

Work Session with Vote on Consent
Agenda
Tuesday, November 18, 2025 6:00 PM

Dr. Matthew Prophet Education Center - Board
Auditorium
501 N. Dixon St
Portland, OR 97227

Agenda

1. Consent Agenda (Resolutions 7212 through 7214) Vote - Public Comment Accepted
 - 1.(a) Resolution 7212 - Expenditure Contracts
 - 1.(b) Resolution 7213 - Revenue Contracts
 - 1.(c) Resolution 7214 - Authorization of Off-Campus Activities
2. Center for Black Student Excellence Due Diligence Update
3. Property Taxes and the Portland Public Schools Local Option Levy
4. Enterprise Resource Planning (ERP) Update

RESOLUTION No. 7212

Expenditure Contracts that Exceed \$150,000 for Delegation of Authority

RECITAL

Portland Public Schools (“District”) Public Contracting Rules PPS-45-0200 (“Authority to Approve District Contracts; Delegation of Authority to Superintendent”) requires the Board of Education (“Board”) enter into contracts and approve payment for products, materials, supplies, capital outlay, equipment, and services whenever the total amount exceeds \$150,000 per contract, excepting settlement or real property agreements. Contracts meeting this criterion are listed below.

RESOLUTION

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into the following agreements.

NEW CONTRACTS

No New Contracts

NEW COOPERATIVE PURCHASING AGREEMENTS

Contractor	Contract Term, Renewal Options	Administering Contracting Agency	Description of Goods or Services	Estimated Spend During Contract Term	Responsible Administrator, Funding Source
Rexel Inc	11/19/2025 Through 4/30/2027 May not be renewed	Multnomah County Cooperative Contract COA 97226	Electrical supplies and electronic components	\$1,000,000	Tom Odgers Funding Source Varies

NEW INTERGOVERNMENTAL AGREEMENTS (“IGAs”)

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Administrator, Funding Source
Clackamas Education Service District/Heron Creek Therapeutic Schools	7/1/2025 Through 6/30/2026	Intergovernmental Agreement IGA 97215	Provide Academic and Therapeutic slots to PPS students whose IEP’s require this placement.	\$266,300	Jey Buno Fund: 101 Dept: 5414

AMENDMENTS TO EXISTING CONTRACTS

Contractor	Amendment Term	Contract Type	Description of Services	Amendment Amount; New Contract Amount	Responsible Administrator, Funding Source	Certified Business
McKinstry Co.	1/4/2023 Through 1/4/2028 (no change to contract term)	Services S 92622 Amendment 1	HVAC/Boiler troubleshooting and repair, as needed throughout District. Amendment adds funds for FY26 for additional services related to the Remote Operations Center program and incorporates rate increases. Request for Proposals 2022-043	\$1,048,461 \$5,023,461	Tom Odgers Fund: 101 Dept: 5592	No

*A Certified Business is a for-profit business certified as a Minority-Owned Businesses (MBE), Women-Owned Businesses (WBE), Emerging Small Businesses (ESB), and/or Service-Disabled Veteran Businesses (SDV) by the State of Oregon Certification Office for Business Inclusion and Diversity.

RESOLUTION No. 7213

Revenue Contracts that Exceed \$150,000 for Delegation of Authority

RECITAL

Portland Public Schools (“District”) Public Contracting Rules PPS-45-0200 (“Authority to Approve District Contracts; Delegation of Authority to Superintendent”) requires the Board of Education (“Board”) enter into contracts, except as otherwise expressly authorized. Contracts exceeding \$150,000 per contractor are listed below.

RESOLUTION

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into the following agreements.

NEW REVENUE CONTRACTS

No new Revenue Contracts

NEW INTERGOVERNMENTAL AGREEMENTS (“IGAs”)

Contractor	Contract Term	Contract Type	Description of Services	Contract Amount	Responsible Admin, Funding Source
State of Oregon	7/1/2025 Through 6/30/2027	Intergovernmental Agreement / Revenue IGA/R 97222	Provide funds for services provided to pediatric residents in Pediatric Nursing Facilities licensed by the Oregon Department of Human Services	\$2,142,190.13	Jey Buno
State of Oregon	7/1/2025 Through 6/30/2027	Intergovernmental Agreement / Revenue IGA/R 97224	Competitive state grant for reimbursement for Oregon grown and/or made foods used in Child Nutrition Programs	\$176,100.99	Tom Odgers

AMENDMENTS TO EXISTING CONTRACTS

Contractor	Amendment Term	Contract Type	Description of Services	Amendment Amount; New Contract Amount	Responsible Admin, Funding Source
State of Oregon	7/1/2025 Through 6/30/2027	Intergovernmental Agreement / Revenue IGA/R 96716 Amendment 1	ODE funding for Columbia Regional Services. Amendment disburses Grant funds for two-year period as part of the overall contract which runs through 6/30/2031.	\$9,316,152.76 \$20,083,069.77	Jey Buno

CBSE Feasibility Report

One North Building in Portland, Oregon

Prepared by Adre for PPS

October 2025

The design concepts included in this report are intended to convey preliminary ideas and may be revised during further development.

Conceptual designs are provided to evaluate program fit within the space and may not represent the final design.

All leasing information is subject to change.



BLACK STUDENT EXCELLENCE



CBSE Programming Feasibility Study One North Property

Submitted To

Kiesha Locklear, Senior Project Manager
Portland Public Schools
Office of School Modernization

Submitted By

Adre
4713 N Albina Ave Unit #201
Portland, OR 97217

October 10, 2025





Table Of Contents

Executive Summary

1. Programming
2. Design Concept
3. Site and Neighborhood
4. Building Assessment
5. Phasing Strategy
6. Income and Expenses
7. Conclusion

Referenced Appendices

- Appendix A: Building Summary
- Appendix B: Building Information: Code Summary
- Appendix C: Building Information: Zoning Summary
- Appendix D: Code Analysis
- Appendix E: Reference Drawings
- Appendix F: Initial Financial Analysis
Operating Expenses



Executive Summary

Project Brief

Portland Public Schools (PPS) engaged Adre, a socially responsible real estate development firm, to conduct a Programming Feasibility Study for the Center of Black Student Excellence (CBSE) at the One North property, located at 3529 North Williams Avenue (East Building) and 3514 North Vancouver Avenue, Portland, OR 97227 (West Building). Adre partnered with LEVER Architecture to provide design services and assess the viability of the existing One North property to accommodate CBSE programming.

Approach

The Programming Feasibility Study refined CBSE's programming, established a design approach, created a concept test-fit, analyzed the property's strengths, weaknesses, opportunities, and threats (SWOT), quantified the existing property revenue and expenses, and developed a phasing strategy. To support this work, the project team reviewed documents provided by PPS, including a CBSE Vision Report, Phase I Environment Site Assessment Report, Building Assessment Report,

Title Report, Lease Agreements, Rent Rolls, building construction plans, and site condition reports.

Programming and Design Concept

The project team recommends reorganizing CBSE programming into the following categories, which also include potential tenant spaces beyond PPS programming.

Special care has been taken to separate student areas from public facing spaces without compromising openness and inclusivity. These new program categories are: Innovation Hub, Center for Arts and Culture, Family Wellness, Joyce Harris Event Center, Administration & Office, and Community Collaboration.

Site and Neighborhood

The One North property is conveniently located near Boise-Elliot Elementary School, Jefferson High School, Harriet Tubman Middle School, and King Elementary, as well as cultural and youth-serving partners such as Self Enhancement, Inc. (SEI). The site benefits from excellent access to public transportation and bicycle routes, though limited parking and circulation present challenges. On-site solutions for student pick-up and drop-off are essential to the site's functionality, and this report outlines two viable options to address them.

Building Assessment

Zoning and building code evaluation confirm that conversion from commercial office to education use is feasible, however there are required building updates and improvements to life safety systems, accessibility, structural, plumbing and HVAC infrastructure to be in compliance. Of note, as described in the "Building Assessment Report" prepared by Interface and KPFF on September 25, 2025, the conversion from commercial to education use requires the building to become Structural Risk Category III, which will need to be addressed prior to students occupying the building.

Phasing Strategy

The redevelopment is proposed to be completed in three phases. Phase 1 is a 24-month predevelopment and permitting period, during which CBSE administrative staff and interim student programming will occupy portions of the East and West Buildings, while existing tenants remain in place to help offset operational costs. Phase 2, lasting approximately 12 months, will focus on construction, with CBSE activities

confined to the East Building's fourth floor and café/gallery while other areas undergo renovation. Phase 3 completes the CBSE Final Program.

Income and Expenses

The initial financial analysis indicates that the buildings generate approximately \$465,111 in annual tenant income against \$736,494 in operating expenses.

The purchase of this building, assuming existing tenants remain, is estimated to require an annual CBSE investment of approximately \$271,383 to sustain building operations. This assumes no debt on the purchase.

Conclusion

The Programming Feasibility Study confirms that the One North property can accommodate the desired CBSE programming. Per the building assessment report, infrastructure upgrades are required as a result of the building to be recategorized to Risk Category III for educational use.

Due to the surplus of square footage for the CBSE programming, and capital operating costs, the development team recommends maintaining existing tenants while consolidating CBSE programming into distinct floor plates, providing flexibility for future rentable spaces.

The initial financial analysis concludes the property income (which accounts for the building being 27% leased) does not cover operational expenses for the entire building, leaving operating costs to CBSE of \$271,383 annually.

Next steps include:

- 1) PPS engaging a development partner to conduct a comprehensive financial analysis of the properties;
- 2) retaining a consultant to identify necessary infrastructure upgrades prior to occupancy;
- 3) coordinating with the adjacent northern property owner, [REDACTED], to establish an off-street pick-up and drop-off zone; and
- 4) engaging a development, architectural, and engineering team to advance tenant improvement designs for the One North property.

1. Programming

Portland Public Schools (PPS) engaged Adre, a socially responsible real estate development firm, to conduct a Programming Feasibility Study for the Center of Black Student Excellence (CBSE) at the One North property, located at 3529 North Williams Avenue (East Building) and 3514 North Vancouver Avenue, Portland, OR 97227 (West Building). Adre partnered with LEVER Architecture to provide design services and assess the viability of the existing One North property to accommodate CBSE programming.

Programming Analysis

The project began with a kick-off meeting with PPS, which included a building tour and walkthrough and a review of existing construction documents as well as PPS materials, including the CBSE Vision, Space and Operations Plan, and Building Program. The second meeting focused on the initial floor plan review with PPS, completing the building program analysis, building code and zoning review, site and neighborhood context analysis, and development of a project phasing strategy. The third meeting addressed the final floor plan review, the phasing strategy, and recommendations with PPS.

Updated Program Categories

The development team reviewed the CBSE Vision, Space and Operations Plan and reorganized program categories based on type, adjacencies, and user similarities to provide clearer space definitions and enhance wayfinding, user experience, and brand identity.

The recommended programming expands the CBSE program from four categories to six: Innovation Hub, Center for Arts and Culture, Family Wellness, Joyce Harris Event Center, Community Collaboration, and Administration and Office.

The new categories eliminate ambiguity by naming spaces in ways that intuitively align with their purpose. Visitors can easily locate the Family Wellness Center as a destination for health and family support services or the Art and Innovation Hub as a place for creative and technological exploration. This clarity improves the experience for first-time users and fosters a sense of belonging for all navigating the space.

Each category now groups related functions together to reflect the intended users. Families can find education and wellness services in one destination, students can explore creativity and entrepreneurship in the Innovation Hub, and community-based organizations can collaborate in the Community Collaboration Center.

This clustering supports programming, reduces operational overlap, and creates opportunities for synergy between related services.

The program layout also delineates zones for public and private access, including Community Resource Zone and Student and Staff Zone.

East Building	31,125 NSF	
+ West Building	34,520 NSF	
One North Total	65,645 NSF	
CBSE Programming	47,780 NSF	73%
+ Leased Space	17,865 NSF	27%
One North Total	65,645 NSF	

*Programming sf includes all circulation/service spaces, which is 23% of the actual programming square footage.



Innovations Hub

Innovation Hub (6,364 sqft)

- STEM Lab
- Makerspace
- Classrooms
- Supporting Study Spaces
- Computer Lab/ CTE
- Outdoor Balcony



Center for Arts & Culture

Center of Culture (8,003 sqft)

- Cultural Archive
- Supporting Library Office
- Studio for the Arts
- Community Gallery
- Student Store
- Youth Lounge
- Supporting Social & Study spaces for Students



Family Wellness

Family Wellness (6,528 sqft)

- Locker Rooms
- Movement Studios
- Family Resource Center
- Healthcare and Counselor Offices
- Wellness Dedicated Rooms
- Sensory Rooms
- Outdoor Balcony



Joyce Harris Event Center

Joyce Harris Event Center (6,494 sqft)

- Community Cafeteria
- Commercial Kitchen
- Event/Performance Space
- Supporting Collaboration Spaces



Community Collaboration

Community Collaboration (3,767 sqft)

- Resource Hub
- Community Care Station
- Multi-purpose Community Classroom or Retail
- Cafe



Admin & Office

Administration & Office (4,481 sqft)

- Permanent Administrative Offices
- Supporting Conference Spaces
- Community Based Organizations (CBO) Offices and Storage

Image 2: CBSE Program Categories

2.Design Concept

The proposed design aims to create a dynamic, community-centered environment that supports both student learning and broader civic engagement. The conceptual design distributes the program across two buildings, East and West, organizing internal and externally facing services. This approach fosters an inviting, active ground-level campus atmosphere that integrates community services while enhancing connectivity, flexibility, and security, with upper floors dedicated to student and invited community activities.

East vs. West Building

The East Building is envisioned as a convergence point for student-focused gatherings, community-oriented organizations, and CBSE workspaces, while the West Building primarily serves as a hub for specialized student learning, creative programming, and non-CBSE commercial tenants. The placement and adjacency of these spaces were guided by a commitment to create an inviting environment that encourages community engagement without compromising student centered programming.

Image 2: One North Property, West Building in foreground, East in Background



Groundfloor

The proposed design emphasizes a vibrant ground-level layout that activates the site and encourages interaction. A central courtyard functions as a gathering space, creating a welcoming entrance for both students and community members. Ground-floor access to new Community Collaboration tenants in the West Building and the existing health clinic tenant in the East building allows for public use while maintaining security for student-centered areas on the upper floors of the building.

The Center

The Center for Arts and Culture and the Joyce Harris Event Center on East 2 and East 3 serve as the CBSE's central hub, hosting student events, community gatherings, and cross-program collaboration, and acting as both a physical and symbolic anchor for the campus. Positioning them as standalone programs increases visibility and ensures they are the most accessible and welcoming entry points. A new commercial kitchen is proposed for the Joyce Harris Event Center to support year-round meal preparation and shared dining. While complex and an initial investment, the kitchen will provide a functional, inviting space that strengthens the center's role as a hub for community engagement. The addition of the commercial kitchen also makes the space an attractive option for event rentals, providing opportunities for additional revenue that can help offset operational costs.

Specialized Spaces

Specialized spaces are consolidated under the new program categories of the Innovation Hub and Family Wellness, located on the fourth and fifth floors of the West Building.

Administrative Spaces

Most administrative spaces are situated on the fourth floor of the East Building, while Community Based Organization (CBO) spaces are distributed throughout the building, positioned near the programs they support.

Strengths, Weaknesses, Opportunities, and Threats

The development team conducted a SWOT analysis to assess the benefits and risks of the One North property for PPS.

Strengths

- Active campus feel on ground level
- Ground floor courtyard with landscaping and benches
- East Building central atrium with amphitheater seating
- Fourth floor East Building existing commercial kitchen
- Flexibility for commercial tenants
- Built-in retail spaces for community-serving uses
- Existing office and retail tenants revenue helps offset some operating expenses
- No architectural changes to the 2nd and 3rd floor of the West building allow tenants to remain in place during construction - no impact to revenue generation from tenants

Weaknesses

- Need for large commercial kitchen and dining area
- Existing East Building locker rooms disconnected from movement rooms
- Ground floor healthcare tenant may pose site security risk
- CBO offices spread across floors; adjacency less critical as may operate independently
- The building type requires more frequent maintenance than the standard 20-year PPS building schedule
- Operating costs of the building
- Change in occupancy use needed for educational use

Opportunities

- Flexible West Building floor layouts allow for future build-outs
- Potential to integrate CBO spaces with student and CBSE areas
- Key or FOB access would increase security for students and staff
- Ground floor reception would improve security of the sit

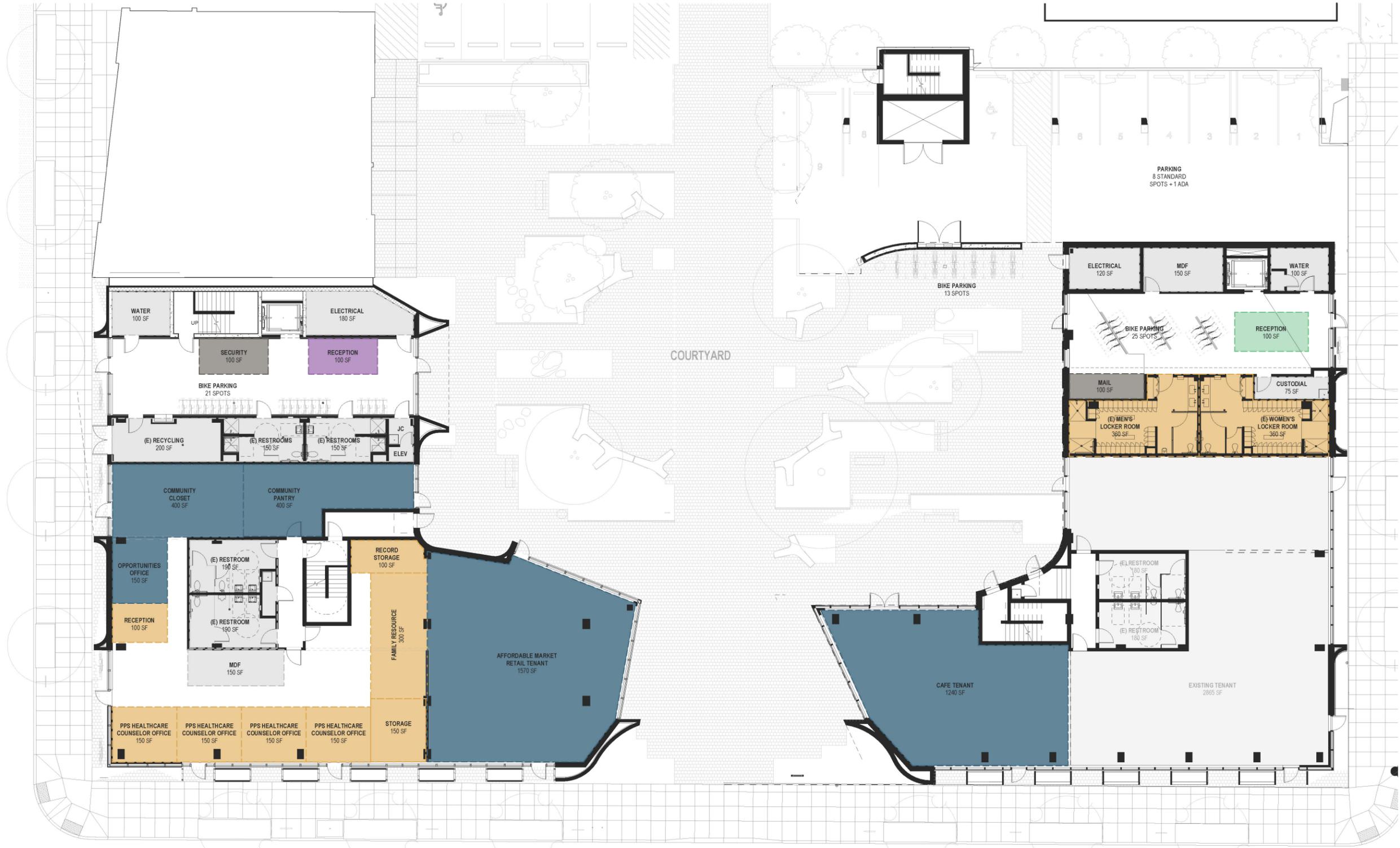
Threats

- Public alley runs through the courtyard
- Inability to eliminate or reduce vehicular access through courtyard
- Lack of direct student access and drop-off

