

Portland Development

Commission

Quarterly

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By the time this newsletter hits your mail box, I will have handed over the reins of the PDC Executive Director position to Don Mazziotti. It has been an honor and a privilege to serve in the Interim Executive Director position for the past three months; and I leave it with a renewed sense of pride in this organization. In addition, I now fully appreciate the incredible task PDC's Executive Director faces on a daily basis. At any one time our staff is involved in more than 200 different projects and programs. We are out in the community, both day and evening, meeting with our community partners; and we strive daily to make sure our internal cross-functional teams are working together as effectively as possible. The Executive Director is involved in many aspects of this work and must keep as informed as possible to provide direction and counsel.

To say the least, the past three months have been both rewarding and trying. On the positive side, I served as staff liaison in the process of selecting Don Mazziotti as our new Executive Director and am excited about PDC's future with Don at the helm. On the tougher side of things I had to help deliver the news of the sudden death of one of PDC's best staff members, Les Prentice.

My goal throughout my tenure as Interim Executive Director has been to keep our staff keenly focused on the tasks ahead, to provide leadership when needed and a listening ear to concerns and issues. I feel I have accomplished all three. I wish to thank the

staff at PDC for their continued dedication and commitment during the past months. I also wish Don the best of luck in his new role and look forward to working with him.



Baruti Artharee
Interim Executive Director

The Portland Development Commission has named Donald F. Mazziotti as the agency's new executive director. With 30 years of



Don Mazziotti will join PDC as executive director May 7th.

executive and management experience in local, state and federal governments, non-profit corporations and private sector organizations, Don will bring skills in planning, economic and community development, public administration, real estate and finance to his new post.

"Don's skills are a perfect match to those needed to bring PDC to its next level of effectiveness as the agency charged with carrying out the city's economic development, housing and revitalization policies and priorities," said PDC Chairman Marty Brantley. "He has well-rounded experience in both the public and private

◆ New Executive Director Named

sector and we are confident he can move the agency forward on PDC's current and future programs and projects to reach the city's goals."

Don was the former state Chief Information Officer and Telecommunications Advisor to Governor Kitzhaber. He served as chief planner for the City of Portland's Bureau of Planning from 1974 to 1978 and moved from Portland to Washington, D.C. in 1978 to serve as Deputy Assistant Secretary of Transportation in the federal Department of Transportation.

Prior to returning to Oregon in 1997, Don was chairman and president of Delta Development Group, a development consulting firm specializing in real estate development, community planning, project management/implementation and economic development in Camp Hill, Pennsylvania. He also served as the Acting Secretary of Commerce under Pennsylvania Governor Robert P. Casey and served as the Founding Director of the Pennsylvania Business Roundtable, a non-profit association of 38 chief executive officers from head quarter corporations in the state.

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*New Executive Director Named
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A graduate of Drake University, Don holds a master's degree in urban planning and a law degree, both from the University of Iowa. He also served as a professor of planning at the University of Iowa teaching development law, advocacy planning and citizen participation. He served as an adjunct professor of planning at Portland State University and Pennsylvania State University. Mr. Mazziotti is a Trustee of Crown American Realty Trust (REIT) and serves on the Oregon Internet Commission. He has served on the Telecommunications Committee of the National Governor's Association, as a board member of the Pennsylvania Chamber of Business and Industry and as a board member of the National Council for Urban Economic Development.

"Don has demonstrated excellent leadership capabilities and is highly knowledgeable in all of the areas in which PDC specializes," said Mayor Vera Katz. "He has 30 years of experience in all levels of government, in non-profit corporations and in the private sector. "He knows the tools that are available, both at the federal and state level. He knows how to communicate a vision and build consensus and, most importantly, as someone who helped shape our city in some of its most formative years, he knows and loves Portland.

Don will assume his role on May 7 replacing former PDC Executive Director Felicia Trader who retired in January. Baruti Artharee, PDC Housing Director, has served as Interim Executive Director since Trader's retirement.



GATEWAY POISED TO BE NEXT URBAN RENEWAL AREA

The proposed Gateway Regional Center Urban Renewal Area, moved one step closer to reality in April when the PDC Board considered and approved two important items affecting the Gateway Community. Commissioners received a report on the Gateway Regional Center Urban Renewal Plan and approved an intergovernmental agreement with Tri-Met to redevelop one acre at the Gateway Transit Center as a transit-oriented development project. Several community members were on hand to testify in support of forming the new urban renewal area in Gateway.

