

Tom Kelly
Chair

Gustavo J. Cruz, Jr.
Commissioner

Mark Edlen
Commissioner

**Alisha Moreland-
Capuia**
Commissioner

William Myers
Commissioner

Charlie Hales
Mayor

Faye Brown
Interim Executive
Director

This document represents the official meeting record of the April 20, 2016, Portland Development Commission (PDC) 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=mAktaphcb64>.

1. Call to Order and Roll Call

Chair Tom Kelly called the meeting to order at approximately 3:02 p.m. Gina Wiedrick, PDC Board recording secretary, called the PDC Board roll:

Chair Tom Kelly	PRESENT
Commissioner Gustavo Cruz	PRESENT
Commissioner Aneshka Dickson	PRESENT
Commissioner Mark Edlen	PRESENT [see note below]
Commissioner William Myers	ABSENT

Commissioner Edlen participated in the meeting by telephone.

2. Commissioner Reports

Commissioner Cruz

- On March 17, had a meeting with Romeo Sosa, Executive Director of VOZ Workers' Rights Education Project (VOZ).
- On April 7, had a meeting with Generator Group.
- On April 12, spoke as a guest expert at a seminar of the Increase Project.

Commissioner Edlen

- On March 23, met with representatives from VOZ, Bureau of Planning & Sustainability, and Portland Housing Bureau on affordable housing issues.
- On April 13, attended the Centennial Mills open house.
- Recently had a phone call with Micro Enterprise Services of Oregon on property acquisition.
- On April 7, had a meeting with Generator Group.
- On March 24, had a meeting with Oregon League of Minority Voters.
- On March 22, attended a meeting of the Greenhouse Gas Emissions Reduction Task Force.

Chair Kelly

- On April 4, had a meeting with VOZ representatives.
- On April 19, attended the grand opening of Daimler Trucks North America headquarters.
- On March 29, attended a Portland City Council Budget Work Session.
- On March 31, met with representatives from the American Federation of State, County and Municipal Employees Local 3769 and the PDC Equity Council.
- On April 7, attended the PDC Executive Director search kick-off meeting.

222 NW Fifth Avenue
Portland, OR
97209-3859

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

3. Executive Director Report

- On April 16, attended the Portland Mercado's one-year anniversary event. John Jackley, PDC's Communications & Social Equity Director, and Mayor Charlie Hales made remarks celebrating the event.
- On April 1, it was announced that Palindrome Communities, LLC, has purchased the New Copper Penny site in the Lents Town Center Urban Renewal Area (URA).
- On April 7 and 8, Our 42nd Avenue's GO42 Initiative held an open house and welcomed four new businesses: With Love From PDX, RH Designs, Nightingale Acupuncture, and Essential Quality Care.
- On April 13, spoke at the reopening of Central City Concern's Employee Access Center in Old Town/Chinatown.
- On April 19, spoke at the grand opening of Daimler Trucks North America headquarters on Swan Island.
- On April 5, spoke at the ribbon cutting of the FedEx Ground facility on Swan Island.
- On April 13, PDC hosted a Centennial Mills open house.
- On April 21, will be speaking at the welcome and grand opening event of Wacom's new headquarters in northwest Portland.
- On April 25 and 26, PitchFest NW, which is part of TechFest NW, will be taking place. For more information go to <http://techfestnw.com/pitchfestnw>.
- On May 2 through 6, is National Small Business week; PDC and the City of Portland (City) will be promoting more aggressively local small businesses and encouraging support of local entrepreneurs.
- On May 7, PDC will be joining Portland Parks & Recreation and Harper's Playground for the Gateway Discovery Park groundbreaking event in the Gateway Regional Center URA.
- On May 18, will be attending the Celebrate Trade: Oregon International Business Awards & Consular Corps Scholarship Gala.
- Thanked Jeff Fish, Human Resources Director, and Jill Chen, Lending and Investment Manager in the Real Estate & Lending Department, for their service to PDC; they will be leaving PDC to pursue other endeavors.

4. Meeting Minutes

Chair Kelly called for a motion to approve the December 16, 2015, and January 13, 2016, PDC Board meeting minutes. Commissioner Cruz moved and Commissioner Dickson seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly
NAYS: None

5. Public Comment for Items Not on Agenda

No public testimony was presented.

