

Tom Kelly
Chair

Gustavo J. Cruz, Jr.
Commissioner

Mark Edlen
Commissioner

Alisha Moreland-Capua
Commissioner

William Myers
Commissioner

Charlie Hales
Mayor

Kimberly Branam
Executive Director

This document represents the official meeting record of the September 14, 2016, Portland Development Commission (PDC) Board of Commissioners (Board) meeting held at 222 NW 5th Ave., Portland, OR 97209. The full video recording of this meeting can be found at <https://www.youtube.com/watch?v=DyMQX0Us2ew>.

1. Call to Order and Roll Call

Chair Kelly called the meeting to order at approximately 3:05 p.m. Anne Crispino-Taylor, PDC Senior Administrative Coordinator, called the PDC Board roll:

Chair Tom Kelly	PRESENT
Commissioner Gustavo Cruz	PRESENT
Commissioner Mark Edlen	PRESENT
Commissioner William Myers	PRESENT
Commissioner Alisha Moreland-Capua	PRESENT

2. Commissioner Reports

Commissioner Cruz

- On August 31, 2016 attended Elevate Capital's event showcasing the portfolio of companies that Elevate is now funding <http://elevate.vc/#intro>
- On September 8, 2016 attended Greater Portland's 2016 Annual Economic Summit <http://greaterportlandinc.com/news-events/events/2016-annual-economic-summit/>
- On September 9, 2016 attended the Hispanic Heritage Celebration Dinner and Silent Auction <http://portland.eventful.com/events/hispanic-heritage-celebration-dinner-and-silent-/E0-001-033219015-5>
- On September 14, 2016 attended the PDC Audit Committee Liaison Meeting

Commissioner Edlen

- Attended the Bullitt Foundation Educational Grant Ceremony <http://www.bullitt.org/>
- Attended a meeting with Portland Center Stage
- Toured Old Town/Chinatown with the China Delegation
- Attended the Clean Tech event

Commissioner Myers

- On August 31, 2016 also attended Elevate Capital's event
- Attended a retirement party for John Mohlis
- Attended 2016 B.U.L.L. Session Charity event and fundraiser <http://www.bullsessioncharity.com/>
- Attended the AFL-CIO Labor Day Picnic in Oaks Park

Commissioner Moreland-Capua

- On August 24, 2016 attended the VIP session for Pitch Black <http://www.souldistrictpdx.com/>
- On August 25, 2016 attended the Pitch Black event

Chair Kelly

- On September 14, 2016 attended the PDC Audit Committee Liaison meeting

3. Executive Director Report

- Executive Director Branam thanked the PDC Board for the opportunity serve in this role
- Executive Director Branam shared the following staffing changes within PDC:
 - Serilda Summers McGee will join PDC as the new Director of Human Resources and Workforce Development on October 3, 2016
 - Three new positions have been created to lead PDC’s economic development, real estate and development, and social equity policy and communications work:
 - Lisa Abuaf (Director of Development and Investment) and Tory Campbell (Director of Economic Development) will step in to interim roles
 - A Director of Social Equity, Communications, and Policy will be hired this fall
 - Jillian Detweiler has agreed to join PDC as interim Development Manager
- On August 25, 2016 attended the Pitch Black event
- On August 31, 2016 attended the Elevate Capital event. She stated there are still opportunities to invest in these funds. For more information go to <http://elevate.vc/#intro>
- Executive Director Branam announced that PDC is now the proud owner of the downtown U.S. Post Office site which is about 20 years in the making, and represents an enormous contribution by a number staff and visionary leaders with the City
- On September 8, 2016 attended the Greater Portland Inc. annual event
- On September 9, 2016 attended the Hispanic Metropolitan Chamber of Commerce presentation of the Bravo Award to PDC’s John Jackley for his efforts in community service
- On September 15, 2016 Innovative Housing and the Oregon Cultural Trust will hold an opening of a sound art installation in Old Town/Chinatown at the Ericson Fritz Apartments
<https://www.facebook.com/events/575417369325959/>
- On September 21, 2016 Executive Director Branam will represent PDC on a panel at the NAIOP event highlighting Portland State University student proposals for the U.S. Post Office site
<http://naioporegon.org/meetinginfo.php?id=85&ts=1471978033>
- On September 23, 2016 the Latino Network will hold its annual event, Noche Bella [Noche Bella — Latino Network](#)
- Executive Director Branam noted that this would be the last PDC Board meeting for Jina Bjelland, Bruce Wood, John Jackley, and Patricia Weekley and highlighted the work they contributed to PDC

4. Public Comment for Items Not on Agenda

John Jackley, Director of Communications and Social Equity, PDC. Mr. Jackley thanked the staff and PDC Board for the work that has been accomplished during his tenure and will be accomplished in the future.

