

**Tom Kelly**  
Chair

**Gustavo J. Cruz, Jr.**  
Commissioner

**Mark Edlen**  
Commissioner

**Alisha Moreland-  
Capuia**  
Commissioner

**William Myers**  
Commissioner

**Charlie Hales**  
Mayor

**Faye Brown**  
Interim Executive  
Director

This document represents the official meeting record of the May 11, 2016, Portland Development Commission (PDC) Board of Commissioners (Board) meeting held at 222 NW Fifth Ave., Portland, OR 97209. The full video recording of this meeting can be found at <https://www.youtube.com/watch?v=nMzNXfRpNA>.

## 1. Call to Order and Roll Call

Chair Tom Kelly called the meeting to order at approximately 3:06 p.m. Justin Douglas, Policy Manager, called the PDC Board roll:

Chair Tom Kelly	PRESENT
Commissioner Gustavo Cruz	PRESENT
Commissioner Aneshka Dickson	PRESENT
Commissioner Mark Edlen	PRESENT [see note below]
Commissioner William Myers	PRESENT

Commissioner Edlen participated in the meeting by telephone.

## 2. Commissioner Reports

### Commissioner Cruz

- On May 3, attended the Portland Business Alliance annual meeting

### Commissioner Myers

- On April 28, attended the Portland Business Alliance Partners in Diversity Workforce Development Project meeting

### Commissioner Dickson

- On April 2, attended the Human Solutions Soar With us Auction and Gala fundraising event

### Commissioner Edlen

- On May 6, attended the Cascadia annual event

### Chair Kelly

- On May 7, attended Gateway Discovery Park grand opening

## 4. Meeting Minutes

Chair Kelly called for a motion to approve the February 10, 2016, PDC Board meeting minutes. Commissioner Cruz moved and Commissioner Dickson seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly, Myers  
NAYS: None

**5. Public Comment for Items Not on Agenda**

- Stan Herman of The History Collection shared information about a program he hopes to launch called Canoes and Kayaks for Kids. He explained how he would like locate the program in a historic 77,000 square foot warehouse that requires renovation and rehabilitation. He believes saving this historic building is important, as it the last working warehouse in Portland. Patrick took his information to be referred to staff for guidance (see Attachment 1).

**3. Executive Director Report**

- On April 21, attended the ribbon cutting at the Wacom headquarters
- On April 25, Pitchfest announced Startup PDX Challenge participant PODA foods as the 2016 winner
- On April 27, Elemental Technologies announced it will be moving to the Oregonian building
- On April 28, Executed the Purchase and Sale Agreement with the United States Postal Service
- On May 1-7, attended National Small Business Week to promote Startup Challenge companies
- On May 3, attended Hispanic Metropolitan Chamber Awards lunch
- On May 7, attended the Gateway Discovery Park groundbreaking event
- On May 11, attended the Portland City Council meeting to present PDC's FY 2016-17 budget
- Thanked Ronda VanderMeer for her 15 years of service to PDC.
- The Oregon International Business Awards will be held May 18. For information go to [www.oregonconsularcorps.com](http://www.oregonconsularcorps.com)
- The Immigrant and Refugee Community Organization will be celebrating its 40<sup>th</sup> anniversary on May 21. For information go to [www.IRCO.org](http://www.IRCO.org)
- The Sons of Haiti St. Joseph Grand Lodge will be celebrating its reopening on June 4 at 4:30

**CONSENT AGENDA**

**6. Action Item: Resolution 7179 – Authorizing a \$100,000 Grant to Greater Portland Inc**

With this action, the PDC Board will authorize the Executive Director to execute a Grant Agreement providing Greater Portland Inc (GPI) in an amount not to exceed \$100,000 for regional business recruitment, marketing, and export coordination. This is the fifth year that PDC has provided a grant to GPI. Since the Executive Director serves on the GPI Board of Directors, this action is being presented to the PDC Board for approval to avoid any perception of conflict of interest.