In addition, on April 18, the Opportunity Gateway Program Advisory Committee (PAC) approved the Gateway Regional Center Urban Renewal Plan by a vote of 25 to 2. Next up for the Gateway plan is a briefing before the Planning Commission on May 8, the PDC vote on May 9, and the Planning Commission hearing on May 22. City Council is scheduled to take testimony on the plan on June 13 and then vote on June 21.

The PAC vote represents a real milestone for this committee, which began the urban renewal discussion exactly one year ago. It was a vote of confidence in the city and its ability to deliver this community's agenda.

Gateway citizens have been active and involved in shaping their plan. They have divided themselves into subcommittees

to tackle issues of importance to them: parks, design and development, transportation, and education.

PLANS FOR EASTBANK ESPLANADE OPENING TAKING SHAPE:



◆ *Soon citizens will be able to travel an entire loop around the river on the Eastbank Esplanade (by bike, foot or wheelchair) without the worry of encountering vehicles. Opening events are scheduled for May 25.*

The city is celebrating its 150th birthday this year and as one of the signature "gifts" the Eastbank Esplanade is getting ready to open. Phases I and II of the project, along with the Steel Bridge walkway and new public boat dock, are in the final stages of completion before the big opening events.

Events are scheduled to kick off over Memorial Day weekend. Speeches and a dedication of the project are scheduled for Friday, May 25 at 10:30 a.m. Guests will gather along the floating walkway for speeches and then the Mayor, City Commissioners and other guests will ceremonially lower the Steel Bridge walkway. The first people over the walkway will include Congressman Earl Blumenauer on a bicycle, students from the Central Catholic track team, and a wheelchair athlete.

After meeting up with the eastside guests, there will be speeches and a tour of four new public art installations on the esplanade. Over the Memorial Day weekend, walks and talks about the Eastbank, the river, bridges, eastside history, Native American history and more are planned.

The next large event on the Eastbank is scheduled July 13-15. This will feature a large public celebration that includes an urban fair along the Eastbank. A walk/jog/bike event around the new Central City loop, events with boats of all kinds, entertainment and food booths. Saturday night there is the possibility of a large "spectacular" being staged in the Willamette River. PDC staff and other event coordinators are still investigating the possibilities that range from a laser show to a floating stage with music and other special effects.

Throughout the summer Portland Parks and Recreation is working to program various events on the Eastbank to keep it active and vibrant. For instance, fundraising is underway to allow a noon concert series for workers in the Central Eastside. Nature walks, bridge talks and other activities will take place and there is even talk of a night photography class for people wanting to take evening photos of the river and downtown. The events will conclude over Labor Day weekend with more activities saluting the shipbuilding history of the eastside. Plans here call for a large family picnic and a possible performance by Oregon Ballet Theater.

For more information, call 503.823.3294.

Department *H* ighlights

Housing Update ◆

Home Ownership Advisory Committee (HOAC):

The HOAC was created by PDC in 1999 as an advisory committee to PDC's Director of Housing. The Committee was expanded and has now transferred to the Housing and Community Development Commission (HCDC). The group is empowered to address homeownership issues such as:

- ◆ Retention and preservation of existing ownership;
- ◆ Creating new first time homebuyer opportunities, especially in under-represented groups and geographies;
- ◆ Identifying and developing the role of ownership in anti-displacement strategies; and
- ◆ Wealth creation opportunities through ownership.

Anti-Displacement Report:

The Anti-Displacement Homeowner/Homebuyer Project kicked off in January 2001 with the funding of two homeownership pilots, community outreach activities and a housing stabilization pilot in 10 neighborhoods in the Interstate Urban Renewal Area (URA). The project is a joint effort between the Bureau of Housing and Community Development and PDC. Commissioner Erik Sten approved anti-displacement efforts and \$1.5 million in funding focused on achieving the following results:

- ◆ Homeownership - \$500,000 to Portland Housing Center to provide loans and down payment assistance to resi-

dents who are ready to purchase homes in the Interstate area.