West 1: Community Collaboration



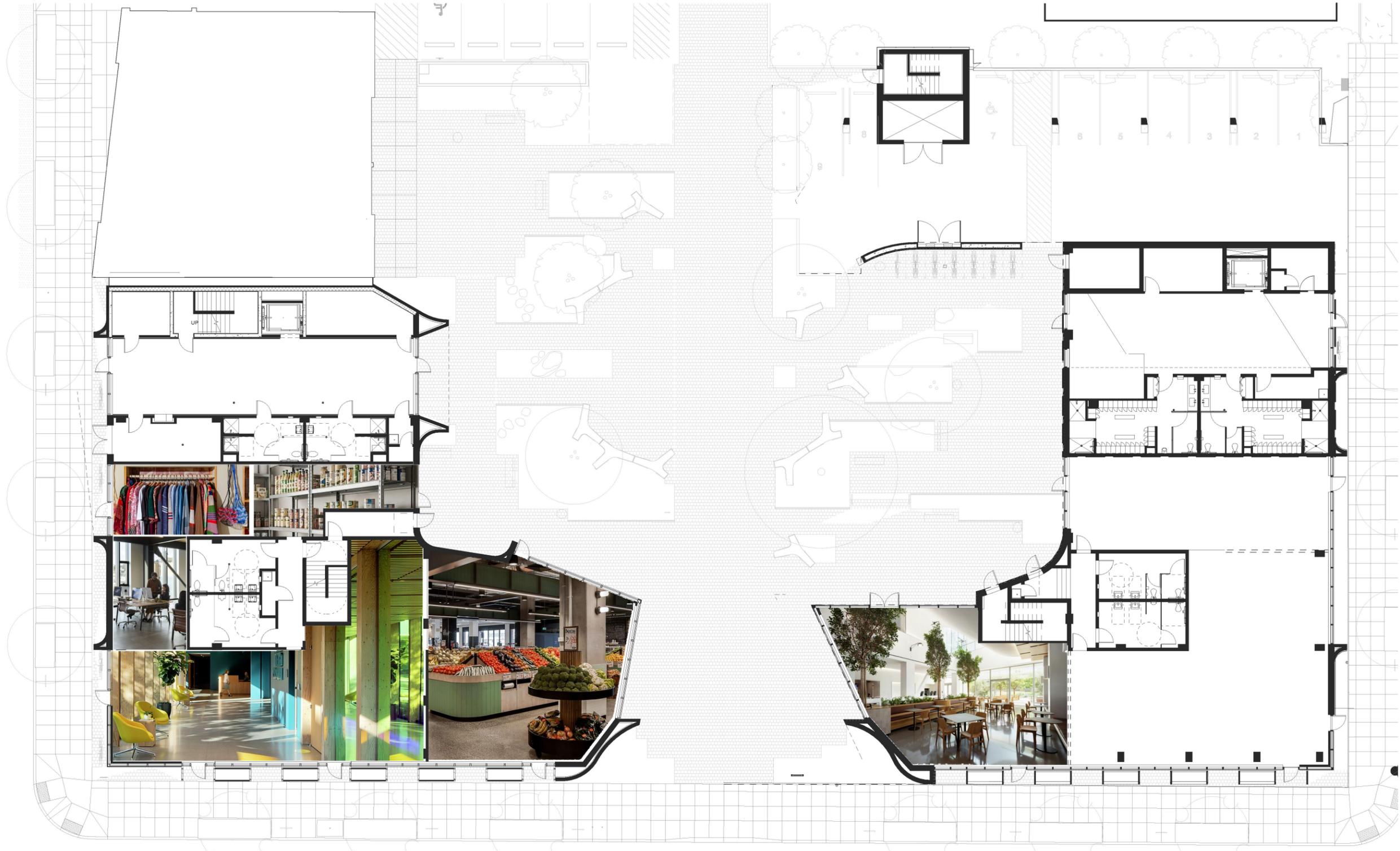
East 1: Community Collaboration



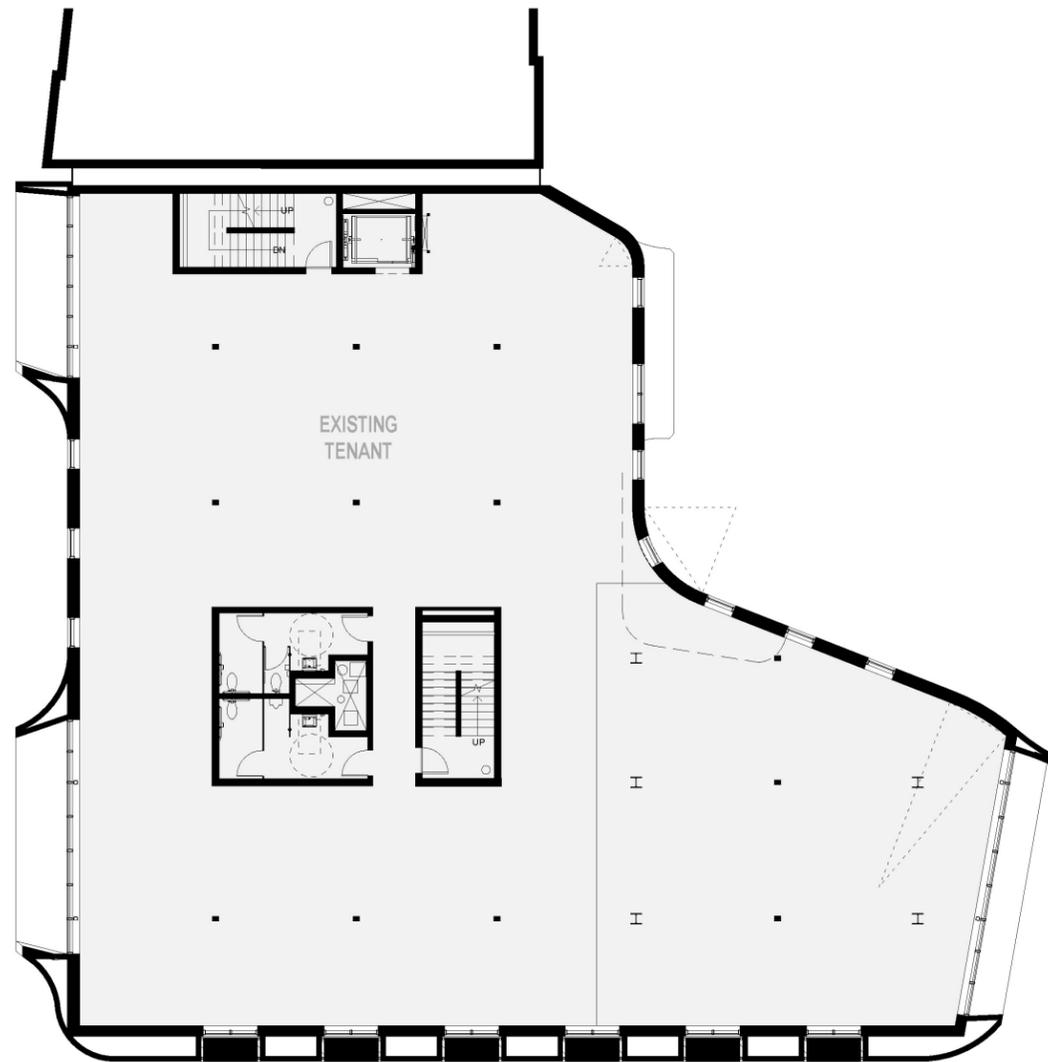
West 1: Community Collaboration



East 1: Community Collaboration



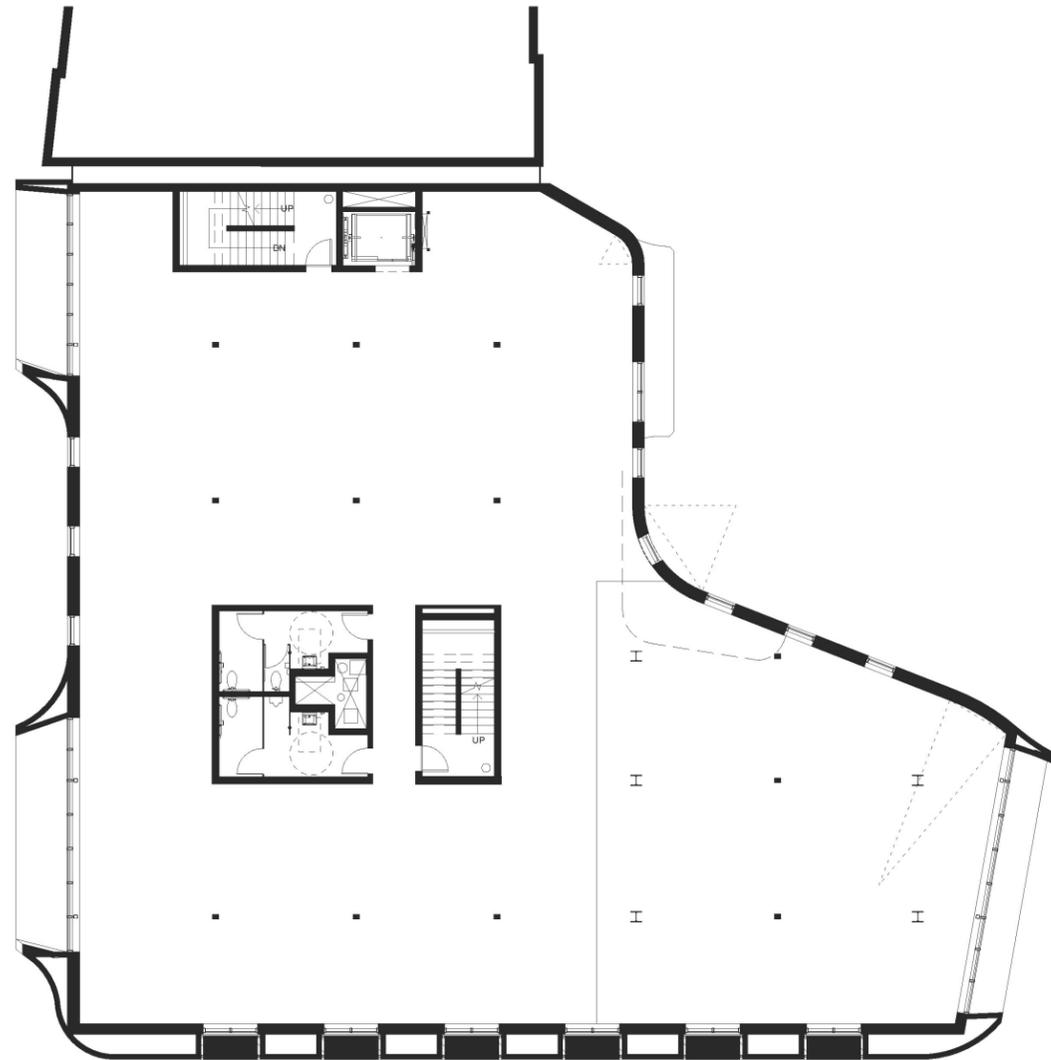
West 2: Existing Tenant



East 2: Center for Culture



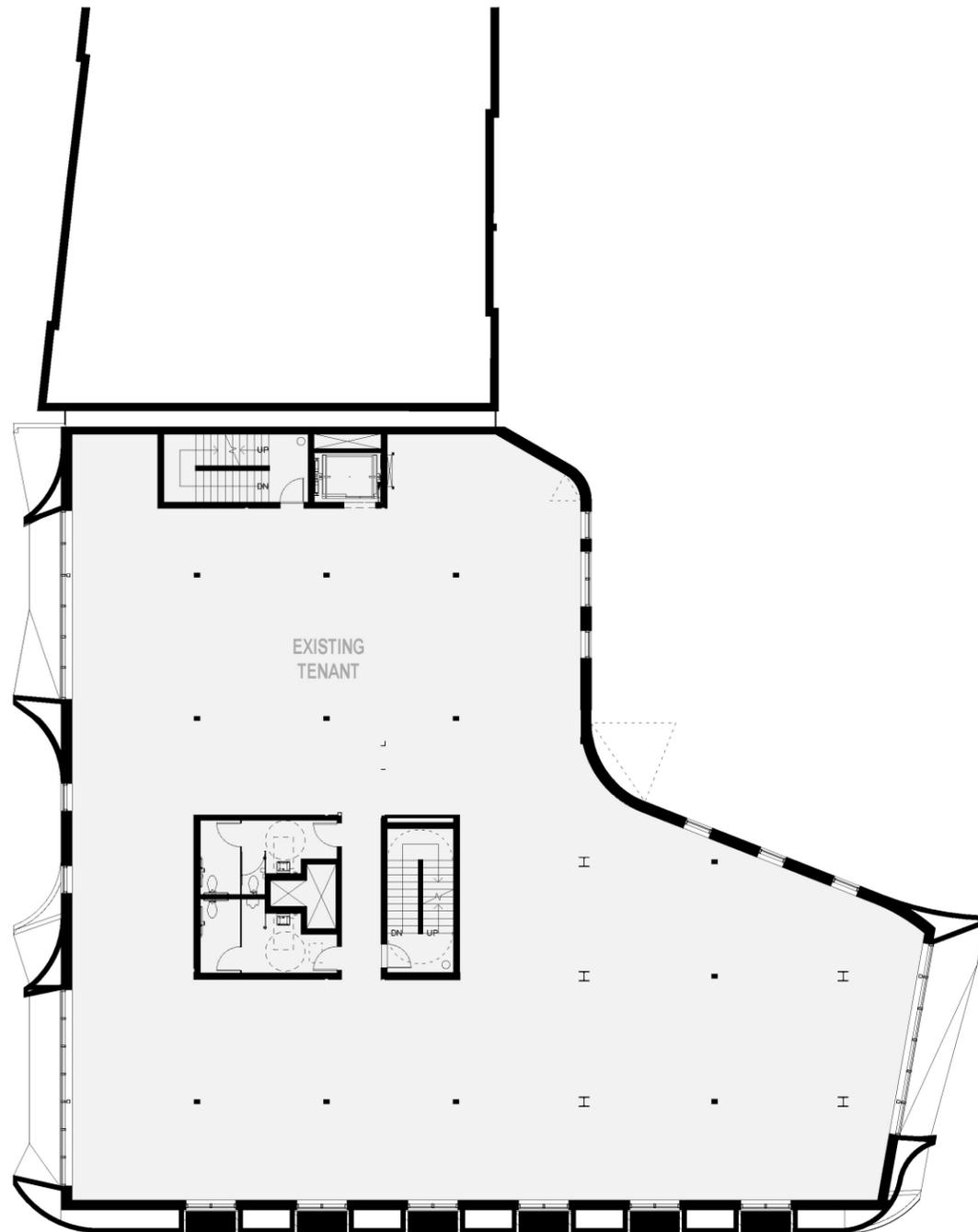
West 2: Existing Tenant



East 2: Center for Culture



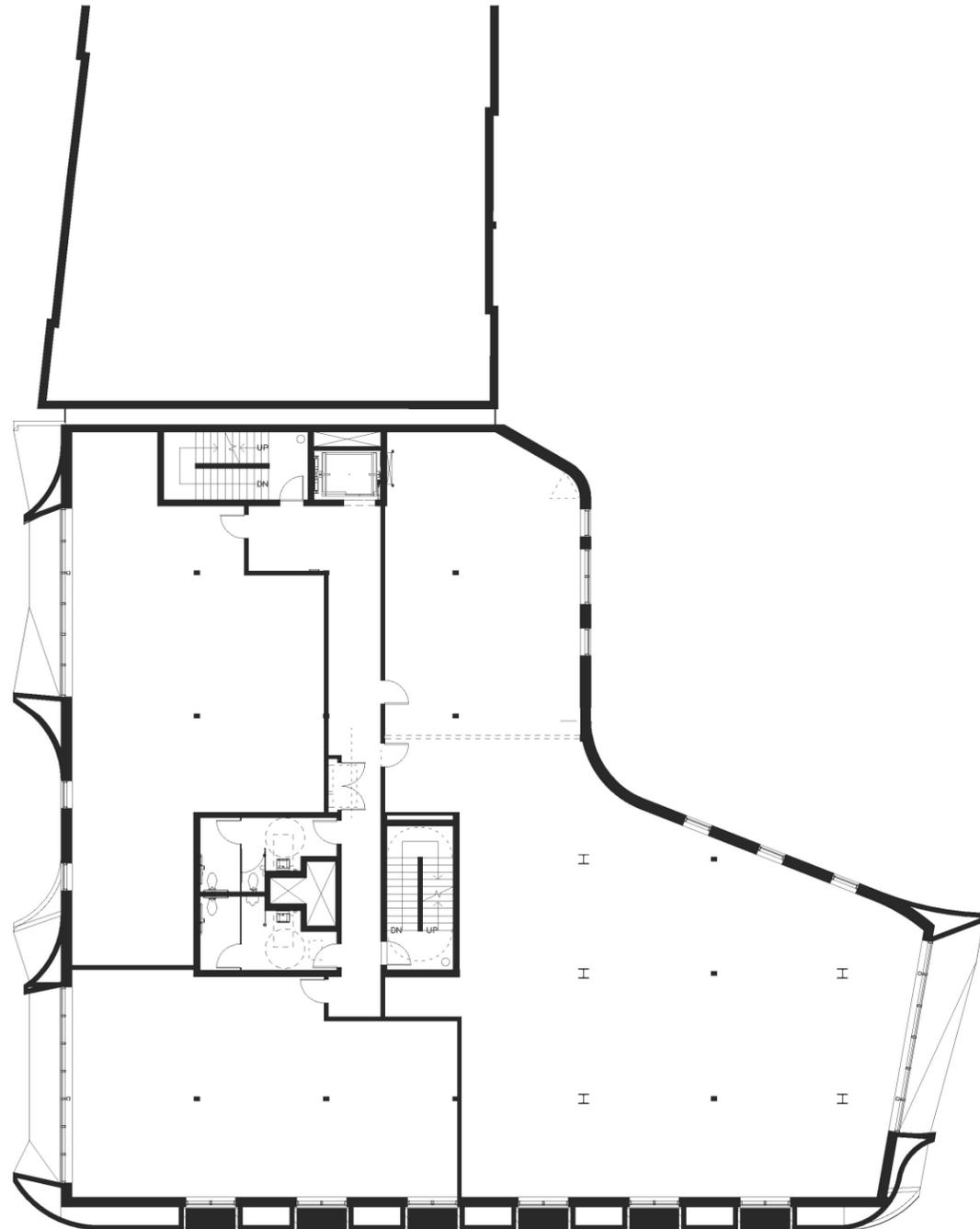
West 3: Existing Tenant



East 3: Joyce Harris Event Center



West 3: Existing Tenant



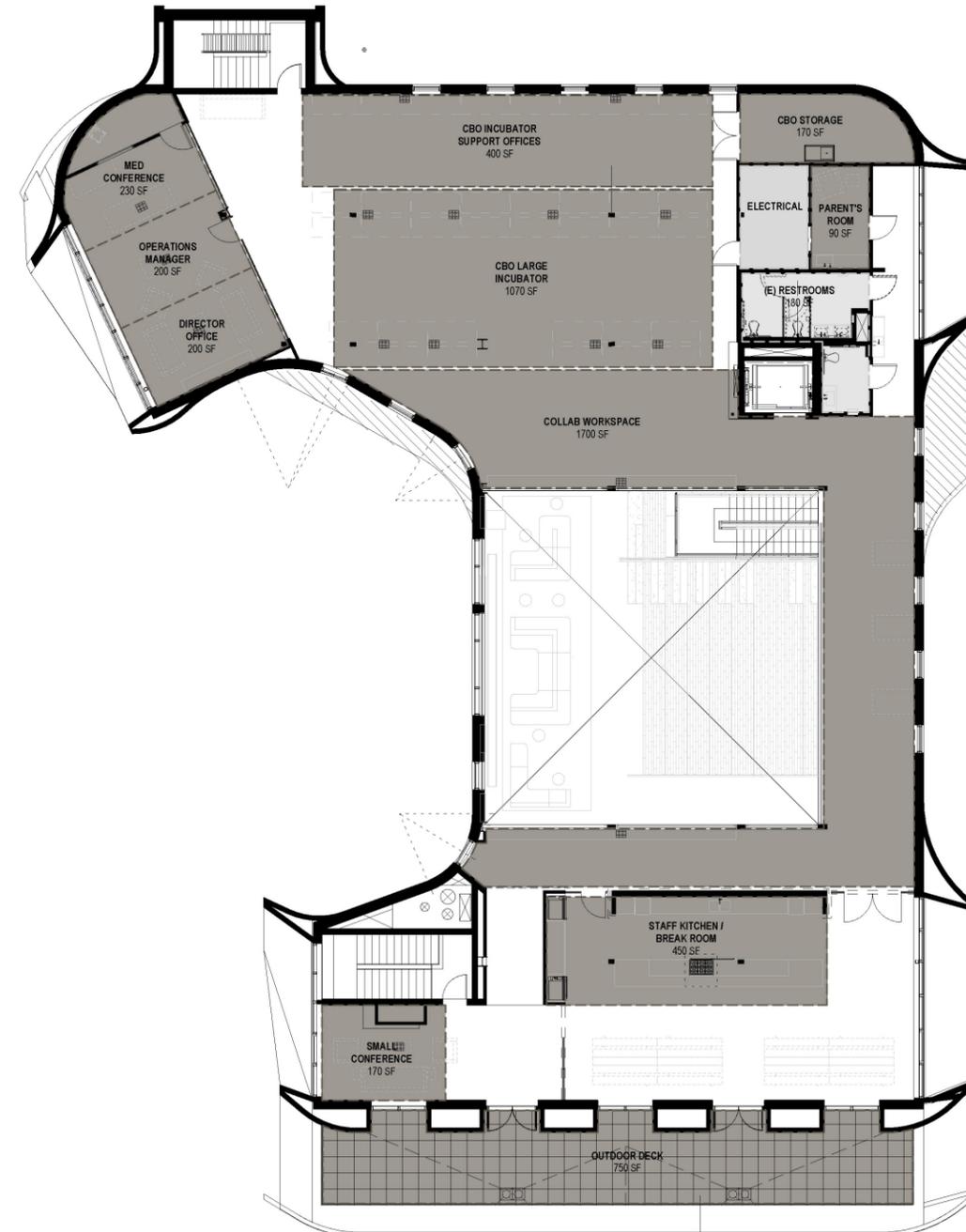
East 3: Joyce Harris Event Center



West 4: Innovation Hub



East 4: Admin HQ



West 4: Arts & Innovation Hub



East 4: Admin HQ



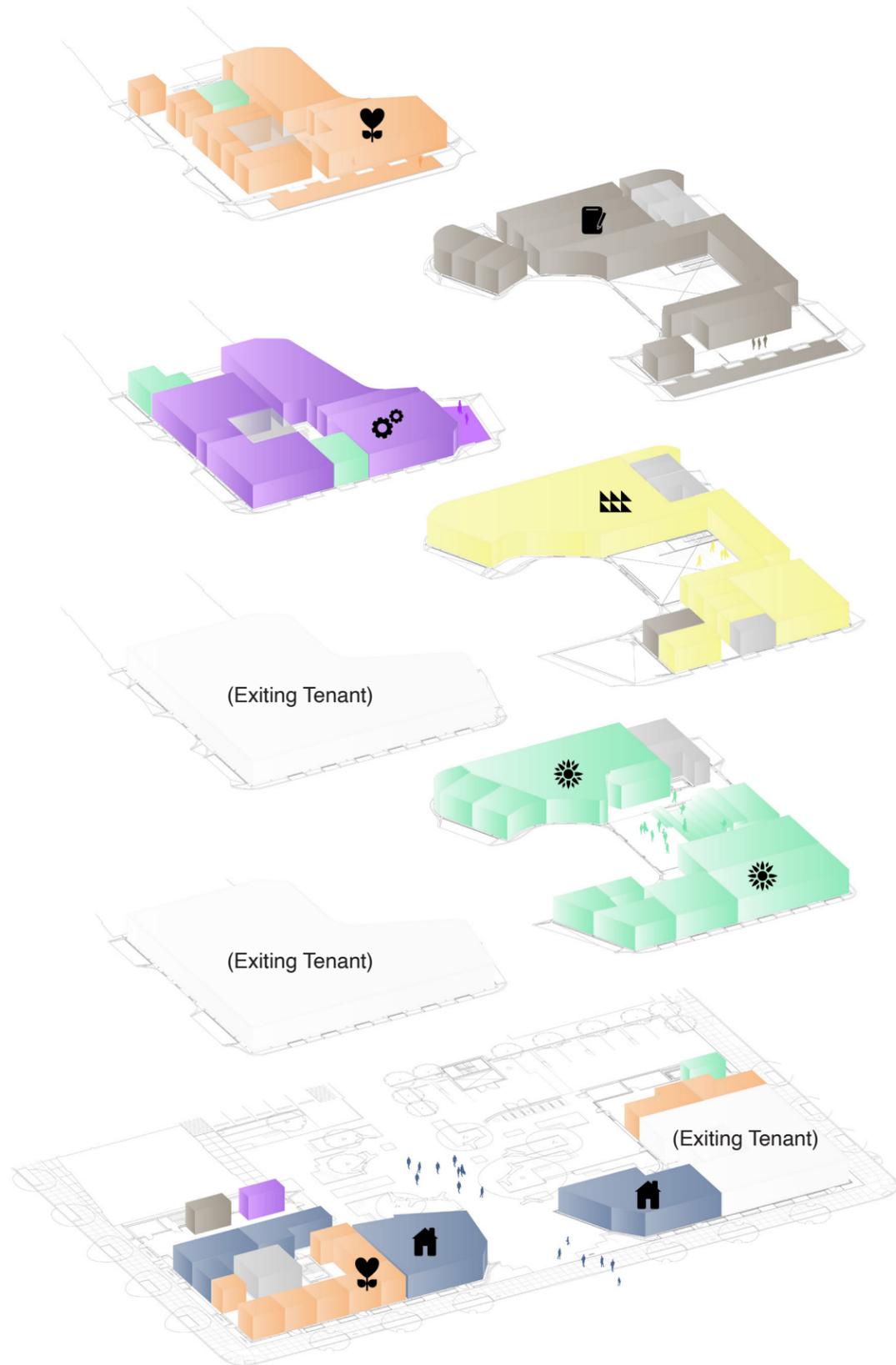
West 5: Family Wellness



Image 3: Precedent Images for Family Wellness Movement Spaces



Program Organization



Level 5
Wellness Studios



Level 4
Innovation Hub
Admin HQ



Level 3
Joy Harris Event Center



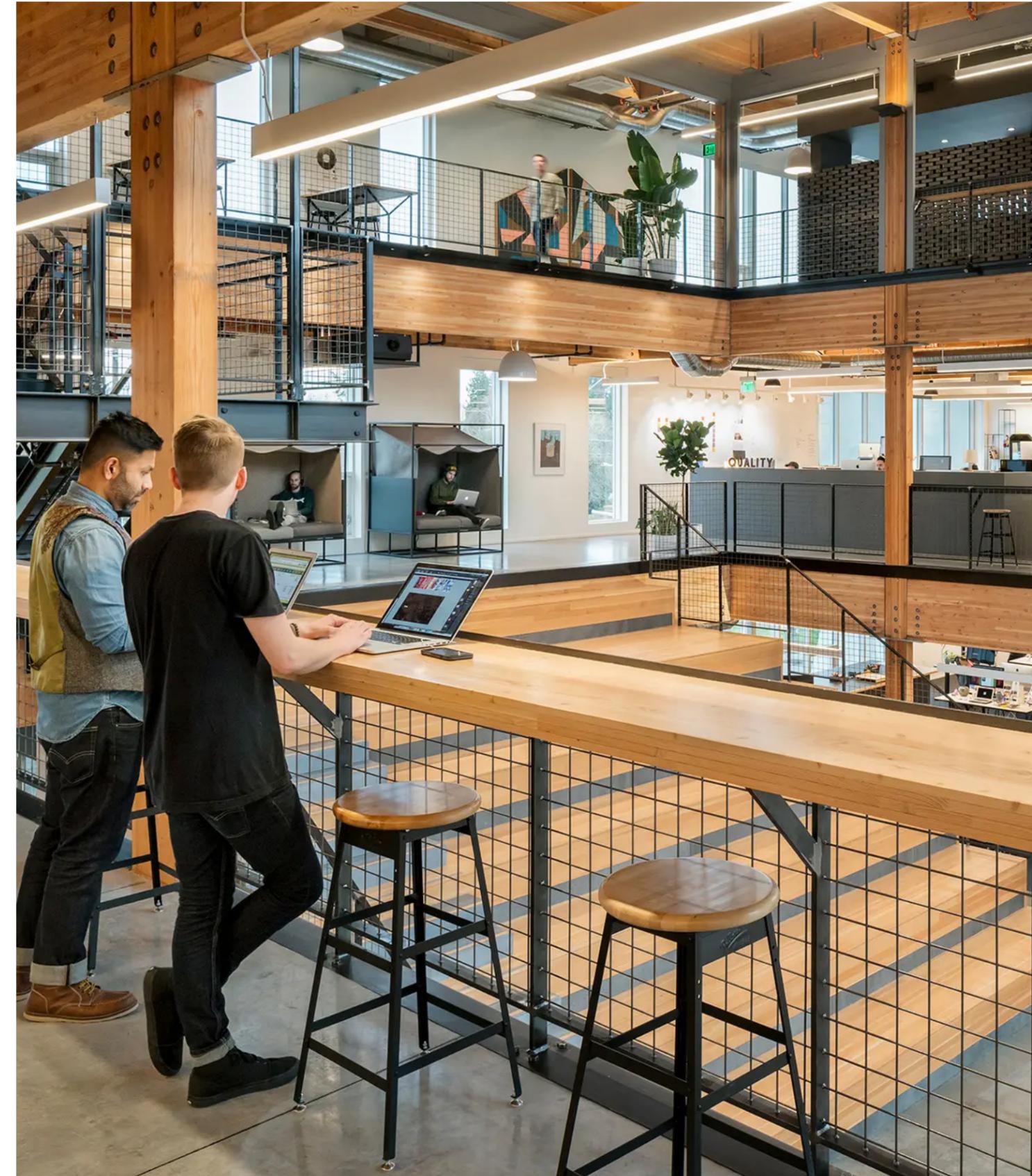
Level 2
Center for Arts & Culture



Level 1
Family Wellness Center
Community Collaboration



Image 4: One North Property, East Building Interior



3. Site and Neighborhood

The One North property is located in Portland’s Boise-Eliot neighborhood, a diverse and evolving area with historic ties to the Black community and located in the historic Albina neighborhood.

Neighborhood Uses

The two buildings occupy the southeast and southwest corners of Block 30, bounded by Fremont Street and New Seasons Market to the south, Williams Avenue to the east, Vancouver Avenue to the west, and Life Changes Church to the north.

The site is surrounded by a neighborhood with a mix of commercial and residential uses, including single-family homes, affordable and market-rate multifamily housing, a grocery store, and a church.

It sits within the Portland SD1J district, which serves Boise-Eliot Elementary School, Harriet Tubman Middle School, and Jefferson High School. The site’s close proximity to Self Enhancement, Inc. (SEI), an organization with deep community roots and a mission aligned with the CBSE, further strengthens its relevance.

One North is also within one mile of several parks, including Dawson, DeNorval Unthank, Irving, Lillis Albina, and Two Plum Parks. These parks, located between 0.4 and 0.8 miles from the property, provide much-needed outdoor amenities within walking distance, supplementing the limited open space available on site.

Transportation

The property is in a highly accessible location, offering multiple transportation options, including seven (7) public transit routes within a one-mile radius.

This site has a Walk Score of 95 and a Bike Score of 100. Established bike lanes provide an accessible and sustainable option for both students and administration, and the property includes on-site bike parking to support this mode of transportation.

Alongside these strengths, the property faces several challenges. Onsite parking is limited, and street parking is scarce, which can make it difficult for faculty, tenants, and guests who rely on personal vehicles to find convenient parking. Additionally, the surrounding streets experience congestion, which can increase travel times and add to the difficulty of accessing the site by car.

The surrounding one-way streets, Williams Avenue and Vancouver Avenue, create further challenges. Without direct curbside pick-up or drop-off options for school buses, students must navigate across two lanes of traffic to reach the site safely.

The property includes provisions for nine (9) vehicular parking spaces, including one (1) ADA-compliant stall, and fifty-nine (59) bicycle parking spaces. Per Operating Agreement dated December 2017 and amended in January 2018, governing the 14,000 square-foot easement located between the East and West buildings, includes an arrangement with Life Change Church granting access to ten (10) designated parking spaces, specifically numbered 22-28 and 32-42.

Student Pick-up and Drop-off

The following are two potential options for managing student pick-up and drop-off at the site, each of which would require an agreement with Life Changes Church:

Option 1: Life Changes Church

On the north side of the property, the open parking lot owned by Life Changes Church is a potential opportunity for an off-street school bus pick-up and drop-off. A school bus could travel south along Vancouver Avenue and turn left into the church’s parking lot. From there, the bus could drop off students mid-block in front of the north bollards of the property, providing a safe and efficient off-street drop-off point. The bus would exit northbound onto Williams Avenue.

PPS could negotiate with the Life Changes Church property owner to secure the use of the lot for off-street drop-offs and pick-ups. Students would then walk through the north bollards to enter the CBSE, creating a manageable flow of students during high-traffic periods.

Option 2: Life Changes Church / Alley

In this option, the bus would enter the Life Changes Church parking lot from Williams Avenue and then turn down the alley onto the One North Property’s drive, which is owned by EcoCommons*, to drop off and pick up students. The bus would then exit via Fremont Street. To enable this route, the bollards on the north side of the property would need to be removed.

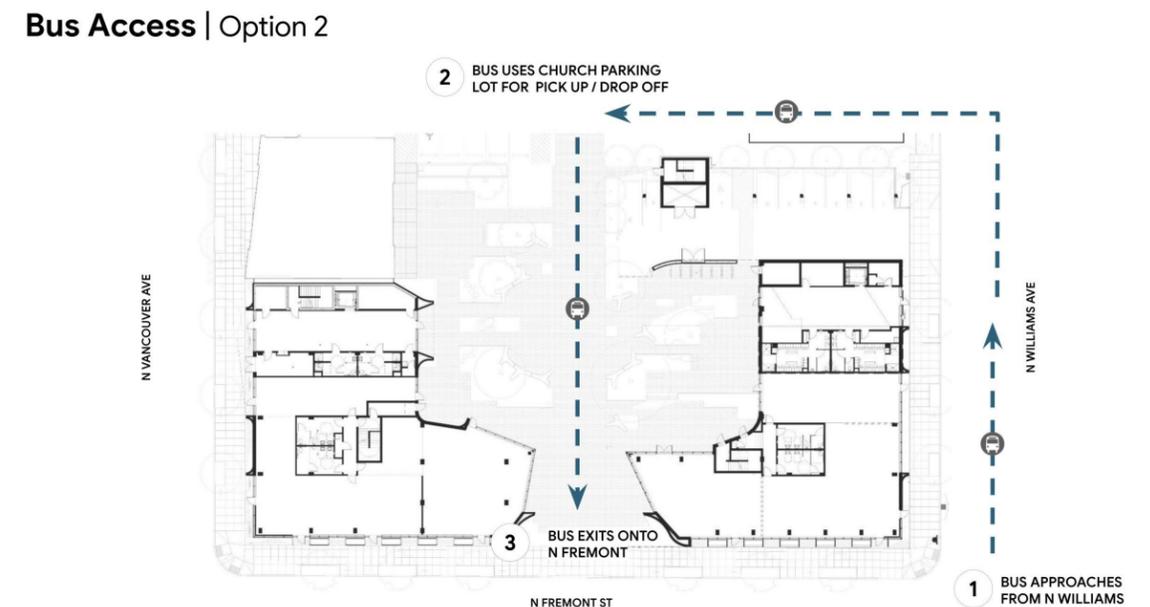
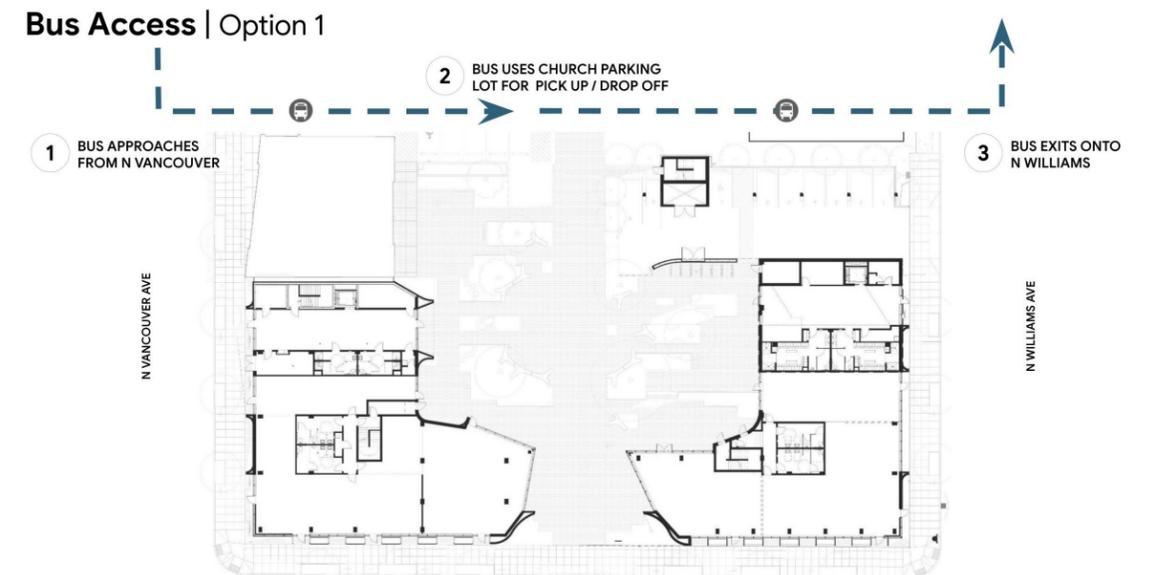
Research indicates that the capacity of the pavers and subgrade in the courtyard is sufficient to support H-20 loadings, which meet the minimum standard for roads at 32,000 pounds per vehicle. It is important to note that this capacity applies only to the 12-foot-wide drive aisle

or alley through the courtyard. The weight capacity of areas outside this drive aisle is likely much lower and would require further study.

Additional assessment during the next phase of the project will be necessary to determine whether these areas can safely accommodate school buses and to confirm the feasibility of this second option.

*EcoCommons, LLC, established in March 2013 by Deco Diner, LLC and Karuna Properties II, LLC, is an entity that defines the use and maintenance responsibilities related to the 14,000 square-foot easement between the One North East and One North West buildings.

Image 5: Student Pick-up and Drop-Off Options



4. Building Assessment

The One North property consists of two tax lots. The East Building, 3529 North Williams Avenue, is a four-story, 35,599 square foot building with an atrium connecting the third and fourth floors. There is a health clinic tenant on the ground floor.

The West Building, 3514 North Vancouver Avenue, is a five-story 36,600 square foot building with existing tenants, on floors one, two and three, whose leases will be inherited through the sale of the building.

