

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 16-06

For the purpose of approving the Lease and First Lease Extension between the State of Oregon, by and through its Department of Transportation (ODOT) and the Metropolitan Exposition Recreation Commission (MERC), for vehicle parking in the parking lot under I-5 behind the Oregon Convention Center (I-5 Parking Lot) and authorizing the General Manager of Visitor Venues to execute the Lease

WHEREAS, in 1991 MERC entered into a ten year lease with ODOT for the purposes of vehicle parking in the I-5 Parking Lot; and

WHEREAS, in 2001 MERC entered into another ten year lease with the ODOT for the I-5 Parking Lot; and

WHEREAS, in 2011 MERC staff entered into a five year lease with ODOT for the I-5 Parking Lot that allowed for an additional five year extension; and

WHEREAS, the I-5 Parking Lot continues to be used by the Oregon Convention Center for vehicle parking as well as for truck marshalling and exhibitor parking; and


WHEREAS, MERC staff and ODOT have mutually agreed upon terms to extend the I-5 Parking Lot lease for an additional period of 5 years.

BE IT THEREFORE RESOLVED that the Metropolitan Exposition Recreation Commission:

1. Approves the 2011 Lease and the First Lease Extension with ODOT for the I-5 Parking Lot, in the form substantially similar to the attached Exhibit A.
2. Authorizes the General Manager of Visitor Venues to execute the First Extension of Lease on behalf of MERC.

Passed by the Commission on April 6, 2016.

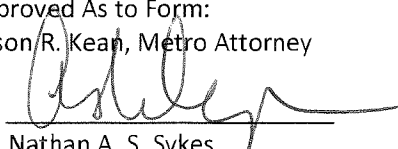

Chair,


Secretary/Treasurer

Approved As to Form:

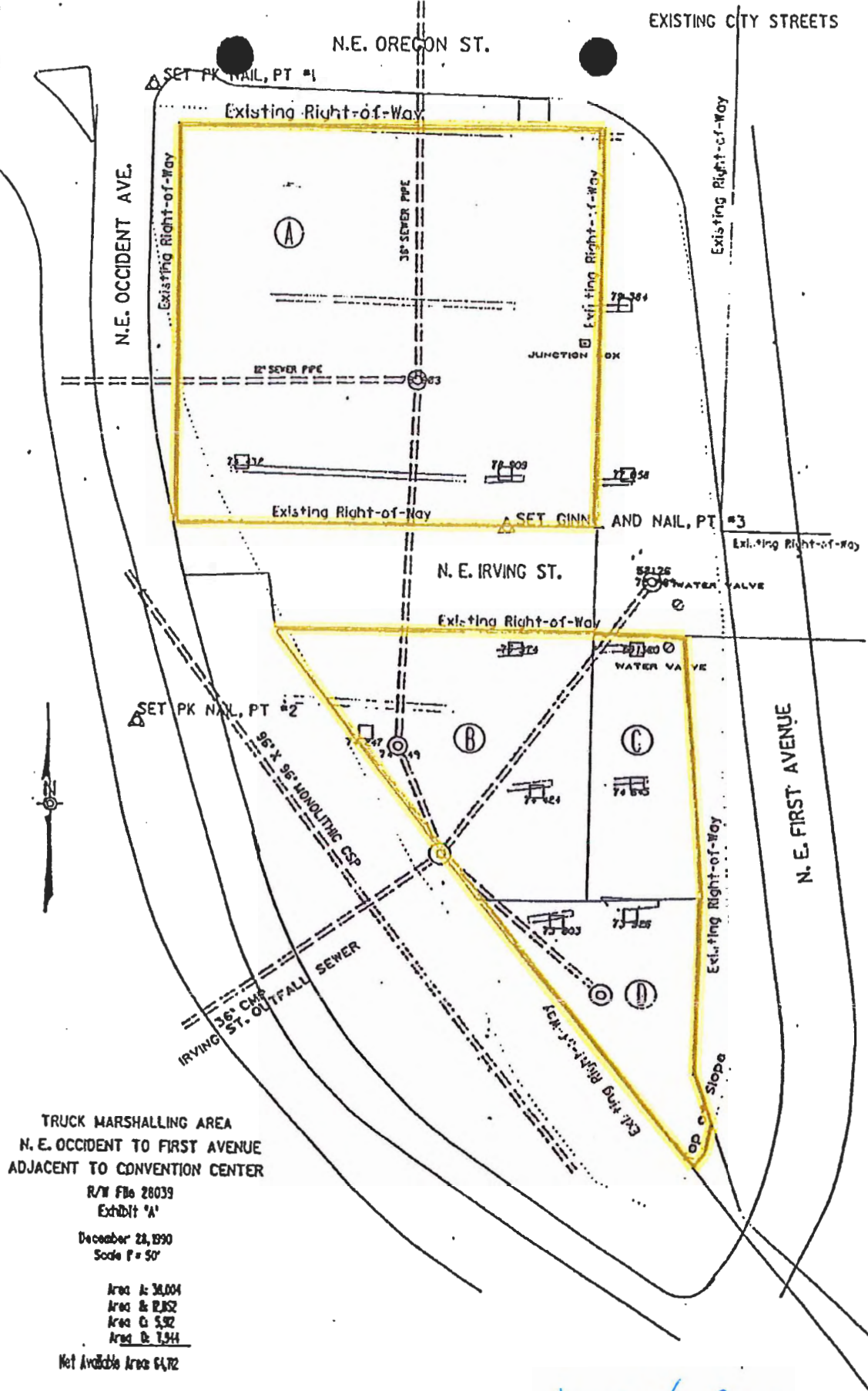
Alison R. Kean, Metro Attorney

By:


