

**PDC Central Gateway Redevelopment Strategy  
Citizens Advisory Committee (CAC) Meeting #3 Summary  
September 11, 2006  
6:30 – 8:30 PM**

CAC Attendees: Dick Cooley, Jerry Koike, Pat Mobley, Joyce Rothenbucher, Nancy Yeamans

CAC Not Present: Gordon Jones, David Panichello, Frieda Christopher, Dorene Warner, Dann Wonser

Staff/Consultants: Sara King, Byron Estes, Kevin Bond (PDC); Steve Ferrarini (Ferrarini and Associates); Sumner Sharpe, Justin Douglas, Lauren Golden (Parametrix)

*Action items are underlined and italicized.*

#### **Update on Project Developments**

- ◆ Sara announced that she has accepted the position of Development Manager for the Oregon Convention Center Urban Renewal Area (URA). Her last day working with the Gateway URA will be September 29, 2006. Byron Estes is the acting Development Manager for the Gateway URA and Kevin Bond is the Interim Project Manager for the Central Gateway Redevelopment Strategy.
- ◆ Sumner handed out a list of catalytic site criteria. The list of criteria was a result of brainstorming among CAC, TAC, and PMT members. Several criteria rose to the top of the list. They were: changes your perception about the area; “raises the bar” for future development; increases regional appeal of the area; raises educational and income levels; and creates a new sense of place. The CAC did not have any comments on the criteria that rose to the top of the list.
- ◆ Sumner said that the next steps in the project will include looking at area-wide catalytic strategies as well as catalytic public and private projects, as well as identifying project locations or areas.
- ◆ Justin told the CAC members that the PMT members went on a 3-hour field trip. They identified places where a catalytic site would make the most sense and what public infrastructure is needed to support a catalytic project. The PMT did not reach any conclusions about site location, but gained a better understanding and generated ideas for conversations with property owners and developers. Abe Farkas is continuing to engage Central Gateway property owners and private developers in conversations about their thoughts on redevelopment in Central Gateway. Many property owners and developers are hesitant to be the first to redevelop in Central Gateway. The PMT will present more specifics on the results of Abe’s conversations at the November 6 CAC meeting.
- ◆ *Dick Cooley asked Kevin to send an updated map of multiple property ownership in Central Gateway to the CAC.* Dick said that it would also be helpful to have a

map showing all of the property owners in Central Gateway, not just multiple property owners.

### **Market Study Results**

- ◆ Steve gave a presentation on the results of the market study. The purpose of the study was to forecast demand for new development and identify where development could go based on available land and zoning in Central Gateway.
- ◆ Steve looked at three different markets in Central Gateway: office, residential, and retail. The highlights of Steve's presentation and the CAC's responses are described below.

### **Market Study Results: Office**

- ◆ Over the next 10 years, it is anticipated that there will be an increase in 33,000 office jobs in the Gateway Primary Market Area (PMA), or the area from where the majority of office demand will originate.
- ◆ The maximum allowance of 3 parking spaces per 1,000 vehicles in Central Gateway is a market disadvantage for the Central Gateway area.
- ◆ There is a limited opportunity for Class A offices in Central Gateway in the next 8-10 years.
- ◆ There is a near-term demand for neighborhood office space and medical offices space, primarily in the Adventist campus, in Gateway.
- ◆ Barriers to office development in Gateway include poor quality of the built environment, parking restrictions, lack of vacant parcels, and the need to redevelop land.
- ◆ Byron asked if access to highways is a significant factor for offices to consider when deciding where to locate. Steve indicated it was a factor but was outweighed by others. Sara responded that highway access is hard to quantify, but highway access is one of the reasons why the Oregon Clinic choose to locate in Gateway.
- ◆ Byron asked if the Metro 2040 Plan included employment projections for regional centers. Barry responded that the plan indicated that regional centers would become employment hubs.
- ◆ Barry will check on how parking regulations in Central Gateway compare to other areas in the city (i.e., Sunnyside, Clackamas, Central Eastside).

