

**PORTLAND DEVELOPMENT COMMISSION**

Portland, Oregon

**RESOLUTION NO. 7167**

**AUTHORIZING THE TERMS FOR A PARKING OPERATIONS AND VALET SERVICES MANAGEMENT AGREEMENT WITH HYATT CORPORATION FOR THE DESIGN AND CONSTRUCTION OF THE CONVENTION CENTER HOTEL GARAGE**

**WHEREAS**, the Portland Development Commission (“PDC”) is the owner of a 0.88-acre parcel, known as Block 49, which is located at the northeast corner of NE 1st Avenue and NE Holladay Street (the “Property”);

**WHEREAS**, the PDC Board of Commissioners (“Board”) through Resolution No. 4178 acquired the Property in 1991 for the express purpose of assisting with the acquisition of property for a headquarters hotel site;

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

**WHEREAS**, Mortenson Development (“Mortenson”), intends to construct a 600-room Convention Center Hotel (“Hotel”) on the site to the east of the Property;

**WHEREAS**, PDC intends to support the Hotel by constructing a 425-stall parking garage (“Parking Garage”) on the Property, with 375 stalls dedicated to the Hotel;

**WHEREAS**, Mortenson will design and construct the Parking Garage on behalf of PDC;

**WHEREAS**, upon completion of construction, Mortenson will sell the Hotel to Hyatt Corporation (“Hyatt”); and

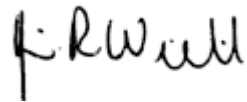
**WHEREAS**, PDC and Hyatt will partner to establish the terms and conditions under which the Parking Garage will be operated, managed, and valet services are administered.

**NOW, THEREFORE, BE IT RESOLVED**, that the Executive Director is hereby authorized to enter into a Parking Operations and Valet Services Management Agreement with Hyatt, substantially consistent with the terms outlined in the attached Exhibit A;

**BE IT FURTHER RESOLVED**, that the Executive Director may approve changes to the Parking Operations and Valet Services Management Agreement, if such changes do not materially increase PDC's obligations or risks, as determined by the Executive Director in consultation with PDC's General Counsel; and

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

Adopted by the Portland Development Commission on February 10, 2016

A handwritten signature in black ink, appearing to read "Gina Wiedrick". The signature is written in a cursive, somewhat stylized font.

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Gina Wiedrick, Recording Secretary

**PARKING OPERATION & VALET SERVICES MANAGEMENT AGREEMENT  
(PDC AND HYATT CORPORATION)**

- Significant Terms:
1. Agreement is between PDC and Hyatt, however Hyatt may assign the agreement to a third-party contractor (Contractor) with PDC consent.
  2. Contractor shall operate garage in accordance with standards and requirements in the Easement Agreement and shall provide all resources to operate a first-class, professionally operated garage and to provide valet services.
  3. Staffing plans, budgets, revenue collection procedures and other operating elements to be developed by Contractor and approved by PDC.
  4. Contractor to provide monthly operating reports for all revenue and expenses by the 15th day of the following month.
  5. PDC must approve all expenditures over \$1,000.
  6. At least once per quarter Contractor shall provide third-party verification that that all tickets for Hotel Parking and valet service are properly handled.
  7. PDC shall set rates no more than the fair market value of such spaces and/or valet and other services in similar garages.
  8. Subject to availability, up to 10 parking spaces within the Hotel Parking area shall be reserved for Hotel Management, as designated by Hyatt, on a complimentary basis.
  9. Contractor shall be paid a Base Management Fee subject to an annually updated 3rd party market study of hotel parking rates.
  10. 20-year initial term with 2, 10-year options, to renew.
- Conditions to be resolved prior to moving forward:
1. Incorporation of language that limits expenses to no more than those incurred in other similar garages.
  2. Verification that Hotel servicing and accounting fees , if any, are reasonable and similar to other fees charged by hotels in similar situations.
  3. Third-party verification of initial projected operating expenses.
  4. Fully executed Parking Structure Development Agreement
  5. Fully executed Easement Agreement

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**RESOLUTION TITLE:**

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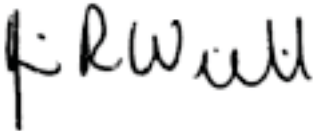
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PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input type="checkbox"/>	Commissioner Tom Kelly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Gustavo Cruz, Jr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Acting Chair Aneshka Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Mark Edlen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner William Myers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> 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 Portland Development Commission and as duly recorded in the official minutes of the meeting.*

	<p><b>Date:</b></p> <p>February 29, 2016</p>
<p><b>Gina Wiedrick, Recording Secretary</b></p>	