



PROSPER
PORTLAND

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 April 10, 2019, Prosper Portland Board of Commissioners (Board) meeting held at 222 NW Fifth Ave., Portland, OR 97209.

The video recording of the **regular** Board meeting can be found at:

<https://www.youtube.com/watch?v=1iJBC8Ei-7U> and the video recording of the **Work Session** can be found at: <https://www.youtube.com/watch?v=r0MnwEQVgRA>

1. Call to Order and Roll Call

Chair Gustavo Cruz called the meeting to order at approximately 3:05 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	*See Notes
Commissioner Peter Platt	PRESENT

*Commissioner Myers joined by telephone at 4:13 p.m.

2. Commissioner Reports

Commissioner Platt

- Attended a Portland Design Week event on April 8

Commissioner Gambetti

- Attended the 100 Multnomah Building Project meeting on April 4
- Attended the Broadway Corridor Executive Committee on April 9

Chair Cruz

- Attended the Portland Means Progress Early Adopter event on March 13
- Attended Portland Center Stage Board meeting on March 20
- Attended Northwest Neighborhood Cultural Center Board meeting on April 8

3. Executive Director Report

- On March 13 a gathering at Uncorked Studios welcomed the Early Adopter businesses that have committed to Portland Means Progress
- Joined Multnomah County Chair Deborah Kafoury and spoke at the opening of the Gladys McCoy Health Department Headquarters grand opening on March 20
- Attending the April 12 City Club luncheon featuring Chair Deborah Kafoury delivering her "State of the County" address

222 NW Fifth Avenue
Portland, OR
97209-3859

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

- Attending the Oregon Technology Awards on April 17
- Invited everyone to attend the Opportunity Youth Job Fair on April 19
- Announced the fourth edition of My People's Market scheduled for June 1

4. Meeting Minutes

Chair Cruz called for a motion to approve the February 13, 2019 Prosper Portland Board meeting minutes. Commissioner Moreland-Capuia moved and Commissioner Platt seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capuia, Platt

NAYS: None

5. Public Comment for Items Not on Agenda

Len Michon, President, South Portland Neighborhood Association. Testified on spending priorities for the North Macadam Urban Renewal Area (URA) Budget and requested negotiations with the Zidell family be restarted. (See Attachment A.)

Nick Christensen, Lents resident, noted the Lents Urban Renewal Plan was created to provide a blend of market rate and affordable housing.

Rebecca Binford, Lents resident, spoke in support of balanced affordable and market rate housing.

Robert Schultz, member Lents Neighborhood Association, spoke against supporting low-income housing in the Lents area at this time.

Annette Mattson, former member of Lents Urban Renewal Advisory Committee, spoke in favor of mixed income housing.

REGULAR AGENDA

6. Action Item: Resolution 7306 – Adopting the Tenth Amendment to the Amended and Restated Interstate Corridor Urban Renewal Plan

Prosper Portland Staff and guests presenting this item:

Robert Smith, Project Manager I

Leslie Goodlow, Portland Housing Bureau, Business Operations, Manager II

Dr. Steven Holt, Chair North/Northeast Neighborhood Housing Strategy Oversight Committee

With this action, the Board adopted the Tenth Amendment to the Amended and Restated Interstate Corridor Urban Renewal Area Plan (URA Plan). As approved, the URA Plan boundary will be expanded to include 5.57 acres of land allowing the City of Portland Housing Bureau (PHB) to invest tax increment financing resources into community-serving projects that deliver on PHB's North/Northeast Neighborhood Housing Strategy.

Mr. Smith described the alignment with Prosper Portland's Strategic Plan and provided a high-level overview of the amended area.

Dr. Holt described the work of the North/Northeast Neighborhood Housing Strategy Oversight Committee and its primary focus in four concentrated areas.

Ms. Goodlow shared the results of PHB's quarterly reporting and the progress of the North/Northeast preference policy.

Dr. Holt spoke in favor of securing land when it becomes available for future opportunities for homeownership and wealth creation.

Chair Cruz called for a motion to approve Resolution 7306; Commissioner Moreland-Capuia moved and Commissioner Gambetti seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capuia, Platt

NAYS: None

7. Information Item: Update on Fiscal Year 2019/20 Budget Process

Prosper Portland Staff presenting this item:

Tony Barnes, Finance Manager

Mr. Barnes provided an update on the fiscal year (FY) 2019/20 budget development process. He noted that the City Budget Office's recommended General Fund allocation for Prosper Portland were approximately \$1,700,000 less than the agency had requested in its Requested Budget. Mr. Barnes reviewed the Broadway Corridor River District forecast noting an anticipated deficit in the five-year forecast after which he shared some options the finance department is considering.

