Memo to Neil from Ernie B.

Ernest Bonner
Subject: FW: Memo to Neil from Ernie B.
Date: Thursday, July 24, 2003 9:14
From: Ernie Bonner <erbonner@teleport.com>

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Date: Tue, 27 May 2003 21:14:37 -0700
To: Katheryn Leveque <kleveque@neilg.com>
Cc: Ernie Munch <ermunch@aol.com>
Subject: Memo to Neil from Ernie B.

Neil:

I met with Gil Kelley today (and his right-hand guy, Joe Zehnder). I laid out for him the plan we talked about (the city agrees to transfer ownership of the 10th Yamhill Garage to the Zell-Goodman-Schnitzer families under mutually agreeable conditions and terms. The City reserves air rights on Block 4 (Zell Block) and solicits bids from developers for high-density, mixed use development on Block 216 (Goodman-Schnitzer Block). He knew about the plan, but expressed some vague concerns about it.

Eventually, Gil said that he was in favor of that trade. But before he made that statement, he wound around the barn a little (as we say back in Nebraska).

He said that the Mayor is nervous about the deal because she is afraid that the income stream that the City was counting upon from the Garage may be somehow threatened by the trade. So the first thing he mentioned about the Mayor's feelings is that she was unsure whether it would be a good deal for the City. But, of course, nothing definite was mentioned about what would constitute a good deal for the City.

Gil noted that she seemed concerned as well about the future of the 'historic resources' in the blocks, as were Gil and Joe Zehnder. I asked them if they felt that the 'historic resources' on the Midtown Blocks are protected now, and they admitted that they really were not. And they agreed as well that there is no effort now going on which would change that significantly. (I told him that Ernie Munch and I were working on a definition of the high priority historic resources in the City, and he wished us luck with that, saying they would be real interested in that. I told him that Ernie and I were hoping we could talk the City into doing it. ☺)

Both Gil and Joe were concerned that creating so much open space in that area would deaden even further an already dead space. I reminded them that the time line for realization of open space was many years down the line—that the creation of the open space could be timed to the need for it caused by the increased density of the surrounding high rise, mixed use development. And that this could take place over many years. In the meantime, the area need not be cleared before a need for the open space
arose.

He felt that the Planning Bureau should be the agency to do the strategy for this area, and that PDC could handle the property transactions (though he reminded us that the south park urban renewal area is real short of money and that it was going out of existence in 4 years. I certainly agreed with that, and noted that this is a situation where an initiative could succeed if he could put PDC, the City and the Park Blocks Foundation together on an agreed long-term strategy for the area. He noted that they had been working on the strategy and that he had just recently asked for an acceleration of that work. Joe Zehnder (in charge of the work) said it would be 2 weeks, maybe 3, before they were ready for some discussions on that draft strategy. They both seemed to think that they were close to PDC on this strategy.

And, like I said above, Gil eventually stated clearly that he thought the property trade being talked about was a good one and that he favored it.

I think it would be a good idea for us (Park Blocks Foundation) to ask (at the conclusion of the Bureau-PDC meetings) for a discussion among Gil, Mazziotti, you and Tom Moyer to assure each other that our expectations are understood all around, and that we agree on the major issues to be overcome. Gil, for example, was no longer sure what the Foundation was doing, and whether its long-term goals remained unchanged. I would bet that getting him up to Tom Moyer’s place for coffee and a quiet chat would convince him that the Foundation is still serious and is still the potential big player in this enterprise.

I think Gil realizes that this proposed trade could be a major catalyst in the realization of a revitalization of the area around the Midtown Park Blocks. I think he also suspects that the Foundation can be a lot of help to him in moving the revitalization of the area beyond the blocks now being considered for a trade. But he is getting rumors to the effect that option holders are backing out, Foundation members are cooling off to the vision, etc. And I guess we just haven’t been diligent enough about keeping him informed. I know he is hard to get to, because he is so busy. I think we need to make sure that he knows more about what is going on than the rumor mongers around him. If it’s all right with you, I will make it one of my personal responsibilities to keep Gil better informed. I’ll make you a proposal in a week or two about that.

And while he and PDC are figuring out how to work together on this one, we need to re-assess our policy and vision. If we do this right, we will all come to the same conclusion and seal the deal with champagne.

We used to do this a lot. Surely we can do it one more time, at least.

Ernie