Chair Kelly called for a motion to approve Resolution 7179; Commissioner Cruz moved and Commissioner Dickson seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly, Myers  
NAYS: None

**REGULAR AGENDA**

**7. Action Item: Resolution 7180 – Authorizing the Executive Director to Grant and Accept Certain Real Property Rights**

PDC staff presenting this item:

*Jina Bjelland, Real Estate & Lending Director*  
*Steven Blank, Real Estate Coordinator*

With this action, the PDC Board will authorize the Executive Director to grant and/or accept certain real property rights, such as easements and right-of-way deeds that previously required PDC Board approval prior to execution. Currently, any real estate transaction, regardless of size, requires PDC Board approval. Through this action, the PDC Board would delegate certain minor real estate transactions to the Executive Director. The authority under this delegation is limited to grants of real estate interest that do not materially and adversely affect any remnant real property value and that do not materially and adversely limit development options on the remnant. The authority under this delegation is further limited to the acceptance of real estate interests that do not generate a new, material, and adverse liability for PDC.

Chair Kelly called for a motion to approve Resolution 7180; Commissioner Dickson moved and Commissioner Cruz seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly, Myers  
NAYS: None

**8. Action Item: Resolution 7176 – Adopting Hiring Standards, Criteria, and Policy Directives for Hiring a Portland Development Commission Executive Director; Resolution 7181 – Appointing Faye Brown to Serve as Portland Development Commission Interim Executive Director**

PDC staff and others presenting this item:  
*Justin Douglas, Policy Manager*  
*Enrique Washington, McDermott & Bull*

With this action, the PDC Board will (i) adopt the hiring standards, criteria, and policy directives for hiring a new PDC executive director; and (ii) approve the appointment of Faye Brown as interim executive director commencing June 8, 2016. In addition to discussing these items, PDC staff will brief the PDC Board on work to date in initiating a national, transparent, competitive process to identify a new PDC executive director.

Commissioner Edlen thanked Ms. Brown for her willingness to step into the interim Executive Director position.

Chair Kelly called for a motion to approve Resolution 7176; Commissioner Cruz moved and Commissioner Myers seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly, Myers  
NAYS: None

Chair Kelly called for a motion to approve Resolution 7181; Commissioner Myers moved and Commissioner Cruz seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly, Myers  
NAYS: None

**9. Action Item: Resolution 7182 – Approving Amended Intergovernmental Agreement with the City of Portland for the Support of City Guarantee of State of Oregon Loan**

PDC staff presenting this item:

*Amy Nagy, Business Development Coordinator*

With this action, the PDC Board will authorize the Executive Director to execute an amendment to an Intergovernmental Agreement (Amended IGA) between PDC and the City of Portland (City) Bureau of Transportation (PBOT) that will authorize a \$5,000,000 PDC investment in the 10th & Yamhill SmartPark Garage (Garage) Renovation Project (Project) located in the River District Urban Renewal Area (URA). In addition to the PDC investment, PBOT will contribute \$20,000,000 to the Project, which will include addressing deferred maintenance, Americans with Disabilities Act (ADA) improvements, additional parking stalls, and significant improvements to the ground floor retail spaces. Construction is expected to begin summer 2017 and conclude in fall 2018.

In 2011, a \$20,000,000 State Energy Loan Program (SELP) loan from the Oregon Department of Energy was intended to support SoloPower, Inc.'s (SoloPower), construction of a manufacturing facility to produce thin film photovoltaic modules. The City agreed to guarantee \$5,000,000 of the SELP loan. The original IGA, approved by the PDC Board through Resolution No. 6878 on May 25, 2011, obligated PDC to pay the City up to \$5,000,000 if the City were obligated to pay upon the loan guarantee. SoloPower is current on all loan obligations. Should the PDC Board approve the Amended IGA, that action would release PDC from any future obligation to back up the City's guarantee.

