

# Broadway CORRIDOR



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## STATEMENT OF QUALIFICATIONS TO PARTNER WITH PROSPER PORTLAND

FEBRUARY 9<sup>TH</sup>, 2018

# EXECUTIVE SUMMARY

The Related Companies, Melvin Mark Companies and Central City Concern (collectively the “Team”) are pleased to submit our Statement of Qualifications to partner with Prosper Portland and the communities of Portland in order to develop the Broadway Corridor (the “Site”). Over the past year, our Team has worked together to better understand the complexities of developing this prominent and important Site, with many stakeholders, in the heart of the City. We view the multitude of diverse challenges that are presented as an opportunity to develop a world class model for sustainable, equitable, innovative and financially feasible development. We will work closely with Prosper Portland and the City stakeholders to first listen and then to thoughtfully propose solutions that benefit the diverse communities of Portland, while allowing the project to move forward expeditiously. Our Team is committed to long-term ownership in Portland, and we view this as a once-in-a-generation opportunity to develop a diverse mix of uses, bringing together living space, work space, neighborhood supporting retail, community space, recreation and open space in innovative ways, creating synergies that are not possible in any other location in Portland. Moreover, we are dedicated to accomplishing these goals in a diverse, equitable, and inclusive environment, allowing contractors, tenants, program participants, and staff to benefit.

Related Companies and Melvin Mark will act jointly as the lead developer with shared decision making. Related and Central City Concern will jointly lead the effort to provide 30% affordable housing, at a range of incomes from 0% to 60% of AMI. Related has vast experience in low income and mixed-income housing that will be critical to this execution, and Central City Concern provides a highly specialized local expertise in implementing comprehensive solutions to end homelessness.

We believe our team is uniquely qualified to take on these diverse challenges and to work hand-in-hand with Prosper Portland over the next decade to see the project to fruition. A few of our most relevant accomplishments include:

- Over **70 years of commitment to downtown Portland** as a local developer, owner and community leader with a rich understanding of the City and our community (Melvin Mark)
- A non-profit owner of a portfolio of 24 buildings providing over **2,000 units of affordable housing from 0% to 60%** of AMI in Portland (CCC)
- One of the **50 Most Innovative Companies in the World**, as recognized by Fast Company, with a premier portfolio of high-quality urban real estate valued at approximately \$50 billion (Related)
- Developer of more than **55,000 units of affordable housing** including 10,000 affordable units on the West Coast and the largest developer of mixed-income housing in the United States (Related)
- 2017 & 2018 **#1 Most Admired Real Estate Company**, voted on by CEO's across Oregon (Melvin Mark)
- Developer of the nation's first green residential high-rises in 2004 (LEED Gold), and another **20 LEED Silver, Gold and Platinum properties** (Related)
- Leader in developing strategies to enhance a diverse, equitable, and inclusive environment for tenants, program participants, and staff - Adopted mandatory 20% minimum DMWESB targets with aspirational goals of 25% for general contracting services for all construction projects (CCC)
- Raised more than **\$20 billion of capital for development and investment activity over the past 3 years** which includes \$10 billion worth of financing for Hudson Yards, one of the largest construction financing achievements for private real estate development in the United States (Related)
- Over **10 million square feet of state-of-the-art commercial office space** in the portfolio, with a specialty in delivering bespoke headquarter buildings for global corporations (Related)
- Vast experience in public-private partnerships that recognizes that community participation is essential to the long-term success of any project (All)
- A track-record of executing highly-complex projects in a shared decision making environment (All)

# INTRODUCTION TO RELATED COMPANIES

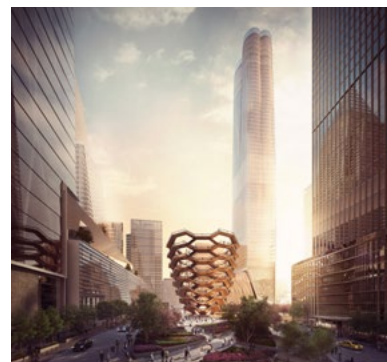
At Related, we pride ourselves on transforming neighborhoods through master-planned development and collaborating with cities to ensure projects are developed with sensitivity to the diverse voices that make up a vibrant community. Our track record is outlined herein through relevant projects across the country that best describe our core competencies—an ability to navigate public/private partnerships, innovation and a commitment to sustainability, place-making through contextual retail and open space design, financial ingenuity and the ability to execute in any capital environment, and development of best-in-class residential and office space. To ensure our vision is realized, we offer in-house expertise that spans every aspect of the real estate equation from identifying and assembling sites to zoning and financing/capital fund raising, master planning, architecture and design, construction management, marketing, leasing and sales.

Founded in 1972, Related is a privately held company that owns and operates a premier portfolio of high-quality assets valued at more than \$50 billion. With offices in New York, San Francisco, Los Angeles, Chicago, Boston, Washington D.C., Miami, Abu Dhabi, Shanghai and London, we manage an operating portfolio that includes luxury residential, affordable and workforce apartments, commercial office, and retail-anchored mixed-use developments. Related's portfolio is comprised of approximately 85,000 residential units either owned or in development, including 55,000 affordable and workforce apartments and approximately 23 million square feet of commercial space. We are currently developing Hudson Yards in Manhattan—the largest private real estate development in the history of the United States.

Our team dedicated to redeveloping the Broadway Corridor will be based in San Francisco and led by Related California CEO and Chairman, Bill Witte. Related California is the West Coast operating company for the Related Companies and has a 25-year track record delivering best-in-class, mixed-income housing and mixed-use developments. If selected, we will dedicate key team members and hire additional staff in order to create a robust team devoted to the Broadway Corridor. While many companies rely exclusively on outside consultants (non-stakeholders), Related will have a team of its own people, each of whom is an expert in his or her discipline.

