



PROSPER
PORTLAND
Building an Equitable Economy

Gustavo J. Cruz, Jr.
Chair

Francesca Gambetti
Commissioner

Alisha Moreland-Capua, M.D.
Commissioner

William Myers
Commissioner

Peter Platt
Commissioner

Ted Wheeler
Mayor

Kimberly Branam
Executive Director

This document represents the official meeting record of the February 14, 2018 Prosper Portland Board of Commissioners (Board) meeting held at 222 NW Fifth Ave., Portland, OR 97209. The full video recording of this meeting can be found at:

https://www.youtube.com/watch?v=leG_nSCT9aw

1. Call to Order and Roll Call

Chair Gustavo Cruz called the meeting to order at approximately 3:05 p.m. Pam Micek, Prosper Portland Board recording secretary, called the Prosper Portland Board roll:

Chair Gustavo Cruz	PRESENT
Commissioner Francesca Gambetti	PRESENT
Commissioner Alisha Moreland-Capua	PRESENT
Commissioner William Myers	PRESENT
Commissioner Peter Platt	PRESENT

2. Commissioner Reports

Commissioner Moreland-Capua

- Attended Planned Parenthood Luncheon and Project meeting on January 1

Commissioner Platt

- Attended *The Skanner* Martin Luther King Jr. Breakfast on January 15

Chair Cruz

- Attended *The Skanner* Martin Luther King Jr. Breakfast on January 15
- Attended the NW District Association Board Meeting on January 15
- Attended the Hispanic Metropolitan Chamber Board Meeting on January 23
- Attended the Prosper Portland Financial Sustainability Plan work session with City Council on January 30
- Attended Mayor's Council of Economic Advisors on February 9

3. Executive Director Report

- Attended the Portlandia Season 8 premiere event on January 16
- Attended the North/Northeast Community Development Initiative Oversight Committee meeting on January 18
- Along with Prosper Portland Board members, presented 90% draft of the Financial Sustainability Plan at a City Council Work Session on January 30
- Prosper Portland, the Mayor's Office, and Legacy Health held the Hill Block Project Working Group Orientation on January 31
- Prosper Portland sponsored Ascent Funding's "Breaking Barriers to Capital" event on February 2

222 NW Fifth Avenue
Portland, OR
97209-3859

503-823-3200 Main
503-823-3368 Fax
503-823-3366 TTY

- Attended the “Do Good for Rosewood” event on February 9
- Noted the Broadway Corridor Request for Qualifications closed on February 9
- Attended the Kairos “Spread the Love” event on February 13
- Along with representatives from the Portland Housing Bureau and the Mayor’s Office, will attend the RiverPlace Parcel 3 groundbreaking event on February 16
- Provided an update on the Lents Commons project
- Noted the Request for Proposals on the ODOT Blocks will close on February 28 at 5 p.m.
- Noted Prosper Portland is a sponsor at a new exhibit at the Oregon Historical Society, presented by Oregon Black Pioneers and running through June 24

4. Meeting Minutes

Chair Cruz called for a motion to approve the November 8, 2017 and January 10, 2018, Prosper Portland Board meeting minutes. Commissioner Myers moved and Commissioner Platt seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capua, Myers, Platt
NAYS: None

5. Public Comment for Items Not on Agenda

No public testimony was presented.

REGULAR AGENDA

6. Action Item: Resolution 7261 – Authorizing a Reinstated Lease and an Option to Purchase Agreement to VOZ Workers’ Rights Education Project for the Prosper Portland-Owned Property Located at 240 NE Martin Luther King, Jr. Boulevard within the Central Eastside Urban Renewal Area

Prosper Portland staff presenting this item:

Mayra Arreola, Director of Social Equity, Policy & Communications

Damian Crowder, Project Manager I

Romeo Sosa, Executive Director, VOZ Workers’ Rights Education Project

Francisco Aguirre, Day Laborer, VOZ Workers’ Rights Education Project

Peter Park, Board Member, VOZ Workers’ Rights Education Project

With this action, the Board authorized the Executive Director to execute a Lease Agreement and an Option to Purchase Agreement between Prosper Portland and VOZ Workers’ Rights Education Project (VOZ) for Prosper Portland-owned real property located within the Central Eastside Urban Renewal Area at 240 NE Martin Luther King, Jr. Boulevard.

Ms. Arreola noted that today’s vote is the culmination of a year-long process working closely with VOZ. Mr. Crowder reviewed the history of VOZ at the current site since 2008 and noted their positive contributions to the neighborhood and for workers. Mr. Crowder also reviewed the support provided VOZ by Prosper Portland. Ms. Arreola highlighted the equitable impact of collaborating with VOZ.

