

PROSPER PORTLAND

Portland, Oregon

**ACTING IN ITS CAPACITY AS THE
LOCAL CONTRACT REVIEW BOARD**

RESOLUTION NO. 7636

**ADOPTING FINDINGS IN SUPPORT OF AND EXEMPTING THE 910
MLK BUILDING FOOD HALL PUBLIC IMPROVEMENT PROJECT ON
THE PROPERTY LOCATED AT 910 NE MARTIN LUTHER KING JR.
BOULEVARD FROM LOW-BID SELECTION PROCESS**

WHEREAS, by adoption of Resolution No. 3550, the Prosper Portland Board of Commissioners (“Board”) was established as the agency’s Local Contract Review Board (“LCRB”) pursuant to State of Oregon law;

WHEREAS, Oregon Revised Statutes (“ORS”) Chapter 279C and Prosper Portland’s LCRB Administrative Rules (“LCRB Rules”) generally require that all public construction contracts be awarded pursuant to a low-bid selection process (“competitive bidding”);

WHEREAS, ORS Chapter 279C.335(2) and LCRB Rules, Part 4(II)(B)(2) allow exemptions to the general requirement for competitive bidding upon LCRB approval of certain findings submitted by Prosper Portland as the contracting agency;

WHEREAS, on August 3, 2005, the Prosper Portland Board, through Resolution No. 6285, authorized acquisition of real property located at 910 NE Martin Luther King Jr. Boulevard (the “910 MLK Building”) in the now-terminated Oregon Convention Center Tax Increment Finance (“TIF”) District, and currently Lloyd-Holladay TIF District;

WHEREAS, the current investment plan for the 910 MLK Building calls for repositioning the building as a bar, food court pod, music venue, and meeting space, which will require partial demolition of the existing building, as well as major renovation of the remaining building and new construction of supporting infrastructure (the “Project”);

WHEREAS, Prosper Portland has evaluated its procurement process and strategy in connection with the Project, and has determined that the optimal approach to complete the required demolition, renovation and construction work is through the Construction Manager/General Contractor delivery method;

WHEREAS, Prosper Portland has developed written findings, attached hereto as Exhibit A, demonstrating that the Construction Manager/General Contractor procurement method is unlikely

to encourage favoritism in the award of the contract or substantially diminish competition for the contract, and will likely result in substantial cost savings and other substantial benefits to Prosper Portland and the public (“Findings Report”); and,

WHEREAS, after due public notice, Prosper Portland staff held a public hearing on January 21, 2026, to receive comments on a draft Findings Report as required by ORS Chapter 279C.335(5) and LCRB Rule, Part 4(II)(B)(2)(c), and no comments were received on the draft Findings Report.

NOW, THEREFORE, BE IT RESOLVED, that that the Prosper Portland Board acting as the LCRB hereby approves the findings submitted by Prosper Portland as set forth in the Findings Report attached hereto as Exhibit A;

BE IT FURTHER RESOLVED, , that based upon adoption of the Findings Report, the LCRB hereby exempts the Project from competitive bidding requirements of ORS Chapter 279C and the LCRB Rules, and approves the use of the construction manager/general contractor procurement method, which must be conducted in accordance with model rules the Oregon Attorney General has adopted under ORS 279A.065, in addition to any other requirements of the LCRB Rules; and

BE IT FURTHER RESOLVED, that with the affirmative vote of no fewer than four commissioners for this resolution and of all of those present, this resolution will become effective immediately upon its adoption, and otherwise it will take effect thirty days after adoption.

FINDINGS REPORT

DATE: January 7, 2026

TO: The Prosper Portland Board of Commissioners acting in its capacity as Prosper Portland’s Local Contract Review Board (“**LCRB**”)

FROM: Cornell Wesley, Executive Director

SUBJECT: **Findings in Support of Exempting the 910 Building Food Hall Public Improvement Project Located at 910 NE Martin Luther King Jr. Boulevard from Low-Bid Selection Process**

1.0 BACKGROUND AND CONTEXT

1.1 **Building History.** Prosper Portland acquired the 910 NE MLK property (a.k.a. Action Sports Building) in 2005 as part of the planning efforts for the Convention Center Hotel. After many years a different site for the hotel was selected. Since its purchase, the building supported a variety of short-term uses until 2012, including housing film production offices and providing space for nonprofit organizations. In 2014, due to water damage, the 910 Building was added to Portland Fire & Rescue’s notification list and was designated as an “Unsafe Building.”

1.2 **Current Usage.** The 910 Building has remained unoccupied since 2014. It has been deemed unsafe and unusable in its current state. More recently, the community has identified the need for access to local food venues in the immediate area surrounding the convention center, and it was decided that the establishment of a convenient and locally based dining hall would serve to highlight Portland’s renowned foodie culture to both regional and out-of-state visitors. Through preliminary design investigation, it has been determined that converting the building to this proposed use is feasible.

1.3 **Project Summary.** The 910 Building Food Hall project concept is to reposition the building as a bar, food hall, music venue, and meeting space. Dining would be provided by a collection of local food cart owners who would be located adjacent to the food hall.

The scope of this project will include:

- Major renovation of the west building.
- Demolition of major structural elements on the eastside, retaining only portions of the northeast roof and essential structural framework.
- Construction of infrastructure to support a food cart pod on the southeast section of the lot.

The primary public benefits of this redevelopment project are 1) increasing the livability and activity in the Lloyd district, 2) providing the convention center with a convenient alternative dining venue for its visitors, and 3) removal of a longstanding blighted building from the neighborhood urban fabric. The project is scheduled to open in the summer of 2027.