### **Market Study Results: Residential**

- ◆ The Gateway URA and PMA are attracting a more ethnically and racially diverse population relative to the large household sizes and modest income level.
- ◆ The income level in Central Gateway decreased and household sizes in Central Gateway increased relative to the city average over a 15-year period.
- ◆ Condominiums in Central Gateway are attracting primarily one-person households.
- ◆ The Gateway URA is the most attractive in the PMA to build rental units. This is because of the URA's access to services, transit, regional transportation, and a superior built environment.
- ◆ There is potential demand for 800-1,200 affordable apartments and 400-700 market rate apartments in the Gateway URA. In Central Gateway, there is

- potential demand for 325-500 affordable apartments and 175-275 for market rate apartments.
- ◆ The Gateway URA is the most attractive to developers who develop housing up to \$250,000.
  - ◆ Byron said the PDC Commission wants to see more family housing in URAs. Dick responded by saying that the residents in Central Gateway would prefer to raise the income levels in Central Gateway, regardless if the households are one person households or family households.
  - ◆ Dick also expressed concern about PDC policy to set aside 30% of new residential development for affordable housing. Dick said that Central Gateway already has its fair share of affordable housing. Dick suggested that Steve analyze the existing affordable housing market in Central Gateway, with the intent of proving that 30% of housing in Central Gateway is affordable. Steve said the data now in hand in fact indicates that that is likely to be the case.
  - ◆ Pat suggested that PDC focus on an economic development catalyst project that brings jobs to Central Gateway.
  - ◆ To get higher incomes to Central Gateway, will want 1 to 2 person housing units
  - ◆ Programs will be needed to protect affordable housing once tax abatement goes away.
  - ◆ Barry said that the Metro 2040 Plan floor-to-area ratio requirements in Central Gateway allow a minimum of 2-3 story developments.
  - ◆ Dick suggested that Steve look at the market for retirement housing in Central Gateway. Retirement housing may be a natural use in Central Gateway because of access to medical offices, dense development, and parking restrictions.
  - ◆ Barry said that Gateway has lower parking ratios because of the abundance of transit access in the URA. Barry will do more research on parking ratios in Gateway.

### **Market Study Results: Retail**

- ◆ The Gateway URA is the retail hub in east Portland.
- ◆ There are holes in the market in Gateway that could be filled by niche retailers, such as specialty food stores (i.e., bakeries, delis) and furniture stores.
- ◆ There is expected to be modest additional retail growth based on the forecasted population growth.
- ◆ Cross-shopping does not exist in Central Gateway, but there may be a market for a smaller Bridgeport Village-type project.
- ◆ There is limited near-term demand for retail development.
- ◆ Joyce suggested that future retail could be geared towards seniors.

### **Open House**

- ◆ Justin encouraged CAC members to actively participate in the Tuesday, September 19 Open House and act as resources for interested citizens. CAC members were encouraged to sit at different tables at the Open House.

- ◆ Justin passed out and reviewed a draft of the presentation that the PMT will give at the Open House. The CAC members should contact Lauren or Justin with any edits to the presentation by the end of day Thursday, September 14.
- ◆ He said that the goals of the Open House are to share information about the project, find out new information, discuss the preliminary vision statement, and find out where the attendees would begin redevelopment with limited PDC funds.

### **Next Steps**

- ◆ Sumner said that the agenda of the CAC meeting on November 6 will include strategies and potential locations for a catalyst site and a discussion of feedback from the Open House.
- ◆ Pat suggested that Technical Advisory Committee be invited to meet with the CAC members. PDC will schedule a time for the two committees to meet, perhaps in November.

### Proposed Future CAC Meeting Dates (All Meetings 6 – 8 PM):

Tuesday September 19 (Public Event/Open House)

Monday, November 6

Monday, January 8

Tuesday, January 16 (Public Event/Open House)

Monday, March 5