

BURNSIDE BRIDGEHEAD CITIZENS ADVISORY COMMITTEE

Committee Meeting

February 17, 2009
Session Notes

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**BBHCAC Members in Attendance:** Jim Andrews, Paul Anthony, Matt Arnold, Dike Dame, Frank Dufay, Joni Hartman, Tim Holmes, Rick Michaelson, Bruce Murray, David Nemarnik, Michael Whitmore.

**Ex Officio CAC Members in Attendance:** Kia Selley (PDC Project Manager).

**Other PDC Staff in Attendance:** Trang Lam, Jolene Jensen-Claussen

**Others in Attendance:** Pete Eggspuehler, Brad Malsin, Jonathan Malsin (Beam Development); Gilly Burlingame (Buckman NA), Lee Perlman (freelance writer), Dana Hargunam (PSU Civic Participation student).

**Facilitator:** Sue Dicile.

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The meeting convened at 3:00 pm.

There was no opening public comment.

The November 18, 2008 meeting notes were accepted without revision.

INTERIM SITE USES UPDATE

Trang Lam, PDC, provided the update. Highlights included:

Skatepark expansion area: Plans are proceeding between PDC and Portland Parks and Recreation (Parks) for the temporary skatepark expansion. The expanded area will have to be coordinated with Eastside Burnside-Couch couplet construction for safety.

BMX facility for kids: In addition to the skatepark expansion, PDC and Parks have also started discussions of a possible BMX facility for younger children. The proposed location is the fenced grass area adjacent to the Burnside bridge off of NE Third Avenue. Since this location is adjacent to the Couplet construction area (Block 76), safety is a major concern; therefore this interim use will be postponed until after Couplet construction is completed in August 2010.

Art Screens: The art screens planned for Block 76 are being coordinated through a public process with PDC and the Regional Arts and Culture Council (RACC). The screens will be installed this summer.

Couplet Staging: The contractor working with PDOT will arrange staging details with PDC. The contractor will talk with adjacent owners before determining the exact location of staging activities.

A question was posed about whether the placement of the Eastside Burnside-Couch couplet would be changed given that there is a new developer for the project. Kia Selley noted that the City is proceeding with construction of the current alignment and PDC will plan the project according to this condition. The couplet alignment could be moved off of Block 76 if funding became available such as through the Federal stimulus package.

DISCUSSION OF THE PDC-BEAM MOU DEAL POINTS SUMMARY

A draft of the "Overview of Key Deal Points - Burnside Bridgehead Memorandum of Understanding (MOU)" memo was distributed. Kia Selley, PDC, provided the opening overview. Highlights included:

- The public planning process will begin this spring in coordination with the BBH CAC and Beam as the Strategic Advisor. During the same timeframe the BBH CAC will participate in visioning for the project, also working with Beam as Advisor.
- PDC and Beam have agreed that Bridgehead redevelopment will:
 - Include a mix of uses.
 - Bring jobs to the area and generate significant future tax revenue.
 - Catalyze other redevelopment efforts in the area.
 - Incorporate sustainability principles.
 - Conform with area uniqueness and character.

- PDC will fund the planning process and studies going forward.
- In exchange their participation as a Strategic Advisor through the planning process Beam will have development rights to 20 percent (minimum) of the site.
- PDC will retain the right to act on one-of-a kind development opportunities.
- Within 90 days of MOU execution a re-use analysis for the Convention Plaza building will be completed.
- A Framework Plan for the project, modeled on the Centennial Mills project which created baseline requirements for future redevelopment, will incorporate:
 - Updated market assessment.
 - New and/or updated goals and objectives.
 - Development principles.
 - Phasing strategy.
 - Access and circulation plan.
 - Master Plan vignettes.
- A marketing strategy will be established, which includes branding of the site.
- Towards the end of the MOU term a Disposition and Development Agreement (DDA) will be initiated.
- Key transportation infrastructure improvements will continue to move forward, including Eastside Burnside-Couch couplet and the Streetcar Loop.
- PDC will initiate an economic development strategy for the Central Eastside.