- ◆ Homeownership - \$400,000 to the Community Land Trust for low- to moderate-income homebuyers to purchase homes on land leased to them by the Community Land Trust.
- ◆ Community Outreach and Education - \$300,000 to 11 community-based organizations to survey and inform residents and to refer them to resources for homeownership or for addressing current or potential housing displacement. Information gathered through this outreach effort will be used to inform the housing strategy that is being developed by the Interstate URA housing working group.
- ◆ Housing Stabilization - \$300,000 to respond to specific situations, issues and/or opportunities identified during the community outreach efforts. The one-year project will be administered through the Bureau of Housing and Community Development office.

Housing Preservation Update:

The Commission received three purchase proposals on April 13 for the Fairfield Hotel. PDC staff will review the proposals with a six-member selection committee, and hopes to reach a selection decision by the end of May. The Fairfield is an 82-unit Single Room Occupancy (SRO) hotel located at SW 11th Avenue and Stark Street.

PDC staff has completed negotiations with the owners of the Jefferson West Apartments, and expects to secure Commission approval in May. The 80-unit Jefferson West is located at SW 11th Avenue and Jefferson Street and has both one bedroom and SRO units.

We continue to work with Central City Concern in structuring their purchase/rehabilitation package for the Biltmore Hotel. The building's overall conditions and underutilized first floor commercial space have posed interesting challenges for the acquisition/development team.

The Park Terrace Apartments is in the running for Oregon Affordable Housing Tax Credits after an application was submitted by the proposed owner, Portland Community Reinvestment Initiative (PCRI). The Housing Development Center assisted with the application submission and the evaluation of the rehabilitation anticipated at the property after its transfer to PCRI.

At the Fountain Place, lobby painting was recently completed as the property is preparing to assist with the relocation effort for the St. Francis Hotel tenants. The St. Francis replacement project in the Museum Place development is moving forward with a fall 2001 demolition schedule.

To date our total preservation effort totals 495 units including 333 Oak, Park Terrace, Biltmore Hotel, Fairfield Hotel, Fountain Place and the Kenilworth Park Plaza. With the Jefferson West pending, the total will grow to 575.

Spring RFP: The Spring 2001 rental housing request for proposals (RFP) has been issued. PDC has made funding available in three separate categories:

- ◆ PDC Affordable Rental Housing, \$3 million of Housing Investment Funds (HIF) and Federal funds, available citywide, outside of funded urban renewal districts.
- ◆ Interstate Development and/or Acquisition/ Rehabilitation, \$700,000 of tax increment finance funds available for the Interstate Urban Renewal District.
- ◆ Lents Town Center Rental Housing and Homeownership, \$750,000 of tax increment finance funds available for the Lents Urban Renewal District.

Announcement of the selected projects will be made in early July.

Downtown Housing Strategy Update:

PDC staff has been developing a strategy for addressing housing needs in the downtown target area. Working from the Downtown Housing Inventory, the strategy responds to the need for preservation and replacement of existing affordable housing, while considering the redevelopment opportunities poised for the area, particularly in the West End. The process of forming the strategy creates goals and targets for housing preservation and production, and identifies several tools, in addition to tax increment funds, which could be considered to help meet the goals. The goals and targets will provide a template for develop-



The YWCA portion of the Museum Place project.

use facility that offers mixed-income housing opportunities. Twenty-eight units (20 percent) will be reserved for occupancy by residents earning less than 50 percent of median family income, and the remaining

112 units will be available at market rate. PDC led this effort.

Union Station Housing

Phase III: City Council recently voted not to increase the height limits on the last development parcel at Union Station because of its proximity to the historic train station. This means that PDC will proceed as originally planned with the last phase of housing which will be built within the existing 75-foot height limit instead of a taller building staff had proposed. Construction could begin at the site in spring 2002.

ing and financing housing projects in the target area. The final strategy will be submitted to PDC for adoption in May.

Lloyd District Housing Update:

The Lloyd target area team will be kicking off the development of a housing strategy for the Lloyd District, a part of the Oregon Convention Center Urban Renewal Area, which also includes the Rose Quarter and Martin Luther King Jr. Boulevard. The Lloyd Housing Strategy work will follow upon a Lloyd District Housing Inventory and Policy Analysis completed in February 2000 by PDC staff. The strategy will build upon a district-wide development strategy that will set the stage for the next ten years of urban renewal goals within the Lloyd District.