Douglas Peterson, owner Peterson’s Convenience Store. Mr. Peterson presented a document attached as Attachment 1 and stated that he owns three stores in downtown Portland. The store that is of concern is located in the 10th & Yamhill parking structure, which is slated for renovation. This location represents his highest volume retailer, with an average of 700 customers and over \$3,400 in sales per day. Mr. Peterson asked it if would be possible for his business to remain open during the renovations, and would also like first right of refusal to return and be assured of being charged market rates after renovations are complete.

David Gwyther, Public Policy Consultant David G. Gwyther & Co. Mr. Gwyther submitted two handouts attached as Attachment 2; one highlighting the renovation of the Portland Building and the other summarizing the design scheme of the 10th & Yamhill Garage. He also made a case for Peterson's being able to continue to operate during renovations. He believed any costs for mitigation could be covered by the rent received from Peterson's.

CONSENT AGENDA

5. Action Item: Resolution 7206 – Requesting the Portland City Council (City Council) to issue bonds for the City of Portland's (City's) urban renewal areas (URAs); pledging revenues from those areas to those bonds; and authorizing additional covenants.

With this action, the PDC Board of Commissioners (Board) will request that the City Council issue revenue bonds (Interim Bonds) under Oregon Revised Statutes §287A.150 to provide interim financing for the current and proposed costs of carrying out the City's urban renewal plans and to refinance outstanding interim financings. The action also requests that City Council issue long-term tax increment bonds (Long-Term Bonds) to refinance the interim financing obligations.

The requested Interim Bonds will be issued to pay for projects in five of the City's URAs and are expected to be in the form of separate lines of credit for each URA. The Interim Bonds will be secured by City General Fund and/or tax increment revenues and are anticipated to be repaid with tax increment revenues, proceeds of a replacement line of credit, or Long-Term Bonds. The Long-Term Bonds shall be secured only by the tax increment revenues of the URA for which the Interim Bonds are being repaid and may be issued in an amount sufficient to repay the Interim Bonds, to fund a debt service reserve, and to pay issuance costs. The total principal amount of the Interim Bonds will not exceed \$112,305,000 for all five URAs and is expected to meet expenditure requirements through December 2019.

Chair Kelly called for a motion to approve Resolution 7206; Commissioner Cruz moved and Commissioner Myers seconded the motion.

AYES: Cruz, Edlen, Kelly, Moreland-Capuia, Myers
NAYS: None

6. Action Item: Resolution 7207 – Authorizing an amendment to the Intergovernmental Agreement (IGA) with the Bureau of Revenue and Financial Services, Procurement Services (Bureau) in an amount not to exceed \$565,700 for business and workforce equity contract compliance services.

With this action, the PDC Board will authorize the Executive Director to amend the IGA first approved in fiscal year (FY) 2012-13 between PDC and the City Bureau to provide business and workforce equity contract compliance services for FY 2016-17. The proposed IGA amendment to continue these services to FY 2016-17 will increase the cumulative IGA amount to exceed \$500,000, requiring PDC Board approval.

The PDC Business Equity Program requires contractors on specified projects to make good faith efforts to provide contracting opportunities available to certified disadvantaged, minority, woman-owned and emerging small businesses (Certified Firms) when subcontracting portions of PDC-funded projects. The Bureau provides Certified Firm utilization and workforce tracking as set forth in the PDC Equity Policy and Procedures, including monthly and annual utilization and workforce reports. The Bureau has also

provided Certified Firm utilization and workforce tracking services for the South Waterfront Project Apprenticeship Agreement signed in 2005 by PDC, Oregon Health and Science University (OHSU), River Campus Investors, North Macadam Investors, the Block 37 project, and the ZRZ North Macadam project. The proposed IGA amendment includes Certified Firm utilization and workforce tracking services for the Project Apprenticeship Agreement signed by the Block 37 project as well as the OHSU Center for Health and Healing projects Two and Three.

