

# PDC

## PORTLAND DEVELOPMENT COMMISSION

**DATE:** December 13, 2006  
**TO:** Board of Commissioners  
**FROM:** Bruce A. Warner, Executive Director  
**SUBJECT:** Report No. 06-127  
Executive Director Report

### **ADMINISTRATION UPDATE/MANAGEMENT ISSUES**

I continue to pursue organizational restructuring and efficiencies at PDC. The former Finance and Administration Department was recently reorganized into two new departments: People and Technology, and Central Services. We now have a new structure in place for the Central Services Department which is under the direction of Lori Sundstrom. This reorganization combines Lori's responsibilities in her previous position as Executive Officer with those from the former Finance and Administration Department. We feel this organizational design will enable us to provide the rest of the organization with efficient and effective service.

The new Department consists of the following four Divisions:

**Finance and Accounting Division** - responsible for budget, accounting, payroll, financial audits and debt management. The Chief Financial Officer position is currently in recruitment and Bill Blauvelt is the Acting CFO.

**Project Management Division** - responsible for construction project management, performance measures and reporting, sustainability, strategic planning, continuous business improvement and supporting project management. The Division Manager position is currently in recruitment and Mike Wolfe is Acting Manager.

**Operations Division** - responsible for Board administration, procurement, records, resource development, Westside Study, public affairs, administrative policies and performance auditing. John Jackley is the Operations Division Manager.

**Asset Management and Credit Administration** - responsible for real estate (relocation, property management, real estate transactions), loan servicing, financial analysis and credit administration, and staffing the Loan Committee and the Investment Committee. Julie Cody is the Asset Management and Credit Administration Division Manager.

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On November 8 we hosted our first urban renewal advisory committee (URAC) reception at PDC. The reception honored members of PDC's urban renewal advisory committees and was a way to thank them for their dedicated service to community revitalization.

The evening was hosted by our Chairman Mark Rosenbaum along with Commissioners Ferran, Kadri and Wilhoite. Approximately 50-60 URAC members attended along with staff. We hope to make this an annual event at PDC.

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I am pleased to be able to share the news that PDC been notified that it is the recipient of a Merit Award from the American Society of Landscape Architects for the Tanner Springs Park project in the River District. The Oregon chapter of ASLA honored the project "in recognition of outstanding professional achievement."

Tanner Springs Park is a one-acre park located between NW Marshall and Northrup streets in the River District Urban Renewal Area. It is the second of four parks planned to serve this new high density mixed-use neighborhood. Tanner Springs was designed by Herbert Dreiseitl, a German landscape architect and artist, and Greenworks, a Portland landscape architecture and environmental design firm. The park design echoes the industrial past of the area with an undulating wall of recycled rails with fused blocks of colored glass. With a functioning wetland and native plantings, the park creates a contemplative refuge that is reminiscent of the natural landscape that existed before the urban neighborhood. The park marks Portland's first major effort to create a sustainable urban park. Congratulations to PDC staffers Bruce Allen, Kia Selley and Kathryn Krygier who contributed design expertise and oversight to the project.

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Commissioner Kadri has asked me to address the on-going concern about graffiti removal along Martin Luther King Boulevard. Here is how staff is addressing this issue:

- On November 16th, staff attended the city-wide, monthly Graffiti Abatement meeting hosted by ONI's Graffiti Abatement Coordinator, Marcia Dennis;
- A follow-up meeting with the Coordinator has been scheduled for early December to determine how to enhance efforts along Martin Luther King Jr. Blvd.;
- PDC staff is interested in distributing a flyer (to Martin Luther King, Jr. Blvd. property owners) developed by ONI outlining how to use their abatement services;
- A SOLV clean-up of Martin Luther King, Jr. Blvd. is being planned for April 2007 and tentatively includes graffiti abatement teams.

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New dates have been set for public discussion of income guidelines for the affordable housing tax increment financing set-aside—also known as the TIF set-aside. The timeline for completion of income guidelines has been extended into February 2007. The public discussion proposed for November 29, 2006 has been moved to January 2007. PDC will sponsor a public workshop that will include urban renewal advisory committee members, housing advocates and members of the public in a facilitated discussion regarding the establishment of income guidelines for the affordable housing set-aside. The information will be used by PDC staff in developing a final report for the PDC Board.

Staff are in the process of finalizing an outreach strategy to gather input from a wide variety of stakeholders before preparing a recommendation to the PDC Board and the City Council. In addition to attending meetings with PDC Urban Renewal Advisory Committees, staff will meet with a variety of housing advocacy groups including the

Housing and Community Development Commission and the Community Development Network. PDC's website is maintaining information on the implementation plan for the set-aside and future meeting dates: [www.pdc.us/tifsetaside](http://www.pdc.us/tifsetaside).

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We hosted one visiting delegation in November – a group of mayors from Los Angeles. The mayors were here to learn about transit oriented developments and how cities and developers work together to make these projects happen. Cheryl Twete addressed the group during a panel discussion as part of their visit.