Museum Place South Bond Financing:

In February, the State of Oregon Private Activity Bond Committee allocated \$20 million in private activity bond volume cap to the City of Portland for the Museum Place South project. The allocation will allow the City to issue up to \$20 million in tax-exempt housing revenue bonds to finance the development of the 140 unit rental housing component of the mixed-use Museum Place

South project. The apartments will be built above a 46,000 sq.ft. grocery store and 225 spaces of below grade structured parking that will serve the apartments and the grocery store.

The project will maximize public benefits and fulfill the goals outlined in Portland's Comprehensive Plan Housing Policy, Metro's 2040 Framework Plan, and Oregon's Statewide Planning Goals & Guidelines by utilizing an urban infill site for a transit-oriented, high-density, mixed-

Project Openings

On April 20, as part of Community Development Week, a tour of the **Rosemont School** project and Mississippi Avenue developments was held. The group tour concluded at **Alberta Commons**, a new housing development at 15th and Alberta with a grand opening of that project. PDC helped fund Alberta Commons and is very involved in the other projects on the tour.



Portland Community Reinvestment Initiatives (PCRI) project

On April 27, **Portland Community Reinvestment Initiatives (PCRI)** held a project opening at NE 127th and Burnside. This project includes ten units of affordable housing. PDC provided essential funding to the project.

Interstate Update: Four urban renewal area (URA) working groups are preparing draft strategies intended to guide the implementation of the urban renewal project over 20 years. The strategies will be able to be updated and amended as needed over time. Strategies will guide PDC staff in selecting projects and programs that meet the stated goals and principles in the urban renewal plan.

Staff and the urban renewal advisory committee have also been working on the proposed budget for the first five years of the Interstate Corridor URA project. The first year budget allocates approximately \$2.5 million to be spent on the project, divided between a number of line items such as housing, economic development, community livability,

transportation, revitalization, project management, outreach, etc. The \$2.5 million is a mix of direct tax increment and possible additional funding that the City is seeking for the URA. Precise funding levels are still to be determined.

In addition, community members have been working with the consulting firm Crandall/Arambula, on the Interstate MAX Station Area Revitalization Community Visioning

process. Station areas represent opportunities for implementing many of the housing, transportation, economic development and community livability goals established by the URA's four working groups.



◆ *The Jamison Square Tiki Totems are the first in a series of four public art projects planned for the Pearl District.*

Jamison Square: On February 1, art patrons, River District residents and PDC staff gathered at NW 11th Avenue, between Johnson and Lovejoy Streets, to witness an art installation. Four brightly colored "Tiki Totems" were installed adjacent to Jamison Square and the new streetcar line. The totems are 30' high and weigh 1.25 tons each.

The totems have a hollow core and are designed to fit neatly over the catenary poles that hold the wires guiding the new streetcar system. The totems were lifted by crane, and were then slid over the top of the catenary poles.

The totems were created by internationally renowned artist Kenny Scharf - who was on hand for the installation. Both the Pearl Arts Foundation and area developer Homer Williams

have a vision for the Pearl District that includes public art for the enjoyment of area residents.

Property Acquisitions:

PDC has acquired four new properties, each one key to realizing revitalization visions for various areas of the city. The acquisitions are:

- ◆ The Sizzler Site is located on Martin Luther King, Jr. Blvd. (MLK) across from the Oregon Convention Center (OCC). The OCC will lease the space for the next two years during its expansion.
- ◆ The former Walnut Park Theater is a dangerous and dilapidated building on Martin Luther King Jr. Blvd. just north of Alberta. The acquisition is closely tied into Marco Machineworks

- ◆ Marco Machineworks is a phased acquisition that will total almost 55,000 square feet when complete. It is also located on Martin Luther King, just north of Sumner Street. Together and with existing adjacent holdings, these acquisitions complete an assemblage of nearly two full blocks, which should provide a very attractive site for developers. These properties are critical to implementation of the King Neighborhood Commercial Center vision that was developed by the community in 1999 and 2000. A request for proposal (RFP) for redevelopment of these blocks is being prepared now and things are definitely looking up for this important commercial node in North-east Portland.

North Macadam Update:

The North Macadam steering committee held their final meeting on April 5. The steer-

ing committee members have worked for three years on the development vision for North Macadam. Their work resulted in the framework plan being accepted by City Council in August 1999 and the urban renewal plan being adopted at that same time. The steering committee has grappled with many diverse and complex goals and interests for this 130-acre area. PDC staff and the steering committee can be proud of their work on this dynamic new waterfront neighborhood.