Mr. Sosa shared his hopes and plans for VOZ's future and submitted two handouts (See Attachment 1).

Mr. Aguirre encouraged the Board to vote yes so VOZ can continue its work and provide skills training.

Mr. Park read a short statement referring to VOZ's "dream".

Chair Cruz called forward guests to testify.

Justin Norton-Kertson, Portland Jobs with Justice, testified to voice support for the permanent day labor center.

Alysa Pagan, Don't Shoot Portland, encouraged the Board to vote yes in support of immigrant communities.

Marco Mejia, Community Member and former VOZ board member, noted that VOZ is a unique organization that promotes community building. He also noted that in addition to supporting immigrants, the center serves veterans as well.

Reverend Mark Knutson, Augustana Lutheran Church, testified in support of the action.

Chelsea Watson, Oregon AFL-CIO, emphasized the benefits of a permanent structure.

Chair Cruz called for a motion to approve Resolution 7261; Commissioner Myers moved and Commissioner Moreland-Capuia seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capuia, Myers, Platt

NAYS: None

7. Action Item: Resolution 7262 - Requesting that Portland City Council Designate Prosper Portland as the Entity authorized to Administer the Industrial Sites Readiness Program on Behalf of the City of Portland

Prosper Portland staff presenting this item:

Bobby Lee, Director of Economic Development

Alison Wicks, Project Coordinator II

With this action, the Board requested that Portland City Council (City Council) designate Prosper Portland as the entity authorized to administer the Industrial Sites Readiness (ISR) Program on behalf of the City of Portland. The ISR Program, in support of Regionally Significant Industrial Sites program, was approved by the Oregon State Legislature in 2013, and provides reimbursements based on income tax revenues for private-public partnerships to cover the cost of development of industrial sites that would likely not occur without targeted public assistance. Should City Council authorize Prosper Portland as the ISR Program administrator, the agency will have access to a tool that will both incentivize quality industrial job growth and create a potential long-term, flexible revenue stream for Prosper Portland to invest in community economic development priorities.

Ms. Wicks provided an overview of the ISR program and shared how it aligns with Prosper Portland's Strategic Plan and delivers on its Financial Sustainability Plan.

Commissioner Moreland-Capuia inquired as to whether additional staff will need to be hired. Executive Director Branam shared she believes we have the capacity with current staff.

Chair Cruz called for a motion to approve Resolution 7262; Commissioner Moreland-Capuia moved and Commissioner Gambetti seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capuia, Myers, Platt

NAYS: None

8. Information Item: Update on the Green Cities Cluster

Prosper Portland staff presenting this item:

Troels Adrian, business & Industry Manager

Pam Neal, Project Manager I

Mr. Adrian provided a high-level summary of Prosper Portland's traded sector cluster industry work. Ms. Neal provided an overview of the Green Cities industry cluster, including current initiatives, challenges, success stories, and next steps.

Moving forward, Ms. Neal noted that Prosper Portland will continue to focus business development, retention, and expansion efforts on the four industry clusters: Technology and Media, Athletic and Outdoor, Metals and Machinery, and Green Cities. These four industries provide the best opportunity for the agency to partner with the business community, harness economic growth, and increase middle-wage job opportunities for Portlanders.

Chair Cruz called forward guests to testify.

Johanna Brickman, Oregon BEST, testified about the clean cities cluster and Prosper Portland's partnership with Oregon BEST.

Alan Bates, ReachNow, described the work Prosper Portland has done for ReachNow and testified in support of the work of Prosper Portland.

Hector Dominguez, Smart Vineyards, LLC provided his experiences with the Green Cities industry cluster.

At approximately 4:49 p.m. Chair Cruz adjourned the Prosper Portland Meeting and convened the Local Contract Review Board

9. Action Item: Resolution 7263 – Adopting Findings in Support of a Contract-Specific Special procurement to Award the Convention Center Hotel Garage Office Expansion Design Contract to Mortenson Construction, Inc.

Prosper Portland staff presenting this item:

Eric Jacobson, Project Manager I

With this action the Board serving in its capacity as Prosper Portland's Local Contract Review Board adopted a resolution in support of an exemption from the general rule of low-bid solicitation for a Convention Center Hotel Garage Office Expansion (Office Expansion) Design Contract. The resolution

will exempt an Office Expansion Design Contract for approximately \$477,593 with Mortenson Construction, Inc. from a competitive solicitation process in accordance with Oregon Revised Statutes 279B.085.

