No action requested; information only.

At the October 25, 2017 Prosper Portland Board of Commissioners (Board) meeting, staff will provide an update on the status of the Broadway Corridor project, including a forthcoming developer Request for Qualifications (RFQ) and engagement of the project’s Steering Committee (Steering Committee).

The approximately 32-acre Broadway Corridor Study Area encompasses several Prosper Portland-owned properties, most notably the 14-acre U.S. Postal Service (USPS) site (see a map of the Broadway Corridor Study Area in Attachment A).

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

Redevelopment of the Broadway Corridor represents one of Prosper Portland’s most significant opportunities for advancing the goals of the agency’s Strategic Plan. The project’s vision statement, guiding principles, and goals identified by the Steering Committee for inclusion in the RFQ reflect the priorities of:

- Creating a healthy, vibrant and complete neighborhood serving a diverse mixed-income population;
- Providing access to high quality employment and career pathways through partnerships with large anchor employers as well as small and mid-size businesses;
- Fostering wealth creation and shared prosperity, particularly for people of color, and other underserved populations through affordable commercial space, workforce training, and contracting opportunities during construction and ongoing operations; and
- Leveraging partnerships through collaboration with the Portland Housing Bureau (PHB), engagement of the project’s Public Partners Technical Team (which includes representatives of City of Portland bureaus, the Governor’s Office, TriMet, Portland Streetcar, and NW Natural) coordination with potential philanthropic partners, and robust community engagement.

BACKGROUND AND CONTEXT

Over the past six months, staff has conducted significant engagement with the Broadway Corridor Steering Committee to inform project goals and priorities to be included in the forthcoming RFQ. The 42-member Steering Committee, including community members who are demographically diverse and represent a broad range of geographic and subject matter expertise and interests, have articulated the
project’s vision statement, guiding principles, and goals for inclusion in the RFQ, prioritizing the following, also further articulated in Attachment B:

- Accountability, transparency, community engagement, and oversight in all stages of project design, development, and operations;
- Multimodal transportation and connectivity to and through the district;
- Socio-economic opportunity for people of color and the delivery of robust community benefits including affordable housing;
- Living wage jobs and career pathways through a diverse range and size of businesses;
- Ecologically healthy built environment furthering the goals of the Climate Action Plan and Portland Plan; and
- Mixed-use, mixed-income, urban development supporting the public realm and providing neighborhood amenities.

Following the selection of a development partner, the Steering Committee will continue to engage with Prosper Portland to inform the development plan for the USPS site and adjacent properties as well as community benefit priorities for a future Community Benefits Agreement.

At the October 25, 2017 Prosper Portland Board meeting, staff will:

- Review the project approach and fundamental project assumptions, including the stakeholder engagement strategy; key findings from the Broadway Corridor Framework Plan (2015); and coordination with the PHB on how to best deliver on affordable housing goals;
- Highlight the Steering Committee’s input on the project goals and evaluation criteria and preview key components of the forthcoming RFQ, including the development offer and role of the selected development partner (see Attachment B); and
- Discuss next steps in developer solicitation, development planning, and public engagement process.

**EQUITY IMPACT**

Prosper Portland is pursuing planning and redevelopment of the Broadway Corridor with an intentional focus on ensuring all communities have an opportunity to engage in and benefit from its redevelopment. This project approach has been informed by a Racial Equity Impact Assessment, which included an internal audit of past projects and identified ways to interrupt the status quo to lead to more equitable outcomes.

To augment existing outreach strategies, the staff team has contracted with Lara Media to prepare and implement a strategic communication strategy with the goal of 1) creating project awareness, particularly by those who are traditionally disengaged; and 2) authentically engaging this target audience to empower them to share their opinions and actively participate, thereby maximizing the project’s community benefit potential.