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Frommer's Travel Guide has named Portland a "Top Travel Destination for 2007." Only 12 destinations in the world were chosen, making this quite an honor for Portland. Last May the Metro Portland Tourism Alliance invited the editor of Frommer's on a tour of the region. The editorial comment about our region encompasses the editor's tour of Mt. Hood, kayaking on the Columbia River, and visiting wineries of the Willamette Valley. Frommer's is the market leader in travel guides, publishing more than 300 guidebooks each year. Its popular travel website reaches an additional seven million potential visitors. To read more about the "Top Travel Destinations" story go to [www.frommers.com/articles/4056.html](http://www.frommers.com/articles/4056.html).

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Notable projects and meetings I was involved in recently are:

- Attended a meeting of the Four County Economic Development Steering Committee at the Portland Business Alliance.
- Welcomed Lindsey Desrochers, PSU Vice President to a presentation at PDC. Lindsey spoke to staff about PSU's development plan and how PDC and PSU can work together to achieve common goals. PSU is Oregon's largest university.
- Toured the Neighborhood Gardens project with John Carroll.
- Attended joint PDC/City Council budget process quarterly work session.
- Attended Urban Land Institute presentation at the Oregon Convention Center on emerging trends in real estate in Oregon and SW Washington.
- Other meetings or phone calls this month with Michael Montgomery, Zari Santner, Victor Merced and Betty Dominguez of Oregon Housing and Community Services, Greg Brown of Albina Community Bank, Tom Imeson of the Port of Portland and Arch Miller of the Port of Vancouver Board, Gil Kelly, and Multnomah County Commissioners Maria Rojo de Steffey and Lisa Naito.

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- Attached to my report this month is a table showing combined journey and apprentice workforce diversity hours worked for PDC and City of Portland South Waterfront projects. The information presented is fiscal year-to-date. I have been providing this on a monthly basis with my Executive Director's report. I hope you will find this information valuable.

## ECONOMIC DEVELOPMENT UPDATE

**PDC represents Portland region at global real estate conference**—An "Oregon Team" made up of representatives from PDC, OECDD, Central Oregon, Grant County, Salem and the private sector attended the CoreNet Global Summit November 12-14 in Orlando, Florida. The CoreNet conference represents the largest U.S. real estate event focused on Fortune 500 companies, real estate service providers and economic development agencies. Estimated attendance at the three-day event was between 2,500-3,000 – nearly twice the attendance at the prior show held in Philadelphia last April.

The Oregon team sponsored a major hospitality event on the first night of the conference and the Orlando reception was a definitive success with at least 600-700 attendees. Solid contacts were made with realistic prospects and we had reports from site selectors indicating a lot of interest from business prospects looking at Oregon.

Oregon participants conducted additional meetings with contacts throughout the event, and gained significant insights and information from conference presentations on brownfields, incentives, and university involvement in economic development.

**Lockheed Martin supplier conference**—Last spring PDC in conjunction with the Pacific Northwest Defense Coalition (PNDC) sponsored a business development mission to Washington, DC to promote Pacific Northwest manufacturers seeking business with the Departments of Defense and Homeland Security. During meetings with prime defense department contractors, we were able to recruit Lockheed Martin to bring a supplier conference to Portland to select possible vendors for their Space Programs Division. Prior to our contact, Lockheed Martin had held these conferences exclusively in the Los Angeles area.

PDC and PNDC worked together to arrange a successful supplier conference that would attract a strong representation of Pacific Northwest metal fabricators and other potential product vendors for Lockheed Martin's Space Program. In addition, PNDC and PDC sponsored a small welcome and networking reception for all the vendors.

Held on October 26-27 at the Airport Sheraton, the conference exceeded Lockheed Martin's limit of 75 companies and was literally "standing room only." As a result of effective collaboration with Washington's Community, Trade and Economic Development (CTED) and Oregon Economic and Community Development Department (OECDD) the attendees included more than 20 Washington companies and several from Idaho, Montana and California.

Lockheed Martin declared the supplier conference a complete success and assured PDC and PNDC that they would be bringing the event back to the Portland area in two years. Lockheed executives indicated they could never have pulled off the conference without PDC's help. We look forward to a significant increase in Lockheed Martin business for Portland-area and Pacific Northwest companies.

**Portland sustainable industry cluster makes Denver appearance**—The city of Portland joined private industry in a collaborative effort to grow and recruit new business and talent to the Portland region. This took place November 15-17 at the International

Greenbuild Conference and Expo, the nation's largest green building conference, sponsored by the nonprofit U.S. Green Building Council and held in Denver.

More than 30 Portland-area development, planning, architecture, engineering and green product manufacturing companies collectively extended expertise and leadership to a new project dubbed "the PDX Lounge," which drew more than 500 people eager to sample the city's growing reputation for sustainability.

The PDX Lounge, a temporary gallery installation showcasing Portland as the country's most sustainable city, opened November 14 in the Capsule Arts and Event Center, several blocks from the Colorado Convention Center, where the expo was held. The "lounge" was designed to mirror a Portland neighborhood where visitors could move through an end-to-end array of sustainable technology expertise designed and used in Portland's leading edge developments and integrated communities. Inside the PDX Lounge, guests met and talked with leading Portland professionals working in the field of sustainable development.