Chair Kelly called for a motion to approve Resolution 7207; Commissioner Cruz moved and Commissioner Myers seconded the motion.

AYES: Cruz, Edlen, Kelly, Moreland-Capua, Myers
NAYS: None

REGULAR AGENDA

7. Action Item: Resolution 7208 – Authorizing the Executive Director to execute a change order to the construction management general contractor in an amount not to exceed \$1,043,750 for the selective demolition of Centennial Mills.

PDC staff presenting this item:
Irene Bowers, Project Manager
Will Thier, Project Manager

With this action, the PDC Board authorizes a bid alternate to the contract with Northwest Demolition and Dismantling (NWDD) in an amount not to exceed \$1,043,750. NWDD will be directed to demolish the Centennial Mills Feed Mill building. The additional cost of this work is within the overall budget authority previously granted by the PDC Board and project management staff will coordinate with local stakeholders and regulatory organizations before the final change order is issued.

Demolition of the wharf structure is approximately 50 percent complete, with two months remaining on the federal permit that authorizes NWDD to work in the Willamette River. As demolition has progressed and various structures have been dismantled, NWDD has been able to uncover certain areas that were previously unreachable. Specifically, the foundation of the Feed Mill has become exposed and is now accessible to further inspection. Unlike the Flour Mill, which is resting firmly upon driven friction piles, the Feed Mill's foundation only consists of a shallow stemwall and concrete footings built on fill material. Their collective assessment is that the building has settled approximately six inches at the building's northwest corner, resulting in the five-story structure leaning slightly in that direction. In addition to the issue of settlement, there is justified concern by the engineers and NWDD that the building may be unstable. In light of this new information, and in the interests of public safety, staff recommended that the PDC Board approve the demolition of the Feed Mill.

Chair Kelly called forward the project consultants.

Dave Obern, KKL Consulting. Mr. Obern stated that through the demolition process there have been many surprises, one of which being the lack of structural integrity of the Feed Mill due to the shallow and unstable footing. Also what has become disconcerting is learning how the wharf plays a large role in supporting the sea wall, which also supports the structure. Mr. Obern felt that two decades of rain inside the building have taken its toll. He believes these issues make the building unsalvageable.

Jeff James, Northwest Demolition and Dismantling. Mr. James concurred with Mr. Obern's assessment.

Andi Camp, KPFF Engineering. Ms. Camp stated that KPFF has not looked at the settlement issue but is familiar with the structure of the building. That have focused on what it would take to rehabilitate the structure, which includes keeping the exterior walls and adding lateral systems, and replacing the entire interior of the structure. Because the structure is not on piles she concluded there would also need to be extensive foundation work. Chair Kelly asked if the foundation work was include in the pricing. Ms. Camp confirmed that it was.

Commissioner Edlen asked when the settlement issue was discovered. Mr. Obern explained that it was not discovered until portions of the connecting structures were demolished. Commissioner Edlen asked if there was evidence the building was continuing to settle. Mr. Obern believed it was very incremental, but that it would continue unless some type of structural foundation system was installed.

Commissioner Edlen asked about safety issues. Mr. Obern stated they were of concern and that safety of the workers is paramount, especially with respect to working near the sea wall. Commissioner Edlen inquired whether there should be any additional inspections of the Flour Mill and believed that PDC should to do whatever is necessary to save the structure. Ms. Camp stated that structurally the Flour Mill was secure and believed additional investigations wouldn't reveal anything new or unknown. She added that it was possible to save both structures, but was contingent on how much the PDC and City was willing and able to invest.

Commissioner Cruz questioned whether the PDC had invested adequate funds toward the maintenance of the Feed Mill over the course of ownership, and if anything could have been done in a cost effective manner that could have prevented this situation. Mr. Obern stated that roofing repairs could have been made, however a new roof would not have mitigated the settling issue. He continued that roofing repairs may have saved some of the interior of the structure, but that the deterioration was underway when PDC purchased the property.

Commissioner Moreland-Capuia understood that it was cost prohibitive to save the Feed Mill, and the decision by PDC was to move forward with demotion. She asked to learn more about the risks involved in demolition. Mr. James stated that several buildings have been removed safely and with minimal impact to the neighborhood. He said the Feed Mill would be removed similarly, and that the biggest risk will be to workers and the biggest challenge will be protecting the beach.