**ATTACHMENTS**

A. Map of Broadway Corridor Study Area
B. Summary of Developer RFQ
1. EXECUTIVE SUMMARY

Through this Request for Qualifications (RFQ), Prosper Portland and PHB are seeking statements of qualifications from development teams to perform the following:

- **Development Planning Phase.** The selected development team (Developer) will serve as an advisor on development planning activities for the Broadway Corridor. Prosper Portland is contracting with Zimmer Gunsul Frasca Architects (ZGF) for the purpose of completing a development strategy for the Study Area and a formal Central City Master Plan for the USPS Property, subject to a Type III Land Use Review approval. The Developer will serve as an advisor during this process, in collaboration with the project stakeholders further described in Section 4.A.ii. Prosper Portland is seeking to engage the Developer early in the planning process to ensure an implementable development plan that delivers robust community benefits.

- **Redevelopment Phase.** The Developer will have exclusive negotiation rights for redevelopment of the USPS Property, as further described in Section 6.B, following successful completion of the above Development Planning Phase.

2. PUBLIC OWNERSHIP TEAM

   A. Prosper Portland
   B. Portland Housing Bureau

3. BACKGROUND

   A. Portland, Oregon
   B. Planning and Policy Context

4. PLANNING AND DEVELOPMENT SCOPE

   A. Development Opportunity and Project Approach
      i. Study Area
      ii. Project Approach and Stakeholder Engagement
      iii. Development Planning Phase – including affordable housing, Community Benefits Agreement, Oversight Approach

   B. USPS Property Summary

5. PROJECT VISION, GOALS AND REQUIREMENTS

   A. Development Goals

<table>
<thead>
<tr>
<th>Guiding Principle</th>
<th>Project Goals</th>
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<tr>
<td>Accountable</td>
<td>1. Identify and promote clear, long-term, and enforceable financial, community benefit, and environmental metrics that reflect best practices at all stages of design, development and operations to be included in a Community Benefits Agreement.</td>
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<td>2. Intentionally engage communities of color and other under-served and under-represented people in decisions in all stages of the process, including future oversight, in a manner that encourages community interaction and is welcoming to and informed by Portlanders of all ages, disability status, cultures, and background; integrate input received via meaningful public engagements.</td>
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<td><strong>Connected</strong></td>
<td>3. Improve safe, reliable, and affordable access for low income communities including connecting affordable housing with employment providing adequate wages.</td>
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<td>4. Create a coordinated and efficient multimodal transportation system that encourages people to choose healthy, active, and low-carbon transportation modes and systems, and enhances the economic competitiveness of the region.</td>
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<td>5. Enhance Union Station as an active center and destination.</td>
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<td>6. Provide an accessible, active, vibrant streetscape prioritizing pedestrian and bike infrastructure that enhances the neighborhood greenway system and builds connectivity with adjacent neighborhoods.</td>
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<th><strong>Equitable</strong></th>
<th>7. Improve socio-economic opportunities for people of color, such as through affordable commercial space for diverse businesses, workforce training, and contracting opportunities.</th>
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<td>8. Strong commitment to utilizing a combination of certified minority-owned, woman-owned, DBE and local firms as well as union vendors in design, construction and ongoing operations to create living wage jobs for a diverse workforce.</td>
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<td>9. Provide adequate and affordable housing serving households earning 0 – 60% median family income (MFI) with a portion targeted to serving households earning 0 – 30% MFI.</td>
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<td>10. Provide a mix of housing units, including family sized and multi-generational housing.</td>
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<td>11. Provide integrated mixed-income development including housing and commercial space for all income levels.</td>
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<td>12. Utilize Universal Design to ensure public and private development can benefit and be utilized by all, and public spaces are welcoming to all community members.</td>
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<td>13. Advance Environmental Justice principles to ensure development does not exacerbate historical inequities in regards to the impacts of environmental and health hazards including air pollution and urban heat island effect especially on communities of color and low-income communities.</td>
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<th><strong>Prosperous</strong></th>
<th>14. Create living wage jobs for all, at all skill levels and with career pathways, through partnerships with tenants and Workforce Investment Boards, particularly providing employment and job training opportunities for communities of color and other underserved populations.</th>
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<td>15. Leverage large central site as a regional employment hub and recruit major anchor High Road Employer that follows labor law, provides a livable wage, benefits, stable scheduling, targeted hire, career ladders, a voice on the job, and health and safety for all employees; including subcontracted workers, contingent, and temporary workers.</td>
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<td>16. Provide a diverse range and size of businesses, including stabilizing and growing small local businesses and providing opportunities for innovation and starting new businesses.</td>
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17. Demonstrate leadership in implementing strategies that achieve the Portland Plan and Climate Action Plan’s goals to become an equitable, ecologically healthy, net-zero carbon, and fossil fuel free city.

