

May 17, 2007

07-083

LEASE REAL PROPERTY

PREPARED BY: Randy McEwen, District Vice President

FINANCIAL  
RESPONSIBILITY: Dr. Preston Pulliams, District President

REPORT: Portland Community College (PCC) and Portland Development Commission (PDC) have discussed for three years opportunities that might exist for ongoing, mutually beneficial relationships. Those discussions have resulted in PCC's interest in leasing space in the Heritage Building, 3934 N.E. Martin Luther King, Jr. Blvd. The parties agree that this is a "proof of concept" idea to determine both community interest and site/building suitability. PCC proposes to lease 3,000 sq. ft. for roughly two years. Owners will fund a majority of tenant improvement cost. The Heritage Building is reportedly the "greenest" building in Portland. Lease cost will be approximately \$13 per sq. ft., annually. One general-purpose classroom and one activity-based classroom will be provided. The site will be used primarily for Community Education classes; it may also prove to be a worthwhile test site for our "access point" concept. Board Policy B214 requires Board approval of real property leases with a contract value of \$75,000 or more. This lease agreement has a contract value of approximately \$80,000.

RECOMMENDATION: That the Board approve the lease of real property as described. Because the success of the site over two years educationally is uncertain, funding will be provided from the General Fund (College Contingency). PCC's tenant improvement cost will be funded by the Capital Projects fund.