Zoning

One North is located in a Commercial Mixed Use 3 (CM3) zoning district. This zoning allows for educational facilities, and will likely not require a Conditional Use Permit. Uses Allowed By Right in CM3 (Title 33, Planning and Zoning, Table 130-1) are:

- Retail Sales And Service Office
- Schools Colleges
- Medical Centers Daycare

Building Code

LEVER Architecture has determined the East building's current tenant improvement is classified as 'B' occupancy at floor 1, and 'B' / 'A-3' at floors 2-4. The West building is classified as 'B' and 'M' at level 1, and 'B' at levels 2-5. The conversion from office space 'B' to educational use 'E' will necessitate

Image 6: Estimated Required Fixture Counts

Floor	West Building			
	Mens		Womens	
	WC	LAV	WC	LAV
Floor 5	2	1	2	1
Floor 4	2	1	2	1
Floor 3	2	1	2	1
Floor 2	2	1	2	1
Floor 1	3	3	3	3
	Mens TOTAL		Womens TOTAL	
Existing	11	7	11	7
Likely Required	5	8	9	10
Difference	-	1	-	3

updates to meet building code requirements specific to educational environments, which include changes to fire and life safety, ventilation systems, and accessibility requirements (ADA compliance).

In addition to occupancy group 'E', the East building will also contain assembly occupancy 'A-3'. The atrium is already group A-3 for an assembly gathering space. The cafeteria would very likely need a change to group A-2, which would require additional bathrooms, fire alarm sprinkler, rated walls, structural review for load increases, and HVAC upgrades. The museum and gallery spaces in the Center for Arts and Culture could be considered A-3 occupancy as well.

Regarding plumbing fixture count, a preliminary occupancy calculation reflecting the desired programming indicates a need to add one (1) women's toilet and two (2) men's lavatories to the East building, as well as ensure one (1) drinking fountain per floor. The architectural team's occupancy calculation for the West building suggests a total addition of three (3) women's lavatories and one (1) men's lavatory, as well as a drinking fountain per floor.

The Portland Bureau of Development Services (BDS) will require a detailed review of the space to ensure compliance with education-specific regulations, such as minimum space per students, egress routes, and

Floor	East Building			
	Mens		Womens	
	WC	LAV	WC	LAV
Floor 4	1	1	2	2
Floor 3	1	1	2	2
Floor 2	1	1	2	2
Floor 1	4	4	4	4
	Mens TOTAL		Womens TOTAL	
Existing	7	7	10	10
Likely Required	6	8	11	12
Difference	-	1	1	2

fire suppression systems. This conversion is feasible, but will require a thoughtful approach in the next phase of the project to meet both functional and regulatory requirements.

Building Assessment Report

The following summarizes the "Building Assessment Report" prepared by Interface and KPFF on September 25, 2025.

One North's central location, innovative design, and established presence in the Albina neighborhood make it well suited for educational and community programming. The buildings offer flexible layouts, ample daylight, and modern finishes that align with CBSE's goals of innovation, collaboration, and community integration.

Architectural assessments noted that the buildings are in generally good condition but require ongoing maintenance of wood siding, roof flashings, courtyard paving, and exterior finishes. Accessibility improvements are needed, including signage upgrades, van-accessible parking markings, and ADA adjustments.

Image 7: Building Updates Required for Education Use

Zone	EXISTING	
	West	East
	CM3	CM3
	<small>*Previously Exd When Built</small>	<small>*Previously Exd When Built</small>
Fire Separation	0 HR	0 HR
Occupancy	B, A-2	B, A-3
Plumbing	20 WC 12 LAV	14 WC 12 LAV
Bike Parking	4 short term 21 long term	14 short term 25 long term
ASCE 7-16 Risk Category	Risk Category II	Risk Category II

Safety recommendations included enhancing courtyard lighting, securing stair details, and reviewing fire lane and courtyard conditions given the site's open "woonerf" design that blends pedestrian and vehicular uses.

Structurally, the mass timber and concrete framing systems are performing as expected with only minor shrinkage and cosmetic issues observed. However, converting the buildings from office (Risk Category II) to educational use (Risk Category III) will trigger stricter seismic, wind, and snow load requirements under current building codes. Structural upgrades, especially to lateral systems, would likely be required to meet compliance. While the existing systems are sound, this change in occupancy presents significant cost implications.

Mechanical, plumbing, and electrical systems are largely in good condition, though service histories are limited. The Variable Refrigerant Flow (VRF) heating and cooling system requires cleaning and verification of code compliance, while ventilation issues such as grease duct access and potential refrigerant density concerns must be addressed.

Zone	Required for CBSE	
	West	East
	CM3	CM3
Fire Separation	1 HR <small>Increased fire rating at Floor 4/ Ceiling of Floor 3</small>	1 HR <small>Increased fire rating at Floor 4/ Ceiling of Floor 3</small>
Occupancy	M, B, A-2, E <small>Upgrade for Risk Category III</small>	M, B, A-2, E <small>Upgrade for Risk Category III</small>
Plumbing	Add: 2 WC, 6 LAV	Add: 4 WC, 6 LAV
Bike Parking	Add: 2 short term 28 long term	Add: 1 short term
ASCE 7-16 Risk Category	Risk Category III <small>Seismic design force increase 25% Wind load increase 10-15% Roof snow load increases 10% Flood resistance to meet ASCE 24</small>	Risk Category III <small>Seismic design force increase 25% Wind load increase 10-15% Roof snow load increases 10% Flood resistance to meet ASCE 24</small>

Plumbing systems are functional but aging, with water heater replacement recommended. Electrical systems, including LED lighting, PV arrays, and emergency power, are modern and serviceable, though minor upgrades such as tamper-proof receptacles and code-compliant panel access are advised. Collectively, these systems support the property's viability but will require targeted upgrades and regular maintenance to ensure long-term performance.

Environmental Phase 1

Alpha Environmental conducted a "Phase I Environmental Site Assessment" report dated September 29, 2025 that was provided to the project team. According to this report, the assessment revealed no evidence of Recognized Environmental Conditions (RECs), Controlled Recognized Environmental Conditions (CRECs) de minimis conditions, or Business Environmental Risks (BERs) associated with the property, with one exception.

During the commissioning of gasoline underground storage tanks (USTs) related to former service station operations on the site, a petroleum release impacting soils was identified. Records from the Oregon Department of Environmental Quality (DEQ) confirm that the release was properly addressed through cleanup and decommissioning activities. The DEQ subsequently issued a "No Further Action" (NFA) letter.

Based on the report received, Alpha Environmental has classified the petroleum release as a Historical Recognized Environmental Condition (HREC). Given the information available, no additional investigation is recommended at this time.

Alpha Environmental advises that it is the responsibility of Portland Public Schools to review title records for any recorded environmental cleanup liens or Activity and Use Limitations (AULs), which may include institutional or engineering controls. At the time of the report, Alpha Environmental had not yet received the Environmental Liens or AUL report from PPS. Nonetheless, Alpha concludes that sufficient information was available to support the findings and recommendations provided in the assessment.

Image 8: One North Property Courtyard



5. Phasing Strategy

The following phasing strategy is based on several assumptions: CBSE will relocate its administrative office to One North upon acquisition of the building; existing tenant leases will remain in effect; Community Based Organizations (CBOs) serving youth will be clustered in the East Building; and other for-profit or non-youth-serving organizations will be concentrated on the second and third floors of the West Building.

Limited Phases

Given the \$60 million dollars of availability of funding for CBSE, it is recommended to minimize construction phases and complete most work within a single, streamlined phase. This approach reduces costs by promoting efficient use of resources, labor, and materials, limiting overhead, and avoiding duplication of efforts.

A continuous workflow shortens the construction timeline, enabling earlier completion, faster occupancy, and quicker revenue generation. It also helps control cost escalation, reduces material waste, and supports a more sustainable development.

Additionally, a streamlined schedule fosters stronger collaboration among all stakeholders by centralizing decision-making, scheduling, and communication. The selected development, design, and construction team should create a comprehensive sequencing plan to optimize efficiency while minimizing disruption to tenants and CBSE occupants throughout the project.

Phases

The development team recommends completing this project in three phases. The estimated duration for these phases is approximately thirty-six (36) months, depending on PPS, the future development and design teams, the construction partner, and the timely approval of key decisions by PPS and CBSE.

Phase 1: CBSE Interim Program / Design (24 months)

In Phase 1, CBSE should relocate its administrative functions into the East Building and begin interim student programming. Administrative offices will occupy the fourth floor of the East Building (E4), while temporary student programming will take place on East E4 and East E2. Additional temporary space for student activities will be provided on the first floor of the West Building (W1) at 3510 N Vancouver Avenue, which is currently vacant. A café/gallery will be established in E1 at 25 North Fremont Street, which is also currently vacant.

During this phase, PPS will select its development, design, and construction partners, initiate and complete the design of CBSE tenant improvements (TI), and obtain the necessary permits to proceed with construction.

All leases with tenants should be kept in place and/or renewed for a maximum of twenty four (24) months. All leases with Community Based Organizations (CBOs) during this phase should be short-term and require minimal or no tenant improvements, given the upcoming construction schedule.

The 24-month schedule for Phase 1 is based on the following assumptions:

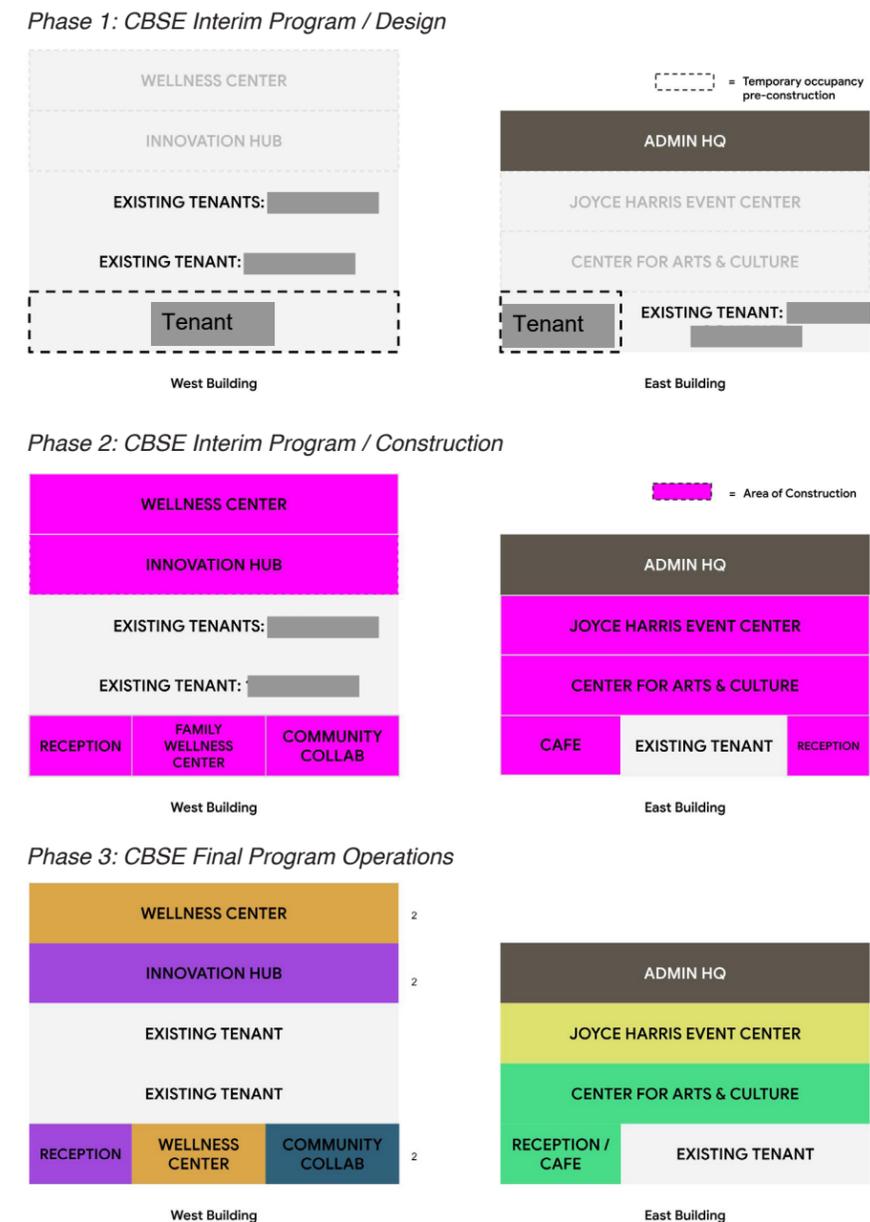
- CBSE administration will move in immediately following the property closing
- A six (6) month period for PPS to solicit and onboard the future development, design, and construction team
- Twelve (12) months to complete the design phases, from Schematic Design through Construction Documentation
- Six (6) months for permitting

This schedule is subject to change based on the future development team, PPS, and the jurisdiction. The timeline could be shortened if leadership prioritizes accelerated decision-making and coordination.

Phase 2: CBSE Interim Program / Construction (12 months)

During this phase, the CBSE footprint will be reduced to the fourth floor of the East Building and the East Building café/gallery. All other areas, with the exception of the tenants occupying the second and third floors of the West Building, will be under construction. This timeline could be shortened if an early construction package is implemented to complete necessary seismic upgrades, allowing the remaining work to focus primarily on tenant improvements.

Image 9: Phasing Diagrams



Phase 3: CBSE Final Program Operations

Phase 3 is the full completion of move-in and operations of the final CBSE program as shown in Section 2 - Design Concept of this report. The phase will include move-in of all permanent CBSE programming across the buildings, and operations and maintenance of the property.

6. Income and Expenses

The initial financial analysis of the One North property is based on reported revenue and expenses for the 2024 fiscal year. This assessment utilizes current leasing agreements, the existing rent roll, and verbal confirmation communicated to PPS regarding potential lease extensions or renewals.

At this stage, the analysis excludes any financial projections related to spaces expected to become vacant upon lease expiration. Additionally, it does not account for potential rental income from community-based organizations to whom PPS intends to offer workspace.

To accurately determine the full operational cost of the One North property, a more comprehensive financial analysis, along with a lease up strategy that corresponds to each phase of development culminating in Phase 3: CBSE Final Programs Operations would be required. Such an approach would provide greater insight into both the financial opportunities and the long-term obligations associated with the site.

It is highly recommended that a full comprehensive financial analysis of potential income and operating expenses is conducted by a development partner along with PPS's Department of Facilities and Asset Management's Real Estate Office.

There is an opportunity for CBSE to retain the majority of existing tenants during and after the construction of the CBSE Final Program at One North. Maintaining these tenants allows CBSE to benefit from rental revenue, which can help offset the building's operating expenses. The following section outlines the potential cash flow analysis at the One North Property during the first and final phase of the building renovation.

The charts are informed by information derived from Leases, Rent Rolls, Operational Expenses for the years 2022-2025, and Site Operating Cost Analysis provided by PPS. Additionally, Adre received an updated Rent Roll on September 23, 2025 that indicated interest from existing tenants who wish to exercise their right to extend their lease.

All tenants who have expressed an interest, at the time of this report, can stay in place during every phase of the project and remain concentrated across a footprint that does not interfere with CBSE programming or future CBO occupied spaces. All of the information provided has been reviewed and reformatted for review in this report.

Financial Assumptions

The financial analysis presented is based on 2024 annual data and includes the following assumptions:

Income Assumptions

- CBSE and CBOs to occupy 73% of the buildings
- Existing and future tenants to occupy 27% of the buildings
- NNN income is divided prorata based on square footage
- All existing West 2 and West 3 tenants to remain at same rental rate
- Existing tenants to roll off as follows:
 - ██████████ to vacate by 10/31/2025
 - ██████████ to vacate upon closing of sale
 - ██████████ to vacate on 4/30/2026
 - ██████████ to vacate on 1/1/2026
 - ██████████ vacate on 8/1/2026

Expenses Assumptions

- CBSE will not have a mortgage payment
- 27% of the building will incur property taxes (the tenants spaces)
- CBSE and CBO's will not incur property taxes
- No Tenant Improvement costs (TI) included

Net Income During CBSE Interim Program

The Potential Net Income during CBSE Interim Program chart presents the annual rent, NNN payments, total income, operating expenses, and net income for the One North property in 2024. As discussed with PPS, the development team recommends retaining all of these tenants during Phase 1, the CBSE Interim Program, and the majority of them after the buildings are fully renovated.

Current tenant leases are set to expire between 2026 and 2028. PPS should renew all leases for the

maximum allowable term, except for tenants marked with a (*) whose leases should only be renewed for the duration of Phase 1.

It is assumed that ██████████ per-square-foot rent is higher due to the extensive buildouts required for a medical space. The operating expenses shown in the chart do not include mortgage payments that are currently paid by the landlord. The overall tenant footprint decreases from 29-19% by 8/1/2026. Leases expiring with no confirmation of extensions leads to swiftly declining operational expenses from minimal net income to carrying costs by 4/30/2026.

Image 10: Potential Net Income During CBSE Interim Program (Through 4/30/2026)

Building / Floor	Existing Tenants	Size (SF)	2024 Annual Rent (\$)	2024 Annual Rent (\$/SF/yr)
West 3	██████████	1,919	51,385	\$26.78
West 3	██████████	3,729	69,232	\$18.57
West 2	██████████	8,064	208,107	\$25.81
West 1	██████████	4,417	106,911	\$24.20
East 1	██████████	3,132	136,872	\$43.70
Total SF		21,261		
Total Rent			572,507	\$26.92
Total NNN Payments			217,137	
Total Income			789,644	
Operating Expenses			(736,494)	
Net Income			\$53,151	

Potential Income CBSE Final Program

The CBSE Phase 3 Final Program: Potential Income for Remaining Tenants chart presents the projected annual rent for the One North property after the CBSE renovations are complete. This chart is informed by current tenant leases and any expressed interest, formal or informal to extend a tenant’s lease. This chart does not account for tenant vacancies or future CBOs who are projected to pay a rent that will be negotiated between owner and tenant.

The new ground-floor tenants are intended to be community-focused and may be operated by nonprofit entities. As a result, these spaces will likely be occupied by tenants who pay below market rate rents. To determine those rents, PPS would need to provide further information on the CBOs expressing interest.

The chart does not include future tenants who may occupy vacant suites. A comprehensive financial analysis would provide information needed to determine demand, potential tenants and rents.

Image 11: Potential Net Income CBSE Final Program

Building / Floor	Existing Tenants	Size (SF)	2024 Annual Rent (\$)	2024 Annual Rent (\$/SF/yr)
West 3	[REDACTED]	1,919	51,385	\$26.78
West 3	[REDACTED]	3,729	69,232	\$18.57
West 2	[REDACTED]	8,064	208,107	\$25.81
	Total SF	13,712		
	Total Rent		328,724	\$23.97
	Total NNN Payments		136,387	
	Total Income		465,111	
	Operating Expenses		(736,494)	
	Net Income		(\$271,383)	

Image 12: One North Property, Courtyard



7. Conclusion

The findings of this Programming Feasibility Study demonstrate that the proposed modifications of the One North property into the Center for Black Student Excellence (CBSE) is viable, offering the potential to serve as a transformative community anchor. However, there are a series of challenges including site access, infrastructure upgrades to meet the CBSE programming, and required finances to maintain the property over time. PPS will need to conduct further investigation and resolutions to ensure the success of the construction and operations of the new facility.

Programming

The concept design balances the dual priorities of student and community access while integrating educational, cultural, wellness, and collaborative programming. The design is intentionally organized into six categories: Innovation Hub, Center for Arts and Culture, Family Wellness, Joyce Harris Event Center, Administration & Office, and Community Collaboration. The conceptual design organizes related functions to work cohesively for the intended users and ensures intuitive navigation across both buildings.

The One North property exceeds the square footage required to operate CBSE. In response, the design team developed a layout that maximizes space utilization for CBSE programming as well as accommodating current and future tenants.

Building Updates

The adaptive reuse strategy leverages an existing asset and accelerates project timelines through a thoughtfully phased implementation, though conversion from office to educational use requires updates to meet building code to fire and life safety, ventilation, accessibility, plumbing, and structural systems.

Site Access

As part of Portland Public Schools' (PPS) commitment to students, the project must provide direct pick-up and drop-off for students on the passenger side of school buses. PPS can provide direct pick-up and drop off by using one of the two solutions outlined in this report or an alternative.

Required Finances for Operations

The initial financial analysis estimates \$465,111 in annual tenant income and \$736,494 annual operating expenses, which requires an annual CBSE investment of approximately \$271,383 annually for CBSE to carry.

It is highly recommended to retain existing tenants and consolidate CBSE functions within specific floor plates to maintain flexibility for potential future rentable spaces.

To accurately determine the full operational cost of the One North property, a more comprehensive financial analysis, along with a lease up strategy that corresponds to each phase of development culminating in Phase 3: CBSE Final Programs Operations would be required. Such an approach would provide greater insight into both the financial opportunities and the long-term obligations associated with the site.

Recommendations

PPS next steps should focus on a comprehensive financial analysis, code compliance, design, permitting, and close coordination with both existing and future tenants to ensure smooth transitions and operational continuity. The recommended next steps are as follows:

1. PPS's Department of Facilities and Asset Management to engage with development partner to complete comprehensive financial analysis
2. Proceed with one of the proposed solutions or alternative to provide direct passenger side pick up and drop off for school busses
3. Engage with A&E team to identify what building updates are required prior to move in
4. Engage in a development and design team for the Phases 1-2 of CBSE

With careful design, strategic phasing, and strong stakeholder collaboration, this project has the capacity to achieve its mission of inclusive innovation, cultural expression, and holistic support centering students and their families, while simultaneously fostering long-term community impact.

Image 13: One North Property, Courtyard





Building Assessment Report

PPS One North Commercial Building Inspection
2025-1106

Prepared for:
Portland Public Schools

September 25, 2025

Prepared by:
(Interface Engineering Inc)
Mark O'Leary, PE
Kristin Melling, PE
Jeff Burke
Todd Shoote
(Bassetti Architects)
Lydia Burns
Sharon Nobbe
(KPF Consulting Engineer)
Aaron Stoczek, PE, SE

Table of Contents

Archititectoral 1
Structural48
Mechanical / HVAC System..... 54
Plumbing64
Electrical.....66

Architectural

Executive Summary

Why One North?

One North Center, an iconic building development in the historic Albina neighborhood of northeast Portland, provides prime inspirational and creative space for Portland Public School’s Center for Black Student Excellence (CBSE) program. The existing buildings and site exemplify forward and future thinking in collaboration and community since its construction in 2015.

Location

One North offers a uniquely strategic and inspiring setting for the PPS CBSE program. Located on North Fremont Street between North Williams and North Vancouver Avenues, the site serves as an established central and accessible hub for neighborhood schools, commercial businesses, and supporting programs. The urban city development consists of two commercial office buildings with street-level courtyards.

	Street Address	Stories	Lot size (Parcels)
Karuna II East w/East Courtyard	25 N Fremont Street	4 story	~153 ft x 118 ft (3)
Karuna II West w/West Courtyard	3506 N Vancouver Avenue	5 story	~103.2 ft x 120 ft (2)
Public Alley	Fire lane		300 ft x 20 ft (1)



Figure A-1 Aerial Site view

Architectural Summary

This section summarizes the architectural assessment of the Karuna II West and East buildings at One North, conducted for Portland Public Schools (PPS) to support the Center for Black Student Excellence (CBSE). The evaluation covers accessibility, code compliance, safety, and maintenance concerns and recommendations.

The Karuna II West and East buildings were designed and constructed at the same time with similar materials and finishes. Because of these similarities, the report addresses the site, building exteriors and interiors together and differences noted. Observations and recommendations within this report were assembled from information gathered during two site visits and review of information provided from the building Owner's representative. A general summary of recommendations is included here with additional conditions and recommendations provided in the following sections.

Exterior and Site Conditions

- Maintain wood veneer, sealants, and roof flashings proactively.
- Repair uneven courtyard paving system, particularly at paths along building entries/ exits.
- Evaluate bicycle parking for zoning compliance.

Accessibility and Code Compliance

- Measure exit path illumination levels to ensure code compliance.
- Upgrade signage for accessible exits and elevator landings.
- Install van-accessible parking signage and pavement markings per Oregon code.
- Relocate toilet accessories that interfere with ADA grab bar clearances.
- Replace protruding dispensers exceeding 4 inches along accessible routes.

Safety and Egress

- Improve courtyard lighting levels for visibility during dusk to dawn hours.
- Review building code appeals for stair rail termination issues.
- Repair loose stair base trim and evaluate tight stair landing conditions.

Roof and Terrace Maintenance

- Install and secure roof drain strainers where missing.
- Improve roof walkway access around solar panels for code compliance.
- Repair sagging mechanical screen enclosure gates.
- Verify terrace door opening forces meet accessibility standards.
- Consider additional fall protection measures with PPS standards.

Architectural Assessment

The Karuna II East and West buildings are located within a Commercial Mixed Use 3 (CM3) zone, surrounded on three sides by public transit and bikeway streets—unlike traditional District campuses that typically feature a single building enclosed by fencing. This urban setting supports walkability, multimodal access, and community integration.

The East and West buildings are on separate properties with an alley between. The neighboring properties to the north share use of the alley. This alley is dedicated fire access for both East and West buildings and their northern neighbors. The open space between buildings, including the fire lane, comprises the open shared courtyard amenity space in common to the 4 properties.

City zoning regulations do not require on-site parking. Service loading on adjacent streets requires advance approval from the city. There is limited on-site parking on the Karuna II East property with eight covered parking spaces accessed from North Williams Avenue. These spaces are reserved and monitored with towing risk. During site visits, café patrons and delivery vehicles actively used the central open space.

The open courtyard design—a key feature of the city approved “woonerf” (pedestrian street) concept—appears to embody the CBSE strategic goals of community engagement, collaboration, and innovation. While this open access supports shared use and flexibility, it contrasts with PPS’s typical safety standards, which rely on gates, bollards, and fencing to control vehicular access. The District is encouraged to explore context-sensitive safety and security solutions that respect the urban character of the site while ensuring student and staff safety.



Figure A-2 Site diagram – West and East buildings, Fire Lane, and Courtyard



Figure A-3 One North - Directional sign for vehicular parking

Site and Courtyard Conditions

Street frontages on the east, south and west with public sidewalks provide the boundaries for the development. The public sidewalks were clean and evenly surfaced in good condition. Radiused corners at intersections featured low slope curb ramps with yellow truncated dome detectable warning pads free from uneven joints and appear in good condition.

Sidewalk planters located along the street curb are well spaced and planted with mature trees, grasses, and mulch. Additional raised planters are part of a painted steel shade structure on busy N Fremont Street. The structure is 3-stories high and approximately 24 inches deep buffering pedestrians from the building interior along the storefront glazed building street walls.

At the property line, paving materials change from the light-colored concrete to dark stone pavers continuous to the buildings entries and through the courtyard. In the same character as the street planters, the courtyard features larger planters with mixture of plants, tall mature trees, grasses, mulch, and irrigation.

Plant and paving materials are consistent across the site. They appear well established and well maintained with areas in need of plant renewal. Low steel rails stamped with artful comments line planter edges at several locations. The color contrast and height are low, presenting tripping hazards where paths intersect.

The site slopes down from northeast to southwest. Connective walking paths are low slope and appear to be accessible routes. Planters and low concrete faced retaining walls provide structured height transitions – notably at the Karuna II East building courtyard. Steel punched plates at planters' edge and large organic shaped benches mark the boundaries for pedestrians and vehicles to navigate within the courtyard. Removable bollards at the north end of fire lane limit traffic from driving through. Other fixtures on site include bicycle racks near building entry doors, benches, and bollard lighting. Irrigation heads were visible within courtyard planting beds.



Figure A-4 Karuna II East Courtyard view to west



Figure A-5 Karuna II East Courtyard view to north

Short term bicycling parking is provided near building entry doors with sidewalk and courtyard racks. Long term bicycle parking in both the East and West buildings, when constructed, featured wall mounted bicycle racks lining the lobbies as an innovative approach to visibility, access, security, and sustainability. This conformed with City zoning long term bicycle parking standards at the time of construction. The East and West lobby fixtures vary from the construction documents. No bicycle racks were currently in place in the West building lobby. Wall mounted racks at angled walls in the East building lobby appeared as protruding objects when entering from the courtyard lobby door.

Area for loading services and car parking is limited on the site. The northeastern neighboring property utilizes the central courtyard's dedicated fire lane for access to its car parking area. The Owner's Representative noted that requests to secure the perimeter entry/exit points and parking areas of the site with removeable bollards, fencing, and gates to limit vehicular traffic into the courtyard have been unsuccessful with the city. Our assumption is that this is due to the fire lane access requirements and adjacent property owner access agreements and defies the spirit of the initial design as a 'woonerf' aka pedestrian street. Signage is the only available designator of ownership at present. During our visit, vehicles were observed utilizing the fire lane access and parking in areas clearly marked "no parking."

Each building has a waste collection room contained within the building. The locked rooms are shared among tenant spaces and fitted with a pair of swing doors for staff to maneuver waste collection, recycling, and the compost carts and bins out on collection days. This varies from typical District campus exterior collection areas accessed from a service drive. Karuna II East waste collection is accessed from the covered parking area through a pair of swing doors. Karuna II West collection has access from the main lobby interior with exterior doors that open south onto the N Vancouver sidewalk.



Figure A-6 Karuna II East Van Accessible parking signage non-conforming

Recommendations

- Observed uneven surfaces and varying joint widths near the West building exterior exit passage and the north entry lobby call box. Other areas may exist, and further review is recommended to repair paver and material transitions resulting in smooth and level surface with well-anchored materials.
- Evaluate exterior lighting levels for conformance with exit path illumination code. include building courtyard exits and connecting paths within the courtyard to the fire lane.
- Coordinate waste collection pick up location and days with tenants and adjacent building owners. Plan for Facilities operational staff to maneuver carts to and from locations on service days.
- An evaluation of bicycle parking provided versus required for the building site is recommended to maintain conformance with city zoning codes as building improvements occur in time.

- Recommend including irrigation and planting, particularly the grass and tall trees, as part of a regular maintenance cycle. The grass and mulch replacement cycle will be more frequent than the irrigation and paving system.

Site Accessibility

Visual survey during site visits found areas of improvement to bring accessibility and wayfinding signage into conformance with standards.

