



Building an Equitable Economy

Gustavo J. Cruz, Jr.  
Chair

Francesca Gambetti  
Commissioner

Alisha Moreland-  
Capuia, 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 November 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=9NSp9KN8vLY>

## 1. Call to Order and Roll Call

Chair Gustavo Cruz called the meeting to order at approximately 3:07 p.m. Pam Feigenbutz, Prosper Portland Board recording secretary, called the Prosper Portland Board roll:

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

## 2. Commissioner Reports

### Commissioner Platt

- Attended the Hacienda CDC's 25<sup>th</sup> Annual Gala on November 8

### Commissioner Gambetti

- Attended the Urban 20 Inaugural Mayors' Summit on behalf of the City of Portland from October 29-30 in Buenos Aires, Argentina

### Commissioner Myers

- Attended the Oregon Convention Center Hotel Top Out event on November 2
- Attended the Multnomah County Courthouse Top Out event on November 5

### Commissioner Moreland-Capuia

- Participated in the Hill Block Project Working Group on November 7

### Chair Cruz

- Attended Hispanic Metropolitan Chamber Board meeting on October 16
- Attended Mayor's Council of Economic Advisors meeting on October 29
- Attended Northwest Neighborhood Cultural Center Board meeting on November 12
- Attended the annual National Association of Industrial and Office Properties Developers' Breakfast Meeting

## 3. Executive Director Report

- Attended the North/Northeast Community Development Initiative meeting on October 18

222 NW Fifth Avenue  
Portland, OR  
97209-3859

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

- Attended My People's Market on November 9
- Prosper Portland hosted, and staff participated in, the Impact NW "Impact Kit" creation event on November 12
- Announced City Council adopted a resolution to approve a universal film permit
- Invited all to participate in the Central Eastside Supply Chain & Innovation Enhancement Opportunities Conference on November 15
- Noted Prosper Portland will be hosting the next Broadway Corridor Open House at the Asian Health & Service Center on November 28

#### **4. Meeting Minutes**

Chair Cruz called for a motion to approve the October 10, 2018, Prosper Portland Board meeting minutes. Commissioner Myers moved and Commissioner Moreland-Capuia seconded the motion.

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

#### **5. Public Comment for Items Not on Agenda**

Adam Brunelle, Green Lents, provided a letter (see Attachment 1) and shared his community vision for the future of the Lents Town Center.

Patrick Sullivan, Lents Strong Housing Team, stressed the Lents area needs entry level housing vs. one-bedrooms and studios. He requested the Board seek input from the Lents community regarding what they want and need which may be different from the original plan.

Commissioner Gambetti asked how the Board could help and Mr. Brunelle referred to the letter which included suggested action items.

#### **REGULAR AGENDA**

#### **6. Action Item: Resolution No. 7290 – Approving Actions Associated with Adding the Build-Out of Certain Tenant Improvements to the Scope of Work of the Lents Commons Project**

Prosper Portland staff presenting this item:

*Alison Wicks, Project Coordinator II*

*Ian McLeod, Real Estate Marketing & Leasing Coordinator*

*Elise Hendrickson, Construction Services Coordinator*

With this action, the Board authorized the Executive Director, on behalf of Prosper Portland, to complete the build-out of tenant improvements to the commercial space of Lents Commons, a mixed-use redevelopment project located at 5859 SE 92<sup>nd</sup> Avenue in the Lents Town Center Urban Renewal Area.

Ms. Wicks reviewed the Lents Commons timeline and shared next steps for leasing and tenant improvements. She noted tenant selection criteria had been and continues to be informed by input from multiple community and business organizations. Ms. Wicks continued by providing data regarding equity and workforce goals from Bremik Construction.

Mr. McLeod provided an update on the progress of commercial space leasing and .

Commissioner Myers asked whether Bremik had submitted a plan of course correction to increase their numbers of women employed for the tenant improvements. Ms. Hendrickson replied that they have not but will be reaching out to discuss with them.

Commissioner Platt requested a review regarding the current thinking around Lents specifically since affordable housing funding is available.

Commissioner Moreland-Capua asked how frequently local community actions plans, such as Lents, are revisited once completed. She asked that a regular review process be created. She also noted many good ideas were listed in the letter provided during public testimony.

Chair Cruz called for a motion to approve Resolution 7290, Commissioner Myers moved and Commissioner Moreland-Capua seconded the motion.