18. Create a thriving and healthy built environment that promotes human interaction with nature.

19. Promote groundbreaking design in a truly mixed use, diverse and active 24-hour large urban development that supports pedestrian-scale and the public realm, and is designed to become a new Portland icon.

20. Provide high quality green and hardscape open space including extending the Park Blocks, and providing amenities for families, public spaces for events, seating areas, and landmark artwork (Connect parks, neighborhood greenways and public/private open space as an integrated system).

21. Include amenities that meet neighborhood needs and are accessible to all segments of the community, such as a community center, educational use, library or recreational facility.

22. Acknowledge history of the place and the people who have been here through design.

23. Support diverse arts, cultural artists, and art organizations through the design, construction, and operational phases of the project.

B. Compliance with Prosper Portland Policies – including Equity Policy, Green Building Policy, Prevailing Wage

6. FINANCIAL OBJECTIVES AND TRANSACTION STRUCTURE

A. Financial Objectives: Prosper Portland is seeking to enter into an innovative public-private partnership to complete the work and development vision described in this RFQ, while also meeting certain financial objectives:

   i. Debt Repayment: Prosper Portland utilized a line of credit from the City of Portland to make available adequate resources for the acquisition of the USPS Property. A payment of approximately $40 million is due by June 2022 to retire this debt. Prosper Portland intends to utilize proceeds from a land transaction for the USPS Property to fund this payment.

   ii. Revenue Stream: Prosper Portland further aims to structure transactions for the USPS Property in a manner that provides a predictable ongoing revenue stream to Prosper Portland.

   iii. Prosper Portland Financing: Prosper Portland is willing to consider employing financial resources to attain the community goals and redevelopment objectives for the USPS Property and/or produce higher long-term value.

B. Transaction Structure and Agreements: Upon selection, the Developer will serve as an advisor during the Development Planning Phase. Following successful completion of the Development Planning Phase, the Preferred Developer will have exclusive rights to negotiate for the redevelopment of the USPS Property. Developer and Prosper Portland will enter into a Memorandum of Understanding (MOU) that describes in general terms the conditions, contingencies, and commitments by the parties separately and/or jointly that must be completed prior to negotiation of a Development Agreement or other transaction document(s).
MOU is non-binding and may be terminated by either party in its sole discretion. The Developer will not receive any compensation for services provided during the Development Planning Phase. However, the potential repayment of pre-approved third party costs due to termination of the MOU may be contemplated in the MOU.

Transactions for the USPS Property may be phased over time, and may include a combination of a long-term ground lease, a purchase and sale agreement with a financial participation mechanism, or other innovative approaches. Recommendations on how to structure the transaction in a manner that meets the financial objectives articulated above are requested in the Submittal Requirements described in Section 7.

PHB, and the development rights controlled by the bureau, may or may not be party to the agreements and transactions described above. This determination will be made in PHB’s sole discretion and informed in part by PHB’s available resources and the Developer’s ability to deliver on the affordable housing commitments beyond the Inclusionary Housing requirements.

7. SUBMISSION REQUIREMENTS

1. Cover Letter
2. Executive Summary
3. Development Team
4. Past Performance
   a. Name / address / location of project
   b. Development team members
   c. Development scope
   d. Dates of the transaction milestones
   e. Development financing
   f. Project outcomes
   g. References
5. Financial Capability and Disclosures

8. EVALUATION CRITERIA AND SELECTION PROCESS

Minimum Criteria
Respondents must have demonstrated successful experience meeting or exceeding the following criteria, determined at the sole discretion of Prosper Portland staff, in order to be further considered by the Evaluation Committee.

