

Draft Meeting Minutes

This document along with the audio and video recordings constitute the official record of the November 14, 2007 Portland Development Commission Board of Commissioners Meeting.

I. CALL TO ORDER and ROLL CALL

Chair Mark Rosenbaum called the meeting to order at approximately 3:13 p.m.

Renee Castilla, acting as Recording Secretary for the Board, called the Commission roll:

Chair Rosenbaum	PRESENT
Commissioner Ferran	PRESENT
Commissioner Kadri	PRESENT
Commissioner Mohlis	PRESENT
Commissioner Wilhoite	PRESENT

II. APPROVAL OF MEETING MINUTES

Chair Mark Rosenbaum called for a motion to adopt the meeting minutes of October 24, 2007.

Commission Mohlis moved and Commission Wilhoite seconded the motion to adopt the meeting minutes of October 24, 2007.

AYES: Rosenbaum, Ferran, Kadri, Mohlis and Wilhoite

III. COMMISSIONER REPORTS

Commissioner Mohlis stated he attended the Open House for the future uses of the 511 Building. He also assisted Ms. Lolita Burnette, PDC Director of Business and Community Relations with the finalization of committee membership for the Contractors Committee for the Construction Wage Policy. He also stated he attended the OMSI Awards breakfast.

Commissioner Ferran stated she has attended several hearings regarding Operation HOME and how to proceed with the program. In addition she met with Commissioner Sten regarding affordable housing. She also continued to meet with PDC staff as well.

Commissioner Kadri attended an OAME luncheon with Chair Rosenbaum who spoke eloquently to the group. He also attended the meeting with Commissioner Sten with Commissioner Ferran and explained that more attention needed to be placed upon home ownership opportunities for 60% MFI. In addition, they needed to continue to look at programs available to encourage people to apply for assistance. He also indicated the importance of home ownership opportunities for the growing veteran community. Commissioner Kadri further mentioned he attended an awards banquet at the Urban League Dinner where Commissioner Wilhoite was honored and offered his congratulations.

Commissioner Wilhoite stated he was surprised at the Urban League Dinner where he was awarded recognition. He commented he was honored. He further stated he had been asked to sit on the Search Committee for the new President of Portland State University which will have a significant impact for Portland and it being headed by former City Commissioner Jim

Francesconi. He also provided a brief update on the Future of Urban Renewal Advisory Group and their ongoing work.

Chair Mark Rosenbaum stated each Commissioner has been asked to be a liaison to a specific Urban Renewal Area and he commented that he was pleased to see the process working and the number of meetings each Commissioner has been engaged in. He said he had the opportunity to speak to a group from San Antonio which consisted of non-elected citizens, who evaluated their convention center hotel. He explained they ultimately agreed upon a 1000 room hotel. He further commented that the 511 Open House was well attended and well done and thanked PDC staff for their assistance.

IV. EXECUTIVE DIRECTOR'S REPORT

Mr. Bruce Warner presented Report No. 07-127. He highlighted the following:

- Represented PDC at the October 26, 2007 ribbon cutting ceremony for the new Macy's at Meier & Frank Square store;
- Extended congratulations to Chair Mark Rosenbaum who was presented with the Founders Award by the Oregon Mentors;
- Attended dedication ceremony for the new Senator Margaret Carter Skill Center at PCC's Cascade Campus;
- Announced the 10th Annual Global Conference of the Competitiveness Institute was held in Portland, October 8-12, 2007; The Oregon Economic Development Association held its annual Back to Business III Conference, "Clusters and Sustainability" on October 8-9, 2007;
- PDC staff attended the Western Region Biofuels Workshop and Trade Show October 9-11, 2007 in Portland;
- Business Finance Team in Economic Development surveyed their program clients to rate customer service. The 2007 results are in and both business finance and storefront improvement programs received terrific responses;
- Upon evaluation of the four proposals received in response to the Interstate URA New Homeownership Development Request for Proposals released in August 2007, four proposals were selected. The four projects will provide a total of 23 affordable, ownership units;
- The Housing Authority of Portland (HAP) has decided to liquidate much of its scattered site small rental housing portfolio and use the proceeds from the sale to address capital maintenance needs and build replacement rental housing. HAP has given PDC and the City of Portland first right of refusal to purchase the scattered site housing; and
- The PDC Diversity Council has had a busy month, subcommittees were created to develop the work plan for each of the four goal areas: Define image/brand/identity, Develop a menu of strategies, support four education programs, and make recommendations for diversity measures;

V. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Chair Rosenbaum announced the opportunity for public comment for items not on the agenda. As there were none, he continued on with the agenda.

