



# PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

## PARK SDC COMMITTEE RECOMMENDATION

Date: October 15, 2015

To: Mike Abbaté, Director

From: Riley Whitcomb, Park SDC Program Manager

RE: **Park SDC Qualified Public Improvement Review Committee Recommendation related to TMT request for Park SDC Credits for Director Park donations for pursuant to Building Permit No. 08-102777**

Attachments: Auerbach to Whitcomb Interoffice Memorandum (Oct. 9, 2015)  
TMT Letter (August 17, 2015) responding to Whitcomb letter of July 21, 2015  
Whitcomb letter of July 21, 2015 to TMT acknowledging receipt of request and asking for additional information and clarification.  
Record of Vote, Ballots  
Sign in Sheet  
Summary of Park SDC Fee Charges

Copy: Harry Auerbach  
City Auditor

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Director Abbaté,

On Thursday, October 15, 2015, the Parks SDC Credit Review Committee met to consider TMT Development request for Park SDC Credits for various donations in relation to Director Park. Six issues were placed before the Committee for discussion, deliberation, and recommendation. The results are summarized as follows:

Item 1: The various donations for which TMT claims credit should be considered a “part of” the Park Avenue West Development.  
The Committee approved in favor with a 4-0 vote.

Item 2: The donation of Park Block 5 by the Marilyn Moyer Charitable Trust should qualify as a donation by TMT Development.  
The Committee approved in favor with a 3-1 vote.

### Administration

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Amanda Fritz, Commissioner  
Mike Abbaté, Director



Item 3: TMT should be granted credit in the amount of \$2,000,000 for the donation of the naming rights to Director Park.

The Committee voted to deny the request with a 3-1 vote

Item 4: TMT should be granted credit in the amount of \$1,000,000 for its cash donation toward the capital improvements in Director Park.

The Committee approved in favor of the request with a 3-1 vote.

Item 5: The donation of Bike/Parking Lockers totaling \$350,000 should be awarded a Park SDC Credit at 100% of the value.

The applicant withdrew this request prior to the vote.

Item 6: The donation of Park Block 5 appraised at \$1,350,000 at time of donation should be granted a Park SDC credit totaling 100% of the value.

The Committee approved in favor of the request with a 3-1 vote.

In summary, the Park SDC Credit Review Committee are recommending the award of \$2,350,000 Park SDC credits to TMT Development for: 1) the \$1,000,000 cash donation toward the capital improvements in Director Park and 2) the donation of Park Block 5 appraised at \$1,350,000 at time of donation.

As Director, City Code provides you with 90 days to render your decision as to whether or not you are in agreement with the recommendation.

**1. Director's Decision**    **Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

Please check:    Agree with Committee Recommendation:    \_\_\_\_\_

Disagree with Committee Recommendation:    \_\_\_\_\_



# PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

October 19, 2015

Vanessa Sturgeon  
TMT Development  
805 SW Broadway, Suite 2020  
Portland, Oregon 97205

RE: TMT Development Request for Park SDC Credit for Qualified Public Improvement

Dear Ms. Sturgeon,

In accordance with the City Code, PP&R convened a citizen "Park SDC Credit Review Committee," to review TMT Development's request. The committee met on October 15, 2015. Committee members present were Debbie Aiona (League of Women Voters), John Kloor (Portland Homebuilders), Raihana Ansary (Portland Business Alliance), and Jim Owens (Portland Parks Board).

The Committee recommended denial of TMT's request for a credit of \$2,000,000 for donation of the naming rights; recommended approval of TMT's request for \$1,000,000 Park SDC credits for cash donation toward constructing capital improvements in Director Park; and recommended approval of TMT's request for \$1,350,000 SDC credits for donation of Park Block 5. (The property appraised at \$1,350,000 at time of conveyance.)

I am endorsing and adopting the recommendations of the committee in full, which are as follows:

1. Deny the request for Park SDC Credits for donation of the naming rights.
2. Accept the request to give TMT Park SDC credit for the \$1 million cash donation at 100% of the value of the donation. This credit is in lieu of and replaces the credit awarded on August 22, 2008 at 25% of the value of the donation, or \$250,000. The Park SDC Credits for the donation of cash totals \$1,000,000.
3. Accept the request to give TMT Park SDC credit for donation of Park Block 5. The Park SDC Credits for the donation of Park Block 5 totals \$1,350,000.
4. Allow the Park SDC credits totaling \$2,350,000 to be applied to the Park SDCs incurred by the Park Avenue West Tower, currently assessed at \$1,265,564.73;
5. The remaining credits may not be applied to other projects except as provided in City Code (17.13.070) which specifies that surplus credits can be used only for subsequent phases of the 'original development project,' and in the absence of such subsequent phases, the surplus credit is lost.