Chair Kelly called forward public testimony

Mike Tevis, Intrinsic and Art Fusion. Mr. Tevis stated his company made an offer on the site. Has stated he had 20 years of experience rebuilding old structures and that they were still interested in both buildings. He believed his company could handle the settlement issue and rehabilitate the buildings for far less than has been estimated.

Peggy Moretti, Executive Director Restore Oregon. Ms. Moretti presented a prepared statement (attached as Attachment 3). She stated that last year Restore Oregon had received a request from the neighborhood to list Centennial Mills as one of Oregon's most endangered sites. At the time they declined to apply for a listing because they were under the impression there a plan was in place for the site. They now regret that decision and oppose the demolition of the Feed Mill.

Commissioner Edlen asked Mr. Tevis for clarification of the cost estimates in their original offer to PDC. Mr. Tevis explained they had not reached a point in negotiations for submitting bids. Commissioner Edlen asked what the estimated costs for renovation would be. Mr. Tevis believed it would cost between \$2,000,000 and \$3,000,000 for the smaller building and between \$4,000,000 and \$4,500,000 for the larger structure. Commissioner Edlen asked if the proposed uses would be bankable and generate funds or whether other funds would be necessary to cover costs. Mr. Tevis stated they would use the non-profit entity to raise funds for the smaller structure and request direct donations. He continued by stating they would use conventional financing for the larger structure. Commissioner Edlen inquired whether Mr. Tevis would be interested in the Feed Mill alone. Mr. Tevis stated he would. Commissioner Edlen asked how much time he would need to perfect numbers. Mr. Tevis stated it would take approximately 120 days.

David Dysert, Pearl Neighborhood Association. Mr. Dysert read a letter prepared by the Pearl Neighborhood Association attached as Attachment 4. Mr. Dysert also made a personal plea to not allow the continued demolition of Portland's historical structures and history.

Glenn Traeger, personal testimony. Mr. Traeger recognized there was a lot of negative energy and wanted share his vision of the site to set a more positive tone. His vision included a regional park where people could come together near the river and enjoy water sports, and beautiful structures with ground floor retail and restaurants overlooking the river. He stressed that superfund dollars will be used to clean up the Willamette River and that Portland needs an area to enjoy the resulting clean water.

Bruce Wood, Real Estate Manager, PDC. Mr. Wood stated that he appreciated the comments from the public and thanked his team for their work on the project. He stressed that due to structural and financial challenges with the Feed Mill that it would be best for PDC to focus the remaining resources on the Flour Mill.

Commissioner Edlen asked Mr. Thier if there was any option to garner additional outside funding for future development of the Flour Mill. Mr. Thier stated he could approach other bureaus to see what sort of interest they may have. He continued by explaining there was significant value in the land. He also stated there would be an effort to use historic tax credits as part of the capital as well as grants and donations from impact investors and foundations. Commissioner Edlen asked whether repairs to the Flour Mill would be ill spent. Mr. Thier stated there may some duplication, but if they aren't done deterioration will continue. Commissioner Edlen asked what the yearly costs were to keep the Mounted Police Unit (MPU) on the site. Mr. Wood stated costs were approximately \$100,000 per year.

Commissioner Moreland Capuia asked for clarification on there being no private development proposal that was able to address the Centennial Mills Framework Plan within the PDC budget. Mr. Wood stated there was only one proposal and it was \$18,000,000 over the budget.

Chair Kelly asked for confirmation that PDC is committed to keeping the Flour Mill. Mr. Thier affirmed that PDC was. He continued by stating due to safety and cost issues the PDC really has no option but to demolish the Feed Mill.

Chair Kelly called for a motion to approve Resolution 7208; Commissioner Cruz moved and Commissioner Myers seconded the motion.

AYES: Cruz, Kelly, Myers
NAYS: Edlen, Moreland-Capua

REGULAR AGENDA

8. Action Item: Resolution 7209 – Authorizing actions associated with 9101 Foster, LLC for Development, Construction and Management of the 9101 SE Foster Road Project within the Lents Town Center URA.