VI. CONSENT AGENDA

Chair Rosenbaum requested item 6A, "Requesting City Council to issue one or more Bonds to pay off line of credit and finance projects in Central Eastside URA", to be removed from the consent agenda.

Commissioner Wilhoite moved and Commissioner Ferran seconded the motion to adopt the consent agenda:

Resolution 6531, "Appoint new member to the North Macadam Urban Renewal Advisory Committee".

Resolution 6532, "Appoint new member to the Interstate Urban Renewal Advisory Committee".

Resolution 6533, "Authorizing Amendment No. 5 to amended and restated DDA between City of Portland acting by and through PDC and GSL Properties, Inc. pertaining to the Yards @ Union Station, Phase C".

Resolution 6534, "Authorize Disposition and Development Agreement Pardee Street Homeownership Development Site".

Resolution 6535, "Sixty (60) day extension of the DDA with 1201 Building LLC for One Waterfront".

AYES: Rosenbaum, Ferran, Kadri, Mohlis and Wilhoite

Mr. Tony Barnes presented Report No. 07-128.

After discussion, Chair Rosenbaum called for a motion to adopt Resolution 6530. Commissioner Wilhoite moved and Commissioner Kadri seconded the motion to adopt Resolution 6530, "Requesting City Council to issue one or more Bonds to pay off line of credit and finance projects in Central Eastside URA".

AYES: Rosenbaum, Ferran, Kadri, Mohlis and Wilhoite

VII. EXECUTIVE SESSION

At approximately 3:56 p.m., Chair Rosenbaum announced the Portland Development Commission would meet in executive session for the purpose of consulting with the persons designated by the Commission to carry on labor negotiations. The executive session was held pursuant to ORS 192.660(2)(d).

State law specifically excludes representatives of the news media from attending an executive session held under ORS 192.660(2)(d) relating to labor negotiations. Members of the audience were not allowed to attend the executive session and were asked to leave the room.

Chair Rosenbaum stated no decision would be made in executive session and at the end of the executive session, he would return to open session and welcome the audience back into the room.

Chair Rosenbaum adjourned the Executive Session at 4:41 p.m. and announced the Portland Development Commission would return to open session.

VIII. LENTS BALLFIELD PARK CONSTRUCTION

Mr. John Jansons presented Report No. 07-133, titled, "Lents Ballfield Park Construction".

Mr. Jansons stated the resolution would authorize an Intergovernmental Agreement with Portland Parks and Recreation in the amount of \$911,000 for Lents Park ballfield construction. He further stated the project would provide for the relocation of the Lents Little League (LLL) to new facilities at Lents Park which supports healthy neighborhoods through positive youth activity. Second, the relation would allow for the long-anticipated redevelopment of the Portland Development Commission owned property at SE 92nd Ave and Se Harold for a transit oriented mixed-use project that complements the new I-205 light rail station and acts as a catalyst for Lents Town Center revitalization.

Mr. Michael Cummings, Vice Chair of Lents Urban Renewal Advisory Committee, stated he was excited about what was happening and is looking forward to positive changes occurring in Lents including improvements to housing and family wage jobs.

Mr. Jeremy Hyuck, President of the Lents Little League thanked the Commissioners for their support and stated the new facilities would allow their organization to market to more children and their families and increase their participation.

After discussion, Chair Rosenbaum called for a motion to adopt Resolution 6536.

Commissioner Mohlis moved and Commissioner Ferran seconded the motion to adopt Resolution 6536, titled, "Lents Ballfield Park Construction".

AYES: Rosenbaum, Ferran, Kadri, Mohlis and Wilhoite

Chair Rosenbaum and Mr. Bruce Warner presented a little league ball signed by each of the Commissioners and PDC Executive Director Bruce Warner to Mr., president of Lents Little League.