CONSENT AGENDA

- #### 6. Action Item: Resolution 7174 – Approving the Acceptance of a Vacated Right-of-Way Adjacent to the Real Property Located at SE 72nd Avenue and SE Foster Road within the Lents Town Center Urban Renewal Area

With this action, the PDC Board will authorize the acceptance of a vacated right-of-way from the City Bureau of Transportation to PDC for real property located within the Lents Town Center URA and generally described as the easterly 45 feet of SE Raymond Court (Property). As part of the transfer process, an easement will be retained by the City Bureau of Environmental Services for access to sewer utilities that are located within the area.

With this action, PDC consents to accepting the Property which will increase the developable area of PDC's adjacent property by approximately 2,300 square feet and improve the site's irregular shape.

Chair Kelly called for a motion to approve Resolution 7174; Commissioner Dickson moved and Commissioner Cruz seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly
NAYS: None

REGULAR AGENDA

7. Action Item: Resolution 7175 – Adopting Changes to the Portland Development Commission Equity Policy

PDC staff presenting this item:

Kimberly Branam, Deputy Director

Jeff Fish, Human Resources Director

John Jackley, Communications & Social Equity Director

Damian Crowder, Project/Program Coordinator

With this action, the PDC Board will update the PDC Equity Policy (Equity Policy) to align it with the PDC 2015-2020 Strategic Plan, make explicit PDC's anti-racist mission, and establish the Equity Council as the PDC staff body that will drive the implementation of the Equity Policy.

PDC staff described the specifics of the proposed changes to the Equity Policy and provided the PDC Board with an update on the internal and external approaches, accomplishments, and challenges in delivering on PDC's broader equity initiatives.

There was a discussion between Commissioner Edlen, Commission Dickson, Mr. Jackley, and Assistant General Counsel, Bob Betcone regarding how projects are tracked and how equity outcomes are measured. It was agreed measuring outcomes and meeting goals was very important.

Chair Kelly called forward guests to testify.

Tony Jones, Executive Director of Metropolitan Contractor Improvement Partnership. Mr. Jones explained his company's mission was to build the capacity of minority and disadvantaged contractors. He also encouraged PDC to monitor and track data and projects.

Todd Struble, Jade District Manager. Mr. Struble talked about the NPI model and the challenges and successes of the programs. Successes include being grassroots on the ground and able to speak with people and address issues specific to that neighborhood. Another success is the ability to include residents in demographics that are typically marginalized. Challenges include proposed transit programs

that threaten to displace neighborhoods and difficulties reaching certain demographics due to language barriers.

Jenny Glass, Executive Director of the Rosewood Initiative. Ms. Glass explained they operate a community center that is open seven days a week to provide a variety of economic opportunity, community building, and social support programs tailored to the needs of their community. She thanked PDC staff for their support and leadership and for providing technical assistance to enable them to carry out equity work on the ground.

Marcelino Alvarez, founder of Uncorked Studios, stated that since they started working with PDC a few years ago their staff has grown from six to 42 and is much more diverse. She noted that having a more diverse staff has improved conversations across all departments and management levels, and that their work is getting better.

Commissioner Dickson recommended tracking data and outcomes on a quarterly basis to see what's not working and how to make improvements. Commissioner Edlen concurred.

Chair Kelly called for a motion to approve Resolution 7175; Commissioner Cruz moved and Commissioner Dickson seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly
NAYS: None

8. Action Item: Resolution 7176 – Adopting Hiring Standards, Criteria, and Policy Directives for Hiring a Portland Development Commission Executive Director

PDC staff and others presenting this item:

Jeff Fish, Human Resources Director

Enrique Washington, Partner at McDermott & Bull and Generator Group

With this action, the PDC Board will adopt the hiring standards, criteria, and policy directives for hiring a new PDC executive director. In addition to discussing the hiring standards, criteria, and policy directives, PDC staff briefed the PDC Board on work to date in initiating a national, transparent, competitive process to identify a new PDC executive director.

After a lengthy discussion, General Counsel Eric Iverson suggested the Commissioners e-mail items not currently on the list they believed to be important to Mr. Washington and Mr. Fish. Mr. Washington would then illuminate any duplications and the list would be brought back to the next meeting for a vote and ultimate adoption.

9. Action Item: Resolution 7177 – Authorizing the Executive Director to Execute a Guaranteed Maximum Price Amendment to the Construction Management General Contractor Contract in an Amount Not to Exceed \$4,643,727 for Phase Two of the Selective Demolition of Centennial Mills

PDC staff presenting this item:

Will Thier, Senior Project/Program Coordinator

With this action, the PDC Board will authorize the Executive Director to execute a Construction Management General Contractor (CM-GC) Guaranteed Maximum Price (GMP) amendment with Northwest Demolition and Salvage (Contractor) in an amount not to exceed \$4,643,727 for the Phase II selective demolition and salvage of Centennial Mills (Property) in the River District URA. If approved, the amendment will allow for the Contractor to complete final phase of a multi-year, complex, deconstruction project. The current Phase I portion of the project is nearing completion and is currently on time and under budget.

