



May 10, 2013

Jessica Smith
Area Director
Reit Management & Research LLC
333 108th Avenue NE, Suite 125
Bellevue, WA 98004

Re: *Determination Whether Project is Subject to Prevailing Wage Rate Law*
Project: Capitol City Business Center
Requested by: Reit Management & Research LLC

Dear Ms. Smith:

On April 23, 2013 you submitted a request on behalf of Reit Management & Research LLC asking if the Prevailing Wage Rate law would apply to the Capitol City Business Center project ("project"). Sufficient information to make a determination was received on May 3, 2013, and therefore, the commissioner issues the following determination:

FINDINGS OF FACT:

1. GPT Properties Trust ("GPT") owns the Capitol City Business Center building located at 4600 25th Avenue NE in Salem. GPT is a private business trust. Reit Management & Research LLC ("Reit") provides real estate services to GPT.
2. GPT plans to lease office space in the Capitol City Business Center to Oregon Health Authority ("OHA") as follows: approximately 7,123 square feet in Suite 150, 11,337 square feet in Suite 151 and 18,126 square feet in Suite 170, for a total of 36,586 square feet of office space.

PORTLAND
800 NE Oregon St. Suite 1045
Portland, OR 97232-2180
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Fax (971) 673-0762

SALEM
3865 Wolverine St. NE; E-1
Salem, OR 97305-1268
(503) 378-3292
FAX (503) 373-7636

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1400 Executive Parkway, Suite 200
Eugene, OR 97401-2158
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3. The project involves tenant improvements in the Capitol City Business Center and the new construction of north and south parking lots. The improvements to the office space will include two common area restroom remodels, new floor coverings, new drywall, new paint, new doors and hardware, new skylights, new window sections and upgrades to HVAC, electrical, voice/data and access controls.
4. OHA will use and/or occupy approximately 53% of the project site, including the two newly constructed parking lots. OHA will use and/or occupy approximately 15.68% of the building.
5. The lease is structured such that the Landlord will be contributing a tenant improvement allowance of approximately \$32.00 per square foot and the state will be contributing approximately \$717,210 above this amount to fund the remainder of the office improvements. All other costs associated with the parking lot expansion and the restroom remodel will be paid directly by the Landlord.
6. The total project is estimated to cost \$2,770,377 and is broken down as follows:
 - a. Funds of a public agency – \$717,210
 - b. Other funds - \$2,053,167

CONCLUSIONS OF LAW:

1. The proposed project does not meet the definition of “public works” under ORS 279C.800(6)(a)(A) because the project will not be carried on and contracted for by a public agency.
2. The proposed project does not meet the definition of “public works” under ORS 279C.800(6)(a)(B) because the project will not use \$750,000 or more in funds of a public agency.
3. The proposed project meets the definition of “public works” under ORS 279C.800(6)(a)(C) because the project will involve construction and a public agency will use or occupy more than 25% of the square footage of the completed project space.

DETERMINATION:

The Prevailing Wage Rate laws, ORS 279C.800 to ORS 279C.870, and OAR Chapter 839, Division 025, will apply to the Capitol City Business Center project.

This determination is based on the agency's file as of the date of this determination. The commissioner may make a different determination if any of the project information is incorrect, or if the project or project documents are modified or supplemented after the date of this determination.

REQUEST FOR RECONSIDERATION:

After the commissioner issues a determination, the requestor or any public agency served with a copy of the determination may request that the commissioner reconsider the determination. A request for reconsideration must be submitted in writing to the Prevailing Wage Rate Unit, must include the reason or reasons for the request and any documents in support of the request, and must be received within 15 calendar days of the date the determination was mailed. A request for reconsideration does not toll the time period for requesting a contested case hearing on the determination.

RIGHT TO A HEARING:

The requestor and any person adversely affected or aggrieved by this determination are entitled to a hearing as provided by the Administrative Procedures Act (ORS 183.413 to 183.470) and ORS 279C.817. If you want a hearing, the Bureau of Labor and Industries, Wage and Hour Division, must receive your written request for hearing within 21 days from the date this notice was mailed. Hearing requests should be addressed and delivered to:

Administrator
Wage and Hour Division
Bureau of Labor and Industries
800 NE Oregon St., Suite 1045
Portland, OR 97232

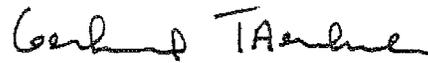
If a written request for hearing is not received within this 21-day period, your right to a hearing shall be considered waived.

If you request a hearing, you will be notified of the date, time and place of the hearing. You have the right to be represented by legal counsel at a hearing. However, if you are a government agency, corporation, partnership, or unincorporated association, you must be represented by either legal counsel or an authorized representative. If you request a hearing, you will receive information on Contested Case Rights and Procedures before the hearing. After the hearing, an order confirming, modifying or reversing this determination will be issued. This determination shall remain in effect until the final order is issued.

If you request a hearing, but fail to appear at any scheduled hearing, you will have waived your right to hearing, and the commissioner may issue a final order by default. If the commissioner issues a final order by default, the agency file on this matter shall serve as the record for purposes of proving a prima facie case. You are not entitled to judicial review of this determination order unless you have made a timely request for a hearing.

Date: May 10, 2013

BRAD AVAKIAN, Commissioner
Bureau of Labor and Industries



GERHARD TAEUBEL,
Administrator
Wage and Hour Division
Bureau of Labor and Industries

Certificate of Service

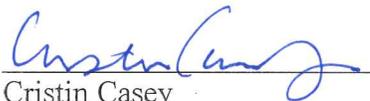
On May 10, 2013, I mailed the Prevailing Wage Rate Determination for the Capitol City Business Center project to the requestor and associated public agency, as follows:

Jessica Smith, Area Director
Reit Management & Research LLC
333 108th Avenue NE, Suite 125
Bellevue, WA 98004

Certified Mail – Return Receipt Requested
Article #: 7012 2210 0000 1197 7325

Linda Riddell
Oregon Health Authority
500 Summer Street NE, E-90
Salem, OR 97301-1115

Certified Mail – Return Receipt Requested
Article #: 7012 2210 0000 1197 7318



Cristin Casey
Compliance Specialist
Wage and Hour Division
Bureau of Labor and Industries