Recently staff has engaged in a process to create a revised financing strategy for North Macadam. The bottom line is that the tax increment revenue projections have been revised downward, and PDC has had to revisit funding priorities and how best to achieve the framework plan goals. With advice from the City negotiating team, PDC will be moving ahead with a "readiness to proceed" approach in the district. Staff will focus resources on critical infrastructure needs and be able to respond to private sector development initiatives.

The planning process will be coming to a close later this year, but that means the Commission's work is really just beginning. The staff is looking forward to working in partnership with the development community and other community stakeholders to begin work on a greenway master plan and to negotiate development agreements that will assist projects in moving ahead.

PDC and city staff are completing a stormwater plan and a utility and telecommunications plan for the district. PDC and the Portland Office of Transportation are performing pre-engineering

work for Bond Street, the major north-south street in North Macadam.

As part of the last meeting the steering committee prepared a time capsule, which will be dedicated to the first new building in North Macadam. Items chosen for the capsule reflect the hard work of the steering committee and some of the issues it faced. It includes: City Council Resolutions, the framework plan, steering committee and advisory committee lists, photos, renderings of how the area might look in 20 years, a sample of Willamette River water dated 4/5/01, and other commemorative items.

MLK Street Improvements:

Over five years PDC will invest nearly \$10 million into public improvements on NE Martin Luther King Jr. (MLK) Blvd. Starting in late February 2001, staff began Phase 2 of the MLK Blvd. street improvements. In Phase 2, work concentrates on the area between NE Tillamook Street to NE Monroe Street. This area will have a restoration of on-street parking, replacement of the existing median, enhanced transit stops, improved pedestrian crossings, lots of great new trees, lighting and other significant street and streetscape improvements.

Although this phase will not be complete until October 2001, the street is already showing great improvement. In order to reduce business impacts, every business was personally visited. Tours of the work are being offered to anyone who is interested and weekly detailed construction schedules are available. To provide even more information on the project, a new web site link has been set up at: <http://www.portlanddev.org/develop/MLK/streetsum.html>.

There are nine different construction contracts for this phase of the project. They were deliberately broken into small pieces so that eight of the nine are going to sheltered market contractors.



A development strategy for the Lloyd District (pictured above) has been completed.

Lloyd District Development Update:

After a year of hard work by the steering committee, the Lloyd District Development Strategy is close to completion. A draft plan has been forwarded to committee members for review and comment, with the aim of presenting a final draft to the PDC Board on June 14th. The strategy includes an updated vision for the next 10-15 years in the Lloyd District, which includes more activity in the district through the development of more housing, office and tourist-related development. The vision also includes parks, streetscape improvements and other amenities to support this new development and shape a more distinctive identity for the Lloyd District. Based on economic and market work done for the steering committee, subdistrict plans offer possible buildout scenarios for key sites within the district. To guide the fulfillment of the vision and subdistrict plans, the strategy includes an implementation strategy.

Airport Max Project

Update: Airport MAX partners celebrated a major construction milestone when two MAX cars loaded with VIPs and media representatives made a first run on the new 5.5 mile extension on April 11. The tour along the new tracks included a brief overview of the project, an update on the 120-acre CascadeStation Development and a reception at the PDX station. New tenants at CascadeStation were also announced including REI, Nordstrom Rack, Bon Home Store, Linen's n Things and Pier One.

Construction of Airport MAX is 96 percent complete, on schedule, on budget and will open to the public September 10, 2001. Trips from downtown Portland to the airport will cost \$1.55 and will take about 38 minutes.

PDC teamed up with Bechtel, the Port of Portland, Tri-Met and the City of Portland on the project.

NEO: The Institute of Portland Metropolitan Studies/PDC New Economy Observatory (NEO) is up and running. The ongoing result of the former Regional Connections project, the NEO is currently working on an update of the regional economic performance data prepared during the Regional Connections project and an analysis of the relationship between business activity in Portland urban renewal areas and major regional industry clusters. In addition, the observatory will be engaging in an analysis of the lumber and wood products industry cluster as a complement to the other cluster profiles already completed.



Airport MAX at one of the two CascadeStation stops. The line will open September 10, 2001.

Telco Update: PDC and the Bureaus of Cable and Franchise Management, Planning and Transportation presented recommendations on managing the City's telecommunications infrastructure to City Council at an informal work session on February 6th.

