

Agenda

26 May 2011



Regular Agenda Item R-5: Authorizing Exclusive Negotiations with Melvin Mark Development Company for Disposition and Development Agreement for Morrison Bridgehead Properties, Portland, Oregon Morrison Bridgehead Property.

Site History

County Uses

Disposition Process Review

Melvin Mark/James Beard Public Market Proposal
(MM/JBPM)



Morrison Bridge History

- First bridge in Portland, 1887
- The existing Morrison, the third, Bridge was completed in 1958
- 50+ years of use as a surface parking area
- Has been identified since the 1970s as an ideal location for a future major attraction/development





Surface Parking Lot

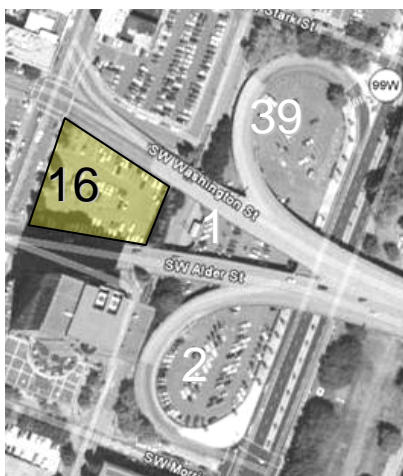
- Blocks 1, 2, & 39; Approximately 300 parking spaces; County has a management agreement with City Center Parking
- \$395,000 net annual FY10 revenue; used to reduce \$37.8 million annual cost of County Facilities and Property Management services





Downtown Motor Pool

- Block 16, SW 2nd Avenue
- 43 pool vehicles; 12,373 annual trips; 385,000 miles per year
- On site fuel station saves County approximately \$10,000 per year
- 111 total parking stalls on site



Development Potential



Portland Development Commission

- Key Gateway to Downtown Portland
- Critical connection between retail core and the waterfront

Bureau of Planning and Sustainability *Central City 2035*

- Currently updating the Downtown Plan and zoning entitlements





Board of County Commissioner Actions on Disposition of the Properties

Resolution No. 04-167: *Declaring the Morrison Bridgehead Property Surplus and Authorizing Negotiation to Sell the Property to the Portland Development Commission, November 18, 2004*

Resolution No. 06-121: *Directing the Facilities and Property Management Division to Sell the Morrison Bridgehead Property Through a Market Sale, June 29, 2006*

Resolution No. 07-174: *Approving an IGA with the PDC for Urban renewal Funding to Partially Finance the Cost to Relocate the Hawthorne Bridge West Bound Off-Ramp to Create a Site for a Courthouse, November 1, 2007*

Intergovernmental Agreement (IGA) with Portland Development Commission (PDC)



- November 2007 IGA: the County and PDC agree to offer the properties for sale and private development
- The County and PDC work jointly to develop & issue RFP
- The County maintains sole discretion in selection of development proposal
- PDC assists in negotiating any Development & Disposition Agreement (DDA)
- Board considers any resulting DDA



Request for Interest

Released OCT 2009

Received DEC 2009

Reported APR 2010

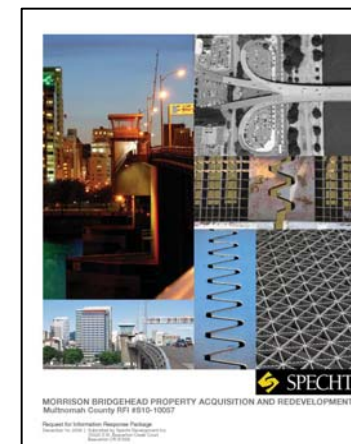
**Gerding Edlen/
Downtown
Development Group**



