

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 07-24

For the Purpose of Approving Office Lease Agreement between the Metropolitan Exposition Recreation Commission and Clarus Property Ventures, Inc., to rent Portland Center for the Performing Arts office space for a term of three years, effective August 15, 2007.

WHEREAS, the Metropolitan Exposition Recreation Commission operates and manages the property more commonly known as the Portland Center for the Performing Arts, located at 1111 SW Broadway, Portland, Oregon, 97205; and

WHEREAS, the Metropolitan Exposition-Recreation Commission desires to lease the office space (1,798 square feet) located on the 5th floor of PCPA; and


WHEREAS, Clarus Property Ventures, Inc. desires to locate its office within the office space (1,798 square feet) located on the 5th floor of PCPA; and

WHEREAS, the Commission has the responsibility to operate its facilities in as cost-effective a manner as possible ;


BE IT THEREFORE RESOLVED AS FOLLOWS:

1. That the Metropolitan Exposition Recreation Commission hereby approves the office lease agreement between MERC and Clarus Property Ventures, Inc., to rent Portland Center for the Performing Arts office space for a term of three years, effective August 15, 2007, with an option to renew for an additional two years and directs the General Manager to execute the lease agreement.

Approved as to Form:
Daniel B. Cooper, Metro Attorney

By: 
Nathan A. Schwartz Sykes
Senior Attorney


Chair


Secretary-Treasurer

MERC STAFF REPORT

Agenda Item/Issue:

Approving Office Lease Agreement between the Metropolitan Exposition Recreation Commission and Clarus Property Ventures, Inc., to rent Portland Center for the Performing Arts office space for a term of three years, effective August 15, 2007.

Resolution No.: 07-24

Date: July 25, 2007

Presented by: Robyn Williams

Background/Analysis:

PCPA has 1,798 square feet of office space on the 5th floor of Antoinette Hatfield Hall available for lease. Portland Center Stage had used this space until it moved out of PCPA on August 31, 2006. The Platform International Animation Festival recently used this space but has now moved out and the space is vacant.

Clarus Property Ventures, Inc. has expressed an interest in leasing the space for a term of three years, effective August 15, 2007 with at an option for an additional two years. Clarus Property Ventures is a full service Real Estate Asset Company, specializing in acquiring, operating, and disposing of multi-unit residential real estate assets.

Fiscal Impact:

The monthly base rent is based upon \$13.35 per square foot per year. The base rent will increase three percent (3%) per year. Provided Clarus is not in default at the end of the three year period, they will have a one time option to renew the lease for a period of two years.

Rent – Year 1	\$24,003.36	(\$2,000.28 * 12)
Rent – Year 2	\$24,723.48	(\$2,060.29* 12)
Rent – Year 3	\$25,465.20	(\$2,122.10 * 12)

If Clarus chooses to extend their option, rent would be

Rent – Year 4	\$26,229.12	(\$2,185.76* 12)
Rent – Year 5	\$27,015.96	(\$2,251.33 * 12)

Recommendation:

Staff recommends approval of Resolution 07-24 for the purpose of Approving Office Lease Agreement between the Metropolitan Exposition-Recreation Commission and Clarus Property Ventures, Inc., to rent Portland Center for the Performing Arts office space for a term of three years, effective August 15, 2007.