## UNMATCHED ABILITY TO EXECUTE COMPLEX MASTER-PLANNED DEVELOPMENTS

With approximately \$20+ billion in our active development pipeline (financed or under construction) we are in an exclusive league in terms of scale and scope. Large master-planned developments are multi-cycle endeavors. We are one of few with the patience and financial stability to execute with this long-term mindset. Inevitably, capital market conditions will vary throughout the course of the Broadway Corridor Development, our balance sheet positions us well to weather the storms, and our financial creativity and capital raising ability will allow us to optimize capital structure at any given time.



## A LEADER IN AFFORDABLE & MIXED-INCOME HOUSING

Related was founded on affordable housing and is today one of the largest developers and preservationists of affordable housing in the nation. Related California is among the largest developers of affordable housing on the West Coast and is the largest mixed-income housing developer with over 25 years of experience developing housing utilizing both 4% and 9% Low Income Housing Tax Credits. We have closed financing and completed construction on 69 tax credit financed developments with low income housing tax credits totaling nearly 10,000 units and are currently under construction on 13 additional tax credit or bond financed developments totaling an additional 2,500 units on the West Coast

## EQUITY HIRING

Related California has a deep history of partnering with non-profit developers, including local, small, and/or minority developers, on affordable housing projects. We have active partnerships with 26 different nonprofit developers throughout California, providing training and mentoring to many to help build their capacity. A good example is a recent partnership with Tabernacle Community Development Corporation, a faith-based nonprofit founded by five of San Francisco's most

prominent African American ministers, who we are joint venturing with on two large scale public housing acquisition/rehabilitation projects. Our commitment to advancing local, small, and/or minority-owned firms is further evidenced in our hiring efforts, where we usually exceed the requirements and goals set for our projects on both professional consulting (design, environmental, etc. teams) and construction. More specifically, in the Bay Area, those requirements/goals usually include a goal of at least 20% participation for local, small, and/or disadvantaged enterprises, in addition to Federal Section 3 hiring requirements (given the federal financing sources we typically use).



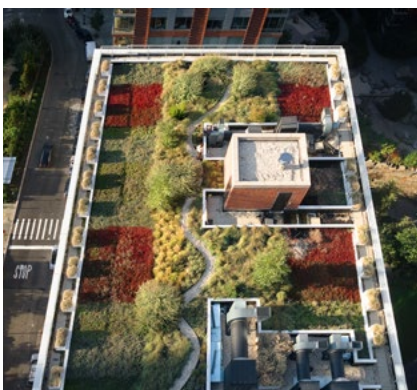
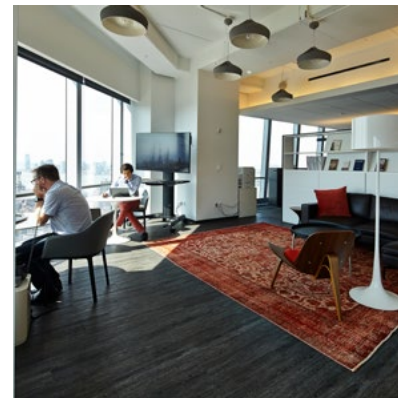
## RETAIL AND PLACE-MAKING

Related offers unrivaled expertise at developing projects to create vibrant destinations with an authentic sense of place. The energizing presence of well-executed street level retail breathes life into neighborhoods. We understand the balance needed to capitalize on the newfound popularity of 24-hour urban centers, the best of which introduce dynamic new shopping, entertainment, community use, and living and working environments while complementing the existing architecture and character of a neighborhood. The Broadway Corridor has an opportunity to become a focal point for downtown Portland and residents of all socio-economic backgrounds should participate in the development, enterprise and enjoyment of the new neighborhood. It is often the case that the retail and open-space in a development like this will serve as a loss-leader in order to support the diversity and growth of the neighborhood. We

have a long-term ownership mindset and would be prepared to make the required long-term investments to develop the most authentic and prosperous sense of place.

## WORKPLACES AND HEADQUARTERS

For 45+ years, Related has been a leader in delivering commercial office space in standalone buildings and in complex mixed-use developments. With over 10 million square feet of state-of-the-art commercial office space in the portfolio, Related specializes in delivering bespoke headquarter buildings for global corporations. Related was responsible for the development of Time Warner Inc.'s world headquarters and Related's corporate offices at Time Warner Center, the Bertlesman/Random House headquarters, The Revlon Building and Nestle Foods U.S. offices, and the new Converse Inc. global headquarters in Boston, Massachusetts. At Hudson Yards we are developing nearly 6 million square feet of Class A office space, and we will eventually develop 5.6 million square feet at City Center at Santa Clara.



## SUSTAINABLE DEVELOPMENT

Related is widely considered to be an industry leader in sustainable development because where other developers "explore," we execute and bring to market. We are accustomed to working closely with local governments to bring their ideas to fruition, and readying our buildings for the future. Examples include our community micro-grid at Hudson Yards, which required working with the city, state, regulators, advocates and the local utility to remove the numerous economic and regulatory impediments to large scale combined heat and power (CHP) and micro-grids in New York City. We also worked tirelessly with tenants, banks and development partners to create utility rates and contract terms that satisfied each parties' distinct and opposing interests. Our pioneering work created a pathway

for micro-grids and district-scale combined heat and power to be developed in the city.

Sustainability is important as technological innovation—in the end the highest level of sustainability is achieved when buildings are adaptable and the architecture is beloved by their communities. Only buildings that are considered worthy of renewal by future generations are truly sustainable.



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