Commissioner Moreland-Capuia suggested looking into renegotiating payment terms to the River District Line of Credit.

Mr. Barnes noted that staff will finalize the Proposed Budget in April and present to the Portland City Council (City Council), acting as the Prosper Portland Budget Committee, on May 9, 2019. City Council is expected to approve the Proposed Budget on May 22, 2019. Staff will seek the Prosper Portland Board's adoption of the City Council-approved Proposed Budget at its June 12, 2019 meeting.

At approximately 4:05 p.m. Chair Cruz adjourned the Prosper Portland Board Meeting and convened the Prosper Portland Board Work Session.

8. Work Session: Lents Town Center Phase II

Prosper Portland Staff and guests presenting this item:

Lisa Abuaf, Director of Investment & Development

Laura Alsenas, Senior Business Finance Officer

Alison Wicks, Project Manager I

Karl Dinkelspiel, Supervisor II, Portland Housing Bureau

Ms. Wicks reviewed the Lents Town Center Five-Year Action Plan (Action Plan), public engagement process thus far, and public benefits proposed for Phase II of the Action Plan.

Commissioner Moreland-Capuia asked how many small businesses exist in Lents noting her interest in supporting the existing businesses to help them thrive; Ms. Wicks stated that she will follow-up with Commissioner Moreland-Capuia with the numbers.

Mr. Dinkelspiel provided an update on PHB's work thus far and their priorities.

Chair Cruz invited forward public testimony.

Cora Potter, Lents resident, testified that the community wants fresh food and a central place to gather.

Katie Pena, Lents homeowner, testified in favor of market rate housing and a grocery store.

Barbara Bader testified in favor of a grocery store and an open plaza.

Rebecca Binford, Lents resident, shared her experience of homelessness for a period of time in Lents.

Sabina Urdes shared concerns that portions of the Lents community aren't being reached or included in the conversations impacting the neighborhood.

Richard Schultz, member Lents Neighborhood Association, stated diverse voices are missing from the conversations.

Commissioner Moreland-Capuia asked Ms. Urdes what people need, to which Ms. Urdes responded, that people are afraid of losing their homes and many people may not even know these conversations are happening.

At approximately 5:10 p.m. Chair Cruz adjourned the Prosper Portland Board Work Session and convened the Prosper Portland Board Executive Session.

9. Executive Session

The Executive Session is Held in Accordance with Oregon Revised Statutes 192.660(2)(e) to Conduct Deliberations Concerning the Negotiations of Real Property Transactions.

10. Adjourn

There being no further business, Chair Cruz adjourned the Prosper Portland Board meeting at approximately 6:30 p.m.



South Portland Neighborhood Association

7688 SW Capitol Highway, Portland, OR 97219 (503) 823-4592

www.southportlandna.org

Prosper Portland
Board of Commissions

April 9, 2019

RE: North Macadam Urban Renewal Area Budget Proposal Fiscal Year 2019-2020

Chairman Cruz & Members of the Board:

On April 3 our board received a presentation on the budget for the North Macadam Urban Renewal Area. In response the following reflects the spending priorities of our neighborhood for the remaining available funding in this District. Thank you in advance for considering our views.

South Portland's top priority has long been to use TIF funds to complete SW Bond Avenue and the greenway in the Zidell property (North section). While we understand that the negotiations have stalled, we encourage both Prosper Portland and the Zidell family to restart the discussion. Redevelopment of this property holds the greatest promise for bringing more housing (including affordable housing), office space & related jobs, parks, a major section of the greenway and needed amenities such as a grocery store to the district, so it is a matter of great urgency to us. Completion of the SW Moody/Bond couplet is essential to the free flow of pedestrian, bicycle and OHSU patient, residential and business vehicle traffic.

If it is simply not possible to restart the negotiations, there are additional projects we support and urge the city to pursue them as quickly as possible. These include the south portal transportation improvements (including the signal, Lowell realignment and additional turn lane on North Macadam) and ensuring that the critical greenway link at the Prometheus property is completed.

We were told that the approximately \$20m in TIF infrastructure funding available over the life of the District is not enough to fund all the needed transportation and park projects. Given that, we strongly recommend that a minimum of \$10m in TIF project development funds be moved into the infrastructure budget. We feel that spending these funds on addressing infrastructure needs will do more to improve business viability in our area than investments such as tenant improvements. Improving traffic flow and relieving congestion and creating a destination such as a complete greenway are what is most needed to create a thriving business environment and desirable community. These projects are expensive so we also expect that transportation and parks SDC's will also be dedicated for use in our area, as development in the district pays into these funds.