IX. AUTHORIZATION TO ENTER INTO INTERGOVERNMENTAL AGREEMENT WITH MULTNOMAH COUNTY FOR HAWTHORNE BRIDGE RAMP RELOCATION PROJECT AND MORRISON BRIDGEHEAD PROPERTY DISPOSITION

Mr. Eric Jacobson presented Report No. 07-134, titled, "Authorization to Enter into Intergovernmental Agreement with Multnomah County for Hawthorne Bridge Ramp Relocation Project and Morrison Bridgehead Property Disposition".

Mr. Jacobson explained the action would authorize the Executive Director to enter into an IGA between the PDC and Multnomah County in support of the Multnomah County Courthouse Project. He explained the MOU signed April 24, 2007 states PDC would provide \$9 million to the County for the purpose of relocating the Hawthorne Bridge off ramp that bisects the County-owned property bounded by SW Naito Parkway, SW 1st Avenue, SW Madison Street and SW Main Street.

Commissioner Lisa Naito, Multnomah County, expressed her thanks for the partnership between Multnomah County and PDC in developing the IGA. She also stated the current courthouse is unsafe and it is extremely important to create new court facilities. She said the new Courthouse would increase public safety and allow for an increase of cases to come

through the system. She explained the problem they are facing with the aging courthouse is a problem several agencies are facing throughout the State and she is hoping for assistance from the Oregon Legislature to help them address this problem.

Commissioner Maria Rojo de Steffey, Multnomah County, also expressed her thanks and stated her appreciation of the support of the Portland Development Commission.

Mr. Dan Butler, Multnomah County Facilities Director, commended PDC and staff for the time spent working on tangible ways to achieve a new court house.

Discussion followed among the Commissioners, PDC staff and Mr. Butler.

Commissioner Wilhoite moved and Commissioner Ferran seconded the motion to adopt Resolution No. 6537, titled, "Authorization to Enter into Intergovernmental Agreement with Multnomah County for Hawthorne Bridge Ramp Relocation Project and Morrison Bridgehead Property Disposition".

AYES: Rosenbaum, Ferran, Kadri, Mohlis and Wilhoite

X. SOUTH WATERFRONT GREENWAY IMPLEMENTATION STRATEGY – NORTH MACADAM URA

Mr. Larry Brown presented Report No. 07-135, titled, "South Waterfront Greenway Implementation Strategy – North Macadam URA".

Mr. Ken Love, President of South Portland Neighborhood Association, stated he represented the property owners in the area and further stated he was looking forward to working closely with PDC to develop a strategic approach of how they move forward in implementing the Greenway Strategy.

Mr. Bob Salinger, Conservation Director for Audubon Society of Portland, said he has participated on the design and partnership committees that PDC has run for a number of years. He said although the Greenway Implementation Strategy is trying to achieve multiple things, it is important to remember that there is an opportunity to do real habitat restoration for more than 1.1 miles of trail. He expressed his concern that the lack of coordination between the different bureaus and the planning process would ultimately hurt this effort and lead to bigger challenges. He urged the Commissioners to push for stronger coordination and better understanding between all parties involved.

After discussion among Commissioners, PDC and Portland Parks staff, Chair Rosenbaum asked for a motion to adopt Resolution 6538.

Commissioner Wilhoite moved and Commissioner Kadri seconded the motion to adopt Resolution 6538, titled, "South Waterfront Greenway Implementation Strategy – North Macadam URA".

AYES: Rosenbaum, Ferran, Kadri, Mohlis and Wilhoite.

XI. NW BROADWAY CORRIDOR STUDY & 511 BUILDING REQUEST FOR INTEREST

Ms. Sarah Harpole presented Report No. 07-136, titled, "NW Broadway Corridor Study & 511 Building Request for Interest".

Ms. Sarah Harpole stated the PDC had intended to issue a Request for Interest (RFI) in the redevelopment of the 511 building. The 511 building is located at 511 NW Broadway in the Downtown Waterfront URA and is currently owned by the General Services Administration (GSA). She said the 511 Building was available to public bodies and other qualified entities for acquisition and reuse. She stated as a public body, PDC had intended to issue an RFI to solicit proposals and select a development team interested in partnering with PDC on the preparation of an application to the GSA for acquisition of the building. However, on Friday, November 9, 2007, the PDC, Melvin Mark Company and the Portland Public Market were officially informed by the Pacific Northwest College of Art (PNCA) that the arts college would apply directly to the federal government by November 21, 2007 for acquisition of the building. She said the PNCA is eligible to apply for an Educational Use transfer, which does not require any endorsement from the City of Portland or the PDC.