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

NAYS: None

At approximately, 3:55pm Chair Cruz adjourned the Prosper Portland Board meeting and convened the Local Contract Review Board

**7. Action Item: Resolution No. 7291 – Adopting Findings in Support of and Exempting Lents Commons Tenant Improvements from Low-Bid Solicitation and Authorizing the Executive Director to Sign a Contract with Bremik Construction, Inc.**

Prosper Portland staff presenting this item:

*Elise Hendrickson, Construction Services Coordinator*

With this action, the Prosper Portland Board, acting as the Prosper Portland Local Contract Review Board (LCRB), adopted Resolution No. 7291 which exempts construction of Lents Commons tenant improvements from the standard competitive bid process.

Ms Hendrickson provided an overview regarding the request to use Bremik Construction (Bremik) as the sole source for the tenant improvements.

Commissioner Myers requested it be made clear to Bremik the expectation to meet all aspirations regarding contracting and workforce equity.

Chair Cruz called for a motion to approve Resolution 7291, Commissioner Gambetti moved and Commissioner Myers seconded the motion.

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

NAYS: None

At approximately 3:59pm, Chair Cruz adjourned the Local Contract Review Board and reconvened the Prosper Portland Board of Commissioners meeting.



**8. Action Item: Resolution No. 7292 – Authorizing Increased Investment in the Alberta Commons Affordable Commercial Tenanting Program in the Interstate Corridor Urban Renewal Area**

Prosper Portland staff presenting this item:

*Bobby Lee, Director of Economic Development*

*Eric Jacobson, Construction services Coordinator*

With this action the Prosper Portland Board authorized an increase to the investment in the Alberta Commons Affordable Commercial Tenanting Program at the northwest corner of NE Martin Luther King, Jr. Blvd. and NE Alberta Street in the Interstate Corridor Urban Renewal Area.

Mr. Jacobson noted that approval will fully fund tenant improvement work allowing Prosper Portland to enter into sub-leases, contracts, grants, and/or loans that will provide the selected tenants the support needed to successfully meet the challenges of planning a new business location.

Commissioner Moreland-Capuia suggested that on future projects staff continue to engage community members throughout project development and construction, similar to the Implementation, Monitoring and Accountability Committee at Alberta Commons.

Chair Cruz called for a motion to approve Resolution 7292, Commissioner Moreland-Capuia moved and Commissioner Myers seconded the motion.

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

NAYS: None

**9. Action Item: Resolution No. 7293 – Authorizing the Executive Director to Execute a Hotel Management Agreement with Trek Ventures, LLC for Management of Inn at the Convention Center**

Prosper Portland staff presenting this item:

*Shelly Haack, Project Manager I*

With this action the Prosper Portland Board authorized the Executive Director to execute a three-year Hotel Management Agreement with Trek Ventures, LLC, with two, two-year extension options for day-to-day management of Inn at the Convention Center.

Ms Haack provided the history of hotel management to date and reviewed planned renovations, compensation structure and earning estimates.

Commissioner Myers noted there are ways to recover the costs of renovations. Executive Director Branam mentioned some analysis had been done around different packages and that Ms. Haack could provide additional information.

Chair Cruz called for a motion to approve Resolution 7293, Commissioner Gambetti moved and Commissioner Myers seconded the motion.

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

NAYS: None



**10. Action Item: Resolution No. 7294 – Authorizing an Increase to the Maximum Contract Amount for the Parking Structure Development Agreement with Mortenson Development, Inc for Design and Construction of the Convention Center Hotel Parking Garage**

Prosper Portland staff presenting this item:

*Elise Hendrickson, Construction Services Coordinator*

With this action the Prosper Portland Board authorized the Executive Director to execute a change order to the Parking Structure Development Agreement (Development Agreement) with Mortenson Development (Mortenson) for costs associated with differing site conditions at the Convention Center Hotel Parking Garage at the intersection of NE Holladay Street and NE 1<sup>st</sup> Avenue in the Oregon Convention Center Urban Renewal Area.

Ms. Hendrickson noted that during excavation for garage foundations, Mortenson's contractors discovered previously unknown buried concrete slabs and contaminated soils on the site. Discovery of these soils triggered the Differing Site Conditions clause in the Development Agreement which allows Mortenson to request additional funds and schedule related to removing the soils.