Recommendations

- Recommend a detailed evaluation and develop conformance schedule for the buildings and site accessible signage.
- Karuna II East building accessible parking: Van Accessible sign (R7-8P) and Access Aisle pavement markings required per Oregon Revised Statute (ORS) 447.233 and Oregon Structural Specialty Code Chapter 11 were missing.
- Karuna II East and West buildings: Elevator landing and interior tenant signage indicating accessible exits.

Site Safety and Egress

The south facing open-air courtyard welcomes pedestrians to enjoy its seating and café areas. It also invites service vehicles without limitation in contrast to the typical school sites where vehicular traffic is separated from student areas and controlled with bollards, gates, or fencing.

Site courtyard is direct access from N Fremont sidewalk and is not fenced off with a secure site perimeter. It was noted that the City of Portland will not allow bollards at driveway entrance from street, it must remain open access.



Figure A-7 Karuna II East Parking and Main Accessible Lobby Entry



Figure A-8 Karuna II East Main Lobby and parking entry from Williams Street



Figure A-9 Karuna II East parking landscape buffer



Figure A-10 Karuna II East parking wall damage from cars



Figure A-11 Karuna II West Main lobby street entry.



*Figure A-12 Karuna II West courtyard main lobby entry door.
Prefinished storefront window and door system.
Door bottom rail height is less than 10 inches.*



*Figure A-13 Karuna II West courtyard entry door approach with access call box.
Overhead downlights at soffit above.*



Figure A-14 Karuna II West courtyard view from exit passage to fire lane beyond. Common courtyard fixtures include lighting, waste receptacles, and benches.

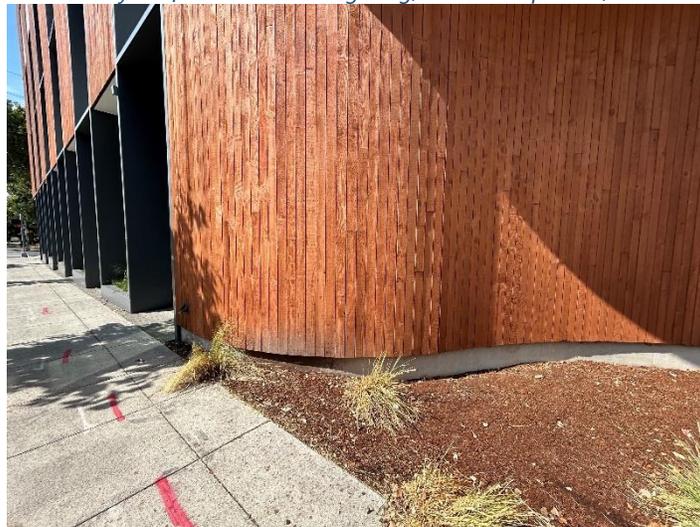


Figure A-15 Karuna II West southeast building corner at Fremont. Base of wood siding less than 7 inches above ground level. Debris on wood veneer. Grass plantings are fair to poor condition.

Recommendations

- Measure exit illumination levels along path from exit to fire lane.
- Maintenance to remove discoloration on concrete stem wall.
- Maintenance to secure paver system smooth and well anchored. Paver joint with metal insert extends to building from planter.
- Paver wear varies at building wall and beyond drip line.
- Existing exterior furnishings and fixtures—including exterior lighting, waste receptacles, and benches in the courtyard—present safety and fire risks. Recommend evaluating these fixtures are

securely anchored to prevent vandalism or displacement, and are strategically placed to support security, sanitation, and fire prevention protocols.

- Repair damage exterior metal panels Karuna II East covered parking walls and install barriers to limit future damage from cars.
- Our observation was during daylight hours. Recommend PPS Risk visit the site during night hours to assess lighting levels in courtyard and parking areas for security and safety.
- Due to “woonerf pedestrian street” design of alley with adjacent courtyards, no striping or other obvious indication exists to delineate vehicular vs pedestrian use. Recommend that PPS Risk evaluate courtyard conditions to determine if bollards or other means to delineate this division of traffic should be installed for safety of occupants.

Building Exterior Conditions

Completed in 2015, One North set a regional precedent for commercial office buildings in Portland through its distinctive architectural design and material palette. The development features exposed wood structural framing, operable windows, expansive upper-level terraces, and open, flexible interior layouts—elements that reflect the CBSE program’s emphasis on innovation, sustainability, and adaptability. Generous natural daylight and views of both the city and surrounding landscape further enhance the building’s creative and collaborative environment.

The exterior design remains uncommon for 4- and 5-story commercial buildings in Portland. Curved walls clad in stained wood veneer, white-painted projecting apertures, and low-profile roof coping and flashings contribute to the building’s unique character but require more frequent upkeep than the PPS District Standard brick and metal panel systems, which follow a 20-year maintenance cycle.

Since its construction, the building has been maintained by reputable firms including [REDACTED] [REDACTED]. These companies have provided ongoing service for roof systems, mechanical and electrical infrastructure, and fire protection systems. In 2024, exterior maintenance included repainting the apertures and refinishing the wood-clad curved walls, preserving the building’s architectural integrity and performance.

Building exterior doors swing out to the sidewalk and courtyard exit direction. Entry/exit doors to lobby and other street level spaces do not have standard PPS door stop bollards. If door-stop bollards are desired, it may be unlikely that they can be installed in all locations, due to the cost of demolishing the sidewalk or pavers and the location on street sidewalk. Incorporating card swipes and ADA buttons while limiting surface-mounted elements requires further study.

Building lobby and tenant spaces do not have exterior air lock vestibules. No vestibules are provided at the building entry lobby, entry from site is directly into the lobby. Walk off floor surface is provided. Providing exterior vestibules to reduce energy loss and provide secure entry area is common for school buildings.

The ownership of commercial office buildings with tenant agreements comes with building management and maintenance that vary from school buildings. Operations costs with regularly scheduled maintenance and repairs will preserve the development character and set precedent for the program.

A starting point for planning purposes:

Exterior Materials	Maintenance	Replacement/ Major repair	Project Year from 2024
Stained wood veneer	Annually	3-5 years	2027
Joint sealants	Annually	3-5 years	2027
Aperture	Annually	3-5 years	2027
Steel Frame Planter and Shade	Annually	15-20 years	2027
Exterior doors and frames	Annually	15-20 years	2027
Window system	Annually	15-20 years	2030
Operable windows/ screens	Annually	With Windows	2030
Roof drains	2 times per year	20 years	2035
Terrace Pavers (roof)	2 times per year	20 years	2035
Building roof	2 times per year	20 years	2035
Solar panels	Monthly/ Quarterly	15-20 years	2030 - 2035

Recommendations

- Obtain the building and site maintenance and repair records for PPS to reference.
- Transfer building material and manufacturer warranties to new Owner.
- Develop O and M schedule and budget to continue consistent and proactive exterior maintenance for the wood veneer, sealants, drains, and roof flashings.
- Evaluating the building entries for energy and building code conformance is recommended for energy savings and potential security measures.

Apertures, Terraces, and Roofs

Both the Karuna II West and East building exterior walls curve and offset from floor to floor creating uniquely shaped overhangs and roof areas. Apertures frame windows, and the shifts in floor plate provide overhangs, roof areas with terraces, and roof areas above. Building roofs slope to interior roof drains. Drains collect in the ceiling space below and travel towards central area before dropping vertically to storm line below.



*Figure A-16 Karuna II roof to exterior wall and roof drain.
Install roof drain screen and anchor into flange.*

Terraces extend the views and usable space for upper tenant level spaces. Exterior swing doors from tenant spaces walk out onto concrete pavers. The terrace pavers with open joints conceal primary and overflow roof drains on the roof surface below. Glass guard rails maximize the attractive city views and with their position close to the edge of the building and "on grade" shelf on the opposite side present a concern for use by students or public if someone climbed it.

Once on the roof terrace – access back into the building does not appear to be controlled. Based on prior PPS projects with roof terraces, PPS typically would want to control access after-hours and may require a call box. Retrofit work and an appeal may be necessary to get access control and hardware working in accordance with PPS typical operations, for PPS Risk review.

Roof finishes are white with roof membranes adhered to low profile coping. Dirt and debris on the white membranes are visible through tenant windows from the interior and adjacent buildings. Frequent maintenance will be necessary to keep the area clean and avoid deterioration. The only way to clean these areas would be via vertical lift from the street and courtyard.



Figure A-17 Karuna II East building white apertures surrounding upper-level windows.

The building's primary roof is access by ships ladder through large roof hatch. The ships ladder and hatch provide ease of access from stair below. The hatch lid when open on Karuna II East building provides a barrier at the north building roof edge. A short section of raise parapet provides a tall guard when stepping onto the roof. The roof hatch on Karuna II West building is centrally located within a few steps of the main mechanical equipment enclosure.

Rooftop features include a mechanical screen enclosure, raised roof over the elevator shaft, and large area of solar roof panel racks. Solar racks rest on top of the roof membrane and ballasted with concrete blocks. Walkway widths for maintenance of solar roof panels were less than required along the roof perimeter to panels do not conform with code.

Main building roof has various heights with the tallest transition to elevator roof measure approximately 22 inches from the main roof. Conditions at the roof perimeter vary with low raised parapets and stepped roofs. Traditional raised parapet with coping cap varies in height from 9-14 inches at the roof perimeter. Step along perimeter of roof varies in height from 6-12 inches before extending out to finish with a low slope coping beyond.

Painted steel mechanical screens surround roof top mechanical equipment near the roof centers. Roof top equipment on raised curbs, surface conduits, and pipes on blocks, and control panels mounted to the screen frame can be found within the enclosure. Doors on the enclosure are heavy steel with lever hardware and latches. The doors have sagged over time and require effort for them to close.

Fall protection exists with a single tie off near the roof center and additional D-rings welded to the screen tube steel posts of the mechanical screen enclosure. Exterior lighting was not observed on the roof level.

Recommendations

- Secure roof drain screen baskets to trim ring.

- Adjust mechanical screen enclosure gates to remove sag and result in ability to open and close without force.
- Adjust solar panel racks to provide walkways at roof perimeter to conform with code.
- Evaluate installation of additional fall arrest anchors for worker safety tie off.
- Engage PPS Risk to evaluate roof terraces for student and public use areas. The guard rail to roof ledge configurations and access control after hours.



*Figure A-18 Karuna II West unique roof shapes.
View north from tenant space level 4.*



*Figure A-19 Karuna II West. Roof drain at exterior wall.
View east from level 4 tenant space.*



*Figure A-20 Karuna II West. Roof drain at exterior wall.
View west from level 4 tenant space.*



*Figure A-21 Karuna II West South terrace doors in alcove with sprinkler and downlight.
Downlight repair recommended.
South terrace at level 2.*



Figure A-22 Karuna II West South terrace door alcove from tenant space. Verify terrace door opening forces conform with accessible requirements.

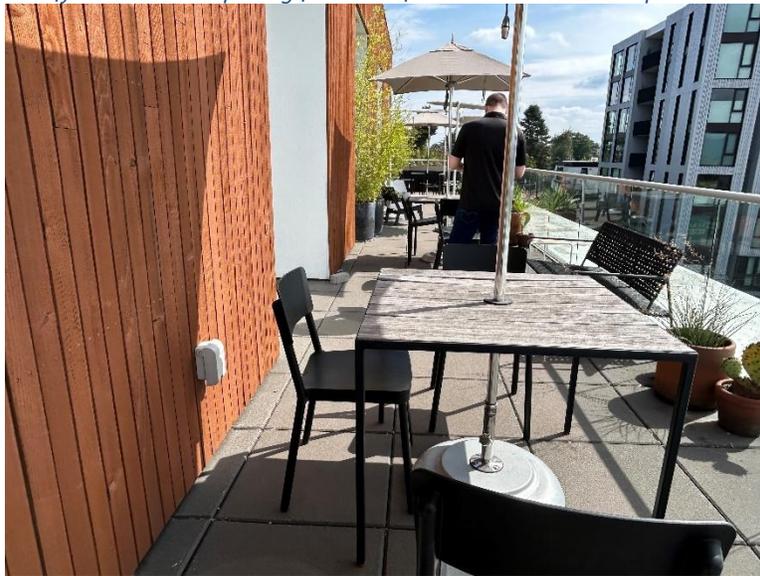


Figure A-23 Karuna II West south terrace view east. Concrete paver finish over roof with drains below. Glass guard rail height at perimeter conforms with code minimum.



Figure A-24 Figure 48 Karuna II West Roof Access hatch.



Figure A-25 Karuna II East Roof Access hatch and perimeter guard at north building wall.



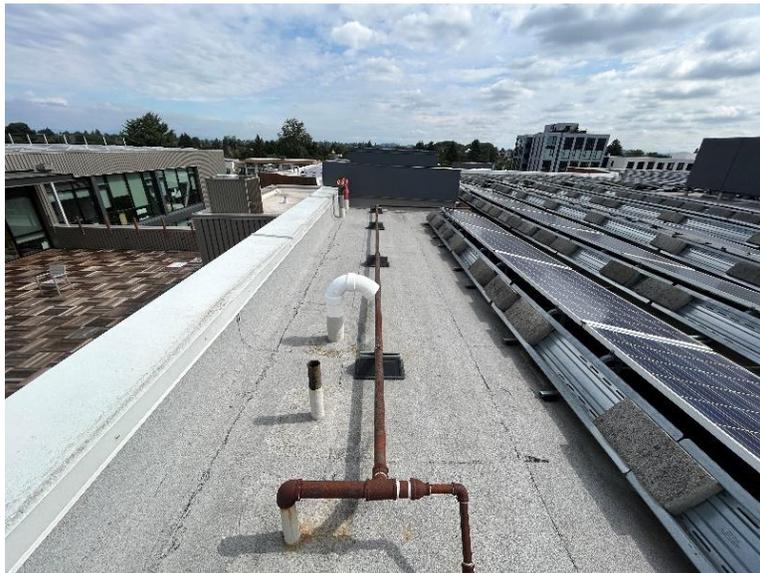
Figure A-26 Karuna II West 'D ring' anchor on mechanical screen enclosure post.



Figure A-27 Karuna II West fall restraint anchor at main building roof.



Figure A-28 Karuna II West view inside main building roof top mechanical screen enclosure.



*Figure A-29 Karuna II West main building roof parapet coping at north wall.
Gas line on surface blocks.
Standpipe and elevator roof view beyond.*



Figure A-30 Karuna II West building roof step at south wall.



Figure A-31 Karuna II West building roof step at northeast corner.



*Figure A-32 Karuna II West roof at elevator roof and north property line.
Metal joint cover transitions from building roof to elevator roof clad in metal roof panel.
Fire standpipe onto roof from stair below.*

Building Interior

For both Karuna II West and East buildings the overall building interior aesthetic is open, warm, and inviting with exposed concrete and mass timber on floors 2 and above. Mass timber is new material for Portland Public Schools but has been used on at least one recent project. Concern over damage to the material by denting or marking due to user or maintenance interference does not appear to be an issue in practice.

Common Shared Elements

The Karuna II West and East buildings each have main building entries with public street facing doors and main lobbies connecting through to the courtyard. Street level tenant spaces have street or courtyard facing exterior doors. The main lobby for each building provides access to fire sprinkler room, electrical room, elevator and elevator room, and waste collection room with convenient street level access. The lobby and waste collection room is a common, shared element between building tenants. Shared spaces at main level include gendered toilet rooms and separate locker room with shower facilities.

Upper levels of the buildings vary with tenant space layouts.



*Figure A-33 Karuna II West Street entry lobby.
Mail and Waste collection room access point for building tenants.*

Exit Stairs

Each building has two interior exit stairs and an elevator. The elevators open onto landings at each floor above street level. Elevator smoke doors and enclosed lobbies were not observed during the site visit.

The exit-stair enclosures are rated walls and doors fitted with closers and latching, lever hardware. Stairwells are finished with painted gypsum board walls and rubber base. Stair construction is wood with rubber nosing, treads, and stringer face. Stair handrails are wall-mounted painted steel. A center wall between stringers provides continuous wall separating stringers. Guard walls at the top floor landings are finished with painted gypsum board measuring more than minimum 42 inches above finish floor in compliance with applicable codes.

One stair for each building includes fire riser and roof access by way of ships ladder at its highest floor level. Roof hatch size conforms with code and district standards provided convenient access for maintenance work. Stair signage within the stair conforms with a code.

Each stair was visually reviewed for consistency of finish and condition. A random sampling of stair rails, riser, tread, and walkline measurements found riser height, tread depth, handrail height, continuity, and termination, landing depth and walkline to be in close conformance with applicable codes.



Figure A-34 Karuna II West and East Stair signage conforms with code.



Figure A-35 Karuna II East and West Interior Exit Stair typical finishes

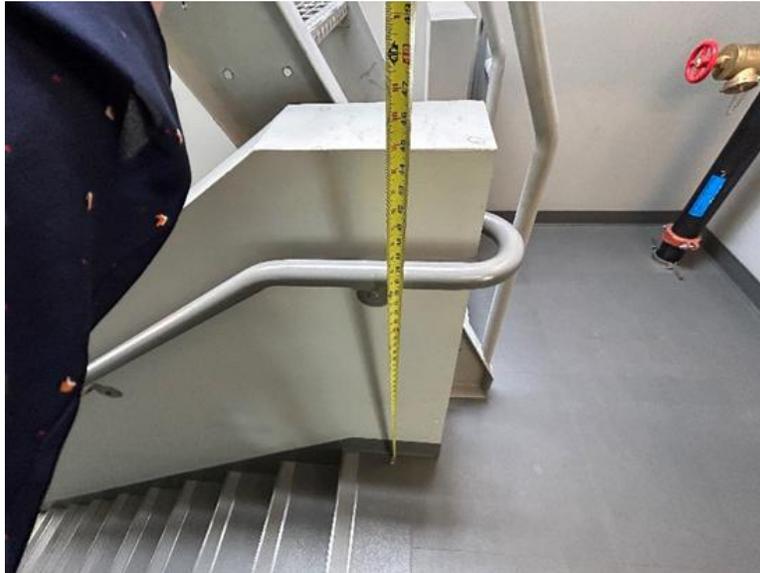
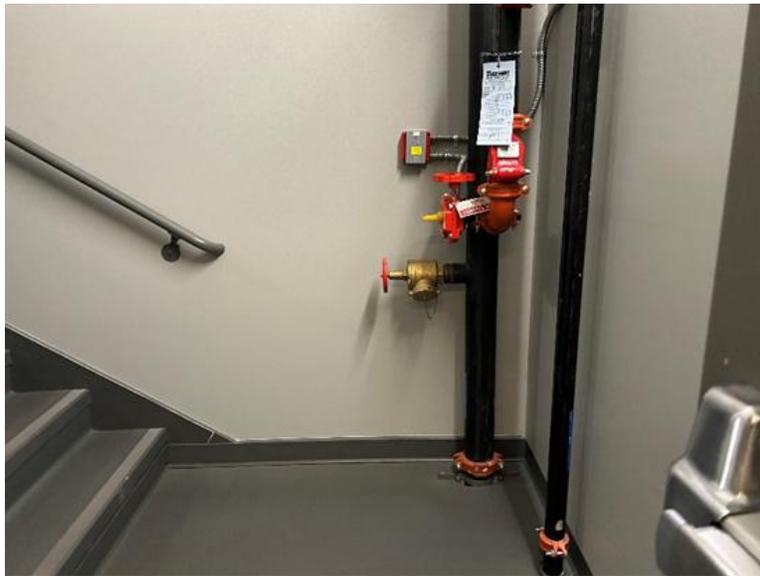


Figure A-36 Interior Stair guard wall and ship ladder roof access at top landing.



*Figure A-37 Karuna II West and East stair landing walk lines.
Fire standpipe drain valve beyond walk line conforms with codes.*

Recommendations

- Karuna II West Stair 2: Minor maintenance is needed to secure loose rubber stringer base near mid-level landing Level 2 and below in Karuna West Stair 2 (south stair).
- Level 1 Karuna West Stair 2 Level 1: This stair exits to the Courtyard by exit passage. The landing depth at base of stair is tight fitting space compounded with the inside rail termination projecting beyond the wall. The rail termination does not conform with code. The return of the rail to the wall was a commonly accepted practice at the time of construction and presents a hardship for modification to conform today. Recommend review of building code appeals submitted at time of construction.

Toilet Rooms

Karuna II West and East buildings each provide common use gendered toilet facilities including main level locker rooms with shower facilities. Restrooms are gendered, which deviates from the all-user approach taken with the most recent PPS school modernizations and new construction. A janitor's closet with mop sink is located near the facilities. Room signage for these spaces is accessible with exception of the Karuna II East Levels 2-5 and within Karuna II West Level 3 full floor tenant space.

Karuna II East building toilet facilities are unique to each floor and tenant. The street level healthcare tenant's space has two single-user rooms to support patient functions. The healthcare and café tenant spaces share gendered toilet rooms with two compartments and two lavatories. Employees and café patrons have access to this common hallway between tenant spaces. This hallway also provides a second exit for the café tenant that also leads to an exterior exit door.

On floors 2-4 in Karuna II East, the toilet rooms are located near the elevator, but not in view, and efficiently stack from floor to floor. Room signage on these floors is unique and not consistent with accessibility standards. Fixtures within the room match the development standards with floor-mounted partitions, toilets, and wall hung urinals. Accessory finishes vary from building standard finishes in this tenant space.

Karuna II West building toilet rooms stack from floor 1 to 5 and share a common layout at each level. Floor Level 1 has two lavatories in each toilet room unlike floors 2-5 above with a single lavatory in each. Floor finishes are polished concrete or resilient flooring with rubber base.

Building standard finish for fixtures is white with polished chrome. Fixtures are floor mounted with exception that urinals and lavatories are wall mounted. Faucets are typically hands-free Kohler brand and vary in style by tenant. Gendered rooms with multiple fixtures are fitted with floor mounted metal partitions with finishes that vary by floor level and tenant. Accessories including grab bars, toilet paper dispensers, toilet paper dispensers, toilet seat covers, and sanitary napkin dispensers are satin stainless steel and brushed chrome typically. Paper towel and soap dispensers vary in location, brand, and mounting. The East building tenant space on floors 2-4 has a custom color finish for accessories.

Primarily walls are finished painted gypsum board with rubber base except wet areas at showers and mop sinks where wall protection is installed. From a maintenance perspective, the toilet rooms are not provided with tile or other durable wainscot materials common in PPS facilities. Tile wall finish was observed in the first floor changing and locker rooms. Ceiling finishes vary from metal panel in a suspended grid to painted gypsum board and are most commonly open to structure above.

Toilet room doors are equipped with closers. Single user rooms have thumb-turn latch in addition to closer ones. Shower and changing room doors have secure access by card reader or keypad. Flooring finishes are concrete or solid surface with slight slope to a common floor drain.

Overall toilet rooms are well maintained and accessible with few exceptions.

Recommendations

- Mounting of accessories below grab bar interferes with grab bar operations and is recommended to be relocated per ADA standards.
- Wall-mounted paper towel dispensers on site measured more than four inches and where they are located along the accessible route from toilet room door to accessible stall are considered protruding objects. Installing a maximum 4-inch-deep dispenser is recommended at these locations.



Figure A-38 Karuna II West Street Level gendered toilet room finishes.

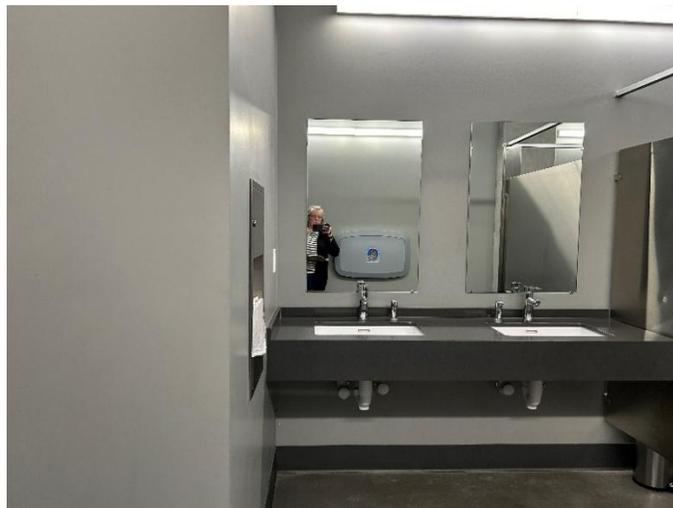


Figure A-39 Karuna II West Street level gendered toilet room finishes.



Figure A-40 Karuna II West Upper-level gendered toilet room finishes.



Figure A-41 Surface mounted Paper towel dispensers protrude more than four inches from wall on the route to accessible toilet compartment.



Figure A-42 Wall hung lavatory maneuvering clearance and hands-free operating faucet provided.



Figure A-43 Typical accessible toilet and grab bar installation.



*Figure A-44 Grab bar and Toilet Accessories surface mounted.
Projection and location of accessories conflict with accessible clearances for grab bar.*



Figure A-45 Main Level Changing room showers

Elevators and Landings

Both Karuna II West and East buildings have a single-cab Schindler elevator connecting the floors. Access for visitors is elevator-only. Elevator cab finishes are stainless steel with handrails mounted at sides and rear cab. Elevator call buttons at each floor are located at the hoistway door side jamb within reach range for accessible maneuvering clearances. Elevator hoistway doors are stainless steel finish, similar in appearance to the building common area hardware finishes.

Elevator landings on Level 2 and above open directly onto the floor. In 4- and 5-story buildings equipped with automatic fire sprinklers, enclosed elevator lobbies are required except by building code exceptions where additional smoke doors or curtains are provided. Smoke containment at elevators was not reviewed for code conformance during the site visits. Signage was minimal at the landings, and no signage was observed that indicated elevators should not be used for exiting the building.

Karuna II West building has four stories above street level and requires an elevator equipped with standby power for accessible egress. A roof mounted natural gas generator serves the elevator emergency power for this building only. This calls attention to the need for building signage marking accessible route across site, within buildings, and exiting.

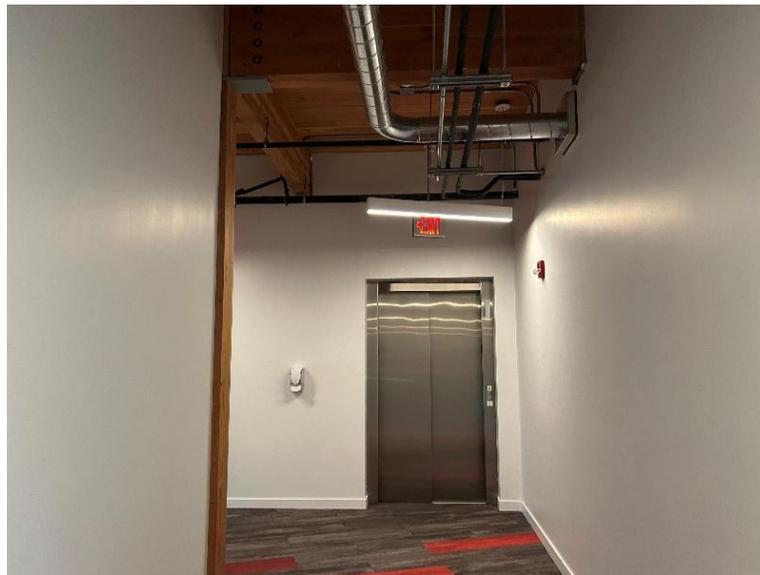


Figure A-46 Karuna II West Elevator Landing Level 2



Figure A-47 Karuna II West and East building elevator cab interior



Figure A-48 Elevator call buttons mounted on frame.

Tenant Spaces

Existing Karuna II West and East buildings vary in the number and size of tenants. Both the West and East building street levels currently provide space for two tenants in addition to the main lobby, service rooms, locker rooms, and long-term bicycle parking.

Floor Plans and Finishes

The East building has a larger "U-shaped" floor footprint than the West buildings "L-shaped" plan. Both buildings provide some common elements (elevator, two interior exit stairs, and gendered toilet rooms) on each level. The West building's smaller floor footprint was constructed with the flexibility to have a single or multiple tenants on each floor and features a 5th floor making the building similar in building area.

The building interior finishes and fixtures observed on site are industry standard 'vanilla box' for commercial tenant spaces, providing a clean base for tenants to customize for an additional cost. The First Floor Street level tenant spaces feature concrete floors, aluminum frame windows and doors, exposed structural concrete columns, and structural slab ceiling above.

Upper-level floor finishes included variety of exposed concrete, carpet tile, resilient sheet flooring with wall base finishes of rubber and wood. Within the tenant spaces, wall finishes were customized with writable surface paint or magnetic metal surfaces, wood cladding and wallcoverings. Common hallway areas were observed to be gypsum board without a wainscot material or plaster finish necessary to withstand the heavy impacts common in schools and student use areas.

The East building, floors 2 and above, was built as a single multi-level tenant space with a central atrium and open stair. This unique space features tenant-specific finishes like stadium seating, an open stair, metal guards lining the atrium level openings, and fire shutters at the top floor to separate it from the floors below. The toilet room fixture layout, location near elevator landing, and accessories vary from the West building. This open atrium area with its handsome learning stair constructed of durable materials would be beneficial for gatherings and presentations and comes finished with existing motorized shades.

The open stair connects levels 2, 3, and 4 within the tenant space. The open stair guard is made of black steel and welded wire mesh panels that appear sturdy and easy to maintain. The perimeter balcony guard is provided with built-in tables for use as a "brain bar" or ledge to sit at with stools. Design detailing and install of the stair handrail leaves some hard, sharp edges and corners that may be of concern in an environment used heavily by students. The ledges provide useful work and social space but may be of concern due to location adjacent to "open to below" space, and any objects placed on these ledges (i.e., potted plants) could be easily pushed off and over the edge of the balcony.

Conference/office spaces are provided along the west side of the East building tenant space on all levels 2-4. The floor-to-ceiling black steel and glass walls are attractive and sturdy but may be of concern due to their minimalist design since it would be easy to walk into the glass. Due to the black steel frames and heavy glass, the doors to these rooms are very heavy and the pound force needed to operate them appears to exceed code. Door buttons have been provided in these rooms to "request exit."

