

PDC

PORTLAND DEVELOPMENT COMMISSION

DATE: March 23, 2011

TO: Board of Commissioners

FROM: Patrick Quinton, Executive Director

SUBJECT: Report Number 11-18
Grant Dedication of Public Right of Way to the City of Portland in connection with the development of Block 26 in the Oregon Convention Center Urban Renewal Area

EXECUTIVE SUMMARY

BOARD ACTION REQUESTED

Adopt Resolution No. 6856

ACTION SUMMARY

This action will authorize the Executive Director to execute a Deed for Right of Way Purposes (the "Deed") granting to the City of Portland (the "City") an easement for public street and right of way purposes in the east 3.00 feet of land of Block 26 on NE Grand Avenue between NE Pacific Street and NE Oregon Street and the north 2.00 feet of land of Block 26 on NE Pacific Street between NE Grand Avenue and NE Martin Luther King, Jr. Boulevard (the "Property").

Block 26 in the Oregon Convention Center Urban Renewal Area was acquired by the Portland Development Commission ("PDC") on January 22, 2001, to assemble a 2-block site (encompassing three parcels), including Block 43 directly north of the site, for the Convention Center Headquarters Hotel (the "HQ Hotel"). Due to the economic downturn, the HQ Hotel project is not expected to be built in the near term. In order to establish a public plaza on Block 26 for use as an outdoor event venue, PDC has demolished the existing structure on the site and entered into a lease with Metro to redevelop the site.

As a condition of the land use decision (Land Use Application 10-172070) approving the construction of the public plaza on Block 26, the City is requiring a dedication of right of way along NE Pacific and NE Grand Avenues. The right of way expands the sidewalks to meet the Lloyd District Design Guideline standards.

PUBLIC BENEFIT

The Deed will allow Metro to develop the block into a public plaza under their lease agreement with PDC.

This action will support the following PDC goals:

- Strong Economic Growth and Competitiveness
- Sustainability and Social Equity

- Healthy Neighborhoods
- A Vibrant Central City
- Effective Stewardship over our Resources and Operations, and Employee Investment

PUBLIC PARTICIPATION AND FEEDBACK

The Oregon Convention Center Urban Renewal Advisory Committee, Lloyd Transportation Management Association, and Lloyd District Community Association have all been briefed on the Convention Center Plaza and are supportive of the project.

COMPLIANCE WITH ADOPTED PLANS AND POLICIES

This action is in compliance with the PDC Real Property Disposition Policy.

FINANCIAL IMPACT

There is no financial impact as a result of granting the Deed.

RISK ASSESSMENT

Under the executed lease agreement with Metro, should PDC default in any obligation to deliver the property to Metro “construction ready” within the first 30 months of the Lease Term, PDC would be required to pay to Metro their share of improvement costs, currently totaling \$70,000. In addition, failure to allow dedication would stop the construction of the plaza.

WORK LOAD IMPACT

Staff resources are available and programmed to support the proposed action.

ALTERNATIVE ACTIONS

The Board could decline to make the dedication; in this case, PDC would remain the owner of the Property unencumbered by the right of way dedication.

CONCURRENCE

PDC and Metro are public partners in the development of the Convention Center Plaza and this Deed is at the request of the Portland Bureau of Transportation to meet the land use design standards within the Lloyd District.

BACKGROUND

PDC is the legal owner of record of Block 26 located across the street from the Oregon Convention Center (see Attachment B). Block 26 was acquired on January 22, 2001, to assemble a 2-block site (encompassing three parcels), including Block 43 directly north of the site, for the Convention Center HQ Hotel site. In September 2009 the 600-room HQ Hotel project was put on hiatus due to the downturn in the economy. In order to improve the front door of the Convention Center and put Block 26 to a productive use, PDC demolished the structure on the site and entered into negotiations with Metro to redevelop the site for a public plaza. On December 6, 2010, PDC and Metro entered into a five-year lease agreement where PDC would demolish the existing Sizzler building, perform environmental clean-up, and lead the design process for the plaza. For their part, Metro is to construct, operate, and maintain the plaza as an outdoor event venue to support the Convention Center and the surrounding community. As a condition of the land use decision, LU 10-172070 DZ, the project is required to dedicate the right of way to the City of Portland to meet the Lloyd District Design sidewalk width standards.

ATTACHMENT:

- A. Project Summary
- B. Project Illustration

PROJECT SUMMARY

Project Name:	Block 26 Sizzler
Description:	Two strips of land situated in the northwest one-quarter of Section 35, T1N, R1E, W.M.
Location:	834 NE Martin Luther King, Jr. Blvd.
URA:	Oregon Convention Center
Current Phase:	Bidding
Next Milestone:	Construction
Completion Target:	July 2011
Outcome:	Public Plaza
Aerial Photo:	



PROJECT ILLUSTRATION