Commissioner Moreland-Capuia asked what the pre-planned contingency was for the project. Mr. Jacobson joined the testimony table and noted that due diligence was initially completed and explained the decision to not create a contingency plan in this case in lieu of a Guaranteed Maximum Price contract. Commissioner Moreland-Capuia asked that contingency plans be planned on all Prosper Portland projects going forward.

Chair Cruz called for a motion to approve Resolution 7294, Commissioner Moreland-Capuia moved and Commissioner Myers seconded the motion.

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

NAYS: None

**11. Action Item: Resolution No. 7295 – Adopting Budget Amendment No. 1 for the Fiscal Year Beginning July 1, 2018 and Ending June 30, 2019; and Making Appropriations**

Prosper Portland staff presenting this item:

*Tony Barnes, Finance Manager*

With this action the Prosper Portland Board formally amended the current fiscal year (FY) 2018/19 Budget for the first time in the following ways:

- (1) Adjusted beginning fund balances to reflect actual FY 2017/18 year-end balances;
- (2) Updated other revenues based on latest forecast for loan collections and property income;
- (3) Updated project, program and administrative expenditures that are underway for committed carryover of funds that did not spend in the prior fiscal year;
- (4) Updated Affordable Housing Set Aside budgets based on estimated timing of expenditures from the City of Portland (City) Housing Bureau (PHB);
- (5) Added General Fund resources and planned expenditures appropriated by City Council on November 7, 2018; and

- (6) Added six months of personnel services budget for seven planned Limited Term Equivalent positions to address critical work plan priorities.

Mr. Barnes highlighted the process following the adoption of the budget in June and the purpose for the revision. Mr. Barnes continued by providing a high-level summary of resources, requirements, and expenditure revisions.

Commissioner Moreland-Capua asked whether the PHB set-aside appeared in the budget as deferred revenue. Mr. Barnes noted that it did not and described the coordination process Prosper Portland and PHB have in place to manage the funds. Mr. Barnes offered to share more detail regarding the coordination process as a follow-up.

Chair Cruz called for a motion to approve Resolution 7295, Commissioner Moreland-Capua moved and Commissioner Platt seconded the motion.

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

## 12. Adjourn:

There being no further business, Chair Cruz adjourned the Prosper Portland Board meeting at approximately 4:49 p.m.

Approved by the Prosper Portland Commission on December 12, 2018



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Pam Feigenbutz, Recording Secretary

TO: Mayor Ted Wheeler, City Commissioners, Director Kimberly Branam, and Prosper Portland Board of Commissioners

CC: Robert Gibson of Palindrome Communities

FROM: Lents Strong Housing Team

DATE: October 29, 2018

SUBJECT: Lents Town Center Urban Renewal Phase 2 Development, 92nd & Harold site (92H)

**We are writing to share our community vision for the future of the Lents Town Center, and urge you to support it.** Lents is being gentrified rapidly, and little has been done through urban renewal to stabilize existing residents. From 2011-2017, housing prices in the Lents-Foster area have increased 100%. This means massive loss of affordable rentals and continued displacement of Lents residents. Lents is one of Portland's most diverse neighborhoods, changing dramatically from 2000 to today. Now, these trends have begun to reverse as Lents residents have been increasingly displaced from the neighborhood. Lent and Kelly Elementary Schools rank among the very highest of Portland Public Schools for displaced students. To develop community-based solutions to these challenges, Green Lents and community partners released the Lents Strong community action plan in 2016. The plan prioritizes actions that achieve three primary goals: 1) preserving affordability, 2) improving livability, and 3) fostering community control.

**To stabilize our diverse community, we need to take extraordinary action.<sup>9</sup>** We lost a tremendous opportunity in the recent wave of redevelopment projects in the Lents Town Center, which received more than \$50 million in public subsidy, but included no community benefits agreement (CBA). As the urban renewal area comes to a close over the next few years, Prosper is repeating a pattern of gentrification and displacement that had disastrous effects in North/Northeast Portland. Prosper Portland is entering Phase 2 of its recent development efforts in Lents, and the **community members most negatively impacted by urban renewal and gentrification have been left out of the process.<sup>2</sup>** We are determined to change that.