2.0 REQUIRED ELEMENTS OF THIS REQUEST

The Project will require solicitation of a public improvement contract to retain a contractor to perform the work, which would generally require that the contract be awarded solely on the basis of a low-bid solicitation process. However, Oregon Revised Statutes (“**ORS**”) Chapter 279C.335(2) and the Local Contract Review Board Administrative Rules (“**LCRB Rules**”) Part 4, Section II(B)(2) provide that

Prosper Portland’s Board of Commissioners, acting as Prosper Portland’s LCRB, may exempt certain public improvement contracts from a competitive low bid process, by approving certain findings submitted by Prosper Portland as the contracting agency. Prosper Portland’s Local Contract Review Board Administrative Rules (“**LCRB Rules**”) Part 1, Section III, Subsection C, Item 1, require that a request to the LCRB for an exemption from competitive solicitation contain the following information:

- a. The nature of the project or type of procurement. *See Section 1.*
- b. Estimated cost of the project or anticipated value of procurement. *Construction costs estimate \$6,000,000.*
- c. Findings to support the substantial cost savings anticipated by the exemption from low-bid solicitation. *See Section 3.2.*
- d. Findings to support the reason that an exemption from low-bid solicitation would be unlikely to encourage favoritism or diminish competition for the public Contract. *See Section 3.1.*
- e. Proposed Alternative Contracting Methods to be employed, if any. *See Section 3.1.*
- f. The estimated date by which it would be necessary to award the Contract(s). *April 01, 2026.*

3.0 REQUIRED LEGAL FINDINGS

ORS 279C.335(2) and the LCRB Rules Part 4, Section II(B)(2) provide that Prosper Portland’s Board of Commissioners, acting as Prosper Portland’s LCRB, may exempt certain public improvement contracts from a competitive low bid process upon the LCRB making the following Findings:

- a. It is unlikely that such exemption will encourage favoritism in the awarding of a public improvement contract or substantially diminish competition for public improvement contracts; and
- b. The awarding of public improvement contract under the exemption will result in substantial cost savings to the agency and other substantial benefits to Prosper Portland or the public.

In making these Findings, the LCRB will, to the extent it believes applicable to the public improvement contract, consider the type, cost, and amount of the contract, the number of persons available to bid, any likely increases in public safety, value engineering techniques that may be applied to reduce the cost, and other factors noted in ORS 279C.335(2)(b).

3.1 Finding of No Favoritism or Diminished Competition. The contractor selection will be accomplished by issuing a competitive Request for Proposals (“**RFP**”) with best value selection criteria to seek a Construction Manager/General Contractor (“**CM/GC**”) delivery method for the Project. Any general contractor may respond to the RFP, and staff expect that using an RFP instead of a low bid solicitation will not negatively impact the number of contractors available to participate. Among other things, the RFP will require:

- a proven track record of successful completion of comparable projects, including involvement during the design process to collaborate with an established design team and to provide advice and expertise on issues such as construction feasibility and risks, evaluation of existing design for potential cost reductions or value-engineering, cost-estimating services, project phasing and schedule;
- a proposed project schedule based on the current design; and
- a competitive cost proposal for pre-construction services.

To prevent favoritism, the contractor selection process will be conducted in alignment with the Attorney General Model Rules and will include:

- an evaluation of the proposals by committee based on defined evaluation criteria

including the proposers' demonstrated experience and capacity to complete similar projects;

- negotiations with the most qualified, responsive and responsible proposer to enter into a pre-construction services contract; and
- subsequent negotiations to establish and enter into a Guaranteed Maximum Price ("GMP") contract following the completion of the pre-construction services contract.

The LCRB should find that the alternative contracting process neither results in favoritism nor diminished competition due to the competitive nature of the procurement process used to award the contract and the evaluation committee's use of defined evaluation criteria.

3.2 **Finding of Substantial Cost Savings and other substantial benefits.** Using a CM/GC contract will likely result in cost savings over a low-bid selection method due to Project-specific factors, including the following:

- **Time Savings:** Using the CM/GC delivery method will provide significant time savings and promote completion of the project by summer 2027 by allowing for early work (abatment, for example) to be completed concurrently with design, allowing for long-lead-time materials to be purchased during the design-phase if necessary, and by promoting the contemplation of schedule impacts when making design decisions. Meeting the project schedule will maximize project revenues and minimize construction financing costs.
- **Value Engineering:** Value engineering services and other input provided by the CM/GC during the design phase are expected to contribute to significant cost savings by optimizing design decisions, scheduling, responsiveness to market conditions, and material selections with cost-saving strategies.
- **Funding Source Security:** Utilizing the CM/GC delivery method will increase the confidence of our partners that are providing funding and other support that the project will be completed according to the anticipated timeframe and budget.
- **Reduce the risk of change orders during construction due to risks and challenges of working in an existing structure:** Alterations to an existing building has an inherent risk of unforeseen conditions that can lead to change orders. A CM/GC brought on board during design/pre-construction can assist the Project team with selective demolition to better understand the existing conditions and inform the design process, scheduling and cost estimating and lead to few change orders and therefore substantial cost savings. Substantial cost savings have been realized on previous projects where Prosper Portland relied on in-house construction, legal, and procurement expertise to deliver projects with the CM/GC approach.

4.0 PUBLIC HEARING

In accordance with ORS 279C.335(5) and the LCRB Rules, Part 4(II)(B)(2), Prosper Portland published notice of the required public hearing on January 7, 2026, and the hearing was held on January 21, 2026. At the hearing, interested parties had the opportunity to appear and present comment. No testimony was received from any party at the hearing.

5.0 RECOMMENDATION

Staff recommend that the LCRB adopt a resolution to approve the findings set forth in this report and to authorize the use of a Construction Manager/General Contractor procurement process to award the public improvement contract for the Project, as an exception to the low-bid solicitation requirement.