The PDX Lounge sponsors included the Office of Sustainable Development, Portland Development Commission, SERA Architects, the Miller Paint Co., MarketShift Strategies, Endura Wood products and Yolo Colorhouse.

**TCI Board visits Portland**—I previously announced that Portland has been chosen as the host city for the 2007 Global Conference on Cluster Competitiveness by The Competitiveness Institute (TCI). This international conference is held in a different region of the world each year but always in a city considered to be on the leading edge of cluster development. It is quite an honor for Portland to be chosen and demonstrates an international recognition of our target industry program. The conference is scheduled for October 8-12, 2007 and organization is already underway.

An international delegation of the TCI Board of Directors visited Portland November 11-15, 2006. During their stay, they toured the city including many of the venues where the conference will take place. They also attended several meetings including the Cluster Network Leadership Council, Regional Partners, an Information Display Cluster meeting, an Ambassador-sponsored dinner with community leaders, meetings with the Mayor and PDC, and an extensive media interview with the Portland Business Journal.

I will keep the Commission updated on major content themes for the conference as they are developed.

**OBA and PDC partner to pitch Portland to biomed industry**—The Oregon Biosciences Association (OBA), PDC and a team of public and private partners attended Medica 2006 on November 15-18 in Dusseldorf, Germany. Medica is the world's largest international forum for the medical industry. It is the first joint effort among state and local governments, private industry associations and business to participate in the trade show, which draws more than 4,000 exhibitors from more than 60 countries and as many as 137,000 industrial and trade leaders from Europe, Asia, the Middle East and the United States.

Private sector partners joining OBA and PDC in the delegation include Advanced Vascular Dynamics, Dimera, Electrical Geodesics, Inc., HemCon, Inc., Marker Gene Technologies, Medical Informatics & Clinical Epidemiology (OHSU), Micro Power Electronics, Microstein, NeoGenesis, NeuroCom International, QuantRx, and Tiba Medical. Additional public partners are Oregon Economic and Community Development Department, Oregon Economic Development Association, Oregon Health & Science University, University of Oregon, and US Department of Commerce/US Commercial Service. The delegation wanted to reach experts in the medical equipment industry as well as firms specializing in medical research, bioinformatics and telematics, to encourage their consideration of Oregon for future new business and expansion projects.

Oregon's Medica presence was intended to lay the groundwork for developing and maintaining personal contacts and relationships with key centers of innovation in the European market, and to encourage these emerging companies to site their US-based operations in Oregon. The Oregon team also promoted Oregon businesses within the bioscience and medical device industries by identifying key public procurement markets in the European Union for Oregon companies.

**Food processing industry breakfast**—PDC, the Food Innovation Center (FIC) and the Northwest Food Processors Association (NWFPA) presented an executive briefing on the greater Portland area's food processing cluster at an industry breakfast on Thursday, November 16, 2006. at the Governor Hotel.

In 2003, the Northwest Food Processors Association sought to revitalize the three-state food processing industry, and developed the NW Food Processing Cluster Initiative with the support and assistance of a number of federal, state, and industry resources. The industry breakfast included an overview of the Cluster Initiative and a report on Portland's food processing industry from a just-released competitiveness assessment prepared for the NW Food Processing Association and PDC. Discussion topics also included plans for an emerging Portland-based non-profit resource center to enhance innovation and productivity; and provide resource materials from PDC, NWFPA, FIC, and others.

## HOUSING UPDATE

**Operation HOME Update**—On October 12, 2006, the Operation HOME (home ownership and minority equity) Steering Committee met for an orientation. Operation HOME. is the citywide initiative to develop strategies to eliminate the minority homeownership gap in Portland. PDC's board was briefed on the initiative at the July 12, 2006 meeting.

The steering committee includes 32 community leaders plus real estate industry executives and is co-chaired by Mayor Tom Potter and Commissioner Erik Sten. PDC Commissioner Ferran and I are both members of the steering committee and the overall initiative is being managed by Shelly Haack, Manager of PDC's Neighborhood Housing Program.

The role of the steering committee is to consider and adopt strategies to aggressively promote home ownership for communities of color and create 13,000 new homeowners by 2015. The steering committee will examine strategies in the areas of marketing and

outreach, education and credit counseling, lending and underwriting, and affordability and wealth creation.

The target is to have a comprehensive, community-vetted business plan complete by May 2007. On November 30, the committee will consider its first Strategy recommendation from the Outreach and Marketing Working Group. More information about Operation HOME is available on the program's website at [www.operationhome.net](http://www.operationhome.net).

**Affordable Housing No Net Loss Update**—In August 2001, City Council adopted a No Net Loss (NNL) policy for affordable housing in the Central City which states that either through preservation or replacement, the Central City will retain at least the current number of housing units affordable to households at or below 60 percent Median Family Income (MFI).

Additionally, City Council directed PDC and the Bureau of Housing and Community Development (BHCD) to develop a NNL funding plan for the preservation, replacement or new construction of at least 1,200 low-income units in the Central City by 2006.

This initiative impacts the six Central City urban renewal areas: South Park Blocks, Downtown Waterfront, River District, Central Eastside, Oregon Convention Center, Central Plan District within the North Macadam urban renewal area, and much of the Goose Hollow neighborhood.

