

RESOLUTION No.

Commit contingently to pursue a mutually agreeable joint partnership for the Oregon Sustainability Center with the Oregon University System and direct the Bureau of Planning and Sustainability and Portland Development Commission staff to initiate schematic design for this purpose (Resolution)

WHEREAS, in September 1999, through Resolution No. 35817, the City Council directed the development of a *Green Building Action Plan* based on recommendations from the Sustainable Portland Commission's *Green Building Options Study*; and

WHEREAS, in January 2001, through Resolution No. 35956, the City Council directed City bureaus to adopt and implement *Portland LEED™ Green Building Rating System* and other approaches identified in the City's *Green Building Policy* pertaining to design and construction of new City facilities or City-funded projects; and

WHEREAS, in April 2005, through Resolution No. 36310, the City Council amended the City's *Green Building Policy* as binding policy and directed all City bureaus and the Portland Development Commission (PDC) to require certain sustainable and green standards in construction, operation and maintenance of City buildings; and

WHEREAS, in July 2009, through Resolution 36714, the City Council adopted the *City of Portland Economic Development Strategy – A Five Year Plan for Promoting Job Creation and Economic Growth*, setting the objective for continuing Portland's leadership in green building by creating the next generation built environment, through the establishment of the Oregon Sustainability Center (OSC) to foster the next wave of innovation in sustainable building and living, and directed coordination with PDC regarding implementation of the actions identified in the Strategy; and

WHEREAS, in October 2009, through Resolution 36748, the City Council adopted the Climate Action Plan, setting the goal for reducing carbon emissions by 80% by 2050, and established interim building and energy objectives to achieve zero net greenhouse gas emissions in all new buildings and homes and to ensure that new buildings can adapt to the changing climate; and

WHEREAS, the City of Portland is in the process of developing the Portland Plan, a strategic and comprehensive plan for the future growth and development of the city over the next 30 years, which will strongly influence the region's ability to prosper without relying on carbon based energy; and

WHEREAS, in 2009, PDC as the City's urban renewal and redevelopment agency selected Gerding Edlen Development to prepare a feasibility analysis for the OSC, and where the feasibility study prepared would determine whether the world's first high-density, multi-use, net zero energy, water, and wastewater building that meets the requirements of the Cascadia Region Green Building Council's Living Building Challenge could be constructed; and

WHEREAS, the City and the Oregon University System (OUS) wish to jointly develop and own the OSC, to be located on PDC property on the Portland State University (PSU) campus at the intersection of SW Fourth Avenue and SW Montgomery Street, and to have the OSC catalyze Portland's first "ecodistrict," a high-performance neighborhood that integrates building- and district-scale sustainability features; and

WHEREAS, the City and OUS desire that the OSC would be able to deepen Oregon's green building expertise, to create local jobs, and to expand the understanding of the integral relationship between people and the buildings they occupy and operate; and

WHEREAS, the City and OUS desire that the OSC would be the home to a consortium of sustainability-focused businesses, non-profits, and researchers, making the OSC a hub for the region's economic competitiveness in sustainability and forging connections to Oregon's sustainable businesses by showcasing green building features and innovations; and

WHEREAS, the State of Oregon has approved the use of up to \$80,000,000 of State of Oregon General Obligation bonds to financially support the development of the OSC, and where OUS has received contingent tenant commitments from universities within the OUS system as well as partner non-profit and business tenants needed to support the state General Obligation bonds, has committed funds towards the completion of the schematic design phase for the OSC, and is seeking the City's partner commitment to consider moving forward with this investment in the schematic design phase of the OSC; and

NOW, THEREFORE, BE IT RESOLVED, the City Council directs PDC and Bureau of Planning and Sustainability (BPS) to continue further evaluation of feasibility of the OSC through the schematic design phase in which expenses for that phase would be jointly shared by PDC and OUS;

BE IT FURTHER RESOLVED, the City would be willing to contingently commit to pursuing a mutually agreeable joint partnership in the development of the OSC with OUS based upon the outcome of the schematic design phase, and upon evaluation as to whether the development of the OSC can reasonably and economically achieve the desired goals and parameters envisioned for green building as set forth in the City's sustainability resolutions and the Living Building Challenge, and

BE IT FURTHER RESOLVED, that the City's commitment to any agreement would require that the following points be met or exceeded in favor of the City's interests:

- Joint public ownership by the City and OUS in the OSC, with City ownership of approximately 24,400 useable square feet of space in the OSC to accommodate the needs and uses of identified city bureaus or offices, and OUS ownership of approximately 40,000 useable square feet for OUS uses,
- The City and OUS each bearing financial responsibility for the respective party's solely owned space and sharing responsibility for shared or common spaces,
- With additional available space at the OSC to accommodate uses of non-profit and for-profit entities who would commit to tenancy at the OSC, where the entities would be ones who share in the vision for sustainability,

- Where the City and OUS would work in partnership to jointly own, manage and share financial risks to ensure that this additional available space would meet or generate returns to exceed the debt service and other expenses required for development, construction, operation, maintenance and repair for the space,
- Where the maximum costs for the development and construction of the OSC would not exceed \$420 per square feet, and the desired goal that the costs to the public funds be significantly less,
- Where the load factor for the OSC would be approximately 22.5% or lesser,
- Where PDC would contribute the land to the City and OUS for the development and construction of the OSC with OUS with the value of the land and ownership structure to be determined through a Disposition and Development Agreement subsequent to schematic design; and

BE IT FURTHER RESOLVED, that City reserves the discretion to request that the OSC meet other additional points that would protect the City's financial interest, potential ownership rights, and achieve the City's policy and goals for economic development, sustainability, and responsibility to the public; and

BE IT FURTHER RESOLVED, that PDC and BPS staff continue to involve and work with other bureaus, including Mayor's Office, Office of Management and Finance and Office of the City Attorney, in the schematic design phase, evaluation, negotiation, financing and discussion pertaining to the OSC.

Adopted by the Council:

Mayor Sam Adams
Prepared by: E. Jacobson/K. Schneider
Date Prepared: 07/29/2010

LaVonne Griffin-Valade
Auditor of the City of Portland
By

Deputy

See Substitute
36808

Agenda No.
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Sustainability

<p>INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams</p>	<p>CLERK USE: DATE FILED <u>JUL 30 2010</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Adams <i>MA</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>LaVonne</i> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: BPS & PDC Bureau Head: Susan Anderson & Bruce Warner</p> <p>Prepared by: E. Jacobson & K. Schneider Date Prepared: 7/29/2010</p> <p>Financial Impact Statement</p> <p>Completed <input type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input checked="" type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>Council Meeting Date Wednesday, August 4, 2010</p>	<p>ACTION TAKEN:</p>
<p>City Attorney Approval</p>	

AGENDA

TIME CERTAIN
Start time: **10:30 a.m.**

Total amount of time needed: 30 minutes
(for presentation, testimony and discussion)

CONSENT

REGULAR
Total amount of time needed: _____
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz	
2. Fish	2. Fish	
3. Saltzman	3. Saltzman	
4. Leonard	4. Leonard	
Adams	Adams	