600 NE Grand Ave.
Portland, OR 97232-2736

Metro | *Agenda*

Meeting: Metro Council
Date: Thursday, March 3, 2016 **REVISED 3/3/2016**
Time: 2 p.m.
Place: Metro Regional Center, Council Chamber

CALL TO ORDER AND ROLL CALL

1.	**CITIZEN COMMUNICATION**	
2.	**SPECIAL PRESENTATION: IMMIGRANT AND REFUGEE COMMUNITY ORGANIZATION (IRCO) AFRICA HOUSE**	**Gerry Uba, Metro** **Djimet Dogo, Africa House** **Ann Curry-Stevens, Portland State University** **Julia Meier, Coalition of Communities of Color**
3.	**COMMUNITY PLANNING AND DEVELOPMENT GRANTS PROGRAM AUDIT PRESENTATION**	**Brian Evans, Metro Auditor**
4.	**FREQUENT FLYER FOLLOW-UP AUDIT PRESENTATION**	**Brian Evans, Metro Auditor**
5.	**CONSENT AGENDA**	
5.1	Consideration of Council Meeting Minutes for February 18, 2016	
6.	**RESOLUTIONS**	
6.1	**Resolution No. 15-4624,** For the Purpose of Amending the Development & Finance Agreement for the Convention Center Hotel Project	**Scott Cruickshank, Metro**
7.	**CHIEF OPERATING OFFICER COMMUNICATION**	
8.	**COUNCILOR COMMUNICATION**	

ADJOURN

Television schedule for March 3, 2016 Metro Council meeting

Clackamas, Multnomah and Washington counties, and Vancouver, WA Channel 30 – Community Access Network *Web site*: www.tvctv.org *Ph*: 503-629-8534 Call or visit web site for program times.	**Portland** Channel 30 – Portland Community Media *Web site*: www.pcmtv.org *Ph*: 503-288-1515 Call or visit web site for program times.
Gresham Channel 30 - MCTV *Web site*: www.metroeast.org *Ph*: 503-491-7636 Call or visit web site for program times.	**Washington County and West Linn** Channel 30– TVC TV *Web site*: www.tvctv.org *Ph*: 503-629-8534 Call or visit web site for program times.
Oregon City and Gladstone Channel 28 – Willamette Falls Television *Web site*: http://www.wftvmedia.org/ *Ph*: 503-650-0275 Call or visit web site for program times.	

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1890 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

إشعار بعدم التمييز من Metro

تحترم Metro الحقوق المدنية. للمزيد من المعلومات حول برنامج Metro للحقوق المدنية أو لإيداع شكوى ضد التمييز، يُرجى زيارة الموقع الإلكتروني www.oregonmetro.gov/civilrights. إن كنت بحاجة إلى مساعدة في اللغة، يجب عليك الاتصال مقدماً برقم الهاتف 503-797-1890 (من الساعة 8 صباحاً حتى الساعة 5 مساءاً، أيام الاثنين إلى الجمعة) قبل خمسة (5) أيام عمل من موعد الاجتماع.

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Metro | *Making a great place*

November 2014

Agenda Item No. 2.0

Special Presentation: Immigrant and Refugee Community Organization (IRCO) Africa House

Presentation

Metro Council Meeting
Thursday, March 3, 2016
Metro Regional Center, Council Chamber

February 22, 2016

Metro Council President and Councilors
Metro Council Office
600 NE Grand Avenue
Portland, OR 97232

Subject: The African Immigrant and Refugee Community in Multnomah County: An Unsettling Profile

Dear Metro Council President and Councilors,

Thanks very much for accepting our request to present the African community report to you. Few years ago, the Coalition of Communities of Color embarked on a research to capture and showcase the profile and live experiences of communities of color. The result is seven reports, each titled "An Unsettling Profile" with data intended to inform decision makers and empower the communities with information they can use to advocate for policies that will eliminate racial and ethnic disparities.

We are hopeful that the information we will present to you on March 3, 2016 will help you understand the needs of the African Immigrants and refugees. We will be supported by some local leaders in the community, including members of the Africa House Board of Directors.

Metro's equity discussions last year created the initial opportunity to inform Metro about the needs of the African Immigrant and Refugee Community. The information we will share with you on March 3rd will bring your attention to myriad of needs in the community, including affordable housing, jobs, and use of data to ensure visibility of the African Immigrant and Refugee Community.

We are looking forward to more opportunities for partnerships with Metro.

Sincerely,

Djimet Dogo
Africa House Manager

cc: -Africa House Board of Directors
-Julia Meier, Director, Coalition of the Communities of Color
-IRCO Executive Director, Lee Po Cha

The African Immigrant and Refugee Community in Multnomah County:
An Unsettling Profile

A partnership between

Coalition of Communities of Color

&

Portland State UNIVERSITY

Coalition of Communities of Color

Portland State UNIVERSITY

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ISBN 978-0-9845216-6-1

Citation
Curry-Stevens, A. & Coalition of Communities of Color (2013). *The African Immigrant and Refugee Community in Multnomah County: An Unsettling Profile.* Portland, OR: Portland State University.

Coalition of Communities of Color

about

The Coalition of Communities of Color was founded in 2001 to strengthen the voice and influence of communities of color in Multnomah County, Oregon.

mission

The communities of color unite as a coalition to address the socioeconomic disparities, institutional racism, and inequity of services experienced by our families, children and communities. The Coalition will organize our communities for collective action resulting in social change to obtain self-determination, wellness, justice and prosperity.

about

Portland State University upholds its vision to: "Let Knowledge Serve the City." The academic partners in this research from the School of Social Work hold commitments to social justice and racial equity.

mission

The School of Social Work is committed to the enhancement of the individual and society. We are dedicated to social change and to the attainment of social justice for all people, the eradication of poverty, the empowerment of those who are oppressed, the rights of all individuals and groups to determine their destiny, and the opportunity to live in cooperation.

Portland State UNIVERSITY

This report was prepared to ensure that the experiences of communities of color are widely available for:

- Policy makers interested in better understanding the issues facing communities of color and the agencies that provide services for them.
- Advocates wanting firm footing in detailing the disparities between communities of color and White populations.
- Researchers considering how to improve better assessment of services, data collection practices and expand beyond conventional measures to define experiences facing communities of color.
- Educators wanting to expand their resources.
- Grant writers seeking to statistically document trends and challenges.

The Coalition of Communities of Color gratefully acknowledges the assistance from the following partners:

Thank You!

Northwest Health Foundation
The Community's Partner for Better Health

United Way of the Columbia-Willamette

Portland State University

Coalition of Communities of Color

Dear Reader,

As members of the Coalition of Communities of Color, the African immigrant and refugee community is delighted to present the *African Immigrant and Refugee Community Report in Multnomah County: An Unsettling Profile*. This is the very first time in the history of Oregon, as well as of Multnomah County, that data specific to the African community has been brought to light, and the everyday lives of the invisible made visible. This report is a most eye-opening study for our local African community, as well as for city and county officials and other regional policy makers.

Several years ago, members of the Coalition of Communities of Color identified a common need to ensure that data adequately captures the lived experiences of communities of color. Data informs decision-making but that same data often excludes dimensions of race and is undertaken without involvement of those most affected by the decisions guided by the research. The impact of these practices is that the African community, along with other communities of color, is rarely visible at the level of policy.

The Coalition of Communities of Color decided to embark on a research project in which data could be used to empower communities and eliminate racial and ethnic inequities. The Coalition of Communities of Color partnered with researchers from Portland State University, as well as local community organizations, to implement a community-based participatory research project into the lived realities of communities of color in Multnomah County. The project will produce a total of seven research reports: one that looks at communities of color in the aggregate and six community-specific reports in the African, African American, Asian and Pacific Islander, Latino, Native American and Slavic communities.

This report serves to make visible our diverse African communities in Multnomah County. The continent of Africa comprises 54 countries representing a wide range of peoples, cultures and economies. Oregon's African communities reflect this diversity. We encourage residents of Oregon and especially those living in the Portland metropolitan region to try as much as possible to understand and make friends with members of the African communities.

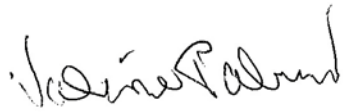
We recognize that this report may in fact be unsettling as you learn about the depth and breadth of disparities facing the African immigrant and refugee community in Multnomah County. However, we ask that you also see the resiliency and strengths of the community and recognize the opportunity for the creation of a new policy environment that supports our community.

Our main priority is to advocate for policy decisions that improve the individual and collective outcomes of the African immigrant and refugee community and, in so doing, improve outcomes for all Oregonians. We hold an empowered racial equity advocacy coalition as central to addressing racial inequities. This report builds an important knowledge base from which to advocate and to educate. Educating our community and the community at large about the African immigrant and refugee community is crucial to achieving racial equity.

5135 NE Columbia Blvd, Portland, OR 97218
Phone: 503.288.8177 x 295 + info@coalitioncommunitiescolor.org + www.coalitioncommunitiescolor.org

Coalition of Communities of Color

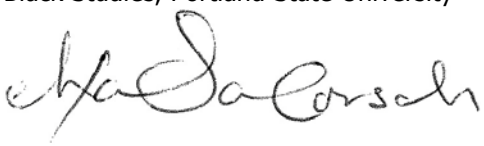
Valerie S. Palmer
Board President
Immigrant and Refugee Community Organization



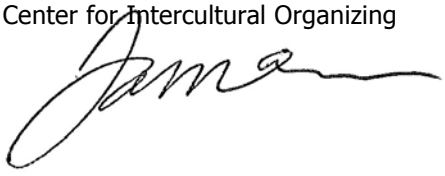
Djimet Dogo
Manager
IRCO Africa House



E. Kofi Agorsah
Professor & Department Chair
Black Studies, Portland State University



Kayse Jama
Executive Director
Center for Intercultural Organizing



Dr. Teresa Gipson
Medical Director
Women Veteran Health Program,
Oregon Health Sciences University



Matthew Essieh
Chief Executive Officer
EAI Information System



Dr. Gerry Uba
Board Member
IRCO Africa House



Fidelis Wachana
Board Member
IRCO Africa House



Laura Gephart
Board Member
IRCO Africa House



Mariam Dogo
Board Member
IRCO Africa House



Abdiwahid Mohamed
Board Member
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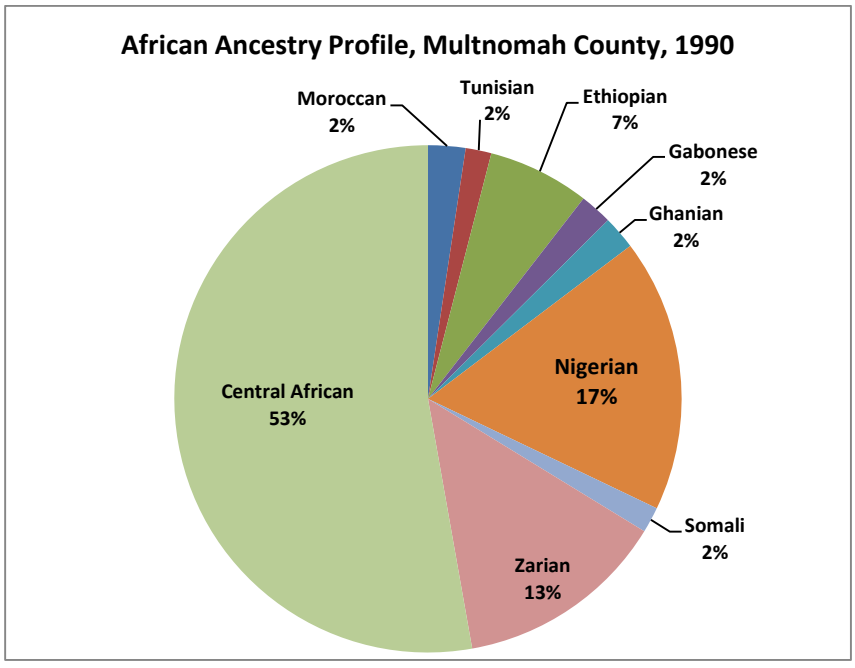
Executive Summary

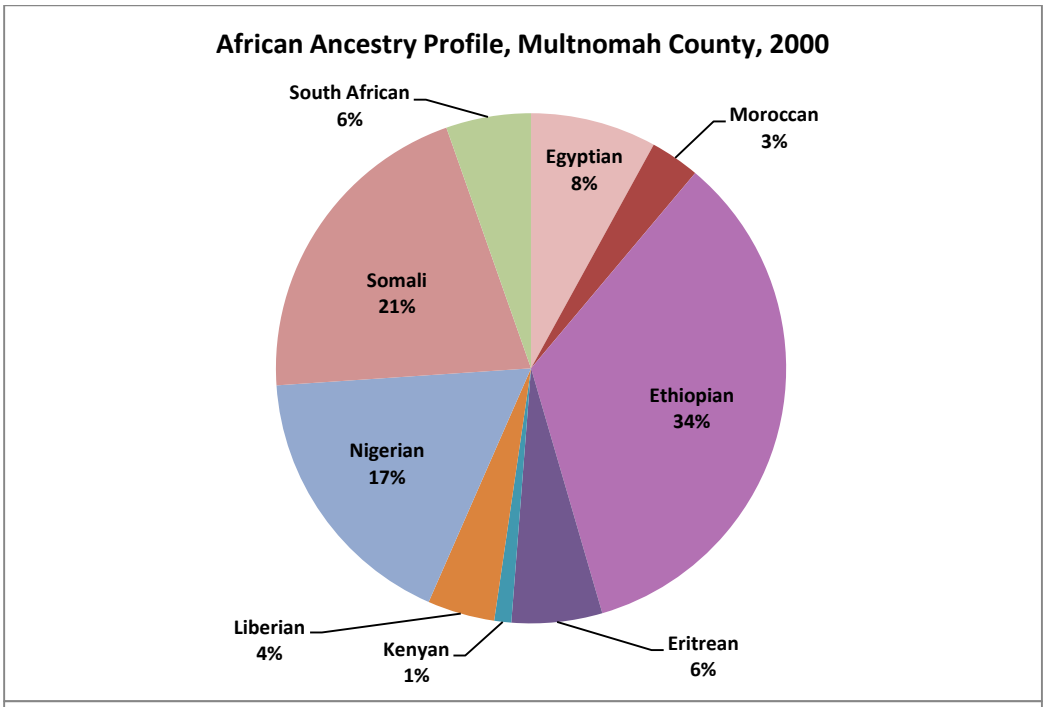
Since 1975, African immigrants, refugees and secondary migrants have been relocating to Multnomah County and now represent the fourth largest immigrant community after Latino, Asian, and Slavic immigrants. The African community here is incredibly diverse in its make-up, with over 28 different African countries and numerous ethnic groups represented. Estimates from 2003 suggest that African immigrants make up 2% of the foreign-born population in the Portland Metro (tri-county) area. Nearly half (45%) of the tri-county area's African foreign-born population is from eastern Africa, including Ethiopia, Eritrea, Kenya, Somalia, Tanzania, Uganda, Zambia, and Zimbabwe.[1] Other countries of origin include Sudan, Sierra Leone, Angola, Mali, Liberia, Togo, Chad, Nigeria, Rwanda, Mozambique, and Democratic Republic of Congo. In 2011 alone, the USA admitted around 15,000 African refugees.

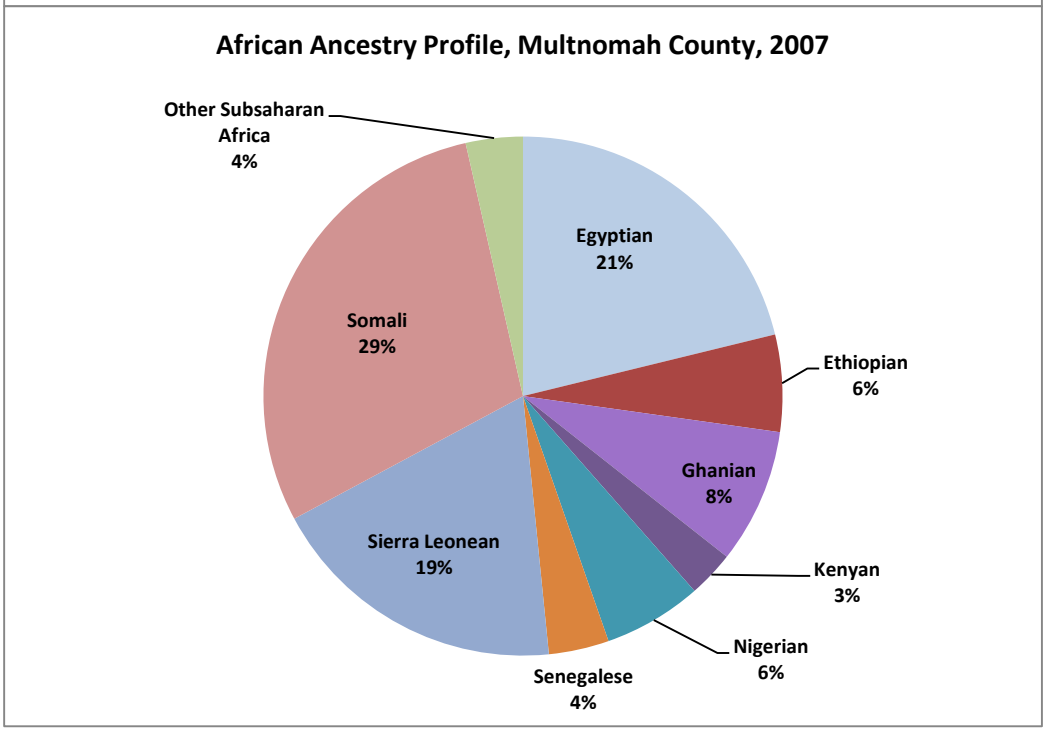
Very little research has been conducted on the experiences and challenges facing the African immigrant and refugee community in Multnomah County.[2] While we know that the official data sources are flawed for this community, we use these data to begin our understanding of this community and how it has changed over the years. Below is the ancestry profile contained in official sources from the Census Bureau, stretching back to 1990.



Source: Census 1990, drawing from customized data extractions by Joseph Smith-Buani, PSU.

More recently, the 2000 and 2007 data show a shifting pattern of African immigrants and refugees. Today we have an increasing concentration of the African community coming from Somalia, Egypt and Sierra Leone. There is a diminishment of the portion of the community from Nigeria and Ethiopia (as a portion of the entire African community). This does not mean, however, that their numbers are shrinking.





Source: Census 2000 & American Community Survey, 2007, drawing from customized data extractions by Joseph Smith-Buani, PSU.

In Multnomah County, African immigrants are mostly clustered in north and northeast Portland, though like other low income communities of color, are spreading further east and west in search of affordable housing.[3] The further reaches of the county also offer more available housing and sometimes close

proximity to settlement services[4] – although there remains a pronounced disjuncture between the location of service providers and where our communities of color are located, and service providers are slow to respond to these local needs.[5]

Our African social fabric is one of diversity and multiculturalism. We retain much of our national, ethnic and tribal distinctiveness and rarely combine our identities within a pan-African framework. We have built our own associations and tend to look inside our own cultures for support. While crises may send us into each other's communities, we retain a focus on building resources that are specific to our distinct communities.

And yet, while our differences may be pronounced, we hold a shared identity as African that results in a pronounced need for culturally-specific services for African immigrants and refugees. Africa House has responded well to this need, providing for us (and with us) a wide-ranging array of services. Features of this service that need replicating throughout the state of Oregon include: diverse language capacity, staff to have experienced being refugees, understanding what we have lost through moving away from our homeland, affirmation of our identity and our experiences of racism, cultural supports so that our heritage is not lost, education for our children to both support their US experiences (particularly in schooling) and also in learning their own native languages. The importance of culturally-specific services cannot be stated strongly enough – for issues of trust, understanding, compassion, and acceptance are the foundations of real help and support.

Universally, the community desires for others to know of our history and the legacy, and particularly of the experiences that carry with us as we arrive in the USA. This next section details the African context and experience with an effort to educate others who might better understand us and who might thus be able to be more sensitive to our needs, strengths and priorities. Know that this history is not complete, as there are many regional variations among us, and local heritage that is not shared. Think of this contribution as the larger and more holistic vision of our history and one that still needs to be supplemented by local histories and contexts.

Some of Africa's history shows community growth that is similar to the USA – with the development of robust and thriving urban centers, rich culture and heritage, and with the development of strong centers of industry, education and trade. Anti-colonial movements led to the expulsion of many colonial governments and recent history (post-1950) saw the independence of many African nations that stretched into the 1990s. Gaining independence, coupled with the rise of South African anti-apartheid and emancipation gains have been good for the dignity of us all.

With this growth and with independence movements, we have been developing our nationhood across the continent. It has not been an easy time, however, as this era has also been a time for a different form of profiteering on the backs of our peoples. Most African nations have faced pronounced increases in international debt – with debts soaring as lending practices and forced restructuring of many of our economies through "structural adjustment programs" of the IMF and World Bank have decimated many

of our economies. In the wake of impoverishment, lasting drought, new nation formation, and the emergence of AIDS, there have been crises in many nations, and in numerous countries leadership has been contentious as military regimes have often stepped into governance voids.

As a result, many countries have been infused with conditions that have been violent and persecutory for many of our peoples. The last generation has been characterized by much civil strife, violence, upheaval, illness and death. And many of our people have been forced to flee their homes and, ultimately, have had all paths towards the future curtailed by forces beyond our control. Forced into refugee camps and surviving much trauma, many among us have sought to find shelter and a new life in foreign countries, including the USA and approximately half of Africans in this region are believed to be refugees or former refugees.[6]

While we as a people are grateful to escape such strife, deprivation and violence, our settlement into US society has been difficult. Details of our settlement experiences help illuminate the ways we have been challenged in the USA. We have been supported by numerous organizations in the region, with the Immigrant and Refugee Community Organization (IRCO) being the largest, and also with support from Catholic Charities and Lutheran Family Services. These services help us find housing, offer employment supports, provide English language training, skills recertification, translation services, transportation, and provide financial supports for our first 8 months in the country (available through the federal government's Office of Refugee Resettlement). The emphasis of these programs is to ensure rapid settlement, rather than secure and promising settlement – not due to the fault of our local service organizations, but through federal government policies which aim for self-sufficiency as quickly as possible.

As a result, we are required through policy to take the first jobs offered to us. Such practice forecloses our professional futures, as many of our African credentials are not recognized in the USA, including our non-USA work experience. It is time to modify these practices so that the best of what we can offer US society can manifest in our work and in our lives – continuing this practice of "take the first job offered" will take a huge toll on our social and economic inclusion in the fabric of American life.

Our African immigrant and refugee community is diverse, as the region routinely accepts refugees from approximately ten African nations, who join another ten African ancestry groups from around the continent. We are a community who are youthful, bringing with us very high levels of education and experience that are typically ignored by mainstream society in the region. For while we have graduate and professional degrees that are almost double the level of White communities, and four times that of other communities of color, we access much less than our fair share of good jobs and have alarming rates of poverty, particularly among our children. Furthermore, our incomes are very low, as our households attempt to make ends meet on incomes that are half that of Whites. Overall, our economic situation is grave and, in today's recessionary climate, precarious. When community members were asked about top priorities that must be acted upon by elected leaders, they universally said their priorities were jobs, education, housing and health care.

Data on our experiences are lacking, as all conventional databases subsume our identity within that of the African American community. While there may be strength in numbers and a shared legacy of oppression, our experiences are profoundly different and are overshadowed by the larger numbers within the African American community. Eclipsed are our experiences with settlement issues, language barriers, lack of recognition of foreign credentials and foreign work experience, health issues related to refugee traumas, lack of knowledge of American society, and under-developed networks and community-based organizations that would flourish if we had the time and resources to nurture their development.

Also missing from view are the racial disparities that exist within our institutions. It is impossible to gain information on our people, as it would require researchers to disaggregate the racial grouping of "black" by country of origin, length of time in the USA, ethnicity, language, and/or refugee status. It is essential that our research practices begin such disaggregation and allow our collective experience as African immigrants and refugees to be more clearly understood, for our racial disparities to be identified and for progress to be monitored. This omission in research practices means we cannot explore racial disparities in the following institutions: higher education (and several important dimensions of public education), child welfare, juvenile and adult justice, social services, public service, voting, health, public housing, and homeless services.

With this invisibility comes powerlessness. While policy makers turn to us for advice on immigration and refugee matters, we are left out of more conventional policy practices in mainstream health and human services. This culture of omission serves to leave our voices out of the debates and all of us lose ground when we engage in practices that center the needs of a more limited set of communities of color. With this pervasive pattern of omission comes a price – for as the reader will see, we are one of the most vulnerable communities of color, and failing to promote our inclusion and to build meaningful supports for our people will harm all of us. For our futures are intertwined, and success for the region will ultimately depend on success for all of our communities of color.

This report has drawn upon a customized data extraction from the 2008 American Community Survey by extracting data for those who have identified their ancestry as African (and excluding those who defined it as African American). These data include insights on education, occupation, housing, demographic composition, unemployment, poverty and income. Updating on some measures was recently conducted, allowing a limited set of experiences to be captured up to 2011. These include unemployment, health insurance, poverty and income levels. This report marks the first comprehensive address of these issues – as the standard practice is to integrate African experiences within the African American profile.

We are able to supplement these data with information about the sub-Saharan community. The American Community Survey has additional information on some social and economic conditions, and made these results available by averaging a full five-year spread of dates (2006-2010). We share these

data by infilling them into this report, filling in gaps in our knowledge with this more limited geographic region, and this five-year composite figure. These figures are to be used with some caution, as they include both a recovery and recessionary period of time. But, as noted above, such minimal data is available that we have elected to include these sub-Saharan experiences. On the positive side, these data points take us to 2010, even though the data are averages over five years. They are supplemented with a more limited set of data for 2011 (as noted in the prior paragraph). Appendix #3 details the countries included in this sub-Saharan region.

Here are the findings as to the nature of racial disparities facing our community:

- We are a highly educated community, with ¼ of us having attained a graduate or professional degree. Mostly, these degrees are earned overseas, and recognition of them here in the USA is minimal, leading to poverty and low incomes.
- We have the highest child poverty rate in the region – at 66.6% of our children. When we include all people in our communities, we have a poverty rate of 51.4%, more than one-in-two people. This rate is significantly worse than when we measured these rates three years ago.
- Our household income is half the size of Whites, at $32,584 per year, compared with $53,225 per year. For those of us able to find full-time, year-round work, we are able to bring home only $28,888 while Whites in the region earn on average $45,087 per year.
- One-in-three of us (who are employed) hold jobs in management and professional roles. While this is stronger than other communities of color, it is significantly less than the 43.6% of Whites who hold such jobs, and certainly not illustrative of the very high levels of graduate and professional degrees we hold. We are also over-represented in production and transportation fields, with the narrative here being that we are likely to be driving taxi cabs for a living, and likely to hold higher educational degrees than those who are passengers in our cabs.
- Our unemployment rate is 80% higher than Whites, at 13.5% compared to 7.5%. Unemployment levels have fluctuated significantly over recent years, with the community being hit hard in this past recession and recovery to prerecession levels still not in evidence.
- 82.7% of us speak a language other than English, and more than ⅓ of us do not speak English very well. Given the limited availability of English language classes for adults, coupled with the emphasis on speedy self-sufficiency as refugees and immigrants, we have narrow opportunities for learning English. This poses an ongoing barrier for employment and also for engaging with our children's teachers and advocating for our children and ourselves when necessary.
- More of our community is unable to secure health insurance. The size of our community that does not have health insurance is 42% higher than Whites, at 13.5% compared with 7.5% for Whites.
- There are few of us able to purchase our own homes – at 38% of the community, while the level is 62% for Whites. Given that we have few assets since many of us arrived as refugees, and we have short credit histories in the USA, this is not surprising. But given that other communities of color have low homeownership levels as well, it is not likely that we are going to be able to access this wealth-generating asset in large quantities even as our length of residency in the USA expands. Remember as well that people of color are over-involved in the subprime lending

industry (at 55% of mortgages compared with 18% involvement for Whites[7]) meaning that we are at high risk for foreclosures and bankruptcy in today's economy.

- When we do own homes, 62.4% of us spend more than 30% of our incomes on rent, much higher than the 40.6% rate for White homeowners.

As a result, our legacy as a people who have migrated to the region within the last generation or two, coupled with the trauma that many of us bring as refugees, bringing with us racial and linguistic identities that are discriminated against, creates an unsettling profile of experiences. Our economic situation is precarious as noted above.

Policy barriers intersect with cultural barriers (such as knowing the local norms and conventions), linguistic barriers, and various dimensions of institutional racism, and a "perfect storm" brews that renders our foothold in US society precarious.

Our social situation is similarly dire. As refugees, many experienced deep trauma, violence and retain these experiences in their bodies. The following words of this community were prepared in 2003 by the Coalition of Communities of Color and these words retain power and significance today:

> *Before coming to the United States, many African youth and families spent years in refugee camps living in unthinkable conditions. Many have been profoundly affected by the civil war, have lost family members, and now suffer from related adjustment and psychological disorders. Here in Multnomah county, African youth now find themselves in an unsupported environment faced with significant cultural and language barriers. For example, some African girls are negotiating around what they see as restrictive roles in the traditional family structure. Many youth are illiterate in English and their native language, are dealing with newly broken homes, and have accents that set them apart from the mainstream. African Coalition members unanimously agree that we have reached a crisis point with our youth. Recently, the school and criminal justice systems have expressed difficulty dealing with African youth ages 13-21. Many African juveniles are already imprisoned in Oregon. With this growing reality, the community is in a state of shock.*[8]

The evidence before us in this report must give rise to action. Simply, inaction is impossible in the face of injustice of this magnitude and this severity. Inaction will sentence us to a future of social exclusion, political isolation, and impoverishment that will not be good for any of us.

A total of nineteen African-specific policy recommendations are forwarded in the text of this report that are priorities for the African immigrant and refugee community to address the forms of marginalization that we experience in the region. Listed below, they hold potential to increase our community's wellbeing, the lives of our families and the futures of our children.

Education Reform

1. We aim to end the inappropriate mainstreaming of our children and youth. We need to make an intensive year of support available for our youth, and to sustain them in a culturally-specific environment without the pressure to fit into a specific grade.
2. Accurate assessments of the achievements of students who come to the USA are needed. It is essential to determine the exact differences, in terms of credits, between various diplomas and certificates.
3. We need accurate and routine information on how our children and youth are doing in school. Accordingly, we ask all school boards and the Oregon Department of Education to ensure that our community can be differentiated from African Americans. We ask that these institutions be guided by the recommendations contained within the Coalition of Communities of Color's *Research Protocol.*
4. Our children need to enter schools where teachers and staff look like them and understand their culture and the conditions of their arrival in the USA. Improved recruiting and hiring of African teachers must be made a priority, as well as equity efforts inside each school board to retain and promote these teachers through the ranks.
5. All teachers who engage with our children need to understand the history, the challenges and the conditions in which our children encounter their world. Understanding will provide an important link to reducing the isolation and vulnerability of our students.
6. We press our school boards to build rapid systems for recognizing African professional and experiential credentials so that we can be hired into the schools to both increase racial equity in hiring, and also to create a more welcoming, affirming and culturally-responsive academic environment.
7. Finally, many of our children are in Limited English Proficiency programs. It is imperative that this program be of the highest quality and that we as parents and consumers be assured that all school boards will meet federal regulations in LEP programs.

Employment

8. It is time for a robust, welcoming and easy to access system for recognizing foreign credentials. For the regulated professions, concrete, transparent, appropriate and low-cost equivalence measuring must be made available.
9. Provide paid skills training programs of short duration that prepare workers for specific occupations and/or jobs. These could be informed by local employers' needs and technological expectations.
10. Provide on-the-job training for the first month of employment for immigrant and refugee workers that subsidize employer's wages paid to workers and that would be rebated if the worker successfully transitions to become a regular employee. This would enable our community to be more rapidly employed (and not delayed for a training period) and provide supports for employers to hire our community members.
11. A workers' rights information campaign is needed to advise workers of their entitlements on working conditions, the rights to unionize, and the programs and services available to them for both prevention and for intervention when things go wrong.

12. To support employment, keeping public transportation costs low and routes accessible and convenient is essential.

Unemployment

13. It is essential that employment be considered a human right. African community members are exhausted with lengthy job searches and low prospects for finding living wage jobs. Providing real options for a positive future is essential for improving the well being of the community.

Remittances

14. It is well beyond time for international aid of sufficient size and quality that supports African development and peacemaking across the continent. Residents and policy makers in Multnomah county can advance a shifted discourse about the responsibility that those in the USA hold for real reforms in Africa. An end to exploitation, harmful structural adjustment programs, and mere crumbs of international aid are essential dimensions of such reforms.

Housing

15. It is imperative that solutions be found to the African housing crisis that is unique for many features: the intersection of language difficulties, cultural norms of occupancy that differ so much from that in US society, low incomes, vulnerability due to poverty, racism and bias of those involved, and the absence of culturally-specific services to assist us outside Multnomah county with housing.
16. The supply of subsidized housing must be increased immediately. We also seek for an expansion to occupancy standards to better reflect our cultural norms.
17. We highlight the necessity for expanded access to translators and policy that requires landlords and housing managers to ensure that conflict and disputes are comprehensible to African tenants.
18. It is important that housing is understood as a human right instead of a consumption item to be purchased in the private market and vulnerable to the practices of landlords.

Health and Human Services

19. All Africans need access to accurate information about the resources available, the conditions for accessing services, the pathways to citizenship, advocacy practices for supporting our children, and options for involvement in building social justice and racial equity for our community.

To advance racial equity for the community, and to continue solidarity among all communities of color, we also affirm these eleven priorities advanced in the earlier work of the Coalition of Communities of Color.[9]

1. ***Reduce disparities with firm timelines, policy commitments and resources.*** Disparity reduction across systems must occur and must ultimately ensure that one's racial and ethnic identity ceases to determine one's life chances. The Coalition urges the State, County and City governments, including school boards, to establish firm timelines with measurable outcomes to assess disparities each and every year. There must be zero-tolerance for racial and ethnic

disparities. Accountability structures must be developed and implemented to ensure progress on disparity reduction.

2. ***Expand funding for culturally-specific services.*** Designated funds are required, and these funds must be adequate to address needs. Allocation must recognize the size of communities of color, must compensate for the undercounts that exist in population estimates, and must be sufficiently robust to address the complexity of need that are tied to communities of color. Culturally-specific services are the most appropriate service delivery method for our people.

3. ***Implement needs-based funding for communities of color.*** This report illuminates the complexity of needs facing communities of color, and highlights that Whites do not face such issues or the disparities that result from them. Accordingly, providing services for these communities is similarly more complex. We urge funding bodies to begin implementing an equity-based funding allocation that seeks to ameliorate some of the challenges that exist in resourcing these communities.

4. ***Emphasize poverty reduction strategies.*** Poverty reduction must be an integral element of meeting the needs of communities of color. A dialogue is needed immediately to kick-start economic development efforts that hold the needs of communities of color high in policy implementation. Improving the quality and quantity of jobs that are available to people of color will reduce poverty.

5. ***Count communities of color.*** Immediately, we demand that funding bodies universally use the most current data available and use the "alone or in combination with other races, with or without Hispanics" as the official measure of the size of our communities. The minor over-counting that this creates is more than offset by the pervasive undercounting that exists when outsiders measure the size of our communities. When "community-verified population counts" are available, we demand that these be used.

6. ***Prioritize education and early childhood services.*** The Coalition prioritizes education and early childhood services as a significant pathway out of poverty and social exclusion, and urges that disparities in achievement, dropout, post-secondary education and even early education be prioritized.

7. ***Expand the role for the Coalition of Communities of Color.*** The Coalition of Communities of Color seeks an ongoing role in monitoring the outcomes of disparity reduction efforts and seeks appropriate funding to facilitate this task.

8. ***Research practices that make the invisible visible.*** Implement research practices across institutions that are transparent, easily accessible and accurate in the representation of communities of color. Draw from the expertise within the Coalition of Communities of Color to

conceptualize such practices. This will result in the immediate reversal of invisibility and tokenistic understanding of the issues facing communities of color. Such practices will expand the visibility of communities of color.

9. ***Fund community development.*** Significantly expand community development funding for communities of color. Build line items into state, county and city budgets for communities of color to self-organize, network our communities, develop pathways to greater social inclusion, build culturally-specific social capital and provide leadership within and outside our own communities.

10. ***Disclose race and ethnicity data for mainstream service providers.*** Mainstream service providers and government providers continue to have the largest role in service delivery. Accounting for the outcomes of these services for communities of color is essential. We expect each level of service provision to increasingly report on both service usage and service outcomes for communities of color.

11. ***Name racism.*** Before us are both the challenge and the opportunity to become engaged with issues of race, racism and whiteness. Racial experiences are a feature of daily life whether we are on the harmful end of such experience or on the beneficiary end of the spectrum. The first step is to stop pretending race and racism do not exist. The second is to know that race is always linked to experience. The third is to know that racial identity is strongly linked to experiences of marginalization, discrimination and powerlessness. We seek for those in the White community to aim to end a prideful perception that Multnomah county is an enclave of progressivity. Communities of color face tremendous inequities and a significant narrowing of opportunity and advantage. This must become unacceptable for everyone.

The needs of our community are deep and profound. While only slices of data are available today on the experiences of the African community, we remain dependent on the narratives of experience to help illustrate that, indeed, racial disparities are pronounced across institutions and systems. It is imperative that we work together across the divides of race and ethnicity to build a positive future for all of us.

A Note about Data

The conventions for data on the African community is to aggregate all those who define our racial identity as Black into the category of "African American or Black." What this means is that our experience is subsumed under a larger category of people of color and, thus, our experience diffused. This convention means that uniqueness of our challenges disappears. The decision of the Census Bureau to drop the long form of data collection in Census 2010 narrows further the possibility to provide "hard" data on the experiences of Africans in the region.

Where we can seek customized data extractions from databases, we can only extract our community if questions such as, "country of birth" or "length of time in the USA," or "refugee status" are also asked of those who fill out the forms. In the vast majority of cases, these questions are not asked. Sometimes they are asked, but then dropped by the researchers responsible for setting the standards for the elements of identity that carry through the database evaluation practices.

To remedy this challenge, we have drawn from a customized microfile extraction from the American Community Survey (ACS) for 2008.[10] To achieve this, we contracted with the Population Research Center at Portland State University to generate these data on our behalf. The construct used was those respondents (to the survey) who indicated that their first or second ancestry definition was "African" or a specific African nation. Furthermore, we excluded those who define their first ancestry as American from this dataset as it was assessed to be a proxy for the way in which African Americans are likely to define themselves. This dataset numbered a total of 9,335 in Oregon, and 7,683 for Multnomah county. When we examined important variables within this dataset, some elements had a sample size that was too small to extract a reliable finding, such as individual incomes, or the poverty rate for single parents. We thus have a limited set of variables to unveil in this report.

Additional data on the sub-Saharan community is available for an amalgamated measure of a five-year period (from 2006 through 2010). We use these data to fill in more experiences that are not available from the ACS, thus allowing us to report on additional poverty rates, housing, transportation, income, unemployment and family status.

We have supplemented these data with our own survey of the African community. A total of 72 surveys were completed in 2011, and is somewhat smaller than the 99 surveys that would have generated a precision level of ±10%, within a confidence level of 95%.[11] This survey was developed by the author of this report, in consultation with leading members of the African community, and administered by the staff of Africa House in the course of their regular staff and community activities. This supplemental source of information provides us with concrete indicators of additional struggles faced by the community. These data are included in the relevant section of this report.

Missing from this report are the findings on racial disparities at the institutional level, such as child welfare, policing, juvenile and adult justice, education (with the exception of the achievement gap), higher education, health, early childhood programs, voting and participation in public service. It was impossible to extract information on these institutions for the African community. Quite simply, in each system, African experiences have been permanently subsumed within that of African Americans.

This research report also draws from the experiences of our community members who live in Multnomah county. Four focus groups were conducted with community members between 2008 and 2011. Transcripts were analyzed by the principle investigator, Dr. Ann Curry-Stevens and the findings incorporated into this report. Given the scarcity of data on the African community, it was deemed

important to gather experiences through qualitative research to provide for greater context and for beginning to identify key areas that are essential for quantitative data to be gathered.

As one can imagine, we strongly advocate for enhanced data collection and research practices to ensure that our experiences can be examined, and policies, practices and standards developed that will ensure that progress towards racial equity is ensured for our community. Full details about the nature of reforms required are currently in development by the Coalition of Communities of Color.

African History: The Context of Africans Arriving in the USA

The earliest African contact with the USA dates back to mid-fifteenth century with slave trade on the West to mid-southwest coast of Africa. The modern migration from Africa to the USA began in the 20th century. Over the past thirty years, more Africans have come voluntarily to the United States than came during the entire era of the transatlantic slave trade, which transported an estimated half million men, women, and children to these shores. But this contemporary migration forms only a trickle in the total stream of immigrants to the United States.

Nevertheless, small as it still is today, the African community has been steadily and rapidly increasing. Sub-Saharan Africans have recently acquired a high level of visibility in many cities. Close-knit, attached to their cultures, and quick to seize the educational and professional opportunities of their host country, African immigrants have established themselves as one of the most dynamic and entrepreneurial groups in the country.

A small number of African students were sent by Christian missions and churches (notably Seventh Day Adventist Church) to historically black colleges like Oakwood College and universities such as Andrews University beginning at the end of the nineteenth century. The trend continued in the early twentieth century. Nnamdi Azikiwe, the first president of Nigeria, and Kwame Nkrumah, Ghana's first president, both studied at Lincoln University, and pursued graduate studies at the University of Pennsylvania.

Immigration was insignificant until the late 1960s. Traditionally, Africans had migrated primarily to their former colonial powers: Great Britain, France, and Portugal, and more than a million sub-Saharan Africans currently live in Europe. But beginning in the late 1970s, these countries froze immigration because of economic slowdowns. Immigration to the United States became an option. At the same time, increasing numbers of students and professionals decided to remain in America owing to difficult political and economic situations on the continent.

Emigrants were not only pushed out of their countries, they were also pulled to the United States. A number of favorable immigration policies enabled them to make the journey in much greater numbers than before. For instance, tens of thousands of political refugees from Ethiopia and Eritrea, living under a Marxist regime, were allowed entry in the mid-1980s, and when the Immigration Reform and Control

Act of 1986 legalized the status of eligible undocumented individuals, more than 31,000 Africans applied. In addition, the Immigration Act of 1990 established a lottery system that favors underrepresented nations, a category that includes all the African countries. Since 1995, an average of 40,000 African immigrants have entered the country legally every year, but the number increased to more than 60,000 in 2002.

For a significant number of Africans, the United States is not their country of first migration; many have come from Europe, the Middle East, the Caribbean, and other nations in Africa. These are motivated expatriates, adaptable risk-takers in search of better opportunities and with a wealth of experience acquired at home and in their countries of first immigration.

Besides their "migration experience," the most significant characteristic of the African immigrants is that they are the most educated group in the nation. Almost half have bachelors or advanced degrees, compared to 23% of native-born Americans.

Yet today, we enter the USA as immigrants and as refugees, hoping for a better future and hoping for respect and dignity, aiming to take part as equals in the American way of life. Africans have several layers of identity - national origin, ethnicity, gender, class, and religion. At home, their color or "race" had no relevance. But in the United States, they find themselves defined by that specific criterion, and have to live as a racial minority in a country with a long history of exclusion and discrimination against black people. Encounters with racism are often baffling and evoke feelings of shock, indignation, and humiliation in people who have grown up in societies where their intellectual, physical, social, and even human qualities were never questioned on the basis of color.

What does it take for someone to leave one's country and travel 9,000 miles to Portland, Oregon? Among arrivals to Portland, those from the African continent leave our home countries for two major reasons: as immigrants seeking a better life for oneself and one's children, or as refugees fleeing violence, persecution and the threat of immediate personal harm. To understand the conditions of those who arrive in the USA, we must first trace back the legacy of slavery, colonization, international debt, structural adjustment, civil war and the ways in which these experiences impoverish African nations, and tie moral and ethical responsibility to those in the USA.

The African continent has long been perceived as a region to pillage and exploit by imperial countries. Slavery resulted in the forced and enticed abduction of approximately 25 million Africans over about 450 years between the 15th and 19th centuries.[12] This "slave trade" served to build the power and affluence of imperialists in Britain, Europe, the USA and the Middle East who were joined by some African traders that resulted in millions of Africans being seized from their homes and moved into the USA (and out of Western Africa), and millions more abducted by Arabs and Africans from across the continent and enslaved in the Middle East. Millions too died in transportation to slave ships and in the journey across the seas, with death rates in passage being in the arena of 15%.[13]

This destruction of communities was profound on many levels. To begin, men and women in their prime of life were stripped from communities leaving those behind with grave challenges in feeding and caring for each other.[14] These were early agrarian days when the survival of the family and tribe depended on the strength and numbers of its members – without robust communities, starvation and great hardship resulted. As communities deteriorated, so too did networks of information sharing, political organization and local trade. Such conditions are believed responsible for the agrarian and industrial revolutions largely passing by Africa.[15] Without local agricultural development, there was little opportunity for rooting more expansive industrial and agrarian growth.

Another feature of the impacts of slavery was that networks between communities were devastated as remaining people turned inwards to each other, trust between communities deteriorated and local trade networks were severed. Slave traders paid Tribal leaders for selling members of those who were conquered through local wars. Such practices promoted civil unrest, and traders and their home nations were invested in sustaining local conflicts as peace and local harmony served to protect residents from being sold into slavery. The scope of enslavement is believed to be approximately 20% of the adult male population, and 10% of the female population of Africa. Seizing more men than women resulted in an unbalancing of the genders that is believed to be responsible for the prolonging of polygamy in Africa. Distribution of numbers seized, gender impacts and polygamy practices are uneven across the continent.

At a community level, trust is essential to creating economic development, political institutions, political leaders and public goods and services.[16] Today, we know that community-wide distrust is the result of the slave trade and that the consequences of this distrust have been profound across African history as cultural heritage has been weakened by slavery and the coerced practices of neighbors and even family members selling each other into slavery.[17] Memories have stayed alive through oral histories with remnants continuing today.

It is important to not lose sight of the differential experiences of slavery – that of devastation in Africa was correlated with affluence in Europe, England and the USA. Exploitation of the labor and lands of Africa allowed imperial nations and White merchants to become very affluent, without compensation, without just treatment of community members, and with long-lasting impacts on African nations. This violence destroyed communities, families, and damaged the long-term vitality of the continent.

Looking more deeply at the conditions that allowed for slavery to thrive, we see that slave traders and the countries that authorized such practices needed to justify this practice. In order to achieve tolerance for slavery, White imperialists advanced a notion that Africans were subhuman.[18] Evidence of this is seen in the US Constitution where all non-free persons (meaning African slaves) were deemed to be three-fifths human. So too is this reflected in practices that aimed to keep religious advocates and missionaries outside of Africa in order to abate the influences of notions of equality as humans outside the slave trade industry.[19] And so too is the practice of the “one-drop rule” that deemed anyone with any African heritage to be subjects of segregation in the USA.

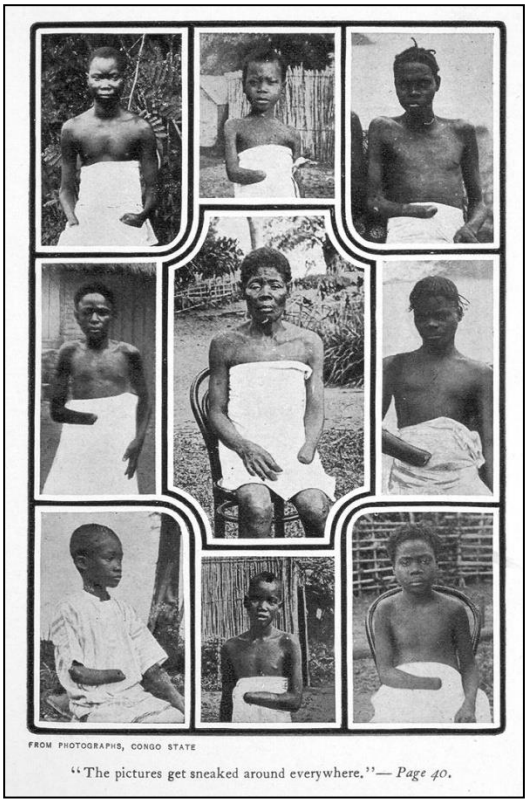
This portrayal of Africans sets the stage for colonization through the 19th and 20th centuries and for structural adjustment programs of the World Bank and International Monetary Fund in the latter part of the 20th century and into the 21st century.

Africa was the subject of colonization by numerous imperial powers with the largest being England and France, with additional regions being colonized by Italy, Germany, Belgium, Portugal and Spain. Colonization in Africa was primarily an avenue for economic exploitation, made more powerful by the advent of weaponry (as a product of industrialization and that bypassed Africa) and the sustained notions of Africans as subhuman, and made possible by the earlier impacts of slavery which had destroyed communities, nations, and economic and political progress.[20] Resistance, though prominent, was unsuccessful in all but Ethiopia, and temporarily in Somalia.[21] Slavery had made colonization easy, as "Africa's ability to defend itself was seriously compromised."[22] The reach of colonization by 1914 is all but universal, as shown below.



Source: Graham (2006).[23]

Colonization precluded the development of local wealth and resources, as ruling nations withdrew natural resources, financial profits and frequently exploited local residents for labor, including violence for not meeting production quotas. The example of discipline in the Congolese rule by King Leopold (from Belgium) is shown below – but not shown is that approximately half of the population (as many as 8 million people) died or were killed as a result of this colonization, circa 1895 to 1908.



Source: Twain (1905).[24]

While some benefits were invested in local regions, sovereignty and an orientation to growth that created durable benefits for the region and its inhabitants were lost. Colonizers retain primary obligation to their own nations, not those that are colonized. In this era from 1881 to 1936, millions lost their lives, and the continent was again pillaged to advantage European growth and imperial control.

Decolonization began at the start of World War II, as European nations retrenched their political forces to promote their chances of success in the war at home. Coupled with powerful resistance movements and wars for independence in an array of African nations, African sovereignty is regained in the years between 1951 (for Libya) to 1993 (for Eritrea).

But a new form of colonization has ravaged the continent. As one can imagine, for a continent seen for generations to be ripe for exploitation, and where slavery, colonization, violence and genocide have been the tools of the aggressors, and where long-term depletion of human, political and economic resources have been imposed, the impact is deep and widespread vulnerability across African nations. To cope with these challenges, African nations have borrowed from all-too-willing lender nations who are primarily the USA, Canada, England, Germany, and Japan. When leading nations organized themselves into the economic powerhouses that are the International Monetary Fund and the World Bank, they began to impose expectations on the nature of international aid, loans and development. Formally, the World Bank created the "structural adjustment" policy which requires debtor nations to reform their economic practices and ensure development happens in "market-oriented" directions, and

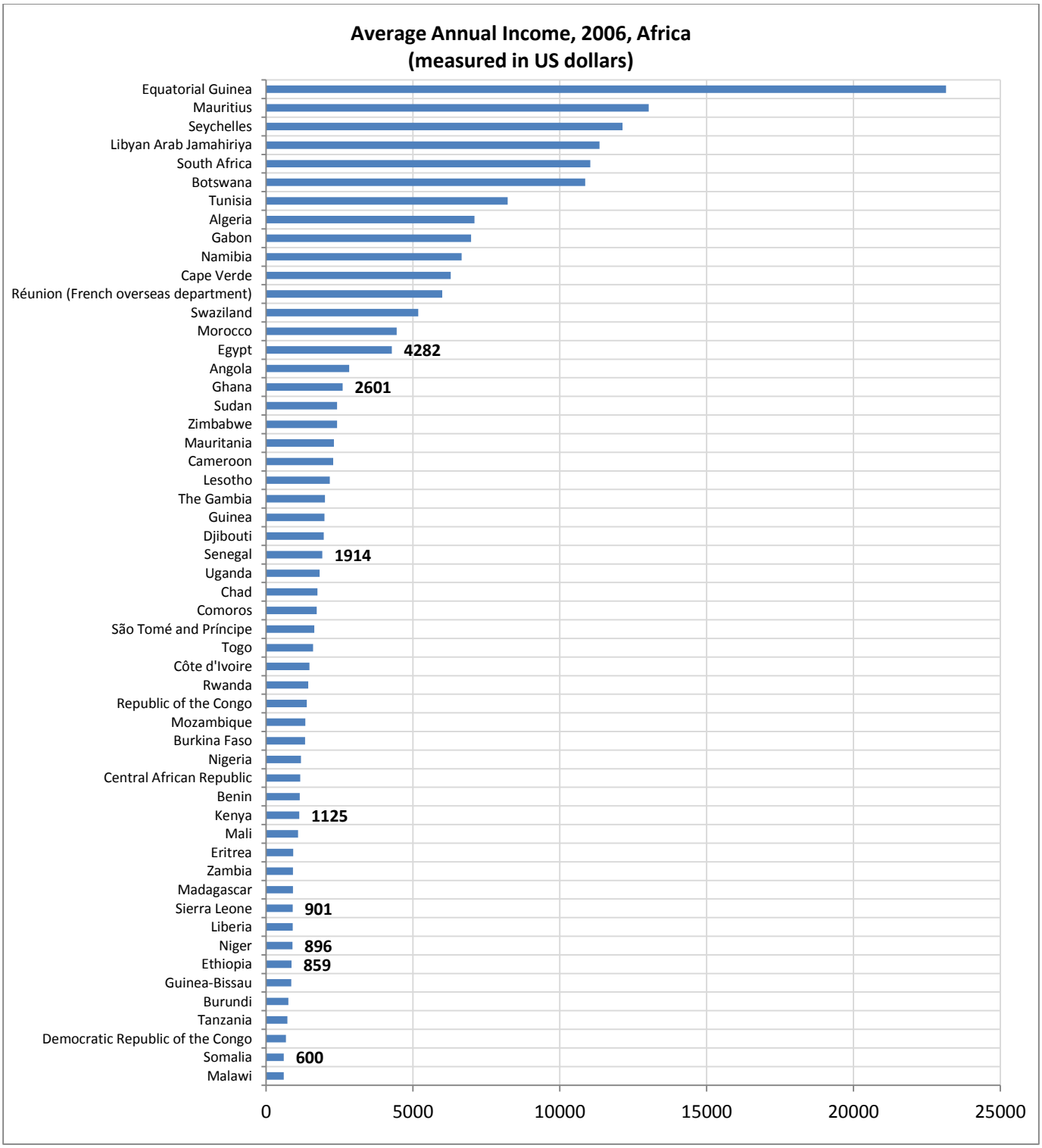
which hold the promise of restoring economic sustainability for the nation.[25] Unfortunately, these requirements are biased towards a particular orientation of economic development – one that happens at the expense of robust supports for the local economy and giving distinct preference for economic activity that benefits foreign lending countries. The specifics of these policies include:

- Raising interest rates
- Cutting government spending
- Privatizing government services and enterprises
- Liberalizing trade (meaning eliminating protections for national industries)
- Increasing export production
- Increasing the rights of foreign investors in national legislation
- Devaluing local currencies (making it very expensive to purchase imports)

Despite the rhetoric that such a policy environment will stabilize national development (by balancing government expenditures and income), these measures are widely understood to "result in a widening income gap, undermine local industries, reduce access to credit for farmers and small businesses, greater unemployment, and increased poverty."[26]

The specific impact of structural adjustment programs in Africa have included "popular discontent, riots and political instability"[27] in the face of imposed cuts to programs and increased interest rates, which unfortunately was coupled with widespread drought. The net impact of these austerity measures has been profound: "the World Bank and the IMF had admitted that the "shock effect" of SAPs would be painful, but insisted that the bitter medicine would bring economic health within a few years. The bitterness was tasted to the full but economic health was nowhere in sight."[28] It has taken a global activist effort to support some measures towards debt cancellation and reworked conditions of loans.

According to the World Economic Forum, ten percent of the world's poor were African in 1970; by 2000, that figure had risen to 50 percent. Between 1974 and 2000 the average income declined by $200, which is equivalent to a 5.6% drop in annual income across the continent, and equivalent to a 25% drop among the continent's twelve poorest nations. Below are profiled the annual incomes per capita in the countries of the African continent; the average annual income in 2006 across the continent was $3,579.



Source: Adapted by the author from International Monetary Fund (2006).[29] Highlighted are those countries from where high levels of African residents in Multnomah county originate.

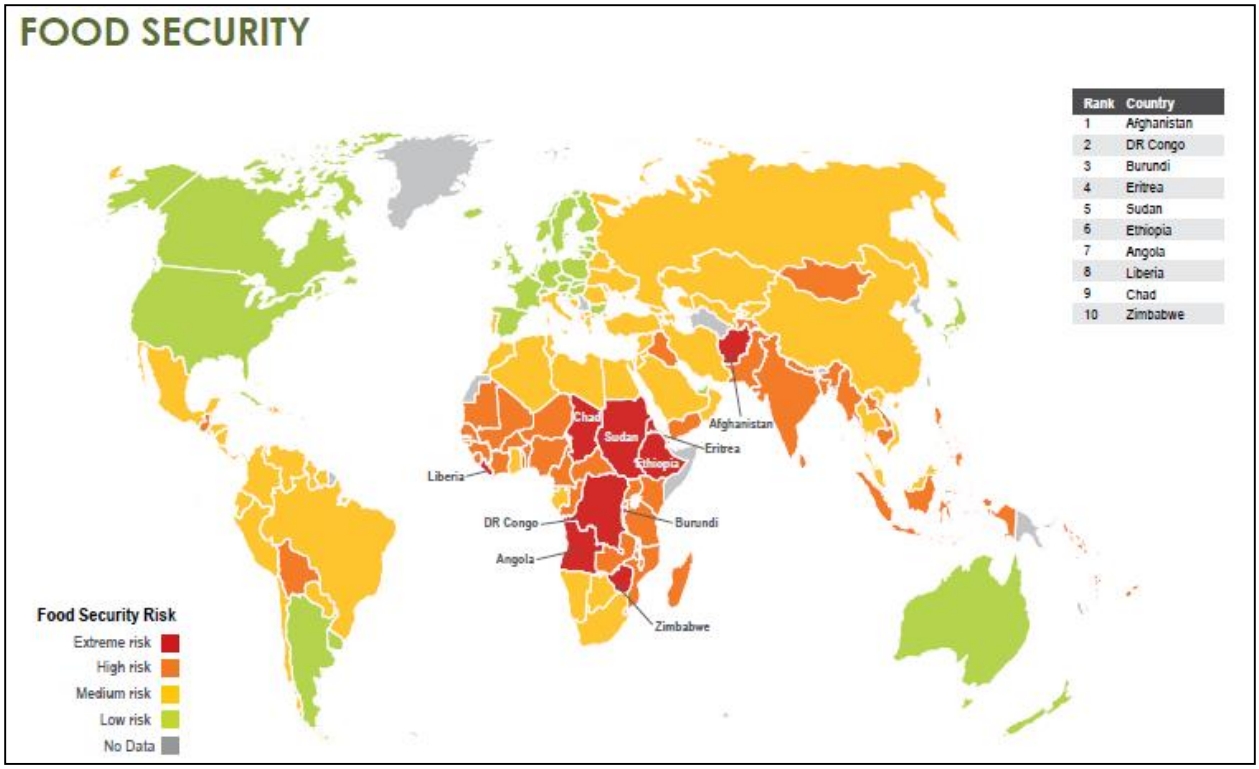
The HIV/AIDS crisis has further challenged the continent, with sub-Saharan Africa most deeply harmed, as an estimated 22.5 million people are living with AIDS and 14.8 million children have lost their parents

to the disease.[30] Those countries most deeply harmed include Botswana, Lesotho and Swaziland where rates are at or above 25% of the population infected with HIV.[31] Levels in South Africa are 18% and in Namibia, Zambia and Zimbabwe, about 15% of adults are infected with HIV. Levels are fortunately on the decline as new cases are lower than in the late 1990s.

The impact of this disease is far-reaching as poverty deepens, families cannot support themselves, and national revenues similarly deteriorate. Expenditures on health increase and reliance on state supports expands. In total, the HIV/AIDS crisis is believed responsible for rolling back "decades" of development efforts in the continent, and specifically cutting life expectancy in numerous sub-Saharan countries to levels not seen since the 1970s.[32]

Africa is today the world's poorest continent. Current conditions show that the economic and social situation is troubling. The economic conditions imposed by the IMF and World Bank have indeed led to increased economic growth – but only as measured by total economic output (with growth rates at approximately 6% this year and next). As predicted, poverty and inequality have surged, and many still need basic housing, water and health, and economic growth does not provide sufficient stability to create robust democracies in Africa.[33] These are problems that have long-plagued the continent, leading the United Nations to establish Millennium Development Goals in order to set development objectives to address extreme poverty and other social indicators and to simultaneously demand supports from developed nations to finance such efforts.

Progress on the UN's Millennium Development Goals has been slow, with inadequate achievements on extreme poverty and hunger being attained in 56% of African nations (and regression happening in 30% of nations), and reductions in child mortality also failing to reach 56% of nations.[34] The worst performance in Millennium Development Goals is experienced in maternal health, with 87% of nations failing to meet targets, and 27 nations regressing in maternal health. Overall, achievement of Millennium Development Goals averages about 28%, meaning that, overall, targets have not been met in more than 70% of countries. While sub-Saharan unemployment is at a disastrous level of 23%,[35] so too is Northern Africa challenged by unemployment (with current levels as high as 20%).[36] Hunger and food security is deeply challenging, with the figure below showing the magnitude of this problem in Africa, particularly in comparison with other regions of the world.



Source: Maplecroft Food Security Index, 2011.[37]

Gains have, however, been made in an array of countries. On redress of hunger and poverty, real gains have been made in Angola, Ethiopia, Ghana and Mozambique. Guinea, Morocco, Mauritania, Tunisia, Malawi, Madagascar, Tanzania and Togo have made gains in primary school graduation rates. Improvements in child mortality have been achieved in Mozambique, Malawi, Niger and Ethiopia.

Within these countries, greatest distress typically exists in rural regions. Over the last decade, sub-Saharan Africa's poverty numbers have surged from 268 million to 306 million people. But so too urban areas struggle, for rapid growth, low incomes and high infrastructure needs have resulted in 62% of urban residents living in slums.[38]

Barriers to a thriving economy are understood to include very weak infrastructure, as "the continent remains plagued by a crippling lack of energy, transport and telecommunications infrastructure."[39] So too are human development conditions, for when extreme poverty, lack of access to water, low education levels and poor maternal health exists, communities are deeply blocked from health, opportunities and well being. Conflict and civil war – often incited by low economic opportunities – now directly affects 20% of the continent's population. Turmoil itself then further depletes infrastructure, institutional and political capacities, and deepens poverty, ill health and human suffering.[40]

The reach of conflicts and civil war is wide, with sub-Saharan Africa holding the status as the world's region least likely to be at peace, with Somalia taking the bottom position across the globe slipping below Iraq who held the position in 2010.[41] The Somali conflict had abated somewhat with constraints

on military spending and a somewhat more stable political situation, but the cumulative effects of six years of drought now has plunged the region again into a deep humanitarian crisis. On the positive end of the spectrum, Chad has achieved the most positive movement towards peace as relations with Darfur and the Sudan have improved.[42]

African Immigrants and the Immigration Experience

The African continent generates many immigrants and refugees – the former choosing to escape poverty and conflicts seeking a better life for ourselves and our families, and the latter without even the choice of escape and who instead flee persecution and the prolonged privation of life in refugee camps. Reflecting on the impact of African living conditions on both these groups is our next task, first looking at the situation facing immigrants.

Professionals in African nations typically are underpaid and vulnerable to what has been called the "brain drain."[43] More than 20,000 professionals have been leaving the continent annually since 1990, with goals shifting from the 1960s and 1970s when resettlement was seen as temporary with the plan to return as democracy and opportunity were rebuilt as independence settled into the region. Increasingly, however, these moves are permanent as immigrants seek a better future, including pay, economic opportunity and relative freedom from repression and civil strife.[44] Remittances from immigrants are an enduring commitment that many Africans make to support families, relatives and community members at home. A national study in 1991 indicated that 57% of Africans make remittances to Africa[45] – and these numbers are a little higher in Multnomah county at 60%,[46] despite the much higher poverty rates in the region (as illustrated in this report).

Remittances are an important part of Africa's economy, and estimated to be approximately $40 billion per year, which is equivalent to 2.2% of the continent's economic activity, and a level that roughly is equated by development aid into the continent which is approximately $50 billion annually, but the net impact is worse, as African nations pay approximately $20 billion per year back to loan repayments to industrialized nations.[47] For Africans in Multnomah county, remittances are an enduring and often difficult responsibility, for affluence is missing and the capacity to carry such duty stretches an already tight budget – particularly when unemployment, high housing costs, lack of income supports and debts already are tough to carry. In the midst of negotiating these duties, Africans share stories about the latest call or letter received from home, and occasionally laugh to disrupt the pain that flows from the correlated angst in trying to stretch resources even further. We are a people who carry such responsibility as part of our heritage and our obligation. Such is not without duress, but nevertheless, we make sacrifices for our kin in Africa.

Our decisions to move to the USA were difficult, costly and with high stress. To begin, there has been perpetual discrimination against immigrants with dark skin, and ours is often the blackest on the globe. Severe prohibitions on our immigration existed from 1750 to 1952, when citizenship was limited to those with White skin and prohibited for people of color. Following World War I, substantial preference

was given to applicants from Europe and constrained quotas existed on those from Africa. Formally, in 1965, the quota system ended with the introduction of the Immigration Act of 1965, and allowed family repatriation and those with specific job skills to be given priority. This era marked the opening of the USA to African immigration. Still, however, access was constrained as informal systems of prejudice prevailed including border practices, skills determination and interpretation of "exceptionality" that was written into employment-based immigration legislation. But access was possible although time limits, costs and prejudice limited our access.

To address conditions for constrained access and to advance a humanitarian agenda across the globe, the USA introduced the "Diversity Immigrant Visa" in 1990 to make 50,000 permanent visas available annually to countries which have had low immigration rates to the USA, and that required a high school diploma or two years of experience coupled with two years of training to be eligible for applying for the visa. This legislation has supported many of us to enter the USA. Despite commitment to diversify entry into the USA, access is uneven. As one can imagine, there are many more applicants than available visas. Further stratification by region has created some possibilities for African immigration into the USA. Here are the data for the last few years:

- In 2007, 9.1 million applications for 50,000 spaces, meaning 1 of every 182 applicants were successful. Among fully eligible applicants, 1.31% of African applicants were successful.
- In 2008, 13.6 million applicants for 50,000 spaces, lessening success rates to 1 of every 272 applicants. When filtered to only eligible applicants and stratified, Africans were successful at a rate of 2.4%.
- In 2009, Africans achieved success in 2.3% of applications.

Despite these limited odds, the Diversity Visa system has been an important addition for access to move to the USA. In 2009, entry through the Diversity Visa system for Africans outstripped entry through conventional immigration systems by a margin of more than four-to-one.[48]

The costs for entry are high, when annual incomes for Africans averages $3,579, but are typically impossible among poorer nations such as Somalia where the average annual income is $600.

Fees for Visa Services, 2011	
Visa petition for a relative	$420
Family class application	$330
Employment-based application	$720
Diversity visa application	$305
Diversity Visa Lottery fee (if successful)	$440
Immigration visa security surcharge	$74
Documentation review for family class & some employment applicants	$88

Source: US Department of State (2011).

The total cost of visa fees for entry through the Diversity Visa is $745. This is on top of travel costs and resettlement costs. It is estimated that the cost of immigration into the USA totals over $2,000. Waiting times can be very high – at 6 to 9 years for skilled workers and professionals, and 4 years for spouses and minor children, and 7 to 18 years for unmarried adult children. Among investors (who need to enter with $1 million, or a lesser amount of $500,000 if willing to locate rurally or to areas where unemployment is over 150% times the national average) and priority workers, there is no waiting list.

Upon arrival into the USA, immigrants are not eligible for any form of income support, as status as an immigrant is that of outsiders and precludes access to most income supports.

Citizenship requirements are expansive, including the requirement that we have lived in the USA for a minimum of 5 years (reduced to 3 years if one is a spouse to a US citizen), speak, write and read basic English, pass a test on US history and government, be at least 18 years old and be of "good moral character." In addition, one must have the $680 fee to begin the process. This fee is not refundable should one withdraw or be denied the application. The two biggest barriers are English skills and the fee. Learning English is limited by opportunity, literacy, and ultimately by government investments in such programs.[49] The application fee most deters those of us in poverty and in low income. Waiting lists abound for English language training, with a recent study of 184 providers across the nation revealing that the majority have waiting lists that can be as long as three years. Additional difficulties are created by access – the majority of immigrants want night or weekend classes, but such availability is very limited. A recent study showed only 6% of such classes were available during these preferred times.[50] Cost is another limiting factor with all government-operated programs running at capacity, and private providers are usually too expensive for new immigrants.

If one is able to navigate these barriers, citizenship is an important feature of living in the USA. Gaining citizenship is an important act of patriotism and civic duty, but perhaps more importantly it provides automatic citizenship to one's children (if they are under 18), improves access to employment and education, allows us to travel (if one can afford it) to visit relatives in Africa, allows us to sponsor family members into the USA, and protects us from deportation should we be unlucky enough to get a criminal conviction. For those of us in poverty, gaining citizenship means we are protected from the limits on income supports that are imposed on non-citizen residents in the areas of supplemental security benefits, food stamps, and Medicaid. There is a seven-year limit on non-citizens for benefits resulting from poverty when coupled with disability, being over 65 years of age, or being blind. This seven-year limit is also applied to Medicaid access. Food stamps access may be limited for those who receive supplemental security benefits – as SNAP is automatic for those receiving supplemental income supports, and thus needs to be separately applied for when these supplemental benefits are withdrawn.

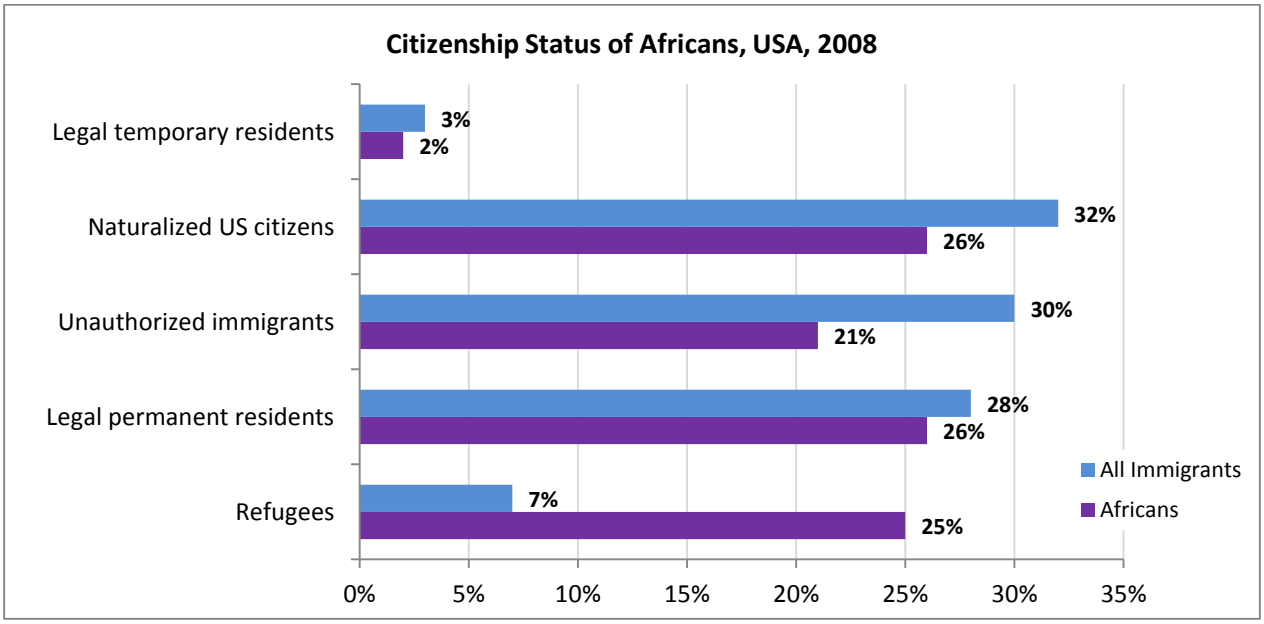
The recentness of immigration and immigration status for sub-Saharan Africans in Multnomah county is profiled below. We can see that almost ½ of Africans are not yet citizens and that this group is the most recent arrivers to the USA. This shows us that length of residency is tied to becoming a citizen and that the bulk of our newer arrivers can anticipate becoming citizens. Concern remains, however, for what

seems to be a high level of residents who have been in the USA for at least ten years who have not become citizens – as almost one-in-four of the community have lived here for more than ten years yet not established citizenship status that would secure access to government programs and particularly to retirement supports.

USA Citizenship of those from Sub-Saharan Africa	
USA citizens	**52.3%**
Entered 2000 or later	8.2%
Entered 1990 to 1999	26.3%
Entered before 1990	17.8%
Residents but not yet citizens	**47.7%**
Entered 2000 or later	25.0%
Entered 1990 to 1999	16.2%
Entered before 1990	6.5%

Source: American Community Survey, 2008. Sub-Saharan origin removes Africans from the data who are from Egypt, Algeria, Libya, Tunisia, Morocco and Western Sahara.

At the national level, the profile of Africans living in the USA shows that the community has many refugees – at levels more than three times that of the general immigrant population. The community also diverges in the level of access to US citizenship – at approximately one-in-four, instead of one-in-three that exists for the general immigrant population. A final note is that the African community has smaller numbers of unauthorized residents – at one-in-five, compared with one-in-three for the overall immigrant population. The chart below illustrates these national patterns.



Source: Capps, McCabe & Fix, 2011.[51]

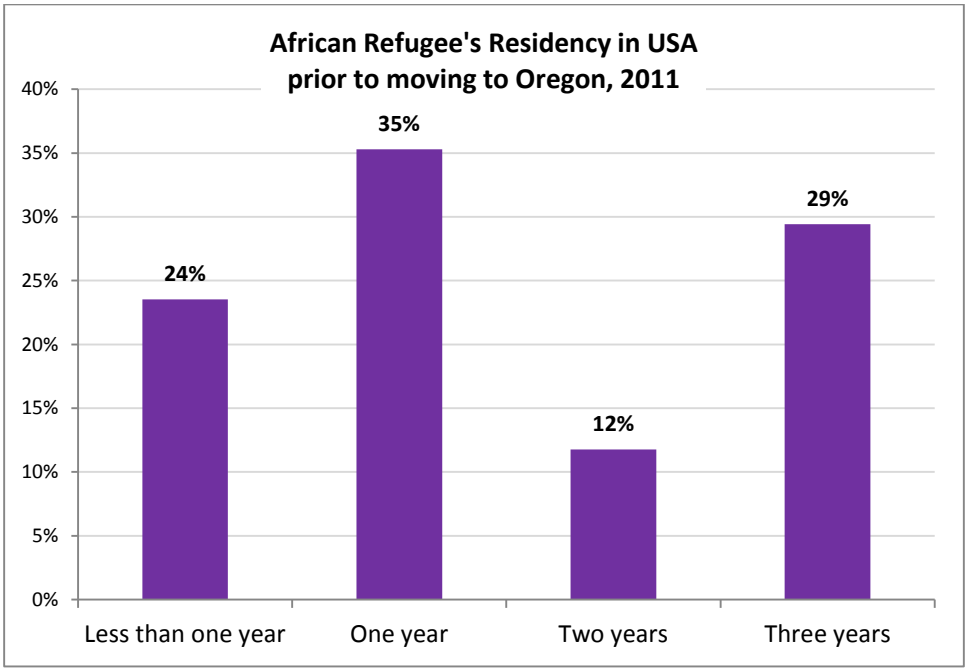
Unauthorized residency is a significant burden for those without official papers, as they are:

> ...generally barred from major government benefits and services, and have been increasingly subject to immigration raids or arrests by the police as well as the risk of deportation. A lack of legal status is also associated, generally, with more precarious employment, lower wages, and the lack of private health insurance coverage.[52]

Temporary residents typically enter the USA as students and those with temporary work permits.

While refugee experiences are covered more explicitly in the next section of this report, it is important to detail that local Africans are more likely to be refugees than the overall US average.

Multnomah county is a magnet for the African community across the USA with a high level of refugees arriving in other regions and then moving to Multnomah county (at 27% of the community). The average length of US residency prior to moving to Oregon is 1.53 years.

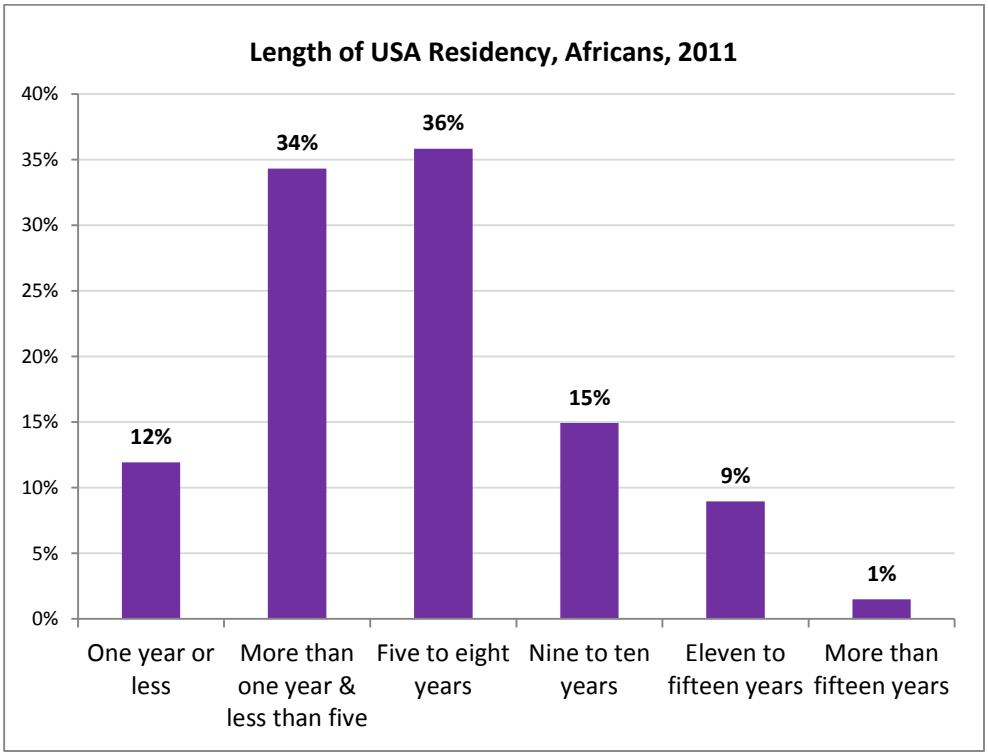


Source: African Community Survey, 2011.

Related issues are the ability to communicate in English. Among those Africans born in Africa (and thus not claiming it as an ancestry of their forefathers), more than one-third do not speak English very well (36.5%), a figure that would significantly reduce the likelihood of becoming a US citizen. Languages are versatile and 82.7% speak a language other than English.

Finally, we turn our attention to the length of time that those in the African community have been living in the USA. These figures vary dramatically with the table above titled "USA citizenship of those from Sub-Saharan Africa." In that chart, a total of 67% of local Africans are deemed to have been living here for at least ten years – from our community survey (as shown below), we find that only 10% of Africans have lived here for at least ten years. The variation can be from a number of factors: the local survey

holding less reliability as a result of the small size of the sample, but it may actually be more reliable than the ACS data as it was administered in a culturally-specific context. At this juncture, it is not possible to reconcile these two sources of information. The residency pattern of Africans is still unclear but the context of each study has something valuable to inform our understanding of the community.



Source: African Community Survey, 2011.

In summary, the local African community is more likely to have arrived in the USA within the last ten years and is more likely to have arrived as refugees compared with US averages.

African Refugees and the Settlement Experience

Numerous African nations have been at war and have encountered deep strife in establishing governing institutions since the end of colonization. Drought has added much hardship to these experiences as inability to feed one's family has contributed to much destruction of civil order and civility. Desperation has led to violence, rape, torture and thievery – and to flee has often meant moving from one horror to another. Today, one refugee camp in Kenya was built to house 90,000 Somalis fleeing civil war twenty years ago, but now houses 380,000 Somalis.[53] The situation is dire, and these words amplify the experience. Know that such depths of horror are not unusual across the African continent's refugee generating nations:

> *Desperate for food and water, many have spent up to three weeks walking across the drought ravaged northeast corner of Africa searching for help. Their crops have withered, their cattle and children have died. In fleeing their homes, some families have been robbed of what little they have*

left. Women have been raped by bandits and sick children have been hunted by packs of wild hyenas. Some of the ill and malnourished were left to die alone in the open. It has become the "worst humanitarian disaster in the world," said the United Nations High Commissioner for Refugees Antonio Guterres. An average of 1,400 people a day are arriving at Dadaab, the world's biggest refugee camp, located 100 kilometres from the Somali border in Kenya's arid North Eastern province.[54]

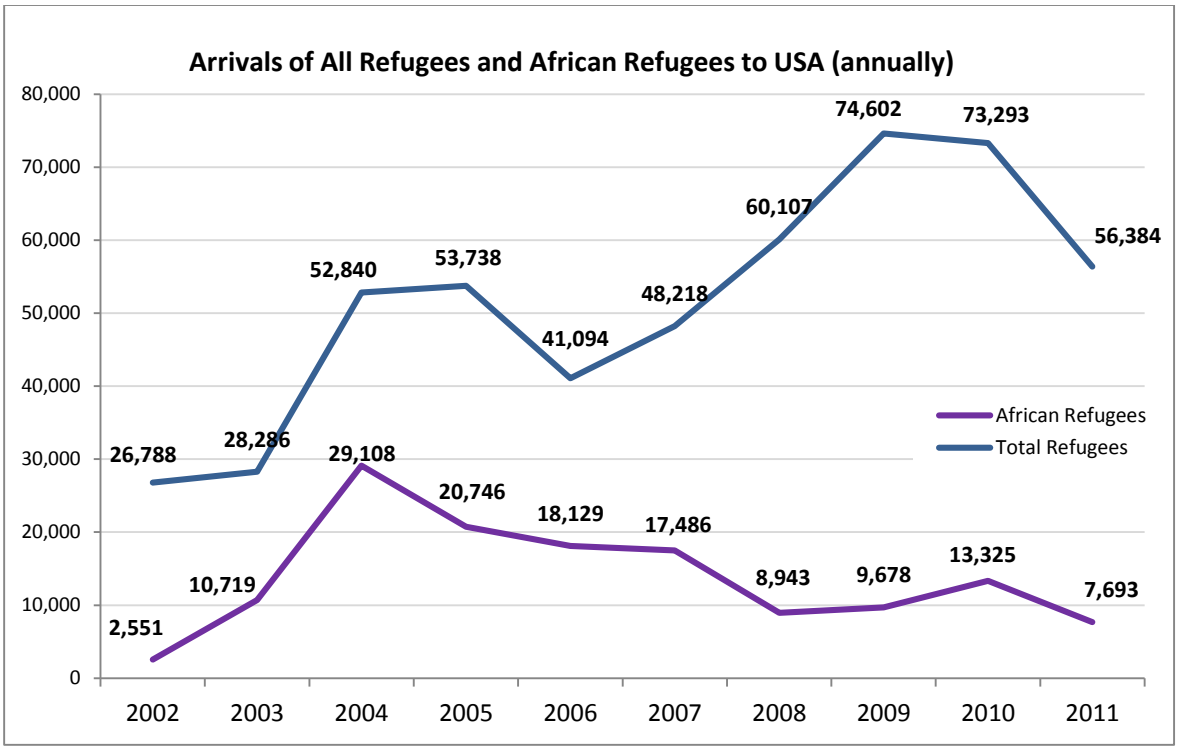
As refugees, many experienced deep trauma, violence and retain these experiences in their bodies. Current estimates reveal that while 20% of immigrants worldwide suffer from depression, more than double levels (as many as 44%) are found among refugees. So too are found high levels of anxiety disorders (at 40%). One study of Somali youth found the level of post-traumatic stress disorder (PTSD) to be at 20%.[55] Triggered by terrifying events, survivors of trauma can encounter unpredictable anxiety that may include flashbacks, irritability, irrational fear, concentration difficulties, relationship troubles and self-destructive behaviors.[56]

Conditions of arrival are thus deeply traumatic with significant residual impacts that may last for many years. To gain a sense of the expansiveness of these conditions across the globe, we share the numbers of refugees who are from Africa at the close of 2010.

Global Number of African Refugees, by Origin, 2010			
Algeria	6,689	Madagascar	270
Angola	134,858	Malawi	171
Benin	442	Mali	3,663
Botswana	53	Mauritania	37,733
Burkina Faso	1,145	Mauritius	28
Burundi	84,064	Morocco	2,284
Cameroon	14,963	Mozambique	131
Cape Verde	25	Namibia	1,017
Central African Rep.	164,905	Niger	803
Chad	53,733	Nigeria	15,642
Comoros	368	Rwanda	114,836
Congo	20,679	Sao Tome and Principe	33
Côte d'Ivoire	41,758	Senegal	16,267
Dem. Rep. of the Congo	476,693	Seychelles	49
Djibouti	566	Sierra Leone	11,275
Egypt	6,913	Somalia	770,154
Equatorial Guinea	305	South Africa	380
Eritrea	222,460	Sudan	387,288
Ethiopia	68,848	Swaziland	36
Gabon	165	Togo	18,330
Ghana	20,203	Tunisia	2,174
Guinea	11,985	Uganda	6,441
Guinea-Bissau	1,127	United Rep. of Tanzania	1,144
Kenya	8,602	Western Sahara	116,415
Lesotho	11	Zambia	228
Liberia	70,129	Zimbabwe	24,089
Libyan Arab Jamahiriya	2,309		

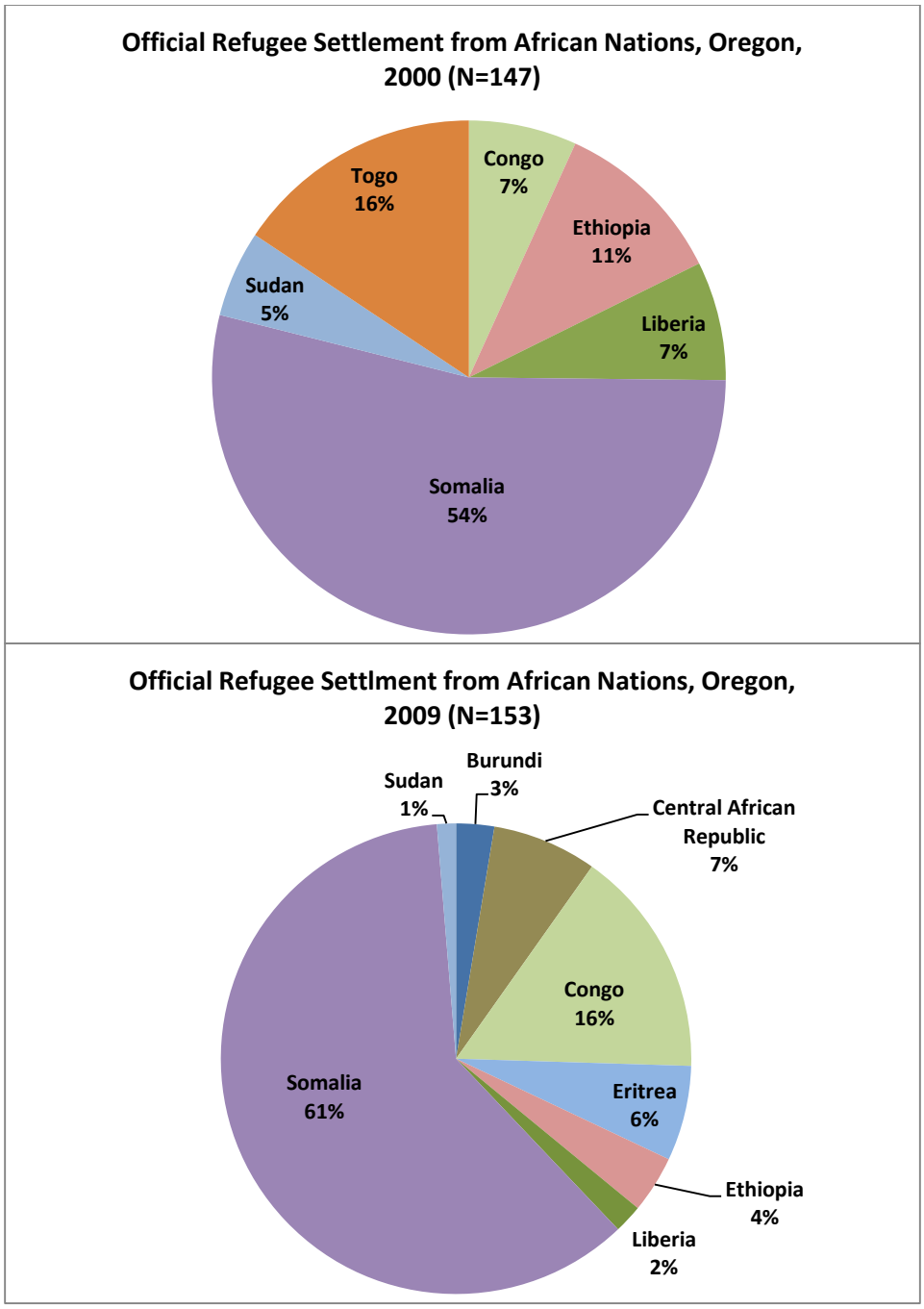
Source: Author's adaptation from UNHCR, 2011.[57]

Africans continue to face some horrendous experiences of persecution and violence, and Africa remains a large refugee-generating continent. The chart below shows the numbers of African refugees arriving in the USA on an annual basis, and while the numbers of African refugees accepted into the USA have been declining since 2004, the numbers remain significant in the landscape of newly arrived refugees into the USA, numbering 13.6% of the total numbers accepted into the USA in 2011.



Source: US Department of Homeland Security, Yearbook of Immigration Statistic 2011.

Refugees continue to arrive in Oregon from an array of African nations, with Somali refugees continuing to make up more than half of such arrivals over the last ten years, a pattern that reflects the global situation whereby Somali refugees are the largest African refugee group. The figures below show the pattern of formal arrivals into Oregon, but miss the secondary migration patterns of those refugees who move to other parts of the nation but then opt to relocate into the Portland area. Such estimates of secondary migration are unknown but through our experience are believed to be pronounced.



Source: Author's calculations from Office of Refugee Resettlement, 2010.

Above we see that numbers of refugees have slowed from Togo, Sudan, Ethiopia, and Liberia, and have increased from Burundi, Eritrea, Congo and the Central African Republic, and Somalia.

Refugees typically arrive in the USA with little more than the clothes on our backs. We have fled from our home countries unable to gather our key documents, including evidence of education, employment or even birth. We come without assets as they have been stolen from us by those seeking our death and

the destruction of our communities. We arrive in trauma that can last decades. We arrive in fear, with uncertainty, and with worry for our children and our ability to make a life for ourselves. And we arrive often with years and sometimes decades in refugee camps where our survival needs may have been addressed but our education and employability not addressed.

We arrive in the USA with images of this country being affluent and with abundant opportunity. We deem ourselves to be the lucky ones to have survived and to have landed in the USA. We know too that income supports are available to us – with the "Refugee Cash and Medical Assistance" program available to us for 8 months, which at the onset seems more than adequate and more than generous. In addition, voluntary organizations (like the Immigration and Refugee Community Organization, or IRCO, here in Multnomah county) help us settle quickly, picking us up at the airport, helping us find accommodations and furnishings and helping us learn about how to access services and navigate the local community. IRCO also provides English classes, job search skills and acculturation in workplace expectations, but only for 8 months. IRCO is also able to provide some additional resources, up to $2000, for help with housing, food and transportation.

Quickly, however, we learn that this idealized land is not so welcoming and not so generous. The Office of Refugee Resettlement provides reimbursement to states or public and private nonprofit agencies for any cash and emergency medical assistance they provide to refugees within 8 months of our arrival. But four harsh surprises come quickly:

- Refugees are required to accept any employment opportunities offered to qualify for the program – this means we cannot take time to find better jobs, nor those which we are credentialed, nor to access certification programs that transfer our prior experiences to the USA context.
- The maximum benefit level of income support is $506/month, but average monthly rents are $750/month, and still even $616/month among very low income residents. Cheap housing is next to impossible to find in the region.
- Finding decent employment is very difficult, as we are challenged by limited English skills, less education, reduced family and community networks for informal support, challenges with poorer mental and physical health and have significant trouble finding affordable and secure housing, needing to move often.[58]
- If we move away from Portland where rents are cheaper, we lose connection to any formal supports provided by and for Africans. The only such services are in Multnomah county.

Achieving success is very difficult, and our stressors are created through an array of factors including the trauma we have experienced, worry for our kin who remain in violent situations, the tough economic conditions we face in the USA, and ongoing discrimination and isolation we experience in the USA. Minimal but important extended supports are available through IRCO with funding up to five years of employment supports through referrals and for some vocational training in child care and nursing.

Also helpful has been a local initiative designed to overcome the painful remnants of the history of conflict between Africans of different identities and origins: the African Diaspora Dialogue Project.[59] A

partnership between Portland State University and Africa House, the work (now ended) aimed to reconcile Africans across differences between people who were historically enemies. Such work is perceived as essential to support refugees and immigrants building success in the USA. It is not easy work when warring Somalis gather, or when Rwandans at both ends of the genocide need to live in the same apartment complex. Community members were offered a chance to be peace makers and to help people build understanding of each other, and separate the people from the legacy. The project has helped build more fertile soil for Africa House's ability to resource communities effectively. While not an easy answer to strife that carries over from one's home tribe and nation, it has offered community leaders the skills and insights to bring people together and to address conflicts as they emerge.

Discourse Changes Needed

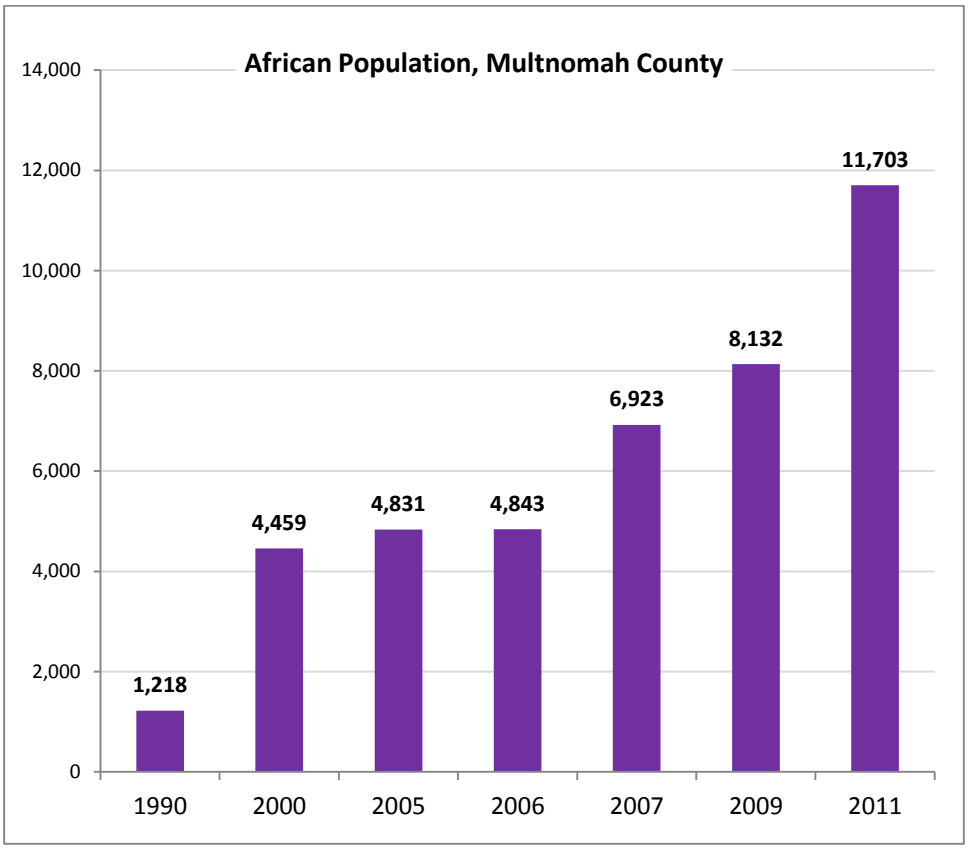
The general discourse about African immigrants and refugees is that we should be grateful to our new host countries, as surely anything here is better than the conditions we faced at home. While we are grateful for the supports we receive and grateful to have our lives spared and for opportunities to gain education and careers outside of the wars, conflicts, and devastating levels of poverty in our home communities, our experiences need to be understood in the broader context of the centuries of exploitation that our homelands have suffered at the hands of slave traders and the countries that sanctioned such behavior, and colonizers, and those that advance the current neo-liberal policy environment that has beleaguered our nations through debt and structural adjustment policies. Our success and ability to create a thriving community has been, effectively, sold to those who wanted to make money and to gain political power from our exploitation.

Had we been afforded independence, sovereignty and the rights to develop our own resources and our own economies throughout history, we would not be knocking on the doors of the USA seeking a better life. And still we are expected to embrace a stance of self-deprecation and gratitude.

It is time to change this discourse. We recognize that a portion of American affluence has been made possible through our ongoing exploitation. While we cannot achieve success with a reparations agenda (not even the African American community has been successful with such an agenda, even when one's lineage can be directly traced to being a slave), we do aspire to the prideful status as a people in recovery from colonization and forced servitude, and join with our brother and sister communities to advance racial justice and to change the discourse around being "second class citizens" and outsiders to the US culture.[60] Furthermore, we aim to build political and social capital to ensure that our needs are met. This includes the development of strong social movements, advocacy practices and increased involvement in the political and legislative process. Support for leadership development among our people, alongside the expansion of culturally-specific organizations, offers us a path to gaining skills and confidence and builds community capital.

Demographics of Local Africans

By conventional measures, the size of the African immigrant and refugee community is growing rapidly.



Source: Author's calculation of ancestry data from the American Community survey for post-2000 data and from Census 1990 and 2000.

The size of the African immigrant and refugee community here in Multnomah county is disputed, and conventional measures miss much of our community. There are many reasons why this community does not participate in official population surveys that include poverty, the absence of a phone, weaker English skills, and a distrustful relationship with the state – typically carried over from our home countries where state workers can be corrupt and violent. So too there is a lack of understanding of the purpose of the surveys and one often avoids them not knowing they can be of benefit to us.

We thus identify with hesitation the "official" counts of our community. These are 11,703 Africans in Multnomah county, and 22,483 in Oregon, as of 2011.[61] Unfortunately, the Census Bureau decided to drop the long form from its 2010 Census, which would have collected much more robustly the counts of our community as it would have included country of birth, length of time in the country and ancestry identification. None of these details are included in the short form, and now we must struggle with using the American Community Survey (ACS) to estimate the size of our population. Given the small sample size of the ACS, there will be many features impossible to uncover in the years to come.

To address the pervasive undercount in our community, we have developed our own process for defining the size of our community, the details of which follow in the next section.

Community-Verified Population Counts

Participation in Census 2010 was long anticipated for its updated population counts available for specific racial communities. But the Census Bureau's decision to drop the long form of the Census (that would have collected ancestry data and a wide array of additional elements) has entrenched the invisibility of the African community. Because no ancestry data was collected, there is no information on the African population or any other measure that was covered in the Census to be reported out for this community. This policy decision has rendered the community invisible.

The Census Bureau has preferred to rely upon the American Community Survey to collect the wide-ranging social and economic data – but the sample size is too small to report out on data for the African community. It is only when the community reaches the size of 65,000 that these data are publicly shared. And the multi-year reports (such as "2007 to 2009") that have become common place for the American Community Survey (ACS) to allow smaller communities to be reported still require a population of 20,000 to report. It is frustrating and quite deplorable to have one's community rendered invisible in conventional research practices. Visibility is one of the hallmarks of the beginnings of policy attention: it is time to advance policy reforms that will ensure the African community is identified in an array of important research practices.

We turn now to an important issue that is at the heart of our visibility – that of the actual size of the community. We begin with a quick review of the prior studies that confirm undercounts in communities of color and then detail the reasons why people do not participate in conventional surveys such as the American Community Survey. We will focus on the ACS here as the Census 2010 will be irrelevant to the African community because of the omission of the community's identity within collected data. Then our attention narrows to our effort to determine what we call the "community-verified population count" for the African community, extending the knowledge base of an effort to articulate alternative and, we believe, more accurate count of our communities of color.[62]

There are a number of reasons that many within the African community will not have participated in the surveys upon which most of the research in this report is based. These are listed below:

- ***Have English language skills:*** All surveys are conducted in English with a secondary offering of Spanish and far fewer in other languages. The level of those who speak English "less than very well" is 9.1% in the county, and divided into 4.3% who are Spanish-speaking and 4.8% speaking another language.[63] We thus have a population with 4.8% who cannot participate when surveys are conducted in English or Spanish. The most relied-upon survey for this research report is the American Community Survey and it is available in only English and Spanish. An interviewer might have an additional language to resource respondents but nothing is required of the ACS to ensure participation.

- ***Have a telephone:*** An estimated 2.2% of the White population of Multnomah county does not have a phone while 3.7% of households of color do not have a telephone, which results in more accurate data being collected from White households.
- ***Have stable enough housing to participate:*** Situations of homelessness, frequent moves and "couch surfing" will reduce participation as one needs an address to be "found" by most surveys. Being a renter (as opposed to owning one's home) dramatically increases the likelihood of not being counted: at 4.3% for renters instead of 0.1% for owners. When disaggregated by race, more pronounced differences appear.
- ***Ability to read the surveys:*** Most surveys are initiated by a mailed form. Without an ability to read, one does not understand the purpose, the instructions or the questions. And typically when people lack basic literacy skills, they avoid the surveyors who might follow up with a phone call or a visit to expand participation options. Looking at "high school graduation" as a proxy for literacy (an imperfect proxy, we know, but such is the nature of available data), we know that 6.3% of the White population has not completed high school while 28.0% of people of color have not completed high school.[64]
- ***Ability to be "found" by surveyors:*** Even if housing, phone, language and literacy accessibility exists, sometimes community members still do not receive communications (although this number is likely to be small). We believe that the proxy for this dynamic is poverty as one may have precarious living and working conditions such that mailboxes might be shared or might not exist, forwarding addresses not completed, and busy irregular schedules that might result in someone not having the time and/or energy to respond to surveyors. Again, there are racial disparities in poverty rates, with Whites having poverty levels of 14.0% while that of Africans is 51.4% (in 2011), meaning that the two communities are unequally affected by this issue, and Africans much more likely to be undercounted for this reason.
- ***Have a family smaller than six members:*** The Census short form has only six family members to be identified. The long form (discontinued in 2010) had space for 12 members of the household, but only sought details on the "first" six members of the household. Here are the available data for our local community. Official counts identify that the sub-Saharan African community has 132 such households, which equals 5.3% of all households, while those who claim "American" ancestry (likely mostly White households) have only 0.51% households with more than 6 members. While the Census Bureau was supposed to follow up with these families, the narrative experience is that this follow-up step often resulted in the second form being counted as a separate household.
- ***Understanding the importance of participation and having a culture of participation:*** As communities acclimatize to the USA, a culture of participation develops to support practices such as surveys and censuses. Accordingly, newer communities will be less oriented to the importance of these practices and the ways in which participation matters. Newcomers are much more numerous among communities of color than among White communities: 26.8% of people of color arrived in the USA since 2000, while the equivalent figure for Whites is 2.1%. Among the African community, fully 91% of the community has arrived in the USA since 2000.[65]
- ***Have a trusting relationship with one's own government:*** For refugee communities in particular, many African communities have experienced persecution by one's own government in their home

country. State bodies often used violence, imprisonment, torture and killing of communities. Accordingly, keeping a low profile with the state is an act of self-preservation. There are two dimensions to this dynamic: the first is to not participate at all, and the second is to participate but not to identify features of one's identity that gave rise to the persecution. This is the "ancestry" category and is important as it is the source of data for identifying the size of many particular communities of color.

- ***Degree of inclusion experienced in the USA:*** When one experiences racism – whether it is institutional, cultural or individually-enacted racism – one is less likely to hold a prideful embrace of one's racial identity. Furthermore, there is research that illustrates that when surveys are administered by Whites, there is a less likelihood that one will identify as a person of color. The dynamic is both a combination of internalized oppression, and self-protective features whereby one wants to hold an identity that is similar to the "person in charge" such that one is less likely to be "othered" or otherwise marginalized by the institution conducting the survey.

At this point, we hope that the reader appreciates why the African community is less likely to both participate in surveys and also to identify themselves as a person of color. Given that these surveys (particularly Census population counts) are relied upon to determine the size of the community, the accuracy of these population counts are called into question. Quite simply, the African community is undercounted.

We are not the first to make such an assertion. The Census Bureau itself has determined that there is an undercount of numerous communities in the years that followed Census 2000. But revising the population counts required an act of Congress, and Congress twice refused to accept these upwards revisions. The most generous interpretation of these refusals is financial – for with upwards revisions, the federal government would be responsible for increased funding to state and local governments. Another interpretation would be the impact of newer numbers that would have increased the counts of more poor urban centers, which generally are more likely to be Democratic. Given that Congress was controlled by the Republicans at the time, and that these numbers are used for redistricting purposes and thus affecting the numbers of elected officials across the country, it would likely have led to an increased number of Democratic-leaning districts.[66] Whatever the cause, this example is illustrative that population counts are more than demographic practices – they are political and deeply influenced by the constructs that support and that limit participation.

The magnitude of the undercount is what is left to determine. There are wide-ranging published research findings on this issue ranging from a low of 0.94% in Multnomah county as published by the Census Bureau, to these figures disaggregated by race showing that the African American community was undercounted across the nation by 2.1%.[67] One particularly well-recognized community research project showed that an immigrant Brazilian community in Boston was undercounted by 29%[68] – and this research has been incorporated into the works of the Immigration and Naturalization Service (now the Department of Homeland Security) in determining an undercount among undocumented residents of

10%.[69] Researchers have documented over the years that higher levels of marginality results in more undercounting of the community.[70]

Of significance, there is a published account of the undercount of the African population in Portland.[71] Drawing from the Census, American Community Survey, Office of Refugee Resettlement, Department of Homeland Security and Oregon Office of Vital Statistics, the researchers have established through a combination of arrival records, birth records, survey data and some incorporation of narrative accounts that the formal 2011 count is undercounted by approximately 85.5%, and that their estimate places the community's size at 13,442. Note that the authors consider their estimate to be conservative.

In our efforts to determine the size of the undercount in the African community, we rely on two methods to achieve our own "community-verified population count," with one figure being determined and applied to the youth population and the second being determined and applied to the adult population. Each will be detailed in turn.

Method #1: Using the Oregon Department of Education's Student Records

Communities of color have long said that they believe that schools will have much more accurate counts of the size of each community than the ACS or other survey data, as well as the Census 2000 and Census 2010 counts. To this end, we have looked at school records of students to ascertain these counts. While African identity is typically subsumed within African American, we have recently been able to secure access to language-based school records that collect the first language of students as well as language spoken at home. We have used these data as the basis for Method #1.

The Oregon Department of Education maintains a database of students in Multnomah county schools, and this database includes students' first language and language spoken at home. According to their records, the number of Somali-originating students who took the OAKS test in the 2011/12 school year, and who attended Multnomah county schools was 502 (with 425 being Somali speakers and 77 speaking Maay-Maay). This, however, is not the full number of Somali youth in Multnomah county schools. Students are not tested in grades K through 2, so there needs to be an additional increase in these school enrollment numbers. We do not have accurate estimates of the size of the African community who are between K to 2nd grade, so we simply used a standard estimate of 3 of 13 grades, which is equivalent to 23% of the student body (based on 3/13 grades). We thus increased the estimate of our Somali students by 23%. The figures are in the chart below.

2011	All Boards
# Somali students in grades 3 to 12	502
Grades missing	k to 2
Estimated % missing	23%
Total estimated from 5 to 17 years of age	**617**

Sources: Data provided through Pat Burk, tabulated by Myste French with additional calculations by the author.

We thus have a total of 617 Somali youth across Multnomah county's school boards. We now compare this figure with that extracted from the American Community Survey for the Somali community's size. To do this, we first look at the ancestry tables for 2009 ACS (most recent available) and find that there are 176 people who identified themselves as Somali and an estimated additional 114 Somalis who defined themselves as "African" (calculated by determining that the percentage of the community that was Somali is 6.7% based on the ancestry allocations in this ACS ancestry table). This becomes the "base number" of 290 in the table below. We then need to estimate the size of this population that is likely between 5 and 17 years of age. To determine this, we use the age structure of the entire African population in Multnomah county (as contained in the "age distribution" section of this report) which defines that all those under 18 make up 30.1% of the population. As we have no better indicator, we allocate this equally across the ages, and thus estimate that the number of Somali children from 5 to 17 years is a total of is 21.7% of the entire Somali population.

Source	ACS 2009 African Ancestry	Somali based on 2009 ACS	Total Somali based on 2009 ACS (called "base number")
Somali-specified ancestry	176 Somali	176	290
Portion of total African who are estimated to be Somali (based on % of total ancestry who specify Somali heritage)	= 6.7% x 1,701	114	
Age breakdown of "base number" = 30.1% under 18 Then count only those from 5 to 17 years, estimated to be base number ÷ 18 years x 13 years	= 0.301 x 290 = 87 (total under 18) = 87 ÷ 18 x 13 years = **63 Somali youth** (from 5-17 years)		

We then need to conduct a supplemental calculation to increase the 2009 ACS estimate to a 2011 comparator, so as to ensure equivalent years are being used. To do this, we are using a proxy measure for the size of the population increase. The best available figure we have is that of the birth rate. We then apply it to our 63 Somali youth. Using ACS figures for the birth rate of 7.6% (provided only for the women between 15 and 50 years of age who gave birth in the prior year), and then calculating what figure this is when applied to the total population, we calculate the population growth in the following way:

Populations	ACS 2009 totals	2011 Projections
African women aged 15 to 50	2,012	Not needed
Total African	7,778	***Population increase*** = 2012 x .076 x 2 = 306 births ***Percent of the population*** = 306 ÷7778 = 3.9% population increase over 2 years
Somali youth	63	= 63 x 1.039 = 65 youth

In total, this method reveals that the ACS Somali count for 2011 is 65 youth, far below the 6173 youth who are identified in the ODE student records. We now can assess the size of the undercount contained within the ACS, in comparison with the ODE data records.

2011 Estimates	Source	Method applied	Somali counts for ages 5 to 17 via two different methods	Size of Undercount
Youth aged 5 to 17	ODE 2011	Tally of students speaking Somali languages	617	=617-65 =552 youth =89.4% undercounted
Disaggregating Somali ACS count by age of population (5 to 17 only)	ACS 2009, adjusted to 2011	Using Somali ancestry tables for 2009, disaggregating by age tables and estimates, and then calculating 2011 projections based on fertility rates	65	

Sources: Data from ODE student files, and American Community Survey, 2008.

In summary, this method determines a large undercount for the Somali youth community in Multnomah county. The size of this undercount is **89.4%.** Missing from these figures will be Somali youth between the ages of 5 and 17 who reside in the region but who are not in the public school system. We anticipate this number to be relatively small and have not attempted to factor in this omission. We also do not know if the size of this undercount has an age bias, or if the undercount is of a similar magnitude in other age categories. We do know from published research that younger people (particularly infants and those under 3 years of age) are more likely to be undercounted than those who are older. We also do not know if the Somali community undercount is reflective of patterns of non-participation across the African community; we do believe that the pattern is likely to extend across the community.

Method #2: Community Survey of Census 2010 Non-Participants

In summer and early fall 2011, our research team designed a survey to respond to two questions: Did you participate in Census 2010? Did someone else include you in their response to the survey?

Staff with Africa House administered this survey attaching it to the larger African Community Survey that was conducted as part of this research report. They asked clients and community members to complete the survey. It was thus administered within a culturally-specific organization by members of the African community. Such conditions were likely to increase the response rate as well as the willingness of community members to define themselves accurately.

These survey questions were completed by 70 community members, of whom 28 (or 40.0%) said they did not complete the report nor were they included in someone else's return. Only one person was unsure if they were included in someone else's response (although the person did know they did not complete the form themselves). This response was not incorporated in our analysis. We thus have a 40% undercount of the African community in Census 2010 for the adult population.

Given that the formal population for the African adult community is 68.2% of the total African population, the American Community Survey for 2011 shows the total African population to be at 11,703. Applying this percentage who are estimated to be adults[72] we find that 7,981 adults to be the official count. Applying our 40% undercount level to this figure, we determine that the "community-verified population count" is 11,174 African adults.

Final Calculations of the African Undercount

The African community has used two different methods to determine the size of the population for youth and for adults (respectively) drawing from the best-available methods to determine our community's size. Here is a summary of this calculation:

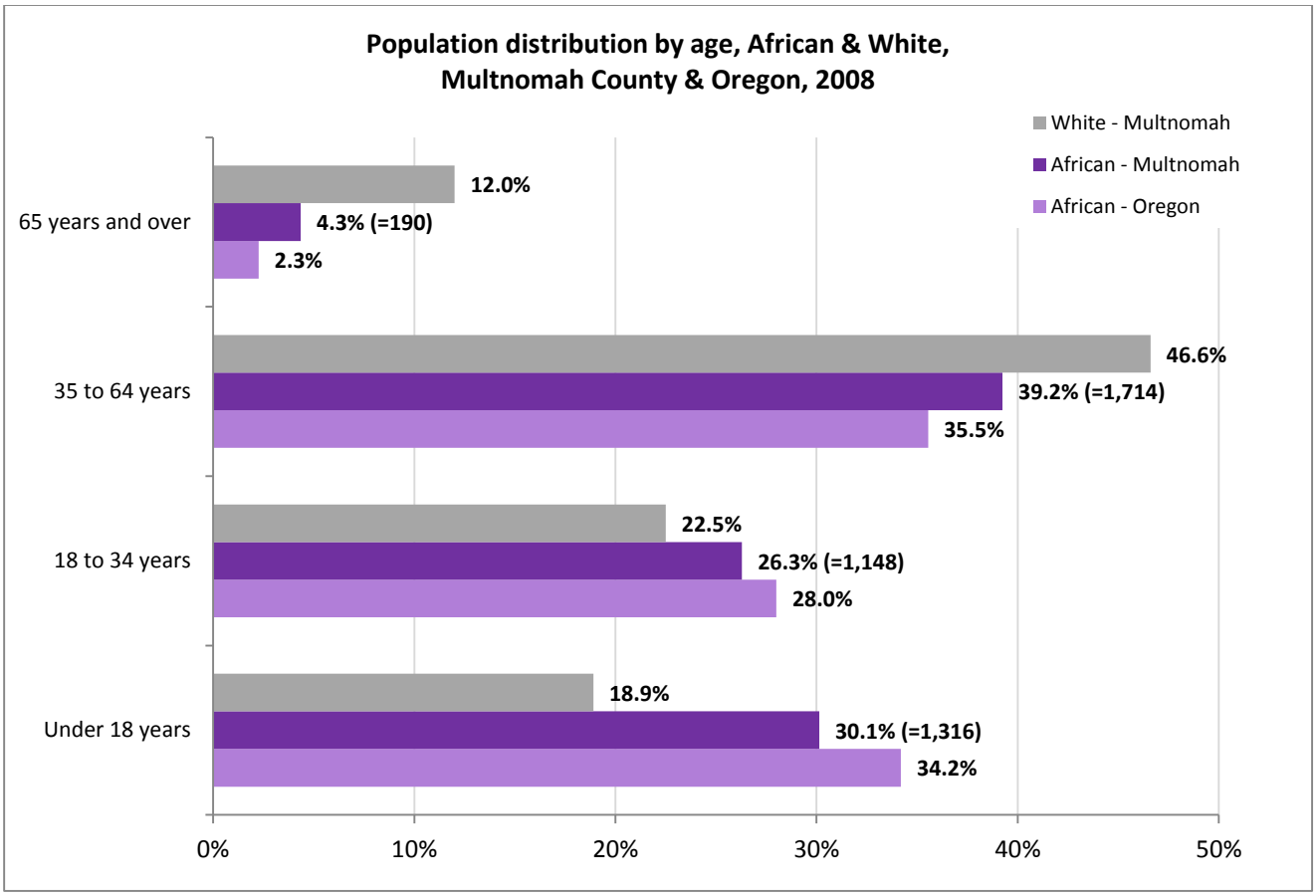
Portion of African Community	Official Count (ACS 2011)	Percentage of Undercount	Community-Verified Count
Children & Youth (under 18)	3,722	89.4%	7,049
Adults (18 and over)	7,981	40.0%	11,174
Total	**11,703**		**18,223**
Size of Undercount	**55.7%**		

The final calculation methods reveal undercounts of 89.4% and 40.0% respectively, that when applied to the specific age grouping on which they were based, results in a community-validated population count of 18,223 Africans in Multnomah county in 2011.

At this point in time, the Coalition of Communities of Color is advocating for increased recognition of these community-verified population counts and for their inclusion in policy practice. To this end, a set of experts in developing such counts has met to discuss this work (for all communities of color in Multnomah county) and their feedback is now being used to inform our next steps. Look to the Coalition's website for updates on this process and for details on how these counts are being both improved and how they are influencing policy practice.

Age Distribution and Family Status

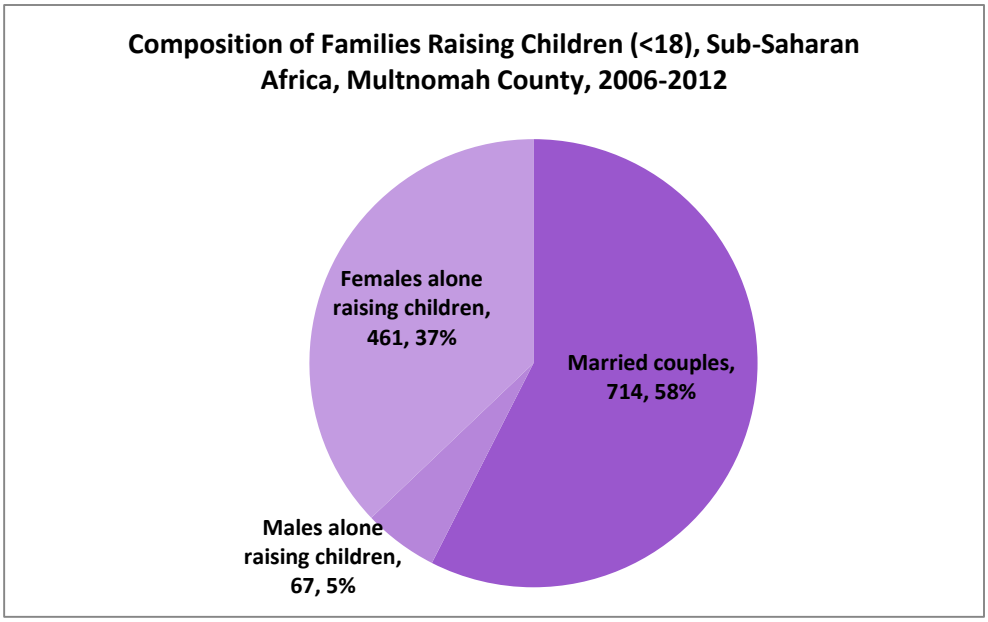
The African immigrant and refugee community is very young, and there are very few elderly community members. While this is a feature of the recentness of their arrival to Multnomah county, it is also a feature that helps explain lower incomes and higher poverty rates (as illustrated later in this section). As community members age, they typically accumulate housing equity and savings, and these assets are passed to younger members of the community through inheritance and gifts. Without this legacy, the community will take a long time to build equity. This is particularly true as we integrate knowledge about the USA in the current era. Savings rates are negligible in today's era where typical savings during the past 20 years have deteriorated to zero. Today, we look back and highlight how lucky families were when they were able to save significantly. Today, saving income is near to impossible, particularly for newcomer communities who have few elderly to pass on inheritances to them, and where high poverty rates and unemployment negate their ability to save.



Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008.

The net impact of these characteristics is that African immigrants and refugees are likely to remain unable to accumulate wealth and unable to fortify their children through passing on of such assets – the same challenge faced by other communities of color that have kept their wealth levels low, but deepened by absence of elder people who have been able to accumulate some assets through their lives. The recentness of this community's arrival to the USA, coupled with a very youthful age profile means that the community will face deep threats to wealth creation avenues. While this is a tough situation in Multnomah county, it is worse when Oregon's population is considered as a whole, for the community's profile is even more youthful.

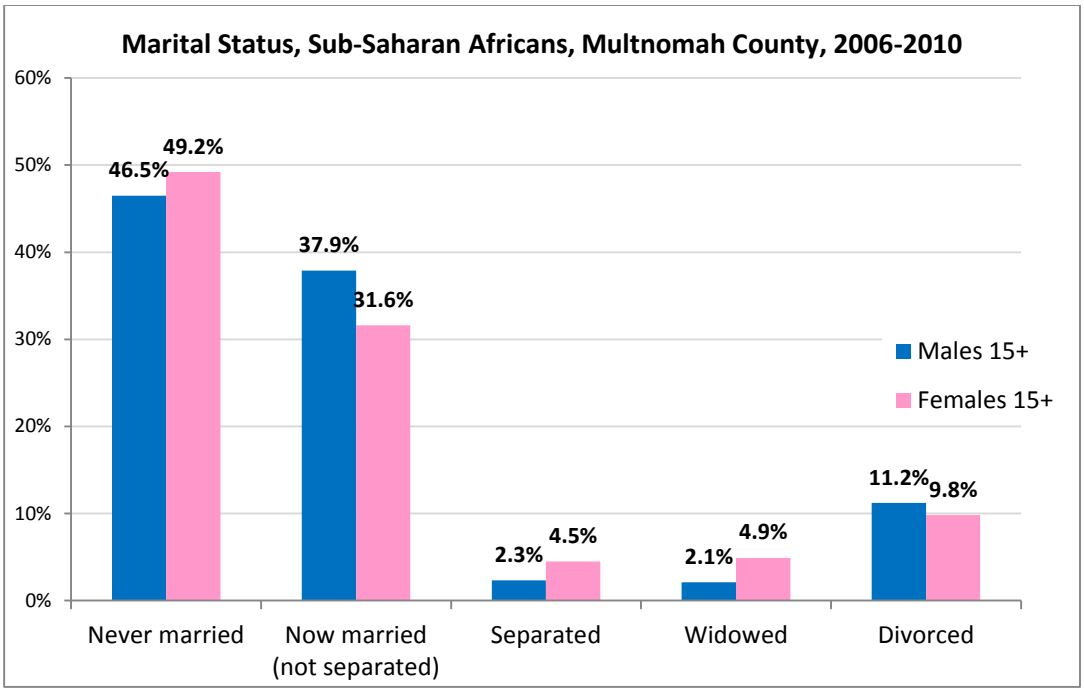
Those living in families make up the majority of the community's population, which for the sub-Saharan community is 58.7% of all households.[73] Within that population, the majority live in married couple families and the remainder are either women raising children on their own, and a much lesser, though still significant, number of men are raising children on their own. The chart below illustrates this composition.



Source: American Community Survey 2006-2010.

The high number of women raising children on their own illustrates the need for services to be available to support such women's economic and social needs. These women are working very hard to meet the needs of their families. With a poverty level of 70%, and an even higher level of 100% when considering only families raising children under 5 years old, economic supports are essential. Avenues to make employment more accessible, child care more available, schooling more convenient and lower cost, and transit more accessible are all important for a community so stretched by poverty. These recommendations are included throughout the report, and their importance amplified in this section.

We also know that almost half of sub-Saharan Africans have not been married, and that more women have become separated or widowed, but a roughly equivalent number (with men) have been divorced.



Source: American Community Survey 2006-2010.

