is executed and provides for closing of the purchase not earlier than October 30, 2016 and not later than November 14, 2016.
- g. It is in the best interests of the County to purchase the Property on the terms and conditions set forth in the attached Agreement.

**The Multnomah County Board of Commissioners Resolves:**

1. The Board approves the purchase of the Property on terms substantially in conformance with the attached Agreement.
2. The County Chair is authorized and directed to execute the Agreement and all other necessary documents required for completion of the purchase.

ADOPTED this 15<sup>th</sup> day of September, 2016

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

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Deborah Kafoury, Chair

REVIEWED:

JENNY M. MADKOUR, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By \_\_\_\_\_  
Courtney Lords, Assistant County Attorney

SUBMITTED BY: Department of County Assets, Sherry Swackhamer