PDC staff presenting this item:

Jina Bjelland, Director of Real Estate & Lending

Will Thier, Project Manager

Laura Alsenas, Project Manager

With this action the PDC Board will authorize the Executive Director to take actions on behalf of PDC and on behalf of 9101 Foster, LLC (LLC) to complete the 54-unit 9101 Foster Road Building (Project) located at the intersection of SE 92nd Avenue and SE Foster Road (Property) in the Lents Town Center Urban Renewal Area (URA). Specifically, this resolution will authorize:

1. PDC to make a loan to the LLC in an amount not to exceed \$15,100,000;
2. The LLC to borrow up to \$15,100,000 from PDC;
3. The LLC to borrow approximately \$1,152,000 from the Portland Housing Bureau (PHB);
4. The LLC to execute a guaranteed maximum price contract (GMP Contract) with Bremik Construction (Bremik) in an amount not to exceed \$12,201,957; and
5. The LLC to incur all other hard and soft costs associated with construction and stabilization of the Project, up to the total Project budget.

The Project description remains as it was originally proposed by Williams/Dame and Associates Inc. (WDA) in 2014 – a mixed-use building consisting of 54 market rate and affordable residential units, ground floor commercial space, and surface parking. When completed, the Project will contribute to the revitalization of the Lents Town Center and deliver on community, PDC, and the City's priorities commemorated in the Lents Five-Year Action Plan (Action Plan). Construction is anticipated to begin by early October 2016 and be completed by December 2017. PDC's Equity and Green Building policies will apply to the Project.

Chair Kelly called forward public testimony

Annette Mattson, PGE. Ms. Mattson shared her background and previous participation and interaction with PDC, most notably as a member of the committee for the Lents Action Plan. She read from the Lents Neighborhood Plan, which was approved by the Lents Neighborhood Association in 1995 and adopted by the City in 1996. She believes this investment by PDC represents movement toward the vision that the community and the City had hoped to accomplish.

Judy Low, Chair Lents Neighborhood Association. Ms. Low shared some colorful history and lesser known facts of past members of the Lents neighborhood community, as well as the area's current demographics. She believes the Project will inject some much needed vitality into Lents and help improve the perception of Lents. She added that the Project may be the catalyst of change for Lents, and hoped the plan will not only honor the past but also give hope for the future.

Chair Kelly called for a motion to approve Resolution 7209; Commissioner Cruz moved and Commissioner Edlen seconded the motion.

AYES: Cruz, Edlen, Kelly, Moreland-Capuia, Myers
NAYS: None

CONVENE EXECUTIVE SESSION

9. Action Item: The executive session is held in accordance with Oregon Revised Statutes 192.600(2) to consider the employment of an Executive Director.

At approximately 4:40 p.m. Chair Kelly adjourned the regular meeting and read the following statement: “The Portland Development Commission will now meet in executive session for the purpose of considering the employment of a new Executive Director. The executive session is held pursuant to ORS 192.660(2)(a). Only representatives of the news media and designated staff will be allowed to attend the executive session. All other members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No decision may be made in the executive session. At the end of the executive session, we will return to open session and formally adjourn this Board meeting.”

ADJOURN EXECUTIVE SESSION

10. Adjourn

There being no further business, Chair Kelly adjourned the PDC Board meeting at approximately 5:23 p.m.

Approved by the Portland Development Commission on October 12, 2016



Anne Crispino-Taylor, Recording Secretary



Peterson's is a successful locally owned small business with three convenience stores serving Downtown Portland employing 25 employees. Our flagship store is Peterson's on Morrison located in the city owned Tenth and Yamhill Parking Garage. The store's location is focused on the Max Blue and Red line transit stop which is very important to our operation. This was our first store and we've been there serving hundreds of customers everyday for over 31 years, established in 1984. Representatives from the Portland Development Commission have told all tenants that there will be an over 25 million dollar remodel of the entire building and that all tenants must vacate the building sometime in 2017 for this remodel and that it would take a year to complete and there would be no guarantee that existing tenants could return. While other tenants will move on to other locations and would not want to return after one year, ours is a very focused business serving the foot traffic generated by the Max line. We feel that as a successful business that customers love that has served these customers for over ³²31 years should be able to return to this same location when the remodel is completed. Also, we feel that perhaps that the remodel could be done in stages so there could be a shorter time that the store would have to vacate. The Portland Development Commission web site talks of nurturing entrepreneurs and small business and business retention. We have never needed any government loans or assistance. All we ask is that we can return to our current space with a competitive market rate lease for five to ten years.