**It's not too late to take meaningful action to stabilize existing residents and preserve our diverse, working class neighborhood.<sup>3</sup>** We have a vision, sourced from thousands of community conversations over the last five years (and five weeks), for phase 2 development including the 92nd & Harold (92H) site. We have engaged people through online surveys, door-to-door canvassing, focus groups in six different languages, and robust outreach at public events. Our team considered the following elements essential for the next wave of development in Lents. Together, we can ensure a diverse and thriving Lents that is affordable for working class people into the future. **We understand that these demands will cost money to implement, and believe urban renewal dollars should be invested in community benefits that the market is not providing.<sup>1, 10</sup>**

1. **Development proposals should be evaluated through a robust anti-displacement analysis with an equity lens.<sup>1, 4, 5, 6</sup>** Given the massive loss of affordability in Lents since the property was offered for proposals in 2014, the Lents Strong Housing Team believes that Prosper Portland should uplift our priorities. If Palindrome Communities--the developer with first right of refusal on the 92H property--cannot meet these needs, Prosper Portland should reissue a request for proposals in a transparent and timely manner.
2. **Require a legally binding community-benefits agreement (CBA).<sup>1, 4, 5, 6, 7, 8</sup>** Prosper Portland has agreed that they will ensure a CBA is completed on the Broadway Corridor project, and we believe that Prosper must utilize its first (and only) CBA in the Lents Town Center as part of new development. This CBA should be developed and agreed upon prior to the design and land use review process for any proposed development(s). The CBA should utilize local hiring provisions for East Portlanders, including preference for businesses owned by women and people of color.



3. **Ensure that at least 60% of units in new developments are affordable at 50% area MFI or below, including at least half of affordable units at 30% or below.**<sup>7, 8, 9</sup> While Lents has added substantial affordable housing the last few years, gentrification and rising housing costs have more than erased those gains. The vast majority of recent affordable housing is at 60% area MFI, far higher than many residents can afford. We need to take extraordinary action to ensure stable homes for residents before they are pushed out. Ensure that the vast majority are ADA accessible. 50% AMI for a single person in Portland is \$28,500, a working class salary common in Lents. 30% AMI for a single person is \$17,100 and is accessible for people on fixed incomes and with low-wage or part-time jobs.
4. **Prioritize the development of family-size apartments, especially 3 or more bedrooms.** There is essentially a 0% vacancy rate for rentals with 3 or more bedrooms, both in Lents and Portland overall. This creates significant challenges for low-income families who call Lents home, and makes it even harder to find housing when displaced. It is vitally important for the health of families to have adequately-sized housing which ideally exceeds Oregon Housing & Community Services standards.
5. **Require that existing Lents residents are well-informed about the availability and leasing of new units before they become available**<sup>1, 7, 8, 10</sup>. Green Lents and Lents Strong partners have worked to ensure that existing residents have access to new affordable units in the Town Center, but these efforts have been dismissed or unsupported. Prosper should work closely with potential developers to ensure that they prioritize outreach to communities who are vulnerable to displacement, while also supporting community partners financially to assist with engagement.
6. **Work to protect residents from harmful diesel pollution during construction.**<sup>1, 2, 7, 8</sup> Prioritize developers whose contractors use construction equipment that filters out harmful diesel pollution. Construction is the largest source of diesel pollution in Multnomah County, and Lents is already significantly impacted by diesel emissions coming from I-205, Foster Rd, Powell Blvd, 82nd Ave, and 92nd Ave. Ongoing construction in the Lents Town Center and the Foster Streetscape project have exacerbated this problem in recent years. The Boys & Girls Club will be in close proximity to construction, and Foster Streetscape projects and other construction activities mean that diesel is harming people in these areas.
7. **Require the inclusion of outdoor community space that allows people to gather and garden**<sup>2</sup>. Access to community space is a critical component of healthy housing, and the size of the 92H development creates exciting opportunities to provide much-needed community space in the Town Center. Any investments in public art and design should prioritize artists of color.

**We look forward to an in-person dialogue about our priorities in mid-November.** In the meantime, we request a formal written response to our letter by November 14th to ensure transparency and accountability toward timely action.

