

*Investing in  
Portland's Future*



This document constitutes the official meeting record of the May 26, 2010, Portland Development Commission Board of Commissioner's meeting held at 222 NW Fifth Ave., Portland, OR 97209.

I. CALL TO ORDER AND ROLL CALL

Chair Scott Andrews called the meeting to order at approximately 3:04 p.m.

Ms. Renee Castilla, acting as recording secretary for the Board, called the Commission roll:

J. Scott Andrews  
*Commission Chair*

Chair Scott Andrews	PRESENT
Commissioner Bertha Ferran	PRESENT
Commissioner John Mohlis	PRESENT
Commissioner Steven Straus	ABSENT
Commissioner Charles Wilhoite	ABSENT

Bertha Ferrán  
*Commissioner*

John C. Mohlis  
*Commissioner*

II. EXECUTIVE DIRECTOR REPORT

Mr. Bruce Warner presented the Executive Director Report. He highlighted the following:

Steven Straus  
*Commissioner*

Charles A. Wilhoite  
*Commissioner*

Sam Adams  
*Mayor*

Bruce A. Warner  
*Executive Director*

- City Council recently held a work session as the Budget Committee for PDC. He said no changes were made to the proposed budget. Further, City Council acting as PDC's Budget Committee unanimously approved the proposed budget. Mr. Warner expressed his thanks to PDC Staff; Julie Cody, Faye Brown, George Cornett, Melissa Nelson, Tony Barnes, and Keith Witcosky.

Chair Andrews stated City Council passed the budget as presented to them with the only changes being the savings in rent from the newly negotiated building lease for PDC Headquarters and the reduction of one-time general fund allocations.

- The Union Station project continues to move forward. The General Contractor PNC has a hired an African American Firm to handle recycling. They have also met with leadership of NAMCO and have joined as members. Mr. Warner stated the Union Station Project is an example of how complicated diversity standards can become when dealing with several different types of funding.
- PDC Headquarters lease is closer to signature. He stated the building owner would be taking back the second floor. Staff will be moved to increase efficiency.



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III. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

As there were no public comment for items not on the agenda, Chair Andrews moved to the consent agenda.

IV. CONSENT AGENDA

Chair Andrews asked for a motion to adopt the consent agenda:



Resolution No. 6796, titled, "Appoint Mr. Tom Barnes to the Lents Town Center Urban Renewal Advisory Committee."

Resolution No. 6797, titled, "Appoint Mr. Jeff MacDonald to the Gateway Regional Town Center Program Advisory Committee."

Commissioner Mohlis moved and Commissioner Ferran seconded the motion to adopt Resolution Nos. 6796 and 6797.

AYES: Andrews, Ferran, Mohlis  
 NAYS: None  
 ABSENT: Straus, Wilhoite

V. MENTAL HEALTH CRISIS CENTER GRANT AGREEMENT

Mr. Keith Witcosky presented Report No. 10-52, titled, "Mental Health Crisis Center Grant Agreement."

Mr. Keith Witcosky stated the action before the Board is to request authorization for the Executive Director to negotiate and execute an Intergovernmental Agreement with Multnomah County to grant an amount not to exceed \$1,925,000 for the purpose of constructing a Crisis Assessment and Treatment Center within the David P. Hooper Detoxification Center in the Central Eastside urban renewal area. The renovation will expand the services to include a 16-bed Crisis Assessment and Treatment Center.

Mr. Witcosky explained in 2006 Portland City Council adopted amendments to the Central Eastside Urban Renewal Area which included increasing the maximum indebtedness. As part of this action a citizen/stakeholder committee developed a list of priority investments which supported the use of the new indebtedness. A \$2,000,000 investment in Hooper was one of those project priorities. The investment was suggested by Multnomah County and is high priority for both the County Board of Commissioners and the Portland City Council. The investment was originally forecasted for fiscal year 2012-13.

However, recent events over the past few years involving mentally ill individuals have demonstrated the community's need to strengthen the mental health services provided in Portland. This added urgency to the timing of renovating the Hooper facility and adding this important additional service for crisis assessment and treatment. In conversations with the Mayor's Office and the County Chair's Office, PDC agreed to accelerate the investment in order for the facility to open in 2011.

PDC provided an advance of \$75,000 on the \$2,000,000 in FY 2008-09 for predevelopment work on the project.

The projects hard cost sources are as follows:

Sources

PDC/Tax Increment	2,000,000
New Market Tax Credits	1,415,000
State of Oregon Addictions and Mental Health Dept	1,000,000
Multnomah County	<u>844,000</u>

\$5,259,000

Ms. Marissa Madrigal, Chief of Staff for Multnomah County Commissioner Jeff Cogan, expressed support of the project. She stated the opportunity to use New Market Tax Credits will ensure the project happens.

Chair Andrews expressed his thanks to Commissioner Wilhoite for the effort he has put into the project.

Chair Andrews asked for a motion to adopt Resolution No. 6798, titled, "Authorize Executive Director to Negotiate and Execute an Agreement with Multnomah County in an Amount not to exceed \$1,925,000 for the Purpose of Constructing a Crisis Assessment and Treatment Center within the David P. Hooper Detoxification Center located in the Central Eastside Urban Renewal Area.

Commissioner Ferran moved and Commissioner Mohlis seconded the motion to adopt Resolution No. 6798.

