

PDC

PORTLAND DEVELOPMENT COMMISSION

DATE: April 13, 2011
TO: Board of Commissioners
FROM: Patrick Quinton, Executive Director
SUBJECT: Report Number 11-22
Executive Director Report

BOARD ACTION REQUESTED

None – Information only

Administration Update/Management Issues

As you know, March was a particularly difficult month at PDC as we announced the layoff of 17 staff members. An additional 10 vacant positions were eliminated. Four staff members in Human Resources will be allowed to reapply for their jobs as we conduct a competitive internal/external recruitment process for all four positions. As of this writing, some of the represented staff members are exercising their “bumping” rights (based on their seniority) so we must let this process finish before we will know exactly who and which positions are directly and indirectly impacted. There is much work to do to ensure that the transition and/or elimination of duties is well documented and communicated. I have asked Anne Price (Business Operations Division Manager) to lead the transition effort and she is meeting with all the affected departments and sections to formulate a transition plan.

On March 4 we kicked off the IT assessment project, which is being led by the firm Moss Adams. The purpose of the assessment is to conduct a detailed assessment of the current IT Division to identify any possible cost efficiencies in materials and services, and personnel - due to a decline in resources and a need to improve operating efficiency and lower costs. Moss Adams is currently in the “fact finding” phase where they have been interviewing staff (IT and non-IT), conducting an operational walkthrough and conducting research. After this they will evaluate the current environment, analyze alternatives, perform cost-benefit analysis and eventually produce a draft report with recommendations. It is anticipated that the final report will be finished by late April. Julie Cody is leading this effort along with PDCers Angela Gillette, Erin Poole and Rob Durkin.

At the end of March I participated in a trade mission to Germany with the Portland Business Alliance and representatives from Bank of America, city of Portland, Greenlight Greater Portland, Metro, Port of Portland, PGE, PSU and the Pacific NW International Trade Association. I will be providing each of you with more detailed information about our visit which included meetings with German business leaders, government officials

and representatives of American companies doing business in Germany. On our agenda were meetings with key companies including Adidas, Daimler, Solar World and Siltronic. Steven Shain joined a faction of the delegation which split off and visited Spain to call on Iberdrola Renewables – the second largest wind operator in the U.S.

To introduce myself to some of the citizen groups we are working with, I attended meetings of the Lents Town Center Urban Renewal Advisory Committee and also the Gateway Project Advisory Committee. Some citizens, like those in North Macadam district, are more familiar with me than others so this was a good opportunity to get before some of the citizens who don't see the PDC Executive Director as often.

I participated in an informal noon hour brown bag with staff this month to allow time for them to get to know me better – and vice versa. We had a good exchange on topics ranging from my plans to run the Boston Marathon to the recent trade mission to Germany. In April we are also featuring a staff brown bag “meet and greet” with Kimberly Schneider.

Notable March projects and meetings I was involved in are:

- Media interviews with the Daily Journal of Commerce, Willamette Week, and Mary Kitch and Brad Schmidt of The Oregonian
- Attended monthly Bureau Director's lunch
- Attended open house for Oregon Technology Business Center
- Attended PDC/PHB leadership meeting
- Attended Freeway Lands briefing at Parks Bureau
- Attended SW Moody Avenue groundbreaking with Chair Andrews
- Attended Mayor's Economic Cabinet meeting
- Attended PBA Board meeting
- Attended Greenlight Greater Portland meeting at Mayor's office
- Attended Oregon Entrepreneurs Network meeting and roundtable
- Attended farewell gathering from Bruce Warner
- Attended Portland Plan team meeting

Additional meetings were held with all members of City Council and the PDC Board; Andrew Colas (Colas Construction), Jeff Cogen (by phone), Doug Piper (Winterhawks), Sam Brooks (OAME), and Larry Jackson (PREM Group).

**Urban Development Dept.
Business & Industry Team**

Film and Video Production Season Ramps Up—Spring is a busy time for Portland’s film and video production community and a number of productions are currently shooting here. The Mayor’s Liaison for Film and Video (Shelley Midthune - housed here at PDC) assists with permits, referrals, and neighborhood/business communications for a wide array of productions, including, in recent weeks, the NBC TV Pilot “Grimm”; Season Four of “Leverage” shooting in Portland and then scouting in town for upcoming episode locations; the feature film “Gone”; a Chrysler car commercial shoot; and local catalogue/video shoots for Pendleton Woolen Mills, Nike, and Adidas.

EWEA Wind Show in Brussels – March 14-17 PDC staff attended the European Wind Energy Association show in Brussels, Belgium - which is Europe’s premier wind industry event. The conference drew 9000 participants and 445 exhibitors presenting the latest developments in wind power technology. Staff met with targeted firms that could fill our supply chain needs around operation and maintenance for existing turbines in the Northwest; and also connected with companies we’ve met at previous shows that have a continued interest in expanding to the West Coast. Several European firms with Portland offices exhibited at the show, including Vestas, Moventas, RES Group, Sapa and Garrad Hassan.