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#### **More on the Lents Strong Housing Team...**

The Lents Strong Housing Team is unique in that it is composed of members of the Lents community who are impacted by housing instability and are being formally trained in advocacy & organizing skills. Of 20 frequent participants, our team is made up of more than 70% people of color and is composed nearly entirely of renters. We provide Spanish interpretation, childcare, and food at our meetings, and we have participation from people from teenage to senior age. We have team members who have experienced displacement, those who fear their own displacement, and those who grew up here and are concerned about how Lents is changing. This project is self-determined by our team members. Green Lents and ROSE Community Development are acting as facilitators as our team has developed and pursued our advocacy priorities.



Linda  
Linda

Macbree  
Macbree

Yadira  
Yadira

Felecia  
Felecia

Christopher  
Christopher

Marib  
Marib

Ameera  
Ameera

Ivon  
Ivon

Patrick  
Patrick

Joanne  
Joanne

Maria Elena C  
Maria

**Supporting Organizations and Individuals As of 10/30/18**



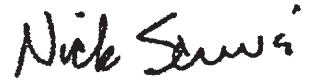
**Adam Brunelle**  
*Executive Director*  
**Green Lents**



**Huy Ong**  
*Executive Director*  
**OPAL Environmental  
Justice Oregon**



*Organizing Committee*  
**Portland Tenants  
United**



**Nick Sauvie**  
*Executive Director*  
**ROSE Community  
Development**

**Foster-Powell/Lents  
Neighborhood Action  
Council**

**Right to Survive**

**Jason Skipton**  
*Executive Director*  
**Growing Gardens**



**Inna Levin**  
*Interim Executive Director*  
**Oregon Walks**

**Sisters of the Road**



## RELEVANT ANTI-DISPLACEMENT CITATIONS FROM COMPREHENSIVE PLAN

1. **Comp Plan Policy 6.32:** Encourage urban renewal plans to primarily benefit existing residents and businesses within the urban renewal area through: • Revitalization of neighborhoods. • Expansion of housing choices. • Creation of business and job opportunities. • Provision of transportation linkages. • Protection of residents and businesses from the threats posed by gentrification and displacement. • The creation and enhancement of those features which improve the quality of life within the urban renewal area.
2. **Comp Plan Policy 2.3:** Ensure plans and investments promote environmental justice by extending the community benefits associated with environmental assets, land use, and public investments to communities of color, low-income populations, and other under-served or under-represented groups impacted by the decision. Maximize economic, cultural, political, and environmental benefits through ongoing partnerships.
3. **Comp Plan Policy 3.3.b:** Make needed investments in areas that are deficient in public facilities to reduce disparities and increase equity. Accompany these investments with proactive measures to avoid displacement and increase affordable housing.
4. **Comp Plan Policy 3.9:** Evaluate the potential impacts of planning and investment decisions, significant new infrastructure, and significant new development on the physical characteristics of neighborhoods and their residents, particularly under-served and under-represented communities, with particular attention to displacement and affordability impacts. Identify and implement strategies to mitigate the anticipated impacts.
5. **Comp Plan Policy 5.12:** Evaluate plans and investments, significant new infrastructure, and significant new development to identify potential disparate impacts on housing choice, access, and affordability for protected classes and low income households. Identify and implement strategies to mitigate the anticipated impacts.
6. **Comp Plan Policy 5.15:** Evaluate plans and investments, significant new infrastructure, and significant new development for the potential to increase housing costs for, or cause displacement of communities of color, low- and moderate-income households, and renters. Identify and implement strategies to mitigate the anticipated impacts.
7. **Comp Plan Policy 3.3.c:** Encourage use of plans, agreements, incentives, and other tools to promote equitable outcomes from development projects that benefit from public financial assistance.
8. **Comp Plan Policy 3.3.g:** Encourage developers to engage directly with a broad range of impacted communities to identify potential impacts of private development projects, develop mitigation measures, and provide community benefits to address adverse impacts.
9. **Comp Plan Policy 5.16:** When plans and investments are expected to create neighborhood change, limit the involuntary displacement of those who are under-served and under-represented. Use public investments and programs, and coordinate with nonprofit housing organizations (such as land trusts and housing providers) to create permanently-affordable housing and to mitigate the impacts of market pressures that cause involuntary displacement.
10. **Comp Plan Goal 2.E:** Community members have meaningful opportunities to participate in and influence all stages of planning and decision making. Public processes engage the full diversity of affected community members, including under-served and under-represented individuals and communities. The City will seek and facilitate the involvement of those potentially affected by planning and decision making.