The proposed Amended IGA also provides for a six-month period within which the City and PDC shall cooperate to see if mutually acceptable terms can be agreed upon for the assignment of the ground floor retail aspect of the Garage to PDC. If such an assignment cannot be agreed upon then the \$5,000,000 PDC contribution to the Project shall be repaid to PDC at the time the City guarantee expires or terminates or the underlying SELP loan is repaid. Any amounts the City is required to pay as loan guarantor will reduce the amount the City is obligated to repay PDC. If an assignment of the retail space is agreed upon, the PDC contribution to the Project of \$5,000,000 need not be repaid to PDC by the City.

Commissioner Dickson asked, with regard to retail strategy, if units would be affordable to small businesses. Mrs. Nagy explained that currently the spaces are quite large (6,000 square feet) and to meet the demand of smaller businesses need to be 1,000 to 1,500 square feet. She stated designers would look at ways to reconfigure the space to allow them to meet some of those strategic plan goals.

Chair Kelly called forward guests to testify.

Dave Benson, Parking Services Group Manager of Portland Bureau of Transportation (PBOT). Mr. Benson stated this is a much-needed renovation. He believed collaboration between PBOT and PDC will allow the newly-renovated SmartPark garage to be well positioned to support the area both now and into the future.

Lisa Frische, Retail Program Director Portland Business Alliance. Ms. Frische stated how, through efforts of the Retail Strategy Task Force, Yamhill and Morrison were identified as the "Pioneer District" and considered signature retail streets within the downtown retail core. The existing garages weren't designed with retail in mind, and due to limited on-street parking the city-owned SmartPark facility is integral to this area. In addition the improvements align with the strategy goals of leveraging large-scale

sties to activate pedestrian usage, and the storefront improvements as well as elevator and stair reconfigurations will address existing design and function challenges (see Attachment 2).

Chair Kelly called forward additional guests to testify.

Michael Vandever, Manager Peterson's News Stands. Mr. Vandever wondered if there was a manner in which renovation of the garage could occur that would allow Peterson's News Stand to continue to remain in its current location during renovations. He believes that a temporary closure of this business would eliminate ten to 12 jobs, mostly minimum wage positions.

Angela Bruce, Assistant Manager Peterson's News Stands. Ms. Bruce stated that temporary closure of the business would negatively impact the neighborhood. Patrons, of up to 1,000 per day, consist of tourists and locals, TriMet passengers, and neighborhood business employees. This location generates 50 percent of the business's revenue. Loss of revenue would result in the loss of ten employees and a manager.

Claudia Brubaker, employee Peterson's News Stands. Ms. Brubaker shared how Peterson's comprises a very diverse workforce, as well as special needs employees. She shared how Peterson's is a big part of the neighborhood and Portland as a whole.

David Gwyther, consultant for Peterson's News Stands. Mr. Gwyther stated that Peterson's does not want subsidies and is willing to pay market rates. In return he is asking for a long-term lease at market rates and first right of refusal to return to the location. He suggested adding a sentence to reflect this on page 2 of Resolution 7182, Item 12.

Chair Kelly recalled Amy Nagy for questions.

Commissioner Myers asked if there was any consideration to offering Peterson's the opportunity to resecure their location. Ms. Nagy stated all tenants were provided the same message and the plan does make room for all tenants to potentially return. She continued by stating because of the current configuration of the spaces, they do not know what the end result of the project will be. She also wanted to thank the employees from Peterson's for sharing their concerns.

Chair Kelly wanted clarification that designs weren't far enough along to identify spaces that might be available. Ms. Nagy confirmed that was true. She stated there has been some pre-development and pre-design work, but it is too premature to commit to anything.

Chair Kelly asked for confirmation that any business will have the opportunity to be able lease a space given whatever the outcome of the strategy. Ms. Nagy confirmed this inquiry.

