

EXHIBIT "A"
TO
RESOLUTION AMENDING DEVELOPMENT GUIDELINES
FOR THE MORRISON STREET PROJECT

The following Section 1 is substituted for the existing Section 1 of the Amended Development Guidelines for the Morrison Street Project, adopted by City Council Resolution No 32958, July 16, 1981

1 **MINIMUM DEVELOPMENT PROGRAM**

1 1 Table 1 Minimum Development Program*

	<u>Minimum Development Program</u>
Mini-Anchor Stores	60,000 sq ft
Specialty Department Store	50,000 sq ft
Small Specialty Shops	<u>210,000</u> sq ft
TOTAL RETAIL SPACE	320,000 sq ft
Office	No minimum
Hotel	No minimum
Residential	No minimum
Entertainment Uses	30,000 sq ft

*All square footage expressed as gross leasable area unless otherwise indicated

1 2 Minimum Retail Requirement

- A Two (2) anchor merchants ("Mini-anchors"), occupying a total of approximately 60,000 square feet
- B One (1) specialty department store with a minimum floor area of 50,000 square feet, and

- C A minimum of 210,000 square feet of small specialty shop space shall be developed elsewhere on the site complementary to the Mini-anchors and the specialty department store

1 3 Minimum Entertainment Requirement

To act as an additional anchor to the project and to further enhance the retail components of the project, the project shall include an entertainment component of approximately 30,000 square feet. This use/uses should be a high-quality, destination component which complements the merchandising mix of the project.

1 4 Quality of Retail Uses

In order to meet the project objectives, developers are encouraged to provide retail uses which

- A Strengthen and improve downtown's existing inventory of high-quality and fashion retail facilities, and/or
- B Bring to the downtown major new high-quality retail facilities not currently represented in the Portland region

1 5 Office Uses

- A Developers are encouraged to maximize development of high density, transit-supportive uses, such as office, at this location
- B Development of office uses above retail is encouraged for each block. However, office uses shall not be developed in lieu of meeting the minimum retail space requirement

1 6 Other Uses

- A A hotel and/or residential uses may be developed as part of the project, but not in lieu of meeting the minimum retail space requirement
- B Entertainment uses may be developed as a means of partially fulfilling the minimum retail space requirements, if such uses meet and enhance the retail objectives of the project
- C Other complementary uses may be developed, if such uses can be demonstrated by the developer to meet and enhance the project objectives and are not provided in lieu of retail space

1 7 Other Guidelines

- A The developer shall provide first rights-of-refusal to any existing retail tenants displaced by the project, provided such tenancies are consistent with the developer's tenant mix and rent structure. The Portland Development Commission will make information on displacees available to the developer.
- B Developers shall be asked to strongly consider proposals for condominium participation by local retail establishments. Priority should be given to retail establishments displaced by the project. The Portland Development Commission will provide information on interested retailers to the developer.

1 8 Phasing and Minimum Development Component

- A It is understood that developers may choose to phase the development of the project. The minimum first development phase shall be one full block with all retail and complementary uses.
- B The Portland Development Commission shall require a specific schedule for development of the remaining phases of the project.

RESOLUTION NO. 35573

Amend the Revised Development Guidelines for the Morrison Street Project. (Resolution)

WHEREAS, the Council approved the goals and guidelines for the Downtown Plan in December 1972, and adopted updated goals and guidelines in October 1980, and

WHEREAS, the Council adopted the Downtown Waterfront Urban Renewal Plan in April 1974, and subsequent amendments thereto, to serve as a guide to the redevelopment of a significant portion of downtown Portland, including the defined retail core, and

WHEREAS, the Downtown Waterfront Urban Renewal Plan provides for the enhancement of the retail core within the downtown, and

WHEREAS, in July 1980, the Council, by Resolution 32712, reaffirmed its support for and approved further consideration of a Morrison Street retail development project (the "Morrison Street Project") by the Portland Development Commission (the "Commission"), and

WHEREAS, on July 16, 1981, the Council, by Resolution 32958 adopted "Amended Development Guidelines for the Morrison Street Project" (the "Revised Development Guidelines"), and

WHEREAS, pursuant to the Downtown Waterfront Urban Renewal Plan, the Commission acquired property known as Blocks 50, 60, 61 and Lots 1, 2, 3, 6, 7 and 8, Block 51 in downtown Portland for the purpose of developing the Morrison Street Project, and

WHEREAS, the Commission and Pioneer Place Limited Partnership ("Rouse"), entered into an Amended and Restated Agreement for the Sale and Redevelopment of Land in the Downtown Waterfront Urban Renewal Project on May 13, 1987, which granted Rouse the right to develop Blocks 60 and 61 and certain portions of Block 51 in downtown Portland under certain conditions, and the future right to develop Block 50 if Rouse adhered to certain time lines and conditions (the "1987 Agreement") Rouse, the Commission and the City have built the improvements on, under, and over Blocks 51, 60 and 61 as required by the 1987 Agreement The Commission has developed Block 50 as a surface parking lot, and

WHEREAS, the terms of conveyance for Block 50 in the 1987 Agreement were tied directly to the type and amount of uses to be developed in the Morrison Street Project, including Block 50, and

WHEREAS, over time, market economics have changed nationally and locally, necessitating changes in the make up of the preferred project uses for Block 50 and such preferred project uses do not conform to the uses described in the Revised Development Guidelines, and

WHEREAS, based on a program for development Rouse submitted to the Commission on December 1, 1995, on May 30, 1996, Rouse and the Commission entered into a Disposition and Development Agreement ("DDA") for the sale of Block 50 to Rouse, the performance of which is conditioned upon the Council and Commission actions necessary to allow development of the preferred uses on Block 50, and

WHEREAS, the Council finds that it is necessary and appropriate to amend the Revised Development Guidelines to allow the preferred project uses which reflect current market economies,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland that a development project featuring a specialty department store, mini-anchors, small specialty shops, office uses and parking, all as specifically described in the 1987 Agreement and the Block 50 DDA is economically realistic and will enhance the public and private investments made in the downtown and in the Morrison Street Project, and

BE IT FURTHER RESOLVED that the Council hereby amends the Revised Development Guidelines for the Morrison Street Project by deleting Section 1 of the Revised Guidelines, "Minimum and Desired Development Program" and substituting therefore a revised Section 1 "Minimum Development Program", which is attached hereto as Exhibit "A", and

BE IT FURTHER RESOLVED that the Commission shall immediately proceed to take such actions as are necessary to undertake the development of Block 50, in a manner consistent with the "Revised Guidelines" as amended

1929

Agenda No

RESOLUTION NO.

35573

Title

Amend the Revised Development Guidelines for the Morrison Street Project.
(Resolution)

INTRODUCED BY	DATE FILED 12-6-96 DEC 06 1996
Mayor Vera Katz	Barbara Clark Auditor of the City of Portland
NOTED BY COMMISSIONER	
Affairs	By <u>Cory Cushman</u> Deputy
Finance and Administration <i>Vera Katz</i>	For Meeting of _____
Safety	
Utilities	
Works	
BUREAU APPROVAL	ACTION TAKEN
Bureau Portland Development Commission	
Prepared by Date L. Prentice:mck 12-5-96	
Budget Impact Review ___ Completed ___ Not Required	
Bureau Head <i>Janet S. Bureson</i> Janet S. Bureson	

AGENDA		FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS		
				YEAS	NAYS
Consent	Regular	Hales	Hales		
NOTED BY		Kafoury	Kafoury		
City Attorney		Lindberg	Lindberg		
City Auditor		Sten	Sten		
City Engineer		Katz	Katz		