Douglas Peterson, office 115 SW Yamhill, Portland, OR 97204, 503-227-0567

Design Criteria

A variety of design criteria was presented during the initial project discussions that incorporated the needs and preferences of PDC and PBOT. These included, in no particular order:

- Creation of a better image for the building
- Improvement of safety and security
- Improvement of the building's structure and waterproofing systems
- Improvement of retail spaces in order to encourage quality tenants and higher lease rates --
- Improvement of elevator service
- Support of alternate modes of transportation
- Compliance with ADA to the extent possible
- Discouragement of loitering and unsanitary uses of the building.
- Replacement or updating of existing mechanical and electrical systems if beyond their useful life or if more energy efficient devices can be utilized.

Methodology

The project team consisted of PDC, PBOT, and FFA. The team maintained a consistent meeting schedule to develop the design and improvement recommendations. During these meetings- the team established a timeline and project milestones; reviewed initial results from the previous studies, and present a series of design recommendations and estimated costs. The team went through iterations of design concepts and cost estimates. PDC also convened a group of local retail real estate brokers and the Portland Business Alliance to weigh in on the design concepts and potential to command a higher rent as a result of the investment. FFA incorporated the feedback into the current design scheme. PBOT also reviewed the various options and alternates with respect to cost and operational impact and determined their preferred recommendations.

FFA managed a consultant team consisting of KPFF Consulting Engineers, PAE Mechanical & Electrical Engineers, Architectural Cost Consultants, and Lerch Bates Elevator Consultants to confirm recommendations from previous reports and update with additional findings as needed through a series of reviews and site visits. The consultant team consolidated recommendations and developed three project scopes (Options A-C) of varying levels of intervention and the costs associated. Option A was intended to be baseline improvements and repairs that would upgrade all aspects of the buildings function and appeal. Option B goes beyond resolution of existing issues to include recommendations to further improve energy efficiency in the mechanical systems. Option C is a series of alternates that could be add-ons to either Options A or B. An estimate for these options was provided at this stage and reviewed with PDC and PBOT. Supporting documents for this process may be found in Appendix 1.

David G. Gwyther

David G. Gwyther & Co.
Public Policy Consultants

929 SW Salmon #300
Portland, Or 97205

503-380-2616
davidggwyther@yahoo.com

October 30, 2015

PDC and PBOT
10th and Yamhill Parking Garage Study

A2 | Thursday, July 28, 2016 | The Oregonian



The City Council on Wednesday approved a contractor and architectural firm for a five-year overhaul of the Portland Building. The 33-year-old administrative headquarters' full-scale renovation could cost nearly \$200 million.

\$140M budget set, 2 firms picked for Portland Building renovation

By Talia Richman
The Oregonian/OregonLive

Portland is pushing ahead with plans to renovate its administrative headquarters, picking a contractor and architectural firm to carry out the reconstruction of downtown's Portland Building.

In a report approved Wednesday by the City Council, the contract with Howard S. Wright Construction and architect DLR Group sets a guaranteed maximum price of \$140 million for design and construction work. The city has said the total cost for the project, which will be completed by 2020, won't exceed \$195 million.

The remaining \$55 million could be used for staff costs and to lease office space for around 1,300 city employees who might have to move out during renovations meant to solve problems with water

infiltration and earthquake readiness.

The plan is to fund the reconstruction through revenue bonds, a move expected to be approved next week. The city will know by the end of October whether officials must relocate all or some employees.

"We still need to calculate the cost of staying in or leaving," said Fred Miller, the city's chief administrative officer, "and if you could leave people in the building, how disruptive is it in the workplace?"

Howard S. Wright, which beat out two other firms, has experience with similar projects, company representatives said Wednesday. It worked on the Edith Green-Wendell Wyatt Federal Building down the street from the Portland Building, finishing the project 10

months ahead of schedule.

"They know what they're doing," Miller said. "We're very happy with that."

The council also set aside \$1 million, or about 1 percent of hard construction costs, to provide opportunities for minority and women contractors.