Ms. Harpole stated staff recommended to the Board of Commissioners, they postpone the RFI until a decision was reached by the GSA. She emphasized PDC intended to continue with the initiation of the NW Broadway Corridor Study intended to define a vision and implementation strategy to guide investment in the area of Union Station, the Greyhound Station, Blocks U, R and Y (owned by PDC), and the 511 Building study area.

Mr. Albert Solheim, Chairman of the Board of PNCA, read a letter of support of PNCA's application to GSA into the record.

Mr. Justin Bland, representing Student Leaders of PNCA, read a letter of support of PNCA's application to GSA into the record.

Ms. Kandis Brewer Nunn, Harsch Investment Properties, read a letter of support of PNCA's application to GSA into the record.

Mr. Tom Manley, President of PNCA – submitted their letter of intent to the US GSA into the record.

Ms. Doreen Binder, presenting Old Town – Chinatown Visions Committee, read a letter of support of an open public process and the RFI process into the record.

Mr. Lawrence L. Dully read a letter of support of the PNCA's application of GSA into the record.

Mr. Ron Paul, Vice Chair, Oregon Arts Commission, expressed his continued support of PNCA and the role of arts in the region. However, he also expressed his concern that PDC would be concluding their RFI process it began on October 10, 2007.

Mr. Dan Petrusich, President of Melvin Mark, urged the PDC Commissioner to continue the open public process to allow other interested parties the opportunity to express their interest in the building.

Ms. Patricia Gardner, Pearl District Neighborhood Association, stated the 511 Building has the potential to bridge the gap between Old Town China Town and the Pearl District. She also emphasized the importance of continuing an open public process in order to determine the best use of the building that could potentially be a catalytic project for the area.

Mr. Jim Winkler spoke in support of the PNCA. He said as Vice Chair of the Portland Museum, the school is truly significant for the region and a successful school placed at the 511 Building could assist the school in becoming a more internationally recognized art school

Ms. Anita Hard, President of the Board - Historic Public Market Project, reiterated the importance of continuing the clear transparent RFI process.

Ms. Laura Hill reiterated PNCA has the opportunity to purchase the 511 Building at almost no cost to the school, potentially saving millions of dollars that will instead go the students of the college.

Mr. Erwin Mandel reiterated his support of the college, however, emphasized a clear, open and transparent process is important as well.

After discussion among the Commissioners and PDC staff, Chair Rosenbaum reiterated the comments from the Commission and said although PDC clearly believes in a strong, open, public process, they ultimately do not have control of the 511 Building. He also reiterated the Commissioners fiscal responsibility to the citizens of Portland and the fact PDC could potentially lose staff time and money in a RFI process the GSA has not agreed they would follow. Therefore, it was determined PDC would suspend the RFI process until GSA had reached a determination of the application of the PNCA. Furthermore, if the application was denied, PDC would agree to reopen the RFI process to additional developers and communications with the GSA.

XII. KILLINGSWORTH STATION UPDATE

Mr. John Warner presented Report No. 07-137, titled, "Killingsworth Station Update".

Mr. Warner stated the briefing intended to accomplish three things:

- To provide an update on Killingsworth Station project with regards to the current proposed development program and financial feasibility of the project;
- To put the project in the context of the other investments in the Interstate Corridor URA; and
- To solicit feedback from Commissioners with regards to the project's concurrence with Commission on goals and objectives.

After discussion among the Commissioners, PDC staff, and developer Jim Winkler, it was determined PDC staff would work with Mr. Winkler to look at the possibility of providing more opportunities for individuals and families with lower than 60% Median Family Income (MFI). It was also requested by the Commissioners that PDC staff again work with Mr. Winkler to try and address the cost of construction per square foot to determine if it could be lowered. In addition, PDC staff was asked to evaluate the rising costs associated with the prevailing wage impact to verify the mathematic analysis was correct.

XIII. ADJOURNMENT

There being no further business, Chair Mark Rosenbaum adjourned the meeting at 8:29 p.m.