The community is differentially impacted by changes in marital status, with women being less likely to be partnered with men, and more heavily impacted by the dissolution of marriage and by the death of a partner. Suggested from the data would be more services for women raising children on their own, and (perhaps) struggling with the dissolution of relationships and the death of a spouse.

A final point on the patterns of giving birth among African women: often talked about are patterns of unmarried women giving birth, and the array of policy initiatives that might encourage such women to delay giving birth until they are married. This is not an issue for the African community – at least in the area of disparities with White women.

Fertility Rate, 2006-2010	White	Sub-Saharan African
Percentage of births to unmarried women	27.4%	17.6%

Source: American Community Survey 2006-2010.

As the above data show, our sub-Saharan African community has almost half as many new births to unmarried women as opposed to the White community.

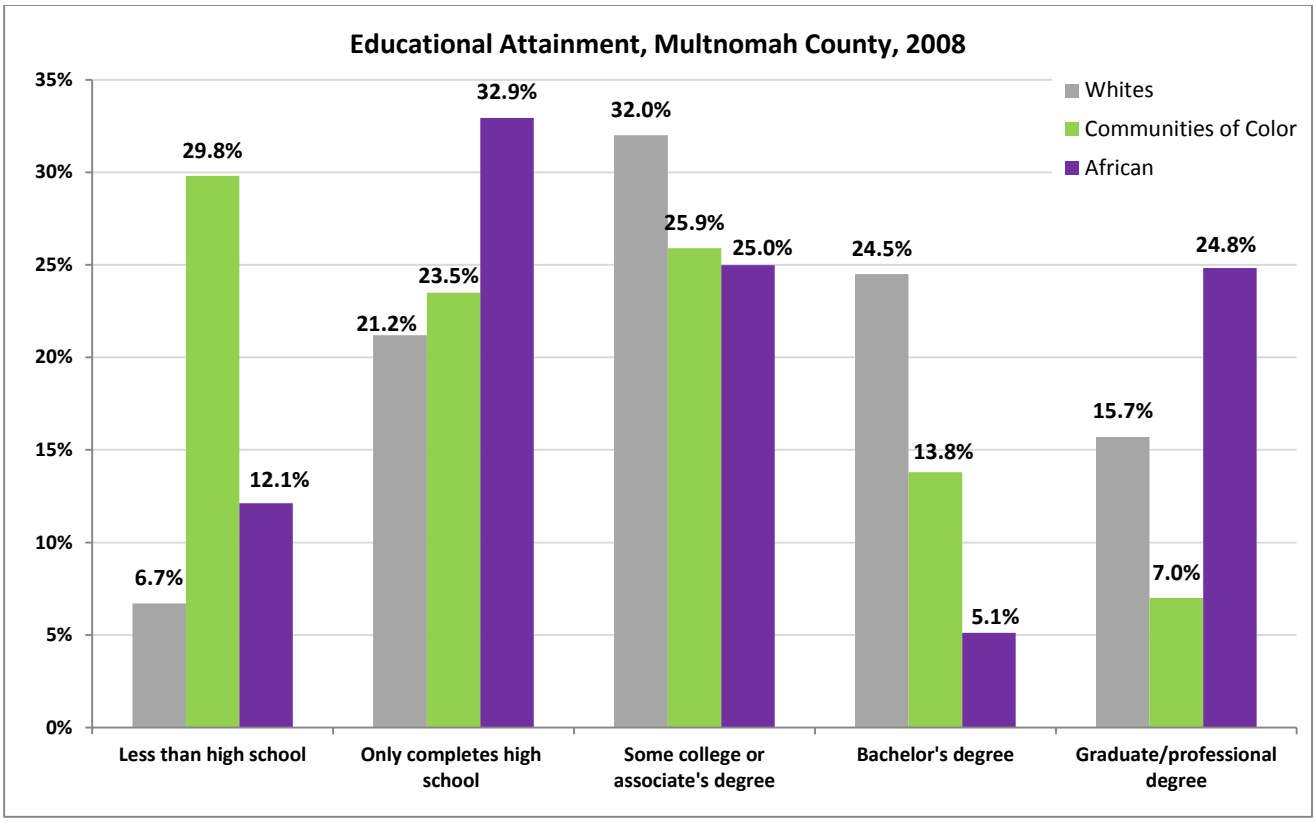
In conclusion, the African community is young, with a high percentage of families and the greatest number being married couple families. The stress of family dissolution is having a stronger impact on women, and suggests the need for specialized services to support these women as they raise families, with the majority living in poverty. This is a community not challenged in the same way as the White community with a high level who are unmarried.

Education

Education is deeply valued among this African community, as it is with all communities of color. Indeed, on average, the African community has very high levels of accomplishment in education. In many cases, we have arrived in the USA already credentialed and academically accomplished, and our high education levels are a result of investments in higher education in our home countries. We also, however, have double the rates of Whites of those who did not complete high school. We call this a "bi-modal pattern" of education where there are two pronounced trends occurring at the same time – a large number who are highly educated and a large number who have not graduated high school, or who have only gotten high school diplomas.

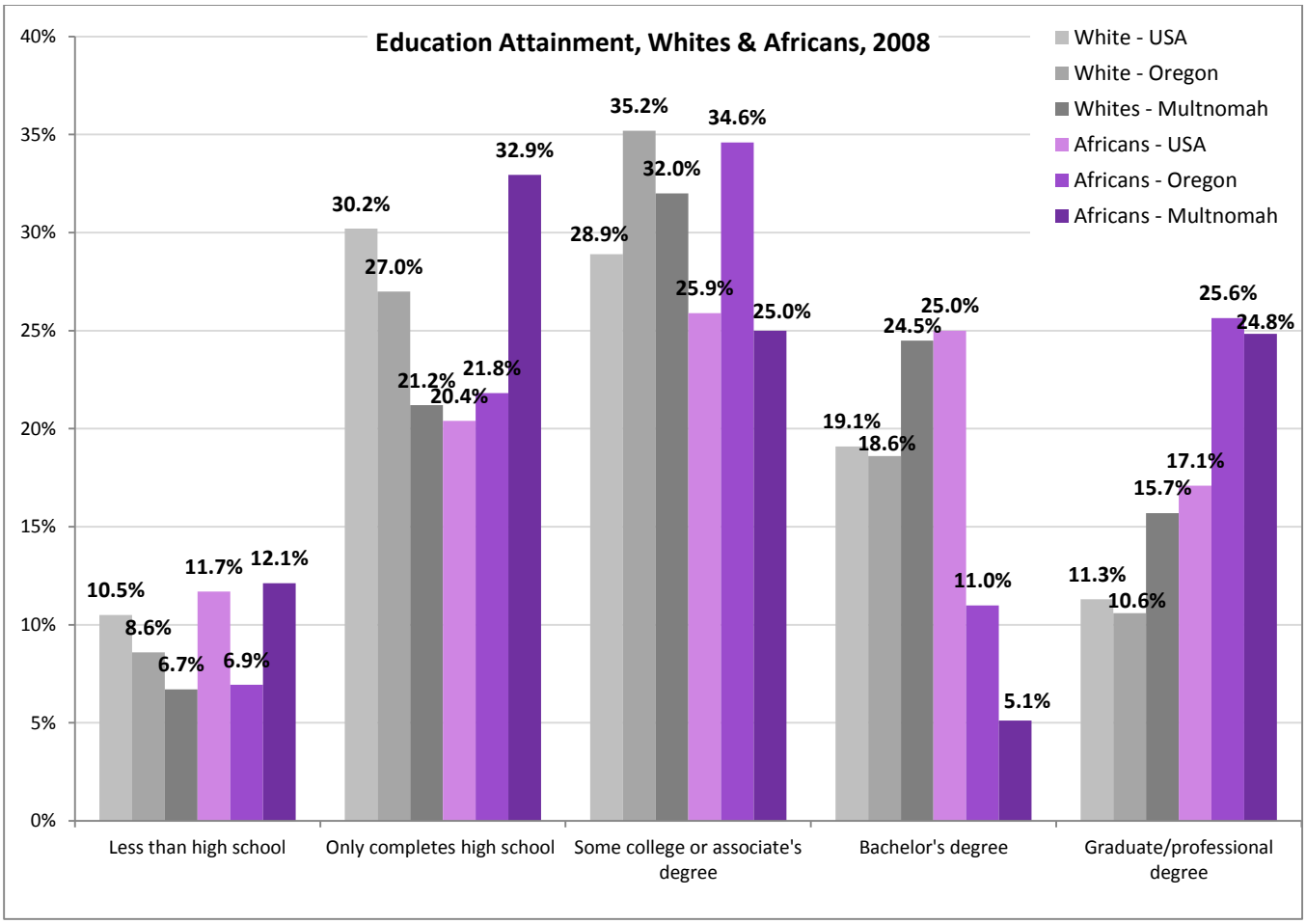
Africans in Multnomah county arrive here as both immigrants and refugees. In many cases, refugees have spent numerous years in refugee camps where we have not been in school, or have learned only rudimentary literacy levels. The bi-modal distribution of education is understood to be the result of refugees being most challenged through education, and immigrants who arrived in the USA already credentialed at high levels of education. Note that there will be variations within this analysis, and some refugee arrivals have been successful in higher education – but such progress is very difficult as will be described below.

As an entire community, we as Africans are proud of the academic credentials and resources among us. We as a community have attained the highest level of education at the Masters and professional degree levels of any community, including Whites. Our post-graduate and professional degree levels are almost four times higher than Whites. Such is also true at the national level, where Africans are recognized to hold the highest level of education among all immigrant groups. Overall, educational attainment is a strong asset for us. Yet, it is far from the full picture of our economic and social prospects.



Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008.

Compared with communities of color as a entirety, our profile in education is much stronger. Fewer of us have been unsuccessful in public school, and many more of us are gaining degrees in higher education. When we look at the national and local trends, the local context becomes clearer. Below we can see that our particular forte (compared with Africans elsewhere) is in graduate and professional degrees, and certainly not in bachelor's degrees. We also, compared with Oregon-wide data, have a much worse situation for those at the lowest education levels, with a total of 55% of Africans in Multnomah county having only high school or less – while Africans across Oregon (including Multnomah county) have less than 30% of the community at these levels. What explains for this difference is that our refugees are concentrated in Multnomah county, and this is where our settlement services are available. In fact, refugees receiving income supports for the 8 months of eligibility are not allowed to move outside the region.

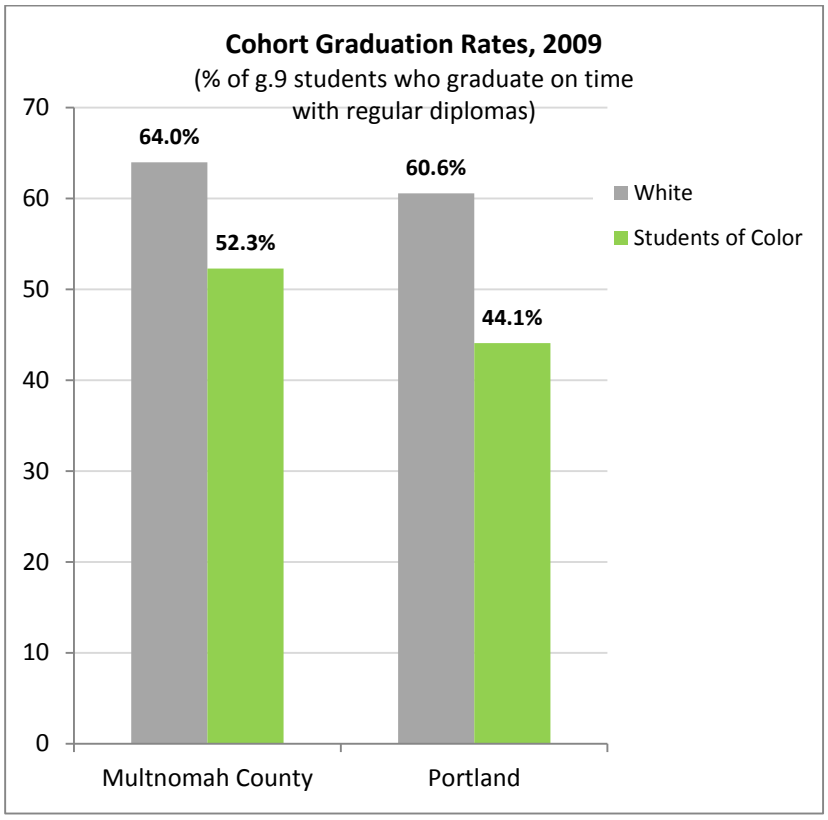


Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008 for Multnomah county data. Additional data from the American Community Survey, 2008. Note that the data for Africans – USA are those who were born in Africa as opposed to our local and Oregon measures who are those who claim African as our primary ancestry.

More, however, is illuminated in the above chart. The differential experiences facing local Whites and local Africans are significant. As Whites move closer to Multnomah county, they have an increased likelihood of graduating high school, coming close to halving this likelihood compared with Whites across the USA. So too is there a greater likelihood of moving beyond high school education – and for Whites, academic success is much more likely here than the average White person in the USA and in Oregon. This is not a trend born out for Africans – we are less likely to be successful locally than nationally, in all areas but for graduate and professional degrees, and it is likely that these were brought with us into the USA.

The current functioning of the education system is not well captured above, as these charts reflect the full attainment of everyone over 25 years of age. The current situation is best reflected in what is called the "cohort graduation rate" that shows the number of students who graduate with a regular diploma after four years of high school. Here we see low performance for all students – and even worse data for

students of color. Only one-in-two students of color are graduating from high school on time, while approximately two-in-three White students are achieving these graduation levels.



Source: Author's calculations of data from the Oregon Department of Education.

We do not, however, have these data for African students. No information is collected on the status of our students as a distinct group within the larger category of "African American" (with the exception of the data we have tallied and analyzed ourselves on achievement scores for standardized tests). We anticipate, with concern, that our local graduation rates are worse than the averages for communities of color. The reasons for our concerns are based on both policy and practice: when we arrive in the USA, we are placed in classes depending on our age as opposed to our academic skills. This is typically far above our education level, particularly when we have been in refugee camps for any length of time. As one community member says,

> *The greatest challenge is that people say, "You're 15, so you must be in grade 11"... when you've missed education for the last 4 to 5 years. So the system has totally failed to create a bridge to where people should be. They come in and are expected to adapt. Just adapt. Now you are going to go to school and this is the way it is." They are not able to be ultimately be successful... they don't go any further. They stop going to school or they don't do well.*

We also face unique problems due to the pressures to be paid. Whether through our parents not valuing education (particularly if they are unschooled or illiterate themselves), or through economic necessity when parents are unable to find work or find work that pays a living wage, or through what sometimes

seems to be enchantment with the USA culture of consumption, many of our children leave school too early. This tightens their economic prospects to levels of permanent poverty: "*it is very hard to see our children forced to choose between their futures and survival and know there is little we can do to protect them when we are suffering so much."*

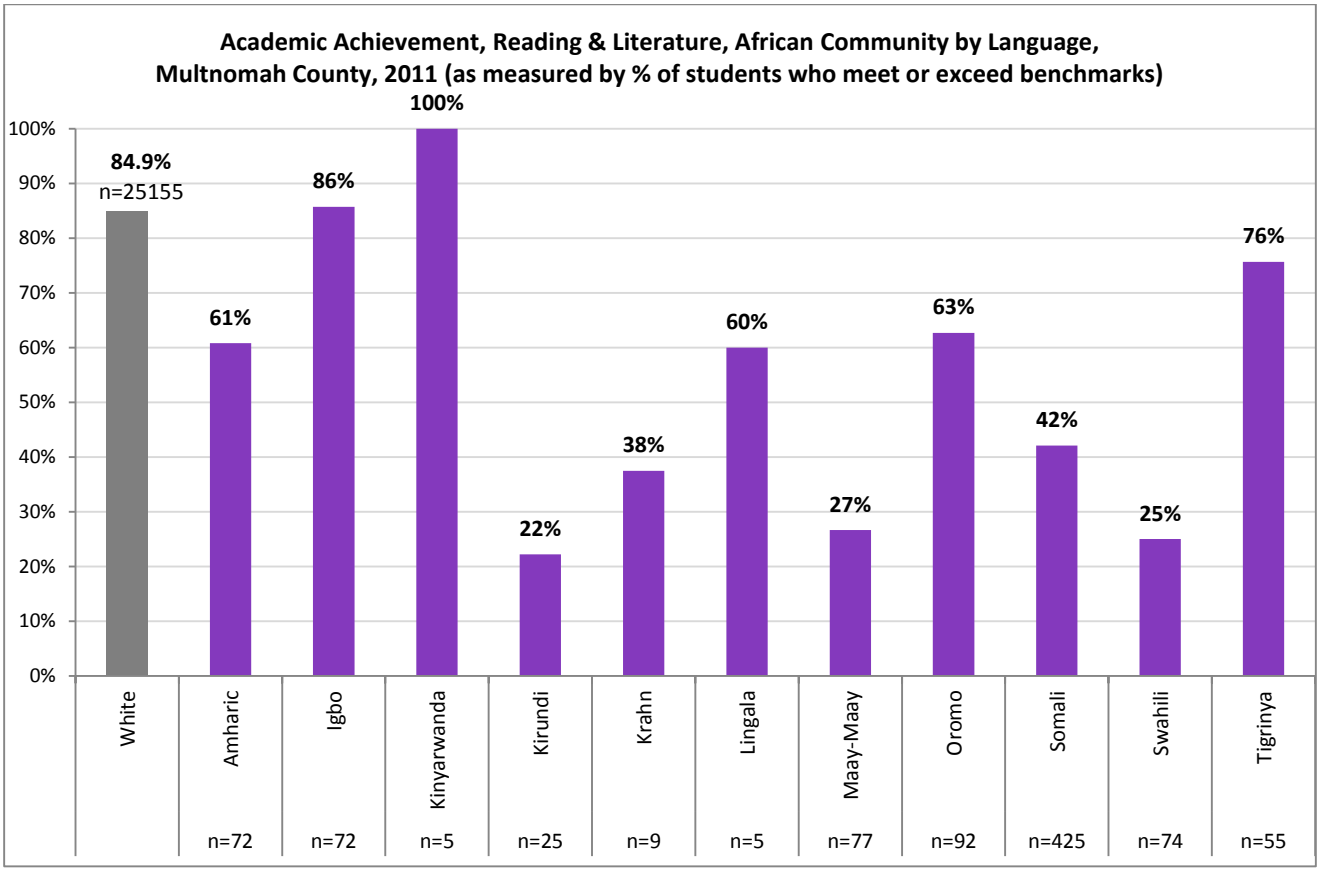
Our progress through school is difficult – beginning with placement issues and inadequate supports, and deepened by English language challenges. For this report, we have been able to prepare a detailed analysis of the achievement gap by language. Student records require two entries concerning language: first language and language spoken at home. Where parents entered that their children spoke a language other than English in either of these two categories, we extracted those data and tallied them by the specific language. In the chart below, we illustrate the achievement gaps in Reading and Literature, and in Math – reporting the data in a composite of the six largest school boards in Multnomah county. This is the first time such data have been made available and this is an important addition to our collective knowledge base of the performance of local students in the African community. We look forward to more disaggregation of data, and are eager to see cohort graduation rates, discipline rates, dropout rates, special education and free/reduced lunch information also being shared in this manner. The African community is also interested in tracking these students onto post-high school experiences, and to seeing entry into higher education and success in these settings.

Several data explanations are needed to clarify these charts. Only six school boards across Multnomah county are included in this research: Centennial, David Douglas, Gresham-Barlow, Parkrose, Portland and Reynolds. Unfortunately, the remaining two boards (Corbett and Riverdale) have not shared their data. Please also note that there is some uneven reporting of students across different school boards as school testing only occurs in grades higher than 2 and at least one board (Parkrose) only submitted data where grades were required to be sent to the Oregon Department of Education. In addition, all communities with less than five students cannot be reported due to privacy issues. Finally, we provide the following table to assist in translating languages to countries of origin – note that there is some variation in these categories as country boundaries do not completely align with the languages.

Language	Country of Language
Amharic	Ethiopia
Igbo	Nigeria, Equatorial Ginea, Cameroon
Kinyarwanda	Rwanda, Uganda
Kirundi	Burundi, Uganda, Rwanda
Krahn	Ivory Coast, Liberia
Lingala	DR of Congo, Republic of Congo
Maay-Maay	Somalia, Ethiopia, Kenya
Oromo	Ethiopia, Kenya, Somalia
Somali	Somalia
Swahili	Burundi, Tanzania, Uganda, Kenya, DR of Congo, Malawi
Tigrinya	Etritrea, Ethiopia

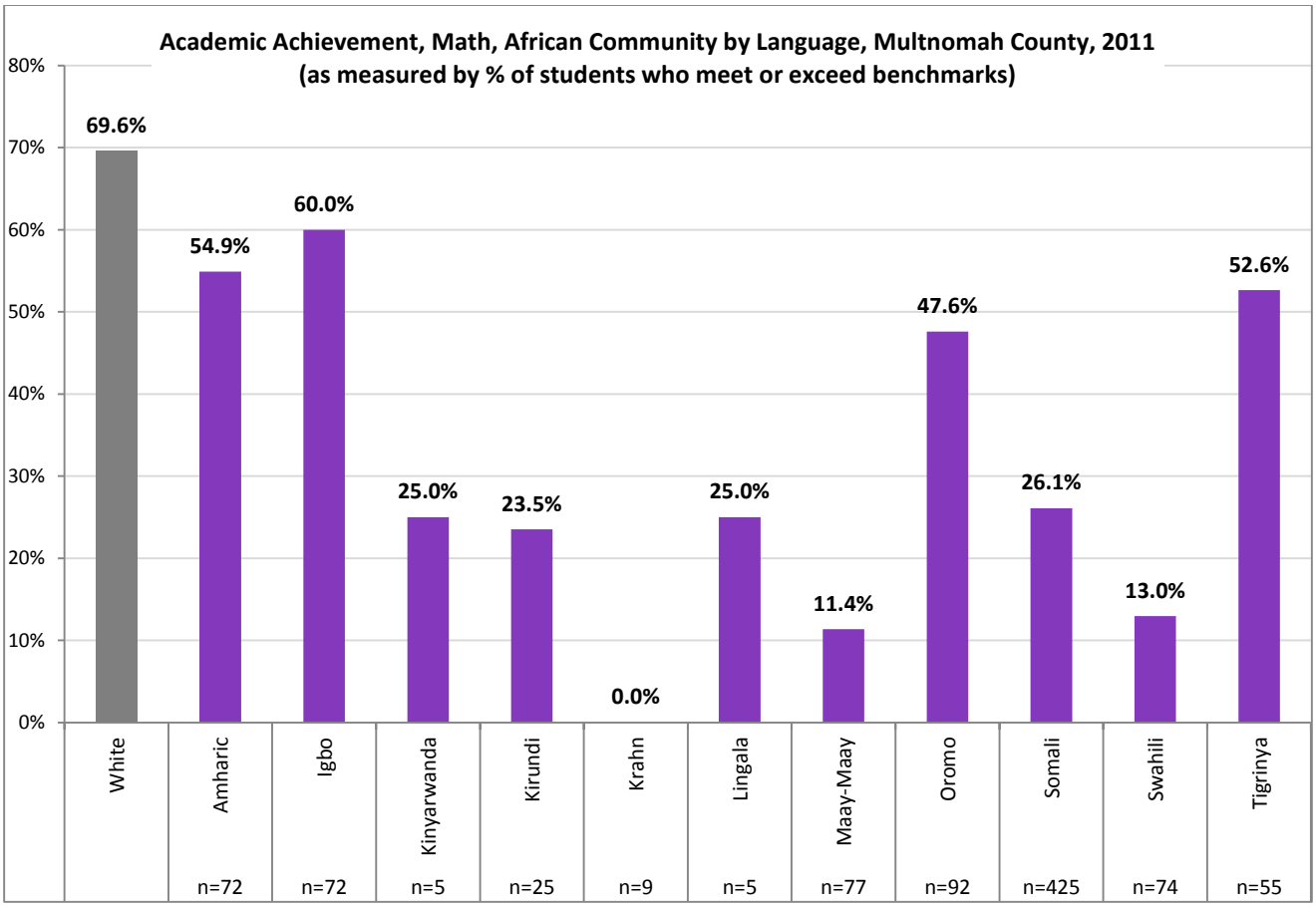
This is, we are pleased to announce, the first time that language-based achievement data has been made available and the African community deeply affirms the importance of these data.

Please note that in the below charts, the researchers have measured achievement only by those who took the tests. There are large numbers of African students who did not take these tests (on average of 28% in both reading and math, with fluctuations as high as 60% in one community) and this is a matter for exploration with the school boards.



Source: Data collected from six School Boards by Dr. Pat Burk, Portland State University, and tallied by Myste French.

The performance of those in the African community is of deep concern: all but two communities are performing at levels worse than Whites, with three communities facing scores in the area of only one-in-four youth performing adequately, and another two communities are at levels worse than one-in-two. When we turn to math scores (below), performance levels drop precipitously and all communities fare worse than Whites. Slipping scores mean that a total of seven communities have scores at or worse than only one-in-four students making the benchmark grades in this standardized test.



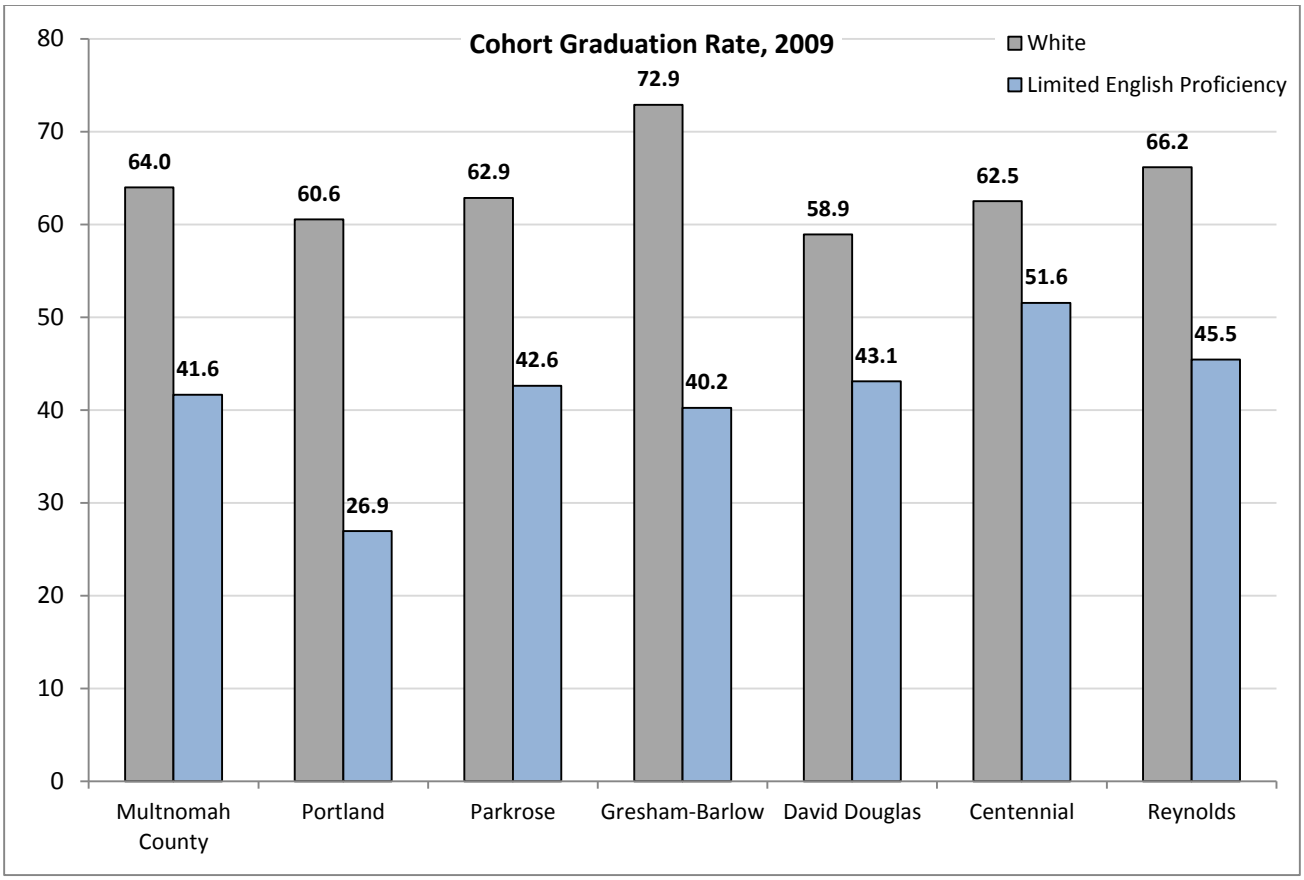
Source: Data collected from six School Boards by Dr. Pat Burk, Portland State University, and tallied by Myste French.

Concerns mount when looking at the details of the above charts. There are many communities who see more than ½ of their children and youth fail to meet benchmarks established by the State of Oregon. In the chart below, student achievement levels have been averaged across both Math and English. While the African community is concerned for any student who is not excelling in school, it is a shock to see that almost half (45%, or 6 of 11) of African communities have at least one-in-three students fail to meet minimum benchmarks reflecting adequate school performance.

2011 Ranking	Language-Based Community	Mean Score for Reading & Math
1	Krahn	19%
2	Swahili	19%
3	Maay-Maay	19%
4	Kirundi	23%
5	Somali	34%
6	Lingala	43%
7	Oromo	55%
8	Amharic	58%
9	Kinyarwanda	63%
10	Tigrinya	64%
11	Igbo	73%

Source: Data collected from six School Boards by Dr. Pat Burk, Portland State University, and tallied by Myste French.

Many community members are deeply concerned about the quality of language programs in the school which aim to help youth who do not have strong English language skills. Below are the graduation rates for the county and in school boards in the region. While graduation rates for these ESL students (here called "limited English proficiency") include all learners in the program, Somali youth make up 6% of these students, and may make up a significant portion of the 17% of students who are identified as "other."[74]



Source: Author's calculations of data from Oregon Department of Education, 2009. Note the LEP population is only partially African – likely about 10% of this total number.

It is important to remember that ESL is not all that is required to address children's learning needs. The following comment from one community member shows the failing of incomplete systems: *"What about kids who can't even read or write, and you throw them into ESL?"*

Stories told by those in our community add more complexity to our children's academic success. Students are not receiving supports from the school to achieve success. Teachers do not understand our children's distress or our culture, or the conditions that gave rise to our move from Africa to the USA. Says one community member:

> *With the system here you always meet someone who is foreign and you are struggling to build that relationship – connecting is hard with them... this fails us. We don't have people we can related to and connect to.*

Parents, too, struggle with understanding the US school system, and this is a problem not unique for refugee parents or those who struggle with literacy:

> *There is no parent engagement. Youth get so frustrated and think that their families don't care. Many come from countries where once your child is registered in school, it is the role of the teacher*

and the school to help kids success. But it not like that in the USA. We also struggle with there being not enough culturally-specific services.

Prevailing patterns of ignorance (lack of knowledge) can sometimes deteriorate to isolation from the classroom culture and from peers. In most situations, our children definitely feel like outsiders even when they are inside their own classrooms. Further deterioration can turn into arrogance for teachers and school staff in presuming that African students are stupid, uncultured, and even subhuman. There are daily indignities that our children suffer at the hands of school staff and peers. It is worth remembering that 26.5% of grade 8 students in Multnomah county reported they had experienced racial harassment either at school or on their way to school in the prior 30 days, with this number dropping only slightly to 24.7% for grade 11 students. [75]

A second level of complexity exists because many parents are not able to help with homework – a problem created by the school system which expects increasing amounts of homework to be done in order to compensate for burgeoning class sizes that is partially created by growing emphasis on standardized tests. Particularly for refugees, who are often illiterate having been rural farmers forced to flee violence and persecution, challenges exist in supporting children's learning:

For poor farmers from the Congo who are illiterate, you may have a child who is learning to be literate. You know they can't help with their child's homework. People who have a child are made to feel stupid because there is an expectation that parents will help with homework.

Strong community supports would help alleviate this sense of inadequacy that has been induced by the school system. While such parents are typically pleased to see their children get educated, sometimes the angst and shame is so deep that they withdraw and sometimes they pull their children from school as well.

Our communities need also to address a deeply ingrained classist culture – which can be sometimes deeper than that of the USA. We acknowledge that we hold individual aspirations that are constrained or supported by our culture – and we can limit ourselves by determining that we are not worthy enough of higher education. Self-defeating attitudes can thwart us:

"I am not able to get beyond that"... if you are at that level, in this class, then this is where you'll always be. If people don't believe they are able to do something, they are afraid to go further... Not everyone has this and some people who have broken this classist and colonialist attitude and have moved beyond can be really successful.

At the same time, many in our community can simply become envious of those with more than they, with money to pay remittances to their families and communities in Africa, and with a sense of being paid for one's work – even if wages are low. This too is part of our culture (perhaps a culture more common to humanity than to Africans particularly), and it stands in the way of staying in school and attending higher education. For a community who has struggled so hard and experienced so much trauma, the idea of waiting longer to get a paycheck is sometimes simply too hard.

On the other side, we are a continent of people who are much more deeply oriented to collectivism and shared concern for each other. This is a strength that allows us to extend our homes, our incomes and our compassion for each other in ways that support our ability to get by when things are tough. The various African communities have faced generations and centuries of difficult times – we remain invested in each other's collective well being.

Recommendations

Education reform is an urgent issue for our families and children. While data shows we have high levels of university degrees, we also have high levels of those who have not graduated high school. We also believe, but do not have the "hard" data (yet) to back this up, that our children are leaving school in high numbers, departing from an unwelcoming environment which has been very difficult and holds little prospect for reform. Here are our top seven priorities for education reform:

1. We aim to end the inappropriate mainstreaming of our children and youth. We need to make an intensive year of support available for our youth, and to sustain them in a culturally-specific environment without the pressure to fit into a specific grade. This would enable more individualized supports that would allow our youth to narrow the learning gap and to gain essential knowledge to enable their success in school. Says one community member:

   > *The school needs to get a real understanding of where those children are and provide an intensive program... have them come in and spend a year in an intensive assimilation program and then at the end of the year you can enter them into a system where they can be successful. They'd have the skills to be successful.*

2. Accurate assessments of the achievements of students who come to the USA are needed. It is essential to determine the exact differences, in terms of credits, between various diplomas and certificates. Often, African youth receive no recognition of their prior achievements and need to repeat entire programs rather than simply take courses where they need to make more gains. The existing practice of invalidating prior knowledge contributes to students leaving school early.

3. We need accurate and routine information on how our children and youth are doing in school. Accordingly, we ask all school boards and the Oregon Department of Education to adopt the Coalition of Communities of Color's *Research Protocol* that will allow for the progress of our children to be monitored as a composite group, rather than being rolled into the data for African Americans.

4. Our children need to enter schools where teachers and staff look like them and understand their culture and the conditions of their arrival in the USA. Improved recruiting and hiring of African teachers must be made a priority, as well as equity efforts inside each school board to retain and promote these teachers through the ranks. The expectation should reach into higher education and expanded recruitment and retention efforts are needed in Faculties of Education.

5. All teachers who engage with our children need to understand the history, the challenges and the conditions in which our children encounter their world. Understanding will provide an important link to reducing the isolation and vulnerability of our students.

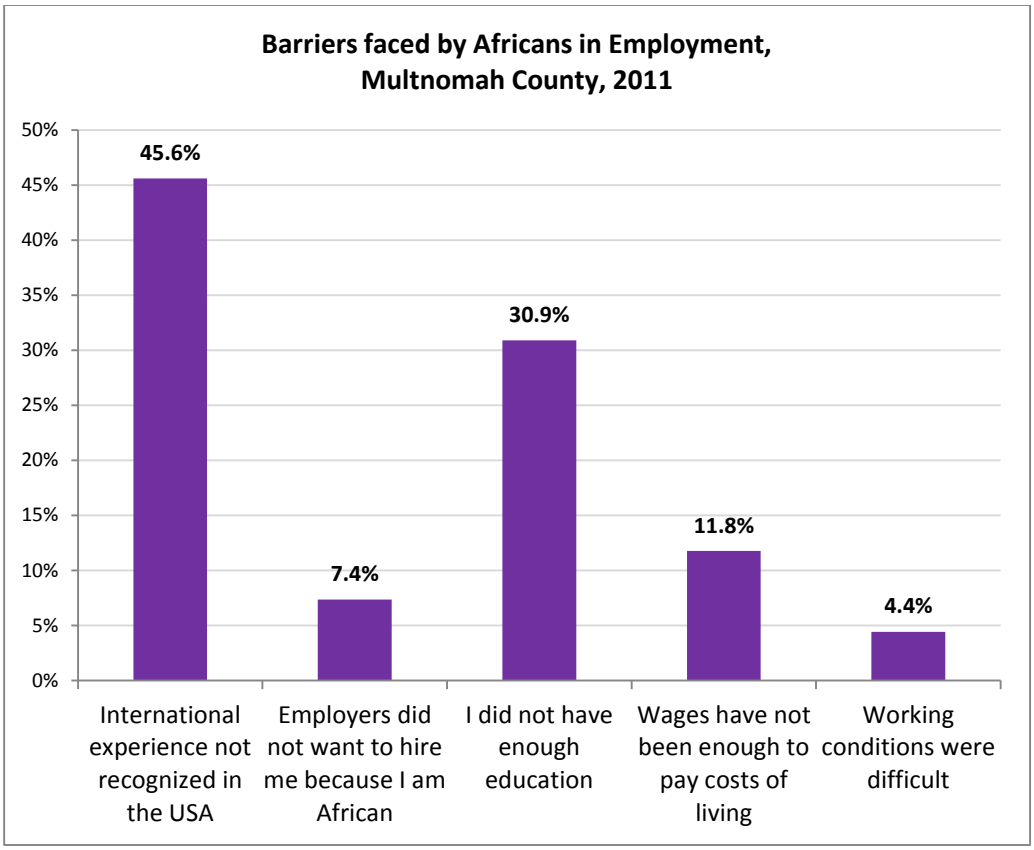
6. Many adults among us have experience in providing formal education. We press our school boards to build rapid systems for recognizing African professional and experiential credentials so that we can be hired into the schools to both increase racial equity in hiring, and also to create a more welcoming, affirming and culturally-responsive academic environment.

7. Finally, many of our children are in Limited English Proficiency programs. It is imperative that this program be of the highest quality and that we as parents and consumers be assured that all school boards will meet federal regulations in LEP programs.

Challenges for Adults with International Degrees

For most adults among us, our degrees are not recognized in the USA. This is very frustrating, and it has a massive impact on our employment prospects, our poverty rates and our incomes. At home, when we obtained master's degrees, this was a path that always led to good work.

The portion of our community that faces challenges in having credentials recognized in the USA is large: at levels of almost one-in-two educated and credentialed adults. Our African Community Survey showed that 46% of community members face these challenges. Below is a more full description of the nature of challenges faced in employment, showing a troubling convergence of barriers including overt racism, inadequate wages, and most dominant is the lack of recognition of international experience. Fully half of the community members faced employment challenges, and below are profiled the specific challenges members of the African community face.



Source: African Community Survey, 2011.

If one arrives here with a degree in medicine, it takes about three years to regain recognition for these degrees: one needs to take the MCAT and redo licensing tests – before one can apply for a residency position. And the story gets worse:

> *And then you have to find someone who is willing to take a foreign medical person which is a small percentage. Then these programs are in the very poorest of places and it is discriminatory. [We go places] where no one wants to be, on the border with Mexico. Our graduates are not getting into programs at OHSU or Harvard even when they could be the brightest person in their country. You come here and you are treated as though you are an orderly in a hospital... I know a guy who is a doctor who is now drawing blood in a laboratory. This is demeaning for people. There is a sense of hopelessness.*

The impact of undervaluing African degrees is a broad and deep economic and social loss for both Africans and for the US nation. Among Africans, there is a pronounced inability to turn high educations into high incomes. As charts above illustrate, Africans hold the highest number of degrees per capita of any group explored throughout this research into Whites and communities of color. Yet Africans hold the worst child poverty rate of all communities of color and one of the worst poverty rates among families. Incomes are devastatingly low at half those of Whites and one-third lower than the average among communities of color. For us, low incomes, high poverty and very high education are a pronounced feature of our lives – and this is very counter-intuitive for conventions that good educations

lift people out of poverty and are an essential building block for economic progress. For the African community, this is not true.

What is happening? It is an unsettling combination of factors that is of grave concern for us, and ought to be of concern for the nation. First, there is outright rejection of our degrees as equivalent to those gained in the USA. While we recognize that it may be important to have some transition training to ensure our credentials are equivalent, and that we understand the US context for practice, such is not provided for us. Rather, our credentials are rejected on the basis of an outdated notion of US imperialism and an assumption that foreign education can never be as good as that in the USA.

The USA has creamed us from African nations, enticing those who are "professionals holding advanced degrees," "persons of exceptional ability in sciences, arts or business," "skilled workers and professionals, and investors with at least $1 million to spend in the USA."[76] Even if there are no billboards in Africa promising fame and fortune for those who migrate to the USA, implicit in these criteria is the idea that one's education and experience will be valued in the USA.

It is in the interest of the nation to make it easy to gain equivalency recognition for those of us with foreign credentials and experience. Bringing degrees and experience with us means we can forgo expenditures of government revenues towards our education. If the total annual cost of a community college certificate is $14,603, a university degree is $36,725 (includes tuition, all government contributions, institution enterprise and endowments) per student per year in a public institution and almost double that (at $66,354) at a private institution,[77] then there are huge investments saved in bringing immigrants and refugees to the USA who are already credentialed. Averaging the three, we end up with an approximate cost for four years of education that is approximately $157,000!

Notice the juxtaposition of this value-added opportunity cost (savings for the USA because such expenditures do not have to be spent), the imbalance with the mere pittance of supports provided to immigrants and refugees, and the waste created by the nation when these degrees are not recognized in the USA. It seems a colossal loss of economic benefit to the country. At the same time, we struggle in unimaginable ways when our community cannot regain our professions and the respect and income earning ability that comes with these credentials. It is not uncommon to find that our esteemed community leaders in Africa are reduced to cleaning toilets. The reach of this problem has become common knowledge as many now recognize that their cab drivers are likely to be immigrants and refugees holding doctorates and masters degrees.

And still, there is no action. Even with skills shortages and rural difficulties in attracting professions in the health field, there is no action. Other nations have recently built such programs into their economic development strategy and Canada, the UK, Australia and Europe have initiatives that have outstripped the USA. Of note, the most recent posting of centralized information on the US Department of Education website is from 2007 and most of the links are no longer active. Rather than an affirming and welcoming document, the opening text reads as follows:

> There are over 50 professional fields that are licensed in all U.S. states and territories, of which a majority require some formal postsecondary education or training as a prerequisite for entry. Not all of these professions have specialized credential evaluation services, nor do all of them have procedures for recognizing non-U.S. qualifications.[78]

Adding insult to injury, we cannot get jobs with our African credentials. Even our years of work experience in the field is not recognized. Here the pressure on us to get an income immediately is high – and among refugees it is legislated. When we are receiving income support from the state for the first 8 months of our arrival, we are required to accept the first job offered to us, even if we hold a degree in medicine and the job being offered is as a janitor. We end up taking jobs that do not reflect our experience, our needs or our identity. This is worse than humiliating:

> *I was something... why is it that these people can't see me? I was an important person to my family, in my community, I contributed. I contributed to the fabric of the world I lived in, and then I come here and people treat me as though I am something they can just throw away.*

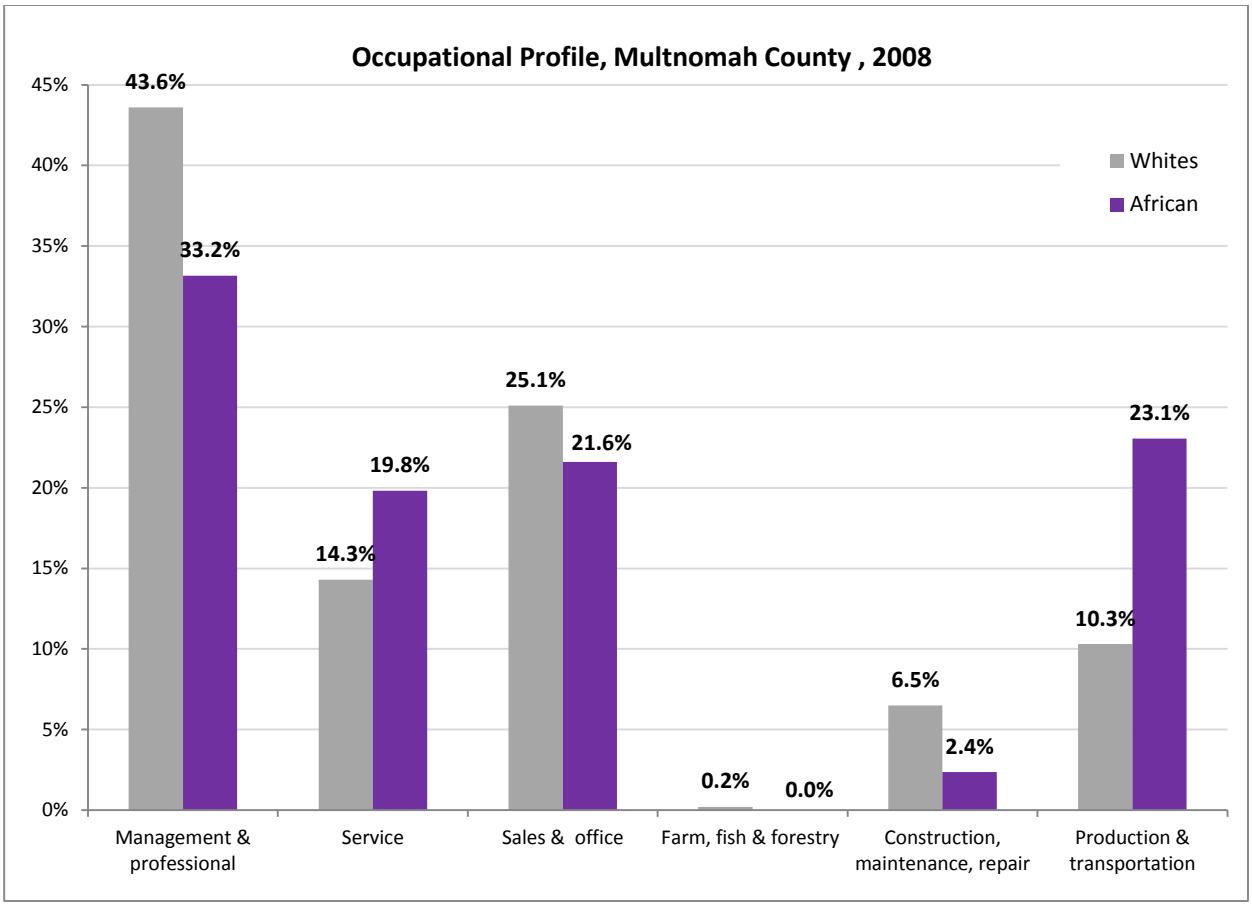
Recommendations

To the earlier list of seven recommendations in the education arena, we add the following:

8. It is time for a robust, welcoming and easy to access system for recognizing foreign credentials. For the regulated professions, concrete, transparent, appropriate and low-cost equivalence measuring must be made available. It is important to achieve these objectives while being informed by culturally-specific community groups so as to ensure that racial bias and white privilege do not infuse the process. We welcome the creation of a comprehensive initiative in this area and urge that this is made a political priority in Oregon's next legislative session.

Occupations

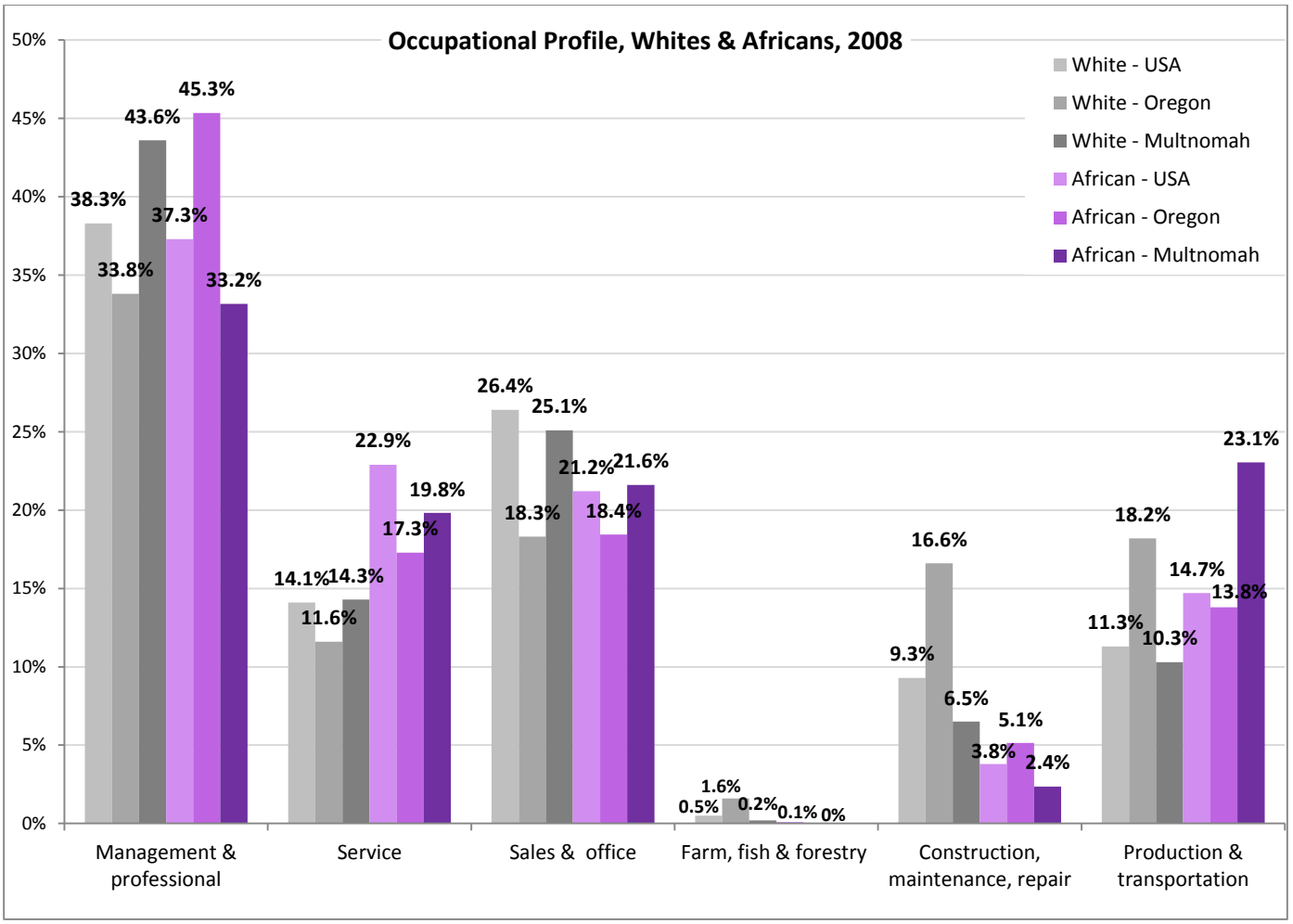
From the text above, it will be no surprise to see the data on occupations. While we hold a huge level of higher education and professional degrees, we do not see this credentialing show up in requisite amounts in our occupational profile. In the chart below, one can see that our degrees do not provide for us decent access to the best jobs – those in the management and professional arena.



Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008.

What we see is that there is some access to the management and professional jobs arena, but this access falls far below that of Whites. While our educations poise us well for high job profiles, few of us are able to get there. Again, recall that incomes are highest in the management and professional arena and second lowest in the service industry. And while numbers are high in the transportation arena, know that many of these will be driving taxis where incomes are uneven and working conditions very difficult.

Turning now to the composite picture across the nation, we find that Africans are faring better in Oregon (as a composite) than we are in Multnomah county. This is a finding that is complicated to understand, as we typically think that there are better prospects for people of color in an urban area, where racism is usually lessened, and where there is an abundant supply of better occupations, as head offices, and professional services are much more numerous in a metropolitan area. We find, by comparison, that Whites do better here than the USA average and the Oregon average – showing that the conventions are upheld for Whites, and not for Africans.



Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008 for Multnomah county data. Additional data from the American Community Survey, 2008.

When we narrow our gaze in the above chart to comparing the occupational experience of Oregonians, we see that Africans significantly outperform Whites, with much higher employment in management and professions, and equivalent employment in sales and office. We continue to be over-represented in the service industry but not in the production and transportation arena. It is important to recall the typical incomes for those of these various occupations – and this chart is reproduced below:

Annual Wages, USA, 2008	Whites	Communities of Color
Management and professional	$54,236	$50,596
Service	$25,064	$23,348
Sales and office	$32,396	$30,368
Farming, fishing and forestry	$22,464	$18,668
Construction, maintenance & repair	$38,532	$34,216
Production & transportation	$31,720	$26,624

Source: US Department of Labor, 2009.[79]

We are thus reminded not only of the prime incomes for those in management and professions, and the dismally low incomes for those in service, farming, fishing and forestry (which does not employ our community) and also of those in production and transportation, but also of the pervasive income disparities between Whites and communities of color.

The income disparity is one that our community experiences (as will be detailed below). We have already profiled that our education is not being recognized in the USA. Add to this a number of factors, and we have a "perfect storm" of disadvantage that does not seem to be overcome by increasing the length of time we are in the USA – as the experiences of African Americans reveal. Let us review a number of these factors that deepen our disadvantage: lack of recognition of our prior employment experience, institutional racism, lack of protection of workers' rights, unpaid training programs, and low unionization rates.

We often arrive with decades of employment experience and yet must begin at the bottom of the employment ladder. As noted already, it is not uncommon to have doctors driving taxi cabs, or lawyers working in janitorial services. Our youth get hired before those who are middle aged. We also often bring outdated technologies with us – and our exposure to higher-order machinery has been limited by the slow entry of industrialization to the African continent, and the emphasis that structural adjustment programs placed on natural resource extraction within our economies. It is not uncommon to have our people gain employment and then lose it within a few days due to lack of familiarity with machinery:

> *We placed three workers at the same company: an African, a Cuban and a Russian. The Cuban and the Russian were fine – they use the same machines here as at home, just the language is different. The African [who held a professional degree in the field] ... had never used the tool before. So he couldn't make it. He has no clue how to work the machine. After three days, he was terminated... I met with the employer... they didn't have time to train him. There is no time to go back and train for 1 to 2 weeks. They want people who can do it immediately. This is what we face most of the time.*
>
> *There is an African shoe maker. His resume was very strong. We took him to a shoe company. But they use a machine to cut the leather [and he was quickly fired].*

From our standpoint, learning machinery is relatively quick. For the shoe maker, understanding leather, hand cutting and construction prepares him well for success in the shoe company. Learning the machinery was not something the firm was willing to support. This is to the detriment of both our community and the shoe company as well.

While training programs can be an asset to helping bridge these difficulties, they frequently fail with the African community as these opportunities are unpaid and there are considerable pressures for our community members to earn paychecks as quickly as possible – pressures that come from within ourselves (as we receive value from the paychecks we earn) as well as from outside us (with requirements in both the refugee settlement program and in TANF to take jobs that are offered to us).

So too we face pressure within our extended community to get employed as quickly as possible – in order to provide remittances for those back home.

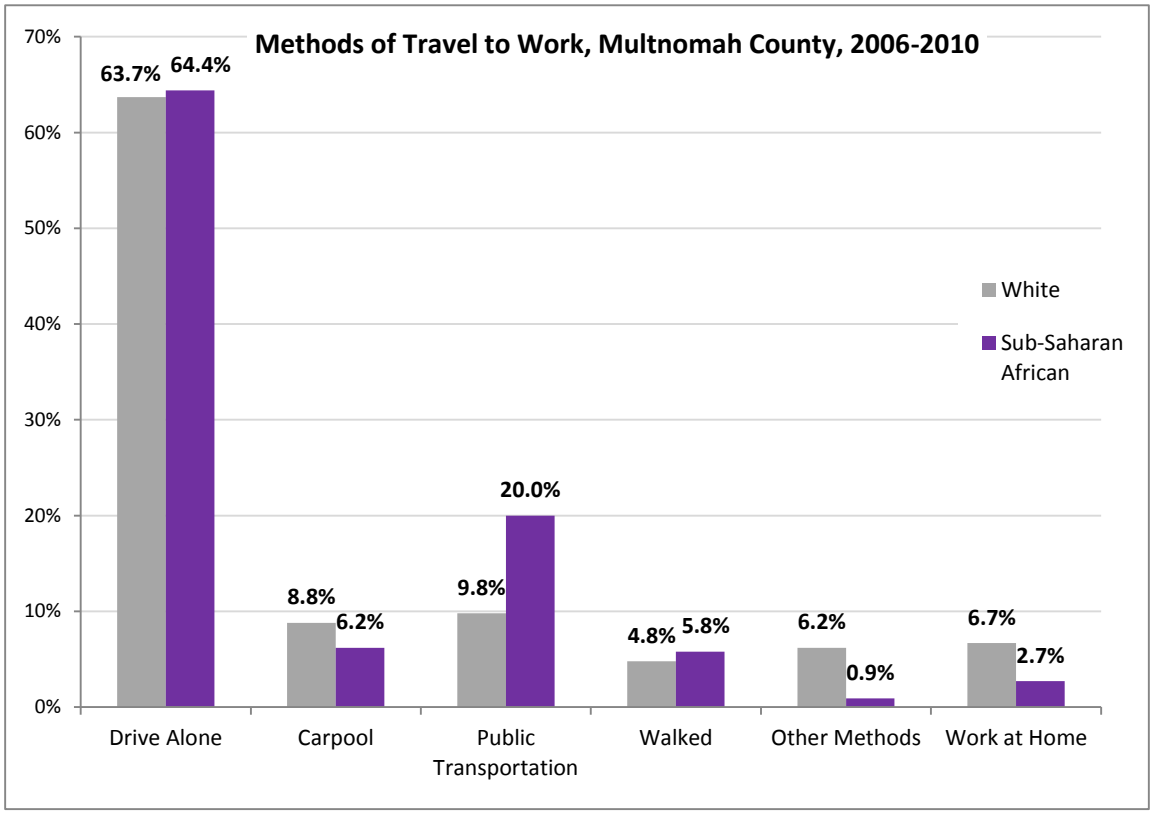
Unionization rates are low, and typically outside the consideration of Africans as an avenue for improving pay, equity and working conditions. Despite the fact that unionization provides an average pay increase of 28% for workers,[80] and greatly improves access to health benefits (92% of unionized workers have health care coverage compared with only 62% of non-union workers),[81] unionization is not an often-considered avenue for improving employment conditions. Given the precariousness of one's foothold in the USA, coupled with the risk of deportation for criminal convictions, workers are likely fearful of social action and further repercussions.

Turning our attention to another dimension of workers' rights, we surface the dismal levels of awareness about workers' existing rights in our community. There is a pervasive pattern of people being taken advantage of, and of failing to be notified of protections and compensation available to them when they are injured. The scope of the issue is encapsulated in the following community member's words:

> *They don't understand their rights as an employee. [One community member] is asked to carry really heavy things, day after day after day, then he has a problem with the back – the employer says, "if you can't keep doing the work, I'm laying you off." He manages to keep up with the work. If he goes to the doctor and the doctor says "you should be off work." Then the employer might say, "we'll fire you." Then he's fired and cannot get unemployment. His back is bad – he doesn't understand that he has a right as an employee to certain things… like a break during the day, or that he has to have a job description that says he is going to lift 75 pounds repetitively every day. [No one has told them] that if they work more than 20 hours, they need to have benefits... They have no idea about how the system works. They lose a finger and no one tells them that if they lose a finger its worth $100,000 or they lose an eye, they have nothing or if have degree or not, if they understood their rights as an employee... people will just take advantage of them. It is terrible. There are a lot of people who get hurt and they don't know anything about how to move forward.*

Finally, institutional racism must be named. Our community faces deplorable levels of racism across employment experiences. Sources of racism include entire systems that do not recognize foreign credentials, employment support programs that do not adequately serve communities of color, working conditions that deny us fair working conditions, and internalized oppression. The community faces abundant barriers to fair and equitable treatment in employment.

One additional area in which we are vulnerable is in our heavy reliance on public transportation. Fully 20% of our workers use the transit daily to get to work, while only half that amount of White workers is so dependent on transit.



Source: Author's calculations from American Community Survey 2006-2010.

Retaining a public transportation system that is accessible, affordable and convenient is of importance to workers in this region. Cuts to frequency of services, increased costs and dropped routes will cause hardship in our community.

Recommendations

The recommendations we forward flow naturally from the section above:

9. There are two options available for bridging African workers more powerfully to jobs. The first is to provide paid skills training programs of short duration that prepare workers for specific occupations and/or jobs. These could be informed by local employers' needs and technological expectations.

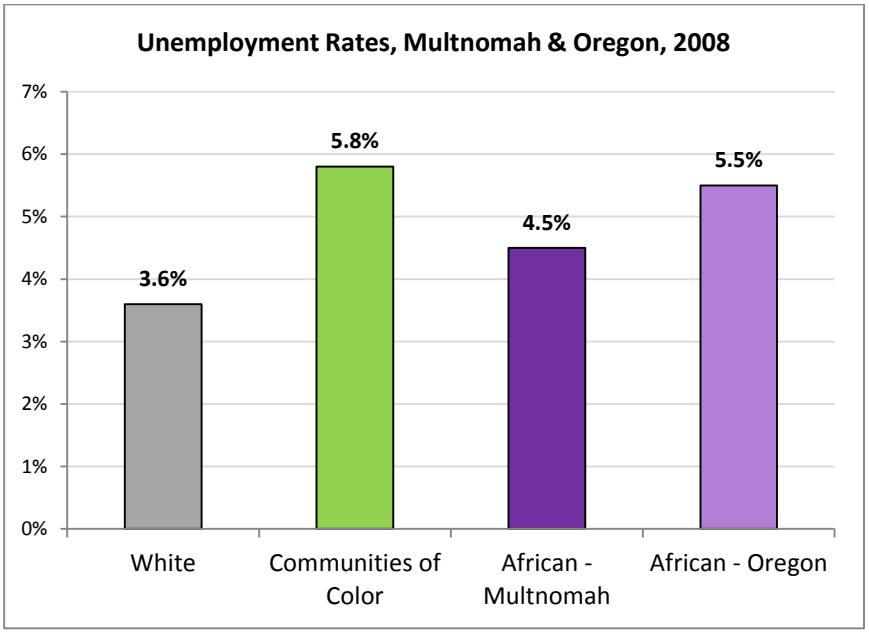
10. Also essential to bridge African workers to the labor market is to have a program that provides on-the-job training for the first month of employment for immigrant and refugee workers that would subsidize the employer's payments to the workers and be rebated if the worker successfully transitions to become a regular employee. This would enable our community to be more rapidly employed (and not delayed for a training period) and provide supports for employers to hire our community members.

11. It is essential that a workers' rights information campaign be implemented to advise workers of their entitlements on working conditions, the rights to unionize, and the programs and services available to them for both prevention and for intervention when things go wrong.

12. To support employment, keeping public transportation costs low and routes accessible and convenient is essential.

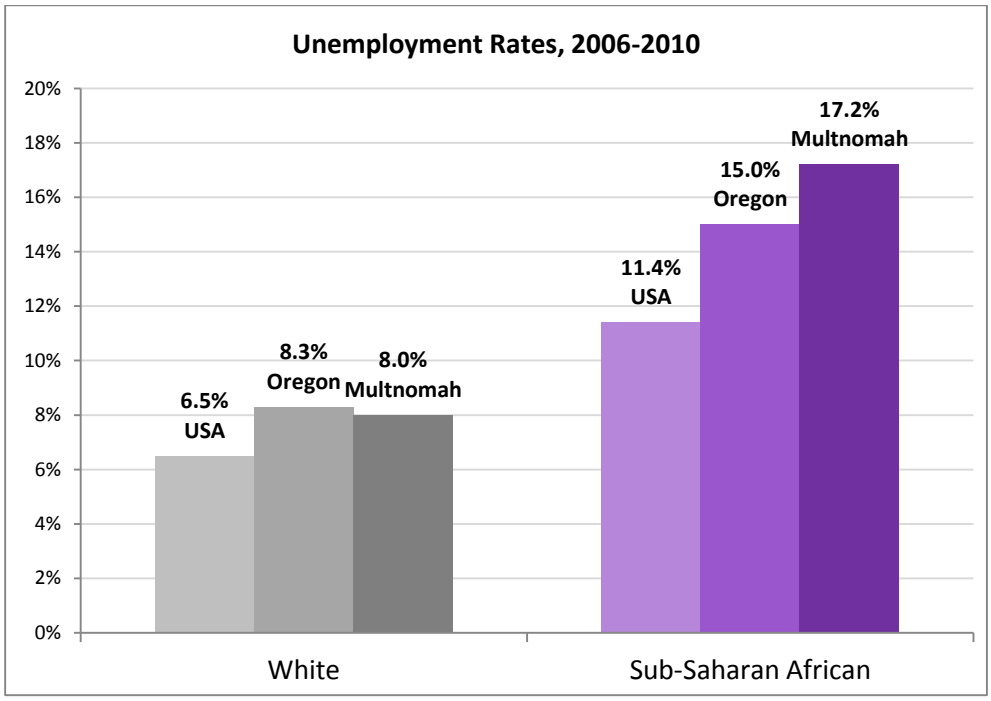
Unemployment

Unemployment levels are higher among Africans than among Whites, at levels that are 25% higher, and when we narrow our gaze to that of our sub-Saharan community, and extend this until 2010, unemployment levels are more than double that of Whites. When we extend our gaze to 2011, the impacts of the most recent recession are clearly being felt hard across the African community, as unemployment has reached 13.5% in Multnomah county. Such disparities suggest the community is facing discrimination in the rates at which they are hired, laid off or fired from their jobs. For a newcomer community, the concept of "last hired, first fired" will influence the way in which African residents are vulnerable to downturns in the economy.



Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008.

Here we have relatively moderate levels of unemployment, with harder times being experienced outside of the county. But when we bring unemployment measures to a more current year and narrow our lens to sub-Saharan Africa (from which the majority of our community originates), we find a deteriorating situation. Unemployment levels are more than double those of Whites, and the advantage that existed in living locally disappears.

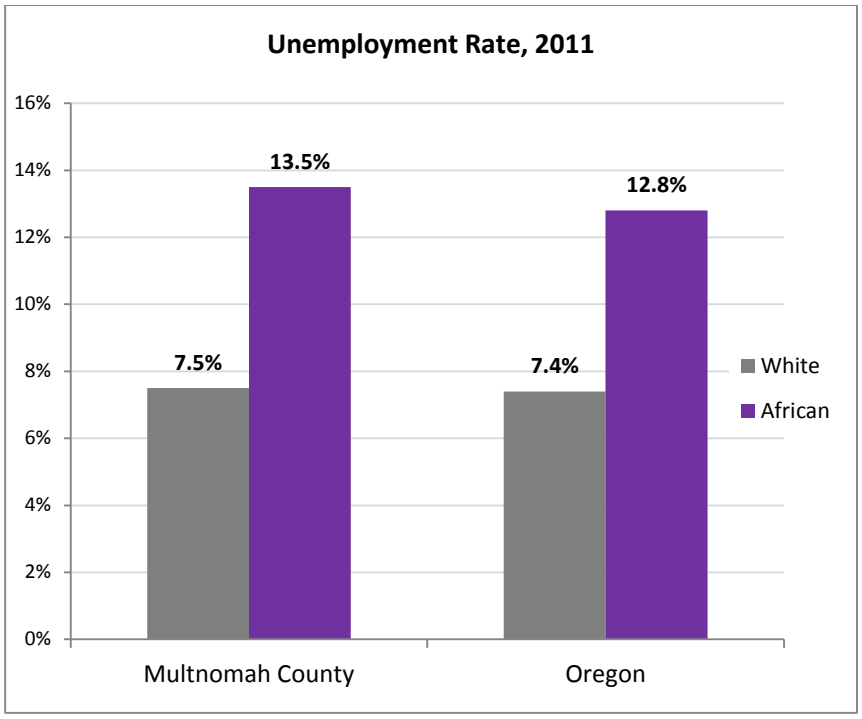


Source: American Community Survey, 2006-10.

The difference between these two charts needs some explanation, and we will share our understanding of why sub-Saharan unemployment is three times higher than among the entire African population for 2008. To begin, it is likely that the impact of the recession beginning deeply in Oregon in 2008 has affected the latter measure of unemployment that includes data until 2010. It has been documented among larger and better measured communities that the recession has had a much harsher impact on communities of color than among Whites, made even worse when these communities of color had high levels of poverty going into the recession.[82] Second, the more current chart excludes North Africans and it is likely that they have better access to jobs, and higher levels of education attained in the USA, both of which are in evidence at the national level. We thus do not perceive that these are inconsistent experiences even though the magnitude of the difference is significant.

Disparities exist between Whites and Africans in these geographic measures. Unemployment at the local level is higher for Africans in Multnomah county than for Whites, and particularly insidious for sub-Saharan Africans. And the difference between Whites across the USA and Multnomah is much smaller than that of Africans in these two regions: the disparity for Whites is 23% while the disparity for Africans is 51%.

When we bring in the most recent year available (2011 – and actually the average of 2009 to 2011), we find that unemployment levels among the African community has improved, as those unemployed have dropped from 17.2% of the community to 13.5%. While this news is very welcomed, unemployment remains at almost double the levels of Whites.



Source: Custom data extractions by ECONorthwest from the American Community Survey, 2011.

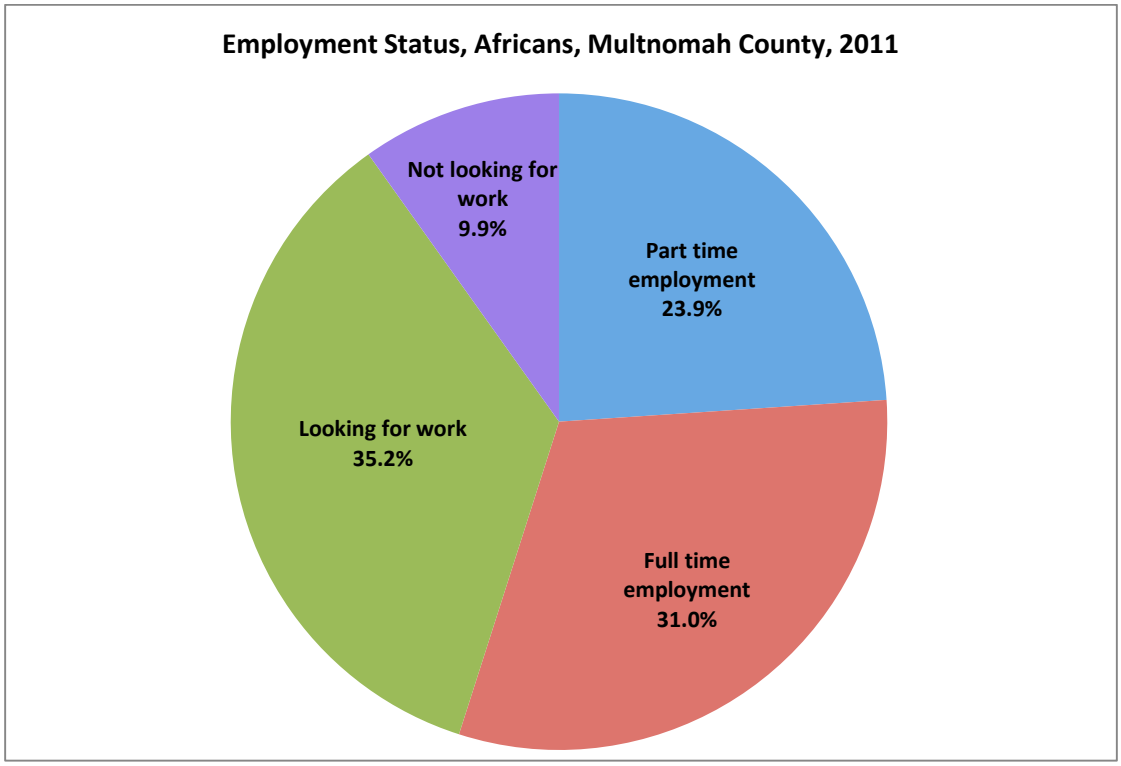
We also want to extend attention to the very high unemployment (5.5% in 2008 and 15.0% for sub-Saharans in the five-year period, and 12.8% in 2011) across Oregon facing the African communities. Many Africans are pushed out of Multnomah county in a drive to find cheaper and more adequate housing. In such regions, fewer formal and informal supports are available, and racial discrimination may be even more pronounced, particularly when limited English language skills are present. It is incumbent on the whole state to provide good services for Africans. The absence of such supports, particularly those that are culturally-specific, or at least culturally-responsive harms the vitality of the entire region due to foregone tax revenues, higher income support reliance, greater use of food stamps, and lesser income to expend in the local economy.

A poignant reflection of the depth of our economic need is in the area of food stamps (SNAP or Supplemental Nutrition Assistance Program). Three times more sub-Saharans rely on government supports to feed ourselves than Whites.

Use of Food Stamp Program, Multnomah County, 2006-10	
White	11.0%
Sub-Saharan African	35.5%

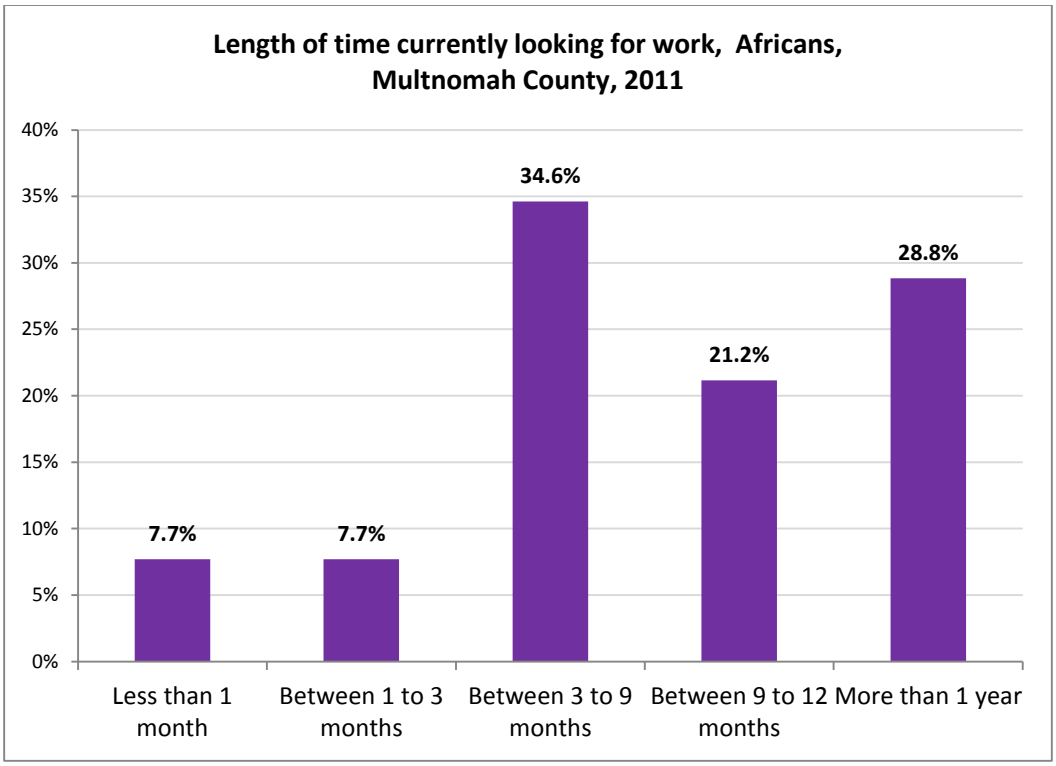
Source: American Community Survey, 2006-2010.

We asked African community members about their employment status in 2011 as part of the African Community Survey. The results below show that fully 35% of the community is unemployed and looking for work.



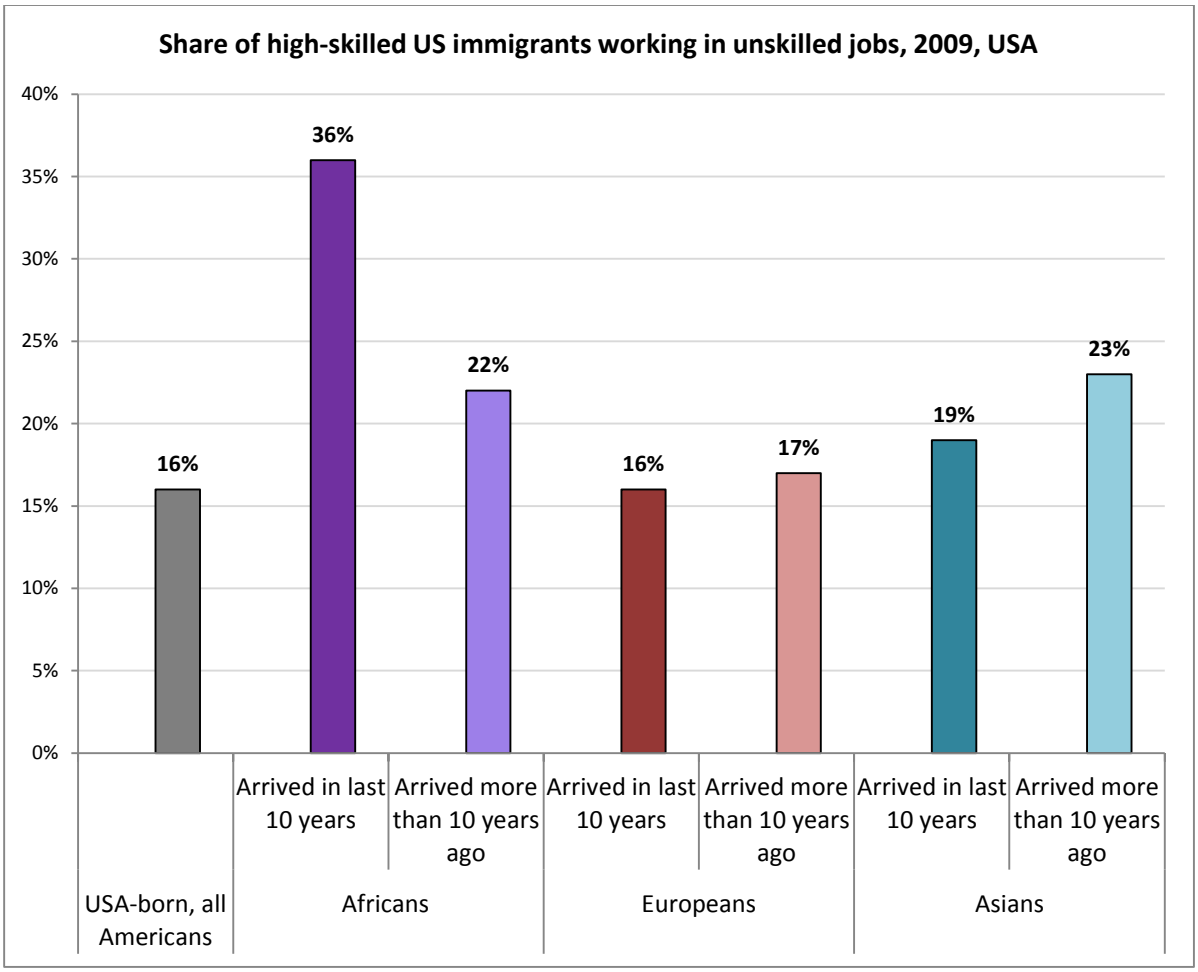
Source: African Community Survey, 2011.

Making matters worse is the length of time that many in the African community spend looking for work. In this same survey, we asked how long those who were unemployed spent looking for work. More than one-in-four have been looking for work for over a year, and an additional 21% have been looking for ¾ of a year. The official determination of "long term unemployment" is set by the Bureau of Labor Statistics at 27 weeks or longer. More than half of unemployed Africans in Multnomah county meet this level of unemployment. The nature of unemployment in the region facing Africans is harsh and troubling.



Source: African Community Survey, 2011.

A related issue is that of underemployment that is caused by lack of an ability to be hired into jobs that are skilled. At the national level (note that no local equivalent exists, except for the earlier-noted experience of having 46% of Africans in Multnomah county not having prior credentials recognized), we find a very high share of Africans working in unskilled jobs. These data are disaggregated by recentness of arrival, and for Africans who arrived in the last ten years, more than one-in-three are working in jobs below our skill levels.



Source: Capps, McCabe & Fix, 2011.[83]

Such practices are a waste for the USA, which typically values a high-skilled workforce, and indeed places huge amounts of resources to encourage youth to stay in school, and to become highly skilled. But if then we cannot access decent work, these high credentials are wasted. And notice how this is wasted resources for the USA – for such credentials came to the USA without the US needing to pay for the development of these assets. Now is not the time for wasted resources – it is imperative that the nation implement practices that ensure accurate recognition of foreign credentials, education and experience.

Notice too that this underemployment is not equivalent across communities – as Europeans have much better access to high skilled jobs, and so too do Asians. Africans face much constricted access, likely the result of anti-black employment barriers and institutional racism.

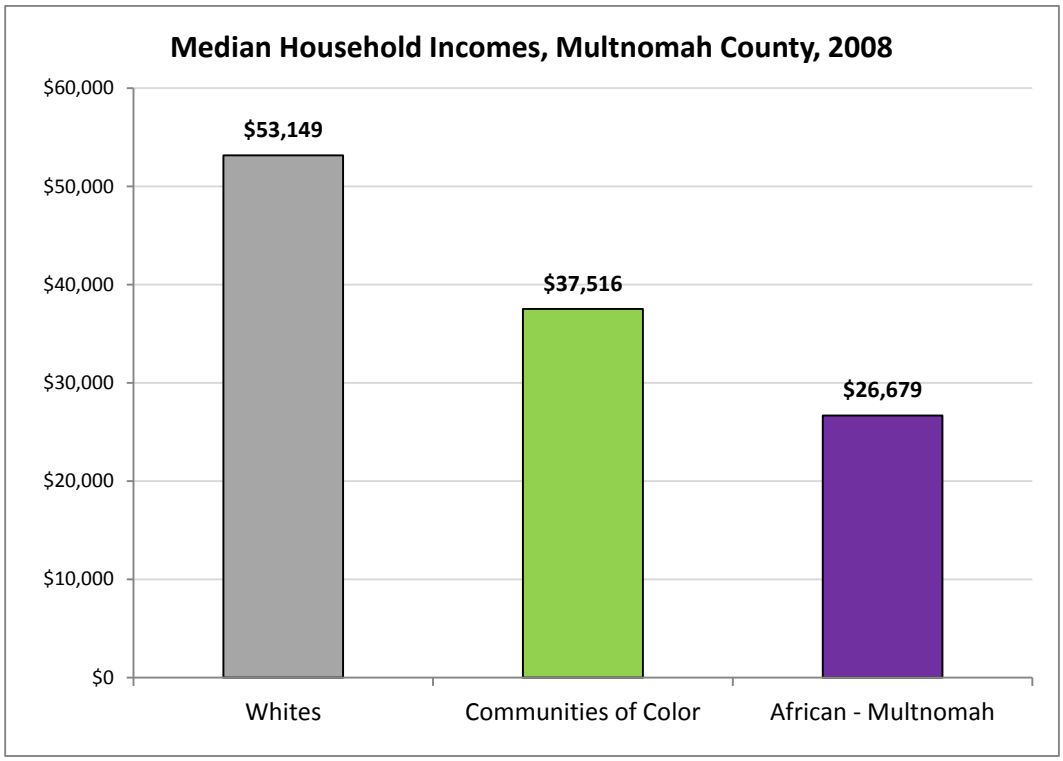
Recommendations

13. It is essential that employment be considered a human right. African community members are exhausted with lengthy job searches and low prospects for finding living wage jobs. Providing real options for a positive future is essential for improving the well being of the community.

We also use this space to amplify the need for accurate recognition of foreign credentials and the programs and financing to support access widely across the region and across professions.

Income Levels & Poverty Rates

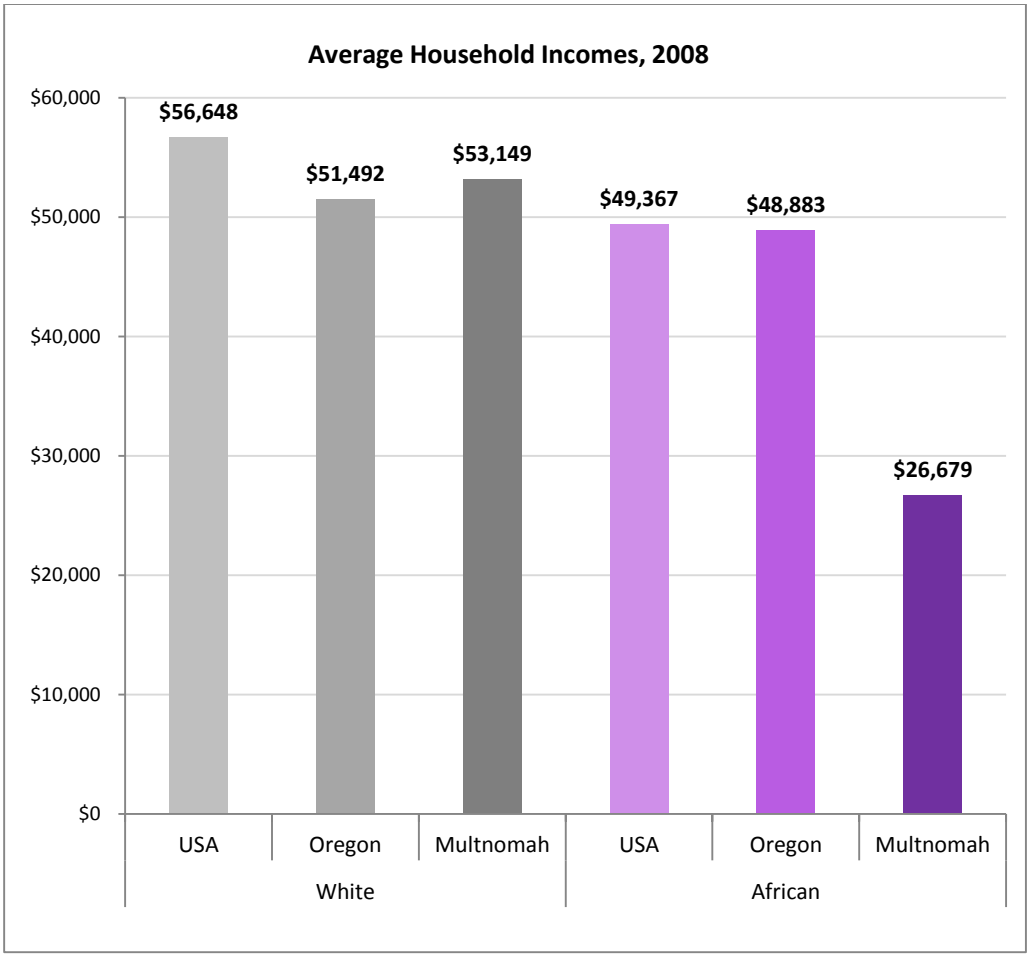
Issues of language, recognition of foreign credentials and international work experience intersect with issues of racism to deny our African community access to decent paid work, the results of which show up in the chart below.



Source: American Community Survey, 2008, Selected characteristics of the foreign-born population.

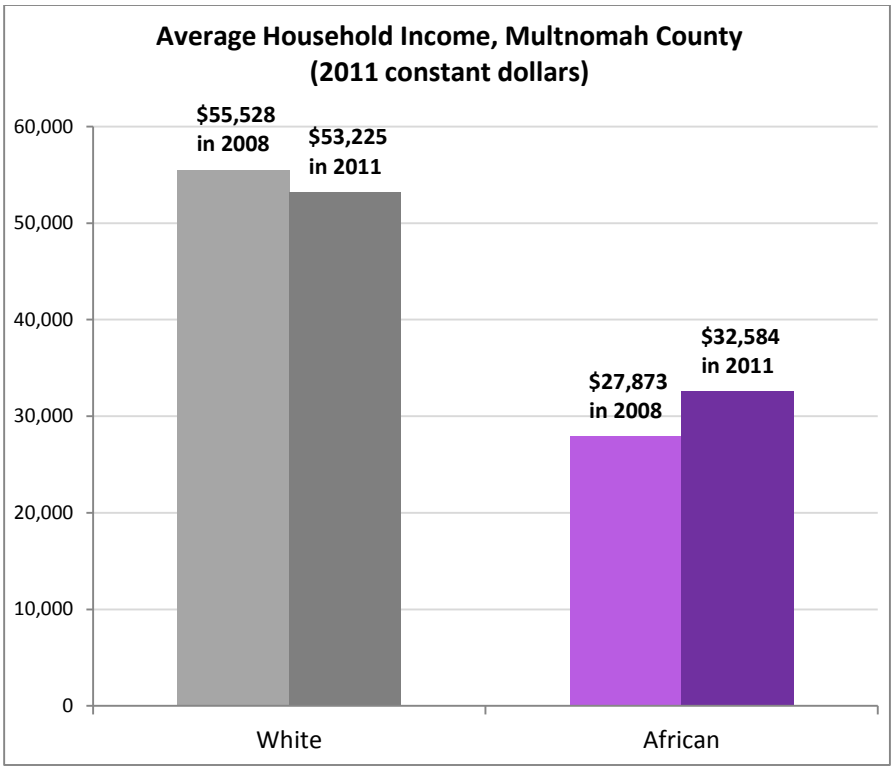
Here we see that our community members have incomes that are fully half that of Whites, and that are 40% lower than the average among communities of color. We regret that the only income measure possible to extract for our community is that of household income, as we would have liked to examine family income, per capita income, and income for seniors and other family configurations (such as single parent family incomes). Such is not possible within the American Community Survey as the small size of our community makes for a more limited set of variables being available.

We can, however, extend our gaze to wider geographic regions and examine our progress in the local region relative to that across Oregon and across the USA. In the chart below, we see that there are income disparities with Whites at all levels of geography. The most pronounced difference is indeed in Multnomah county.



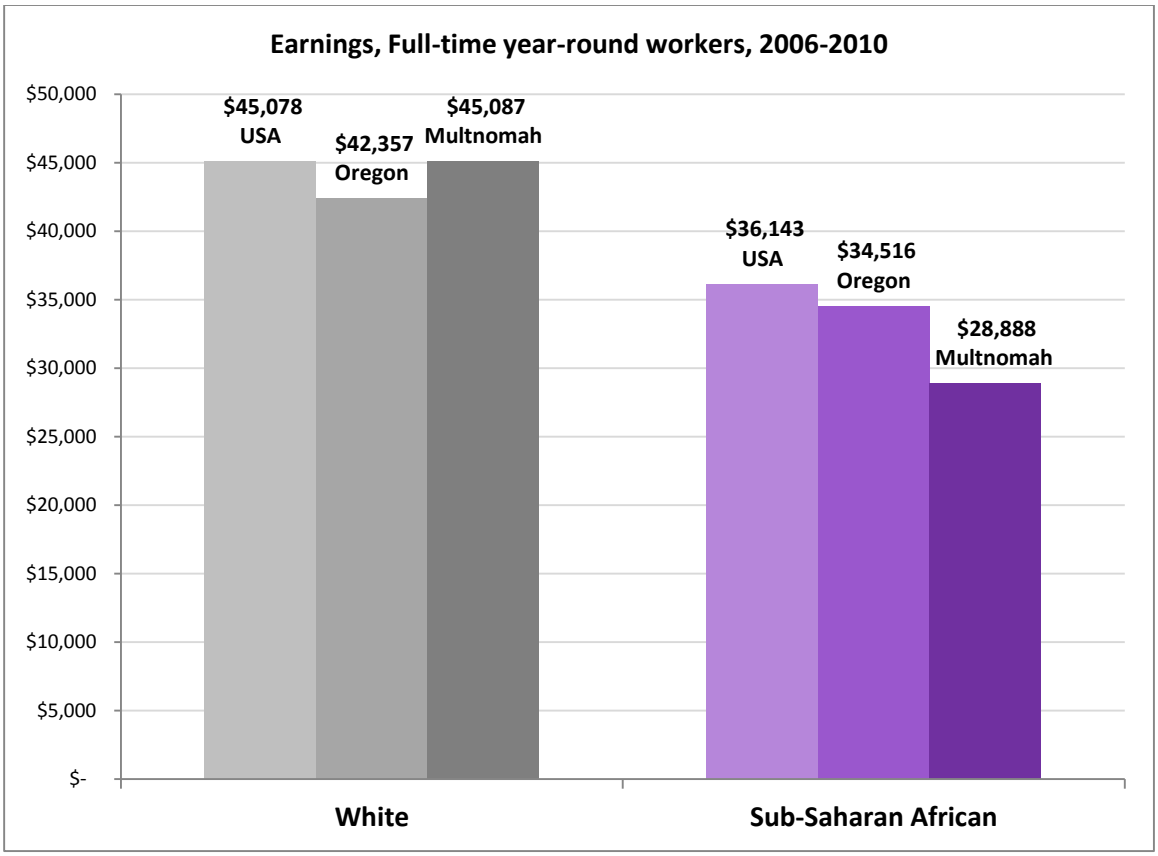
Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008 for Multnomah county data. Additional data from the American Community Survey, 2008.

When we center on changes up to the most current data available, we see a slight improvement since 2008, most likely due increasing numbers of household members working and a rising number being of working age. That said, the improvements are an important gain for the community, although disparities remain as Africans have only ⅔ the household incomes of Whites.



Source: Custom data extractions by ECONorthwest from the American Community Survey, 2011, and by the Population Research Center, Portland State University for 2008 data.

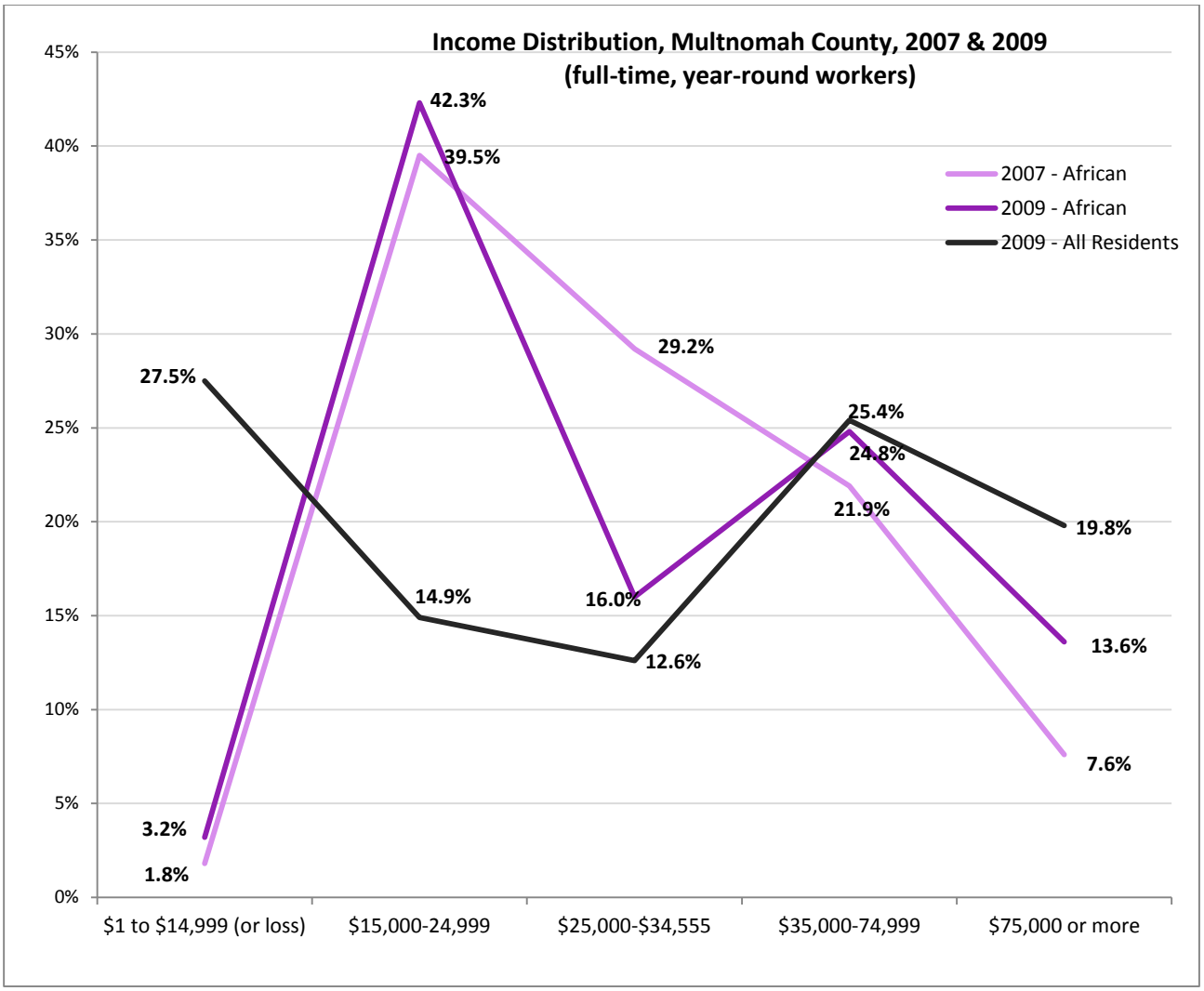
We also know the income situation for full-time, year-round workers in Multnomah county. The below chart shows the earning averages for such workers, with the larger span of years for sub-Saharan workers. Here, disparity with Whites is a little smaller than the household incomes, because we are not adding the impact of unemployment and underemployment. It is still pronounced, and significantly larger than averages across the USA and across Oregon. The size of this gap in Multnomah county is 56%.



Source: American Community Survey, 2006-2010.

The economic situation facing the African community is dire. The prevalence of institutional racism and racial inequities that stretches across institutions has been detailed in the prior racial disparities report, "*Communities of Color in Multnomah County: An Unsettling Profile*" from 2010, and in it we detail pervasive and deep disparities across a total of 27 different institutions and systems. Now coupled with language barriers, lack of recognition of foreign credentials, cultural isolation, vulnerability due to not holding US citizenship, and the shortfall of culturally-specific and even culturally-responsive services, we have a heightened crisis facing the African community – the outcome of which is seen in the household income data.

While data on specific family types and individuals is not available, we do have indicators of income patterns among full time, full year workers. In the below chart, there are a number of issues and trends that are observable and we will reflect on these in the next few paragraphs. Let us first look at the African data, presented for 2007 and 2009. Poverty-level wages deteriorated for Africans, increasing from 1.8% of the population earning under $15,000/year to 3.2% of the population. The number of low income earners (between $15,000 to $25,000/year) increased by about 3 percentage points – both are bad news for the community. Then, and most troubling, there is the deterioration of numbers of Africans earning moderate incomes ($25,000 to $35,000/year), falling a whopping 13 percentage points to only 16% of workers.



Source: American Community Survey, 2007, 2008 & 2009, selected characteristics of the foreign-born population (table S0504).

This trend marks a serious hollowing out of moderate income earners, revealing the negative impact of this recession on our community. Coupled with the rise of those earning poverty-level wages, this is overall showing us deterioration in conditions for fully three-quarters of the community.

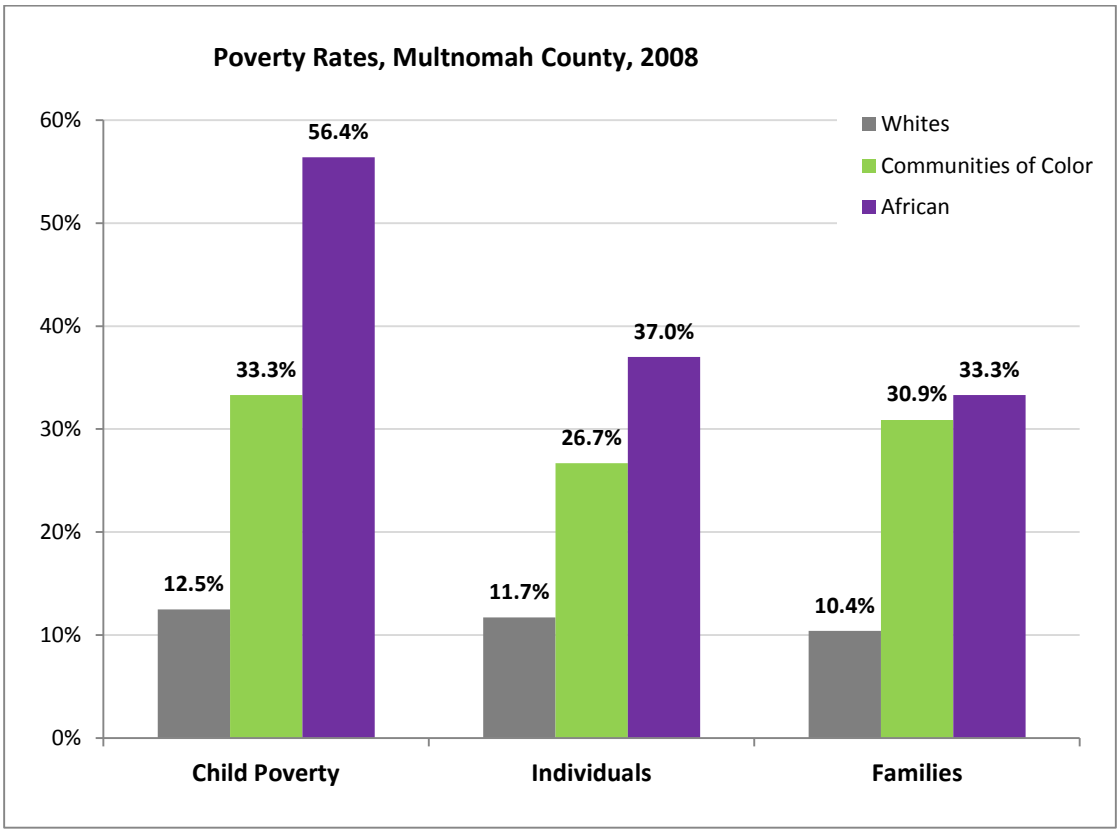
At the high end, we see some benefits as high income earners have almost doubled to 14% and upper-end earners have increased by three percentage points. This economic era (over the last 30 years) has created benefits for top income earners where typically the top 30% of the population benefits from recent economic conditions[84] and the African community illustrates these gains as well.

When we compare the income profile of Africans with the overall population (dominated by Whites), we find ourselves valuing that we do not have the massive numbers of those earning poverty wages as is the case with the overall population. This group has 27.5% of its population earning poverty wages! But it also has significantly fewer earning low incomes, and fewer too earning moderate incomes. And those

at the upper and high end of the income spectrum are very numerous. The overall population profile shows us that there are many workers at the bottom, few in the middle, and a high number at the top – signaling the results of this economic era, whereby the middle class hollows out and those at the ends of the income spectrum proliferate.

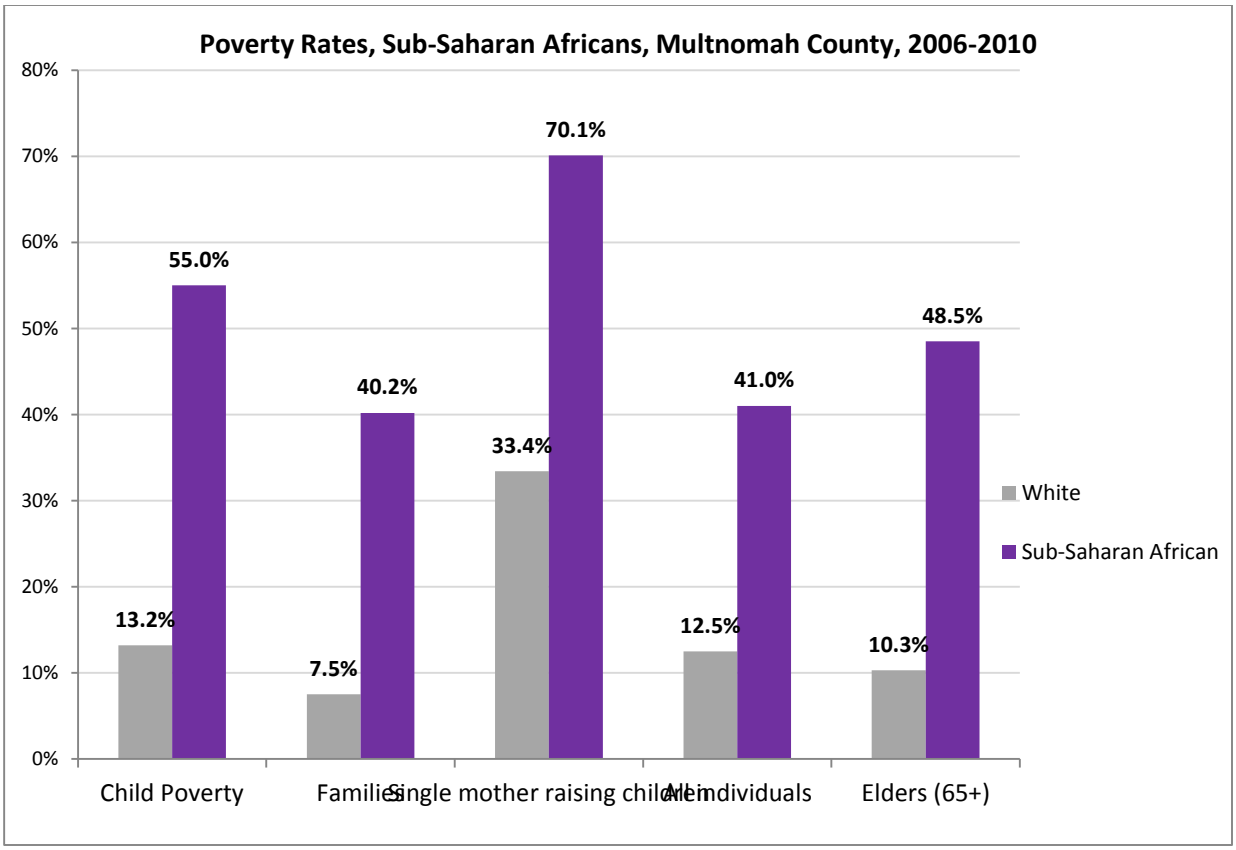
The conclusions here are that the income profile of Africans is significantly different than the overall population and that we have seen a considerable deterioration of conditions over the last two years, signaling that we have lost considerable ground in this economy, with relatively few of us reaping benefit of high incomes.

Poverty rates within the community are where we find deepening of this disturbing story. Below are the results for those at the lowest end of the population – those living in poverty. African immigrants and refugees have poverty levels higher than the average among communities of color, and have a child poverty rate where more than ½ of all African children live in poverty.



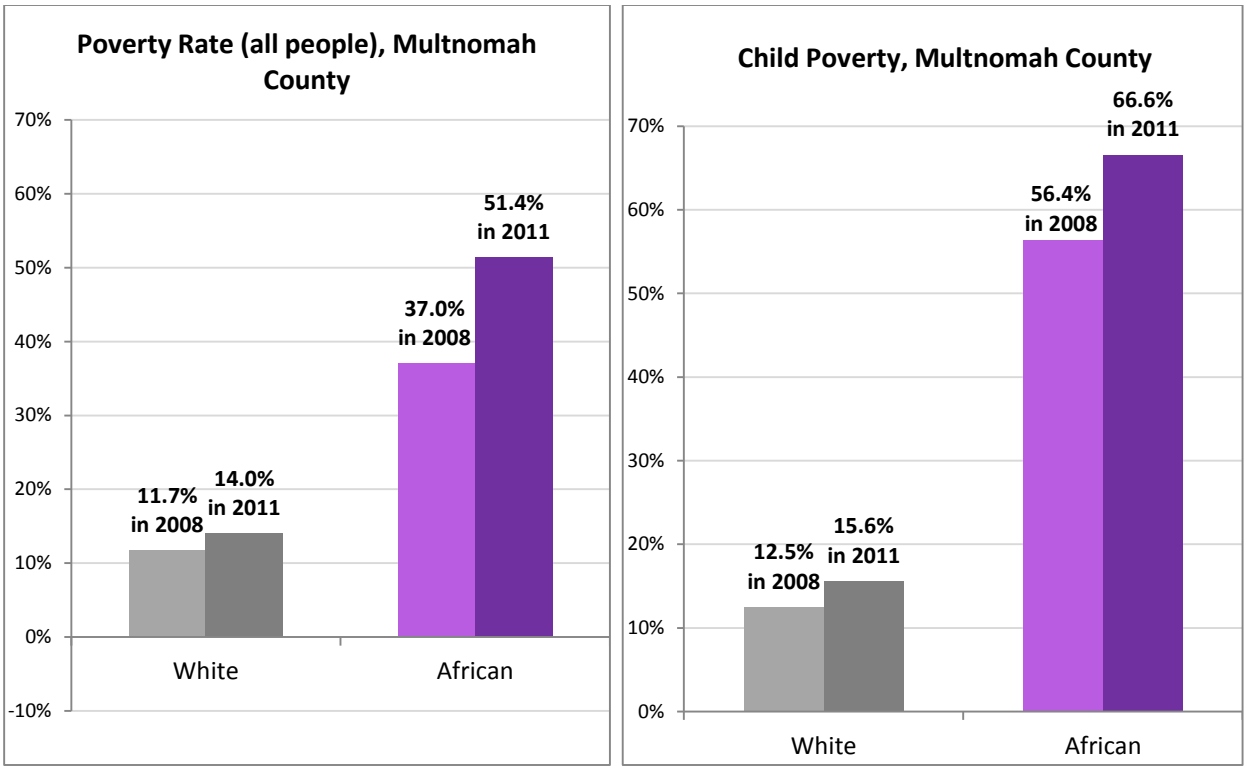
Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008.

The situation facing the sub-Saharan community allows us to add more people to our understanding of poverty. Here we see that almost ¾ of our single mother families live in poverty, and poverty among elders is also in the 50% range.



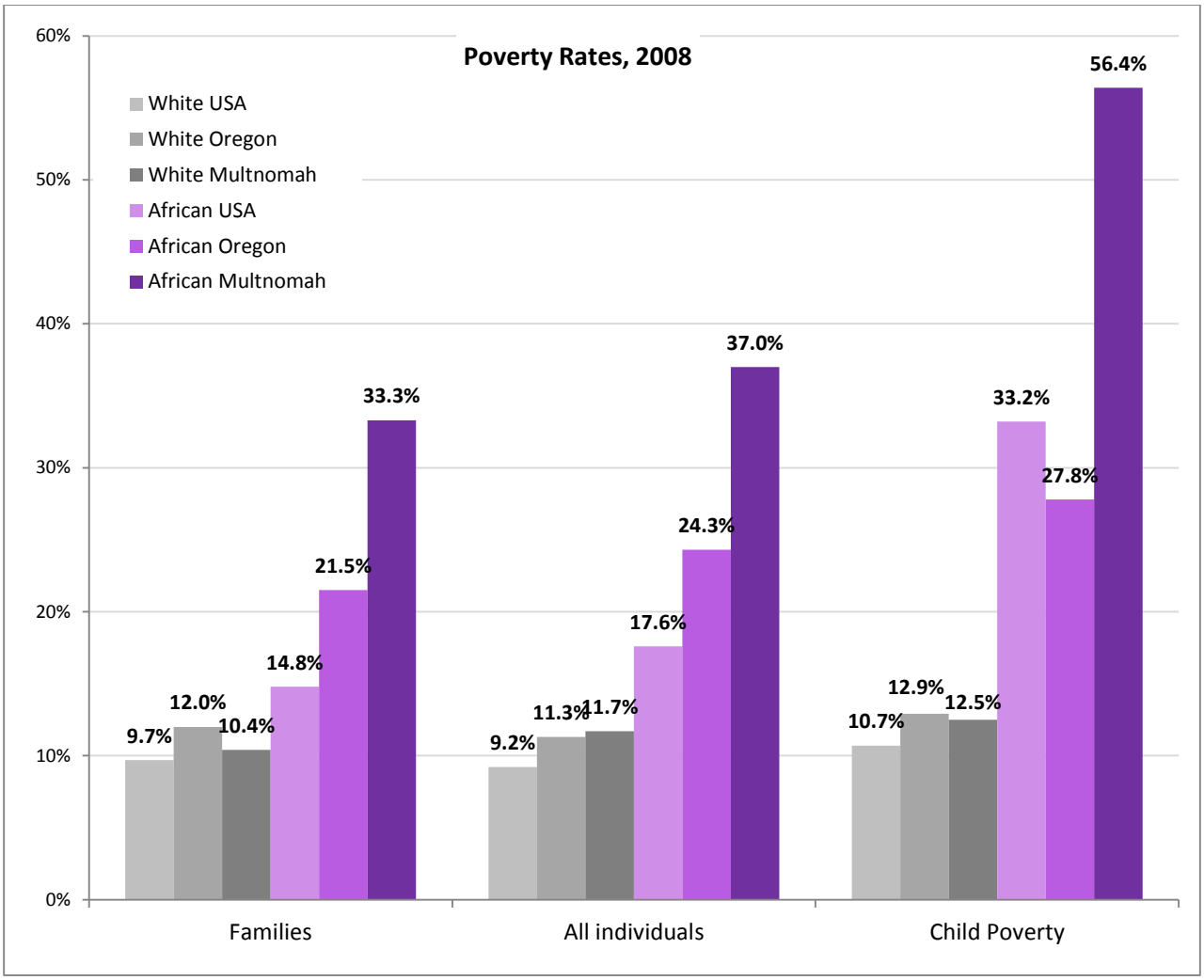
Source: American Community Survey, 2006-2010.

When we center in on the changes in levels of poverty over recent years, and bringing us to the most current data available (2011), we find rapid deterioration of poverty levels in Multnomah county for our African community. Poverty rates have shot higher over the last three years, with more than half of the African population living in poverty, and ⅔ of our children living in poverty. While any level of child poverty is deplorable – and we can be outraged that even one-in-seven White children is poor – we must collectively be mobilized to act to immediately ensure the trend facing African children and families reverses course, for today two-in-three African children are poor.



Source: Custom data extractions by ECONorthwest from the American Community Survey, 2011, and by the Population Research Center, Portland State University for 2008 data.

Consider what the depths of poverty mean to the community. This is a very highly educated community, with many refugees who have often fled genocide, persecution and/or deep vulnerability. Many from this community then encounter a period of intense distress with the high likelihood of staying in a refugee camp for an extended period of time. Then they arrive in the USA, often without evidence of education or work experience, and typically with little more than the clothes on one's backs. Whether one arrives as an immigrant or a refugee, Africans moving into Multnomah county are settling in what is portrayed as an idyllic and progressive region in the USA. Disillusionment settles in quickly as one learns of the American versions of racism that manifest in job limitations, lack of recognition of foreign experience, deeply flawed income supports, housing discrimination and system after system that does not respond to community needs with attention or resources. Collectively, we have the potential to do much better.

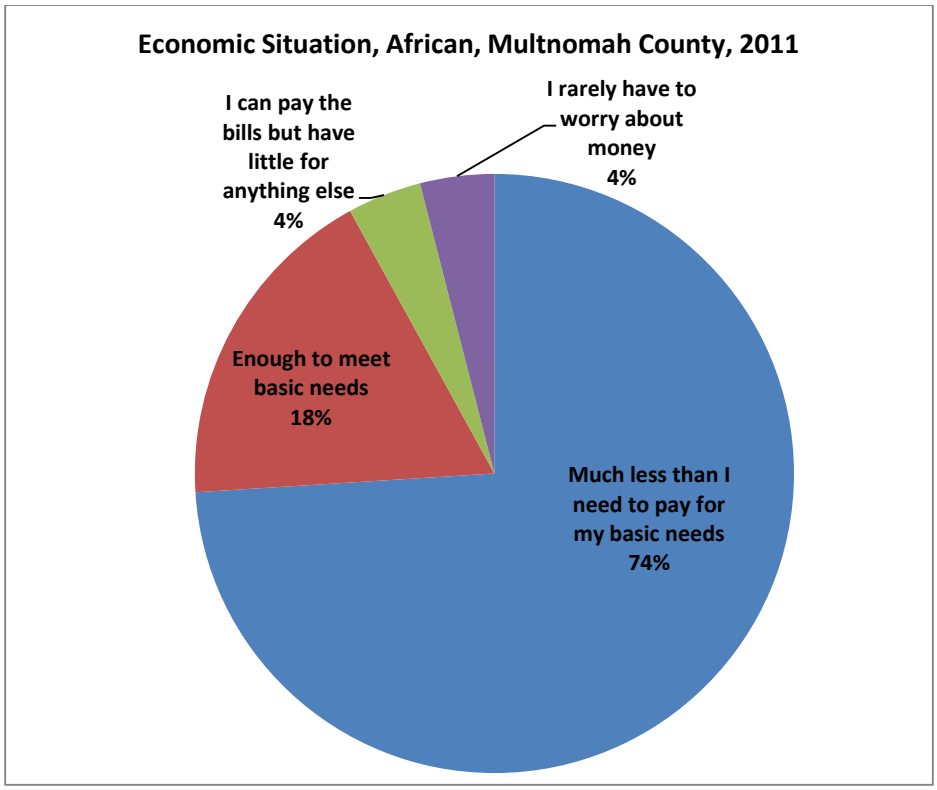


Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008 for Multnomah county data. Additional data from the American Community Survey, 2008.

Sometimes those in the African community get into trouble with debts. While there are major industries seeking to make profit from indebtedness (like the payday loan industry, predatory lenders, and unscrupulous mortgage lenders), there are also instances of confusion about things like bank machines and credit cards:

> *[One man I know] didn't understand and he had taken a credit card. One day he said to me, "I don't understand, they want me to pay." [He didn't understand that] you can't just spend that money – it's not free. He didn't understand he had to repay because he didn't understand.*

The lived realities of inadequate incomes hits home as people struggle to pay bills and sometimes go hungry. In our survey of 72 African community members, three-in-four said they have much less than they need to pay for basic needs.



Source: African Community Survey, 2011.

For those at the worse end of the economic scale, hunger is far from uncommon. Today, almost one-in-three community members have experienced hunger in the last 12 months. Fully 29% of those surveyed said they had gone hungry because of being unable to afford food.

From unemployment, to lack of recognition of international experience and credentials, along with difficulty paying the bills and pronounced levels of hunger – urgent action is needed. When community members were asked about top priorities that must be acted upon by elected leaders, they universally said their priorities were jobs, education, housing and health care. The logic and the urgency of the recommendations in the 2011 survey of community members are compelling with two responses noted here:

"Please give us the same consideration and opportunities [as white community members]"
"For all people looking to find a job to get a job"

In the spirit of building an economy that works for all, the needs of our most vulnerable communities must be given priority in all levels of policy attention.

Remittances to Family & Community in Africa

Remittances are an important dimension of the collectivist society of Africa, and of the ways in which Africans in Multnomah county support those who we care for – our family members, extended families and the wider community. Across the African community in Multnomah county, approximately 60% of those in the community send money to those in Africa.[85] As stories are recounted among African gatherings, there is a shared appreciation for how hard it is, while one is struggling, to extend support for those at home. In the gatherings to discuss this and other topics, the stories that emerged were gentle, bewildering, compassionate and jovial. While the depths of the responsibility are apparent, so too is this a space for communities here to express support for each other and a shared appreciation of what it means to hold privilege and stature in relationship to those in Africa. Despite what seems at times to feel like a huge burden, these are stories not told begrudgingly but rather affectionately and with a light voice. This is a community that holds its responsibilities with dignity and respect, even though responding to requests for support can be difficult.

People from back home call – 4am – every time there is something happening... people want you to send money every time. When you lose work or when you are going to unpaid training... it is too hard to respond. If you could be paid at the same time... this would solve the problem for Africans who have this problem...

We receive so many calls every week, every month – back home to send money. It is so bad at home.

Is it possible to say no? No.... you will be abandoning your community and your family. You have a right to say no, but you are expected to support others... I grew up in a refugee camp. In the USA, you have something to live on, eat with and survive to make ends meet. I brought some of [my brothers who were on cocaine and using drugs] into the refugee camp – I had to support them to get them into schools. They will still go back into the situation they know. I don't have enough... but you are still letting someone down who could be successful with even $1. If I don't send that money, I'm not changing those lives that I desire to change... We always pick up those phones (even though we could not pick up). I can say, "I don't have anything now; I'm struggling now." If I get money next month, I will send some for them. This reduces their depression, their anxiety. They say, "thank you."

To explain that you don't have something, they don't understand: "you are in America and you have a care and are living in a house and every time you come home, you are fatter... so you are eating and doing well. We are just asking for something small."

At home they think I am a movie star because I am from America. And so I had all this money and was so rich – of course, because I bring gifts for them when I visit. They thought I could do anything. They don't realize that I went to the dollars store for the gifts!

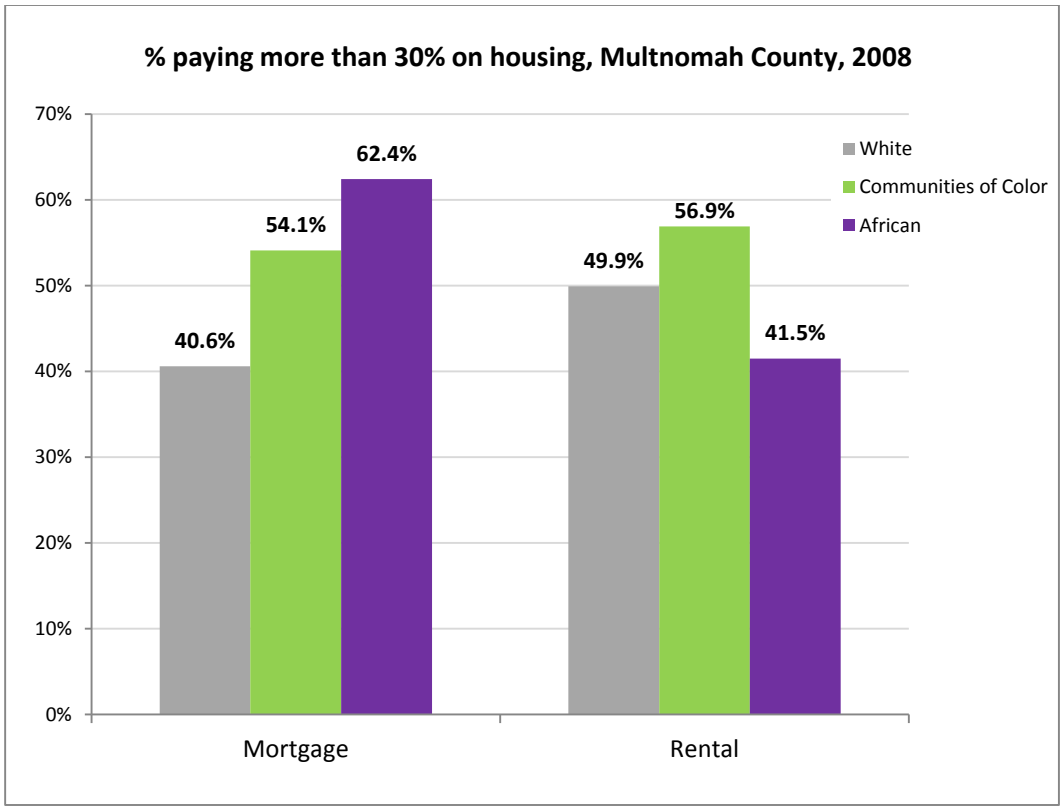
You have to send something in order to help people who are left back there. There is no way you can not send money. For construction, for money to buy a taxi – so people can have a job. I have to support my siblings' education and to help them find a job. You have to pay for the children's school fees.

Recommendations

14. It is well beyond time for international aid of sufficient size and quality that supports African development and peacemaking across the continent. Residents and policy makers in Multnomah county can advance a shifted discourse about the responsibility that those in the USA hold for real reforms in Africa. An end to exploitation, harmful structural adjustment programs, and mere crumbs of international aid are essential dimensions of such reforms.

