

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 05-058**

Authorizing a Portion of the Ford Building Sale Proceeds to be Used Toward the Demolition of the Morrison Building

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

- a. Resolution 05-027 assigned responsibility for the demolition of the Morrison Building to Multnomah County. It also directed the Facilities and Property Management Director and the Chief Financial Officer to build a funding plan for the demolition of the building and report back to the Board of County Commissioners.
- b. In 2003 Multnomah County sold the Ford Building for \$1.85 million, with the County holding a twenty year promissory note. The purchaser has since defaulted on this sale and promissory note and the property is being assumed by another party.
- c. The new purchaser has cured the default on the Ford Building and paid the County \$160,000 in late payment penalties, back taxes, back loan payments and all other costs incurred by the County. Terms require that the new purchaser pay the balance of \$1.7 million at the end of one year. The purchaser has the option to pay at the end of two years at a higher interest rate.
- d. The proceeds of the initial Ford Building sale were designated by the Board to be deposited in the General Reserve Fund over the next twenty years. Since the County will now have the proceeds in hand in two years, or less, it will be able to fully fund the General Reserve Fund. Currently, \$1.2 million is needed to fully fund the General Reserve Fund at the 5% level required in the County reserve policy, leaving about \$500,000 of un-programmed funds.
- e. Facilities and Property Management estimates that the demolition of the Morrison Building will cost approximately \$500,000.
- f. The Facilities and Property Management Director and the Chief Financial Officer recommend that \$500,000 from the sale of the Ford Building be used for the demolition of the Morrison Building.
- g. Facilities and Property Management can reprioritize capital spending to delay \$500,000 of scheduled costs so that demolition of the Morrison Building can be done as soon as possible.

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

1. The demolition of the Morrison Building is an unplanned cost that requires funding not previously identified by the County.
2. The sale of the Ford Building by Multnomah County will provide \$500,000 in funds that had not previously been committed.
3. \$500,000 from the sale of the Ford Building shall be used for the demolition of the Morrison Building.

ADOPTED this 21st day of April, 2005.

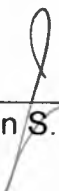


BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Diane M. Linn, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
John S. Thomas, Deputy County Attorney