



# MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 8/18/11)

### Board Clerk Use Only

Meeting Date: 3/21/13  
 Agenda Item #: R.5  
 Est. Start Time: 10:30 am  
 Date Submitted: 3/12/13

**RESOLUTION Authorizing actions related to Port City Leases and Acceptance of Deed from Port City to satisfy financial obligation**  
**Agenda Title:**

*Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title sufficient to describe the action requested.*

**Requested Meeting Date:** March 21, 2013 **Time Needed:** 15 minutes  
**Department:** Non-Departmental—County Attorney **Division:** Jenny Morf  
**Contact(s):** Ken Elliott  
**Phone:** 503-988-3138 **Ext.** \_\_\_\_\_ **I/O Address:** \_\_\_\_\_

**Presenter Name(s) & Title(s):**

- Joanne Fuller, Chief Operating Officer
- Mark Campbell, Chief Financial Officer
- Ken Elliott, Assistant County Attorney

### General Information

#### 1. What action are you requesting from the Board?

Authorize the County Chair to execute the attached Consent to Sublease from Port City Development Center (Port City) to Albertina Kerr Centers (Kerr), Termination of Ground Lease from Port City to County, Termination of Sublease from County to Port City, and Acceptance of Bargain & Sale Deed from Port City in satisfaction of its financial obligation to County.

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

On November 7, 2000, County issued \$2,000,000 in revenue bonds to finance construction, renovation, improvement and equipping of facilities on real property acquired by Port City at 2124 N. Williams Ave., Portland, for use as a vocational training center (Premises).

To secure Port City's repayment of the financing, Port City Ground Leased the Premises to County, and County Subleased the Premises back to Port City, with Port City's payment of monthly rent to be used by County to repay the bonds. Port City defaulted on its rent and notified County of its intent to cease operations and to assign the vocational training center contracts to Kerr effective

February 1, 2013, and of Port City's willingness to convey title to the Premises to County, in full satisfaction of Port City's financial obligation under the Sublease.

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

County will release Port City's \$1,557,300 obligation in exchange for the deed to the Premises. Kerr has agreed to pay \$3,350 per month on a month-to-month tenancy. If County sells the Premises in the next year or two, proceeds from resale are expected to satisfy most or all of Port City's obligation.

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

Transfer from Port City to Kerr assures continued operation of vocational training center, employing about 40, and serving about 145 developmentally disabled County residents.

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

N/A

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**Required Signature**

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<b>Elected Official or Dept Director:</b>	<u>          /s/ Kenneth M. Elliott          </u>	<b>Assistant County Attorney</b>	<b>Date:</b> <u>          03/12/2013          </u>
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