

PROSPER PORTLAND

Portland, Oregon

RESOLUTION NO. 7592

**AUTHORIZING A PERSONAL SERVICES CONTRACT WITH COMMERCIAL
AND RESIDENTIAL MANAGEMENT GROUP**

WHEREAS, on October 29, 2024, Prosper Portland issued a competitive Request for Proposals (“RFP”) for Master Property Management Services, seeking proposals from qualified firms to provide professional property management services for certain Prosper Portland owned real property;

WHEREAS, in response to the RFP, Prosper Portland intends to enter into a Personal Services Contract with Commercial and Residential Management Group (“CRMG”), the sole RFP respondent, for the operation and management of Prosper Portland owned property (“Contract”), on the terms generally described in Exhibit A attached to this resolution;

WHEREAS, the property management fee for the proposed five-year term of the Contract will be \$189,900 per year, through December 31, 2029;

WHEREAS, the adopted and revised fiscal year 2024-25 budget to operate and maintain the properties that CRMG will manage, inclusive of the contemplated property management fee, is approximately \$1,842,000, and during the first year of the Contract, CRMG will use a portion of these funds pursuant to the terms and limitations of the Contract to manage the properties on Prosper Portland’s behalf;

WHEREAS, in the remaining four years of the Contract, the Contract will allow CRMG to spend funds to manage properties on Prosper Portland’s behalf only after the Prosper Portland Board of Commissioners (“Board”) has appropriated funds for such property management and only up to the amount appropriated;

WHEREAS, the Prosper Portland Board acknowledges that the above property management expenses are partially offset by revenues generated from Prosper Portland-owned real property, as set forth in detail in the annual budget; and

WHEREAS, it is Prosper Portland’s interest to have the flexibility to add or remove property from the scope of the Contract during its term.

NOW, THEREFORE, BE IT RESOLVED, that the Prosper Portland Board hereby authorizes the Executive Director to execute a Personal Services Contract with CRMG in conformance with the terms described on Exhibit A and in a form approved by the Executive Director, in consultation with the Prosper Portland’s General Counsel; and

BE IT FURTHER RESOLVED, that the Executive Director is further authorized to approve future financial encumbrances to the Contract so long as the encumbrances are appropriated as property management expenses in a Prosper Portland Board adopted budget or revision;

BE IT FURTHER RESOLVED, that the Executive Director is delegated authority to approve future changes to the Contract, provided such changes do not materially increase Prosper Portland's obligations and risks, as determined by the Executive Director in consultation with Prosper Portland's General Counsel; and

BE IT FURTHER RESOLVED, that with the affirmative vote of no fewer than four Commissioners for this resolution and of all those present, this resolution shall become effective immediately upon its adoption, and otherwise it will take effect thirty days after adoption.

COMMERCIAL AND RESIDENTIAL MANAGEMENT GROUP PROPOSED CONTRACT TERMS

TERM YEARS:

The initial term of the Contract will be for a period of five (5) years which may thereafter be extended annually, upon the mutual written agreement between the parties to the Contract.

PROPERTY MANAGEMENT FEE:

Payment of the monthly management fee will constitute an operating expense of the Property and will be paid out of the operating revenues for the Property.

The Nelson Building	\$850
The Nick Fish	\$1,675
Alberta Commons	\$1,000
4th and Burnside	\$750
92H/Lents Little League	\$525
910 Building	\$525
AIP Building	\$900
Albina Triangle	\$525
Cascade Station Parcel D	\$525
Cascade Station Parcel E	\$525
Cascade Station Parcel G	\$525
Dagel Triangle	\$525
MLK Parking Lot	\$525
Old Fire Station	\$850
RD Small Lots	\$525
South Waterfront Lot 4	\$525
Tate Lot	\$525
Block R	\$900
240 NE MLK	\$750
The Fairfield Apartments (New)	\$1,000
Lents Triangles (New)	\$525
Post Office Site (New)	\$850
Monthly Subtotal	\$15,825
Annualized	\$189,900
Five Year Estimate	\$949,500

ADDITION/REMOVAL OF PROPERTIES:

Prosper Portland has the right to modify, add, or subtract from the properties covered under the Contract on a temporary or permanent basis for any reason including, but not limited to, the following:

- a. The acquisition of a property
- b. The disposition of a property

- c. To repair or upgrade any or all sections of a property
- e. To convert all or part of a property to another use. Operator will accommodate any such changes in its operation of the properties.

Prosper Portland will provide notice of any such changes. In the event new properties are added, additional fees will be negotiated commensurate to the added scope, which will generally conform to the proportion of those in place. All such modifications will be authorized through an amendment to this Contract.

Prosper Portland reserves the right to modify, add and/or remove certain tasks and activities prior to contract execution; or through equitable amendment to the Contract, after Contract execution.

PERMISSION TO SPEND FUNDS ON OUR BEHALF:

Operator will be authorized to withdraw all permitted management fees, carry-forward operating balance, petty cash, turn-over costs, services, operation, marketing, maintenance, staff and other costs from receipts, prior to disbursement to Prosper Portland.

All expenditures that exceed the annual budgets within the Contract will require approval by Prosper Portland.

OTHER TERMS AND CONDITIONS:

Contract to otherwise adhere to Prosper Portland's standard terms and conditions for personal service contracts.