Finally, we would like to have some project development funds set aside for annual Community Livability grants, similar to what exists in the other urban renewal districts. Business outreach and improvement will help bolster the smaller employers in the district.

Very truly yours,

G. L. Michon, Jr

President

South Portland Neighborhood Association



South Portland Neighborhood Association

7688 SW Capitol Highway, Portland, OR 97219 (503) 823-4592

www.southportlandna.org

February 9, 2019

Mayor Ted Wheeler

Re: Zidell Development

Dear Mayor Wheeler:

The South Portland Neighborhood Association (SPNA) takes strong exception to a recent public statement by Kimberly Branam, Executive Director of Prosper Portland [PP]. Regarding her agency's negotiations with ZRZ Realty [ZRZ] on future development of that company's property in South Waterfront, Ms. Branam is reported to have said, "I'm hopeful that in five or ten years, we'll be able to come back to it, but it's not anything we will be engaged in in the next few years."

We feel that a long suspension of negotiations by either PP or ZRZ is a very short-sighted action. It would delay or even relinquish the receipt of millions of dollars in increased property taxes, system development charges, and improvement district funds which this large private development would have provided the city.

In the short term, delays to Zidell's development plans places the entire SWF district in jeopardy of traffic paralysis. Earlier negotiations with PP were leading toward a public-private partnership to complete the key street connection of SW Bond Avenue between Gibbs Street and the Tilikum Crossing. The imminent opening of OHSU's Center for Health and Healing Building 2 will significantly increase the traffic load on the current incomplete street grid.

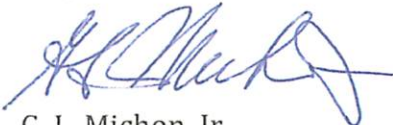
**YOUR SOUTH PORTLAND NEIGHBORHOOD ASSOCIATION:
WORKING TOGETHER FOR A SAFE, WELCOMING, AND VIBRANT COMMUNITY**

In a somewhat longer term, a suspension of negotiations will delay construction of additional affordable housing slated for the Zidell property. Given Portland's current shortage of low-income housing, both PP and ZRZ should continue trying to reach agreement on the remaining issues that separate them. Although other affordable housing is coming to South Waterfront, such as the city's potential affordable housing units on OHSU's Schnitzer campus and 203 units under construction on parcel 3 in River Place, additional affordable housing is still needed in this area.

The SPNA area contains one of the most historic segments of the city - the Lair Hill district. It also contains one of the newest - the South Waterfront district (SWF). SWF was developed within what was then called the North Macadam Urban Renewal District. Using tax- increment financing and other development fees and charges, Portland built the existing infrastructure and the aerial tram to connect the two campuses of OHSU. Federal funding built the Hooley pedestrian bridge connecting Lair Hill to SWF, as well as elevating SW Moody Avenue to construct Tilikum Crossing to carry MAX light rail's Orange line. These projects and many others were intended to facilitate further development of housing and commercial office space and to attract residents to this former industrial area. But much is still needed, including connecting the Willamette Greenway between SWF and the downtown, and providing amenities such as a grocery store and other retail services to make SWF a truly functioning district within the South Portland neighborhood.

The SPNA encourages both Prosper Portland and ZRZ Realty to return to the table to resolve their differences immediately. Remember that reaching a satisfactory agreement not only affects these two parties but will impact the well-being of thousands of city residents, OHSU patients, and businesses.

Very truly yours,

A handwritten signature in blue ink, appearing to read "G. L. Michon, Jr.", with a stylized, flowing script.

G. L. Michon, Jr.
President
South Portland Neighborhood Association

CC: Jay Zidell, ZRZ Realty, President
Charlene Zidell, ZRZ Realty, Vice President Strategic Partnerships
Kimberly Branam, Prosper Portland, Executive Director
Chole Eudaly, City of Portland, Commissioner
Nick Fish, City of Portland, Commissioner
Amanda Fritz, City of Portland, Commissioner
Jo Ann Hardesty, City of Portland, Commissioner



Received by email 4.18.18

HOUSE OF REPRESENTATIVES

Chair Cruz and members of the Prosper Portland Commission:

I am writing again in regard to Lents Urban Renewal Area and decisions you will be making regarding the 92/H site. I wrote on the same topic last fall, but I don't believe the full commission saw my letter.