**Melvin Mark/James
Beard Public Market**



Specht Development





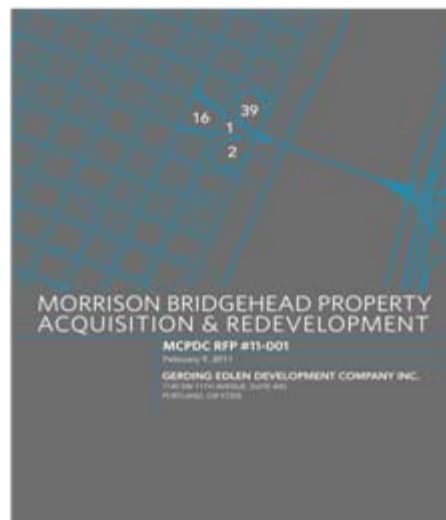
Request for Proposals

Released NOV 2010

Received FEB 2011

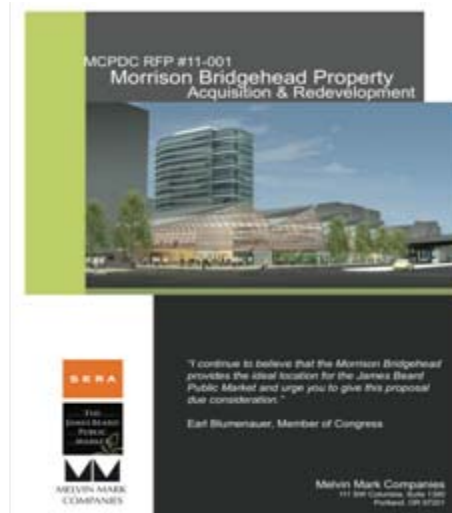
Reported MAY 2011

**Gerding
Edlen/Downtown
Development
Group (GE/DDG)**



- \$8.123 million
- EcoDistrict/ Mixed-Use Tower
- ZGF Architects

**Melvin
Mark/James
Beard Public
Market
(MM/JBPM)**



- \$10.025 million
- Public Market / Office Tower
- SERA Architects

RFP Evaluation Committee



Gale Castillo

President, Hispanic Metropolitan Chamber of Commerce

John T. Holmes

Principal, Holst Architecture

Ray Leary

Principal, ERL Development

George Passadore

Retired Chairman, Wells Fargo (Oregon & Washington)

