



## Legislation Details (With Text)

<b>File #:</b>	17-105	<b>Version:</b>	1	<b>Name:</b>	Relocate City Hall and Community Development (Goal 2)
<b>Type:</b>	Report	<b>Status:</b>			Agenda Ready
<b>File created:</b>	1/30/2017	<b>In control:</b>			City Commission
<b>On agenda:</b>	2/7/2017	<b>Final action:</b>			
<b>Title:</b>	Proposal to Proceed with the Relocation of Community Development to the Annex Building at Mt. Pleasant Elementary School				
<b>Sponsors:</b>	Laura Terway				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. Staff Report, 2. Map of Mt. Pleasant Elementary School Annex, 3. Preliminary Structural Assessment and Cost Estimate				

Date	Ver.	Action By	Action	Result
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Proposal to Proceed with the Relocation of Community Development to the Annex Building at Mt. Pleasant Elementary School

### **RECOMMENDED ACTION (Motion):**

Staff recommends the Commission provide approval to proceed with the relocation of the Community Development Department to the Annex at Mt. Pleasant Elementary School.

### **BACKGROUND:**

The Community Development Department office is located at 221 Molalla Avenue. The Building and Planning Divisions have leased this location since April of 2008 and are beginning to consider options for relocation once the lease expires in April of 2018. There has been considerable research to determine the relocation for the Community Development Department that provides the most benefit to the public.

Staff recommends the Community Development Department relocate to the Annex building at the former Mt. Pleasant Elementary School near the intersection of Linn Avenue and Warner Parrott Road, as identified on the attached map. The building was originally constructed as four classrooms, though is currently underutilized by workout equipment, a single office, minimal storage and large unused spaces. The City purchased the property in January of 2015 for the construction of a new public safety and municipal court building, however the location and accessibility of the site provides an opportunity to accommodate a greater variety of City services resulting in operational efficiencies, significantly lower operating costs and increased convenience for the public.

An engineer was hired to provide a preliminary assessment of the structural integrity of Annex building and a rough order of magnitude estimate of converting approximately 80% of the interior to office space. The estimate was based on preliminary assumptions intended to inform the City of the approximate costs of the project in order to make a determination if staff should proceed with investigation. The analysis concluded that though the bones of the structure are strong, previously

deferred maintenance and tenant improvements are necessary, such as the replacement of the roof and siding, installation of interior walls, and alterations to the HVAC, electrical, and plumbing systems.

Though staff intends to use the existing office furniture to help eliminate unnecessary expenses a conservative estimate of the project is \$1,080,000, equivalent to approximately 7.5 years rent at the current location. The project would allow the City to invest in our assets while reducing ongoing operating costs by eliminating rent payments. The improvements may be implemented with relatively minor overall effects to the General Fund due to significantly lower department operating costs and by funding a majority of the interior improvements in 2017/2019 budget cycle and the remaining improvements in 2019/2021 budget cycle.

In addition to the physical construction, the relocation would require a land use review that would include a Comprehensive Plan Amendment, Zone Change, Conditional Use, Code Interpretation and Site Plan and Design Review. The aforementioned applications involve a public review process for compliance with the applicable standards in the Oregon City Municipal Code before the Planning Commission and City Commission.

At the Work Session, staff will provide additional information regarding the relocation and answer questions of the Commission before seeking preliminary approval to proceed.

**BUDGET IMPACT:**

Amount: Estimated \$1,080,000

FY(s): 2017/2019 and 2019/2021

Funding Source: Departmental Budgets and General Fund