Housing

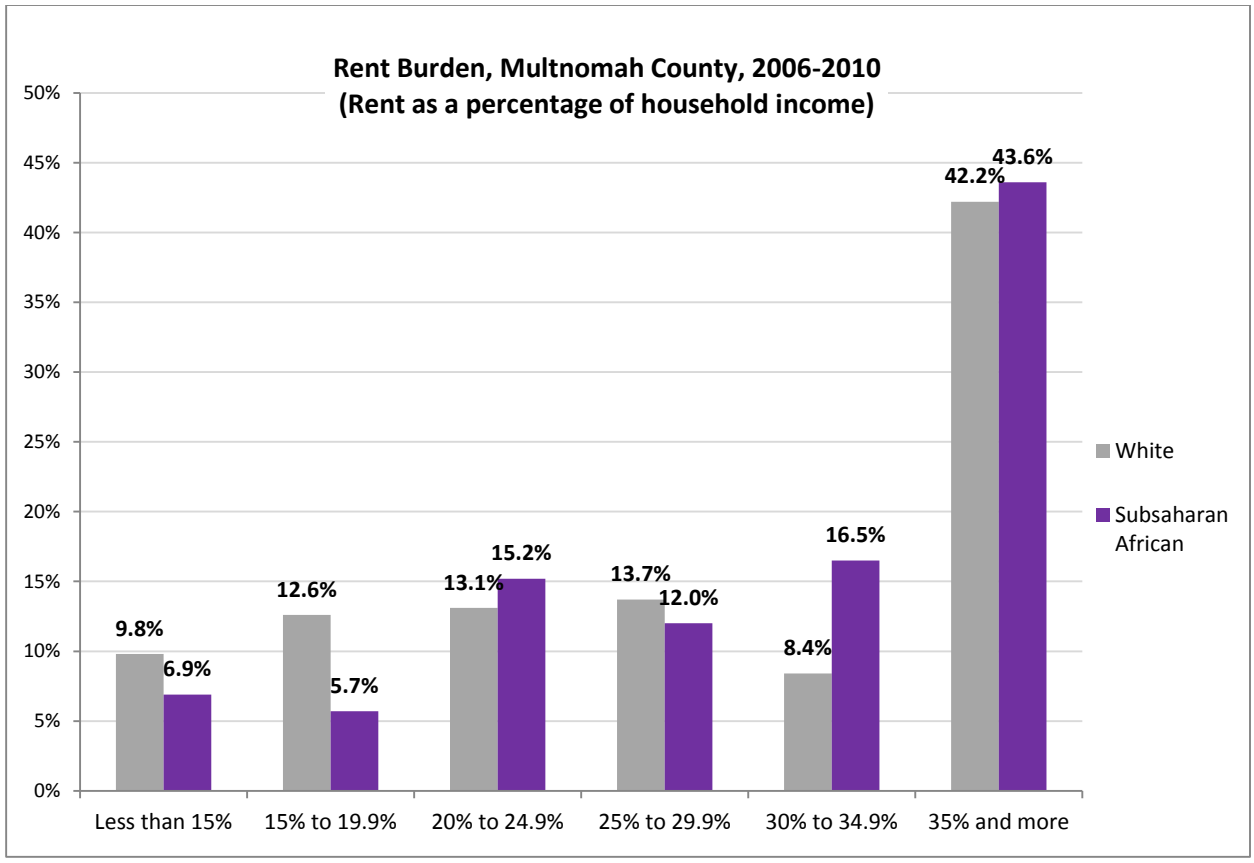
As with all communities of color (and many Whites), a tremendously high percentage of the African community is vulnerably housed. While the core problem is high regional housing costs, when inadequate incomes, and disparities in poverty rates are added, housing costs are very difficult for Africans to pay. Below we see that almost two-of-three mortgage owners are making housing payments that are deemed a burden to their ability to sustain themselves. Becoming homeowners, even though outrageously expensive for us, is a feature of trying to get out from under the dismal situation in the rental market. Making this situation dire is that the vast majority of mortgages are in the subprime mortgage market – and it is this market that is currently in crisis with foreclosure rates skyrocketing. We already know that people of color (nationally) are three times more likely than Whites to have a subprime loan, and 55% of subprime loans go to people of color while making up just 34% of the national population. We do not have such data locally. We do know, however, that foreclosures across Oregon are up by 236% in 2011[86] – a feature of Oregon's slower recovery and inability to cover high mortgage costs.



Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008.

When looking at the rental situation, Africans are a little less imperiled than Whites and the average for communities of color. But this is exacerbated by the fact that a significant portion of Africans pay more than half our incomes on housing. For homeowners, more than one-in-three pay more than 50% of their incomes in mortgage costs (35.2%). For renters, one-in-four (24.9%) spend more than 50% of incomes on housing.

Among sub-Saharans, the rent situation is worse, as 60% of the community is paying more than 30% of their income on rent. Again, remember that this data point includes years up to 2010, and the impact of this recession on our ability to pay rent – as unemployment is higher, and incomes are lower – is substantial. We are a community deeply imperiled in retaining a stable place to live.



Source: American Community Survey, 2006-2010.

Few among the community are able to easily afford housing. Smaller numbers own our own homes than among other communities of color. Access thus (as shown in the chart below) to the greatest feature of wealth creation, is very limited for our community.

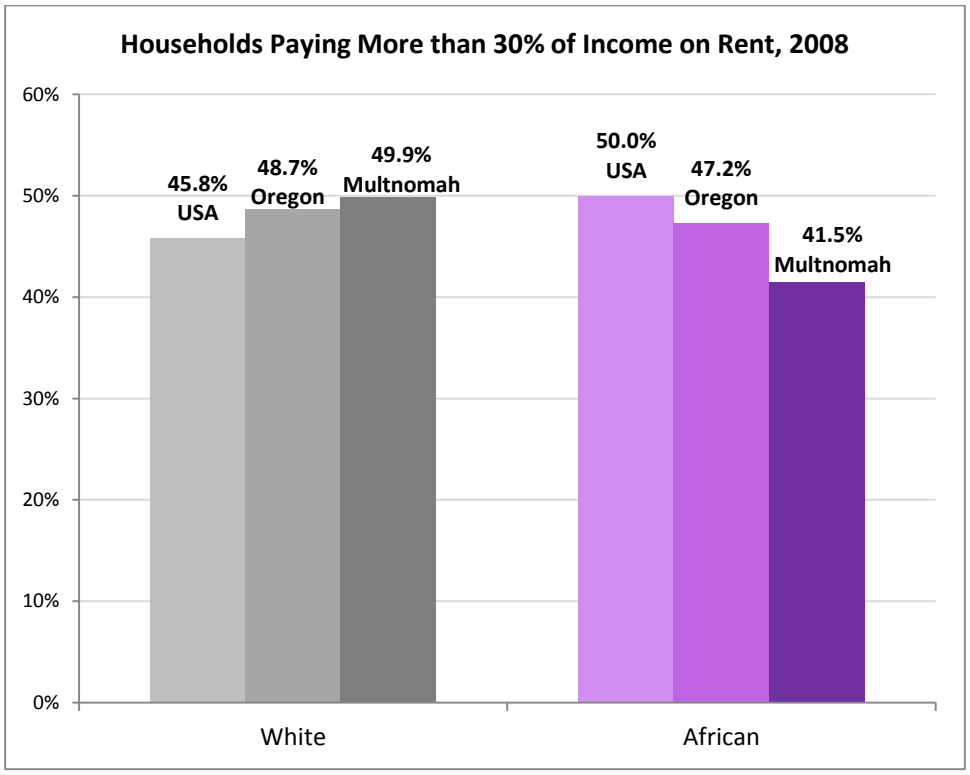
Movement into homeownership is difficult as our incomes are low. Our rents are high (when we consider how poor our community is) and very few of us are able to escape this into homeownership. Disparities with Whites is among the worst among communities of color, at levels that are well less than half that of Whites.

2006-2008	White	African
Homeownership Rate	62%	38.3%
Average Value of Home	$291,400	$282,343
2006-2010	**White**	**Sub-Saharan African**
Homeownership Rate	59.7%	26.8%
Average Value of Home	$288,000	$282,800
Average Rent Paid	$837	$736

Source: American Community Survey, 2006-2010.

It is a surprise that our home values are roughly equivalent, but we understand this to be a feature of a few dynamics: the first is that we are new arrivals and did not purchase homes in earlier decades when housing prices were much more reasonable. Second, we need to buy homes with more bedrooms. Third, we are much more dependent on public transportation so more of us need to remain on public transportation routes and thus cannot seek out the cheapest of homes in more weakly serviced areas. Finally, and we think this is most important, so few of us own homes and it will be the more affluent among us who are able to make these purchases and they are more able to afford homes that are equivalent to the average home values of Whites.

Given that we have already identified a trend of Africans leaving the county to secure better and more affordable housing outside the metropolitan area, we anticipate finding fewer housing-burdened Africans when we look at statewide data. What do these data show?



Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008 for Multnomah county data. Additional data from the American Community Survey, 2008.

Above we do see that our families are in fact not able to reduce their rental burden by dispersing throughout the state. While such families may have accessed larger space or more stable or safe housing (not captured by these data), they have in fact worsened the housing burden they face. The best explanation that we have is that poverty is leading many households to find the tiniest and worst of housing, simply to be able to find somewhere to live. Such terrible housing conditions might be creating a relatively small number of households who are housing burdened.

It is interesting that we find White families facing increasing housing burden moving closer to this locale, and the inverse to be true for Africans. This is a rare situation as typically communities of color face a deteriorating situation as data gets closer to home. Our best insights into this dynamic is that inside Multnomah county, families are poorly housed, overcrowded, moving frequently – but more cheaply housed (comparative to our incomes) than outside the local urban area.

When turning to the narrative from community members who explain this situation, we find a much more serious problem than the above figures suggest: housing is voiced as a top concern among community members, joining employment, education and as the reader will see in coming sections, health care. The depths of concerns about housing can be summarized as follows:

- Landlords who pose maximum occupancy levels on housing that precludes access to decent housing, and that sometimes necessitate the splitting up of families
- Language barriers in relationships with landlords that result in stress, evictions, and an environment of animosity and confusion
- Inadequate supply of affordable housing that pushes us outside Multnomah county and outside of our communities of support, and into unaffordable homeownership situations

Troubling stories are abundant in housing, and are particular illustrations of racism and discrimination:

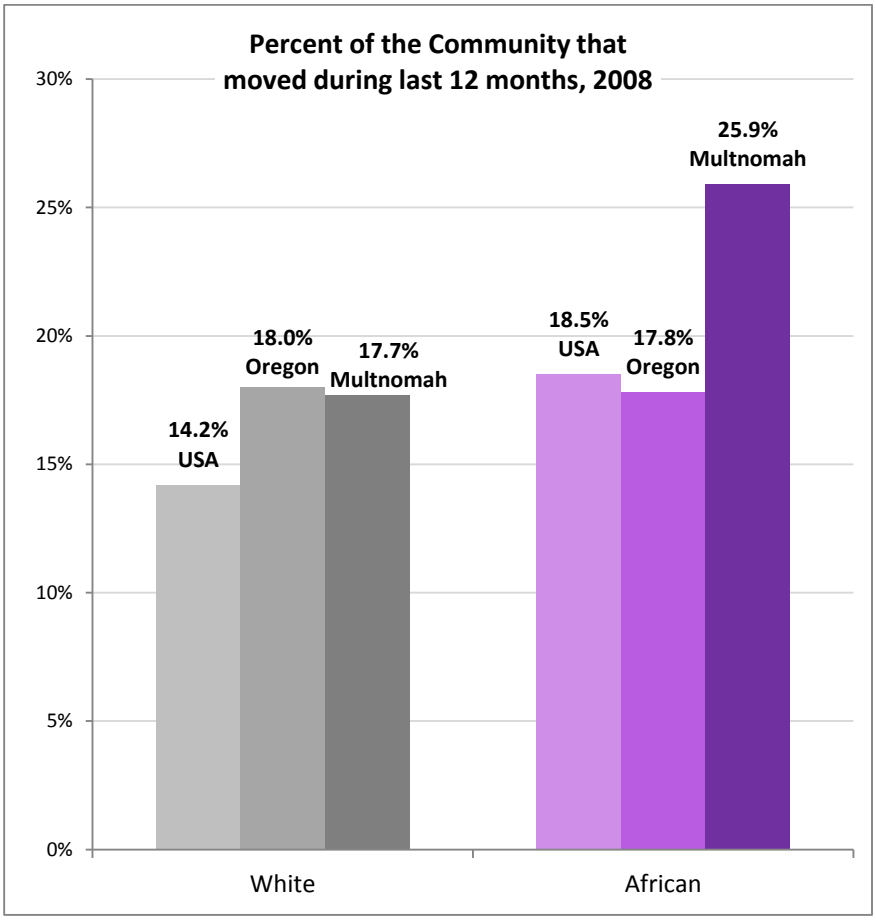
> *We have many cases where the landlord yells at the tenants like children – where they cannot defend themselves due to language.*
>
> *Tenant children come out to play. When the children run around, [non-Africans] say, "you guys don't want the children."*
>
> *Fears of eviction are pronounced. We live with this fear. There are many landlords who have no ability to deal with issues. Sometimes tenants are being exploited for rents... whatever is broken, they always blame on us.*

We frequently face challenges because of barriers in occupancy standards, made all the more difficult when income supports are so limited. The maximum amount available for supports to refugees and through TANF is $506/month for a family of 4, adding pressure to overcrowd smaller units. Our community members share some of the strife behind this crisis:

> *We don't understand why we can't stay with 7 people in a 2 bedroom apartment.*
>
> *The house has 2 or 3 bedrooms and is enough for 10 people... but then the apartment manager says, "you are crowded" and evicts them. Now the family is homeless. If you have children, DHS might help find housing... the waiting time is at least 4 months... meanwhile, they have to send their children to different homes. This is the type of homelessness that people don't see.*

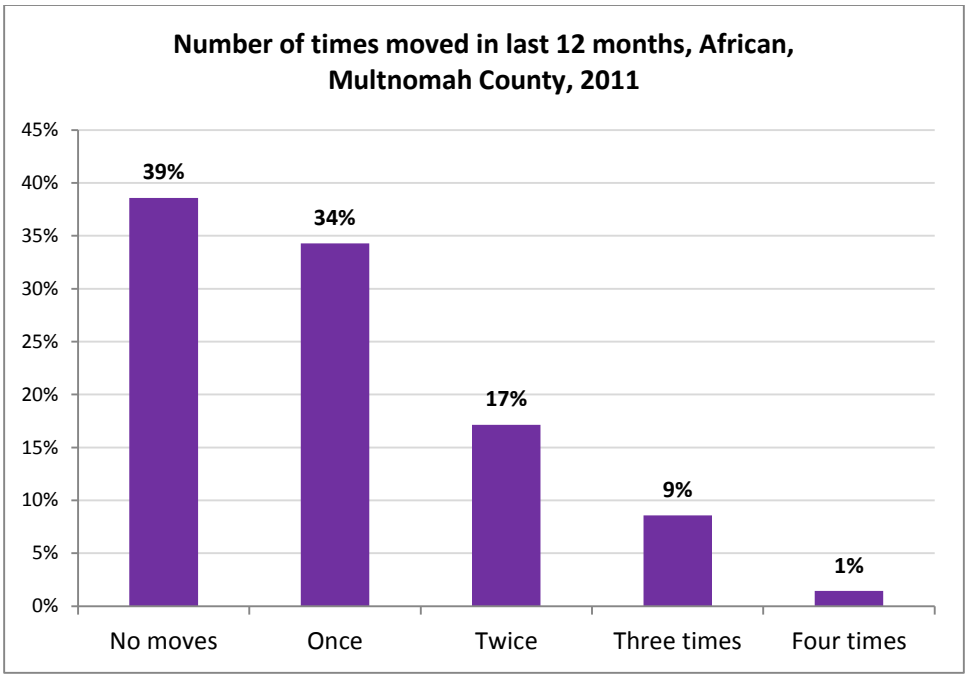
Sometimes the situation deteriorates and the police are called. This is a nightmare for us. We have not been exposed to police who are not abusive. We fear deportation, we fear abuse, and we fear retaliation. And we fear losing our housing. Without translation, we are unable to explain our version of what happened and unable to balance the landlord or housing manager's portrayal of the situation. It is very unfair to have housing disputes settled in this way.

Africans in Multnomah county move frequently – the chart below shows that more than one-in-four community members moves annually. And this pattern is not seen among Whites where only one-in-six move annually.



Source: Custom data extractions by the Population Research Center, Portland State University, from the American Community Survey, 2008 for Multnomah county data. Additional data from the American Community Survey, 2008.

Our African Community Survey (2011) shows a much greater likelihood of moving frequently. According to our own research, fully 61% of the community moved within the last 12 months. It is not surprising that we found greater incidents in our own study as moving itself reduces the likelihood that community members will participate in the conventional surveys implemented by the Census Bureau.



Source: African Community Survey, 2011.

Many within the community have moved more than once – at 27% who have moved two or more times in the last 12 months. Housing affordability and safety is a pronounced issue with almost half (47%) of the local African community stating they were unable to find affordable and safe housing. Issues of overcrowding, ill health, bad treatment by landlords, lack of proper education about the rights of tenants, and neighborhood safety concerns accompany these experiences and frequently catalyze the need to move.

Unfortunately, moving often is associated with an array of negative outcomes. With every move, there are increased likelihood of mental health challenges (as suicide risks increase with what is called "social fragmentation" and "social isolation"[87]), decreased academic performance,[88] and a strong impact on the likelihood of dropping out of school.[89]

Recommendations

15. It is imperative that solutions be found to the African housing crisis that is unique for many features: the intersection of language difficulties, cultural norms of occupancy that differ so much from that in US society, low incomes, vulnerability due to poverty, racism and bias of those involved, and the absence of culturally-specific services to assist us outside Multnomah county with housing.

16. The supply of subsidized housing must be increased immediately. We also seek for an expansion to occupancy standards to better reflect our cultural norms.

17. We highlight the necessity for expanded access to translators and policy that requires landlords and housing managers to ensure that conflict and disputes are comprehensible to African tenants.

18. It is important that housing is understood as a human right instead of a consumption item to be purchased in the private market and vulnerable to the practices of landlords. If such an understanding were to be advanced, there would be shared investments with the entire community to ensure that we were all well-housed.

Health and Well Being among Africans

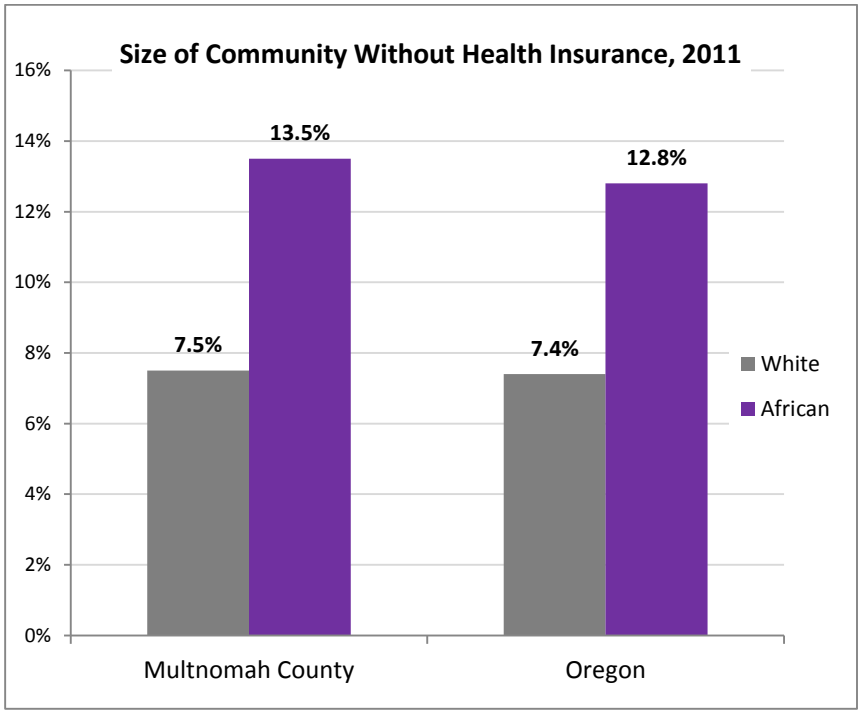
Very specific needs accompany African refugees and immigrants into the USA. These range from learning the language, to learning the social service structure, to applying for income support programs. Needs also include learning about child entitlements and child welfare standards, to legal sanctions for polygamy, to revised social structures between men and women – with at times men being offended by conventions such as making welfare payments in the wife's name, to men and women (even boys and girls) being taught together, and to the general disempowering feature of being a novice in wider society as one needs to begin again with low-level jobs, poverty wages, and learning English. Settlement is bewildering, made more difficult by the one-sided imposition of dominant US conventions upon Africans. Acculturation is expected, and mutuality – and sometimes even mutual regard – is withheld. Acclimatizing to US society is very difficult with high stress and role changes required.

Noted earlier is that 20% of immigrants and 44% of refugees suffers from depression and similar numbers suffer anxiety disorders, while the general population has levels that are approximately 7%.[90] Additional struggles emerge when medical and counseling supports are not accessed:

> *There are many reasons why people may not seek care or advice for mental health issues: language barriers to accessing care, cultural stigma about mental illness, social isolation and lack of insurance to pay for care… communication, even with interpreters, is difficult across cultures and complicates care, especially in the area of mental health.*[91]

Often times it can take months to identify mental health difficulties, as the cumulative impacts of PTSD, employment- and settlement-related stress are felt, and as the community member seeks his or her way towards identifying a problem and seeking supports. It is not uncommon to find that Medicaid coverage has ended by the time that support is arranged, remembering that refugees have access to only 8 months of support, and even if families are eligible for TANF, frequently parents are unable to get onto the Oregon Health Plan for health coverage. The 2010 lottery process resulted in only 2,000 people being added to the plan – a 4% success rate for the 50,000 who applied.

Today, access to health insurance is limited. The portion of the African community that is uninsured is almost double that of Whites, as 13.5% of Africans are without health insurance. The number is only slightly less for Africans across Oregon.



Source: Custom data extractions by ECONorthwest from the American Community Survey, 2011.

For our children, we do not know the numbers who are able to successfully navigate the system to obtain health insurance through Healthy Kids. While the state of Oregon is applauded for making such access universal for children who are low income, they do not collect sufficient data to allow us to see whether our children are accessing the program. Healthy Kids considers Africans to be African Americans, and does not collect data on refugee status, preferred language of communication, or any ancestry information. We are thus invisible in this system and thus unable to determine whether there are access barriers for our community.

Non-clinical care and supports are natural within the African community. While important supports might exist in the community, the stress of acculturation, economic demands, trauma and tragedy and isolation from formal supports are pronounced.[92] Informal supports such as religion, social networks, intentional support groups, talking with an elder or close friend help overcome the stigma and finances that often keep people from formal care. And affordable, culturally-specific formal care is an essential ingredient for the care continuum.

Well being is also tied to gender-related struggles. African family structures are typically male-led, with men being the leaders and breadwinners in the family. In the USA, however, African women are more likely to get employed than their male partners and also more likely to have higher incomes.[93] So too are

government checks likely to be issued in the names of the woman, and women are more likely to develop English skills than their male partners. As a result, role transitions are pronounced and typically disruptive of male stature and position in the family. Says one of our community members:

> *Sometimes it is easier to be a black woman than a black man... the woman gets a job and the husband is at home. So now we have totally destabilized the entire fabric of our lives because the man is used to going places, making money and now it is the woman who is bringing home the money and the man is the one who is sitting and feeling useless. And then your children see this and that begins to impact how the children related with the mother and the father. And now you have this whole destabilization of the entire family and the entire community.*

The community shared a story of a man who would rather be cut off social assistance than attend classes with villagers who he used to see as inferior to him, and with his wife. Such conditions were intolerable. He must suffer the penalty of not changing his behavior quickly enough to be spared the shame and the financial penalty of being cut off from assistance.

Additional features of role transitions occur in the area of education. Young women are generally empowered in the USA to seek and attain higher education. While there are distinct benefits for this in childrearing and increased economic prospects both for the family and for incomes for the next generation, there is disruption to the existing gendered relations between men and women.

It is not uncommon to hear stories of girls not attending school as they need to ride school buses with boys – a cultural prohibition that needs explanation and local solutions. Such solutions are possible only once the problem has been identified (it typically begins with school officials reporting the youth for truancy), the need explained, and local parents involved in defining solutions. And this practice places young girls and boys in direct competition with each other, serving to challenge role expectations.

One consequence of reworked gender relationships is the profound disorientation and futility experienced by men in our families. Stories of being "babies again"[94] is a familiar framework:

> *Some of these refugees ask themselves whether they will ever fit in America...If you know that African men are the heads of their families, and they are the breadwinners, you will understand the frustration… The feeling of inadequacy, the distance, the realization that you want to write but you cannot, make the reality traumatic… It is hard. It brings heartbreaks. Men live here in perpetual heartbreak.*[95]

Sometimes, men's angst results in violence against women and children. When one experiences frustration and challenges (intended or unintended) to one's stature, this threat catalyzes an effort to regain control, and the route to such control is the subjugation of those that threaten this stature, even more likely when violence has been an act used in the past to subjugate the person currently being challenged.[96]

Solutions to such situations need to be navigated in a culturally-specific manner, by leaders and elders who understand the nature of the experiences of such men. It would be a grave mistake to have these disputes among African families addressed by those who share a racial identity with colonizers. A history of hostile colonial relationships between the client and worker serves to contaminate the work with tension and mistrust.[97] And the existence of language barriers has been found to result in an over-diagnosis of service users who do not have strong English language skills. When clients are not interviewed in their own language, they are likely to have more severe psychiatric diagnosis, and are more likely to not comply with the therapist's recommendations, and more likely to drop out of treatment.[98]

Health issues are further complicated when culturally-specific care is ignored. In the USA, the patient is expected to present symptoms and to make connections between experience and health issues (such as sleeping patterns, diet, or emotional resilience) for the health professional. Health literacy has helped develop such an environment of "noticing" dimensions of health particularly among those with higher education levels. But such an approach is counter-cultural to the stature and expertise of the African doctor: "we come from a culture where we place the doctor at a very high level… so we expect the doctor to know what our health problem is."[99]

So too are there cultural difficulties in navigating health systems, and dynamics of disrespect, minimizing care (on the assumption of poverty), and impatience are not uncommon for Africans in Multnomah county.[100] While we would like to believe that conventional White health professionals can stretch their capacities across racial, ethnic and cultural divisions, our experience is that this is rarely possible. Experiences of disrespect and unequal treatment are abundant in the African community when seeking hospital-based care in Portland, with experiences including the following:

- An assumption that African women are receiving public assistance, presuming them to be poor
- Being responded to more slowly than their White roommates
- Providers do not affirm the beauty and lovability of African patients[101]

At some level, there appears to be a presumption that African parents do not know how to care for their babies nor even care about their children. Such is the interpretation of researchers who led a study of 222 African and African American mothers who gave birth in hospitals in Portland.[102] In addition, their study revealed that only 19% of participants had no negative experiences at the hospital, with 9% feeling disrespected, and 8% being frightened while at the hospital. Humiliation levels were marked lower at 2%, and the same level existed in experiencing personal racism and feeling unsafe. But in today's context, any amount of humiliation or racism is unacceptable. In total, ⅓ of African women had concerns about their treatment at the hospitals where they gave birth.

While it is important to include cultural competency training for health professionals and other service providers, this is an inadequate response for ensuring that health and human services are appropriate, accountable and effective for Africans. Our favored approach is to expand the range of culturally-specific services available to the African community – and we will cover this at length in the next section.

To close this section, it is important to notice too that our service providers also suffer in the midst of these needs, tensions and frustrations. Today's prolonged economic recession has hit people of color hardest,[103] and as the most vulnerable of these communities (due to poverty, racism, lack of social networks, lack of domestic credentials and experience, and ongoing struggles with survival and mental health), Africans suffer the consequences at high levels. Many calls to African-serving organizations come in daily and are met by compassionate and understanding staff, but sometimes the tensions are too great, or the disappointment that no services are available or that income supports cannot be provided that service users vent their frustrations onto those African community members who happen to be on the other side of the phone line. It is very difficult to have limited resources and constrained eligibility criteria when people are in need.

> *Many families have incomes that are the same as their rent. IRCO gets 50 phone calls requesting assistance and can only help 10. What about their bills? There is not enough funding to help these families. The demand is so very high.*

The resilience of organizations such as Africa House, from IRCO, the Center for Intercultural Organizing and from Lutheran Community Service's African Counseling Service must too be affirmed. To retain compassion, respect and empathy and a non-blaming approach to distress is the signal of the highest caliber of service provision.

Recommendations

19. All Africans need access to accurate information about the resources available, the conditions for accessing services, the pathways to citizenship, advocacy practices for supporting our children, and options for involvement in building social justice and racial equity for our community. We need information to support our engagement and our ability to meet the needs of our family, and additional supports to then work on behalf of the entire community.

Advancing the Call for Culturally-Specific Services[104]

In the above section, numerous issues related to ensuring that service providers hold a shared racial and cultural identity with service users have emerged. One such delivery method – that of "culturally-specific services" provides an important advance to ensure that the needs of communities of color are held central to the concerns of the organization and to how the organization interprets success of its efforts. Mainstream services have been inadequate in responding to our needs, and we suggest that it is the nature of power relationships within the organization and its relationship to communities of color that create institutional racism and racial disparities. In our perspective, culturally-specific services hold much greater promise for creating the conditions for racial equity in terms of the outcomes of service interventions.

There are a small but growing set of research articles that illustrate the positive benefits of culturally-specific services.[105] We find that they hold the potential to provide vastly improved services to people of color and simultaneously become an important form of social and economic capital, with benefits stretching across the community. In an era of profound racial inequities, such investments must not be seen as marginal.

	Mainstream Services	Culturally-Specific Services
1. Primary experience	Outsider	Insider
2. Own culture	Not affirmed or possibly denied or demeaned	Centered and affirmed
3. Commitment to the success of people of color	Frequently an afterthought, and sometimes active disinterest or devalued (at worst)	Durable and deeply rooted
4. Accountability	To a wide group which might include some representation of communities of color	To specific communities of color
5. Discourse	Generally accepting of dominant discourse	Typically resistive discourses adopted
6. Assessments	Keep problems individualized and tending towards pathologizing	Problems are socialized, contextualized and issues of racism and discrimination will be included prominently
7. Interventions	Not culturally-relevant and likely limited to individual and family interventions	Culturally-relevant and likely to include community development and systemic and individual advocacy
8. Epistemology	Likely reliant on external sources of expertise and treating community of color as having invalid knowledge	Community members as experts with subjective knowledges affirmed
9. Design influence	Minimal involvement of communities of color, brought for occasional consultations late in the process	Community members deeply involved

Source: Curry-Stevens (2012).[106]

Relations between whites and communities of color have changed dramatically over the generations. Initial encounters were those of annihilation. Next came segregation and "separate but equal" policies. Following the civil rights movement and the dismantling of segregation policies came the advent of assimilation with vestiges of the desirability of the "melting pot" remaining with us today. It is such an approach that is echoed in the "one-size-fits-all" approach to services. Next came that of colorblindness that was the advent of liberal whites. Experiencing the receiving end of such a gaze is fraught with ignorance and isolation, and ripe with discourse that precludes the possibility of naming racism or White privilege – an approach that leaves institutional racism not even being namable, let alone deconstructed. Next has come the approach of "tolerance" which sets a much too low bar for acceptance and equality. Again consider what it means to receive such a gaze – if one is tolerated, few expectations exist for real inclusion or the sharing of power. The remnants of all these approaches remain in U.S. society today. Today's advent of "cultural competency" training can be a beneficial when it is incorporated within larger change efforts to increase accountability to communities of color and to meaningfully incorporate them in organizational reforms. Unfortunately, all-too-often it simply aims to train individual providers in communicating across differences. Such an approach is an inadequate response to needs.

We need to ensure that culturally-specific services are well funded. While these are typically arranged on the basis of proportion of the population (ie. Getting our "fair share" according to our numbers), we aim for an upwards allocation beyond simply allocation on the basis of numbers to reflect the complexity and depth of need that exists in serving communities of color – such as over-involvement in school discipline, lowered achievement levels, and over-involvement in child welfare and juvenile justice. Complexities of need – with the primary cause being generations of failed services and systems – need to be reflected in allocation decisions.

A final caution in allocation decisions: funding decisions typically value prior funding history, pre-existing relationships, ability to evaluate programs, high-stature recommendation letters and low cost competitive bids. All these factors serve to reinforce the conventional funding patterns and preference for large mainstream institutions. Serious commitments to the needs of communities of color simultaneously involves examining decision making practices and discourses – and reworking them to ensure equity in access to funds.

Equity in access to quality services also requires changed accountability conditions for mainstream services. In many cases, culturally-specific services are not available and people of color must use mainstream services such as child welfare, public schools, institutions of higher education and local community centers. We need to ensure that all services ensure that communities of color are able to access services and are well served, particularly in terms of outcomes of services. We must end the practice of mainstream services making promises to serve all communities yet failing to hold them accountable in terms of the quantity and quality of such service. To facilitate moving beyond good intentions to equitable outcomes, funding bodies must require such accountability from services. Such is part of the advocacy platform of the Coalition of Communities of Color and also that such data be routinely collected and made available to potential and to actual service users.

We direct the reader's attention to Appendix #1 where Multnomah County's policy on culturally-specific services can be found. Here the specifics of the definition and the service elements can be found.

Policy Recommendations

Urgency and immediacy are the required responses to the situation facing many African immigrants and refugees. Inaction is impossible. Failing to act means legitimizing poverty and spiraling distress. Inaction will seal the fate of this community to marginalization, damaging levels of distress and ongoing exclusion from mainstream society. Failing to take action as our research compels will be the 21st century's continued entrenchment in institutional racism and a White legacy of silent complicity.

At the end of most sections of this report, there are key policy priorities developed to address the pressing needs of the African community. Collated below, we implore our elected leaders and policy community to advance this robust agenda that addresses our needs and the future of our children.

Education Reform

1. We aim to end the inappropriate mainstreaming of our children and youth. We need to make an intensive year of support available for our youth, and to sustain them in a culturally-specific environment without the pressure to fit into a specific grade.
2. Accurate assessments of the achievements of students who come to the USA are needed. It is essential to determine the exact differences, in terms of credits, between various diplomas and certificates.
3. We need accurate and routine information on how our children and youth are doing in school. Accordingly, we ask all school boards and the Oregon Department of Education to ensure that our community can be differentiated from that of African Americans.
4. Our children need to enter schools where teachers and staff look like them and understand their culture and the conditions of their arrival in the USA. Improved recruiting and hiring of African teachers must be made a priority, as well as equity efforts inside each school board to retain and promote these teachers through the ranks.
5. All teachers who engage with our children need to understand the history, the challenges and the conditions in which our children encounter their world. Understanding will provide an important link to reducing the isolation and vulnerability of our students.
6. We press our school boards to build rapid systems for recognizing African professional and experiential credentials so that we can be hired into the schools to both increase racial equity in hiring, and also to create a more welcoming, affirming and culturally-responsive academic environment.
7. Finally, many of our children are in Limited English Proficiency programs. It is imperative that this program be of the highest quality and that we as parents and consumers be assured that all school boards will meet federal regulations in LEP programs.

Employment

8. It is time for a robust, non-imperial, welcoming and easy to access system for recognizing foreign credentials. For the regulated professions, concrete, transparent, appropriate and low-cost equivalence measuring must be made available.
9. Provide paid skills training programs of short duration that prepare workers for specific occupations and/or jobs. These could be informed by local employers' needs and technological expectations.
10. Provide on-the-job training for the first month of employment for immigrant and refugee workers that subsidize employer's wages paid to workers and that would be rebated if the worker successfully transitions to become a regular employee. This would enable our community to be more rapidly employed (and not delayed for a training period) and provide supports for employers to hire our community members.

11. A workers' rights information campaign is needed to advise workers of their entitlements on working conditions, the rights to unionize, and the programs and services available to them for both prevention and for intervention when things go wrong.
12. To support employment, keeping public transportation costs low and routes accessible and convenient is essential.

Unemployment

13. It is essential that employment be considered a human right. African community members are exhausted with lengthy job searches and low prospects for finding living wage jobs. Providing real options for a positive future is essential for improving the well being of the community.

Remittances

14. It is well beyond time for international aid of sufficient size and quality that supports African development and peacemaking across the continent. Residents and policy makers in Multnomah county can advance a shifted discourse about the responsibility that those in the USA hold for real reforms in Africa. An end to exploitation, harmful structural adjustment programs, and mere crumbs of international aid are essential dimensions of such reforms.

Housing

15. It is imperative that solutions be found to the African housing crisis that is unique for many features: the intersection of language difficulties, cultural norms of occupancy that differ so much from that in US society, low incomes, vulnerability due to poverty, racism and bias of those involved, and the absence of culturally-specific services to assist us outside Multnomah county with housing.
16. The supply of subsidized housing must be increased immediately. We also seek for an expansion to occupancy standards to better reflect our cultural norms.
17. We highlight the necessity for expanded access to translators and policy that requires landlords and housing managers to ensure that conflict and disputes are comprehensible to African tenants.
18. It is important that housing is understood as a human right instead of a consumption item to be purchased in the private market and vulnerable to the practices of landlords.

Health and Human Services

19. All Africans need access to accurate information about the resources available, the conditions for accessing services, the pathways to citizenship, advocacy practices for supporting our children, and options for involvement in building social justice and racial equity for our community.

In addition to these priorities, we support the community-wide policy recommendations that the Coalition of Communities of Color has developed and endorsed. These measures will advance the needs of our people.

1. ***Reduce disparities with firm timelines, policy commitments and resources.*** Disparity reduction across systems must occur and must ultimately ensure that one's racial and ethnic identity ceases to

determine one's life chances. The Coalition urges the State, Metro, County and City governments, including school boards, to establish firm timelines with measurable outcomes to assess disparities each and every year. There must be zero-tolerance for racial and ethnic disparities. Accountability structures must be developed and implemented to ensure progress on disparity reduction. As a first step, plans for disparities reduction must be developed in every institution and be developed in partnership with communities of color. Targeted reductions with measurable outcomes must be a central feature of these plans. Elements of such an initiative would include:

- Policies to reflect these commitments are needed.
- Accountability structures must be developed and implemented to ensure progress on disparity reduction. As a first step, plans for disparities reduction must be developed in every institution and be developed in partnership with communities of color. Targeted reductions with measurable outcomes must be a central feature of these plans.
- Disparities must be understood institutionally, ideologically, behaviorally and historically. Institutional racism must be a major feature of disparity reduction work.
- Effectively resource these initiatives and place control of these initiatives in the leadership of communities of color.
- Transparency must feature across all institutional efforts.
- Annual updates must be conducted and the results available to the general public.

2. ***Expand funding for culturally-specific services.***[107] Designated funds are required, and these funds must be adequate to address needs. Allocation must recognize the size of communities of color, must compensate for the undercounts that exist in population estimates, and must be sufficiently robust to address the complexity of need that are tied to communities of color. Recognizing the complexity and depth of need that exists for communities of color requires that we are provided with a higher funding base in recognition of the urgent need for ameliorative interventions. Culturally-specific services are the most appropriate service delivery method for our people. Service providers within culturally-specific services must be involved in establishing funding formulas for such designations.

   Culturally-specific services are best able to address the needs of communities of color. These services have the following unique features:

   - *We provide respite from racism. People of color enter culturally-specific services as insiders instead of outsiders.*
   - We hold the trust of our communities. This supports our ability to respond to community needs and to work in solidarity with them to address larger injustices.
   - Accountability to the specific community of color for whom services are delivered.
   - Top leadership (Board of Directors or equivalent) are primarily composed of community members who share the same racial and ethnic identity. This means they have a lived experience of racism and discrimination and will address these at all levels of practice.

- Located in the specific community of color that is being served and reflect the cultural values of the community throughout their services. Users of such services are likely to be welcomed and affirmed.
- Staffed and led primarily by those who share the racial and ethnic characteristics of the community. This means we have walked a similar path as those we serve, and have experienced the types of racism typically targeted against the community. This provides deep and lasting commitments to eliminating racism in all its forms.
- Such services are typically involved in many advocacy practices, and are involved in challenging institutional racism in its many forms. Given this engagement, service users are more likely to have their needs better understood and more hopeful about prospects for change. As their organizations are involved in social justice efforts, this increases the social capital of the community and its members.

3. ***Implement needs-based funding for communities of color.*** This report illuminates the complexity of needs facing communities of color, and highlights that Whites do not face such issues or the disparities that result from them. Accordingly, providing services for these communities is similarly more complex. We urge funding bodies to begin implementing an equity-based funding allocation that seeks to ameliorate some of the challenges that exist in resourcing these communities.

4. ***Emphasize poverty reduction strategies.*** Poverty reduction must be an integral element of meeting the needs of communities of color. A dialogue is needed immediately to kick-start economic development efforts that hold the needs of communities of color high in policy implementation. Improving the quality and quantity of jobs that are available to people of color will reduce poverty.

   Current economic development initiatives and urban renewal activities do not address equity concerns nor poverty and unemployment among communities of color. Protected initiatives to support access of minority-owned businesses to contracting dollars, along with small business development initiatives must ensure equitable distribution of resources and the public benefits that flow from such investments.

5. ***Count communities of color.*** Immediately, we demand that funding bodies universally use the most current data available and use the "alone or in combination with other races, with or without Hispanics" as the official measure of the size of our communities. The minor over-counting that this creates is more than offset by the pervasive undercounting that exists when outsiders measure the size of our communities. When "community-verified population counts" are available, we demand that these be used.

6. ***Prioritize education and early childhood services.*** The Coalition prioritizes education and early childhood services as a significant pathway out of poverty and social exclusion, and urges that disparities in achievement, dropout, post-secondary education and even early education be prioritized.

Significant reductions in dropout rates of youth of color, improvements in graduation rates, increased access to early childhood education (with correlated reductions in disparities that exist by the time children enter kindergarten) and participation in post-secondary education and training programs is essential for the success of our youth.

7. ***Expand the role for the Coalition of Communities of Color.*** The Coalition of Communities of Color seeks an ongoing role in monitoring the outcomes of disparity reduction efforts and seeks appropriate funding to facilitate this task. Disparity reduction efforts will include the following:
    - Establishing an external accountability structure that serves an auditing function to keep local and state governments accountable. This leaves the work less vulnerable to changes in leadership.
    - Creating annual reports on the status of inequities on numerous measures.
    - Continuing to work with mainstream groups to advise on changes in data collection, research and policy practices to reduce disparities, undercounting and the invisibility of communities of color.

8. ***Research practices that make the invisible visible.*** Implement research practices across institutions that are transparent, easily accessible and accurate in the representation of communities of color. Draw from the expertise within the Coalition of Communities of Color to conceptualize such practices. This will result in the immediate reversal of invisibility and tokenistic understanding of the issues facing communities of color. Such practices will expand the visibility of communities of color.

    Better data collection practices on the race and ethnicity of service users needs to exist. Self-identification is essential, with service providers helping affirm a prideful identification of one's race and ethnicity as well as assurances that no harm will come from identifying as a person of color. We also want people to be able to identify more than one race or ethnicity, by allowing multiple identifiers to be used. The Coalition of Communities of Color then wants research practices and usage statistics to accurately and routinely reveal variances and disproportionality by race and ethnicity. The Coalition will consult with researchers and administrators as needed on such improvements.

9. ***Fund community development.*** Significantly expand community development funding for communities of color. Build line items into State, Metro, County and City budgets for communities of color to self-organize, network our communities, develop pathways to greater social inclusion, build culturally-specific social capital and provide leadership within and outside our own communities. The current partnership with Meyer Memorial Trust to develop the leadership within communities of color is one step towards this vision.

10. ***Disclose race and ethnicity data for mainstream service providers.*** Mainstream service providers and government providers continue to have the largest role in service delivery. Accounting for the

outcomes of these services for communities of color is essential. We expect each level of service provision to increasingly report on both service usage and service outcomes for communities of color.

Data collection tools must routinely ask service users to identify their race and ethnicity, and allow for multiple designations to be specified. These data must then be disclosed in an open and transparent manner. The Coalition of Communities of Color expects to be involved in the design of these data collection tools. Outcomes by race and ethnicity need to be publicly available on an annual basis.

11. ***Name racism.*** Before us are both the challenge and the opportunity to become engaged with issues of race, racism and whiteness. Racial experiences are a feature of daily life whether we are on the harmful end of such experience or on the beneficiary end of the spectrum. The first step is to stop pretending race and racism do not exist. The second is to know that race is always linked to experience. The third is to know that racial identity is strongly linked to experiences of marginalization, discrimination and powerlessness. We seek for those in the White community to aim to end a prideful perception that Multnomah county is an enclave of progressivity. Communities of color face tremendous inequities and a significant narrowing of opportunity and advantage. This must become unacceptable for everyone.

Advancing racial equity depends on eliminating the multitudes of disparities profiled in this report. We aspire to catalyze an understanding of the challenges facing communities of color and to provide us all impetus to act, to act holistically, and to act under the leadership of communities of color who have the legitimacy and the urgency to remedy many of the shortcomings that besiege Multnomah county.

Closing Comments on the African Community

The complexity of issues facing the African immigrant and refugee community commands attention. While this is a highly educated group, particularly in post-graduate education, the community is not able to access jobs that reflect these qualifications. Our best understanding of this is that the intersection of the US diminishment of foreign credentials and work experience intersects with language difficulties and institutional racism leading to underemployment and unemployment. The depths of racism, social exclusion, and inadequate income support programs render more than 67% of our children living in poverty.

This is the first time that African-specific data has been brought to light. Our databases across systems do not report on the African community. All institutions fail this community, from education to child welfare, to health and even health equity initiatives. Researchers need to build capacity in bringing an anti-racism lens to their work, questioning whether or not they have the data on the diversity of communities of color, and working to modify research and data collection practices in order to make the

invisible visible. Hopefully this report will awaken mainstream researchers and policy makers alike.

Our African community joins with other communities of color to advance racial equity and social justice. We aim to build political and social capital through the development of strong social movements, advocacy practices and increased involvement in the political and legislative process.

Appendix #1: Multnomah County's philosophy and implementation of culturally-specific services

Philosophy of Culturally Specific Service Delivery

Multnomah County believes that funding should follow the client and not the other way around. In the business world, this is known as "customer choice." Over years of service delivery to communities of color it has been made clear that consumer choice for people of color and ethnic communities is based on three dimensions: comfort, confidence, and trust. These dimensions are strongest in an environment where the organizations and/or institutions providing the services reflect the values, histories and cultures of those being served. Agencies which hire one or two culturally specific staff members do not provide an environment where comfort, confidence and trust are maximized for clients. Communities of color are characterized by significant language and cultural differences from the majority culture of the United States. One of these characteristics is a personal or relational way of interacting with service providers, rather than an impersonal bureaucratic way of interacting with service providers, which is more common in mainstream culture. This fact makes it important that the overall "feel" of an organization be familiar and comfortable to the client receiving services. While the specifics of these characteristics vary in the African American, Latino, Asian/Pacific Islander, Native American, Slavic and the many African and Refugee cultures in Multnomah county, all of these communities share the need for a culturally specific style of personal interaction, language, and organizational culture.

Indeed, in our experience not only do members of the various communities of color prefer to seek services from culturally-specific providers, but there are many issues that clients may not have the trust to openly discuss and confront outside a culturally-specific context. Some of these issues include but are not limited to domestic violence, drug and alcohol addiction, gang involvement, financial hardships, youth sexuality, and family and relationship problems. Thus, culturally-specific services are not only the preferred service provider for many people of color and immigrants, in many cases they may be the only provider in which individuals and families will feel comfortable asking for and receiving appropriate services.

Values Statement

Multnomah County values and celebrates the rich diversity of our community. Through diversity comes a sense of community. Community provides a wealth of experience and different perspectives that enriches everyone's life. Communities in Multnomah County have a long tradition of supporting each other through families, churches and community organizations. Cultural minorities are more likely to engage individuals and organizations that are intimately knowledgeable of the issues of poverty and minority disproportionality facing the community today, and further, whose services are culturally specific, accessible and provided with compassion. Therefore, we are committed to providing a continuum of culturally specific services including prevention, intervention and anti-poverty services throughout Multnomah County that ensures the welfare, stability and growth of children and families who are part of at-risk, minority populations. By so doing, these individuals will be able to contribute and participate in the civic life of our county.

Criteria for Culturally Specific Service Providers:

The following section identifies specific criteria that Multnomah uses to identify and designate organizations which have developed the capacity to provide culturally specific services. The following criteria should be used in Request for Proposals, contracting, and other funding processes to determine the appropriateness and eligibility of specific organizations to receive culturally specific funding. Both geographic hubs and culturally specific service organizations should be required to meet these criteria in order to receive funding from the resources that are dedicated to culturally specific service provision. These agency characteristics are expected to be in place at the time the organization applies for culturally specific services and not be characteristics or capacities that the agency proposes to develop over a period of time after contracts are signed. The criteria include:

- Majority of agency clients served are from a particular community of color: African American, Asian/Pacific Islander, Native American, Latino, African and Refugee, and Slavic.
- Organizational environment is culturally focused and identified as such by clients.
- Prevalence of bilingual and/or bicultural staff reflects the community that is proposed to be served.
- Established and successful community engagement and involvement with the community being served.

Contracting Implementation:

Steps will be taken throughout all phases of the Request for Proposals process to ensure that Multnomah County contracts are given to organizations that have the capacity to provide the best culturally specific services. Those steps include, but are not limited to, the following:

- Refer to the definition of culturally specific service providers when reviewing funding applications.
- Create and implement an effective process to validate the accuracy of an organization's claim that they're a culturally specific service provider using the aforementioned definition and eliminate applications that do not meet the criteria.
- Include a requirement to submit past performance documentation regarding County contracts to ensure contracting with the most qualified providers and to achieve the highest quality of service delivery.
- Verify with partnering organization(s) that the relationship(s) referred to in an application exist and that the scope of work is targeted toward the work Multnomah County is supporting.
- Include representation from the communities that are proposed to be served on committee and review panels for their respective communities.

Appendix #2: Language definitions[108]

Ally: "A member of an oppressor group who works to end a form of oppression which gives her or him privilege. For example, a white person who works to end racism, or a man who works to end sexism" (Bishop, 1994, p. 126).

Anti-Oppressive Practice: a person-centered philosophy; and egalitarian value system concerned with reducing the deleterious effects of structural inequalities upon people's lives; a methodology focusing on both process and outcome; and a way of structuring relationships between individuals that aims to empower users by reducing the negative effects of social hierarchies on their interaction and the work they do together (Dominelli, 1994, p.3).

Communities of color: Four communities are traditionally recognized as being of color – Native American, African American, Asian and Pacific Islander, and Latino. To these four groups, the Coalition of Communities of Color also recognizes and includes two communities: Slavic and African immigrant and refugee. Note that there is some tension in whether Latinos are a racial or an ethnic group. Most databases define them as a separate ethnic group, as opposed to a racial group. In Multnomah county, we define Latinos as a community of color and primarily understand the Latino experience as one significantly influenced by racism. We include the Slavic community as a community of color as their experiences are similar to those of other communities of color, and include marginalization, powerlessness, and dominant discourses that prevent their fair treatment and inclusion.

Cultural Competence: A set of congruent behaviors, attitudes, and policies that come together in a system, agency, or profession and enable that system, agency, or profession to work effectively in cross-cultural situations. The goal is to build skills and cultures that support the ability to interact effectively across identities. The word **culture** is used because it implies the integrated pattern of human behavior that includes thoughts, communications, actions, customs, beliefs, values and institutions of a racial, ethnic, religious or social group. The word **competence** is used because it implies having the capacity to function effectively. Five essential elements contribute to a system, institution or agency's ability to become more culturally competent: valuing diversity; having the capacity for cultural self-assessment; being conscious of the dynamics inherent when cultures interact; having institutionalized cultural knowledge, and; having developed adaptations to service delivery and reflecting an understanding of cultural diversity (Cross, Bazron, Dennis & Isaacs, 1989).

A significant critique is emerging about the capacity of "cultural competency" to address racial disparities. The basis of this critique is that it idealizes the ability of mainstream service providers to work outside their own cultural context and provide services to communities of color. Today's advent of "cultural competency" training can be a beneficial when it is incorporated within larger change efforts to increase accountability to communities of color and to meaningfully incorporate them in organizational reforms. Unfortunately, all-too-often it simply aims to train individual providers in communicating across differences. Such an approach is an inadequate response to needs.

Cultural proficiency: See "cultural competence"

Discourse: "A set of assumptions, socially shared and often unconscious, reflected in the language, that positions people who speak within them and frames knowledge" (Ristock & Pennell, 1996, p.114).

Discrimination: "The prejudgment and negative treatment of people based on identifiable characteristics such as race, gender, religion, or ethnicity" (Barker, 1995, p.103).

Disparities: Are differences between population groups in the presence of any form of incidence or outcomes, including access to services. Disparities include both acceptable and unacceptable differences. (Adapted from Multnomah County Health Department, Health Equity Initiative)

Diversity: "Diversity refers to the broad range of human experience, emphasizing the following identities or group memberships: race, class, ethnicity, national origin, color, sex, sexual orientation, gender identity or expression, age, marital status, political belief, religion, mental or physical disability, immigration status, language and linguistics" (Portland State University, 2009).

Dominant discourse: Refers to the prevailing discourses that typically consolidate a set of myths about particular groups of people and then reproduce these myths through language, images, and generalized beliefs about who such people are and what they are capable of. These discourses are created by those with privileged identities and serve the function of maintaining oppressive systems such as racism, thus becoming an act of oppression themselves. When these characterizations are reproduced widely, they become the accepted way of speaking about and understanding particular groups of people. An example is the dominant discourse around "Black" and all this implies, and the corollary of "White" and all this implies.

Ethnicity: Refers to arbitrary classifications of human populations based on the sharing of common ancestry including features such as nationality, language, cultural heritage and religion.

Exploitation: "When a person or people control another person or people, they can make use of the controlled people's assets, such as resources, labor, and reproductive ability, for their own purposes. The exploiters are those who benefit, and the exploited are those who lose" (Bishop, 1994, p.129-130).

Individual racism: "The beliefs, attitudes, and actions of individuals that support or perpetuate racism. Individual racism can occur at both an unconscious and conscious level, and can be both active and passive" (Wijeyesinghe, Griffin & Lowe, 1997, p.89).

Inequities: Are disparities that result from a variety of social factors such as income inequality, economic forces, educational quality, environmental conditions, individual behavior choices, and access to

services. Health inequities are unfair and avoidable (adapted from Multnomah County Health Department, Health Equity Initiative).

Institutional racism:

- "The network of institutional structures, policies, and practices that create advantages and benefits for Whites, and discrimination, oppression, and disadvantage for people from targeted racial groups. The advantages to Whites are often invisible to them, or are considered "rights" available to everyone as opposed to "privileges" awarded to only some individuals and groups" (Wijeyesinghe, Griffin & Lowe, 1997, p.93).
- Institutional racism consists of those established laws, customs and practices which systematically reflect and produce racial inequalities… whether or not the individuals maintaining those practices have racist intentions (Jones, 1972, p.131).
- Institutional racism is understood to exist based on the experiences of people of color, rather than intention to create inequities. One does not need to "prove" intent to discriminate in order for institutional racism to exist. Institutional racism exists by impact rather than intention.

Internalized Dominance: Occurs "when members of the agent group accept their group's socially superior status as normal and deserved" (Griffin, 1997, p.76).

Internalized Oppression: Occurs "when members of the target group have adopted the agent group's ideology and accept their subordinate group status as deserved, natural, and inevitable" (Griffin, 1997, p.76). Furthermore, "oppressed people usually come to believe the negative things that are said about them and even act them out" (Bishop, 1994, p.131).

Mainstream services: These are service organizations that are largely devoid of specific services for communities of color, or having minimal or tokenistic responses to the specific needs of these communities. They operate from the presumption that service needs are independent from racial and cultural needs, and that staff can be trained in "cultural sensitivity" or "cultural competence" to ensure delivery of quality services regardless of clients' race and ethnicity.

Marginalized/margins: "Groups that have a history of oppression and exploitation are pushed further and further from the centres of power that control the shape and destiny of the society. These are the margins of society, and this is the process of marginalization" (Bishop, 1994, p.133).

Power: "A relational force, not a fixed entity, that operates in all interactions. While it can be oppressive, power can also be enabling" (Ristock & Pennell, 1996, p.116).

Prejudice: "An opinion about an individual, group, or phenomenon that is developed without proof or systematic evidence. This prejudgment may be favorable but is more often unfavorable and may become institutionalized in the form of a society's laws or customs" (Barker, 1995, p.290).

Privilege: "Privilege exists when one group has something of value that is denied to others simply because of the groups they belong to, rather than because of anything they've done or failed to do. Access to privilege doesn't determine one's outcomes, but it is definitely an asset that makes it more likely that whatever talent, ability, and aspirations a person with privilege has will result in something positive for them" (McIntosh, 1988).

Racialized: "Process by which racial categories are constructed as different and unequal in ways that have social, economic and political consequences" (Galabuzi, 2006, p.251).

Racism: "A system in which one group of people exercises power over another or others on the basis of social constructed categories based on distinctions of physical attributes such as skin color" (Galabuzi, 2006, p.252).

Relative Rate Index (RRI): Is a methodology for measuring rate differences between groups to estimate disparity of a phenomenon. It involves calculating the occurrence rate of a reference and a second group and comparing the resulting ratio to 1. For a more in depth discussion of RRI and methods for calculating, see U.S. Department of Justice (2006). *Disproportionate Minority Contact Technical Assistance Manual, 3rd Edition*. Washington D.C.: Office of Juvenile Justice and Delinquency Prevention.

Social justice: "Social justice is both a process and a goal that (1) seeks equitable (re)distribution of resources, opportunities and responsibilities; (2) challenges the roots of oppression and injustice; (3) empowers all people to enhance self-determination and realize their full potential; (4) and builds social solidarity and community capacity for collaborative action" (Portland State University, 2009).

Stereotype: "An undifferentiated, simplistic attribution that involves a judgment of habits, traits, abilities, or expectations and is assigned as a characteristic to all members of a group regardless of individual variation and with no attention to the relation between the attributions and the social contexts in which they have arisen" (Weinstein & Mellen, 1997, p.175).

Systemic racism: "Refers to social processes that tolerate, reproduce and perpetuate judgments about racial categories that produce racial inequality in access to life opportunities and treatment" (Galabuzi, 2006, p.253).

Tokenism: "A dominant group sometimes promotes a few members of an oppressed group to high positions, and then uses them to claim there are no barriers preventing any member of that group from reaching a position with power and status. The people promoted are tokens, and the process is called tokenism. Tokens can also be used as a buffer between the dominant and oppressed groups. It is harder for the oppressed group to name the oppression and make demands when members of their own groups are representing the dominant group" (Bishop, 1994, p.136).

White: Refers to the racial identity as Caucasian, regardless of ancestry or ethnicity. While conventional definitions of being White can include being Latino as well, we exclude such a definition from this text. In our situation, being White means having the racial identity as Caucasian, without being Latino.

Whiteness: Whiteness refers to the social construction of being White that coexists with privilege in all its forms, including being on the privileged end of history, including colonization, slavery, colonialism, and imperialism. It also includes being the beneficiaries of institutionalized and systemic racism, dominant discourses, internalized racism and individual acts of discrimination and micro-aggressions of racism in everyday life.

White Privilege: "White privilege is the other side of racism. Unless we name it, we are in danger of wallowing in guilt or moral outrage with no idea of how to move beyond them. It is often easier to deplore racism and its effects than to take responsibility for the privileges some of us receive as a result of it...Once we understand how white privilege operates, we can begin addressing it on an individual and institutional basis" (Rothenberg, 2002).

Appendix #3: Detailing Sub-Saharan Africa

Sub-Saharan Africa is the region of the African continent that is south of the Saharan Desert. It omits countries of North Africa including Algeria, Libya, Morocco, Tunisia, Egypt, Western Sahara, Mali and Mauritania.



Source: Image from Wikispaces.com (at http://b-slaglobal10.wikispaces.com), downloaded from http://tinyurl.com/cbezh3m.

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[2] To differentiate our city, county and state governments from the reference to these as geographic regions, we capitalize the terms when they reference these levels of government. We do not capitalize these terms when we use them to refer to geographic regions.

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Agenda Item No. 3.0

Community Planning and Development Grants Program
Audit Presentation

Presentation

Metro Council Meeting
Thursday, March 3, 2016
Metro Regional Center, Council Chamber

Metro

Community Planning and Development Grants:

Performance measures and stronger controls needed to ensure results

February 2016

A Report by the Office of the Auditor

Brian Evans
Metro Auditor

Angela Owens
Senior Management Auditor

Elliot Shuford
Senior Management Auditor

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Metro

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MEMORANDUM

February 17, 2016

To: Tom Hughes, Council President
Shirley Craddick, Councilor, District 1
Carlotta Collette, Councilor, District 2
Craig Dirksen, Councilor, District 3
Kathryn Harrington, Councilor, District 4
Sam Chase, Councilor, District 5
Bob Stacey, Councilor, District 6

From: Brian Evans, Metro Auditor BE

Re: Audit of Community Planning and Development Grants

This report covers our audit of the Community Planning and Development Grants program. Our objectives were to determine if the program aligned with regional planning goals, met local planning needs, and was administered to ensure intended results. This audit was included in our FY2014-15 Audit Schedule.

Since 2006, Metro has awarded about $19 million in grants to local governments for community planning and development. The program was started to implement part of the Urban Growth Management Functional Plan. Over time the program has become less aligned with certain regional planning priorities. As the program changed, what it was trying to accomplish became less clear and there were no performance measures in place to evaluate the program's outcomes. Local governments found value in the grants, but the program could improve its support to local governments to make participation easier.

Controls to ensure accountability and transparency could also be improved. In some cases, the deliverables for grants were not completed before payments were made. Changes were made to some projects that may not have been consistent with the intent of the original award. Grant monitoring relied on staff judgment and informal decision making, which could result in inconsistent treatment. The program did not review project expenditures or matching fund requirements. In addition, a consistent process to allocate extra funding had not been developed, which could reduce transparency.

We have discussed our findings and recommendations with Martha Bennett, COO; Scott Robinson, Deputy COO; Elissa Gertler, Planning and Development Director; John Williams, Deputy Planning and Development Director; and Ted Leybold, Resource Development Manager, Planning and Development. A formal follow-up to this audit will be scheduled within 2 years. We would like to acknowledge and thank all of the management and staff who assisted us in completing this audit.

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Summary

The Community Planning and Development Grant program provides funding to local governments for planning to make land ready for development. Between 2006 and 2015, the program awarded about $19 million in grants through four rounds of funding.

The program was started to implement part of the Urban Growth Management Functional Plan (Regional Plan). The Regional Plan prioritizes certain geographic areas for planning and development. Geographic alignment between priority and grant project areas would be one indication that the program was helping to implement the Regional Plan.

We found decreased geographic alignment after the first round of grants. Changes to the grant selection criteria reduced the program's connection to some regional planning goals. Project proposals had to discuss their impact on regional goals, but were not required to address them directly. As the program changed, what it was trying to accomplish became less clear. Performance measures help assess progress toward goals and could help determine what was achieved. However, none were in place at the time of our review.

Local governments reported that the program provided value and funded activities that may have otherwise gone unfunded. However, we identified potential improvements related to the application process, project support, and program communication. Getting feedback from local governments could help refine the program.

We evaluated the program's grant monitoring by reviewing deliverables for six projects. Monitoring worked as it should in many cases. However, in a few cases, Metro paid for deliverables that were not fully met. In other cases, Metro made payments when it was unclear whether there was adequate support for them.

The program did not develop clear expectations for grant monitoring. It was not always clear what amount of time should be spent monitoring or how much discretion there was to evaluate deliverables. Amendments were made to most of the contracts we reviewed. Some amended projects appeared to be different from what was originally approved by Metro Council. To determine if proposed amendments were appropriate, the program relied on staff judgment and informal decision-making. This could result in variations in monitoring, inconsistent treatment of jurisdictions or payments made when projects have not achieved the results originally intended.

Some risks were not managed. The program did not have a way of ensuring grant funds were used for their intended purpose. Similar programs we reviewed had some verification of actual project expenditures. In addition, the program had not established a consistent process for allocating extra funding. In some years, additional funding was provided to grantees. Funds dispersed outside of the established process have the potential to raise questions about fairness and consistency.

We recommend that Metro improve the performance measurement system, work with local governments to refine the program, and strengthen administrative and financial controls.

Background

The Community Planning and Development Grant program provides funding to local governments for planning to make land ready for development. Between 2006 and 2015, the program awarded about $19 million in grants through four rounds of funding. Awards ranged in size and scope from a few thousand dollars for a concept plan to $1.5 million for planning along a proposed transit route. A regional construction excise tax funds the program. The tax is 0.12% of the value of new construction and is scheduled to end in 2020.

Grant awards varied each round. The first round was for meeting planning requirements in areas added to the Urban Growth Boundary (UGB) in 2002 and 2004. The second round was for projects leading to short-term development such as urban renewal or redevelopment plans in areas inside the UGB. The third and fourth rounds funded projects in the same areas as round two, but also provided funding for projects in Urban Reserves. These are areas outside the UGB set aside for future development. The fourth round expanded the types of projects the program funded. Exhibit 1 summarizes funding for each round.

Exhibit 1: Funding by round

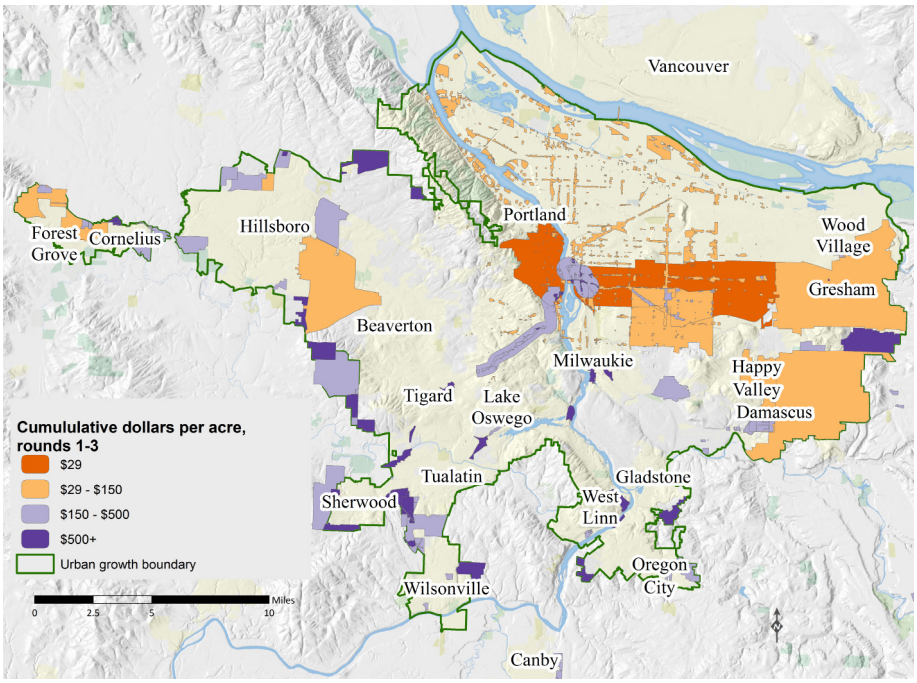
Round	Number of Projects	Project Locations	Amount Awarded	Project Types
1 (2006)	25*	Added to UGB in 2002 and 2004	$6.3 million	Concept & comprehensive planning
2 (2010)	17	Within existing UGB	$3.7 million	Projects that will result in on-the-ground development
3 (2013)	6	Urban Reserves	$1.4 million	Concept planning
	13	Within existing UGB	$2.8 million	Projects that will result in on-the-ground development
4 (2015)	1	Urban Reserves	$170,000	Vision
	15	Within existing UGB	$4.7 million	Strategies for short-term actions or policy development, and vision

Source: Auditor's Office analysis of administrative rules and Council resolutions

* The ordinance approving the first round of grants did not specify which projects or local governments would receive funds. In 2015, Metro reported 25 projects were awarded funding.

For each grant, Metro developed a contract with a local government. As of July 2015, over 60 contracts had been developed with a total value of about $15 million. Exhibit 2 shows how grants were distributed around the region in terms of dollars per acre.

Exhibit 2: Cumulative dollars per acre, rounds 1-3



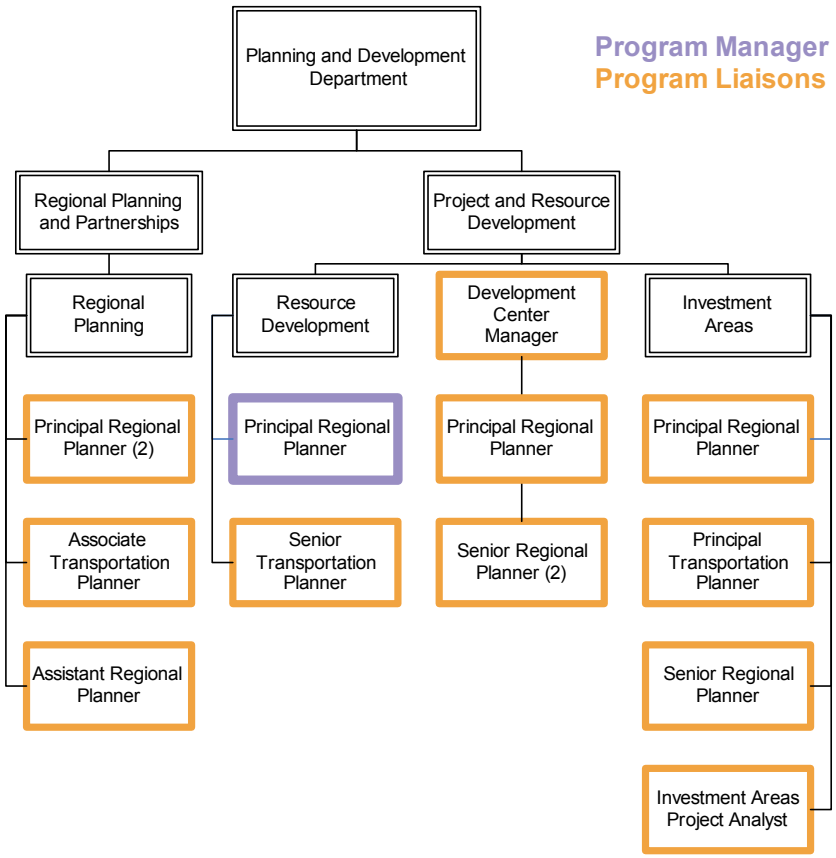
Source: Auditor's Office analysis of project areas, contracts and geographic data from Metro's Regional Land Information System

Project areas and values varied throughout the region. Many projects with a higher cumulative dollar-per-acre value were located near the edge of the UGB. Most governments within the region have received grant funds.

The program is part of the Planning and Development Department. One principal planner manages the program (program manager). The program manager is responsible for coordinating the grant selection process, preparing contracts and amendments, and approving payments. Employees in other departments provide administrative and financial services.

Employees throughout the Planning and Development Department acted as program liaisons to local governments with grant projects. Liaisons provided support and monitored grants to make sure they were completed as expected. Exhibit 3 shows roles in the department.

Exhibit 3: Roles in the Planning and Development Department, round 4



Source: Auditor's Office, based on department organizational chart and program documents

We were unable to determine total expenditures because employees did not track the time they spent working on the program. In 2014, the program estimated staff costs for a nine-month period to be $167,000. If that number were applied to a full year, annual personnel costs would be about $223,000. However, estimated costs may be low because they did not include liaison staff time.

Beginning in 2009, Metro retained 2.5% of what it received of the excise tax to pay for tax collection, revenue forecasting, and grant administration. As of June 2015, Metro reported that a total of $297,000 of the tax had been retained. Recent changes increased what Metro retains to 5%. This increase was estimated to generate about $100,000 a year.

Metro Council awarded grants based on recommendations made by the Chief Operating Office (COO). The COO developed funding recommendations based on work done by a screening committee. The screening committee included representatives with expertise in areas such as economic development, real estate, and environmental sustainability.

Scope and methodology

The objectives of the audit were to determine if:

- The program was aligned with regional planning goals,
- Program operations could better meet local planning needs, and
- The program was administered to ensure intended results.

To determine the program's alignment with regional planning goals, we reviewed administrative rules and relevant sections of Metro Code. We also reviewed regional plans and policies related to land use and planning. These included the 2040 Growth Concept, the Six Desired Outcomes, the Regional Framework Plan and the Urban Growth Management Functional Plan. We compared the goals outlined in those plans and policies with program goals and operations. Based on the program's project data, we used a geographic information system (GIS) to measure how close project areas were to areas prioritized in Metro's plans.

We interviewed Metro employees and representatives of local governments who received grant awards. During the fourth round of grant selection, we attended screening committee meetings, reviewed screening committee materials, and attended Metro Council meetings about the program. Our work also included a review of grant guidance the program provided to local governments. Other regions have similar planning grant programs. We reviewed how some of those programs, as well as one state program, are administered.

We reviewed grant contracts and amendments and analyzed six projects in detail. We chose projects from the two rounds that were awarded competitively (rounds two and three). We selected our judgmental sample of projects to review a diversity of project types and jurisdictions. As part of the detailed review, we compared the contracts to deliverables submitted by local governments to determine whether they were met. For some projects, we also looked at information found in media reports and on local government websites.

This audit was included in the FY 2014-2015 audit schedule. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Results

The program has become less aligned with certain regional planning priorities over time. Changes to the program reduced clarity about what was intended to be achieved and there was no process in place to evaluate the program's outcomes. Local governments found value in the grants, but the program could improve its support to local governments.

Controls to ensure accountability and transparency could also be improved. Some aspects of the grants were not completed before payments were made. Changes to some projects may not have been aligned with the intent of the original award. Although the program reviewed deliverables, it did not have controls in place to verify expenditures or matching commitments. Additionally, there was no consistent process to guide how excess funds were distributed. This could raise questions about the fairness of the grant selection process.

Missed opportunity to implement some parts of the Regional Plan

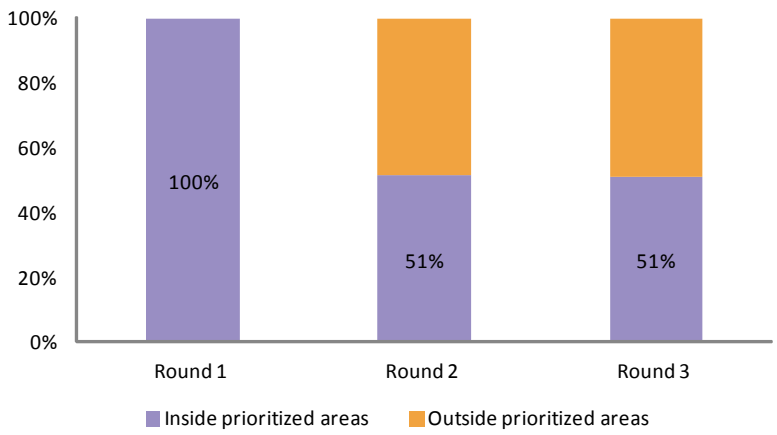
The program was started to implement part of the Urban Growth Management Functional Plan (Regional Plan). The Regional Plan is the main implementation mechanism for a set of policy goals for the region, including the 2040 Growth Concept and Metro's Six Desired Outcomes. We found reduced geographic alignment between grant projects and areas prioritized for development in the Regional Plan. This indicates a missed opportunity to use grants to make progress on some regional goals.

The Regional Plan prioritizes certain geographic areas for planning and development to manage population and employment growth. Nine titles in the Regional Plan contain rules or guidelines about land use that the program could seek to implement. However, only two of them (Titles 6 and 11) are clearly oriented toward promoting urban planning and development. Both of those titles are named in the program's administrative rules. Most other titles are focused on protecting areas from development or seek to control development in some manner.

Because the program intended to make land ready for development, we used the areas prioritized in Titles 6 and 11 for our analysis. To ensure efficient land use, Title 11 requires local governments to plan for areas recently added to the UGB (new areas) and Urban Reserves. Inside the UGB, through Title 6, the Regional Plan prioritizes planning activities and development in Centers, Corridors, Main Streets and Station Communities (Centers and Corridors).

Geographic alignment between priority and grant project areas would be one indication that the program was helping to implement the Regional Plan. We found decreased alignment after the first round of grants. As shown Exhibit 4, in rounds two and three about half of the total project area was inside prioritized areas. Round four awards had not been made at the time of our review.

Exhibit 4: Proportion of total project area inside prioritized areas, rounds 1-3



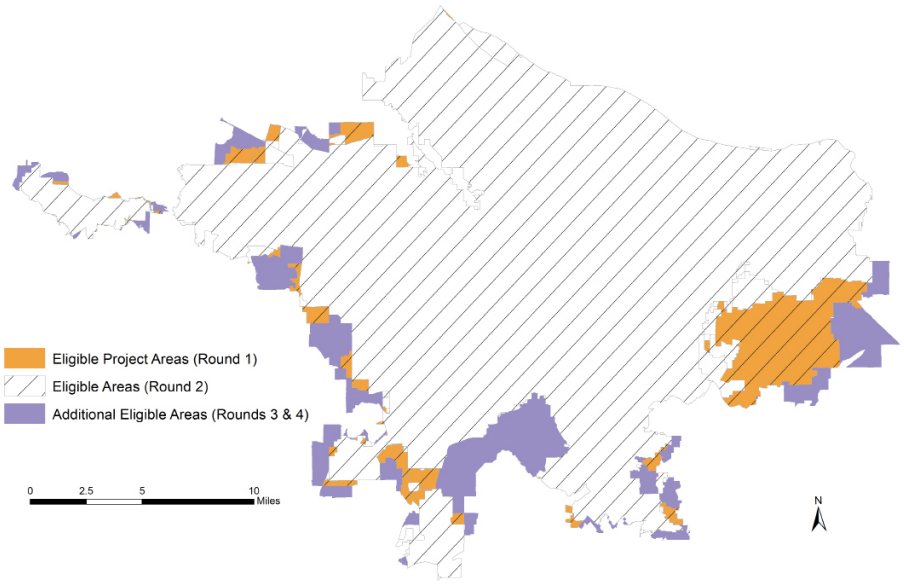
Source: Auditor's Office analysis of project areas using ArcGIS and geographic data from Metro's Regional Land Information System

Decreased alignment was more dramatic when comparing individual project areas with Centers and Corridors. In round two, most projects (81%) had at least a third of the project area in or near Centers and Corridors. But only about half (54%) of round three projects located inside the UGB had that same alignment.

Shifting focus reduced regional impact

Changes to the grant selection criteria reduced the program's alignment with the Regional Plan. Some changes increased the areas of the region that could receive grants. Others relaxed criteria related to the planning requirements in the Regional Plan. Project proposals had to discuss their impact on regional goals, but were not required to address them directly. Exhibit 5 shows where projects could be located each round.

Exhibit 5: Eligible project areas, rounds 1 - 4



Source: Auditor's office analysis of program administrative rules and geographic data from Metro's Regional Land Information System

Round one provided funding to meet requirements in Title 11 of the Regional Plan. Title 11 required local adoption of comprehensive plans. These requirements were relaxed in later rounds. For example, proposals to address Title 11 no longer needed to develop a full concept or comprehensive plan to receive a grant.

Starting in round two, projects anywhere within the UGB became eligible for funding. The selection criteria partly encouraged grants in areas that aligned with Title 6 of the Regional Plan (Centers and Corridors). Applicants were requested to state how their project facilitated development in Centers and Corridors, but also other places including Employment and Industrial Areas.

In 2015, Metro considered requiring grant applicants to comply with Title 6. Following stakeholder recommendations, the program instead adopted an incentive-based approach to give projects located in Title 6 areas additional consideration. However, the guidance for applying this new criterion did not focus on the location of the project. Instead, projects were to be evaluated on their overall contribution to meeting the intent of Title 6 without requiring the projects to be in or near Centers and Corridors.

Program impact unknown

The program tried to balance regional priorities and local government needs. This may be one reason the selection criteria shifted to be less restrictive. However, as the program changed, what it was trying to accomplish became less clear. Performance measures help assess progress toward goals and could determine what was achieved. However, none were in place at the time of our review.

Metro took steps to communicate program results, but additional efforts are needed. In 2012, the program developed a brochure that highlighted the benefits of some projects. In the most recent round of funding, Metro asked local governments to identify performance measures for their projects. Project-level measures may be a way to evaluate individual projects, but may not be easily combined to show program outcomes.

Metro contracted with a consultant to draft a logic model to show how the program's goals, activities, and outcomes were connected. The model also contained possible performance measures. A 2014 stakeholder advisory group came up with similar recommendations to align program goals, activities and outcomes. Although Metro implemented elements of the recommendations, performance measures were not established.

The logic model was based on one possible goal, but our review of the program's materials identified several descriptions of what it expected to accomplish. Performance measures might differ depending on what the program is trying to achieve. For example, if the goal is to make land ready for development, the number of acres made available might be a useful measure. Alternatively, if the goal is to make progress on one of Metro's Six Desired Outcomes, such as creating "vibrant communities," measuring walk score may be more appropriate. Exhibit 6 shows how potential performance measures may vary depending on the program's goal.

Exhibit 6: Potential performance measures

What the Program Wants to Achieve	Source of information	Potential Performance Measures
Regional and local planning that is required to make land ready for development	Metro Code, Administrative Rules, Council Ordinance	• Number of acres made available • Percent of local governments with outdated comprehensive plans • Percent of new areas/urban reserves in compliance with Regional Plan
Metro's six desired outcomes	Administrative Rules, Program Selection Criteria	• Walk score • Miles of bike lanes • Percent of income spent on housing
Remove barriers to private investment in development	Program Handbook	• Percent of barriers removed • Number of incentives created • Amount of outside investment • Percent of identified processes streamlined
Identify and reduce the barriers to developing complete communities	Administrative Rules	• Percent of identified barriers removed • Level of community involvement • Number of adopted visions • Walk score
Support development / prepare land for future housing and jobs	2012 Program Brochure, Round 4 program presentation, Program Website	• Number of jobs created • Number of increased housing units • Number of acres re-zoned to support development

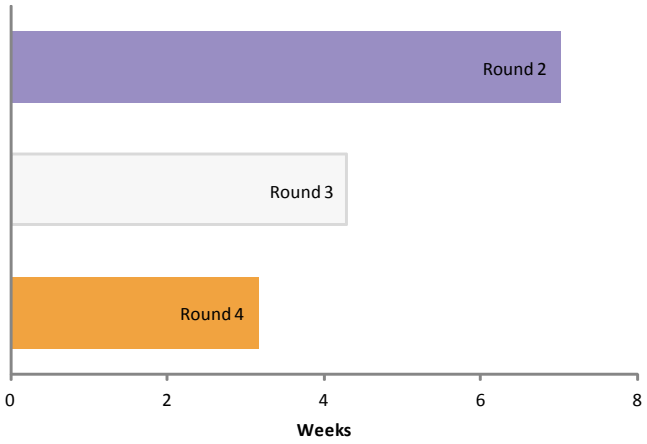
Source: Auditor's Office analysis of program documents

Improvements may benefit local governments

In general, local governments reported that the program provided value and funded activities that may have otherwise gone unfunded. However, we identified potential improvements related to the application process, the project support provided by Metro, and program communication. Getting feedback from local governments could help the program understand how to provide effective support and make it easier for local governments to participate.

The application process has gotten shorter over the past three funding cycles. The time between informing local governments of the grant opportunity and the first deadline was reduced from seven to three weeks (see Exhibit 7). Even if local governments have project ideas, three weeks may not be enough time to develop project proposals. One local government identified a potential project, but could not develop it adequately before the program's deadline.

Exhibit 7: Weeks between grant announcement and first deadline, rounds 2-4



Source: Auditor's Office analysis of program documents

The application process for the last three rounds of funding took place during different times of the year. For example, the first deadline for round two was in December but for round four it was in April. Since projects are required to provide a matching fund commitment, having an unpredictable timeline could prevent an applicant from being able to sufficiently budget for a project.

Selection criteria also changed between each round of funding which may have caused confusion. In some cases, local governments were unclear about the types of projects the program would fund, where projects could be located, or whether certain projects would be relevant or competitive. With changes in the criteria, it is important that the program adequately inform local governments of the funding opportunity. Earlier notification would provide local governments with additional time to develop proposals.

Our review of similar programs found that some shared project information online, such as applications and final planning products. A centralized source of sample project information could help local governments develop their proposals more quickly. This could facilitate the sharing of best practices.

Lack of capacity also impacted local government's ability to participate in the program and carry out planning projects. Some reported they did not have the staff to develop and implement a new planning project on top of existing responsibilities. Although grants may be used on consultants who could provide additional capacity, managing consultants takes staff resources.

In the most recent round, Metro awarded funds to help local governments meet staffing needs. Specifically, two governments were awarded $12,000 each for contract management services to help manage consultants. However, because the funding may come with additional responsibilities and another consultant to manage, it is not clear to what extent this will address capacity needs.

The level of project support program liaisons provided to local governments varied. Each project can be fairly unique, so variation may be reasonable. Some governments may want more autonomy while others may need more assistance. However, some local governments we spoke with indicated they were not

satisfied with the level of support they received. Some noted little or no attendance at meetings or involvement related to their projects. In contrast, support for other projects was more involved.

In addition to project support, some governments recommended that Metro make more of an effort to have a presence in their jurisdictions. They suggested that planning projects would be easier to implement if citizens and political leaders had a better understanding of Metro's planning goals and role in the region. In April 2015, Metro announced a new local partnership program that may address this issue. The effort was intended to help implement shared regional goals by building relationships. However, as of September 2015, local governments noted limited communication about the effort.

One way to get additional information about local needs is to conduct surveys. A survey could help the program identify what types of projects are needed and get feedback about the program. For example, a survey could help refine the selection process and identify ways to improve project support. Providing an opportunity to give feedback about the program may also help Metro better understand how to balance regional and local needs.

In 2014, Metro convened a stakeholder advisory group to review the program. The group recommended Metro determine the demand for the program through a survey or through the pre-application process. Metro used the pre-application process to get input from local governments. Gathering information this way had limitations. It was done after the criteria for funding has been developed, which limited Metro's ability to consider needs that were outside of the existing program criteria.

Stronger controls needed to manage risks

Though it has made some improvements, Metro could strengthen aspects of program administration. The program was designed to be responsive to local needs and flexible enough to evolve if projects changed. Changes to the political environment, unexpected physical constraints in a project area, or poor market conditions could affect a project's viability. Such aspects may be outside of Metro's control. However, there are ways Metro can improve the program to reduce the risk of not getting what was intended from projects or treating local governments inconsistently.

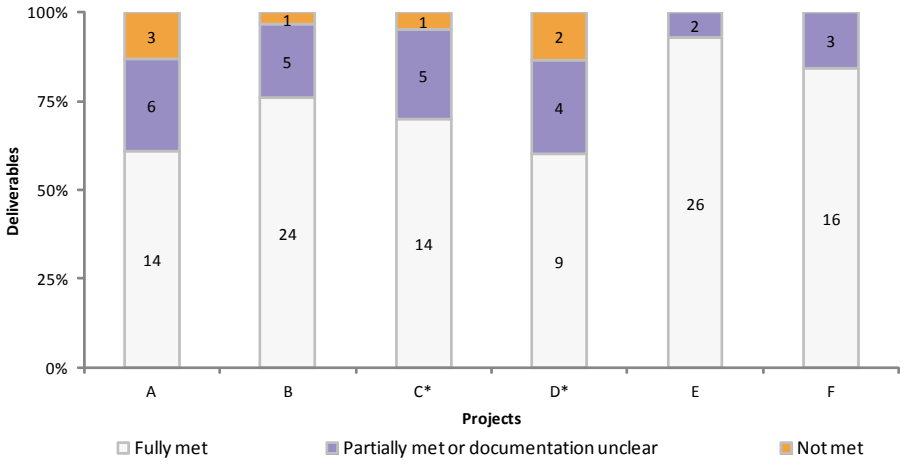
Some deliverables were not met

Grant monitoring is a best practice used to ensure projects perform as expected. We evaluated the program's grant monitoring by reviewing deliverables for payments made on six projects. Monitoring worked as it should in many cases. Deliverables were met, and liaisons or the program manager followed up with local governments requesting clarification or missing documentation before approving payments.

In a few cases, Metro paid for deliverables that were not fully met. One contract required deliverables to address a barrier to development represented by the 100-year floodplain. The local government sought an exemption to floodplain rules in the Regional Plan, which Metro rejected. No floodplain solutions were delivered and development still cannot happen in that part of the project area, despite the grant being paid in full.

In other cases, Metro made payments when it was unclear whether there was adequate support for them. Sometimes deliverables were only partially met or the documentation was not clear. Other times, the descriptions of deliverables were somewhat unclear in the contracts. A few deliverables could not have been met as described in the contract, since they were contingent on future decisions that would happen after the projects were completed. The results of our review are summarized in Exhibit 8.

Exhibit 8: Review of deliverables for sampled projects



Source: Auditor's Office analysis of documentation for a judgmental sample of grant project.

* At the time of our review, the final project milestone was still in process. It was not included in our review.

The program did not develop clear expectations for grant monitoring. There was limited written guidance for liaisons and little training. It was not always clear what amount of time they should spend monitoring or how much discretion they should use in evaluating deliverables. Liaisons we interviewed did not track how much time they spent monitoring and their estimates varied. Some said the work could be time consuming and that monitoring was in addition to other duties. It was not clear what level of planning or budgeting was developed for the liaison role.

Liaisons may have varied in how closely they monitored the grants. Opinions differed as to how closely a project must resemble the original grant proposal. This could result in variations in monitoring, inconsistent treatment of jurisdictions, or payments made when projects have not achieved the intended results.

The monitoring role had a weak design. Liaisons provided project support for local governments but were also asked to evaluate project deliverables. These dual roles could create a conflict of interest. An advocate or coach role has a different focus than a regulatory or compliance role. A separation of such duties could address this potential conflict. Also, some liaisons worked in different sections and at different levels within the planning department. The program manager may not have the appropriate level of authority to ensure monitoring functions as it should.

When projects or circumstances changed, deliverables may not have been submitted as planned. Staff faced the choice to withhold payment until deliverables were met, approve the payment, or recommend an amendment to the contract. Making sure those decisions are made consistently could help improve grant monitoring and ensure consistent treatment of grantees.

Some contracts may not have aligned with original grant award

The program made some improvements to contract administration. A 'use it or lose it' clause and deadline requiring contracts to be developed within six months of the award was added in a revision of the program's rules. The rules also contain a provision to terminate agreements for underperformance. These changes may strengthen the program's controls related to contract administration.
However, other improvements could be made to better manage risks associated with contract amendments.

Amendments were made to most of the contracts we reviewed. Many extended timelines, while others changed project deliverables. Some amended projects appeared to be different from what was originally approved by Metro Council. We were told that substantial changes to a project would require Metro Council's approval, but it was unclear if or how such a standard was applied.

The program did not have written guidance or a policy to help determine when contracts should be amended. To determine if proposed amendments were appropriate, the program relied on staff judgment and informal decision-making. This could lead to inconsistent treatment of grantees.

One grantee changed the project area several months before a contract amendment was formally approved. It was unclear if these changes were significant enough to require a more formal or timely review and approval.

Some amendments allowed projects to receive payments despite being completed in ways that were different from the original proposal. One project did not implement a major funding condition, but was amended, allowing it to go forward. In another case, Metro amended a project and continued its funding, even though the project was largely complete and possibly at a lower cost than expected. We were told the decision to amend the contract was based on the grantee's need to retain grant-funded staff who were likely to implement a related Metro project. While this change did not increase the total amount for the project, the additional work was outside the scope of the original award.

We noted other issues with contracts. Two differed significantly from what was proposed. In other cases, contracts were developed with different jurisdictions than the original grant recipient. In one such case, two different contracts were approved which may have funded the same planning twice. Exhibit 9 summarizes the issues we noted for contracts and amendments for the projects we reviewed.

Exhibit 9: Risks related to sampled contracts

	Project					
	A	B	C	D	E	F
Contract different than award			✓			✓
Amendment changed contract somewhat from award	✓	✓	✓	✓		
Contract may have funded same planning twice					✓	

Source: Auditor's Office Analysis of contracts and amendments.

Some factors made it difficult for Metro to develop contracts that ensured projects were carried out as originally intended. Contract negotiation may happen before local governments develop a final project scope of work. Some projects from the second round were delayed because of a lawsuit. The contracts were negotiated months, in some cases, years later. Local jurisdictions indicated these delays may have impacted how well the completed project aligned with the original award or whether the project could go forward. These factors may make it more likely that contracts will be amended, which further emphasizes the need for clear guidance.

Few controls in place to manage some risks

Some risks were not managed. Although the program reviewed deliverables, it did not have a way of ensuring grant funds were used for their intended purpose. Contracts required local governments to maintain financial records for each project, but the program did not review these records, or require documentation of actual expenses before making payments. Other programs we reviewed had some verification of actual project expenditures.

Similarly, other programs verify that local governments provide matching funds or in-kind services. In 2015, the program began requiring a 10% local match, but we were told there were no plans to verify the match. Without some verification, the program will not know if grantees fulfilled their financial obligations.

The program had not established a consistent process for allocating extra funding, which could reduce transparency. Extra funds may result from higher than predicted tax revenue or if approved grants are less than the available funding. If there are avenues to receive grants outside the established selection process, making these opportunities known and defining the process would increase transparency.

In some years, additional funding was provided to grantees. About one year after the selection process concluded for round three, Metro Council approved additional funding for six projects. In the most recent round of funding, two "micro-grant" programs were proposed as ways to use excess funds and two projects were given additional funds for contract management services. Funds dispersed outside of the established process have the potential to raise questions about fairness and consistency.

Recommendations

To improve the performance measurement system Metro should:

1. Establish performance measures and targets to assess progress towards the program's goals.
2. Collect sufficient and reliable information for each performance measure.
3. Use performance data to assess and refine the program.

To be responsive to local govenment needs the program should:

4. Create consistent application timelines.
5. Specify in grant contracts the level of project support Metro will provide.
6. Survey local jurisdictions to get information about potential improvements.

To strengthen controls the program should:

7. Define roles and responsibilities for grant monitoring and train employees.
8. Separate duties that may be in conflict.
9. Establish a process to determine when contract amendments require Council approval.
10. Develop a process to verify project expenditures, including matching requirements.
11. Develop guidelines for allocating unexpected construction excise tax revenue and communicate to local governments the process that will be used to distribute these funds.

Management response

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Metro | *Memo*

Date: Friday, February 12, 2016
To: Brian Evans, Metro Auditor
From: Martha Bennett, COO
Elissa Gertler, Planning and Development Director
Subject: Metro Management Response to Metro Auditor's Report on the Community Planning and Development Grant Program

Thank you for the opportunity to respond to the audit of the Community Planning and Development Grants (CPDG) program. The audit provides a valuable review of the grant program to ensure that it is keeping pace with evolving policy objectives and best practices in programmatic grant administration.

This response briefly addresses each of the audit's three main areas of recommendations. We have also provided additional information where policy background or clarification are important to place the grant program and the audit's findings in context.

Policy Background: Alignment with Regional Planning Priorities

The audit states that the CPDG "has become less aligned with certain regional planning priorities over time" and proposes that grants should be more focused on implementation of Titles 6 and 11 of Metro's Urban Growth Management Functional Plan. These conclusions are grounded in a statement that the Functional Plan "…is the main implementation mechanism for a set of policy goals for the region, including the 2040 Growth Concept and Metro's Six Desired Outcomes." From there, the audit chooses Titles 6 and 11 as those most oriented towards development readiness and reviews grants to date with that lens.

Two clarifications might help to better understand the basis for CPDG:

- First, the Urban Growth Management Functional Plan is not the "Regional Plan" (as described in the audit) nor is it "the main implementation mechanism" for regional policy. It is simply the regulatory code through which certain regional policies are implemented. Metro's Regional Framework Plan is the document that describes regional policy and the 2040 Growth Concept. The Framework Plan is very clear that implementation can be achieved through a wide variety of regional, local, and private sector actions. Very few of the policy and investment actions called for in the Regional Framework Plan are embodied in Functional Plan regulations. Both the CET adopting ordinance and CPDG administrative rules allow Metro to invest in additional activities beyond local government implementation of Functional Plan requirements. Finally, all cities and counties in the region, except Damascus, are currently in compliance with Metro's Functional Plan so Metro's financial assistance is no longer needed for that baseline work.

- Second, the Council clearly intends to encourage development in job-creating employment and industrial areas with these grants. The selection of only Titles 6 and 11 from the Functional Plan would eliminate these areas from eligibility. Exhibit 4 of the audit ("Proportion of total project area inside prioritized areas") implies grants are straying from priority areas in the 2040 Growth Concept. However, those areas do not actually represent priority areas for Community Planning Development Grant assistance as defined by the Council.

Metro Council has directed staff to allocate CPDG funds to a variety of areas within the region and addressed by the 2040 Growth Concept. While the Functional Plan is an important part of implementing the 2040 vision and local implementation of its requirements is a fundamental element of the program, the CPDG is designed to be a tool that assists local governments with accomplishing their own policy and development goals where they are aligned with Metro's policy. This provides a mechanism to incent local governments to define how they will implement regional plans in the context of their own local efforts, resulting in outcomes that may go beyond the specific requirements of Metro's Functional Plan.

Recommendation: Performance Measurement

Measuring performance and progress toward achieving the goals of the 2040 Growth Concept is a fundamental element of the work of Planning and Development and Research Center. As such, we have developed a wide range of tools, techniques, and targets that allow us to measure the interrelated and interdisciplinary factors that affect real estate development, population and demographic forecasting, transportation system performance, environmental quality, and others. Together, this information provides an evolving dashboard for the region, that Metro can use to determine the level of success toward accomplishing shared goals. Council can then target specific resources, such as the Community Planning and Development Grants, to provide emphasis and focus on areas identified as needing additional investment or attention in order to accomplish the wide range of goals of the 2040 Growth Concept.

Establishing performance measures for the CPDG program can also help assess progress toward achieving regional goals and the specific impact of the planning activities supported by each grant. Prior to issuance of the audit, Metro was already working to improve how we measure and communicate the benefits and results of the program. Metro contracted with ECONorthwest in 2014 to conduct a thorough review of program performance in an attempt to both assess the program's impact to date and to recommend improvements moving forward. Furthermore, as noted in the audit, the last round of administrative rules changes ensure that new and future projects will be required to identify performance measures and potential data sources during the planning process. The information gathered will provide a better picture of the trends and quantitative data needed to assess effort that has been made with the grants (outputs) and with the changes that have occurred (outcomes) in the communities and region.

Staff will seek additional opportunities to use this information to define program performance metrics that can be tracked over time relative to program goals and objectives, being aware that program goals are likely to continue to evolve in future funding cycles as needs change and new planning and development practices emerge.

It is important to note that performance measures, including some suggested in Exhibit 6 of the audit, are very difficult to use in real-world situations because of the wide variety of factors affecting outcomes on the ground. The audit states that "program impact (is) unknown" but we believe it would be more accurate to say that the impact is difficult to measure quantitatively. As noted above the program has been renewed twice with broad stakeholder support, which clearly indicates program impact qualitatively.

Recommendation: Local Jurisdiction Support

We strive to provide excellent support to local jurisdictions to make the application and grant distribution process as straightforward as possible. Similar to other Metro grant programs, after each grant cycle staff updates program materials such as handbooks and application forms in response to feedback from local jurisdictions. We appreciate the audit's recommendations in this area and will address these findings as we move forward with current and future grants.

The audit notes inconsistency in the roles, training, and planning support by planning liaison staff to each grant. This may be partly attributed to the fact that the program has grown from a single topic (concept planning for new urban areas) to a variety of topics requiring many areas of planning expertise. As noted in the audit, we now have staff from across the department serving as liaisons; we have had to adjust rapidly to maintain the program without a commensurate increase in planning liaison resources. The Planning and Development Department's

Local Liaison program was developed in 2015 to provide training to ensure proper grant administration, ensure clear project deliverables, and clarify liaison roles, among other goals. Staff now track the time spent administering local projects. However, time budgeted for local project liaison activity will remain limited without a specific budget increase dedicated to this activity.

Recommendation: Program Administration and Management

Strengthening our grant monitoring method is a priority for management of risks. Staff members in the Planning and Development department and in the Office of Metro Attorney implement quality control measures to ensure consistency in the deliverables for project milestones, and to ensure that funding conditions are successfully addressed. Balancing customer service with the need to provide consistent and rigorous program administration is a necessary tension in any grant program. It is difficult and time consuming to create rules that anticipate every situation that may arise over time, so some measure of program flexibility and discretion will always be required. Management will review the auditor's recommendations in this area and will work to learn best practices from other grant programs internally to Metro and externally as we move forward with the current grant cycle and future cycles.

Clarification: Deliverables

The audit report stated that in many cases grant monitoring worked as it should, but in few cases, payment was made for deliverables that were not fully met, or the documentation was not clear.

The Metro Council has provided by rule that staff should exercise a certain amount of discretion to make appropriate adjustments when necessary, and amendments to the IGAs between Metro and grantees is allowed. In one of the cases cited by the audit, staff exercised professional judgment to ensure that the project could meet program goals. In the example, the location of a project was in a floodplain and the jurisdiction required balanced cut and fill, which is consistent with Metro's Title 3 requirements. However, there is a provision in Title 3 that excluded properties from balanced cut and fill that were already developed and committed, such as the northern portion of the project location. The grantee sought exemptions from floodplain rules in Title 3 because their modeling and analysis indicated a "no-rise" to the base flood elevation, and stated that development, excavation and fill could be performed in a manner to maintain or increase flood storage and conveyance capacity and not increase design flood elevations" without balanced cut and fill. Staff requested and the grantee provided detailed analyses and findings of the modeling. Upon review of these findings, staff recommended approval of the amendment. This experience reflects the fact that implementation of the program requires flexibility and significant subject matter expertise in order to best achieve local and regional goals.

Conclusion

We would like to thank you and your staff for this analysis and recommendations. We appreciate the effort to ensure that Metro achieves the greatest value for its investments so that regional and local objectives can be realized. We look forward to continued discussion of your recommendations and our implementation actions as the grant program moves forward.

cc: John Williams, Planning & Development Deputy Director
Ted Leybold, Resource Development Manager



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Agenda Item No. 4.0

Frequent Flyer Follow-Up Audit Presentation

Presentation

Metro Council Meeting
Thursday, March 3, 2016
Metro Regional Center, Council Chamber

Agenda Item No. 5.1

Consideration of Council Meeting Minutes on February 18, 2016

Consent Agenda

Metro Council Meeting
Thursday, March 3, 2016
Metro Regional Center, Council Chamber

Agenda Item No. 6.1

Resolution No. 15-4624, For the Purpose of Amending the Development & Finance Agreement for the Convention Center Hotel Project

Resolutions

Metro Council Meeting
Thursday, March 3, 2016
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE DEVELOPMENT AND FINANCE AGREEMENT FOR THE CONVENTION CENTER HOTEL PROJECT	)))))	RESOLUTION NO. 15-4624
	)	Introduced by Scott Cruickshank

WHEREAS, Metro owns and operates the Oregon Convention Center (OCC) with the expertise and oversight of the Metropolitan Exposition and Recreation Commission (MERC); and

WHEREAS, on April 26, 2012, the Metro Council directed staff to issue a Request for Proposals for the development of a privately-owned Oregon Convention Center hotel with limited public investment; and

WHEREAS, on September 13, 2012, the Metro Council via Resolution No. 12- 4365, ("For the Purpose of Selecting a Development Team for the Development of the Oregon Convention Center Hotel and Directing Staff to Commence Project Negotiations with Development Team") directed staff to commence Term Sheet negotiations with the Mortenson/Hyatt Development Team (consisting of Mortenson Development, Mortenson Construction, Hyatt Hotels Corporation, ESG Architects, Ankrom Moisan Architects, Piper Jaffray & Co., Jones Lang LaSalle Hotels and Star Terra LLC/Schlesinger Companies); and

WHEREAS, on June 26, 2014, the Metro Council via Resolution No. 14-4520, ("For the Purpose of Authorizing Execution of Development and Finance Agreement with the Oregon Convention Center Hotel Project Developer") authorized the Chief Operating Officer to execute the Development and Financing Agreement (DFA) with Mortenson Development, Inc. and Hyatt Hotels Corporation; and

WHEREAS, since execution of the DFA on July 3, 2014, closing of the transaction has been extended for various reasons, including the ongoing negotiations between Mortenson and Hyatt and the ongoing litigation challenging the proposed financing for the project, which litigation has recently been settled; and

WHEREAS, Mortenson and Hyatt's Initial Hotel Sale Agreement now requires significantly more design work be completed during the Predevelopment Period prior to Metro's obligation to fund; and

WHEREAS, staff recommends an amendment to the DFA to among other things (i) update terms to reflect actions that have taken place since the agreement was originally executed in 2014, (ii) extend closing to account for the increased level of hotel design work during the predevelopment period; (ii) incorporate certain commitments set forth in the Initial Hotel Sale Agreement between Hyatt and Mortenson; and (iii) provide further assurances regarding Metro's ability to deliver its financing contribution now that pending litigation has been settled; now therefore

BE IT RESOLVED THAT the Metro Council hereby approves amending the Development and Financing Agreement to address the general issues referenced herein and authorizes the Metro Chief Operating Officer to execute such an amendment in a form substantially similar to the draft attached as Exhibit A to this Resolution, or as otherwise approved by the Metro Attorney.

ADOPTED by the Metro Council this day of 2016.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

THIRD AMENDMENT TO
DEVELOPMENT AND FINANCING AGREEMENT

THIS THIRD AMENDMENT TO DEVELOPMENT AND FINANCING AGREEMENT (this "Third Amendment"), executed on _____, 2016 (the "Effective Date"), is entered into by and between Mortenson Development, Inc., a Minnesota corporation ("Developer"), and Metro, a municipal corporation organized under the laws of the State of Oregon and the Metro Charter ("Metro"). Hyatt Hotels Corporation, a Delaware corporation ("Hyatt"), is executing and delivering this Third Amendment for the limited purposes set forth on the signature page hereof.

A. Metro, Developer and (to the extent provided therein) Hyatt are parties to that certain Development and Financing Agreement dated July 3, 2014 (the "Original Agreement"), as subsequently amended on January 5, 2015 (the "First Amendment") and September 29, 2015 (the "Second Amendment") (as amended, the "Agreement").

B. Since the execution of the Original Agreement, Closing of the transaction has been extended for various reasons, including the ongoing negotiations between Developer and Hyatt and the ongoing litigation challenging the proposed financing for the Project.

C. On _____, 2016, Developer and Hyatt (or one of its affiliates) executed their Initial Hotel Sale Agreement (also referred to as the "Hotel Purchase Agreement"), which among other things requires significantly more design work be completed during the Predevelopment Period and provides for certain financial commitments from the purchaser upon its acceptance of the 30% Construction Drawings.

D. The Parties wish to enter into this Third Amendment to, among other things, (i) further extend Closing to allow Hotel design work to proceed during the Predevelopment Period; (ii) incorporate certain commitments set forth in the Initial Hotel Sale Agreement between Hyatt and Developer; (iii) provide further assurances regarding Metro's ability to deliver Metro's financing contribution at Closing as set forth in the Original Agreement; (iv) provide further assurances regarding Developer's ability to deliver its financing contributions at Closing; and (iv) provide further assurances regarding Hyatt's contractual obligations to purchase the Hotel.

NOW THEREFORE, in consideration of the mutual agreements herein, Developer and Metro hereby agree to amend the Agreement as follows (capitalized terms used herein without definition having the meanings provided in the Agreement):

1. The agreed-upon, final form of Room Block Agreement, attached as Attachment 2.1 to the Agreement, is hereby replaced in its entirety by the amended and restated Attachment 2.1. The parties agree that Hyatt and Developer will sign the Room Block Agreement at Closing for the purposes of taking on limited operation responsibly during the construction period. As set forth in the Room Block Agreement, if the Hotel Purchase Agreement is terminated in accordance with its terms, Hyatt shall have no further obligation under the Room Block Agreement.

2. All references to the SSTLTR Guaranty in Section 2.5, and elsewhere throughout the Agreement, are hereby deleted.

3. Section 2.9 of the Agreement, and all references to the PDC Loan Agreement, are hereby deleted, due to the fact that Developer no longer intends to borrow $4,000,000 from PDC.

4. Section 2.10 of the Agreement is amended to reflect that as of the Effective Date of this Third Amendment, PDC and Developer have an agreed-upon term sheet for the Block 47 Property. The parties anticipate that the PDC/Developer Block 47 Acquisition Agreement will be executed on or before _____, 2016.

5. Section 2.14 of the Agreement is amended to reflect that as of the Effective Date of this Third Amendment, PDC and Developer have an agreed-upon term sheet outlining the essential terms of the Parking Structure Development Agreement. The parties anticipate that the Parking Structure Development Agreement will be executed on or before _____, 2016.

6. The first sentence of Section 2.16 of the Agreement is amended and restated as follows:

> "Design-Builder (defined in Section 7.1) shall enter into an architectural services agreement with Elness Swenson Graham Architects, which will serve as the lead design firm (the "Architect Agreement")."

7. The first sentence of Section 2.18 of the Agreement is amended and restated as follows:

> "As of the Effective Date of the Third Amendment, Developer has executed an agreement (the "Initial Hotel Sale Agreement") to transfer the Hotel to Hyatt or a Hyatt assignee (as applicable, the "Initial Hotel Owner") upon completion of construction."

8. The last sentence in Section 2.18.2.4 of the Agreement is hereby deleted due to the fact that the Contractor Recruitment policy of FOTA is no longer applicable as a result of changes that will be made to MERC's contracting code. The following is inserted as Section 2.18.2.4: "In addition to the Employee Recruitment policy of FOTA, initial Hotel Operator shall implement the practices, policies and commitments set forth in the Oregon Convention Center Hotel Hiring and Employment Commitment, a copy of which is attached as Attachment 2.18.2.4 (or if Initial Hotel Operator fails to do so, it shall correct any such failure within 30 days of notice thereof)."

9. The Deed Restriction referenced in Section 2.19 shall be in the form attached hereto as Attachment 2.19. All references to the Restrictive Covenant in the Agreement shall be deemed to mean the Deed Restriction.

10. The Scope Documents, attached as Attachment 3.1 to the Agreement, are hereby replaced in their entirety by The Oregon Convention Center Hotel and Parking Ramp Presentation Package, dated August 10, 2015. These revised Scope Documents incorporate updated scope documents from the Initial Hotel Sale Agreement between Developer and Hyatt.

DRAFT

11. Section 5 of the Agreement is hereby amended to add the following paragraph at the end of the current language set forth in Section 5 in the Original Agreement:

"Developer represents and warrants that as of the date of this Third Amendment (a) Developer currently has an option to purchase the Project Site (other than the PDC-owned Block 47 Property), (b) Developer is not in default under the terms of such purchase option, and (c) Developer has full ability to exercise its rights to acquire the Project Site (other than the PDC-owned Block 47 Property)."

12. Section 6 of the Agreement is hereby amended and restated in its entirety as follows:

"SECTION 6 PREDEVELOPMENT ACTIVITIES

6.1 General

In order to meet an aggressive construction schedule, the Parties agree that Developer will undertake and be responsible for certain predevelopment activities in support of the design and construction of the Hotel, subject to the terms of this Agreement.

6.2 Definitions

For purposes of this Section 6, the following definitions apply:

6.2.1 "Predevelopment Period" means the period from the Effective Date to the earlier of (x) the Closing Date, estimated to be March 31, 2017, as such period may be extended by the Parties' mutual agreement, or (y) the date of termination pursuant to Section 22.3.2 or 22.3.3.

6.2.2 "Predevelopment Costs" means the reasonable and necessary Hotel related costs of Inspections, architectural and engineering services performed by Developer's contractors (including Metro-approved Retained Parties, where applicable) and transportation studies, and applications for and pursuit of entitlements, including any general City of Portland fee and land carrying costs, for the development of the Project and incurred by Developer during the Predevelopment Period. Notwithstanding the immediately preceding sentence, Predevelopment Costs do not include the following: (a) Developer's legal costs and expenses; (b) Developer's internal management, administrative and overhead costs; (c) travel and meal costs of the Developer and any contractor or consultant; (d) Design-Builder charges for marketing-related expenses; (e) costs incurred by Developer after a termination of this Agreement; (f) Hyatt's internal management, administrative and overhead costs and (g) costs not incurred during the Predevelopment Period.

6.2.3 "Inspections" means studies, tests, investigations, or analyses Developer deems necessary with respect to the physical condition of the Project Site, including surveys, utility analyses, architectural and engineering studies, a current conditions study, soils studies and environmental assessments.

6.3 Collaboration during Predevelopment Period.

During the Predevelopment Period, the Parties shall make good faith efforts to maintain a close and collaborative relationship at the highest decision making level to expedite crucial Project decisions, including Metro design review, in coordination with the OCC management. More specifically, Developer shall provide Metro with copies of all such meeting minutes as well as prior notice and the opportunity for Metro and or its consultants representing Metro to attend regularly scheduled weekly design coordination meetings. In addition, Developer will provide Metro with copies of written progress reports prepared by Developer, all construction consultant reports prepared by Hyatt and received by Developer, and notices of any default delivered or received by Developer.

6.4 Developer Predevelopment Responsibilities

During the Predevelopment Period Developer shall, with diligence and in good faith, and without cost to Metro except as provided under Section 6.6:

6.4.1 Acquire the architectural and engineering services for the Project necessary to develop Project design drawings prepared by an approved Retained Party consistent with the Scope Documents, as modified by the Drawings Metro approves pursuant to Section 6.5.3 below, and Hyatt brand standards (collectively, "Drawings"). The Drawings will be advanced to at least the level of detail and specificity of 30% Construction Documents, as is required by the Initial Hotel Sale Agreement and Developer Contribution Mortgage. The parties anticipate that the work done during the Predevelopment Period shall be completed in accordance with the Predevelopment Cost Schedule, which is attached hereto as Attachment 6.4.1. Any changes made to the Predevelopment Cost Schedule that change Metro's obligations pursuant to Section 22.3.2 of the Agreement shall be submitted to Metro in writing for approval. Metro shall respond to any such request for approval within fifteen (15) Business Days. If Metro does not object in writing, stating its objection in reasonable detail, Metro shall be deemed to have waived its approval right with respect to the requested approval.

6.4.2 Undertake and complete all Inspections of the Project Site to determine that the Project Site is suitable for Developer's intended use. The determination of the suitability of the Project Site shall be subject to Developer's satisfaction in its sole discretion exercised in good faith.

6.4.3 Prepare and complete the Closing Project Budget, including a mutually-agreed guaranteed maximum price based on "open book" subcontractor bidding and cost take-offs, developed from Drawings that will be advanced to at least the level of detail and specificity of 30% Construction Documents, as is required by the Initial Hotel Sale Agreement and Developer Contribution Mortgage. In accordance with Section 6.5.6 of the Agreement, Metro may review and approve the Closing Project Budget. Metro's process for reviewing and approving the Closing Project Budget is described in the Budget and Construction Management Process described in Attachment 6.4.3 attached hereto.

6.4.4 Actively participate in negotiations for any documents required for Closing that have not been agreed to as of the Effective Date;

6.4.5 Secure all land use entitlement permits, and building permits for the Project, in accordance with the terms of the Initial Hotel Sale Agreement; and

6.4.6 Use commercially reasonable efforts to secure the Developer Contribution for the Project, including the Developer Contribution Mortgage.

6.5 Metro Predevelopment Responsibilities

During the Predevelopment Period, Metro shall, with diligence and in good faith:

6.5.1 Actively participate in negotiations for any documents required for Closing that have not been agreed to as of the Effective Date;

6.5.2 Review and approve Drawings to be prepared by Developer to update the Drawings attached as Attachment 3.1, to reflect subsequent circumstances including the elimination of underground parking. Upon Metro's and Hyatt's approval of such updated Drawings they shall become the "Scope Documents."

6.5.3 Review and approve the Drawings, from the Scope Documents through and including the Drawings that Developer presents during the Predevelopment Period to the City Design Review process ("City Design Drawings"). Prior to Developer's formal submittal for City Design Review, Developer will submit progress Drawings to Metro for its review and comment, and Metro and Developer will work collaboratively, using such advisors as each may retain, toward the City Design Drawings to be formally submitted. Collaboration shall include, but not be limited to, Metro's attendance and participation in any City Design Advisory Review meetings prior to the formal submittal. Metro's approval rights under this paragraph will be limited to (a) the consistency of the Drawings with the Scope Documents; (b) the design objectives stated in Section 4.1 above as it relates to consistency with the design parameters as resolved in the "superblock" design review process; (c) the design aesthetic of the proposed Hotel exterior; (d) the functionality of the proposed improvements in relation to the OCC; (e) the features included in the Hotel design to meet at least LEED Silver level certification (for avoidance of doubt, if the features meet LEED Silver level Metro may not require features to meet a higher standard); (f) the consistency with the Hyatt Regency brand standards, including the interior elements, including FF&E; and (g) the hard and soft construction costs anticipated to construct the proposed Hotel. Metro shall respond to any request for approval within ten (10) Business Days. If Metro does not object in writing, stating its objection in reasonable detail, Metro shall be deemed to have waived its approval right with respect to the requested approval.

6.5.4 Review and comment on the drawings Developer prepares after the City Design Drawings but prior to the 30% Construction Documents.

6.5.5 Review and approve the 30% Construction Documents required by the Initial Hotel Sale Agreement and Developer Contribution Mortgage. Metro's approval rights under this paragraph will be limited to (a) the consistency of the 30% Construction Documents with the approved City Design Documents after the City Design Documents are approved; (b) the design aesthetic of the proposed Hotel exterior as it relates to consistency with the exterior design parameters as resolved in the City Design Review process; (c) the functionality of the proposed improvements in relation to the OCC; (d) the features included in the Hotel design to meet at least LEED Silver level certification (for avoidance of doubt, if the features meet LEED Silver level Metro may not require features to meet a higher standard); (e) the consistency with the Hyatt Regency brand standards, including the interior elements, including FF&E; and (f) the hard and soft construction costs anticipated to construct the proposed Hotel. Metro shall respond to any request for approval within ten (10) Business Days. If Metro does not object in writing, stating its objection in reasonable detail, Metro shall be deemed to have waived its approval right with respect to the requested approval.

6.5.6 Approve the Closing Project Budget and Schedule.

6.6 Predevelopment Cost Sharing.

As of the Effective Date of the Third Amendment, and in accordance with the terms of the First Amendment, Metro has reimbursed Developer for certain Predevelopment Costs incurred in the amount of Six Hundred Thousand and no/100 Dollars ($600,000). At Closing, Metro's payment of Predevelopment Costs pursuant to this Section 6.6 will be deemed part of Metro's disbursement of the Metro Grant."

13. Section 7.2 of the Agreement is amended and restated as follows:

"Elness Swenson Graham Architects will serve as the lead design firm ("Architect")."

14. The Initial Project Budget, attached as Attachment 8.1 to the Agreement, is hereby replaced in its entirety by the amended and restated Project Budget attached hereto.

15. The following language shall be added to as Section 10.3.4 to the Agreement:

"10.3.4 Upon completion, Metro may conduct a final audit to confirm compliance with the approved Drawings, compliance with applicable equal employment opportunity and non-discrimination laws, and cost of work for budget line-items that are allowances. The scope of such audit shall not include audit of costs of any work performed on a fixed price basis. Developer shall provide all documentation requested by Metro that is within the agreed scope of this audit process."

16. The Project Schedule, attached as Attachment 11.1 to the Agreement, as amended to date, is replaced in its entirety by the amended and restated Project Schedule attached hereto. Developer represents that the amended and restated Project Schedule mirrors the project schedule agreed upon by Hyatt in the Initial Hotel Sale Agreement.

17. Section 12.2 of the Agreement, entitled Developer Financing to Bridge Lottery Funds, is deleted in its entirety.

18. Section 13 of the Agreement is amended and restated in its entirety as follows:

"SECTION 13 METRO FUNDING

Subject to the satisfaction of the conditions in Section 17.1 below, Metro will provide the following Metro funding:

13.1 A Metro Grant in the amount of Four Million and no/100 Dollars ($4,000,000) less the $600,000 that Metro contributed towards the Predevelopment Costs as referenced in Section 6.6;

13.2 The net proceeds of the sale of the Metro Revenue Bonds, in the sum of Sixty Million and no/100 Dollars ($60,000,000). The price, the aggregate principal amount, and terms of the Metro Revenue Bonds shall be established by the terms of the VF IGA and Metro, in its sole discretion; and

13.3 The Lottery Funds from the State of Oregon in the amount of Ten Million and no/100 Dollars ($10,000,000).

19. On or before the Effective Date of this Third Amendment the parties to the three lawsuits referenced in Section 16.1.6 have executed a global settlement agreement. In accordance with such global settlement agreement, all litigation and pending appeals referenced in 16.1.6 have been dismissed by the Courts.

20. Section 16.1.7 of the Agreement is hereby is amended and restated in its entirety as follows:

"16.1.7 At Closing, and if neither Party has terminated the Agreement prior to Closing pursuant to any term in this Agreement, Metro will have the ability to provide the Metro Contribution in the manner required by and subject to the conditions of this Agreement."

21. Section 17 of the Agreement is hereby amended as follows:

(a) Section 17.1.1.1 is amended and restated in its entirety as follows: "Developer shall have prepared Drawings to at least the level of detail and specificity of 30% Construction Documents, as is required by the Initial Hotel Sale Agreement."

(b) Section 17.1.2.5 is amended and restated in its entirety as follows:

"17.1.2.5 Neither Developer, nor any affiliate shall be in material default under this Agreement or the Initial Hotel Sale Agreement with Hyatt, and all warranties and representations of Developer in this Agreement shall remain accurate, unchanged and in effect, as if made on the date of Closing."

(c) Section 17.1.2.6 is hereby deleted in its entirety.

(d) Section 17.1.2.7 is amended and restated in its entirety as follows:

"17.1.2.7. Metro, Developer, and Hyatt (or its affiliate) shall have executed and delivered the Room Block Agreement substantially in the form attached to the Third Amendment."

(e) Section 17.2.1 is hereby deleted in its entirety.

22. Section 18.1 of the Agreement is amended to extend the Closing Date to not later than March 31, 2017.

23. Section 22.3 of the Agreement is hereby amended and restated in its entirety as follows:

"22.3 Termination Prior to Closing

22.3.1 No Liability; Limitation of Remedy. Except as otherwise provided below in subsections 22.3.1 and 22.3.2, in the event this Agreement is terminated prior to the Closing, pursuant to any provision of this Agreement authorizing a Party to terminate prior to Closing (except for a termination on account of a breach), then Metro and Developer shall owe no further obligations to each other under the terms of this Agreement, and Metro and Developer shall have no liability to each other under the terms of this Agreement, except for claims already asserted in writing in this Agreement, which claims shall survive such a termination. In the event this Agreement is terminated prior to Closing on account of a breach or default by Metro, the parties hereby agree that the maximum amount of damages owed by Metro to Developer or Hyatt equal $3,400,000. In no event shall the total damages owed by Metro collectively to Developer or Hyatt exceed $3,400.000. Any amounts paid pursuant to Section 22.3.2 and/or 22.3.3 shall be credited towards the $3,400,000 referenced in this section.