**Urban Development Dept.
Neighborhood Team**

City Council Adopts Master Plan for Gateway Redevelopment, Urban Plaza and Neighborhood Park—On March 2, the Portland City Council voted 4-0 (Commissioner Leonard was absent) to adopt the Master Plan for the Gateway Redevelopment, Urban Plaza, and Neighborhood Park project. This project, located at NE 106th & Halsey Street in the Gateway Regional Center URA, was purchased by PDC and Parks in December 2008 with the ultimate goal of becoming a three-acre park and one-acre commercial, mixed-use redevelopment project. Lead consultant and designer Carol Mayer-Reed presented to City Council the design that was created from nine months of consultant work, five Citizen Advisory Committee meetings, four Technical Advisory Committee meetings, and three public meetings. City Council members enthusiastically supported the Master Plan and Commissioner Fish noted that the Gateway project would be an ideal candidate for any potential future Parks Bureau bond measures. In the meantime, PDC’s efforts to remediate the site are nearly complete, with a No Further Action determination expected in summer 2011.

Ecoflats Project Completes Construction—An open house in March celebrated the completion of Ecoflats, a new 18-unit apartment building with ground-floor retail space along the North Williams bike corridor. The project takes advantage of its unique location to provide viable, socially conscious and affordable community-oriented living, while striving for net-zero operation. The project team, led by Jean Pierre Veillet and Doug Shapiro, included Works Partnership Architecture, Siteworks, DCI Consulting Engineers, Hunter Davisson, and BEA Consulting. PDC provided a \$740K Commercial

Redevelopment loan. The potential ground floor tenant has met with PDC business finance staff and is contemplating a loan through PDC.

122nd Avenue Pilot Implementation—As PDC and its city partners prioritize the recommendations developed through the community working group over the next few years, one of many projects identified is moving forward. The SE 122nd Ave. Green and Complete Main Street Project received a \$870,000 grant from the Oregon Department of Transportation Flexible Funds program. This grant will be matched by \$1M from PDC and \$1.43M from the Portland Bureau of Transportation through a sidewalk infill program. This program is funded by the statewide gas tax increase for transportation projects.

Urban Development Dept.

Central City Team

Crystal Hotel Loan Closes – On March 7 PDC closed the McMenumins Crystal Hotel loan as the last piece of gap financing needed to move this project closer to completion. The hotel project has transformed a blighted, boarded up historical building into a 51 unit hotel - an “Urban Edgefield” to complement the growth on West Burnside in the South Park Block URA. PDC’s financing leverages approximately \$9.6 million of private owner equity and bank funds (1:12.96 ratio); 81 new jobs are expected to be created. The new hotel also will support tourism and attract revenue from outside Portland, and provides complementary service to the existing McMenumins Ringlers, Crystal Ballroom, and Annex along West Burnside. Mike and Brian McMenumin both extended a warm thank you to PDC for supporting their expansion project. The current credit markets created challenges to getting this deal off the ground, and PDC’s gap financing contribution was the key to moving it forward with long-term success. A three-day grand opening celebration will begin on May 3.

Urban Development Dept.

Cross Functional

PDC Grant Focuses on Entrepreneurs—PDC recently provided a \$5,250 grant to the Oregon Entrepreneurs Network (OEN) to support OEN’s Angel Oregon program, one of the nation’s premier “small” angel investing competitions, spotlighting promising Oregon and Southwest Washington companies with growth potential. The competition focuses on companies within the city’s targeted industry clusters, complementing PDC’s job creation focus and support for a positive business environment for future companies looking to grow in the region.

PDC staff participated in several meetings to perform due diligence on the candidates for “Launch” and “Concept” awards, which were announced at the Angel Oregon event on March 16. Complete information is posted at <http://www.oenangeloregon.org/>.

Communications and Business Equity

Professional Services Section

Contract Compliance

Disparity Study—The Final Disparity Study Draft is being reviewed by staff. A Disparity Group meeting with members of the community is scheduled for April 8. The PDC's Board will be briefed on the findings prior to the community meeting.