Below is a summary of active projects contributing to the No Net Loss policy for affordable housing. These investments represent over 680 units and approximately \$22 million of tax increment investment.

Current PDC Projects Include:

- **Jeffrey Apartments (Jefferson West Replacement) [South Park Blocks URA] —80 NNL Units**—PDC has been working with a private property owner and developer to replace the PDC-owned Jefferson West units in a new high-quality building called the Jeffrey Apartments. The project recently received an award of 9 percent Low Income Housing Tax Credits which will enable PDC and the developer to proceed with the design and development of the project. The project will include permanent supportive housing in partnership with local service providers.
- **Estate Hotel [Downtown Waterfront URA]—194 NNL Units**—PDC recently closed a \$5.3 million loan to Central City Concern for both the renovation of the existing 157 units of housing, as well as an addition of up to 37 new units on the top of the building to replace some of the units that will be lost when Central City Concern opts out of their contract at the nearby Rich Hotel. The project will also include seismic upgrades and improvement to the ground floor retail.
- **Musolf Manor [Downtown Waterfront URA]—96 NNL Units**—PDC is currently working with Innovative Housing to renovate a 96-unit low-income housing building in Old Town/Chinatown. The project has significant seismic upgrade needs.

- **Clay Towers [South Park Blocks URA]—233 NNL Units**—The Section 8 HUD contract for Clay Towers expires next year allowing the property owner to opt out of continuing to provide affordable housing. PDC and the Bureau of Housing and Community Development have started initial discussions with the owners of the Clay Towers about possibilities to preserve the Section 8 property in the affordable housing portfolio.
- **Fountain Place Apartments [South Park Blocks URA]—80 NNL Units**—PDC is working with the Housing Authority of Portland to provide necessary repairs and upgrades to the Fountain Place Apartments. This will help preserve 80 units of affordable housing.

**Consolidated Funding Cycle Awards**—In October, Oregon Housing and Community Services announced funding awards from the Consolidated Funding Cycle. Three PDC funded projects received the very competitive 9 percent Low Income Housing Tax Credits (LIHTC).

- **82nd Avenue Place from Innovated Housing, Inc.**—In addition to the 9 percent LIHTCs, the project has an award of \$2.1 million in federal funding and 15 Section 8 vouchers from the PDC Spring Permanent Supportive Housing Request for Proposals. This project will produce 58 new affordable rental housing units with 15 of them being permanent supportive housing serving formally homeless populations.
- **Esperanza Court from Caritas Housing Initiatives, LLC**—In addition to the 9 percent LIHTCs, the project has an award of \$2.7 million in federal funding and 14 Section 8 vouchers from the PDC Spring Permanent Supportive Housing Request for Proposals. This project will produce 70 new affordable rental housing units with 14 of them being permanent supportive housing.
- **Jeffrey Apartments from Mark Fraser**—This project is a tax increment funded project in the South Park Blocks Urban Renewal Area. The 9 percent LIHTC award allows PDC to advance the project. This project will replace 80 units of rental housing in the PDC-owned Jefferson West Apartments in a new high quality building. The project will provide at least 10 units of permanent supportive housing. Once this project is completed, the existing dilapidated apartment building will be demolished and redeveloped as workforce rental or ownership housing.

Portland had seven projects apply for Low Income Housing Tax Credits. Due to the limited availability of these funds, projects that were not awarded funding will either be put on hold and apply during the next round, or they will be restructured in a manner that allows them to proceed without the tax credits.

## DEVELOPMENT UPDATE

**Montgomery Blocks redevelopment moves forward**—On November 1, 2006, PDC signed a Memorandum of Understanding with Gerding Edlen Development for redevelopment of a 33,500 square foot site at SW 4<sup>th</sup> at Montgomery and Harrison.

The site, located within the South Park Blocks urban renewal area and the University District, will be redeveloped with middle-income homeownership units, underground parking, ground floor retail, and a permanent streetcar alignment at SW 4<sup>th</sup> and Montgomery. Staff anticipates bringing a Disposition and Development Agreement to the PDC Board for review in spring 2007 with construction to begin in 2008.

In their response to PDC's Request for Proposals, Gerding Edlen indicated they are also proceeding with the design and construction of a Phase 1, 1700 Building directly to the northeast of the PDC site. The 1700 project has been approved by the Design Commission and includes a 16-story, mixed-use building with 353 condominiums, approximately 5,000 sq. ft. of ground floor retail, and five levels of below-grade visitor/residential parking. Gerding Edlen anticipates starting on Phase 1 construction in early 2007.

Concurrently, Portland State University has issued a Request for Qualifications for redevelopment of the block directly to the west of the PDC site, the Portland Center for Advanced Technology (PCAT). The PCAT block will be redeveloped with a new student recreation center, ground floor retail, and academic use.

**Central Eastside Urban Renewal Area Extension Budget Process**—The Central Eastside Urban Renewal Area budget process commenced in August to determine funding priorities for the additional \$51 million in tax increment revenue that will be available over the next twelve years in the district. In September, Central Eastside community priorities were presented to the PDC Board for conveyance to City Council. In October, City Council hosted a work session with PDC and Central Eastside neighborhood and business representatives to discuss budget priorities. Priorities that were highlighted at the Council work session included: Burnside Bridgehead redevelopment, Burnside-Couch couplet, affordable housing, Portland Streetcar and the Washington Monroe school site.