AYES: Andrews, Ferran, Mohlis  
 NAYS: None  
 ABSENT: Straus, Wilhoite

VI. RESOLUTION REQUESTING THE CITY COUNCIL TO INCREASE PRINCIPAL AMOUNT OF BONDS FOR CENTRAL EASTSIDE URBAN RENEWAL AREA

Ms. Faye Brown presented Report No. 10-53, titled, "Requesting the City Council to increase the principal amount of bonds for Central Eastside Urban Renewal Area."

Ms. Brown stated the action would request the City Council (the "Council") to increase the maximum amount of issuance for short-term revenue bonds (the "Bonds") under the State Uniform Revenue Bond Act for Central Eastside Urban Renewal Area ("CES URA"). The increase is associated with an existing line of credit. The total amount of the increase in line of credit interim financing will not exceed \$2 million. The line of credit will eventually be taken-out with long-term bonds requiring Portland Development Commission (the "Commission") action.

Urban Renewal Area	Current Amount (\$)	Increase (\$)	Total (\$)
Central Eastside	33,000,000	2,000,000	35,000,000

Chair Andrews asked for a motion to adopt Resolution No. 6799, titled, "Requesting the City Council to Increase Principal Amount of Bonds for Central Eastside Urban Renewal Area from \$33,000,000 to \$35,000,000.

Commissioner Mohlis moved and Commissioner Ferran seconded the motion to adopt Resolution No. 6799.

AYES: Andrews, Ferran, Mohlis  
 NAYS: None  
 ABSENT: Straus, Wilhoite

VII. BURNSIDE BRIDGEHEAD - ADOPTION OF FRAMEWORK PLAN DOCUMENT & INITIATION OF PHASE I

Ms. Geraldene Moyle and Mr. Lew Bowers presented Report No. 10-54, titled, "Adopt the Burnside Bridgehead Framework Plan."

Ms. Moyle stated the action requested is to adopt the Burnside Bridgehead Framework Plan (Plan) and its vision and principles as the guiding document for the evaluation of future development proposals on the Burnside Bridgehead project site.

The Burnside Bridgehead site is 176,715 square feet in size and is situated across four-plus city blocks in the Central Eastside Urban Renewal Area (CES URA) at the northeast corner of NE Martin Luther King Jr. Blvd. and E. Burnside St.

As outlined in the Plan, the vision is "to create a strategic design approach for the development of the Burnside Bridgehead that will catalyze and identify the Central Eastside as an attainable, productive, and sustainable district." The Plan takes the approach that the goal of development on the site is to be catalytic to incenting and promoting further development in the Central Eastside. The Plan recognizes that there is no requirement that a catalyst site be the highest density project in the area, just one of the immediate projects that ties well into the remainder of the area and provides complementary uses. With this approach, the Plan presents a guide to phasing development that directs short-term, immediate development on the site that does not preclude greater development in the future.

Chair Andrews asked since Beam Development has the right to 20% of the project, if they pick their 20% first.

Ms. Moyle responded staff would continue to negotiate with Beam Development to determine what 20% of the property they would be interested in.

Mr. Brad Malsin representing Beam Development expressed his support of the Burnside Bridgehead Framework Plan. He stated he has letters of intent from tenants waiting for space. He said they anticipate moving quickly with negotiations of a DDA in the summer, and construction starting in the fall.

Chair Andrews asked for motion to adopt Resolution No. 6800, titled, "Adopt the Framework Plan and Its Vision and Principles as the Guiding Document for the Evaluation of Future Development of the Burnside Bridgehead Property located on Blocks 67, 68, 76, and Portions of Blocks 69 and 75, at the Northeast Corner of NE Martin Luther King Jr. Blvd. and E. Burnside Street in the Central Eastside Urban Renewal Area."

Commissioner Ferran moved and Commissioner Mohlis seconded the motion to adopt Resolution No. 6800.

AYES: Andrews, Ferran, Mohlis  
NAYS: None  
ABSENT: Straus, Wilhoite

Chair Andrews adjourned the PDC Board Meeting at 3:49 p.m.

VIII. LOCAL CONTRACT REVIEW BOARD

Chair Andrews convened the Local Contract Review Board at 3:49 p.m.

Ms. Linda Andrews presented Report No. 10-55, titled, "Adopt Revised Local Contract Review Board Rules."

Ms. Andrews stated by this action, the Portland Development Commission's Local Contract Review Board (the "Board") will adopt revised Administrative Rules (the "LCRB Rules") to govern the Commission's procurement and public contracting, including procurement of personal services, public improvements, and goods and services. The LCRB Rules address procurement and contracting procedures, exemptions and processes that the Commission, Executive Director and staff follow to comply with Chapters 279A. B and C of the Oregon Revised Statutes.

Public agencies are subject to the Attorney General's Model Public Contract Rules for procurement and public contracting unless the agency's local contract review board adopts its own rules to implement ORS Chapters 279A, B and C. The LCRB Rules, as revised by this action, satisfy the requirement for adoption of local rules. Staff requests that the Commission acting as the Board adopt revised LCRB Rules at this time to reflect changes in ORS Chapters 279A, B, and C enacted by the 2009 Oregon Legislature and to update the rules for consistency with current Commission practice and policy.

Chair Andrews call for a motion to adopt Resolution No. 6801, titled, "Adopt Revised Local Contract Review Board Administrative Rules."

Commissioner Mohlis moved and Commissioner Ferran seconded the motion to adopt Resolution No. 6801.

AYES: Andrews, Ferran, Mohlis  
NAYS: None  
ABSENT: Straus, Wilhoite

IX. ADJOURN

There being no further business, Chair Andrews adjourned the meeting at 3:52 p.m.