

**BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON**

**RESOLUTION NO. 2014-090**

Accepting the Disposition Report for the Wikman Building at 4420 SE 64th Avenue, Portland, Oregon and Approving a Sale to Brandon Brown and Rahim Abbasi.

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

- a. By Resolution 2011-106, dated September 8, 2011, the Wikman Building-Arleta Library ("Property") was declared "Surplus" by the Board, commencing the Surplus Property Process. Facilities and Property Management Division ("FPM"), in conjunction with the Communications Office, was directed to prepare a report to the Board not later than 45 days from the public input deadline of November 7, 2011.
- b. By Resolution 2011-145, dated December 22, 2011, the Board accepted the Surplus Property Report for the Property and directed the County to enter into exclusive negotiations with ROSE Community Development, Southeast Uplift, Foster Area Business Association, and Foster-Powell Neighborhood Association ("Coalition") on an acquisition and re-development proposal for the Property.
- c. By Resolution 2014-004, dated January 9, 2014, the Board directed FPM to prepare and distribute a Request for Proposals ("RFP") in conjunction with District 3 and other County resources and staff to open up the process for the disposition of the Property
- d. A final RFP was issued March 6, 2014. The RFP was broadly distributed and inspection tours of the Property were offered to potential respondents. The RFP was administered through the FPM Surplus County Property website along with available building information. The website was updated weekly.
- e. Four responses were received by the April 24, 2014 deadline, as detailed in the attached Disposition Report. An Evaluation Committee was formed to review the proposals. The Evaluation Committee scored the RFP submittals independently using the detailed criteria in the RFP. The Evaluation Committee awarded the Brandon Brown and Rahim Abbasi ("Brown/Abbasi") submittal the highest score.

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

1. The Board recognizes the work of the Evaluation Committee and accepts the Disposition Report and RFP Recommendation that the Brown/Abbasi proposal presents the best opportunity for the disposition and repurposing of the Property.

2. It is in the best interests of the County to sell the Property to a purchasing entity representing the Brown/Abbasi proposal on the terms contained in the Memorandum of Understanding in the Disposition Report ("MOU").
3. The Chair is authorized to execute all documents necessary to complete the sale of the Property substantially consistent with the MOU.

ADOPTED this 31st day of July, 2014.

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON



*Deborah Kafoury*

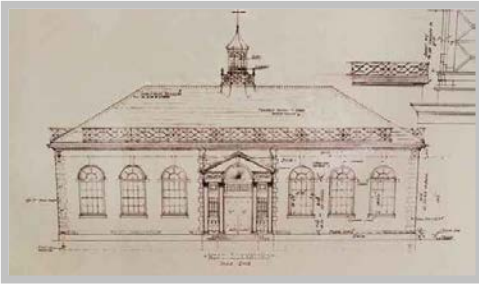
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Deborah Kafoury, Chair

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

By *Jed Tomkins*  
Jed Tomkins, Assistant County Attorney

SUBMITTED BY: Sherry Swackhamer, Director, Dept. of County Assets



The Wikman Building/  
Arleta Library  
4420 SE 64th Avenue  
Portland, OR 97206  
Request for Proposals  
Disposition Report  
Board of County Commissioners  
July 31, 2014



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### **1. RFP Process**

By Resolution 2014-004, adopted January 9, 2014, the Board of County Commissioners directed the Division of Facilities and Property Management ("FPM") to prepare and to distribute a Request for Proposals ("RFP") for the disposition of the Wikman Building-Arleta Library ("Property"). The Resolution further directed FPM to submit to the Board for consideration a *Disposition Report*.

A Draft RFP was released February 11, 2014 to over 700 subscribers in the real estate community in the Northwest through use of Vertical E-mail Service. The release of the DRAFT RFP was followed by an Industry Forum on February 19, 2014, at the Property. The purpose of the Forum was to provide an opportunity for interested parties to tour the property, ask clarifying questions and recommend modifications to improve the effectiveness of the document. The Forum was attended by interested parties representing brokerage, development, and owner interests. The Forum provided valuable input which was incorporated into the Final RFP.

