

Date: June 28, 2017**To:** Board of Directors**From:** Neil McFarlane **Subject:** RESOLUTION 17-06-55 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PORTLAND FOR LEASE OF CERTAIN REAL PROPERTY LOCATED AT 210-212 N.W. FIRST AVENUE**1. Purpose of Item**

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to renew TriMet's lease (Lease) for office and garage space at 210-212 NW First Avenue, commonly referred to as the Front & Davis (Old Town) Parking Garage. TriMet uses this site to house its transit police unit and vehicles.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board approval is required for real property transactions obligating TriMet to pay an amount in excess of \$500,000.

4. Type of Action

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

TriMet's Transit Police Division (TPD) is made up of officers who are members of local police agencies assigned to the TPD. These officers are tasked with riding and patrolling the transit system on a daily basis. TPD officers work out of four locations, the Central Precinct in downtown Portland, the East Precinct in Gresham, the West Precinct in Hillsboro, and the South Precinct at Clackamas Town Center. Of the 67 TPD officers, 33 of them work out of the Central Precinct. Additionally, five police support staff and five TriMet security staff work out of the Central Precinct.

In December 2016, the Board approved Resolution 16-12-71, authorizing TriMet to enter into an agreement with the Portland Development Commission (now Prosper Portland) to purchase a condominium interest in the parking garage being developed in the Rose Quarter area that will serve as the garage for the Convention Center hotel that is expected to be completed in 2020 and will house the Central Precinct.

This Lease is an extension of the current lease with the City of Portland, which expires on June 30, 2016. The new Lease will allow the Central Precinct to remain in its current location until the new facility is finished, which is expected to occur in the spring of 2020. TriMet has been leasing the current location since 1997. Both the existing and the new lease are for approximately 9,500 square feet of space, plus 29 parking spaces. The new Lease will include a price increase of approximately 5 percent over the prior lease, which staff believes is reasonable given the current rental market in Portland. The total amount for the first year will be about \$252,000, escalating at approximately 3 percent per year over the Lease term. The Lease will run through June 2020, and include one additional option year in the event completion of the new facility is delayed. The total authorized amount of the Lease over a four-year period is \$1,100,000.

6. Procurement Process

TriMet's Central Precinct has been at this location for 20 years. The new Lease is the result of negotiations with the City, based on the amount paid in the expiring lease.

7. Financial/Budget Impact

The Lease is included in the Capital Projects Division budget for leases for FY 2017-18.

8. Impact if Not Approved

A new search process for temporary TPD facilities would be lengthy and costly, and TriMet staff believes that the current location is the most desirable place for the TPD until the new facility is built. In the event this resolution is not approved, the TPD would not have a suitable temporary facility from which to operate until completion of the new facility.

RESOLUTION 17-06-55

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PORTLAND FOR LEASE OF CERTAIN REAL PROPERTY LOCATED AT 210-212 N.W. FIRST AVENUE

WHEREAS, TriMet has authority under ORS 267.200 to enter into an agreement with the City of Portland, acting through Prosper Portland, formerly known as the Portland Development Commission, for the lease of property located at 210-212 NW First Avenue (Agreement); and

WHEREAS, the total amount of the Agreement shall exceed \$500,000; and

WHEREAS, the Board, by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve real property transactions obligating TriMet to pay in excess of \$500,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Agreement shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Agreement in an amount not to exceed \$1,100,000.

Dated: June 28, 2017

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department