"Let's be clear about what the council is committed to: using a portion of the cost to rehabilitate this building to create opportunities for people who have been left behind in the construction trade," Commissioner Nick Fish said.

Miller said he briefed Mayor-elect Ted Wheeler on the project Friday.

"He wants to be comfortable with the numbers, and I think he will be," Miller said.

Wheeler is on a family vacation, campaign manager Michael Cox said, and unable

to comment.

Some have concerns with the city's plans. John Oh, who has owned the Portlandia Cafe on the building's first floor since 1995, worries his business won't survive if employees are moved out.

The city has promised vendors 12 months' notice before they need to vacate, rent forgiveness and the right of first refusal for space in the new layout.

But Oh asked the council to also consider providing compensation for moving, marketing and establishing new businesses in other locations:

"While we appreciate these concessions, this does not cover the impact to our business or our futures," Oh told the council. "We have families that we support and who rely on our income."

trichman@oregonian.com



September 13, 2016

Portland Development Commission
222 NW Fifth Avenue
Portland, OR 97209

Letter of Testimony re. Demolition at Centennial Mills

My name is Peggy Moretti and I'm the Executive Director of Restore Oregon, a non-profit that works statewide to preserve and pass forward the historic places that make our communities livable and sustainable.

Centennial Mills is literally the site that gave birth to Portland and the commerce that launched our economy. Since taking ownership of this National Register-eligible landmark in 2000, the PDC has failed in every conceivable way to fulfill its obligations to protect and steward this irreplaceable resource as required by ORS 358.653:

Any state agency or political subdivision responsible for real property of historic significance in consultation with the State Historic Preservation Officer shall institute a program to conserve the property and assure that such property shall not be inadvertently transferred, sold, demolished, substantially altered or allowed to deteriorate.

Instead of executing the well-vetted Centennial Mills Framework Plan that laid out steps to make the site "the pinnacle of a rejuvenated and burgeoning River District," or capitalizing on "one of Portland's greatest chances to create a community-defining riverfront open space while preserving a unique piece of the City's history," the PDC has offered up a lesson on demolition-by-neglect.

Restore Oregon opposes the demolition of the Feed Mill, but if these years of neglect have made it truly necessary, we call upon the PDC to mitigate for its loss in a major way. **The money you approve today for the demolition must ALSO include that additional funding.** And it must be very substantial. We need to see many more hundreds of thousands go toward restoration of the flour mill and a world-class interpretation of the story of this place using artifacts from the mill buildings, and/or make additional funds available for the restoration of other at-risk City-owned historic places.

The case of Centennial Mills sets forth an example of what NOT to do by a city that touts the values of preservation and reuse. With all due respect, ^{the} ~~yes~~ should be ashamed, need to make amends, and ensure it never happens again. _{the City}

Peggy Moretti
Executive Director

2257 NW RALEIGH ST.
PORTLAND, OR 97210



503.823.4288
www.PEARLDISTRICT.ORG

PEARL DISTRICT
NEIGHBORHOOD ASSOCIATION
EST. 1991

Re: Centennial Mills
Date: September 13, 2016

Dear Portland Development Commission:

The Pearl District Neighborhood Association is extremely unhappy about the proposed demolition of the Feed Mill. We have watched in dismay as Centennial Mills has been whittled down in scale, public hopes, and actual physical buildings. The demolition of the Feed Mill will be yet another loss for the City of Portland and the State of Oregon.

The proposed demolition of the Feed Mill only points out how critical it is to save the Flour Mill. It must be renovated – including the Water Tower. We are concerned that another winter will pass without doing anything to stabilize this building – there has been unfortunately a history of water intrusion and neglect since the City bought the facility. We ask that the Feed Mill be winterized for the 2016 season and a clear plan be created for the renovation of this structure. We also ask that some plan be created that incorporates the history of the site beyond token plaques.

We also remind you of the framework plan that was created for this site in 2006. It had 5 redevelopment principles:

- Provide Open Space
- Capture History
- Define a community Focal Point
- Strengthen Connections
- Embrace Sustainability

We are concerned that these principles will not be upheld in the future of the site. We urge you to continue pushing for these principles.

Regards,

A handwritten signature in black ink, appearing to read 'Patricia Gardner', written in a cursive style.

Patricia Gardner
Co-Chair, PDNA Planning & Transportation Committee