22.3.2 Developer's Early Termination Right. As of the Effective Date of this Third Amendment, due to the evolving bond market the projected net proceeds from the sale of the Metro Revenue Bonds may be less than the $60,000,000 previously anticipated by the Parties. If by _____, 2016, or by the time Developer has notified Metro that it has completed the Design Review package (as ready for submittal to the City of Portland Bureau of Design Services), whichever is later (hereinafter, the "Commitment Deadline"), Metro has not provided reasonable proof to Developer of its ability to augment the bonds as necessary to provide $60,000,000 of net proceeds, Developer shall have a 14-day right to terminate this Agreement. Such 14-day termination right shall commence 3 days following the Commitment Deadline. If Developer exercises its termination right within the 14-day window, Metro shall reimburse Developer for 66% of all Predevelopment Costs Developer has incurred as of the Commitment Deadline, in a reimbursement amount not to exceed $3.4 million. If Developer fails to exercise its termination right within the 14-day window, then Developer shall be deemed to have waived the early termination and reimbursement rights provided for in this Section 22.3.2. Any Predevelopment Costs incurred by Developer will

only be reimbursable under this subsection to the extent they were incurred consistent with the Predevelopment Cost Schedule.

22.3.3 Metro's Limited Reimbursement Obligation. If at any point prior to Closing Metro determines that it is unable to deliver the Metro Contribution of $74,000,000, Metro may terminate this Agreement upon giving Developer fifteen (15) days' written notice. If at the time of such termination Developer has satisfied all its conditions precedent then due and expects to be able to fully perform all its obligations under this Agreement if not for the termination, Metro shall reimburse Developer for 66% of all Predevelopment Costs incurred as of the date Developer receives Metro's notice of termination, in a reimbursement amount not to exceed $3.4 million. Any Predevelopment Costs incurred by Developer or Hyatt will only be reimbursable to Developer to the extent they were incurred consistent with the Predevelopment Cost Schedule. The maximum amount of reimbursement that may be owed by Metro to Developer pursuant to Section 22.3.2 and Section 22.3.3 shall in no event exceed $3,400,000.

22.3.4 Developer and Hyatt. Developer agrees that upon receipt of any amount by Metro pursuant to Section 22.3.1, 22.3.2, or 22.3.3, Developer shall promptly distribute to Hyatt one-half of such reimbursement amount."

24. The parties agree that the obligations of Hyatt and its affiliates under the Room Block Agreement and the Restrictive Covenant shall terminate if the Agreement or the Hotel Purchase Agreement is terminated.

25. The Agreement is modified only in the specific respects set forth in this Amendment. Except as expressly modified, the Agreement remains unmodified and in full force and effect. This Amendment may be executed in counterparts. Delivery of this executed Amendment by facsimile or pdf shall be sufficient to form a binding agreement.

[*signature page follows*]

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SIGNATURE PAGE TO

THIRD AMENDMENT TO
DEVELOPMENT AND FINANCING AGREEMENT

IN WITNESS WHEREOF, Developer and Metro have executed this Amendment which shall become effective on and as of the Effective Date.

METRO	MORTENSON DEVELOPMENT, INC.
By:_____	By:_____
Name:_____	Name:_____
Its:_____	Its:_____
Date:_____	Date:_____

Hyatt joins in this Third Amendment for the limited purpose of agreeing to the rights and obligations of "Hyatt" as set forth in Sections 2.1, 2.5, 2.18, 2.19, 17.2, 22.3.4, and 23 of the Agreement, as amended by this Third Amendment, and subject to all applicable conditions to and limitations on such obligations. Subject to the foregoing, Hyatt shall not have any other rights or obligations under the Agreement or this Third Amendment.

HYATT HOTELS CORPORATION

By:_____

Name:_____

Its:_____

Date:_____

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Resolution 15-4624

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ROOM BLOCK AGREEMENT

by and between

METRO,

_____,

and

Hyatt Corporation

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NOTE: This instrument is the subject of a memorandum to be recorded against title to the Hotel Site.

ROOM BLOCK AGREEMENT

THIS ROOM BLOCK AGREEMENT ("Agreement") made and entered into as of the ____ day of _____, 201__ (the "Effective Date") by and among **METRO** ("Metro"), an Oregon municipal corporation, _____, a _____ limited liability company ("Owner"), and Hyatt Corporation, a Delaware corporation ("Initial Hotel Operator") (solely for purposes of the rights and obligations of Initial Hotel Operator under Section 9.13), recites and provides as follows.

RECITALS

Metro has a material interest in maximizing the performance of, and the quality of convention business attracted to, the Oregon Convention Center and encouraging convention and tourism business in the Portland metropolitan region and the State of Oregon.

In furtherance of those goals, and to facilitate the development of a full service convention center hotel connected to the Convention Center, Metro has entered into a Development and Funding Agreement with Owner or its affiliate, under which the parties have agreed, among other things, to enter into a room block agreement pursuant to which specific percentages of the Hotel's guest rooms will be reserved for specific periods of time for attendees, participants and planners of high-impact events at the Convention Center. Metro and Owner intend that this Agreement satisfy such room block agreement requirement.

Owner and an affiliate of Initial Hotel Operator have entered into the Purchase Agreement (as defined below) and is executing and delivering this Agreement in anticipation of the closing under the Purchase Agreement (as defined below).

AGREEMENT

In consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged and confessed by the parties hereto, Metro, Owner, and Initial Hotel Operator hereby covenant and agree with each other as follows:

ARTICLE I
DEFINED TERMS

In this Agreement, these terms shall have the following meanings:

"Available Guest Rooms" means, as of any date in question, all of the Hotel's existing guest rooms (including suites), excluding any guest rooms that are reasonably projected to be unavailable on the dates in question due to renovations, repairs (including, without limitation, repairs due to events of casualty that have occurred), scheduled maintenance, or Force Majeure. For the avoidance of doubt, Available Guest Rooms does not include meeting space; provided that Operator shall make reasonable efforts to provide meeting space to meet the needs of the Potential Convention Center Customer, subject to space availability.

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"Business Day" means a day other than a Saturday, a Sunday or a day on which national banks in Portland, Oregon are closed for business. If any action is required to be performed, or if any notice, consent or other communication is given, on a day that is not a Business Day, such performance shall be deemed to be required, and such notice, consent or other communication shall be deemed to be given, on the first Business Day following such non-Business Day. Unless otherwise specified herein, all references herein to a "day" or "days" shall refer to calendar days and not Business Days.

"City" means the City of Portland, Oregon.

"City-Wide Event" means a convention, trade show or other event during which a Potential Convention Center Customer in connection with such event, requests 600 or more guest rooms made available in hotels (including the Hotel) in Multnomah County, Oregon (including the City of Portland), in the aggregate, for one or more days while some or all of the event is held at the Convention Center (and, potentially, the day preceding the commencement of such event and the day following the conclusion of such event).

"Convention Center" means the Oregon Convention Center located at 777 NE Martin Luther King Boulevard, Portland Oregon, 97232.

"Development and Funding Agreement" means that certain Development and Funding Agreement between Owner and Metro dated July 3, 2014, as amended by amendments dated January 5, 2015, September 29, 2015, and _____, 2016.

"Event Block Projected Rate" has the meaning provided in Section 4.01(a).

"Event Night" means any night during a City-Wide Event (including the day preceding the commencement of and the day following the conclusion of such event, as contemplated in the definition thereof) for which (i) Metro has exercised its rights under Section 3.01(a) by giving a Room Block Request Notice to the Operator and (ii) in response to such Room Block Request Notice, 200 or more rooms have been booked, blocked or reserved by the Operator either (i) pursuant to a contract with the Potential Convention Center Customer or (ii) pursuant to Initial Offers or Amended Offers that have been accepted or are still outstanding. If such contracts are terminated or any of such offers are subsequently terminated or rejected, then any of the blocked rooms that were subject thereto shall no longer be considered blocked for purposes of this definition. If rooms are blocked under this Agreement for multiple City-Wide Events on the same night, that night (subject to the limitations set forth in Section 0) will be considered to be a single Event Night for purposes of calculating the Maximum Event Night Ceiling; but in no event shall any night during a City-Wide Event be considered an Event Night for purposes of the Maximum Event Night Ceiling if Metro has not given a Room Block Request Notice for that night in accordance with Section 3.01.

"Event Room Block" means a block of Available Guest Rooms (including select suites) at the Hotel offered to or reserved for the attendees of a City-Wide Event in response to a Room Block Request Notice.

"Force Majeure" means and includes causes without fault and beyond the control of a party, whether or not foreseeable, including, without limitation, fire, explosion, accident, flood,

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windstorm, earthquake, or other disaster or calamity, disruption of utility service; restrictive new governmental laws or regulations; acts of war (whether declared or undeclared), invasion, blockade, or sabotage; terrorism or threat thereof; riot, civil disturbance, insurrection or acts of public enemies; and strike, lockout or other labor action and inability to procure materials; provided that neither a material disruption of or material adverse change in financial, banking or capital market conditions or a material adverse change in the business, financial condition, operations, assets, liabilities or prospects of either party (not affecting its industry generally or arising from the conditions described above) shall excuse any failure or delay in performance under this Agreement.

"Hotel" means the hotel to be constructed by Owner on the Hotel Site pursuant to the Development and Funding Agreement, including any expansion thereof, together with all supporting hotel facilities and amenities.

"Hotel Site" means the tract or parcel of real property described on Exhibit A attached hereto and made part hereof.

"Management Agreement" means the hotel operating or management agreement between Owner and the Operator that exists from time to time, as it may be extended, supplemented, amended or replaced from time to time.

"Maximum Event Night Ceiling" means the maximum number of Event Nights in any calendar month during which Owner or Operator shall be obligated to provide Event Room Blocks pursuant to this Agreement. The Maximum Event Night Ceiling is fifteen (15) Event Nights per calendar month.

"Maximum Event Room Block" means (a) for a City Wide Event scheduled to occur thirty-six (36) calendar months or more from the Initial Offer, 83.4% of all of the Hotel's Available Guest Rooms, (b) for a City Wide Event scheduled to occur between twenty-four (24) and the end of the thirty-fifth (35) calendar months from the Initial Offer, 50% of all of the Hotel's Available Guest Rooms, and (c) for any other City Wide Event, 0% of all the Hotel's Available Guest Rooms.

"Midweek" means Sunday through Thursday, inclusive.

"Notice" or "notice" means each and every communication, request, reply, or advice required or permitted to be given, made or accepted by any party to this Agreement to any other party to this Agreement, each of which shall be given in writing, and deemed received by the intended recipient, in accordance with Section 9.05.

"Opening" means the opening of the Hotel to the public for business.

"Operator" means the entity responsible for overseeing the day to day management of the Hotel.

"Owner" means the entity defined as "Owner" in this Agreement's preamble and each subsequent owner of all or any part of the Hotel Site.

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"Potential Convention Center Customer" means a person, entity, group or association (or any combination thereof) that is planning a City-Wide Event.

"Purchase Agreement" means that certain Hotel Purchase Agreement between Mortenson Development, Inc. and _____ dated as of _____, 2016

"Operator's Initial Projected Event Block Schedule" shall have the meaning set forth in Section 4.01(b).

"Operator's Subsequent Projected Event Block Schedule" shall have the meaning set forth in Section 4.01(c).

"Pre-Opening Period" means the period commencing on the date hereof and ending on the date of opening of the Hotel to the general public.

"Revised Rate Quote" shall have the meaning set forth in Section 3.01(d).

"Weekend" means Friday and Saturday.

ARTICLE II
TERM OF THIS AGREEMENT

2.01 Commencement of the Term. The term of this Agreement (the "Term") shall commence on the Effective Date.

2.02 Expiration of Term. The Term shall continue until the earlier to occur of:

(a) the date upon which the Convention Center is no longer designated by Metro as the region's principal convention center;

(b) the date upon which the Convention Center is no longer operated and maintained consistent in all material respects with the Convention Center Standard of Operation (as defined in Section 6.01); provided, that, no expiration of the Term pursuant to this Section 2.02(b) shall be deemed to have occurred unless and until (1) Owner has provided to Metro written notice (the "CC Standard of Operation Failure Notice") of any alleged failure by Metro to operate and maintain the Convention Center in a manner consistent in all material respects with the Convention Center Standard of Operation ("Convention Center Operating Default"), which notice (to be effective as such) must state with reasonable specificity the reasons why Owner believes that the Convention Center is no longer being operated or maintained in accordance with the Convention Center Standard of Operation (*e.g.*, if Owner believes the Convention Center is not being maintained in accordance the Convention Center Standard of Operation, Owner's notice shall describe the deficiencies in maintenance with reasonable specificity), and (2) Metro has failed to remedy such Convention Center Operating Default within one hundred eighty (180) days (the "Initial Cure Period") (such initial 180-day cure period to be extended for delays resulting from Force Majeure and, if the nature of the failure is such that the same cannot reasonably be expected to be cured within said 180-day period, such 180-day period shall be extended such period of time as is reasonably necessary to

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effect such cure so long as Metro commences the cure promptly and uses commercially reasonable, diligent efforts to complete such cure as soon as reasonably practicable).

(i) Notwithstanding the foregoing, if the Convention Center Operating Default is one that can only be cured by the expenditure of material capital resources and Metro does not have sufficient capital reserves allocated for such capital work, such Initial Cure Period shall be extended for an additional one hundred eighty (180) days (the "Cure Extension Period"), provided that, at the expiration of the Initial Cure Period: (1) Metro has developed a capital plan and project timeline (the "Capital Plan") for cure of the Convention Center Operating Default, (2) Metro shall have met and conferred with Owner and Operator and take Owner and Operator's comments and opinions into consideration in good faith in an effort to ensure that the Capital Plan is sufficient to cure the Convention Center Operating Default; provided that the final decisions with respect to the Capital Plan shall rest with Metro; and (3) Metro is making good faith, commercially reasonable best efforts to obtain the funding required to carry out such Capital Plan. If Metro meets the requirements set forth above in (1), (2) and (3) above, the Cure Extension Period shall continue to be extended for the time necessary to complete the work in the timeline set forth in the Capital Plan, provided that (x) the funding required to complete such work is in place and the work has commenced no later than three hundred sixty (360) days following receipt by Metro of the CC Standard of Operation Failure Notice and (y) such work is completed no later than 36 months following receipt by Metro of the CC Standard of Operation Failure Notice.

(ii) To the extent Owner determines that Metro's Capital Plan will not cure the Convention Center Operational Default, Owner shall provide Metro with written notice of such determination within sixty (60) days following receipt of the Capital Plan at the expiration of the Initial Cure Period. Any such dispute over the Capital Plan shall be resolved in accordance with the procedures described in Exhibit B.

(iii) Notwithstanding the foregoing, Metro shall have the right to contest Owner's determination that the Convention Center is not being operated or maintained in accordance with the Convention Center Standard of Operation by giving Owner notice of such contest within sixty (60) days following receipt of the CC Standard of Operation Failure Notice, in which event such dispute shall be resolved in accordance with the procedures described in Exhibit B. If Metro elects to contest Owner's determination, then the commencement of the Cure Period shall be delayed until the date of determination by arbitration that the Convention Center was not being operated and maintained consistent in all material respects with the Convention Center Standard of Operation.

(d) the thirty (30) year anniversary of the date of this Agreement should, after such date, Owner elect to no longer operate the improvements on the Hotel Site as a hotel.

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2.03 No Restriction. Nothing in this Agreement limits or prohibits Metro from entering into room block agreements with other hotels to support and service the needs of the Oregon Convention Center. Any such additional or future agreement(s) entered into by Metro shall not effect this Agreement nor shall such agreements be deemed subordinate to this Agreement in any respect.

ARTICLE III
ROOM BLOCK COMMITMENT; RELEASE OF BLOCK

3.01 Room Block. In accordance with (and subject to the limitations applicable to Maximum Event Room Block requests) this Agreement, during the Term Metro may from time to time require the Operator to offer an Event Room Block to Potential Convention Center Customers in connection with a City-Wide Event. Notwithstanding anything herein to the contrary, Metro shall not have the right to require the Operator to offer an Event Room Block to Potential Convention Center Customers if (a) the number of Event Nights requested in the Room Block Request Notice for such Event Room Block would cause the Maximum Event Night Ceiling to be exceeded, or (b) the total number of rooms requested to be blocked in such Room Block Request Notice on any Event Night exceeds the number of rooms Operator is required to offer to block for all requests outstanding pursuant to Section 3.01(b). Subject to the limitations set forth in the preceding sentence and elsewhere in this ARTICLE III, the right to require that the Operator so offer the Event Room Block will be exercised in accordance with the following procedures:

(a) A management, sales or booking representative of Metro ("Sales Representative") will notify the Operator that a Potential Convention Center Customer is seeking offers from local hotels to accommodate, among other needs, the guest room needs of the Potential Convention Center Customer for a City-Wide Event (the "Room Block Request Notice"). The Room Block Request Notice will (i) identify the Potential Convention Center Hotel Customer, (ii) set forth a documented history of the group's room block events for the most recent three year period including a comparison of the number of rooms blocked and the actual number of rooms actually used, provided such information is readily available to Metro, (iii) list the specific dates for which the Potential Convention Center Customer will require blocks of guest rooms (including those dates commonly known as "move in" and "move out" dates), and (iv) specify the number of guest rooms in the Hotel the Potential Convention Center Customer is seeking to block on each of the specific dates. Notwithstanding the provisions of Section 9.05 or the definition of "Notice" set forth above, the Room Block Request Notice will be communicated to the Operator in the same manner as such notifications are customarily communicated by the Sales Representative to other hotels in the City.

(b) Unless such deadline is extended in writing by the Sales Representative, within five (5) Business Days after Operator's receipt of a Room Block Request Notice for a City-Wide Event, Operator will deliver to the Potential Convention Center Customer, with a copy sent to the Sales Representative, an initial written offer in response to the Room Block Request Notice (the "Initial Offer"). In the Initial Offer, the Operator will (i) offer to the Potential Convention Center Customer to block, on each specific date that the Potential Convention Center Customer requires a block of guest rooms as specified in the Room Block Request Notice, the lesser of (A) the actual number of the guest rooms in the Room Block Request

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Notice for each specific date, or (B) the applicable Maximum Event Room Block for such date after deducting from the applicable Maximum Event Room Block the following:

(1) any previously offered Event Room Blocks under this Agreement for other City-Wide Events covering such dates, which offers have either been accepted or are still outstanding,

(2) any guest rooms released by Metro pursuant to Section 3.01(i), and

(3) in the case where the Maximum Event Night Ceiling for such month to which such block relates had previously been reached but, due to subsequent cancelations of bookings there remain, as of the date of request for the Initial Offer, available Event Nights for such month, then less the number of rooms booked, blocked or reserved by Operator (i.e., rooms that were booked or reserved, or were offered by Operator to be booked, blocked or reserved under offers that have either been accepted or are still outstanding) following the date such Maximum Event Night Ceiling had been reached and prior to such cancelations,

and (ii) quote a specific room rate for a standard single and double room and suites (the "Rate Quote"). The amount of the Rate Quote in the Initial Offer will be at the sole, but good faith, discretion of the Operator.

(c) The Rate Quote included by Operator in the Initial Offer shall be determined in Operator's sole, but good faith, discretion, and in determining such rate, Operator shall be entitled to take into account, among other considerations, the level of food and beverage services that the Operator anticipates the Potential Convention Center Customer will purchase in the Hotel. In making the Rate Quote, the Operator also will take into account seasonality (i.e., using group event guest room rates received in a calendar month as the basis for quotes for the same month in subsequent calendar years), Midweek versus Weekend rates, and special events that occur regularly during the applicable period). In addition, rates for groups whose stay consists of both Midweek and Weekend days shall be determined in accordance with Operator's booking policies described in Section 3.01(f).

(d) After reviewing the Initial Offer, the Sales Representative may consult with the Operator regarding the Rate Quote contained in the Initial Offer. If prior to acceptance of the Initial Offer (or any amendment thereto voluntarily offered by the Operator to the Potential Convention Center Customer), Metro reasonably and in good faith believes that it might be in Metro's best interest to compel the Owner to offer the Potential Convention Center Customer an alternative rate structure, Metro may, after good faith consultation with the Operator and within thirty (30) days following receipt of the Initial Offer, elect to require (which election shall be communicated by Notice from Metro to the Operator) the Operator to offer to the Potential Convention Center Customer a rate lower than the rate in the Initial Offer, but in no event lower than Event Block Projected Rate (such written election being the "Block Notice"). Upon receipt of the Block Notice, Operator shall, within two (2) Business Days thereafter, amend the Initial Offer by substituting the Revised Rate Quote (the "Amended Offer").

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(e) The Initial Offer or the Amended Offer (if applicable) shall remain open for acceptance by the Potential Convention Customer until the sixtieth (60th) day following the date of the Initial Offer or Amended Offer. The date of expiration of the Initial Offer or Amended Offer, as the case may be, is herein referred to as the "Offer Expiration Date".

(f) If either the Initial Offer or the Amended Offer is accepted by the Potential Convention Center Customer prior to the Offer Expiration Date, Operator shall negotiate in good faith a binding contract with the Potential Convention Center Customer applying Operator's customary booking policies to the Event Room Block (the "Room Block Contract"), including policies relating to contracts, advance deposits and cancellation, provided that these policies shall adhere to the general customs employed by the Operator and as is customary in the industry. If a Potential Convention Center Customer has not for any reason (other than Operator's breach of its obligations set forth in the preceding sentence) signed a contract with the Operator with respect to such Initial Offer or Amended Offer, as the case may be, on or before the Offer Expiration Date, then such offer will expire, whereupon the Owner shall have no further obligation to Metro or the Potential Convention Center Customer in regard to such City-Wide Event under the Initial Offer or the Amended Offer, as the case may be. However, if such offer expires at a time when there are more than twenty-four (24) months prior to the first Event Night of the Potential Convention Center Customer's City-Wide Event, nothing in this Agreement shall prohibit Metro from issuing a new Room Block Request Notice for such City-Wide Event in accordance with, and subject to the provisions of, this Section 3.01.

(g) If a Potential Convention Center Customer signs a Room Block Contract with the Operator but later provides notice to the Operator that it is terminating such contract, the Operator, after Notice to Metro, will have no further obligation to Metro in regard to the Event Nights covered by the Room Block Request Notice (which shall be deemed released from the obligations hereunder), but only if such termination notice is given by the Potential Convention Center Customer on a date less than twenty four (24) months before the first Event Night. If such notice of termination is given on a date more than twenty four (24) months before the first Event Night, then, unless rooms are blocked under this Agreement for such Event Nights for another City-Wide Event, the Event Nights covered by the Room Block Request Notice for such City-Wide Event will not be included in calculating the Maximum Event Night Ceiling, and Metro may again deliver a Room Block Request Notice in accordance with, and subject to the limitations set forth in, this Section 3.01; provided, however, Operator will have no obligation to cancel any bookings to accommodate such subsequent request (for example, as provided in Section 3.01(j), once the Maximum Event Night Ceiling has been reached the Operator is free to book rooms hereunder for such month and Operator shall not be obligated to cancel any rooms reservations for such month to accommodate a replacement block). Metro recognizes that the Owner or Operator may be entitled to collect cancellation fees from such Potential Convention Center Customer and Metro hereby consents thereto and agrees that Metro shall have no right or claim to all or any portion of such fees. Similarly, the Owner recognizes that Metro may be entitled to collect cancellation fees from such Potential Convention Center Customer pursuant to the contract between Metro and the Potential Convention Center Customer and the Owner hereby consents thereto and agrees that Owner shall have no right or claim to all or any portion of such fees.

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(h) If a Potential Convention Center Customer signs a Room Block Contract with the Operator, then Operator will reserve rooms included in an Event Room Block for such customer for purchase by the persons attending the applicable event until the date required under the Room Block Contract executed with such Potential Convention Center Customer, after which time any unbooked rooms shall be released from such Event Room Block and may be rented for the dates covered by such Event Room Block at any rate to any person Operator selects without restrictions imposed by this Agreement. Any such Room Block Contract executed with a Potential Convention Center Customer must contain reasonable, market room-release terms. If within sixty (60) days prior to the applicable event, the number of rooms actually booked is less than the number of rooms blocked, then Operator may request Metro to release some or all unbooked rooms and Metro agrees not to unreasonably withhold such consent.

(i) If Operator has a potential booking that would not be permitted under the terms of this Agreement because it conflicts with Owner's requirements to provide Available Guest Rooms to a Maximum Event Room Block pursuant to Section 3.01 of this Agreement, Operator may by notice to Metro (with a copy to Owner) request that it be entitled to make such booking. Operator's notice shall be sent to the address of Metro under Section 9.05. Operator's notice shall specify the dates as to which such request applies and the number of event night rooms to which such request applies. Metro shall make best efforts to promptly acknowledge receipt of the request. If Metro does not provide its acknowledgement of receipt within forty-eight (48) hours of delivery of the request by Operator, Operator shall send another notice (the "Second Notification") and attempt to reach the appropriate designee by telephone to notify Metro of Operator's request. Owner shall make best efforts to promptly acknowledge receipt of the Second Notification. Upon Operator's receipt of the Acknowledgement from Metro, Metro shall have five (5) Business Days in which to respond to Operator's request by notice to the Operator; provided that a failure to respond within such five (5) Business Day period shall be deemed an approval of such request. Notwithstanding the forgoing, for the avoidance of doubt Metro shall be entitled to deny Operator's request in its sole but good faith discretion.

(j) Once the Maximum Event Night Ceiling is reached for a month, the Operator shall have the right to freely book the available rooms at the Hotel for that month, regardless of when the booking is made.

(k) Notwithstanding anything else contained in this Agreement to the contrary, if a Potential Convention Center Customer has (i) a documented history of causing material property damage or unusually heavy wear and tear in connection with group events or (ii) poor credit or a questionable payment history, then Operator shall have the right, at its option, to include in its Initial Offer to such Potential Convention Center Customer security, damage or other deposit requirements that, in Hotel Owner's judgment exercised in good faith, would compensate Operator and Owner for the damage, wear and tear or failure to pay (and, notwithstanding anything in Section 3.01(c) to the contrary, but subject to resolution of any dispute described below, Metro shall not have the right to require Operator to deliver an Amended Offer to such Potential Convention Center Customer that does not include such security, damage or other deposit requirements).

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ARTICLE IV
ROOM BLOCK PRICING

4.01 Event Block Projected Rate; Owner's Projected Event Block Rate Schedule.

(a) The "Event Block Projected Rate" shall be an amount equal to (i) 110% of the average group rate for the period commencing after the date hereof and ending on the date which is 36 months prior to the applicable event date, as reflected in the Operator's Initial Projected Event Block Rate Schedule or Operator's Subsequent Projected Event Block Rate Schedule (each as defined below) or (ii) 115% of the average group rate for the period commencing on the date which is 36 months prior to the applicable event date and ending on the date which is 24 months prior to such date, as reflected in the Operator's Initial Projected Event Block Rate Schedule or Operator's Subsequent Projected Event Block Rate Schedule.

(b) No later than sixty (60) days after the Closing Date (as defined in the Development and Financing Agreement), Owner shall cause Operator to provide to Metro a schedule of the projected Event Block Projected Rate for the first five (5) calendar years after the Opening (the "Operator's Initial Projected Event Block Rate Schedule"). The rates for each year included in Operator's Initial Projected Event Block Rate Schedule represent Operator's good faith forecast of the rates that will be included in the pro forma budget for the operation of the Hotel for such year and are the projections and forecasts being used by Operator in making its decisions, and planning for, bookings in the operation of the Hotel and the conduct of Operator's business generally.

(c) By no later than December 1 prior to each year commencing after the date hereof, Owner shall cause Operator to provide Metro a schedule of the projected Event Block Projected Rate for the ensuing five (5) calendar year period (each such schedule, an "Operator's Subsequent Projected Event Block Rate Schedule"). In addition, Operator shall have the right to amend the Operator's Subsequent Projected Event Block Rate Schedule on a quarterly basis by providing Metro an updated Projected Event Block Rate Schedule no later than five (5) business days prior to the close of each fiscal quarter (March 31, June 30, September 30, December 31). The rates (x) for the first twelve (12) months covered by the Operator's Subsequent Projected Event Block Rate Schedule shall be those set forth in the pro forma operating budget for the Hotel for such 12-month period that has been approved by Operator, and (y) for each other year covered thereby shall represent Operator's then-current good faith forecast of the rates that Operator project will be included in the actual pro forma budget adopted for the operation of the Hotel for such year and are the forecasts and projections being used by Operator in making its decisions concerning, and planning for, bookings in the operation of the Hotel and the conduct of Operator's business generally.

(d) Each of the Operator's Subsequent Projected Rate Schedule shall, when delivered to Metro, be accompanied by (i) copies of the previous year's actual monthly occupancy and average daily rates, (ii) reasonable evidence that the schedule has been approved by both Owner and Operator, and (iii) a certification from Owner to Metro indicating that the Event Block Projected Rate for each year set forth therein represents (x) for the first twelve (12) months covered thereby those set forth in the Owner's pro forma operating budget for such 12-month period that has been approved by Owner and Operator, and (y) for each other year covered

thereby, Owner's and Operator's good faith forecast of the rates that Owner and Operator project will be included in the actual pro forma budget adopted for the operation of the Hotel for such year and are the forecasts and projections actually being used by Owner in making its decisions, and planning for, bookings in the operation of the Hotel and the conduct of Owner's business generally.

(e) Subject to the provisions set forth in this subsection (e) and in subsection (f) below, the rates reflected in the Operator's Initial Projected Event Block Rate Schedule and each of the Operator's Subsequent Projected Event Block Rate Schedules shall be the "Event Block Projected Rate" for each of the five (5) years covered by, as applicable, the Operator's Initial Projected Event Block Rate Schedule or the then current Operator's Subsequent Projected Event Block Rate Schedule. The parties recognize that, subject to subsection (c) above, the Event Block Projected Rate may change each year, it being understood that each Operator's Subsequent Projected Event Block Rate Schedule and the Event Block Projected Rate reflected therein shall supersede all previously issued Operator's Subsequent Projected Event Block Rate Schedules even though the same relate to the same years[1].

(f) Within five (5) business days of its submission to Metro, Owner and Metro shall meet to review and discuss the Operator's Subsequent Projected Event Block Rate Schedule (the "Annual Rate Pricing Meeting"). If, following the Annual Rate Pricing Meeting, Metro objects to the reasonableness of the rates set forth in the Operator's Subsequent Projected Event Block Rate Schedule, Metro shall provide Owner and Operator with Notice of such objection within three (3) business days following the Annual Rate Pricing Meeting. Such Notice shall include the reasoning behind Metro's objection, as well as supporting documentation. Operator shall take such objection into consideration in good faith and, to the extent Operator agrees with Metro, shall make Metro's recommended changes; provided that the final decision with respect to the information set forth in the Operator's Subsequent Projected Event Block Rate Schedule shall be made by Operator in its sole discretion.

4.02 Confidentiality.

(a) Subject to its obligations under the Oregon Public Records Law (the "Public Records Law") in force in the State of Oregon, as may be amended from time to time, Metro will not disclose any Initial Offer or Amended Offer, any information provided by Operator under Section 3.01(k) or any information obtained pursuant to Section 4.01 to any person or entity other than (i) its employees, accountants, counsel and other consultants who have a need to know such information, (ii) Owner and its officers, directors, employees, accountants, counsel and other consultants, (iii) Owner's existing and proposed lenders, (iv) Operator and

[1] The following is an example of the "rolling" nature of the determination of the Event Block Rate: assume that the Operator issues, on December 1, 2020, an Operator's Subsequent Projected Event Block Rate Schedule. That schedule will cover the period commencing January 1, 2021 and ending December 31, 2025 [the "2021 Schedule"]. Then assume that on December 1, 2021, Owner issues an Operator's Subsequent Projected Event Block Rate Schedule. That schedule will cover the period commencing January 1, 2022 and ending on December 31, 2026 [the "2022 Schedule"]. The 2022 Schedule will, as to any Block Notice issued on or after January 1, 2022, supersede the 2021 Schedule and all prior schedules covering the years 2022, 2023, 2024 and 2025 and shall govern the determination of the Event Block Rate with respect to such Block Notice).

its officers, directors, employees, accountants, counsel and other consultants, or (v) in connection with any legal proceeding (or alternative dispute resolution procedure) between Metro and Owner and/or Operator, provided that Metro shall use reasonable efforts to obtain confidential treatment of same. Neither Owner nor Operator will disclose any information provided by Metro to Owner or Operator hereunder to any person or entity other than (1) their respective affiliates, and the employees, accountants, counsel and other consultants of Owner, Operator and their respective affiliates who have a need to know such information and their respective partners, members, shareholders, and other holders of direct or indirect beneficial interests in Owner or Operator, (2) the Owner's existing and proposed lenders and investors and any proposed replacement Operator, (3) prospective purchasers of the Hotel or (4) in connection with any legal proceeding (or alternative dispute resolution procedure) between Metro and Owner and/or Operator, provided that Owner and Operator shall use reasonable efforts to obtain confidential treatment of same.

(b) Metro shall provide timely written notice to Owner and Operator of any request received by Metro pursuant to the Public Records Law requesting information held by Metro to which Owner or Operator may assert "confidential information" or "trade secret" status under the Public Records Law, all for the purpose of providing Owner and Operator an opportunity to seek to protect such information from disclosure. Metro makes no representation as to how the Multnomah County District Attorney will rule on any open records request, but subject to Owner or Operator timely filing a request with the Multnomah County District Attorney seeking non-disclosure of the requested information, Metro agrees to withhold disclosure of information covered by this Section until required to release it by the Multnomah County District Attorney or a court of competent jurisdiction, and to cooperate with Owner and Operator in asserting its exemption claims under the Public Records Law.

ARTICLE V
STANDARDS OF HOTEL OPERATION

5.01 Standards. Subject to Section 5.02, at all times during the term of this Agreement, Owner shall, to the extent the Hotel is being operated, cause the Operator to operate and manage the Hotel in accordance with the Management Agreement. Subject to Section 5.02, at all times, Owner shall operate, or cause an Operator to operate, the Hotel in a manner generally consistent with the general physical and service standards applicable to other upper, upscale full service hotels, as such designation is determined and published by Smith Travel Research, or, if Smith Travel Research is no longer available to provide, or ceases to provide, such designation, another classification source recognized in the hospitality industry acceptable to Metro and Owner (the "Hotel Standard of Operation").

5.02 Excused Performance. Owner and Operator shall not be obligated to perform the obligations under Section 5.01 at any time when any of the following occur or exist: (i) an event of Force Majeure arises; (ii) a casualty to or a taking of any of the Hotel; (iii) the making of repairs or for remodeling or renovation work; or (iv) when to do so would violate any legal requirement, criminal or civil, or subject Owner or Operator or their respective employees to a fine or penalty, whether criminal or civil in nature.

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ARTICLE VI
STANDARDS OF CENTER OPERATION

6.01 Standards. During the Term, Metro shall operate and maintain the Convention Center to at least the standard of quality consistent with the principal convention centers located in the following markets: Denver, Vancouver, Austin and Seattle (the standard herein referred to as the "Convention Center Standard of Operation," and the list of convention centers to be included as a reference point in the Convention Center Standard of Operation to be referred to collectively as the "Convention Center Competitive Set").

(a) If any convention center within the Convention Center Competitive Set shall cease to operate, or shall be deemed to no longer meet the standards appropriate for a convention center operated in a market comparable to Portland, then either Party may propose a replacement, and if agreed upon by the Parties, the Convention Center Competitive Set shall be amended accordingly as of the next succeeding Fiscal Year. In all cases, the Parties agree that the Convention Center Competitive Set shall be comprised of convention centers which are substantially comparable in terms of product quality, facilities, and size to the Convention Center. If the Parties are unable to agree on any replacements to the Convention Center Competitive Set proposed by either Party, either Party may submit the matter to Expert resolution pursuant to Section 6.01(b) below, and pending such resolution, no change shall be made to the Convention Center Competitive Set.

(b) For the purposes of this Section 6.01, the term "Expert" shall mean an individual or internationally recognized consulting firm mutually acceptable to Metro, Owner and Operator, each acting reasonably in respect of granting or withholding their approval, and who shall have at least ten (10) years of international hospitality consulting experience with regional knowledge of the hospitality industry, particularly in convention center operations. Each Party agrees that it shall not appoint an individual or consulting firm as an Expert hereunder if the individual or consulting firm is, as of the date of appointment or within six (6) months prior to such date, employed by such Party, either directly or as a consultant, in connection with any other matter. The Expert shall be jointly appointed by the Parties. If the Parties cannot agree on the Expert within 30 days of demand by either party, then either party may request the American Arbitration Association to make the appointment. The Expert shall: (i) give Metro and Owner notice in writing of his or her appointment and invite Metro and Operator, on Owner's behalf, to submit to the Expert within thirty (30) days of his or her appointment (the "Submission Period") their respective proposals and representations; (ii) be instructed to resolve any dispute with strict reference to all applicable provisions of this Agreement and (iii) issue a written opinion with respect to his or her determination within eight (8) weeks after the end of the Submission Period or otherwise within such period as the Parties may agree, which determination shall be final and binding on Metro and Owner (unless the decision of the Expert shall be manifestly contrary to the express provisions of this Agreement, in which event either Party may submit the dispute to arbitration subject to and in accordance with the provisions of this Agreement). Each Party shall share equally the fees and costs of the Expert.

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(c) If for any reason the provisions of Section 6.01(b) for the determination of Convention Center Competitive Set by an Expert shall completely fail, the issue shall then be referred to arbitration in accordance with Exhibit B.

ARTICLE VII
NO LIABILITY FOR PROPOSED CONVENTION CENTER CUSTOMER; OWNER RESPONSIBILITY TO CAUSE OPERATOR TO PERFORM

7.01 No Liability to Metro. In no event shall Metro be in any way responsible or liable for the performance by any Potential Convention Center Customer of its obligations under its contract with the Owner or Operator or for any charges, liabilities or other sums owed by, or liabilities of, such Potential Convention Center Customer (or for those for whom it blocks rooms) to either Owner or Operator.

7.02 Owner and Operator Responsibility; Authority to Grant Consents and Make Decisions. Subject to Section 9.13, Owner shall cause Operator to perform all of the covenants and agreements of the Operator under this Agreement, and to cause the Operator to observe all of the covenants and agreements of Operator hereunder. As of the Effective Date, Owner has delegated the performance of the obligations and rights assigned to the Operator hereunder to the Initial Hotel Operator and, upon termination of this Agreement with respect to Initial Hotel Operator pursuant to Section 9.13 or any termination of any management agreement with an Operator, shall delegate any or all of such responsibilities hereunder to any subsequent Operator pursuant to a subsequent Management Agreement, but no such delegation shall release or relieve Owner from its obligation to perform, or cause to be performed, all of its covenants and agreements set forth herein.

7.03 No Private Right of Action. This Agreement shall be enforceable against Owner solely by Metro and shall create no private right of action in any third party.

All consents, decisions, waivers, and determinations to be made or given hereunder by Metro may be made and given by the CC Executive Director (or any person designated from time to time by the CC Executive Director to Owner and Operator) (and shall thereupon be binding on Metro) and no inference to the contrary shall be made because the defined term "Metro" is used in some places in this Agreement and the word "CC Executive Director" is used in others.

ARTICLE VIII
EVENTS OF DEFAULT

8.01 Default. A default under the terms of this Agreement shall occur if any party hereto shall default in the performance of any of the terms, conditions or covenants contained in this Agreement to be performed or observed by it, and such party does not remedy such default within thirty (30) days after Notice or, if the default is of such character as to require more than thirty (30) days to remedy, then if such party fails to commence to cure and correct the default within said thirty (30) day period and thereafter prosecute such corrective action diligently and without interruption and complete the cure thereof within ninety (90) days following the original Notice of such default (an "Event of Default"). Notwithstanding the foregoing, the failure of

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Owner or Operator to comply with the provisions of ARTICLE III hereof within the time frames set forth therein shall, if not cured within three (3) Business Days following written notice from Metro to Owner and Operator, constitute an Event of Default by Owner hereunder without the need of any additional Notice and without any further opportunity to cure such Event of Default. All Notices of default shall be provided to Owner and to Operator and shall also be given to Owner's mortgagee (provided such mortgagee has provided Notice to Metro of its name and address where Notices to it hereunder are to be sent).

8.02 Remedies. If an Event of Default shall have occurred because of a breach of any provision hereof by Metro, on the one hand, or Owner on the other hand then the non-defaulting party shall have the right, at any time after the occurrence of said Event of Default to (i) initiate and thereafter prosecute an action in equity for the specific performance of any covenants or obligations to be performed by the defaulting party hereunder (Metro shall also have the right to seek and obtain an order of specific performance against the Operator so as to compel Operator, in its capacity as such under the Management Agreement, to comply herewith), (ii) suspend performance of its obligations under this Agreement while such uncured Event of Default exists, or (iii) exercise such other rights as shall be available at law or in equity, subject to the provisions below. In no event, however, shall this Agreement be terminated due to an Event of Default (provided that the foregoing shall not limit the provisions of Section 2.01). In no event shall Owner or Operator be liable for punitive damages, exemplary damages, or consequential damages; notwithstanding the forgoing, the parties hereby agree that nothing in this section bars Metro from recovering Convention Center lost profits that result from Owner/Operator's breach. Any claim for damages against Owner or Operator shall be barred if not commenced within one (1) year of the event or condition giving rise to such damages.

Each party acknowledges and agrees that its covenants, obligations and agreements set forth in this Agreement are a material and fundamental inducement for the agreements of each party set forth in the Development and Funding Agreement, such that actual damages may not be an adequate remedy at law for the breach hereof by Metro or the Owner. Accordingly, any party shall be entitled to seek relief mandating action by Metro and/or the Owner hereunder in accordance with this Agreement. In addition, each party recognizes and agrees that monetary damages could not be calculated to compensate the other party for any breach by the defaulting party of the covenants and agreements contained in this Agreement. Each party may restrain and enjoin any breach or threatened breach of any covenant, duty or obligation of the other party contained in this Agreement without the necessity of (i) posting a bond or other security, (ii) any showing of irreparable harm, balance of harms, consideration of public interest or the inadequacy of monetary damages as a remedy, or (iii) that the administration of an order for injunctive relief would be impracticable. In the event of any breach or threatened breach of any covenant, duty or obligation contained in this Agreement, the party breaching (or threatening breach) stipulates and agrees that the balance of hardships which weigh in favor of injunctive relief and that non-breaching party may seek and obtain injunctive or other form of ancillary relief from a court of competent jurisdiction in order to maintain the status quo and enforce the terms of this Agreement on an interim basis pending the outcome of the dispute or controversy hereunder.

Owner agrees to include in each Management Agreement a provision similar to the foregoing whereby the Operator makes such agreements to Owner with respect hereto.

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8.03 Owner's Reservation of Rights. Notwithstanding anything to the contrary contained in this Agreement, this Agreement shall in no way limit Owner's or Operator's rights and remedies against a Potential Convention Center Customer resulting from such Potential Convention Center Customer's default under a contract with Owner or Operator.

ARTICLE IX
ADDITIONAL PROVISIONS

9.01 Course of Dealing. The parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions, and certifications as may be necessary or appropriate, from time to time, to carry out the terms, provisions, and intent of this Agreement and to aid and assist in each other carrying out said terms, provisions, and intent. In addition, the parties acknowledge and agree that the successful operation of the Convention Center and the Hotel will be greatly affected by the future cooperation between Metro and Owner. The parties agree to maintain a course of dealing with one another based on a high level of cooperation, integration, and harmony between the Convention Center and the Hotel. In that regard, the parties agree that representatives of the Hotel and Metro will offer to meet on a not-less-than monthly basis to share information with respect to the ongoing and future operations of the Convention Center and the Hotel in an effort to provide the level of cooperation that will lead to the success of both the Convention Center and the Hotel. Metro and Owner agree to deliver to each other on at least an annual basis their capital improvement plans for the Convention Center and Hotel, respectively, and allow the other party to review and comment on the same.

9.02 Exculpation. The liability of Owner (and of any successor "Owner" hereunder during its period of ownership of the Hotel Site) under this Agreement shall be limited to its interest in the Hotel. Metro agrees that none of the Owner's or Operator's direct or indirect partners, members, managers, joint venturers, shareholders, directors, officers, agents and employees shall have any personal liability with respect to, or arising out of, this Agreement. In no event shall any employee, public official agent, or consultant of Metro ever have any personal liability with respect to or arising out of this Agreement.

Nothing within this Section 9.01 shall limit the right of any party to seek specific performance of the terms and provisions of this Agreement as provided in ARTICLE VIII.

9.03 Miscellaneous. If any term of this Agreement or any application thereof shall be invalid or unenforceable, the remainder of this Agreement and any other application of such term shall not be affected thereby. This Agreement may be changed, waived, modified or supplemented only by an instrument in writing signed by Owner and Metro. The headings in this Agreement are for purposes of reference only and shall not limit or define the meaning hereof. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

9.04 Estoppel Certificate. Within thirty (30) Business Days after request therefor by any party hereto or by Operator or by the holder of any loan made to Owner or Operator, the other party(ies) and Operator shall execute and deliver to the requesting party a statement in writing and reasonably satisfactory to the requesting party and directed to the requesting party (and, if requested, to the holder of any loan made to Owner or Operator) certifying that, to its knowledge,

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(a) this Agreement is unmodified and in full force and effect, (b) to the certifying party's knowledge the requesting party is not in default hereunder or, if in default, the nature thereof in reasonable detail, and (c) there are no defenses or offsets to the Agreement claimed by the other party.

9.05 Notices. Each Notice to be provided or given hereunder must be in writing (in some instances in this Agreement the words "written Notice" or "notice in writing" may be used and in others simply the word "Notice" or "notice" may be used; no inference is to be drawn therefrom as all Notices must be in writing) and must be delivered or provided in one of the following methods: (a) certified mail, return receipt requested, postage pre-paid and addressed to the party to whom such Notice is intended to be delivered; or (b) personal delivery to the addressee by courier or other means of hand delivery. Notice delivered by certified mail pursuant hereto shall be effectively given and received on the third (3rd) business day following deposit of the same in the United States Mail, postage pre-paid, addressed properly to the party to whom such notice intended. Notice by personal delivery shall be effectively given and received upon acceptance thereof by the addressee as confirmed in writing by a receipt executed by and retained by the party delivering such Notice.

to Metro: Metro
_____
_____
_____

with copy to: Office of the Metro Attorney
_____
_____
_____

to the Owner: Oregon Convention Center Hotel, LLC
_____
_____
_____
_____

with copy to: _____
_____
_____
_____

to the Operator: _____
_____
_____
_____

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with a copy to: _____
_____
_____
_____

Any mortgagee, trustee or beneficiary under any mortgage or deed of trust on the Hotel may by Notice to the parties set forth hereinabove designate an address to which Notices to it hereunder shall be sent. Any such party may from time to time by Notice as herein provided, designate a different address to which Notices to it shall be sent.

9.06 Transfer of Owner's or Operator's Interest.

(a) In the event of the sale, assignment or transfer by Owner of its fee interest in the Hotel Site (other than a collateral assignment to secure a debt of Owner) to a successor in interest (who shall, upon acceptance of title to or an interest in the Hotel Site or any part thereof, be deemed to have assumed the obligations of Owner hereunder arising from and after the date of such acceptance), the transferring Owner shall be released or discharged from all of its covenants and obligations hereunder; and Metro agrees to look solely to such successor in interest of Owner for performance of such subsequently occurring obligations. Notwithstanding the provisions of the preceding sentence, any successor Owner hereunder shall in all respects be obligated to honor any contract or agreement previously executed with a Potential Convention Center Customer in accordance with its terms and shall be bound by any outstanding Initial Offers or Amended Offers, each Room Block Request Notice and the Event Rate then in effect subject to and in accordance with the provisions of ARTICLE III.

(b) In the event that the Management Agreement with any Operator shall expire or terminate for any reason then the Operator under such Management Agreement shall be relieved from any obligations arising hereunder. Owner shall be obligated to secure the written consent and agreement of any replacement third-party Operator to comply with all of the terms, provisions and conditions set forth herein applicable to Operator; provided, that, a failure by Owner to do so shall in no way release or relieve Owner from performing the obligations of Owner and Operator hereunder.

9.07 Superiority of Agreement; Restrictive Covenant; Subordination.

(a) During the Term, the provisions of this Agreement shall constitute a restrictive covenant running with the Hotel Site, binding upon each owner thereof, and any and all operators or managers of the improvements thereon, and each and every other person or entity claiming or holding any interest in the Hotel Site, shall inure to the benefit of Metro (as owner of the Convention Center), and shall apply to any hotel now or hereafter located on the Hotel Site, or any portion thereof. Notwithstanding anything contained in this Agreement to the contrary, this Agreement shall be subject to and is hereby subordinated in all respects to all present and future first mortgages or first deeds of trust encumbering the Hotel Site. The parties agree not to record this Agreement and agree on the Effective Date to execute a memorandum of this Agreement (the "Memorandum") in a form to be reasonably agreed upon by Metro and Owner, which Metro shall cause to be recorded against the Hotel Site property in the real property records of Multnomah County, Oregon.

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(b) The parties recognize that the deed to the Hotel Site property is or will be encumbered by a separate restrictive covenant (the "Deed Restriction") that limits use of the Project Site to an upper, upscale hotel consistent with the Hotel Standards of Operations. For the avoidance of doubt, nothing within this Section 9.07 is intended to cause the Deed Restriction to be subordinate to mortgages or deeds of trust encumbering the Hotel Site.

(c) Metro shall provide to any mortgagee of the Hotel or Hotel Site of which Metro has notice ("Mortgagee") concurrent notice of any default by Owner or Operator under this Agreement. Metro and Owner shall not agree to any material amendment to the terms of this Agreement without the consent of Mortgagee. Mortgagee shall have the right to receive notice and to cure any default by Owner within thirty (30) days after such Mortgagee's receipt of such notice (or if such default is susceptible to cure but such cure cannot reasonably be completed within such thirty (30) day period, then within an additional, reasonable amount of time, not to exceed ninety (90) days in the aggregate, provided that such Mortgagee commences to cure such default within such thirty (30) day period and thereafter diligently pursues the cure to completion). A Mortgagee shall be deemed to have commenced to cure within the foregoing thirty (30) day period if control or possession of the Hotel Site is required to cure such default and such Mortgagee has initiated the legal process to obtain such control or possession within such thirty (30) day period and thereafter diligently endeavored to obtain control or possession. Mortgagee shall be entitled to participate in any arbitration proceeding under this Agreement.

9.08 Gender; Singular and Plural. As used herein, the neuter gender includes the feminine and masculine, the masculine includes the feminine and neuter, and the feminine includes the masculine and neuter, and each includes a corporation, partnership or other legal entity when the context so requires. The singular number includes the plural, and vice versa, whenever the context so requires.

9.09 Nature and Extent of Agreement. This Agreement contains the complete agreement of the parties regarding the terms and conditions of the Agreement. There are no oral or written conditions, terms, understandings or other agreements pertaining to the room block arrangements which have not been incorporated herein. The laws of the State of Oregon shall govern the validity, interpretation, performance and enforcement of this Agreement, without regard to conflicts of law principles. Multnomah County, Oregon shall be the exclusive venue for all suits or other legal actions arising out of this Agreement.

9.10 Binding Effect. Subject to express provisions hereof to the contrary, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns during the Term hereof. Furthermore, this Agreement shall automatically be deemed assigned and transferred to any future owner of the Convention Center (but only if such owner expressly assumes all of the obligations of Metro arising hereunder from and after the date of such assignment and agrees to be bound by the terms and provisions of this Agreement). In addition, the Operator shall be an express third party beneficiary of the obligations, duties and covenants of Metro hereunder.

9.11 Disputes. Except for disputes concerning the Convention Center Standard of Operation (which shall be resolved as provided in Section 6.01), all proceedings concerning disputes under this Agreement shall be heard by a court of competent jurisdiction. The parties

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hereby agree that such disputes shall be decided by a judge and hereby waive any right to trial by jury. The losing party shall pay the costs of litigation (including reasonable attorneys' fees) of the prevailing party.

9.12 Acknowledgement. Metro agrees that upon execution and delivery of this Agreement by Owner, Owner has fulfilled the obligations of Owner and its affiliates under the Development and Financing Agreement relating to a room block agreement.

9.13 Pre-Opening Period.

(a) The parties hereto agree that during the Pre-Opening Period, the Operator for the Hotel shall be the Initial Hotel Operator.

(b) The parties agree that the obligations of Initial Hotel Operator under Articles III and IV of this Agreement during the Pre-Opening Period shall be limited as follows: (i) Initial Hotel Operator shall have a Sales Representative only after the date which is 30 days after commencement of construction of the Hotel ("Preliminary Operations Date"); (ii) Initial Hotel Operator shall have no obligation to accept any Event Room Block, to make any Initial Offer, to make any Rate Quote, to make any Amended Offer, or to enter into any Room Block Contract prior to the Preliminary Operations Date; (iii) any offer of an Event Room Block, any Initial Offer, any Amended Offer, or any Room Block Contract during the Pre-Opening Period may be made by Initial Hotel Operator subject to such reasonable terms and conditions as Operator may determine. Without limiting the foregoing, Initial Hotel Operator shall have no obligations under Article V. The parties agree that any liability of Initial Hotel Operator for breach of this Section 9.13 shall be subject to the limitations in Section 8.02.

(c) Each party acknowledges that the closing under the Purchase Agreement may be delayed or may not occur and waives any claims such party may have against Initial Hotel Operator arising from any such delay or failure to occur (including claims arising from any cancellation or change in any bookings made pursuant to this Agreement).

d) Owner (i) hereby grants to Initial Hotel Operator the authority to fulfill its obligations under this Agreement and (ii) agrees to cooperate with Initial Hotel Operator in the performance of its obligations under this Agreement, including providing reasonable access to the Hotel and information held by Owner, subject to such regulations as Owner may reasonably impose.

(e) Owner agrees that Initial Hotel Operator is a beneficiary of the indemnity provided pursuant to Section 19.3 of the Purchase Agreement.

(f) If the Purchase Agreement is terminated, (i) the obligations of Initial Hotel Operator under this Agreement shall thereupon terminate and (ii) in accordance with the terms of the Development and Funding Agreement Owner shall promptly designate a replacement Operator reasonably acceptable to Metro and arrange for such replacement Operator to execute and deliver a joinder to this Agreement.

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9.14 Assignment. Operator may assign its rights and obligations under this Agreement to any affiliate of Operator; provided that no such assignment shall release Operator of its obligations hereunder.

Each of the parties hereto have caused this Agreement to be duly executed by their lawfully authorized representatives effective as of the Effective Date.

Owner:

_____,
a _____ limited liability company

By:_____
Name:_____
Title:_____

Initial Hotel Operator (solely with respect to Section 9.13):

Hyatt Corporation, a Delaware corporation

By:_____
Name:_____
Title:_____

Metro:

METRO,
an Oregon municipal corporation

By:_____
Name:_____
Title:_____

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EXHIBIT A

HOTEL SITE

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EXHIBIT B

BINDING ARBITRATION PROCESS

Arbitration Process. Binding arbitration of any dispute between the parties in regard to whether the Convention Center is being operated and maintained in a manner consistent in all material respects with the Standard of Operation shall be conducted in accordance with the following procedures ("Arbitration"):

Either party may request such Arbitration in writing, which writing shall be delivered to the other party. Arbitration shall be conducted in accordance with the American Arbitration Association ("AAA") by a single arbitrator to be appointed according to the rules of the AAA within thirty (30) days of the date the notice was delivered. The losing party shall pay the costs of arbitration and the prevailing party's costs (including reasonably attorneys' fees) . The award may be entered in any court, state or federal, having jurisdiction thereof. Any action to commence, conduct, or enforce such Arbitration proceeding, or for any other purpose, shall be brought in Portland, Oregon.

THE ARBITRATOR SHALL HAVE NO AUTHORITY TO AWARD ANY PUNITIVE OR EXEMPLARY DAMAGES OR TO VARY OR IGNORE THE TERMS OF THIS AGREEMENT, AND SHALL BE BOUND BY CONTROLLING LAW.

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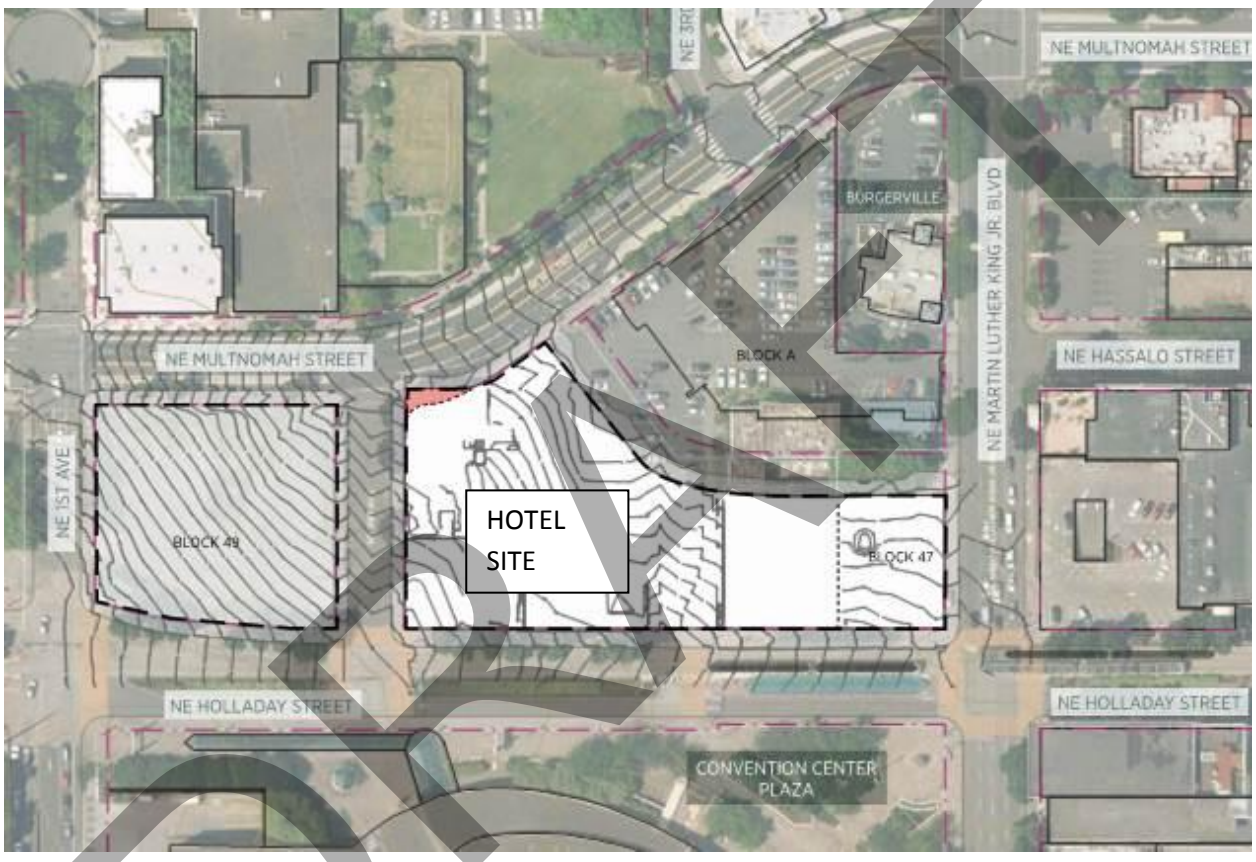

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After Recording, Return To:

_____
_____
_____

_____

DECLARATION OF DEED RESTRICTIONS AND REAL COVENANTS

THIS DECLARATION OF DEED RESTRICTIONS AND REAL COVENANTS (this "Declaration") is made this _____ day of _____, 2016, by [MORTENSON SPE], a _____ corporation ("Declarant"). Declarant is the owner of certain real property located in the City of Portland, County of Multnomah, commonly referred to as [INSERT ADDRESS/LOT BLOCK INFO], and legally described on Exhibit A attached hereto (the "Burdened Property").

Metro, an Oregon municipal corporation, is the owner and operator of the Oregon Convention Center. The Oregon Convention Center is located adjacent to the Burdened Property, on a parcel commonly referred to as [INSERT ADDRESS/LOT BLOCK INFO], and legally described on Exhibit B attached hereto (the "Benefited Property").

The Burdened Property shall be held, sold and conveyed subject to the use restrictions and real covenants set forth in this Declaration. This Declaration shall run with the land and shall be binding on Declarant's heirs, successors, assigns and all parties having or acquiring any right, title or interest in the Burdened Property or any part thereof, and shall inure to the benefit of Metro, its heirs, successors, assigns and all parties having or acquiring any right, title or interest in the Benefited Property or any part thereof. Any transferor of the Burdened Property shall upon transfer be relieved of any obligations hereunder from and after the date of transfer and the transferee shall be responsible for any such obligations.

Declarant expressly agrees to the following for the benefit of the Benefited Property:

> For the term of this Agreement the Burdened Property may be used only primarily as a hotel in a manner generally consistent with the general physical and service standards applicable to other upper, upscale full service hotels, as such designation is determined and published by Smith Travel Research, or, if Smith Travel Research is no longer available to provide, or ceases to provide, such designation, another classification source recognized in the hospitality industry reasonably acceptable to the owner of the Benefited Property; provided that

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nothing herein shall require the owner of the Burdened Property to construct, open or operate any such hotel.

The restrictions established by this Declaration shall run with and bind the Burdened Property for a term ending on the earlier to occur of (i) the thirty (30) year anniversary of the date this Declaration is executed or (ii) the date of termination of this Declaration by agreement of Metro or its successor, after which this Declaration shall automatically expire, and be of no further force and effect. Upon expiration, at the request of Declarant, Metro shall execute a Quitclaim Deed confirming the extinguishment of this Declaration.

This Declaration may not be modified, amended or revoked except by written agreement executed by Metro and Declarant and recorded in the manner then provided for by law. Metro shall have standing, and may bring an action at law or equity in a court of competent jurisdiction to enforce all restrictions and covenants established by this Declaration and to enjoin violations. The failure to enforce any provision shall in no event be deemed a waiver of the right to do so thereafter. If legal proceedings of any type are begun so as to enforce this Declaration, the prevailing party shall recover reasonable attorney's fees, including attorney's fees on appeal. This Declaration shall create no private right of action and shall be enforceable solely by Metro.

Executed this_____ day of _____, 2016.

DECLARANT,
a _____ corporation

By:_____
Name:_____
Title:_____

STATE OF OREGON)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015 by _____, _____ of _____ _____, a _____, on behalf of the _____.

_____
Notary Public
My commission expires:_____

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THIS DECLARATION OF DEED RESTRICTIONS AND REAL COVENANTS is approved as to form and content and accepted by Metro.

METRO,
a municipal corporation organized
under the laws of the State of Oregon and
the Metro Charter

By:_____
Name:_____
Title:_____

STATE OF OREGON)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015 by _____, _____ of Metro, a municipal corporation, organized under the laws of the State of Oregon and the Metro Charter, on behalf of the corporation.

_____
Notary Public
My commission expires:_____

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EXHIBIT A

Legal Description of Burdened Property

[To be inserted]

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EXHIBIT B

Legal Description of Benefited Property

[To be inserted]

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Oregon Convention Center Hotel Hiring and Employment Commitment

Agreement to recruit, train and retain employees of color and residents of Metro's First Opportunity Target Area* (FOTA) in Portland, Oregon

Employment recruitment and outreach:

- Establish relationships with community-based workforce development organizations to develop a pipeline of information related to job and training opportunities. Organizations should include but not be limited to the following:
    - Albina Ministerial Alliance
    - Allen Temple CME Church
    - Asian Pacific American Network of Oregon (APANO)
    - Center for Intercultural Organizing
    - Coalition of Communities of Color
    - Goodwill Industries Job Connection Services
    - Highland Christian Church
    - Hispanic Chamber of Commerce
    - Human Solutions Inc.
    - Immigrant and Refugee Community Organization
    - Latino Network
    - Life Change Christian Center
    - Mt. Olivet Baptist Church
    - Native American Youth and Family Center
    - Oregon Employment Department
    - Partners in Diversity
    - Portland Community College/Margaret Carter Skills Center
    - Portland Community Reinvestment Initiatives
    - Portland Opportunities Industrialization Center
    - REAP (Reaching and Empowering All People)
    - Urban League of Portland
    - Volunteers of America
    - Worksystems, Inc. via WorkSource Oregon

- Assign a Hyatt community relations liaison to serve as main point of contact for organizations.

- Present and update regularly any employment outreach information and materials to community organizations.

- Prior to hotel opening, sponsor/host no fewer than three job fairs targeting residents served by the above listed organizations and those living within the Metro FOTA boundary. Job fairs will include information about current and future job opportunities and Hyatt HR and training staff will be onsite to assist prospective candidates with the application process and answer questions.

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Employee training:

- Establish relationships with the following job training and education institutions:
  - Mt. Hood Community College's Hospitality and Tourism Management program
  - Portland Community College's Business Administration program and Portland Metropolitan Workforce Training Center
  - Worksystems Inc.'s On-the-Job Training Program
  - Roosevelt and Madison High Schools to develop a high school bridge program to introduce students to careers in hospitality. (Travel Portland may be willing to partner on this.)

- Through the Hyatt Hotels Fund for Minority Lodging Management Students, fund one $2,000 scholarship per year for the first ten years of hotel operations to a local hospitality and tourism management program for a FOTA area eligible resident.

- Assign a Hyatt training liaison to serve as main point of contact for institutions.

- Provide opportunities for FOTA and other recruits in Hyatt's entry-level colleague supervisory development and onsite entry-level workforce skill-based training programs.

Recruitment, employment and retention reporting:

- Assign aspirational targets for employing and retaining people of color and FOTA residents.

- Beginning one year prior to hotel opening and continuing through year three of operation, provide quarterly reports to Metro's Exposition Recreation Commission on:
  - Recruitment and outreach efforts and results
  - Employment opportunities
  - Employee diversity and racial breakdown
  - Retention and promotion rates

- Develop and report strategies to improve if targets not achieved.

- Implement the Hyatt Minority and Business Resource Group to focus on the workforce, workplace and market place.

Community relations and service:

- Target Hyatt's local philanthropic efforts to residents living in and organizations serving the FOTA community.

- Encourage Hyatt colleagues to volunteer with organizations serving the FOTA community and workforce training and employment outreach organizations.

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***Metro's First Opportunity Target Area (FOTA) program:**

Established in 1989, Metro's FOTA program is intended to ensure that economically disadvantaged residents within the defined geographical area proximate to the Oregon Convention Center (OCC) be offered the first opportunity to apply for employment at the OCC and at two of Metro's other venues, Portland'5 Centers for the Arts and the Portland Expo Center.

Members of the community residing within the following zip codes and meeting the income eligibility thresholds may apply as FOTA applicants.

Zip codes:

97024	97213	97227
97030	97216	97230
97203	97217	97233
97211	97218	97236
97212	97220	97266

Income eligibility requirements:

- In households of up to two people, the annual income of the applicant must be no higher than $47,000.
- For households of three or more people, the annual income of the applicant must be no higher than $65,000.

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Oregon Convention Center Hotel & Parking Ramp

HYATT REGENCY®

Presentation Package

August 10, 2015

Hyatt Presentation Package
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BASIS OF DESIGN and BUDGET NARRATIVE

ARCHITECTURAL NARRATIVE

PROJECT

A. Project Name; OREGON CONVENTION CENTER HOTEL

B. Architect's Names; Elness Swenson Graham Architects
Project Designers & Hotel Planning
500 Washington Avenue, Suite 1080
Minneapolis, MN 55415

And Ankrom Moisan Architects, Inc.
Architect of Record
6720 Southwest Macadam, Suite 100
Portland, Oregon 97219

CODES AND STANDARDS:

A. IBC 2012 - International Building Code – as adopted and modified by the City of Portland

B. Hyatt Design Recommendations & Minimum Standards Version 5.0 dated 2010

C. Hyatt Engineering Recommendations & Minimum Standards Version 4.0 dated 2011

D. See other Basis of Design Narratives for additional Codes and Standards

PROJECT PLANNING AND EXTERIOR / BUILDING DESIGN

A. See included design plans, elevations and renderings.

INTERIOR DESIGN

A. Design to be completed by The Gettys Group in accordance with Hyatt Standards. An Allowance has been established for this scope of work.

VERTICAL TRANSPORTATION

A. See Vertical Transportation Report included as an Exbibit to this Basis of Design Narrative.

EXTERIOR VERTICAL ENCLOSURE PERFORMANCE CRITERIA

A. Thermal Performance;
1. Fixed Vision Areas U-value; 0.32 max per NFRC 100 and 2012 SEC.
   a. Operable doors U-Value; 0.50. Per NFRC 100 and 2012 SEC.
   b. Spandrel Wall Areas U-Value; 0.055. Modelled in accordance with NFRC 100 thermal modeling standard, accounting for true size of spandrel areas in lieu of gateway standard size.
   c. Skylights U value; 0.45 per NFRC 100 and 2012 SEC
   d. Metal framed walls U value; 0.055 Per 2012 SEC
   e. Roof U value; 0.026. Per 2012 SEC.
2. Durability Performance;
   a. Minimum time before expected replacement with recommended maintenance;
      1) Glazed wall systems 50 years+
      2) Cladding 50 years+
      3) Roofs 40 years+
      4) Below grade waterproofing 100 years+

B. Air Barrier Performance;
1. Whole building; 0.25cfm / ft2 @ 1.57 psf
   a. Assemblies (wall with glazing) 0.025fm / ft2 @ 1.57psf
   b. Glazing doors 0.10 cfm / ft2 @ 6.24 psf
   c. Fixed Glazing without doors 0.06 cfm / ft2 @ 1.57psf and 6.24 psf
   d. Operable Windows 0.10 cfm / ft2 @ 6.24 psf

C. Wind Performance;
1. Exterior systems to resist wind loads (both positive and negative) per IBC or ASCE 7-10, whichever is greater.

D. Acoustical Performance;
1. OITC - 33 for cladding / window systems.
2. OITC - 28 for roofing systems.
3. OITC - 28 for glazed wall systems and skylight systems.

E. Moisture performance;
1. Any leakage and/or condensation which might take place within the cladding system or glazing system shall be drained within the cladding system or glazing system and discharged to the exterior face of the cladding system or glazing system.
2. Water infiltration shall be defined as any uncontrolled water, exclusive of condensation, that appears on the interior side of the glazing system, within undrained compartments, or inside of sheathing at cladding system.
3. Water infiltration shall not occur when the completed Work is subjected to the following inward pressures acting normal to the surface, for the specified time periods, using a water spray discharge rate of 5 gallons water per hour per square foot of surface frontal area. (1). Static pressure of 12 psf for a time of 15 minutes. (2). Dynamic pressure of 12 psf for a time of 15 minutes. This is a minimum unless noted otherwise within the Contract Documents.
4. Cladding system or glazing system shall be designed to present water vapor from exterior or interior air from condensing within the wall system. Condensation is defined as water, ice or frost occurring on more than 5 percent of the interior surface of any one component or water that is not collected and positively drained to the exterior through the condensation drainage gutter.

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5. Roofing, cladding, and curtain wall system shall be designed to prevent condensation on the interior under the following conditions;
   a. Condition 1 - Winter;
      1) Outdoor ambient air temperature; 23.6° F Dry Bulb.
      2) Indoor ambient air temperature; 70 degrees F (+/- 2 deg) with 50percent relative humidity.
6. Provide end dams and weep drainage at ends and transitions in elevation of stack joints in all unitized glazing systems.
7. Weep drainage shall allow moisture entering joints and condensation occurring within cavity to flow through to the exterior face of cladding or glazing systems. Clear internal paths of drainage in order to drain any trapped moisture to the exterior, discharging weep water in a manner avoiding staining of architectural finishes or collecting in puddles. Align weep or drainage holes with vertical joints below or space evenly and regularly.
8. Rain Screen performance
   a. Cladding and glazed wall subcontractor to provide calculations of went sizes and air cavity compartments demonstrating accommodation of static and dynamic air and wind pressures acting on assembly.
   b. Cladding subcontractor to provide dividers and weeps as necessary to compartmentalize air cavity to reduce pressure gradients across assembly and facilitate pressure equalization.
   c. Maintain continuity of air cavity within compartments to break capillary action and surface tension of water such that gravity will pull entrained water down and out through weep holes.
   d. Maintain continuity of the drainage plane and provide flashing and weeps at perimeter of air cavity compartments and at openings to direct entered water outward and resist lateral air pressure loads.
   e. Prevent sun exposure to light sensitive back-up materials. Provide protection from UV damage, mechanical wear and tear, and excessive deflection.
9. Visual performance;
   a. All materials shall be matched to produce continuity of line, texture and color.
   b. All components exposed in the finished work shall be free from warping, oil-canning effects, and the telegraphing of welds, studs and other fasteners.
   c. Splices in interior trim and exterior coping and flashing shall align with center of mullion or panel joints.
   d. All building enclosure sills occurring at the floor level shall have extruded aluminum extensions to cover fire-safing and the slab edge.
   e. All glazing system heads, end jambs, and sills shall have extruded aluminum extensions equal to the depth of the vertical mullion when the vertical is deeper than the horizontal.
   f. Provide end closures at all horizontal and vertical caps, exterior framing and projections and adjacent exterior cladding systems.
10. Structural and movement performance;
   a. See structural drawings for additional information that applies to all exterior envelope systems.
   b. Cumulative Movement
      1) Envelope assemblies and appurtenances to be designed to accommodate the cumulative effects of differential structural movements, deflections, inner-story drift, and thermal movementof the building structure due to gravity loads, wind loads, seismic loads, and temperature. Cladding and glazing supports to be designed to keep the glazing and cladding onthe building during an inelastic seismic event, per local authorities hawing jurisdiction and to maintain thermal, air and water performance during an elastic seismic event.
      2) Accommodation of any anticipated differential movements shall be inherent in the proposed curtain wall system and shall not be taken at the intersection of vertical and horizontal mullions.
   c. Structural Changes;
      1) Primary structure and exterior metal studs are designed by the building Structural Engineer or Record. It is the responsibility of the cladding and glazing system sub-contractors to bring to the attention of the design team during bidding what post-bid will be borne by the sub-contractor requiring the modifications. It is the responsibility of the contractor to refer to the appropriate drawings and specifications of cast-in-place and structural steel for the full description of structural movements and to coordinate the design of the cladding and glazing systems with the building Structural Engineer of Record.
   d. Thermal Movement;
      1) Cladding and glazing systems shall be designed for differential thermal movement of 180 degrees Fahrenheit.
   e. Parapet Window Washing Rope Structural Performance;
      1) Parapet detailing to accommodate 5,000 ultimate pound rope loading at outer edge of parapets for ultimate loading of a windowwasher.

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11. Testing - Water Barrier;
    a. All testing to be performed by owner provided, qualified, independent from project team testing agency. No reductions in testing pressures are allowed for either on site or lab values. Water intrusion failure defined as any water at interior of WRB conceptual layer that can be wicked through water testing paper (i.e. Microessential - Hydrion paper)
    b. On Site Testing - Glazing systems
        1) Glazed wall systems (both unitized and punched openings).
        2) 10 tests at the curtain wall glazing system, re-test 2 locations for every failure (retests are paid by contractor). Include window to wall interface where applicable.
        3) ASTM E1105, 10 psf field value, no reduction from lab.
12. Testing - Air Barrier;
    a. All testing to be performed by owner provided, AABA certified, independent from project team testing agency.
    b. Qualitative smoke testing to reveal any discontinuities in the Air barrier.
       Testing to be performed in accordance with ASTM E 783
    c. Whole Building ASTM E 779 per the Army Corps of Engineers Test Protocol at an air leakage rate of 0.25 cfm/sqft at 75 Pa
    d. Contractor to provide allowance to fix accessible air barrier breaches prior to occupancy.
13. Detailing philosophies;
    a. All glazing or door to wall interface details to employ "90 degree mechanical barriers" to complete the water resistive barrier and water shedding surface control layers. Thus, sealant alone is not acceptable between glazing systems and adjacent cladding / wall systems. Extruded silicone 4" strip to be assumed at all glazing to adjacent opaque assembly detailing, with silicone sealant / back rod to interior. This will connect the water control of the wall with the water control of the glazing and/or door system while allowing differential movement where occurs.
    b. All assemblies to meet NFPA 285.
    c. All exterior insulation (roofs, walls, below grade, not glazing systems).
14. Tolerance performance;
    a. Steel; AISC
    b. Concrete ACI - aggregate 2" in plan for all vertical concrete, ½" in and ½" out slab edge.
15. Process;
    a. Living Submittal process to be engaged using Bluebeam Studio sessions managed by general contractor where PDFs are placed on the internet accessed location where all team members collaboratively review concurrently and replacement sheets managed by general contractor to provide make corrections noted and avoid revise and resubmit creating a faster turnaround time for each submittal. Sub-contractor and manufacturer to be able to engage this process during design and construction.

F. Firestopping EJs and 3rd Party Evaluations;
    1. All enclosure firestopping engineering judgments and 3rd party evaluations requested by design team or city for conditions deviating from standard test assemblies or construction documentation to be provided by contractor.
    2. Curtain wall sub-contractor to be responsible for slab edge approval with AHJ (Authorities Hawing Jurisdiction) and approved by design team for R-value and visual aspects only.
    3. CEJ 322P should be assumed for pricing, however horizontal munton 6" clear below bottom of slab to be "kiss" mullion, fully soldered backpan to be included. Manufacturer to determine the optimum insulation strategy to meet the U values listed above and coordinate with fire protective insulations at slab edges and anchors.
    4. Joint Sealers;
        a. Generally located at all transitions.
        b. Basis of design; DOW Typical + Sonneborn as noted below;
            1) DOW 758 air barrier, water barrier at all enclosure elements unless noted otherwise.
            2) DOW 790 concrete or masonry
            3) DOW 791 metal
            4) DOW 795 glass to metal
            5) Sonneborn SL-2 2-part urethane sof-rod at pavement joints.
            6) All exterior colors to be standard manufacturer´s colors.
        c. Warranty; 10 years material and labor for failure to achieve airtight seal,
        d. Watertight seal, non-bleeding, loss of adhesion or cohesion or do not cure.
    5. Flashing / Trim;
        a. Generally located at any exterior transition.
        b. Pre-finished Galvanized Steel; Typical unless noted otherwise. 10 custom colors.
        c. Pre-finished Aluminum; At all perimeter and field flashing adjacent to curtain wall punched openings, window wall punched openings, unitized curtain wall, skylight system over the atrium, or glazing system at the atrium end walls, and at canopies. Fluoropolymer coating, high performance organic finish, AAMA 2605 multiple coat, thermally cured fluoropolymer finish system.

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d. 24"x12" Precast concrete splash pads at any downspout emptying smaller roofs above larger roofs, 2 per roof.

6. Exterior Door Overhangs;
   a. All doors not covered by canopies or soffits, to have pre-finished flashing and G-185 framing at 12" o.c. overhangs. Projection to height dimensions listed below are measured from exterior edge of door threshold;
      1) In-swing; 1;2 min.
      2) Double swing; 1;2 min.
      3) Double slider; 1;2 min.
      4) Wood door; 1;2 min.
         (a) For out-swing door and sliding door, if meeting the minimum water penetration test resistance requirements verified through field testing, the ratio can be;
      5) Out-swing door;1;4 min
      6) Sliding door; 1;4 min
   b. Exceptions to the above rules may also be made for outward opening 12 psf or better rated doors with multi point locking systems.
   c. Overhang projection to jamb of all doors 1;4 min.

LEED SILVER PROGRAM & APPROACH NARRATIVE

The Design-Build team is designing and will build the Oregon Convention Center Hotel project to achieve at least LEED Silver certification from the U.S. Green Building Council using the LEED for New Construction v3 rating system. The team has identified a pathway to Silver, which requires earning all prerequisites and a minimum of at least 50 points +5 points to submit at least 55 "Yes" points, providing a margin of contingency for any unforeseen circumstances during the LEED certification review processes, and ensure that Metro's goal of LEED Silver certification is achieved.

Each of the credit strategies identified in the Pathway to LEED Silver —those tracking as "Yes" on the LEED Scorecard—meet one or more of the following criteria:

- aligns with Hyatt performance standards,
- aligns with industry best practices or good design,
- no-cost or low-cost, and/or
- inherent to the project site location.

In addition to the 50 "Pathway to Silver" LEED points identified as achievable, the team has identified an additional 18 points as "Maybe Yes" and 26 points as "Maybe No." Many of these LEED ƒ sustainability strategies pose potentially significant operational and guest-user benefits which the Mortenson- Ankrom Moisan team, with input from Hyatt, will continue to assess for cost and value to the project. In this process, the project team will consider the potential for achieving LEED Gold certification or seek to implement strategies that are particularly impactful, provide value to Hyatt and Metro and serve to enhance the Oregon Convention Center Hotel guest experience.

SUSTAINABLE SITES

SSp1: Construction Activity Pollution Prevention (prerequisite)
An erosion and sedimentation control plan meeting the City of Portland's stormwater management requirements will be developed, and during construction the identified BMPs will be implemented and documented.

SSc1: Site Selection (1 pt)
The OCCH site does not include any areas designated as ecologically or culturally significant (endangered species habitat, prime farmland, wetland, public park).

SSc2: Development Density & Community Connectivity (5 pts)
The OCCH site is located within a ½-mile radius of at least ten different basic services and residential buildings with density of at least ten units per acre.

SSc3: Brownfield Redevelopment (1 pt and 1 Regional Priority pt)
The project will pursue this credit by conducting asbestos abatement (as defined by LEED Interpretation 5012). Within at least one of the existing buildings on the project site, asbestos containing materials have been found and will be properly remediated.

SSc4.1: Alternative Transportation: Access to Transit (6 pts)
The OCCH project is located within a ½ -mile walking distance rail stops served by three MAX light rail lines, and is located within ¼-mile walking distance of several TriMet bus lines.

SSc4.2: Alternative Transportation: Bicycle Parking & Shower/Changing Rooms (1pt)
The OCCH project will provide ample bicycle racks to serve 5% of the forecasted peak occupancy of the hotel, and ample showers/changing rooms to serve 0.5% of hotel employees. Based on preliminary occupancy estimates available to date, 150 bicycle racks within 200 yards of the hotel and 3 showers/changing rooms for hotel employees will be provided. It is anticipated that most of the bicycle racks will be located in or near the OCCH parking garage.

SSc4.3: Alternative Transportation: Low-emitting & Fuel-efficient Vehicles (3 pts)
Of the OCCH garage's estimated 400 parking spaces, at least 5% or 20 spaces will be designated as preferred parking for qualified American Council for an Energy Efficient Economy (ACEEE) "Greener Cars List" vehicles ; or a at least 3% or 12 spaces will provide access to electric vehicle (EV) charging equipment; or a combination of the above two approaches.

SSc4.4: Parking Capacity (2 pt)
The OCCH garage is expected to have approximately 400 parking spaces. The Institute of Transportation Engineers guidance recommends 0.91 vehicles per hotel room (n=600), or 550 parking spaces, so the credit's meet-but-do-not-exceed requirement will be met.

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In addition, at least 5% of the parking spaces will be designated as preferred parking for carpools or vanpools.

SSc7.1: Heat Island Reduction, Hardscape (1 pt)
The OCCH site hardscape materials − new concrete and pavers − will be selected, as possible, for high solar reflectance index (SRI) characteristics to minimize the urban heat island effect.

SSc7.2: Heat Island Reduction, Roof (1 pt)
The roofs of the OCCH project will be covered in "white" roofing material or green roofs to minimize the urban heat island.

WATER EFFICIENCY

WEp1: Indoor Water Use Reduction (prerequisite)
Plumbing fixtures will be selected to meet or exceed Hyatt's facility performance standards and water efficiency to reduce aggregate water consumption by 20% compared to the LEED−defined baseline via usage−based calculation.

WEc1: Water Efficient Landscaping
Site landscape irrigation water usage will be reduced by at least 50% from the calculated baseline for the site's peak watering month through the selection of drought−tolerant plant species compatible with the natural limitations of the Portland ƒ Pacific Northwest region and an efficient and smart irrigation system.

WEc2: Water Use Reduction (3 pts)
Plumbing fixtures − water closets, urinals, lavatory faucets, and showerheads − meeting and exceeding Hyatt's performance standards and water efficiency standards will be selected. With the anticipated fixture package with flush and flow rates of 1.28 gpf water closets, 0.13 gpf urinals, 0.5 gpm lavs with sensors and 1.75 gpm showerheads, the project will achieve at least 35% water savings compared to the LEED−defined baseline.

ENERGY & ATMOSPHERE

EAp1: Fundamental Commissioning & Verification (prerequisite)
The project will be commissioned by an independent and qualified Commissioning Authority to verify that the project's mechanical, electrical, plumbing, assemblies and renewable energy (if included) systems are installed, calibrated, and perform according to the owner's project requirements, basis of design, and construction documents.

EAp2: Minimum Energy Performance (prerequisite)
The project has been designed to demonstrate at least a 20% energy cost savings improvement compared to the ANSI ƒ ASHRAE ƒ IESNA 90.1−2007 baseline, exceeding the EAp2 prerequisite threshold of 10%.

EAp4: Fundamental Refrigerant Management (prerequisite)
Only HVAC&R equipment free of CFCs will be included in the project.

EAc2: Optimize Energy Performance, 20%
(5 pts) Refer to EAp2 (above).

EAc5: Measurement & Verification (1 pt)
For the OCCH project, a profile will be set−up on ENERGY STAR Portfolio Manager for Hyatt to easily record and monitor the hotel's monthly energy and water usage. (This credit pathway is also a Minimum Program Requirement required by USGBC for all LEED projects.) Per Hyatt's direction, some targeted programmatic areas within the hotel will also be sub−metered to monitor associated energy usage and costs.

MATERIALS & RESOURCES

MRp1: Storage and Collection of Recyclables (prerequisite)
The Mortenson−Ankrom Moisan team will collaborate with Hyatt to design within the project dedicated areas accessible to waste haulers and all building occupants for the collection and storage of recyclable materials for the entire building including at a minimum paper, corrugated cardboard, glass, plastics, metals, and other recyclable materials.

MRc2: Construction Waste Management (1 pts)
The project will develop and implement a demolition and construction waste management plan resulting in the project's overall division rate of at least 50% (and very likely 75% or more). More analysis is needed to confirm.

MRc4: Recycled Content Materials, 20% (2 pts)
The project team will select materials in part for recycled−content. At least 20% of the project's LEED− defined materials costs will be comprised of post− and ƒ or pre−consumer recycled content materials.

MRc5: Regional Materials, 20% (2 pts)
The project team will select materials in part for regional sourcing and manufacturing. At least 20% of the project's LEED−defined materials costs will be comprised of regionally−sourced materials.

INDOOR ENVIRONMENTAL QUALITY

EQp1: Minimum IAQ Performance (prerequisite)
The ventilation system will be designed and built to meet or exceed the to ASHRAE 62.1−2004 standard.

EQp2: Environmental Tobacco Smoke Control (prerequisite)
Smoking will be prohibited inside the hotel and and within 25 feet of entrances, exits, windows and air intakes. Local regulations align with the LEED requirements.

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EQc4: Low−Emitting Materials (EQc4.1, EQc4.2, EQc4.3 & EQc4.4) (4 pts)
The project's specifications will include requirements for low−emitting paints, coatings, adhesives, sealants, flooring products and composite wood products.

EQc6.1: Controllability of Systems Lighting (1 pt)
The OCCH lighting systems will be designed with the intent of offering occupants ample controls, such that all shared congregation spaces (conference rooms, meeting rooms, ball rooms, etc) will have controls for varying light levels and at least 90% of individual work stations (private offices, desk stations, etc) will have access to individual lighting controls.

EQc5: Thermal Comfort (1 pt)
The project's HVAC systems and the building envelope will be designed meet the requirements of ASHRAE 55−2004 addressing air temperature, radiant temperature, air velocity and relative humidity.

INNOVATION

The Mortenson−Ankrom Moisan team will work closely with Hyatt to identify the most meaningful and valuable innovation strategies. In addition to those noted below, other good candidate options may include: Acoustic Performance LEED v4, Walkable Project LEED Site Pilot Credit, Green Building Education Outreach; MRc2;Construction Waste Management 95%; Bird−Friendly Building; Sustainable Food Purchasing 25%; and others.

Innovation c1.1 −− Exemplary Performance for SSc4.1 Access to Transit (1 pt)
The many nearby MAX light rail lines and TriMet bus lines offer OCCH occupants well over 200 trip opportunities per day.

Innovation c1.2: Green Cleaning Program (1 pt)
A green cleaning program will be developed, meeting the LEED O&M Existing Buildings v3 credit requirements addressing cleaning products, cleaning equipment, protocols and training of cleaning staff. Hyatt's cleaning program meets the LEED standards.

Innovation c1.3: Salmon−Safe certified (1pt)
The adjacent Oregon Convention Center site is Salmon−Safe certified by following several best practices to support river protection, water conservation and efficiency, stormwater management, and erosion and sedimentation control. The team will explore with Hyatt and Metro the potential to extend the implementation of these best practices to the OCCH site.

Innovation c1.4: Reduced Mercury Purchasing − Lamps (1 pt)
Low−mercury (or no−mercury) lamps will be specified, installed and documented for the project, meeting the LEED O&M Existing Buildings v3 credit requirements. Reduced mercury lamps are readily available at no cost premium, and this credit strategy reduces for the project toxic material sourcing and potential exposure.

Innovation c1.5: Integrated Pest Management (1 pt)
An integrated pest management program will be developed, meeting the LEED O&M Existing Buildings v3 credit requirements addressing preventative measures, monitoring, only as−needed applications and least toxic approaches to control insect and rodent pests commonly found in the urban environment.

Innovation c2: LEED AP (1 pt)
Several Mortenson−Ankrom Moisan project team members are LEED Accredited Professionals. Chris Forney and Rita Haberman of Brightworks, each are LEED APs, and will manage the project's LEED process.

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LEED NC 2009 Scorecard

Oregon Convention Center Hyatt

04.08.2015

BRIGHTWORKS SUSTAINABILITY

Yes	?Y	?N	No
50	18	26	16

Certified 40-49 Silver 50-59 Gold 60-79 Platinum 80+

Total Project Score

Y	?Y	?N	N	Sustainable Sites — 26 Points Possible	
Y				Prereq 1 **Construction Activity Pollution Prevention**	n/a
1				Credit 1 **Site Selection**	1
5				Credit 2 **Development Density & Community Connectivity**	5
1				Credit 3 **Browntield Redevelopment**, asbestos or other remediation, Regional	1
6				Credit 4.1 **Alternative Transportation**, Public Transportation Access	6
1				Credit 4.2 **Alternative Transportation**, Bicycle Storage & Showers	1
3				Credit 4.3 **Alternative Transportation**, Low Emitting & Fuel Efficient Vehicles	3
2				Credit 4.4 **Alternative Transportation**, Parking Capacity	2
			1	Credit 5.1 **Site Development**, Restore Habitat (20% of total site)	1
	1			Credit 5.2 **Site Development**, Maximize Open Space, exceed by 25%	1
			1	Credit 6.1 **Stormwater Design**, Quantity Control	1
	1			Credit 6.2 **Stormwater Design**, Quality Control	1
1				Credit 7.1 **Heat Island Ettect**, Non-Roof	1
1				Credit 7.2 **Heat Island Ettect**, Roof	1
	1			Credit 8 **Light Pollution Reduction** - LEED v4 BUG rated fixtures	1

Y	?Y	?N	N	Materials & Resources — 14 Points Possible	
5	1	1	7		
Y				Prereq 1 **Storage & Collection otRecyclables**	n/a
			3	Credit 1.1 **Building Reuse**, Maintain Existing Walls, Floors & Roof	1-3
			1	Credit 1.2 **Building Reuse**, Maintain 50% of Interior Non-Structural Elements	1
1				Credit 2.1 **Construction Waste Management**, Divert 50%	1
	1			Credit 2.2 **Construction Waste Management**, Divert 75%	1
			1	Credit 3.1 **Materials Reuse**, Specify 5%	1
			1	Credit 3.2 **Materials Reuse**, Specify 10%	1
1				Credit 4.1 **Recycled Content**, 10%	1
1				Credit 4.2 **Recycled Content**, 20%	1
1				Credit 5.1 **Regional Materials**, 10%	1
1				Credit 5.2 **Regional Materials**, 20%	1
			1	Credit 6 **Rapidly Renewable Materials** 2.5%	1
		1		Credit 7 **Certitied Wood**, 50% of new wood budget FSC-certified, Regional	1

5	1	4	0	Water Etticiency — 10 Points Possible	
Y				Prereq 1 **Water Use Reduction**, 20% Reduction	n/a
2		2		Credit 1 **Water Etticient Landscaping**, 50% Reduction 2 pts; No Potable Use 2 pts	2-4
		2		Credit 2 **Innovative Wastewater**, 50% flush load non-potable, Regional	2
3	1			Credit 3 **Water Use Reduction**, 30%, 35%, 40% reduction	2-4

6	5	4	0	Indoor Environmental Quality — 15 Points Possible	
Y				Prereq 1 **Minimum IAQ Pertormance**	n/a
Y				Prereq 2 **Environmental Tobacco Smoke** (ETS) **Control**	n/a
		1		Credit 1 **Outdoor Air Delivery Monitoring**	1
	1			Credit 2 **Increased Ventilation**	1
	1			Credit 3.1 **Construction IAQ Mgt. Plan**, During Construction	1
	1			Credit 3.2 **Construction IAQ Mgt. Plan**, Before Occupancy (flushout or IAQ testing)	1
1				Credit 4.1 **Low-Emitting Materials**, Adhesives & Sealants	1
1				Credit 4.2 **Low-Emitting Materials**, Paints & Coatings	1
1				Credit 4.3 **Low-Emitting Materials**, Flooring Systems	1
1				Credit 4.4 **Low-Emitting Materials**, Composite Wood & Agrifiber Products	1
	1			Credit 5 **Indoor Chemical & Pollutant Source Control**	1
1				Credit 6.1 **Controllability ot Systems**, Lighting	1
		1		Credit 6.2 **Controllability ot Systems**, Thermal Comfort	1
1				Credit 7.1 **Thermal Comtort**, Design	1
	1			Credit 7.2 **Thermal Comtort**, Verification -- occupant comfort survey	1
		1		Credit 8.1 **Daylight & Views**, Daylight 75% of Spaces	1
		1		Credit 8.2 **Daylight & Views**, Views for 90% of Spaces	1

6	8	15	6	Energy & Atmosphere — 35 Points Possible	
Y				Prereq 1 **Fundamental Commissioning ot the Building Energy Systems**	n/a
Y				Prereq 2 **Minimum Energy Pertormance - (10% Requirement)**	n/a
Y				Prereq 3 **Fundamental Retrigerant Management**	n/a
5	5	5	4	Credit 1 **Optimize Energy Pertormance**, 20% = 5 pts, 30% = 10 pts	1-19
	1	6		Credit 2 **On-Site Renewable Energy**, 1% to 13%	1-7
		2		Credit 3 **Enhanced Commissioning**	2
		2		Credit 4 **Enhanced Retrigerant Management**	2
1			2	Credit 5 **Measurement & Veritication**	3
	2			Credit 6 **Green Power** 35%	2

1	0	2	1	Regional Credits — 4 Points Possible	
	97232			**Project Zip Code**	
1				Credit 1.1 **SSc3: Browntield Redevelopment**	1
			1	Credit 1.2 **SSc5.1: Protect/Restore Habitat**	1
		1		Credit 1.3 **WEc2: Innovative Wastewater**, 50% flush load non-potable	1
			1	Credit 1.4 **MRc1: Building Reuse, 95%**	1
			1	Credit 1.5 **MRc3: Material Reuse, 5%**	1
		1		Credit 1.6 **MRc7: Certitied Wood, 50%**	1

6	0	0	0	Innovation & Design Process — 6 Points Possible	
1				Credit 1.1 **Exemplary Pertormance: SSc4.1 Access to Transit**	1
1				Credit 1.2 **Green Cleaning Program (LEED EB:O&M)**	1
1				Credit 1.3 **Salmon Sate Certitied Site**	1
1				Credit 1.4 **Low Mercury Lighting (LEED EBO&M)**	1
1				Credit 1.5 **Integrated Pest Management (LEED EBO&M)**	1
1				Credit 2 **LEED™ Accredited Protessional**	1

Other Innovation Options : Acoustic Performance LEED v4, Walkable Project Site (Pilot Credit); Green Building Education/Outreach; MRc2;CWM 95%; Bird-Friendly Building; Sustainable Food Purchasing 25%;other

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LANDSCAPING DESIGN NARRATIVE

OVERALL DESIGN CONCEPT

The site development surrounding the Oregon Convention Center Hotel (OCCH) provides programmatic and site specific responses to the various physical and environmental influences surrounding the building. Along the north side of the site, the hotel fronts NE Hassalo Place – a recently developed private drive between NE Martin Luther King lr. Blvd (MLK lr.) to the east and NE Multnomah St. to the northwest. The two primary entries along Hassalo Place create a strong sense of arrival to the hotel and provide the necessary access for visitors arriving by vehicle versus public transportation.

The east building entry engages the southeast plaza that fronts two heavily travelled corridors;|, the east- west public transit artery of NE Holladay St with a TriMet LRT platform at the south corner and the main southbound artery of MLK Jr. with bus stop access at the intersection. As well as providing a strong connection to public transportation and the Oregon Convention Center (OCC) to the south, the busy Holladay St. pedestrian corridor serves as a major circulation spine through the Lloyd District including connections to the Moda Center and the Willamette River Eastbank Esplanade. As a super block our site strategy engages the south building façade with the active NE Holladay right-of-way and provides a sequence of interesting and much needed ground level experiences along this primary hotel frontage and civic space.

The generously scaled south building entry and protective loggia provides a strong and convenient connection directly across Holladay St. to a main entry of OCC and west to the new parking garage across NE 2nd Ave. The proposed curb extension at the southeast corner of NE 2nd Ave. provides an opportunity for collection and treatment of street stormwater runoff compatible with the proposed design for the Holladay Green Street improvements coordinated through Portland Development Commission. The west building access serves both employees and service/loading vehicles. With the building constructed to the property line along NE 2nd Ave. site improvements include new tree strip planting and public sidewalks within the right-of-way.

The northwest building façade fronts NE Multnomah St. and although it does not have an entry along this edge, it provides more green space including stormwater collection and treatment harkening back to the Rain Garden along the south perimeter of OCC.

Site materials: A family of materials will be developed to provide continuity throughout the project. Higher activity areas will receive more attention to detail than other more residual spaces, however all materials are meant to work harmoniously and provide long lasting quality, sustainability and integrity to the project.

LOWER LEVEL AND LEVEL 1 - SITE IMPROVEMENTS

NE HASSALO PLACE

Main Northeast Entry -

The main entry at the northeast end of Level 1 opens onto a partially covered outdoor plaza. The entry connects NE Hassalo Place with two driveways ramping up onto the plaza for ease of pedestrian drop-off and quick vehicular circulation during peak arrival times. When not in use by vehicles, the plaza acts (and appears) as a safe pedestrian entry court graded to meet the adjacent sidewalks without interruption and providing universal access from either direction.

Northwest Entry -

The northwest building entry allows for direct access to and from loading of personal vehicles and buses curbside. To meet the grade changes at this end of the site, a generous upper landing is supported by 2 steps down to the public sidewalk. For unencumbered access to the sidewalk level, a gently sloped concrete walkway connects from the upper terrace under protection of the building overhang. Covered bike parking is provided along this sloped walkway at the outer edge.

Site Materials –

- PAVING
  All main entries of the building are paved with high quality materials compatible in color, rich in texture and patterned to enhance the adjacent building materials. The main north entry must be designed to hold up to the heavy vehicular use within the porte cochere environment.
  - Possible considerations are narrow precast concrete plank pavers, cast concrete architectural slabs, or cut stone pavers. Install pavers as sand set or mortar set over a supportive road base profile or concrete slab.
  - Truncated dome paving strip will be required at 3ð" width along the interface of vehicular and pedestrian zone for this curbless environment.
  - Adjacent walkways connecting the entries along Hassalo Pl. are 4" cast-in-place concrete sidewalks, typical to other public right-of-way walks along NE MLK Jr, 2nd Ave. and Multnomah St.

- BOLLARDS
  Lighted bollards are show at 8' on center along the transition zone of vehicles to pedestrians located within the 3ð" wide truncated domes tactile warning strip.

- ENTRY DRIVE
  The center island between driveways provides for a decorative and functional architectural element (or screen) intended to provide a clear designation for the vehicular access at street level as the entry point to the hotel and to screen the service drive across the street from within the hotel's main lobby. Accent lighting will be incorporated into this entry marker.

- WALLS and BENCHES
  Multi-level benches are incorporated into the site design surrounding the hotel to adapt to the many level changes along the building perimeter.

- LANDSCAPE
  Planting along Hassalo is primarily for stormwater collection and treatment, (reference civil narrative for specific facility design information). Two vegetated stormwater basins are along the curb edge and will be planted with a variety of low shrubs, grasses, groundcovers and possibly trees compatible with BES requirements.

  Ornamental planting areas at Hassalo reinforce the pedestrian seating areas as lush eddies to stop and sit awhile. These planters are at sidewalk grade and include a mix of deciduous and/or flowering trees, richly textured low ornamental shrubs and ground covers suitable for public spaces.

NE HOLLADAY STREET

East Entry -

The hotel lobby entry at the southeast end of Level 1 opens onto an outdoor plaza (SE Entry Plaza) fronting NE MLK lr and NE Holladay. This sunny south-facing 4,500 sf outdoor plaza provides direct access to/from Portland's public transportation systems as well as valuable civic space for the Lloyd District neighborhood. This prime eastside location affords the opportunity to incorporate such site amenities as ample public seating, casual outdoor dining, ornamental water features, artistic architectural and/or sculptural elements, innovative stormwater expression, and ornamental planting.

A barrier free connection to this entry connects from the public sidewalk along MLK lr. Blvd. Direct circulation from the LRT platform along the south edge is provided via generous open steps to the upper plaza level. In order to absorb the 5 feet grade change along Holladay St. a series of 15" – 18" high seatwalls (called stadium steps) are stacked at the transition from the entry plaza to the LRT station platform providing valuable seating space at the interface of this property boundary.

The outdoor dining terrace is at the same Level 1 finished floor elevation (118.0') and provides the opportunity for a series of stepped ornamental and stormwater planters to cascade down to the right-of- way supported by thin walls and lush plantings.

Southwest Entry -

The hotel entry at the southwest end of Level 1 opens onto a protected walkway (SW Entry Loggia) connecting to the parking garage across NE 2nd and the OCC across NE Holladay. The paved area at the building entry is retained along the south edge of the loggia to provide a reduced gradient along the length of this passageway. The continuation of stepped cantilevered benches, low raised planters and architectural screens continues the site them from the southeast plaza.

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Site Materials -

- PAVING
  Materials for the SE Entry Plaza, outdoor dining terrace, and SW Loggia would be similar to those described above for the main north entry. The pattern would be unique to these spaces working with the architectural features/materials and alignment of other site amenities. Along the edges of the SE Entry Plaza and SW Loggia the paving will transition to adjacent right-of-way materials;|, the concrete sidewalk at MLK Ir. and 2nd Ave or the brick pavers per Lloyd District Design Guidelines for Holladay St.

- LIGHTING
  Security and accent lighting will be incorporated throughout the open space to provide ample egress light as well as highlighting for special site walls, architectural screens, trees.

- WALLS and BUILT-IN SEATING
  Site walls supporting the stormwater facility and ornamental planter along the dining terrace could be sheet steel either painted, or weathered to work with building materials, as yet determined. These walls would vary in height depending on final grades for below grade connection to surface stormwater runoff from the plaza. Estimated height is from 2' to 4' tall.

  Seatwalls ('stadium steps') would be developed to work with other steps and seating elements. Options include: precast concrete, cast-in-place concrete with an architectural finish, or partially CIP concrete with hardwood seats.

  Multi-level benches ('cantilevered benches') are as described at the main north entry and continue along the length of Holladay where the building overhang allows for head clearance.

- LANDSCAPE
  To maximize the pedestrian circulation through the SE Entry Plaza planting is kept to a minimum. The planting of individual narrow evergreen trees is seen as an architectural accent to help provide a more pedestrian scale within the plaza and reinforce the corner with a signature planting for this civic space.

  The ornamental planters at the south edge of the dining terrace and at the SW Entry provide year-round seasonal interest with a combination of low flowering and fragrant shrubs, and groundcovers. The southeast stormwater planter would be planted to provide a variety of cleansing plants, textural changes and cascading plants along the south wall edge.

  Within the furnishing zone of Holladay St. new Armstrong maples are planted at approximately 25' on center. The continuous planting strip along the curb edge could be used as additional stormwater treatment from the public sidewalk or ornamental planting of low shrubs and ground covers. This additional planting strip will help to guide pedestrians to controlled and safe crossing locations across the Max line tracks.

NE 2ND AVENUE

Site improvements along this frontage are primarily new pedestrian sidewalks, curb cuts for the service/loading drive and new street trees and tree strip planting within the 4' wide furnishing zone. Refer to the civil narrative for additional information for the proposed curb extension.

NE MULTNOMAH STREET

The open space within the property boundary provides a valuable resource for treatment and storage of stormwater runoff collected from the Level 3 roof. Terraced planters of ornamental and stormwater vegetation create a rich layering of trees, shrubs, and groundcovers similar to the terraces along the Rain Garden of the south OCC but designed to thrive in the northern exposure of this location. Large stone plinths interlock the edges of the various steel framed planters, similar in form to those used in the plazas and entry courts but to a scale fitting of the grade changes along NE 2nd and NE Multnomah.

The conveyance system for stormwater being transferred from the upper roof level down to street level will include coordination with plumbing, civil and architecture. This expression presents an opportunity to artfully display the power and beauty of creative stormwater collection and treatment.

BUILDING LANDSCAPE AREAS

LEVELS 2 AND 4

Ecoroof –
The total area for Level 2 above the "Grab-N-Go" Market is approximately 1,400 sf. The total area available roof on Level 4 is 2,000 sf. With the exception of a 15-inch perimeter offset, it is anticipates that these roof areas will be planted with a pre-vegetated modular greenroof system. Examples might include:

- LiveRoof Deep module: 1' x 2' x 3 ½" (soil ð")
- The perimeter area will have a 15" offset of either loose aggregate with a steel edge restraint or unit pavers.
- Ecoroof will require drainage mat, lightweight soil, low growing plants and automatic spray irrigation.
  - Plants will be selected to final soil depth, solar aspect and desired planting pattern

Level 4 Flow-through Planter –
The stormwater planter will provide approximately 600 sf of treatment and storage of the Ballroom roof runoff. Please see the Civil Narrative for additional information regarding stormwater treatment.

LEVEL 3

South Terrace –
This is an accessible terrace and will also provide valuable stormwater collection and treatment. The stormwater flow-through planter will provide 1,000 sf of treatment area. Refer to civil narrative for more information on soil depth and water storage.

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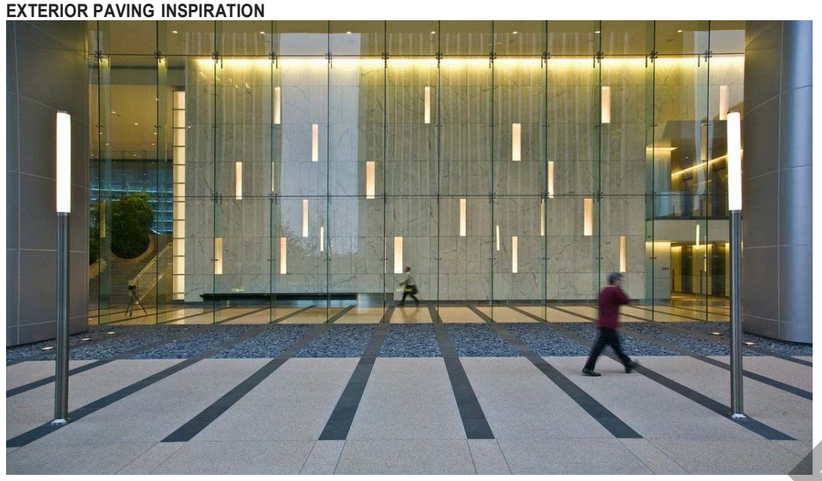
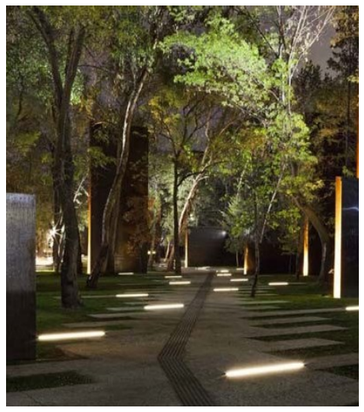
Along the south and east terrace perimeter is a built-in planter 4’ wide for ornamental plants that will cascade along the building wall. This planter will have approximately 3ð" depth lightweight soil mix and will include drainage mat and drip irrigation. All planter walls at this terrace will be designed for compatibility with adjacent exterior building materials. For building parapet information at all roof levels reference architecture.Options for the paved area of this terrace:

- Pedestal-mounted unit pavers specifically designed for rooftop installations
- Topping slab over base slab to meet finished floor elevation
- Sand set architectural slabs over roof slab.
- All areas of the terrace require subsurface drainage.
- Waterproofing and protection shall be provided as part of roof development.

EXTERIOR PAVING INSPIRATION



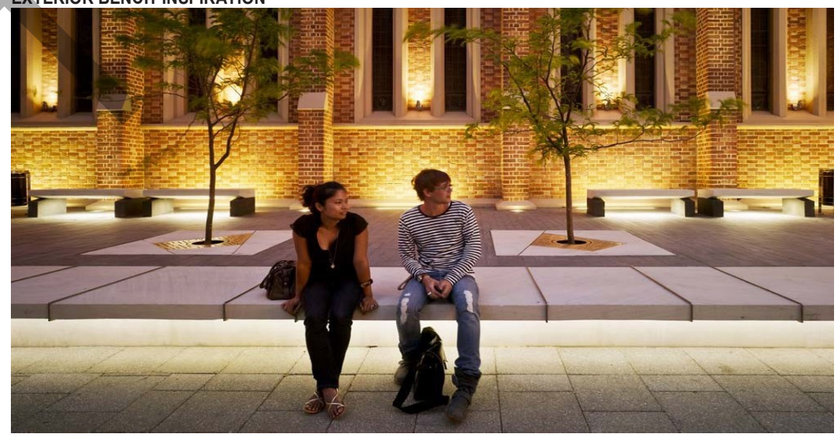


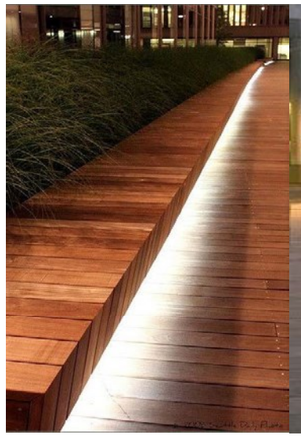






EXTERIOR BENCH INSPIRATION







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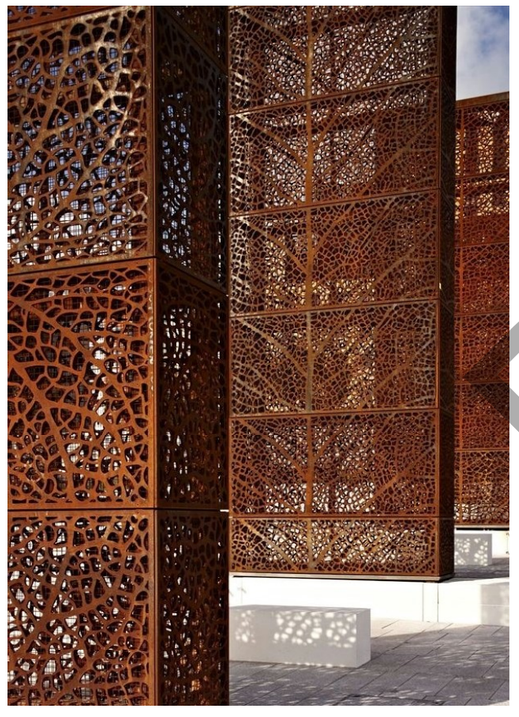
EXTERIOR ARCHITECTURAL SCREEN INSPIRATION



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CIVIL NARRATIVE

PROJECT OVERIEW

This project includes the construction of a new 15−floor convention center hotel and associated site improvements consisting of a public plaza, private access drive, porte−cochere and public sidewalk improvements. The site is located in the Lloyd District of northeast Portland and is a portion of a "super block" bounded by NE Martin Luther King Boulevard to the east, NE Multnomah Street to the north, 2nd Avenue to the west and NE Holladay Street to the south. The site area is approximately 1.8 acres and the building footprint consists of approximately 1.3 acres. Hassalo Place, a private shared access drive, fronts the project to the north. Hassalo Place is shared with the Block A apartment project currently under construction on the same super block. Loading activities for the hotel will occur from a new commercial driveway off of NE 2nd. The public light rail system operates three lines in NE Holladay Street. The Oregon Convention Center is just south of the site across Holladay. A new parking garage serving the hotel will also be constructed on the block just to the west of the site. The parking garage project is not discussed in this narrative.

SITE DEMOLITION

In order to facilitate new construction, the entire site south of Hassalo Place will need to be cleared including the demolition of two existing building structures, a variety of existing surface improvements (e.g. pavement, retaining walls, etc.), a temporary stormwater management basin, and removing and/or abandoning existing utilities. The Block A contractor will construct the private access drive to the wearing course to serve as construction access for the hotel contractor.

EARTHWORK AND GRADING

The topography in the adjacent public frontages and in Hassalo Place has a major impact on the required earthwork and grading for this project. In general the existing grades slope from NE to SW with longitudinal slopes of roughly 5% in Holladay, 7% in 2nd and 6% in Multnomah. Hassalo Place is designed to have a low point at the start of the horizontal curve when heading west from MLK. The slope from MLK to the low point is roughly 4% and from Multnomah to the low point is less than 1%. Because of the varying topography from one side of the site to the other, the hotel finished floor elevation is 118' at the north and east sides and 101' at the west end. The lower level takes up roughly half of the building footprint. Excavation and temporary shoring will be required along portions of the frontage in Multnomah and possibly Holladay.

STORM DRAINAGE AND STORMWATER MANAGEMENT

The City of Portland requires stormwater management for flow and volume control and pollution reduction. The required design techniques are governed by the 2014 Stormwater Management Manual (SWMM) under the authority of the Bureau of Environmental Services (BES) and the extent to which the existing conditions at the project site can support the SWMM's Stormwater Infiltration and Discharge Hierarchy. In general BES requires infiltrating stormwater in vegetated facilities to the maximum extent feasible.

This project is located in a part of the City served by public combined sewers with limited infiltration rates at shallow depths. This fact coupled with the ratio of building to available site, leaves little area for stormwater infiltration in vegetated facilities. These constraints put the project in Category 4 of the Hierarchy with the most stringent flow/volume control requirements: detain peak flows from the developed condition during the 25−year, 24−hour storm event to flow rates from the pre−development condition during the 10−year, 24−hour storm.

The proposed design incorporates the following management techniques to meet these requirements:

- Impervious area reduction by maximizing green "eco−roof" areas on the building.
- On−structure flow−through planters
- At−grade flow−through planters with open bottom promoting infiltration
- At−grade flow−through planters with lined bottom allowing no infiltration

Eco−roof areas are planned on Level 4 and Level 2 and cover approximately 3,200 sf of roof area. The eco−roof will likely consist of a simple tray system with details provided by the landscape architect. BES requires the system to have at least 4 inches of growing medium per Typical Detail SW−100 located in the Appendix.

The on−structure flow−through planters provide both pollution reduction and flow/volume for roof runoff. They are located on Level 3 just north of the ballroom (600 sf) and southeast of the tower at the Regency Club Terrace (1000 sf). Sections are shown on C1.31 for each planter as the thicknesses of the different layers vary.

The at−grade flow−through planters also provide pollution reduction and flow/volume control. There are two unlined planters with open bottoms to promote infiltration collecting runoff from the south half of Hassalo Place. One planter is located near MLK to the east of the porte−cochere and a larger planter at the horizontal curve at the road's low spot. The larger planter consists of an additional storage chamber under the sidewalk. These planters have been designed with an infiltration rate of 1.2 inches per hour to match the design of the flow through planters along the north side by the Block A civil engineer. The infiltration rates will need to be verified for this project by a geotechnical engineer.

There are also two planters with lined bottoms collecting runoff from the Level 3 roof north of the ballroom and from the public plaza space near MLK and Holladay. These facilities are lined due to their proximity to building foundations and the public right−of−way.

All of the flow−through planters consist of similar details and layers of varying thickness. From top down there is layer of free water storage, plantings per the landscape architect, an 18−inch minimum layer of standard vegetated facility growing medium, and an underdrain layer. The underdrain layer consists of EcoRain proprietary drainage cells that provide additional storage volume when compared to traditional drain rock. Each planter will also need an overflow drain with beehive grate and a floor drain at the bottom.

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The growing medium specifications and EcoRain product information are provided in the Appendix. Ultimately the building roof runoff will be routed to an existing 48−inch combined sewer in 2nd Avenue via a 12−inch separated storm lateral at the SW corner of the building. The planter at the NW corner of the site will connect directly to the same combined sewer in 2nd Ave as well. The planter at the SE corner of the site in the public plaza area will be routed under the building slab and connect to an existing combined sewer manhole in the Holladay sidewalk in vacated NE 3rd Ave. Finally, the two planters at Hassalo Place will connect to an existing private storm lateral constructed by and shared with the Block A development. Backwater valves and P−traps are required for storm lines before connecting to the combined sewers.

SITE UTILITIES

Water and Fire Protection -

The hotel will be served by the existing 12−inch public water main in NE Multnomah St. A new 8−inch service connection is proposed for fire protection. Prior to entering the building, a 4−inch domestic service and meter will branch off the new 8−inch line. An existing 2−inch domestic meter currently serving 1020 NE Multnomah St will be reused to supplement the potable water needs. All of the water services will enter the building in the lower level at the Water Service Room. The double check detector valve assembly for the fire protection service and double check valve assemblies for the domestic services will be located within this room.

Two 30,000 gallon fire protection storage tanks and a fire pump are proposed adjacent to the lower level partially under the Level 1 slab. Access to these tanks will be from manholes located outside of the building footprint in the Hassalo Place sidewalk. The tanks and pumps will be specified by the Fire Protection Engineer.

Sanitary Sewer -

The building sanitary sewer will be routed to the SW corner of the building and conveyed to the existing 48− inch combined sewer line in NE 2nd Ave via a new 12−inch private sewer lateral.

PAVEMENT DESIGN

The Design-Build team has based its scope of work on the understanding at the time of this submission is that the Block A contractor will construct the pavement in Hassalo Place per the sections and details on C301 of the Block A drawings (see Appendix) to a the wearing course level. The hotel contractor will provide the top lift at the end of construction .

The bus drop off for the hotel closer to Multnomah will consist of Portland cement concrete pavement and the vehicular area at the porte−cochere will consist of unit pavers (per the landscape architect) over a concrete base slab.

Pavement design recommendations for this project should be provided by the geotechnical engineer.

PUBLIC WORKS IMPROVEMENTS

Public works improvements will be fully defined by PBOT in upcoming Major Project Group meetings, the Conceptual Public Works Submission meeting and as results of the Traffic Impact Study (TIS) are realized. The improvements shall meet the Lloyd District standards. Assumed public improvements are shown on C1.10 and C1.30 and include new sidewalks, curbs, asphalt paving, street lighting and storm drainage work. A 4 −foot wide property dedication is required along the Holladay frontage as well as a triangular−shaped dedication at the NW corner of the site. KPFF assumes that since there is currently 12 feet of sidewalk width along Multnomah that no additional dedication along this property frontage is required.

A curb bulb and green street style flow−through stormwater planter are currently proposed in NE 2nd Ave just north of Holladay. The standard details for which are included in the Appendix. This curb line revision is pending approval from PBOT and could also be affected by the TIS if PBOT requires the intersection to be closed.

At the SE corner of the intersection of NE 2nd and Multnomah, there is also a proposed curb line revision to align the 12 foot wide sidewalk corridor with the property dedication. This curb revision is also pending PBOT approval.

STRUCTURAL NARRATIVE

STRUCTURAL DESIGN CRITERIA

CODES AND STANDARDS:

IBC 2012 - International Building Code – as adopted and modified by the City of Portland

ASCE 7 - Minimum Design Loads for Buildings and Other Structures, published by American Society of Civil Engineers

ACI 301 - Specifications for Structural Concrete, published by American Concrete Institute

ACI 318 - Building Code Requirements for Structural Concrete, published by American Concrete Institute

ACI 530 - Building Code Requirements for asonry Structures, published by American Concrete Institute

AISC 360 - Specifications for Structural Steel Buildings, published by the American Institute of Steel Construction

AISC 348 - Specification for Structural Joints using ASTM A325 or A490 Bolts, published by Research Council on Structural Connections

AWS D1.1 - Structural Welding Code, published by American Welding Society

Additional specifications and design standards, as applicable, will also be utilized during the design of the structural building systems.

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DESIGN LIVE LOADS:

All design live loads are based on the requirements of the IBC and ASCE 7, except the typical office live load has been increase by 10 PSF to provide additional capacity for tenant flexibility.

Assembly	100 PSF
Hotel Residential	40 PSF
Office (Typical)	50 PSF + 20 PSF Partition Load
Retail	100 PSF
Amenity	100 PSF

STRUCTURAL SPECIFICATIONS

All concrete construction shall be per the latest editions of ACI 301 and ACI 318.

Form work may be removed from post-tensioned elevated slabs after all tendons have been stressed (3 – 5 days). Form work may be removed from any mild reinforced slabs after the concrete has reached 75% of the design strength.

A liquid membrane curing compound shall be applied, in two separate coats, to all concrete slabs in accordance with ASTM C 309. The curing compound shall be applied directly afterfinishing work is complete and after the initial coat becomes tacky.

Formwork may be removed from columns and shear walls after (7) days.

CONCRETE MIX DESIGNS

MEMBER	STRENGTH (PSI)	TEST AGE (Days)	MAXIMUM AGGREGATE SIZE
Foundations	4,000	28	1”
Slab-on-Grade	4,000	28	1”
Elevated Slabs & Beams	6,000	56	¾”
	3,000	3	
Columns	8,000	90	¾”
Shear Walls	8,000	90	¾”

Concrete exposed to the exterior environment shall have a minimum air content of 5%. Air content of +/- 1-1/2% is acceptable.

Concrete used for elevated slabs shall have a maximum water to cementitious ratio (based on total cementitious materials) of 0.35. The shrinkage limit for all elevated decks shall be 0.035% at 28 days.

REINFORCING STEEL AND POST-TENSIONED TENDONS:

Steel reinforcing is Grade 60 per ASTM A615 or ASTM A706.

Post-tensioning tendons are ½” diameter, 270 ksi, un-bonded, fully encapsulated, low relaxation tendons per ASTM A416. Post-tensioned design is based on a final effective force of 26.8 kips per tendon. Slabs may be stressed when the concrete reaches an effective strength of 3,000 psi and shall be stressed within (4) days of placing concrete.

Studrails shall be as manufactured by "DECON", installed in accordance with the manufacturer's instructions using chairs provided by the manufacturer to position rails at proper height. Studrails shall conform to ASTM A1044.

STRUCTURAL SYSTEMS

TOWER FRAMING SYSTEMS:

The main tower structural system will consist of post-tensioned concrete slabs, reinforced concrete columns, and reinforced concrete shear walls. The foundation system will consist of concrete auger cast piles with cast in place concrete pile caps.

The majority of the hotel level post tensioned slabs will be 7 ½” thick flat slab with studrail reinforcing at columns to resist punching shear. The slab in the suite area in the southeast corner of the hotel levels will be 7 ½” thick with 15” deep by 48” wide wide-shallow beams in order to span over the pool on Level 3.

The Level 3 slab will have an average thickness of 9” and will have studrail reinforcing at columns. The pool area will include a dropped slab and several concrete beams.

The roof deck and green roof areas will require a soffit step in order to accommodate pavers, waterproofing and planters.

The Level 2 slab will have an average thickness of 10” and will have studrail reinforcing at columns. The exterior decks will require a soffit steps in order to accommodate pavers and waterproofing.

The Level 1 elevated slab will have an average thickness of 12” and will have studrail reinforcing at columns. There will likely be several slab and soffit steps to accommodate elevation and finish changes.