The Wikman Building-Arleta Library Request for Proposals was released on March 6, 2014. Affected neighborhood and community stakeholders were sent a courtesy copy. It was posted to the County Surplus Property Website and the Property upon release.

Two Property Inspections were hosted by County Staff on March 19 and April 16, 2014 that were open to the public and provided potential responders the opportunity to review the building interior, mechanical systems, and conduct initial due diligence for preparation of a response to the RFP.

The deadline for response to the RFP was April 24, 2014.

### **2. RFP Responses**

Four Responses were received by the Thursday, April 24, at 4:00 pm, deadline:



1. **Share and Care House**, a non-profit, proposes converting the use to a local office for its Oregon payee program for Social Security payments.
2. **Brandon Brown and Rahim Abbasi**, developers, propose renovating the Property for historic status and a conceptual use as shared collaborative work/office space and community event space.
3. **Venerable Properties**, developers, proposes renovating the Property for historic status and possible uses as shared office space, event/performance space, single tenant use, or housing.
4. **Wikman Music Center/Tom McFadden, ITSOC**, a proposed non-profit, propose converting the Property to a music center for children.

The RFP responses will be posted to the County Surplus Property website:

<https://multco.us/facilities-and-property-management/surplus-real-property>

### 3. RFP Evaluation

A five member Evaluation Committee was recruited to review and score the Proposals against the criteria established in the RFP. The Evaluation Committee Members were selected to represent diverse expertise to aid in the review of the proposals. The members included: Office of District Three Commissioner; Multnomah County Purchasing; Multnomah County Facilities and Property Management; Portland Development Commission; and a representative of the Neighborhood Coalition. Each Evaluator signed a Conflict of Interest Statement.

The Committee was provided Evaluation Guidelines, a Conflict of Interest Form and the four proposals one week in advance of the May 29, 2014 Evaluation Meeting. The Committee was instructed to review the proposals in accordance with the Scoring Criteria established in the RFP. The Evaluators were further instructed that the scoring is not comparative among the different proposals but scored against the evaluation criteria as a standard. Evaluators were asked to withhold final scoring until the Evaluation Committee Meeting. Scoring criteria included:

#### **Project Feasibility (40 pts)**

Describe the business plan for the proposed redevelopment of the Property, including an explanation of how the Property will be put to productive use and a description of the sources and uses of funds needed for acquisition, redevelopment and successful five year operation of the Property. Describe Responder's role in up to three past comparable projects that Responder has undertaken and completed successfully. Explain any underlying assumptions that, if incorrect, would put successful completion of the project at risk and plans to mitigate the risk of such an event. Describe Responder's financial capacity to close on the purchase of the Property within 60 days following the selection. Describe the proposed payment strategy i.e. cash, commercial lending, and/or other mechanisms.

#### **Community Asset (25 pts)**

Multnomah County recognizes that the Property has been an important asset in the surrounding community for nearly a century and that it is important that the Property





continue to serve a role in the community. Describe how the proposed use is compatible with the character of the neighborhood and potential ways that community members will be able to access or otherwise benefit from the Property as a community asset. Please be as explicit as reasonable in describing the expected benefit to the public from your proposal.

**Price (20 pts)**

Multnomah County seeks to be a responsible steward of public assets and to receive fair market value on any sale of a public asset. Describe the proposed purchase price for the Property and your proposal's rationale for the proposed purchase price.

**Historic Preservation (15 pts)**

Multnomah County supports the preservation of the historic nature of the building. Describe how the historic character will be preserved and enhanced by the acquisition and redevelopment of the Property.

The May 29 Evaluation Committee Meeting commenced with the submission of executed Conflict of Interest Statements by each evaluator stating there were no potential conflicts of interest by any of the participants. The Project Manager provided a review of the evaluation process. After an overview of the four proposals, the Committee commenced with a rotating discussion of the Proposals and Scoring Criteria followed by the Final Scoring and Tabulation.