Immediate recommendations to reduce street cuts and business disruption while maintaining infrastructure investment are to:

- ◆ Establish quarterly utility coordination meetings and franchise approvals;
- ◆ Review anticipated telecom conduit routes and plans;
- ◆ Develop a web-based notification system of all potential builds and geographic information system (GIS) to track routes;
- ◆ Require joint builds of telecommunications in congested areas;
- ◆ Deny street cut permits for one year in recurring locations if utilities do not participate in joint build opportunities.

Longer term recommendations for proactive approaches to the City's future fiber infrastructure management are to conduct research on four topics:

- ◆ Shared conduits and vaults, including cost sharing, maintenance, management;

- ◆ Fiber in sewers and abandoned water mains;
- ◆ Design/development standards for telecom utility infrastructure in emerging areas (River District, N. Macadam);
- ◆ Telco hotel locations—land use and funding mechanisms or incentives.

Depending on Council direction and funding, PDC may facilitate several of the longer term efforts.

New Information

Resources: PDC's Economic Development Department recently completed a redesign of the popular Portland Fact Book and initiated a series of community profiles that cover the six counties comprising the Portland/Vancouver primary metropolitan statistical area. Other resources recently developed include the 2000-2001 Portland Business Resource Directory and New Business Checklist. All of these publications are available on PDC's website. The website also has added valuable links to the new Oregon Creative Services Alliance, and the new BusinessInPortland website.

Airport Way Property

Acquisitions: PDC recently acquired property in the Airport Way Urban Renewal Area that will advance the Commission's goal of creating quality

jobs there. The property, one of the largest remaining undeveloped parcels in the area, is located in East Airport Way near Riverside Parkway and NE 185th Avenue and totals about 38.85 developable acres.

One of the major objectives of the Airport Way Urban Renewal Area is to encourage job growth, primarily through commercial and industrial development. By extending Airport Way east of I-205, PDC was able to attract an even mix of industrial and warehouse expansion. In recent years, Real Estate Investment Trusts and other large developers have developed almost exclusively speculative warehouse development, to the exclusion of manufacturing expansion. PDC responded with an incentive program, called the Quality Jobs Program, which encourages job density and job quality that is desired in the area. This has had some success, but the agency still found the market dominated by non-manufacturing uses. PDC staff believes that the most effective way to ensure property is available for industrial expansion is to control the property.

The Commission will make improvements to the site including widening of NE 185th Avenue, building a cul-de-sac and installing a water quality stormwater facility and will then accept an option from Panattoni Development Company for a market purchase price. This option would allow Panattoni to purchase parcels as Quality Jobs applicants became available. There would be a minimum purchase rate of at least five acres each 18-month period. Panattoni would be required to sell or lease only to applicants who

meet the standards of the Quality Jobs Program.

Lents Update: The First



Annual Lents Neighborhood Livability Summit will be held May 12, 2001 from 9:00 - 1:30 at Marshall High School. The objective of the Summit is to identify resources that exist in the community already (including public, private and non-profit) to address issues the community has been identifying that impact their sense of 'livability' in the neighborhood. PDC staff will be making a special effort to invite all the area community groups, organizations, agencies, churches, etc. as well as key bureaus/public programs and residents.

Also in Lents, the Lents Crossroads Plaza construction will get underway in May. The new plaza, complete with art, flowers, trees and space to gather, is currently an empty lot at the corner of SE 92nd Avenue and Foster Road. Local architect Lloyd Lindley and students from Marshall High School designed the new plaza. The brick plaza will have trees, benches, landscaping and will be the future home of a major piece of public art. The centerpiece and plaza are part of a series of efforts in the Lents Town Center Urban Renewal Area aimed at stimulating neighborhood and commercial revitalization, new housing options, new jobs, improved transportation and development of parks and open spaces. The project is scheduled to be completed this summer.

Business Recruitment:

Online wine retailer eVineyard has relocated its Portland corporate headquarters to the Albers Mill building in the city's historic Pearl District, north of downtown. According to Larry Gerhard, president and CEO of eVineyard, the city center area has several advantages for the company. These include the ability to expand office space while keeping rental costs low and the opportunity to be based in a rapidly developing area with like-minded companies, among them the Oregon Wine Commission. eVineyard came to PDC staff with a desire to locate in the downtown and staff assisted them in their search. Their location choice is an excellent opportunity to balance the growing number of housing units in the River District and Pearl District areas with quality jobs. The fastest growing online wine retailer in the United States, eVineyard (www.evineyard.com) serves 49 states—serving wine buyers in 27 states and Japan and selling gifts and accessories in 22 more.