Functions Attended by Staff:

- Irvington Covenant Pre-Apprentice Graduation Event
- Minority Business Opportunity Committee meeting
- M/W/ESB Legal Summit
- Native American Chamber of Commerce meeting
- OAME AEPT meeting
- OAME Business Afterhours event
- OAME Contractors Committee meeting
- Philippine American Chamber of Commerce meeting
- Turner School of Construction Management training

Procurement

Personal Services, Materials and Other Services:

Responses were received and are being evaluated for:

- RFP 10-19, FLIP Investment Strategy
- RFP 10-24, AWEA Windpower 2011 Expo Furniture/Booth/Artwork

Contracts were executed with:

- 210103 Glumac, Veterans Mem. Coliseum LEED-EB O&M Feasibility Phase 2

Amendments were executed for:

- 208074, Elaine Howard (N/NE study)
- 209157, Barran Liebman (Legal services)

Flexible Services:

Solicitations were issued for:

- RFQ #10-10, Real Estate Brokerage Services
- RFQ #10-17, Real Estate Advisory/Consultation Services
- RFQ #10-20, Property Leasing Services

Responses were received, were evaluated and a Notice of Intent released for:

- RFQ #10-14, Environmental Services for nine Flexible Services contracts released 3/22/11

Contracts were executed with:

- Ball Janik (Legal Services)
- Two IT Temporary Personnel Services Contracts:

- Vanderhouwen & Associates

Amendments were executed for:

- 209067 – Amendment #2 Merryman Barnes Architects (Architecture Services)
- 209111 – Amendment #1 KPFF, Inc. (Engineering Services)
- 207107 – Amendment #1 Flowing Solutions, LLC (Environmental Services)

Construction Services:

Solicitations are pending for:

- Sidewalk Repairs at 13 PDC Properties
- RPCC Riverside Parkway Lots 1 and 2 Surcharge Move

Contracts were executed with:

- Sidewalk Repairs at 13 PDC Properties

Contracts Closed / NTP:

- Portland Excavating, Inc. 310007

Local Contract Review Board Rules:

Staff had a second meeting with Legal to review the updated LCRB Rules for legal sufficiency.

Prevailing Wage—The Prevailing Wage Team is currently monitoring thirteen BOLI projects, four Davis-Bacon projects and one PDC Construction Wage project. The Tate House Abatement and Demolition project with construction estimate of \$50,000 is a new project that will trigger PDC wage requirements.

Lawson Financial System

- The Lawson ESP/TaxFactory/SQL2008 testing has been completed.
- Staff is entering all Flexible Services solicitation and contract files into TRIM.

Surplus Property—The sale to PSU of the modular furniture on the second floor is complete, and the furniture has been moved to the university. An invoice has been issued to PSU for \$12,000.

Public Participation

URAC Support—Public participation staff scheduled and provided notification of meetings, prepared agendas and materials and facilitated the following URAC meetings: Central Eastside, Gateway Regional Center, Lents Town Center and North Macadam.

Additional URAC Support

River District URA

- Cancelled the March URAC meeting as directed by the co-chairs. Notified the URAC and all interested parties and adjusted calendars.
- Arranged for a new meeting location for the URAC that is within the URA at no cost.

- Began preparations to nominate current URAC members for a second term on the committee.

Central Eastside URA

- Prepared the agenda and materials for the March meeting, provided notification, entered calendar date, and prepared the meeting summary. Mailed packets to absent members.
- Arranged for a new meeting space for the URAC at no cost.
- Tweeted about the meeting and new meeting location.

Gateway Regional Center PAC

- Oriented three new Gateway PAC members, prepared bios and talking points for co-chairs.
- Currently working with co-chairs to strategically recruit members of the community for the three vacant positions.
- Communicated via email action items generated from Gateway PAC meeting such as information regarding the Neighborhood Economic Development Strategy and Illuminated City Symposium.

Interstate Corridor URA

- Organized a meeting of the URAC's Economic Development Sub-committee to review the draft Neighborhood Economic Development Plan. Prepared email notification, meeting materials, arranged for a meeting space and sent reminder notices.
- Tweeted about the meeting and the message was re-tweeted by seven individuals.
- Organized the April meeting of the URAC including notification, arranging for meeting space and refreshments, notification and prepared the meeting summary.
- Provided information on the Community Livability grants to the URAC and interested parties.

Lents Town Center Urban Renewal Area:

- Met with Jonath Colón and Carlos Calderón from the Hispanic Metropolitan Chamber to discuss their work in Lents Town Center.
- Staffed the Lents Town Center Business Development Strategy CAC meeting.
- Prepared background information for Patrick Quinton, in preparation for his presentation at the March URAC meeting.
- Met with PDC's Kevin Cronin to discuss and prepare the public participation component for the FLIP project. Attended the team meeting.
- Prepared Commission documents to propose the nomination of a new member to the URAC.

North Macadam

- Prepared Commission documents to propose the nomination of a new member to the URAC.

OCC URA

- Met with UDD staff to finalize April 11 URAC agenda.

- Established Outlook notices on staff calendars and established meeting dates for the URAC through the end of 2011.
- Scheduled team meetings one week prior to each URAC meeting to finalize the agenda and meeting materials.
- Scheduled follow-up meetings with team to discuss membership.