Commissioner Edlen believed it was important to take a holistic look at the entire retail strategy, and felt it was important to get the right mix of tenants reflective of the neighborhood and conducive to the nearby businesses.

Chair Kelly stated that he was sympathetic to businesses such as Peterson's – moving a business and moving back again is difficult. He asked staff try to keep their interests in mind moving forward.

Chair Kelly called for a motion to approve Resolution 7182; Commissioner Cruz moved and Commissioner Dickson seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly, Myers  
NAYS: None

**10. Action Item: Resolution 7183 – Authorizing the Terms of a Purchase and Sale Agreement to Convey 0.38 Acres of Real Property in the Lents Town Center Urban Renewal Area to Lisac Brothers Construction, Inc., for \$500,000**

PDC staff presenting this item:  
*Will Thier, Senior Project/Program Coordinator*

With this action, the PDC Board will approve the terms and conditions (Term Sheet) whereby the PDC Executive Director shall execute an Agreement for a Purchase and Sale (PSA) for \$500,000 between PDC and Lisac Brothers Construction, Inc. (Buyer), for the conveyance of two parcels located at the southeast corner of SE 93rd Avenue and SE Woodstock Boulevard, located in the Lents Town Center Urban Renewal Area. Upon execution of the PSA, the Buyer intends to construct a two-phased development concept: phase one will consist of a commercial building and pavilion supporting a small pod of food carts; phase two will consist of a multi-unit, market-rate apartment building.

Commissioner Cruz asked about the homeless camp that was established on the site. Mr. Thier stated after some negotiations that the camp agreed to depart within 24 hours. He stated the site was clear again.

Chair Kelly called forward guests to testify.

Mark Lisac, Owner Lisac Brothers Construction, Inc. Mr. Lisac believed the project will benefit the neighborhood.

Chair Kelly called for a motion to approve Resolution 7183; Commissioner Cruz moved and Commissioner Dickson seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly, Myers  
NAYS: None

**11. Adjourn**

There being no further business, Chair Kelly adjourned the PDC Board meeting at approximately 4:27 p.m.

Approved by the Portland Development Commission on August 17, 2016



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Anne Crispino-Taylor, Recording Secretary

# Canoes and Kayaks for Kids



**The History Collection** is a 501(c)3 nonprofit group. Its main focus is to buy canoes and kayaks so we can loan these boats out to kids and parents FREE of charge. Families can enjoy experiencing the openness of boating on the historic Willamette River. Boats will be launched from the restored History Collection building. Families can have fun with a day trip boating and exploring the Willamette River FREE of charge. They can paddle up the Willamette River around Ross Island to Oaks Park or down to the end of the Willamette River at Kelly Point Park and the Columbia River.

We need both business and community support to help with this project. This is a great proposal and project for a major businesses and individuals alike to invest in and give back to the communities of Portland, Oregon. This project, named “Kayaks for Kids,” could be a legacy for you or your company to be involved in and provide a space for nonprofit groups to operate.

Companies and individuals are being asked to donate whatever they can to help out. We’re currently asking for a \$2,000.00 donation or the purchase of \$2,000.00 of advertising space so we can invest in canoes, kayaks and safety equipment. Families can learn and have fun together while paddling around the Willamette River.

The money raised will not only cover the cost for canoes, kayaks and boats; it will pay for storage costs along with employee costs, building operations, and The History Collection building restoration cost. This warehouse building, built in 1890, will be restored to its original condition as close as possible.

The location of the History Collection building is 1300 N. River Street Portland Oregon 97227. It has 275 feet of frontage on the Willamette River.

The History Collection building, A New Home for our Veterans who served the USA, on land and sea. Having the presence of ships visiting us like the LCI 713 ship, PT Boat 658 and other ships that may come along in the future, will become part of the History Collection's attraction.