All slabs on grade will be 6” thick reinforced concrete slabs. Pile caps will be 3’-0” to 5’-0” thick depending on location

There will be approximately 200 lineal feet of 18” thick concrete shear wall per level. Shear walls will be concentrated around elevator and stair cores as indicated in the architectural plans.

BALLROOM AREA FRAMING SYSTEMS:

The ballroom area structural system will consist of 2½” slab on 3” metal deck floors over conventional structural steel beams and long span steel trusses and a 2” metal deck roof over conventional structural steel beams and long span steel trusses. All

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columns will be structural steel and will bear on concrete pile caps and concrete columns. The lateral system will consist structural steel braced frames.

The porte-cochere will consist of 1½" metal deck roofing over architectural structural steel beams and columns.

The market area will consist of 1½" metal deck roofing over architectural structural steel beams and columns.

MISCELLANEOUS FRAMING SYSTEMS:

Concrete planters and curbs will be 6" thick and CMU partition walls will be 8" thick.

Roof screens will be structural steel and will require added structural steel support in the roof framing below.

Metal stud framing for penthouses and exterior structural wall panels will be 6" 18 gage at 16" on center.

STRUCTURAL BUDGET QUANTITIES

All structural budget quantities provided below include an allowance for reinforcing bar laps, construction joints, trim bars, post-tensioning back-up bars, bolts, and connection plates. DCI quantities do not include waste factors, support bars, or post-tension anchor weights. The contractor/estimator shall allow for appropriate waste factors and any required support bars.

All quantities are based on Square Foot of Elevated Deck (SFED) for the applicable framing system. SFED is defined as the surface area of all suspended concrete structural decks. Deductions for mechanical, stair and elevator openings are not required.

CONCRETE REINFORCING QUANTITIES:

LOCATION	QUANTITY
Foundations	0.85 LBS / SFED
Columns	1.70 LBS / SFED
Shear Walls	3.25 LBS / SFED
Hotel P-T Slabs	
Mild Reinforcement	1.95 LBS / SFED
P-T Tendons	0.80 LBS / SFED
Level 3 P-T Slabs	
Mild Reinforcement	1.95 LBS / SFED
P-T Tendons	0.80 LBS / SFED
Level 2 P-T Slabs	
Mild Reinforcement	1.95 LBS / SFED
P-T Tendons	0.80 LBS / SFED
Level 1 P-T Slabs	
Mild Reinforcement	1.95 LBS / SFED
P-T Tendons	0.80 LBS / SFED
Slab-On-Grade	0.40 LBS / SF

STRUCTRUAL STEEL QUANTITIES:

LOCATION	QUANTITY
Standard Floor Framing	11.0 LBS / SFED
Roof Framing	10.0 LBS / SFED
Long Span Floor Framing	20.0 LBS / SFED
Shear Walls	2.25 LBS / SFED

MECHANICAL NARRATIVE

BASE SYSTEM CRITERIA

LOADS:

Loads for the three main areas of the building are preliminarily as follows:

Space	Tons
Back of House	360
Public Spaces	280
Guest Rooms	500
Total	1140

CENTRAL PLANT

A central plant will be located on the roof of the tower. It will contain the following:

1. High efficiency heating water boilers
2. Open cooling tower
3. Condenser water heat exchanger
4. Condenser water pumps
5. Cooling tower pumps
6. Heating water pumps
7. Air separator
8. Chemical treatment (closed and open loop)
9. Domestic water heaters for the tower
10. Domestic hot water storage tank.

The heating boilers will provide all of the heating energy for the entire building. Services to the central plant will be routed through a pipe chase down to the podium.

The system would be sized for a 15F delta T, resulting in around 2,300 GPM. Mains would be sized at 14-inch. Total heating load for the project is estimated to be 9,000 MBH.

Piping materials will be steel for sizes over 2-inch and type L copper or 2-inch and smaller.

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TOWER

Cooling and heating for each guest unit will consist of a single vertical high rise water source heat pump with integral pipe risers. Heat pumps will be located at the perimeter of the room with adjustable supply grilles. Capacity will be approximately 1.5 tons on the south side and 1.0 tons on the north side for each unit. Copper condenser water piping will be run vertically in risers the entire height of the tower and collected at the fourteenth floor ceiling space.

Outdoor air for the guest units will be delivered via multiple supply air shafts located near the corridor. Shafts will serve to ventilate the guest units and the corridor. A separate tap off of the supply riser will be provided for each, complete with fire smoke damper. Supply air to the guest units will be ducted with sheet metal above the celling of the corridor and then into each unit with a 4−inch duct sleeve with fire stop material around the wall penetration. Flexible duct will be provided for acoustical reasons from the sleeve to a supply grille in the unit providing 30 CFM.

Supply air for the corridor will be provided off of the second branch of each supply riser, ducted to a ceiling supply grille.

Supply air for vending machines will be via separate connection off of the corridor supply duct.

Supply for the linen area on each floor will be via a separate tap with fire smoke damper from the central supply air riser.

Exhaust for each toilet room will consist of a 30 CFM duct connection, ducted to a sub−duct exhaust riser located within the toilet room plumbing wall (larger units such as suites will have additional ventilation provided per code). Each exhaust riser will rise up to the 14th floor ceiling and connect to a horizontal duct in the ceiling space of the 14th floor.

Exhaust for the vending machine heat and the linen room will be via separate sub−ductec riser.

Exhaust for the corridor supply will be via increasing the size of a select number of guest unit exhaust risers.

Makeup air for the supply air shafts will be located on the roof above the shafts at the east and west ends of the roof. It is anticipated that these units will be 8,500 CFM and will require heat recovery per Oregon Energy Code. A makeup air system serving the center of the building will consist of either one 16,000 CFM heat recovery unit to serve the central shaft serving the guest units, vending, linen and corridor area.

Energy recovery ventilators for the tower will consist of fans, filters, hot water coils piped to condenser water, and DX cooling.

Total tower makeup air is estimated as follows:

Guest Units	18980
Corridors	9000
Housekeeping and Linen	1800
Ice/Vending Machine	3000
Total Tower Makeup Air	32780

Pressurization fans will be provided for two stairwells with a total fan capacity of about 1,000 CFM per door. Assuming 14 floors and one door per floor, this equates to 14,000 CFM per fan. We envision one fan at the roof for each stair with motorized damper. Vertical ducting adjacent to the stair is not anticipated. Vane axial fans will be provided with VFD's. An adjustable relief vent through the roof will be provided for each stairwell. Elevator shafts will not be pressurized due to the presence of lobbies.
Low rise stairs will not be pressurized per City of Portland.

PODIUM

The podium is assumed to be a return air plenum throughout. Ductwork will be galvanized sheet metal per SMACNA standards.

These areas will be provided with local water source heat pumps in each zone. Ballrooms that are divisible shall have multiple heat pumps such that each divisible room shall have independent zoning. Where possible, heat pumps will be ganged together to provide strategic service mezzanines to allow for ease of maintenance, central connection for electrical and condensation drains. Depending on space constrains the heat pumps may also be located adjacent to each area that is being served.

A ducted system of outdoor air will be provided to each heat pump. Outdoor air for each heat pump will be regulated by volume dampers in a constant volume system. Demand control ventilation will not be provided as makeup air will be provided by heat recovery ventilators. The heat recovery unit(s) will provide heating to temper the air to the heat pumps to a minimum of 60F. Units will consist of a fan, filters, hot water coil and heat wheel. Cooling for the air will be located within each zone's heat pump capacity. The makeup air unit heat will use heat directly from the condenser water loop using a hydronic coil. The units would be located on the roof of the podium, behind the north screen wall.

Total air capacity is 50,000 CFM not counting pool or kitchen makeup air.

RETAIL TENANT

Each space would be provided with a stub to the condenser water system for installation of a water source heat pump. Louvers for ventilation and exhaust will be provided in the shell to accommodate future tenant improvements if deemed necessary

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LOADING DOCK

The Loading Dock will be ventilated at 0.75 CFM per square foot with a sidewall exhaust fan and louver. A short duct will extend the exhaust to the back of the bay. Makeup air will be via the open doors.

KITCHEN EXHAUST

The system proposed includes one grease exhaust fan for each kitchen, one for the Banquet Kitchen and one for the Main Kitchen. Per code it is assume that each kitchen will not be subdivided into more than one air space. Per the OEESC, systems over 5000 CFM are required to have variable volume kitchen exhaust systems. It is assumed that each kitchen will be over this amount. The grease exhaust for the Banquet Kitchen will go directly up through the roof. The grease exhaust for the Main Kitchen will be routed up through the second and third floors to the third floor roof on the north side of the tower. An alternate location for the third floor tower wall is being considered. The duct will be provided with access cleanouts at 20foot intervals and low point sumps every 150 feet, with the duct sloped at 2%. The grease duct will be wrapped in a 2-hour sheet rock enclosure or wrapped with 2-hour UL listed insulation.

An additional Type 2 hood is assumed in each kitchen for dishwasher exhaust. Extensive lengths of ductwork for this will have drains and be welded to prevent leaks.

KITCHEN MAKEUP AIR

Each kitchen will have a makeup air unit that will only heat the air to 60F and will not cool the air. Code requires that at least 60 percent of the kitchen hood makeup air be uncooled or evaporative cooled.

The makeup air unit will provide heat directly from the condenser water loop via a hydronic coil. This will enable heat recovered from elsewhere to be used for makeup air. The units will be provided with variable speed drives on the fans to track the code required variable speed kitchen exhaust system.

SWIMMING POOL

The pool area will be served by a packaged dehumidification unit that will circulate air in the space and maintain humidity between 40-60% RH and temperature at 82F. The unit will be water cooled and will be able to reject heat to the building condenser water loop if needed. An outdoor air louver will be provided for ventilation air to this unit. An exhaust fan will be provided to exhaust air from the space and maintain a slight negative pressure in the space with respect to the circulation space.

GENERATOR

The emergency generator is assumed to be approximately 2.5 megawatts. This requires a discharge cooling louver approximately 180x128 in size. Sheet metal transitions between the engine generator and the louver will be provided. Sound traps for acoustical treatment are not provided at this time until acoustical evaluation is performed.

PLUMBING NARRATIVE

BASE SYSTEM DESCRIPTIONS & CRITERIA

CODES:

2014 Oregon Plumbing Specialty Code Systems

DOMESTIC WATER SERVICE

City Water Service -

Six inch main with four inch water meter. Anticipate a six inch DCVA located at exterior building in a vault.

Note: Hyatt Design Criteria requires two connectors to two different mains. At this juncture, the design team is not expecting to meet this Hyatt requirement.

Design will include triplex booster 33% / 33% / 33% at ground level with expansion tank at penthouse mechanical room and will serve only the tower hotel rooms. Minimum pressure to any fixture is 25 psig. Piping materials will be Schedule 10 SS roll groove for 3-inch and larger with TYPE L copper and sweat or brazed joints for 2.5- inch down to one half inch with PEX pipe and fittings utilized within walls and hotel rooms. Per Hyatt Design standards, kitchens, laundry, and public spaces, domestic cold and hot water systems will utilize street pressure as well as sixteen guest rooms on the third floor. Distribution system will be zoned by main SOV's. The tower will be designed into a single pressure zone and circulated back to the main water heater system to maintain zone hot water temperature. All branches and risers off mains will be valved with a valved and capped branch for draindown. Install hose bibbs at 150 feet centers in parking, Porte Cochere and at exterior of the building. Install hose bib's at all mechanical rooms. Install hot and cold water hose bibbs at trash rooms.

DOMESTIC HOT WATER SYSTEMS

Temperatures at fixtures:

- Public areas and other hand washing facilities will be at 120 degree Fahrenheit /with tempering ability to deliver 110 degree hot water to hand sinks.
- 120 degree Fahrenheit for hotel rooms
- Dishwashers/kitchens 140 degree Fahrenheit

Delivery criteria are based on no longer than fifteen meter hot water branch piping to any one fixture. The main hot water systems will be divided into two areas.

The tower system (120 degree Fahrenheit) will consist of high efficiency condensing type boilers; two (2) capable of each 1938 gph recovery @ 90 degree rise and two (2) 650 gallon vertical storage tanks at the Penthouse mechanical room. Pipe such that either system could be bypassed.

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Each Ball Room kitchen (140 degree F) will consist of two high efficiency condensing type water heaters; two (2) capable of 500 gph each at 100 degree rise and vertical (2) 125 gallon storage tanks.

Restaurant kitchens (140 degree F) will consist of high efficiency condensing type water heaters; two (2) 250,000 each capable of 500 gph each at 100 degree rise and vertical (2) 125 gallon storage tanks.

The restaurants and ballroom hot water systems will be located at the northwest corner of the street level and would have sidewall flues and combustion intakes.

Public Area Restrooms and such will be supplied with 110 degree Fahrenheit hot water via local elect water heaters adjacent to said areas.

GREASE INTERCEPTORS

Each kitchen (restaurant and ball room) will be provided with a gravity type in ground grease interceptor sized at 307 DFU each = 2,500 gallon interceptors for each. To be installed in the parking level at slab on grade. We will need written permission from Hyatt to place the grease interceptors at the parking/loading dock as Hyatt design criteria require exterior of the building but this will not be possible on this site.

WASTE AND VENT

Materials shall be as follows:

- Sanitary Underground Waste: Service weight cast iron with standard no-hub couplings
- Sanitary Above Ground Waste: Same as underground except on main vertical risers provide extra heavy couplings
- Below Ground Vent - ABS co-extruded pipe with solvent weld fitting
- Above Ground Vent - ABS co-extruded pipe with solvent weld fitting Note: provide plenum rated materials within plenums

Note: No yolk vent design - waste stacks will utilize 60 degree offsets Storm Drain System

STORM DRAIN SYSTEM

Materials shall be as follows

- Underground Drainage: Service weight cast iron with standard no-hub couplings
- Above Ground Drainage: Same as underground except on main vertical risers provide extra heavy coupling

Intent is to flow all room storm drainage through storm water treatment planters on site/Building as designed by civil engineer and landscape architect.

Note: At tower roof overflow system will connect to common SD riser at floors four and D overflow system will connect to SD risers but utilize a Froet sensor to alarm.

NATURAL GAS

Gas service will enter at the ceiling level of Parking Level. The meter and regulator will be located exterior in screened alcove. Provide house meter and meters to serve tenant restaurants / retail. Gas will be routed throughout the building to the domestic hot water boilers, pool boilers, food service/restaurants and mechanical equipment boilers.

Natural gas piping will be scheduled 40 black steel with black malleable fittings 2-inch and smaller, 2.5 inch and larger to be sch4 blacksteel pipe with welded fittings.

FUEL OIL SYSTEM

A fuel oil system will be installed to provide fuel oil to the emergency generator. The system will consist of a remote fuel fill port located at the exterior of the building at the ground level NW corner. Piping from the fuel fill will be routed to a belly tank under the generator. Vents (3) from the fuel storage tank must terminate through the sidewall of the building no more than 12 feet above the tank at the west side of the building.

Fuel piping will be schedule 40 black steel piping with black malleable threaded fittings.

PLUMBING FIXTURES

Following maximum flow rates will be required at the plumbing fixtures:

- Hotel Rooms
  - Standard Floor Mount Water Closets: 1.28 Gallons Per Flush elongated, with closed seats
  - Lavatory Faucets: 1.5 Gallons Per Minute
  - Showerheads: 2.0 Gallons Per Minute
- Public/Retail Spaces
  - Water Closets: 1.28 Gallons Per Flush elongated with open front seats
  - Lavatory Faucets: 0.5 Gallons Per use
  - Kitchen Faucets: 1.8 Gallons per Minute Aerators
  - Urinals: 0.5 Gallons Per Minute

SWIMMING POOLS/SPA

Provide utilities to serve equipment gas, 6-inch sanitary waste vent and 2-inch cold water makeup/pool fill.

RETAIL TENANTS

Provide a 4" sanitary connection, 3" sanitary vent and a 1" CW stub - valved and capped at lease space.

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ELECTRICAL SYSTEMS NARRATIVE

PURPOSE:

This Basis of Design summarizes the anticipated design direction and describes the systems being provided for normal power, emergency power, lighting, technology systems rough- in, and other building systems pertinent to this project.

GENERAL DESCRIPTION:

New 14 story tower. The approximately 430,000 sf tower will be located on NE Holladay Street and bordered by NE 2nd Avenue and NE Multnomah. The building will contain ballroom spaces, meeting spaces, a full-service restaurant, kitchens, and approximately 600 rooms.

CODE, STANDARDS AND RELATED REQUIREMENTS:

The below listed documents have informed the Basis of Design and utilized to form the minimum design elements:

- 2014 Oregon Structural Specialty Code (OSSC)
- 2014 Oregon Electrical Specialty Code (OESC)
- 2014 Oregon Energy Efficiency Specialty Code (OEESC)
- 2014 Oregon Fire Code (OFC)
- 2014 NFPA 70 National Electric Code with Oregon Ammendments
- PacifiCorp Electrical Service Requirements
- Hyatt Design Recommendations & Minimum Standards dated 2010
- Hyatt Engineering Recommendations & Minimum Standards dated 2011

SITE UTILITIES

We have met with representatives of PacifiCorp (PPL) to discuss the options available for service, vault location and vault requirements for delivery of power. The site electrical system will consist of primary distribution at 12.47kV via the downtown PPL system. Two 4" PVC conduits will be extended from an existing vault either at the east end of Hassalo Place at the entrance to "Block A" or from an existing vault on the north side of Multnomah Street approximately midway between Legacy Health and the Trimet bus stop to transformer vault(s). We are estimating that each of two utility transformers will require a vault approximately 11' wide, 24' long, and 10' tall. We are in the process of finalizing this coordination with the utility. PPL is in the process of upgrading their distribution system and hasn't determined which utility substation would ultimately serve our new building. PPL has indicated that for additional reliability, they could bring service conductors from both existing vaults. In this case two 4" conduits would need to come from each existing vault to a new 712 vault which can be located either in Hassalo Place or 2nd Avenue. The Basis of Design assumes that service will not be required from multiple PPL substations and thus we have not included any costs in the project for services from multiple PPL substations. The two 4" service conduits would then come from the new 712 vault to the transformer vault(s). The transformers will be connected to a collector bus. The collector bus is anticipated to be located in a dedicated room within the building. This room will have approximately ten 4" conduits going to each of the PPL transformers.

From the "collector bus" room to the main electrical room there will be underground conduit duct banks of eight to ten 4" conduits to each of three main switchboards. Each feeder connection will have the same amperage rating as the switchboard it serves. The anticipated fault current for the distribution system is approximately 95,000 amps.

PPL to furnish, install and maintain transformers, primary cables, meters and connection of secondary service cables between the collector bus and the PPL transformers. Earthwork, site conduits and underground vaults will be provided by our team. Secondary horizontal feeders from the collector bus to the Main Switchboards are provided by our team (standard installation).

MAIN ELECTRICAL SERVICE ENTRANCE EQUIPMENT

A main electrical distribution room is anticipated to be located at the lower level.

The main service entrance equipment will consist of three switchboards of various ampacities, all rated 480Y/277 Volts, three phase, four wire. Each switchboard will include a EUSERC section for utility metering. There will be three utility meters remote mounted on the building exterior. Each switchboard will have front and rear access and draw out circuit breakers rated for 100kAIC minimum. Each switchboard will have a separate service entrance feeder from the collector bus.

Switchboards will provide power at 480V, 3 phase, 4 wire. Larger loads such as HVAC equipment and elevators will be served through distribution panels or switchboards. A portion of the 480V power will be stepped down further to provide 120V power to the public space receptacles.

Entry doors to the main electrical room will be oversized to accept equipment. Path through the building to this room needs to be verified for clearance.

Building Power risers will originate in this room.

All cabling shall be aluminum (in lieu of copper) for the main feeder(s), buss duct, switchgear, panelboards and transformers. This is a deviation from the Hyatt Standards.

NORMAL POWER:

The main switchboards will distribute 480Y/277 volt power to electrical distribution rooms located on each floor. The tower floors will be serviced from one of the switchboards via a 2500 Amp bus duct rated 480 volts. This will be used to distribute power to each of the floors for lighting, power and mechanical loads. Another switchboard will serve the platform needs (lower level thru third floor) as well as the roof and fire pumps, the third

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switchboard will serve the normal power side of the automatic transfer switches (ATSs). There will be a distribution electrical room located on every floor, stacked on tower floors. This electrical room will house the bus duct risers, 480 volt panels, lighting control panels, transformers, 208 volt panels and connections points for the fire alarm systems and other ancillary electrical systems. Additionally on the guest floors there will be an electrical closet in each wing housing 208V branch panels. Other branch panels will be located where loads and Hyatt standards dictate, pool area, kitchens, ballrooms, etc.

PPL metering will be provided at each service entrance switchboard. No sub-metering is included.

All cabling shall be aluminum (in lieu of copper) for the main feeder(s), buss duct, switchgear, panelboards and transformers. This is a deviation from the Hyatt Standards.

MC cabling shall be used for all branch wiring for convenience outlets and lighting. This is a deviation from the Hyatt Standards.

EMERGENCY POWER

Located within the building in a room separate from the normal power distribution system will be an emergency power distribution room as well as a separate room for the generator. It is anticipated the generator and Emergency Power equipment rooms will be located at the lower level.

The guestrooms will not be served with emergency power for convenience outlets; only for code required fire/life/safety systems. This is a deviation from the Hyatt Standards.

A 2,500 kW generator @ 480V is anticipated to accommodate Emergency Power, Legally Required Standby, and Optional Power loads. The generator will also have limited spare capacity to support load growth within the facility.

The diesel engine generator and associated automatic transfer switches and auto-start capability on loss of commercial power will be used to power the following:

- Emergency System: Egress Lighting, Fire Alarm System, Distributed Antennae System (DAS).
- Legally Required Standby system: One elevator in each elevator bank, pressurization fans, certain exhaust fans, fire pumps (note that each fire pump will typically have its own dedicated combination motor starter/automatic transfer switch)
- Optional Standby System: 1st floor kitchen and restaurants, 1st floor main reception/circulation, and third floor regency club. We have also included one light and one power outlet per unit on a shared emergency circuit in hotel rooms.

Transfer switches will be 4 pole, contactor type.

660 gallons of fuel is the upper limit without incurring significant added cost to construction. 660 gallons of fuel is equivalent to 3.8 hours of runtime for a 2.5MW generator running at full load, or 4.7 hours of runtime for a 2.0MW generator.

A remote fuel fill station is anticipated.

ROOF-TOP ELECTRICAL SYSTEMS

Support of Mechanical HVAC Systems

- All electrical control equipment located in interior spaces. No NEMA 3R equipment
- All Across-the-line starters with HOA control by Electrical. All motors 10 horsepower and above will require reduced voltage starters or VFD's.
- ALL VFD's by Mechanical with internal disconnect switches

Elevators and Elevator Machine Rooms

GROUNDING SYSTEM

Copper ground rods will be installed under the building and connected together with a #3/0 Cu ground wire.

Building reinforcing bars should be tied together and joined to the grounding system.

Building central ground bar in the main electrical room will be tied to the main switchboard per the NEC.

Separate electrical riser system with ground bars installed in each communications room and electrical rooms on each floor.

A separate green electrical power ground will be installed in each conduit in addition to the path provided through the metallic conduit.

LIGHTNING PROTECTION SYSTEM

A lightning protection system will **not** be provided for this facility as it exceeds minimum code standards and is not common practice for this region. This is a deviation from the Hyatt Standards.

BASIC MATERIALS AND METHODS

All switchboard, distribution panel, and panelboard bussing will be copper.

All bus duct risers will be copper

All feeders and branch circuits will be installed in conduit with copper THHN/THWN conductors.

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GUESTROOM ELECTRICAL

Each typical guest room is anticipated to be fed with (3) 120V circuits and (1) 277V circuit. The 277V circuit will feed the rooms HVAC unit. We anticipate that this circuit may be shared between each pair or rooms. One of the 120V circuits will be dedicated to the restroom. One of the 120V circuits will be for appliances, coffee maker, and refrigerator. The final 120V circuit will serve outlets on either side of the beds, at the desk, and for the entertainment center (TV, DVD, and Cable).

MC cabling shall be used for all branch wiring for convenience outlets and lighting. This is a deviation from the Hyatt Standards.

All receptacles in the guest room will be tamper resistant type.

One single point connection to headboard desk (FF&E).

One duplex GFI outlet is provided next to sink in bathroom.

120V single point connection provided to bathroom mirror. We assume no low voltage connection is required.

Dimmers are not provided in bathroom.

Bathroom lighting consists of one fixture in the stool area, one over the sink, and one at the shower.

We have assumed all guestroom power and lighting is connected to normal power system.

The guestrooms will not be served with emergency power for convenience outlets; only for code required fire/life/safety systems. This is a deviation from the Hyatt Standards.

A single point connection to closet FF&E open shelving unit with built in light is included. Shades in rooms are assumed to be manually operated. No power or controls included.

A light switch at each side of the bed for corridor to bathroom nightlight is not included.

We will assume layout in King and Presidential Suites are similar to King units for budgeting purposes.

We have assumed light switches at beds are integral to FF&E lamps.

Ceiling fans or connections are not included.

We assume the technology contractor is providing the interface of the main light switch to the BAS system if required.

We will provide (1) ceiling light at guestroom entryway.

GENERAL ELECTRICAL

We have included a seismic monitoring system.

Electric Vehicle charging stations are not included in the building budget/design. We assume these will be added in the garage design, if required.

We have included a UPS for computer room backup power.

The current building budget includes mechanical lugs for feeder terminations.

We have provided standard utility metering only. Electronic sub-metering is not included.

Our design/budget does not have provisions for a future solar system.

Our design/budget does not include provisions for monitoring supply power to life safety equipment via breaker/disconnect position thru the BMS system.

Motors will be fed out of panel boards with local control via wall mounted VFD's.

We have included an industry standard spare parts allowance for lamps and ballasts which is included in the $5/SF lighting allowance.

We have assumed 1 fire pump for the building.

TESTING

Thermal imaging scans are not included.

LIGHTING SYSTEMS

Lighting -

A $5/sf allowance has been made for the lighting materials.

City of Portland standard street lighting system modifications are included along N.E Second, N.E Multnomah and Hassalo Place. We have included a total of (8) COP light Poles along with required circuiting and excavation. All work on the opposite sides of street in these locations is assumed to be by others. All traffic signaling work is assumed to be designed, constructed and paid for by the City of Portland.

LIGHTING CONTROL SYSTEMS

Lighting Control -

It is planned that low voltage lighting control panels with LV relays will be located adjacent to lighting power panels that serve the building lighting.

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Dedicated lighting control systems will be provided for all Restaurants, Ballrooms, and Meeting Rooms.

Occupancy sensors will be provided where ever practical so as to NOT create a safety hazard. Lighting controlled by occupancy sensors will not be connected to the low voltage lighting control system.

TECHNOLOGY SYSTEMS INFO-STRUCTURE

Elements will include 120v branch circuits to head end equipment and raceways to support cabling for systems designed by the Technology Systems Contractor. Cabling is specified and purchased by the Technology Systems Contractor. Cabling installed by Electrical, terminations made by the Technology Systems Contractor.

The following systems will be supported in this fashion:

- Fire Alarm,
- Electronic Security Systems, including access control and CCTV,
- RF Signal Reinforcement Systems (DAS),
- Telecommunications systems, including LAN cabling, telecommunications switchgear,
- Point of sale systems
- Audio/Visual Systems
- CATV systems
- Building Automation systems

LOW-VOLTAGE SYSTEMS NARRATIVE

GENERAL

The following systems will use a secondary network supplier (Juniper in lieu of Cisco. This is a deviation from Hyatt Standards.-

- WiFi System(s)
- Network System(s)
- IPTV System
- Telephone

PHYSICAL SECURITY SYSTEM

The Physical Security System (PSS) when used throughout this document will be referring to the following, but not limited to, systems that combined make up the Physical Security System. The PSS will be managed from the same user interface and allow programming, reporting, and control from single user interface. The PSS will have three (3) workstations that will be located in the Security Command Center. The workstations will have the ability to call up the following: (1) Access Control System, (1) Video Management System, (1) Intrusion Detection System. Two (2) large wall mounted displays will be used as secondary monitors for the Alarm Call−Up and Video workstations.

The PSS to be designed and provided is broken down into the following four (4) categories:

- Back of House (BOH) Access Control System (ACS)
- Guest Locks System (GLS)
- Video Management System (VMS)
- Intrusion Detection System (IDS)

BOH ACCESS CONTROL SYSTEM

The BOH ACS for the Oregon Convention Center Hotel will include and comply with, but not be limited to, the following:

1. The ACS workstation will allow for monitoring of door ajar, door forced open and invalid access alarms. This workstation will also allow for managing user groups and access permissions.
2. ACS Badging software (Workstation by Hyatt) as well as badging printer, digital camera, and back drop will be provided in the Human Resources department for managing and issuing of badges to employees.
3. ACS field device placement is based on the property being considered as a “Normalized Security Environment".
    a. The current crime rate in Portland is 392 which is below the threshold of 400 that requires an "Elevated Security Environment". The design is based on 392.
4. Access Control field controllers will be manufactured by Mercury.
    a. These controllers are agnostic to the major access control manufacturers. The benefit here is having the flexibility to change software platforms while the infrastructure remains the same. BOH card readers have been provided on employee entrances, IDFƒTR room doors, Human Resources and other BOH areas that needed secured from the public.

GUEST LOCKS SYSTEM

The GLS for the Oregon Convention Center Hotel will include and comply with, but not be limited to, the following:

1. The GLS server will be provided and located in the nearest IDF closet to the front desk.
2. GLS software and licenses for all rooms will be provided for a complete and

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4. The IDS will be used for duress alarms located at the front desk and any location detailed in the final design.

PHYSICAL SECURITY SCOPE CLARIFICATIONS

1. The above scope assumes a normalized security environment.
2. No provisions are in the current budget for an Explosive Trace Detection System.
3. No provisions are in the current budget for the detached parking garage.
4. No provisions are in the current budget for intrusion detection devices in the retails spaces. It is currently being assumed that these are lease spaces.
5. No provisions are in the current budget for metal detectors
6. No provisions are in the current budget for X−ray machines.
7. No provisions are in the current budget for employee pagers or two−way radio system.
8. All exterior choke points and guard shacks are excluded.
9. Card Readers/access control is excluded for all MEP areas. Telecom rooms and electrical rooms that are shared with telecom rooms have card readers.
10. All additional security called out in the EM&RS for a Presidential Suite is excluded. The Presidential Suite has been treated like a standard guest room for security.
11. Subsurface disturbance sensors are excluded for the pool area.
12. There are no glass break sensors included at this time.

FIRE ALARM SYSTEMS

The Fire Alarm System in this scope narrative is to define the basics of the “Oregon Structural Specialty Code”, “Oregon Fire Code”, and references listed. The Fire Alarm System will include, but not limited to, the fire control panel, annunciators, initiating devices, and supervisory devices and will be of an approved typed. The Fire Alarm System will be further defined as all devices and components required for a complete and functional fire alarm system, and devices will be installed in accordance with the provisions of the codes and references listed within this document.

The fire alarm system for the oregon convention center hotel will refernce and comply with, but not be limited to, the following codes and guidelines:

1. Fire Alarm System Codes and Guidelines:
    a. 2014 Oregon Structural Specialty Code (OSSC)
    b. 2014 Oregon Fire Code (OFC)
    c. 2012 International Building Code (Second Printing) (IBC)
    d. International Code Council (ICC)
    e. National Fire Alarm and Signaling Code (NFPA)
    f. International Fire Code (IFC)
    g. Americans with Disabilities Act Accessibilities (ADA) Guidelines

If there are conflicts between the code references the code with the stricter language will be used.

2. System will be designed by persons that are certified NICET Level IV.
3. Fire Alarm plans will provide device locations, room labels and scale of drawing will be clearly identified.
4. Fire Alarm design will include complete battery calculations that include all initiating devices and notification appliances.
5. Fire Alarm design will include a detail sequence of operation for the alarm system.
6. System and its components will be addressable.
7. System and have annunciater panels at main entrances.
8. All devices and components will comply with the latest code and guidelines.
9. Addressable smoke detectors in common spaces and required by code.
10. Addressable heat detectors in mechanical spaces and required by code.
11. Combination smoke/co detector in guestrooms.
12. Low frequency speakers in guestrooms required by City of Portland.
13. Speakers, Speaker strobes will provide voice evacuation throughout the facility.

AREA OF REFUGE / RESCUE

The Area of Refuge Rescue system in this scope narrative is to define the basics of the “Two−way Communication” defined in the “Oregon Structural Specialty Code”, “Oregon Fire Code”, and references listed.

The area of refuge/rescue for the Oregon Convention Center Hotel will reference and comply with, but not be limited to, the following codes and guidelines:

1. Area of Refuge System codes and guidelines.
    a. 2014 Oregon Structural Specialty Code (OSSC)
    b. 2014 Oregon Fire Code (OFC)
    c. 2012 International Building Code (Second Printing) (IBC)
    d. International Code Council (ICC)
    e. National Fire Alarm and Signaling Code (NFPA)
    f. International Fire Code (IFC)
    g. Americans with Disabilities Act Accessibilities (ADA) Guidelines

    If there are conflicts between the code references the code with the stricter language will be used.
2. Sequence of Operation will be a written description and will define the events that occur when initiating the Two−way communication system. The description will include details relating to annunciation, remote signaling, and activation of control functions, as applicable at a minimum.
3. Authority Having Jurisdiction (AHJ) has the right to final approval.
4. System will include signage as referenced throughout the code referenced.
5. System will include all equipment required in the field as well as the Fire Command Center to make a complete and functioning system.
6. Two way hands free communication stations in stairwells designated as area of rescue.
7. Master station located in Fire Command Center.
8. System to be equipped with a dialer for exterior communication.

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INTERCOM SYSTEM

The intercom system will consist of one (1) master station located in the Security Control Center and four (4) sub−stations located (1) at the employee entrance on Holladay Street, (1) at the Loading Dock Entrance, (1) at the Northwest Entrance next to Loading Dock and the Pre−Function Area on the 1st level.

PAGING SYSTEM

The Paging System will cover employee areas on Holladay Level, Level 1, Level 2, and Level 3. System will also cover all Kitchen areas on Level 1 and Level 2, Restaurant, Outside Seating areas, Bar / Lounge, and Regency Club and Fitness Center Hallway.

BACKGROUND MUSIC SYSTEMS

The Background Music System will cover public and pre−function areas of Level 1 and Level 2.

Clarification -

1. The background music and public address system will be one system. Speakers for paging and background music have been placed throughout the building as stated above.

AUDIO-VISUAL SYSTEMS

For the initial design the Hyatt International Technical Services (H.I.T.S.) Design Recommendations and Minimum Standards Document was used as well as meetings with the owner. The narrative for each category is for Audio Visual (AV) design and dialogue purposes only and is not intended to be used for the ordering of equipment or to be considered a contractual document.

The Audio-Video Systems is broken down into the following categories:

- Large & Small Divisible Meeting Rooms Meeting Rooms
- Large & Small Meeting Rooms
- Main Ballroom
- Junior Ballrooms
- Board Rooms
- Human Resources and Finance
- Learning Center Meeting Room
- Fitness Center
- Hospitality Suites
- Digital Signage

Large & Small Divisible Meeting Rooms -

Each large and small divisible meeting room will contain, at a minimum, one (1) 80” television, and AV custom wall plate to plug in a laptop to be displayed on the television.

Large & Small Meeting Rooms -

Each small meeting room will contain, at a minimum, one (1) 80” television, four (4) speakers with local volume control and one (1) AV custom wall plates, and each large meeting room will conatain, at a minimum, one (1) 80” television, six (6) speakers with local volume control and one (1) AV custom wall plate.

Main Ballroom –

The Main Ballroom is divisible into five (5) separate ballrooms. Three (3) of ballrooms will have, at a minimum, one (1) project and one (1) screen, one (1) ballroom will have three (3) projectors and three (3) screens, and one (1) ballroom will use mobile projectors and screens. The two larger ballrooms will have, at a minimum, eight (8) speakers and the three small ballrooms have four (4) speakers. Each ball room has custom wall plates to plug in a laptop to be displayed by the projector, and a touch panel for control.

Junior Ballroom -

The Junior Ballroom is divisible into four (4) separate ballrooms. Each ballroom will have, at a minimum, one (1) project and one (1) screen. The two large ballrooms have, at a minimum, eight (8) speakers and the two small ballrooms have four (4) speakers. Each ball room has custom wall plates to plug in a laptop to be displayed by the projector, and a touch panel for control.

Board Rooms -

There are three (3) board rooms, two (2) will have, at a minimum, an 80" television, two (2) ceiling mounted speakers, a custom wall plate to plug in a laptop to be displayed on the television, and two (2) table mounted custom plates to plug in a laptop to be displayed on the television. The last board room will have, at a minimum, a 42" television, four (4) ceiling mounted speakers, a custom wall plate to plug in a laptop to be displayed on the television, and two (2) table mounted custom plates to plug in a laptop to be displayed on the television.

Human Resources And Finance Meeting Rooms -

The Human Resources and Finance meeting rooms will each have, at a minimum, a 42" television and a custom wall plate to plug in a laptop to be displayed on the television.

Learning Center Meeting Room -

The Learning Center meeting room will have, at a minimum, a 42" TV and a custom wall plate to plug in a laptop that will be displayed on the TV. The Learning Center will also have a projector, projector screen, four (4) speakers, a custom wall plate to plug in a laptop to be displayed by the projector, and a touch panel for control.

Fitness Center -

The Fitness Center will have, at a minimum, four (4) 42" televisions and four (4) ceiling mounted speakers will be provided with local volume control.

Hospitality Suites -

The Hospitality Suite will have, at a minimum, one (1) 42" television, four (4) ceiling mounted speakers and a custom wall plate to plug in a laptop to be displayed on the television will be provided in this space.

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Guest Floor Video Systems –

There is no video systems provided to any guest floor or guest room except the one Presidential Suite.

Audio-Video Systems Scope Clarifications

1. Board rooms will have two (2) desk inputs instead of the asked for one (1).
2. VCRs are excluded.
3. All video conferencing is excluded.
4. Stage lighting and follow spotlights are excluded for all ballrooms.
5. HVAC integration is excluded to the controller in the meeting/conference/ball rooms. A controller for the BAS will be wall mounted in the space.
6. All fit−out and equipment for an AV control room in the ballroom and junior ballroom is excluded as this space is not currently shown on the drawings.
7. Underwater speakers and MP3 player connection is excluded in the pool area.
8. A mobile AV cart and microphone system is excluded for the gym.
9. Under counter speakers in guest room bathrooms are excluded.
10. Surround sound and Hi−Fi systems are excluded for all suites.

DIGITAL SIGNAGE

Digital Signage will consist of one (1) content generation software package, one (1) 60" TV located behind the front desk, one (1) 60" TV located in the Pre−Function Area outside of ballrooms and 10" displays located outside each meeting room. Digital signage CUPs will be at a minimum an i5at all required locations.

1. All exterior digital signage is excluded.

DISTRIBUTED ANTENNA SYSTEM

The Distributed Antenna Systems (DAS) when used throughout this document will be referring to the following, but not limited to, systems that combined make up the DAS. The DAS provided by JCI is broken down into the following two (2) categories:

- Cellular Distributed Antenna System (CDAS)
- Public Safety Distributed Antenna System (PSDAS)

CELLULAR DISTRIBUTED ANTENNA SYSTEM (CDAS)

The CDAS for Oregon Convention Center Hotel will include and comply with, but not be limited to, the following:

1. The CDAS system will comply with all FCC, NFPA, NEC, IBC and local codes that apply to the DAS system or any components used by the system.
2. The CDAS system must be labeled "Industrial Signal Booster" by the FCC.
3. The CDAS system will be carrier format neutral, frequency agile and support every cellular carrier to include, but not limited to, AT&T, Verizon, Sprint and T−Mobile.
4. The CDAS system will be designed with additional capacity to accommodate additional carriers if desired.
5. The CDAS system and sub−systems will be designed and certified for 24ƒ7, 365 operation.
6. The CDAS system will provide total coverage of the property and outbuildings that are a part of this project.
7. The CDAS system will be of modular design, compatible with all current cellular technologies, capable of expansion, and have the ability to be re−banded.
8. The CDAS system will have powered active filtering and signal amplification to provide consistent coverage at the appropriate power levels with the ability to adjust and control power levels without disruption of service from any carrier.
9. The CDAS system will deliver signal strength of −85 dBm to −89 dBm to 95% of property being developed.
10. The CDAS system will be SNMP compliant and provide centralized management for end to end status reporting.
11. The CDAS system must comply with E911 requirements.
12. The CDAS will be developed using the latest design software and will be used to develop Bill of Materials, Link Budgets, Design Drawings, Commissioning documentation and Heat Maps of anticipated coverage for all carriers.
13. The CDAS system components including, but not limited to, head−end, coax, fiber, antenna, amplifiers and power supplies will be labeled in accordance with industry standards.
14. The CDAS systems primary power will be a dedicated circuit with a secondary battery back−up by means of Uninterruptable Power Supply (UPS) with the ability to be switched between bypass and battery.
15. The CDAS system will have the capability to include equipment needed to integrate the Public Safety Distributed Antenna System (PSDAS).
16. The CDAS system will be able to maintain signal strength with no less than 300 simultaneous connections.
17. Carrier Costs – to be provided by Hotel Operator (Hyatt)

PUBLIC SAFETY DISTRIBUTED ANTENNA SYSTEM (PSDAS)

The PSDAS for the Oregon Convention Center Hotel will include and comply with, but not be limited to, the following:

1. The PSDAS system will comply with all FCC, NFPA, NEC, IBC and local codes that apply to the PSDAS system or any components used by the system.
2. The PSDAS system must be compliant with the "Authority's Having Jurisdiction" (AHJ) local life safety (Police and Fire) frequencies − (800 MHz and 700 MHz).
3. The PSDAS system must be submitted to the AHJ for approval and permitted if required.
4. The PSCDAS system and sub−systems will be designed and certified for 24/7, 365 operation.
5. The PSDAS system will be an integrated part of the cellular DAS system unless otherwise approved by the stakeholders.

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Distributed Antenna Systems scope clarifications -

1. Scope assumes the ability to get carrier approval for the design in a timely manner.
2. Any and all carrier costs are excluded. (Budget has been provided as an alternate.)
3. All roof penetrations are excluded.

STRUCTURED CABLING

All offices, work areas, front desk and all computer locations will have a phone and data jack with individual cabling back to an IDF/TR room. Each location shall have one data jack and one telephone jack mounted on a common faceplate. All support rooms; mechanical rooms, electrical room will have a phone only jack and cable outlet installed. All wiring shall be Category 6, including all connectivity components.

IDF/TR ROOM LOCATIONS WILL BE AS FOLLOWS:

Holladay Level	1
Level 1	2
Level 2	2
Level 3	1
Level 4 (Serves L4&5)	1
Level 6 (Serves L6&7)	1
Level 8 (Serves L8&9)	1
Level 10 (Serves L10&11)	1
Level 12 (Serves L12&13)	1
Level 14 (Serves L14-16)	1
Total IDF/TR Rooms	12

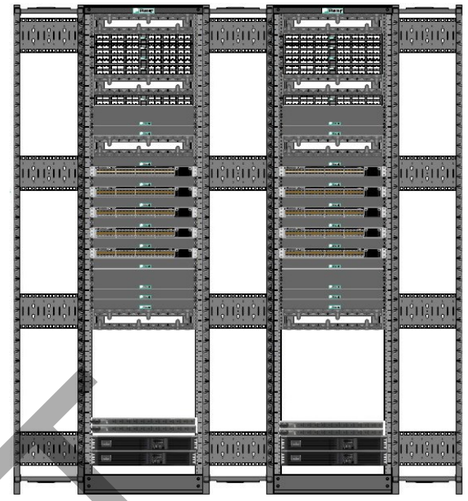
GUESTROOM OUTLETS WILL BE AS FOLLOWS:

Television (IPTV)	Single Faceplate	1 Port	1 CAT6 Cable
Desk (Data)	Single Faceplate	1 Port	1 CAT6 Cable
Nightstand (Voice) (POE)	Single Faceplate	1 Port	1 CAT6 Cable

Note: Phone Jack and TV Quantities change depending on room type.

The IDF/TR on each floor or every other floor as listed above will be connected to the Main Distribution Frame (MDF) via one multi−strand multi−mode fiber optic cable and one single strand single mode fiber optic cable. Appropriate racks and frames, as well as termination equipment shall be provided on each floor as identified above.

Each TR/IDF Room will have a minimum of 25% spare capacity. Tower TR Room rackfit out below:



PORT COUNTS-Preliminary-4th Floor

Wireless Access Points (1 Port): 18
Voice/Data (2 Port): 10
Data (1 Port): 51

Voice (1 Port): 54
IPTV (1 Port): 52

Total Ports: 185

PORT COUNTS-Preliminary-5th Floor

Wireless Access Points (1 Port): 18
Voice/Data (2 Port): 10
Data (1 Port): 51

Voice (1 Port): 54
IPTV (1 Port): 52

Total Ports: 185

PORT COUNTS-Preliminary-4th Floor Telecom Room

Wireless Access Points (1 Port): 36
Voice/Data (2 Port): 20
Data (1 Port): 102

Voice (1 Port): 108
IPTV (1 Port): 104

Total Ports: 370

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Structured Cabling Clarifications -

1. This Basis of Design takes exception and variance with the following: Hyatt Standard calls for (3) Voice/Data, (1) Data or Temp Controls, (1) Data for Digital Signage, (1) Phone, (1) Wireless Access Point. This is an additional (3) data outlets per room. (Structured Cabling).
2. This Basis of Design takes exception and variance with the following: Hyatt Standard calls for (3)Telephone outlets, (1) data for mini bar, (1) data for Television, (1) data above desk and an addition of a sub−IDF punch down assembly. (Structurec Cabling)
3. This Basis of Design takes and variance with the following: Hyatt Standard calls for (9) Voice ƒ Data, (1) Data or Temp Controls, (1) Data for Digital Signage, (1) Phone, (1) Wireless Access Point per section. (Structured Cabling)

NETWORK SYSTEM

The Basis of Design provides a network to include software, hardware that utilizes a Fabric Connect Stealth Network Topology that will virtually segment the entire network as a sub function of SPB (shortest path bridging). Fabric connect will be more secure than traditional VLAN segmentation and complies with PCI standards. Network to include all switches at the edge as well core switch and associated hardware in the Computer Room. Wireless Access points have been provided throughout the facility. It is the intent of that the wireless network be the same as the network electronics.

This network system will use a secondary network supplier (Juniper in lieu of Cisco. This is a deviation from Hyatt Standards.

Network System Clarifications -

1. Ten (1) servers are included.
2. This Basis of Design takes exception and variance with the following: Hyatt Standard: "A dedicated BOH Network separate from the Guest Network is required with no exceptions. (Data Systems Equipment)
3. This Basis of Design takes and variance with the following: Hyatt Standard: Only Hotel office operations and PMS/POS system can operate on the BOH Network. (Data Systems Equipment)
4. This Basis of Design takes and variance with the following: Hyatt Standard :All VOIP telephone handset must connect to a dedicated network that only supports the PABX and IP handset. No other IP device is to share this network. (Data Systems Equipment)
5. This Basis of Design takes and variance with the following: Hyatt Standard: Separate backbone and edge switches will be required to maintain isolation between BOH Network and Guest Network. (Data Systems Equipment)
6. POE switches for Security are included in Data Systems Budget. (Data Systems Equipment)

IPTV SYSTEM

IPTV system will consist of necessary head−end equipment and licenses. This system will supply data to televisions in the guestrooms as well as the bar, conference rooms, and selected common spaces. This IPTV system will use a different head-end supply and a secondary network supplier (Juniper in lieu of Cisco. This is a deviation from Hyatt Standards.

TELEPHONE SYSTEM

The telephone system for the facility will be VOIP. POE switches as part of the converged network will power these phones. BOH phones have been provided in the elevator lobbies on each floor. VOIP phones have been provided in human resources and administrative areas. Reception Desk type phones have been provided at the check in desk. An automated wake−up call service and call accounting is included.

This telephone system will use a secondary network supplier (Juniper in lieu of Cisco. This is a deviation from Hyatt Standards.

Telephone System Clarifications -

1. Four (4) operator consoles are included.
2. One (1) VOIP phone is provided in each typical guest room.
3. Portable handsets for back of house staff are excluded.
4. Pay phones are excluded.

DESIGN & CONSTRUCTION BUDGET NARRATIVE

INTRODUCTION

The Design & Construction Cost (Design-Build) estimate for the proposed Hyatt Regency Oregon Convention Center has been produced in accordance with the drawings prepared by the following:

- Civil / Landscape Drawings – Mayer/Reed (dated July 9, 2015)
- Architectural Drawings – Elness Swenson Graham (dated August 10, 2015)
- Basis of Design Narrative – included herein
- Elevator Traffic Analysis – ECS (dated July 6, 2015)

The following clarifications for the scope/estimate are intended to provide a more descriptive characterization of our interpretations and assumptions made in preparing this estimate. The estimate was prepared and formatted by UniFormat Building Systems. This scope of work narrative will follow the same format. These clarifications include not only the information that was not conveyed to us by the way of the schematic documents, but rather were generated by our estimating team to clarify the designers, engineers and owners' intent in order to “complete” the entire picture of the project, once fully designed.

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GENERAL

Some of the general parameters, upon which this estimate is based, are listed below. These issues do not fall into the "systems" categories, but rather are global in nature, and affect multiple systems with regard to pricing and scope.

1. This estimate has been prepared in general accordance with the following standards that will be used to deliver the Hyatt Regency flag and a hotel approved for operation by Hyatt at completion.
   a. Hyatt International Technical Services Design Recommendations & Minimum Standards, version 5.0
   b. Engineering Recommendations & Minimum Standards, version 4.0.
   c. Hyatt Place Hotel Design & Construction Criteria, Version: International Series 4, Volume 1.0, Issue 1.0
2. The estimate is based on an anticipate start of construction in February 2016 and Substantial Completion 25 months from the start of construction. Escalation has been included based on this schedule & duration.
3. Included are estimating, design and construction contingencies in the amount shown as a percentage of the direct construction cost which is to cover changes in market conditions and detailing of design information. This contingency should be considered solely for estimating the variances on specified design requirements and for use in covering non-scope cost variances to the general construction. This contingency is not intended to be used for any scope changes to the project or unforeseen conditions.
4. This estimate does not provide for Hyatt contingencies. Such contingencies should be considered for use solely by the Hyatt supplementing the project design scope definition and unforeseen conditions. If these additional contingencies are not carried in the overall project cost budget, they will need to be added to the budget, or the cost of the project will need to be reduced to provide additional dollars for these contingencies.
5. Design & engineering costs are included.
6. Building permits, plan check fees, land use development fees are excluded from the Design-Build budget (see development budget).
7. Payment and performance bonds on Mortenson's work are included as a percentage of total construction costs. Subcontractor and major supplier bond costs are included within the estimate.
8. Builder's Risk insurance is included.
9. Costs of testing and inspections are included.
10. Pricing is predicated on Mortenson self-performing various portions of the work.
11. Extended warranties beyond product/equipment manufacturer's standard warranties are not included.
12. Early opening or early turnover of guestrooms or public spaces is not included.
13. Excavation, stockpiling, hauling, and disposal of contaminated / hazardous soils is excluded.

ESTIMATE DEVIATIONS FROM SCHEMATIC DESIGN DOCUMENTS & HYATT REGENCY DESIGN STANDARDS

Certain elements of the most recent schematic design documents and hotel standards are assumed to be revised through further development of this specific project design in order to meet the costs reflected in this estimate. Some of the specific revisions include the following:

1. Architectural Items – reference Basis of Design and plans
2. Fire Protection – reference Basis of Design
3. Mechanical – reference Basis of Design
4. Electrical – reference Basis of Design

An attempt has been made to capture the variances with respect to the Hyatt Standards in the included "Hyatt Standards Deviations Listing" and the "Code vs. Hyatt Standards Narrative"; both included herein. The reader should also review the Basis of Design which may have variances that were inadvertently not included in these two documents.

ALLOWANCES

The following is a listing of allowances that are included in the Price. These allowances include design/engineering, purchasing, shipping/warehousing, and installation – unless other wise noted below.

1. $13,893,321 – Interior Design and Furniture, Fixtures & Equipment ("FF&E") – see included FF&E Scope Matrix
2. $5,114,574 – Low-Voltage "Technology" Furniture, Fixtures & Equipment ("FF&E") – see included Low-Voltage "Technology" Scope Matrix
3. $6,188,400 - Operating Supplies & Equipment ("OS&E") - see included OS&E Scope Matrix
4. $200,000 - Primary power tie-in.
5. $60,000 - Elevator cab finish & frame upgrades
   a. 6 elevators at a unit price of $10,000 / cab.
6. $1,300,000 for food service equipment – not included in FF&E or OS&E Allowances above
7. $108,000 for exterior building signage – not included in FF&E allowance above

SYSTEMS CLARIFICATIONS

FOUNDATIONS

Structural Excavation & Backfill

1. Excavation and backfill for pile caps, grade beams, & elevator pits.

Base Course

1. 6" granular fill below slab on grade locations have been included.

Driven Piles

1. 18" Augercast piles (594 total) have been included at an average depth of 52'-0".

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Reinforcement Steel
1. Reinforcing steel has been included at the following factors (includes waste & lap):
   a. Foundations (excluding slab on grade) – 0.98 lbs/sfed
   b. Slab on grade – 0.46 lbs/sf
2. Epoxy reinforcing steel has been excluded.

Cast-in-Place Concrete
1. A 3” rat slab is included for 50% of the foundation areas.
2. Foundation concrete has been included per the structural A 6” slab on grade has been included.
3. Grade beams have been provided per the grade beam schedule on 4/S4.1.
4. Winter heat charges are included for winter concrete operations.
5. Equipment and hoisting required for the foundation concrete operations have been included.

Dampproofing
1. Dampproofing has been included for the elevator pit walls and stem walls.
2. Dampproofing/waterproofing under the elevator pit to produce a “Bath Tub” type waterproofing effect has not been included.

Building Insulation
1. 2" rigid insulation has been included at the under the slab on grade extending 24” in from the perimeter of the slab edge.

BASEMENT
Mass Excavation & Backfill
1. All backfill material is anticipated to be imported.

Shoring
1. Conventional beam and lagging shoring is included for the Northwest portion of the site for the additional depth at the elevator pit and extending around the fire water storage tanks.

Reinforcing Steel
1. Reinforcing steel has been included at the following factors (includes waste & lap):
a. Basement Walls – 210 lbs/cy

Cast-in-Place Concrete / Shotcrete
1. Basement walls against shoring are anticipated to be shotcrete with a wood float finish.
2. All other walls are included as cast-in-place concrete with an as-cast finish.

Waterproofing
1. Bentonite waterproofing with drain board has been included at all basement wall locations.

SUPERSTRUCTURE
Horizontal Deck Forming
1 Deck forming has been included for all levels of the Cast-In-Place concrete frame.
2. Form finish shall be no less than Class “C”
3. The exposed underside of the concrete structural slabs shall be left as cast without further finishing.

Reinforcement Steel
1. Reinforcing steel per the following factors have been included (including waste & lap):
   a. Columns – 2.0 lbs/sfed
   b. Shearwalls (typ) – 3.7 lbs/sfed
   c. PT slabs (L1-L3) – 2.5 lbs/sfed
   d. PT slabs (L4-Roof) – 2.2 lbs/sfed
2. Epoxy reinforcing steel is not included.

Post Tensioning Stressing Cable
1. Post tension stressing tendons per the following factors have been included (including waste & lap):
   a. PT slabs (L1-L3) – 1.3 lbs/sfed
   b. PT slabs (L4-Roof) – 0.9 lbs/sfed
2. Studrails are included at PT slabs (12 each/column).

Cast-In-Place Concrete
1. 12” post tensioned structural slab at level 1.
2. 10” post tensioned structural slab at level 2.
3. 9” post tensioned structural slab at level 3.
4. 7.5” post tensioned structural slabs at level 4 - roof.
5. 18” shearwalls are included at the stairs and elevator cores.
6. A 2 ½” concrete slab on 3” metal deck is included for the ballroom floors (L2 & L3).
7. A total of 1,500 sf of 6“ MEP equipment/ housekeeping pads have been included.
8. Winter heat charge is included for winter concrete operations.
9. Equipment and hoisting required for the superstructure concrete operations have been included.

Structural Metal Framing
1. Structural steel columns, floor and roof framing have been included for the Ballroom wing from levels 2-roof per the structural narrative. Factors below include waste.
   a. Longspan framing L2 – 23.0 lbs/sf

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b. Standard framing L3 – 12.7 lbs/sf
c. Standard framing (Roof) – 11.5 lbs/sf
2. Canopy framing is included at the below locations:
a. Entry Court – 11.5 lbs/sf
b. Other canopies – 9.2 lbs/sf
3. Elevator guide rail support framing, fall protection and separator beams are included.
4. Design and detailing of connections for the structural steel has been included.
5. Equipment and hoisting necessary for the erection of the structural steel is included.

Metal Deck
1. Composite metal floor and roof decks have been included.

Spray Fireproofing
1. Spray fireproofing has been included.

EXTERIOR ENCLOSURE
Brick Veneer
1. Brick veneer is included as 4x12 jumbo brick with a running bond pattern.
a. Special brick colors have been excluded (i.e. white and non-standard colors).

Miscellaneous Metal
1. 5 lbs/sf for brick veneer supports at the high bay podium levels is included.
2. 2 lbs/sf for bracing of curtain wall has been included.
3. 1,500 lbs/ea for exterior building signage supports are included.

Handrails & Guardrails
1. Decorative glass guardrails are included at exterior terraces/patios.

Rough Carpentry
1. Enclosure blockings at the exterior windows are included.

Building Insulation
1. Mineral wool insulation included for all walls & soffits.

Vapor Retarders & Air Barriers
1. Sheet vapor/air barrier system at enclosure walls & soffits.
a. Fluid-applied vapor/air barriers are not included.

Metal Wall Panels
1. Metal panel system at the podium is included as flat panel AEP span.
2. Metal panel system at the tower is included as profiled metal panels.
3. Metal panel system at the roof screens are included as profiled siding with a portion of galvanized metal louvers as necessary for air flow.
4. Metal panel system includes standard colors.

Joint Sealers
1. All necessary sealants and caulking for enclosure systems is included.

Doors, Frames & Hardware
1. All back of house entrances are included as painted hollow metal doors and frames.

Coiling Doors
1. Three (3) painted metal overhead coiling doors have been included at the loading dock.

Entrances, Windows, & Glazing Systems
1. Sliding aluminum/glass doors are included at the podium guest entrances
a. Revolving doors are excluded from this estimate
2. The remainder of public entrances included as aluminum storefront doors
3. Glazed wall systems have been included at the SE entry/Market and the North drop-off area.
a. The remainder of the podium glazing is included as window wall.
4. Exterior windows at the tower have been included as fiberglass.

Metal Support Assemblies
1. All non-load bearing metal support assemblies at the enclosure walls are included.
2. Soffit framing is included.
3. Scaffolding necessary to complete the project is included.

Plaster
1. Exterior skim coated columns & soffits have been included.

Painting
1. Painting of the exterior hollow metal door and frame is included.

Identification Devices
1. An allowance for exterior building signage is included. See Allowances section above.

ROOFING
Rough Carpentry
1. Wood blocking & plywood as required

Fluid-Applied Waterproofing

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1. Fluid-applied waterproofing is included at all roof areas where we have planting (i.e. green roofs).

Membrane Roofing
1. SBS-modified bituminous roofing system is included.
   a. Two-ply membrane, cold applied with tapered insulation.

Sheet Metal Flashing & Trim
1. All necessary sheet metal flashings and trims with standard colors are included.

Roof Specialties & Accessories
1. Roof expansion joint at the ballroom connection (steel to concrete structure).
2. (2) roof hatches

INTERIOR CONSTRUCTION
General
1. Interior Design to be completed by The Gettys Group in accordance with Hyatt Standards. An Allowance has been established for this scope of work.
2. Reference the FF&E Scope Matrix included herein for detailed responsibility breakdown.
3. Product sizes and specifications are assumed to be standard rather than custom.

STAIRS
1. All egress stairs included as pre-engineered metal pan stairs.
2. Two (2) decorative main stairs are included
3. Star pan fill with concrete is included.
4. Painting of stairs is included.

Handrails & Guardrails
1. Glass guardrails are included at main stairs.
2. Painted metal handrail and vertical picket guardrails are included at the egress stairs.

INTERIOR FINISHES
General
1. Interior Design to be completed by The Gettys Group in accordance with Hyatt Standards. An Allowance has been established for this scope of work.
2. Reference the FF&E Scope Matrix included herein for detailed responsibility breakdown.
3. Product sizes and specifications are assumed to be standard rather than custom.

CONVEYING
Elevators
1. The following elevators have been included.
   a. Passenger Elevator (5 EA)
      i. 4,000#
      ii. 500 FPM
      iii. 17 Stops each
      iv. $10,000 cab finish allowance
      v. Front opening only
      vi. MRL
   b. Passenger Elevator (shuttle) (1 EA)
      i. 3,000 #
      ii. 150 FPM
      iii. 2 Stops
      iv. $10,000 cab finish allowance
      v. Front and rear openings
      vi. Hydraulic
   c. Service Elevator (hotel) (2 EA)
      i. 4,000# - 4,500#
      ii. 350 FPM
      iii. 17 Stops each
      iv. Front opening only
      v. MRL
   d. Service Elevator (ballroom) (2 EA)
      i. 4,000# - 4,500#
      ii. 200 FPM
      iii. 3 Stops each
      iv. Front openings only
      v. Hydraulic

Escalators
1. The following escalators have been included.
   a. LL-L1 Escalators (2 EA)
      i. 100 FPM
      ii. 32” wide steps
   b. L1-L2 Escalators (2 EA)
      i. 100 FPM
      ii. 40” wide steps

Material Handling
1. One (1) linen chute.

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PLUMBING, HVAC, FIRE PROTECTION, ELECTRICAL & LOW-VOLTAGE

1. Reference Basis of Design Narratives included herein for scope for clarifications.
2. Reference "Hyatt Standards Deviations Listing" for deviations from Hyatt standards.

EQUIPMENT

Maintenance Equipment

1. Window washing tie-off anchors have been included.
2. Window washing system is included as part of the OS&E Allowance budget.

Laundry & Dry Cleaning Equipment

1. Primary hotel-use laundry equipment is not included. Laundry services are anticipated to be outsourced.

Audio-Visual Equipment

1. Projector & Projections screen are included as part of the FF&E Allowance budget.
2. Televisions are included as part of the FF&E Allowance budget.

Food Service Equipment

1. A food service equipment allowance is included (see allowances above).

Exercise Equipment

1. Exercise equipment are included as part of the OS&E Allowance budget.

FURNISHINGS

Artwork

1. Artworks are included as part of the FF&E Allowance budget.

Floor Mats

1. One (1) walk-off mat at each of two main entrances are included in the Design-Build Price.
2. "Loose" matts and/or rugs are included as part of the FF&E Allowance budget.

Window Treatments

1. Window treatments and window coverings are included as part of the FF&E Allowance budget.

Furniture

1. All furniture are included as part of the FF&E Allowance budget.

SELECTIVE BUILDING DEMOLITION

1. Demolition of the existing Teamsters Building and Sonus Building is included.
2. No other building demolition is anticipated or included.

SITE PREPARATION

Site Demolition and Clearing

1. Site demolition and clearing is included as necessary.

Dewatering

1. A formal dewatering system is not anticipated.

Mass Excavation & Earth Retention

1. See Basement above.

Grading

1. Grading of the site per the documents is included.

Erosion and Sediment Control

1. Storm water pollution prevention plan measures are included.

Fences and Gates

1. Temporary site fence, J-barriers, and gates as required to secure the project site from the general public are included.

SITE IMPROVEMENTS

Base Course

1. 4" base course at the concrete paving and sidewalks.

Asphalt Paving & Paving Specialties

1. Asphalt street patching as required to accommodate new curbs and utility work is included.

Concrete Paving / Sidewalks

1. Decorative paving is included as a combination of concrete paving and unit pavers for accent features. These are included for the following areas:
   a. Southeast plaza
   b. Holladay sidewalk
   c. Guest drop-off along Hassalo Place (Entry Court)
2. 8" aprons have been provide at all street to drive approaches.
3. 4" city standard sidewalks have been included.
4. Sidewalks are un-reinforced.
5. Detectable warning plates have been included at all sidewalk to street approaches.
6. Sitework within the Trimet MAX zone is not included and will remain open during construction.

Misc. Metal Fabrications

1. Planter walls are included as painted steel at all locations that are not stormwater planters.

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SITE CIVIL / MECHANICAL UTILITIES

Water Distribution

1. The following water distribution services have been included:
   a. 8” water services are included
   b. Two (2) water meter utility vaults
   c. Street pavement patching as required

Sanitary Sewerage System

1. Sanitary sewer service will connect at two locations.
2. 12" HDPE sanitary sewer pipe is included
3. Street pavement patching is included as required

Storm Drainage Systems

1. The following storm sewer system is included:
   a. 6”, 8” & 12” PVC piping.
   b. Connections to existing manholes / catch basins.
   c. Area drains, catch basins and manholes.
   d. Drainage cells for stormwater planters.

SITE ELECTRICAL UTILITIES

1. See Electrical Basis of Design Narrative above.

GENERAL CONDITIONS

This portion of the estimate includes all general requirements related items with the following clarifications:

1. The price is based upon the included development schedule which anticipates a February 2016 start of construction and a construction duration of 25 months.
2. Costs for providing field offices/services (phone, etc.) for the Interior Design and/or Hyatt have not been included.
3. All costs associated with providing temporary utilities (energy, water, etc.) are included until Substantial Completion.
4. All general requirements associated with individual trades work (i.e. concrete, masonry, etc.) are included within those respective sections of work.

- END OF NARRATIVE -

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7/29/2015

Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
Design Recommendations & Minimum Standards Version 5.0 Clarifications copyright 2010						
ESG	Area Program	22	Refer to Comparison Document - Hyatt Portland Plans dated 7/31/15 compared to Hyatt PAP v2 dated 11/3/14	OPEN		
ESG	Guestrooms, Suites & Corridors	25	Typical Guestroom - Entrance Area: Fan Coil Unit Location. The proposed location for the fan coil for the Portland location is at the exterior wall rather than the entry area - vertical fan coils are proposed - refer to the enlarged guest room plans.	OPEN		
ESG	Guestrooms, Suites & Corridors	26	Typical Guestroom - Entrance Area: Ceiling Height. The standard calls for a minimum finished ceiling height of 2400 mm (7'-10-1/2"). The current design proposes a 7'-6" finished ceiling height at the entrance area.	OPEN		
ESG	Guestrooms, Suites & Corridors	26	Typical Guestroom - Living/Sleeping/Study Area: Ceiling Height. The standard calls for a minimum finished ceiling height of 2800 mm (9'-2-1/4"). The current design proposes an 8'-8" finished ceiling height at the entrance area.	OPEN		
ESG	Guestrooms, Suites & Corridors	28	Typical Guestroom - Bathroom Dry/Wardrobe/Dressing Area: Ceiling Height. The standard calls for a minimum finished ceiling height of 2400 mm (7'-10-1/2"). The current design proposes a 7'-6" finished ceiling height at the bathroom area.	OPEN		
ESG	Guestrooms, Suites & Corridors	28	Typical Suites - Guest's Powder Room: Ceiling Height. The standard calls for a minimum finished ceiling height of 2400 mm (7'-10-1/2"). The current design proposes a 7'-6" finished ceiling height at this area.	OPEN		
ESG	Guestrooms, Suites & Corridors	28	Typical Suites - Separate Dining/Living Area: Ceiling Height. The standard calls for a minimum finished ceiling height of 2800 mm (9'-2-1/4"). The current design proposes an 8'-8" finished ceiling height at the this area.	OPEN		
ESG	Guestrooms, Suites & Corridors	29	Typical Suites - Exterior Balcony. The standard calls for an exterior balcony - the current design does not include exterior balconies on any guestrooms.	OPEN		
ESG	Guestrooms, Suites & Corridors	29	Guestroom Corridors: The standard states that all materials, components, assemblies and construction methods must achieve a minimum fire resistant rating of ninety (90) minutes. The building code requires a 20-minute fire resistance rating of corridor walls.	OPEN		

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Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
ESG	Guestrooms, Suites & Corridors	29	Guestroom Corridors: Ceiling Height. The standard calls for a minimum finished ceiling height of 2500 mm (8'-2-1/2"). The current design proposes an 8'-0" finished height at the center of the corridor and a dropped 7'-6" soffit for 12" to 16" at the wall edges.	OPEN		
ESG	Guestrooms, Suites & Corridors	29	Guestroom Corridors: Corridor Width. The standard calls for a minimum width of 1800 mm (5'-11") at double loaded corridors. The current design proposes a 5'-6" width that widens to 6'-6" at guestroom entry door locations.	OPEN		
ESG	Recreation & Leisure Facilities	87 & 88	Plunge Pool/Whirlpool: The standard refers to these two pool types. The current design does not include either.	OPEN		
ESG	Recreation & Leisure Facilities	89	Pool Areas - Lap Pool: The standard calls for minimum dimensions on lap pools of 20 meters x 9.2 meters (65'-8" x 30'-2"). The pool as represented in the current design is approximately 46' x 16'.	OPEN		
ESG	Back of House Facilities	173 of the pdf document - page is not numbered	Service Core - Maid's Pantry: The plan diagram included in the standard indicates a separate toilet room within this zone for use by staff. The current design does not include this toilet room on the guestroom levels.	OPEN		
ESG	Hotel Laundry & Valet	113	Full Laundry: The current design does not include a full laundry - laundry services are outsourced.	OPEN		
Hyatt Engineering Recommendations & Minimum Standards Version 4.0 Clarifications copyright 2011						
JHK/IE	Sustainable Design	30.15	Standard calls for: "Guestrooms shall be designed for individual temperature controls and Fan Coil Units". A heat pump system is provided in lieu of the fan coil system.	OPEN		
JHK/IE	Sustainable Design	30.16	Standard calls for: "BOH Users.....For office and shared space, Variable Air Volume (VAV) boxes shall be provided to serve single office spaces with localized temperature control". System provided uses water source heat pumps	OPEN		

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Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
JHK/IE	Sustainable Design	30.16	Standard calls for: ""Design and install HVAC to the ASHRAE Standards 55-2004 Thermal Comfort Conditions for Human occupancy standards." This minimum standard may not be achievable due to spaces like swimming pool, cook lines, boiler rooms, etc. and cannot be committed to at this time. This will be further evaluated as design develops.	OPEN		
JHK/IE	Sustainable Design	30.17	Construction Indoor Air Quality (IAQ) Management Plan, Before Occupancy: Standard calls for the building to be flushed out with 14,000 cubic feet of air per square foot if environmental testing fails. Due to the reduced air flow nature of the DOAS system proposed with the heat pumps, this process could take 100 days using the proposed system. Therefore, this requirement is excluded.	OPEN		
JHK/IE	Sustainable Design	30.18	Wastewater Reduction: Standard is noted as a MINIMUM STANDARD. Standard calls for: "Reduce the potable water used in the building for sewage conveyance by 50%...." Standard cites rainwater harvesting as one strategy. While water efficient fixtures are included, rainwater harvesting is not currently included in budget or scope.	OPEN		
JHK/IE	Sustainable Design	30.21	Measurement and Verification: Standard is noted as a MINIMUM STANDARD. Standard requires: "Develop a Measurement and Verification plan that evaluates the building's energy systems performance.....Install the necessary metering devices to measure energy use....." Submetering beyond utility metering of gas and water is not currently included. Energy modeling for LEED Energy and Atmosphere credit EAc1 is included but a calibrated energy model for Measurement and Verification is not included.	OPEN		
JHK/IE	Mechanical Systems	35	Equipment and Component Selection: Standard requires: ".....all perimeter glass areas, unless protected by a dedicated zone of the air conditioning system containing a reheat coil, must be provided with a separate under floor/baseboard heating system located below the window to offset cold drafts." The project scope includes a heat pump system and not reheat coils. Zoning for perimeter and interior will be separate where appropriate. A zoning map will be submitted.	OPEN		

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Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
JHK/IE	Mechanical Systems	37	Boiler Design: Standard requires: "All boilers must minimally be of an all welded construction design, packaged, fire tube, Scotch Marine type……." Boilers provided are not Scotch Marine type. Boilers proposed are high efficiency condensing type Aerco Benchmark or equivalent.	OPEN		
JHK/IE	Mechanical Systems	40	Guestroom Air-Conditioning: Standard requires: "Guestroom air-conditioning units shall be fan coil type, horizontally mounted above the false ceiling….." Vertical high rise heat pumps located at the perimeter are being provided and budgeted.	OPEN		
JHK/IE	Mechanical Systems	41	Guestroom Air-Conditioning: Standard requires: "Primary air shall feed all guestroom FCU's through the service shaft." Due to Code and cost issues outdoor air will be fed from a ducted system located in the corridor ceiling.	OPEN		
JHK/IE	Mechanical Systems	41	Guestroom Air-Conditioning: Standard requires for exhaust grilles: "….there shall be at least two locations: one above the WC cubicle, the other above the shower." Only one exhaust grille is provided to be located over the shower.	OPEN		
JHK/IE	Mechanical Systems	41	Presidential Suite Air Conditioning System: Standard calls for: "…..separate, self-contained system serving only that area. The fresh air intake for it is to be located in a secure location isolated from public and unauthorized access. The outside air duct is to be equipped with a 100% effective (zero percent leakage) motorized damper with spring closing, for sealing off all outside air in an emergency. Control for damper to be provided within the suite at thermostat. System to be connected to emergency power." The system provided is the same as typical guest units with increased capacity as needed to provide for heat/cool loads and code ventilation.	OPEN		
JHK/IE	Mechanical Systems	74.3	Minimum Heating Standards: Standard calls for heating humidification of 50% +/- 5% RH. This would require humidification in this climate. Humidification is not included or controlled on this project.	OPEN		
JHK/IE	Mechanical Systems	74.7	Minimum Ventilation Requirements: Table calls for bedrooms to have 100m3/hr/bay (50 CFM). Local code minimum calculates to 30 CFM exhaust and supply for a typical room and local code is what is being provided.	OPEN		

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Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
JHK/IE	Mechanical Systems	74.7	Minimum Ventilation Requirements: Table calls for Guest baths/Toilets (unit) to have 85m3/hr/person (50 CFM). The provided design (and budget) includes local minimum code of 30 CFM exhaust.	OPEN		
JHK/IE	Mechanical Systems	74.9	Minimum Standards for Room Pressurization: Standard calls for guest rooms and corridors to be positive. For the tower, one of these needs to be positive relative to the other. We are providing exhausting slightly less to the corridor than supply so that the corridor will be very slightly positive to the guest rooms.	OPEN		
JHK/IE	Plumbing System	120	Plumbing water distribution will consist of only one main in lieu of the Hyatt Standard requiring two connectors to two different mains.	OPEN		
JHK/IE	Plumbing System	120	Water System Design Parameters: Standard requires guest units to be served separately from public areas. The provided system will serve floors 4 through Roof on a separate booster/heater system. The podium will have a separate water heating system and will run off of street pressure. This includes 14 guest units on the 3rd floor. The units will be provided with pressure balanced shower valves.	OPEN		
JHK/IE	Plumbing System	120	Water Storage: On site water storage will not be provided for potable use.	OPEN		
JHK/IE	Plumbing System	121	Water Treatment: Water treatment is not provided as the local water supply is of high quality.	OPEN		
JHK/IE	Plumbing System	124	Project includes two (2) grease inceptors to be installed at the parking/loading dock in lieu of the exterior of the building.	OPEN		
JHK/IE	Plumbing System	132	Guestroom Bathroom Fixture and Fitting Selections: Standard requires water closets to have: "....flush mounted on wall, concealed cistern and back connection....." Water closets to be provided will be exposed tank with floor outlets in guestrooms.	OPEN		
JHK/IE	Plumbing System	133	Guestroom Bathroom Fixture and Fitting Selections: Standard requires shower valves to have: "....single valve for temperature setting or digital mixer with thermostatic balancing device equipped with anti-scald feature." The provided shower valves are listed pressure balanced with check valves on supplies.	OPEN		
JHK/IE	Plumbing System	133	Guestroom Bathroom Fixture and Fitting Selections: Standard requires for vanity: "under slung mounting or free standing with ....." Provided lavatories are under counter.	OPEN		

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JHK/IE	Plumbing System	138	PEX piping and fittings will be utilized within walls and hotel rooms. This has been approved by Hyatt with the condition that no splicing will be allowed with the guestrooms.	OPEN		
JHK/IE	Plumbing System	138.2	The sanitary underground waste piping will be bell and spigot in lieu of service weight cast iron with standard no-hub couplings.	OPEN		
OEG	Sustainable Design	30.15	Lighting controls in stairwells will only dim to 50% while unoccupied. Once stairwell is occupied, lighting controls will have lamps illuminate to 100%, per code.	OPEN		
OEG	Electrical Systems	95	Two separate power feeders – Portland Power and Light is currently reviewing if two (2) separate feeds are feasible. As design develops viability and cost will be further evaluated. Current budget only includes one (1) feed.	OPEN		
OEG	Electrical Systems	95	Electrical Systems - Incoming Utility Services - Transformers - "The conductor material of all transformers shall be electrical grade copper." Per June 24, 2015 Value Analysis Adjustments to SD Budget log, aluminum will be used in lieu of copper.	OPEN		
OEG	Electrical Systems	71 & 102	Motor controllers – MEP equipment will be controlled via VFDs and it is not anticipated that motor controllers centers will be utilized.	OPEN		
OEG	Electrical Systems	96	“The emergency / standby system shall…In-Service operation shall comply with NFPA 110 – Standard for Emergency and Standby Power Systems, level 1 (Essential Lighting and Power), Class 48 (minimum 48 hours of continuous operation)” Emergency generator run time – the current scope includes a generator fuel tank that will support +/- four (4) hours of continuous operation.	OPEN		
OEG	Electrical Systems	97	Electrical Systems - System Network Zoning and Sub Metering - "As part of the sustainable design to monitor and save…provide sub metering to each individual areas…" Current scope only includes sub metering for the retail, kitchen, restaurant, regency club, generator, pool, and ballrooms spaces.	OPEN		
OEG	Electrical Systems	98	Electrical Systems - Distribution Network - Main Distribution Panels - Per June 24, 2015 Value Analysis Adjustments to SD Budget log, aluminum will be used in lieu of copper for switchgear and panelboards.	OPEN		

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Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
OEG	Electrical Systems	98	Electrical Systems - Distribution Network - Feeder Design - Per June 24, 2015 Value Analysis Adjustments to SD Budget log, aluminum will be used in lieu of copper for main feeders and bussduct	OPEN		
OEG	Electrical Systems	99	Electrical Systems - Distribution Network - "All distribution cables must minimally be carried in steel, PVC or fiberglass conduits." Budget and current design is based on an acceptable footage of +/- 15' of "free air cabling" which will run from conduit to device.	OPEN		
OEG	Electrical Systems	99	Electrical Systems - Distribution Network - "All distribution cables must minimally be carried in steel, PVC or fiberglass conduits." Per June 24, 2015 Value Analysis Adjustments to SD Budget log, MC cable will be utilized for all branch power (convenience circuits and lighting).	OPEN		
OEG	Electrical Systems	103	Electrical Systems - Gounding Systems and Lightning Protection - Lightning Protection - Per June 24, 2015 Value Analysis Adjustments to SD Budget log, lightning protection has been eliminated.	OPEN		
OEG	Electrical Systems	105.7 & 105.8	Electrical Systems - Emergency / Standby Power Systems - Attachment - Index of Reliability for Power Loads - Per June 24, 2015 Value Analysis Adjustments to SD Budget log, emergency power will be eliminated in guestrooms.	OPEN		
OEG	Building Automation Systems (BAS)	186	Building Automation System – Scope of Work - Sample BAS Point Schedule - monitoring of the life safety equipment through BMS system has been excluded. This point was not included on the point schedule in the ER&MS document but required clarification.	OPEN		
OEG	Fire and Life Safety Systems	192	Integrating of lighting system with fire alarm system is not a Hyatt Standard and is currently not in our current design or budget.	OPEN		
OEG	List of Spare Parts	262.4	List of Spare Parts - Electrical - current budget includes an industry standard spare parts allowance for lamps and ballasts which is included in the $5/SF lighting allowance.	OPEN		
JCI	Fire and Life Safety Systems	190	"Minimally, sprinkler pump configuration consists of one duty and one standby fire pump(s) and a "jockey" pump to maintain system pressure." Project is only carrying one fire pump in lieu of one main fire pump and one standby fire pump.	OPEN		

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Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
JCI	Communications Systems	147	ER&MS Johnson Controls took exception and variance with the following: Hyatt Standard: "A dedicated BOH Network separate from the Guest Network is required with no exceptions. JCI's recommendation for a converged network represents approximately 34% savings in hardware and software and installation and utilizes Avaya's Fabric Connect Stealth Network Technology to virtually segment the entire network as a sub function of SPB (shortest path bridging). Fabric connect is proven to be more secure than traditional VLAN segmentation and complies with PCI and HIPPA standards. A converged network will not only reduce your Networking Hardware and software expense but also reduce associated cabling costs as well as simplify ongoing management and OPEX.	OPEN		
JCI	Communications Systems	147	Johnson Controls took exception and variance with the following: Hyatt Standard: Only Hotel office operations and PMS/POS system can operate on the BOH Network. (Data Systems Equipment) JCI's recommendation for a converged network represents approximately 34% savings in hardware and software and installation and utilizes Avaya's Fabric Connect Stealth Network Technology to virtually segment the entire network as a sub function of SPB (shortest path bridging). Fabric connect is proven to be more secure than traditional VLAN segmentation and complies with PCI and HIPPA standards. A converged network will not only reduce your Networking Hardware and software expense but also reduce associated cabling costs as well as simplify ongoing management and OPEX.	OPEN		

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Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
JCI	Communications Systems	147	Johnson Controls took exception and variance with the following: Hyatt Standard: All VOIP telephone handset must connect to a dedicated network that only supports the PABX and IP handset. No other IP device is to share this network. (Data Systems Equipment) JCI's recommendation for a converged network represents approximately 34% savings in hardware and software and installation and utilizes Avaya's Fabric Connect Stealth Network Technology to virtually segment the entire network as a sub function of SPB (shortest path bridging). Fabric connect is proven to be more secure than traditional VLAN segmentation and complies with PCI and HIPPA standards. A converged network will not only reduce your Networking Hardware and software expense but also reduce associated cabling costs as well as simplify ongoing management and OPEX.	OPEN		
JCI	Communications Systems	149	Johnson Controls took exception and variance with the following: Hyatt Standard: Separate backbone and edge switches will be required to maintain isolation between BOH Network and Guest Network. (Data Systems Equipment) JCI's recommendation for a converged network represents approximately 34% savings in hardware and software and installation and utilizes Avaya's Fabric Connect Stealth Network Technology to virtually segment the entire network as a sub function of SPB (shortest path bridging). Fabric connect is proven to be more secure than traditional VLAN segmentation and complies with PCI and HIPPA standards. A converged network will not only reduce your Networking Hardware and software expense but also reduce associated cabling costs as well as simplify ongoing management and OPEX.	OPEN		
JCI	Communications Systems	157	Communications Systems - Telephone Types - Per June 24, 2015 Value Analysis Adjustments to SD Budget log, employee mobile handsets have been excluded.	OPEN		
JCI	Communications Systems	158	Type 9 Pay phone – All Pay phones are excluded.	OPEN		
JCI	Communications Systems	167	Cellular Service - Any and all Cellular Companies carrier costs for the Cellular Distributed Antenna System (CDAS) are excluded.	OPEN		

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Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
JCI	Audio Visual Systems	173 & 174	Audio Visual Systems - A centralized music server to feed the background music system has been excluded.	OPEN		
JCI	Audio Visual Systems	177 & 178	Ballroom - Stage lighting and follow spotlights are excluded for all ballrooms.	OPEN		
JCI	Audio Visual Systems	180	Spa & Fitness Center - Underwater speakers and MP3 player connection is excluded in the pool area. A mobile AV cart and microphone system is excluded for the gym.	OPEN		
JCI	Audio Visual Systems	181 & 182	Typical Guestroom – Equipment – Under counter speakers in guest room bathrooms are excluded.	OPEN		
JCI	Audio Visual Systems	182	Mini /Junior Suites – Surround Sound and Hi-Fi systems are excluded.	OPEN		
JCI	Audio Visual Systems	184	Mobile carts for Meeting Rooms – ER&MS v4.0 did not specify quantities for the following items; budget includes one (1) of each: 1) Document Camera, Video Camera w/Tripod and Smartboard 184	OPEN		
JCI	Building Automation Systems (BAS)	188	Building Automation System – Design Criteria - Integration with the hotel's Computerized Maintenance Management System is excluded.	OPEN		
JCI	Fire and Life Safety Systems	194	Fire Detection and Alarm System – Design Parameter – integration of the public address/background music system with the fire alarm system is excluded.	OPEN		
JCI	Security Systems	229 & 243	Properties located in Elevated Security Environments - All additional security called out in the EM&RS within the Presidential Suite is excluded. The Presidential Suite has been treated like a standard guest room for security.	OPEN		
JCI	Security Systems	238	Closed Circuit Television - Properties located in Elevated Security Environments - Per June 24, 2015 Value Analysis Adjustments to SD Budget log, all guest floor video systems have been eliminated. Please note that the video system for the Presidential Suite is to remain.	OPEN		
JCI	Security Systems	251	Intercom System Standard – No provisions are in the current budget for interior/exterior emergency call stations with lighting and signage.	OPEN		

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Trade Partner	ER&MS Section	ER&MS Page #	Variance/Exception/Clarification	Status	Hyatt Acceptance	Response Date
JCI	Structured Cabling		Hyatt Standards calls for (3) Voice/Date, (1) Data for Temp Controls, (1) Data for Digital Signage, (1) Phone, and (1) Wireless Access Point. The scope provided (See Basis of Design) varies from this Standards requirement.	OPEN		
JCI	Structured Cabling		Hyatt Standards calls for (3) Telephone outlets, (1) Data for Mini Bar, (1) Data for Television, (1) Data above desk, and (1) addition of a sub_IDF punch down assembly. The scope provided (See Basis of Design) varies from this Standards requirement.	OPEN		
JCI	Physical Security		Hyatt Standards calls for additional security for a Presidential Suite. The Presidential Suite Physical Security design scope provides the same security as a standard guest room. The scope provided (See Basis of Design) varies from the Standards requirement.	OPEN		
JCI	IPTV System		The IPTV System will use a different head-end supply and a secondary network supplier (Juniper in lieu of Cisco). This is a deviation from Hyatt Standards.	OPEN		
JCI	Network System		The Network System will use a secondary network supplier (Juniper in lieu of Cisco). This is a deviation from Hyatt Standards.	OPEN		
JCI	Telephone System		The Telephone System will use a secondary network supplier (Juniper in lieu of Cisco). This is a deviation from Hyatt Standards.	OPEN		
JCI	WiFi System		The WiFi System will use a secondary network supplier (Juniper in lieu of Cisco). This is a deviation from Hyatt Standards.	OPEN		
JCI	Guest Floor Video System		There are no Video Systems provided to any guest floor except the one Presidential Suite. This is a deviation from Hyatt Standards.	OPEN		
Mort	Elevators		The Service Elevators are to be hydraulic. This could be a deviation from the Hyatt Standards. See "Elevator Traffic Study" in Appendices.	OPEN		

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Ankrom Moisar

Memorandum

Hyatt Design Standards + Oregon Code Compatibility

Project: Oregon Convention Center Hotel
AM Project #: 124575

Date: August 5, 2015
Prepared For: Mortenson Construction
Prepared by: Sharon Nobbe (AMA)

Distribution :
cc: Trace Jaques, ESG
Nate Gundrum, Mortenson Development
Jeff Nyborg, Mortenson Construction

A. Basis of Review:
   1. Hyatt International Technical Services - Design Recommendations & Minimum Standards Version 5.0
   2. Hyatt Regency Hotel Schematic Floor Plans Draft July 31, 2015- Floor plans:
      a. Holladay Street Level - Roof/ Penthouse Level
      b. Typical King Guestroom, Typical QQ Guestroom

B. Applicable Codes:
   1. 2014 Oregon Structural Specialty Code (based on the 2012 IBC), effective July 1, 2014
   2. 2014 OSSC Accessibility Chapter 11 referenced standard – ICC-ANSI A117.1-2009
   3. 2014 Oregon Energy Efficiency Specialty Code
   4. 2007 Portland Fire Code (based on 2007 Oregon Fire Code)
   5. 2014 Oregon Mechanical Specialty Code
   6. 2014 Oregon Electrical Specialty Code (based on 2011 NFPA 70 NEC)
   7. 2014 Oregon Plumbing Specialty Code
   8. 2014 Oregon Energy Efficiency Specialty Code (based on 2009 IECC)
   9. City of Portland, Oregon Charter and Code

C. Comments:
   1. Pg. 23 Guestrooms, Suites and Corridors. Site, Building and Guestroom Accessibility shall comply with OSSC Chapter 11 Table 1107.6.1.1, ANSI 117.1-2009 and ADA.
   2. Page 23, 49, 97 Exiting Concepts. Exits travel distance and quantity shall comply with Chapter 10. Alternate Means and Methods shall provide equivalent or better.

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3. Pg. 24, 42, 48, 97 Space Design Requirements. Fire rated assemblies shall comply with Chapters 7 and 10.
   - Emergency exit route assemblies must achieve a minimum fire resistant rating of 90 minutes. Per Section 1022 and 713, minimum for exit stairs is 2 HRs per OSSC 1022 and 713. Fire rating of assemblies shall comply with Chapter 7.
   - Minimum height of guard and hand rails shall comply with Section 1013 –metric conversion height is less than 42" required.
4. Pg. 26 Typical Guestroom. Living/ Sleeping/ Study Area Lighting and Controls shall comply with ANSI 117.1-2009, ADA and NFPA 70 (NEC).
5. Pg. 26 Bathroom Wet Area. Dimensions and clearances shall comply with Chapter 11, ANSI 117.1. Metric units less than required.
6. Pg. 30, 112 Materials shall comply with Chapter 8, Section 803. Flame spread and slip resistance.
7. Pg. 32 Door Locks and controls shall meet Chapter 10, Section 1008 and ANSI A117
8. Pg. 32 Miscellaneous FFE shall meet Chapter 11, ANSI A117.1 – reach range and equivalency.
9. Pg. 41 Public Areas shall meet Chapter 11, ANSI A117.1, Chapter 29 Plumbing fixture
10. Pg. 43 External signage shall meet Portland Title 32 Sign Code.
11. Pg. 50 Dining Area differing floor levels shall be per Chapter 11 and Chapter 10 for accessibility, exiting
12. Pg. 54 Lighting shall meet exit lighting and illuminance per Chapter 9
13. Pg. 55 Coffee Bar counter height shall meet Chapter 11.
14. Pg. 56 Kitchens, Bars & Pantries shall meet Oregon Department of Health requirements for food handling environments and licensing.
15. Pg. 69, 77,116 Exhaust Hoods and Linen Chutes. Provide rated shaft enclosures to meet Section 713.
16. Pg.89, 90 Pool Areas Entrance doors and gates shall meet exiting per Chapter 10 Section 1008.
17. Pg. 96 Back of House Facilities storage, loading and recycling facilities to meet Portland City Code Chapter 17.102, OSFC Section 304
18. Pg. 138, 140 Interior signage must comply with Section 1110 of Chapter 11 Accessibility
19. Pg. 139 Plumbing Fixtures shall comply with Chapter 6 of ICC A117.1
20. Pg. 149 Sustainable Design Criteria Attachment
    - Pg. 19.7 Building Site and Site Components must meet City of Portland Title 33 Ch. 33.248 Landscape and Screening requirements
    - Pg. 19.7 Rainwater harvesting is regulated by City of Portland Water Code Ch. 17.38 Drainage and Water Quality

- Pg. 19.13 Construction Materials, Process, and Methods must meet Portland City Code Title 10 Erosion and Sediment Control Regulations
- Pg. 19.18 Water Efficiency must meet City of Portland Water Management and Conservation Plan
- Pg. 19.20, 19.21 Energy and Atmosphere building must meet Oregon Energy Efficiency Specialty Code and Portland City Code Chapter 17.104 Commercial Building Energy Performance Reporting.

21. Pg. 152 Security and locks must meet OSSC Chapter 10 Means of Egress requirements
22. Pg. 202 Physical Security Requirements and Standards must meet Portland Fire Code for fire truck access
23. Pg. 223 Security systems and alarms must comply with Chapter 7 of ICC A117.1 Communication Elements and Features

END OF MEMO

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ARCHITECTURE
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BRANDING

FF&E / OS&E Matrix Oregon Convention Center Hotel				
	Included in direct cost of Design-Build Agreement	**Included in FF&E Allowance of Design-Build Agreement**	**Included in OS&E Allowance of Design-Build Agreement**	**Comments**
Exterior				
Provide & Install Entry Drive Monument Signs	XX			Allowance
Provide & Install Exterior Building Signage	XX			Allowance
Provide & Install Power to Exterior Signs	XX			
Provide & Install Conduit, Wiring & Devices for Outdoor Outlets	XX			
Provide & Install Window Washing Equipment (structural davits)	XX			
Provide & Install Window Washing Equipment			XX	
Provide & Install Trash Compactor	XX			
Provide & Install Trash Chute	XX			
Provide & Install Exterior Landscaping (including Irrigation)	XX			
Provide & Install Flag Poles and Bases	XX			
Provide & Install Flag Pole Lighting (Fixture & Lighting)	XX			
Provide & Install Flags	XX			
Provide & Install Furniture			XX	
Provide & Install Decorative Lighting	XX			
Lobby/Restaurant/Bar				
Provide & Install Flooring	XX			
Provide & Install Wood/Stone Base	XX			
Provide Vinyl Wallcovering		XX		
Install Vinyl Wallcovering	XX			
Provide & Install Other Wall Finishes (Non-VWC)	XX			
Provide & Install Cabinetry/ Counter Tops	XX			
Provide Decorative Lighting and Chandeliers		XX		
Install Decorative Lighting and Chandeliers	XX			
Provide & Install Hardwired Lighting	XX			
Provide & Install Fire Extinguisher Cabinets & Extinguishers	XX			
Provide & Install Code Signage	XX			
Provide & Install Way Finding & Identification Signage		XX		
Provide & Install Banquettes/Tables/Chairs, etc.		XX		
Provide & Install Artwork & Accessories		XX		
Provide & Install POS Equipment			XX	
Provide & Install POS Connection Ports	XX			

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FF&E / OS&E Matrix Oregon Convention Center Hotel				
	Included in direct cost of Design-Build Agreement	**Included in FF&E Allowance of Design-Build Agreement**	**Included in OS&E Allowance of Design-Build Agreement**	**Comments**
Business Center/Guest Lounge				
Provide Carpet, Carpet Pad, & Carpet Base		XX		
Install Carpet, Carpet Pad, & Carpet Base	XX			
Provide & Install Hard Surface Flooring	XX			
Provide & Install Wood/Stone Base	XX			
Provide & Instal Cove Molding	XX			
Provide Vinyl Wallcovering		XX		
Install Vinyl Wallcovering	XX			
Provide & Install Other Wall Finishes (Non-VWC)	XX			
Provide & Install Corner Guards	XX			
Provide & Install Cabinetry/ Counter Tops (incl. cabinet hardware)	XX			
Provide & Install Registration Desk Millwork and Counter Top	XX			
Provide & Install Chair Rail	XX			
Provide Decorative Lighting and Chandeliers		XX		
Install Decorative Lighting and Chandeliers	XX			
Provide & Install Hardwired Lighting	XX			
Provide & Install Doors and Door Hardware	XX			
Provide & Install Fire Extinguisher Cabinets & Extinguishers	XX			
Provide & Install Code Signage	XX			
Provide & Install Way Finding & Identification Signage		XX		
Provide & Install Window Treatment		XX		
Provide & Install Furniture (Sofas, Chairs, Tables, etc.)		XX		
Provide & Install Banquettes/Tables/Chairs, etc.		XX		
Provide & Install Artwork & Accessories		XX		
Provide & Install Televisions		XX		
Provide & Install Wall Mtd Bracket (for TV's)	XX			
Provide & Install Business Center Office Furniture		XX		
Provide & Install Business Center Office Equipment (Phone, Fax, Printers, Computers)			XX	
Provide & Install Concierge Lounge Kitchen Equipment (Refrigerator, Dishwasher, coffeemaker, etc.)	XX			
Meeting Rooms, Ballroom and Pre-Function				
Provide Carpet, Carpet Pad, & Carpet Base		XX		
Install Carpet, Carpet Pad, & Carpet Base	XX			
Provide & Install Wood/Stone Base	XX			
Provide & Instal Cove Molding	XX			
Provide Vinyl Wallcovering		XX		

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	Included in direct cost of Design-Build Agreement	Included in FF&E Allowance of Design-Build Agreement	Included in OS&E Allowance of Design-Build Agreement	Comments
Install Vinyl Wallcovering	XX			
Provide & Install Other Wall Finishes (Non-VWC)	XX			
Provide & Install Cabinetry/ Counter Tops	XX			
Provide & Install Chair Rail	XX			
Provide Decorative Lighting and Chandeliers		XX		
Install Decorative Lighting and Chandeliers	XX			
Provide & Install Hardwired Lighting	XX			
Provide & Install Specialty Power		XX		FF&E Low Voltage Allowance
Provide & Install Sound & AV System Equipment		XX		FF&E Low Voltage Allowance
Provide & Install Fire Extinguisher Cabinets & Extinguishers	XX			
Provide & Install Built-in Projection Screens		XX		FF&E Low Voltage Allowance
Provide & Install Hang Point Hardware		XX		FF&E Low Voltage Allowance
Provide & Install Code Signage	XX			
Provide & Install Way Finding & Identification Signage		XX		
Provide & Install Banquettes/Tables/Chairs, etc.		XX		
Provide & Install Artwork & Accessories		XX		
Provide & Install Wall Mounted Tackboards/Whiteboards	XX			
Guestrooms				
Provide Carpet, Carpet Pad, & Carpet Base		XX		
Install Carpet, Carpet Pad, & Carpet Base	XX			
Provide & Install Wood Base	XX			
Provide & Instal Cove Molding	XX			
Provide Vinyl Wallcovering		XX		
Install Vinyl Wallcovering	XX			
Provide & Install Other Wall Finishes (Non-VWC)	XX			
Provide & Install Ceramic Tile	XX			
Provide & Install Corner Guards	XX			
Provide & Install Bath Vanities and Tops	XX			
Provide Bathroom Sconces		XX		
Install Bathroom Sconces	XX			
Provide Welcome Light @ Entry		XX		
Install Welcome Light @ Entry	XX			
Provide Mirrors		XX		
Install Mirrors	XX			
Provide & Install Seating (lounger, desk chair, task chair, etc.)		XX		
Provide & Install Desk Unit and Dresser		XX		
Provide & Install Free Standing Lamps		XX		
Provide & InstallMattress/ Box Spring/ Bed Frame		XX		

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FF&E / OS&E Matrix Oregon Convention Center Hotel				
	Included in direct cost of Design-Build Agreement	**Included in FF&E Allowance of Design-Build Agreement**	**Included in OS&E Allowance of Design-Build Agreement**	**Comments**
Provide & Install Artwork		XX		
Provide & Install Televisions		XX		
Provide & Install Wall Mtd Bracket (for TV's)	XX			
Provide & Install Drapery, Blinds and Related Hardware		XX		
Provide & Install Velvet Bags			XX	
Provide & Install Closet Rod System	XX			
Provide & Install Closet Doors and Hardware	XX			
Provide & Install Light Fixtures (hardwired)	XX			
Provide & Install Bathroom Plumbing Fixtures	XX			
Provide & Install Bath Accessories (shelf, hooks, t.p., tissue holder)	XX			
Provide & Install Glass Shower Walls/ Doors (and hardware)	XX			
Provide & Install ADA Accessories (grab bars, shower seats)	XX			
Provide & Install Shower Curtain Rod	XX			
Provide & Install Code Signage	XX			
Provide & Install Ironing Board, Iron, & Iron Organizer		XX		
Provide & Install Radios, Clocks			XX	
Provide & Install Room Safe		XX		
Provide & Install Mini Fridges		XX		
Provide & Install Kitchen Equipment at Suites		XX		
Provide & Install Bathroom Textiles			XX	
Provide & Install Hair Dryers			XX	
Provide & Install Coffee Pot & Accessories			XX	
Provide & Install Bedspreads/Duvet			XX	
Provice & Install Linen Package			XX	
Provice & Install Bedroom Textiles (pillow, blanket, sheet, mat, pad, etc.)			XX	
Provice & Install Clothes Hangers			XX	
Provide & Install Card Access System		XX		FF&E Low Voltage Allowance
Guestroom Corridors				
Provide Carpet & Carpet Pad		XX		
Install Carpet & Carpet Pad	XX			
Provide & Install Wall Base	XX			
Provide & Install Cove Moldings	XX			
Provide Vinyl Wallcovering		XX		
Install Vinyl Wallcovering	XX			

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	Included in direct cost of Design-Build Agreement	Included in FF&E Allowance of Design-Build Agreement	Included in OS&E Allowance of Design-Build Agreement	Comments
Provide & Install Other Wall Finishes (Non-VWC)	XX			
Provide Decorative Wall Sconces		XX		
Install Decorative Wall Sconces	XX			
Provide & Install Light Fixtures (hardwired)	XX			
Provide & Install Corner Guards	XX			
Provide & Install Way Finding & Identification Signage		XX		
Provide & Install Fire Extinguisher Cabinets & Extinguishers	XX			
Provide & Install GR Corridor Ice Machines	XX			
Provide & Install GR Corridor Vending Room Equipment			XX	
Provide & Install Artwork		XX		
Provide & Install Elevator Lobby Furniture		XX		
Public Restrooms				
Provide & Install Hard Surface Flooring	XX			
Provide Vinyl Wallcovering		XX		
Install Vinyl Wallcovering	XX			
Provide & Install Other Wall Finishes (Non-VWC)	XX			
Provide & Install Countertops, Fixtures, Partitions, Accessories, etc.	XX			
Provide Decorative Light Fixtures		XX		
Install Decorative Light Fixtures	XX			
Provide & Install All Lighting	XX			
Provide & Install Doors and Door Hardware	XX			
Provide & Install Code Signage	XX			
Office & Back of House				
Provide Carpet & Carpet Pad		XX		
Install Carpet & Carpet Pad	XX			
Provide & Install Wall Base	XX			
Provide Vinyl Wallcovering		XX		
Install Vinyl Wallcovering	XX			
Provide & Install Other Wall Finishes (Non-VWC)	XX			
Provide & Install Hardwired Lighting	XX			
Provide & Install Doors and Door Hardware	XX			
Provide & Install Fire Extinguisher Cabinets & Extinguishers	XX			
Provide & Install Code Signage	XX			
Provide & Install Way Finding & Identification Signage		XX		
Provide & Install Office Furniture		XX		
Provide & Install Equipment-Copiers, Phone system, Fax, Coffee Maker, etc.			XX	
Provide & Install Safe			XX	
Provide & Install Card Access System		XX		FF&E Low Voltage Allowance

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FF&E / OS&E Matrix Oregon Convention Center Hotel				
	Included in direct cost of Design-Build Agreement	**Included in FF&E Allowance of Design-Build Agreement**	**Included in OS&E Allowance of Design-Build Agreement**	**Comments**
Provide laptops for hotel mgmt team			XX	
Provide & Install PMS Equipment (Property Mgmt Systems)			XX	
Provide & Install Time Clocks			XX	
Provide & Install Two-Way Radio System			XX	
Kitchen				
Provide & Install FS Equipment- Specify, Procure, Receive, Store, Install, Startup,	XX			Allowance
Provide & Install FS Equipment-w/lay-out by Food service contractor. C connects after install	XX			Allowance
Provide & Install Soda/ Beverage Line Conduits	XX			Allowance
Provide & Install Soda/ Beverage Equipment	XX			Allowance
Provide & Install Wall Finishes	XX			
Provide & Install Hard Surface Flooring (Quarry Tile)	XX			
Provide & Install FRP/ Ceramic Tile Walls	XX			
Provide & Install Smallwares			XX	
Provide & Install Grease Hoods/Duct	XX			Allowance
Provide & Install Soap & Towel Dispenser	XX			Allowance
Provide & Install Doors and Door Hardware	XX			
Provide & Install Fire Extinguisher Cabinets & Extinguishers	XX			
Exercise Area & Pool				
Provide & Install Exercise Equipment			XX	
Provide & Install Television		XX		
Provide & Install Wall Mtd Bracket (for TV's)	XX			
Provide Exercise Room Flooring & Pad		XX		
Install Exercise Room Flooring & Pad	XX			
Provide Exercise Room Wallcovering		XX		
Install Exercise Room Wallcovering	XX			
Provide & Install Other Wall Finishes (Non-VWC)	XX			
Provide & Install Tables/ Benches/ Chairs		XX		
Provide & Install Window Treatments		XX		
Provide & Install Hard Surface Flooring (Quarry Tile)	XX			
Provide & Install FRP/ Ceramic Tile Walls	XX			

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	Included in direct cost of Design-Build Agreement	Included in FF&E Allowance of Design-Build Agreement	Included in OS&E Allowance of Design-Build Agreement	Comments
Provide & Install Lockers	XX			
Provide & Install Doors and Door Hardware	XX			
Provide & Install Fire Extinguisher Cabinets & Extinguishers	XX			
Provide Pool Room Wallcovering		XX		
Install Pool Room Wallcovering	XX			
Provide & Install Pool Furniture & Furnishings		XX		
Provide & Install Pool Equipment	XX			
Provide & Install Regulatory & Lifesaving Equipment	XX			
Provide & Install Code Signage	XX			
Provide & Install Eyewash Station in Pool Equipment Room	XX			
Elevators				
Provide & Install Interior Finishes	XX			Allowance
Provide & Install Interior Lighting	XX			
Associate Dining, Break Area & Locker Rooms				
Provide & Install Benches	XX			
Provide & Install Hard Surface Flooring	XX			
Provide & Install Wall Finishes	XX			
Provide Carpet & Carpet Pad		XX		
Install Carpet & Carpet Pad	XX			
Provide & Install Window Treatments		XX		
Provide & Install Televisions		XX		
Provide & Install Wall Mtd Bracket (for TV's)	XX			
Provide & Install Furniture (chairs, tables, etc.)		XX		
Provide & Install Hardwire Lighting	XX			
Provide & Install Sink	XX			
Provide & Install Lockers	XX			
Provide & Install Fire Extinguisher Cabinets & Extinguishers	XX			
Provide & Install Coffee Maker	XX			
Provide & Install Bulletin Board			XX	
Provide & Install Dishwasher	XX			
Provide & Install Refrigerator	XX			
Provide & Install Microwave Oven	XX			

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FF&E / OS&E Matrix Oregon Convention Center Hotel				
	Included in direct cost of Design-Build Agreement	**Included in FF&E Allowance of Design-Build Agreement**	**Included in OS&E Allowance of Design-Build Agreement**	**Comments**
Housekeeping & Laundry				
Provide & Install Flooring	XX			
Provide & Install Wall Finishes	XX			
Provide & Install Wall Shelving	XX			
Provide & Install Stainless Steel Corner Guards	XX			
Provide & Install Doors and Door Hardware	XX			
Provide & Install Fire Extinguisher Cabinets & Extinguishers	XX			
Provide & Install Linen Chute	XX			
Provide & Install Hardwire Lighting	XX			
Provide & Install Mop Sinks at each Floor	XX			
Provide & Install Utility Trucks			XX	Outsourced laundry
Provide & Install Scale Cart			XX	Outsourced laundry
Provide & Install Soiled Linen Carts			XX	Outsourced laundry
Provide & Install Helping Hand			XX	Outsourced laundry
Provide & Install Mobile Shelving			XX	Outsourced laundry
Provide & Install Washer/ Extractor			XX	Outsourced laundry
Provide & Install Dryer/ Tumbler			XX	Outsourced laundry
Provide & Install Folder/ Ironer			XX	Outsourced laundry
Provide & Install Soap Dispensing System			XX	Outsourced laundry
Provide & Install Folding Table			XX	Outsourced laundry
Provide & Install Automated Uniform Conveyor			XX	Outsourced laundry
All items not listed		XX		

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Low Voltage "Technology" FF&E Matrix Oregon Convention Center Hotel — Mortenson Project #14050005			
DESCRIPTION	**Included in direct cost of Design-Build Agreement**	**Included in Low-Voltage "Technology" FF&E Allowance in Design-Build Budget**	**By Others (not included in Design-Build Agreement)**
Tele/Data			
Structured Cable Package (Base Bid)			
Provide Rough-In Box Conduit	XX		
Copper Backbone (Provide and Install)	XX		
Copper Backbone (Design)	XX		
Fiber Backbone (Provide and Install)	XX		
Fiber Backbone (Design)	XX		
Communication Room Layout, Design, and Equipment Provision (Panel, Rack, etc.)	XX		
Communication Room Build-Out (Cable Tray/Rack Installation)	XX		
Structured Cable (Cat 6A) (Horizontal Cabling, Provide and Install)	XX		
Structured Cable (CAT 6A) (Horizontal Cabling, Design)	XX		
Structured Cable Terminating/Testing (Field Devices/Patch Panels)	XX		
Panel Boards for all Low Voltage Systems	XX		
Backing for all Low Voltage Systems	XX		
Install Low Voltage Service Conduits	XX		
Telephone System Package			
Telephone System Cabling (Provide and Install)	XX		
Telephone System PBX Head End(Provide and Install)		XX	
Telephone System PBX Head End (Design)		XX	
Telephone System Hand Sets (Provide and Install)		XX	
Telephone System Hand Sets (Design)		XX	
Telephone System Programming/Start-Up/Commissioning		XX	
Network Package			
Network Gear (Edge & Core Switches) (Provide and Install)		XX	
Network Design		XX	
Network Programming (OS-Start-Up)		XX	
Terminating/Testing (Network Devices)		XX	

Low Voltage "Technology" FF&E Matrix Oregon Convention Center Hotel — Mortenson Project #14050005			
DESCRIPTION	**Included in direct cost of Design-Build Agreement**	**Included in Low-Voltage "Technology" FF&E Allowance in Design-Build Budget**	**By Others (not included in Design-Build Agreement)**
WIFI/WLAN Package			
WIFI/WLAN (Head-End) (Provide and Install)		XX	
WIFI/WLAN Design		XX	
WIFI/WLAN Start-up/Programming		XX	
WIFI/WLAN Access Points (Provide)		XX	
WIFI/WLAN Access Points (Install)		XX	
WIFI/WLAN Access Point Cabling-Provide and Install	XX		
Fire Alarm			
Provide Rough-In Box/Conduit	XX		
Provide FA Equipment	XX		
Police Radio/900mhz (Public Safety DAS) Design	XX		
Police Radio/900mhz (Public Safety DAS) Equipment Provision	XX		
Police Radio/900mhz (Public Safety DAS) Install	XX		
Install/Terminate FA Equipment	XX		
Fire Alarm Shop Drawings	XX		
Fire Alarm As-Built Drawings	XX		
Fire Alarm Permitting/Plan Review "City of Portland"	XX		
Fire Alarm Programming Start-up/Testing/Commissioning	XX		
Kitchen Fire Suppression System Coordination/Monitoring	XX		
Fire Sprinkler System Coordination/Monitoring	XX		
Duct Smoke Detector- Equipment	XX		
Duct Smoke Detector- Wire/Terminate	XX		
Duct Smoke Detector- Installation	XX		
Fire Smoke Dampers-Equipment/Installation	XX		
Fire Smoke Dampers-Wire/Terminate	XX		
Fire Smoke Dampers-Wire/Provide Monitoring Equipment	XX		
Fire Alarm System Training	XX		

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Low Voltage "Technology" FF&E Matrix Oregon Convention Center Hotel — Mortenson Project #14050005			
DESCRIPTION	**Included in direct cost of Design-Build Agreement**	**Included in Low-Voltage "Technology" FF&E Allowance in Design-Build Budget**	**By Others (not included in Design-Build Agreement)**
Security			
Access Control Package			
Provide Rough-In Box/Conduit	XX		
Provide Card Readers (Door Contacts, Request to Exits)	XX		
Install/Terminate Card Readers	XX		
Access Control Design	XX		
Access Control Head-End (Servers & Software) Provide & Install		XX	
Access Control Cabling-Provide and Install	XX		
Access Control Door Hardware-Provide/Install	XX		
Access Control Door Hardware-Review/Coordination	XX		
Access Control System As-Built Drawings	XX		
Access Control System Permitting/Plan Review "City of Portland" (If required, must verify)	XX		
Access Control System Programming Start-up/Testing/Commissioning		XX	
Access Control System Training		XX	
Video Surveillance Package			
Provide Rough-In Box/Conduit	XX		
Provide Security Cameras	XX		
Install/Terminate Security Cameras	XX		
Security Camera Cabling-Provide/Install	XX		
Monitors, Racks, & Console Design	XX		
Monitors, Racks, & Console Equipment Provision	XX		
Monitors, Racks, & Console Installation	XX		
Video Surveillance System Head-End (Servers & Software) Provide and Install		XX	
Video Surveillance Switches (Provide as part of Converged Network and included in Network Package)		XX	
Video Surveillance Storage- Provide & Install		XX	
Vide Surveillance System Training		XX	
Video Surveillance System As-Built Drawings		XX	
Video Surveillance System Programming Start-up/Testing/Commissioning		XX	

Low Voltage "Technology" FF&E Matrix Oregon Convention Center Hotel — Mortenson Project #14050005			
DESCRIPTION	**Included in direct cost of Design-Build Agreement**	**Included in Low-Voltage "Technology" FF&E Allowance in Design-Build Budget**	**By Others (not included in Design-Build Agreement)**
Intrusion Detection Package			
Provide Rough-In Box/Conduit	XX		
Intrusion Detection System Head-End (Provide and Install)		XX	
Provide Intrusion Detection System Field Devices	XX		
Intrusion Detection System Design		XX	
Intrusion Detection System Training		XX	
Install/Terminate Intrusion Detection Field Devices	XX		
Intrusion Detection System Cabling-Provide and Install	XX		
Intrusion Detection System As-Built Drawings	XX		
Intrusion Detection System Programming Start-up/Testing/Commissioning		XX	
Guestroom Locking System Package			
Guest Locking System Head-End (Provide and Install)		XX	
Provide Guest Locking System Hardware		XX	
Guest Locking System Design		XX	
Guest Locking System Training		XX	
Install/Terminate Guest Locking System		XX	
Guest Locking System System Programming Start-up/Testing/Commissioning		XX	
Audio/Visual			
Provide Rough-In Box/Conduit	XX		
Audio/Visual Controls Equipment		XX	
Audio/Visual Controls Equipment Install/Terminate		XX	
Audio/Visual Design		XX	
Audio/Visual System Programming Start-up/Testing/Commissioning		XX	
Audio/Visual Training		XX	
Audio/Visual As-builts		XX	

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Low Voltage "Technology" FF&E Matrix Oregon Convention Center Hotel — Mortenson Project #14050005			
DESCRIPTION	**Included in direct cost of Design-Build Agreement**	**Included in Low-Voltage "Technology" FF&E Allowance in Design-Build Budget**	**By Others (not included in Design-Build Agreement)**
Electronic Message System (Digital Signage)			
Provide Rough-In Box/Conduit		XX	
Digital Signage Equipment		XX	
Digital Signage Install/Terminate		XX	
Digital Signage Design		XX	
Digital Signage Programming Start-up/Testing/Commissioning		XX	
Digital Signage Training		XX	
Digital Signage As-builts		XX	
Digital Signage Cabling-Provide and Install		XX	
Kiosk			
Provide Rough-In Box/Conduit		XX	
Kiosk Equipment			XX (Hyatt)
Kiosk Install/Terminate		XX	
Kiosk Design		XX	
Kiosk Programming Start-up/Testing/Commissioning		XX	
Kiosk Training		XX	
Kiosk As-builts		XX	
Kiosk Cabling-Provide and Install		XX	
Paging System			
Provide Rough-In Box/Conduit		XX	
Paging System Equipment		XX	
Paging System Install/Terminate		XX	
Paging System Design		XX	
Paging System Programming Start-up/Testing/Commissioning		XX	
Paging SystemTraining		XX	
Paging System As-builts		XX	
Paging SystemCabling-Provide and Install		XX	

Low Voltage "Technology" FF&E Matrix Oregon Convention Center Hotel — Mortenson Project #14050005			
DESCRIPTION	**Included in direct cost of Design-Build Agreement**	**Included in Low-Voltage "Technology" FF&E Allowance in Design-Build Budget**	**By Others (not included in Design-Build Agreement)**
Distributed TV System (RF/IPTV)			
Provide Rough-In Box/Conduit	XX		
Distributed TV System (RF/IPTV) Cable			XX (Hyatt)
Distributed TV System (RF/IPTV) Equipment			XX (Hyatt)
Distributed TV System (RF/IPTV) Screens			XX (Hyatt)
Converter Box-Provide & Install			XX (Hyatt)
Distributed TV System (RF/IPTV) Design			XX (Hyatt)
Satellite Dish			XX (Hyatt)
Satellite Wire/Cable-Provide and Install			XX (Hyatt)
Cable Tray System			
Provide Cable Tray	XX		
Provide Cable Tray (IDF/TR/MDF/Computer Room	XX		
Design Cable Tray	XX		
DAS			
Provide Rough-In Box/Conduit	XX		
DAS Production Cable Provide/Install		XX	
DAS Equipment		XX	
DAS Equipment Room Fit-Out		XX	
DAS Design		XX	
DAS Site Survey		XX	
DAS Programming Start-up/Testing/Commissioning		XX	
DAS As-builts		XX	
Lighting Control			
Provide Rough-In Box/Conduit	XX		
Lighting Controls Equipment	XX		
Lighting Controls Equipment Controls Equipment Install	XX		
Lighting Control Design	XX		
POS System			
POS System Equipment			XX (Hyatt)

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Low Voltage "Technology" FF&E Matrix Oregon Convention Center Hotel Project #14050005			Mortenson
DESCRIPTION	**Included in direct cost of Design-Build Agreement**	**Included in Low-Voltage "Technology" FF&E Allowance in Design-Build Budget**	**By Others (not included in Design-Build Agreement)**
POS Wire/Cable		XX	
Hospitality Management System (Guest and Entertainment)			
Hospitality Management System Cable - Provide & Install			XX (Hyatt)
Hospitality Management System Equipment			XX (Hyatt)
Hospitality Management System Screens			XX (Hyatt)
Hospitality Management System Design			XX (Hyatt)
Any Other Low-Voltage / Technology Scope Items Not Listed Above		XX	

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NE MULTNOMAH STREET
NE 1st AVENUE
NE 2nd AVENUE
NE HASSELO STREET
MARTIN LUTHER KING BOULEVARD
NE HOLLADAY STREET

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Gross Area = 29,735 sf
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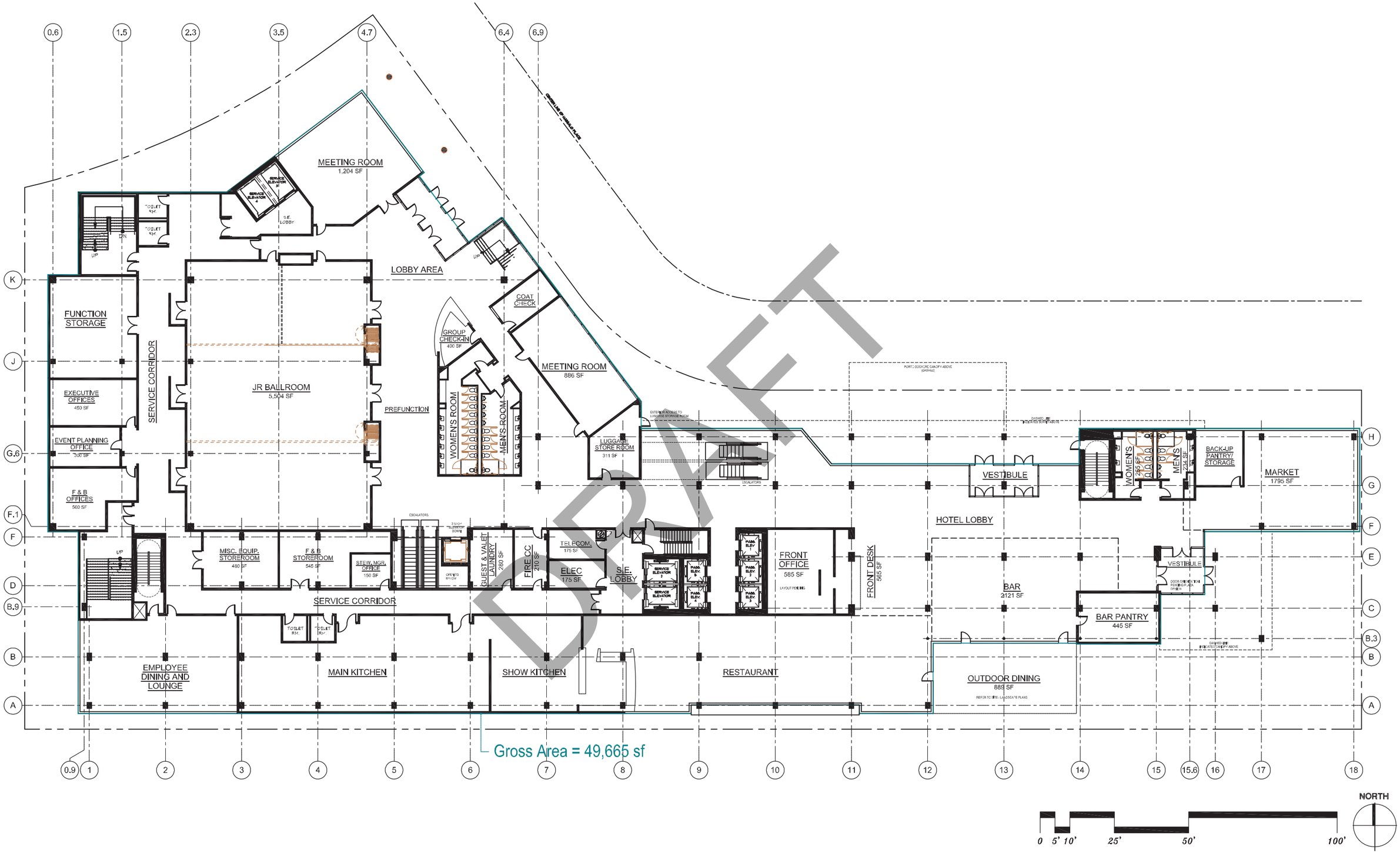
BOILER AND MECHANICAL ROOM
WATER SERVICE ROOM
FIRE PUMP ROOM
EMERGENCY GENERATOR ROOM
TELECOM DEMARC. ROOM
DOCK OFFICE
TOILET
EMERG. ELECT. ROOM
MAIN ELECT. ROOM
RECYCLING
GENERAL STORAGE
TRASH & WASHDOWN
F & B STORAGE
WOMEN'S CHANGING ROOM
MEN'S CHANGING ROOM
COMMON LOCKER AREA
AUTOMATED UNIFORM ISSUE
SECURITY
OPERATING EQUIPMENT STOREROOM
CLEAN LINEN STORAGE
SOILED LINEN AND CHUTE ROOM
HUMAN RESOURCES OFFICES
LEARNING AND DEVELOPMENT DEPARTMENT
SALES AND MARKETING OFFICE
LOBBY
ROOMS DIV. OFFICE
FINANCE AND INFORMATION SYSTEMS OFFICE
ENGINEERING RELATED AREAS
NORTH
0 5' 10' 25' 50' 100'


MEETING ROOM
1,204 SF
SERVICE ELEVATOR 4
SERVICE ELEVATOR 3
TOILET RM.
TOILET RM.
UP
DN
S/E LOBBY
LOBBY AREA
COAT CHECK
GROUP CHECK-IN
400 SF
MEETING ROOM
886 SF
FUNCTION STORAGE
SERVICE CORRIDOR
JR BALLROOM
5,504 SF
PREFUNCTION
WOMEN'S ROOM
MEN'S ROOM
EXECUTIVE OFFICES
450 SF
EVENT PLANNING OFFICE
300 SF
F & B OFFICES
500 SF
LUGGAGE STORE ROOM
311 SF
EXTERIOR ACCESS TO LUGGAGE STORAGE ROOM
PORTE COCHERE CANOPY ABOVE (DASHED)
DASHED LINE INDICATES SLOPE BELOW
ESCALATORS
VESTIBULE
WOMENS
285 SF
MENS
226 SF
BACK-UP PANTRY/ STORAGE
MARKET
1795 SF
HOTEL LOBBY
MISC. EQUIP. STOREROOM
480 SF
F & B STOREROOM
545 SF
STEW. MGR. OFFICE
150 SF
ESCALATORS
2 STOP ELEVATOR DOWN
OPEN TO BELOW
GUEST & VALET LAUNDRY
280 SF
FIRE CC
210 SF
TELECOM.
175 SF
ELEC
175 SF
S.E. LOBBY
SERVICE ELEVATOR 2
SERVICE ELEVATOR 1
PASS. ELEV. 5
PASS. ELEV. 4
PASS. ELEV. 3
FRONT OFFICE
585 SF
LAYOUT PENDING
FRONT DESK
565 SF
BAR
2121 SF
VESTIBULE
DOOR ORIENTATION PENDING FF&A REVIEW
BAR PANTRY
445 SF
DASHED LINE INDICATES CANOPY ABOVE
SERVICE CORRIDOR
TOILET RM.
TOILET RM.
EMPLOYEE DINING AND LOUNGE
MAIN KITCHEN
SHOW KITCHEN
RESTAURANT
OUTDOOR DINING
889 SF
REFER TO SITE / LANDSCAPE PLANS
Gross Area = 49,665 sf
0.6
1.5
2.3
3.5
4.7
6.4
6.9
0.9
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
15.6
16
17
18
K
J
G.6
F.1
F
D
B.9
B
A
H
G
F
E
C
B.3
B
A
NORTH
0
5'
10'
25'
50'
100'

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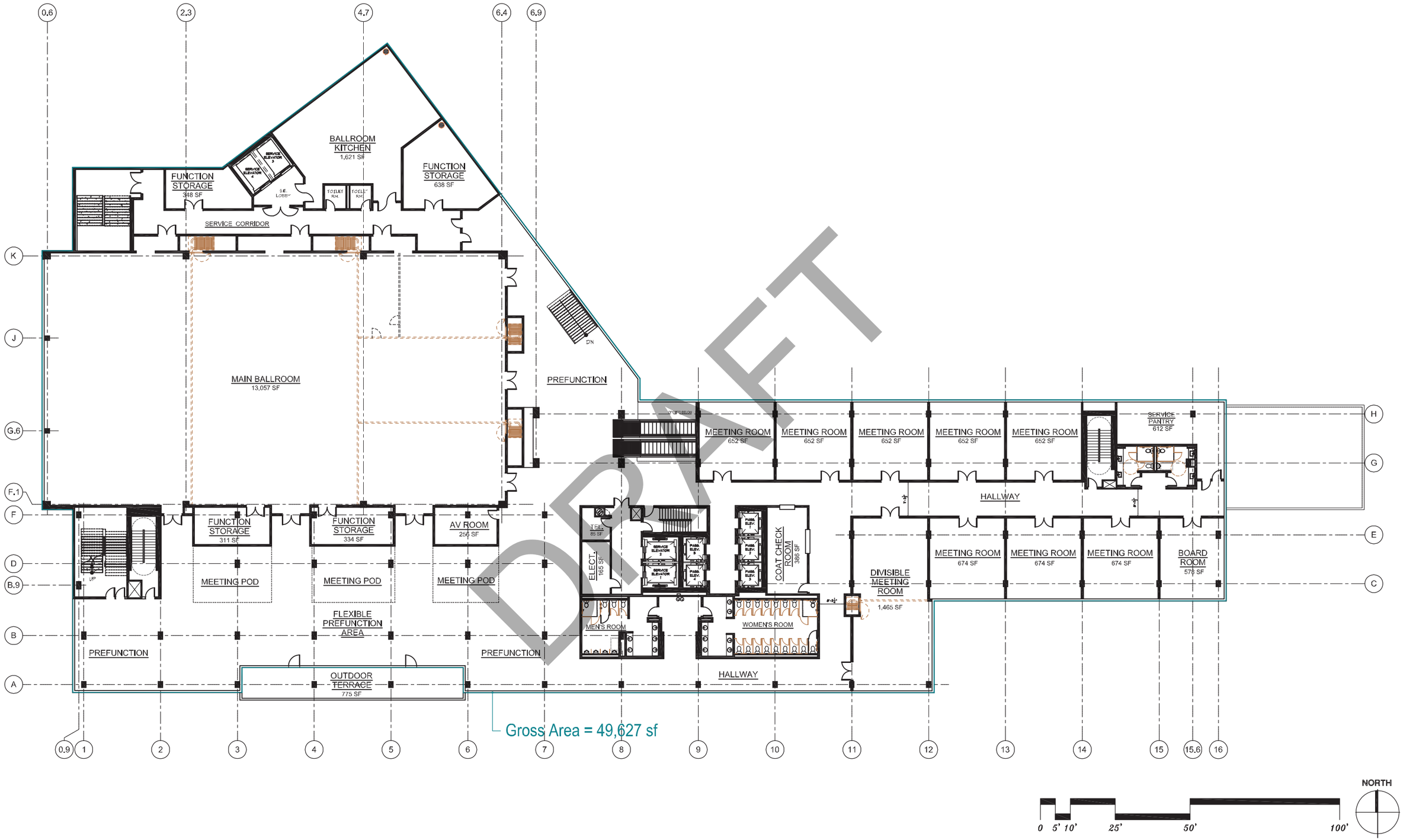
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9
10
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12
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15.6
16
H
G
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C
BALLROOM KITCHEN
1,621 SF
FUNCTION STORAGE
348 SF
SERVICE ELEVATOR 4
SERVICE ELEVATOR 3
S.E. LOBBY
TOILET RM
TOILET RM
FUNCTION STORAGE
638 SF
SERVICE CORRIDOR
MAIN BALLROOM
13,057 SF
PREFUNCTION
DN
MEETING ROOM
652 SF
MEETING ROOM
652 SF
MEETING ROOM
652 SF
MEETING ROOM
652 SF
MEETING ROOM
652 SF
SERVICE PANTRY
612 SF
HALLWAY
FUNCTION STORAGE
311 SF
FUNCTION STORAGE
334 SF
AV ROOM
256 SF
MEETING POD
MEETING POD
MEETING POD
UP
TEL.
85 SF
ELECT.
165 SF
SERVICE ELEVATOR 2
SERVICE ELEVATOR 1
PASS. ELEV. 1
PASS. ELEV. 2
PASS. ELEV. 3
COAT CHECK ROOM
386 SF
MEN'S ROOM
WOMEN'S ROOM
DIVISIBLE MEETING ROOM
1,465 SF
MEETING ROOM
674 SF
MEETING ROOM
674 SF
MEETING ROOM
674 SF
BOARD ROOM
576 SF
FLEXIBLE PREFUNCTION AREA
PREFUNCTION
PREFUNCTION
OUTDOOR TERRACE
775 SF
HALLWAY
Gross Area = 49,627 sf
NORTH
0
5'
10'
25'
50'
100'

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SCREENED ROOF AREA
FOR MECH. EQUIPMENT

OPEN TO
BALLROOM
BELOW

ACC QQ

MECH. ROOM

POOL ACCESS

M

W

STORAGE

POOL AREA
2,223 SF

VESTIBULE

LAP POOL

CORRIDOR

MEN

WOMEN

DN

PREFUNCTION

TEL.
61 SF

ELECT.
196 SF

HK.