#### **4. RFP Recommendation**

The **Brandon Brown and Rahim Abbasi** proposal was the highest scoring proposal by all evaluators, nearly ten percent greater than the second average score. Garnering 90 out of 100 possible points indicates the Evaluation Committee's strong confidence in the proposal with respect to the County's established criteria.

Committee members noted the proposal's strong financial plan and the detailed pro forma. The proposal's risk assessment was favorably viewed, as were the market research and historic preservation commitment. FPM staff reviewed the proposals and the Evaluation Committee work and affirms the scoring of the **Brandon Brown and Rahim Abbasi** proposal as the strongest response.

FPM staff conducted follow-up discussions with the Brandon Brown and Rahim Abbasi principals, including an on-site inspection of the Property with the full development and finance team. The Proposer Team affirmed its proposal and is prepared to commence a Purchase and Sale Agreement upon the Board of County Commissioners' approval of a sale. To demonstrate its commitment to the proposed transaction, the Brandon Brown and Rahim Abbasi team executed the attached, non-binding, *Memorandum of Understanding* in advance of the final Board Approval and a binding Purchase and Sale Agreement.



## 5. Memorandum of Understanding

### Sale of Wikman Building/Arleta Library to an Acquiring Entity Representing the Brandon Brown and Rahim Abbasi Request for Proposals Response

Brandon Brown and Rahim Abbasi ("Brown/Abbasi") submitted an RFP Response to Multnomah County's ("County") Request for Proposals. County and Brown/Abbasi issue this Memorandum of Understanding (MOU) concerning the sale of the County's Wikman Building/Arleta Library property, 4420 SE 64th Avenue, Portland, OR 97206 ("Property"). This MOU is intended as a statement of the parties' intentions with respect to the County's RFP and Brown/Abbasi response. This MOU is **non-binding**, intended as a guide for possible Board of County Commissioners approval and the execution of a subsequent, binding, Purchase and Sale Agreement ("PSA").

#### 1. Board of County Commissioner Approval:

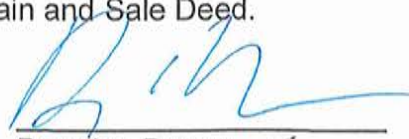
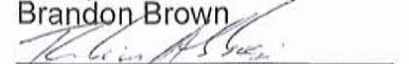
- a. Approval of any sale is not binding upon the County unless and until approved by the Board of County Commissioners. This transaction is scheduled for consideration at a Regular Board Meeting of the Board of County Commissioners, Thursday, July 31, 2014, at 9:30 a.m.
- b. If approved, this MOU shall serve as the basis for a binding PSA. The parties shall make good faith efforts to execute a Purchase and Sale Agreement no later than August 20, 2014. The County Attorney shall prepare the first draft of the PSA for consideration by August 1, 2014. County shall make best efforts to provide access to the Property prior to PSA execution.

#### 2. Purchase and Sale Agreement

- a. Brown/Abbasi shall identify the acquiring entity by August 1, 2014.
- b. County will cooperate with a 1031 exchange or similar transaction at no expense to County and no delay to Closing.
- c. Sale Price shall be \$260,000, all cash at Closing. No earnest money shall be required.
- d. The PSA shall provide for sixty (60) days of escrow for due diligence prior to Closing. However, the PSA shall provide that Title condition must be approved within thirty (30) days of PSA execution.
- e. Closing shall be at Ticor Title Company, 111 SW Columbia, Suite 1000, Portland, OR 97201. Closing costs will be apportioned to the parties as is customary in Portland, Oregon.
- f. Conveyance shall be by Statutory Bargain and Sale Deed.

  
Multnomah County

7/16/2014  
Date

  
Brandon Brown  
  
Rahim Abbasi

7/14/2014  
Date