Please visit:

[www.historycollection.org](http://www.historycollection.org)

[www.savetheptboatinc.com](http://www.savetheptboatinc.com)

[www.amphibiousforces.org](http://www.amphibiousforces.org)

The History Collection Inc. formed with the Oregon Secretary of State, Corporation Division.

A 501(c)3 nonprofit group.

Registry number 897007-94.

A domestic nonprofit corporation.



## Canoes and Kayaks for Kids

The History Collection Inc. is a 501 (c) 3 nonprofit group. Its main focus is to buy canoes and kayaks so we can loan these boats out to kids and parents FREE of charge. Families will enjoy experiencing the openness when boating on the Historic Willamette River. Boats will be launched from the restored History Collection building. Paddle up the Willamette River around Ross Island to Oaks Park or down to the end of the Willamette River at Kelly point Park and the Columbia River.

*The History Collection is dedicated to education by providing a multi-purpose building located on the Willamette River.*

### Mission Statement

As a 501 (c) 3 Nonprofit Organization, *The History Collection* will convert a water dependent multi-purpose 77,000 square foot warehouse into a History Collection building. The Warehouse Building is located on the Willamette River at 1300 N. River Street, Portland Oregon 97227. This building was built around 1890 and is the oldest and last water front working warehouse in down town Portland. Let's preserve and save this building. **Please visit** [WWW.historycollection.org](http://WWW.historycollection.org).

This unique building, on the Willamette River, will house various historical and educational workshops and entities including Native American Indian History as well as canoe building and launching along with other water activities, The Albina ship yard on the Willamette built many WWII ships and the history from the Albina ship yards was important to the city of Portland and should not be forgotten, We will invite restored maritime, military ( to honor our Oregon Veterans ) & other floating vessels for visitors to board and view. History Collection building will attract many tourists that will benefit our non-profit groups.

I will invite 6 to 8 other non-profit groups to join the History Collection will have an impact in the City of Portland and the State of Oregon region. A few non-profit organizations that have shown an interest is the Rosa Parks Foundation, 4<sup>th</sup> Dimension 24-hour sober club, WWII LCI 713 ship, WWII PT 538, Canoe and kayak boat builders, sports and music groups. We could install the Duckworth memorial dock at this location.

Organizations such as the Boy and Girl Scouts, Explorers, Schools, youth groups and many more will benefit significantly by being able to explore the Willamette River

This project is worthy of PDC's support to be recognized in helping our community with grants and Loan. It will help all non-profit groups involved in the Portland History.

## Employment

Future anticipated payroll is expected to be approximately \$2.5 to \$3 Million dollars annually. Future staffing profile includes 50 full-time and 19 part-time year-round employees, and 39 seasonal employees. As a supplement, volunteers would have duties in interpretation, education, exhibits, and other important functions. As funding and operating experience allow, additional staff positions would enrich the offerings and operations of the History Collection.

Professional: Executive Director, Curator, Events Coordinator, etc.

Service: admin, support, food service/catering, security, cleaning, etc.

Contracts: periodic maintenance, ongoing refurbishment

### **Other activities can be accommodated at The History Collection**

**Building:** Banquets: 200-3,000 people, Meetings: 5-200 people Weddings  
Movie/Set Locations and Ceremonies

The site identified along the Willamette River north of the Fremont Bridge: 1300 N River Street. **Visibility and Accessibility**

The proposed sites for the History Collection have direct sight lines from the Fremont Bridge/Interstate 405 and would have excellent visibility from many other areas of the City. As reported by the Oregon Department of Transportation, the bridge had an average daily traffic (ADT) count of 111,900 vehicles in 2005, of which approximately 100,300 were passenger cars, motorcycles, buses, sport-utility vehicles, pickup trucks, vans, or campers. This ADT is one of the highest among highways in the Portland region. The sites offer easy accessibility from Portland's highway system and from the downtown. Spanning the Willamette River, the double-decker Fremont Bridge is part of Interstate 405, a short highway that loops through Portland's city center, connecting with Interstate 5 at its northern and southern ends. Interstate 5 is the major north-south route connecting Portland to other cities in Washington and Oregon. Interstate 405 also connects to the major western approach to the city. Interstate 84 is the major eastern approach to the city and joins Interstate 5, making the site accessible from all points east. Vehicles can also approach the sites from Portland's downtown Bridges via NW Front Avenue.