This partnership between the City and TMT Development resulted in a truly magnificent park. Thank

Administration  
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Mike Abbaté, Director



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October 19, 2015  
Vanessa Sturgeon  
Page 2

you again for your generosity and the rich legacy your grandfather left for the citizens of Portland.

Please do not hesitate to contact us if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Abbate", with a horizontal line extending to the right.

Mike Abbate  
Director

Copy: Riley Whitcomb, Park SDC Program Manager  
Harry Auerbach, Chief Deputy City Attorney  
City Auditor



# PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

Meeting Record: Parks SDC Qualified Public Improvement Review Committee

Meeting Purpose: Review and provide a recommendation to the Park Director regarding a request for TMT Development for Park SDC Credits related to various donations at Director Park.

Meeting Date: October 15, 2015

Meeting Sign-up sheet attached

After introductions, Harry Auerbach explained the legal issues surrounding the request for credits from TMT that he had previously documented in his October 9, 2015 Memorandum to Riley Whitcomb. Then he provided some additional background and history regarding Tom Moyer's donation of Park Block 5 to the City, the development of the park, permitting and construction of Park Avenue West Tower, mothballing construction until the economy improved and the re-scoping the development to a significant residential component.

We then discussed each issue in detail, mostly in the following order.

Item 1: The various donations for which TMT claims credit should be considered a "part of" the Park Avenue West Development.

Item 2: The donation of Park Block 5 by the Marilyn Moyer Charitable Trust should qualify as a donation by TMT Development.

Item 3: TMT should be granted credit in the amount of \$2,000,000 for the donation of the naming rights to Director Park.

Item 4: TMT should be granted credit in the amount of \$1,000,000 for its cash donation toward the capital improvements in Director Park.

Item 5: The donation of Bike/Parking Lockers totaling \$350,000 should be awarded a Park SDC Credit at 100% of the value.

Item 6: The donation of Park Block 5 appraised at \$1,350,000 at time of donation should be granted a Park SDC credit totaling 100% of the value.

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Mike Abbaté, Director





# PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

Meeting Date: October 15, 2015  
Regarding: Park SDC Credit Request from TMT Development

## RECORD OF VOTE: Parks SDC Qualified Public Improvement Review Committee

**Item 1: The various donations for which TMT claims credit should be considered a "part of" the Park Avenue West Development.**

Approved  Denied

**Item 2: The donation of Park Block 5 by the Marilyn Moyer Charitable Trust should qualify as a donation by TMT Development.**

Approved  Denied

**Item 3: TMT should be granted credit in the amount of \$2,000,000 for the donation of the naming rights to Director Park.**

Approved  Denied

**Item 4: TMT should be granted credit in the amount of \$1,000,000 for its cash donation toward the capital improvements in Director Park.**

Approved  Denied

**Item 5: The donation of Bike/Parking Lockers totaling \$350,000 should be awarded a Park SDC Credit at 100% of the value.** *withdrawn*

Approved  Denied

**Item 6: The donation of Park Block 5 appraised at \$1,350,000 at time of donation should be granted a Park SDC credit totaling 100% of the value.**

Approved  Denied

  
\_\_\_\_\_  
Jim Owens

Representing: Portland Parks Board

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Amanda Fritz, Commissioner  
Mike Abbaté, Director





# PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

Meeting Date: October 15, 2015

Regarding: Park SDC Credit Request from TMT Development

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Approved  Denied

**Item 2: The donation of Park Block 5 by the Marilyn Moyer Charitable Trust should qualify as a donation by TMT Development.**

Approved  Denied

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Approved  Denied

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Approved  Denied

**Item 5: The donation of Bike/Parking Lockers totaling \$350,000 should be awarded a Park SDC Credit at 100% of the value.**

Approved  Denied

**Item 6: The donation of Park Block 5 appraised at \$1,350,000 at time of donation should be granted a Park SDC credit totaling 100% of the value.**

Approved  Denied

  
John Kloor

Representing: Metropolitan Home Builders Association

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Approved  Denied

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Approved  Denied

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Approved  Denied

**Item 6: The donation of Park Block 5 appraised at \$1,350,000 at time of donation should be granted a Park SDC credit totaling 100% of the value.**

Approved  Denied

  
Raihana Ansary

Representing: Portland Business Alliance

*withdrawn*

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# PORTLAND PARKS & RECREATION

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Approved  Denied

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Approved  Denied

**Item 5: The donation of Bike/Parking Lockers totaling \$350,000 should be awarded a Park SDC Credit at 100% of the value.**

Approved  Denied

**Item 6: The donation of Park Block 5 appraised at \$1,350,000 at time of donation should be granted a Park SDC credit totaling 100% of the value.**

Approved  Denied



Debbie Aiona

Representing: League of Women Voters

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City of Portland  
Parks System Development Charge

Park SDC Credit Transfer Certificate

**Recipient** TMT Development LLC  
**Original Development Address** 805 SW Broadway, Suite 2020  
**Original Building Permit** 08-102777  
**City Sub Area** Central City  
**SDC Credit Transfer No.** 2016-01

The following credit is available to be applied by the bearer for payment of Parks System Development Charges (SDC) imposed by the City of Portland.

