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This document constitutes the official meeting record of the August 24, 2011, Portland Development Commission (PDC) Board of Commissioner's Meeting held at 222 NW fifth Ave., Portland, OR 97209. The full video recording of this meeting can be found at: <http://www.youtube.com/watch?v=FID3aoUZwGo&feature=related>

I. CALL TO ORDER AND ROLL CALL

Chair Scott Andrews called the meeting to order at approximately 8:03 a.m.

Ms. Tracey Gemma, acting as recording secretary for the Board, called the Commission roll:

| | |
|-------------------------------|-----------------------|
| Chair Scott Andrews | PRESENT |
| Commissioner Aneshka Dickson | PRESENT |
| Commissioner John Mohlis | PRESENT VIA TELEPHONE |
| Commissioner Steven Straus | PRESENT |
| Commissioner Charles Wilhoite | PRESENT |

J. Scott Andrews
Commission Chair

Aneshka Dickson
Commissioner

John C. Mohlis
Commissioner

Steven Straus
Commissioner

II. MEETING MINUTE APPROVAL

Chair Andrews called for a motion to approve the June 22, 2011, meeting minutes. Commissioner Straus moved and Commissioner Wilhoite seconded the motion.

AYES: Andrews, Dickson, Mohlis, Wilhoite, Straus
NAYS: None

Charles A. Wilhoite
Commissioner

Sam Adams
Mayor

PDC Board Chair, Scott Andrews, reported on these items:

- Announced open solicitation opportunity for Centennial Mills project
- Attended lunch with Mr. Art DeMuro, Historic Landmarks Commission
- Attended great and well attended outdoor athletic gear event

Patrick Quinton
Executive Director

III. EXECUTIVE DIRECTOR REPORT

PDC Executive Director, Mr. Patrick Quinton, briefed the Board on these other recent activities:

- After long recruitment and search for Neighborhood Division Manager, Mr. John Jackley was hired for this position
- Spoke at grand opening of June Key Delta Community Center event and commended staff for great work on this project
- Reiterated open solicitation opportunity for Centennial Mills
- RFP for Small Business Development is out and will close September 1
- RFP for Green Innovation Park out and will close September 9
- Adventure Portland update
- Significant increase of local business successes, especially in software industry
- Almost \$1 million during August of venture capital investments
- Participated in Roundtable with the Council on Environmental Quality, with the focus on renewable energy

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- Attended Suzhou China delegation event and it was great precursor to upcoming Governor Trade Mission event

IV. PUBLIC TESTIMONY

Those providing public testimony during this time:

Mr. Tommy Huynh, small coffee shop business owner

Mr. Huynh asked the Board about their plans to develop Block 33, specifically the Uwajimaya project.

Chair Andrews said Uwajimaya was a high priority project for Mayor and Board but because of the current economic climate, Uwajimaya will not be moving this forward.

V. CONSENT AGENDA

Chair Andrews stated there was one resolution being presented to the Board, Resolution 6901, “Approve Second Amendment to Commercial Lease of Certain PDC-Leased Premises at 208 NW 5th Avenue.”

Chair Andrews made a motion to approve this resolution and Commissioner Wilhoite moved and Commissioner Straus seconded the motion.

AYES: Andrews, Dickson, Mohlis, Wilhoite, Straus

NAYS: None

VI. ADJOURN PDC BOARD; CONVENE LOCAL CONTRACT REVIEW BOARD; ADJOURN LOCAL CONTRACT REVIEW BOARD; CONVENE PDC BOARD

Chair Andrews stated the meeting of the PDC Board was adjourned and the PDC Board would reconvene immediately after the meeting of the Commission’s Local Contract Review Board (LCRB).

He said members of PDC’s Board will now meet as the Commission’s LCRB to consider the adoption of revised LCRB administrative rules.