City Council noted the importance of the Bridgehead project to support future tax increment investments and the Burnside-Couch couplet was noted as a catalytic project for area redevelopment. However, most notably the Bridgehead project and Portland Streetcar were discussed as a potential development tools for generating future tax revenue. The Washington Monroe High School redevelopment site was highlighted as an opportunity for PDC to provide funding support for homeownership (at 80 percent median family income).

In addition, the future Community Center (proposed at the Washington Monroe site) was discussed as an amenity that could increase the assessed value of existing properties and/or generate redevelopment interest in the area. PDC staff will utilize Council feedback on budget priorities to construct the proposed Fiscal Year 06-07 Amended Budget, prepare for the Fiscal Year 07-08 budget cycle, and develop an overall investment strategy for the district.

**Central Eastside Urban Renewal Area 10<sup>th</sup> Amendment**—On October 18, the Portland City Council approved the Tenth Amendment to the Central Eastside Urban Renewal Plan. This amendment, which was approved by the Commission on September 13 and subsequently forwarded to the Planning Commission, authorized the acquisition of a leasehold interest held by Verizon Communications (by condemnation if necessary) in the Convention Plaza Building

Acquisition of this lease is necessary to allow the demolition of the building and transfer to Opus Northwest for development of the Burnside Bridgehead project. Discussions continue with Verizon in an attempt to find a suitable replacement site for their cellular communication facilities and to agree on fair compensation for the remaining term of their lease. However, if an agreement is not in place by November 31, 2006, staff will pursue eminent domain in order to preserve the Commission's ability to proceed with this important project.

**White Stag Building**—In late October, PDC and White Stag Block, LLC (formed by Venerable Group, Inc) closed on a \$2.5 million Seismic Loan to fund seismic upgrades and improvements to the White Stag Building, the Bickel Block, and the Skidmore Building located in the Downtown Waterfront urban renewal area. These buildings have been vacant for many years. All three buildings are in need of extensive mechanical, electrical, and seismic/structural upgrades, but they maintain much of their original historic character. The project is a complete renovation of the buildings and will seismically upgrade all three to current code. The buildings are expected to meet LEED Silver status as determined by the U.S. Green Building Council. The three exterior facades will be restored to their original historic design and will also bring major improvements to the pedestrian and retail atmosphere in the area.

The University of Oregon (U of O) has signed a lease to relocate its Portland Center from SW 2<sup>nd</sup> Avenue to the three contiguous historic buildings in the Old Town District. The U of O is working with Venerable Group Inc., which purchased the three buildings from the Bill Naito Company and plans to renovate all 130,000 sq. ft. at a total cost of approximately \$36 million. Completion of construction is scheduled for January 2008, and the U of O will initially occupy approximately 87,540 sq. ft. (or 76 percent) of the project. U of O plans to expand into the remainder of the buildings over time and has the option to purchase the buildings. PDC has also provided \$165,000 for storefront improvements and Venerable is utilizing a New Markets Tax Credit allocation of \$19 million.

**Ankeny / Burnside Development Framework**—The final Stakeholders Advisory Group meeting for the Ankeny/Burnside Development Framework was held on November 2. The group endorsed the Framework going to the PDC Board for adoption at the December 13, 2006 meeting. A public open house was held on November 1 to inform the community and local business owners of the process and to get their input.

In September 2005, this collaborative effort began between the Bureau of Planning, Portland Department of Transportation, and PDC, and included the participation of community stakeholders. This has since resulted in a range of specific recommendations that provide a clear direction for implementation. The implementation strategy provides recommendations on development incentives that will allow for surface parking lots and historic structures to be developed to their full potential.

The group's focus took a shift when the decision was made not to relocate Fire Station #1. New momentum has since been created by U of O's decision to relocate in the White Stage building and Mercy Corp's selection of the Skidmore Fountain Building as their preferred world headquarters site. These decisions will activate the district with 175+ students and faculty members and 100+ family wage jobs.

Other investments have occurred in the area with the decision of R.V. Kuhns and Co. to renovate the Smith Blocks, located on SW Naito Parkway between Ash and Pine streets. The final renovated project will include a ground floor restaurant with a courtyard along the south side of the building with office space above. The Bill Naito Company has entered into a Memorandum of Understanding with the Salvation Army to do a development on the block currently occupied by the Salvation Army. The location is SW 1<sup>st</sup> and 2<sup>nd</sup> between Ankeny and Burnside. Alternatives are being evaluated as to the preferred development program, but the key components being explored are active ground floor uses and market rate residential units.

**Three Downtown Parks**—The Three Downtown Parks project held its second community open house on November 8 at the Oregon Historical Society, where it unveiled the project's conceptual designs of Park Block 5, O'Bryant Square, and Ankeny Park. More than 70 people attended a noon session and over 170 attended an evening session, leading one Portland Parks & Recreation (PP&R) representative to call it the agency's most successful public meeting ever.