Commissioner Dickson was concerned about worker safety during Phase II. Mr. Thier did state that some risks were elevated, but emphasized there has been close collaboration with the U.S. Army Corps of Engineers and the Oregon Department of State Lands with mitigation plans to address those risks.

Commissioner Edlen inquired when PDC could close on a sale of the property. Mr. Thier explained that could not happen until demolition was complete.

Chair Kelly called forward Jeff James (contractor) for comments. Mr. James agreed with Mr. Thier's assessment of worker safety and environmental mitigations. Commissioner Dickson asked about costs and potential overages. Mr. James stated there is contingency built into the budget.

Chair Kelly called for a motion to approve Resolution 7177; Commissioner Cruz moved and Commissioner Dickson seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly
NAYS: None

10. Information Item: Update on the Acquisition of 13.4 Acres of Real Property Located at 715 NW Hoyt Street in the River District Urban Renewal Area

PDC staff presenting this item:

Jina Bjelland, Real Estate & Lending Director
Bruce Wood, Real Estate & Construction Manager
Eric Jacobson, Senior Project/Program Coordinator

Staff provided the PDC Board with an update on acquisition of the United States Postal Service (USPS) Processing and Distribution Center at 715 NW Hoyt Street (Downtown Property). The Downtown Property is located in the River District URA and is bounded by NW Hoyt Street, NW 9th Avenue, NW Lovejoy Street, and NW Broadway.

No comments or questions.

11. Action Item: Resolution 7178 – Authorizing the Executive Director to Execute a Prospective Purchaser Agreement with the Oregon Department of Environmental Quality for the 13.4 Acres of Real Property Located at 715 NW Hoyt Street in the River District Urban Renewal Area

PDC staff presenting this item:

Bob Betcone, Assistant General Counsel

With this action, the PDC Board will authorize the execution of a Prospective Purchaser Agreement (PPA), in the form of a court-approved Consent Judgment, for the PDC Board-authorized purchase of the USPS Downtown Property.

The PPA is a settlement of potential future liability that a party may face when buying contaminated property. The PPA for the Downtown Property substantially narrows the potential environmental obligations that PDC or a subsequent developer may face when developing the Downtown Property. It also establishes the protocol for PDC transfer of ownership and of cleanup responsibility to successor developer(s) of the Downtown Property.

Following are key terms of the PPA:

- The PPA allows the site to remain in its current “capped” state until the time PDC or a developer is ready to break ground.
- When a particular development design is known, the PPA controls the process for obtaining Oregon Department of Environmental Quality (DEQ) approval of the associated soil or groundwater cleanup.
- The PPA allows the Downtown Property to be developed in phases without generating obligations to address future phases for which development scenarios are not yet known.
- When PDC or a subsequent developer is ready to commence redevelopment of a phase, the PPA requires removal of “hot spots” in that phase.
- For areas that are not hot spots the PPA allows capping with building foundations, sidewalks, or other impermeable surfaces.
- The PPA allows for development of parks with surface capping consisting of two to three feet of clean soil or hardscape.
- The benefits of the PPA are fully assignable to PDC successors, such as developers.
- PDC may be released from the PPA obligations on a phased basis following certain DEQ transfers and completion of phase cleanups.

No questions or comments.

Chair Kelly called for a motion to approve Resolution 7178; Commissioner Cruz moved and Commissioner Dickson seconded the motion.

AYES: Cruz, Dickson, Edlen, Kelly

NAYS: None

12. Information Item: Update on the Portland Development Commission Fiscal Year 2016-17 Proposed Budget

PDC staff presenting this item:

Tony Barnes, Budget Officer

Mr. Barnes provided the PDC Board with an update on the fiscal year 2016-17 PDC Proposed Budget (Proposed Budget). Subsequent to PDC Board input and direction, PDC staff will finalize the Proposed Budget in April and present to Portland City Council (City Council), acting as the PDC Budget Committee, on May 11, 2016. City Council is expected to approve the Proposed Budget on May 18, 2016. PDC staff will seek the PDC Board’s approval of the City Council approved Proposed Budget at its June 8, 2016, meeting.

13. Adjourn

There being no further business, Chair Kelly adjourned the PDC Board meeting at approximately 5:40 p.m.

Adopted by the Portland Development Commission on August 17, 2016



Anne Crispino-Taylor, Recording Secretary