CCEIP Update: PDC staff reports that The Central City Employee Investment Program (CCEIP), a forgivable loan program initiated by PDC in April 1999, has been a resounding success during its first year. The CCEIP is one element in PDC's Central City Jobs Strategy to attract and retain businesses to achieve the City's share of regional job growth. Participants in the program are businesses that will create jobs that meet the following criteria:

- ◆ Add a minimum of ten new employees in a target industry;

- ◆ Provide an average wage of at least 200 percent of minimum wage and a good benefit package;
- ◆ Enter into a First Source Hiring Agreement;
- ◆ Locate their businesses in qualified urban renewal areas.

Fulfilling the performance goals negotiated in the loan agreement will result in the loan being forgiven. Funds may only be utilized for qualifying physical improvements, and are limited to \$2,000 per new job created, with a maximum loan of \$300,000.

Between April 1999 and September 2000, 18 firms were awarded loans, in the amount of \$2,284,000, which exhausted available funds so the program was placed on hold for the remainder of fiscal year 2000-01. It is anticipated that the program will reopen for applications next fiscal year, depending on availability of funds. Staff is recommending changes to the program to increase the amount of private investment leveraged by public resources.

Sixteen loan recipients are internet/multimedia/software companies, one is an e-commerce company, and one is a venture capital firm, all within the program's targeted industries. The 1,187 jobs created by this program in the Central City (30 percent of the five year goal), with average wages of \$65,000, will result in additional annual payroll of over \$77 million. The CCEIP's cost of \$2,085 per job (including administration) is extremely low, and the quality of jobs is high. The program has a ratio of incentive dollars to wages of 1:30.

In Memorium

Les Prentice

It was with great sadness that PDC staff learned that Les Prentice, PDC Senior Development Manager, died of a heart attack at his home on March 29. He was 49. Les first joined the Commission as a project coordinator in 1988 to work on the Oregon Convention Center Urban Renewal Area planning. He left the Commission briefly in 1993 to start his own land use planning and redevelopment business. He returned



◆
Les Prentice

to the Commission in 1996 as a senior development manager.

Among his many accomplishments at the Commission, Les helped develop the Eastbank Park master plan, the Convention Center headquarters hotel planning and the last phases of the Rouse/Pioneer Place project. Most recently he served as the downtown target area team leader directing the Commission's involvement in projects such as the Mid-Town Blocks, West End planning, Park Block Five redevelopment, the Museum Place development and downtown retail vitality.

Prior to joining the Commission, Les served as Director of the Longmont Downtown Development Authority in

Longmont, Colorado. He also served as Director of the Missoula Redevelopment Agency in Missoula, Montana. Prior to that position, Prentice served in the Pima County Planning Department as an advance planner.

Les received a Bachelor of Science Degree in Landscape Architecture from the University of Arizona and completed graduate studies in urban planning at the University of Oregon. He also attended the University of Wyoming.

He was a member of the American Institute of Certified Planners, the American Planning Association and the Urban Land Institute. He was also an active fundraiser and volunteer for numerous women's and children's causes.

As an avid Harley enthusiast Les served as an officer of the Rose City Harley Davidson Club and often took extended tours around the country with his wife, Bonney and friends.

At PDC Les will always be remembered not only for his professionalism, skill and vision, but also for his quick smile and warm sense of humor.

Ralph Stanley

Ralph Stanley, the developer who was instrumental in putting together the Airport Max and CascadeStation project, died of cancer April 2. He was 49. PDC staff worked



◆
Ralph Stanley with Mayor Vera Katz during the early days of Airport MAX planning.

closely with Ralph all the way through the lengthy negotiation process and he will be sorely missed as the project continues to fruition. The park blocks within CascadeStation have been named Stanley Park in honor of Ralph's tireless dedication to the project.

PDC Quarterly

is produced by the Portland Development Commission, the city's agency for housing, jobs and revitalization. Questions, comments, suggestions and mailing list additions should be directed to Martha Richmond, 503.823-3296.



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