Public Participation

- Continued to participate in the Public Involvement Commission through the Office of Neighborhood Involvement.
- Prepared three public meeting listings for The Oregonian.
- Continued preparations for a meeting with the SE Uplift Board regarding neighborhood involvement in urban renewal areas.
- Taught a class on public participation for city inspectors and construction managers.
- Created a public participation plan for the Innovation District with PSU.
- Sent notification about the Innovation District to the Potential Central City CAC members and all interested parties.
- Reviewed the draft Neighborhood Economic Development Action Plan and identified equity issues to be discussed with staff.
- Reviewed the PDX Equity Initiative that is part of the Portland Plan 2035.
- Tweeted about research on how to talk about inequality based on an article from a seminar.
- Began compiling a list of east county leaders and community groups.
- Arranged for the meeting space for the MLK Gateway and Historic Markers Stakeholder Advisory Committee. Created expanded interested parties eblast list and sent meeting notification to stakeholders and interested parties.
- Prepared the nomination of the N/NE Economic Development Initiative for the IAP2 Cascade Chapter Best Practices Awards.
- Sent information to the N/NE Study CAC and Interested Parties lists about moving forward with all amendments but the Rose Quarter.
- One hour conference call with Raphaelle Aubin, a researcher with Montreal's official public consultation body about PDC public participation practices.
- Researched tools to evaluate the effectiveness of PDC's social media efforts, and started to work on developing a new media communications plan.
- Participated in the United Way Diversity and Civic Engagement Committee meeting.
- Met with John Jackley to provide advice and feedback on the Neighborhood Economic Development Action Plan.
- Coordinated members to testify about the Gateway Park Design and Development Project before City Council. Photographed the presentation and shared photos with the Parks Bureau for their web page. Tweeted comments from Commission Nick Fish about the presentation which generated a positive article in The Oregonian about the project.
- Currently working on logistics for a second Gateway Business Development Stakeholder Summit. Working on improving the URAC member data base to provide more detailed reports on member status.

Business and Social Equity

- Attended the African American Chamber of Commerce Board meeting for the Oregon Sustainability Center presentation by PDC staff.
- Reviewed the PDC Annual Diversity Report.
- Reviewed the Portland Equity Initiative.
- Reviewed the Executive summary of the PDC/PDC Disparity Study.
- Attended OAME Coffee and Issues meeting.
- Attended the Metropolitan Hispanic Chamber Luncheon

Public Affairs Section

Web Stats

February 25 – March 27, 2011

PDC.us

Unique visitors: 13,739

Total visits: 18,305

New visitors: 62 percent

Average number of pages viewed: 3

Most popular pages: Main page, Jobs, RFPs, Contact, Doing Business with PDC

Pdc.us edits/new pages: 74

IRA edits/new pages: 17

PDC.us redesign

Website pages are in development.

Twitter

Followers: 2,342 (42 new followers)

Tweets: 26 updates to followers this month

Facebook

- PDC's page:
Fans: 519 (6 new fans)
- N/NE Economic Development Initiative's page:
Fans: 322 (1 new fans)
- Portland Main Street Program's page:
Fans: 142 (0 new fans)
- Oregon Sustainability Center's page:
Fans: 135 (5 new fans)

Video

The Neighborhood Economic Development video went live to the public this month. This video is about the broad-based and comprehensive planning process that includes neighbors, residents, businesses, urban renewal area committees, and other city bureaus and how they are helping form the Neighborhood Economic Development Strategy. You can watch the video here: <http://www.youtube.com/watch?v=NohNg54vj8g>

We also posted a video of Patrick Quinton’s appointment as PDC’s newest Executive Director. This video shows the PDC Board talking about their expectations for Patrick and why he was selected to lead the agency. It also includes remarks from Patrick and his plans for leadership at PDC. <http://www.youtube.com/watch?v=4CWgXsLlpYI>

The State of Entrepreneurship video describes what it’s like doing business in Portland and specifically in the Central Eastside. Seven business owners are interviewed and they span a wide range of businesses throughout the Central Eastside. This video was scheduled to go out publicly in March but now will be used at a “State of Entrepreneurship in PDX” event that is currently still in planning stages.

The Community Livability Grant video is about small businesses that received funds from PDC to implement or enhance the sustainability performance of the building where they’re located. For example, Ethos Music Center received a Livability grant for storefront improvements which they used to improve their street-level visibility which in turn, helps create interest in the program and drives in new business. The video is being used to promote the grant program in both the Lents and Interstate URAs.

Other Public Affairs Work in January

News release: Community Livability Grant funds available
News release: PDC to link companies with GE
Web stories: SE Works and Ethos
Content for Quarterly Ec. Dev. Strategy report
B&I Hot Sheets (4 issues)
Brainstorming for SE Portland communications strategy
Wrote and distributed two issues of *PDC People*, employee newsletter
Organized four brown bag presentations for staff
Assisted with 23 media inquiries