**Description of Qualified Public Improvements**

- 1) Donation of 1 parcel of land for public park purposes (Legally described as Park Block 5, CITY OF PORTLAND, being the city block bounded by S.W. Taylor Street, S.W. Ninth Avenue, S.W. Yamhill Street, and S.W. Park Avenue, in the City of Portland, Multnomah County, Oregon. Valued by real property appraisal at \$1,350,000 at the time of transfer to the City of Portland. (A park has been constructed on the parcel and is known as Simon and Helen Director Park).
- 2) Donation of \$1,000,000 the total of which was used for construction of park capital improvements on the donated parcel
- 3) Total Park SDC Transfer Credits Awarded in Certificate 2016-01: \$2,350,000

To use this credit, present this certificate to the Portland Parks & Recreation SDC System Administrator as soon as you decide to use the Transfer Certificate. A permit cannot be issued until Portland Parks and Recreation has received your transfer certificate.

Date	Permit #	Qualified Public Improvement	Credits Awarded	Credits Used	Credit Balance
10-19-2015	08-102777	Land Donation: Park Block 5, CITY OF PORTLAND, being the city block bounded by S.W. Taylor Street, S.W. Ninth Avenue, S.W. Yamhill Street, and S.W. Park Avenue, in the City of Portland, Multnomah County, Oregon.	\$1,350,000	0	\$1,350,000
10-19-2015	08-102777	Cash Donation for construction of Park Capital Improvements	\$1,000,000	0	\$2,350,000

The remaining credits may not be applied to other projects except as provided in City Code (17.13.070) which specifies that surplus credits can be used only for subsequent phases of the 'original development project,' and in the absence of such subsequent phases, the surplus credit is lost.

**(Signature Page Follows)**

**Park SDC Credit Certificate No. 2016-01 Issued by:**

\_\_\_\_\_  
Riley Whitcomb  
SDC Program Manager  
Portland Parks and Recreation

\_\_\_\_\_  
Oct. 20, 2015  
Date Issued

\_\_\_\_\_  
Oct. 19, 2025  
Credit Expiration Date

**Acknowledgement of Award of Park SDC Credits:**

\_\_\_\_\_  
Vanessa Sturgeon  
TMT Development LLC

\_\_\_\_\_  
Date Accepted

**Please retain one copy of the Certificate and return two acknowledged Certificates to Riley Whitcomb or current Park SDC Program Manager at 1120 SW 5<sup>th</sup> Ave., Room 1302, Portland, OR 97204**



City of Portland  
Parks System Development Charge

Request for Parks SDC Credit for  
Qualified Public Improvement

Applicant Name: TMT Development

Building Permit #: 08-102777-REV-06 MG

**CREDITS**

You may apply for credits against (reductions of) the amount of SDC's you owe. Credits may be given by Portland Parks & Recreation for the value of the donation of land, an improvement or another asset, which is considered a "qualified public improvement".

**"Qualified Public Improvements"**

To be considered a qualified public improvement your public improvement must:

1. increase the capacity of the City's Parks & Recreation System;
2. pertain only to the park categories (as defined in *Park Futures*): urban, neighborhood or community parks, trails, or habitat. If the proposed donation is a habitat, it must be adjacent to a Portland Parks property, or it must be a minimum of 3 contiguous acres with at least 66% of its area covered by the City's environmental overlay zone. If the proposed donation is a trail, it must be designated as a recreational trail on the City's Comprehensive Plan;
3. be approved by the Director of Parks; and
4. be in any of the following categories:
  - A. Is a capital improvement listed on the City's Parks and recreation SDC-CIP or two year funded list of City of Portland Parks and Recreation Capital Improvement Program, regardless of the improvement's proximity to the Applicant's New Development site, and is not a Real Property Interest already committed by contract or other obligation to public recreational use;
  - B. Is a public recreational trail improvement within the Willamette River Greenway overlay zone as designated on the Official Zoning Maps within the Central City plan boundary, and that exceeds all development standards currently contained in PCC Title 33 (Chapter 33.440, 33.272, and 33.248). Credits will be given for improvements which will result in enhancement for habitat or public recreational use on the landward side of the top of the bank. Credits will be valued at 100% of the value of Real Property Interests that ensures perpetual public access (subject to reasonable temporary closures) and/or improvements that occur on the land-ward side of the required 25' minimum Greenway setback width, if the increase of width is at least 5'. The credit transfer mechanism described in 17.13.070 E is applicable to Real Property Interests at 25% of its appraised value. The use of Greenway credit transfers are valid only for New Development within the Central City plan boundary, and is not available to Applicants that are using the Willamette River Greenway Bonus Option described in City Code 33.510.210 C. 9.