Polished concrete and carpet tile flooring in the East building suite is suitable and in keeping with PPS standards, however the base detail utilizing a small painted wood shape at the intersection of wall to floor will be difficult to maintain per standard PPS cleaning practices. Carpet installation where floor meets the wall was inconsistently cut and the base did not lap the carpet in all areas.

Kitchens and Utilities

Tenant spaces in both buildings include kitchen spaces varying from the street level restaurant with commercial equipment and walk-in freezer to office kitchenettes. The interior fit out of tenant spaces is designed by tenant in agreement with building management and as approved through building permits. This custom approach allows variation for tenant satisfaction and adds complexity to building operations and maintenance.

Several upper-level tenant spaces in both buildings are built out with linear style kitchen spaces and 34-inch-high counter tops. Casework varies in finish as selected by the tenant. The kitchen spaces do not stack from floor to floor in the buildings. The utilities for power, drain, vent, and gas lines have paths leading back to common walls near stairs and elevators, typically. These lines are exposed to ceilings on the floors below and in some cases require special access panels and hatches where tenants have finished ceilings. Electrical panels were not all located inside rooms. Panels located in common areas were in flush-mounted cabinets with locks.

Fixtures include sink, faucet, dishwasher, and appliances, which vary with refrigerators, microwaves, and, in one West building kitchen, an electric range with hood. The East building primary tenant space features a commercial gas range with hood on its top floor level. Additionally, the East building top level features a gas fireplace appliance, unique to office tenant space.

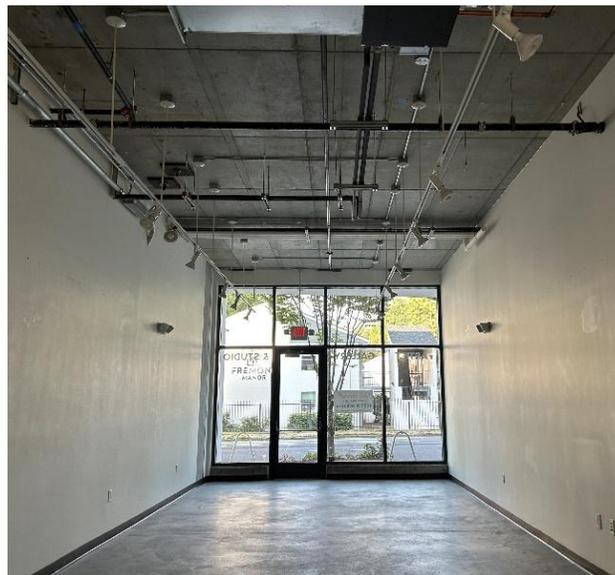


Figure A-49 Karuna II - Tenant Shell Space - Street Level



Figure A-50 Karuna II West Level 1 Storefront sill at curb condition

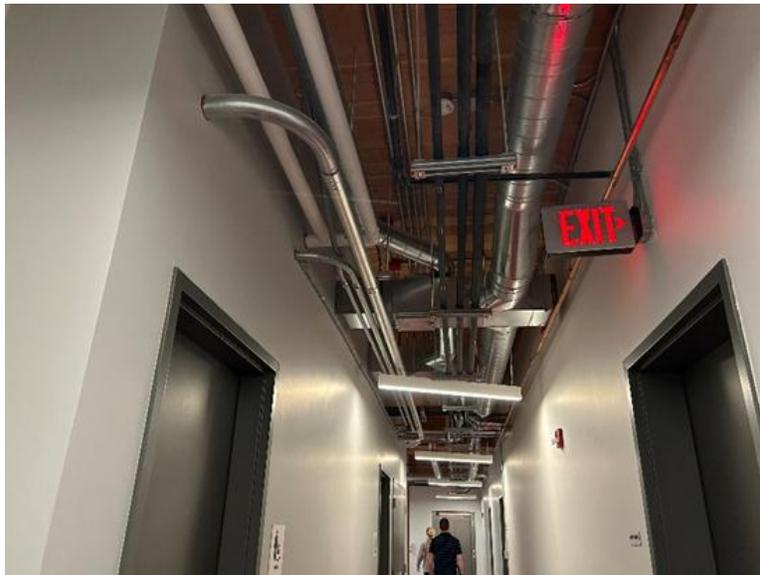


Figure A-51 Karuna II West Level 2 - Corridor for multi-tenant access.

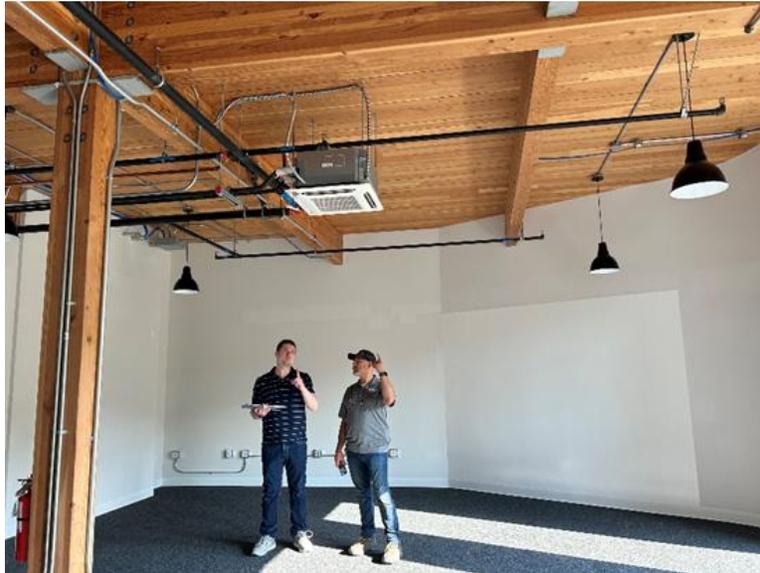


Figure A-52 Karuna II West - Tenant Shell Space.

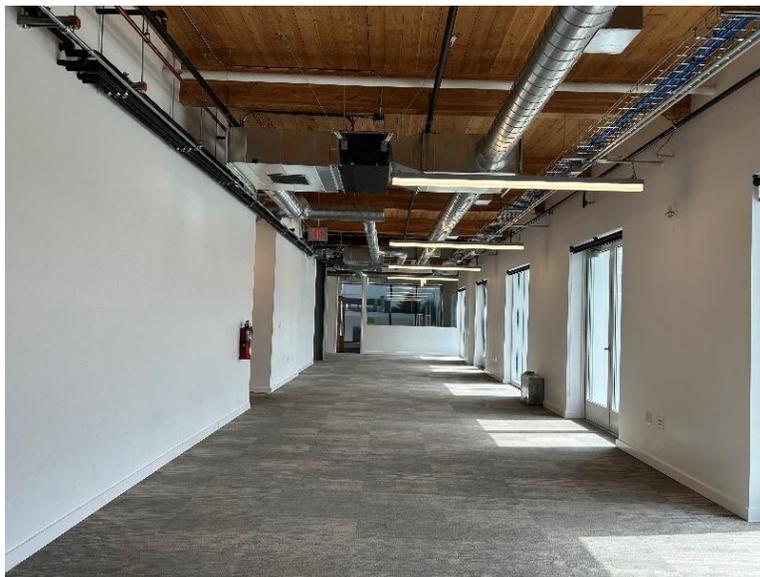


Figure A-53 Karuna II West - Tenant shell space.



*Figure A-54 Karuna II East stadium seating and open stair in tenant space.
Open space connecting 3 floors with fire shutters at level top level.
Steel stair with guard and continues rail.
View west to courtyard beyond.*

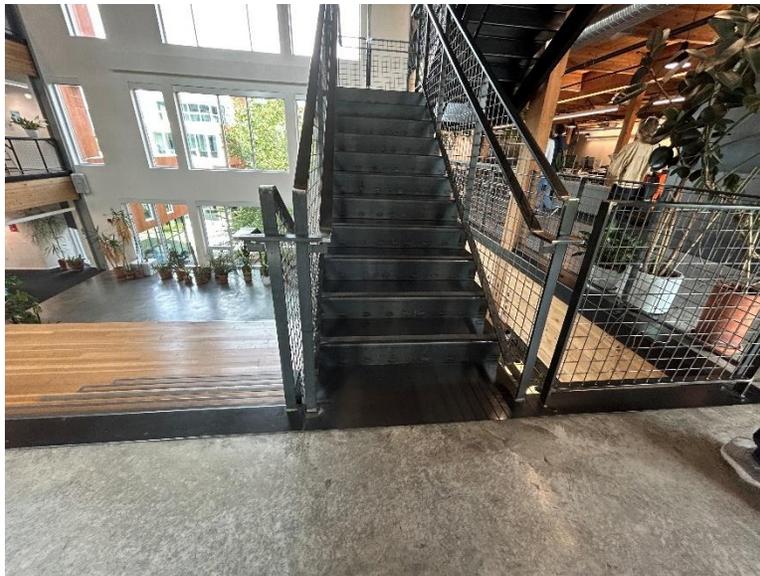


Figure A-55 Karuna II East open stairs at tenant space Level 3.



Figure A-56 Karuna II East tenant space Level 3 kitchen with terrace doors to left.



Figure A-57 Karuna II East tenant kitchen gas range with hood above.



Figure A-58 Karuna II East tenant space with wood fireplace and exhaust through roof above.

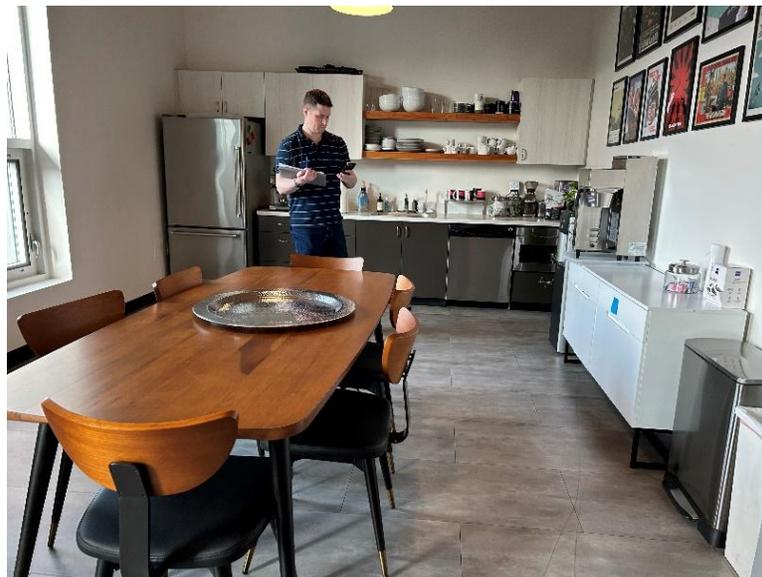


Figure A-59 Karuna II West - Tenant space kitchen



Figure A-60 Karuna II West - Tenant kitchen with electric range and hood.

Building Signage

The building signage for Karuna II West and East buildings is similar in theme and style for the two buildings. Exterior building signage at the main street entries is applied to the storefront glass. Tenant spaces at street level also have signage near their street entry doors. Size and color of tenant signage varies as allowed with city permit standards.

Service rooms, common use rooms have signs indicating the use. Sign types vary and are typically raised letters in contrasting color to the background. Braille below the raised letters is typical at common area signs including the tenant side of exit stairs.

Signage at elevator landings is minimal. Accessible route and exit access signage inside and outside buildings was not observed to connect primary elements. Code required accessible exit signage was not observed in either building.

Typical signage for toilet rooms, interior exit stairs conforms with code for mounting height, symbols, raised characters and braille. Conformance varies inside tenant spaces.



Figure A-61 Karuna II West - Typical gendered toilet room signage



*Figure A-62 Karuna II West - Tenant space toilet room signage.
Lettering applied to wall surface is not raised and does not conform to code for accessible toilet room wayfinding.*

Doors and Hardware

Door and frame materials vary for the buildings. Exterior doors and frame types include aluminum storefront or hollow metal with insulated steel. Storefront doors have narrow frames and low aprons where the steel doors are single panel without windows. Service room and exit stairs are fitted with single panel, painted steel doors and frames.

Tenant entry doors are general stained wood finish with frosted glass full light. Variations for painted finish on tenant entry were observed on site in the Karuna II West building.

Door hardware is brushed chrome finish across the site except unique conditions within the Karuna II East building tenant space levels 2 and above; the exterior concealed hinges; and mechanical equipment screen gates. Lever action hardware exists with varying profiles. Exit doors were observed to have closers with latches and panic bars.

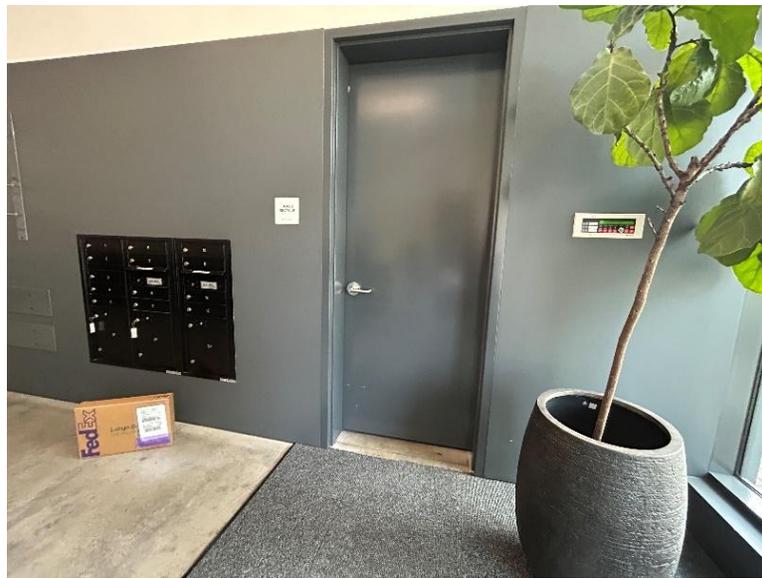


Figure A-63 Karuna II West - Main building lobby shared use mail and trash collection access.



Figure A-64 Karuna II West and East buildings – Service room door and signage – Main lobby



Figure A-65 Karuna II West - Tenant entry door



Figure A-66 Karuna II West - Tenant entry door wood glazed door and hardware



Figure A-67 Karuna II West - Tenant entry door wood glazed door and hardware

Windows and Treatments

Karuna II West and East buildings the exterior windows are aluminum with insulated glass. Street level aluminum storefront window and doors are dark colored. The street level window sills are anchored on low concrete curbs. At upper-levels the exterior windows and doors are white aluminum frame and on terraces the sills are anchored at the floor. Generally, all windows are fixed lites with their Interior window opening surrounds finished in painted gypsum board. Operable windows, integrated into the window systems on upper floors, have screens and limiters that prevent the window opening more than four inches. The operable windows provide tenants with ability to control fresh air flow in conformance with LEED building standards.

Windows treatments in tenant spaces are consistent in color and style through both buildings. Window treatments provide building users the ability to control the amount of natural window light and adjust privacy from exterior views. Shades are roller style with variation of manual and motorized operation. Black out shades in addition to perforated light shades occur in some spaces. Shade style is consistent with PPS standards.

The East building primary tenant space features conference rooms and office spaces on the west side of levels 2-4. The floor-to-ceiling black steel and glass walls separate these spaces from the open office. The Glass walls are attractive and sturdy but may be of concern due to their minimalist design since it would be easy to walk into the glass. Due to the black steel frames and heavy glass, the doors to these rooms are very heavy and the opening force needed to operate them appears to exceed code. Door buttons to "request exit" are provided in these rooms.

In the West building the full floor tenant Level 3, private offices and other rooms are fitted with access control swipe pads to secure the rooms. The suite also has motorized black out shades with switch controls near the room entry doors.



Figure A-68 Karuna II West and East building roller shade window treatments



Figure A-69 Karuna II West and East building windowsill finish

Recommendations

- Recommend consideration of more durable material such as solid surface at windowsills in areas of student use areas.
- Recommend evaluation and consideration to install durable, heavy impact finishes in areas where student use is planned.
- In East building primary tenant space floors 2-4, recommend that PPS Risk review conditions:
 - Around learning stair, recommend at a minimum that “brain bars” be removed or that decorative panels be added that provide a barrier.
 - Conference/office spaces glass walls and doors to determine if glazing film is desired, or if the renovation replaces these with more conventional storefront/doors and hardware.
 - Roof terrace door access control.
 - Roof terrace guard rail to roof ledge configurations.
 - Review the fireplace with glass doors and a black steel surround installed on the 4th floor, south for consideration to remove the appliance. The layout of this fireplace and space behind it creates a “hidden area” west of the fireplace, with poor sightlines.
- Where electrical and service panels were not all located inside locked rooms. Recommend securing the panels with locks where visible and accessible to view in common areas.
- For O and M purposes, recommend an evaluation locations where motorized and manual shades occur.

END OF ARCHITECTURAL SECTION

Structural

Summary of recommended but not required Structural cost items

- As with many mass timber structures, some shrinkage has occurred over time, resulting in localized gaps at connections where bolts or screws have loosened. This shrinkage should be substantially complete at this stage, and it is recommended that any loose bolts and lag screws, exposed to view be tightened to maintain proper bearing at connections.
- Overall, no conditions were observed that would indicate a reduction in the structural integrity of the building.

Discussion West Building “Karuna II West”

Karuna II West is a five-story office building constructed in 2014 under the 2010 Oregon Structural Specialty Code. The structure was designed as a Risk Category II facility, consistent with typical mid-rise office occupancies. The first story is composed of reinforced concrete construction, with a 12” to 14” thick post-tensioned concrete slab at the second level supported by concrete columns and concrete shear walls. Above the concrete podium, the building transitions to mass timber framing. Floor construction at the upper levels consists of 5/8-inch plywood over 4-inch Lock-Deck panels, supported by glulam beams and columns. Lateral resistance in the mass timber portion is provided by plywood-sheathed shear walls, supplemented by a pair of steel moment frames. The foundation system consists of reinforced concrete spread footings bearing on engineered granular pads. The roofs support a ballasted PV array as well as mechanical equipment that is located behind a screen wall.

Karuna II West has been in service for approximately eight years and, as a relatively new structure, appears to be performing as expected. The mass timber framing did not exhibit significant checking or splitting; while some minor checking was observed, it is consistent with the natural behavior of timber and considered typical for this type of construction. Minor drywall cracking was noted in isolated locations, particularly at re-entrant corners, which is also common in buildings of this age and structural system. A few timber connections exhibited visible gaps due to shrinkage over time.

In reviewing the structural drawings, we noted that the post-tensioned slab at Level 2 was not detailed to accommodate shrinkage in the manner typically expected. Standard practice often includes a pour joint near the mid-span of the slab or a slip joint at the slab-to-wall interface, which allows the slab to shrink before a pourback is placed. Without this detailing, slab shrinkage can impart additional stress on the concrete shear walls as they resist the slab’s shortening. The shear walls were not exposed to view during our site visit, and no shrinkage-related cracking or distress was observed in the accessible areas. This is a condition to be aware of if cracks are discovered hidden under finishes.

Discussion East Building “Karuna II East”

Karuna II East is a four-story office building also constructed in 2014 under the 2010 Oregon Structural Specialty Code. Like its counterpart, the building was designed as a Risk Category II structure. The first story utilizes reinforced concrete construction, with a post-tensioned concrete slab at the second level supported by concrete columns and concrete shear walls. The upper three stories are framed in mass timber, with typical floor construction of 5/8-inch plywood over 4-inch Lock-Deck panels supported by glulam beams and columns. Lateral resistance above the podium level is provided by plywood-sheathed shear walls and a pair of steel moment frames. Foundations consist of reinforced concrete spread footings bearing on engineered granular pads. The roofs support a ballasted PV array as well as mechanical equipment that is located behind a screen wall.

Karuna II East has also been in service for approximately eight years and is generally in good condition for a building of its age and construction type. The mass timber elements showed only minor checking and splitting, which is typical and not considered structurally significant. Some water staining was observed on glulam columns and beams, most notably near column-to-floor joints. Based on the staining patterns, this appears to result from routine floor cleaning, where water has seeped through small joints at the floor/column interface and run down the face of the columns. The staining is considered an aesthetic issue and does not affect the structural performance of the timber. Similar to the West building, small drywall cracks were observed in locations with re-entrant corners, and a few timber connections exhibited visible gaps due to shrinkage over time.

As with Karuna II West, our review of the structural drawings indicated that the post-tensioned slab at Level 2 was not detailed with a shrinkage joint or slip joint at the slab-to-wall connection. This type of detailing is often used to reduce stresses on shear walls by allowing slab shrinkage to occur prior to placement of a pourback. In the absence of this detail, shrinkage of the slab can increase stresses at the wall/slab interface. During our observations, the concrete shear walls were not exposed, and no visible shrinkage-related cracking or distress was noted. This condition should be monitored in the future, particularly if cracking develops at shear walls or at slab-to-wall connections.

Recommendations

Code Implications of Occupancy Change

If the Karuna II buildings were converted from office use (Group B, Risk Category II) to school use (Group E), the Oregon Structural Specialty Code (OSSC, based on the 2021 International Building Code) would require evaluation of the structures under the higher risk category. Per IBC 2021 §3408.4 (Change of Occupancy), where a change in occupancy results in an increase in risk category, the existing structure must be shown to comply with current code provisions for the new category.

Risk Category

- Current Use (Office): Group B → Risk Category II
- Proposed Use (School): Group E → Risk Category III (per IBC 2021 Table 1604.5)
 - Schools and day-care facilities through grade 12 are designated as Risk Category III.

Seismic Implications

- Importance Factor (I_e):
 - Risk Category II → $I_e = 1.0$
 - Risk Category III → $I_e = 1.25$
- This increases seismic design forces by 25% relative to the original office design.
- In Portland's Seismic Design Category D, this would likely necessitate upgrades to lateral systems (plywood shear walls, steel moment frames, diaphragms, and podium shear walls).

Wind & Snow Implications

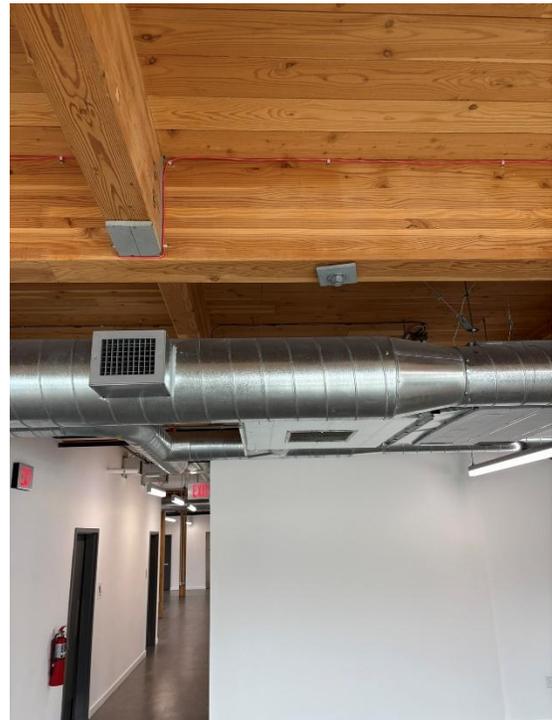
- Wind Importance Factor:
 - Risk Cat II → 1.0
 - Risk Cat III → 1.15
- Snow Importance Factor:
 - Risk Cat II → 1.0
 - Risk Cat III → 1.1
- These provisions increase roof design loads, requiring verification of mass timber roof framing and diaphragm capacity.

Summary

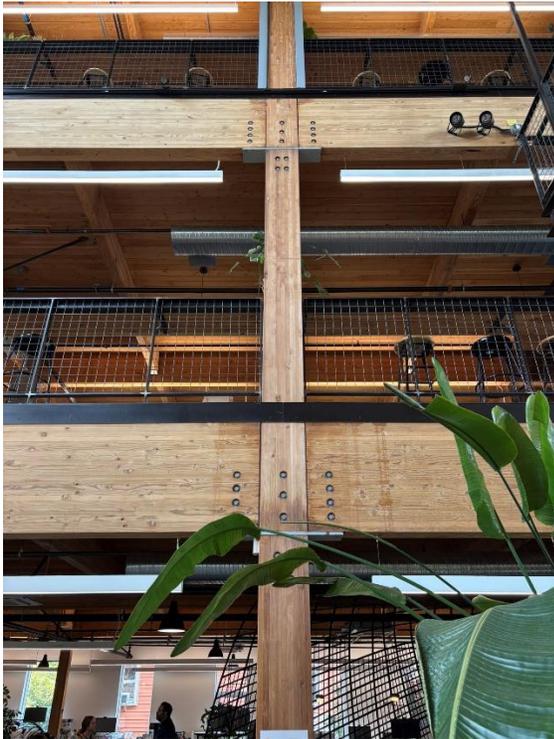
Conversion of the Karuna II buildings from office (Risk Category II) to school (Risk Category III) would increase the risk category under IBC 2021 Table 1604.5. This triggers higher design forces for seismic, wind, and snow, as well as stricter life safety provisions. Structural upgrades to lateral and gravity systems would likely be required for compliance under the current code.

END OF STRUCTURAL SECTION

Structural Observation Photos Karuna II West



Structural Observation Photos Karuna II East





Mechanical

Summary of recommended required mechanical cost items

Heating & Cooling

- VRF system components are in good to excellent condition, but service history is unknown. Interface recommends all coils be cleaned, refrigerant charges checked, and functionality of system components verified.
- Verify ASHRAE 15 requirements are met for existing VRF equipment. ASHRAE 15 requires that refrigerant densities be below a set threshold, to ensure that no space becomes hazardous in the event of a leak in refrigerant piping. Refrigerant charge in existing units is significant and a leak at a branch controller could allow significant refrigerant into enclosed spaces. If refrigerant density proves to be above the Code threshold, this may require the addition of transfer fans.

Ventilation & Exhaust

- (West Building) Investigate DOAS unit at the roof (HRU-R-01) metallic clicking noise, unit component causing noise should be repaired/replaced.
- (East Building) Level 1 Retail 1 tenant's (restaurant) grease exhaust system access doors for the vertical grease duct risers could not be located during site visit. These must be added if not present to meet NFPA 96 requirements.
- DOAS system's service history is unknown. Interface recommends all coils be cleaned, refrigerant charges checked, fan balancing be checked, and functionality of system components verified.

Summary of recommended but not required mechanical cost items

Heating & Cooling

- Copper condensate piping was found to be uninsulated throughout the building. This could lead to condensate forming on piping and dripping in space during cooling mode. No mention was made of this being a past issue during the site visit, however it should be considered.

Ventilation & Exhaust

- (East Building) If the Level 4 woodburning fireplace is to remain, it poses a potential hazard to occupants who are not familiar with its operation. If the flue is not opened, carbon monoxide could fill the occupied space. Interface does not recommend its use be continued unless training is provided for all future occupants. If the fireplace is removed, its associated flue must be removed as well.

Mechanical Systems

Existing System Summary

Heating & Cooling – Variable Refrigerant Flow (VRF)

Heating and cooling for Karuna II West and Karuna II East is provided by rooftop variable refrigerant flow (VRF) systems with integral heat recovery capability. Systems are isolated to each building and there is no communication of systems between buildings. Systems consist of the following components:

- Outdoor VRF heat pumps: Units are LG branded and are located in screened areas at the roof.
- Refrigerant piping is routed from outdoor heat pumps at the roof to branch controllers within the buildings. Refrigerant piping is routed from each outdoor heat pump to a shaft routed down vertically through the building. Piping penetrates the shaft at each floor and connects to branch controllers.
- Branch controllers: Distributed refrigerant piping routes from each shaft to a branch controller on each level. In most cases branch controllers are located in bathrooms. Refrigerant piping is routed from each branch controller to its associated fan coil.
- Fan coils: In most cases, fan coils are ceiling cassette type, located within the zone they serve. Each contains a fan and heating/cooling coil, which heats/cool the space to maintain the thermostat setpoint.
- Refrigerant piping: The VRF system is based on R-410A refrigerant. must be routed in a rated shaft in accordance with Code requirements for type A2L refrigerants. Where required by Code, shafts are each to be provided with a 4-inch round permanent opening to the exterior, as well as a 4-inch round duct from the bottom of the shaft to the exterior, in accordance with Code requirements for A2L refrigerants.
- Controls: LG branded controls are provided, which are proprietary and not compatible with other VRF manufacturers' equipment.
- Gas usage: Systems are all-electric heat pumps and do not require the use of fossil fuel for their operation.

Ventilation & Exhaust – Dedicated Outdoor Air System (DOAS) with Heat Recovery

Ventilation air supply for Karuna II West and Karuna II East is provided by rooftop Dedicated Outdoor Air Systems (DOAS) that provide ventilation air supply to each building at a constant airflow. These rooftop units draws fresh ventilation air in and heat/cool it, before supplying to each occupied space via distributed ductwork.

These same DOAS units provide an exhaust airflow that is approximately equal to supply. Exhaust ductwork is routed from the unit at the roof to each space requiring exhaust. Spaces requiring exhaust are primarily bathrooms, however general space exhaust is provided as well to ensure the desired building pressurization is maintained.

DOAS unit cooling is all-electric and does not require the use of fossil fuels when it is in cooling mode. Heating is primarily accomplished using the all-electric heat pump operation of the system, which also does not require the use of fossil fuels when in heating mode. The unit is equipped with an auxiliary gas heating section, which does require the use of fossil fuels. Based on the as-built information provided, this gas heating section is provided for redundancy, to act as a means of backup during periods of extreme cold (when the heat pump heating mode is locked out).

Discussion West Building “Karuna II West”

Existing Equipment Information

Existing equipment information is noted below.