Laurie Olin, the lead landscape architect on the project who is renowned for his work on the Getty Museum in Los Angeles and Bryant Park in New York City, presented the designs and took questions from the audience. Following the evening presentation, Olin gave a lecture entitled, "Civics and Delight: Aspects of Public Space Design."

Attendees had the opportunity to complete comment cards at the event and also online. Input from the public and the project steering committee will help Parks select a preferred alternative for each park before the project enters the schematic design phase.

**Oregon Clinic celebrates Grand Opening in Gateway**—On Friday, November 3, 2006, PDC staff celebrated the grand opening of the Oregon Clinic's new \$31 million medical office building at the Gateway Transit Center in the Gateway Regional Center Urban Renewal Area.

Built to provide excellent, convenient care for patients in a building that promotes sustainability, the LEED-certified project is the first new Class A office space in the Gateway area in over 20 years. It's a one-stop, 100,000 sq ft, state-of-the-art patient care center with onsite ancillary services, including imaging, physical therapy, pharmacy, and laboratory. The first Portland commercial office building to harvest rainwater to reduce water usage, the building is expected to earn Silver Certification from LEED (Leadership in Energy and Environmental Design). The project is easily accessible by light rail, bus, car, or bicycle with the Gateway Transit Center just steps from the entrance. It was also the first project in the City to utilize New Markets Tax Credits. The grand opening was attended by PDC Commissioner Sal Kadri and several PDC staff members connected with the project, including Development Director Cheryl Twete (who gave a short speech).

The grand opening signals the completion of Phase 1 of the Gateway Transit Center Master Plan, consisting of:

- The new three-story, LEED-certified 106,000 sq. ft. medical office building;
- A parking structure providing parking for TriMet's existing Park-and-Ride as well as a portion of the parking needed for employees of the medical building;
- Enhanced public space, including wider public sidewalks, an enhanced walkway between the Transit Center light rail platform and NE 99th Avenue to the south of the medical office building, and a walkway to the west of the parking garage to connect the Transit Center with the Providence Health System to the north;
- A new, auto drop-off to the south of the medical office building to serve it as well as future development in Phase III;
- Pedestrian plazas located at the two entrances of the medical office building;
- A 250-space remaining temporary surface parking lot to serve medical office building clients.

**10<sup>th</sup> & Yamhill update**—On November 17, 2006, the Office of Management and Finance issued the 10<sup>th</sup> & Yamhill Redevelopment Request for Proposals to four development teams selected from an earlier Request for Qualifications process. The four teams are Carroll Investments, Gerding Edlen Development, Parr Financial Oregon, and Weston Investments Co. RFP proposals are due January 26, 2007, with Commission and City Council action on a developer recommendation anticipated for early April 2007.

**NMAC Streetcar grand opening**—The grand opening for extension of the Portland Streetcar to the South Waterfront district in the North Macadam Urban Renewal Area was celebrated October 20, 2006. This event marked completion of one of the key public projects contemplated in the Central District Development Agreement, with extension of single-track streetcar service from RiverPlace to Moody Avenue at SW Gibbs Street within a block of the aerial tram station. This project was constructed by Portland Streetcar, Inc. for the Portland Office of Transportation, and was funded with \$3.78 million in urban renewal funds, \$10 million in federal funds and \$2.02 million in Local Improvement District financing.

Currently new streetcars are being manufactured and are due for delivery in 2007. The additional cars will increase service throughout the streetcar system. Construction is also underway on the continuation of the streetcar line from the SW Gibbs stop south to Lowell Street, to open in summer 2007. The Lowell street extension will serve the future sites of the South Waterfront neighborhood park and two future affordable housing developments on Blocks 33 and 49 now being acquired by PDC.

**ATTACHMENTS:**

- A. South Waterfront Workforce Diversity Report of Total Hours Worked in Fiscal Year 2005-2006 and 2006-2007

**CC:** J. Rawls, Public Affairs Coordinator  
M. Baines, General Counsel  
L. Sundstrom, Central Services Director  
J. Jackley, Operations Division Manager

