PROSPER PORTLAND COMMISSION

Portland, Oregon

RESOLUTION NO. 7294

AUTHORIZING AN INCREASE TO THE MAXIMUM CONTRACT AMOUNT FOR THE PARKING STRUCTURE DEVELOPMENT AGREEMENT WITH MORTENSON DEVELOPMENT, INC. FOR DESIGN AND CONSTRUCTION OF THE CONVENTION CENTER HOTEL PARKING GARAGE

WHEREAS, in 1991, the Prosper Portland Board of Commissioners ("Board"), through Resolution No. 4178, authorized the acquisition of a 0.88-acre parcel located at the northeast corner of NE 1st Avenue and NE Holladay Street (the "Block 49 Property") in the Convention Center Urban Renewal Area ("URA") for the purpose of assisting with the acquisition of property for a headquarters hotel site;

WHEREAS, in 2006, the Prosper Portland Board, through Resolution No. 6355, adopted a Development Vision for the Oregon Convention Center Blocks, which includes the Block 49 Property;

WHEREAS, Mortenson Development, Inc. ("Mortenson"), is currently constructing a 600-room Convention Center Hotel ("Hotel") on the site to the east of the Block 49 Property in accordance with the terms of a Development and Financing Agreement with Metro;

WHEREAS, in 2016, the Prosper Portland Board, through Resolution Nos. 7165 and 7222 (the "Authorizing Resolutions"), authorized the terms of a Parking Structure Development Agreement with Mortenson (the "Development Agreement") for the design and construction of the Convention Center Hotel Parking Garage ("Garage") which will be owned by Prosper Portland and will support the development and operation of the Hotel;

WHEREAS, the contract amount authorized by the Authorizing Resolutions is $32,200,000;

WHEREAS, during excavation for garage foundations, Mortenson's contractors discovered previously unknown buried concrete slabs and contaminated soils, and the Development Agreement allocates financial responsibility for differing environmental site conditions with Prosper Portland;

WHEREAS, although certain cost savings from unspent allowances and partial reimbursement from TriMet may be available to partly cover the cost, as described in the Report prepared for the Prosper Portland Board, staff recommends increasing the maximum authorized contract amount by $639,978 to cover the full amount of the requested payment.

NOW, THEREFORE, BE IT RESOLVED, that the Prosper Portland Board authorizes the Executive Director to sign a change order or otherwise modify the not-to-exceed amount for the Development Agreement from $32,200,000 to $32,840,000;

BE IT FURTHER RESOLVED, that the Prosper Portland Board reaffirms its previous authorization in Resolution No. 7222 that the Executive Director may approve changes to the Development Agreement's terms and conditions, if such changes do not materially increase Prosper Portland's obligations or risks, as determined by the Executive Director in consultation with Prosper Portland's General Counsel; and

BE IT FURTHER RESOLVED, that this resolution shall become effective immediately upon its adoption.

Adopted by the Prosper Portland Commission on   November 14, 2018

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Pam Feigenbutz, Recording Secretary
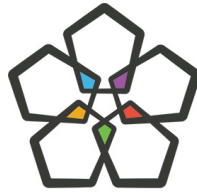
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Building an Equitable Economy

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PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
✓	Chair Gustavo J. Cruz, Jr.	✓	☐	☐
✓	Commissioner Alisha Moreland-Capuia MD	✓	☐	☐
✓	Commissioner Francesca Gambetti	✓	☐	☐
✓	Commissioner Peter Platt	✓	☐	☐
✓	Commissioner William Myers	✓	☐	☐
☐ Consent Agenda		✓ Regular Agenda		

CERTIFICATION

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Prosper Portland Commission and as duly recorded in the official minutes of the meeting.

	Date:
[signature: Pam Feigenbutz]	November 15, 2018
Pam Feigenbutz, Recording Secretary	