Portland Development Commission staff presenting this item:

Ms. Linda Andrews, Professional Services manager

By this action, PDC, acting as PDC’s LCRB, adopted revised Administrative Rules (the “LCRB Rules”) to govern PDC’s procurement and public contracting, including procurement of personal services, public improvements, and goods and services. The LCRB Rules address procurement and contracting procedures, exemptions and processes the Board, Executive Director and staff follow to comply with Chapters 279A, B and C of the Oregon Revised Statutes.

Public agencies are subject to the Attorney General’s Model Public Contract Rules for procurement and public contracting unless the agency’s local contract review board adopts its own rules to implement ORS Chapters 279A, B and C. The LCRB Rules, as revised by this action, will satisfy the requirement for adoption of local rules. Modifying the LCRB Rules is necessary to incorporate changes to ORS Chapters 279A, 279B, 279C and to make changes that bring the LCRB Rules in line with current preferred practices.

Those providing testimony on this item:

No individuals provided public testimony on this item.

Board Discussion and/or requested follow-up relative to this item:

- *Commissioner Wilhoite asked about the process of protesting and also requested Ms. Andrews return annually to provide any updates to the LCRB rules.*
- *Chair Andrews stated he was proud of the new revisions around sustainability.*
- *Commissioner Dickson asked about a “conditional” list and stated it is important it not be a surprise to the contractors.*
- *Commissioner Straus asked if PDC’s rules were consistent with those of the city.*

Chair Andrews called for motion to approve Resolution 6904 and Commissioner Dickson moved and Commissioner Wilhoite seconded the motion.

AYES: Andrews, Dickson, Mohlis, Wilhoite, Straus

NAYS: None

Chair Andrews stated the meeting of the Commission’s LCRB was adjourned and the meeting of the PDC Board reconvened.

VII. AUTHORIZE POSI FY 2011-2012 GRANT AGREEMENT

Portland Development Commission staff and others presenting this item:

Mr. Lew Bowers, PDC Central City Division Manager

Mr. Rob Bennett, POSI Executive Director

This action authorized PDC Executive Director to enter into a grant agreement with the Portland Oregon Sustainability Institute (POSI) in an amount not to exceed \$200,000 for the delivery of sustainability and clean tech industry-related pilot EcoDistrict development. The Board’s approval of this expenditure was necessary because the total aggregate expenditure by PDC on grants for this entity on this project and others over multiple fiscal years would be \$942,000. As such, it was greater than the \$500,000 expenditure authority delegated to the Executive Director.

POSI’s EcoDistrict initiative was developed as a three-year partnership with the City and PDC starting in FY 2009-2010. Therefore, it is anticipated this will be the final year of significant grant agreement investment. Over three years, the initiative will have become well established through POSI’s EcoDistrict Framework, Toolkit, and Summit development; district-based governance formation to steward pilot projects and processes; and completion of analyses to identify first round projects, financial feasibility, and private sector involvement opportunities. Mr. Rob Bennett, POSI Executive Director, spoke about these accomplishments.

POSI’s EcoDistrict activity focuses on five pilot areas selected in partnership with PDC and the City. The five pilot areas are Lloyd District, Portland State University, South Waterfront, Lents, and Gateway within the Oregon Convention Center (OCC), South Park Blocks (SPB), North Macadam (N Mac), Lents, and Gateway Urban Renewal Areas (URAs), respectively. Under this grant agreement, and as part of developing a broader EcoDistrict approach, POSI will provide a supporting role in four of the pilot EcoDistrict areas (SPB; N Mac; Lents; and Gateway) and commit significant focus to project development in the OCC URA in coordination with PDC, City of Portland, Rose Quarter and Lloyd District partners.

Those providing testimony on this item:

No individuals provided public testimony on this item.

Board Discussion and/or requested follow-up relative to this item:

- *Commissioner Wilhoite asked whether or not PDC leveraged private investment.*
- *Commissioner Straus said this was a great opportunity for Portland.*
- *Commissioner Dickson thanked staff for their hard work and expressed desire for PSU to have an increased role.*

Chair Andrews called for motion to approve Resolution 6902 and Commissioner Straus moved and Commissioner Wilhoite seconded the motion.

