



Legislation Details (With Text)

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Type: Action Item **Status:** Agenda Ready

In control: Urban Renewal Agency

On agenda: 4/27/2020 **Final action:** 4/27/2020

Title: Amendment to lease of real property located at 2640 Portland Road NE to extend lease term through December 31, 2020.

Ward(s): 5
Board Member(s): Ausec
Neighborhood(s): Northgate
Result Area(s): Good Governance

Sponsors:

Indexes:

Code sections:

Attachments: 1. Current Lease, 2. Amendment No. 1 to Lease 2640 Portland Road NE v.pdf

Date	Ver.	Action By	Action	Result
4/27/2020	1	Urban Renewal Agency	approved	Pass

TO: Urban Renewal Agency Board

THROUGH: Steve Powers, Executive Director

FROM: Kristin Retherford, Urban Development Dept. Director

SUBJECT:

Amendment to lease of real property located at 2640 Portland Road NE to extend lease term through December 31, 2020.

Ward(s): 5
Board Member(s): Ausec
Neighborhood(s): Northgate
Result Area(s): Good Governance

ISSUE:

Shall the Urban Renewal Agency authorize the Executive Director to execute the attached amendment to the lease for real property located at 2640 Portland Road NE to extend the lease term through December 31, 2020?

RECOMMENDATION:

Authorize the Executive Director to execute the attached amendment to the lease for real property located at 2640 Portland Road NE to extend the lease term through December 31, 2020.

SUMMARY:

On June 25, 2018, the Agency Board authorized the Executive Director to execute a lease (Lease) (Attachment 1) for the real property located at 2640 Portland Road NE (Property) with the owners, Richard and Gayle Withnell (Lessor). The Lease was executed to allow time for the Agency to complete due diligence and obtain a Prospective Purchaser Agreement (PPA) with the Oregon Department of Environmental Quality (DEQ) prior to purchasing the Property. Due diligence and negotiations with DEQ are taking longer than anticipated and it is necessary to increase the term of the Lease to allow time to complete the PPA process and acquire the Property.

FACTS AND FINDINGS:

The City exercised an extension on August 1, 2019, with a rent increase to \$6,695 per month. The proposed amendment will extend the Lease for five months, effective August 1, 2020. Staff and Lessor have come to terms on an amendment (Amendment) to the Lease (Attachment 2). Key terms of the Amendment are below.

Expiration Date: December 31, 2020

Lease Rate: \$6,896.00 (effective August 1, 2020)

BACKGROUND:

Funds for the Lease come from the North Gateway Urban Renewal Area.

Clint Dameron
Real Property Services Manager

Attachments:

1. Current Lease
2. Proposed Amendment