Heating & Cooling

- VRF System Outdoor Heat Pumps
 - HP-R-01, HP-R-02
 - Manufacturer: LG model ARUB288DTE4
 - Location: Roof
 - Year of manufacture: 2015 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 460V/3 phase, 60 Hz
 - Total quantity of this unit: 2
- Branch Controllers
 - HRB-01-2, HRB-02-1, HRB-03-1, HRB-04-1, HRB-05-1
 - Manufacturer: LG model PRHR041A
 - Location: Located in the ceiling space at each level, over Toilet Wx02
 - Year of manufacture: 2015 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 208V/1 phase, 60 Hz
 - Total quantity of this unit: 4
 - HRB-01-1, HRB-02-2, HRB-03-2, HRB-04-2, HRB-05-2
 - Manufacturer: LG model PRHR041A
 - Location: Located in the ceiling space at each level, over Toilet Wx03
 - Year of manufacture: 2015 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 208V/1 phase, 60 Hz
 - Total quantity of this unit: 4
- Fan Coils
 - FC-x
 - Manufacturer: LG. Model number varies based on capacity provided. A majority are ductless ceiling cassette type fan coils, recirculating air in the space and heating/cooling it to meet the thermostat temperature setpoint. Select fan coils (primarily at Level 1) are ducted type, with supply/return ductwork provided for each.
 - Location: In the ceiling space of the zone served
 - Year of manufacture: 2015 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 208V/1 phase, 60 Hz
 - Total quantity of this unit: 40. Quantity is estimated, as drawings for some tenant improvements are unavailable.

Ventilation & Exhaust

- Dedicated Outside Air System (DOAS)
 - HRU-R-01
 - Manufacturer: Aeon model RN-016
 - Area served: Whole building
 - Location: Roof
 - Year of manufacture: 2015 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 460V/3 phase, 60 Hz
 - Total quantity of this unit: 1
- Exhaust Only Systems
 - EF-01-1 (Electrical Room)
 - Manufacturer: Greenheck model 250
 - Year of manufacture: 2015 (approximate)
 - Electrical connection requirement: 120V/1 phase, 60 Hz
 - Total quantity of this unit: 1
 - EF-01-2 (Trash Room)
 - Manufacturer: Greenheck model SP-A250
 - Year of manufacture: 2015 (approximate)
 - Electrical connection requirement: 120V/1 phase, 60 Hz
 - Total quantity of this unit: 1
- Distribution ductwork
 - Distribution ductwork for ventilation air supply and exhaust is uninsulated spiral ductwork. This is in compliance with Code for the installation provided, with the ductwork exposed in the occupied areas.

Controls

The building is provided with LG branded VRF system controls. These are proprietary and any modified systems will require the continued usage of LG branded controls.

Discussion East Building “Karuna II East”

Existing Equipment Information

Existing equipment information is noted below.

Heating & Cooling

- VRF System Outdoor Heat Pumps
 - HP-R-01, HP-R-02
 - Manufacturer: LG model ARUB288DTE4
 - Location: Roof
 - Year of manufacture: 2014 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 460V/3 phase, 60 Hz
 - Total quantity of this unit: 2
- Branch Controllers
 - HRB-01-1, HRB-02-1, HRB-03-1, HRB-04-1
 - Manufacturer: LG model PRHR041A
 - Location: Located in the ceiling space at each level, directly to the east of Stair S2
 - Year of manufacture: 2014 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 208V/1 phase, 60 Hz
 - Total quantity of this unit: 4
 - HRB-01-2, HRB-02-2, HRB-03-2, HRB-04-2
 - Manufacturer: LG model PRHR041A
 - Location: Located in the ceiling space at each level, over the north restrooms
 - Year of manufacture: 2014 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 208V/1 phase, 60 Hz
 - Total quantity of this unit: 4
- Fan Coils
 - FC-x
 - Manufacturer: LG. Model number varies based on capacity provided. All are ductless ceiling cassette type fan coils, recirculating air in the space and heating/cooling it to meet the thermostat temperature setpoint.
 - Location: In the ceiling space of the zone served
 - Year of manufacture: 2015 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 208V/1 phase, 60 Hz
 - Total quantity of this unit: 26

Ventilation & Exhaust

- Dedicated Outside Air System (DOAS)
 - HRU-R-01
 - Manufacturer: Aaon model RN-016
 - Area served: Whole building
 - Location: Roof
 - Year of manufacture: 2014 (approximate)
 - Refrigerant type: R-410A
 - Electrical connection requirement: 460V/3 phase, 60 Hz
 - Total quantity of this unit: 1
- Supply/Transfer Air Systems
 - SF-1 through SF-10
 - Manufacturer: Greenheck model SQ
 - Area served: Conference rooms
 - Location: Ceiling adjacent to conference rooms
 - Year of manufacture: 2015 (approximate)
 - Electrical connection requirement: 115V/1 phase, 60 Hz
 - Total quantity of this unit: 10
 - Level 1 Retail 1 restaurant tenant makeup air unit
 - Manufacturer: Greenheck model DGK-109-H15-01-HZ
 - Area served: Level 1 Retail 1 restaurant tenant
 - Year of manufacturer: Unknown
 - Location: Roof
 - Electrical Connection requirement: 208V/3 phase, 60 Hz
 - Total quantity of this unit: 1
 - Ductwork was not visible at time of site visit aside from that exposed at the roof. Based on the unit location and ductwork at the roof, it appears to route vertically on the north side of Stair 2.
- Exhaust Only Systems
 - EF-01-1 (Recycle Room)
 - Manufacturer: Cook
 - Year of manufacture: 2014 (approximate)
 - Electrical connection requirement: 120V/1 phase, 60 Hz
 - Total quantity of this unit: 1
 - EF-01-2 (Electrical Room)
 - Manufacturer: Cook
 - Year of manufacture: 2014 (approximate)
 - Electrical connection requirement: 120V/1 phase, 60 Hz
 - Total quantity of this unit: 1
 - Fireplace Flue
 - Level 4 contains a woodburning fireplace, with a manually operated flue that discharges vertically to the roof.

- HD-1 range exhaust hood
 - Manufacturer: Greenheck model GO-48.00-S
 - Year of manufacturer: 2015 (approximate)
 - Location: Break area kitchen, directly over gas range
 - Electrical connection requirement: Unknown. Hoods of this type are most commonly 120V/1 phase.
 - Total quantity of this unit: 1
- EF-1 (Serves HD-1 range exhaust hood)
 - Manufacturer: Greenheck model CUE-099-A-G
 - Year of manufacturer: 2015 (approximate)
 - Location: Roof, directly over break area kitchen
 - Electrical connection requirement: Unknown
 - Total quantity of this unit: 1
- Level 1 Retail 1 restaurant tenant exhaust
 - Manufacturer: Greenheck model USF-315-10-BI-7-G
 - Area served: Level 1 Retail 1 restaurant tenant grease exhaust hood
 - Year of manufacturer: Unknown
 - Location: Roof
 - Electrical Connection requirement: 208V/3 phase, 60 Hz
 - Total quantity of this unit: 1
 - Ductwork was not visible at time of site visit aside from that exposed at the roof. Based on the unit location and ductwork at the roof, it appears to route vertically on the north side of Stair 2.
- Distribution ductwork
 - Distribution ductwork for ventilation air supply and exhaust is uninsulated spiral ductwork. This is in compliance with Code for the installation provided, with the ductwork exposed in the occupied areas.

Controls

The building is provided with LG branded VRF system controls. These are proprietary and any modified systems will require the continued usage of LG branded controls.

Recommendations

Karuna II West

Heating & Cooling

- VRF system components are in good to excellent condition. The existing VRF system capacity is likely sufficient to meet the future heating and cooling needs, provided the new space usage is similar to that of the existing tenants. At an age of approximately 11 years, their anticipated remaining life is 9-14 years. At the end of this equipment life, all components associated with the VRF system will likely require replacement. This includes the refrigerant piping routed within rated shafts, as the existing system's refrigerant is currently being phased out. While refrigerant

will be available for unit servicing, a full system replacement will use an alternate refrigerant that has a lower Global Warming Potential.

- A revised space program will require the removal/relocation/addition of select VRF fan coils. When fan coils are relocated/added, their associated refrigerant piping, power, and condensate connections will require modification as well. This will require evacuating the refrigerant in the existing system, installing new refrigerant piping, and replacing the refrigerant in the system.
- Caution should be taken by the Engineer of Record for the revised space program not to locate VRF branch controllers or fan coils in excessively small spaces. ASHRAE 15 requires that refrigerant densities be below a set threshold, to ensure that no spaces become hazardous in the event of a leak in refrigerant piping.
- Ventilation air supply ductwork is currently uninsulated in the occupied space. This is Energy Code compliant in its current installation. If ceilings are added to the space in the future, insulation will need to be added to the existing ductwork.

Ventilation & Exhaust

- The DOAS unit at the roof (HRU-R-01) is in fair to good condition. An abnormal noise was observed at the unit during the site visit and should be investigated to determine its source. The noise was a metallic clicking noise within the unit, which was audible at 5-10 second intervals. At an age of approximately 10 years, its anticipated remaining life is 10 years. At the end of this equipment life, the unit will likely require replacement.
- EF-01-1 and EF-01-2 are in good condition. At an age of approximately 10 years, their anticipated remaining life is 10-15 years. At the end of this equipment life, the unit will likely require replacement.

Karuna II East

Heating & Cooling

- VRF system components are in good to excellent condition. The existing VRF system capacity is likely sufficient to meet the future heating and cooling needs, provided the new space usage is similar to that of the existing tenants. At an age of approximately 11 years, their anticipated remaining life is 9-14 years. At the end of this equipment life, all components associated with the VRF system will likely require replacement. This includes the refrigerant piping routed within rated shafts, as the existing system's refrigerant is currently being phased out. While refrigerant will be available for unit servicing, a full system replacement will use an alternate refrigerant that has a lower Global Warming Potential.
- A revised space program will require the removal/relocation/addition of select VRF fan coils. When fan coils are relocated/added, their associated refrigerant piping, power, and condensate connections will require modification as well. This will require evacuating the refrigerant in the existing system, installing new refrigerant piping, and replacing the refrigerant in the system.
- Caution should be taken by the Engineer of Record for the revised space program not to locate VRF branch controllers or fan coils in excessively small spaces. ASHRAE 15 requires that refrigerant densities be below a set threshold, to ensure that no space becomes hazardous in the event of a leak in refrigerant piping.

- Ventilation air supply ductwork is currently uninsulated in the occupied space. This is Energy Code compliant in its current installation. If ceilings are added to the space in the future, insulation will need to be added to the existing ductwork.

Ventilation & Exhaust

- The DOAS unit at the roof (HRU-R-01) is in good condition. At an age of approximately 10 years, its anticipated remaining life is 10 years. At the end of this equipment life, the unit will likely require replacement.
- SF-1 through SF-10 provide ventilation air to conference rooms by circulating air from the adjacent open office into each conference room. This current installation is not Code compliant, and Interface recommends DOAS distribution ductwork be modified to supply ventilation air directly into any enclosed offices.
- EF-01-1 and EF-01-2 are in good condition. At an age of approximately 10 years, their anticipated remaining life is 10-15 years. At the end of this equipment life, the unit will likely require replacement.
- The Level 4 woodburning fireplace poses a potential hazard to occupants who are not familiar with its operation. If the flue is not opened, carbon monoxide could fill the occupied space. Interface does not recommend its use be continued unless training is provided for all future occupants.
- The existing Level 1 Retail 1 tenant's (restaurant) grease exhaust system was not visible at the time of the site visit, aside from the fan and ductwork at the roof. Access doors for the vertical grease duct riser could not be located and must be added if not present, in accordance with NFPA 96 requirements.
- HD-1 range exhaust hood serving Level 1 is in excellent condition. No modifications are required to the hood if the range below is left in place.
- EF-1 is in good condition. At an age of approximately 10 years, its anticipated remaining life is 10-15 years. At the end of this equipment life, the unit will likely require replacement.
- The Level 1 Retail 1 tenant makeup air unit is in good condition. Age is unknown, but based on appearance, appears to be approximately 10 years. Based on this its anticipated remaining life is 10 years. At the end of this equipment life, the unit will likely require replacement.
- The Level 1 Retail 1 tenant exhaust fan is in good condition. Age is unknown, but based on appearance, appears to be approximately 10 years. Based on this its anticipated remaining life is 10-15 years. At the end of this equipment life, the unit will likely require replacement.

END OF MECHANICAL SECTION

Plumbing

Summary of recommended required Plumbing cost items

- Scope the existing sanitary system to verify condition, location (as built), invert elevation.
- Provide and install missing roof/overflow drain grates that are missing.

Summary of recommended but not required Plumbing cost items

- Cleaning primary roof drains.
- Consider revising hot water system in building
- Consider replacing corded roof gas piping.

Plumbing Systems

Drainage Waste and Vent, Sanitary Sewer System

- The sanitary system is original to the building. We expect the sanitary system to be cast-iron below grade.

Domestic hot, cold-water systems

- Domestic water piping system is copper and is original to the building, appears to be in good working condition.
- The 3-inch domestic water backflow is located in each building's mechanical room.
- Existing gas fired hot water heater is a 100-gallon located in each building's mechanical room with hot water recirculation pump. The gas load is 199 CFH and serves the entire building. On the third-floor water was ran for over a minute and no hot water was produced. We recommend replacing this gas fired water heater with electric tank type system or a heat pump version with a storage tank and demo gas piping back to the meter.
- (East Building) Breakroom sink is supplied with under counter instantaneous Eemax water heater. Recommended to remove and route HW from main building system to sink.

Natural Gas System

- Meter bank on the exterior of the buildings with three gas meters at East Building and one gas meter at West Building installed and room for additional meters as needed.
- Gas piping on roof is not painted and rusted. We recommend replacing gas piping and painting piping to keep from erosion.

Plumbing fixtures

- The plumbing fixtures appear to be in good condition.
- The water closets are ADA complaint, elongated bowl, open seat and are flush valve type.
- Urinal is wall hung ADA complaint with hard wired sensor flush valve type.
- Lavatory are wall mounted is ADA complaint with some having sensor hard wired faucets and others manual operated single handle faucets. Hot water to lavatories is provided by electrical tankless water heaters.
- (East Building) Breakroom sinks appear to be in fair condition, with manual faucet and appear to be ADA compliant. Seems to be supplied with cold water only.
- (West Building) Two shower stalls one ADA stall with pull down seat and one standard shower. Both in good condition.

END OF PLUMBING SECTION

Electrical

Summary of recommended required Electrical cost items

- In public spaces, replace existing receptacles in place with tamper-proof receptacles.
- Relocate interior panels as needed to match new building layout.
- Investigate condition of luminaires, power circuit, or control circuit in East Building Stair 1 and repair/replace if needed.

Summary of recommended But Not required Electrical cost items

- Consider relocating existing trapeze-mounted transformer in West Building Men's restroom on the third floor.
- Consider a maintenance and cleaning plan for PV arrays on both buildings.
- Consider reusing existing lighting throughout both buildings.
- Consider replacing existing cracked receptacle faceplates.
- Consider replacing the main multi-meter switchboard or a portion of the switchboard for a single metered service serving the PPS space.

Discussion - Site

Power to both buildings is provided by a 500 kVA, 12470Y/7200-480Y/277V pad-mounted transformer served by Pacific Power. The transformer is in a gated enclosure and appears to be in good condition. The transformer also serves the building to the northwest.



Figure E-70 - Pacific Power Transformer

In addition to building mounted lights, there are LED bollards, both tall and short, placed in the landscaping throughout the interior courtyard to provide general lighting.



Figure E-71 - Area Bollards

GFCI receptacles with waterproof covers are also scattered throughout the landscaping for convenience.

Discussion West Building “Karuna II West”

Main Service

The site Pacific Power transformer serves an 800A, 480/277V, 3-phase, 4-wire Siemens commercial meter center switchboard ‘MDP-4A1-1’, located in the building main electrical room on the main floor. There is an 800A main disconnect. 800A is more than adequate for building needs and should also be capable of electrification transition off of use of natural gas. The switchboard has spaces for (12) 200A disconnects with utility meters or space for utility meters. The following utility meters and disconnects are currently in use. All disconnects are 200A unless otherwise noted.

1. Spare
2. Spare
3. Spare
4. Spare
5. Panel 4A3-1 – [REDACTED]
6. Disconnect T2A1-2 – [REDACTED]
7. Panel 4A1-2 – [REDACTED]
8. Spare
9. Spare
10. Panel 4A2-1 – [REDACTED]
11. 4A5-1 [REDACTED]
12. Panel 4A1-1 – Karuna II West House Panel – 1st Floor

The power company typically requires separate addresses assigned to building remain to keep a multi-meter center arrangement. PPS could keep this arrangement with separate meters; however, it could consider replacing the switchboard, or a portion of the switchboard, with a standard main service switchboard or larger service with distribution section or panel sized for the PPS space.

General Conditions

480Y/277V and 208Y/120V distribution panelboards are located on each floor, installed by the tenants. Level 3 panels were installed at the time of original construction and serve all tenant spaces on the floor. Existing panelboards are in good condition. Reuse and relocate as needed. Extend existing feeders and circuits to be saved as needed.

- 1st Floor Main Electrical Room (House Panels):
 - 480Y/277V, 3-phase, 4-wire, 200A panelboard ‘4A1-1’
 - 75 kVA transformer ‘XFRM-T2A1-1’
 - 2-section 208Y/120V, 3-phase, 4-wire, 200A panelboard ‘2A1-1’ and ‘2A1-2’ fed from ‘T2A1-1’
 - 480Y/277V, 3-phase, 4-wire, 60A panelboard ‘S4A1-1’, fed from 70A standby automatic transfer switch ‘ATS-S1’.

- Level 2:
 - 480Y/277V, 3-phase, 4-wire, 200A panelboard '4A2-1' fed from main switchboard
 - 75 kVA transformer 'T2A2-1'
 - 2-section 208Y/120V, 3-phase, 4-wire, 200A panelboard '2A2-1' and '2A2-2' fed from 'T2A2-1'
- Level 3 (House Panels):
 - 480Y/277 V, 3-phase, 4-wire, 200A panelboard '4A3-1' fed from main switchboard
 - 75 kVA transformer 'T2A3-1' (trapeze mounted above the door in the men's restroom)
 - 2-section, 208Y/120V, 3-phase, 4-wire, 200A panelboard '2A3-1' and '2A3-2' fed from 'XFRM-2A3-1'.
- Level 5:
 - 480Y/277 V, 3-phase, 4-wire, 200A panelboard '4A5-1' fed from main switchboard
 - 75 kVA transformer 'T2A5-1'
 - 2-section 208Y/120V, 3-phase, 4-wire, 200A panelboard '2A5-1' and '2B5-2' fed from 'T2B5-1'

Consider relocating the third-floor transformer, currently located above the door in the men's restroom, to a more secure area to reduce risk of damage.



Figure E-72- 3rd Floor Transformer

Panels on Level 5 currently feed tenant spaces on Level 4 and Level 5. There is infrastructure in place (spare conduit) from the main electrical room to Level 4 to feed new panels if needed.

A low-voltage energy meter is located in the main electrical room to measure usage.

Recommend providing new receptacle layout per floor plans, reuse existing receptacles and receptacle circuits when available. Per NEC 406.12(4), tamper-resistant receptacles are required in education facilities. While there are some existing receptacles that are tamper-resistant, most should be replaced with new tamper-resistant receptacles.

There are floor receptacles in tenant areas throughout the building. If these are not in a location that can be reused, they will need to be demolished and the floor patched.

There is a baseboard raceway and above-ground raceway to provide power to desks in Suite 310 (Figure E-73). Consider removing this if space is to be reused.

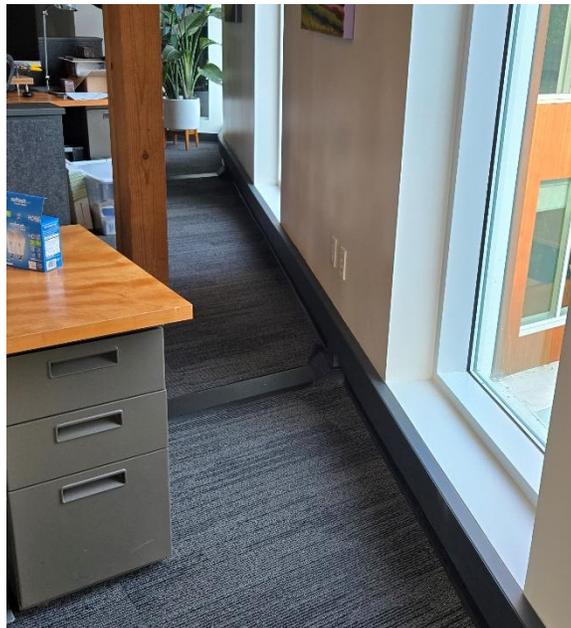


Figure E-73 - Suite 310 Floor Raceway

PV Array

There is a 30 kW PV array on the roof of the building. A solar DC disconnect is located on the roof, and a solar AC disconnect is located in the main electrical room. The PV array appears to be in good condition, however debris is building up at the bottom portion of the panels and should be cleaned. Consider a maintenance and cleaning plan for the PV arrays.

The PV array serves panel '4A1', a house panel located in the main electrical room.

Emergency Power

There is a 35kW/45kVA, 480Y/277V, 3-phase, 3-wire natural gas generator located on the roof. This feeds panel 'S4A1-1' via standby automatic transfer switch 'ATS-S1', located in the first-floor main electrical room. This serves the elevator. Note that this elevator is required to be on standby power because the

west building is 5 stories. At 4 stories, the elevator in the east building is not required to be on standby power.

Emergency lights and exit signs are served via a series of lighting inverters located in the main electrical room and throughout the building. The City of Portland does not allow emergency power to egress lights to be served by a natural gas generator due to seismic risk, thus the existing generator cannot serve emergency lights.

Fire Alarm

Building is served by a Simplex 4010ES addressable fire detection and control system manufacturer by SimplexGrinnell, now part of Johnson Controls. The communication protocols are exclusive to Simplex systems and are not compatible with devices from other manufacturers without specific integration modules or gateways. The 4010ES supports 1,000 addressable points.

Lighting

Existing lights throughout the building are LED and in good condition. Existing lighting appears to be in good condition, recommend to reuse as much as possible. Different lighting strategies are used in different tenant spaces, if consistent lighting is desired throughout the building, consider new lights or reusing and relocating light fixtures.

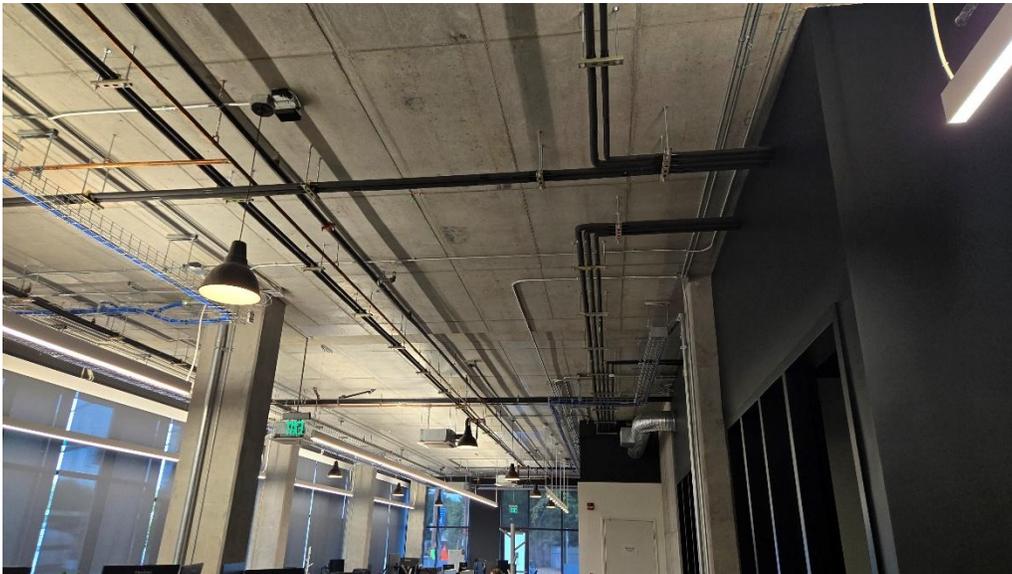


Figure E-74- 1st Floor Tenant Lighting



Figure E-75- 2nd Floor Tenant Lighting

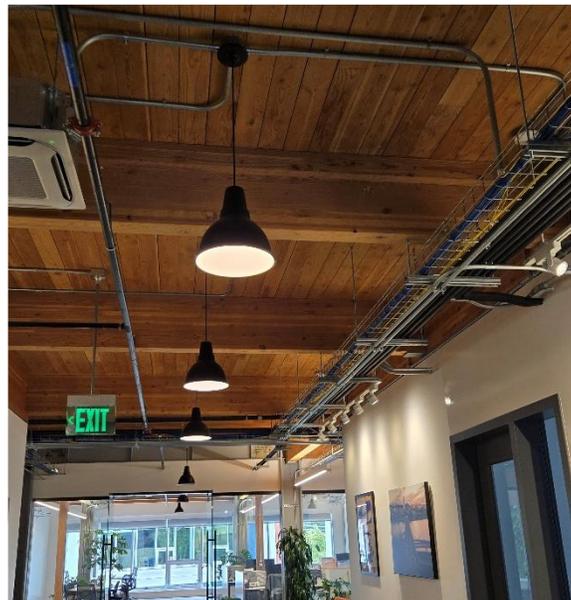


Figure E-7 - 2nd Floor Tenant Lighting



Figure E-76- 3rd Floor Hallway Lighting



Figure E-77- Suite 310 Decorative Pendant

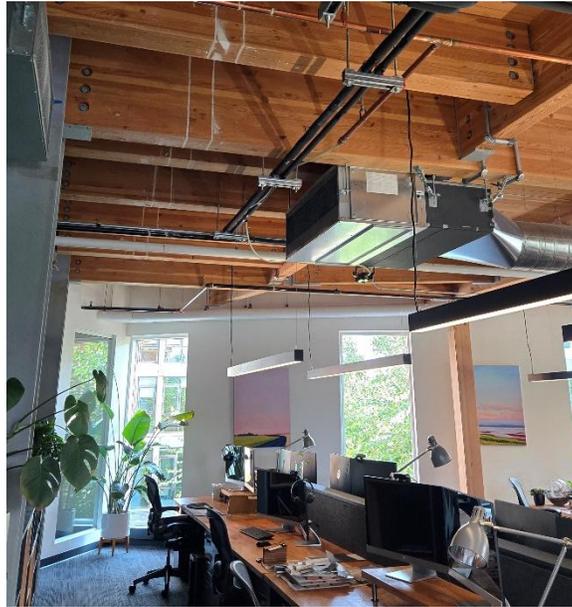


Figure E-78- Suite 310 Office Lighting



Figure E-79 - 5th Floor Tenant Lighting

Discussion East Building “Karuna II East”

Main Service

The site Pacific Power transformer serves an 800A, 480/277V, 3-phase, 4-wire Siemens commercial meter center switchboard ‘MDP-4A1-1’, located in the building main electrical room on the main floor. There is an 800A main disconnect. 800A is more than adequate for building needs and should also be capable of electrification transition off of use of natural gas. The switchboard has spaces for (12) 200A disconnects with utility meters or space for utility meters. The following utility meters and disconnects are currently in use. All disconnects are 200A unless otherwise noted.

1. Spare
2. Spare
3. Spare
4. XFMR T2B1-2 – [REDACTED] A)
5. 4B2-1 – [REDACTED]
6. 4B3-1 – [REDACTED]
7. 4B1 – Karuna II East
8. [REDACTED]
9. Spare
10. Spare
11. Spare
12. [REDACTED]

The power company typically requires separate addresses assigned to building remain to keep a multi-meter center arrangement. PPS could keep this arrangement with separate meters; however, it could consider replacing the switchboard, or a portion of the switchboard, with a standard main service switchboard or larger service with distribution section or panel sized for the PPS space.

General Conditions

480Y/277V and 208Y/120V distribution panelboards are located on each floor, installed by the tenants. Existing panelboards are in good condition. Reuse and relocate as needed. Extend existing feeders and circuits to be saved as needed.

- 1st Floor Main Electrical Room (House Panels):
 - 480Y/277V, 3-phase, 4-wire, 200A panelboard ‘4B1-1’
 - 75 kVA transformer ‘XFRM-T2B1-1’
 - 2-section 208Y/120V, 3-phase, 4-wire, 200A panelboard ‘2B1-1’ and ‘2B1-2’ fed from ‘T2B1-1’
- Level 2:
 - 480Y/277V, 3-phase, 4-wire, 200A panelboard ‘4B2-1’ fed from main switchboard
 - 75 kVA transformer ‘T2B2-1’
 - 2-section 208Y/120V, 3-phase, 4-wire, 200A panelboard ‘2B2-1’ and ‘2B2-2’ fed from ‘T2B2-1’

- Level 3:
 - 480Y/277 V, 3-phase, 4-wire, 200A panelboard '4B3-1' fed from main switchboard
 - 2-section, 208Y/120V, 3-phase, 4-wire, 200A panelboard '2B3-1' and '2B3-2' fed from panel '2B1-3' in main electrical room
- Level 4:
 - 480Y/277 V, 3-phase, 4-wire, 200A panelboard '4B4-1' fed from '4B3-1'
 - 75 kVA transformer 'T2B4-1'
 - 2-section 208Y/120V, 3-phase, 4-wire, 200A panelboard '2B4-1' and '2B2-4' fed from 'T2B4-1'

A low-voltage energy meter is located in the main electrical room to measure usage.

Recommend providing new receptacle layout per floor plans, reuse existing receptacles and receptacle circuits when available. Per NEC 406.12(4), tamper-resistant receptacles are required in education facilities. While there are some existing receptacles that are tamper-resistant, most should be replaced with new tamper-resistant receptacles.

There are floor receptacles in tenant areas throughout the building. If these are not in a location that can be reused, they will need to be demolished and the floor patched.

Faceplates on some receptacles are cracked. Recommend replacing faceplates as needed.