1. Implementing projects similar in scope and type to proposed project, including public/private partnerships.
2. Financing comparably scaled and complex projects; financial capacity of development team.
3. Engaging and maintaining ongoing partnership with community partners to deliver projects (e.g. no fines, lawsuits, etc); Preference for developers who have successfully engaged and formed partnerships with communities of color to serve community needs and priorities.
4. Demonstrated ability to maximize diversity in its past projects or business practices and commitment to strive to meet the Prosper Portland Equity Policy.
5. Developing projects that have integrated and sustained both large employers (500+ employees) and medium size businesses (25-50 employees).
6. Demonstrated ability to advance green building, green infrastructure, and sustainable developments in past
projects through existing and innovative technology; and commitment to meet and exceed the Prosper Portland Green Building Policy.

**Evaluation Criteria**

Respondents meeting the Minimum Criteria will be evaluated on the breadth and depth of demonstrated successful experience providing robust community benefits as demonstrated by the following criteria. It is recognized that Respondents may not have experience in all areas.

1. Transparent planning for and reporting on project metrics, including use of existing and innovative technology.
2. Activating multi-modal transportation hubs and accommodating advancements in mobility and parking (e.g. bus rapid transit, autonomous vehicles, electric vehicles, and automated/stacked parking)
3. Delivering safe active transportation including bike and pedestrian access through a comparably sized mixed-use site.
4. Leasing to or otherwise providing opportunities to businesses owned by people of color.
5. Maintaining a diverse and equitable workforce (race, gender, disability) including a development team that includes people of color and a history of fair and equitable labor practices
6. Utilization of certified minority-owned, woman-owned, DBE, and local firms as well as union vendors in construction and ongoing operations.
7. Providing a mix of housing types to serve a diverse income mix, including family sized units; Preference for developers who have previously exceeded accessibility and/or affordable housing requirements or laws.
8. Providing opportunities to sustain and grow a diverse range of small businesses.
9. Providing internships, work experiences and career pathways for youth and communities of color via partnerships with tenants and Workforce Investment Boards.
10. Minimizing ecological impacts of development and ongoing operations, particularly on communities of color and low-income communities; Preference given to firms with industry recognition or awards for innovative solutions for sustainability (i.e. water, emissions, energy usage, responsibly harvested materials) and designing/planning for a catastrophic natural event.
11. Integrating nature in the built environment.
12. Developing large-scale mixed-use and mixed-income developments that have distinctive character in terms of use, materials, architectural design and scale.
13. Developing projects that maintain vibrancy over the long term and serve as destinations for the surrounding city.
14. Creating signature public spaces that offer a range of urban and natural experiences and amenities.
15. Integrating diverse art that reflects the history, culture, community, and natural history of the region.

### 9. SUMMARY OF KEY DATES

<table>
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<tr>
<th>Activity</th>
<th>Timeline</th>
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<tr>
<td>• Developer Solicitation</td>
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<tr>
<td>− Issue RFQ</td>
<td>November 13, 2017</td>
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<tr>
<td>− Deadline for questions regarding RFQ</td>
<td>January 10, 2018</td>
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10. TERMS OF THIS RFQ

Every effort has been made to include all the information necessary to prepare and submit a responsive statement of qualifications to the RFQ. However, in the event additional information is desired, please refer to the RFQ Instructions at the start of this RFQ. During the course of this RFQ process, Development Entities are encouraged to refrain from undertaking any activities or actions to promote or advertise their proposals except in the course of Prosper Portland authorized presentations; or to make any direct or indirect (through others) contact with members of the Prosper Portland Board of Commissioners, Steering Committee members, or other Prosper Portland or City staff not identified as a contact for specific information, except upon prior approval.

11. APPENDIX