



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: Feb. 2017)

postponed indefinitely

Board Clerk Use Only

Meeting Date:	<u>6/29/17</u>
Agenda Item #:	<u>R.6</u>
Est. Start Time:	<u>11:30 am approx</u>
Date Submitted:	<u>6/26/17</u>

Agenda Title: Resolution Declaring a Portion of the Yeon Building Surplus; and Approving a Lease.

Requested Meeting: 6/22/17 **Time Needed:** 10 min

Department: DCA **Division:** Fleet

Contact(s): Garret Vanderzanden, Fleet Manager & Madeline Herrle, Facilities Leasing

Phone: 503-988-3424 **Ext.** **Email:** garret.vanderzanden@multco.us

Presenters: Garret Vanderzanden, Fleet Manager & Madeline Herrle, Facilities - Leasing

General Information

1. What action are you requesting from the Board?

Adopt a Resolution Declaring a Portion of the Yeon Building Temporarily Surplus; and Approving a Lease to City of Gresham.

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.

Level 1 of the Yeon Building, 1620 SE 190th Ave, Portland, OR 97233, is approximately 32,438 s.f. and consists of a pull through auto service bays/garage, office, storage, warehouse, locker rooms, bathrooms and lunchroom. This space is used by Fleet Services to service County vehicles, but approximately 1/2 of the service bays are not used by the County, and due to the configuration of the space requiring a one-way driveway through the floor, the space is not conducive to be repurposed for any other County use. No other County department has a need to use this space.

The City of Gresham (City) has a need for a facility to service its fleet vehicles. Accordingly, leasing this unused portion of the Yeon facility presents an opportunity for interagency cooperation and assistance to benefit the Gresham community and Multnomah County.

In summary, the terms of the proposed Lease are: lease to City approximately 10,000 s.f. of unused auto service space in Level 1 of the Yeon building for fleet vehicle servicing & maintenance for 5 years; City to pay a fair rental rate and reimburse County for utilities costs. A copy of the proposed, negotiated Lease is attached to the Resolution as Exhibit 1.

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

This proposal primarily concerns Program Offer 78400, Fleet Services (FY 2018). The proposed offset (income) to County's cost of occupancy of this facility (i.e., the internal service charge related to Facilities cost) is \$167,500 per year and will increase by a fixed 3% per year for rent and adjust to actual costs for utilities reimbursements. There will be no service impact to Multnomah County Fleet Services customers as a result of this surplus and lease action.

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

Pursuant to FAC-3, Section IV B. "The Board of County Commissioners is required to declare property surplus before it can be offered for lease. When Facilities and Property Management determines that a property is surplus, it will prepare a Resolution for presentation to the Board of County Commissioners for its consideration."

In addition, the County Attorney's office participated in the negotiation of this Lease and approves Lease.

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

Mutual benefit of inter-agency cooperation between County and City of Gresham

Required Signature

Elected
Official or
Department
Director:

/s/ Sherry Swackhamer

Date: 6/26/2017