Kia noted The Scope of Work for the public process will come before the CAC for review before it is released as an RFP. She further noted, in response to the CAC member comment, that \$25,000 is allocated in the current Fiscal Year (FY) budget and \$100,000 is proposed in the FY 2009-10 Recommended Budget for the Central Eastside Urban Renewal Area.¹

Beam Development Comments

Brad Malsin of Beam Development made remarks. Highlights included:

- Beam is excited to be back at the site, and looking forward to working with PDC, this CAC and the public.
- Branding and creating an identity for the project and area is important.
- Sustainability will be a hallmark. A “green district”, i.e. a campus for sustainable business, is envisioned.
- Other envisioned benefits will include jobs, economic benefit, and a catalytic site with activity ‘round the clock’.
- These challenging times provide an opportunity to take a slow and methodical approach. We believe in taking the time to “dream realistically”.
- We have and share a vision about what Portland represents. The Bridgehead could be one of the most engaging sites in the city. Without careful consideration, the risk is that it could be disconnected and isolated.
- Many hard questions still need to be addressed. These include how to control costs via value-added engineering, and how to do sustainability affordably.
- In two-to-four years we envision we will have a project that “makes sense” for construction
- The project is already generating interest now from prospective tenants.

CAC questions

- Clarify the development rights and options being retained by PDC.
- Will the Pacific Coast Fruit property to the west be included?
- When do goals and objectives become a community process?
- Which 20% of the site will be the purview of Beam under the terms of the MOU?
- What is the budget for the planning process?

In response to questions it was noted that:

¹ Note that specific information on the budget allocation was not available at the time of this meeting. The specific information was added as an update to these meeting notes.

- PDC is retaining rights to act on one-of-a-kind opportunities, e.g. a corporate headquarters.
- Pacific Coast Fruit has decided to “stay put for now”.
- Some of the goals and objectives, such as the focus on mix of uses, jobs, catalytic impact on other development, and leading edge sustainability are not negotiable. But that leaves a lot of room for visioning as to how those goals and objectives could be implemented. Beam and PDC will put together a consulting team to put the whole process out for broader public participation. The BBH CAC is anticipated to take a leadership role in the process.
- The specific location of Beam’s initial minimum redevelopment rights is not determined, and will be negotiated as part of the DDA.
- The planning process is anticipated to cost \$100,000.

CAC MEMBER DISCUSSION OF THE PDC-BEAM KEY MOU DEAL POINTS

The facilitator polled the group on their reaction to the PDC-Beam MOU Deal Points.

All CAC members expressed enthusiasm that Beam is on the project, confidence that a good team is in place, and that this MOU is moving the project in the right direction. Members also agreed that the timing is right for careful planning and for revisiting the public process.

Other comments included:

- The plan should focus on financing. Learn the financials first.
- Learn what you are branding and selling before spending a lot of money on branding.
- Public understanding of the vision, timing and funding for the project is more important than details like which 20% will be developed.
- Explore the potential role of federal stimulus money.
- The CAC is a good leader for public involvement, but broader workshop outreach is needed.
- There is interest in affordable space among creative class businesses and individuals, but that given the state of the economy reasonable expectations have to be established, and difficult questions, like how to reconcile new construction with affordability, have to be addressed. Cautioned the development team and CAC not to over-promise.

NEXT STEPS

- THE MOU will be done in February.
- The Scope of Work for the planning process will come to the CAC for review.

NEXT CAC MEETING

CAC meetings are moving to the 3rd Tuesday of the month.

A March meeting will be held only if there are items of significance to report.

<p>PRIMARY OUTCOMES AT THIS MEETING</p> <ul style="list-style-type: none"> • CAC member review and endorsement of the PDC-Beam draft MOU. • Additional CAC comment and advice.

The meeting adjourned at 4:30 pm.

Handouts distributed at this meeting:

- Draft Overview of Key Deal Points – PDC-Beam Burnside Bridgehead Memorandum of Understanding

Respectfully submitted by the facilitator.

If you have comments about the notes from this meeting please direct them to the facilitator at 503-287-9345 or at sue@suediciplegroup.com.