Decisions regarding the Palindrome proposal for 92/H will determine the overall prosperity in Lents for the next 20 years and beyond. When making your deliberations, I ask that you carefully consider these questions: Will Lents be a healthy, mixed-income community with safe and attractive public amenities? Will it continue as a food desert with empty store fronts, or will the residents have access to shopping, services and jobs? Will the people of Lents have the same healthy community and the same amenities you probably expect in your neighborhoods, or will the city have one neighborhood standard for the people west of 82nd and another for those east of 82nd?

I urge you to support the 92/H site as a private-sector led development that will provide market-rate and affordable housing in accordance with the city's inclusionary zoning policy. I also urge you to work diligently with Palindrome to develop the community plaza as a public space that would become a cherished amenity for the community while attracting commercial development in the buildings adjacent to that space.

A healthy neighborhood includes affordable housing to prevent displacement. The Lents URA has this. With existing housing that is already relatively affordable, about 250 units that have come on line in the last couple of years.

A healthy neighborhood also includes market-rate housing to ensure some of the residents have enough disposable income to attract and support local businesses. The Lents Town Center needs this now to support the retail space that's been added in the last few years and any additional space that may follow.

A healthy neighborhood should include a grocery store, public space, and a farmers market. The Lents Town Center has no grocery store, but has a space for one. Hopefully, Prosper Portland can encourage People's Co-op to come back, and make up for losing the only grocery store that has expressed interest in Lents since the beginning of the urban renewal area.

The plaza space would be a great asset for the community and neighborhood families, as well as give the Lents International Farmers Market a permanent home. I urge Prosper Portland and Palindrome to work with Portland Parks & Recreation to help fund development of this site. As we know, Portland residents east of 82nd have fewer parks and open spaces than those west of 82nd. The city bureaus should work together to address these inequities.



Urban renewal areas can both address blight and increase tax revenues. In the City of Wilsonville for example, the ROI from urban renewal dollars has been running about 400%. Wilsonville uses the new revenue for public amenities that could not otherwise have been funded. If Prosper Portland were to follow this same model, our school districts and other government bodies would have the additional tax revenue they were promised when the URA was formed. There would be more monies for parks, infrastructure and affordable housing.

For decades and decades the people of Lents have been promised a more prosperous community and an end to the socioeconomic divisions within our city. Prosper Portland has made significant investments in affordable housing for the Lents Town Center and those investment are beginning to show results. But without the addition of market-rate housing and the plaza, I truly believe you are missing the opportunity to create a town center where all its residents can thrive.

Your can change the future of Lents for the better. Now is the time to ensure public and private investments lead to the bright future all Portlanders deserve.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Rendon". The signature is fluid and cursive, with the first name "Jeff" written in a stylized, somewhat abbreviated manner, and the last name "Rendon" written more fully.

Received by email 4.8.19

Representative Jeff Reardon

House District 48

Chair, House Higher Education and Workforce Development Committee

Member, Joint Ways and Means Transportation and Economic Development Committee



Kimberly Branam, Executive Director of Prosper Portland

cc:

Elisabeth Edwards, Policy Advisor, Office of the Mayor

Gustavo J. Cruz Jr., Commission Chair, Prosper Portland

Dear Kimberly,

I would like to voice my support for the Palindrome project proposed for the 92/H site in the Lents Town Center. The proposed project offers a blend of market-rate and affordable housing, thus ensuring customers for area businesses while also providing stable housing for longtime residents.

I understand our city needs more housing, and we need to make deliberate steps to improve the inventory of housing. We also need to ensure that neighborhoods include a balanced demographic portfolio that will allow local businesses to prosper. Without that, we're simply locating all the low-income people in one area without places to shop or the opportunity for employment.

Several proposals for the 92/H site have failed to materialize. Each time, we underwent a new, lengthy engagement and solicitation process, only to have project after project fall through. The Palindrome project was initially proposed almost four years ago. Assuming the current timeline, it would move forward to construction next year and opening in 2020. This is in line with how long it took to develop prior proposals for 92/H and, based on that, starting over with a new proposal would likely add years to a new development.

Palindrome has been an active member of the Lents community, taking a risk on buying the New Copper Penny and finding creative ways to improve the Lents Town Center. We can, and should, expect them to list explicit community benefits for the 92/H project, including agreements with the Lents International Farmers Market for long-term stability at the proposed plaza.

Thank you for your continued interest in making the Lents Town Center a better place for people to live, work and recreate.

Representative Jeff Reardon

A handwritten signature in black ink that reads "Jeff Reardon".