SERVICE ELEVATOR

PASS. ELEV.

HOSPITALITY
SUITE
830 SF

HOSPITALITY
SUITE
739 SF

FITNESS CENTER
1830 SF

CORRIDOR

MEETING ROOM
1,128 SF

MEETING ROOM
1,128 SF

MEETING ROOM
1,128 SF

BOARD ROOM
672 SF

BOARD ROOM
592 SF

REGENCY CLUB
1,739 SF

BOARD ROOM
644 SF

GREEN ROOF
AREAS

OUTDOOR
TERRACE

OUTDOOR
TERRACE

Gross Area = 27,042 sf

NORTH

0 5' 10' 25' 50' 100'

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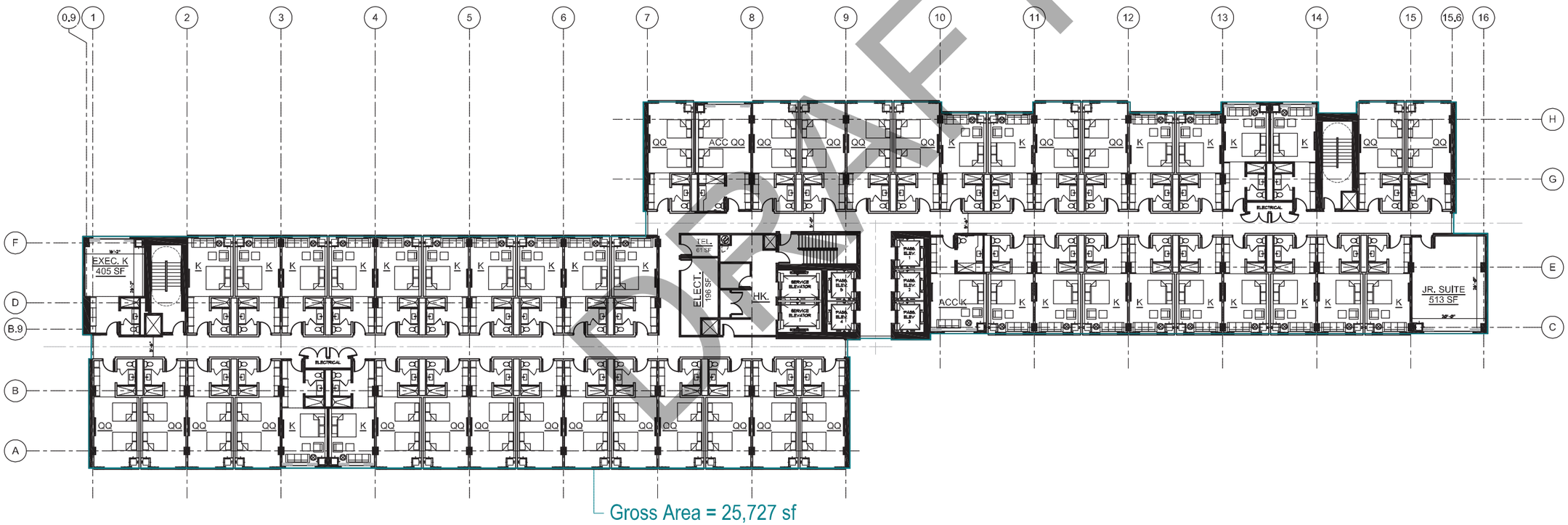

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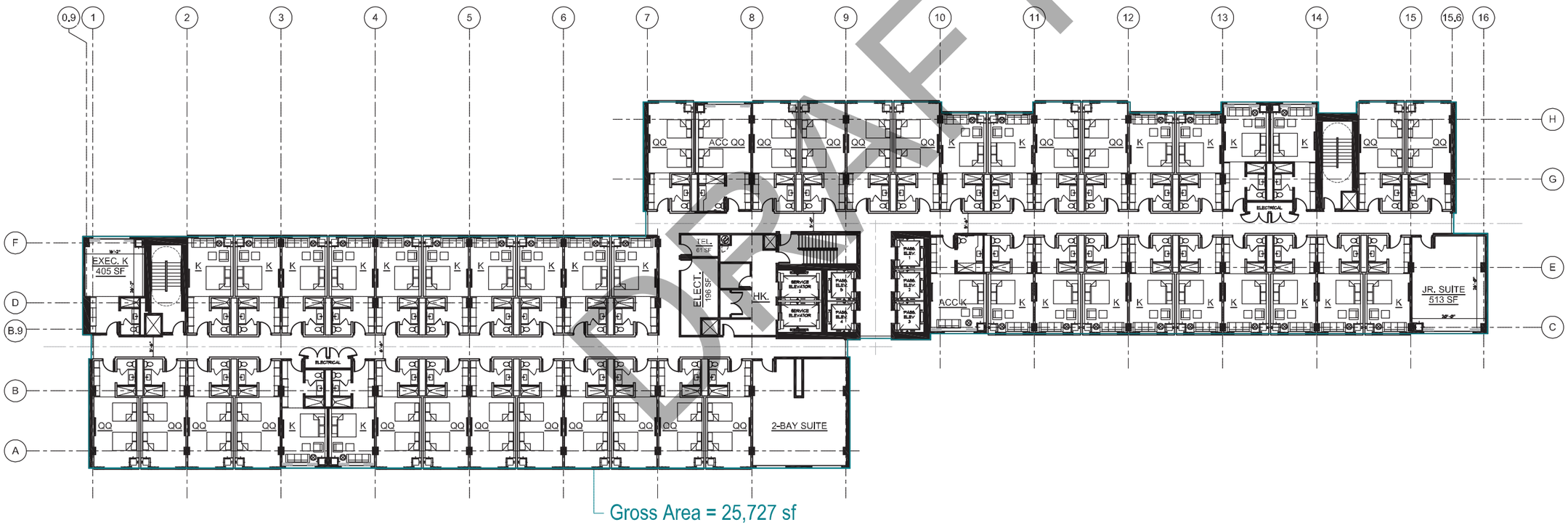
NORTH

0 5' 10' 25' 50' 100'



Gross Area = 25,727 sf

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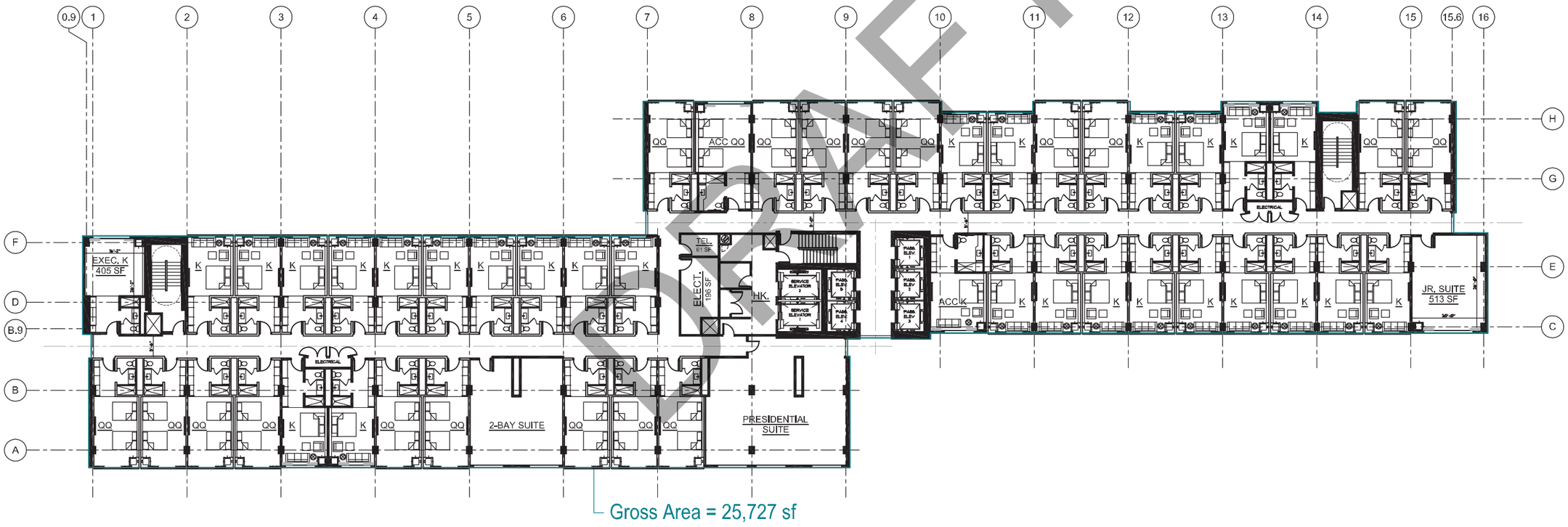
NORTH

0 5' 10' 25' 50' 100'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16
H
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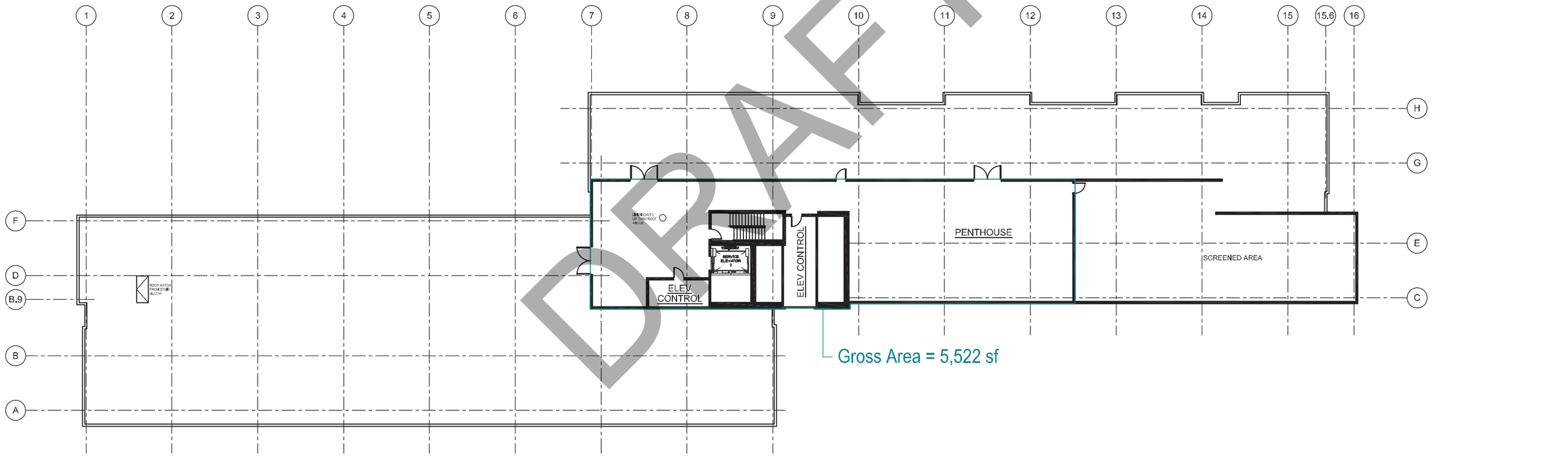
F
E
D
C
B.9
B
A
EXEC. K
405 SF
K
QQ
ACC QQ
ACC K
TEL.
61 SF
ELECT.
196 SF
HK.
SERVICE ELEVATOR
PASS. ELEV.
ELECTRICAL
JR. SUITE
513 SF
2-BAY SUITE
PRESIDENTIAL
SUITE
Gross Area = 25,727 sf
NORTH
0
5'
10'
25'
50'
100'

DRAFT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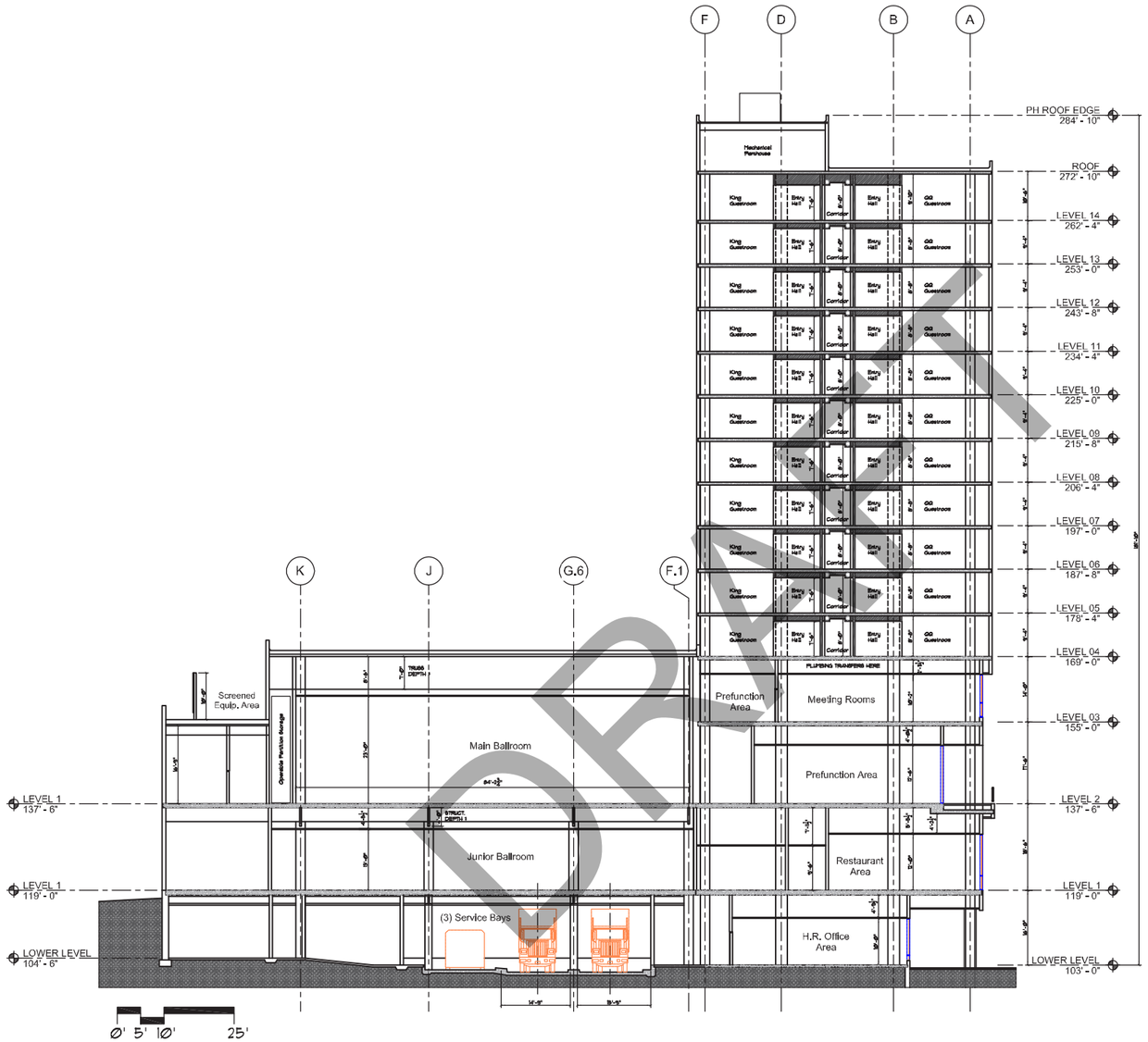
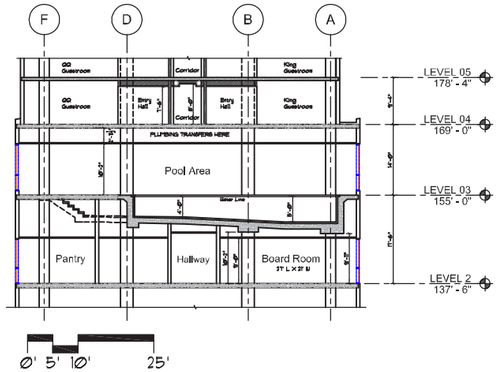
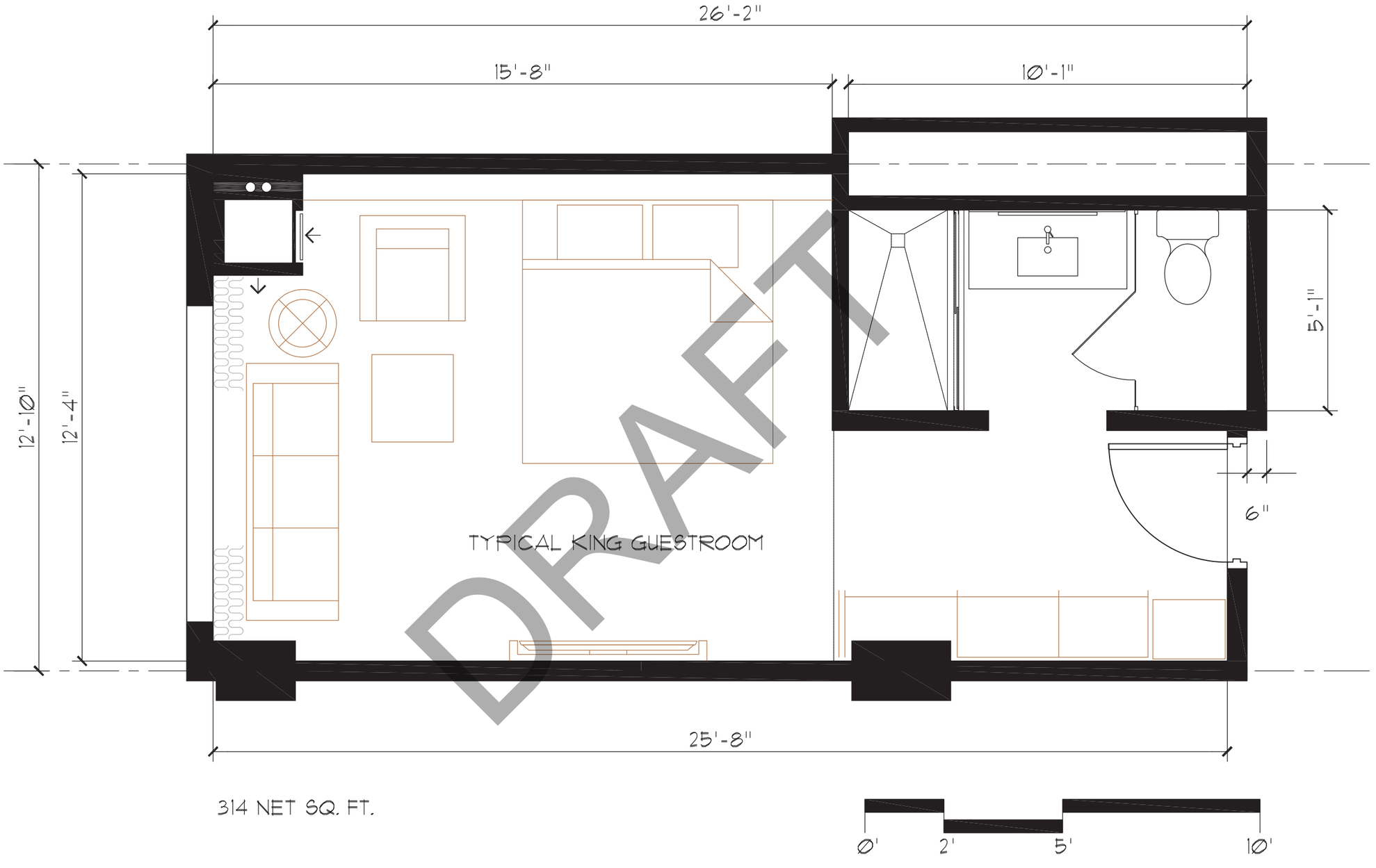
PENTHOUSE
SCREENED AREA
ELEV CONTROL
SERVICE ELEVATOR
ELEV CONTROL
ROOF HATCH FROM STAIR BELOW
Gross Area = 5,522 sf
0
5'
10'
25'
50'
100'
NORTH

DRAFT

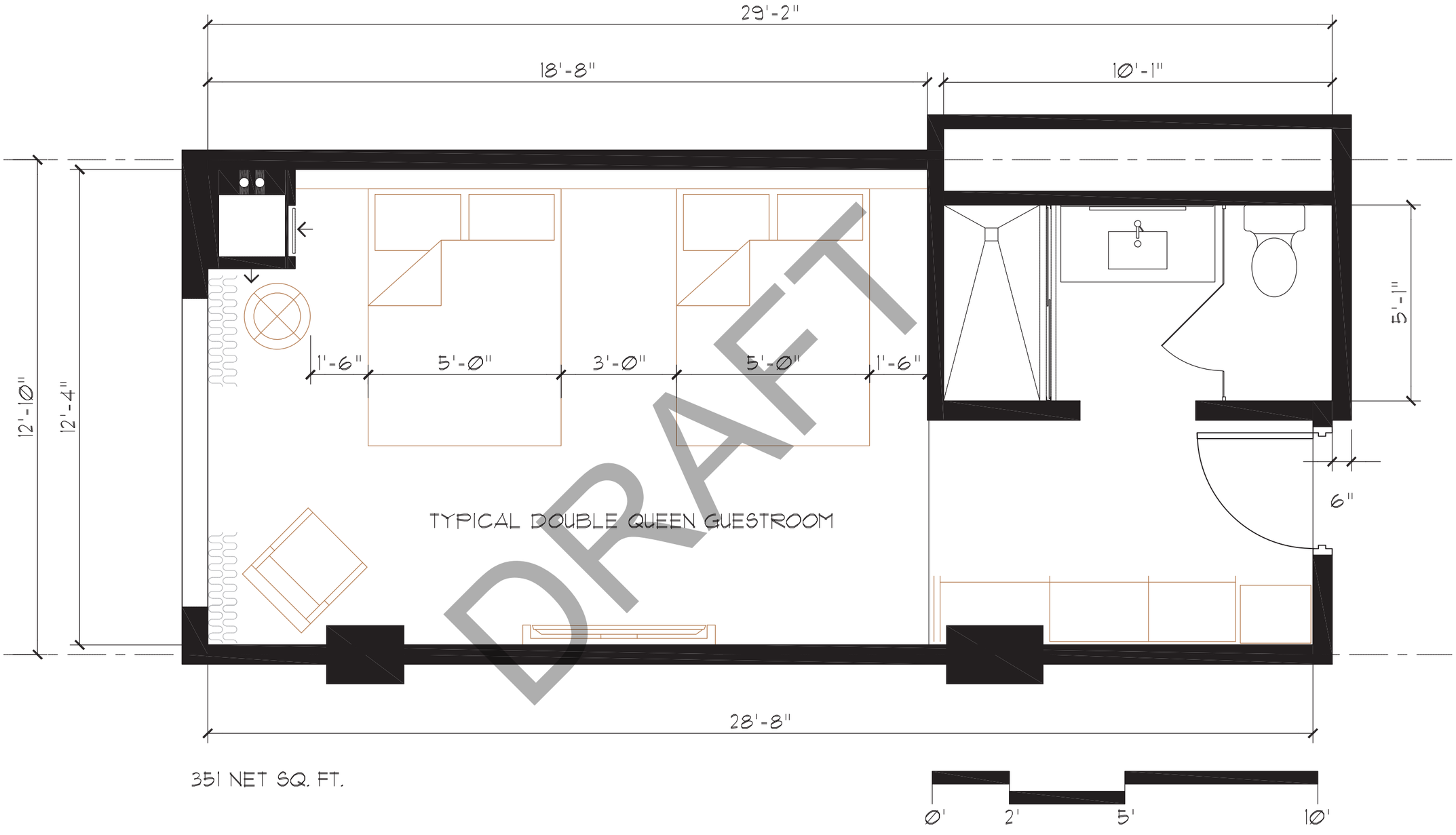

F
D
B
A
PH ROOF EDGE
284' - 10"
Mechanical Penthouse
ROOF
272' - 10"
LEVEL 14
262' - 4"
LEVEL 13
253' - 0"
LEVEL 12
243' - 8"
LEVEL 11
234' - 4"
LEVEL 10
225' - 0"
LEVEL 09
215' - 8"
LEVEL 08
206' - 4"
LEVEL 07
197' - 0"
LEVEL 06
187' - 8"
LEVEL 05
178' - 4"
LEVEL 04
169' - 0"
LEVEL 03
155' - 0"
LEVEL 2
137' - 6"
LEVEL 1
119' - 0"
LOWER LEVEL
103' - 0"
King Guestroom
QQ Guestroom
Entry Hall
Corridor
FLUMBING TRANSFERS HERE
K
J
G.6
F.1
Screened Equip. Area
Main Ballroom
Junior Ballroom
(3) Service Bays
Prefunction Area
Meeting Rooms
Prefunction Area
Restaurant Area
H.R. Office Area
LEVEL 1
137' - 6"
LEVEL 1
119' - 0"
LOWER LEVEL
104' - 6"
0' 5' 10' 25'


F
D
B
A
QQ Guestroom
King Guestroom
Corridor
Entry Hall
FLUMBING TRANSFERS HERE
Pool Area
Pantry
Hallway
Board Room
LEVEL 05
178' - 4"
LEVEL 04
169' - 0"
LEVEL 03
155' - 0"
LEVEL 2
137' - 6"
0' 5' 10' 25'

DRAFT


26'-2"
15'-8"
10'-1"
12'-10"
12'-4"
5'-1"
6"
TYPICAL KING GUESTROOM
25'-8"
314 NET SQ. FT.
0'
2'
5'
10'

DRAFT


29'-2"
18'-8"
10'-1"
12'-10"
12'-4"
1'-6"
5'-0"
3'-0"
5'-0"
1'-6"
5'-1"
6"
TYPICAL DOUBLE QUEEN GUESTROOM
28'-8"
351 NET SQ. FT.
0'
2'
5'
10'

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HYATT REGENCY PORTLAND
Program Area Comparison and Tracking
August 10, 2015

	Hyatt PAP v2	Plans dated 8/10/15
TOTAL HOTEL KEYS:	600	600
TOTAL HOTEL BAYS:	626	629.6

Hotel Facilities Net Area Summary	Hyatt PAP v2 Net Sq. Ft.	Hyatt PAP v2 Gross Sq. Ft.	Plans dated 8/10/15 Net Sq. Ft.	Plans dated 8/10/15 Gross Sq. Ft.
1 Guestrooms and Suites	228,140		208,648	
2 Food & Beverage Outlets & Related Support Areas	13,540		11,953	
3 Event Facilities	59,700		56,872	
4 Lobby & Public Areas	4,635		4,490	
5 Fitness & Recreational Facilities	6,900		4,587	
6 Administrative Offices	3,200		3,138	
7 B.O.H. Support Services	13,060		16,536	
8 Employee Facilities	4,800		4,967	
TOTAL HOTEL AREA (Net & Gross)	**333,975**	**450,866**	**311,191**	**439,066**

	Hyatt PAP v2	Plans dated 8/10/15
Ratio - Net to Gross Area	1.35	1.41

	Hyatt PAP v2	Plans dated 8/10/15
HOTEL NET SQUARE FEET PER BAY =	533.51	494.27
HOTEL GROSS FEET PER BAY =	720.23	697.37
HOTEL GROSS FEET PER KEY =	751.44	731.78

1 GUESTROOMS AND SUITES

	Hyatt PAP v2	Plans dated 8/10/15
TOTAL HOTEL KEYS:	600	600
TOTAL HOTEL BAYS:	626	629.6

Guestrooms and Suite Types		Hyatt PAP v2 Keys	Bays	Total Bays	NSF/Unit	Total NSF
King Guestrooms	49.33%	296	1.0	296	340	100,640
Queen / Queen Guestrooms	42.50%	255	1.0	255	380	96,900
Executive King Rooms	5.00%	30	1.0	30	450	13,500
2-Bay Suites	2.33%	14	2.0	28	760	10,640
Hospitality Suites	0.67%	4	2.0	8	760	3,040
Presidential Suite		1	3.0	3	1140	1,140
Regency Club Lounge, Boardroom, Pantry		(1)	6.0	6	2280	2,280
Guest Floor Service Areas (estimate of 15 areas)					300	4,500
TOTAL GUESTROOMS & SUITES		600		626		228,140

3% Suites

Guestrooms and Suite Types		Plans dated 8/10/15 Keys	Bays	Total Bays	NSF/Unit	Total NSF
King Guestrooms	49.50%	297	1.0	297	314	93,258
Accessible King Guestrooms	1.83%	11	1.2	13.2	378	4,158
Executive King Guestrooms	1.83%	11	1.2	13.2	405	4,455
Queen / Queen Guestrooms	41.50%	249	1.0	249	351	87,399
Accessible QQ Guestrooms	2.00%	12	1.3	15.6	429	5,148
Junior Suites	1.83%	11	1.6	17.6	513	5,643
2-Bay Suites	1.00%	6	2.00	12	710	4,260
Hospitality Suites	0.33%	2	2.00	4	657.5	1,315
Presidential Suite	0.17%	1	3.0	3	1223	1,223
Regency Club Lounge, Boardroom, Pantry		(1)	5	5	1789	1,789
Guest Floor Service Areas (12 areas)					513	6,156
TOTAL GUESTROOMS & SUITES		600		629.6		208,648

2% Suites

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2 FOOD & BEVERAGE OUTLETS AND RELATED SUPPORT AREAS

	Hyatt PAP v2		Plans dated 8/10/15	
	Seats	Net Sq. Ft.	Seats	Net Sq. Ft.
2.1 Restaurant and Bar				
Zone 1 (Bar/Lounge)				
Entry Area		150		
Drinking & Dining Area/Indoor Seating	100	2,500	70	1,761
(Outdoor Terrace Seating)	--	---	--	---
Bar Counter	20	400	18	360
Lounge Toilets (shared w/ Lobby)		600		540
Bar Pantry/Dishwash/Storage		600		445
Zone 1 Subtotal		**4,250**		**3,106**
Zone 2 (Restaurant)				
Entry Area/Host Station		200		200
Dining Area/Indoor Seating	136	3,000	132	2,902
(Outdoor Terrace Seating)	(40)	(880)	(40)	(889)
Private/Semi-Private Dining Rooms (2)	24	600	24	600
Show Kitchen & Display Counters		1,000		1,000
Restaurant Toilets (shared w/ Lobby)		400		(in Lobby)
Backup Kitchen/Dishwash/Storage		1,500		1,500
Chef's Computer Stations		50		50
Room Service Pantry/Order Taker's Office		650		650
Support/Employee Toilets/Etc.		150		150
Zone 2 Subtotal		**7,550**		**7,052**
Restaurant and Bar Subtotal		**11,800**		**10,158**

	Hyatt PAP v2		Plans dated 8/10/15	
	Seats	Net Sq. Ft.	Seats	Net Sq. Ft.
2.2 Market / Grab and Go				
Entry Area		100		100
Dining Area/Indoor Seating	20	440	20	445
(Outdoor Terrace Seating)	(10)	(220)	(10)	(220)
Beverage and Food Display Counter		400		405
Retail/Sundries		200		240
Finish Bakery		25		25
Pantry Display		25		25
Coffee Area		100		105
Checkout Area		50		50
Back-up Pantry/Storage		400		400
Market / Grab and Go Subtotal		**1,740**		**1,795**

	Hyatt PAP v2		Plans dated 8/10/15	
	Seats	Net Sq. Ft.	Seats	Net Sq. Ft.
2.3 Regency Club Lounge (6 bays on Guestfloor)				
Reception Foyer		150		
Living Room	16	360	xx	
Breakfast Dining Area	25	550	xx	
Library Dine/Work Area	16	360	xx	
Boardroom	10	250	xx	
Food Display Area		200		
Beverage Display Area		110		
Lounge Toilets		50		
Back-up Kitchen/Dishwash/Storage		250		
Regency Club Lounge Subtotal	**See Section 1**		**See Section 1**	

TOTAL F&B OUTLETS AND RELATED SUPPORT AREAS

Hyatt PAP v2	Plans dated 8/10/15
Net Sq. Ft.	Net Sq. Ft.
13,540	**11,953**

	Hyatt PAP v2	Plans dated 8/10/15
	Seats	Seats
Seats Indoor	**300**	**264**
Seats Outdoor	(50)	(50)
Total Seats	**350**	**314**

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3 EVENT FACILITIES

	Hyatt PAP v2			Plans dated 8/10/15	
	Units	Net Sq. Ft.	Location	Units	Net Sq. Ft.
3.1 Ballroom					
(Porte Cochere & Auto Drop-Off Area) (Sect. 10)					
Entry Foyer/Reception Area/Coatroom		500	*Level 1*		295
Ballroom Prefunction/Bar Area		4,200	*Level 2*		5,972
(Outdoor Prefunction Terrace)			*Level 2*		775
Ballroom (Divisible into 5 Sections)		13,000	*Level 2*		13,057
Ballroom Toilets		1,000	*Level 2*		1,474
A-V Control & Equipment Room		200	*Level 2*		256
Event Kitchen/Dishwash/Storage		3,000	*Level 2*		1,621
Support/Employee Toilets/Etc.		200	*Level 2*		125
Event Planning Office		300	*Level 1*		300
Furniture & Equipment Storeroom		1,600	*Level 1*		990
Ballroom Subtotal		**24,000**			**24,865**

	Hyatt PAP v2			Plans dated 8/10/15	
	Units	Net Sq. Ft.	Location	Units	Net Sq. Ft.
3.2 Meeting & Event Venues					
Entry Foyer/Concierge Station/Cloakroom		300	*Level 2*		386
Prefunction		4,500	*Lev. 1 & 3*		3,702
Flexible Prefunction/Breakout/Meeting Pods		3,000	*Level 2*		4,481
Junior Ballroom (Divisible into 3 Sections)		6,000	*Level 1*		5,504
Venue Type A (Divisible into 2 Sections)	2	4,000		0	0
Venue Type B (Divisible into 2 Sections)	3	4,800	*Level 2*	1	1,465
Venue Type C	2	2,400	*Lev. 1 & 3*	4	4,588
Venue Type D	4	4,000	*Lev. 1 & 2*	9	6,088
Boardrooms	3	1,800	*Lev. 2 & 3*	4	2,486
Toilets		1,200	*Level 1*		860
Back-up Support Pantry (1 per floor)	3	1,500	*Level 2*		649
Support/Employee Toilets/Etc.		200	*Level 1*		167
Furniture & Equipment Storeroom		2,000	*Level 2*		1,631
Event Venues Subtotal		**35,700**			**32,007**

TOTAL EVENT FACLITIES

	Hyatt PAP v2	Plans dated 8/10/15
	Net Sq. Ft.	Net Sq. Ft.
	59,700	**56,872**
Meeting Space/Ballroom Floor Area Only	*36,000*	*33,188*

4 LOBBY & PUBLIC AREAS

	Hyatt PAP v2		Plans dated 8/10/15	
	Net Sq. Ft.	Total NSF	Net Sq. Ft.	Total NSF
(Porte Cochere & Auto Drop-Off Area) (Sect. 10)				
Hotel Lobby		2,000		2,023
Front Desks		600		565
Concierge Desk		200		200
Group Check-in Area		400		400
Guest Safe Deposit Box Room		35		35
Guest Computer Work Area		200		200
Lobby Toilets (See Section 2.1)				
Front Office		650		585
Front Office Manager	150			(incl. above)
Guest Service Center	300			(incl. above)
Work Station and Drop Safe	200			(incl. above)
Luggage Storeroom		500		361
Support/Employee Toilets/Etc.		50		121
TOTAL LOBBY & PUBLIC AREAS		**4,635**		**4,490**

5 FITNESS & RECREATIONAL FACILITIES

	Hyatt PAP v2		Plans dated 8/10/15	
	Net Sq. Ft.	Total NSF	Net Sq. Ft.	Total NSF
5.1 Fitness Center and Pool				
Gymnasium		2000		1,830
Exercise/Yoga Studio				0
Indoor Swimming Pool Area (lap pool)		4,000		2,223
Guest Restrooms		250		198
Fitness Equipment Storeroom		150		0
Pool Storage/Towel Storage/Etc.		200		91
MEP Equipment Room (Support Pool Area)		300		245
FITNESS CENTER & POOL TOTAL		**6,900**		**4,587**

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6 ADMINISTRATIVE OFFICES

	Hyatt PAP v2		Plans dated 8/10/15	
	Net Sq. Ft.	Total NSF	Net Sq. Ft.	Total NSF
Executive Offices		450		450
Food & Beverage Department		500		500
Sales & Marketing Department		900		883
Rooms Division Department		150		150
Finance & Information Systems Department		1,000		960
Office Toilets & Pantries		200		195
TOTAL ADMINISTRATIVE OFFICES		**3,200**		**3,138**

7 BACK OF HOUSE SUPPORT SERVICES

	Hyatt PAP v2		Plans dated 8/10/15	
	Net Sq. Ft.	Total NSF	Net Sq. Ft.	Total NSF
7.1 F&B Related Areas				
Truck Unloading Stalls		1,200		2,958
Raised Receiving Dock		500		1,096
Driver's Toilet		50		65
Trash/Garbage/Wash-Up Area		500		430
Recycling Storeroom		250		199
Materials Management Office (Adj. to Dock)		150		113
F&B Storerooms/Prep Areas (Adj. to Rest. Kitchen)		2,000		1,871
Stewarding Manager's Office		150		150
Operating Equipment Storeroom		1,000		762
General Storeroom		1,000		473
F&B Related Areas Subtotal		**6,800**		**8,117**

	Net Sq. Ft.	Total NSF	Net Sq. Ft.	Total NSF
7.2 Housekeeping Related Areas				
Hotel Laundry (Outsourced)		0		0
Guest and Valet Laundry		500		280
Housekeeping Areas		1,500		782
Soiled Linen Sorting & Chute Room		500		463
Automated Uniform Issue/Locker Bag System		1,200		821
Seamstress		200		(incl. above)
Miscellaneous Equipment Storeroom		500		480
Housekeeping Related Areas Subtotal		**4,400**		**2,826**

	Net Sq. Ft.	Total NSF	Net Sq. Ft.	Total NSF
7.3 Engineering Related Areas				
MEP Plant, AHU, Elev. Eq. Rooms		0		4,412
Engineering Offices		500		1,016
Engineering Storeroom		400		(incl. above)
Engineering Trade Shops		500		(incl. above)
Furniture Storeroom		200		(incl. above)
Upohlstry & Fabric Storeroom		100		(incl. above)
Engineering Related Areas Subtotal		**1,700**		**5,428**

	Net Sq. Ft.	Total NSF	Net Sq. Ft.	Total NSF
7.4 Security Related Areas				
Security Office		160		165
Security Related Areas Subtotal		**160**		**165**

	Net Sq. Ft.		Net Sq. Ft.	
TOTAL B.O.H. SUPPORT SERVICES	**13,060**		**16,536**	

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8 EMPLOYEE FACILITIES

	Hyatt PAP v2			Plans dated 8/10/15	
	Seats	Net Sq. Ft.	Total NSF	Net Sq. Ft.	Total NSF
Human Resources Department			600		698
Learnning & Development Department			400		709
Male Employee Changing/Toilets/Showers			600		510
Female Employee Changing/Toilets/Showers			600		575
Co-ed Shared Locker Bag Storage Space			400		551
Restaurant			1,850		1,574
Handwash Area					
F&B Display Counters		100		100	
Seating Area	80	1,600		1324	
Kitchen					
Dishwash/Storage		150		150	
Employee Lounge			350		350
Internet Kiosk		25		25	
Soft Seating Area	12	300		300	
Vending & Merchandise Area		25		25	
(Outdoor Terrace)			0		
TOTAL EMPLOYEE FACILITIES			**4,800**		**4,967**

APPENDIX - GROSS AREA SUMMARY BY FLOOR LEVEL

	Plans dated 8/10/15	
	Gross Sq. Ft.	
Holladay Street Level	29,735	
Level 1	49,665	
Level 2	49,627	
Level 2 Exterior Occupied Balcony		*775*
Level 3	27,042	
Level 3 Exterior Occupied Roof Terrace		*1,079*
Level 4	25,727	
Level 5	25,727	
Level 6	25,727	
Level 7	25,727	
Level 8	25,727	
Level 9	25,727	
Level 10	25,727	
Level 11	25,727	
Level 12	25,727	
Level 13	25,727	
Level 14	25,727	
Rooftop Enclosed MEP Spaces/Elev. Overrun Areas		*5,522*
TOTAL GROSS AREA (Sq. Ft.)	**439,066**	***7,376***

APPENDIX - GUESTROOMS AND BAYS

	Bays	King	Acc. K	Exec. K	QQ	Acc. QQ	Jr. Suite	2 Bay Suites	Hosp. Suites	Pres. Suite	Total
Level 3	18.3	0	0	0	11	1	0	0	2	0	14
Level 4	55.3	27	1	1	23	1	1	0	0	0	54
Level 5	55.3	27	1	1	23	1	1	0	0	0	54
Level 6	55.3	27	1	1	23	1	1	0	0	0	54
Level 7	55.3	27	1	1	23	1	1	0	0	0	54
Level 8	55.3	27	1	1	23	1	1	0	0	0	54
Level 9	55.3	27	1	1	21	1	1	1	0	0	53
Level 10	55.3	27	1	1	21	1	1	1	0	0	53
Level 11	55.3	27	1	1	21	1	1	1	0	0	53
Level 12	55.3	27	1	1	21	1	1	1	0	0	53
Level 13	55.3	27	1	1	21	1	1	1	0	0	53
Level 14	55.3	27	1	1	18	1	1	1	0	1	51
Totals	**626.6**	**297**	**11**	**11**	**249**	**12**	**11**	**6**	**2**	**1**	**600**
	BAYS	49.50%	1.83%	1.83%	41.50%	2.00%	1.83%	1.00%	0.33%	0.17%	**KEYS**

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A. - Smooth Metal Panel - Color 1
B. - Profiled Metal Panel - Color 2
C. - Profiled Metal Panel - Color 3
D. - Smooth Metal Panel - Color 4
E. - Brick - Color 1
F. - Brick - Color 2
G. - Brick - Color 3
H. - Panel Feature
I. - Entry Canopy
J. - Glazing - Color 1
K. - Glazing - Color 2
L. - Glazing - Clear




A
B
D
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L
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F
J
K
G
L
I
HYATT
REGENCY
MARKE
A. - Smooth Metal Panel - Color 1
B. - Profiled Metal Panel - Color 2
C. - Profiled Metal Panel - Color 3
D. - Smooth Metal Panel - Color 4
E. - Brick - Color 1
F. - Brick - Color 2
G. - Brick - Color 3
H. - Panel Feature
I. - Entry Canopy
J. - Glazing - Color 1
K. - Glazing - Color 2
L. - Glazing - Clear

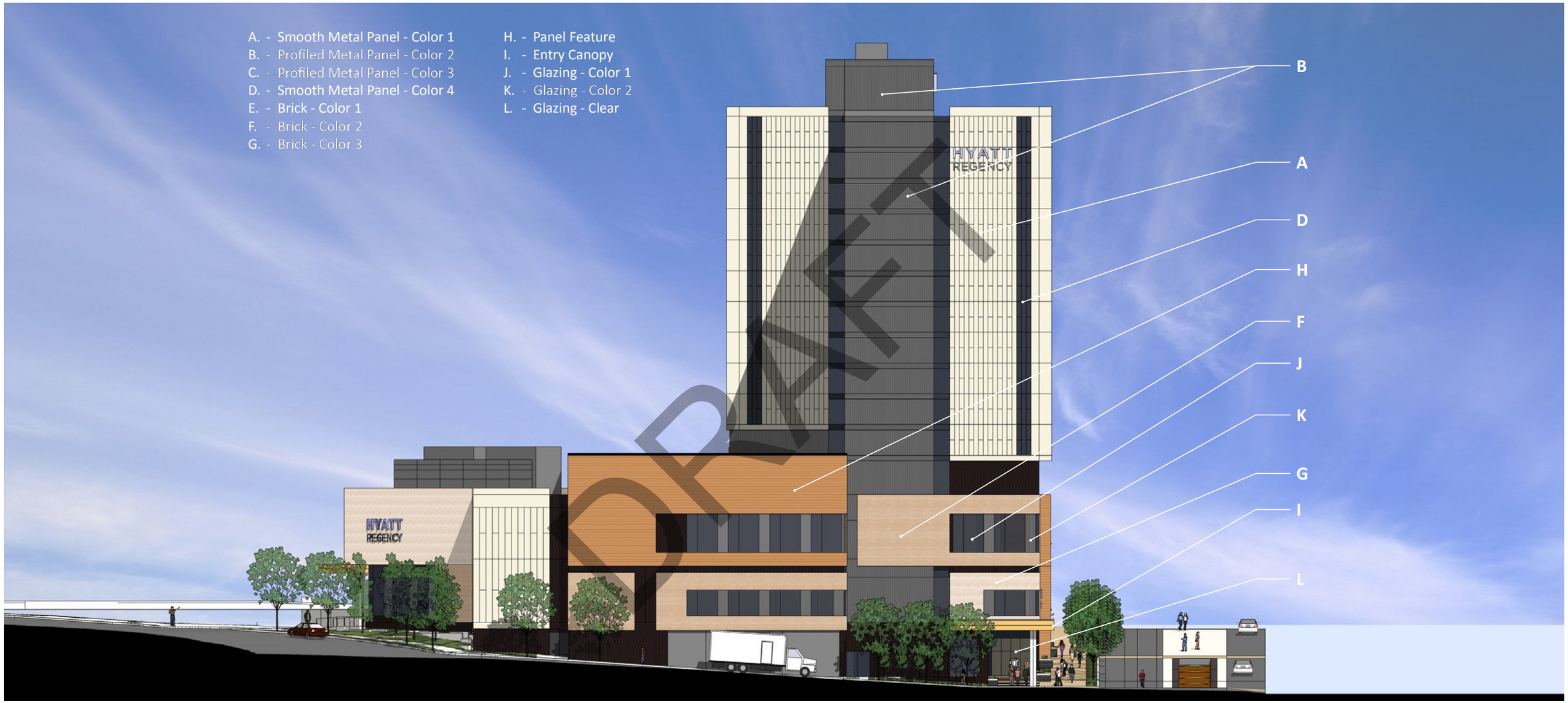
DRAFT

A. - Smooth Metal Panel - Color 1
B. - Profiled Metal Panel - Color 2
C. - Profiled Metal Panel - Color 3
D. - Smooth Metal Panel - Color 4
E. - Brick - Color 1
F. - Brick - Color 2
G. - Brick - Color 3
H. - Panel Feature
I. - Entry Canopy
J. - Glazing - Color 1
K. - Glazing - Color 2
L. - Glazing - Clear



A. - Smooth Metal Panel - Color 1
B. - Profiled Metal Panel - Color 2
C. - Profiled Metal Panel - Color 3
D. - Smooth Metal Panel - Color 4
E. - Brick - Color 1
F. - Brick - Color 2
G. - Brick - Color 3

H. - Panel Feature
I. - Entry Canopy
J. - Glazing - Color 1
K. - Glazing - Color 2
L. - Glazing - Clear



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NE 1ST STREET
NE 2ND STREET
MARTIN LUTHER KING
HYATT REGENCY
Pedestrian Entry
Lower Hotel
Pedestrian Entry
Restaurant
Hotel Plaza Entry
PARKING GARAGE
HOTEL


MARTIN LUTHER KING
NE 2ND STREET
NE 1ST STREET
HYATT REGENCY
HYATT REGENCY
Primary Vehicle Entry
Large Group Entry
HOTEL
PARKING GARAGE


HYATT REGENCY
HYATT REGENCY


HYATT
REGENCY
HYATT REGENCY
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REGENCY


HYATT
REGENCY


HYATT REGENCY
HYATT REGENCY
MARKET


HYATT
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PORTLAND
55


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HYATT REGENCY
MARKET


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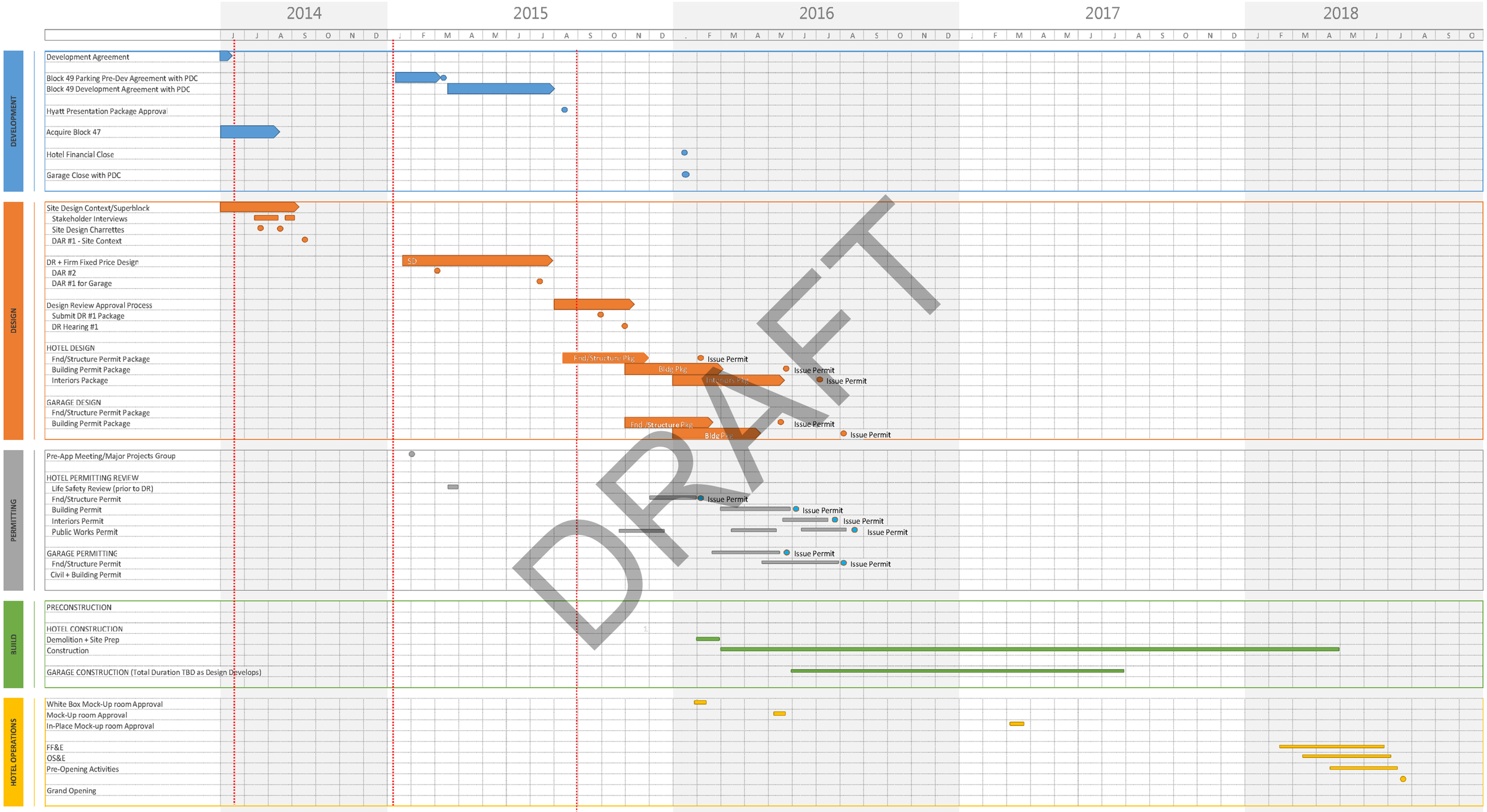
Oregon Convention Center Hotel (One Design Review)
Project Schedule 6-Aug-15



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NE MULTNOMAH STREET
NE 1st AVENUE
NE 2nd AVENUE
NE HASSELO STREET
MARTIN LUTHER KING BOULEVARD
NE HOLLADAY STREET
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NE MULTNOMAH STREET
Sidewalk Access
Upper TriMet Space
Elevator
Stair
LowerTriMet Space
NE 1st AVENUE
NE 2nd AVENUE
Sidewalk Access
NE HOLLADAY STREET
DRAFT


NE MULTNOMAH STREET
NE 1st AVENUE
NE 2nd AVENUE
NE HOLLADAY STREET
(Upper TriMet Space)
Secured Bike Parking
Elevator
Service Dock
Ramp UP
IN
IN
OUT
Security Line
55
Ramp UP
TriMet Parking
Retail Kiosk
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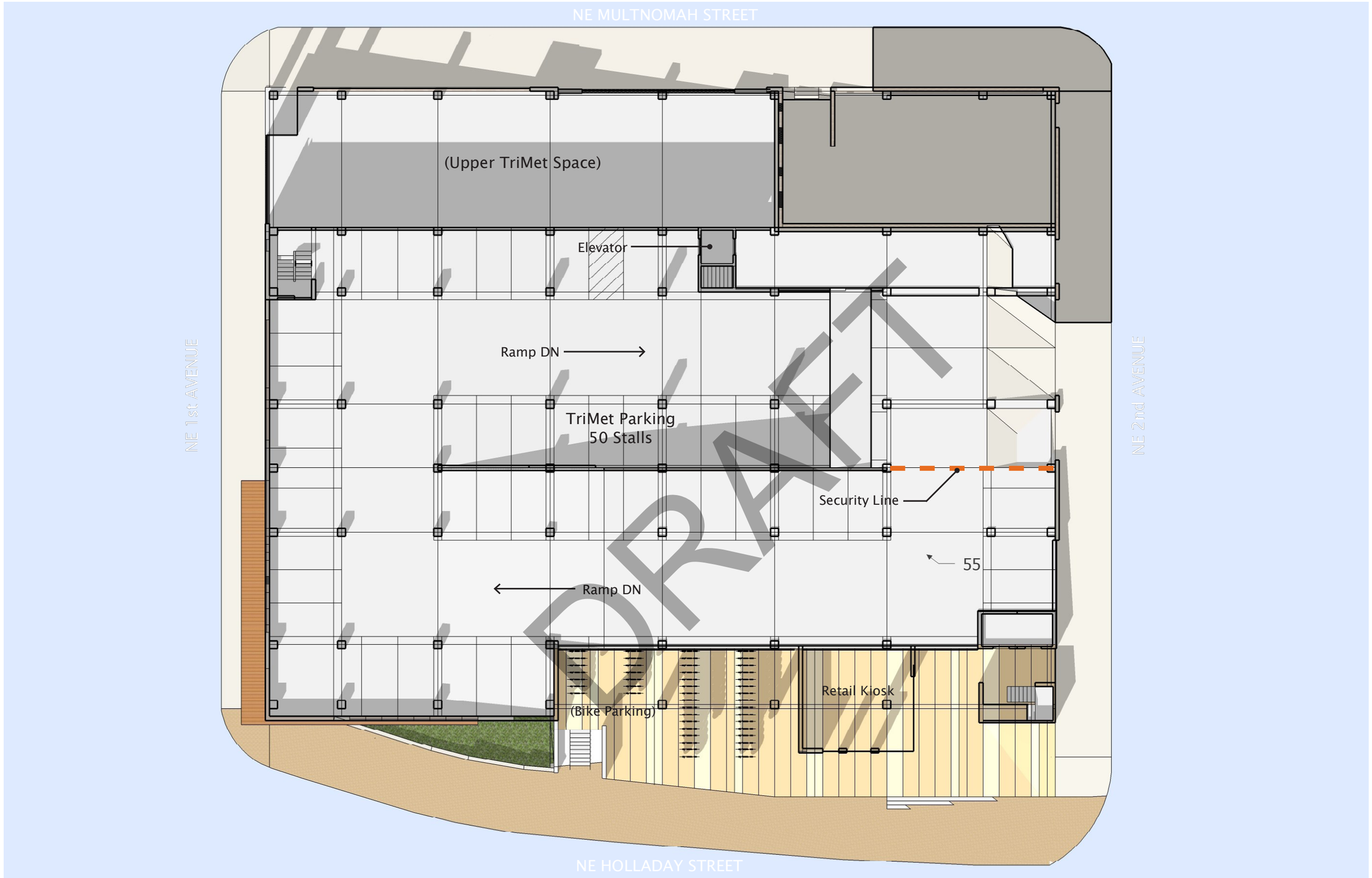
NE MULTNOMAH STREET
NE 1st AVENUE
NE 2nd AVENUE
(Upper TriMet Space)
Elevator
Ramp DN
TriMet Parking
50 Stalls
Security Line
55
Ramp DN
Retail Kiosk
(Bike Parking)
NE HOLLADAY STREET

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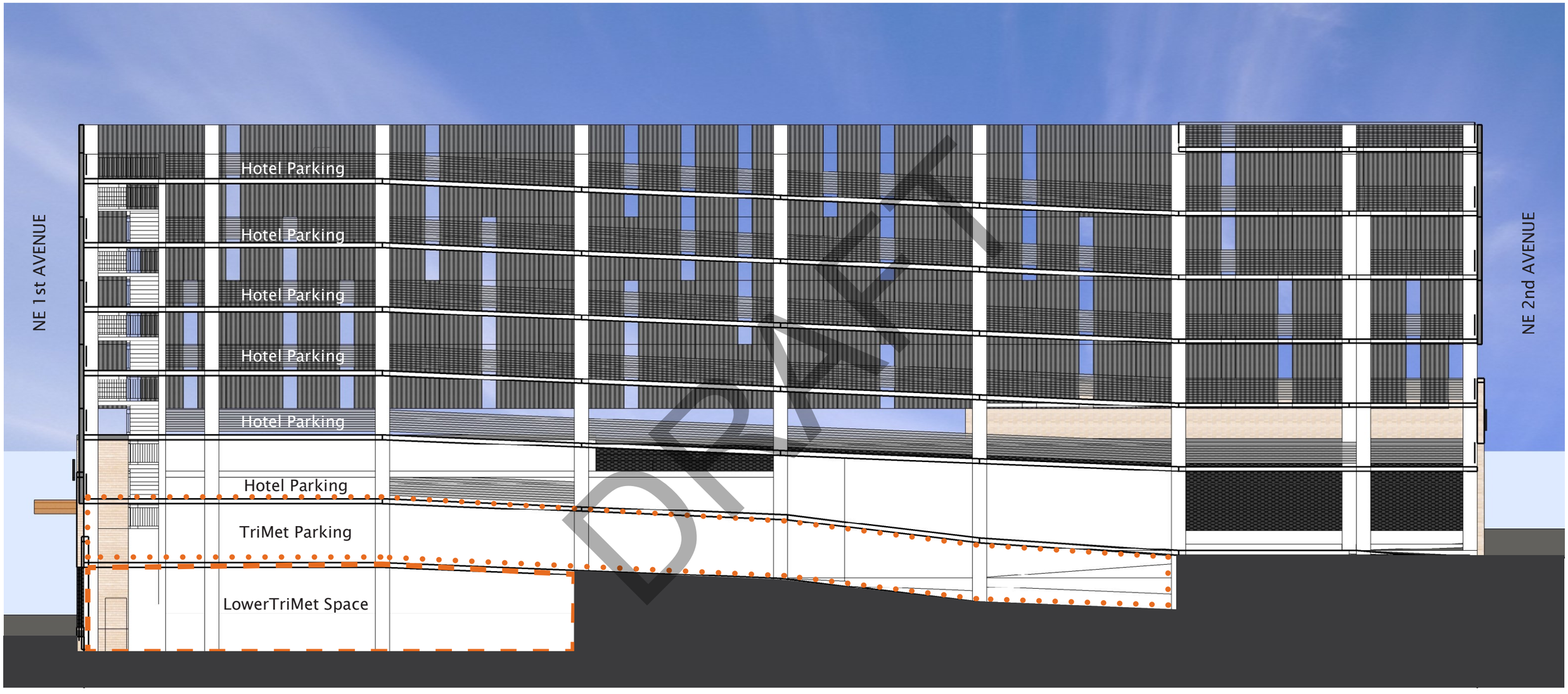
NE 1st AVENUE
NE 2nd AVENUE
Hotel Parking
Hotel Parking
Hotel Parking
Hotel Parking
Hotel Parking
Hotel Parking
TriMet Parking
LowerTriMet Space

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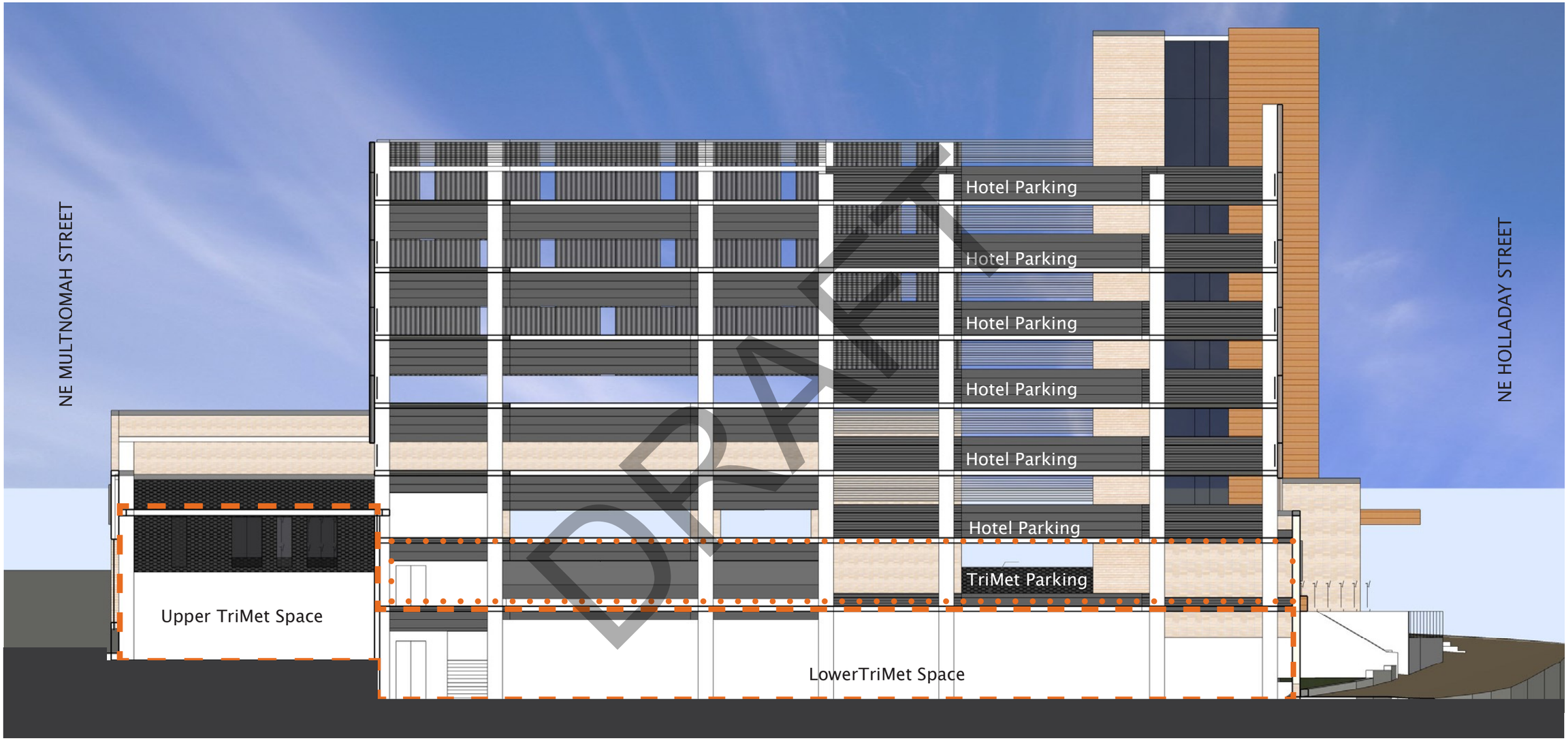
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Hotel Parking
TriMet Parking
Upper TriMet Space
LowerTriMet Space
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TRIMET
See where it takes you.


PARKING


HYATT
REGENCY
TRIMET
See where it takes you.
TRIMET
SIEMENS S70

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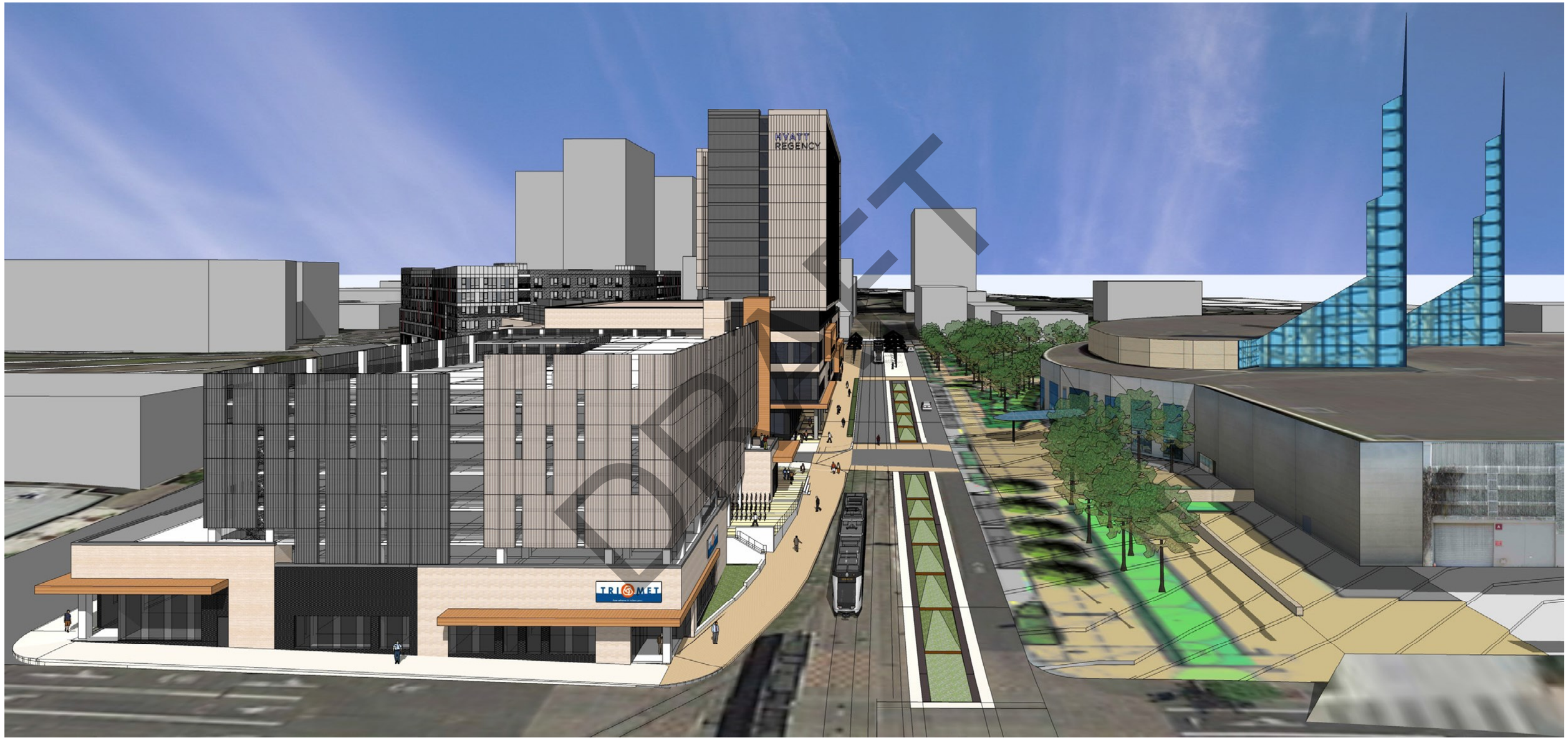
REGENCY
TRIMET
TRIMET


HYATT
REGENCY
TRIMET

Schematic Design Review & Elevator Traffic Analysis For

Hyatt
Oregon Convention Center Hotel
Portland, OR

July 6, 2015

Prepared For:
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Purpose

A new 14 story Hyatt Regency Hotel is being planned that will have 600 guestrooms and suites distributed among floors 3–14. Architects requested that ECS review the schematic design drawings and conduct traffic studies to make recommendations on the required number, type, capacity, speed and dispatching technology to adequately serve hotel guests; and to provide recommendations on the number, type, capacity and speed of other passenger/service elevators and escalators.

Assumptions

Level	Floor to Floor	Cumulative Height	Rooms	Suites	Rooms & Suites	Total Guests	
						1.23/room	1.75/room
14	9'–4"	143.33 ft	49	2	51	63.8	86.7
13	9'–4"	134.00	52	1	53	66.3	90.1
12	9'–4"	124.67	52	1	53	66.3	90.1
11	9'–4"	115.33	52	1	53	66.3	90.1
10	9'–4"	106.00	52	1	53	66.3	90.1
9	9'–4"	96.67	52	1	53	66.3	90.1
8	9'–4"	87.33	52	1	53	66.3	90.1
7	9'–4"	78.00	54	0	54	67.5	91.8
6	9'–4"	68.67	54	0	54	67.5	91.8
5	9'–4"	59.33	54	0	54	67.5	91.8
4	14'–0"	50.00	54	0	54	67.5	91.8
3	17'–6"	36.00	13	2	15	18.8	25.5
2	18'–6"	18.50	-----	-----	-----	-----	-----
1	16'–0"	-----	-----	-----	-----	-----	-----
LL	-----	-----	-----	-----	-----	-----	-----
TOTAL	-----	-----	**590**	**10**	**600**	**750**	**1,020**

Current Vertical Transportation Assets:

Unit(s)	Landings Served	Total Travel	
		Feet	Inches
Set of escalators	1 and 2	18'	6"
Set of escalators	LL & 1	16'	0"
1 passenger elevator	LL and 1	16'	0"
Group of 2 service elevators	LL, 1, 2	36'	0"
Group of 2 service elevators	LL–14	159'	6"
Group of 5 passenger elevators	1–14	143'	4"

Passenger Elevators

Current SD design includes five passenger elevators in the core of the hotel that serve landings 1–14. These elevators would be used primarily by hotel guests and visitors. The passenger elevators must be sized to accommodate loading and transportation of luggage carts.

Requirements for Hotel Elevators

There are various sources for performance requirements for elevators in a hotel building. The most universally referenced sources are "The Vertical Transportation Handbook" by George Strakosch and "Guide D: Transportation Systems in Buildings" by Britain's Chartered Institution of Building and Services Engineers (CIBSE). In addition, each elevator supplier and consultant has developed their own benchmarks against which to measure performance requirements.

Although the requirements may differ somewhat by source, the common themes are that: 1) elevators must be able to handle elevator traffic at a certain volume and 2) that the passengers must not have to wait too long.

The following requirements for hotel buildings account for the range of values from various sets of requirements that are publicly available as well as our past experience on comparable projects:

1. Interval should be in the range of 40 to 50 seconds
2. Handling capacity in the range of 12% to 15% of the hotel population in any 5 minute period
3. Average waiting time (AWT) between 30–35 seconds

The interval and AWT are closely related; however, for hotels we feel the AWT is a much more appropriate measurement of performance. As such, our analysis and recommendations are based largely on the AWT and Handling Capacity

The following are minimum requirements for medium rise city/business type hotels, published in 2011 by Hyatt International Technical Services:

- Population Density Assumption: 1.75 persons per room
- Waiting Time: 30 second maximum
- Average Interval: 40 second maximum
- 5 minute Handling Capacity: 12% minimum
- Elevator Capacity: Minimum of 1,600 kg or 3,527 pounds
- Elevator Speed (11–15 floors): 2.0 meters/second or 393 feet per minute
- Elevator Speed (16–20 floors): 2.5 meters/second or 492 feet per minute

Hyatt Engineering standards published in 2005 also included the following additional requirements:

- That 80%, or more, of wait times shall be less than 40 seconds
- That no more than 2% of wait times shall be greater than 90 seconds

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July 6, 2015

Our simulation studies were designed to meet the requirements for a 5 minute handling capacity of 12% of the guestroom population generating two way traffic between guestrooms and the lobby, and average passenger wait times of no more than 30 seconds**,** with at least 80% of the waiting times less than 40 seconds and not more than 2% of the waiting times being greater than 90 seconds.

Our analysis was based on the following scenarios for occupancy, control system and number of elevators:

Occupancy:	1.75 vs. 1.23 persons per guestroom/suite. *The 1.75/room is based on Hyatt standards as published in 2011. The 1.23 assumption can represent either a lower room density or total hotel occupancy of 70% (1.75 x 70% = 1.23)*
Control System:	Traditional two button "ETA" vs. Destination Dispatch "DD"
Number of Elevators:	6 elevators vs. 5 elevators

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The following tables report handling capacity, wait times, riding times, interval and other metrics for simulations including 5 elevators and occupancy assumptions of 1.23 and 1.75 persons per guestroom. **It will be shown that based on Hyatt standards five machine room-less (MRL) elevators at 4,000 pounds capacity and 500 feet per minute will provide adequate passenger service.**
It will be important in the design and commissioning phase to make certain that the elevator doors are designed and operating at the fast end of the code allowed range. When compounded by the number of floors, slow or poor performing doors can have a dramatic impact on the system's ability to efficiently move passengers

Assumes **1.75 guests** per room **5 MRL Elevators** 4,000 pound capacity 500 feet per minute	**12% Traffic Volume "Handling Capacity"**	
	Traditional Dispatch	**Destination Dispatch**
Average Passenger Wait Time 30 second max	27.1 seconds	29.8 seconds
Average on-board riding time	61 seconds	38 seconds
Average time to destination	88 seconds	68 seconds
% wait times < 40 seconds goal is 80% or more	74% **Fails by 6% points**	**70%** **Fails by 10% points**
% wait times > 90 seconds goal is 2% or less	4.2% **Fails by 2.2% points**	3.2% **Fails by 1.2% points**
Interval 40 second max	45–54 seconds **Average of 50 seconds is 10 seconds off standard**	55–59 seconds **Average of 57 seconds is 17 seconds off standard**

For the above scenario with 1.75 guests per room, the 5 car configuration will meet the Hyatt standard for average wait time; however other metrics such as interval and percent of passengers waiting more than 90 seconds do not meet Hyatt or other industry standards.

Assumes **1.23 guests** per room **5 MRL Elevators** 4,000 pound capacity 500 feet per minute	**12% Traffic Volume "Handling Capacity"**	
	Traditional Dispatch	**Destination Dispatch**
Average Passenger Wait Time 30 second max	16.0 seconds	22.7 seconds
Average on-board riding time	49 seconds	34 seconds
Average time to destination	64 seconds	57 seconds
% wait times < 40 seconds goal is 80% or more	89%	81%
% wait times > 90 seconds goal is 2% or less	0.6%	0.6%
Interval 40 second max	27–31 seconds	38–43 seconds **Average of 40.5 seconds is .5 seconds off standard**

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For the above scenario, if the population density were reduced to 1.23 guests per room, the 5 car configuration will meet all performance requirements, except interval under destination dispatch.

Main Service Elevators

Current SD design includes two service elevators in the core of the hotel that serve all landings. These elevators would be used by hotel staff to provide housekeeping, room service and other guest support services. Traditional traffic studies are not well suited to hotel service elevators and are for the most part not considered when analyzing the need for service elevators. Other metrics and factors have been adopted to provide guidance on determining the optimal number of service elevators. The "Vertical Transportation Handbook" states the following in regard to service elevators:

1. Recommends a minimum of one service elevator for every 200–300 rooms
2. The number of service elevators should be 50% to 60% of the number of guest elevators

Based on 600 rooms, point #1 would result in the recommendation for between 2 and 3 service elevators. Based on the need for 5 passenger elevators, point #2 would result in the recommendation for between 2 and 3 service elevators. Three service elevators will provide excellent service and insulate service levels when one elevator is out of service for maintenance or repair. Two service elevators would provide adequate service, however; when one elevator is out of service for maintenance or repair the remaining elevator may struggle to meet traffic demands.

We would recommend machine room less elevators (MRL's) designed to accommodate housekeeping, room service and other equipment that may be used by hotel staff. The following table provides capacity, speed and approximate dimensions for the MRL options.

Capacity	Speed	Hoistway Dimensions	Cab Interior Dimensions	Door Size
4,500 pounds	350 to 500 fpm	8'–2" x9'–8"	5'–8" x7'–9"	4'–0" to4'–6"
5,000 pounds	350 to 500 fpm	8'–2" x10'–2"	5'–8" x8'–5"	4'–0" to4'–6"

For MRL elevators, the hoistway and cab interior dimensions vary according to manufacturer. In the design development phase we will provide exact dimensions for eachmanufacturer.

Service Elevators (NW Corner)

Current SD design includes two service elevators in the northwest corner of the hotel that serve landings LL, 1 and 2. These elevators would be used by hotel staff to move people, food service, and equipment between the administrative level (LL) and levels 1 and 2 that house the ballrooms, ballroom kitchen and meeting rooms. We would recommend machine room less elevators (MRL's) designed to accommodate food service carts and other equipment that may be used by hotel staff. The following table provides capacity, speed and approximate dimensions for the MRL options. Based on past experience we would recommend two (2) NW

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corner service elevators.

Capacity	Speed	Hoistway Dimensions	Cab Interior Dimensions	Door Size
4,000 pounds	200 to 350 fpm	9'-4" x 7'-10"	7'-8" x 5'-5"	3'-6" to 4'-0"
4,500 pounds	200 to 350 fpm	8'-2" x 9'-8"	5'-8" x 7'-9"	4'-0" to 4'-6"
5,000 pounds	200 to 350 fpm	8'-2" x 10'-2"	5'-8" x 8'-5"	4'-0" to 4'-6"

For MRI elevators, the hoistway and cab interior dimensions vary according to manufacturer. In the design development phase we will provide exact dimensions for each manufacturer.

Escalators Serving L1 and L2

The current SD design includes a set of escalators that serve between Level 1 (Main Lobby) and Level 2 (Main Ballroom and Meeting Rooms). For larger hotels, and hotels with ball rooms and convention center facilities, we recommend escalators with a 40 inch wide step. Based on the provided occupancy load capacities, a single set of escalators would provide acceptable traffic flow between levels 1 and 2. The following are the approximate capacities for escalators with 40 inch steps:

Traffic Capacity per Hour				Traffic Capacity per Minute		
Theoretical	Convenient	Uncrowded		Theoretical	Convenient	Uncrowded
9,000 people	4,500 people	3,000 people		150 people	75 people	50 people

Escalators Serving LL and L1

The current SD design includes a set of escalators that serves between LL (Holladay Street) and Level 1 (Main Lobby). These escalators serve a secondary entrance providing access to the main hotel lobby. We recommend escalators with a 32 inch wide step. Based on the expected traffic flow, a single set of escalators would provide acceptable traffic flow between levels 1 and 2. The following are the approximate capacities for escalators with 32 inch steps:

Traffic Capacity per Hour				Traffic Capacity per Minute		
Theoretical	Convenient	Uncrowded		Theoretical	Convenient	Uncrowded
6,750 people	3,600 people	2,400 people		113 people	60 people	40 people

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Elevator Serving LL and L1

Current SD design includes an elevator that serves between LL (Holladay Street) and L1 (Main Lobby), with a front opening at LL and rear opening at L1. This elevator is to provide ADA access for individuals wanting to access the hotel lobby from the secondary entrance on Holladay Street. We would recommend a 2,500 to 3,000 pound capacity elevator designed as either a hole-less hydraulic elevator or a machine room less elevators (MRL's) designed to accommodate ADA passengers.

END OF REPORT

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GENERAL CONDITIONS OF CONTRACT BETWEEN DEVELOPER AND DESIGN-BUILDER

DBIA Document No. 535 (as modified by the Parties)

Article 1

General

1.1 Mutual Obligations

1.1.1 *Developer and Design-Builder* commit at all times to cooperate fully with each other, and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents.

1.2 Basic Definitions

1.2.1 *Agreement* refers to the executed contract between Developer and Design-Builder, incorporating the General Conditions of Contract and all exhibits.

1.2.2 *Basis of Design Documents* are the documents set forth in Exhibit A, which may include the Owner and Developer's Project Criteria, Design-Builder's Proposal and the Deviation List, if any, as well as the GMP or Lump Sum Proposal or Exhibit if applicable.

1.2.3 *Change in Law is the* enactment, adoption, promulgation, issuance, modification, or repeal after the effective date of any applicable law or permit or any material change in the interpretation of any applicable law or permit by any federal, state, local, municipal or other governmental authority or entity, or any court of law, with legal jurisdiction over the matter or person in question, that adversely and materially affects Contractor's costs or schedule for performing the Work, provided that (i) a change in federal, state, or local income tax law shall not be a Change in Law and (ii) an enactment, adoption, promulgation, or material change in the interpretation of an applicable law or permit that is published prior to the Effective Date but that becomes effective after the effective date shall not be a Change in Law

1.2.4 *Construction Documents* are the documents, consisting of Drawings and Specifications, to be prepared or assembled by the Design-Builder consistent with the Basis of Design Documents unless a deviation from the Basis of Design Documents is specifically set forth in a Change Order executed by both the Owner, Developer and Design-Builder, as part of the design review process contemplated by Section 2.4 of these General Conditions of Contract.

1.2.5 *Day* or *Days* shall mean calendar days unless otherwise specifically noted in the Contract Documents.

1.2.6 *Design Consultant* is a qualified, licensed design professional who is not an employee of Design-Builder, but is retained by Design-Builder, or employed or retained by anyone under contract with Design-Builder, to furnish design services required under the Contract Documents. A Design Sub-Consultant is a qualified, licensed design professional who is not an employee of the Design Consultant, but is retained by the Design Consultant or employed or retained by anyone under contract to Design Consultant, to furnish design services required under the Contract Documents.

1.2.7 *Final Completion* is the date on which all Work is complete in accordance with the Contract Documents, including but not limited to, any items identified in the punch list prepared under Section 6.6.1 and the submission of all documents set forth in Section 6.7.2.

1.2.8 *Force Majeure Events* are those events that are beyond the control of the Party claiming the Force Majeure Event, including the events of war, floods, labor disputes, vandalism or sabotage, earthquakes, epidemics, adverse weather conditions not reasonably anticipated, and other acts of God.

1.2.9 *General Conditions of Contract* refer to this DBIA Document No. 535, *Standard Form of General Conditions of Contract Between Developer and Design-Builder* (2010 Edition) as modified by the parties.

1.2.11 *Lump Sum Proposal* means that proposal developed by Design-Builder.

1.2.12 *Hazardous Conditions* are any materials, wastes, substances and chemicals deemed to be hazardous under applicable Legal Requirements, or the handling, storage, remediation, or disposal of which are regulated by applicable Legal Requirements.

1.2.13 *Legal Requirements* are all applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Work.

1.2.14 *Developer's Project Criteria* are attached in Exhibit B

1.2.15 *Site* is the land or premises on which the Project is located.

1.2.16 *Subcontractor* is any person or entity retained by Design-Builder as an independent contractor to perform a portion of the Work and shall include material, men and suppliers.

1.2.17 *Sub-Subcontractor* is any person or entity retained by a Subcontractor as an independent contractor to perform any portion of a Subcontractor's Work and shall include material, men and suppliers.

1.2.18 *Substantial Completion* or *Substantially Complete* means the date on which the Work, or an agreed upon portion of the Work, is sufficiently complete in accordance with the Contract Documents so that Developer can occupy and use the Work or a portion thereof; provided, however, that Substantial Completion shall be deemed to have been achieved no later than the date of issuance of a Temporary Certificate of Occupancy issued by the local building official.

1.2.19 *Work* is comprised of all Design-Builder's design, construction and other services required by the Contract Documents, including procuring and furnishing all materials, equipment, services and labor reasonably inferable from the Contract Documents.

1.2.20 *Owner* shall mean_McWhinney Real Estate Services, Inc._____.

Article 2

Design-Builder's Services and Responsibilities

2.1 General Services.

2.1.1 Design-Builder's Representative shall be reasonably available to Owner and Developer and shall have the necessary expertise and experience required to supervise the Work. Design-Builder's Representative shall communicate regularly with Owner and Developer and shall be vested with the authority to act on behalf of Design-Builder. Design-Builder's Representative may be replaced only with the mutual agreement of Owner and Developer and Design-Builder.

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2.1.2 Design-Builder shall provide Owner and Developer with a monthly status report detailing the progress of the Work, including (i) whether the Work is proceeding according to schedule, (ii) whether discrepancies, conflicts, or ambiguities exist in the Contract Documents that require resolution, (iii) whether health and safety issues exist in connection with the Work; (iv) for Work performed on a cost plus basis, the status of the contingency account to the extent provided for in the Agreement; and (v) other items that require resolution so as not to jeopardize Design-Builder's ability to complete the Work for the Contract Price and within the Contract Time(s).

2.1.3 Unless a schedule for the execution of the Work has been attached to the Agreement as an exhibit at the time the Agreement is executed, Design-Builder shall prepare and submit, at least three (3) days prior to the meeting contemplated by Section 2.1.4 hereof, a schedule for the execution of the Work for Owner and Developer's review and approval. The schedule shall indicate the dates for the start and completion of the various stages of Work, including the dates when Owner and Developer information and approvals are required to enable Design-Builder to achieve the Contract Time(s). The schedule shall be revised as required by conditions and progress of the Work, but such revisions shall not relieve Design-Builder of its obligations to complete the Work within the Contract Time(s), as such dates may be adjusted in accordance with the Contract Documents. Owner and Developer's review of, and response to, the schedule shall not be construed as relieving Design-Builder of its complete and exclusive control over the means, methods, sequences and techniques for executing the Work.

2.1.4 The parties will meet within seven (7) days after execution of the Agreement to discuss issues affecting the administration of the Work and to implement the necessary procedures, including those relating to submittals and payment, to facilitate the ability of the parties to perform their obligations under the Contract Documents.

2.2 Design Professional Services.

2.2.1 Design-Builder shall, consistent with applicable state licensing laws, provide through qualified, licensed design professionals employed by Design-Builder, or procured from qualified, independent licensed Design Consultants, the necessary design services, including architectural, engineering and other design professional services, for the preparation of the required drawings, specifications and other design submittals to permit Design-Builder to complete the Work consistent with the Contract Documents. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between Developer and any Design Consultant.

2.3 Standard of Care for Design Professional Services.

2.3.1 The standard of care for all design professional services performed to execute the Work shall be the care and skill ordinarily used by members of the design profession practicing under similar conditions at the same time and locality of the Project.

2.4 Design Development Services.

2.4.1 Design-Builder and Developer shall, consistent with any applicable provision of the Contract Documents, agree upon any interim design submissions that Developer may wish to review, which interim design submissions may include design criteria, drawings, diagrams and specifications setting forth the Project requirements. Interim design submissions shall be consistent with the Basis of Design Documents, as the Basis of Design Documents may have been changed through the design process set forth in this Section 2.4.1. On or about the time of the scheduled submissions, Design-Builder and Developer shall meet and confer about the submissions, with Design-Builder identifying during such meetings, among other things, the evolution of the design and any changes to the Basis of Design Documents, or, if applicable, previously submitted design submissions. Changes to the Basis of Design Documents, including those that are deemed minor changes under Section 9.3.1, shall be processed in accordance with Article 9. Minutes of the meetings, including a full listing of all changes, will be maintained by

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Design-Builder and provided to all attendees for review. Following the design review meeting, Developer shall review and approve the interim design submissions and meeting minutes in a time that is consistent with the turnaround times set forth in Design-Builder's schedule.

2.4.2 Design-Builder shall submit to Developer Construction Documents setting forth in detail drawings and specifications describing the requirements for construction of the Work. The Construction Documents shall be consistent with the latest set of interim design submissions, as such submissions may have been modified in a design review meeting and recorded in the meetings minutes. The parties shall have a design review meeting to discuss, and Developer shall review and approve, the Construction Documents in accordance with the procedures set forth in Section 2.4.1 above. Design-Builder shall proceed with construction in accordance with the approved Construction Documents and shall submit one set of approved Construction Documents to Developer prior to commencement of construction.

2.4.3 Developer's review and approval of interim design submissions, meeting minutes, and the Construction Documents is for the purpose of mutually establishing a conformed set of Contract Documents compatible with the requirements of the Work. Neither Developer's review nor approval of any interim design submissions, meeting minutes, and Construction Documents shall be deemed to transfer any design liability from Design-Builder to Developer.

2.4.4 To the extent not prohibited by the Contract Documents or Legal Requirements, Design-Builder may prepare interim design submissions and Construction Documents for a portion of the Work to permit construction to proceed on that portion of the Work prior to completion of the Construction Documents for the entire Work.

2.5 Legal Requirements.

2.5.1 Design-Builder shall perform the Work in accordance with all Legal Requirements and shall provide all notices applicable to the Work as required by the Legal Requirements.

2.5.2 The Contract Price and/or Contract Time(s) shall be adjusted to compensate Design-Builder for the effects of any changes in the Legal Requirements enacted after the date of the Agreement affecting the performance of the Work, or if a Lump Sum Contract Price is established after the date of the Agreement, the date the parties agree upon the Lump Sum Contract Price. Such effects may include, without limitation, revisions Design-Builder is required to make to the Construction Documents because of changes in Legal Requirements.

2.6 Government Approvals and Permits.

2.6.1 Except as identified in an Developer's Permit List attached as an exhibit to the Agreement, Design-Builder shall obtain and pay for all necessary permits, approvals, licenses, government charges and inspection fees required for the prosecution of the Work by any government or quasi-government entity having jurisdiction over the Project.

2.6.2 Design-Builder shall provide reasonable assistance to Developer in obtaining those permits, approvals and licenses that are Developer's responsibility.

2.7 Design-Builder's Construction Phase Services.

2.7.1 Unless otherwise provided in the Contract Documents to be the responsibility of Developer or a separate contractor, Design-Builder shall provide through itself or Subcontractors the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities and other temporary facilities to permit Design-Builder to complete construction of the Project consistent with the Contract Documents.

2.7.2 Design-Builder shall perform all construction activities efficiently and with the requisite expertise, skill and competence to satisfy the requirements of the Contract Documents. Design-

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Builder shall at all times exercise complete and exclusive control over the means, methods, sequences and techniques of construction.

2.7.3 Design-Builder shall employ only Subcontractors who are duly licensed and qualified to perform the Work consistent with the Contract Documents. Developer may reasonably object to Design-Builder's selection of any Subcontractor, provided that the Contract Price and/or Contract Time(s) shall be adjusted to the extent that Developer's decision impacts Design-Builder's cost and/or time of performance.

2.7.4 Design-Builder assumes responsibility to Developer for the proper performance of the Work of Subcontractors and any acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between Developer and any Subcontractor or Sub-Subcontractor, including but not limited to any third-party beneficiary rights.

2.7.5 Design-Builder shall coordinate the activities of all Subcontractors. If Developer performs other work on the Project or at the Site with separate contractors under Developer's control, Design-Builder agrees to reasonably cooperate and coordinate its activities with those of such separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption.

2.7.6 Design-Builder shall keep the Site reasonably free from debris, trash and construction wastes to permit Design-Builder to perform its construction services efficiently, safely and without interfering with the use of adjacent land areas. Upon Substantial Completion of the Work, or a portion of the Work, Design-Builder shall remove all debris, trash, construction wastes, materials, equipment, machinery and tools arising from the Work or applicable portions thereof to permit Developer to occupy the Project or a portion of the Project for its intended use.

2.8 Design-Builder's Responsibility for Project Safety.

2.8.1 Design-Builder recognizes the importance of performing the Work in a safe manner so as to prevent damage, injury or loss to (i) all individuals at the Site, whether working or visiting, (ii) the Work, including materials and equipment incorporated into the Work or stored on-Site or off-Site, and (iii) all other property at the Site or adjacent thereto. Design-Builder assumes responsibility for implementing and monitoring all safety precautions and programs related to the performance of the Work. Design-Builder shall, prior to commencing construction, designate a Safety Representative with the necessary qualifications and experience to supervise the implementation and monitoring of all safety precautions and programs related to the Work. Unless otherwise required by the Contract Documents, Design-Builder's Safety Representative shall be an individual stationed at the Site who may have responsibilities on the Project in addition to safety. The Safety Representative shall make routine daily inspections of the Site and shall hold weekly safety meetings with Design-Builder's personnel, Subcontractors and others as applicable.

2.8.2 Design-Builder and Subcontractors shall comply with all Legal Requirements relating to safety, as well as any Developer-specific safety requirements set forth in the Contract Documents, provided that such Developer-specific requirements do not violate any applicable Legal Requirement. Design-Builder will immediately report in writing any safety-related injury, loss, damage or accident arising from the Work to Developer's Representative and, to the extent mandated by Legal Requirements, to all government or quasi-government authorities having jurisdiction over safety-related matters involving the Project or the Work.

2.8.3 Design-Builder's responsibility for safety under this Section 2.8 is not intended in any way to relieve Subcontractors and Sub-Subcontractors of their own contractual and legal obligations and responsibility for (i) complying with all Legal Requirements, including those related to health and safety matters, and (ii) taking all necessary measures to implement and monitor all safety precautions and programs to guard against injuries, losses, damages or accidents resulting from

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their performance of the Work.

2.9 Design-Builder's Warranty.

2.9.1 Design-Builder warrants to Developer that the construction, including all materials and equipment furnished as part of the construction, shall be new unless otherwise specified in the Contract Documents, of good quality, in conformance with the Contract Documents and free of defects in materials and workmanship. Design-Builder's warranty obligation excludes defects caused by abuse, alterations, or failure to maintain the Work in a commercially reasonable manner. Nothing in this warranty is intended to limit any manufacturer's warranty which provides Developer with greater warranty rights than set forth in this Section 2.9 or the Contract Documents. Design-Builder will provide Developer with all manufacturers' warranties upon Substantial Completion.

2.10 Correction of Defective Work.

2.10.1 Design-Builder agrees to correct any Work that is found to not be in conformance with the Contract Documents, including that part of the Work subject to Section 2.9 hereof, within a period of one year from the date of Substantial Completion of the Work or any portion of the Work, or within such longer period to the extent required by any specific warranty included in the Contract Documents.

2.10.2 Design-Builder shall, within seven (7) days of receipt of written notice from Developer that the Work is not in conformance with the Contract Documents, take meaningful steps to commence correction of such nonconforming Work, including the correction, removal or replacement of the nonconforming Work and any damage caused to other parts of the Work affected by the nonconforming Work. If Design-Builder fails to commence the necessary steps within such seven (7) day period, Developer, in addition to any other remedies provided under the Contract Documents, may provide Design-Builder with written notice that Developer will commence correction of such nonconforming Work with its own forces. If Developer does perform such corrective Work, Design-Builder shall be responsible for all reasonable costs incurred by Developer in performing such correction. If the nonconforming Work creates an emergency requiring an immediate response, the seven (7) day period identified herein shall be deemed inapplicable.

2.10.3 The one-year period referenced in Section 2.10.1 above applies only to Design-Builder's obligation to correct nonconforming Work and is not intended to constitute a period of limitations for any other rights or remedies Developer may have regarding Design-Builder's other obligations under the Contract Documents.

Article 3

Developer's Services and Responsibilities

3.1 Duty to Cooperate.

3.1.1 Developer shall, throughout the performance of the Work, cooperate with Design-Builder and perform its responsibilities, obligations and services in a timely manner to facilitate Design-Builder's timely and efficient performance of the Work and so as not to delay or interfere with Design-Builder's performance of its obligations under the Contract Documents.

3.1.2 Developer shall provide timely reviews and approvals of interim design submissions and Construction Documents consistent with the turnaround times set forth in Design-Builder's schedule.

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3.1.3 Developer shall give Design-Builder timely notice of any Work that Developer notices to be defective or not in compliance with the Contract Documents.

3.2 Furnishing of Services and Information.

3.2.1 Unless expressly stated to the contrary in the Contract Documents, Developer shall provide, at its own cost and expense, for Design-Builder's information and use the following, all of which Design-Builder is entitled to rely upon in performing the Work:

3.2.1.1 Surveys describing the property, boundaries, topography and reference points for use during construction, including existing service and utility lines;

3.2.1.2 Geotechnical studies describing subsurface conditions, and other surveys describing other latent or concealed physical conditions at the Site;

3.2.1.3 Temporary and permanent easements, zoning and other requirements and encumbrances affecting land use, or necessary to permit the proper design and construction of the Project and enable Design-Builder to perform the Work;

3.2.1.4 A legal description of the Site;

3.2.1.5 To the extent available, as-built and record drawings of any existing structures at the Site; and

3.2.1.6 To the extent available, environmental studies, reports and impact statements describing the environmental conditions, including Hazardous Conditions, in existence at the Site.

3.2.2 Developer is responsible for securing and executing all necessary agreements with adjacent land or property owners that are necessary to enable Design-Builder to perform the Work. Developer is further responsible for all costs, including attorneys' fees, incurred in securing these necessary agreements.

3.3 Financial Information.

3.3.1 At Design-Builder's request, Developer shall promptly furnish reasonable evidence satisfactory to Design-Builder that Developer has adequate funds available and committed to fulfill all of Developer's contractual obligations under the Contract Documents. If Developer fails to furnish such financial information in a timely manner, Design-Builder may stop Work under Section 11.3 hereof or exercise any other right permitted under the Contract Documents.

3.3.2 Design-Builder shall cooperate with the reasonable requirements of Developer's lenders or other financial sources. Notwithstanding the preceding sentence, after execution of the Agreement Design-Builder shall have no obligation to execute for Developer or Developer's lenders or other financial sources any documents or agreements that require Design-Builder to assume obligations or responsibilities other than those existing obligations Design-Builder has under the Contract Documents.

3.4 Developer's Representative.

3.4.1 Developer's Representative shall be responsible for providing Developer-supplied information and approvals in a timely manner to permit Design-Builder to fulfill its obligations under the Contract Documents. Developer's Representative shall also provide Design-Builder with prompt notice if it observes any failure on the part of Design-Builder to fulfill its contractual obligations, including any errors, omissions or defects in the performance of the Work. Developer's Representative shall communicate regularly with Design-Builder and shall be vested with the authority to act on behalf of Developer.

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3.5 Government Approvals and Permits.

3.5.1 Developer shall obtain and pay for all necessary permits, approvals, licenses, government charges and inspection fees set forth in the Developer's Permit List attached as an exhibit to the Agreement.

3.5.2 Developer shall provide reasonable assistance to Design-Builder in obtaining those permits, approvals and licenses that are Design-Builder's responsibility.

3.6 Developer's Separate Contractors.

3.6.1 Developer is responsible for all work performed on the Project or at the Site by separate contractors under Developer's control. Developer shall contractually require its separate contractors to cooperate with, and coordinate their activities so as not to interfere with, Design-Builder in order to enable Design-Builder to timely complete the Work consistent with the Contract Documents.

Article 4

Hazardous Conditions and Differing Site Conditions

4.1 Hazardous Conditions.

4.1.1 Unless otherwise expressly provided in the Contract Documents to be part of the Work, Design-Builder is not responsible for any Hazardous Conditions encountered at the Site. Upon encountering any Hazardous Conditions, Design-Builder will stop Work immediately in the affected area and duly notify Developer and, if required by Legal Requirements, all government or quasi-government entities with jurisdiction over the Project or Site.

4.1.1.1 Developer understands and agrees that Design-Builder's Work includes services related to the assessments and regulatory approvals regarding Hazardous Materials or other contaminated materials as well as removal and remediation of Hazardous materials only to the extent specifically described in Exhibits D and F. If greater quantities or different types of Hazardous Materials or other contaminated materials are discovered on or in the Land that were not introduced to the Land by Developer, Design-Build Contractor or anyone for whose acts they may be liable, Design-Builder will stop work immediately in the affected area and promptly notify Developer and Owner thereof. Owner, promptly following receipt of such notice from Design-Builder and Developer shall, if required by Environmental Laws, notify all government or quasi-government entities with jurisdiction of the Project or Land.

Design-Builder has carried an allowance for removal and disposal of 275 CY of contaminated soil per the Phase II ESA Data Gap Report dated January 9, 2013 as attached within Exhibits D and F. Design-Builder shall not be responsible for quantities of contaminated materials beyond this 275 CY.

4.1.2 Upon receiving notice of the presence of suspected Hazardous Conditions, Developer shall take the necessary measures required to ensure that the Hazardous Conditions are remediated or rendered harmless. Such necessary measures shall include Developer retaining qualified independent experts to (i) ascertain whether Hazardous Conditions have actually been encountered, and, if they have been encountered, (ii) prescribe the remedial measures that Developer must take either to remove the Hazardous Conditions or render the Hazardous Conditions harmless.

4.1.3 Design-Builder shall be obligated to resume Work at the affected area of the Project only

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after Developer's expert provides it with written certification that (i) the Hazardous Conditions have been removed or rendered harmless and (ii) all necessary approvals have been obtained from all government and quasi-government entities having jurisdiction over the Project or Site.

4.1.4 Design-Builder will be entitled, in accordance with these General Conditions of Contract, to an adjustment in its Contract Price and/or Contract Time(s) to the extent Design-Builder's cost and/or time of performance have been adversely impacted by the presence of Hazardous Conditions.

4.1.5 To the fullest extent permitted by law, Developer shall indemnify, defend and hold harmless Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly by any of them, and their officers, directors, employees and agents, from and against any and all claims, losses, damages, liabilities and expenses, including attorneys' fees and expenses, arising out of or resulting from the presence, removal or remediation of Hazardous Conditions at the Site that are not expressly included in the Work..

4.1.6 Notwithstanding the preceding provisions of this Section 4.1, Developer is not responsible for Hazardous Conditions introduced to the Site by Design-Builder, Subcontractors or anyone for whose acts they may be liable. To the fullest extent permitted by law, Design-Builder shall indemnify, defend and hold harmless Developer and Developer's officers, directors, employees and agents from and against all claims, losses, damages, liabilities and expenses, including attorneys' fees and expenses, arising out of or resulting from those Hazardous Conditions introduced to the Site by Design-Builder, Subcontractors or anyone for whose acts they may be liable.

4.2 Differing Site Conditions.

4.2.1 Concealed or latent physical conditions or subsurface conditions at the Site that (i) materially differ from the conditions indicated in the Contract Documents or (ii) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the Work are collectively referred to herein as "Differing Site Conditions." If Design-Builder encounters a Differing Site Condition, Design-Builder will be entitled to an adjustment in the Contract Price and/or Contract Time(s) to the extent Design-Builder's cost and/or time of performance are adversely impacted by the Differing Site Condition.

4.2.2 Upon encountering a Differing Site Condition, Design-Builder shall provide prompt written notice to Developer of such condition, which notice shall not be later than fourteen (14) days after such condition has been encountered. Design-Builder shall, to the extent reasonably possible, provide such notice before the Differing Site Condition has been substantially disturbed or altered.

4.2.3 Owner has the right to terminate the Development Agreement or reduce the project scope in the event that the differing site conditions cost exceeds 3% of the Budget.

Article 5

Insurance and Bonds

5.1 Design-Builder's Insurance Requirements.

5.1.1 Design-Builder is responsible for procuring and maintaining the insurance for the coverage amounts all as set forth in Exhibit A to the Agreement and Exhibit G to the Hotel Development Agreement. Coverage shall be secured from insurance companies authorized to do business in the state in which the Project is located, and with a minimum A.M. Best rating of A-VIII.

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5.1.2 Prior to commencing any construction services hereunder, Design-Builder shall provide Developer with certificates evidencing that (i) all insurance obligations required by the Contract Documents are in full force and in effect and will remain in effect for the duration required by the Contract Documents and (ii) no insurance coverage will be canceled or renewal refused unless at least thirty (30) days prior written notice is given to Developer. If any of the foregoing insurance coverages are required to remain in force after final payment are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the Final Application for Payment. Any information concerning material reduction of coverage shall be furnished by the Design-Builder with reasonable promptness according to the Design-Builder's information and belief.

5.2 Developer's Liability Insurance.

5.2.1 Developer shall procure and maintain from insurance companies authorized to do business in the state in which the Project is located such liability insurance as set forth in Exhibit A to the Agreement to protect Developer from claims which may arise from the performance of Developer's obligations under the Contract Documents or Developer's conduct during the course of the Project.

5.3 Developer's Property Insurance.

5.3.1 Unless otherwise provided in the Contract Documents, Developer shall procure and maintain from insurance companies authorized to do business in the state in which the Project is located, all risk property insurance upon the entire Project to the full insurable value of the Project, including professional fees, overtime premiums and all other expenses incurred to replace or repair the insured property. Coverage shall be provided from the start of work on site until Final Completion. The property insurance obtained by Developer shall be the broadest coverage commercially available, and shall include as additional insureds the interests of Developer, Design-Builder, Design Consultants and Subcontractors of any tier. Such insurance shall include but not be limited to the perils of fire and extended coverage, theft, vandalism, rigging and hoisting, terrorism, malicious mischief, collapse, flood, earthquake, debris removal and other perils or causes of loss as called for in the Contract Documents. The property insurance shall include physical loss or damage to the Work, including materials and equipment in transit, at the Site or at another location as may be indicated in Design-Builder's Application for Payment and approved by Developer. The Developer is responsible for the payment of any deductibles under the insurance required by this Section 5.3.1.

5.3.2 Unless the Contract Documents provide otherwise, Developer shall procure and maintain boiler and machinery insurance that will include the interests of Developer, Design-Builder, Design Consultants, and Subcontractors of any tier. The Developer is responsible for the payment of any deductibles under the insurance required by this Section 5.3.2.

5.3.3 Prior to Design-Builder commencing any Work, Developer shall provide Design-Builder with certificates evidencing that (i) all Developer's insurance obligations required by the Contract Documents are in full force and in effect and will remain in effect until Design-Builder has completed all of the Work and has received final payment from Developer and (ii) no insurance coverage will be canceled, renewal refused, or materially changed unless at least thirty (30) days prior written notice is given to Design-Builder. Developer's property insurance shall not lapse or be canceled if Developer occupies a portion of the Work pursuant to Section 6.6.3 hereof. Developer shall provide Design-Builder with the necessary endorsements from the insurance company prior to occupying a portion of the Work. Upon request, Developer shall provide Design-Builder with a copy of the policy.

5.3.4 Any loss covered under Developer's property insurance shall be adjusted with Developer and Design-Builder and made payable to both of them, subject to any applicable mortgage clause. All insurance proceeds received as a result of any loss will be distributed in accordance with such agreement as the interested parties may reach. Any disagreement concerning the

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distribution of any proceeds will be resolved in accordance with Article 10 hereof.

5.3.5 Developer and Design-Builder waive against each other and Developer's separate contractors, Design Consultants, Subcontractors, agents and employees of each and all of them, all damages covered by property insurance provided herein, except such rights as they may have to the proceeds of such insurance. Design-Builder and Developer shall, where appropriate, require similar waivers of subrogation from Developer's separate contractors, Design Consultants and Subcontractors and shall require each of them to include similar waivers in their contracts. These waivers of subrogation shall not contain any restriction or limitation that will impair the full and complete extent of its applicability to any person or entity unless agreed to in writing prior to the execution of this Agreement.

5.4 Bonds and Other Performance Security.

5.4.1 If Developer requires Design-Builder to obtain performance and labor and material payment bonds, or other forms of performance security, the amount, form and other conditions of such security shall be as set forth in the Agreement.

5.4.2 The performance and payment bonds furnished by Design-Builder shall be on the AIA A312-2010 bond forms. The surety shall be a company qualified and registered to conduct business in the state in which the Project is located.

Article 6

Payment

6.1 Schedule of Values.

6.1.1 Unless required by the Developer upon execution of this Agreement, within ten (10) days of execution of the Agreement, Design-Builder shall submit for Developer's review and approval a schedule of values for all of the Work. The Schedule of Values will (i) subdivide the Work into its respective parts, (ii) include values for all items comprising the Work and (iii) serve as the basis for monthly progress payments made to Design-Builder throughout the Work.

6.1.2 The Developer will timely review and approve the schedule of values so as not to delay the submission of the Design-Builder's first application for payment. The Developer and Design-Builder shall timely resolve any differences so as not to delay the Design-Builder's submission of its first application for payment.

6.2 Monthly Progress Payments.

6.2.1 On or before the date established in the Agreement, Design-Builder shall submit for Developer's review and approval its Application for Payment requesting payment for all Work performed as of the date of the Application for Payment. The Application for Payment shall be accompanied by all supporting documentation required by the Contract Documents and/or established at the meeting required by Section 2.1.4 hereof.

6.2.2 The Application for Payment may request payment for equipment and materials not yet incorporated into the Project, provided that (i) Developer is satisfied that the equipment and materials are suitably stored at either the Site or another acceptable location, (ii) the equipment and materials are protected by suitable insurance and (iii) upon payment, Developer will receive the equipment and materials free and clear of all liens and encumbrances.

6.2.3 All discounts offered by Subcontractor, Sub-Subcontractors and suppliers to Design-Builder for early payment shall accrue one hundred percent to Design-Builder to the extent Design-Builder advances payment. Unless Developer advances payment to Design-Builder specifically to receive the discount, Design-Builder may include in its Application for Payment the

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full undiscounted cost of the item for which payment is sought.

6.2.4 The Application for Payment shall constitute Design-Builder's representation that the Work described herein has been performed consistent with the Contract Documents, has progressed to the point indicated in the Application for Payment, and that title to all Work will pass to Developer free and clear of all claims, liens, encumbrances, and security interests upon the incorporation of the Work into the Project, or upon Design-Builder's receipt of payment, whichever occurs earlier.

6.3 Withholding of Payments.

6.3.1 On or before the date established in the Agreement, Developer shall pay Design-Builder all amounts properly due. If Developer determines that Design-Builder is not entitled to all or part of an Application for Payment as a result of Design-Builder's failure to meet its obligations hereunder, it will notify Design-Builder in writing at least five (5) days prior to the date payment is due. The notice shall indicate the specific amounts Developer intends to withhold, the reasons and contractual basis for the withholding, and the specific measures Design-Builder must take to rectify Developer's concerns. Design-Builder and Developer will attempt to resolve Developer's concerns prior to the date payment is due. If the parties cannot resolve such concerns, Design-Builder may pursue its rights under the Contract Documents, including those under Article 10 hereof.

6.3.2 Notwithstanding anything to the contrary in the Contract Documents, Developer shall pay Design-Builder all undisputed amounts in an Application for Payment within the times required by the Agreement.

6.4 Right to Stop Work and Interest.

6.4.1 If Developer fails to pay timely Design-Builder any amount that becomes due, Design-Builder, in addition to all other remedies provided in the Contract Documents, may stop Work pursuant to Section 11.3 hereof. All payments due and unpaid shall bear interest at the rate set forth in the Agreement.

6.5 Design-Builder's Payment Obligations.

6.5.1 Design-Builder will pay Design Consultants and Subcontractors, in accordance with its contractual obligations to such parties, all the amounts Design-Builder has received from Developer on account of their work. Design-Builder will impose similar requirements on Design Consultants and Subcontractors to pay those parties with whom they have contracted. Design-Builder will indemnify and defend Developer against any claims for payment and mechanic's liens as set forth in Section 7.3 hereof.

6.6 Substantial Completion.

6.6.1 Design-Builder shall notify Developer when it believes the Work, or to the extent permitted in the Contract Documents, a portion of the Work, is Substantially Complete. Within ten (10) days of Developer's receipt of Design-Builder's notice, Developer and Design-Builder will jointly inspect such Work to verify that it is Substantially Complete in accordance with the requirements of the Contract Documents. If such Work is Substantially Complete, Developer shall prepare and issue a Certificate of Substantial Completion that will set forth (i) the date of Substantial Completion of the Work or portion thereof, (ii) the remaining items of Work that have to be completed before final payment, (iii) provisions (to the extent not already provided in the Contract Documents) establishing Developer's and Design-Builder's responsibility for the Project's security, maintenance, utilities and insurance pending final payment, and (iv) an acknowledgment that warranties commence to run on the date of Substantial Completion, except as may otherwise be noted in the Certificate of Substantial Completion.

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6.6.2 Upon Substantial Completion of the entire Work or, if applicable, any portion of the Work, Developer shall release to Design-Builder all retained amounts relating, as applicable, to the entire Work or completed portion of the Work, less an amount equal to 150% percent of the reasonable value of all remaining or incomplete items of Work as noted in the Certificate of Substantial Completion.

6.6.3 Developer, at its option, may use a portion of the Work which has been determined to be Substantially Complete, provided, however, that (i) a Certificate of Substantial Completion has been issued for the portion of Work addressing the items set forth in Section 6.6.1 above, (ii) Design-Builder and Developer have obtained the consent of their sureties and insurers, and to the extent applicable, the appropriate government authorities having jurisdiction over the Project, and (iii) Developer and Design-Builder agree that Developer's use or occupancy will not interfere with Design-Builder's completion of the remaining Work.

6.7 Final Payment.

6.7.1 After receipt of a Final Application for Payment from Design-Builder, Developer shall make final payment by the time required in the Agreement, provided that Design-Builder has achieved Final Completion.

6.7.2 At the time of submission of its Final Application for Payment, Design-Builder shall provide the following information:

6.7.2.1 An affidavit that there are no claims, obligations or liens outstanding or unsatisfied for labor, services, material, equipment, taxes or other items performed, furnished or incurred for or in connection with the Work which will in any way affect Developer's interests;

6.7.2.2 A general release executed by Design-Builder waiving, upon receipt of final payment by Design-Builder, all claims, except those claims previously made in writing to Developer and remaining unsettled at the time of final payment;

6.7.2.3 Consent of Design-Builder's surety, if any, to final payment;

6.7.2.4 All operating manuals, warranties and other deliverables required by the Contract Documents; and

6.7.2.5 Certificates of insurance confirming that required coverages will remain in effect consistent with the requirements of the Contract Documents.

6.7.2.6 All other items related to construction of the Work as required per the Hotel Development Agreement (Exhibit A)

6.7.3 Upon making final payment, Developer waives all claims against Design-Builder except claims relating to (i) Design-Builder's failure to satisfy its payment obligations, if such failure affects Developer's interests, (ii) Design-Builder's failure to complete the Work consistent with the Contract Documents, including defects appearing after Substantial Completion and (iii) the terms of any special warranties required by the Contract Documents.

6.7.4 Deficiencies in the Work discovered after Substantial Completion, whether or not such deficiencies would have been included on the Punch List if discovered earlier, shall be deemed warranty Work. Such deficiencies shall be corrected by Design-Builder under Sections 2.9 and 2.10 herein, and shall not be a reason to withhold final payment from Design-Builder.

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Article 7

Indemnification

7.1 Patent and Copyright Infringement.

7.1.1 Design-Builder shall defend any action or proceeding brought against Developer based on any claim that the Work, or any part thereof, or the operation or use of the Work or any part thereof, constitutes infringement of any United States patent or copyright, now or hereafter issued. Developer shall give prompt written notice to Design-Builder of any such action or proceeding and will reasonably provide authority, information and assistance in the defense of same. Design-Builder shall indemnify and hold harmless Developer from and against all damages and costs, including but not limited to attorneys' fees and expenses awarded against Developer or Design-Builder in any such action or proceeding. Design-Builder agrees to keep Developer informed of all developments in the defense of such actions.

7.1.2 If Developer is enjoined from the operation or use of the Work, or any part thereof, as the result of any patent or copyright suit, claim, or proceeding, Design-Builder shall at its sole expense take reasonable steps to procure the right to operate or use the Work. If Design-Builder cannot so procure such right within a reasonable time, Design-Builder shall promptly, at Design-Builder's option and at Design-Builder's expense, (i) modify the Work so as to avoid infringement of any such patent or copyright or (ii) replace said Work with Work that does not infringe or violate any such patent or copyright.

7.1.3 Sections 7.1.1 and 7.1.2 above shall not be applicable to any suit, claim or proceeding based on infringement or violation of a patent or copyright (i) relating solely to a particular process or product of a particular manufacturer specified by Developer and not offered or recommended by Design-Builder to Developer or (ii) arising from modifications to the Work by Developer or its agents after acceptance of the Work. If the suit, claim or proceeding is based upon events set forth in the preceding sentence, Developer shall defend, indemnify and hold harmless Design-Builder to the same extent Design-Builder is obligated to defend, indemnify and hold harmless Developer in Section 7.1.1 above.

7.1.4 The obligations set forth in this Section 7.1 shall constitute the sole agreement between the parties relating to liability for infringement of violation of any patent or copyright.

7.2 Tax Claim Indemnification.

7.2.1 If, in accordance with Developer's direction, an exemption for all or part of the Work is claimed for taxes, Developer shall indemnify, defend and hold harmless Design-Builder from and against any liability, penalty, interest, fine, tax assessment, attorneys' fees or other expenses or costs incurred by Design-Builder as a result of any action taken by Design-Builder in accordance with Developer's directive. Developer shall furnish Design-Builder with any applicable tax exemption certificates necessary to obtain such exemption, upon which Design-Builder may rely.

