To: CLHO Executive Committee

From: CLHO Staff

Date: August 3rd, 2015

Subject: Budget Adjustments for Office Space

BACKGROUND:

CLHO is losing its free office space with City/ County Insurance Services.  They are continuing to expand their staff at the Tigard location and are needing the space that we currently occupy.  We have until the end of August to find a new office location and move out.

RELOCATION RESEARCH:

As a part of our search for a new office space we have done online research on the availability of both small office spaces and shared office spaces. We have contacted several property management companies to view available offices.

**Shared office space:**

Shared offices spaces are communal offices geared towards small start-ups, non-profits and entrepreneurs, often renting desks at a monthly rate. We considered shared office spaces that would allow us to rent desks and would include utilities and wifi. We found spaces like this range from $325/desk to $500/desk per month, which would make our monthly rent total approximately $650 to $1000. Given the monthly cost for two desks we began looking for small office spaces instead.

**Small office space:**

Due to the nature of our work and frequent meetings with our state partners and other organizations in Portland we searched for centrally located, small, affordable spaces. Additionally, being a public health organization we felt this was an opportunity to practice what we advocate for, and a centrally located office would allow us to utilize more active forms of transportation to commute to and from work. Below are the offices spaces we considered moving to.

* NE Russell St: $662/month
  + 312 sqft
  + Rent includes utilities, wifi not included
  + $40.00/month for wifi
  + Approximately $700.00/annually for general liability insurance
  + Total monthly costs: $760.00
* NE Sandy Ave: $750/month
  + 310 sqft
  + 3% discount on rent with 2 year lease
  + Utilities and wifi is a $45/month flat fee
  + Total monthly costs: $772.50
* NE Holladay: $779/month
  + 300 sqft
  + Rent includes utilities, wifi not included
  + $59.00/ month for wifi
  + $40.00/ month to utilize kitchen and common areas
  + Total monthly costs: $878.00

RECOMMENDATION:

We are **recommending approval to sign on for the NE Sandy office space**. We have based our recommendations on quality of the space, location, and total costs. Although a little further from our PHD partners than the other two options, this location still allows for travel ease for meetings in town with public health partners. The space is comfortable and conducive to our daily work and would still have space for part-time staff when funding allows. Additionally, we liked that renting this space included everything we would need in a flat, monthly fee, unlike the other two office spaces that required additionally monthly expenses.

*Budget*

The total monthly cost (rent + utilities) for the NE Sandy Office with the 3% rental discount comes to: $772.50 for a total budget impact of $9,270 per year. The total cost for a two-year lease comes to: $18,540.

Attached you will find a budget with the four columns – last year’s budget, this year’s approved budget, a proposed amended budget for this year and a start for our budget next fiscal year. Hopefully, these budgets will show how we can support office space this year and moving forward the budget risks that we have in the future.