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**PDC COMMISSIONERS SELECT OPUS NORTHWEST FOR BURNSIDE
BRIDGEHEAD PROJECT:
Negotiations Slated to Begin Next Month**

The Portland Development Commission (PDC) voted unanimously in favor of the Opus Northwest team, giving the green light to move forward with an important Central Eastside gateway project, known as the Burnside Bridgehead project. “We know that Opus will put their best foot forward on this project. This was a difficult choice and a very competitive process. We thank all of the teams for their extra time and energy to reach this point,” said Matt Hennessee, PDC’s Chairman.

This gateway project will be situated on five city blocks, totaling approximately 195,550 square feet, at the base of the Burnside bridgehead on the east side of the Willamette River. The three teams, Beam Development, Opus Northwest and Gerding/Edlen Development, responded to a Request for Proposals (RPF) issued by PDC last fall to develop a landmark retail, commercial, housing and office project in the Central Eastside Urban Renewal Area.

The Board of Commissioners selected Opus Northwest after five months of extensive public meetings, hearings and discussions with community stakeholders to review and consider the different elements of each proposal. In addition to public comments gathered in a public workshop, an open house and four Commission hearings, the PDC board also considered the findings and recommendation submitted by a seven-member citizen advisory evaluation committee.

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“We are extremely grateful to evaluation committee members and the larger community for their involvement and insight regarding the project design and program. We truly believe this is a better project as a result of their participation,” commented Commissioner Janice Wilson following the Commission’s vote.

The evaluation committee, which began its work in November 2004, was charged with evaluating each of the three development proposals according to RFP criteria. To develop the criteria, PDC staff solicited input from the Central Eastside Urban Renewal Advisory Committee and other members of the public. Criteria included the following components:

- Project program and design;
- Capability of the developer to execute a project of this size;
- Financial feasibility of such a project, including any necessary public subsidy; and
- Implementation of the project in terms of what impact it would have on the surrounding area.

As the selected team, Opus will bring to the table:

- ☞ Lowest financing gap of \$13 -19.4 million
- ☞ Nationally-experienced developer
- ☞ Business model that uses internal equity, internal general contractor and internal design development that lowers risk
- ☞ Strong design concept for project
- ☞ Work with Catholic Charities to develop 135 affordable units, all of which would be available to families at 60 percent of median family income or lower

PDC's next steps are to work with Opus Northwest to craft a non-legally binding Memorandum of Understanding stipulating that both parties agree to enter into exclusive negotiations regarding the Burnside Bridgehead site.

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During these negotiations, the Commission and the developer will draft a Disposition and Development Agreement (DDA), outlining deal points to address land acquisition, development program and design, financing and timeline. PDC and the Opus team will continue to inform and seek input from the community throughout this process. "The Opus team impressed us with their firm commitment to continue to work with the citizen advisory committee throughout the project," said PDC Commissioner Eric Parsons.

PDC staff and Opus representatives will participate in quarterly meetings with the Central Eastside Urban Renewal Advisory Committee, neighborhood and business associations and bicycle and pedestrian advocacy organizations to provide project updates and seek input on key project components being discussed as part of the DDA. PDC will also host a community Open House later this year, as well as produce a quarterly project newsletter to allow the broader public to stay informed and provide ongoing feedback to the Commission.

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