Downtown redevelopment has occurred in areas across river to the sites that is high-density residential and mixed uses that are compatible with the proposed project.



Testimony of Lisa Frisch  
Retail Program Director, Portland Business Alliance  
Regarding 10<sup>th</sup> and Yamhill Garage Renovation  
May 11, 2016

Good afternoon Commissioners. My name is Lisa Frisch, Retail Program Director for the Portland Business Alliance. The Portland Business Alliance partnered with the Portland Development Commission to support the City's Downtown Retail Strategy task force in 2009. Today, I am happy to testify in support of one of the efforts outlined in the strategy over seven years ago.

Under the leadership of Mayor Sam Adams, the Downtown Retail Strategy task force was formed. A collection of organizations including Portland Business Alliance, Downtown Clean and Safe, Portland Development Commission, Downtown Marketing Initiative, and private property owners worked to revitalize the retail landscape in the Central City through a series of projects including targeted retail recruitment, expanded marketing programs and imminent physical improvements and district branding along the Yamhill and Morrison Pioneer District.

We are happy to report that our collective work has precipitated a turnaround that we should all celebrate. The Downtown Retail vacancy rate is now at about 6%, during the height of the recession we were experiencing a 13% vacancy rate. Downtown has more than 150 new and expanded retailers including Nike, Sephora, H&M, Target, Apple, Microsoft and an impressive collection of local retailers and restaurants too numerous to mention, including Pop Up Shop participants Crafty Wonderland and Boys Fort.

One of the primary recommendations in the Downtown Retail Strategy was to designate Yamhill and Morrison- also known as the Pioneer District- as the Signature Retail Streets within the Retail Core. Identifying these key retail streets also directed private and public sector investments along Yamhill and Morrison to create a contiguous retail spine. The report also identified small, medium and large scale catalytic developments—with the 10<sup>th</sup> and Yamhill garage redevelopment being the top priority large scale redevelopment on the list. We are excited that this project is finally coming to fruition.

With limited on street parking spaces in the retail core, the city owned Smart Park garages were built with the sole purpose of short term parking facilities. These facilities are an integral part of the success of downtown Portland. Parking is a very limited resource in the retail core, and our customers need and demand low cost, safe, and convenient access to parking so they may patronize our businesses. **Safety- both perceived and real- has remained a marked challenge at this facility, with frequent reports of car prowls, drug use, and biohazards in the garage.** Much of this negative activity occurs in this facility because of the way the garage was designed with several points of entry, lack of security, lighting and limited visibility.



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The scope of improvements detailed in PDC's earlier presentation aligns with the strategy's goals of leveraging large scale sites to activate the pedestrian realm. The planned storefront improvements and elevator and stair consolidation should address some of these design and function challenges. Additionally, the ground floor retail environment at this site has been challenging to create a safe and active pedestrian landscape. Retail spaces are dark and the city has a challenging history in keeping these spaces tenanted. Only in the last several years through the efforts of the Downtown Retail Advocate have we been able to fully lease available spaces in this facility. One key space at the corner of 10<sup>th</sup> and Morrison remained vacant for more than 20 years.

The Downtown Retail Advocate has joined PDC and PBOT in meeting with the existing tenants individually to discuss the project timeline and resources available to them to support their transition. We will continue to be available to those retailers and will also partner with PDC on the re-tenanting strategy in support of PDC's strategic plan and the downtown retail strategy.

Thank you Commissioners for taking this step to support of downtown retail and the Pioneer District.