7.3 Payment Claim Indemnification.

7.3.1 Provided that Developer is not in breach of its contractual obligation to make payments to Design-Builder for the Work, Design-Builder shall indemnify, defend and hold harmless Developer from any claims or mechanic's liens brought against Developer or against the Project as a result of the failure of Design-Builder, or those for whose acts it is responsible, to pay for any services, materials, labor, equipment, taxes or other items or obligations furnished or incurred for or in connection with the Work. Within three (3) days of receiving written notice from Developer that such a claim or mechanic's lien has been filed, Design-Builder shall commence to take the steps necessary to discharge said claim or lien, including, if necessary, the furnishing of a mechanic's lien bond. If Design-Builder fails to do so, Developer will have the right to discharge the claim or

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lien and hold Design-Builder liable for costs and expenses incurred, including attorneys' fees.

7.4 Design-Builder's General Indemnification.

7.4.1 Design-Builder, to the fullest extent permitted by law, shall indemnify, hold harmless and defend Developer, its officers, directors, and employees from and against claims, losses, damages, liabilities, including attorneys' fees and expenses, for bodily injury, sickness or death, and property damage or destruction (other than to the Work itself) to the extent resulting from the negligent acts or omissions of Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable.

7.4.2 If an employee of Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable has a claim against Developer, its officers, directors, employees, or agents, Design-Builder's indemnity obligation set forth in Section 7.4.1 above shall not be limited by any limitation on the amount of damages, compensation or benefits payable by or for Design-Builder, Design Consultants, Subcontractors, or other entity under any employee benefit acts, including workers' compensation or disability acts.

7.5 Developer's General Indemnification.

7.5.1 Developer, to the fullest extent permitted by law, shall indemnify, hold harmless and defend Design-Builder and any of Design-Builder's officers, directors, and employees, from and against claims, losses, damages, liabilities, including attorneys' fees and expenses, for bodily injury, sickness or death, and property damage or destruction (other than to the Work itself) to the extent resulting from the negligent acts or omissions of Developer's separate contractors or anyone for whose acts any of them may be liable.

Article 8

Time

8.1 Obligation to Achieve the Contract Times.

8.1.1 Design-Builder agrees that it will commence performance of the Work and achieve the Contract Time(s) in accordance with Article 5 of the Agreement.

8.2 Delays to the Work.

8.2.1 If Design-Builder is delayed in the performance of the Work due to acts, omissions, conditions, events, or circumstances beyond its control and due to no fault of its own or those for whom Design-Builder is responsible, the Contract Time(s) for performance shall be reasonably extended by Change Order. By way of example, events that will entitle Design-Builder to an extension of the Contract Time(s) include acts or omissions of Developer or anyone under Developer's control (including separate contractors), changes in the Work, Differing Site Conditions, Hazardous Conditions, Change in Law, and Force Majeure Events.

8.2.2 In addition to Design-Builder's right to a time extension for those events set forth in Section 8.2.1 above, Design-Builder shall also be entitled to an appropriate adjustment of the Contract Price provided, however, that the Contract Price shall not be adjusted for Force Majeure Events unless said events exceed Two (2) days in the aggregate.

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Article 9

Changes to the Contract Price and Time

9.1 Change Orders.

9.1.1 A Change Order is a written instrument issued after execution of the Agreement signed by Developer and Design-Builder, stating their agreement upon all of the following:

9.1.1.1 The scope of the change in the Work;

9.1.1.2 The amount of the adjustment to the Contract Price; and

9.1.1.3 The extent of the adjustment to the Contract Time(s).

9.1.2 All changes in the Work authorized by applicable Change Order shall be performed under the applicable conditions of the Contract Documents. Developer and Design-Builder shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for such changes.

9.1.3 If Developer requests a proposal for a change in the Work from Design-Builder and subsequently elects not to proceed with the change, a Change Order shall be issued to reimburse Design-Builder for reasonable costs incurred for estimating services, design services and services involved in the preparation of proposed revisions to the Contract Documents.

9.2 Work Change Directives.

9.2.1 A Work Change Directive is a written order prepared and signed by Developer directing a change in the Work prior to agreement on an adjustment in the Contract Price and/or the Contract Time(s).

9.2.2 Developer and Design-Builder shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for the Work Change Directive. Upon reaching an agreement, the parties shall prepare and execute an appropriate Change Order reflecting the terms of the agreement.

9.3 Minor Changes in the Work.

9.3.1 Minor changes in the Work do not involve an adjustment in the Contract Price and/or Contract Time(s) and do not materially and adversely affect the Work, including the design, quality, performance and workmanship required by the Contract Documents. Design-Builder may make minor changes in the Work consistent with the intent of the Contract Documents, provided, however, that Design-Builder shall promptly inform Developer, in writing, of any such changes and record such changes on the documents maintained by Design-Builder.

9.4 Contract Price Adjustments.

9.4.1 The increase or decrease in Contract Price resulting from a change in the Work shall be determined by one or more of the following methods:

9.4.1.1 Unit prices set forth in the Agreement or as subsequently agreed to between the parties;

9.4.1.2 A mutually accepted lump sum, properly itemized and supported by sufficient substantiating data to permit evaluation by Developer;

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9.4.1.3 Costs, fees and any other markups set forth in the Agreement; or

9.4.1.4 If an increase or decrease cannot be agreed to as set forth in items 9.4.1.1 through 9.4.1.3 above and Developer issues a Work Change Directive, the cost of the change of the Work shall be determined by the reasonable expense and savings in the performance of the Work resulting from the change, including a reasonable overhead and profit, as may be set forth in the Agreement.

9.4.2 If unit prices are set forth in the Contract Documents or are subsequently agreed to by the parties, but application of such unit prices will cause substantial inequity to Developer or Design-Builder because of differences in the character or quantity of such unit items as originally contemplated, such unit prices shall be equitably adjusted.

9.4.3 If Developer and Design-Builder disagree upon whether Design-Builder is entitled to be paid for any services required by Developer, or if there are any other disagreements over the scope of Work or proposed changes to the Work, Developer and Design-Builder shall resolve the disagreement pursuant to Article 10 hereof. As part of the negotiation process, Design-Builder shall furnish Developer with a good faith estimate of the costs to perform the disputed services in accordance with Developer's interpretations. If the parties are unable to agree and Developer expects Design-Builder to perform the services in accordance with Developer's interpretations, Design-Builder shall proceed to perform the disputed services, conditioned upon Developer issuing a written order to Design-Builder (i) directing Design-Builder to proceed and (ii) specifying Developer's interpretation of the services that are to be performed. If this occurs, Design-Builder shall be entitled to submit in its Applications for Payment an amount equal to fifty percent (50%) of its reasonable estimated direct cost to perform the services, and Developer agrees to pay such amounts, with the express understanding that (i) such payment by Developer does not prejudice Developer's right to argue that it has no responsibility to pay for such services and (ii) receipt of such payment by Design-Builder does not prejudice Design-Builder's right to seek full payment of the disputed services if Developer's order is deemed to be a change to the Work.

9.5 Emergencies.

9.5.1 In any emergency affecting the safety of persons and/or property, Design-Builder shall act, at its discretion, to prevent threatened damage, injury or loss. Any change in the Contract Price and/or Contract Time(s) on account of emergency work shall be determined as provided in this Article 9.

Article 10

Contract Adjustments and Disputes

10.1 Requests for Contract Adjustments and Relief.

10.1.1 If either Design-Builder or Developer believes that it is entitled to relief against the other for any event arising out of or related to the Work or Project, such party shall provide written notice to the other party of the basis for its claim for relief. Such notice shall, if possible, be made prior to incurring any cost or expense and in accordance with any specific notice requirements contained in applicable sections of these General Conditions of Contract. In the absence of any specific notice requirement, written notice shall be given within a reasonable time, not to exceed seven (7) days, after the occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event or condition giving rise to the request, whichever is later. Such notice shall include sufficient information to advise the other party of the circumstances giving rise to the claim for relief, the specific contractual adjustment or relief requested and the basis of such request.

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10.2 Dispute Avoidance and Resolution.

10.2.1 The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, Design-Builder and Developer each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Work.

10.2.2 Design-Builder and Developer will first attempt to resolve disputes or disagreements at the field level through discussions between Design-Builder's Representative and Developer's Representative which shall conclude within fourteen (14) days of the written notice provided for in Section 10.1.1 unless the Developer and Design-Builder mutually agree otherwise.

10.2.3 If a dispute or disagreement cannot be resolved through Design-Builder's Representative and Developer's Representative, upon the request of either party, Design-Builder's Senior Representative and Developer's Senior Representative, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such dispute or disagreement. Five (5) days prior to any meetings between the Senior Representatives, the parties will exchange relevant information that will assist the parties in resolving their dispute or disagreement.

10.2.4 If after meeting the Senior Representatives determine that the dispute or disagreement cannot be resolved on terms satisfactory to both parties, the parties shall submit within thirty (30) days of the conclusion of the meeting of Senior Representatives the dispute or disagreement to non-binding mediation. The mediation shall be conducted by a mutually agreeable impartial mediator, or if the parties cannot so agree, a mediator designated by the American Arbitration Association ("AAA") pursuant to its Construction Industry Mediation Rules. The mediation will be governed by and conducted pursuant to a mediation agreement negotiated by the parties or, if the parties cannot so agree, by procedures established by the mediator. Unless otherwise mutually agreed by the Developer and Design-Builder and consistent with the mediator's schedule, the mediation shall commence within ninety (90) days of the submission of the dispute to mediation.

10.3 Arbitration.

10.3.1 Any claims, disputes or controversies between the parties arising out of or relating to the Agreement, or the breach thereof, which have not been resolved in accordance with the procedures set forth in Section 10.2 above, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the AAA then in effect, unless the parties mutually agree otherwise.

10.3.2 The award of the arbitrator(s) shall be final and binding upon the parties without the right of appeal to the courts. Judgment may be entered upon it in accordance with applicable law by any court having jurisdiction thereof.

10.3.3 Design-Builder and Developer expressly agree that any arbitration pursuant to this Section 10.3 may be joined or consolidated with any arbitration involving any other person or entity (i) necessary to resolve the claim, dispute or controversy, or (ii) substantially involved in or affected by such claim, dispute or controversy. Both Design-Builder and Developer will include appropriate provisions in all contracts they execute with other parties in connection with the Project to require such joinder or consolidation.

10.3.4 The prevailing party in any arbitration, or any other final, binding dispute proceeding upon which the parties may agree, shall be entitled to recover from the other party reasonable attorneys' fees and expenses incurred by the prevailing party.

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10.4 Duty to Continue Performance.

10.4.1 Unless provided to the contrary in the Contract Documents, Design-Builder shall continue to perform the Work and Developer shall continue to satisfy its payment obligations to Design-Builder, pending the final resolution of any dispute or disagreement between Design-Builder and Developer.

10.5 CONSEQUENTIAL DAMAGES.

10.5.1 NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY (EXCEPT AS SET FORTH IN SECTION 10.5.2 BELOW), NEITHER DESIGN-BUILDER NOR DEVELOPER SHALL BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL LOSSES OR DAMAGES, WHETHER ARISING IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO LOSSES OF USE, PROFITS, BUSINESS, REPUTATION OR FINANCING.

10.5.2 The consequential damages limitation set forth in Section 10.5.1 above is not intended to affect the payment of liquidated damages or lost early completion bonus, if any, set forth in Article 5 of the Agreement, which both parties recognize has been established, in part, to reimburse Developer or reward Design-Builder for some damages that might otherwise be deemed to be consequential.

Article 11

Stop Work and Termination for Cause

11.1 Developer's Right to Stop Work.

11.1.1 Developer may, without cause and for its convenience, order Design-Builder in writing to stop and suspend the Work. Such suspension shall not exceed sixty (60) consecutive days or aggregate more than ninety (90) days during the duration of the Project.

11.1.2 Design-Builder is entitled to seek an adjustment of the Contract Price and/or Contract Time(s) if its cost or time to perform the Work has been adversely impacted by any suspension of stoppage of the Work by Developer.

11.2 Developer's Right to Perform and Terminate for Cause.

11.2.1 If Design-Builder persistently fails to (i) provide a sufficient number of skilled workers, (ii) supply the materials required by the Contract Documents, (iii) comply with applicable Legal Requirements, (iv) timely pay, without cause, Design Consultants or Subcontractors, (v) prosecute the Work with promptness and diligence to ensure that the Work is completed by the Contract Time(s), as such times may be adjusted, or (vi) perform material obligations under the Contract Documents, then Developer, in addition to any other rights and remedies provided in the Contract Documents or by law, shall have the rights set forth in Sections 11.2.2 and 11.2.3 below.

11.2.2 Upon the occurrence of an event set forth in Section 11.2.1 above, Developer may provide written notice to Design-Builder that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Design-Builder's receipt of such notice. If Design-Builder fails to cure, or reasonably commence to cure, such problem, then Developer may give a second written notice to Design-Builder of its intent to terminate within an additional seven (7) day period. If Design-Builder, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Developer may declare the Agreement terminated for default by providing written notice to Design-Builder of such declaration.

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11.2.3 Upon declaring the Agreement terminated pursuant to Section 11.2.2 above, Developer may enter upon the premises and take possession, for the purpose of completing the Work, of all materials, equipment, scaffolds, tools, appliances and other items thereon, which have been purchased or provided for the performance of the Work, all of which Design-Builder hereby transfers, assigns and sets over to Developer for such purpose, and to employ any person or persons to complete the Work and provide all of the required labor, services, materials, equipment and other items. In the event of such termination, Design-Builder shall not be entitled to receive any further payments under the Contract Documents until the Work shall be finally completed in accordance with the Contract Documents. At such time, if the unpaid balance of the Contract Price exceeds the cost and expense incurred by Developer in completing the Work, such excess shall be paid by Developer to Design-Builder. Notwithstanding the preceding sentence, if the Agreement establishes a Guaranteed Maximum Price, Design-Builder will only be entitled to be paid for Work performed prior to its default. If Developer's cost and expense of completing the Work exceeds the unpaid balance of the Contract Price, then Design-Builder shall be obligated to pay the difference to Developer. Such costs and expense shall include not only the cost of completing the Work, but also losses, damages, costs and expense, including attorneys' fees and expenses, incurred by Developer in connection with the reprocurement and defense of claims arising from Design-Builder's default, subject to the waiver of consequential damages set forth in Section 10.5 hereof.

11.2.4 If Developer improperly terminates the Agreement for cause, the termination for cause will be converted to a termination for convenience in accordance with the provisions of Article 8 of the Agreement.

11.3 Design-Builder's Right to Stop Work.

11.3.1 Design-Builder may, in addition to any other rights afforded under the Contract Documents or at law, stop the Work for the following reasons:

11.3.1.1 Developer's failure to provide financial assurances as required under Section 3.3 hereof; or

11.3.1.2 Developer's failure to pay amounts properly due under Design-Builder's Application for Payment.

11.3.2 Should any of the events set forth in Section 11.3.1 above occur, Design-Builder has the right to provide Developer with written notice that Design-Builder will stop the Work unless said event is cured within seven (7) days from Developer's receipt of Design-Builder's notice. If Developer does not cure the problem within such seven (7) day period, Design-Builder may stop the Work. In such case, Design-Builder shall be entitled to make a claim for adjustment to the Contract Price and Contract Time(s) to the extent it has been adversely impacted by such stoppage.

11.4 Design-Builder's Right to Terminate for Cause.

11.4.1 Design-Builder, in addition to any other rights and remedies provided in the Contract Documents or by law, may terminate the Agreement for cause for the following reasons:

11.4.1.1 The Work has been stopped for sixty (60) consecutive days, or more than ninety (90) days during the duration of the Project, because of court order, any government authority having jurisdiction over the Work, or orders by Developer under Section 11.1.1 hereof, provided that such stoppages are not due to the acts or omissions of Design-Builder or anyone for whose acts Design-Builder may be responsible.

11.4.1.2 Developer's failure to provide Design-Builder with any information, permits or approvals that are Developer's responsibility under the Contract Documents which result in the Work being stopped for sixty (60) consecutive days, or more than ninety (90) days

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during the duration of the Project, even though Developer has not ordered Design-Builder in writing to stop and suspend the Work pursuant to Section 11.1.1 hereof.

11.4.1.3 Developer's failure to cure the problems set forth in Section 11.3.1 above after Design-Builder has stopped the Work.

11.4.2 Upon the occurrence of an event set forth in Section 11.4.1 above, Design-Builder may provide written notice to Developer that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Developer's receipt of such notice. If Developer fails to cure, or reasonably commence to cure, such problem, then Design-Builder may give a second written notice to Developer of its intent to terminate within an additional seven (7) day period. If Developer, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Design-Builder may declare the Agreement terminated for default by providing written notice to Developer of such declaration. In such case, Design-Builder shall be entitled to recover in the same manner as if Developer had terminated the Agreement for its convenience under Article 8 of the Agreement.

11.5 Bankruptcy of Developer or Design-Builder.

11.5.1 If either Developer or Design-Builder institutes or has instituted against it a case under the United States Bankruptcy Code (such party being referred to as the "Bankrupt Party"), such event may impair or frustrate the Bankrupt Party's ability to perform its obligations under the Contract Documents. Accordingly, should such event occur:

11.5.1.1 The Bankrupt Party, its trustee or other successor, shall furnish, upon request of the non-Bankrupt Party, adequate assurance of the ability of the Bankrupt Party to perform all future material obligations under the Contract Documents, which assurances shall be provided within ten (10) days after receiving notice of the request; and

11.5.1.2 The Bankrupt Party shall file an appropriate action within the bankruptcy court to seek assumption or rejection of the Agreement within sixty (60) days of the institution of the bankruptcy filing and shall diligently prosecute such action.

If the Bankrupt Party fails to comply with its foregoing obligations, the non-Bankrupt Party shall be entitled to request the bankruptcy court to reject the Agreement, declare the Agreement terminated and pursue any other recourse available to the non-Bankrupt Party under this Article 11.

11.5.2 The rights and remedies under Section 11.5.1 above shall not be deemed to limit the ability of the non-Bankrupt Party to seek any other rights and remedies provided by the Contract Documents or by law, including its ability to seek relief from any automatic stays under the United States Bankruptcy Code or the right of Design-Builder to stop Work under any applicable provision of these General Conditions of Contract.

Article 12

Electronic Data

12.1 Electronic Data.

12.1.1 The parties recognize that Contract Documents, including drawings, specifications and three-dimensional modeling (such as Building Information Models) and other Work Product may be transmitted among Developer, Design-Builder and others in electronic media as an alternative to paper hard copies (collectively "Electronic Data").

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12.2 Transmission of Electronic Data.

12.2.1 Developer and Design-Builder shall agree upon the software and the format for the transmission of Electronic Data. Each party shall be responsible for securing the legal rights to access the agreed-upon format, including, if necessary, obtaining appropriately licensed copies of the applicable software or electronic program to display, interpret and/or generate the Electronic Data.

12.2.2 Neither party makes any representations or warranties to the other with respect to the functionality of the software or computer program associated with the electronic transmission of Work Product. Unless specifically set forth in the Agreement, ownership of the Electronic Data does not include ownership of the software or computer program with which it is associated, transmitted, generated or interpreted.

12.2.3 By transmitting Work Product in electronic form, the transmitting party does not transfer or assign its rights in the Work Product. The rights in the Electronic Data shall be as set forth in Article 4 of the Agreement. Under no circumstances shall the transfer of ownership of Electronic Data be deemed to be a sale by the transmitting party of tangible goods.

12.3 Electronic Data Protocol.

12.3.1 The parties acknowledge that Electronic Data may be altered or corrupted, intentionally or otherwise, due to occurrences beyond their reasonable control or knowledge, including but not limited to compatibility issues with user software, manipulation by the recipient, errors in transcription or transmission, machine error, environmental factors, and operator error. Consequently, the parties understand that there is some level of increased risk in the use of Electronic Data for the communication of design and construction information and, in consideration of this, agree, and shall require their independent contractors, Subcontractors and Design Consultants to agree, to the following protocols, terms and conditions set forth in this Section 12.3.

12.3.2 Electronic Data will be transmitted in the format agreed upon in Section 12.2.1 above, including file conventions and document properties, unless prior arrangements are made in advance in writing.

12.3.3 The Electronic Data represents the information at a particular point in time and is subject to change. Therefore, the parties shall agree upon protocols for notification by the author to the recipient of any changes which may thereafter be made to the Electronic Data, which protocol shall also address the duty, if any, to update such information, data or other information contained in the electronic media if such information changes prior to Final Completion of the Project.

12.3.4 The transmitting party specifically disclaims all warranties, expressed or implied, including, but not limited to, implied warranties of merchantability and fitness for a particular purpose, with respect to the media transmitting the Electronic Data. However, transmission of the Electronic Data via electronic means shall not invalidate or negate any duties pursuant to the applicable standard of care with respect to the creation of the Electronic Data, unless such data is materially changed or altered after it is transmitted to the receiving party, and the transmitting party did not participate in such change or alteration.

Article 13

Miscellaneous

13.1 Confidential Information.

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13.1.1 Confidential Information is defined as (a) the terms and provisions of this Agreement; (b) the Work Product; and (c) information which is determined by the transmitting party to be of a confidential or proprietary nature and: (i) the transmitting party identifies as either confidential or proprietary; (ii) the transmitting party takes steps to maintain the confidential or proprietary nature of the information; and (iii) the document is not otherwise available in or considered to be in the public domain. The receiving party agrees to maintain the confidentiality of the Confidential Information and agrees to use the Confidential Information solely in connection with the Project. The Parties will grant access to such Confidential Information only to their respective employees and authorized Subcontractors, Design Consultants and agents whose access is necessary to fulfill the terms of this Agreement, and who shall be bound by the terms and provisions of this section.

13.2 Assignment.

13.2.1 Neither Design-Builder nor Developer shall, without the written consent of the other assign, transfer or sublet any portion or part of the Work or the obligations required by the Contract Documents.

13.3 Successorship.

13.3.1 Design-Builder and Developer intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and assigns.

13.4 Governing Law.

13.4.1 The Agreement and all Contract Documents shall be governed by the laws of the place of the Project, without giving effect to its conflict of law principles.

13.5 Severability.

13.5.1 If any provision or any part of a provision of the Contract Documents shall be finally determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to any applicable Legal Requirements, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provision or parts of the provision of the Contract Documents, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

13.6 No Waiver.

13.6.1 The failure of either Design-Builder or Developer to insist, in any one or more instances, on the performance of any of the obligations required by the other under the Contract Documents shall not be construed as a waiver or relinquishment of such obligation or right with respect to future performance.

13.7 Headings.

13.7.1 The headings used in these General Conditions of Contract, or any other Contract Document, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

13.8 Notice.

13.8.1 Whenever the Contract Documents require that notice be provided to the other party, notice will be deemed to have been validly given (i) if delivered in person to the individual intended to receive such notice, (ii) four (4) days after being sent by registered or certified mail, postage prepaid to the address indicated in the Agreement, or (iii) if transmitted by facsimile, by the time stated in a machine generated confirmation that notice was received at the facsimile

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number of the intended recipient.

13.9 Verification of Existing Conditions and Encroachment on Adjacent Properties

13.9.1 Design-Builder shall be responsible for performing an Existing Conditions Survey of all adjacent properties and public works prior to commencement of construction. Design Builder shall also be responsible for assuring that design and construction do not encroach across property lines into adjacent properties.

13.10 Amendments.

13.10.1 The Contract Documents may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party.

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Standard Form of Agreement Between Owner and Design-Builder - Lump Sum

DBIA Document No. 525 (as modified by the Parties)

This document has important legal consequences. Consultation with an attorney is recommended with respect to its completion or modification.

This **AGREEMENT** is made as of the _____ day of _____in the year of 2015 _____, by and between the following parties, for services in connection with the Project identified below.

OWNER:
Mortenson Development, Inc.
Tom Lander
700 Meadow Lane North
Minneapolis, MN 55422

DESIGN-BUILDER:
M. A. Mortenson Company
Jeff Madden
610 SW Alder, Suite 200
Portland, OR 97205

PROJECT:
Oregon Convention Center Hotel
Portland, OR 97204

In consideration of the mutual covenants and obligations contained herein, Owner and Design-Builder agree as set forth herein.

Article 1

Scope of Work

1.1 Design-Builder shall perform all design and construction services, and provide all material, equipment, tools and labor, necessary to complete the Work described in and reasonably inferable from the Contract Documents. Contract documents include the Final Price, Final Project Schedule, and Final Scope document included as Exhibit C herein.

Article 2

Contract Documents

2.1 The Contract Documents are comprised of the following:

2.1.1 All written modifications, amendments, minor changes and Change Orders to this Agreement issued in accordance with DBIA Document No. 535, *Standard Form of General Conditions of Contract Between Owner and Design-Builder* (2010 Edition) (as modified by the parties) ("General Conditions of Contract");

2.1.2 The Basis of Design Documents (as set forth in Exhibit C), including the Owner's Project Criteria, Design-Builder's Proposal and the Deviation List, if any, contained in the Design-Builder's Proposal, which shall specifically identify any and all deviations from Owner's Project Criteria;

2.1.3 This Agreement, including all exhibits and attachments, executed by Owner and Design-Builder;

2.1.4 The General Conditions of Contract; and

2.1.5 Construction Documents prepared and approved in accordance with Section 2.4 of the General Conditions of Contract.

Article 3

Interpretation and Intent

3.1 Design-Builder and Owner, prior to execution of the Agreement, shall carefully review all the Contract Documents, including the various documents comprising the Basis of Design Documents, for any conflicts or ambiguities. Design-Builder and Owner will discuss and resolve any identified conflicts or ambiguities prior to execution of the Agreement.

3.2 The Contract Documents are intended to permit the parties to complete the Work and all obligations required by the Contract Documents within the Contract Time(s) for the Contract Price. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted in a manner consistent with construction and design industry standards. In the event inconsistencies, conflicts, or ambiguities between or among the Contract Documents are discovered after execution of the Agreement, Design-Builder and Owner shall attempt to resolve any ambiguity, conflict or inconsistency informally, recognizing that the Contract Documents shall take precedence in the order in which they are listed in Section 2.1 hereof. Conflicts existing within Section 2.1.2 shall be resolved by giving precedence first to the Deviation List, if any, then the Owner's Project Criteria, and then the Design-Builder's Proposal.

3.3 Terms, words and phrases used in the Contract Documents, including this Agreement, shall have the meanings given them in the General Conditions of Contract.

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3.4 If Owner's Project Criteria contain design specifications: (a) Design-Builder shall be entitled to reasonably rely on the accuracy of the information represented in such design specifications and their compatibility with other information set forth in Owner's Project Criteria, including any performance specifications; and (b) Design-Builder shall be entitled to an adjustment in the Contract Price and/or Contract Time(s) to the extent Design-Builder's cost and/or time of performance have been adversely impacted by such inaccurate design specification.

3.5 The Contract Documents form the entire agreement between Owner and Design-Builder and by incorporation herein are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

Article 4

Ownership of Work Product

4.1 Work Product. All drawings, specifications and other documents and electronic data, including such documents identified in the General Conditions of Contract, furnished by Design-Builder to Owner under this Agreement ("Work Product") are deemed to be instruments of service and Design-Builder shall retain the ownership and property interests therein, including but not limited to any intellectual property rights, copyrights and/or patents, subject to the provisions set forth in Sections 4.2 through 4.5 below.

4.2 Owner's Limited License Upon Project Completion and Payment in Full to Design-Builder. Upon Owner's payment in full for all Work performed under the Contract Documents, Design-Builder shall grant Owner a limited license to use the Work Product in connection with Owner's occupancy of the Project, conditioned on Owner's express understanding that its use of the Work Product without the involvement of Design-Builder is at Owner's sole risk and without liability or legal exposure to Design-Builder or anyone working by or through Design-Builder, including Design Consultants of any tier (collectively the "Indemnified Parties"), and on the Owner's obligation to provide the indemnity set forth in Section 4.5 below.

4.3 Owner's Limited License upon Owner's Termination for Convenience or Design-Builder's Election to Terminate. If Owner terminates this Agreement for its convenience as set forth in Article 8 hereof, or if Design-Builder elects to terminate this Agreement in accordance with Section 11.4 of the General Conditions of Contract, Design-Builder shall, upon Owner's payment in full of the amounts due Design-Builder under the Contract Documents, grant Owner a limited license to use the Work Product to complete the Project and subsequently occupy the Project, and Owner shall thereafter have the same rights as set forth in Section 4.2 above, conditioned on the following:

4.3.1 Use of the Work Product is at Owner's sole risk without liability or legal exposure to any Indemnified Party and on the Owner's obligation to provide the indemnity set forth in Section 4.5 below;

4.3.2 Owner pays Design-Builder the additional sum of _____ Dollars ($ _____) as compensation for the right to use the Work Product to complete the Project and subsequently use the work Product in accordance with Section 4.2 if Owner resumes the Project through its employees, agents, or third parties; and

4.3.3 Owner obtains written consent of Design Consultant.

4.4 Owner's Limited License upon Design-Builder's Default. If this Agreement is terminated due to Design-Builder's default pursuant to Section 11.2 of the General Conditions of Contract, then Design-Builder grants Owner a limited license to use the Work Product to complete the Project and subsequently occupy the Project, and Owner shall thereafter have the same rights and obligations as set forth in Section 4.2 above; provided, however, that Owner obtains the written consent of Design Consultant.

Notwithstanding the preceding sentence, if it is ultimately determined that Design-Builder was not in default, Owner shall be deemed to have terminated the Agreement for convenience, and Design-Builder shall be entitled to the rights and remedies set forth in Section 4.3 above.

4.5 Owner's Indemnification for Use of Work Product. If Owner is required to indemnify any Indemnified Parties based on the use or alteration of the Work Product under any of the circumstances identified in this Article 4, Owner shall defend, indemnify and hold harmless such Indemnified Parties from and against any and all claims, damages, liabilities, losses and expenses, including attorneys' fees, arising out of or resulting from the use or alteration of the Work Product.

Article 5

Contract Time

5.1 Date of Commencement. The Work shall commence within seven (7) business days of receipt of Notice to Proceed or Project Financial Closing, whichever is later, unless the parties mutually agree otherwise in writing.

5.2 Substantial Completion and Final Completion.

5.2.1 Substantial Completion of the entire Work shall be achieved no later than as prescribed by Exhibit C.

5.2.2 Interim milestones and/or Substantial Completion of identified portions of the Work ("Scheduled Interim Milestone Dates") shall be achieved as follows: Interim milestones, inclusive of when Owner may access the Project to begin owner installation, training, and related activities shall be as outlined in the Project Transition Plan which will be finalized and agreed upon within sixty (60) days after the Design-Builder receives Notice to Proceed or Project Financial Closing, whichever is later

Owner shall provide approvals or other responses to Design-Builder for the following items within the following time limits: Per Exhibit C.

5.2.3 Final Completion of the Work or identified portions of the Work shall be achieved as expeditiously as reasonably practicable but not later than as prescribed per Exhibit C. Final Completion is the date when all Work is complete pursuant to the definition of Final Completion set forth in Section 1.2.7 of the General Conditions of Contract.

5.2.4 All of the dates set forth in this Article 5 (collectively the "Contract Time(s)") shall be subject to adjustment in accordance with the General Conditions of Contract.

5.3 Time is of the Essence. Owner and Design-Builder mutually agree that time is of the essence with respect to the dates and times set forth in the Contract Documents.

5.4 Liquidated Damages. Design-Builder understands that if Substantial Completion is not attained by the Scheduled Substantial Completion Date, Owner will suffer damages which are difficult to determine and accurately specify. Design-Builder agrees that if Substantial Completion is not attained by **XXXXXX** days after the Scheduled Substantial Completion Date (the "LD Date"), Designer-Builder shall pay Owner **XXXXXXX** Dollars **($X,XXX)** as liquidated damages for each day that Substantial Completion extends beyond the LD Date.

5.5 Any liquidated damages assessed pursuant to this Agreement shall be in lieu of all liability for any and all extra costs, losses, expenses, claims, penalties and any other damages, whether special or consequential, and of whatsoever nature incurred by Owner which are occasioned by any delay in achieving

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the Contract Time(s). Owner and Design-Builder agree that the maximum aggregate liability Design-Builder has for any liquidated damages that may be assessed under this Agreement for failure to achieve the Contract Time(s) shall be Five Hundred Thousand Dollars ($500,000).

5.6 Early Completion Bonus. If Substantial Completion is attained on or before (N/A) days before the Scheduled Substantial Completion Date (the "Bonus Date"), Owner shall pay Design-Builder at the time of Final Payment under Section 7.3 hereof an early completion bonus of (N/A) Dollars) for each day that Substantial Completion is attained earlier than the Bonus Date.

Article 6

Contract Price

6.1 Contract Price. Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract the sum of One Hundred Eighty-One Million Eight Hundred Seventeen Thousand Five Hundred Fifty Nine Dollars ($180,817,559.00), subject to adjustments made in accordance with the General Conditions of Contract. Unless otherwise provided in the Contract Documents, the Contract Price is deemed to include all sales, use, consumer and other taxes mandated by applicable Legal Requirements.

6.2 Markups for Changes. If the Contract Price requires an adjustment due to changes in the Work, and the cost of such changes is determined under Sections 9.4.1.3 or 9.4.1.4 of the General Conditions of Contract, the following markups shall be allowed on such changes:

6.2.1 For additive Change Orders, including additive Change Orders arising from both additive and deductive items, it is agreed that Design-Builder shall receive a Fee of Two Point Nine percent (2.9%) of the additional costs incurred for that Change Order, plus any other markups set forth in Exhibit C hereto.

6.2.2 For deductive Change Orders, including deductive Change Orders arising from both additive and deductive items, there shall be no reduction in the Design-Builder's Fee or any other markup.

6.3 Allowance Items and Allowance Values.

6.3.1 Any and all Allowance Items, as well as their corresponding Allowance Values, are set forth in Exhibit C hereto. Allowances not spent shall be returned to the Owner at full value. Owner shall also be responsible for all allowances that are exceeded.

6.3.2 Design-Builder and Owner have worked together to review the Allowance Items and Allowance Values based on design information then available to determine that the Allowance Values constitute reasonable estimates for the Allowance Items. Design-Builder and Owner will continue working closely together during the preparation of the design to develop Construction Documents consistent with the Allowance Values. Nothing herein is intended in any way to constitute a guarantee by Design-Builder that the Allowance Item in question can be performed for the Allowance Value.

6.3.3 No work shall be performed on any Allowance Item without Design-Builder first obtaining in writing advanced authorization to proceed from Owner and Owner. Owner and Owner agree that if Design-Builder is not provided written authorization to proceed on an Allowance Item by the date set forth in the Project schedule, due to no fault of Design-Builder, Design-Builder may be entitled to an adjustment of the Contract Time(s) and Contract Price.

6.3.4 Whenever the actual costs for an Allowance Item is more than or less than the stated Allowance Value, the Contract Price shall be adjusted accordingly by Change Order, subject to Section 6.2. The amount of the Change Order shall reflect the difference between actual costs incurred by Design-Builder for the particular Allowance Item and the Allowance Value.

Article 7

Procedure for Payment

7.1 Progress Payments.

7.1.1 Design-Builder shall submit to Owner on the first (1st) day of each month, beginning with the first month after the Date of Commencement, Design-Builder's Application for Payment in accordance with Article 6 of the General Conditions of Contract.

7.1.2 Owner shall make payment within fifteen (15) days after Owner's receipt of each properly submitted and accurate Application for Payment in accordance with Article 6 of the General Conditions of Contract, but in each case less the total of payments previously made, and less amounts properly withheld under Section 6.3 of the General Conditions of Contract.

7.2 Retainage on Progress Payments.

7.2.1 Owner will retain ten percent (10 %), exclusive of general conditions costs and any amounts paid to Design-Builder's Design Consultant, from each Application for Payment provided, however, that when fifty percent (50%) of the Work has been satisfactorily completed by Design-Builder and Design-Builder is otherwise in compliance with its contractual obligations, Owner will not retain any additional amounts from Design-Builder's subsequent Applications for Payment. Owner will also reasonably consider reducing retainage for Subcontractors completing their work early in the Project. The Owner recognizes that certain Subcontractors complete their work early in the course of the Project and may have performed well and extended extra efforts to maintain the progress of the Work. Accordingly, the Owner agrees to consider in good faith and act promptly upon any request made by Design-Builder for the early release, in whole or in part, of retainage held on account of Subcontractors who have performed in the manner described above or for other equitable reasons.

7.2.2 Within fifteen (15) days after Substantial Completion of the entire Work or, if applicable, any portion of the Work, pursuant to Section 6.6 of the General Conditions of Contract, Owner shall release to Design-Builder all retained amounts relating, as applicable, to the entire Work or completed portion of the Work, less an amount equal to (a) the reasonable value of all remaining or incomplete items of Work as noted in the Certificate of Substantial Completion and (b) all other amounts Owner is entitled to withhold pursuant to Section 6.3 of the General Conditions of Contract.

7.3 Final Payment. Design-Builder shall submit its Final Application for Payment to Owner in accordance with Section 6.7 of the General Conditions of Contract. Owner shall make payment on Design-Builder's properly submitted and accurate Final Application for Payment within thirty (30) days after Owner's receipt of the Final Application for Payment, provided that Design-Builder has satisfied the requirements for final payment set forth in Section 6.7.2 of the General Conditions of Contract.

7.4 Interest. Payments due and unpaid by Owner to Design-Builder, whether progress payments or final payment, shall bear interest commencing five (5) days after payment is due at the rate of _____ _____percent (_____%) per month, or the highest rate permitted by law, whichever is less, until paid.

7.5 Record Keeping and Finance Controls. With respect to changes in the Work performed on a cost basis by Design-Builder pursuant to the Contract Documents, Design-Builder shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management, using accounting and control systems in accordance with generally accepted accounting principles and as may be provided in the Contract Documents. During the performance of the Work and for a period of three (3) years after Final Payment, Owner and Owner's accountants shall be afforded access to, and the right to audit from time-to-time, upon reasonable notice, Design-Builder's records, books, correspondence, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to changes in the Work performed on a cost basis in accordance with the Contract Documents, all of which Design-Builder

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shall preserve for a period of three (3) years after Final Payment. Such inspection shall take place at Design-Builder's offices during normal business hours unless another location and time is agreed to by the parties. Any rates (for labor, equipment, insurance, or other items), multipliers, or markups agreed to by the Owner and Design-Builder as part of this Agreement are only subject to audit to confirm that such multiplier or markup has been charged in accordance with this Agreement, with the composition of such rate, multiplier, or markup not being subject to audit.

Article 8

Termination for Convenience

8.1 Upon ten (10) days' written notice to Design-Builder, Owner may, for its convenience and without cause, elect to terminate this Agreement. In such event, Owner shall pay Design-Builder for the following:

8.1.1 All Work executed and for proven loss, cost or expense in connection with the Work;

8.1.2 The reasonable costs and expenses attributable to such termination, including demobilization costs.; and

8.1.3 The fair and reasonable sums for overhead and profit on the sum of items 8.1.1 and 8.1.2 above.

8.2 In addition to the amounts set forth in Section 8.1 above, Design-Builder shall be entitled to receive one of the following as applicable:

8.2.1 If Owner terminates this Agreement prior to commencement of construction, Design-Builder shall be paid Zero percent (0%) of the remaining balance of the Contract Price. If Owner terminates this Agreement prior to commencement of construction, Design-Builder shall be relieved of, and Owner hereby waives any claims, subrogation of such claims, that Owner may have, now or in the future against Design-Builder, its employees, officers, directors, Subcontractors, Design Consultants, or agents for errors and omissions relating to the work performed or required to be performed under the this Agreement whether such claims are based in contract, warranty, tort, product liability, indemnity, contribution, strict liability or any other legal theory. At Owner's request, Design-Builder shall assign any or all of its agreements with the Design Consultants to Owner.

8.2.2 If Owner terminates this Agreement after commencement of construction, Design-Builder shall be paid Zero percent (0%) of the remaining balance of the Contract Price.

8.3 If Owner terminates this Agreement pursuant to Section 8.1 above and proceeds to design and construct the Project through its employees, agents or third parties, Owner's rights to use the Work Product shall be as set forth in Section 4.3 hereof. Such rights may not be transferred or assigned to others without Design-Builder's express written consent and such third parties' agreement to the terms of Article 4.

Article 9

Representatives of the Parties

9.1 Owner's Representatives.

9.1.1 Owner designates the individual listed below as its Senior Representative ("Owner's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 10.2.3 of the General Conditions of Contract:

Senior Representative Name: Tom Lander
Title: Vice President
Address: 700 Meadow Lane North, Minneapolis, MN 55422
Telephone Number:763-287-5487

9.1.2 Owner designates the individual listed below as its Owner's Representative, which individual has the authority and responsibility set forth in Section 3.4 of the General Conditions of Contract:

Owner's Representative Name: Nate Gundrum
Title: Development Executive
Address: 700 Meadow Lane North, Minneapolis, MN 55422
Telephone Number: 763-287-5431

9.2 Design-Builder's Representatives.

9.2.1 Design-Builder designates the individual listed below as its Senior Representative ("Design-Builder's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 10.2.3 of the General Conditions of Contract: *(Identify individual's name, title, address and telephone numbers)*

Design-Builder Senior Representative Name: John Nowoj
Title: Vice President and General Manager
Address: 10230 NE Points Drive, Suite 300 Kirkland, WA 98033
Telephone Number:425-497-6631

9.2.2 Design-Builder designates the individual listed below as its Design-Builder's Representative, which individual has the authority and responsibility set forth in Section 2.1.1 of the General Conditions of Contract: *(Identify individual's name, title, address and telephone numbers)*

Design-Builder's Representative Name: Jeff Madden
Title: General Manager
Address:610 SW Alder, Suite 200 Portland, OR 97205
Telephone Number: 971-202-4101

Article 10

Bonds and Insurance

10.1 Insurance. Design-Builder and Owner shall procure the insurance coverages set forth in Exhibit XX of the Hotel Purchase Agreement (included as Exhibit B to this Agreement).

10.2 Bonds and Other Performance Security. Design-Builder shall provide a performance bond and labor and material payment bond if indicated below:

Performance and Payment Bond.

[Check one box only. If no box is checked, then no bond is required.]

☐ Required ☐☒ Not Required

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Article 11

Other Provisions

11.1 Other provisions, if any, are as follows: *(Insert any additional provisions)*

11.1.1 The following Exhibits to this Agreement are incorporated herein by reference, and are Contract Documents:

Exhibit A: Development and Finance Agreement between Mortenson Development, Inc. and Metro dated July 3, 2014.

Exhibit B: Hotel Purchase Agreement between Mortenson Development, Inc. and Hyatt Corporation dated July 27, 2015.

Exhibit C: Final Budget, Final Project Schedule and Final Scope Documents (including list of allowances) dated XXXXXXXX.

Exhibit D: Hyatt International Technical Services, Inc., Design Recommendations & Minimum Standards Version 5.0, copyright 2010.

Exhibit E: Hyatt International Technical Services, Inc., Engineering Recommendations & Minimum Standards, V 4.0, copyright 2011.

Exhibit F: Furniture, Fixtures and Equipment ("FF&E") Matrix dated XXXXXXX.

Exhibit G: Operating Supplies and Equipment ("OS&E") Matrix dated XXXXXXX.

Exhibit H: Permit List dated XXXXXXXX

Exhibit I: Geotechnical Reports and Environmental Site Assessments dated XXXXXXX

In executing this Agreement, Owner and Design-Builder each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the services described herein.

OWNER:	**DESIGN-BUILDER:**
_____	_____
(Name of Owner)	*(Name of Design-Builder)*
_____	_____
(Signature)	*(Signature)*
_____	_____
(Printed Name)	*(Printed Name)*
_____	_____
(Title)	*(Title)*
Date: _____	Date: _____

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STANDARD FORM OF AGREEMENT BETWEEN DESIGN-BUILDER AND DESIGNER

Hyatt Regency

Oregon Convention Center Hotel

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DESIGN–BUILD
INSTITUTE OF AMERICA

Standard Form of Agreement Between Design-Builder and Designer

This document has important legal consequences. Consultation with an attorney is recommended with respect to its completion or modification.

This **AGREEMENT** is made as of the 3rd day of July in the year of 2014, by and between the following parties, for services in connection with the Project identified below:

DESIGN-BUILDER:
Mortenson Construction
610 SW Alder Street, Suite 200
Portland, OR 97205

DESIGNER:
Ankrom Moisan Architects
6720 SW Macadam Ave
Portland, OR 97219

PROJECT:
Oregon Convention Center Hotel
Portland, OR

OWNER:
Mortenson Development, Inc.
700 Meadow Lane North
Minneapolis, MN 55422

In consideration of the mutual covenants and obligations contained herein, Design-Builder and Designer agree as set forth herein.

Article 1
General

1.1 Basic Purpose

1.1.1 Design-Builder has contracted with Owner to provide the services of a licensed design professional to perform all necessary design services for the Project as set forth in the Design-Build Agreement between Owner and Design-Builder. Designer, through itself and its Design Consultants, has agreed to provide such architectural, engineering, and other services required by this Agreement and the other Contract Documents ("Services"). Design-Builder and Designer further agree that to the extent applicable in the performance of the Services, Designer shall have the same responsibilities and obligations as to Design-Builder as Design-Builder has to Owner, except as may be modified herein.

1.2 Basic Definitions

1.2.1 Terms used in this Agreement shall have the meanings set forth in the Design-Build Agreement between Owner and Design-Builder unless otherwise provided herein, with the following specific terms defined as follows:

.1 *Additional Services* refers to those services identified in Section 2.8 hereof.

.2 *Agreement* refers to this executed contract between Design-Builder and Designer under DBIA Document 540, *Standard Form of Agreement Between Design-Builder and Designer* (1999 Edition), MAM Design-Builder Contract Form Revised.

.3 *Construction Phase Services* refers to those services identified in Section 2.7 hereof.

.4 *Day* or *Days* shall mean calendar days unless otherwise specifically noted in the Contract Documents.

.5 *Design-Build Agreement* refers to the contract between Design-Builder and Owner for the design and construction of the Project and all exhibits, attachments, and other Contract Documents enumerated and incorporated therein.

.6 *Design Consultant* is a qualified, licensed design professional who is not an employee of Designer, but is retained by Designer, or employed or retained by anyone under contract with Designer, to furnish design services required under the Contract Documents.

.7 *Design Phase Services* refers to those services set forth in Sections 2.5 and 2.6 hereof.

.8 *Design Schedule* refers to the schedule setting forth the dates by which Designer must perform the various Services required herein, consistent with the Project Schedule.

.9 *Designer's Fee* shall refer to the compensation due Designer for the performance of the Services as set forth herein.

.10 *Hazardous Conditions* are any materials, wastes, substances and chemicals deemed to be hazardous under applicable Legal Requirements, or the handling, storage, remediation, or disposal of which are regulated by applicable Legal Requirements.

.11 *Hotel Purchaser* Is the entity which the Owner contracts with through a Hotel Purchase Agreement to buy the Project.

.12 *Legal Requirements* are all applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Services.

.13 *Owner's Project Criteria* are developed by or for Owner to describe Owner's program, requirements and objectives for the Project, including use, space, price, time, site and expandability requirements, as well as submittal requirements and other requirements governing Design-Builder's performance of the Design-Build Agreement. Owner's Project Criteria may include conceptual documents, design criteria, performance requirements and other Project-specific technical materials and requirements.

.14 *Project Schedule* refers to the schedule setting forth the dates by which the various stages of both the design and construction of the Project must be performed so as to satisfy Design-Builder's obligations to Owner.

.15 *Site* is the land or premises on which the Project is located.

.16 *Subcontractor* is any person or entity retained by Design-Builder as an independent contractor to perform a portion of the construction work for the Project and shall include materialmen and suppliers.

.17 *Sub-Subcontractor* is any person or entity retained by a Subcontractor as an independent contractor to perform any portion of the Subcontractor's work and shall include materialmen and suppliers.

.18 *Substantial Completion* is the date on which the Project, or an agreed upon portion of the Project, is sufficiently complete so that Owner can occupy and use the Project or a portion thereof for its intended purposes. The requirements for Substantial Completion are defined within the Owner's Hotel Purchase Agreement.

.18 *Services* shall include all Design Phase Services, Construction Phase Services and Additional Services required by the Contract Documents and included in Exhibit A – Scope of Services or as may be authorized in writing by Design-Builder.

1.3 Contract Documents

1.3.1 The Contract Documents are comprised of the following:

.1 All written modifications, amendments and change orders to this Agreement;

.2 This Agreement, including all exhibits and attachments, executed by Design-Builder and Designer;

.3 General Conditions of the Design-Build Agreement to the extent the Design-Build Agreement relates to the Services and the terms and conditions under which the Services shall be performed.

.4 Written Supplementary Conditions, if any, executed by Design-Builder and Designer;

.5 The Design-Build Agreement, but only to the extent the Design-Build Agreement relates to the Services and the terms and conditions under which the Services shall be performed; and

.6 The following other documents, if any:

- *Development and Finance Agreement between Mortenson Development, Inc. and Metro dated July 3, 2014.*
- *Hotel Purchase Agreement between Mortenson Development, Inc. and Hyatt Corporation dated July 27, 2015.*
- *Hyatt International Technical Services, Inc., Design Recommendations & Minimum Standards Version 5.0, copyright 2010.*
- *Hyatt International Technical Services, Inc., Engineering Recommendations & Minimum Standards, V 4.0, copyright 2011.*
- *Furniture, Fixtures and Equipment ("FF&E") Matrix – Exhibit G.*
- *Operating Supplies and Equipment ("OS&E") Matrix – Exhibit H.*

1.4 Interpretation and Intent

1.4.1 The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted consistent with construction and design industry standards. In the event of any inconsistency, conflict, or ambiguity between or among the Contract Documents, this Agreement shall take precedence.

1.5 Mutual Obligations and Acknowledgments

1.5.1 Design-Builder and Designer commit at all times to cooperate fully with each other, and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents. Design-Builder and Designer shall perform their respective responsibilities, obligations and services in a timely manner to facilitate the other's timely and efficient performance and so as not to delay or interfere with the other's performance of its obligations under the Contract Documents.

1.5.2 Design-Builder and Designer acknowledge that they have cooperated with each other in the procurement of the Design-Build Agreement. In so cooperating, Design-Builder and Designer have met to review, discuss, and familiarize themselves with the Design-Build Agreement, including Design-Builder's budget and pricing assumptions used in its final negotiations of the Design-Build Agreement with Owner, as well as all documents incorporated therein and attached thereto, including, as applicable, (i) Owner's Project Criteria; and (ii) Design-Builder's Proposal.

1.5.3 Design-Builder and Designer mutually agree that time is of the essence with respect to the dates and times set forth in the Design Schedule, Project Schedule and Contract Documents.

1.6 Entire Agreement

1.6.1 The Contract Documents, all of which are incorporated by reference into this Agreement, form the entire agreement between Design-Builder and Designer and are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

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Article 2
Designer's Services and Responsibilities

2.1 General

2.1.1 Designer shall, consistent with applicable state licensing laws, provide the Services, including architectural, engineering and other design professional services, required by the Contract Documents. Designer agrees that such Services shall be provided through the responsible supervision and control of qualified, licensed design professionals who are either (i) employed by Designer or (ii) procured by Designer from qualified, licensed Design Consultants.

2.1.2 Designer shall not engage the services of any Design Consultant without first obtaining the approval of Design-Builder, which approval shall not be unreasonably withheld. Designer agrees that each Design Consultant shall be fully bound to Designer in the same manner as Designer is bound to Design-Builder for all the requirements of the Contract Documents to the extent applicable to the Design Consultant's scope of services. Designer shall at all times be responsible for the services performed by its Design Consultants, and shall coordinate the services of its Design Consultants to satisfy Designer's obligations under the Contract Documents. Nothing in this Agreement shall relieve Designer from responsibility for the services performed by its Design Consultants, or create any legal or contractual relationship between Design-Builder and any Design Consultant. Consultants shall not change without Design-Builder's prior written approval. Exhibit D identifies approved consultants at the time this Agreement is executed.

2.1.3 If Design-Builder or Owner performs other work on the Project with separate design professionals under Design-Builder's or Owner's control, Designer agrees to reasonably cooperate and coordinate its activities with those of such separate design professionals so that the Project can be completed in an orderly and coordinated manner and without disruption.

2.1.4 Designer shall only communicate with Developer, Hotel Purchaser, Subcontractor(s), or Sub-Subcontractors through Design-Builder unless the parties agree otherwise in writing.

2.1.5 Within seven (7) days after execution of this Agreement, Design-Builder and Designer will meet to discuss issues affecting the administration of the Services and to implement the necessary procedures, including but not limited to those relating to the schedule for the Services, schedule updates, review of submittals, and payment, to facilitate the ability of the parties to perform their obligations under the Contract Documents and allow Designer to meet its obligations to design the Project consistent with the Contract Documents, without compromising any professional obligations of Designer.

2.2 Standard of Care

2.2.1 The standard of care for all design professional services performed by Designer and its Design Consultants pursuant to this Agreement shall be the care and skill ordinarily used by members of the design profession practicing under similar conditions at the same time and locality of the Project. Notwithstanding the preceding sentence, if the Design-Build Agreement contains specifically identified performance standards for the Services or aspects of the Services, Designer agrees that all Services shall be performed to achieve such standards.

2.3 Legal Requirements

2.3.1 Designer agrees to perform the Services in accordance with all applicable Legal Requirements.

2.3.2 Designer's Fee and/or the Design Schedule shall be adjusted to compensate Designer for the effects, if any, of any changes in the Legal Requirements enacted after the date of the Agreement affecting the performance of the Services. Such effects may include, without limitation, revisions Designer is required to make to the Construction Documents because of changes in Legal Requirements.

2.4 Designer's Personnel

2.4.1 Designer agrees that the primary personnel assigned to perform the Services shall be as listed in Exhibit B – Attachment B.1, so long as they remain in the Designer's employment, Designer shall not change such personnel without Design-Builder's prior written approval.

2.4.2 Designer's Representative shall be reasonably available to Design-Builder and shall have the necessary expertise and experience required to supervise the Services. Designer's Representative shall communicate regularly with Design-Builder and shall be vested with the authority to act on behalf of Designer. Designer shall replace its Representative upon the reasonable request of Design-Builder.

2.5 Government Approvals and Permits

2.5.1 Designer shall obtain and pay for the permits, approvals, and licenses, if any, set forth in Exhibit A – Attachment A.2.

2.5.2 Designer shall provide reasonable assistance to Design-Builder and Owner in obtaining any permits, approvals, and licenses which are not Designer's obligation to obtain, but which are required for the construction of the Project.

2.5.3 Designer shall make any revisions to the Construction Documents necessary to secure permits, approvals, and licenses, including those which have been denied for failure of the Construction Documents to meet Legal Requirements. If such revisions are necessary for reasons beyond the control of Designer or its Design Consultants, Designer shall be compensated for such revisions as a change to this Agreement.

2.6 Design Development Services

2.6.1 In accordance with the times set forth in the Design Schedule, Designer shall submit to Design-Builder all interim design submissions and revisions as required by the Contract Documents. Such design submissions shall be in the form and quantity called for in the Contract Documents and may include design criteria, drawings, diagrams and specifications setting forth the Project requirements. Design-Builder and Designer agree that the Designer shall not submit any design submissions to the Owner without the Design-Builder's prior approval. Design-Builder and Designer agree that prior to the scheduled date for submitting all design submissions to Owner, Design-Builder and Designer will hold meetings for the purpose of discussing and monitoring the design for consistency with the requirements of the Contract Documents, as well as Design-Builder's pricing and other assumptions.

2.6.2 In accordance with the Contract Documents and the times set forth in the Design Schedule, Designer shall submit to Design-Builder Construction Documents setting forth in detail drawings and specifications describing the requirements for construction of the Project. The Construction Documents shall be consistent with the latest set of interim design submissions, as such submissions may have been modified in a design review meeting. Designer shall provide the Construction Documents in the form and quantity called for in the Contract Documents. Designer shall perform agreed upon revisions and submit revised Construction Documents to Design-Builder for Design-Builder's and Owner's approval.

2.6.3 Designer shall attend and participate in such meetings as are held between Owner and Design-Builder to discuss interim design submissions and the Construction Documents. If requested, Designer shall identify during such meetings, among other things, the evolution of the design and any significant changes or deviations from the Contract Documents, or, if applicable, previously submitted design submissions. Minutes of the meetings will be maintained by Design-Builder and provided to all attendees for review.

2.6.4 In addition to the interim design submissions and the Construction Documents, Designer shall, if requested by Design-Builder, prepare (i) those design documents necessary for the establishment of Final Exhibits for the Development Financial Closing, Easements with the Adjacent Property Owners, and (ii) interim design submissions and construction documents required to permit commencement of construction on a portion of the Project before the entire Construction Documents for the Project are completed.

2.6.5 Approvals of interim design submissions the Construction Documents by the Design-Builder, Owner and Hotel Purchaser are for the purpose of mutually establishing a conformed set of Construction Documents compatible with the requirements of the Contract Documents. The review and/or approval by either Design-Builder or Owner of any interim design submission or the Construction Documents shall not be deemed to transfer any design responsibility or liability from Designer to Design-Builder or Owner.

2.6.6 Designer will, at its own cost, revise any interim design submission or Construction Documents to correct any errors, mistakes or omissions. Design shall also, If requested by Design-Builder or if required by the Design Build Agreement, design to a fixed budget and, for no additional compensation, make such revisions as are required to achieve such budget. Such revisions shall be performed timely and so as not to jeopardize the Design Schedule and/or the Project Schedule.

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2.6.7 Designer shall be responsible for paying all royalties and licensing fees for patented or copyrighted materials, methods or systems specified by Designer and incorporated into the Project.

2.7 Construction Phase Services

2.7.1 Designer shall assist Design-Builder in preparing bidding documents for specified portions of the Project's construction, and clarifying and responding to questions involving the bidding documents.

2.7.2 Designer shall timely provide reasonably requested clarifications and interpretations of the Construction Documents, which shall be consistent with the intent of, and reasonably inferable from, the Contract Documents. Designer shall make all revisions to the Construction Documents necessary for the proper construction of the Project.

2.7.3 Designer shall review and approve such submittals, including shop drawings, product data and samples, as agreed to by Designer and Design-Builder in the meeting required by §2.1.5. Designer shall expeditiously inform Design-Builder of any revisions that are necessary as a condition to Designer's approval of submittals. The time within which Designer shall review and respond to submittals will be as established at the meeting required by Section 2.1.5 hereof. Designer's review and approval shall not relieve Design-Builder or Subcontractors of responsibility for construction means and methods, or safety precautions.

2.7.4 Designer shall review, and if acceptable approve, any substitutions for materials or equipment proposed by Design-Builder.

2.7.5 Designer shall, if requested by Design-Builder, review any inspection reports or tests involving the construction of the Project and provide its comments to Design-Builder. Designer is not responsible for the accuracy or completeness of the tests or inspections.

2.7.6 Designer shall at appropriate intervals, or as agreed in the Contract Documents, visit the Site to determine if the construction is proceeding in general conformance with the Construction Documents. If Design-Builder and Designer have agreed to a specific frequency of Designer's Site visits, such frequency shall be set forth as an exhibit to this Agreement. Designer shall promptly notify Design-Builder of any defects, deficiencies, deviations, omissions, or violations observed by Designer in the construction of the Project, and make recommendations to Design-Builder on how to proceed.

2.7.7 At the request of Design-Builder, Designer shall attend meetings with Design-Builder and/or Owner and/or Hotel Purchaser and/or Subcontractor(s) and Sub-Subcontractors to discuss design issues which may arise during construction.

2.7.8 Designer shall, if requested by Design-Builder, provide such certifications as may be necessary relative to Substantial Completion, as defined in the Hotel Purchase Agreement.

2.7.9 Designer's provision of any of the Construction Phase Services shall not be construed to make Designer responsible for (i) the acts or omissions of Design-Builder, any Subcontractors, or any Sub-Subcontractors, (ii) the means, methods, sequences, and techniques of construction of the Project or (iii) safety precautions and programs in connection with the construction of the Project. Nothing in this Agreement shall create any legal or contractual relationship between Designer and any Subcontractor or Sub-Subcontractor.

2.8 Additional Services

2.8.1 Additional Services, if any, agreed upon by the parties shall be set forth in Exhibit A – Attachment A.3.

Article 3
Design-Builder's Services and Responsibilities

3.1 Timely Reviews, Approvals and Submittals

3.1.1 Design-Builder shall provide timely reviews and approvals of all interim design submissions and the Construction Documents consistent with the turnaround times set forth in the Design Schedule, or as agreed to by the parties at the meeting required under Section 2.1.5 hereof.

3.1.2 Design-Builder shall timely submit to Designer all submittals, including shop drawings, product data and samples, for Designer's review and approval consistent with the Project Schedule, or as agreed to by the parties at the meeting required under Section 2.1.5 hereof.

3.1.3 Design-Builder shall provide timely notice to Designer of any delays to the Project caused by Designer.

3.2 Design-Builder's Representative

3.2.1 Design-Builder's Representative shall be responsible for providing Design-Builder supplied information and approvals in a timely manner to permit Designer to fulfill its obligations under the Contract Documents.

3.3 Furnishing of Services and Information

3.3.1 Unless expressly stated to the contrary in the Contract Documents, and to the extent Design-Builder has received such items from Owner, Design-Builder shall provide for Designer's information the items listed below. Design-Builder does not warrant the accuracy or completeness of such items, provided, however, that Designer is entitled to rely upon the completeness and accuracy of the data and information included in such items to the same extent Design-Builder is entitled to rely upon such items in the Design-Build Agreement:

.1 Surveys describing the property, boundaries, topography and reference points for use during construction, including existing service and utility lines;

.2 Geotechnical studies describing subsurface conditions, and other surveys describing other latent or concealed physical conditions at the Site;

.3 Temporary and permanent easements, zoning and other requirements and encumbrances affecting land use, or necessary to permit the proper design and construction of the Project and enable Designer to perform the Services;

.4 A legal description of the Site;

.5 As-built and record drawings of any existing structures at the Site;

.6 Environmental studies, reports and impact statements describing the environmental conditions, including Hazardous Conditions, in existence at the Site;

.7 Owner's Project Criteria;

.8 All permits, approvals and licenses set forth in the Owner's Permit List attached as an exhibit to the Design-Build Agreement; and

.9 Test and inspection reports.

3.3.2 Design-Builder shall provide Designer with a copy of the Design-Build Agreement, including all exhibits, attachments, and other Contract Documents enumerated and incorporated therein.

3.3.3 Design-Builder shall perform all cost estimating and scheduling services related to the construction of the Project and shall be responsible for mistakes or miscalculations of market conditions that result in construction costs that are contrary to Design-Builder's budget and pricing assumptions. . Designer shall be entitled to rely on Design-Builder's cost estimates to determine whether the design for the Project is consistent with Design-Builder's budget and pricing assumptions.

3.3.4 Upon Designer's reasonable request, Design-Builder shall provide Designer with information in Design-Builder's possession regarding Owner's financial ability to pay for the Services set forth in this Agreement.

3.3.5 Design-Builder shall provide Designer with the Project Schedule and appropriate updates thereto.

3.3.6 Design-Builder shall perform administration of the Design-Build Agreement, and promptly forward any communications to Owner from Designer that may impact the Services.

3.3.7 Design-Builder shall provide Designer reasonable access to the Project and the Site.

3.4 Notification of Errors

3.4.1 Design-Builder shall notify Designer of any errors, inconsistencies, or omissions Design-Builder discovers in the Services, including any interim design submissions, Construction Documents or other Services. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall relieve Designer of responsibility for errors, inconsistencies, or omissions in the Services.

3.5 Attendance at Design Meetings

3.5.1 Design-Builder shall afford Designer and its Design Consultants the opportunity to attend all necessary design meetings with Owner, Subcontractor(s) and/or Sub-Subcontractors.

Article 4
Ownership of Work Product

4.1 Work Product

4.1.1 All drawings, specifications and other documents and electronic data furnished by Designer to Design-Builder under this Agreement ("Work Product") are deemed to be instruments of

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service. Upon payment to Designer of amounts properly due under this Agreement, the Design-Builder shall own and have property interests in the Work Product with a limited license to use the Work Product in connection with completing this Project and/or fulfilling obligations established in the Design-Build Agreement.

4.2 Agreement to Grant Limited License to Owner

4.2.1 Designer has reviewed the Design-Build Agreement and is fully aware of the limited licenses to use the Work Product which may be granted to Owner therein. Designer accepts and agrees to Owner's rights with respect to the Work Product contained in the Design-Build Agreement.

4.3 Indemnification for Use of Work Product

4.3.1 If either Design-Builder or Designer uses the Work Product on any other project, such party agrees that it shall do so at its sole risk and without liability or legal exposure to the other party, Owner, or anyone working through them. Such party further agrees that it shall defend, indemnify and hold harmless the other party and Owner from and against any and all claims, damages, liabilities, losses and expenses, including attorneys' fees, arising out of or resulting from such use of the Work Product on another project.

4.3.2 Should the Design-Builder alter the Work Product without Designer's permission, or cause the Work Product to be altered by anyone other than the Designer without Designer's permission, then Design-Builder shall defend, indemnify and hold harmless Designer from and against any and all claims, damages, liabilities, losses and expenses, including reasonable attorneys' fees, arising out of or resulting from such use of the Work Product to the extent such claims, damages, liabilities, losses and expenses are the result of such unapproved modifications to the Work Product.

Article 5
Time of Performance

5.1 Date of Commencement

5.1.1 The Services shall commence five (5) days after Designer's receipt of Design-Builder's Notice to Proceed ("Date of Commencement") unless the parties mutually agree otherwise in writing.

5.2 Design Schedule

5.2.1 Designer shall prepare and submit for Design-Builder's review and acceptance, at least three (3) days prior to the meeting required by Section 2.1.5 hereof, a schedule for the execution of the Design Phase Services in accordance with the Contract Documents. The schedule shall indicate the dates for the start and completion of the various stages of the Design Phase Services, including the dates for the design monitoring and review meetings required herein, and the dates when Design-Builder and Owner information and approvals are required, and shall take into account Design-Builder's obligations to Owner under the Design-Build Agreement. Design-Builder and Designer will jointly review Designer's schedule to determine whether it permits Design-Builder to satisfy its obligations under the Project Schedule and the Design-Build Agreement. The accepted schedule (the "Design Schedule") shall be revised as required by conditions and progress of the Project, but such revisions shall not relieve Designer of its obligations to perform the Services in accordance with the Contract Documents, subject to its rights under this Agreement. Design-Builder shall incorporate the Design Schedule into the Project Schedule.

5.3 Status Reports

5.3.1 Designer shall provide Design-Builder on a regular basis a status report detailing the progress of the Design Phase Services, including whether (i) the Design Phase Services are proceeding according to the Design Schedule, and (ii) items exist which require resolution so as not to jeopardize Designer's ability to meet the dates set forth in the Design Schedule and Design-Builder's ability to meet the Project Schedule. The frequency of the status reports shall be established at the meeting required by Section 2.1.5 hereof.

5.4 Delays

5.4.1 If Designer's performance of the Services are delayed for any reason so as to impact the Design Schedule or the Project Schedule, Designer shall promptly notify Design-Builder in writing of the cause(s) of such delay within sufficient time to permit Design-Builder to provide timely notice to Owner in accordance with the Design-Build Agreement. If the delay is due to any act, neglect, or omission on the part of Designer, Design Consultants, or anyone for whom they are responsible, Designer shall compensate and indemnify Design-Builder for all costs, damages, and expenses arising from such delay. If the delay is caused by Design-Builder, the Designer's Fee and the Design Schedule shall be adjusted to compensate Designer for the effects, if any, of the delay.

5.4.2 Notwithstanding any other provision to the contrary, any delay and resulting damages that arise out of, or relate to, problems caused by Owner or for which Owner is responsible shall be resolved pursuant to Section 11.3 hereof.

Article 6
Designer's Compensation

6.1 Designer's Fee

6.1.1 Designer's Fee shall be the compensation due Designer for the performance of the Services, including all Design Phase Services, Construction Phase Services, and Additional Services, and for Reimbursable Costs, all as set forth in this Agreement. Unless otherwise provided in the Contract Documents, the Designer's Fee is deemed to include all sales, use, consumer and other taxes mandated by applicable Legal Requirements.

6.1.2 Designer will be compensated, upon authorization, for the Design Phase Services, Construction Phase Services, Additional Services, if any, and Reimbursable Costs as set forth in Exhibit B. Any and all costs in excess of amounts authorized in writing are the sole risk and responsibility of Designer.

6.2 Applications for Payment

6.2.1 Beginning with the first month after the Date of Commencement, Designer shall submit on the twentieth (20th) day of each month for Design-Builder's review and approval, Designer's Application for Payment requesting payment for all Services performed as of the date of the Application for Payment. The Application for Payment shall be accompanied by all supporting documentation required by the Contract Documents and/or established at the meeting required by Section 2.1.5 hereof. Once approved, Design-Builder will submit Designer's Application for Payment to Owner with Design-Builder's application.

6.2.2 The Application for Payment shall constitute Designer's representation that (i) the Services have been performed consistent with the Contract Documents, (ii) the Services have progressed to the point indicated in the Application for Payment, (iii) Design Consultants have been paid all amounts previously received by Designer on account of their services, and (iv) there are no claims, obligations or liens outstanding or unsatisfied for labor, services, taxes, or other items performed, furnished, or incurred for or in connection with the Services.

6.2.3 Design-Builder shall make payment on Designer's properly submitted and accurate Application for Payment within seven (7) days after Design-Builder's receipt of payment from Owner on account of Designer's monthly Application for Payment, but in each case less the total of payments previously made, and less amounts properly withheld hereunder.

6.3 Retainage on Applications for Payment

6.3.1 Design-Builder will not retain any funds from Designer's Applications for Payment unless Owner is retaining funds from Design-Builder's progress payments for the Services, and then only in the same amount or percentage retained from Design-Builder's progress payments as set forth in the Design-Build Agreement. Unless mutually agreed otherwise between the parties, retainage (if applicable) will be released to Designer within Seven (7) days after Design-Builder's receipt of such retained amounts from Owner.

6.4 Withholding of Payments

6.4.1 If Design-Builder determines that Designer is not entitled to all or part of an Application for Payment, it will notify Designer in writing at least five (5) days prior to the date payment is due. The notice shall indicate the specific amounts Design-Builder intends to withhold, the reasons and contractual basis for the withholding, and the specific measures Designer must take to rectify Design-Builder's concerns. Design-Builder and Designer will attempt to resolve Design-Builder's concerns prior to the date payment is due. If the parties cannot resolve such concerns, Design-Builder shall pay Designer the uncontested amount of the Application for Payment, and Designer may pursue its rights under the Contract Documents, including those under Article 11 hereof.

6.5 Final Payment

6.5.1 At the time Designer submits its final Application for Payment to Design-Builder,

Designer shall provide (i) all deliverables required by the Contract Documents; (ii) an affidavit that there are no claims, obligations or liens outstanding or unsatisfied for or in connection with the Services which will in any way affect Design-Builder's or Owner's interests; (iii) a general release executed by Designer waiving, upon receipt of final payment by Designer, all claims, except those claims previously made in writing to Design-Builder and remaining unsettled at the time of final payment, and those claims that arise for the first time after the submission of Designer's final invoice; and (iv) certificates of insurance confirming that required coverages will remain in effect consistent with the requirements of the Contract Documents. Design-Builder shall make payment on Designer's properly submitted and accurate final Application for Payment within ten (10) days after Design-Builder's receipt of final payment from Owner on account of Designer's final Application for Payment, provided also that Designer has satisfied the requirements for final payment set forth herein.

6.6 Pay When Paid

6.6.1 Designer agrees that all payments to Designer hereunder, whether progress or final payment, or for changes or delays to the Services, shall not be due until after Design-Builder actually receives payment on account of same from Owner.

6.7 Interest

6.7.1 Payments due and unpaid under this Agreement shall bear interest commencing five (5) days after payment is due at the rate of one percent (1%) per annum.

6.8 Designer's Payment Obligations

6.8.1 Designer will pay Design Consultants, in accordance with its contractual obligations to such parties, all the amounts Designer has received from Design-Builder on account of their services. Designer will impose similar requirements on Design Consultants to pay those parties with whom they have contracted. Designer will indemnify and defend Owner and Design-Builder against claims for payment, as well as mechanic's lien claims and bonds claims, made by Design Consultants so long as Designer received from Design-Builder the payments required to be made by this Agreement.

6.9 Record Keeping and Finance Controls

6.9.1 Designer shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management, using accounting and control systems in accordance with generally accepted accounting principles and as may be provided in the Contract Documents. During the performance of the Services and for a period of three (3) years after final payment of the Services, Design-Builder and Design-Builder's accountants shall be afforded access from time to time, upon reasonable notice, to Designer's records, books, correspondence, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to the cost of performing the Services, including changes in the Services, all of which Designer shall preserve for a period of three (3) years after final payment.

Article 7
Termination and Designer's Right to Stop Services

7.1 Design-Builder's Right to Terminate for Convenience

7.1.1 If Owner terminates Design-Builder for any reason, then Design-Builder may terminate this Agreement. In such event, Design-Builder shall pay Designer within ten (10) days only those amounts Design-Builder actually receives from Owner on behalf of Designer.

7.2 Design-Builder's Right to Terminate for Cause

7.2.1 If Designer persistently fails to (i) comply with applicable Legal Requirements, (ii) timely pay, without cause, its Design Consultants, (iii) prosecute the Services with promptness and diligence and in conformance with the Design Schedule and Project Schedule, (iv) provide qualified, licensed design professionals, or (v) perform material obligations under the Contract Documents, then Design-Builder shall have the rights, in addition to any other rights and remedies provided in the Contract Documents or by law, set forth in Sections 7.2.2 and 7.2.3 below.

7.2.2 Upon the occurrence of an event set forth in Section 7.2.1 above, Design-Builder may provide written notice to Designer that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Designer's receipt of such notice. If Designer fails to cure, or reasonably commence to cure, such problem, then Design-Builder may give a second written notice to Designer of its intent to terminate within an additional seven (7) day period. If Designer, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Design-Builder may declare this Agreement terminated for default by providing written notice to Designer of such declaration.

7.2.3 Upon declaring the Agreement terminated pursuant to Section 7.2.2 above, Design-Builder may complete the Services in whatever fashion it deems most efficient, and shall have the right to use the existing Work Product for purposes of completing the project. To the extent Design-Builder has been adversely impacted by Designer's default and termination, Design-Builder shall be entitled to recover against Designer all of Design-Builder's costs. Such costs and expense shall include not only the cost of completing the Services, but also losses, damages, costs and expense, including attorneys' fees and expenses, incurred by Design-Builder in connection with the reprocurement and defense of claims arising from Designer's default.

7.3 Designer's Right To Stop Services

7.3.1 If (i) Owner fails to pay amounts due Design-Builder under the Design-Build Agreement for Services performed by Designer and such failure is not due to the fault of Designer, or (ii) Design-Builder fails to pay any amounts due Designer under this Agreement, Designer may, in addition to any other rights afforded under the Contract Documents or at law, stop work in accordance with Section 7.3.2 below.

7.3.2 Should either of the events set forth in Section 7.3.1 above occur, Designer has the right to provide Design-Builder with written notice that Designer will stop work unless said failure to pay is cured within seven (7) days from Design-Builder's receipt of Designer's notice. If Design-Builder does not cure the problem within such seven (7) day period, Designer may stop work. In such case, Designer shall be entitled to make a claim for adjustment to the Designer's Fee and the Design Schedule to the extent it has been adversely impacted by such stoppage. To the extent Design-Builder's failure to pay is related to a dispute between the parties, the dispute will be resolved in accordance with Article 11, and the parties will continue performance in accordance with Section 11.6.

7.4 Designer's Right to Terminate for Cause

7.4.1 Designer, in addition to any other rights and remedies afforded under the Contract Documents or at law, may terminate this Agreement for cause in accordance with Section 7.3.2 if Design-Builder has failed to cure the problems set forth in Section 7.3.2 within thirty (30) days after Designer has stopped work.

7.4.2 Upon the occurrence of the event set forth in Section 7.4.1 above, Designer may provide written notice to Design-Builder that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Design-Builder's receipt of such notice. If Design-Builder fails to cure, or reasonably commence to cure, such problem, then Designer may give a second written notice to Design-Builder of its intent to terminate within an additional seven (7) day period. If Design-Builder, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Designer may declare this Agreement terminated for default by providing written notice to Design-Builder of such declaration.

7.5 Bankruptcy of Design-Builder or Designer

7.5.1 If either Design-Builder or Designer institutes or has instituted against it a case under the United States Bankruptcy Code (such party being referred to as the "Bankrupt Party"), such event may impair or frustrate the Bankrupt Party's ability to perform its obligations under the Contract Documents. Accordingly, should such event occur:

.1 The Bankrupt Party, its trustee or other successor, shall furnish, upon request of the non-Bankrupt Party, adequate assurance of the ability of the Bankrupt Party to perform all future material obligations under the Contract Documents, which assurances shall be provided within ten (10) days after receiving notice of the request; and

.2 The Bankrupt Party shall file an appropriate action within the bankruptcy court to seek assumption or rejection of the Agreement within sixty (60) days of the institution of the bankruptcy filing and shall diligently prosecute such action.

If the Bankrupt Party fails to comply with its foregoing obligations, the non-Bankrupt Party

shall be entitled to request the bankruptcy court to reject the Agreement, declare the Agreement terminated and pursue any other recourse available to the non-Bankrupt Party under this Article 7.

7.5.2 The rights and remedies under Section 7.5.1 above shall not be deemed to limit the ability of the non-Bankrupt Party to seek any other rights and remedies provided by the Contract Documents or by law, including its ability to seek relief from any automatic stays under the United States Bankruptcy Code.

Article 8

Representatives of the Parties

8.1 Design-Builder's Representatives

8.1.1 Design-Builder designates the individual listed below as its Senior Representative ("Design-Builder's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 11.4 hereof:

Jeff Madden, General Manager
610 SW Alder, Suite 200
Portland, OR 97205
(503) 202-4101

8.1.2 Design-Builder designates the individual listed below as its Design-Builder's Representative, which individual has the authority and responsibility set forth in Section 3.2 hereof:

Marvin Doster, Project Executive
610 SW Alder, Suite 200
Portland, OR 97205
(2060 778-9024

8.2 Designer's Representatives

8.2.1 Designer designates the individual listed below as its Senior Representative ("Designer's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 11.4 hereof:

Dave Heater, Managing Principal
6720 SW Macadam Avenue
Portland, OR 97219
(503) 245-7100

8.2.2 Designer designates the individual listed below as its Designer's Representative, which individual has the authority and responsibility set forth in Section 2.4.2 hereof:

Tuan Luu, Principal
6720 SW Macadam Avenue
Portland, OR 97219
(503) 245-7100

Article 9
Insurance

9.1 Designer's Insurance Requirements

9.1.1 Prior to starting the Work, Designer shall procure, maintain and pay for such insurance as will protect against claims for bodily injury or death, or for damage to property (including loss of use) and loss or damage resulting from professional errors and omissions, which may arise out of operations by Designer or by any Design Consultants or by anyone employed by any of them, or by anyone for whose acts any of them may be liable. Such insurance shall not be less than the greater of coverages and limits of liability specified below, any coverages and limits of liability specified in the Contract Documents or coverages and limits required by law.

9.1.2 Designer shall procure and maintain the following minimum insurance coverages and limits of liability:

Workers' Compensation	Statutory Limits
Employer's Liability	$1,000,000 each accident $1,000,000 disease policy limit $1,000,000 disease each employee
Commercial General Liability	$2,000,000 each occurrence $2,000,000 aggregate (applicable on a per project basis)
Comprehensive Automobile Liability	$2,000,000 each accident
Professional Errors and Omissions	$5,000,000 each claim $5,000,000 annual aggregate

Commercial General Liability insurance required under this paragraph shall be written on an occurrence form (ISO Form CG 00 01 or equivalent) and shall include coverage for Products/Completed Operations (extending two (2) years after final acceptance of the Project by Owner or such longer period as the Contract Documents may require) including Completed Operations, Personal Injury with Employment Exclusion (if any) deleted, Blanket XCU and Blanket Contractual Liability insurance applicable to Designer's defense and indemnity obligations under Article 10, and other contractual indemnities assumed by Designer under the Contract Documents. Commercial General Liability insurance shall include "stop gap" coverage for work in those states where Workers' Compensation insurance is provided through a state fund if Employer's liability coverage is not available. Comprehensive Automobile Liability insurance required under this paragraph shall include coverage for all owned, hired and non-owned automobiles. Workers' Compensation coverage shall include a waiver of subrogation against Design-Builder and Owner.

If the required Professional Errors and Omissions insurance is written on a claims made basis, the retroactive date shall be prior to the start of Designer's Work. Designer agrees to maintain such coverage for two years after final acceptance of the Project by the Owner or such longer period as the Contract Documents may require. Renewal policies during this period shall maintain the same retroactive date.

9.1.3 Employer's Liability, Commercial General Liability and Comprehensive Automobile Liability insurance may be arranged under single policies for full minimum limits required, or by a combination of underlying policies with the balance provided by an Excess or Umbrella Liability policy. The general aggregate on the Commercial General Liability coverage shall apply on a project specific basis.

9.1.4 Designer shall endorse its Commercial General Liability (including products/completed operations coverage). Comprehensive Automobile Liability and Umbrella/Excess Liability policies to add Design-Builder, Owner, and such other parties as Design-Builder is required under the Contract Documents to name as additional insureds on Designer's insurance, as "additional insureds" with respect to liability arising out of (a) operations performed for Design-Builder or Owner by or for Designer, (b) Designer's use of Design-Builder's tools and equipment, and (c) claims for bodily injury or death brought against Design-Builder or Owner by Designer's employees or the employees of Designer's consultants of any tier, however caused, related to the performance of Services under this Agreement. Such insurance afforded to Design-Builder, Owner, and others as additional insureds under Designer's policies shall be primary insurance and not excess over, or contributing with, any insurance purchased or maintained by Design-Builder or Owner, or others required to be included as additional insureds. Coverage shall be provided to the additional insureds by ISO Endorsement CG 20 1011 85 (unmodified) or its equivalent.

9.1.5 Designer shall require its Design Consultants to procure and maintain, from insurance companies authorized to do business in the state in which the Project is located, the insurance coverages set forth in this Article.

9.1.6 Designer's and its Design Consultants' insurance coverage set forth in this Article shall specifically delete any design-build or similar exclusions that could compromise coverages because of the design-build delivery of the Project.

9.1.7 To the extent Design-Builder requires Designer to provide professional liability insurance for claims arising from the negligent performance of design services by Designer or Design Consultants, the coverage limits, duration and other specifics of such insurance shall be set forth in Sections 9.1.1 and 9.1.2 above. Any professional liability insurance shall specifically delete any design-build or similar exclusions that could compromise coverages because of the design-build delivery of the project. Such policies shall be provided prior to the commencement of any design services hereunder.

9.1.8 Designer shall maintain in effect all insurance coverages required under this Article, or by the other Contract Documents, at Designer's sole expense and with insurance carriers licensed to do business in the State in which the Project is located and having a current A.M. Best rating of no less than A-, unless another A.M. Best rating is specifically accepted by Design-Builder in writing. In the event Designer fails to procure or maintain any insurance required by this Article, Design-Builder may, at its option, purchase such coverage and deduct the cost thereof from any monies due to Designer, or withhold funds from Designer in an amount sufficient to protect Design-Builder and other insured parties, or terminate this Agreement pursuant to its terms.

9.1.9 Prior to commencing any services hereunder, Designer shall provide Design-Builder with certificates evidencing that (i) all insurance

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obligations required by the Contract Documents are in full force and in effect and will remain in effect for the duration required by the Contract Documents and (ii) no insurance coverage will be canceled, not renewed or materially changed by Designer unless at least thirty (30) days prior written notice is given to Design-Builder by Designer.

9.1.10 All insurance policies shall contain a provision that coverages and limits afforded thereunder shall not be canceled without thirty (30) days prior written notice to Design-Builder. Designer shall notify Design-Builder of any material changes to policies 30 days prior. Certificates of Insurance shall be filed with Design-Builder prior to start of Designer's Work. Renewal certificates shall be provided to Design-Builder not less than ten (10) days prior to the expiration date of any of the required policies. All Certificates of Insurance shall be in a form acceptable to Design-Builder and shall provide satisfactory evidence that Designer has complied with all insurance requirements. Design-Builder shall not be obligated to review such certificates or other evidence of insurance, or to advise Designer of any deficiencies in such documents, and receipt thereof shall not relieve Designer from, nor be deemed a waiver of Design-Builder's right to enforce, the terms of Designer's obligations hereunder. Design-Builder shall have the right to examine any policy required under this Agreement.

9.1.11 The required minimum limits of insurance indicated above shall not in any way restrict or diminish Designer's liability under this Agreement.

9.2 Waiver of Subrogation

9.2.1 Design-Builder and Designer waive against each other and Owner, Design Consultants, Owner's separate contractors, Subcontractors, Sub-Subcontractors, agents and employees of each and all of them, all damages covered by Builder's Risk insurance, except such rights as they may have to the proceeds of such insurance. Design-Builder and Designer shall, where appropriate, require similar waivers of subrogation from Design Consultants and Subcontractors and shall require each of them to include similar waivers in their contracts.

9.3 Project Specific Professional and Pollution Liability Policy

9.3.1 In the event that Design-Builder procures a Project Specific Professional and Pollution Liability Policy, Exhibit Insurance 1 (a), attached hereto, shall govern and Design-Builder shall provide notification of such policy to Designer and, additionally, shall provide Designer with a copy of such policy upon request.

Article 10
Indemnification

10.1 Patent and Copyright Infringement

10.1.1 Designer shall defend any action or proceeding brought against Owner or Design-Builder based on any claim that the Project, or any part thereof, to the extent designed by the Designer or Design Consultants, or the operation or use of the Project or any part thereof, to the extent designed by Designer or Design Consultants constitutes infringement of any United States patent or copyright, now or hereafter issued. Design-Builder shall give prompt written notice to Designer of any such action or proceeding and will reasonably provide authority, information and assistance in the defense of same. Designer shall indemnify and hold harmless Owner and Design-Builder from and against all damages and costs, including but not limited to attorneys' fees and expenses awarded against Owner or Design-Builder in any such action or proceeding. Designer agrees to keep Design-Builder informed of all developments in the defense of such actions.

10.1.2 If Owner is enjoined from the operation or use of the Project, or any part thereof, as the result of any patent or copyright suit, claim, or proceeding related to the Designer's Work Product, Designer shall at its sole expense take reasonable steps to procure the Owner's right to operate or use the Project, or applicable part thereof. If Designer cannot so procure such right within a reasonable time, Designer shall promptly, at Designer's option and at Designer's expense, (i) modify the Project, or applicable part thereof, so as to avoid infringement of any patents, or copyrights, or (ii) replace said work with work that does not infringe or violate any such patent or copyright, and is consistent with the Contract Documents.

10.1.3 Sections 10.1.1 and 10.1.2 above shall not be applicable to any suit, claim or proceeding based on infringement or violation of a patent or copyright (i) relating solely to a particular design, process or product of a particular manufacturer specified by Owner or Design-Builder, or a subcontractor or sub-subcontractor and not offered or recommended by Designer to Owner or Design-Builder; or (ii) arising from modifications to the Project by Owner or Design-Builder after acceptance of the Project. If the suit, claim or proceeding is based upon events set forth in the preceding sentence, Design-Builder shall defend, indemnify and hold harmless Designer to the same extent Designer is obligated to defend, indemnify and hold harmless Design-Builder in Section 10.1.1 above.

10.1.4 The obligations set forth in this Section 10.1 shall constitute the sole agreement between the parties relating to liability for infringement or violation of any patent or copyright.

10.2 Designer's General Indemnification

10.2.1 Designer, to the fullest extent permitted by law, shall defend, indemnify and hold harmless Owner, Design-Builder and their officers, directors, employees and agents from and against claims, losses, damages, liabilities, including attorneys' fees and expenses, for bodily injury, sickness or death, and property damage or destruction (other than damage to the Work itself to the extent covered by Builder's Risk insurance) to the extent resulting from the negligent acts or omissions of Designer, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable.

10.2.2 If an employee of Designer, anyone employed directly or indirectly by Designer or anyone for whose acts any of them may be liable has a claim against any party indemnified pursuant to Section 10.2.1 above, Designer's indemnity obligation set forth in Section 10.2.1 above shall not be limited by any limitation on the amount of damages, compensation or benefits payable by or for Designer, or other entity under any employee benefit acts, including workers' compensation or disability acts.

10.2.3 Designer agrees to procure, maintain and pay for such general liability insurance coverage and endorsements as will insure the provisions for this paragraph.

Article 11
Contract Adjustments and Disputes

11.1 Requests for Contract Adjustments and Relief

11.1.1 If either Designer or Design-Builder believes that it is entitled to relief against the other for any event arising out of or related to the Services or the Project, such party shall provide written notice to the other party of the basis for its claim for relief. Such notice shall be in accordance with specific notice requirements contained in applicable sections of the Contract Documents and, if possible, be made prior to incurring any cost or expense. Designer shall provide Design-Builder notice of claims for which Owner may be responsible in sufficient time for Design-Builder to meet its notice requirements to Owner set forth in the Contract Documents. In the absence of any specific notice requirement, written notice shall be given within a reasonable time, not to exceed ten (10) days, after the occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event condition giving rise to the request, whichever is later. Such notice shall be in accordance with the Contract Documents and shall include sufficient information to advise the other party of the circumstances giving rise to the claim for relief, the specific contractual adjustment or relief requested and the basis of such request.

11.2 Dispute Avoidance and Resolution

11.2.1 The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, Designer and Design-Builder each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Services.

11.3 Disputes Involving Owner

11.3.1 To the extent a claim, dispute or controversy arises out of, or relates to, problems caused by Owner or for which Owner is responsible ("Owner Disputes"), such Owner Disputes shall be resolved pursuant to the dispute resolution clause set forth in the Design-Build Agreement. Both Design-Builder and Designer agree to cooperate in the presentation and prosecution or defense of Owner Disputes. If, after

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a request for an extension of time or additional compensation from Designer, Design-Builder believes that the event causing the delay or additional compensation is the responsibility of Owner, then Design-Builder will cooperate with and assist Designer in presenting a request for an extension of time or additional compensation to Owner.

11.3.2 Notwithstanding any other provisions herein to the contrary, Design-Builder and Designer each agree to accept the relief as to a time extension or additional compensation obtained from Owner, if any, as well as all other aspects of the final decision following appeal or the expiration of the time for appeal, as full and final resolution of any Owner Dispute.

11.3.3 If Design-Builder asserts a claim against Owner involving Designer, each party shall bear its own costs for outside counsel and third-party consultants retained to prosecute claims against Owner and for any other litigation costs. Each party shall present its portion of the claim to Owner.

11.3.4 If Owner contends that the Contract Documents have been breached, or otherwise asserts a claim or set-off against Design-Builder, the party determined to be responsible for the breach either by settlement or by the trier of fact shall be responsible for all costs occasioned by the breach, including counsel and litigation costs. If the trier of fact fails to determine the relative degrees of fault of Design-Builder and Designer in connection with any claim by Owner, then Design-Builder and Designer agree that the allocation of fault shall be determined pursuant to Section 11.4.

11.4 Disputes Not Involving Owner

11.4.1 For any claim, dispute or controversy not arising out of, or relating to, problems caused by Owner or for which Owner is responsible, Designer and Design-Builder will first attempt to resolve such claim, dispute or controversy at the field level through discussions between Design-Builder's Representative and Designer's Representative.

11.4.2 If a claim, dispute or controversy cannot be resolved through Design-Builder's Representative and Designer's Representative, Design-Builder's Senior Representative and Designer's Senior Representative, upon the request of either party, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such claim, dispute or controversy. Prior to any meetings between the Senior Representatives, the parties will exchange relevant information that will assist the parties in resolving the claim, dispute or controversy.

11.4.3 If after meeting the Senior Representatives determine that the claim, dispute or controversy cannot be resolved on terms satisfactory to both parties, the parties shall submit the claim, dispute or controversy to non-binding mediation. The mediation shall be conducted by a mutually agreeable impartial mediator, or if the parties cannot so agree, a mediator designated by the American Arbitration Association ("AAA") pursuant to its Construction Industry Mediation Rules. The mediation will be governed by and conducted pursuant to a mediation agreement negotiated by the parties or, if the parties cannot so agree, by procedures established by the mediator.

11.5 Arbitration

11.5.1 At the election of Design-Builder, any claims, disputes or controversies between the parties arising out of or relating to the Agreement, or the breach thereof, which has not been resolved in accordance with the procedures set forth in Section 11.4 above shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the AAA then in effect.

11.5.2 The award of the arbitrator(s) shall be final and binding upon the parties. Judgment may be entered upon it in accordance with applicable law by any court having jurisdiction thereof.

11.5.3 Designer and Design-Builder expressly agree that any arbitration pursuant to this Section 11.5 may be joined or consolidated with any arbitration involving any other person or entity (i) necessary to resolve the claim, dispute or controversy, or (ii) substantially involved in or affected by such claim, dispute or controversy. Both Design-Builder and Designer will include appropriate provisions in all contracts they execute with other parties in connection with the Project to require such joinder or consolidation.

11.5.4 The prevailing party in any arbitration or litigation shall be entitled to recover from the other party reasonable attorneys' fees and expenses incurred by the prevailing party.

11.6 Duty to Continue Performance

11.6.1 Unless provided to the contrary in the Contract Documents, Designer shall continue to perform the Services and Design-Builder shall continue to satisfy its payment obligations to Designer, pending the final resolution of any dispute or disagreement between Design-Builder and Designer.

11.7 CONSEQUENTIAL DAMAGES

11.7.1 NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY (EXCEPT AS SET FORTH IN SECTION 11.7.2 BELOW), NEITHER DESIGN-BUILDER NOR DESIGNER SHALL BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL LOSSES OR DAMAGES, WHETHER ARISING IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO LOSSES OF USE, PROFITS, BUSINESS, REPUTATION OR FINANCING.

11.7.2 Notwithstanding Section 11.7.1 above, Design-Builder shall be entitled to recover against Designer (i) any liquidated damages that Owner may assess against Design-Builder which are attributable to Designer, even though both parties recognize that such liquidated damages may include some damages that might otherwise be deemed to be consequential and (ii) consequential damages that may be imposed upon the Design-Builder by the Design-Build Agreement.

Article 12
Miscellaneous

12.1 Assignment

12.1.1 Neither Designer nor Design-Builder shall, without the written consent of the other, assign, transfer or sublet any portion or part of the Services or the obligations required by the Contract Documents.

12.2 Successorship

12.2.1 Design-Builder and Designer intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and assigns.

12.3 Governing Law

12.3.1 This Agreement and all Contract Documents shall be governed by the laws of the place of the Project, without giving effect to its conflict of law principles.

12.4 Severability

12.4.1 If any provision or any part of a provision of the Contract Documents shall be finally determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to any applicable Legal Requirements or court order, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provision or parts of the provision of the Contract Documents, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

12.5 No Waiver

12.5.1 The failure of either Design-Builder or Designer to insist, in any one or more instances, on the performance of any of the obligations required by the other under the Contract Documents shall not be construed as a waiver or relinquishment of such obligation or right with respect to future performance.

12.6 Headings

12.6.1 The headings used in this Agreement, or any other Contract Document, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

12.7 Notice

12.7.1 Whenever the Contract Documents require that notice be provided to the other party, notice will be deemed to have been validly given (i) if delivered in person to the individual intended to receive such notice, (ii) four (4) days after being sent by registered or certified mail, postage prepaid to the address indicated in this Agreement or (iii) if transmitted by facsimile, by the time stated in a machine generated confirmation that notice was received at the number of the intended recipient.

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12.8 Amendments

12.8.1 The Contract Documents may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party.

12.9 Survival

12.9.1 Designer's obligations under this Agreement shall not be released, and shall specifically survive, the completion of all Services hereunder, final payment to Designer, and the termination of this Agreement for any reason.

Article 13
Other Provisions

13.1 Other provisions, if any, are as follows:

Exhibit A – Scope of Services
- Attachment A.1 – Design Responsibility Matrix
- Attachment A.2 – Gov't Approvals and Permits
- Attachment A.3 – Additional Services

Exhibit B – Schedule of Fees and Costs
- Attachment B.1 – Designer's Personnel & Rates

Exhibit C – Schedule

Exhibit D – Project Description

Exhibit E – Contract Documents List

Exhibit F – Designer's Electronic Documents Policy

Exhibit G – Furniture, Fixture & Equipment Matrix

Exhibit H – Low-Voltage "Technology" Matrix

Exhibit I – Operating Supplies and Equipment Matrix

Exhibit J – Developer's Direct Access Agreement

Exhibit K – Hyatt's ADA Certification Form

In executing this Agreement, Design-Builder and Designer each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the Services described herein.

DESIGN-BUILDER:

Mortenson Construction

(Name of Design-Builder)

(Signature)

Printed Name: _____

Title: _____

Date: _____

DESIGNER:

Ankrom Moisan Architects

(Name of Designer)

(Signature)

Printed Name: _____

Title: _____

Date: _____

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STANDARD FORM OF AGREEMENT BETWEEN DESIGN-BUILDER AND DESIGNER

Hyatt Regency

Oregon Convention Center Hotel

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DBIA

DESIGN–BUILD
INSTITUTE OF AMERICA

Standard Form of Agreement Between Design-Builder and Designer

This document has important legal consequences. Consultation with an attorney is recommended with respect to its completion or modification.

This **AGREEMENT** is made as of the 3rd day of July in the year of 2014, by and between the following parties, for services in connection with the Project identified below:

DESIGN-BUILDER:
Mortenson Construction
610 SW Alder Street, Suite 200
Portland, OR 97205

DESIGNER:
Elness Swenson Graham Architects, Inc.
500 Washington Avenue South, Suite 1080
Minneapolis, MN 55415

PROJECT:
Oregon Convention Center Hotel
Portland, OR

OWNER:
Mortenson Development, Inc.
700 Meadow Lane North
Minneapolis, MN 55422

In consideration of the mutual covenants and obligations contained herein, Design-Builder and Designer agree as set forth herein.

Article 1
General

1.1 Basic Purpose

1.1.1 Design-Builder has contracted with Owner to provide the services of a licensed design professional to perform all necessary design services for the Project as set forth in the Design-Build Agreement between Owner and Design-Builder. Designer, through itself and its Design Consultants, has agreed to provide such architectural, engineering, and other services required by this Agreement and the other Contract Documents ("Services"). Design-Builder and Designer further agree that to the extent applicable in the performance of the Services, Designer shall have the same responsibilities and obligations as to Design-Builder as Design-Builder has to Owner, except as may be modified herein.

1.2 Basic Definitions

1.2.1 Terms used in this Agreement shall have the meanings set forth in the Design-Build Agreement between Owner and Design-Builder unless otherwise provided herein, with the following specific terms defined as follows:

.1 *Additional Services* refers to those services identified in Section 2.8 hereof.

.2 *Agreement* refers to this executed contract between Design-Builder and Designer under DBIA Document 540, *Standard Form of Agreement Between Design-Builder and Designer* (1999 Edition), MAM Design-Builder Contract Form Revised.

.3 *Construction Phase Services* refers to those services identified in Section 2.7 hereof.

.4 *Day* or *Days* shall mean calendar days unless otherwise specifically noted in the Contract Documents.

.5 *Design-Build Agreement* refers to the contract between Design-Builder and Owner for the design and construction of the Project and all exhibits, attachments, and other Contract Documents enumerated and incorporated therein.

.6 *Design Consultant* is a qualified, licensed design professional who is not an employee of Designer, but is retained by Designer, or employed or retained by anyone under contract with Designer, to furnish design services required under the Contract Documents.

.7 *Design Phase Services* refers to those services set forth in Sections 2.5 and 2.6 hereof.

.8 *Design Schedule* refers to the schedule setting forth the dates by which Designer must perform the various Services required herein, consistent with the Project Schedule.

.9 *Designer's Fee* shall refer to the compensation due Designer for the performance of the Services as set forth herein.

.10 *Hazardous Conditions* are any materials, wastes, substances and chemicals deemed to be hazardous under applicable Legal Requirements, or the handling, storage, remediation, or disposal of which are regulated by applicable Legal Requirements.

.11 *Hotel Purchaser* Is the entity which the Owner contracts with through a Hotel Purchase Agreement to buy the Project.

.12 *Legal Requirements* are all applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Services.

.13 *Owner's Project Criteria* are developed by or for Owner to describe Owner's program, requirements and objectives for the Project, including use, space, price, time, site and expandability requirements, as well as submittal requirements and other requirements governing Design-Builder's performance of the Design-Build Agreement. Owner's Project Criteria may include conceptual documents, design criteria, performance requirements and other Project-specific technical materials and requirements.

.14 *Project Schedule* refers to the schedule setting forth the dates by which the various stages of both the design and construction of the Project must be performed so as to satisfy Design-Builder's obligations to Owner.

.15 *Site* is the land or premises on which the Project is located.

.16 *Subcontractor* is any person or entity retained by Design-Builder as an independent contractor to perform a portion of the construction work for the Project and shall include materialmen and suppliers.

.17 *Sub-Subcontractor* is any person or entity retained by a Subcontractor as an independent contractor to perform any portion of the Subcontractor's work and shall include materialmen and suppliers.

.18 *Substantial Completion* is the date on which the Project, or an agreed upon portion of the Project, is sufficiently complete so that Owner can occupy and use the Project or a portion thereof for its intended purposes. The requirements for Substantial Completion are defined within the Owner's Hotel Purchase Agreement.

.18 *Services* shall include all Design Phase Services, Construction Phase Services and Additional Services required by the Contract Documents and included in Exhibit A – Scope of Services or as may be authorized in writing by Design-Builder.

1.3 Contract Documents

1.3.1 The Contract Documents are comprised of the following:

.1 All written modifications, amendments and change orders to this Agreement;

.2 This Agreement, including all exhibits and attachments, executed by Design-Builder and Designer;

.3 General Conditions of the Design-Build Agreement to the extent the Design-Build Agreement relates to the Services and the terms and conditions under which the Services shall be performed.

.4 Written Supplementary Conditions, if any, executed by Design-Builder and Designer;

.5 The Design-Build Agreement, but only to the extent the Design-Build Agreement relates to the Services and the terms and conditions under which the Services shall be performed; and

.6 The following other documents, if any:

- *Development and Finance Agreement between Mortenson Development, Inc. and Metro dated July 3, 2014.*
- *Hotel Purchase Agreement between Mortenson Development, Inc. and Hyatt Corporation dated July 27, 2015.*
- *Hyatt International Technical Services, Inc., Design Recommendations & Minimum Standards Version 5.0, copyright 2010.*
- *Hyatt International Technical Services, Inc., Engineering Recommendations & Minimum Standards, V 4.0, copyright 2011.*
- *Furniture, Fixtures and Equipment ("FF&E") Matrix – Exhibit G.*
- *Operating Supplies and Equipment ("OS&E") Matrix – Exhibit H.*

1.4 Interpretation and Intent

1.4.1 The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted consistent with construction and design industry standards. In the event of any inconsistency, conflict, or ambiguity between or among the Contract Documents, this Agreement shall take precedence.

1.5 Mutual Obligations and Acknowledgments

1.5.1 Design-Builder and Designer commit at all times to cooperate fully with each other, and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents. Design-Builder and Designer shall perform their respective responsibilities, obligations and services in a timely manner to facilitate the other's timely and efficient performance and so as not to delay or interfere with the other's performance of its obligations under the Contract Documents.

1.5.2 Design-Builder and Designer acknowledge that they have cooperated with each other in the procurement of the Design-Build Agreement. In so cooperating, Design-Builder and Designer have met to review, discuss, and familiarize themselves with the Design-Build Agreement, including Design-Builder's budget and pricing assumptions used in its final negotiations of the Design-Build Agreement with Owner, as well as all documents incorporated therein and attached thereto, including, as applicable, (i) Owner's Project Criteria; and (ii) Design-Builder's Proposal.

1.5.3 Design-Builder and Designer mutually agree that time is of the essence with respect to the dates and times set forth in the Design Schedule, Project Schedule and Contract Documents.

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1.6 Entire Agreement

1.6.1 The Contract Documents, all of which are incorporated by reference into this Agreement, form the entire agreement between Design-Builder and Designer and are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

Article 2
Designer's Services and Responsibilities

2.1 General

2.1.1 Designer shall, consistent with applicable state licensing laws, provide the Services, including architectural, engineering and other design professional services, required by the Contract Documents. Designer agrees that such Services shall be provided through the responsible supervision and control of qualified, licensed design professionals who are either (i) employed by Designer or (ii) procured by Designer from qualified, licensed Design Consultants.

2.1.2 Designer shall not engage the services of any Design Consultant without first obtaining the approval of Design-Builder, which approval shall not be unreasonably withheld. Designer agrees that each Design Consultant shall be fully bound to Designer in the same manner as Designer is bound to Design-Builder for all the requirements of the Contract Documents to the extent applicable to the Design Consultant's scope of services. Designer shall at all times be responsible for the services performed by its Design Consultants, and shall coordinate the services of its Design Consultants to satisfy Designer's obligations under the Contract Documents. Nothing in this Agreement shall relieve Designer from responsibility for the services performed by its Design Consultants, or create any legal or contractual relationship between Design-Builder and any Design Consultant. Consultants shall not change without Design-Builder's prior written approval. Exhibit D identifies approved consultants at the time this Agreement is executed.

2.1.3 If Design-Builder or Owner performs other work on the Project with separate design professionals under Design-Builder's or Owner's control, Designer agrees to reasonably cooperate and coordinate its activities with those of such separate design professionals so that the Project can be completed in an orderly and coordinated manner and without disruption.

2.1.4 Designer shall only communicate with Developer, Hotel Purchaser, Subcontractor(s), or Sub-Subcontractors through Design-Builder unless the parties agree otherwise in writing.

2.1.5 Within seven (7) days after execution of this Agreement, Design-Builder and Designer will meet to discuss issues affecting the administration of the Services and to implement the necessary procedures, including but not limited to those relating to the schedule for the Services, schedule updates, review of submittals, and payment, to facilitate the ability of the parties to perform their obligations under the Contract Documents and allow Designer to meet its obligations to design the Project consistent with the Contract Documents, without compromising any professional obligations of Designer.

2.2 Standard of Care

2.2.1 The standard of care for all design professional services performed by Designer and its Design Consultants pursuant to this Agreement shall be the care and skill ordinarily used by members of the design profession practicing under similar conditions at the same time and locality of the Project. Notwithstanding the preceding sentence, if the Design-Build Agreement contains specifically identified performance standards for the Services or aspects of the Services, Designer agrees that all Services shall be performed to achieve such standards.

2.3 Legal Requirements

2.3.1 Designer agrees to perform the Services in accordance with all applicable Legal Requirements.

2.3.2 Designer's Fee and/or the Design Schedule shall be adjusted to compensate Designer for the effects, if any, of any changes in the Legal Requirements enacted after the date of the Agreement affecting the performance of the Services. Such effects may include, without limitation, revisions Designer is required to make to the Construction Documents because of changes in Legal Requirements.

2.4 Designer's Personnel

2.4.1 Designer agrees that the primary personnel assigned to perform the Services shall be as listed in Exhibit B – Attachment B.1, so long as they remain in the Designer's employment, Designer shall not change such personnel without Design-Builder's prior written approval.

2.4.2 Designer's Representative shall be reasonably available to Design-Builder and shall have the necessary expertise and experience required to supervise the Services. Designer's Representative shall communicate regularly with Design-Builder and shall be vested with the authority to act on behalf of Designer. Designer shall replace its Representative upon the reasonable request of Design-Builder.

2.5 Government Approvals and Permits

2.5.1 Designer shall obtain and pay for the permits, approvals, and licenses, if any, set forth in Exhibit A – Attachment A.2.

2.5.2 Designer shall provide reasonable assistance to Design-Builder and Owner in obtaining any permits, approvals, and licenses which are not Designer's obligation to obtain, but which are required for the construction of the Project.

2.5.3 Designer shall make any revisions to the Construction Documents necessary to secure permits, approvals, and licenses, including those which have been denied for failure of the Construction Documents to meet Legal Requirements. If such revisions are necessary for reasons beyond the control of Designer or its Design Consultants, Designer shall be compensated for such revisions as a change to this Agreement.

2.6 Design Development Services

2.6.1 In accordance with the times set forth in the Design Schedule, Designer shall submit to Design-Builder all interim design submissions and revisions as required by the Contract Documents. Such design submissions shall be in the form and quantity called for in the Contract Documents and may include design criteria, drawings, diagrams and specifications setting forth the Project requirements. Design-Builder and Designer agree that the Designer shall not submit any design submissions to the Owner without the Design-Builder's prior approval. Design-Builder and Designer agree that prior to the scheduled date for submitting all design submissions to Owner, Design-Builder and Designer will hold meetings for the purpose of discussing and monitoring the design for consistency with the requirements of the Contract Documents, as well as Design-Builder's pricing and other assumptions.

2.6.2 In accordance with the Contract Documents and the times set forth in the Design Schedule, Designer shall submit to Design-Builder Construction Documents setting forth in detail drawings and specifications describing the requirements for construction of the Project. The Construction Documents shall be consistent with the latest set of interim design submissions, as such submissions may have been modified in a design review meeting. Designer shall provide the Construction Documents in the form and quantity called for in the Contract Documents. Designer shall perform agreed upon revisions and submit revised Construction Documents to Design-Builder for Design-Builder's and Owner's approval.

2.6.3 Designer shall attend and participate in such meetings as are held between Owner and Design-Builder to discuss interim design submissions and the Construction Documents. If requested, Designer shall identify during such meetings, among other things, the evolution of the design and any significant changes or deviations from the Contract Documents, or, if applicable, previously submitted design submissions. Minutes of the meetings will be maintained by Design-Builder and provided to all attendees for review.

2.6.4 In addition to the interim design submissions and the Construction Documents, Designer shall, if requested by Design-Builder, prepare (i) those design documents necessary for the establishment of Final Exhibits for the Development Financial Closing, Easements with the Adjacent Property Owners, and (ii) interim design submissions and construction documents required to permit commencement of construction on a portion of the Project before the entire Construction Documents for the Project are completed.

2.6.5 Approvals of interim design submissions the Construction Documents by the Design-Builder, Owner and Hotel Purchaser are for the purpose of mutually establishing a conformed set of Construction Documents compatible with the requirements of the Contract Documents. The review and/or approval by either Design-Builder or Owner of any interim design submission or the Construction Documents shall not be deemed to transfer any design responsibility or liability from Designer to Design-Builder or Owner.

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2.6.6 Designer will, at its own cost, revise any interim design submission or Construction Documents to correct any errors, mistakes or omissions. Design shall also, If requested by Design-Builder or if required by the Design Build Agreement, design to a fixed budget and, for no additional compensation, make such revisions as are required to achieve such budget. Such revisions shall be performed timely and so as not to jeopardize the Design Schedule and/or the Project Schedule.

2.6.7 Designer shall be responsible for paying all royalties and licensing fees for patented or copyrighted materials, methods or systems specified by Designer and incorporated into the Project.

2.7 Construction Phase Services

2.7.1 Designer shall assist Design-Builder in preparing bidding documents for specified portions of the Project's construction, and clarifying and responding to questions involving the bidding documents.

2.7.2 Designer shall timely provide reasonably requested clarifications and interpretations of the Construction Documents, which shall be consistent with the intent of, and reasonably inferable from, the Contract Documents. Designer shall make all revisions to the Construction Documents necessary for the proper construction of the Project.

2.7.3 Designer shall review and approve such submittals, including shop drawings, product data and samples, as agreed to by Designer and Design-Builder in the meeting required by §2.1.5. Designer shall expeditiously inform Design-Builder of any revisions that are necessary as a condition to Designer's approval of submittals. The time within which Designer shall review and respond to submittals will be as established at the meeting required by Section 2.1.5 hereof. Designer's review and approval shall not relieve Design-Builder or Subcontractors of responsibility for construction means and methods, or safety precautions.

2.7.4 Designer shall review, and if acceptable approve, any substitutions for materials or equipment proposed by Design-Builder.

2.7.5 Designer shall, if requested by Design-Builder, review any inspection reports or tests involving the construction of the Project and provide its comments to Design-Builder. Designer is not responsible for the accuracy or completeness of the tests or inspections.

2.7.6 Designer shall at appropriate intervals, or as agreed in the Contract Documents, visit the Site to determine if the construction is proceeding in general conformance with the Construction Documents. If Design-Builder and Designer have agreed to a specific frequency of Designer's Site visits, such frequency shall be set forth as an exhibit to this Agreement. Designer shall promptly notify Design-Builder of any defects, deficiencies, deviations, omissions, or violations observed by Designer in the construction of the Project, and make recommendations to Design-Builder on how to proceed.

2.7.7 At the request of Design-Builder, Designer shall attend meetings with Design-Builder and/or Owner and/or Hotel Purchaser and/or Subcontractor(s) and Sub-Subcontractors to discuss design issues which may arise during construction.

2.7.8 Designer shall, if requested by Design-Builder, provide such certifications as may be necessary relative to Substantial Completion, as defined in the Hotel Purchase Agreement.

2.7.9 Designer's provision of any of the Construction Phase Services shall not be construed to make Designer responsible for (i) the acts or omissions of Design-Builder, any Subcontractors, or any Sub-Subcontractors, (ii) the means, methods, sequences, and techniques of construction of the Project or (iii) safety precautions and programs in connection with the construction of the Project. Nothing in this Agreement shall create any legal or contractual relationship between Designer and any Subcontractor or Sub-Subcontractor.

2.8 Additional Services

2.8.1 Additional Services, if any, agreed upon by the parties shall be set forth in Exhibit A –Attachment A.3.

Article 3
Design-Builder's Services and Responsibilities

3.1 Timely Reviews, Approvals and Submittals

3.1.1 Design-Builder shall provide timely reviews and approvals of all interim design submissions and the Construction Documents consistent with the turnaround times set forth in the Design Schedule, or as agreed to by the parties at the meeting required under Section 2.1.5 hereof.

3.1.2 Design-Builder shall timely submit to Designer all submittals, including shop drawings, product data and samples, for Designer's review and approval consistent with the Project Schedule, or as agreed to by the parties at the meeting required under Section 2.1.5 hereof.

3.1.3 Design-Builder shall provide timely notice to Designer of any delays to the Project caused by Designer.

3.2 Design-Builder's Representative

3.2.1 Design-Builder's Representative shall be responsible for providing Design-Builder supplied information and approvals in a timely manner to permit Designer to fulfill its obligations under the Contract Documents.

3.3 Furnishing of Services and Information

3.3.1 Unless expressly stated to the contrary in the Contract Documents, and to the extent Design-Builder has received such items from Owner, Design-Builder shall provide for Designer's information the items listed below. Design-Builder does not warrant the accuracy or completeness of such items, provided, however, that Designer is entitled to rely upon the completeness and accuracy of the data and information included in such items to the same extent Design-Builder is entitled to rely upon such items in the Design-Build Agreement:

.1 Surveys describing the property, boundaries, topography and reference points for use during construction, including existing service and utility lines;

.2 Geotechnical studies describing subsurface conditions, and other surveys describing other latent or concealed physical conditions at the Site;

.3 Temporary and permanent easements, zoning and other requirements and encumbrances affecting land use, or necessary to permit the proper design and construction of the Project and enable Designer to perform the Services;

.4 A legal description of the Site;

.5 As-built and record drawings of any existing structures at the Site;

.6 Environmental studies, reports and impact statements describing the environmental conditions, including Hazardous Conditions, in existence at the Site;

.7 Owner's Project Criteria;

.8 All permits, approvals and licenses set forth in the Owner's Permit List attached as an exhibit to the Design-Build Agreement; and

.9 Test and inspection reports.

3.3.2 Design-Builder shall provide Designer with a copy of the Design-Build Agreement, including all exhibits, attachments, and other Contract Documents enumerated and incorporated therein.

3.3.3 Design-Builder shall perform all cost estimating and scheduling services related to the construction of the Project and shall be responsible for mistakes or miscalculations of market conditions that result in construction costs that are contrary to Design-Builder's budget and pricing assumptions. . Designer shall be entitled to rely on Design-Builder's cost estimates to determine whether the design for the Project is consistent with Design-Builder's budget and pricing assumptions.

3.3.4 Upon Designer's reasonable request, Design-Builder shall provide Designer with information in Design-Builder's possession regarding Owner's financial ability to pay for the Services set forth in this Agreement.

3.3.5 Design-Builder shall provide Designer with the Project Schedule and appropriate updates thereto.

3.3.6 Design-Builder shall perform administration of the Design-Build Agreement, and promptly forward any communications to Owner from Designer that may impact the Services.

3.3.7 Design-Builder shall provide Designer reasonable access to the Project and the Site.

3.4 Notification of Errors

3.4.1 Design-Builder shall notify Designer of any errors, inconsistencies, or omissions Design-Builder discovers in the Services, including any interim design submissions, Construction Documents or other Services. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall relieve Designer of responsibility for errors, inconsistencies, or omissions in the Services.

3.5 Attendance at Design Meetings

3.5.1 Design-Builder shall afford Designer and its Design Consultants the opportunity to attend all necessary design meetings with Owner, Subcontractor(s) and/or Sub-Subcontractors.

Article 4
Ownership of Work Product

4.1 Work Product

4.1.1 All drawings, specifications and other documents and electronic data furnished by Designer to Design-Builder under this Agreement ("Work Product") are deemed to be instruments of service. Upon payment to Designer of amounts properly due under this Agreement, the Design-Builder shall own and have property interests in the Work Product with a limited license to use the Work Product in connection with completing this Project and/or fulfilling obligations established in the Design-Build Agreement.

4.2 Agreement to Grant Limited License to Owner

4.2.1 Designer has reviewed the Design-Build Agreement and is fully aware of the limited licenses to use the Work Product which may be granted to Owner therein. Designer accepts and agrees to Owner's rights with respect to the Work Product contained in the Design-Build Agreement.

4.3 Indemnification for Use of Work Product

4.3.1 If either Design-Builder or Designer uses the Work Product on any other project, such party agrees that it shall do so at its sole risk and without liability or legal exposure to the other party, Owner, or anyone working through them. Such party further agrees that it shall defend, indemnify and hold harmless the other party and Owner from and against any and all claims, damages, liabilities, losses and expenses, including attorneys' fees, arising out of or resulting from such use of the Work Product on another project.

4.3.2 Should the Design-Builder alter the Work Product without Designer's permission, or cause the Work Product to be altered by anyone other than the Designer without Designer's permission, then Design-Builder shall defend, indemnify and hold harmless Designer from and against any and all claims, damages, liabilities, losses and expenses, including reasonable attorneys' fees, arising out of or resulting from such use of the Work Product to the extent such claims, damages, liabilities, losses and expenses are the result of such unapproved modifications to the Work Product.

Article 5
Time of Performance

5.1 Date of Commencement

5.1.1 The Services shall commence five (5) days after Designer's receipt of Design-Builder's Notice to Proceed ("Date of Commencement") unless the parties mutually agree otherwise in writing.

5.2 Design Schedule

5.2.1 Designer shall prepare and submit for Design-Builder's review and acceptance, at least three (3) days prior to the meeting required by Section 2.1.5 hereof, a schedule for the execution of the Design Phase Services in accordance with the Contract Documents. The schedule shall indicate the dates for the start and completion of the various stages of the Design Phase Services, including the dates for the design monitoring and review meetings required herein, and the dates when Design-Builder and Owner information and approvals are required, and shall take into account Design-Builder's obligations to Owner under the Design-Build Agreement. Design-Builder and Designer will jointly review Designer's schedule to determine whether it permits Design-Builder to satisfy its obligations under the Project Schedule and the Design-Build Agreement. The accepted schedule (the "Design Schedule") shall be revised as required by conditions and progress of the Project, but such revisions shall not relieve Designer of its obligations to perform the Services in accordance with the Contract Documents, subject to its rights under this Agreement. Design-Builder shall incorporate the Design Schedule into the Project Schedule.

5.3 Status Reports

5.3.1 Designer shall provide Design-Builder on a regular basis a status report detailing the progress of the Design Phase Services, including whether (i) the Design Phase Services are proceeding according to the Design Schedule, and (ii) items exist which require resolution so as not to jeopardize Designer's ability to meet the dates set forth in the Design Schedule and Design-Builder's ability to meet the Project Schedule. The frequency of the status reports shall be established at the meeting required by Section 2.1.5 hereof.

5.4 Delays

5.4.1 If Designer's performance of the Services are delayed for any reason so as to impact the Design Schedule or the Project Schedule, Designer shall promptly notify Design-Builder in writing of the cause(s) of such delay within sufficient time to permit Design-Builder to provide timely notice to Owner in accordance with the Design-Build Agreement. If the delay is due to any act, neglect, or omission on the part of Designer, Design Consultants, or anyone for whom they are responsible, Designer shall compensate and indemnify Design-Builder for all costs, damages, and expenses arising from such delay. If the delay is caused by Design-Builder, the Designer's Fee and the Design Schedule shall be adjusted to compensate Designer for the effects, if any, of the delay.

5.4.2 Notwithstanding any other provision to the contrary, any delay and resulting damages that arise out of, or relate to, problems caused by Owner or for which Owner is responsible shall be resolved pursuant to Section 11.3 hereof.

Article 6
Designer's Compensation

6.1 Designer's Fee

6.1.1 Designer's Fee shall be the compensation due Designer for the performance of the Services, including all Design Phase Services, Construction Phase Services, and Additional Services, and for Reimbursable Costs, all as set forth in this Agreement. Unless otherwise provided in the Contract Documents, the Designer's Fee is deemed to include all sales, use, consumer and other taxes mandated by applicable Legal Requirements.

6.1.2 Designer will be compensated, upon authorization, for the Design Phase Services, Construction Phase Services, Additional Services, if any, and Reimbursable Costs as set forth in Exhibit B. Any and all costs in excess of amounts authorized in writing are the sole risk and responsibility of Designer.

6.2 Applications for Payment

6.2.1 Beginning with the first month after the Date of Commencement, Designer shall submit on the twentieth (20th) day of each month for Design-Builder's review and approval, Designer's Application for Payment requesting payment for all Services performed as of the date of the Application for Payment. The Application for Payment shall be accompanied by all supporting documentation required by the Contract Documents and/or established at the meeting required by Section 2.1.5 hereof. Once approved, Design-Builder will submit Designer's Application for Payment to Owner with Design-Builder's application.

6.2.2 The Application for Payment shall constitute Designer's representation that (i) the Services have been performed consistent with the Contract Documents, (ii) the Services have progressed to the point indicated in the Application for Payment, (iii) Design Consultants have been paid all amounts previously received by Designer on account of their services, and (iv) there are no claims, obligations or liens outstanding or unsatisfied for labor, services, taxes, or other items performed, furnished, or incurred for or in connection with the Services.

6.2.3 Design-Builder shall make payment on Designer's properly submitted and accurate Application for Payment within seven (7) days after Design-Builder's receipt of payment from Owner on account of Designer's monthly

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Application for Payment, but in each case less the total of payments previously made, and less amounts properly withheld hereunder.

6.3 Retainage on Applications for Payment

6.3.1 Design-Builder will not retain any funds from Designer's Applications for Payment unless Owner is retaining funds from Design-Builder's progress payments for the Services, and then only in the same amount or percentage retained from Design-Builder's progress payments as set forth in the Design-Build Agreement. Unless mutually agreed otherwise between the parties, retainage (if applicable) will be released to Designer within Seven (7) days after Design-Builder's receipt of such retained amounts from Owner.