Nathan A. S. Sykes

Deputy Metro Attorney

EXHIBIT "A"



TRUCK MARSHALLING AREA
 N. E. OCCIDENT TO FIRST AVENUE
 ADJACENT TO CONVENTION CENTER
 R/W File 28039
 Exhibit "A"
 December 28, 1990
 Scale P = 50'

Area A: 36,004
 Area B: 12,852
 Area C: 5,592
 Area D: 7,944

Net Available Area 64,792

Leased Area

MERC STAFF REPORT

Agenda Item/Issue: For the purpose of approving the 2011 lease and first lease extension between the State of Oregon, by and through its Department of Transportation (ODOT) and the Metropolitan Exposition Recreation Commission (MERC) for the parking lot under I-5 behind the Oregon Convention Center (Exhibit A) and authorizing the General Manager of Visitor Venues to execute the lease.

Resolution No: 16-06

Presented by: Scott Cruickshank

Date: April 6, 2016

BACKGROUND & ANALYSIS: The Oregon Convention Center (OCC) currently leases the I-5 parking lot from ODOT for vehicle parking, exhibitor parking and truck marshalling. The OCC subsidizes the cost of the lease by charging clients and guests for the use of the lot, which includes 180 rentable spaces.

In 1991, the Metropolitan Exposition Recreation Commission entered into a ten year lease with ODOT for the purposes of vehicle parking in the I-5 parking lot. The lease was subsequently renewed in 2001 for an additional ten years, and in 2011 for five years. Unfortunately, in reviewing information for the 2016 lease renewal, staff discovered an administrative oversight. The 2011 lease renewal was not presented to MERC, causing need for approval of both renewals.

FISCAL IMPACT: This lease is part of long-term budgeting throughout fiscal years 2017 through 2022. The lease starts at \$7,550.00 per month and increases incrementally each year by 3% to a final amount of \$8,496.00 per month. A five-year total amounts to \$480,960.00. The cost of the lease is subsidized by income from the parking lot rentals.

RECOMMENDATION: Staff recommends that the Metropolitan Exposition and Recreation Commission, by Resolution No. 16-06, approve the 2011 lease and the first lease extension with ODOT (attached hereto) with State of Oregon, by and through its Department of Transportation, and the Metropolitan Exposition Recreation Commission, the parking lot referenced in Exhibit "A" and delegate the authority to the General Manager of Visitor Venues to execute the lease.

MODIFICATION and FIRST EXTENSION LEASE

THIS EXTENSION OF LEASE is made and entered into this _____ day of _____, 20____, by and between **METROPOLITAN EXPOSITION RECREATION COMMISSION, an appointed commission of Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter**, hereinafter called "LESSEE" and the **STATE OF OREGON by and through its DEPARTMENT OF TRANSPORTATION**, hereinafter called "STATE".

RECITALS

By a certain Lease dated September 1, 2011, a copy of which is attached hereto, marked Exhibit "A", and by reference made a part hereof, STATE leased to LESSEE certain premises in the City of Portland, Multnomah County, Oregon, more particularly described in Exhibit "A".

Whereas LESSEE desires to extend the terms of said lease for an additional (5) five-year lease period beginning SEPTEMBER 1, 2016 through AUGUST 31, 2021, unless otherwise terminated.

Whereas the above referenced Lease is to be modified as shown below in "Article #2 Revised Lease Rate".

WHEREAS STATE IS AGREEABLE TO THIS CHANGE.

NOW THEREFORE, STATE and LESSEE mutually agree as follows:

Lease is hereby extended for an additional (5) five-year lease period beginning SEPTEMBER 1, 2016 through AUGUST 31, 2021, and

Effective as of September 1, 2016, that Lessee shall pay the following rental fee as outlined below in "Article #2 Lease Rate".

The Original Lease dated September 1, 2011, is hereby modified as follows:

ARTICLE #2 REVISED TO:

LEASE RATE

The monthly rental fee shall be as listed below. Lessee shall pay the monthly rent in advance by the first of each month, until lease expires, payment to be sent to: Oregon Department of Transportation, Attn: Property Management, 4040 Fairview Industrial Drive SE, MS#2, Salem, OR, 97302-1142. Below are your monthly rent amounts for this lease:

Year	Monthly Rent *
1	\$7,550.00
2	\$7,776.00
3	\$8,009.00
4	\$8,249.00
5	\$8,496.00

* Rent amounts do not include property taxes

Note: The above amounts are based on a 3% increase each year. In the event the above amounts are not consistent with such percentage increase, the above amounts shall take precedence over the stated percentage and the rent amount shall be deemed to be the amounts listed above.

ALL OTHER TERMS, CONDITIONS AND REQUIREMENTS OF SAID LEASE AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT AS HERETOFORE.

STATE OF OREGON, by and through its DEPARTMENT OF TRANSPORTATION

By _____
Joseph A. Gray, State Right of Way Manager Date

LESSEE:

**METROPOLITAN EXPOSITION RECREATION
COMMISSION, LESSEE**

By: _____
Teri Dresler, General Manager of Visitor Venues Date