

Burnside Bridgehead Project Citizen Advisory Committee Status Update

Fall 2007 – Updated November 2007

Memorandum Of Understanding Extended to December 31, 2007

Portland Development Commission (PDC) staff and Opus Northwest (Opus) provided a briefing to the PDC Board on October 10, 2007 on the status of the Burnside Bridgehead redevelopment project, and outlined options for moving it forward. The PDC Board Chair requested this project status briefing at the July 11, 2006 PDC Board briefing on the Central Eastside Urban Renewal Area.

The PDC Board indicated their support for extending the Memorandum of Understanding (MOU) with Opus to December 31, 2007. Extension of the MOU will provide additional time for Opus to secure a tenant (or tenants) that would commit to a significant amount of square footage, providing the level of financial certainty that is a prerequisite for the project to obtain private financing.



At the Board meeting, PDC staff outlined three options for moving the project forward, as outlined below.

- Option 1: Extend the MOU until December 31, 2007 to provide additional time for PDC staff and Opus to implement seven key action items to redirect the redevelopment effort given changed market and site conditions.
- Option 2: Allow the MOU to expire and put the project on hold until the Central Eastside (CES) real estate market strengthens.
- Option 3: Allow the MOU to expire, update the market feasibility study, and begin a new process to solicit developer interest.

At the October 9, 2007 Burnside Bridgehead Citizen Advisory Committee (CAC) meeting, PDC staff briefed the CAC on the October 10, 2007 Burnside Bridgehead Board Report and Resolution. The briefing included discussion of the three options. CAC members in attendance unanimously endorsed Option 1, to allow PDC staff and Opus until December 31st to implement seven key action items.

The PDC Board supported Option 1, as described on page one, and approved the seven key action items below.

KEY ACTION ITEMS	
1	Opus and PDC will sponsor a roundtable discussion with development specialists. <i>The objective is to re-examine proposed development program and develop strategies for securing a project tenant(s). A tentative date of December 5, 2007 has been scheduled for the roundtable event.</i>
2	PDC will re-examine the type and mix of affordable housing (affordable rental vs. affordable ownership) based on findings from the roundtable discussion (item 1) and the market analysis (item 4).
3	Opus will hire a broker that specializes in commercial and mixed-used projects. <i>Selection expected to be completed by November 16, 2007.</i>
4	PDC will commission an independent market analysis. <i>PDC has hired Jerry Johnson from Johnson Gardner LLC to complete the market analysis. The market analysis is expected to be completed by December 3, 2007.</i>
5	Opus and PDC will work in close coordination with CES stakeholders to gauge the desires of the community. <i>PDC has issued a status update to the CAC for November and Opus will meet with CES neighborhood groups.</i>
6	PDC and Opus will jointly develop and implement a marketing and media strategy. <i>PDC has launched a Bridgehead video on You Tube to get the word out that the project is shovel ready. In one month, since mid-October, the Bridgehead video has received 564 hits.</i>
7	PDC will complete the process of vacating the Convention Plaza building, and will prepare plans for site clearance, environmental remediation and demolition. <i>Convention Plaza will be vacated to allow demolition of site improvements to proceed in 2008. PDC staff have prepared plans for site clearance, environmental remediation and demolition.</i>

To review the entire October 10, 2007 Burnside Bridgehead Board Report and Resolution, please visit: http://www.pdc.us/about_pdc/agenda/2007/1010.asp

For more information:

Kia Selley, PDC Development Manager, (503) 823-0113, selleyk@pdc.us

Convention Plaza Building

Relocation of the Convention Plaza building tenants is well underway. All leases have been renegotiated and Convention Plaza will be vacated to allow for demolition and site improvements to proceed in 2008. Fourteen tenants have been relocated and ten tenants currently remain in the building. A few office spaces have been newly leased on a month-to-month basis to generate additional revenue.

For more information:

Kia Selley, PDC Development Manager, (503) 823-0113, selleyk@pdc.us

Ararat Bakery Relocation

Ararat Bakery, a family-owned Central Eastside Urban Renewal business, will relocate its bakery and restaurant to the Lents Town Center area, bringing more than two dozen jobs to Lents and the potential for additional job creation. The bakery/restaurant will be located near the future I-205 light rail station at SE 92nd and Ramona Streets.

PDC staff worked closely with the owners of Ararat Bakery to identify a new location that best served the company's needs. Ararat has signed a twenty-year lease for its new home located at

5716 SE 92nd Street. The bakery and restaurant will occupy a total of 22,500 square feet. The company worked with PDC to access financial assistance available through the Commission's Quality Jobs Program and Economic Opportunity Fund, both of which reward job retention, job creation and new investment in urban renewal areas.

Please stop by and visit before Ararat moves to their new location in January.

For more information:

Pam Neal, PDC Sr. Project/Program Coordinator, (503) 823-3428, nealp@pdc.us

Additional Funding for the Eastside Burnside-Couch Couplet Expected in Fall 2008

Over \$14 million has been secured to date for the estimated \$22 million Eastside Burnside-Couch Couplet project, including a total allocation of \$5.6 million from the Transportation System Development Charge (TSDC) program based on the TSDC Committee's May 2007 forecast. PDOT and PDC staff have developed a funding strategy to secure the additional \$8 million that is required for construction.

In January, an additional \$2.5 million was requested from the 2009 Federal Appropriations Bill; a funding commitment is expected in fall/winter 2008. In April, the PDC Board approved the Central Eastside Urban Renewal Area (CES URA) Fiscal Year (FY) 2007-2008 Budget, which allocated \$100,000 for the project. The CES URA forecasted budget includes an additional \$10.02 million for the project, which brings expected investment in the project up to \$10.1 million.

Portland Office of Transportation (PDOT) Forms a Citizen Based Project Advisory Committee

PDOT has formed the Eastside Burnside-Couch Couplet Design Advisory Committee (DAC). The DAC will discuss different design aspects of the Eastside Couplet including green street improvements, public art, bicycle connectivity, connections at 13th Avenue between Burnside Street and Couch Street, design opportunities for Streetcar, and value engineering (as needed). The DAC meetings are held monthly on the last Tuesday of each month.

Project Schedule as of November 2007:

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| <ul style="list-style-type: none"> o Funding Strategy Confirmed o Design Engineering o Bidding & Contracting o Construction | <ul style="list-style-type: none"> o Fall 2007 o Spring 2007 – Fall 2008 o Fall 2008 o Spring 2009 – Summer 2010 |
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For additional information:


Chris Armes, PDOT Project Manager, (503) 823-7051, chris.ames@pdxtrans.org

Trang Lam, PDC Project Coordinator, (503) 823-3419, lamt@pdc.us

To download the Eastside Couplet Fact Sheet please visit: <http://www.pdc.us/ura/eastside.asp>



EAST BURNSIDE / COUCH COUplet - CONCEPT MAP

 Burnside Bridgehead

 Historic 7-Up Site