**South Waterfront Workforce Diversity Report of Total Hours Worked in Fiscal Year 2005-06 and 2006-07**

	FY 05-06			Jul-06			Aug-06			Sep-06			Oct-06			FY 06-07		
	A	J	TOTAL	A	J	TOTAL	A	J	TOTAL	A	J	TOTAL	A	J	TOTAL	A	J	TOTAL
<b>OHSU RIVER CAMPUS BLDG.</b>																		
Asian	3,302	3,441	6,743	451	318	769	601	249	849	326	227	553	298	238	536	1,378	793	2,171
	3.24%	1.15%	1.68%	4.84%	1.41%	2.41%	5.60%	0.99%	2.37%	4.61%	1.06%	1.94%	6.14%	1.36%	2.40%	5.15%	1.13%	2.24%
African American	5,672	3,263	8,935	252	135	387	438	105	543	313	8	321	272	78	350	1,003	248	1,251
	5.56%	1.09%	2.23%	2.70%	0.60%	1.21%	4.09%	0.42%	1.52%	4.43%	0.04%	1.13%	5.59%	0.45%	1.56%	3.75%	0.35%	1.29%
Caucasian	80,808	266,323	347,131	7,777	20,538	28,315	8,558	22,579	31,137	5,918	19,782	25,700	4,266	15,405	19,670	21,889	63,996	85,885
	79.19%	89.06%	86.55%	83.38%	90.93%	88.72%	79.84%	90.07%	87.01%	83.73%	92.18%	90.09%	87.88%	88.08%	88.04%	81.83%	91.08%	88.53%
Hispanic	8,969	20,672	29,640	536	1,348	1,884	682	2,005	2,686	275	1,436	1,711	19	1,768	1,787	1,492	4,844	6,336
	8.79%	6.91%	7.39%	5.74%	5.97%	5.90%	6.36%	8.00%	7.51%	3.89%	6.69%	6.00%	0.39%	10.11%	8.00%	5.58%	6.89%	6.53%
Native American	3,289	5,324	8,613	312	248	560	441	130	571	236	8	244	0	0	0	989	386	1,375
	3.22%	1.78%	2.15%	3.34%	1.10%	1.75%	4.11%	0.52%	1.60%	3.34%	0.04%	0.86%	0.00%	0.00%	0.00%	3.70%	0.55%	1.42%
Minority	21,231	32,700	53,931	1,551	2,049	3,599	2,161	2,488	4,649	1,150	1,679	2,829	589	2,084	2,673	4,862	6,271	11,133
	20.81%	10.94%	<b>13.45%</b>	16.62%	9.07%	11.28%	20.16%	9.93%	12.99%	16.27%	7.82%	9.91%	12.13%	11.92%	11.96%	18.17%	8.92%	<b>11.47%</b>
Female	10,337	6,299	16,636	1,027	723	1,750	1,141	649	1,790	1,057	776	1,833	955	431	1,386	3,224	2,148	5,372
	10.13%	2.11%	<b>4.15%</b>	11.01%	3.20%	5.48%	10.64%	2.59%	5.00%	14.95%	3.62%	6.42%	19.66%	2.46%	6.20%	12.05%	3.06%	<b>5.54%</b>
Total Hours	102,039	299,023	401,061	9,328	22,587	31,914	10,719	25,067	35,786	7,068	21,461	28,529	4,854	17,489	22,343	26,750	70,267	97,017
<b>AERIAL TRAM*</b>																		
Asian	0	82	82	0	0	0	0	510	510	0	0	0	0	415	415	0	510	510
	0.00%	0.12%	0.10%	0.00%	0.00%	0.00%	0.00%	4.52%	3.63%	0.00%	0.00%	0.00%	0.00%	4.23%	3.59%	0.00%	2.82%	2.32%
African American	672	1,060	1,732	0	150	150	0	272	272	0	0	0	0	0	0	0	421	421
	4.61%	1.51%	2.04%	0.00%	2.20%	1.89%	0.00%	2.40%	1.93%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.33%	1.92%
Caucasian	13,004	62,798	75,801	1,127	6,267	7,394	2,769	9,812	12,580	271	467	738	1,771	8,853	10,624	3,896	16,079	19,975
	89.32%	89.16%	89.18%	100.00%	92.30%	93.40%	100.00%	86.89%	89.47%	100.00%	99.36%	99.59%	100.03%	90.31%	91.80%	100.00%	88.92%	90.88%
Hispanic	743	6,398	7,140	0	282	282	0	493	493	0	3	3	0	535	535	0	775	775
	5.10%	9.08%	8.40%	0.00%	4.15%	3.56%	0.00%	4.36%	3.50%	0.00%	0.64%	0.41%	0.00%	5.45%	4.62%	0.00%	4.28%	3.52%
Native American	141	98	239	0	91	91	0	207	207	0	0	0	0	0	0	0	298	298
	0.97%	0.14%	0.28%	0.00%	1.34%	1.15%	0.00%	1.83%	1.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.65%	1.36%
Minority	1,555	7,638	9,193	0	523	523	0	1,481	1,481	0	3	3	0	950	950	0	2,004	2,004
	10.68%	10.84%	<b>10.82%</b>	0.00%	7.70%	6.60%	0.00%	13.11%	10.53%	0.00%	0.64%	<b>0.41%</b>	0.00%	9.69%	8.20%	0.00%	11.08%	<b>9.12%</b>
Female	2,453	5,283	7,736	209	686	894	221	600	821	0	0	0	311	656	967	430	1,285	1,715
	16.85%	7.50%	<b>9.10%</b>	18.50%	10.10%	11.29%	7.98%	5.31%	5.84%	0.00%	0.00%	<b>0.00%</b>	17.54%	6.69%	8.35%	11.02%	7.11%	<b>7.80%</b>
Total Hours	14,559	70,435	84,994	1,127	6,790	7,917	2,769	11,293	14,061	271	470	741	1,771	9,802	11,573	3,896	18,082	21,978