Mr. Jacobson alluded to a letter received in support of the action from the attorney's office of Ahlers, Cressman & Sleight (See Attachment 2).

Commissioner Gambetti requested that Mr. Jacobson research the potential impact on available parking spaces for the Hyatt.

Chair Cruz called forward guests to testify.

Mike Clifford, Mortenson, answered questions regarding potential provisions of parking for the Hyatt during construction.

Karen Karlsson, KLK Consulting, LLC provided a handout (See Attachment 3) and testified in support of the action.

Chair Cruz called for a motion to approve Resolution 7263; Commissioner Myers moved and Commissioner Platt seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capua, Myers, Platt

NAYS: None

At approximately 5:20 p.m. Chair Cruz adjourned Local Contract Review Board and reconvened the Prosper Portland Meeting,

10. **Adjourn:**

There being no further business, Chair Cruz adjourned the Prosper Portland Board meeting at approximately 5:20 p.m.

Approved by the Prosper Portland Commission on March 14, 2018



Pam Micek, Recording Secretary



Workers' Rights Education Project

1131 SE Oak St. Portland, OR
97214 Office: 503-233-6787

Together We Can Build the Dream

February 14th, 2018

Background:

Voz is a worker-led organization that empowers diverse day laborers to improve their working conditions and protect their civil rights through leadership development, organizing, education and economic opportunity. Since 2008, Voz has been successfully running the MLK Jr. Worker Center. In 2016 alone, the Worker Center connected over 500 day laborers to 4,000 local employers, producing \$388,000 in earnings for day laborers. The location is imperative to our mission since day laborers and employers have always used nearby street corners to conduct business. Nearly 65% of employers find out about the Worker Center while driving by.

Proposal:

Voz currently operates the Worker Center with temporary structures. The goal of Voz' Building the Dream project is to build a permanent home for day laborers at its current location. The new building would have spaces designed for job placement, skills training, community meetings, and administrative offices.

The Vote:

On February 14th, Prosper Portland's Board of Commissioners will be voting to approve a five year Lease and an Option to Purchase.

The Importance of Voz' MLK Jr. Worker Center:

While Portland has declared itself a Sanctuary City, the Worker Center has been a sanctuary for day laborers since 2008-- a sanctuary from wage theft and discrimination; a shelter from the elements; and a second home where day laborers are among others who understand their struggles. The Worker Center was built by communities of color, for communities of color and for all of Portland.

In a rapidly developing Central Eastside, the Worker Center as a culturally specific community center is an innovative community stronghold against the displacement caused by gentrification. Together, we can Build the Dream - of a permanent building, an equitable economy, and community-based development.

Danton Wagner
11003 SW Matzen Dr.
(503) 970 0782

Financing Commitment Letter

Date: 2-12-2018

This letter is to inform you of my proposal to finance the acquisition of the property described below. In accordance with the lending policies and regulations of Danton Wagner we are offering the following accommodation:

PROJECT DESCRIPTION: Voz' Acquisition of 240 NE MLK Jr Property from Prosper Portland

BORROWER: Voz Workers' Rights Education Project or other

LOAN AMOUNT: Maximum of \$319,100 +closing costs

TERMS: fixed 2% IO 5-year term.

INTEREST ONLY LOAN: 5-year term. Full amount of principal due at end of 5-year term.

CLOSING DATE: On or before June 15, 2019.

COLLATERAL: 240 NE MLK Jr. Portland, OR

FEES: Closing Costs

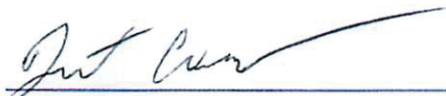
PREPAYMENT PENALTY: None

PAYMENT SCHEDULE: Payment Due 1st of the month, monthly

Borrower pays all costs of closing, legal, title and escrow.

All terms subject to approval by lender.

Sincerely,

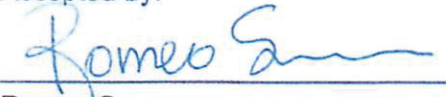


Date: 2/12/18

Danton Wagner

Lender

Accepted by:



Date: 2/12/2018

Romeo Sosa

Executive Director

Voz Workers' Rights Education Project



Scott R. Sleight
Direct: (206) 340-4616
Main: (206) 287-9900
Fax: (206) 287-9902
scott.sleight@acslawyers.com

February 13, 2018

VIA E-MAIL – iversone@prosperportland.us; jacobsone@prosperportland.us

Eric Iverson
Eric Jacobson
Prosper Portland
222 NW 5th Avenue
Portland, OR 97209

Re: Resolution No. 7263 and Proposed Findings

Dear Eric and Eric:

I represented Prosper Portland with respect to negotiation of the Development Agreement with Mortenson Development Inc. ("MDI") for the Garage, which included terms and conditions to be included in the design-build agreement for the design and construction of the Garage by Mortenson Construction. Under the Development Agreement, MDI will be contracting the design and construction responsibility to Mortenson Construction as its design builder.