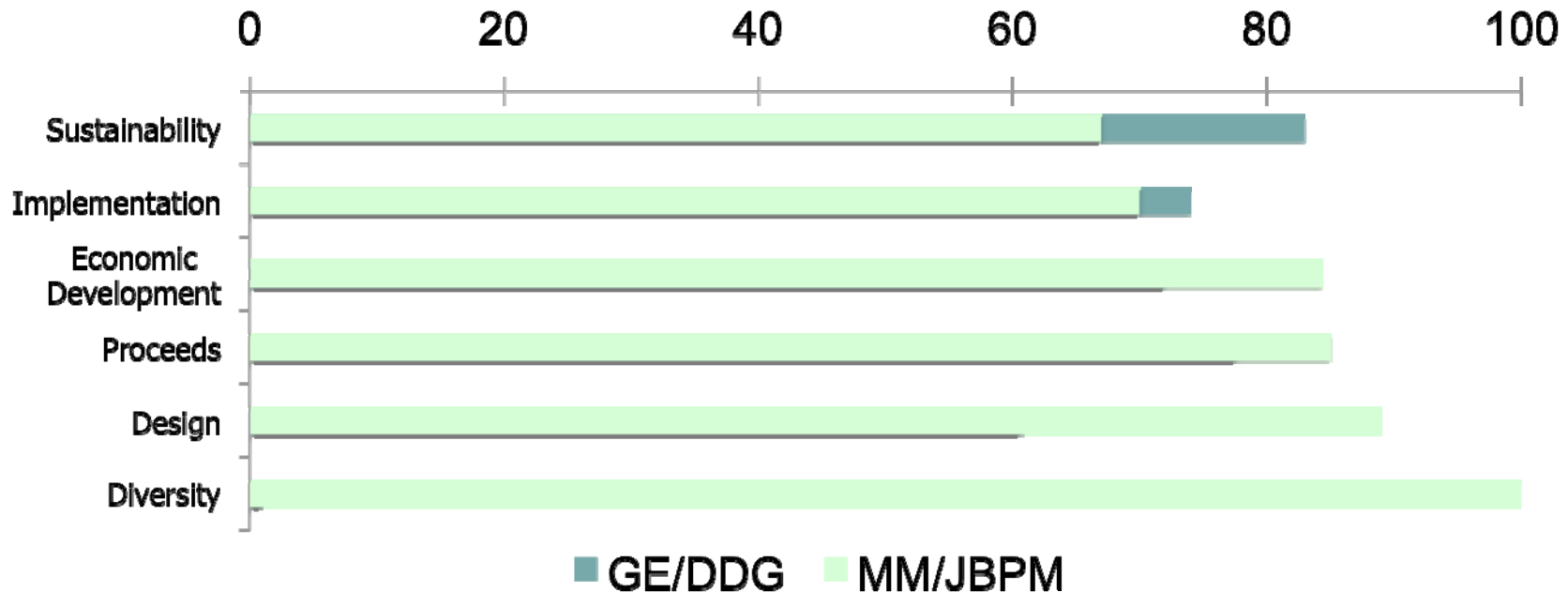
John W. Russell

Principal, Russell Development Company

Evaluation Results



Percentage of Available Points

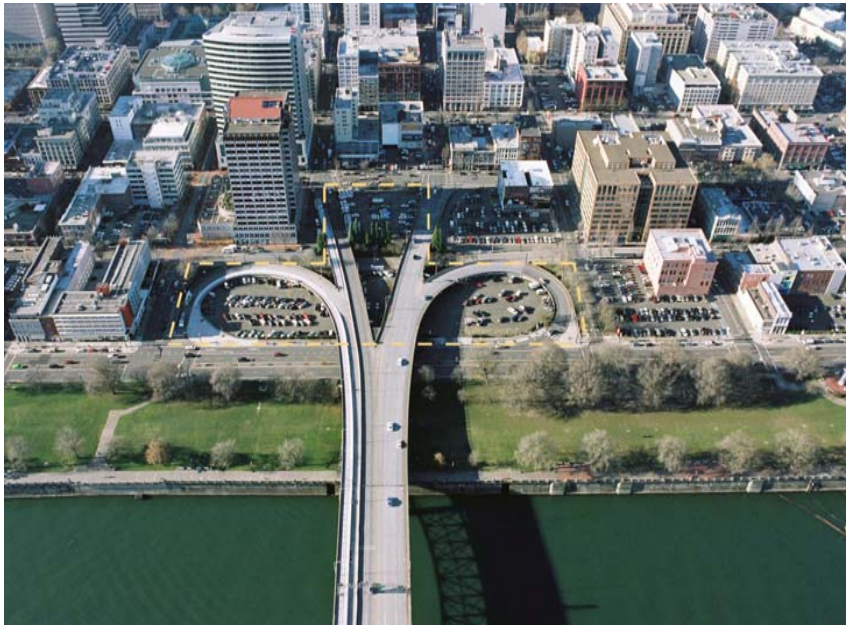


- 4 out of 5 rated the MM/JBPM higher.
- Average of the un-weighted 0-10 scores across the criteria: MM/JBPM 8.1 GE/DDG 7.1
- RFP Weighted Scoring: MM/JBPM: 248.9 GE/DDG: 222.5

Melvin Mark/James Beard Public Market Proposal

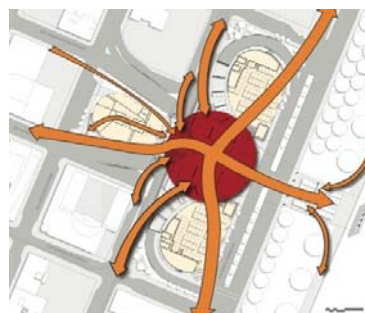
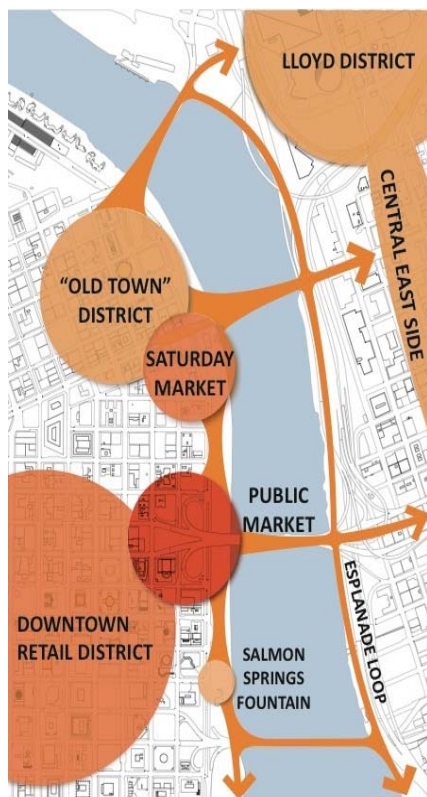


Melvin Mark/James Beard Public Market Proposal Site Plan





Melvin Mark/James Beard Public Market Proposal Connections



Economic Impacts Private Sector



| Project Component | Jobs | Output |
|--|--------------|----------------------|
| Construction Impacts (18-24 months) | 1,317 | \$120 million |
| Public Market | 247 | \$22 million |
| Office Tower | 1,049 | \$366 million |
| TOTAL | 2,613 | \$508 million |
| <i>*Source: ECONorthwest study commissioned by MM/JBPM</i> | | |

Economic Impacts

Public Sector



Proceeds

- \$10,025,000 in 2014
- Continued parking income during 3-year transition period

Property Taxes

- Approximately \$813,000/year after full build-out (\$210,000/year to Multnomah County)

Business Income Tax

- BIT of \$105,850/year (rough estimate)

Income Tax & Other Revenues

- \$22.9 million/year in total taxes and fees to state and local government
(*per ECONorthwest study commissioned by MM/JBPM*)

Increased Value of Surrounding Property

Next Steps