6.4 Withholding of Payments

6.4.1 If Design-Builder determines that Designer is not entitled to all or part of an Application for Payment, it will notify Designer in writing at least five (5) days prior to the date payment is due. The notice shall indicate the specific amounts Design-Builder intends to withhold, the reasons and contractual basis for the withholding, and the specific measures Designer must take to rectify Design-Builder's concerns. Design-Builder and Designer will attempt to resolve Design-Builder's concerns prior to the date payment is due. If the parties cannot resolve such concerns, Design-Builder shall pay Designer the uncontested amount of the Application for Payment, and Designer may pursue its rights under the Contract Documents, including those under Article 11 hereof.

6.5 Final Payment

6.5.1 At the time Designer submits its final Application for Payment to Design-Builder, Designer shall provide (i) all deliverables required by the Contract Documents; (ii) an affidavit that there are no claims, obligations or liens outstanding or unsatisfied for or in connection with the Services which will in any way affect Design-Builder's or Owner's interests; (iii) a general release executed by Designer waiving, upon receipt of final payment by Designer, all claims, except those claims previously made in writing to Design-Builder and remaining unsettled at the time of final payment, and those claims that arise for the first time after the submission of Designer's final invoice; and (iv) certificates of insurance confirming that required coverages will remain in effect consistent with the requirements of the Contract Documents. Design-Builder shall make payment on Designer's properly submitted and accurate final Application for Payment within ten (10) days after Design-Builder's receipt of final payment from Owner on account of Designer's final Application for Payment, provided also that Designer has satisfied the requirements for final payment set forth herein.

6.6 Pay When Paid

6.6.1 Designer agrees that all payments to Designer hereunder, whether progress or final payment, or for changes or delays to the Services, shall not be due until after Design-Builder actually receives payment on account of same from Owner.

6.7 Interest

6.7.1 Payments due and unpaid under this Agreement shall bear interest commencing five (5) days after payment is due at the rate of one percent (1%) per annum.

6.8 Designer's Payment Obligations

6.8.1 Designer will pay Design Consultants, in accordance with its contractual obligations to such parties, all the amounts Designer has received from Design-Builder on account of their services. Designer will impose similar requirements on Design Consultants to pay those parties with whom they have contracted. Designer will indemnify and defend Owner and Design-Builder against claims for payment, as well as mechanic's lien claims and bonds claims, made by Design Consultants so long as Designer received from Design-Builder the payments required to be made by this Agreement.

6.9 Record Keeping and Finance Controls

6.9.1 Designer shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management, using accounting and control systems in accordance with generally accepted accounting principles and as may be provided in the Contract Documents. During the performance of the Services and for a period of three (3) years after final payment of the Services, Design-Builder and Design-Builder's accountants shall be afforded access from time to time, upon reasonable notice, to Designer's records, books, correspondence, receipts, subcontracts, purchase orders, vouchers, memoranda and other data relating to the cost of performing the Services, including changes in the Services, all of which Designer shall preserve for a period of three (3) years after final payment.

Article 7
Termination and Designer's Right to Stop Services

7.1 Design-Builder's Right to Terminate for Convenience

7.1.1 If Owner terminates Design-Builder for any reason, then Design-Builder may terminate this Agreement. In such event, Design-Builder shall pay Designer within ten (10) days only those amounts Design-Builder actually receives from Owner on behalf of Designer.

7.2 Design-Builder's Right to Terminate for Cause

7.2.1 If Designer persistently fails to (i) comply with applicable Legal Requirements, (ii) timely pay, without cause, its Design Consultants, (iii) prosecute the Services with promptness and diligence and in conformance with the Design Schedule and Project Schedule, (iv) provide qualified, licensed design professionals, or (v) perform material obligations under the Contract Documents, then Design-Builder shall have the rights, in addition to any other rights and remedies provided in the Contract Documents or by law, set forth in Sections 7.2.2 and 7.2.3 below.

7.2.2 Upon the occurrence of an event set forth in Section 7.2.1 above, Design-Builder may provide written notice to Designer that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Designer's receipt of such notice. If Designer fails to cure, or reasonably commence to cure, such problem, then Design-Builder may give a second written notice to Designer of its intent to terminate within an additional seven (7) day period. If Designer, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Design-Builder may declare this Agreement terminated for default by providing written notice to Designer of such declaration.

7.2.3 Upon declaring the Agreement terminated pursuant to Section 7.2.2 above, Design-Builder may complete the Services in whatever fashion it deems most efficient, and shall have the right to use the existing Work Product for purposes of completing the project. To the extent Design-Builder has been adversely impacted by Designer's default and termination, Design-Builder shall be entitled to recover against Designer all of Design-Builder's costs. Such costs and expense shall include not only the cost of completing the Services, but also losses, damages, costs and expense, including attorneys' fees and expenses, incurred by Design-Builder in connection with the reprocurement and defense of claims arising from Designer's default.

7.3 Designer's Right To Stop Services

7.3.1 If (i) Owner fails to pay amounts due Design-Builder under the Design-Build Agreement for Services performed by Designer and such failure is not due to the fault of Designer, or (ii) Design-Builder fails to pay any amounts due Designer under this Agreement, Designer may, in addition to any other rights afforded under the Contract Documents or at law, stop work in accordance with Section 7.3.2 below.

7.3.2 Should either of the events set forth in Section 7.3.1 above occur, Designer has the right to provide Design-Builder with written notice that Designer will stop work unless said failure to pay is cured within seven (7) days from Design-Builder's receipt of Designer's notice. If Design-Builder does not cure the problem within such seven (7) day period, Designer may stop work. In such case, Designer shall be entitled to make a claim for adjustment to the Designer's Fee and the Design Schedule to the extent it has been adversely impacted by such stoppage. To the extent Design-Builder's failure to pay is related to a dispute between the parties, the dispute will be resolved in accordance with Article 11, and the parties will continue performance in accordance with Section 11.6.

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7.4 Designer's Right to Terminate for Cause

7.4.1 Designer, in addition to any other rights and remedies afforded under the Contract Documents or at law, may terminate this Agreement for cause in accordance with Section 7.3.2 if Design-Builder has failed to cure the problems set forth in Section 7.3.2 within thirty (30) days after Designer has stopped work.

7.4.2 Upon the occurrence of the event set forth in Section 7.4.1 above, Designer may provide written notice to Design-Builder that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Design-Builder's receipt of such notice. If Design-Builder fails to cure, or reasonably commence to cure, such problem, then Designer may give a second written notice to Design-Builder of its intent to terminate within an additional seven (7) day period. If Design-Builder, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Designer may declare this Agreement terminated for default by providing written notice to Design-Builder of such declaration.

7.5 Bankruptcy of Design-Builder or Designer

7.5.1 If either Design-Builder or Designer institutes or has instituted against it a case under the United States Bankruptcy Code (such party being referred to as the "Bankrupt Party"), such event may impair or frustrate the Bankrupt Party's ability to perform its obligations under the Contract Documents. Accordingly, should such event occur:

.1 The Bankrupt Party, its trustee or other successor, shall furnish, upon request of the non-Bankrupt Party, adequate assurance of the ability of the Bankrupt Party to perform all future material obligations under the Contract Documents, which assurances shall be provided within ten (10) days after receiving notice of the request; and

.2 The Bankrupt Party shall file an appropriate action within the bankruptcy court to seek assumption or rejection of the Agreement within sixty (60) days of the institution of the bankruptcy filing and shall diligently prosecute such action.

If the Bankrupt Party fails to comply with its foregoing obligations, the non-Bankrupt Party shall be entitled to request the bankruptcy court to reject the Agreement, declare the Agreement terminated and pursue any other recourse available to the non-Bankrupt Party under this Article 7.

7.5.2 The rights and remedies under Section 7.5.1 above shall not be deemed to limit the ability of the non-Bankrupt Party to seek any other rights and remedies provided by the Contract Documents or by law, including its ability to seek relief from any automatic stays under the United States Bankruptcy Code.

Article 8
Representatives of the Parties

8.1 Design-Builder's Representatives

8.1.1 Design-Builder designates the individual listed below as its Senior Representative ("Design-Builder's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 11.4 hereof:

Jeff Madden, General Manager
Mortenson Construction
610 SW Alder, Suite 200
Portland, OR 97205
(503) 202-4101

8.1.2 Design-Builder designates the individual listed below as its Design-Builder's Representative, which individual has the authority and responsibility set forth in Section 3.2 hereof:

Marvin Doster, Project Executive
Mortenson Construction
610 SW Alder, Suite 200
Portland, OR 97205
(206) 778-9024

8.2 Designer's Representatives

8.2.1 Designer designates the individual listed below as its Senior Representative ("Designer's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 11.4 hereof:

Paul Mittendorff, Principal & Vice President
Elness Swenson Graham Architects, Inc.
500 Washington Avenue South, Suite 1080
Minneapolis, MN 55415
(612) 373-4656

8.2.2 Designer designates the individual listed below as its Designer's Representative, which individual has the authority and responsibility set forth in Section 2.4.2 hereof:

Terry Gruenhagen, Vice President
500 Washington Avenue South, Suite 1080
Minneapolis, MN 55415
(612) 373-4656

Article 9
Insurance

9.1 Designer's Insurance Requirements

9.1.1 Prior to starting the Work, Designer shall procure, maintain and pay for such insurance as will protect against claims for bodily injury or death, or for damage to property (including loss of use) and loss or damage resulting from professional errors and omissions, which may arise out of operations by Designer or by any Design Consultants or by anyone employed by any of them, or by anyone for whose acts any of them may be liable. Such insurance shall not be less than the greater of coverages and limits of liability specified below, any coverages and limits of liability specified in the Contract Documents or coverages and limits required by law.

9.1.2 Designer shall procure and maintain the following minimum insurance coverages and limits of liability:

Workers' Compensation	Statutory Limits	
Employer's Liability	$1,000,000 each accident	
	$1,000,000 disease policy limit	
	$1,000,000 disease each employee	
Commercial General Liability	$2,000,000 each	occurrence
	$2,000,000 aggregate (applicable on a per project basis)	
Comprehensive Automobile Liability	$2,000,000 each accident	
Professional Errors and Omissions	$5,000,000 each claim	
	$5,000,000 annual aggregate	

Commercial General Liability insurance required under this paragraph shall be written on an occurrence form (ISO Form CG 00 01 or equivalent) and shall include coverage for Products/Completed Operations (extending two (2) years after final acceptance of the Project by Owner or such longer period as the Contract Documents may require) including Completed Operations, Personal Injury with Employment Exclusion (if any) deleted, Blanket XCU and Blanket Contractual Liability

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insurance applicable to Designer's defense and indemnity obligations under Article 10, and other contractual indemnities assumed by Designer under the Contract Documents. Commercial General Liability insurance shall include "stop gap" coverage for work in those states where Workers' Compensation insurance is provided through a state fund if Employer's liability coverage is not available. Comprehensive Automobile Liability insurance required under this paragraph shall include coverage for all owned, hired and non-owned automobiles. Workers' Compensation coverage shall include a waiver of subrogation against Design-Builder and Owner.

If the required Professional Errors and Omissions insurance is written on a claims made basis, the retroactive date shall be prior to the start of Designer's Work. Designer agrees to maintain such coverage for two years after final acceptance of the Project by the Owner or such longer period as the Contract Documents may require. Renewal policies during this period shall maintain the same retroactive date.

9.1.3 Employer's Liability, Commercial General Liability and Comprehensive Automobile Liability insurance may be arranged under single policies for full minimum limits required, or by a combination of underlying policies with the balance provided by an Excess or Umbrella Liability policy. The general aggregate on the Commercial General Liability coverage shall apply on a project specific basis.

9.1.4 Designer shall endorse its Commercial General Liability (including products/completed operations coverage). Comprehensive Automobile Liability and Umbrella/Excess Liability policies to add Design-Builder, Owner, and such other parties as Design-Builder is required under the Contract Documents to name as additional insureds on Designer's insurance, as "additional insureds" with respect to liability arising out of (a) operations performed for Design-Builder or Owner by or for Designer, (b) Designer's use of Design-Builder's tools and equipment, and (c) claims for bodily injury or death brought against Design-Builder or Owner by Designer's employees or the employees of Designer's consultants of any tier, however caused, related to the performance of Services under this Agreement. Such insurance afforded to Design-Builder, Owner, and others as additional insureds under Designer's policies shall be primary insurance and not excess over, or contributing with, any insurance purchased or maintained by Design-Builder or Owner, or others required to be included as additional insureds. Coverage shall be provided to the additional insureds by ISO Endorsement CG 20 1011 85 (unmodified) or its equivalent.

9.1.5 Designer shall require its Design Consultants to procure and maintain, from insurance companies authorized to do business in the state in which the Project is located, the insurance coverages set forth in this Article.

9.1.6 Designer's and its Design Consultants' insurance coverage set forth in this Article shall specifically delete any design-build or similar exclusions that could compromise coverages because of the design-build delivery of the Project.

9.1.7 To the extent Design-Builder requires Designer to provide professional liability insurance for claims arising from the negligent performance of design services by Designer or Design Consultants, the coverage limits, duration and other specifics of such insurance shall be set forth in Sections 9.1.1 and 9.1.2 above. Any professional liability insurance shall specifically delete any design-build or similar exclusions that could compromise coverages because of the design-build delivery of the project. Such policies shall be provided prior to the commencement of any design services hereunder.

9.1.8 Designer shall maintain in effect all insurance coverages required under this Article, or by the other Contract Documents, at Designer's sole expense and with insurance carriers licensed to do business in the State in which the Project is located and having a current A.M. Best rating of no less than A-, unless another A.M. Best rating is specifically accepted by Design-Builder in writing. In the event Designer fails to procure or maintain any insurance required by this Article, Design-Builder may, at its option, purchase such coverage and deduct the cost thereof from any monies due to Designer, or withhold funds from Designer in an amount sufficient to protect Design-Builder and other insured parties, or terminate this Agreement pursuant to its terms.

9.1.9 Prior to commencing any services hereunder, Designer shall provide Design-Builder with certificates evidencing that (i) all insurance obligations required by the Contract Documents are in full force and in effect and will remain in effect for the duration required by the Contract Documents and (ii) no insurance coverage will be canceled, not renewed or materially changed by Designer unless at least thirty (30) days prior written notice is given to Design-Builder by Designer.

9.1.10 All insurance policies shall contain a provision that coverages and limits afforded thereunder shall not be canceled without thirty (30) days prior written notice to Design-Builder. Designer shall notify Design-Builder of any material changes to policies 30 days prior. Certificates of Insurance shall be filed with Design-Builder prior to start of Designer's Work. Renewal certificates shall be provided to Design-Builder not less than ten (10) days prior to the expiration date of any of the required policies. All Certificates of Insurance shall be in a form acceptable to Design-Builder and shall provide satisfactory evidence that Designer has complied with all insurance requirements. Design-Builder shall not be obligated to review such certificates or other evidence of insurance, or to advise Designer of any deficiencies in such documents, and receipt thereof shall not relieve Designer from, nor be deemed a waiver of Design-Builder's right to enforce, the terms of Designer's obligations hereunder. Design-Builder shall have the right to examine any policy required under this Agreement.

9.1.11 The required minimum limits of insurance indicated above shall not in any way restrict or diminish Designer's liability under this Agreement.

9.2 Waiver of Subrogation

9.2.1 Design-Builder and Designer waive against each other and Owner, Design Consultants, Owner's separate contractors, Subcontractors, Sub-Subcontractors, agents and employees of each and all of them, all damages covered by Builder's Risk insurance, except such rights as they may have to the proceeds of such insurance. Design-Builder and Designer shall, where appropriate, require similar waivers of subrogation from Design Consultants and Subcontractors and shall require each of them to include similar waivers in their contracts.

9.3 Project Specific Professional and Pollution Liability Policy

9.3.1 In the event that Design-Builder procures a Project Specific Professional and Pollution Liability Policy, Exhibit Insurance 1 (a), attached hereto, shall govern and Design-Builder shall provide notification of such policy to Designer and, additionally, shall provide Designer with a copy of such policy upon request.

Article 10
Indemnification

10.1 Patent and Copyright Infringement

10.1.1 Designer shall defend any action or proceeding brought against Owner or Design-Builder based on any claim that the Project, or any part thereof, to the extent designed by the Designer or Design Consultants, or the operation or use of the Project or any part thereof, to the extent designed by Designer or Design Consultants constitutes infringement of any United States patent or copyright, now or hereafter issued. Design-Builder shall give prompt written notice to Designer of any such action or proceeding and will reasonably provide authority, information and assistance in the defense of same. Designer shall indemnify and hold harmless Owner and Design-Builder from and against all damages and costs, including but not limited to attorneys' fees and expenses awarded against Owner or Design-Builder in any such action or proceeding. Designer agrees to keep Design-Builder informed of all developments in the defense of such actions.

10.1.2 If Owner is enjoined from the operation or use of the Project, or any part thereof, as the result of any patent or copyright suit, claim, or proceeding related to the Designer's Work Product, Designer shall at its sole expense take reasonable steps to procure the Owner's right to operate or use the Project, or applicable part thereof. If Designer cannot so procure such right within a reasonable time, Designer shall promptly, at Designer's option and at Designer's expense, (i) modify the Project, or applicable part thereof, so as to avoid infringement of any patents, or copyrights, or (ii) replace said work with work that does not infringe or violate any such patent or copyright, and is consistent with the Contract Documents.

10.1.3 Sections 10.1.1 and 10.1.2 above shall not be applicable to any suit, claim or proceeding based on infringement or violation of a patent or copyright (i) relating solely to a particular design, process or product of a particular manufacturer specified by Owner or Design-Builder, or a subcontractor or sub-subcontractor and not offered or recommended by Designer to Owner or Design-Builder; or (ii) arising from modifications to the Project by Owner or Design-Builder after acceptance of the Project. If the suit, claim or proceeding is based upon events set forth in the preceding sentence, Design-Builder shall defend, indemnify and hold harmless Designer to the same extent Designer is obligated to defend, indemnify and hold harmless Design-Builder in Section 10.1.1 above.

10.1.4 The obligations set forth in this Section 10.1 shall constitute the sole agreement between the parties relating to liability for infringement or violation of any patent or copyright.

10.2 Designer's General Indemnification

10.2.1 Designer, to the fullest extent permitted by law, shall defend, indemnify and hold harmless Owner, Design-Builder and their officers, directors, employees and agents from and against claims, losses, damages, liabilities, including attorneys' fees and expenses, for bodily injury, sickness or death, and property damage or destruction (other than

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damage to the Work itself to the extent covered by Builder's Risk insurance) to the extent resulting from the negligent acts or omissions of Designer, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable.

10.2.2 If an employee of Designer, anyone employed directly or indirectly by Designer or anyone for whose acts any of them may be liable has a claim against any party indemnified pursuant to Section 10.2.1 above, Designer's indemnity obligation set forth in Section 10.2.1 above shall not be limited by any limitation on the amount of damages, compensation or benefits payable by or for Designer, or other entity under any employee benefit acts, including workers' compensation or disability acts.

10.2.3 Designer agrees to procure, maintain and pay for such general liability insurance coverage and endorsements as will insure the provisions for this paragraph.

Article 11
Contract Adjustments and Disputes

11.1 Requests for Contract Adjustments and Relief

11.1.1 If either Designer or Design-Builder believes that it is entitled to relief against the other for any event arising out of or related to the Services or the Project, such party shall provide written notice to the other party of the basis for its claim for relief. Such notice shall be in accordance with specific notice requirements contained in applicable sections of the Contract Documents and, if possible, be made prior to incurring any cost or expense. Designer shall provide Design-Builder notice of claims for which Owner may be responsible in sufficient time for Design-Builder to meet its notice requirements to Owner set forth in the Contract Documents. In the absence of any specific notice requirement, written notice shall be given within a reasonable time, not to exceed ten (10) days, after the occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event condition giving rise to the request, whichever is later. Such notice shall be in accordance with the Contract Documents and shall include sufficient information to advise the other party of the circumstances giving rise to the claim for relief, the specific contractual adjustment or relief requested and the basis of such request.

11.2 Dispute Avoidance and Resolution

11.2.1 The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, Designer and Design-Builder each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Services.

11.3 Disputes Involving Owner

11.3.1 To the extent a claim, dispute or controversy arises out of, or relates to, problems caused by Owner or for which Owner is responsible ("Owner Disputes"), such Owner Disputes shall be resolved pursuant to the dispute resolution clause set forth in the Design-Build Agreement. Both Design-Builder and Designer agree to cooperate in the presentation and prosecution or defense of Owner Disputes. If, after a request for an extension of time or additional compensation from Designer, Design-Builder believes that the event causing the delay or additional compensation is the responsibility of Owner, then Design-Builder will cooperate with and assist Designer in presenting a request for an extension of time or additional compensation to Owner.

11.3.2 Notwithstanding any other provisions herein to the contrary, Design-Builder and Designer each agree to accept the relief as to a time extension or additional compensation obtained from Owner, if any, as well as all other aspects of the final decision following appeal or the expiration of the time for appeal, as full and final resolution of any Owner Dispute.

11.3.3 If Design-Builder asserts a claim against Owner involving Designer, each party shall bear its own costs for outside counsel and third-party consultants retained to prosecute claims against Owner and for any other litigation costs. Each party shall present its portion of the claim to Owner.

11.3.4 If Owner contends that the Contract Documents have been breached, or otherwise asserts a claim or set-off against Design-Builder, the party determined to be responsible for the breach either by settlement or by the trier of fact shall be responsible for all costs occasioned by the breach, including counsel and litigation costs. If the trier of fact fails to determine the relative degrees of fault of Design-Builder and Designer in connection with any claim by Owner, then Design-Builder and Designer agree that the allocation of fault shall be determined pursuant to Section 11.4.

11.4 Disputes Not Involving Owner

11.4.1 For any claim, dispute or controversy not arising out of, or relating to, problems caused by Owner or for which Owner is responsible, Designer and Design-Builder will first attempt to resolve such claim, dispute or controversy at the field level through discussions between Design-Builder's Representative and Designer's Representative.

11.4.2 If a claim, dispute or controversy cannot be resolved through Design-Builder's Representative and Designer's Representative, Design-Builder's Senior Representative and Designer's Senior Representative, upon the request of either party, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such claim, dispute or controversy. Prior to any meetings between the Senior Representatives, the parties will exchange relevant information that will assist the parties in resolving the claim, dispute or controversy.

11.4.3 If after meeting the Senior Representatives determine that the claim, dispute or controversy cannot be resolved on terms satisfactory to both parties, the parties shall submit the claim, dispute or controversy to non-binding mediation. The mediation shall be conducted by a mutually agreeable impartial mediator, or if the parties cannot so agree, a mediator designated by the American Arbitration Association ("AAA") pursuant to its Construction Industry Mediation Rules. The mediation will be governed by and conducted pursuant to a mediation agreement negotiated by the parties or, if the parties cannot so agree, by procedures established by the mediator.

11.5 Arbitration

11.5.1 At the election of Design-Builder, any claims, disputes or controversies between the parties arising out of or relating to the Agreement, or the breach thereof, which has not been resolved in accordance with the procedures set forth in Section 11.4 above shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the AAA then in effect.

11.5.2 The award of the arbitrator(s) shall be final and binding upon the parties. Judgment may be entered upon it in accordance with applicable law by any court having jurisdiction thereof.

11.5.3 Designer and Design-Builder expressly agree that any arbitration pursuant to this Section 11.5 may be joined or consolidated with any arbitration involving any other person or entity (i) necessary to resolve the claim, dispute or controversy, or (ii) substantially involved in or affected by such claim, dispute or controversy. Both Design-Builder and Designer will include appropriate provisions in all contracts they execute with other parties in connection with the Project to require such joinder or consolidation.

11.5.4 The prevailing party in any arbitration or litigation shall be entitled to recover from the other party reasonable attorneys' fees and expenses incurred by the prevailing party.

11.6 Duty to Continue Performance

11.6.1 Unless provided to the contrary in the Contract Documents, Designer shall continue to perform the Services and Design-Builder shall continue to satisfy its payment obligations to Designer, pending the final resolution of any dispute or disagreement between Design-Builder and Designer.

11.7 CONSEQUENTIAL DAMAGES

11.7.1 NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY (EXCEPT AS SET FORTH IN SECTION 11.7.2 BELOW), NEITHER DESIGN-BUILDER NOR DESIGNER SHALL BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL LOSSES OR DAMAGES, WHETHER ARISING IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO LOSSES OF USE, PROFITS, BUSINESS, REPUTATION OR FINANCING.

11.7.2 Notwithstanding Section 11.7.1 above, Design-Builder shall be entitled to recover against Designer (i) any liquidated damages that Owner may assess against Design-Builder which are attributable to Designer, even though both parties recognize that such liquidated damages may include some damages that might otherwise be deemed to be

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consequential and (ii) consequential damages that may be imposed upon the Design-Builder by the Design-Build Agreement.

Article 12
Miscellaneous

12.1 Assignment

12.1.1 Neither Designer nor Design-Builder shall, without the written consent of the other, assign, transfer or sublet any portion or part of the Services or the obligations required by the Contract Documents.

12.2 Successorship

12.2.1 Design-Builder and Designer intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and assigns.

12.3 Governing Law

12.3.1 This Agreement and all Contract Documents shall be governed by the laws of the place of the Project, without giving effect to its conflict of law principles.

12.4 Severability

12.4.1 If any provision or any part of a provision of the Contract Documents shall be finally determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to any applicable Legal Requirements or court order, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provision or parts of the provision of the Contract Documents, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

12.5 No Waiver

12.5.1 The failure of either Design-Builder or Designer to insist, in any one or more instances, on the performance of any of the obligations required by the other under the Contract Documents shall not be construed as a waiver or relinquishment of such obligation or right with respect to future performance.

12.6 Headings

12.6.1 The headings used in this Agreement, or any other Contract Document, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

12.7 Notice

12.7.1 Whenever the Contract Documents require that notice be provided to the other party, notice will be deemed to have been validly given (i) if delivered in person to the individual intended to receive such notice, (ii) four (4) days after being sent by registered or certified mail, postage prepaid to the address indicated in this Agreement or (iii) if transmitted by facsimile, by the time stated in a machine generated confirmation that notice was received at the number of the intended recipient.

12.8 Amendments

12.8.1 The Contract Documents may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party.

12.9 Survival

12.9.1 Designer's obligations under this Agreement shall not be released, and shall specifically survive, the completion of all Services hereunder, final payment to Designer, and the termination of this Agreement for any reason.

Article 13
Other Provisions

13.1 Other provisions, if any, are as follows:

Exhibit A – Scope of Services
- Attachment A.1 – Design Responsibility Matrix
- Attachment A.2 – Gov't Approvals and Permits
- Attachment A.3 – Additional Services

Exhibit B – Schedule of Fees and Costs
- Attachment B.1 – Designer's Personnel & Rates

Exhibit C – Schedule
Exhibit D – Project Description
Exhibit E – Contract Documents List
Exhibit F – Designer's Electronic Documents Policy
Exhibit G – Furniture, Fixture & Equipment Matrix
Exhibit H – Low-Voltage "Technology" FF&E Matrix
Exhibit I – Operating Supplies and Equipment Matrix
Exhibit J – Developer's Direct Access Agreement
Exhibit K – Hyatt's ADA Certification Form

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In executing this Agreement, Design-Builder and Designer each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the Services described herein.

DESIGN-BUILDER:	**DESIGNER:**
Mortenson Construction	Elness Swenson Graham Architects, Inc.
(Name of Design-Builder)	*(Name of Designer)*
(Signature)	*(Signature)*
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

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Attachment 6 to DFA (3rd Amend.) Predevelopment Cost Schedule

OCC Hotel
Forecast 2016.02.18

50% Design Documents

100% Design Documents

30% Construction Documents

Construction Start

Description	Entity	Budget	Spend Through January 2016	January 2016	February 2016	March 2016	April 2017	May 2016	June 2016	July 2016	August 2016	September 2016	October 2016	November 2016	December 2016	January 2017	February 2017
Third-Party Costs:																	
Design/Consultants	MAM	4,824,467	560,000	47,000	69,000	370,000	450,000	552,467	600,000	600,000	550,000	400,000	375,000	350,000	300,000	285,000	
MEP Engineering	MAM	850,000	0		11,000	25,000	50,000	75,000	100,000	100,000	100,000	100,000	100,000	100,000	50,000	25,000	
Pre-Close Basic Commissioning Allowance ($0.15/sf)	MAM	46,666	0					23,333	23,333								
Geotechnical	MAM	0	0														
Drywell Testing Allowance	MAM	15,000	0				15,000										
Land Survey	MAM	10,000	0			10,000											
Traffic Study	MAM	12,824	12,824														
Utility Engineering/Fees	MAM	35,000	0			10,000			25,000								
3rd Party Reviews, Shoring Design, MEP, etc.	MAM	50,000	0								25,000	25,000					
Land Use Consultant (Superblock Issue)	MAM	5,000	0			2,500	2,500										
Permits/Entitlement Costs	MDI	7,624	5,124			2,500											
Major Projects Group [$100,000 reimbursed by Metro]	MDI	89,000	0					35,000	27,000		27,000						
Site Carry	MDI	1,172,000	410,000	63,500	63,500	63,500	63,500	63,500	63,500	63,500	63,500	63,500	63,500	63,500	63,500	63,500	
Contingency	MAM	590,716	0	2,400	2,400	2,400	35,000	50,250	67,783	70,083	75,200	67,500	50,000	47,500	45,000	40,000	37,600
Total Monthly Third-Party Costs		7,708,297	987,948	112,900	145,900	485,900	616,000	799,550	906,616	833,583	840,700	656,000	588,500	561,000	458,500	413,500	37,600
Cumulative Third-Party Costs, Starting November 2015				112,900	145,900	744,700	1,360,700	2,160,250	3,066,866	3,900,449	4,741,149	5,397,149	5,985,649	6,546,649	7,005,149	7,418,649	7,456,249
Cumulative Third-Party Costs			987,948	1,100,848	1,246,748	1,586,748	2,202,748	3,002,298	3,908,914	4,742,497	5,583,197	6,239,197	6,827,697	7,388,697	7,847,197	8,260,697	7,884,797
Mortenson Design Phase Costs:																	
Mortenson Construction	MAM	426,106	424,932	40,000	40,000	60,000	70,000	40,000	50,000	100,000	50,000	50,000	50,000	50,000	125,000	100,000	100,000
Mortenson Development	MDI	239,266	156,342	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Total Mortenson Design Phase Costs		665,372	581,274	50,000	50,000	70,000	80,000	50,000	60,000	110,000	60,000	60,000	60,000	60,000	135,000	110,000	110,000
Other Mortenson Costs																	
Legal (MDI)			286,239	50,000	50,000	50,000									50,000	75,000	75,000
Legal (MAM)			3,098	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Travel (MDI)			129,099	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Travel (MAM)			9,373	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Total Other Mortenson Costs			427,809	61,500	61,500	61,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	61,500	86,500	86,500
Monthly Mortenson Costs - start Jan 2016				111,500	111,500	131,500	91,500	61,500	71,500	121,500	71,500	71,500	71,500	71,500	196,500	196,500	196,500
Total Monthly Costs (3rd Party + Mortenson)				224,400	257,400	617,400	707,500	861,050	978,116	955,083	131,500	131,500	131,500	131,500	331,500	306,500	306,500
Total Cumulative Costs			1,997,031	2,221,431	2,478,831	3,096,231	3,803,731	4,664,781	5,642,897	6,597,980	7,510,180	8,237,680	8,897,680	9,530,180	10,185,180	10,795,180	11,029,280

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PRELIMINARY DEVELOPMENT COST BUDGET
2/8/2016

Mortenson development

USES	$/Key	$/GSF	% of Total	Total
Land Costs				
Land - Hotel Site	$13,212	$17.74	3.4%	$7,927,000
Land - Block 47	$2,000	$2.69	0.5%	$1,200,000
Legal	$167	$0.00	0.0%	$100,000
Total Land Costs	**$15,378**	**$20.65**	**4.0%**	**$9,227,000**
Design-Build Costs				
Hotel (Mortenson)	$258,985	$347.69	67.4%	$155,391,294
Construction Escalation (October 2016 - January 2017)	$2,299	$3.09	0.6%	$1,379,628
FF&E (Hyatt Allowance)	$23,156	$31.09	6.0%	$13,893,321
OS&E (Hyatt Allowance)	$10,314	$13.85	2.7%	$6,188,400
Low Voltage/Technology (Hyatt Allowance)	$8,524	$11.44	2.2%	$5,114,574
Total Design-Build Costs	**$303,279**	**$407.15**	**78.9%**	**$181,967,217**
Development Costs				
Accounting	$42	$0.06	0.0%	$25,000
Marketing	$125	$0.17	0.0%	$75,000
Survey	$83	$0.11	0.0%	$50,000
Development Expense	$3,500	$4.70	0.9%	$2,100,000
Finance Structuring & Placement Fee	$7,827	$10.51	2.0%	$4,696,251
Owner's Rep Fee	$2,500	$3.36	0.7%	$1,500,000
Public Relations Consultant	$417	$0.56	0.1%	$250,000
Environmental Consultant	$75	$0.10	0.0%	$45,000
Geotechnical Consultant	$125	$0.17	0.0%	$75,000
Legal (Mortenson)	$2,083	$2.80	0.5%	$1,250,000
Delay in Completion Insurance ($30M in coverage)	$85	$0.11	0.0%	$51,000
PLL Insurance	$83	$0.11	0.0%	$50,000
Franchise Fees	$0	$0.00	0.0%	$0
Technical Services Agreement	$0	$0.00	0.0%	$0
Hyatt Construction Cost Consultant	$167	$0.22	0.0%	$100,000
Testing	$0	$0.00	0.0%	$0
Sanitary Sewer Impact Fees	$3,652	$4.90	1.0%	$2,191,140
Storm Sewer Impact Fees	$42	$0.06	0.0%	$24,962
Transportation Impact Fees	$2,997	$4.02	0.8%	$1,798,417
Park & Rec Impact Fees	$589	$0.79	0.2%	$353,284
Water Bureau Impact Fees	$157	$0.21	0.0%	$94,238
School Impact Fees	$46	$0.06	0.0%	$27,720
Building Permit/Plan Review	$2,940	$3.95	0.8%	$1,764,000
Management & Pre-Opening Expenses	$0	$0.00	0.0%	$0
Real Estate Taxes	$833	$1.12	0.2%	$500,000
Total Development Costs	**$28,368**	**$38.08**	**7.38%**	**$17,021,011**
Financing Costs				
Construction Loan Fees	$2,494	$3.35	0.6%	$1,496,355
Letter of Credit	$1,372	$1.84	0.4%	$822,995
Closing Costs	$1,023	$1.37	0.3%	$613,505
Construction Interest	$15,188	$20.39	4.0%	$9,112,799
Financing Reserve	$5,588	$7.50	1.5%	$3,352,875
Legal (Lender)	$500	$0.67	0.1%	$300,000
Transfer Tax plus Local Option	$0	$0.00	0.0%	$0
Title Insurance	$468	$0.63	0.1%	$280,566
Inspection Fees	$48	$0.06	0.0%	$29,000
Construction Dispursements	$24	$0.03	0.0%	$14,500
Total Financing Costs	**$26,704**	**$35.85**	**6.9%**	**$16,022,595**
Development Fee	**$10,551**	**$14.17**	**2.7%**	**$6,330,731**
TOTAL COST	**$384,281**	**$515.90**	**100%**	**$230,568,554**

Site & Building Program		Cost/Unit
Gross Building SF (GSF)	446,925	**$ 516 per gsf**
Keys	600	**$ 384,281 per key**
Efficiency Ratio (GSF/Key)	745	

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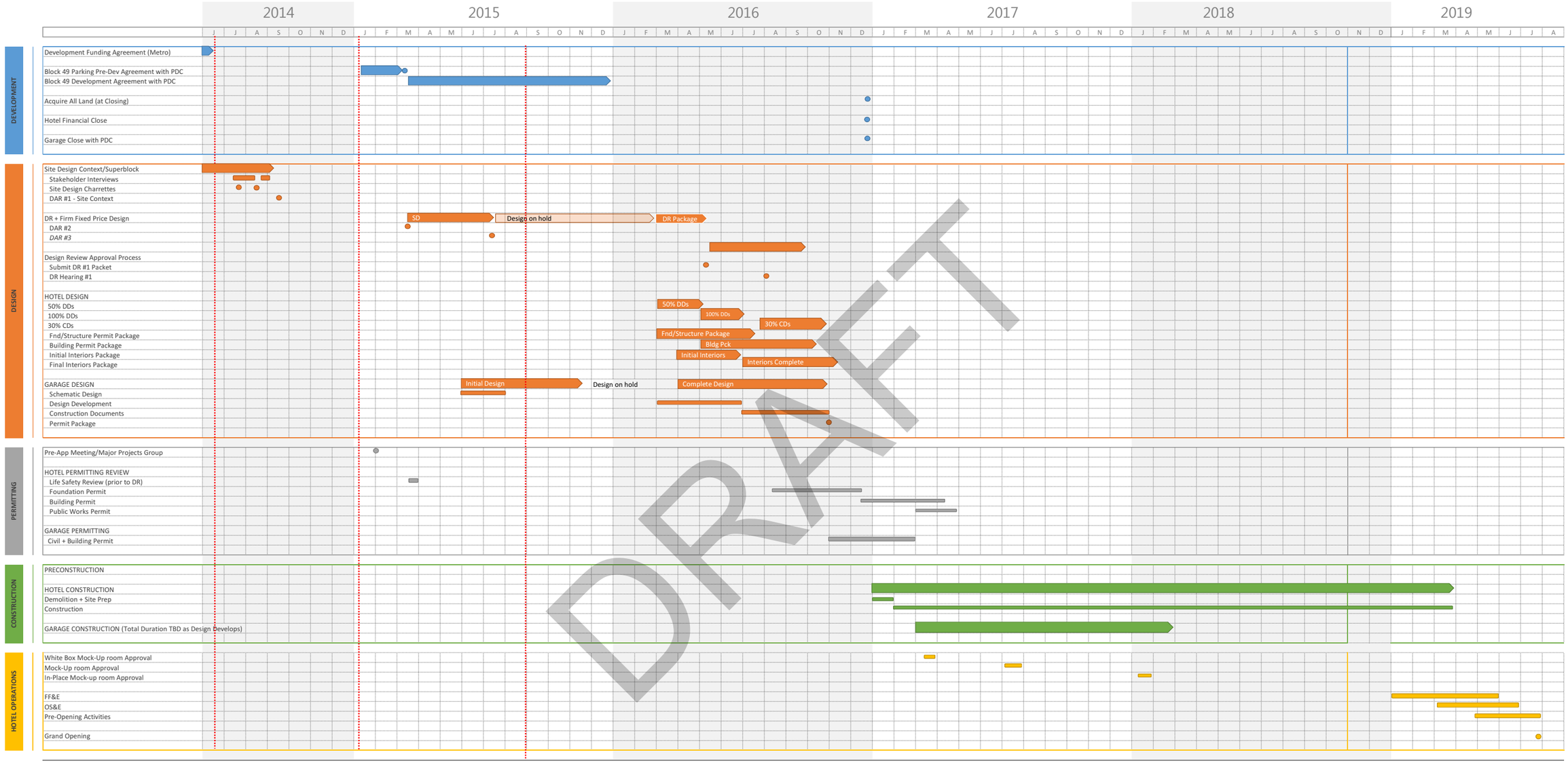
Attachment 8 to DFA (3rd Amendment)

Oregon Convention Center Hotel (One Design Review)

5-Feb-16



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STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 15-4624, FOR THE PURPOSE OF AMENDING THE DEVELOPMENT AND FINANCE AGREEMENT FOR THE CONVENTION CENTER HOTEL PROJECT

Date: March 3, 2016 Prepared by: Hillary Wilton

BACKGROUND

Purpose of action

The purpose of this resolution is to authorize the Chief Operating Officer to execute an amendment to the 2014 Development and Finance Agreement with Mortenson Development, Inc. ("Mortenson") related to the Oregon Convention Center Hotel Project.

Brief Project History

The Oregon Convention Center ("OCC") is a major driver of tourism in the Portland region. In the last year alone, the OCC created more than $540 million of direct and indirect economic impact and supported more than 5,240 local jobs. However, the OCC is still not reaching its full potential.

Convention organizers repeatedly cite the lack of a sizeable high quality hotel adjacent to the OCC as the main reason that their groups book conventions elsewhere. In recent years, surveys of potential convention clients conducted by Travel Portland report over 30 conventions annually chose other cities over Portland due to the lack of a Convention Center Hotel, costing the local economy millions in lost spending in hotels, restaurants, and small businesses. It is estimated that a headquarters hotel adjacent to the OCC that meets the needs of convention organizers will bring 5-10 new major conventions to Portland every year, resulting in approximately $120 million of new economic activity annually to the region.

In June of 2014, Metro Council approved a Development and Financing Agreement ("DFA") with Mortenson Development Company/Hyatt Hotels (Resolution No. 14-4520). Since the DFA's execution, the Mortenson/Hyatt team has significantly advanced the Hotel design - the design has had three Design Advice Reviews with the City of Portland Design Commission and is ready to move into Design Review. In addition, the Portland Development Commission ("PDC"), Mortenson and Hyatt have finalized terms for the development and management agreements on the adjacent parking structure which will support the Hotel (the parking structure agreements are a separate project managed by PDC).

In January of 2016, Metro reached settlement terms on the outstanding lawsuits that have delayed the project development. All pending lawsuits have now been dismissed.

Despite the delays caused by litigation, and the resulting cost escalations, the amount of total public funds slated for investment into this project has not changed: remaining at a total of $74 million comprised of a $4 million Metro grant from OCC, a $10 million State Lottery Grant, and future issuance of $60 million in revenue bonds backed by transient lodging taxes. Mortenson Development and Hyatt have agreed to absorb increased project costs, most of which are the result of cost escalation in the booming construction market and market financing conditions. The public financial contribution to the Hotel project now represents less than 35% of total project budget.

Terms of Proposed Third Amendment to the DFA

Resolution No. 15-4624 is before the Metro Council for consideration to provide authority to the COO to enter into a Third Amendment to the Development and Financing Agreement ("Third Amendment"). A draft form of the Third Amendment is attached as Exhibit A to the Resolution.

The DFA was approved and signed in spring of 2014. The parties now desire to enter into the proposed Third Amendment to reflect activities that have transpired since the agreement was originally signed, including the settlement of the litigation regarding the project, updated Scope Documents, an updated Project Schedule and an updated Project Budget. The Third Amendment would also revise the DFA to reflect that Hyatt and Mortenson have completed and executed their Initial Hotel Sale Agreement, and that therefore significant additional design work will be performed during the predevelopment period prior to financial close on the project. Given the increased design costs that will be incurred by the private parties during the predevelopment period, Metro has agreed to reimburse Mortenson for a portion of such costs (not to exceed $3.4M) if the project does not proceed to financial close due to any failure by Metro to raise its portion of the project financing, as set forth in the Third Amendment attached to the resolution as Exhibit A.

Project status

Upon the adoption of Resolution 15-4624, the Hotel will continue through design review and permitting processes with the City of Portland. Several challenges continue to face the project related to design completion deadlines and Metro's ability to finance its full revenue bond financing commitment of $60 million, as discussed more fully below.

Design Challenges:

Mortenson is now committed to advance design prior to Closing in accordance with the updated agreed-upon Project Budget. The Mortenson-Hyatt agreement gives Hyatt the opportunity at 50% Design Drawings, 100% Design Drawings and 30% Construction Drawings to determine whether Mortenson is adequately managing their needs and is on track to deliver a hotel product in accordance with the parties Initial Sale Agreement. If Hyatt determines that Mortenson has not met these goals, Hyatt has the option at these points in the project to terminate its involvement in the project.

The significantly- increased project design that will occur prior to Closing will mean that significant project risk will be eliminated prior to Metro's revenue bond issuance and prior to the commencement of construction. If Hyatt is not satisfied with Hotel design during predevelopment, Hyatt retains the ability to terminate the transaction and Metro will not be at risk for additional costs incurred as a result of such termination.

Financing Challenges/Limited Reimbursement Guarantee:

In coming months, Metro must work diligently to secure its ability to raise $60 million in bond funds. If Metro's underwriters forecast a shortfall in the revenue bond proceeds, Metro must identify additional funds and commitments to ensure that it can deliver these funds to the project at Closing. If Metro determines at any time that it is unable to raise the $60 million funds, Metro will be responsible for repaying Mortenson for approximately 65% of the third party predevelopment costs Mortenson has incurred, in an amount not to exceed $3.4 million.

Given the increased design during predevelopment, the financial close and start of construction will not occur until winter of 2016/2017. As a result, the project is subject to market influences and changes during this year-long period, including escalating financing and construction markets, and the

competitive hotel market.

Staff will continue to keep Metro Council regularly informed regarding outcomes on all of these fronts, in addition to providing updates on business and workforce equity outreach as the Hotel design is advanced and work packages start to formulate.

Staff recommends Metro Council's approval of Resolution 15-4624, providing authority for the COO to enter into a Third Amendment to the Development and Finance Agreement with Mortenson Development, Inc and Hyatt Hotels Corporation under the general terms outlined above, which will allow the Oregon Convention Center Hotel project to proceed.

KNOWN OPPOSITION
NONE

LEGAL ANTECEDENTS

Marketing of the OCC is a necessary part of the Metro's charter authority to operate public cultural, trade, conventional and exhibition facilities, Metro Charter Section 6.

Resolution No. 12- 4365 ("For the Purpose of Selecting a Development Team for the Development of the Oregon Convention Center Hotel and Directing Staff to Commence Project Negotiations with Development Team"); Resolution No. 13-4453 ("For the Purpose of Approving the Oregon Convention Center Hotel Project Term Sheet"); Resolution No. 13-4452 (authorized the Chief Operating Officer to execute the Amended and Restated VF IGA); Resolution No. 13-4465 (approving the Memorandum of Understanding with the City of Portland and Multnomah County). Resolution 14-4520 ("For the purpose of authorizing execution of Development and Finance Agreement with Oregon Convention Center Hotel project developer").

BUDGET IMPACTS

Budgeted FY 2015-16 funds are expected to be adequate for the project pre-development and development phases.

This Resolution 15-4624, presented to Council on March 3, 2016, contemplates Metro's commitment to reimburse Mortenson for up to $3.4 million for certain pre-development expenses incurred by the Mortenson/Hyatt team in the event the transaction terminates due to a failure of performance by Metro prior to Closing. The $3.4 million reimbursement funds are earmarked in an OCC reserve account.

All bond-related issuance costs are expected to be paid as part of the revenue bonds when issued.

ANTICIPATED EFFECTS

Adopting Resolution No. 15-4624will authorize Metro Chief Operation Officer to take all steps necessary to execute the Third Amendment to the Development and Finance Agreement..

RECOMMENDED ACTION

Staff recommends Council approve Resolution No. 15-4624.

Materials following this page were distributed at the meeting.

Coalition of Communities of Color

African Immigrants & Refugees in Multnomah County

Djimet Dogo, Manager, Africa House
Dr. Ann Curry-Stevens, School of Social Work, Portland State University
Julia Meier, Executive Director, Coalition of Communities of Color

Portland State UNIVERSITY

Introduction and Background

- Africa House is a member of the Coalition of Communities of Color, which sponsored the “Unsettling Profiles” series
- Metro and IRCO Africa House co-facilitated two Equity Discussion Groups in 2015; Councilors Bob Stacey, Shirley Craddick, and Kathryn Harrington participated
- Recently, Africa House applied to be one of Metro’s Partners in Nature
- Africa House leaders are looking forward to collaborating with Metro to advance racial equity in the region

Coalition of Communities of Color

The Coalition's mission is:

- To address the socioeconomic disparities, institutional racism, and inequity of services experienced by our families, children and communities
- To organize our communities for collective action resulting in social change to obtain self-determination, wellness, justice and prosperity



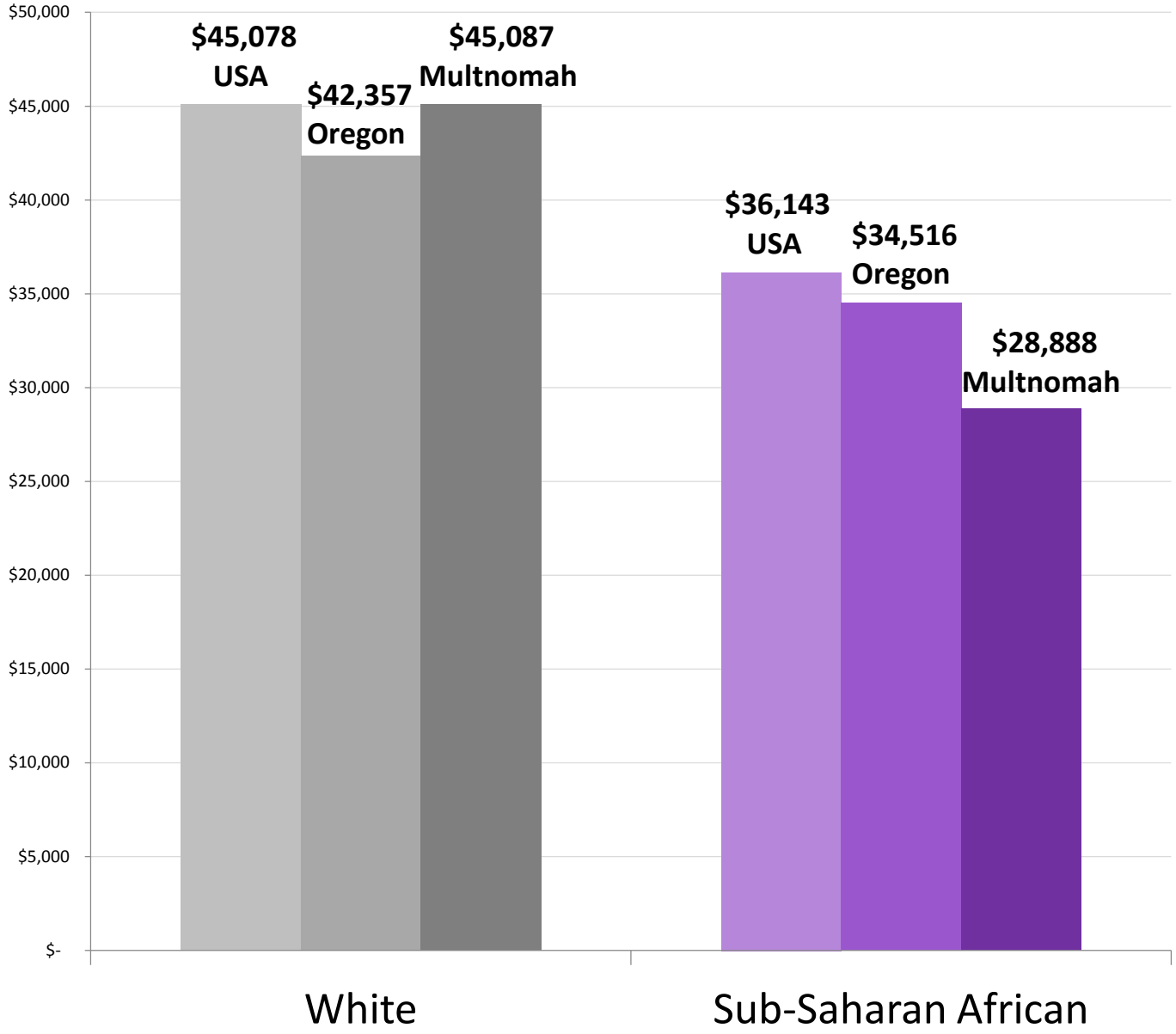
Summary of Findings

- Pronounced disparities
  - With Whites pronounced
  - With Africans nationwide
- Economic struggles severe
  - Incomes very low
  - Very high poverty levels, rapidly deteriorating
- High distress in employment
  - Highly educated, underemployed, underpaid
  - Not gaining jobs prepared for
- Community remains invisible due to data systems
- Rapidly growing community

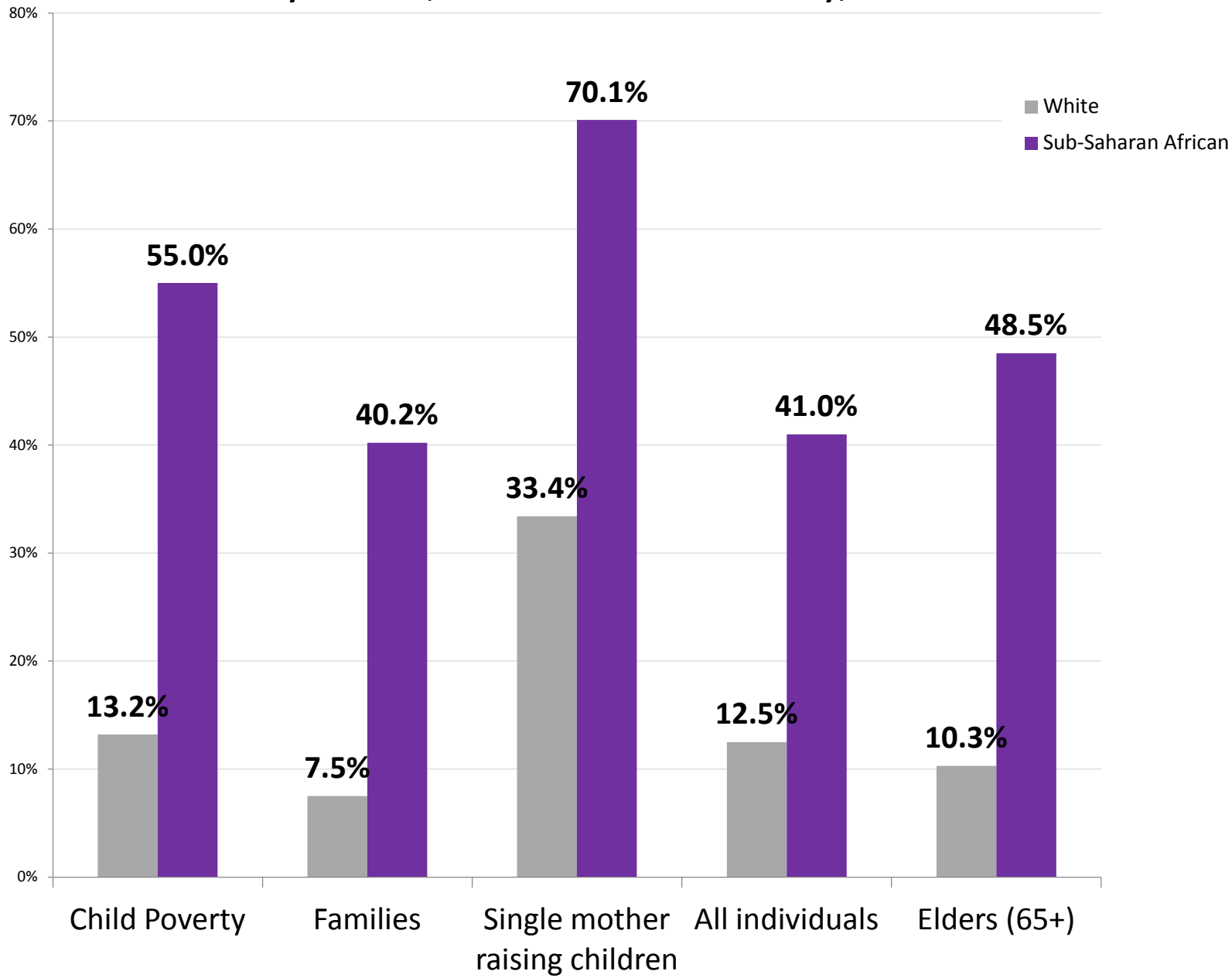
Population growing quickly

- Birthrate almost double that of Whites (at 7.6% versus 4.7% annually among women of childbearing years)
- 1-in-5 refugees into Oregon are from Africa
- And significantly undercounted
  - Our estimates are 55.7% based on differences in administrative systems between Census Bureau and ODE database, and for adults – our own participation survey in Census 2010
  - Smaller than published undercount of 85.5% through administrative variations including arrival records, birth records, survey data and local narratives

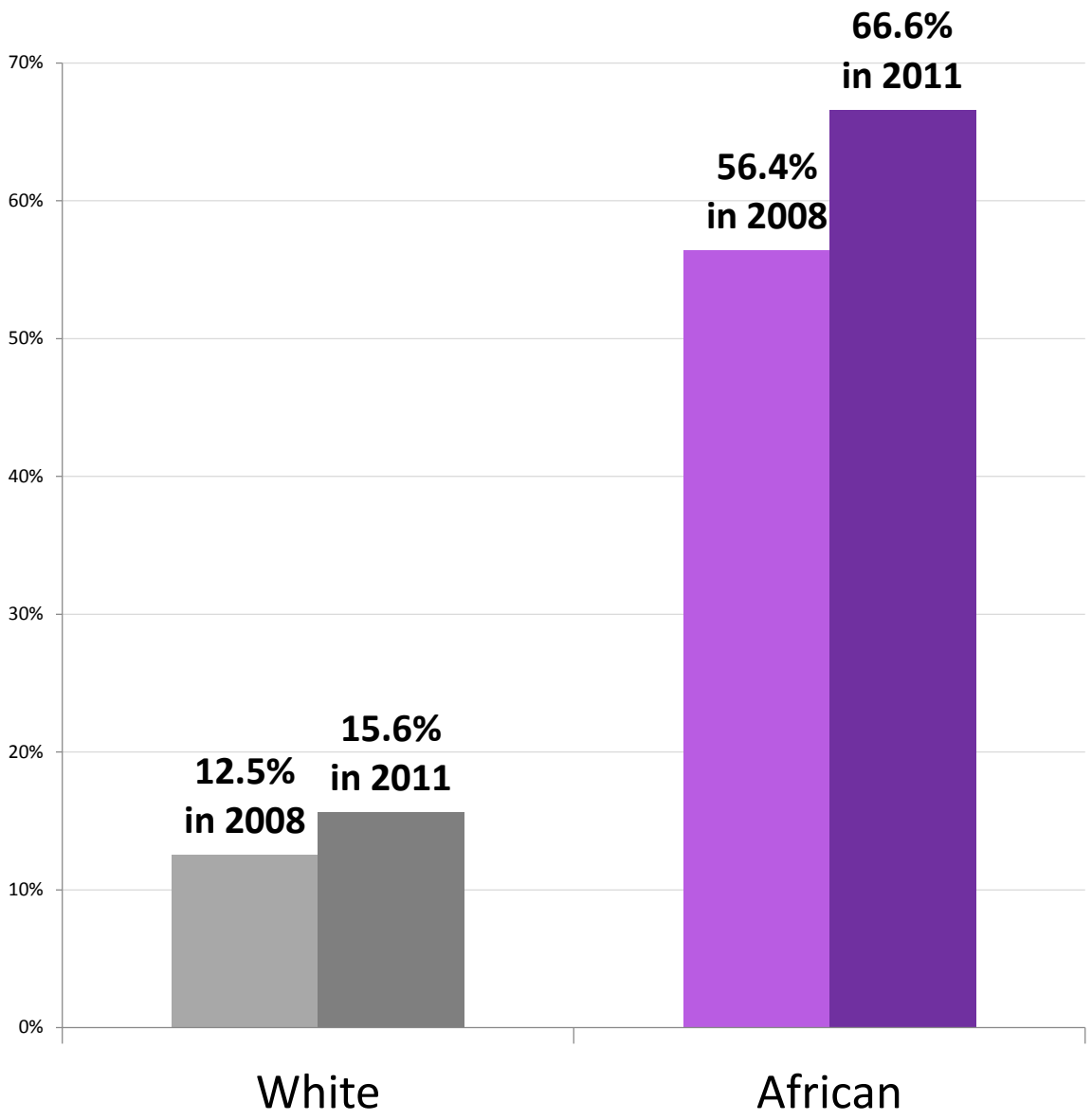
Earnings, Full-time Year-Round Workers, 2006-2010



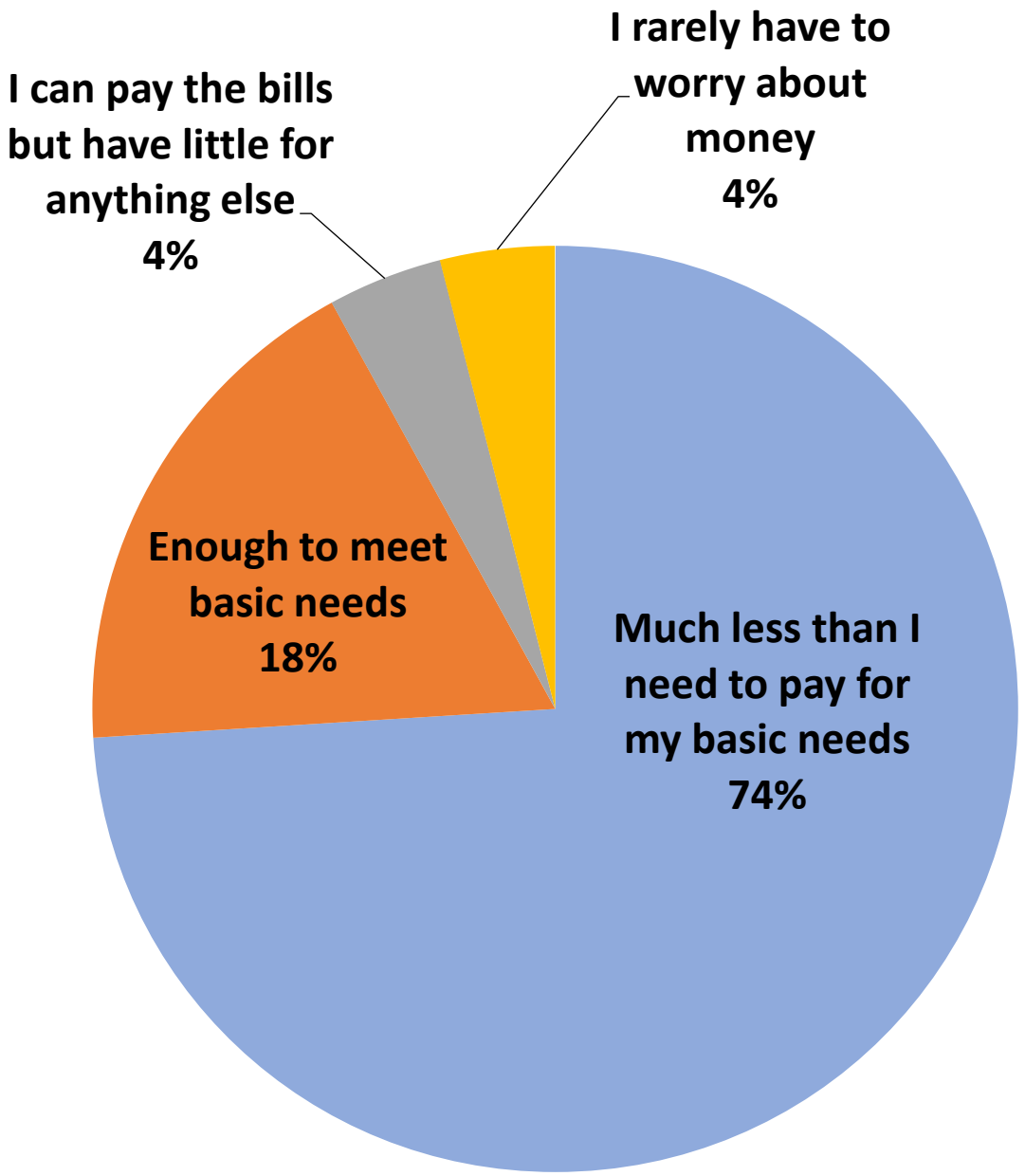
Poverty Rates, Multnomah County, 2006-2010



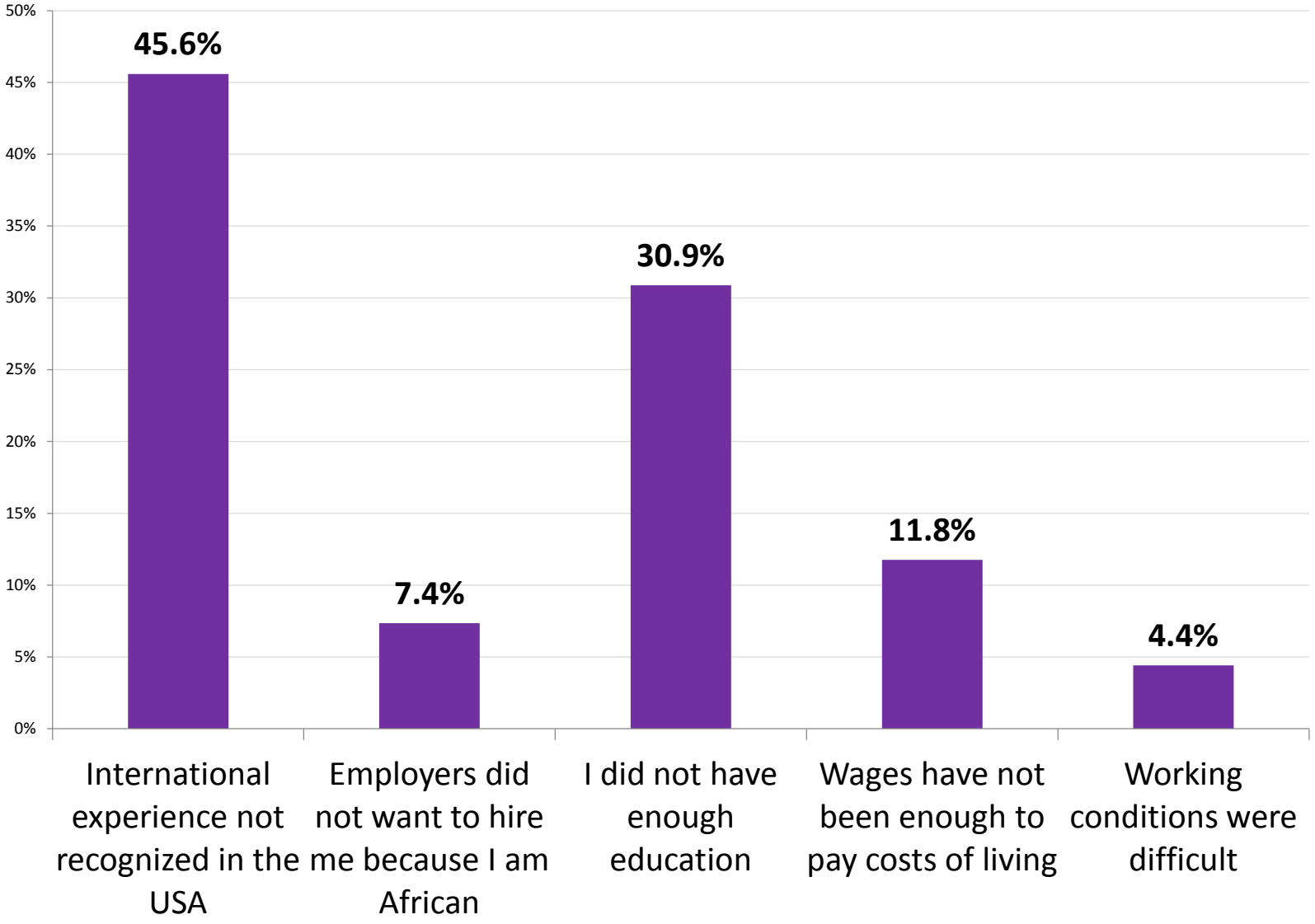
Child Poverty, Multnomah County



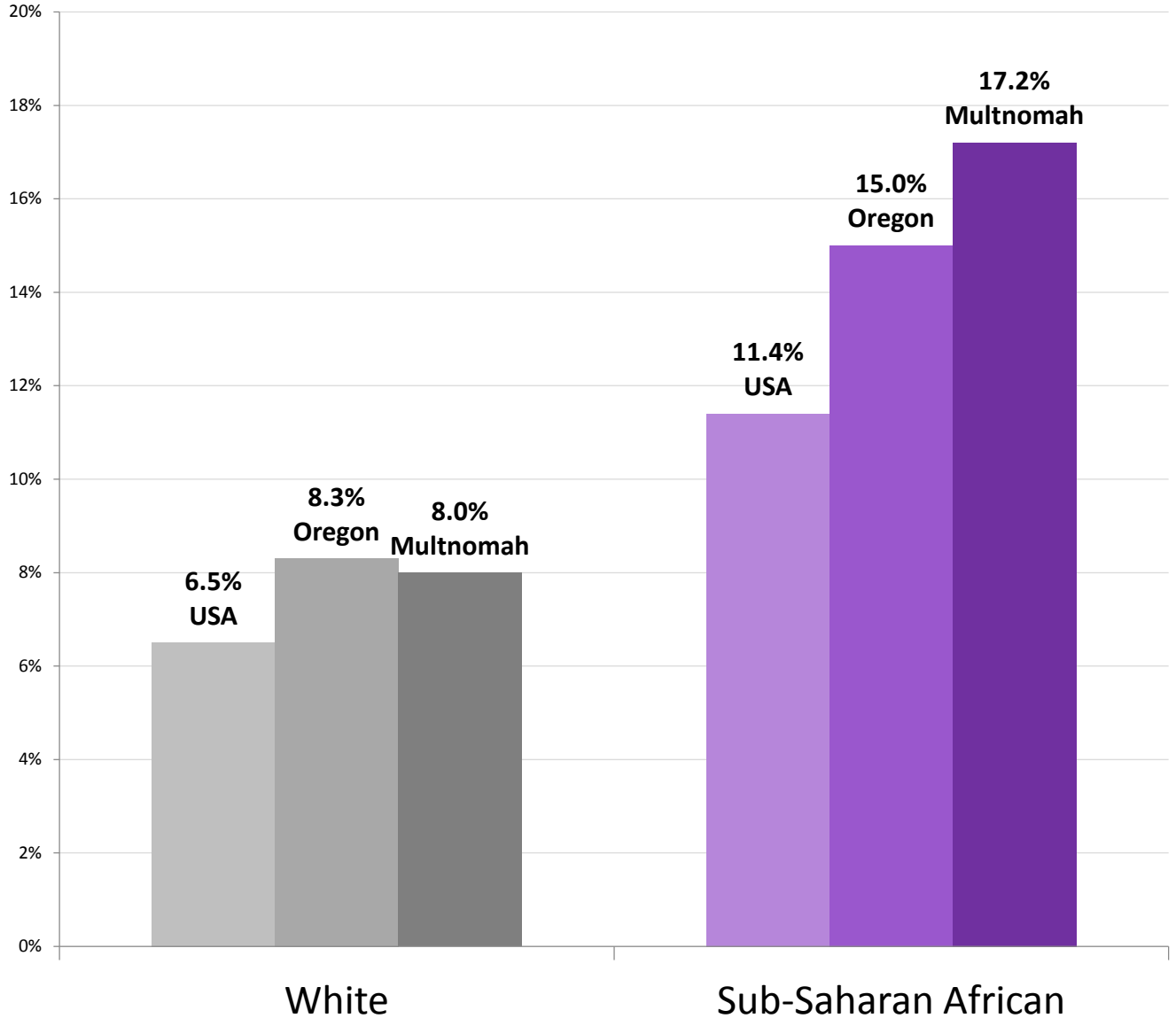
Economic Situation, African, Multnomah County, 2011



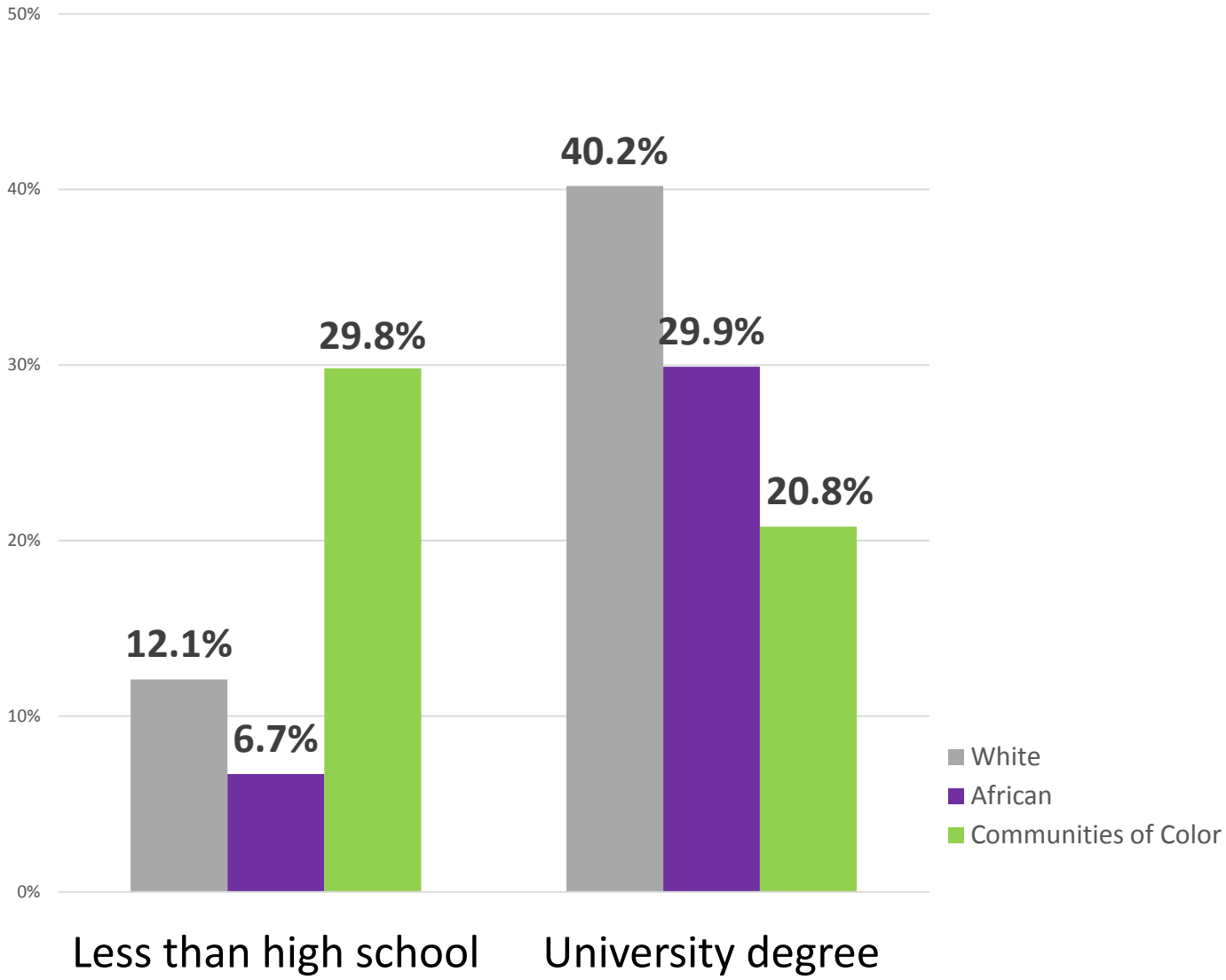
Barriers faced by Africans in Employment, Multnomah County, 2011



Unemployment Rates, 2006-2010



Educational Attainment, Multnomah County, 2008



Data Systems and Visibility

- Community invisible – encompassed under “African American” or “Black”
- Language (in education system data) helps identification
  - But as proxy measure, has challenges
- Need to be able to disaggregate
  - By refugee status
  - By ancestry
  - By year of arrival in USA
- Also remember this is a deeply undercounted community

Where are Africans visible?
8 of 28 systems = ¼ of systems

1. Population counts
2. Education
3. Occupation
4. Unemployment
5. Poverty levels
6. Access to food banks
7. Government procurement and contracting
8. Small business numbers
9. Hiring in public service
10. Incomes
11. Wealth
12. Bankruptcy
13. Lending institutions
14. Housing discrimination
15. Voter registration and voting
16. Volunteering
17. Public office
18. Philanthropy funding
19. Police hiring
20. Juvenile Justice
21. Child welfare
22. Health insurance
23. Health disparities
24. Racial harassment
25. Health risk behaviors
26. Criminal justice
27. Access to public housing
28. Homeless numbers

… Meaning Africans are invisible in ¾ of systems!

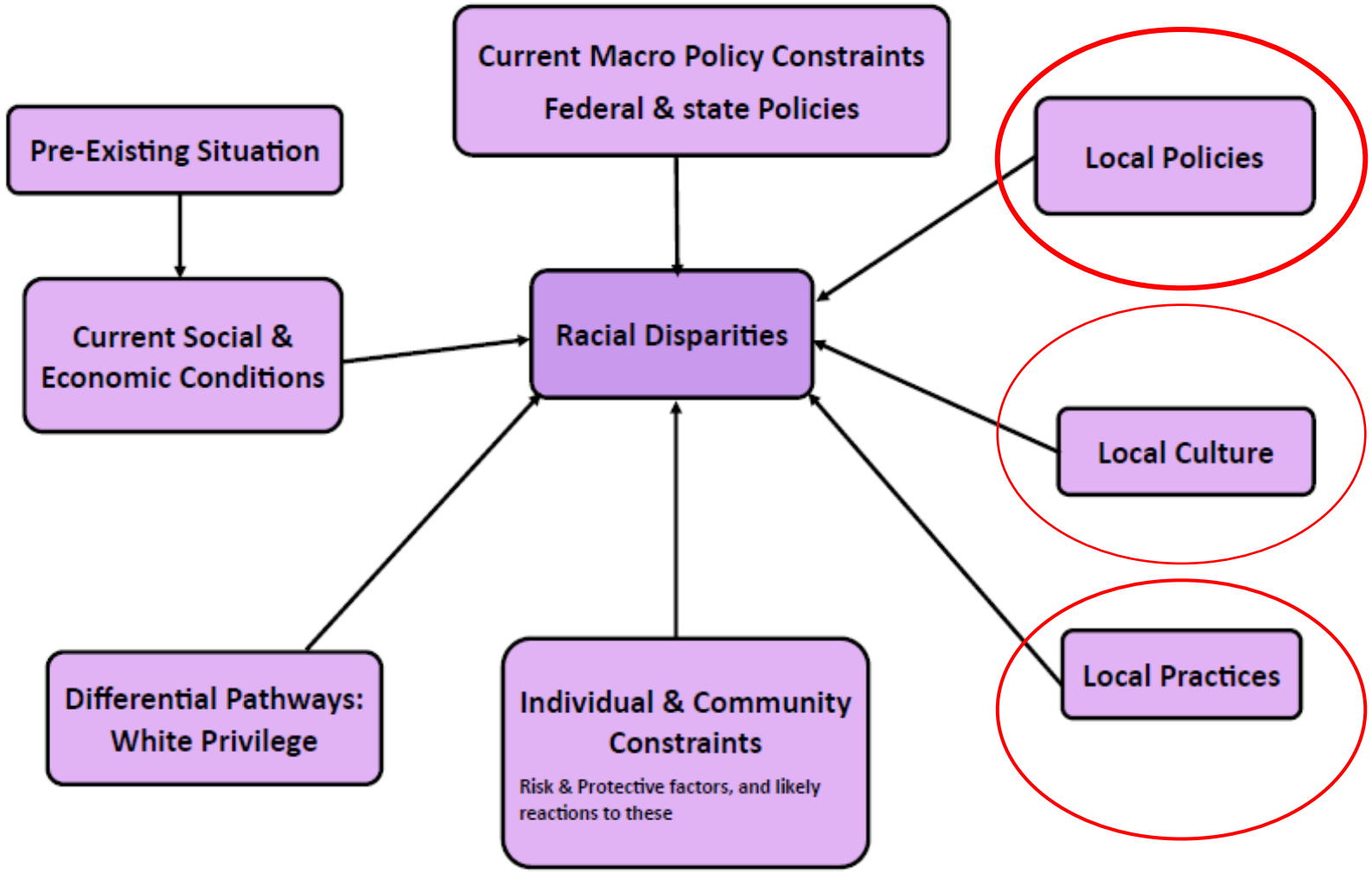
Successful Refugee Integration depends on…

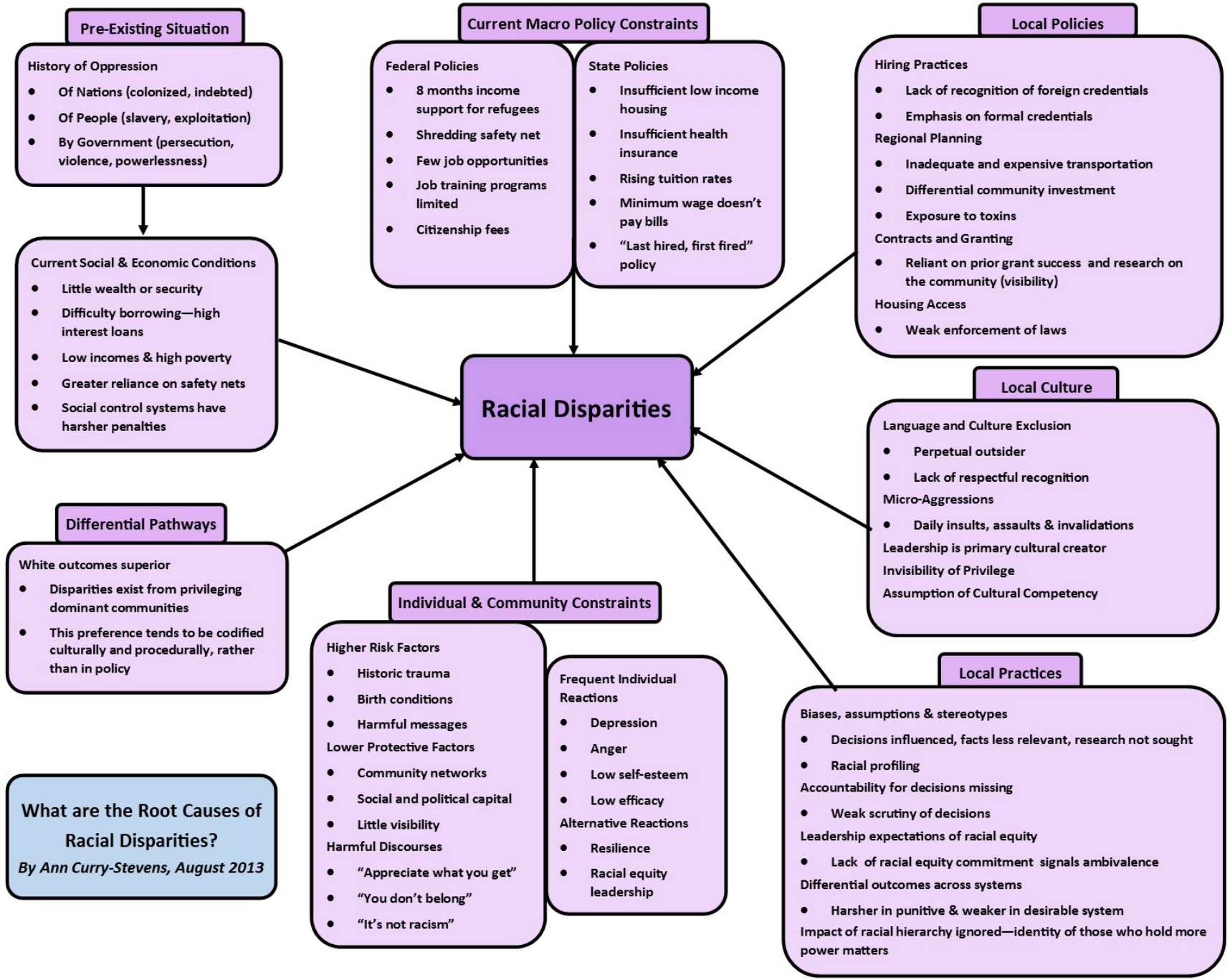
- Learning English
- Employment
- Housing
- Education
- Health
- Shared values
- Social bonds, social bridges, and social links
- Cultural identity and ethnicity
- Safety and stability
- Civic participation

- *Institute for Social and Economic Development, 2007*

What are the Root Causes of Racial Disparities?

By Ann Curry-Stevens, August 2013




Pre-Existing Situation
History of Oppression
Of Nations (colonized, indebted)
Of People (slavery, exploitation)
By Government (persecution, violence, powerlessness)
Current Social & Economic Conditions
Little wealth or security
Difficulty borrowing—high interest loans
Low incomes & high poverty
Greater reliance on safety nets
Social control systems have harsher penalties
Current Macro Policy Constraints
Federal Policies
8 months income support for refugees
Shredding safety net
Few job opportunities
Job training programs limited
Citizenship fees
State Policies
Insufficient low income housing
Insufficient health insurance
Rising tuition rates
Minimum wage doesn't pay bills
"Last hired, first fired" policy
Local Policies
Hiring Practices
Lack of recognition of foreign credentials
Emphasis on formal credentials
Regional Planning
Inadequate and expensive transportation
Differential community investment
Exposure to toxins
Contracts and Granting
Reliant on prior grant success and research on the community (visibility)
Housing Access
Weak enforcement of laws
Racial Disparities
Local Culture
Language and Culture Exclusion
Perpetual outsider
Lack of respectful recognition
Micro-Aggressions
Daily insults, assaults & invalidations
Leadership is primary cultural creator
Invisibility of Privilege
Assumption of Cultural Competency
Differential Pathways
White outcomes superior
Disparities exist from privileging dominant communities
This preference tends to be codified culturally and procedurally, rather than in policy
Individual & Community Constraints
Higher Risk Factors
Historic trauma
Birth conditions
Harmful messages
Lower Protective Factors
Community networks
Social and political capital
Little visibility
Harmful Discourses
"Appreciate what you get"
"You don't belong"
"It's not racism"
Frequent Individual Reactions
Depression
Anger
Low self-esteem
Low efficacy
Alternative Reactions
Resilience
Racial equity leadership
Local Practices
Biases, assumptions & stereotypes
Decisions influenced, facts less relevant, research not sought
Racial profiling
Accountability for decisions missing
Weak scrutiny of decisions
Leadership expectations of racial equity
Lack of racial equity commitment signals ambivalence
Differential outcomes across systems
Harsher in punitive & weaker in desirable system
Impact of racial hierarchy ignored—identity of those who hold more power matters
What are the Root Causes of Racial Disparities?
By Ann Curry-Stevens, August 2013

Recommendations

1. Employment
   a. Recognition of foreign credentials
      - Develop a pilot project for a profession such as teachers to support such credentialing
        - Would serve schools, students and African community alike
      - Central clearinghouse of information on how to become credentialed
      - Local model “Workforce Improvement with Immigrant Nurses” (WIIN) at Clackamas Community College

   b. Employment training programs
      - Paid skills training can remedy the requirement for refugees to take first job offered
      - On-the-job training for first month as subsidy to employer’s payment to employees

2. Housing

- Increase supply of low-income housing
  - Particularly for large families
  - Address constraints in access to section 8 housing vouchers
  - Target limited housing displacement funds to Africans
- Provide culturally-specific mediation services to reduce evictions
- Enforce non-discrimination policies

3. Health Services

- The African community has no culturally-specific health service
  - Key goal: Create an African health service
  - Focus: Mental health and chronic disease, plus more general services
- In mainstream health services, improve access & cultural responsiveness
  - Create African-specific health navigators to work with African patients
  - Expand funding for pilot projects underway with the Multnomah County Health Department that is training African community health workers
    - Currently not enough money for even 1 FTE African community health worker
- Ensure funding goes to culturally-specific organizations like Africa House
  - Without such direct funding, such organizations continue to be asked to assist without compensation

4. Data systems

- Ensure African visibility across institutions and departments
- Currently Department of County Human Services has a “visibility initiative” underway to provide greater visibility for small communities
  - County can require administrators to implement similar changes
- Key elements
  - Distinguish “African” from “African American”
  - Add language, refugee status, nativity, and length of time in USA… text on next page
- Coalition provides consultation on such data improvement initiatives

5. Education

- Educators and administrators need to learn African experiences, particularly the trauma involved in refugee experiences
- Customize assessments of student knowledge
  - Currently too rapid and overly determined by age
- Improve English language supports for students and parents
- While these are School District responsibilities, please ally with the community to advocate with School Districts
- County can provide immediate assistance with Gang Services
  - Without schooling, youth sometimes turn to gangs
  - Immediate request… allow IRCO to redeploy remaining grant funding to Africa House for use with African gangs (instead of returning it)

Connections to Metro

- Many of the recommendations in this report mirror the feedback Metro received from the Africa House discussion groups, especially:
  - Employment
  - Housing
  - Working with youth

- In addition, Metro has a direct role in data collection and analysis

- We encourage the Metro Council to provide strong leadership through the [Metro] equity strategy [and Nature in Neighborhood program] to address these issues and reverse disparities for the African Immigrants and Refugees community.

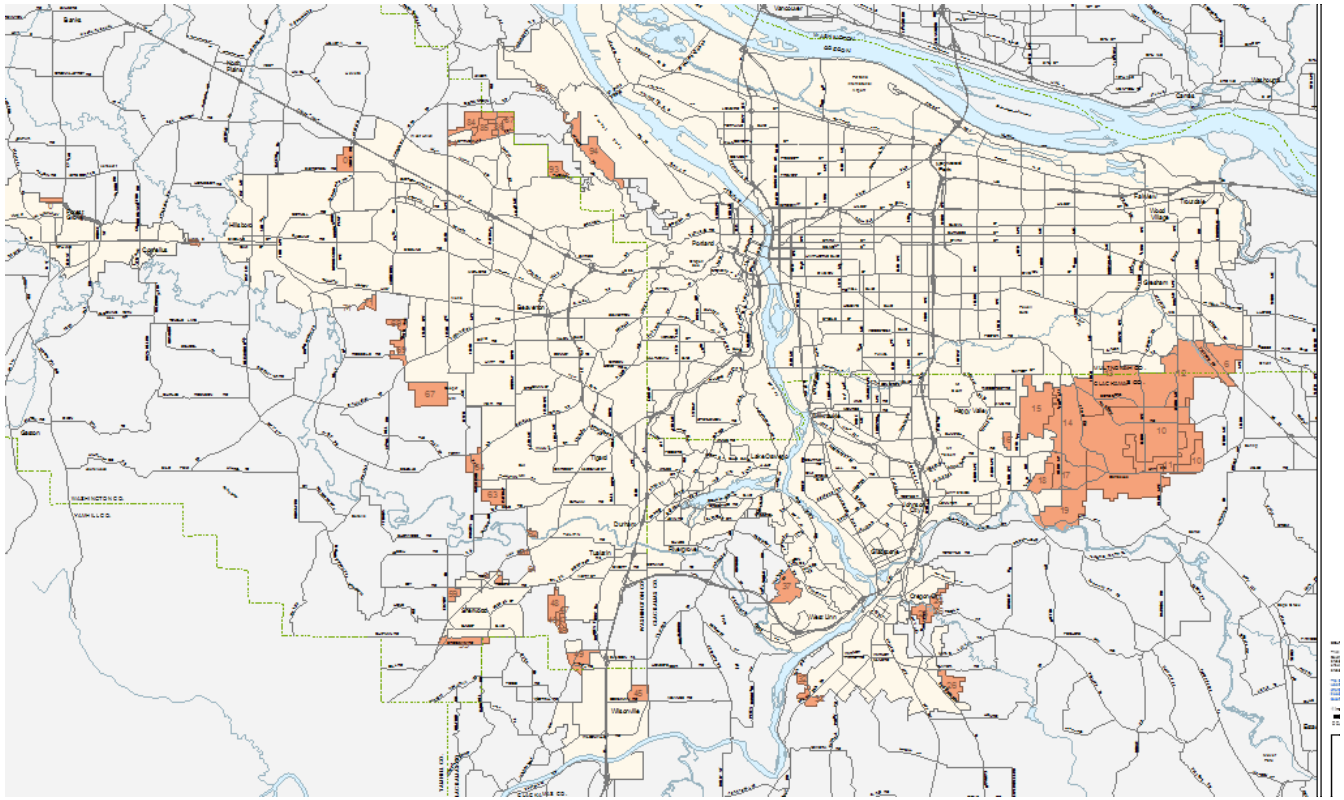
Closing Comments and Questions

Community Planning & Development Grants

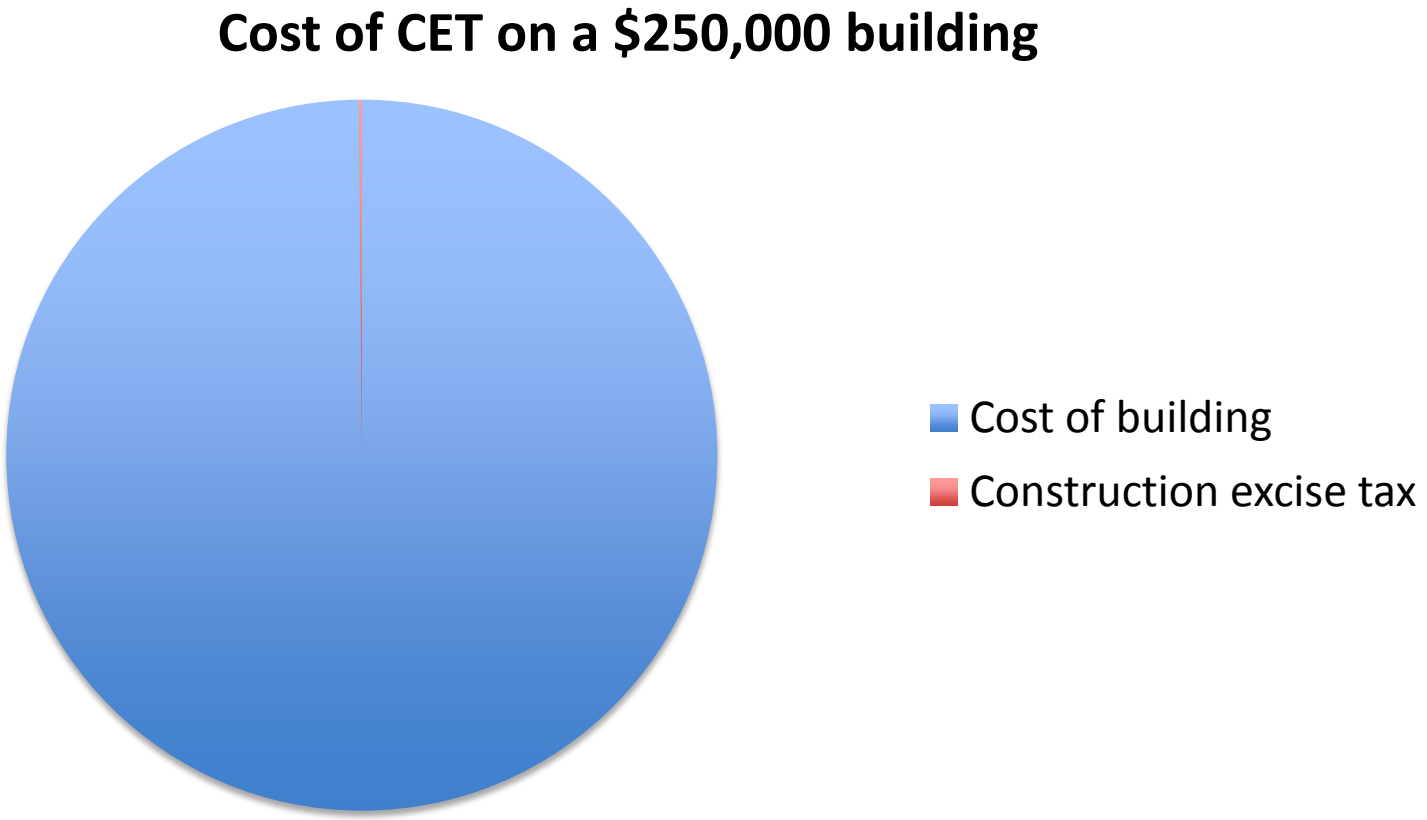
Management Response

March 3, 2016

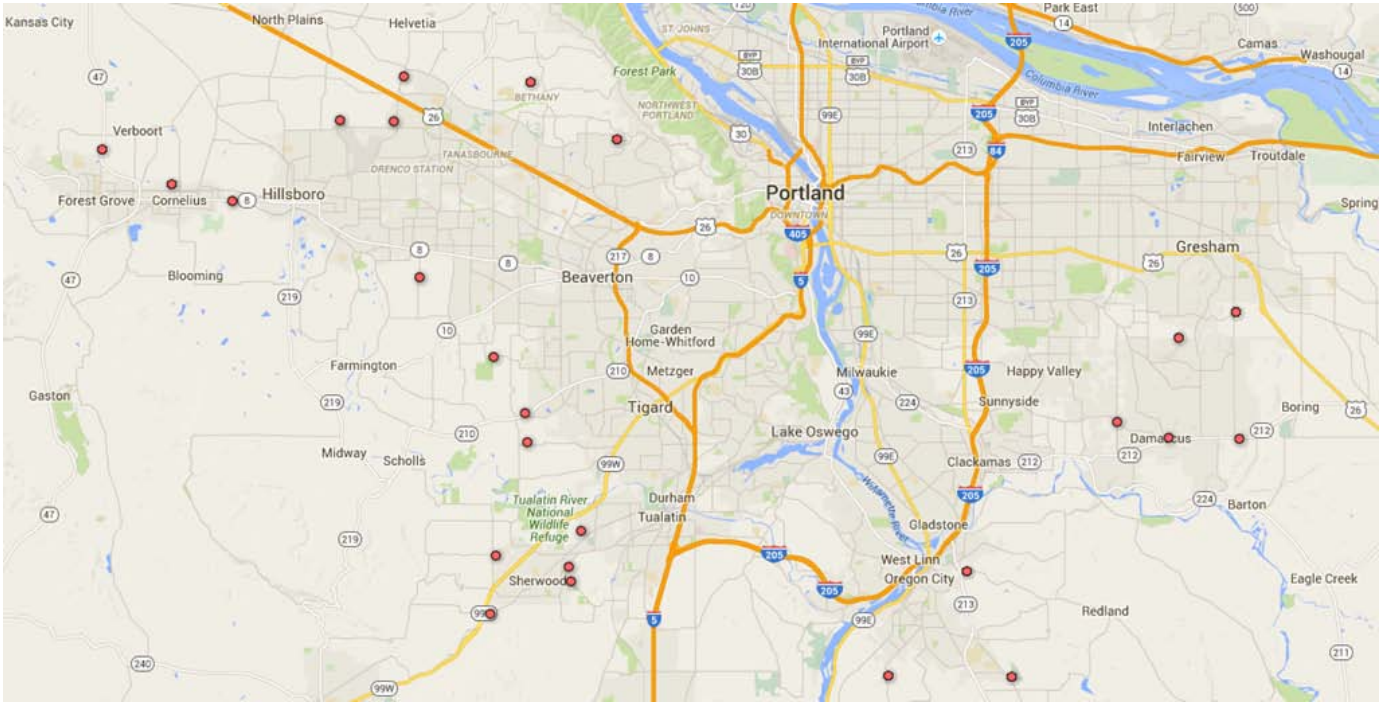
Supporting community-led growth



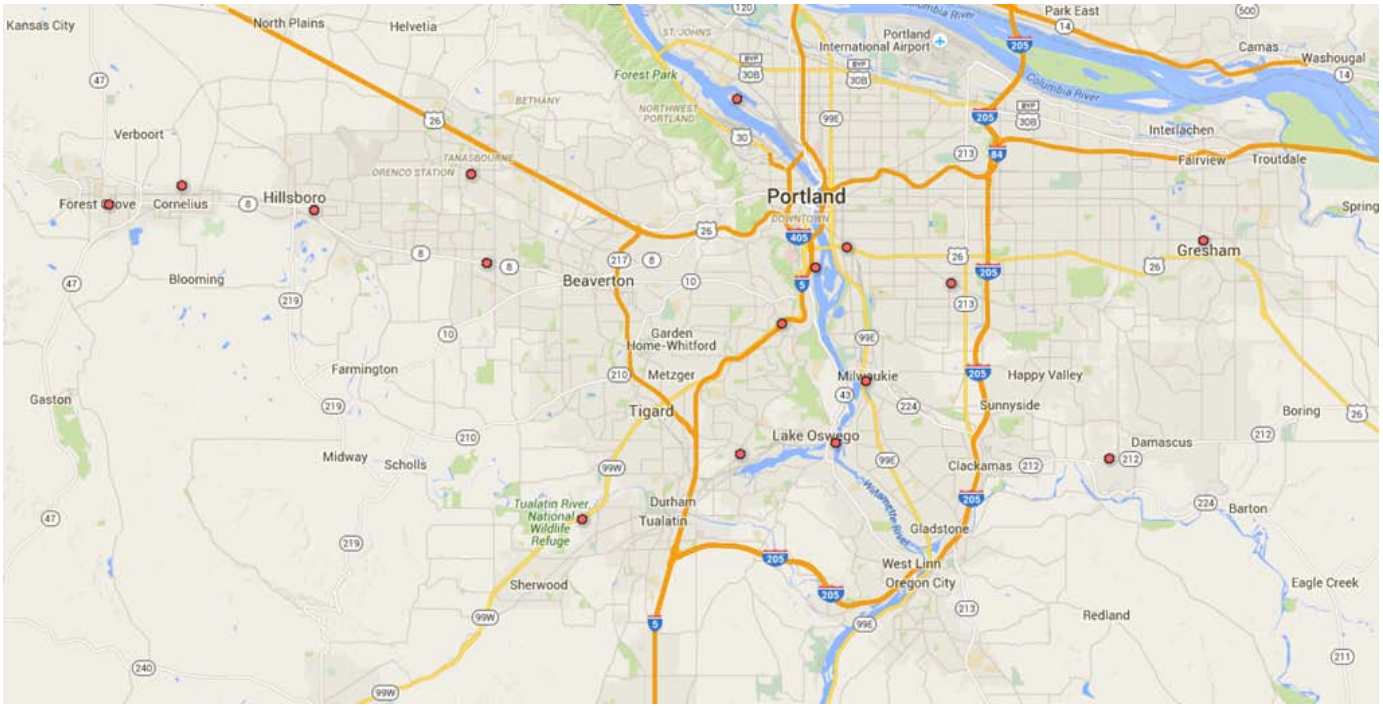
Minimal cost, maximum impact



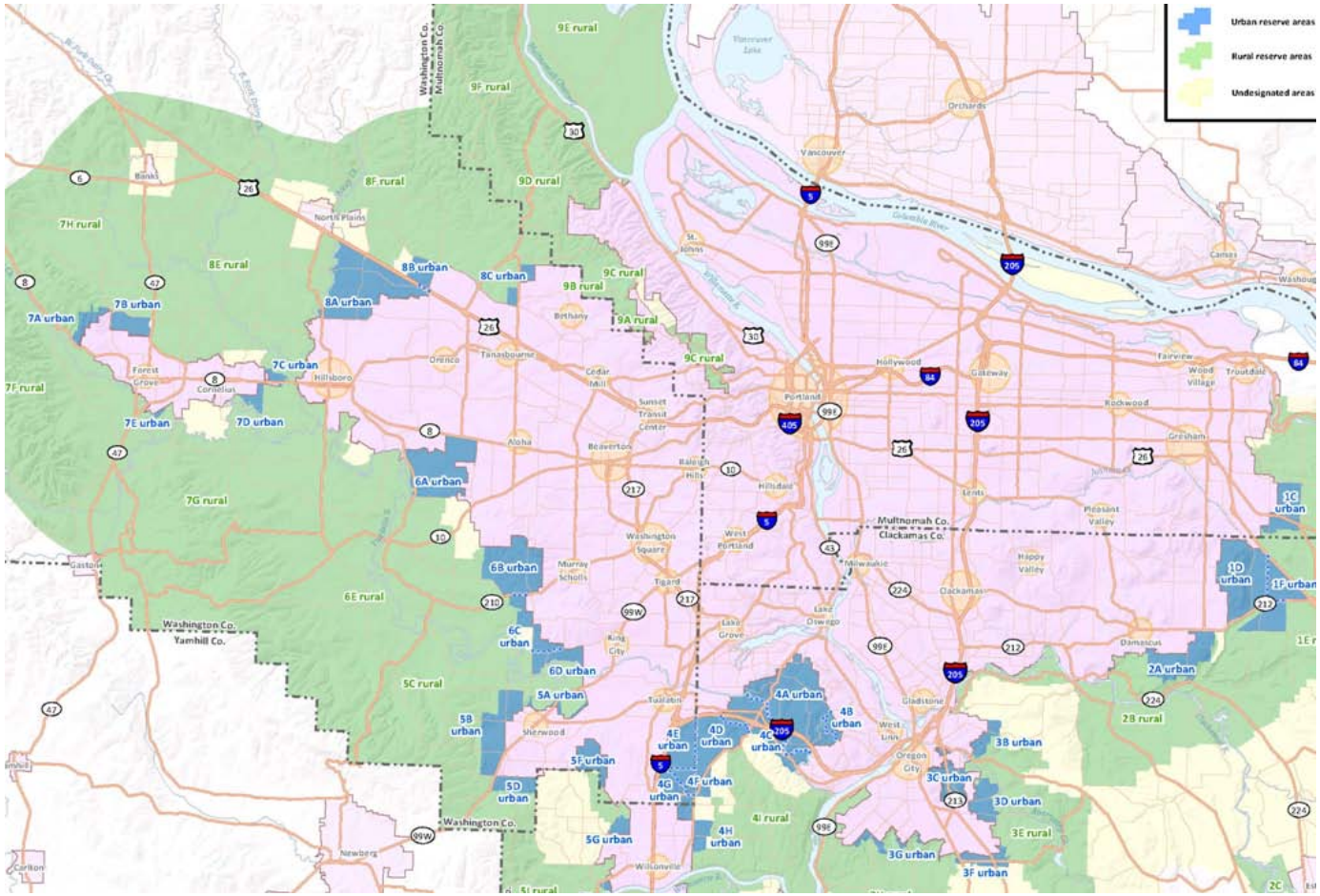
Planning for a successful region



Supporting our existing communities



Planning for future growth



Breaking barriers to development



Guided by local input



Slow, steady progress



Improving the program

- Communicate with local governments
- Improve grant monitoring
- Ensure precise deliverables
- Apply performance measures

EcoNorthwest analysis

"**Patience is needed** in measuring development outcomes…"

"… A successful community engagement effort has benefits beyond the project's life - it sets the stage for subsequent planning efforts in the same geography."

Slow, steady progress



Slow, steady progress



Questions?



Metro

Office of the Auditor

Frequent Flyer Benefits Audit Follow-Up

Brian Evans
Metro Auditor

February 2016

Summary

Some progress was made on the six recommendations in the 2011 audit. Two recommendations were implemented and one was no longer relevant. Three recommendations were not implemented including updating Metro's travel policy, training travelers and limiting options for employees to use their personal credit cards to pay for travel. As a result, some of the same risks identified in the original audit remain.

Background

In March 2011, the Auditor's Office released a report on frequent flyer benefits. The audit contained six recommendations to strengthen controls over travel practices and ethics. At that time, Metro did not have a policy for employee collection of frequent flyer benefits. A sample of travel records showed that employees in several parts of the organization collected benefits. If those benefits were later used for personal benefit, it would violate state ethics laws, unless they were approved as part of an employee's compensation.

The audit also found inconsistent application of travel policies across the agency. This may have led to Metro paying more than necessary for travel. The 2011 audit identified the need to balance ethical requirements with cost-effective administration. At that time, the management structure provided wide flexibility. This limited the agency's ability to control costs, manage ethics risks, and ensure consistent application of policies across the agency.

Lack of clear guidance and training for travel was the primary reason the initial audit was completed. Reports had been made to Metro's Accountability Hotline with concerns about the consistency of travel procedures and compliance with state ethics laws. The Auditor's Office was notified of a similar concern in 2015.

Methodology

The objective of this audit was to determine if the recommendations from the 2011 audit were implemented. To meet our objective, we reviewed policies and procedures related to travel and ethics. We researched ethics laws and rulings of the Oregon Government Standards and Practices Commission. We interviewed Metro employees who were involved in developing travel and related policies. We also reviewed draft travel policies and compared them to current practices.

We identified an issue unrelated to the objective of the follow-up audit during our review. There was a contradiction in Metro's personnel code that needed to be clarified. Information about this issue was communicated to management in a separate memo in January 2016.

We conducted this follow-up in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

BRIAN EVANS
Metro Auditor
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Portland, OR 97232
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Results

Some controls over travel practices and ethics improved often the original audit. A policy to guide employee collection of frequent flyer and other marketing rewards was adopted, which addressed ethical requirements related to travel benefits. The policy made the recommendation to disclose travel benefits received no longer relevant. In addition, two of the six recommendations were implemented. However, progress on these recommendations had a relatively small effect because the other recommendations were not implemented.

Metro's travel policy is out of date. A revised travel policy has been in development since 2011, but had not been adopted at the time of our review. Training was not provided to all travelers. Lack of an up-to-date travel policy and training limited Metro's ability to control costs and ensure consistent application of travel practices.

Travel policy is out-of-date and training is not provided to all travelers

After the original audit, procedures and practices for travel were not clarified. Metro's current travel policy is 13 years old and contains procedures that are no longer used. There is a separate travel policy for Metro's visitor venues (MERC Venues). It was not clear which policies applied to travelers in some parts of the organization. During the follow-up audit, we found contradictory policies related to travel on Metro's internal website. This increased the risk of inconsistent application of travel practices.

A revised travel policy has been in development since 2011. During the follow-up audit, we were told that the new policy was being finalized. Based on the estimated timeline we were given, it is possible the policy could be adopted by May 2016. Because the policy was not in place within five years of the original audit, we concluded the first recommendation (see page 5) was not implemented.

The draft policy we reviewed as part of this follow-up audit was almost identical to the draft that we reviewed in 2011. One of the most substantive differences between the two documents was a provision to allow certain employees to "…expense full client entertainment expenses." It is not clear if this includes alcoholic beverages. Paying for other people's expenses and/or purchasing alcohol may raise questions about the appropriate use of public funds.

Exhibit 1: Excerpt of change between 2011 and 2016 travel policy drafts

January 2011 Draft	February 2016 Draft
The purchase of alcoholic beverages is never an allowed expense.	**The purchase of alcoholic beverages is never an allowed expense.** Due to business needs of the MERC Venues, the venue directors and General Manager of Visitor Venues are allowed to approve and submit a list of positions annually that are eligible to expense full client entertainment expenses consistent with the Drug and Alcohol Use Policy and Appendix A: Business Development Waiver.

Source: Auditor's Office analysis of draft travel policies

After we discussed the preliminary findings of this follow-up audit with management and sent a summary of the findings in late January 2016, additional information was provided to the Auditor's Office. We were notified that employees were directed to use travel advances for meal expenses rather than use their Metro issued procurement cards or personal credit cards for meals. In early February 2016, a new draft travel policy was provided.

We decided not to modify the report's conclusions because these changes had not been approved or adopted at the time of this report. In addition, the information provided to the Auditor's Office was inconsistent in some areas. For example, the February 2016 draft of the travel policy stated that employees with procurement cards could only request travel advances for miscellaneous expenses not meals. That contradicted the direction to employees in late January 2016 that travel advances were the only payment option for meal expenses. This contradiction indicated more coordination was needed to implement a policy that clearly states Metro's position in regard to travel procedures and practices.

The recommendation to train travel coordinators and employees on policies and procedures was not implemented (see #3 on page 5). The only travel training available was for employees who were issued procurement cards. Not all employees have procurement cards, which meant some travelers were not trained.

We also determined that the recommendation to limit use of personal credit cards for travel was not implemented (see #4 on page 5). The travel policy that is currently in effect, and the draft policies we reviewed, encouraged employees to use Metro-issued procurement cards, but not all employees have access to this payment option. The policy allows employees to be reimbursed for expenditures made using personal credit cards without limitation.

The purpose of limiting payment options for travel was to reduce opportunities for employees to receive personal benefits during Metro travel. There is a risk that allowing employees to accept benefits could result in Metro paying more than necessary. If employees can receive personal benefits from making purchases with certain vendors, they may not use the lowest cost option.

Marketing rewards policy clarified Metro's position regarding travel benefits

In response to the original audit, the Chief Operating Officer (COO) and MERC approved a policy to clarify employee collection and use of frequent flyer benefits and other marketing rewards. State law prohibits public employees from receiving personal gain from their position. Rulings by the state ethics commission confirmed that personal use of frequent flyer benefits would violate state law, unless those benefits were approved as a as part of an employee's compensation.

Metro's policy made marketing rewards, such as frequent flyer benefits, a fringe benefit of employment. As a result, the audit recommendation to require employees to disclose any benefits received was no longer relevant (see #5 on page 5). Disclosure of benefits would only be required if employees were prohibited from using them for personal use.

Some recommendations were implemented but risks remain

Two of the original recommendations were implemented (see #2 and #6 on page 5) but they had a relatively small effect in the absence of a clear travel policy. Metro combined all personnel polices into a single document and made it available on its internal website. Some monitoring for compliance with policies was being done. However, lack of a clear policy reduced the effectiveness of monitoring.

Weak controls and inconsistent travel procedures present risks. Financial risks need to be managed to make sure Metro does not pay more than necessary for travel. About $985,000 was spent on travel in the last two fiscal years (FY2013-14 and FY2014-15). That total includes transportation, lodging and meals. According to purchasing card records, at least 200 employees traveled on airlines during that time. There are also reputational risks associated with travel. Real or perceived violations of ethics policies or inadequate financial management can reduce trust in government.

Status of Metro Auditor Recommendations

2011 Recommendations	Status
To strengthen controls over travel practices and ethics, Metro should:	
1. Develop a policy that clearly states Metro's position in regard to travel procedures and practices.	NOT IMPLEMENTED
2. Consolidate all guidance into one document.	IMPLEMENTED
3. Train coordinators and employees on policies and procedures.	NOT IMPLEMENTED
4. Limit payment options for travel and only allow the use of personal credit cards under approved circumstances.	NOT IMPLEMENTED
5. Require employees to disclose any rewards that are received as a result of travel on Metro business.	No longer relevant
6. Monitor for compliance periodically.	IMPLEMENTED

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Metro | *Memo*

Date: Tuesday, February 23, 2016

To: Brian Evans, Metro Auditor

From: Tim Collier, Director of Finance and Regulatory Services
Scott Robinson, Deputy Chief Operating Officer

Subject: Management Response to follow up audit of Frequent Flyer Benefits program

---

Thank you for the opportunity to respond to your follow up audit of Frequent Flyer Benefits program. The audit is very useful in helping us strengthen our travel policies.

Your follow up noted that we have not implemented a new travel policy since your original audit in 2011. While a policy has not been formally adopted at this time, we are as you mentioned currently in process and should be implemented in spring of 2016. Due to the revised procedure for policy adoptions, our adoption process can take longer than was originally envisioned. A key piece of this new policy is to combine all travel policy and procedures across Metro and Merc venues. This is consistent with your original recommendation. When the policy is formally adopted all employees will be required to read the policy and sign off that they have read and understand the policy. Also as you stated we have made progress on the audit recommendations, which we feel we have, even if we haven't yet implemented all of the original recommendations.

You also mentioned some concern with regards to the procurement card/personal card usage for travel. The majority of our travelers do have procurement cards and in order to receive those cards must go through the procurement card training program which specifically discusses travel related policies. As you mention we do allow the use of personal cards, to help maintain flexibility for the employee while travelling, but encourage travelers to use a Metro issued procurement card. While we do allow employees to use a personal card for travel, it is extremely rare and would require reimbursement from Metro for them to be repaid for their charges. In order for that to happen, a travel reimbursement form must be completed, receipts attached, it is then reviewed and signed off on by their supervisor, and then it is reviewed again in accounts payable for completeness and appropriateness before payment is made. While not a perfect system, we believe that the controls in place would catch any major policy violations, or would be able to explain why there was a violation necessary.

We continue to look for ways to improve our systems and give employees flexibility when they are travelling while maintaining the public trust. We believe the policy that will be adopted this spring will strengthen our current procedures.

Thank you again for your follow-up and recommendations for on-going improvement.

600 NE Grand Ave.
Portland, OR 97232-2736

Metro | *Making a great place*

METRO COUNCIL MEETING
Meeting Minutes
February 18, 2016
Metro Regional Center, Council Chamber

Councilors Present: Council President Tom Hughes, and Councilors Craig Dirksen, Sam Chase, Shirley Craddick, Kathryn Harrington, and Bob Stacey

Councilors Excused: Councilor Carlotta Collette

Council President Tom Hughes called the regular council meeting to order at 2:03pm.

1. CITIZEN COMMUNICATION

LeeAnne Fergason, Portland: Ms. Fergason provided testimony on Safe Routes to School program funding and urged the Council to invest $15 million in dedicated funds for the program.

2. CONSENT AGENDA

Motion:	Councilor Bob Stacey moved to adopt items on the consent agenda.
Second:	Councilor Shirley Craddick seconded the motion.

Vote:	Council President Hughes, and Councilors Dirksen, Chase, Craddick, Harrington, and Stacey voted in support of the motion. The vote was 6 ayes, the motion passed.

3. RESOLUTIONS

3.1 **Resolution No. 16-4683,** For the Purpose of Accepting the Chief Operating Officer's Recommendation and Eliminating the Remote Elephant Center Set-Aside Fund from the Metro Council's Recommended List of Projects to be Funded by Metro Ballot Measure 26-29

Motion:	Councilor Shirley Craddick moved to approve Resolution 16-4683.
Second:	Councilor Bob Stacey seconded the motion.

Council President Hughes called on Ms. Martha Bennett, Metro's Chief Operating Officer (COO), to provide her recommendation. Ms. Bennett shared a brief project background, noting the following:

- The REC was envisioned at the time that the 2008 Oregon Zoo bond measure passed and that the Metro Council at the time directed staff to explore the feasibility of developing an offsite elephant habitat,
- Since that time, staff has conducted extensive due diligence on the suitability of property, financial projections and operational plans,

- And at the direction of the Metro Council, the analysis was presented to a 3rd party panel of reviewers (the REC Task Force) for input and recommendation.

Ms. Bennett invited Mr. Kregg Hanson, Metro's Remote Elephant Center (REC) Task Force Chair, to provide brief comments on behalf of the task force. Mr. Hanson explained that the task force was convened to weigh staff's analysis, ask questions, explore options, and develop a recommendation for the COO. He noted the diverse make-up of the task force, which included those with expertise in research, facilities planning, design, and construction, urban design, law, and business. Mr. Hanson also discussed the process that the task force went through, including: holding task force meetings, individual research assignments, touring Elephant Lands, talking with Oregon Zoo staff, studying the plight of elephants around the world (especially Asian elephants), discussing options for possible locations, studying the Zoo vision for elephants, studying several US elephant remote centers that are struggling, and thoroughly evaluating the extensive analysis completed by Oregon Zoo and Metro staff on a remote site. He stated that the REC Task Force was unanimous in their decision that a REC was not feasible, noting the primary reasons for this decision being that it would place Zoo operations and programs in jeopardy, the project would require a minimum of a $50 million endowment for construction and ongoing costs (largest to-date by the Oregon Zoo Foundation being $6 million), and now that Elephant Lands is complete, there is no compelling need to construct a REC as the elephants' space has quadrupled and the new facilities are excellent. Mr. Hanson concluded his comments by adding that there are many things that that Oregon Zoo and the Oregon Zoo Foundation can do, and are doing, in the way of conservation to help elephants around the world.

Ms. Bennett explained that if the Metro Council chooses to adopt this resolution, then staff will work with the Oregon Zoo Bond Citizens' Oversight Committee and with Council to discuss how any funds that had been set aside for a REC will be reallocated, noting that some of the funds were donated by the Oregon Zoo Foundation and that not all were bond funds. She invited Metro staff,

Council Questions
In response to councilor inquiry, Ms. Bennett and Ms. Heidi Rahn, Metro staff, spoke to the specific language of the bond measure and listed the eight projects specified in the bond (Condors of the Columbia, an upgrade to the penguin water filtration system, a new veterinary medical center, upgrade to the primate habitat, expansion of the rhino habitat, a new education center, a new polar bear habitat, and an expansion of the elephant habitat (now called Elephant Lands). In response to councilor inquiry, Ms. Rahn also clarified that the expansion of the elephant habitat (Elephant Lands) and the major upgrade of the infrastructure of the habitat cost $57 million ($3 million of which came from the Oregon Zoo Foundation), out of the $125 million bond levy. Ms. Rahn also clarified that the $7.2 million that had been set aside for a REC feasibility study had been set aside by the Metro Council via resolution and that the bond measure itself didn't specify that as a project or an outcome.

Council President Hughes noted that there were members of the public who had filled out testimony cards relating to the resolution and invited them to provide testimony at this time.

Ms. Janet Marcley, Portland: Ms. Marcley spoke in opposition of the resolution and discussed the need for an elephant sanctuary.

Ms. Katherine Barshaw, Portland: Ms. Barshaw spoke in opposition of the resolution and provided materials to support her argument that the public was misled regarding an offsite elephant facility.

Mr. Doug Steves, Portland: Mr. Steves spoke in opposition of the resolution and expressed his opinion that there was a misrepresentation of the use of funds. He requested that funding information should be made more readily available to the public.

Ms. Kimberlee Turner, Vancouver: Ms. Turner spoke in opposition of the resolution and questioned the make-up of the REC Task Force, noting that there should have been a representative from a sanctuary.

Ms. Nancy Shaw, Vancouver: Ms. Shaw spoke in opposition of the resolution and discussed the need for improved elephant health and welfare.

Ms. Janet Conklin, Portland: Ms. Conklin discussed her time working with elephant conservation in South Africa and other sanctuaries in the US, providing materials on one preserve for the Council. She requested that the plan for a REC be put on hold, but that the Council consider building it in the future.

Mr. Derek Conrad, Beaverton: Mr. Conrad, a member of the Oregon Zoo Foundation, spoke in support of the resolution, noting his reasons that the REC should not be built as too high in construction and operating cost, environmental impacts (both waste and impact on water systems), and the new Elephant Lands habitat will provide additional space needed at this time for the herd.

Ms. Nancy Hinnen, Portland: Ms. Hinnen read written testimony from Mr. Robert Maloney in support of the resolution, which focused on the obstacles to the REC project including major impact on waterways, problems with finding suitable locations, & ongoing expense unless the REC was open to the public.

Council Discussion
Councilors thanked those who provided testimony and thanked staff, the REC Task Force, and the Oregon Zoo Foundation for their hard work over the years on the feasibility study. Councilors expressed disappointment that the REC wasn't feasible and noted that it had been an exciting idea, but that the focus should now be on the herd and aiding elephant species around the world.

Vote:	Council President Hughes, and Councilors Dirksen, Chase, Craddick, Stacey, and Harrington voted in support of the motion. The vote was 6 ayes, the motion passed.

4. CHIEF OPERATING OFFICER COMMUNICATION

Ms. Martha Bennett provided an update on the following events or items: the release of the first discussion draft of the Metro Equity Strategy for a public comment period on Monday, the third Small Business Open House with Multnomah County on February 23rd, and the Chehalem Ridge kickoff event for the master plan project on February 24that Centro Cultural in Cornelius.

5. COUNCILOR COMMUNICATION

Councilors provided updates on the following meetings or events: the Equitable Housing Program presentation to the Multnomah County Commission, update from the February 18th JPACT meeting, the Governor's Transportation Visioning Panel forum on March 14th at PDX, upcoming Oregon

Senate Committee on Finance and Revenue, and thank you to the Oregon Zoo Foundation and Metro staff for their hard work on Resolution No. 16-4683.

6. ADJOURN

There being no further business, Council President Hughes adjourned the regular meeting at 3:26 p.m. The Metro Council will convene the next regular council meeting on Thursday, March 3, 2016 at 2 p.m. at the Metro Regional Center in the council chamber.

Respectfully submitted,



Alexandra Eldridge, Regional Engagement & Legislative Coordinator

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF FEB. 18, 2016

Item	Topic	Doc. Date	Document Description	Doc. Number
1.0	Testimony, handout	02/18/2016	Testimony from LeeAnne Fergason	021816c-01
2.1	Minutes	02/4/2016	Council Meeting Minutes from February 4, 2016	021816c-02
3.1	Presentation, Handout	02/18/2016	Comments from REC Task Force Chair Kregg Hanson	021816c-03
3.1	Testimony, handout	02/18/2016	Testimony from Katherine Barshaw	021816c-04
3.1	Testimony, handout	02/18/2016	Testimony from Janet Conklin	021816c-05
3.1	Testimony, handout	02/18/2016	Written testimony from Robert Maloney, Jr.	021816c-06