A = APPRENTICE  
J = JOURNEY  
TOTAL = COMBINED APPRENTICE / JOURNEY  
\*CITY OF PORTLAND CONTRACTED WORK

FY 05-06 Project Apprenticeship Agreement Goals:  
Minority 14%  
Female 6%

FY 06-07 Project Apprenticeship Agreement Goals:  
Minority 15%  
Female 8%

**South Waterfront Workforce Diversity Report of Total Hours Worked in Fiscal Year 2005-06 and 2006-07**

	FY 05-06				
INFRASTRUCTURE (COFFMAN)	A	J	TOTAL		
Asian	0	0	0		
	0.00%	0.00%	0.00%		
African American	0	0	0		
	0.00%	0.00%	0.00%		
Caucasian	738	1,289	2,027		
	100.00%	86.57%	90.61%		
Hispanic	0	200	200		
	0.00%	13.43%	9.39%		
Native American	0	0	0		
	0.00%	0.00%	0.00%		
Minority	0	200	200		
	0.00%	13.43%	9.39%		
Female	45	89	134		
	7.01%	5.94%	6.27%		
Total Hours	738	1,489	2,227		
	FY 05-06				
CITY OF PORTLAND INFRASTRUCTURE (STACY & WITBECK)*	A	J	TOTAL		
Asian	8	22	30		
	0.13%	0.15%	0.14%		
African American	973	20	993		
	16.77%	0.14%	4.85%		
Caucasian	3,691	12,648	16,338		
	63.63%	86.23%	79.82%		
Hispanic	329	605	934		
	5.67%	4.12%	4.56%		
Native American	801	1,374	2,175		
	13.80%	9.37%	10.62%		
Minority	2,110	2,021	4,130		
	36.37%	13.77%	20.18%		
Female	1,457	192	1,649		
	25.12%	1.31%	8.05%		
Total Hours	5,800	14,668	20,468		

Project Complete In FY 05-06

Project Complete In FY 05-06

A = APPRENTICE  
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TOTAL = COMBINED APPRENTICE / JOURNEY  
\*CITY OF PORTLAND CONTRACTED WORK

FY 05-06 Project Apprenticeship Agreement Goals:  
Minority 14%  
Female 6%

FY 06-07 Project Apprenticeship Agreement Goals:  
Minority 15%  
Female 8%





**South Waterfront Workforce Diversity Report of Total Hours Worked in Fiscal Year 2005-06 and 2006-07**

BLOCK 38	FY 05-06			Jul-06			Aug-06			Sep-06			Oct-06			FY 06-07		
	A	J	TOTAL	A	J	TOTAL	A	J	TOTAL	A	J	TOTAL	A	J	TOTAL	A	J	TOTAL
Asian	0	0	0	0	2	2	0	0	0	0	0	0	0	0	0	0	2	2
African American	0	53	53	24	0	24	72	0	72	101	0	101	96	53	149	96	53	149
Caucasian	612	2,068	2,680	832	2,046	2,878	602	1,905	2,507	546	1,587	2,133	2,046	6,019	8,065	2,046	6,019	8,065
Hispanic	0	279	279	35	365	400	195	163	357	237	222	459	229	807	1,036	229	807	1,036
Native American	0	0	0	0	0	0	20	8	28	0	16	16	20	8	28	20	8	28
Minority	0	332	332	59	367	426	286	171	457	337	238	575	345	870	1,214	345	870	1,214
Female	0	0	0	0	202	202	0	163	163	0	218	218	0	364	364	0	364	364
Total Hours	612	2,400	3,012	891	2,413	3,304	888	2,076	2,964	883	1,826	2,709	2,391	6,889	9,279	2,391	6,889	9,279
<b>TOTALS</b>	<b>FY 05-06</b>			<b>Jul-06</b>			<b>Aug-06</b>			<b>Sep-06</b>			<b>Oct-06</b>			<b>FY 06-07</b>		
Asian	3,347	3,791	7,138	451	318	769	601	793	1,393	326	253	579	298	686	984	1,378	1,363	2,740
African American	7,876	4,409	12,286	252	338	590	466	377	842	385	33	418	372	155	527	1,103	747	1,850
Caucasian	99,496	352,648	452,144	9,610	29,375	38,986	12,246	34,634	46,880	7,096	25,632	32,728	7,026	28,902	35,928	28,467	91,508	119,975
Hispanic	10,076	29,140	39,216	536	1,988	2,524	716	2,862	3,578	470	2,727	3,197	256	3,749	4,005	1,721	8,081	9,802
Native American	4,406	7,495	11,901	312	339	651	441	507	948	398	153	551	184	231	415	1,263	1,024	2,286
Minority	25,793	44,835	70,628	1,551	2,982	4,533	2,223	4,538	6,761	1,578	3,166	4,744	1,110	4,820	5,930	5,464	11,214	16,677
Female	14,677	12,216	26,893	1,235	1,409	2,644	1,362	1,450	2,812	1,197	1,174	2,371	1,455	1,428	2,883	3,866	4,178	8,043
Total Hours	125,200	397,483	522,684	11,161	32,358	43,518	14,469	39,171	53,640	8,674	28,798	37,472	8,135	33,731	41,866	33,931	102,721	136,652

Pre-Construction

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\*CITY OF PORTLAND CONTRACTED WORK

FY 05-06 Project Apprenticeship Agreement Goals:  
Minority 14%  
Female 6%

FY 06-07 Project Apprenticeship Agreement Goals:  
Minority 15%  
Female 8%