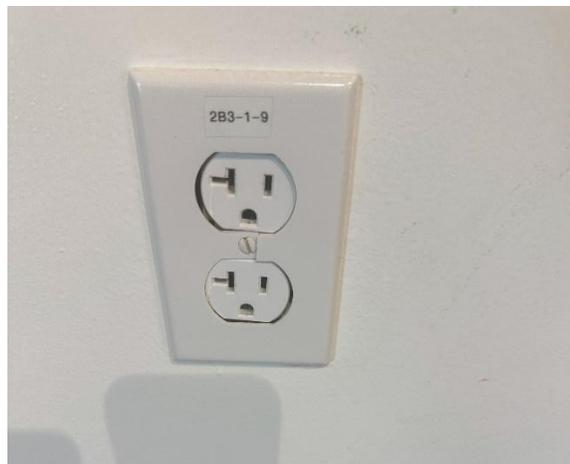


Figure E-80 - Cracked Receptacle Faceplate

PV Array

There are (2) 23 kW PV arrays located on the roof. An inverter and PV disconnect for each array are located in a recessed enclosure in the exterior parking area. DC disconnects are located on the roof. The PV arrays appear to be in good condition, however debris is building up at the bottom portion of the panels and should be cleaned. Consider a maintenance and cleaning plan for the PV arrays.



Figure E-81 - PV Array on Roof



Figure E-82 - PV Inverter and Disconnect

The PV array serves panel '4B1-1', a house panel located in the main electrical room.

Emergency Power

Emergency lights and exit signs are served via a series of lighting inverters located in the main electrical room and throughout the building. There are (3) IOTA inverters located in the main electrical room.

Fire Alarm

Building is served by a Simplex 4100ES addressable fire detection and control system manufacturer by SimplexGrinnell, now part of Johnson Controls. The communication protocols are exclusive to Simplex systems and are not compatible with devices from other manufacturers without specific integration modules or gateways. The 4100ES supports 3,000 addressable points and includes a system-wide voice notification with UL 2572 listing for mass notification / emergency communications including audio amplification and firefighter telephone integration.

The Level 4 Atrium drop down smoke curtains had some damage. During the site walk, the Owner's Representative mentioned a work order was in progress to get these repaired. The smoke curtains only serve Level 4, separating the office space from the Atrium in the event of a fire.

Lighting

Existing lights throughout the building are LED and in good condition. Existing lighting appears to be in good condition, recommend to reuse as much as possible.

Lights in Stair 1 were off at time of site visit. Investigate condition of luminaires, power circuit, or control circuit and repair/replace if needed.

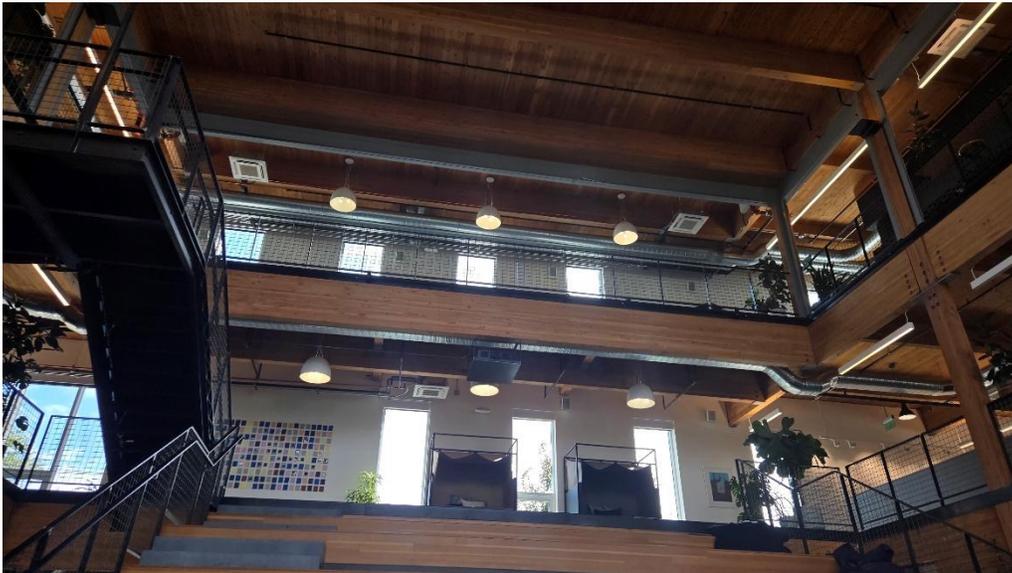


Figure E-83 - Pendants and Linear pendants throughout tenant space

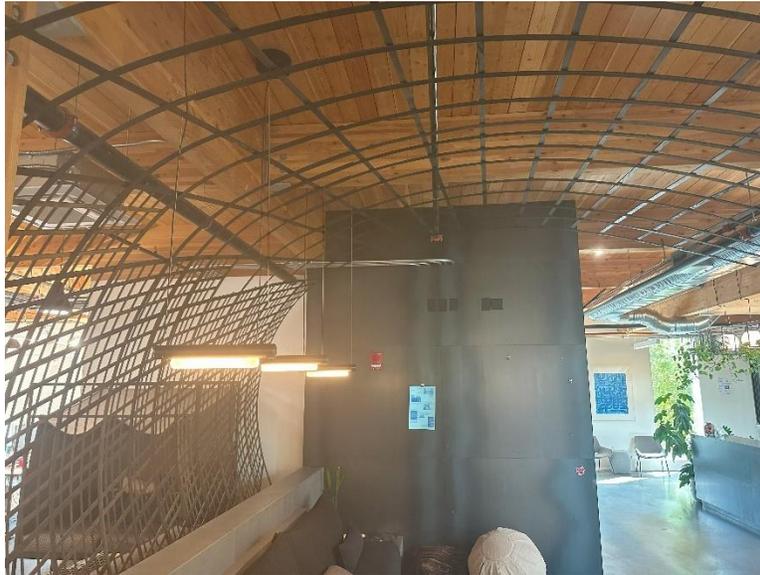


Figure E-84 - Pendants in tenant lobby

END OF ELECTRICAL SECTION

X:\PDX\2025\2025-1106\Correspondence\Design Reports\20250911 Building Assessment Report\20250911 Report-Study No Cover Image.docx



PORTLAND

Public Schools

Board of Education

Due Diligence Update One North Property Center for Black Student Excellence

11/18/25

“ **The Beloved Community**
is not some utopia, it is the
real world we can build when
we live by love and justice. ”

-Representative John Lewis

A Living Expression of Beloved Community

In our developing framework, Birth to Brilliance, the Center for Black Student Excellence is anchored in **Beloved Community**. The Center embodies one of the core principles of what we call thriving, where power, partnership, and belonging take physical form.

Love is our infrastructure.

The **CBSE Vision** is values, and outcomes-based, it defines what this space must accomplish. The **Feasibility Study** translates those aspirations into spatial and functional possibilities.

Each program area transforms values into place. Each hub becomes a manifestation of Beloved Community, connection, creativity, and collective care in action.



Site Overview: One North Property

3506 - 3514 N Vancouver Ave. and 25 N.
Fremont PDX | OR

Year Completed: 2015

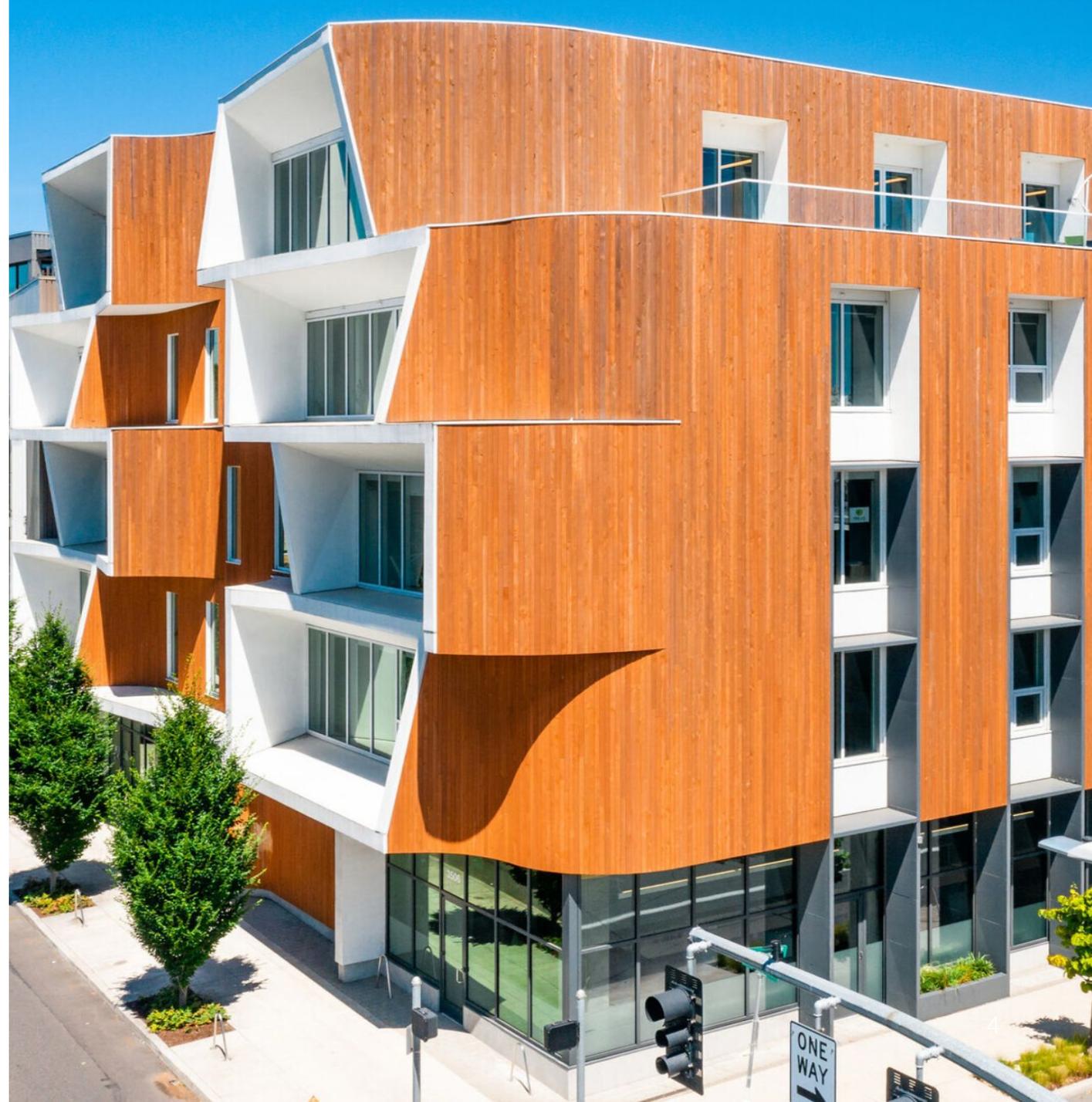
Buildings: 2

Approximate Building Size:
East Bldg 37,900 SF | West Bldg 37,800 SF
Total SF: 75,700

Zoning: CM3

Central NE Portland; deep cultural relevance
for Black Portlanders

Flexible space for implementing community
Vision.



Michael Chappie Grice Center (East)

The East building (**Chappie East**) is envisioned as a convergence point for student-focused gatherings, community-oriented organizations, and workspaces.

Chappie East is envisioned as the living room of the Center for Black Student Excellence, the place where students, families, elders, and community partners converge.

It will be an open invitation: a space where learning is surrounded by belonging.

Design Intent: The East Building should feel like a village living room, vibrant, caring, and full of cultural connection.



Dr. Harriet Adair Center (West)

The West Building (**Adair West**) is dedicated to the pursuit of academic brilliance, imagination, and innovation. It embodies the spirit of Dr. Harriet Adair: A legacy of scholarship, leadership, and unwavering belief in the potential of every student.

Adair West stands as the studio of brilliance. A space where curiosity is cultivated, ideas are born, and learning becomes a creative act. Here, students engage in design, technology, and artistry that reflect both intellect and imagination.

Design Intent: Adair West should feel like a creative engine, dynamic, forward-looking, and filled with the energy of students shaping the future they deserve.





Conceptual Fit

- A feasibility study was conducted by Adre in partnership with Lever Architects. Their conceptual test fit of the CBSE Vision has confirmed the program functions will fit comfortably in One North with room for community partner space.
 - **Center for Arts and Culture** - A living museum and cultural studio, where Black culture, art, and history are preserved, celebrated, and reimagined for future generations
 - **Event Center** - The soul of community gathering, elegant, warm, and unmistakably rooted in Black culture and hospitality. It is a space where education meets celebration, designed for shared meals, cultural performances, professional learning, and district convenings that honor belonging as a form of brilliance.
 - **Leadership Hub** - Support the people and partnerships who steward this work, those leading, researching, art residencies and coordinating programs that bring Beloved Community to life

**TOGETHER,
WE RISE**

WITH EXCELLENCE. WITH PURPOSE.

Conceptual Fit



WITH EXCELLENCE. WITH PURPOSE.

- **Resource Hub** - Connection between the public realm and the innovation work happening throughout the building.
- **Innovation Studio** - Bring together students, educators, and partners to explore STEM, digital design, media, and entrepreneurship through a culturally responsive lens. Hub for invention and applied learning, connecting classrooms to careers, and curiosity to creation.
- **Wellness Center** - Movement, balance, and collective care. Supports the whole educator, the whole student, and the whole family by providing opportunities for physical, emotional, and social well-being.

Building Assessment

- The buildings are currently used as commercial office space. PPS use requires we change the occupancy to an “E” occupancy (educational).
- This change will necessitate additional life safety measures (including seismic and fire suppression). Due to the height of the buildings, the City may limit our classroom use on the upper floors, potentially impacting as much as 15,000sf.



WITH EXCELLENCE. WITH PURPOSE.

Building Condition & Operations



TOGETHER,

WE RISE

WITH EXCELLENCE. WITH PURPOSE.

- **Building Condition:** The buildings are built of mass timber and are approximately ten years old. They are in good overall condition.
 - **HVAC system:** uses a refrigerant that is being phased out and remaining useful life estimated to be five years or less. Given the invasive nature of HVAC replacement, this work should be done in conjunction with the program and occupancy improvements.
- **Building Operations:** The buildings are currently professionally managed. We have reviewed the operating expenses for the buildings, and they are consistent with PPS experience. PPS will continue to engage the property management company through a transition period to be determined post closing.
 - Commercial tenants pay pro rata share of maintenance and property taxes (PPS is exempt from paying property taxes on the portion of the property it uses).
- **Parking:** Parking is limited at the site, and PPS will acquire a portion of a lease for additional parking from the neighboring Life Change Church, which expires in 2027. PPS will work with the Church to extend the term post closing.

Real Property Due Diligence

In addition, PPS staff has concluded the standard due diligence for real property:

- Title Report - no significant issues
- Alta Survey - no significant issues
- Level 1 Environmental Study - level one testing; no significant issues
- Bond Compliance—use of bond funds within statutory authority

Cost & Timing

- The cost for the program and occupancy-related improvements is estimated at \$21M-\$25M, the cost for the HVAC replacement is estimated at \$5.5M, and the purchase price is \$16M for a total of \$37M-\$41M, well within the \$60M allocation in the 2020 bond.
- The time for completion of student-facing improvement work is 24-30 months from Board approval.



WITH EXCELLENCE. WITH PURPOSE.

Next Steps

December 2 Board Meeting:

- Staff will confirm that contingencies can be waived.
- Based on current due diligence findings, staff will recommend that Board approve proceeding with the purchase.



TOGETHER,

WE RISE

WITH EXCELLENCE. WITH PURPOSE.



PORTLAND

Public Schools

Questions?

**Due Diligence Update
One North Property
Center for Black Student Excellence**



PORTLAND PUBLIC SCHOOLS
OFFICE OF REAL ESTATE AND CONSTRUCTION

501 North Dixon Street / Portland, OR 97227
Telephone: (503) 916-2000
Mailing Address: P. O. Box 3107 / 97208-3107

STAFF MEMO

Date: November 13, 2025
To: Board of Education
From: Dana White, Sr. Director of Real Estate and Construction
Subject: One North Property Due Diligence Summary

BACKGROUND

On September 9, 2025, the Board of Education approved Resolution 7165, authorizing execution of Purchase and Sale Agreement for the proposed Center for Black Student Excellence building. The approval of this resolution began a 90-day due diligence period of the property as outlined in the purchase and sale agreement (PSA).

The reports and studies performed to date are a standard part of real estate due diligence for any commercial real estate transaction. Staff reported due diligence activities and information through the Facilities Improvement and Oversight Committee on October 8 and provided feasibility and building condition reports in advance of the November 10 meeting. Below is a summary of those activities, analyses, and findings.

ANALYSIS

We have completed the major activities of the due diligence on the One North property as the potential home for the Center for Black Student Excellence (CBSE). This building was chosen for its exceptional location at the heart of the Albina community.

A Feasibility Study was completed by Adre in partnership with Lever Architecture. Their conceptual test fit of the CBSE Vision has confirmed the program functions will fit in the existing One North building area. A Building Assessment Report was also compiled by Interface Engineering in partnership with KPFF Engineering and Bassetti Architects. An independent cost consultant (RLB) was engaged to complete an estimate based on the conceptual plan.

PPS has also engaged a commercial real estate broker, external real estate counsel, and bond counsel.

Program Feasibility

The existing buildings are a B occupancy, for office space. In order for PPS to place student-facing programs within these spaces, the code requires a change of use to an E occupancy, as well as meeting the current code requirements for that new occupancy type. The code-required change of use to an E occupancy includes a seismic upgrade to meet the 2021 Oregon Structural Specialty Code. A seismic upgrade will require us to relocate existing tenants to other building spaces during this work. This occupancy type change will also necessitate additional life safety measures. Due to the height of the buildings, the City may limit our classroom use on the upper floors, potentially limiting types of uses for as much as 15,000sf. Additional required upgrades may include modifying access points, stairs and hallways for egress and security, and upgrading the fire alarm.

The cost to build out the program in accordance with code requirements and PPS Standards is estimated at \$21-25M. It is expected that the design and construction duration of these build-outs will take 24-30 months from Board approval. This includes the solicitation of both design and construction firms, additional community engagement, and permitting.

Building Condition

The buildings are approximately ten years old and in generally good condition. The existing HVAC system is an LG VRF (Variable refrigerant flow) system. It uses 410-A refrigerant. This refrigerant has been phased out, and the refrigerant and the mechanical units are no longer manufactured. Parts may be available for up to the next 5 years; but if there are any major failures and the equipment is not available, it would require a system replacement. This work is invasive, requiring opening of the ceilings, and potentially the walls to replace. It is recommended to do this work during the build-out phase, as it will be less costly to complete alongside other construction activities. The replacement cost of the HVAC system is approximately \$5.5 million.

Operating Costs

The historical operational costs of the buildings are consistent with other PPS buildings. The exterior portions of the buildings that make them look so unique will require additional maintenance. Curved walls clad in stained wood veneer, white-painted projecting apertures, and low-profile roof coping and flashings require more frequent upkeep (3-5 years) than the PPS District Standard brick and metal panel systems, which follow a 20-year maintenance cycle. Dirt and debris on the white aperture roof membranes are visible through windows from the interior and adjacent buildings. Frequent maintenance will be necessary to keep the area clean and avoid deterioration. The only way to clean these areas is via vertical lift from the street and courtyard. The tenants of the leased spaces are assessed a pro-rata share of the maintenance/operating costs.

Capital (Bond) Costs

Total cost of purchase, build out, and HVAC replacement is estimated to be \$37M-\$41M, well within the \$60M allocation in the 2020 bond. The District has obtained an opinion from bond counsel that purchase and capital improvement are legal uses of the 2020 bond funds.

Timing

The time needed to complete the improvements for student-facing programming is estimated at approximately twenty-four (24) to thirty (30) months.

Title Report

The title reports detailing the property's ownership, legal description, and any encumbrances like liens, easements, or restrictions that could affect its use or transfer have been reviewed by real estate counsel. No significant issues were noted.

Alta Survey

The Alta survey is a detailed survey that identifies boundaries, easements, means of access, rights-of-way, physical improvements, encroachments, setback violations, and zoning and flood zone classification to provide a comprehensive view of a property's physical conditions. No significant issues with this completed survey.

Environmental Study

The Level 1 environmental survey is a non-intrusive study to assess the site based on current and historical uses of a property to assess any environmental concerns in soil or groundwater below the property, and identifies any suspect environmental materials contained within the building materials. The Level 1 environmental study found no significant issues.

Parking/Transportation

Parking onsite is very limited. As part of the sale, the District will acquire a majority interest in a lease with the adjacent Life Change Church, which expires in 2027 (See Eco Commons LLC discussion, below). PPS has reached out to the Church indicating a desire to extend the term of the lease post closing.

Eco Commons LLC

Upon closing, PPS would have 70% of the interest in Eco Commons LLC, which owns the common area with an adjoining landowner (subject to a public easement) and shares the commons maintenance proportionately. The LLC also is the party to the parking lease and right of first refusal on the church property. We do not recommend making changes to the LLC as a condition of closing.

Property Management

The buildings are currently professionally managed. We have reviewed the operating expenses for the buildings, and they are consistent with PPS experience. PPS will continue to engage the property management company through a transition period to be determined post closing.

Next Steps

The Board will meet on December 2, and staff expects to recommend waiving contingencies and proceeding with the sale.



Michelle Morrison
Chief Financial Officer

Portland Public Schools
501 North Dixon Street • Portland, OR 97227
Phone: (503) 916-2000
www.pps.net

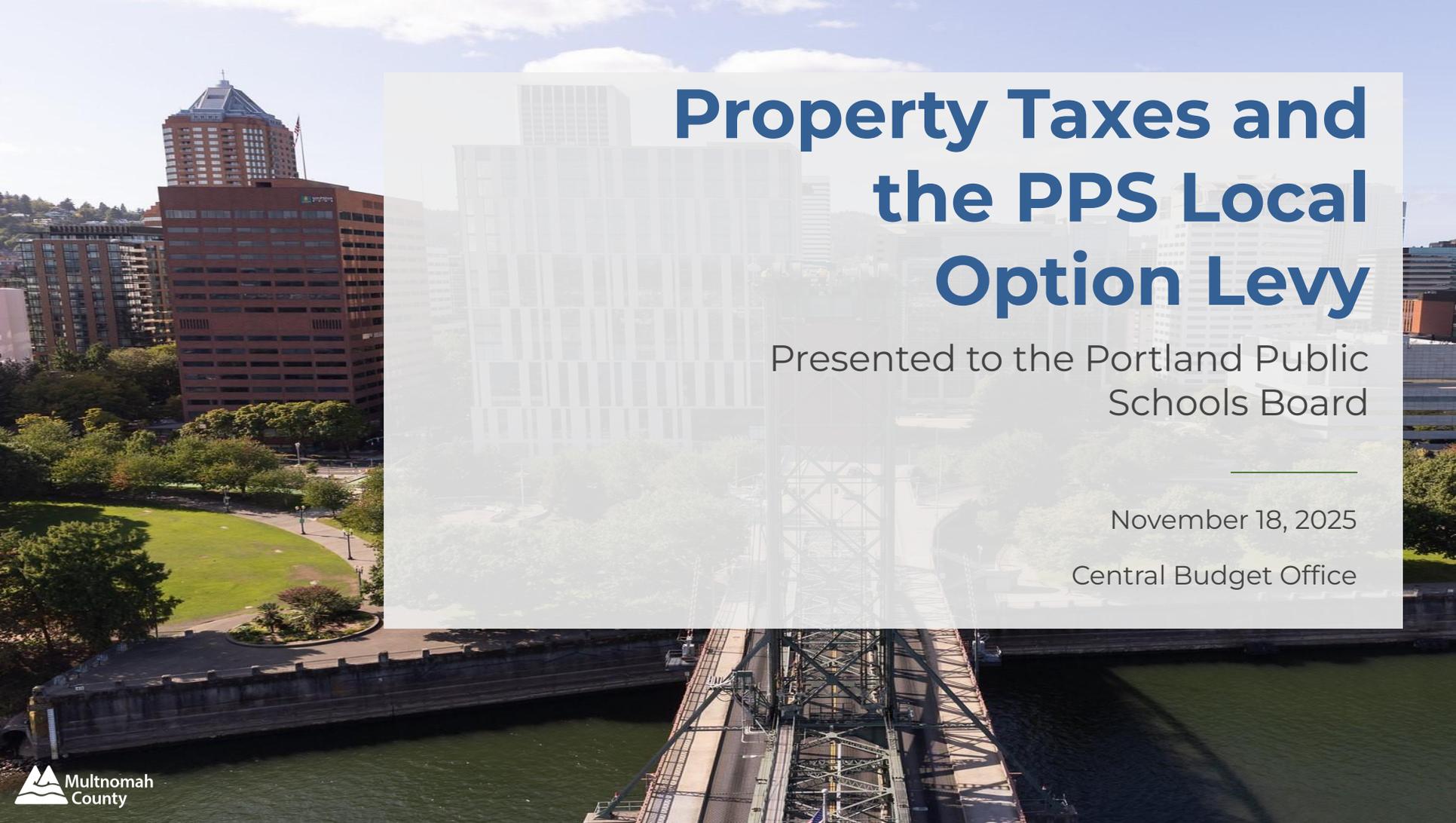
MEMORANDUM

DATE November 18, 2025
TO Portland Public Schools Board of Education
FROM Michelle Morrison, Chief Financial Officer
CC Dr. Kimberlee Armstrong
SUBJECT Property Taxes and the PPS Local Option Levy presented by Jeff Renfro, Multnomah County Economist

Portland Public Schools is fortunate to have a strong partnership with Multnomah County. One of the benefits of this partnership includes access to and voluntary support from the Multnomah County Economist, Jeff Renfro.

At the meeting this evening, Economist Renfro will be sharing information regarding the PPS Local Option Levy Imposed Tax History, residential values, property tax mechanism, downtown office values and regional inflation.

Multnomah County is home to many other districts and is the main local revenue source for Portland Public Schools. This information is provided to give Directors and the community a greater understanding of resources that support students in PPS schools.