I am writing to provide my comments on the Proposed Findings based on my experience as a construction lawyer involved in design-build procurement and involvement in the Development Agreement with MDI. Entering into a Convention Center Garage Office Expansion Design Contract for preparing conceptual plans offers advantages to Prosper Portland, including the following:

- Utilizing Mortenson Construction for the Conceptual Design should lead to cost savings for the design effort because of Mortenson Construction's knowledge of the design for the Garage resulting from its design of the Superstructure to support the Office Expansion.
- Utilizing Mortenson Construction for the Conceptual Design should also lead to cost savings for the design effort because there will be no costs for a new designer to review and evaluate the Garage design.
- Utilizing Mortenson Construction for the Conceptual Design will eliminate intellectual property and design ownership issues that occur when a separate design entity bases its design on a design prepared by a different designer. Because the Office Expansion will need to be designed based on what is allowed by the Superstructure of the Garage and to tie into the Garage, Mortenson Construction will remain the point of responsibility for both design efforts, whereas utilizing a new

designer would likely involve limitations of risk assumption between the two separate design firms with respect to reliance on the other firm's design. This is avoided if there is a single point of design responsibility, particularly at the Conceptual Design phase.

- Utilizing Mortenson Construction for the Conceptual Design will preserve Prosper Portland's ability to look to a single entity responsible for the design for all design effort, rather than having to segregate design responsibility between separate companies.
- Utilizing Mortenson Construction for the Conceptual Design will allow Prosper Portland to obtain the benefit of Mortenson Construction's knowledge of the Project and utilize its subcontractor base on the Garage to provide reliable pricing information based on the Conceptual Design.
- The preparation of the Conceptual Plan will be expedited, facilitating obtaining cost estimate information at an earlier time, enabling Prosper Portland to evaluate cost feasibility as early as possible, make decisions on whether to move forward with further design of the Office Expansion, and ultimately complete the Office Expansion at an earlier date.

This should not be considered a comprehensive list of advantages gained by utilizing Mortenson Construction for the Conceptual Design. Please feel free to contact me with any questions.

Very truly yours,

AHLERS CRESSMAN & SLEIGHT PLLC



Scott R. Sleight

SRS:ddh



Memorandum

To: Eric Jacobson, Prosper Portland
From: Karen Karlsson *[Signature]*
Date: February 13, 2018
Re: Convention Center Garage Office Addition

Thank you for the opportunity to comment on your proposal to award a sole-source contract to Mortenson Construction Inc, for pre-development, Conceptual Design and preliminary cost estimating for the Office addition to the Convention Center Garage.

I have worked for and with public agencies for over 35 years and understand the importance of keeping the public interest in mind when contracting for work. In my 23 years working for the City of Portland Office of Transportation and subsequently 15 years as founder and principal of KLK Consulting I have been involved in projects using low-bid, Construction Management General Contractor (CMGC) and Design-Build methods of procurement.

The Office Addition to the Convention Center Office Garage is specifically suited for a Design-Build. The more complicated the project, and the more time sensitive the project, the more it lends to the Design Build method of procurement. It is important to understand the risks. The low bid process is inherently adversarial. A low bid procurement for this phase of design and cost estimating has the risk of bringing in a new contractor that does not have an immediate understanding of the design features and foundation design of the parking garage thus requiring additional time and expense. It would also increase risk to Prosper Portland by having two firms working on the same building and require additional staff time from Prosper Portland to coordinate between them.

Since Mortenson Construction is already on site, selecting them as the design build team increases efficiency and keeps the Mortenson team as the single point of responsibility thus reducing complicated claims and litigation. In addition, should the pre-development work show the office addition to be feasible and Prosper Portland chooses to move ahead, the best possible schedule would be realized by keeping with the same team.

I am currently under contract as Owner's Representative for the construction phase of the parking garage. Although my involvement has been only for a few months, the Mortenson Design Build team has shown itself to be a very organized and competent and I believe they are the best suited to do the pre-development work for the office addition.