AYES: Andrews, Dickson, Mohlis, Wilhoite, Straus

NAYS: None

Commissioner Straus excused himself from the meeting, as he had another commitment. He was not present to participate in the discussion or vote during this last item:

VIII. AUTHORIZE ARCHITECTURAL AND ENGINEERING CONTRACT FOR
VETERANS MEMORIAL COLISEUM RENOVATION NOT TO EXCEED \$2,760,000

Portland Development Commission staff presenting this item:

Mr. Lew Bowers, PDC Central City Division Manager

Mr. Kevin Brake, PDC Senior Project/Program Coordinator

This action authorized PDC Executive Director to enter into a multi-phased architectural and engineering (A/E) professional services contract, in an amount not to exceed \$2,760,000, to provide design and construction administration services related to the redevelopment of the Veterans Memorial Coliseum (VMC).

The PDC has led a broad-based community outreach process to consider options for the revitalization of the VMC. These efforts have recently produced a conceptual design for VMC that PDC, the City and current redevelopment partners, Portland Arena Management (PAM) and the Portland Winterhawks (PWH), believe provide a base for desirable improvements and upgrades.

On May 11, 2011, PDC's Board made public findings that investing urban renewal funds in the renovation and improvement of VMC was of public benefit and of benefit to the OCC Urban Renewal Area. Portland City Council concurred August 10, 2011, and approved the 19th Amendment to the OCC URA, permitting PDC to use funds for this project.

The City, PDC, PAM and the PWH are now poised to negotiate a definitive Redevelopment Agreement (RDA) for the upgrade and redevelopment of VMC. The parties have agreed in principle to the conceptual design which all believe will i) improve this valued community and architectural asset, ii) improve the vitality of the Rose Quarter, and iii) provide the opportunity for increased community utilization of the VMC.

While the parties to the RDA all desire to proceed with renovation of the VMC, they are presently unable to reach definitive agreement without first better understanding, with a level of higher certainty, the costs of the improvements contemplated in the conceptual plan.

On November 17, 2010, City Council adopted Resolution No. 36826 which granted the Office of Management and Finance the authority to delegate tasks to PDC as it deems appropriate related to the VMC renovation. With the concurrence of the City, PDC on July 22, 2011, released a Request for Proposals for A/E services and two responses were received August 11, 2011.

The Board's approval of this action permitted the Executive Director to enter into a multi-phased contract with the successful proposer to i) prepare high confidence schematic design, ii) complete design development, iii) prepare final construction documentation and iv) provide construction administration. It is anticipated the cost of the first phase of the A/E contract (schematic design and high confidence cost estimates) will be less than \$500,000, and no phase after schematic design will be commenced except by express direction of PDC. It is contemplated that if this project proceeds to full construction, the rights under the A/E contract will be assigned to a third party, most likely PAM or the City. If the development partners are unable to reach final agreement on the scope and financing for the redevelopment, it is not contemplated PDC will authorize future phases of the A/E contract.

Those providing testimony on this item:

No individuals provided public testimony on this item.

Board Discussion and/or requested follow-up relative to this item:

- *Chair Andrews and Commissioners expressed their support for this project and were especially pleased with the emphasis on MWESBs.*
- *Commissioner Dickson asked staff to explain the public benefits more fully.*

Chair Andrews called for motion to approve Resolution 6903 and Commissioner Mohlis moved and Commissioner Dickson seconded the motion.

AYES: Andrews, Dickson, Mohlis, Wilhoite

NAYS: None

VIII. ADJOURN

There being no further business, Chair Andrews adjourned the meeting.

Respectfully submitted,

Approved by the Portland Development Commission October 26, 2011.



Recording Secretary