Property Taxes and the PPS Local Option Levy

Presented to the Portland Public
Schools Board

November 18, 2025

Central Budget Office



Agenda

1

PPS Local Option Levy Imposed Tax History

2

Residential Values

3

Property Tax Mechanism

4

Downtown Office Values

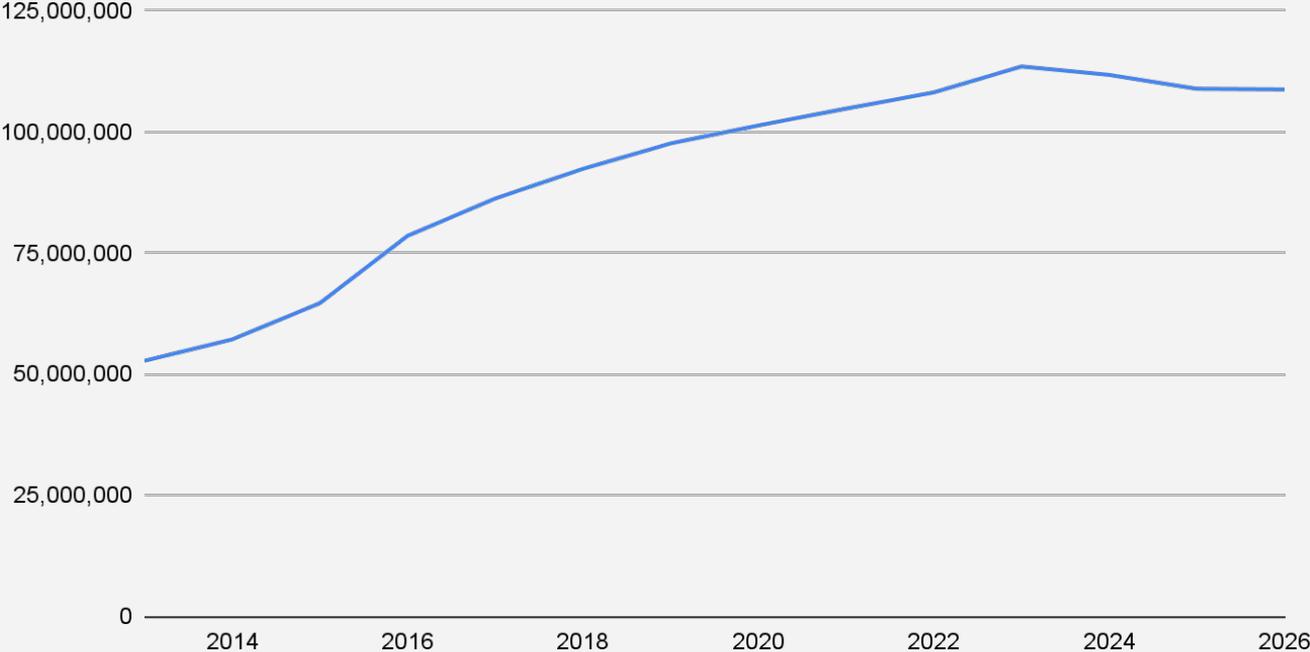
5

Inflation

PPS Local Option Levy History

Imposed Tax

PPS Local Option Levy Imposed Tax

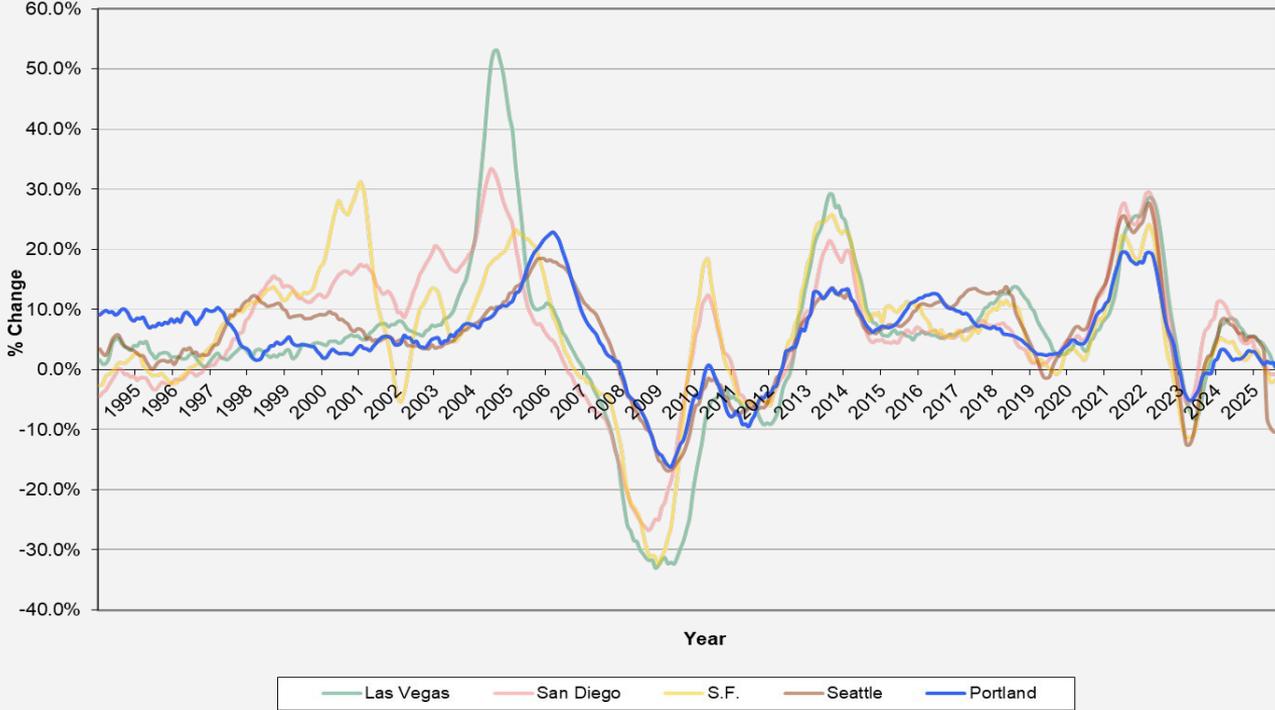


PPS Local Option Levy has experienced three years of decline

Residential Home Values

Case Shiller Home Price Index

Monthly Year-Over-Year % Change
Based on S&P/Case-Shiller Home Price Index Thru August 2025



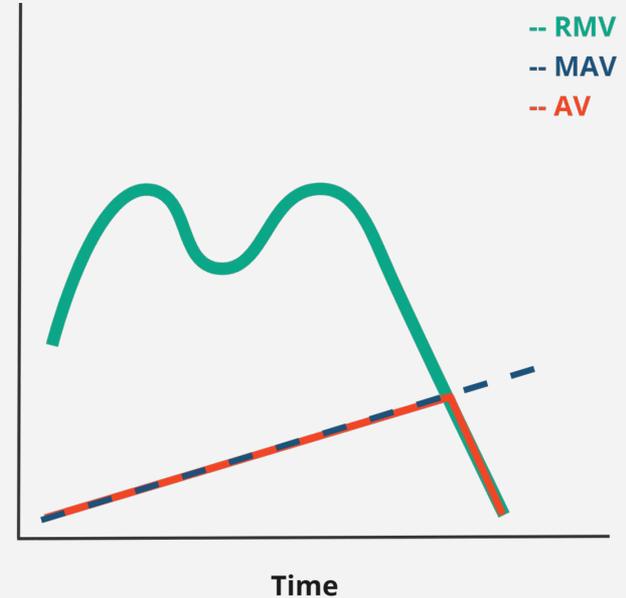
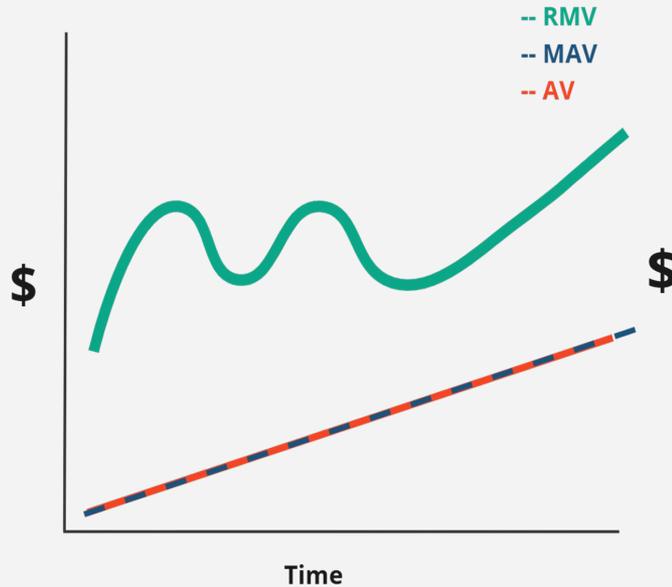
Residential Property is 59.2% of Total Assessed Value (AV)

Property Tax

Downtown Property Values

Tax Rate is applied to Assessed Value (AV). AV is the lesser of Real Market Value (RMV) and Maximum Assessed Value (MAV). MAV = AV for the vast majority of Multnomah County properties.

Rapid decline in Downtown RMVs is (in some cases) enough to pull down AV.



miro

Property Tax - Compression

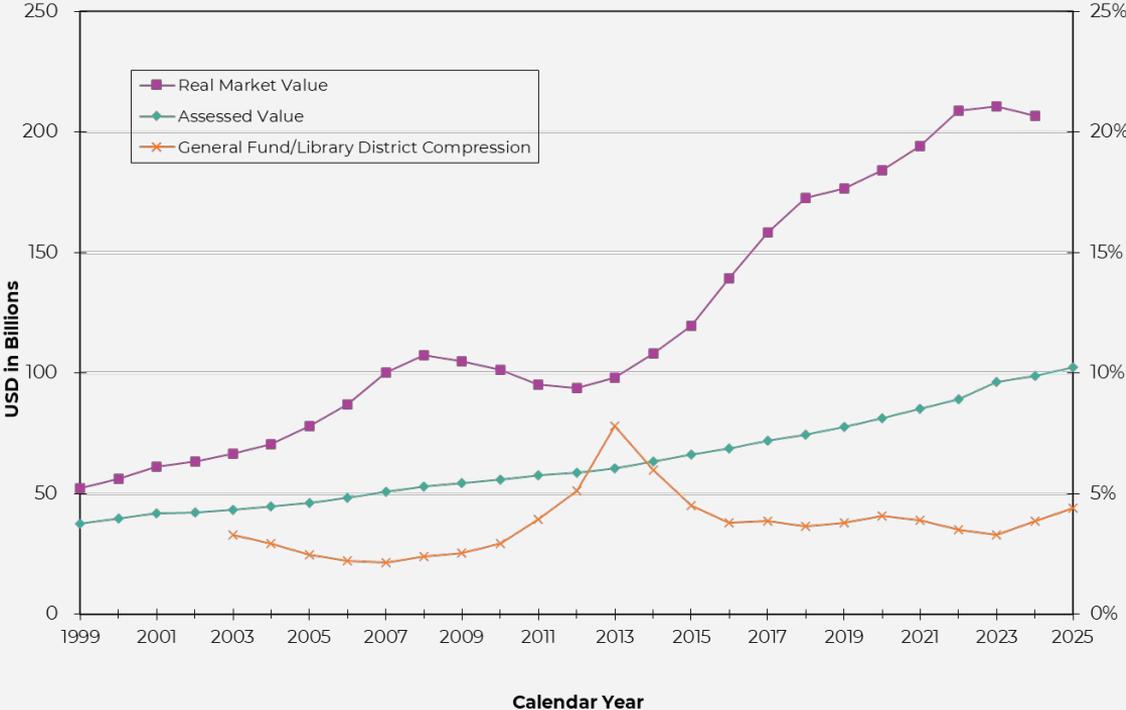
Local Option Levies are Compressed First



Property Tax

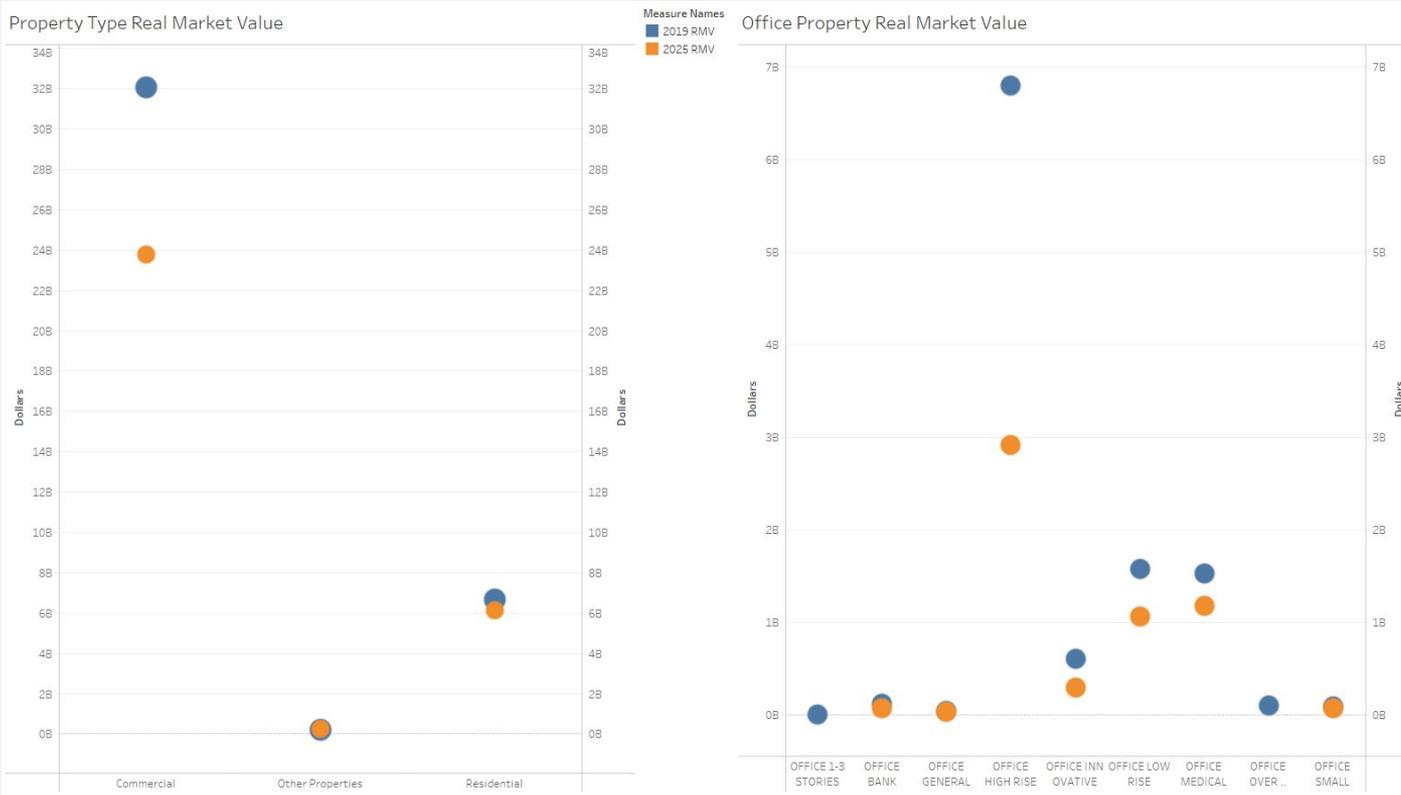
History of RMV, AV, and Compression in Multnomah County

Multnomah County Assessed Value, Real Market Value, and Compression



Property Tax

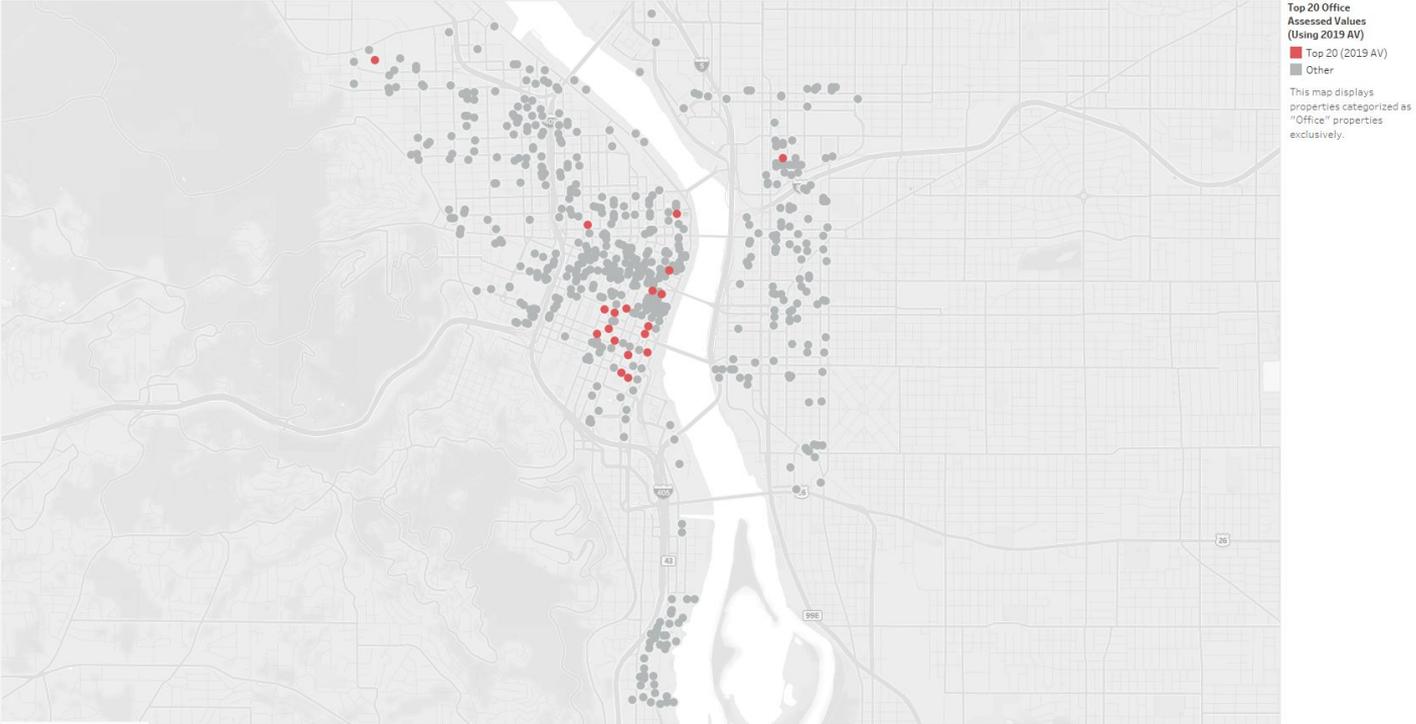
Change in RMV by Property Type



High Rise Office values driving declines

Property Tax

Location of Tax Lots with Largest RMV Change

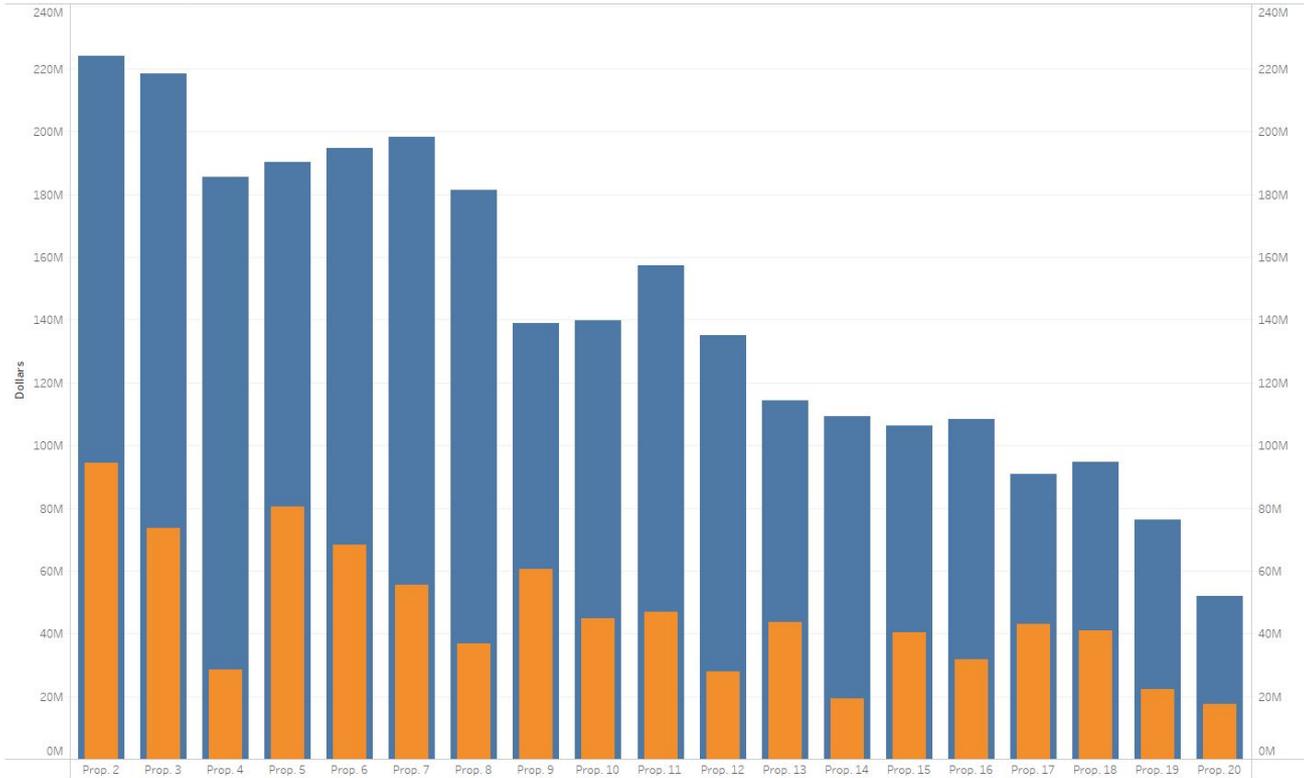


Biggest impacts concentrated in the center of downtown

Property Tax

Real Market Value for 20 highest-value office properties has fallen since 2019

Top 20 2019 AV Group - 2019 vs 2025 RMV



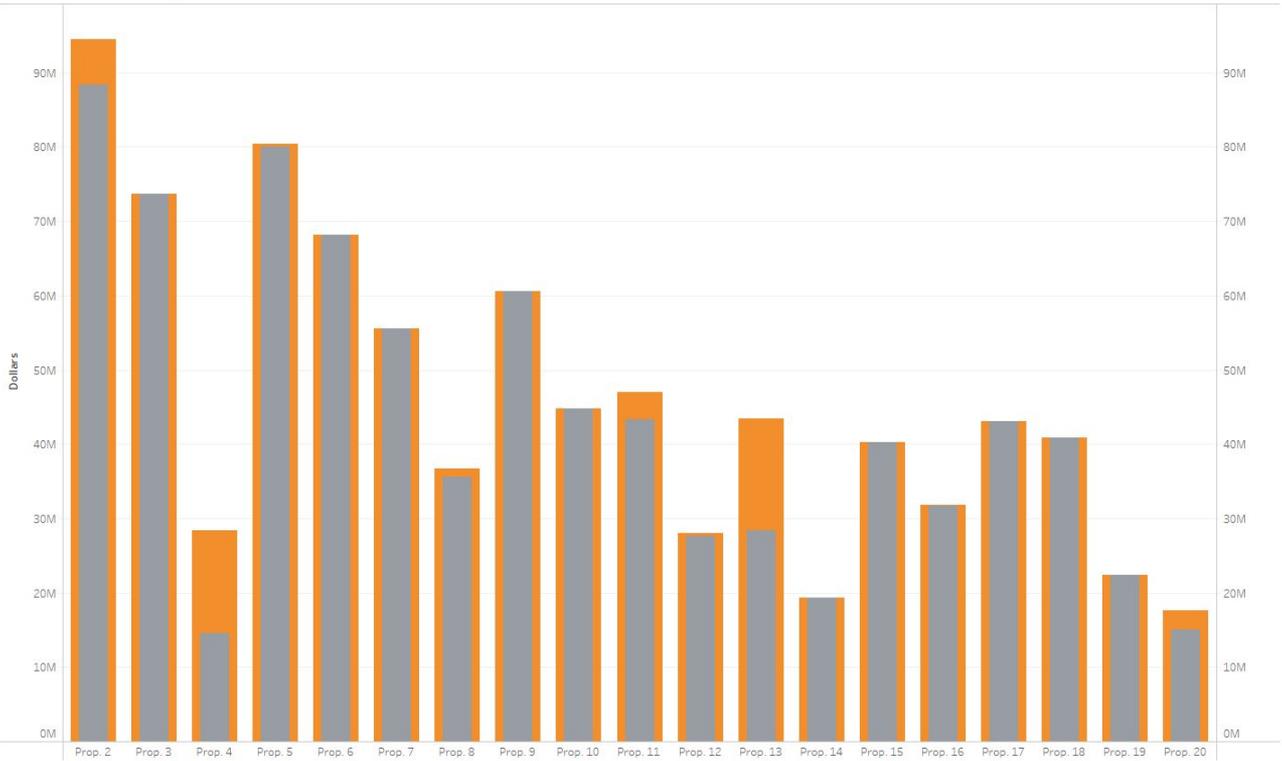
Real Market Value, 2019
Real Market Value, 2025

*Note: One of the Top 20 buildings was split into multiple lots on the 2025 tax roll and is no longer included.

Property Tax

For many offices, Real Market Value is near or equal to Assessed Value in 2025

Top 20 2019 AV Group - Current AV and RMV



- Assessed Value, 2025
- Real Market Value, 2025

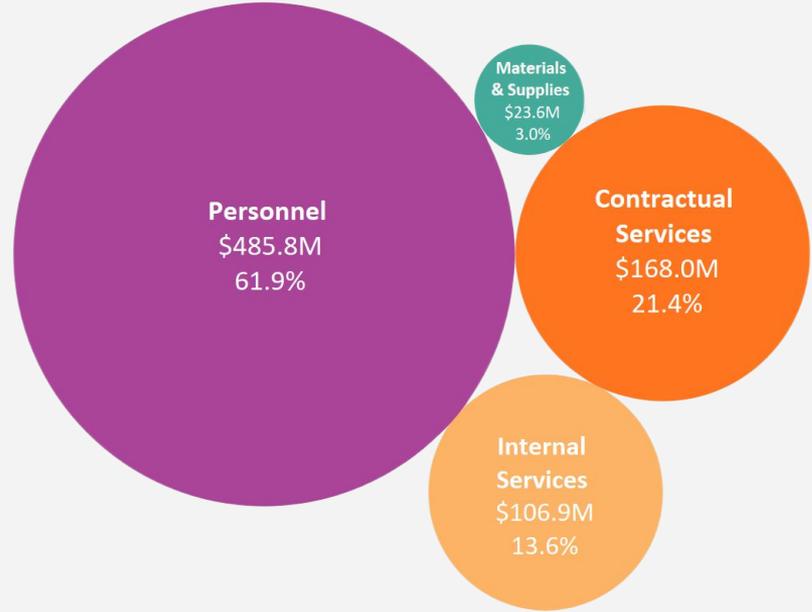
*Note: One of the Top 20 buildings was split into multiple lots on the 2025 tax roll and is no longer included.

FY 2027 Expenses for Multnomah County

Cost Drivers

Personnel/Labor Costs (change in rates)	4.98%
COLA	3.30%
Step/Merit/Contract Changes	1.80%
Medical/Dental	5.00%
PERS	0.57%
Retiree Medical	-0.50%
Liability/Workers Comp/ TriMet	0.01%
Materials and Supplies	3.30%
Contractual Services	3.30%
Internal Services*	4.96%

*Estimate to be updated later



FY 2026 General Fund Expenses

Personnel Expenses

Inflation

CPI-W West Size A Y-O-Y Percent Change



Inflation much improved, but needs to go and stay lower to put County on a more sustainable path.

Questions?



ERP MODERNIZATION

PROGRAM OVERVIEW

BOARD WORKING SESSION

NOVEMBER 18 2025

INTENT FOR TODAY

- **ERP Modernization program overview**
- **Spending approval for phase one - data platform**



WHAT IS AN “ERP”

- An Enterprise Resource Planning (ERP) system is an integrated software platform that manages core business processes—**finance, human resources, procurement, payroll, operations, and inventory**—within a single, centralized system.
- The goal of an ERP is to **streamline operations, improve data accuracy, and enable better decision-making** by providing real-time visibility across all departments.
- The ERP is the digital backbone —**connecting people, processes, and data** - to drive smarter, faster, and more efficient operations.
- Our goal is to **replace fragmented legacy systems and spreadsheets** with a unified platform that:
 - **Automates** workflows, streamlines review and approval cycles, and reduces manual effort
 - Provides a **single source of truth** across the district - financial, operational, student, employee data
 - Supports **compliance, security, reporting, and analytics**
 - Scales with organizational **growth** and **evolving** business needs

PROGRAM OVERVIEW: ERP MODERNIZATION

A tightly coordinated multi-year program to redesign how **people, processes, and technology** work together to **streamline** work and unlock **better outcomes**.

The **opportunity** is to devote more time, resources, and energy toward **student learning and success**.

The **challenge** is to build **efficient** workflows, driven by **meaningful** data using **modern** tools, that result in better **decision-making** for PPS.

The current PPS ERP was implemented 25 years ago

The first iPhone was released seven years later

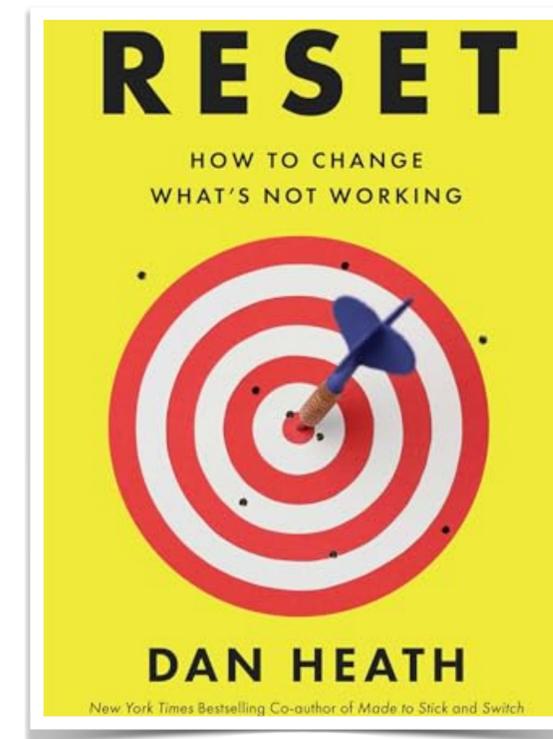
CORE VALUE STATEMENTS

1. Operational efficiency creates opportunities

- Rather than replicating legacy processes, we're aligning to standard tools and workflows to drive consistency data and unlock operational efficiency
- This opens up significant org design flexibility as manual entry and system workarounds will be eliminated

2. Leveraging consistent data within common workflows produces better decisions

- Readily available and timely data gets PPS to better outcomes faster and supports our district goals
- Ability to course correct more quickly by shortening the timeframe required to analyze and implement



“The curse of a bad set of habits is that all the unnecessary things you’re doing actually come to seem necessary.”

PHASE ONE: DATA PLATFORM

1. Purchase a cloud data warehouse (\$300K for 4 years)

- Simplify data management and accelerate analytics and reporting
- Secure, scalable, fully managed service from an industry product leader
- Store, integrate, and analyze data across all PPS district functions
- Complies with all government requirements for personal data security
- Used by Oregon DoE and Multnomah County along with thousands of PK-12 school districts

2. Professional services to support data migrations, user transitions and platform optimization (\$136K)

- Ensure data is migrated onto the new platform safely and securely
- Validate all integrations are working as designed
- Identify PPS applications and integrations that can be deprecated
- Build and deploy best practices to optimize usage for the long-term
- Implement system controls to ensure usage does not exceed purchased capacity

TOTAL ERP COSTS: COMPARABLE SCHOOL DISTRICTS

School District	Students / FTE's (estimated)	ERP	System Implementer	Estimated Costs	Start Date
Seattle Public Schools	50,700 / 6,412	SAP Cloud ERP	Plante Moran	\$12.3M = 5 year subscription + \$14M for implementation & staff augmentation	December 2024
Beaverton School District	38,706 / 5,000	PowerSchool	Plante Moran	\$3M for a 5 year subscription + \$3M for implementation	December 2023
Albuquerque Public Schools	73,685 / 10,887	Oracle ERP	NA	\$20M total (subscription and implementation)	December 2024
Spokane Public Schools	28,586 / 3,642	PowerSchool	PowerSchool	\$6.3M for an 11 year subscription + Implementation costs TBD	July 2025

PHASE TWO TIMELINE: RFP FOR THE ERP SOLUTION

Activity	Date
Issuance of Request for Proposal	November 14, 2025
Deadline for Questions or Clarifications	December 18, 2025
Deadline for Final Addenda	December 31, 2025
Proposals Due	January 8, 2026
Software Demonstrations - Interviews	January 26-30, 2026
Notice of Intent to Award	February 12, 2026



APPENDIX

BRIEF HISTORY

- **2020** - Bond passage for Tech Modernization includes ERP modernization
- **2021** - Gartner assessed readiness and built recommendations for a cloud-based ERP
- **2022 - 2023** - RFP planning, response reviews, and vendor selection process (no decision)
- **1st half of 2024**
 - TekSystems began process documentation for HR and Finance operations
 - Data Strategy & Governance recommendations developed but ultimately paused
- **2nd half of 2024 - 1st half of 2025**
 - Multiple key leadership and program changes
 - Statement of work from AST to implement Oracle ERP (ultimately declined)
 - 2025 Bond measure for continued Tech Modernization

REASONS TO BELIEVE

- Leveraging prior assessments and recommendations - *the prior work is highly valuable and is being used for planning*
- Simplified program governance with multiple levels of support and leadership across Finance, HR, RAA, and Ops
- Emphasis on process standardization and elevated change control
- Implementing data management best practices in parallel
- Dedicated Senior Director with experience in multi-year transformational change and large scale implementations
- Priority focus on change management and consistent data quality
- Funding from 2020 and 2025 bond measures