Reasonable improvements within the required 25' minimum Greenway setback shall also receive full Credit only for improvements that exceed the current basic required standards described in PCC Title 33 (Chapters 33.440, 33.272, and 33.248) or landscaping or mitigation plantings that are required as a Condition of Development Approval. The Credit transfer mechanism described in 17.13.070 E is not applicable to Greenway improvements. Greenway improvement SDC Credits may be used only on the New Development that included the Greenway improvement, including subsequent phases of multi-phase Development.

- C. Is a conveyance of Real Property Interests or capital improvements for public recreational use that is required as a condition of development approval. For purposes of this section, the phrase "required as a condition of development approval" means
1. requirements to construct improvements or convey Real Property Interests for public recreational use that are imposed as specifically listed conditions pursuant to a Code provision authorizing such conditions, or
  2. features of a development that are specifically stated as an element of a proposal that is approved by the review body.
  3. An improvement or conveyance of Real Property Interests for parks and recreational use which does not otherwise meet the requirements of this section, is not already committed by contract or other obligation to public recreational use, and in the opinion of the Director of Parks in his or her reasonable discretion the improvement or conveyance serves the City's public parks and recreation needs as well or better than the improvements or conveyance described above.

#### EXPLANATION OF COMPLIANCE WITH CRITERIA FOR QUALIFIED PUBLIC IMPROVEMENTS

Pursuant to PCC § 17.13.070(B), the applicant for SDC credits must explain how an improvement meets the requirements for a qualified public improvement. The definition of 'qualified public improvement' contains four parts, as described above. Attach a detailed description of how each part of this definition is met by the proposed improvement, including any documentation necessary to demonstrate compliance with the elements of the definition other than part 3, approval by the Director of Parks.

#### PROPOSED PUBLIC IMPROVEMENT

Please attach a detailed description including site maps and drawings of your proposed public improvement, the value and a copy of a professional certified appraisal. If your public improvement is the conveyance of Real Property please complete the following:

Tax Lot #: R246984, R246983, R246986

Property Owner: TMT Development / Parks

Property Address: 800, 811, 825 SW Park

Size: 20,000 SF Improvements: Yes  No

Assessed Value of Land: 3,112,200 Assessed Value of Improvements: 0

Total Assessed Value of Property: 3,112,200

(Attach copy of appraisal)

**SIGNATURE AND DATE**

I certify that the information presented above is current and accurate to the best of my knowledge.

Vanessa Surgeon  
Signature

6/30/15  
Date

Vanessa Surgeon  
Printed Name



# PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

August 22, 2008

TMT Development  
805 SW Broadway, Suite 20020  
Portland, OR 97205

The Bookin Group, LLC  
1020 SW Taylor, #760  
Portland, OR 97205

Dear Ms. Bookin and TMT Development,

Portland Parks & Recreation received your July 8, 2008 request for consideration for SDC credit. This request was related to the cash donation of \$1 million toward the development of Park Block 5, now known as 'Simon and Helen Director Park.'

In accordance with the City Code, PP&R convened a citizen "SDC Credit Review Committee," to review the proposal. The committee met on July 22, 2008. Committee members present were Debbie Alon (League of Women Voters), John Russell (Developer at Large) and Marianne Nelson (Citizen at Large). Additional designated committee members Jim McCauley (Portland Homebuilders) and Bob Sallinger (Portland Audubon / CLF) later signed off in full agreement with the recommendations made in the meeting.

I am endorsing and adopting the recommendations of the committee in full, which are as follows:

1. Accept the request to give TMT Park SDC credit for the \$1 million donation, at 25% of the value of the donation, or \$250,000.
2. Allow that credit to be applied to the Park SDCs incurred by the Park Avenue West Tower, currently estimated at \$1,485.
3. Do not allow the remaining credit to be transferred to other projects. City Code (17.13.070) specifies that surplus credits can be used only for subsequent phases of the 'original development project,' and in the absence of such subsequent phases, the surplus credit is lost.

This partnership between the City and TMT Development is resulting in a truly magnificent park. Thank you again for your generosity and for making Portland's park legacy even richer. I know we all look forward to the day when this park opens to the public and we can celebrate a new addition to downtown Portland.

Please do not hesitate to contact us if you have any questions.

Sincerely,

Zari Santner  
Director

Strategy, Finance and Business Development  
1120 S.W. 5th Ave., Suite 1302  
Portland, OR 97204  
Tel: (503) 823-5588 Fax: (503) 823-5570

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