

Tom Kelly
Chair

Aneshka Dickson
Commissioner

Mark Edlen
Commissioner

John C. Mohlis
Commissioner

Charles A. Wilhoite
Commissioner

Charlie Hales
Mayor

Patrick Quinton
Executive Director

This document represents the official meeting record of the December 18, 2014, Portland Development Commission (PDC) Board of Commissioners (Board) retreat held at June Key Delta, 5940 N. Albina Ave., Portland, OR 97217.

1. Call to Order and Roll Call

Chair Tom Kelly called the meeting to order at approximately 8:12 a.m. Ms. Gina Wiedrick, PDC Board recording secretary, called the PDC Board roll:

Chair Tom Kelly	PRESENT
Commissioner Aneshka Dickson	ABSENT
Commissioner Mark Edlen	PRESENT
Commissioner John Mohlis	PRESENT
Commissioner Charles Wilhoite	PRESENT

2. Public Comment for Items Not on Agenda

No public testimony was presented.

Chair Kelly gave a brief history on his father's and his own involvement with the June Key Deltas as the sorority went through raising funds to convert the building to what it is now. Neil Kelly Company donated the cabinetry in the kitchen, their first project to meet the Living Building Challenge. Jillian Detweiler, Policy Director, Office of Mayor Charlie Hales, asked how the building is being used. Chair Kelly responded that it is mainly used for community events; there is always something taking place in the building.

Executive Director Patrick Quinton stated the purpose of the retreat: to address the health of the organization through financial presentations and looking at the work plans for fiscal year (FY) 2015-16.

3. Financial Statements, Budget, and Long-Term Forecast Update

Faye Brown, Chief Financial Officer, gave a high-level overview of the Financial Statements, Budget, and Long-Term Forecast Update.

For a review of the Comprehensive Annual Financial Report for FY 2013-14, go to:
<http://www.pdc.us/Libraries/Budget/CAFR - FY 2013-2014 pdf.sflb.ashx>.

Executive Director Quinton explained that the objective of the operating statements is to show PDC's operations without tax increment financing (TIF), to give a better picture of how much PDC is dependent on TIF to do its work, and gives PDC staff a place to look at what items they would need to find alternative funding for if TIF was not available.

Commissioner Edlen asked, with regards to the disposal of properties, if PDC is trying to dispose of those that are not generating income. Jina Bjelland, Director – Real Estate & Lending, responded that yes, they are not generating income. Executive Director Quinton added that some of the properties are strategic, and while they are bringing in income, PDC is selling them for strategic reasons.

Commissioner Wilhoite asked if PDC management has moved away from focusing on the percentage of the personnel number. Executive Director Quinton responded that the percentage is secondary. Commissioner Wilhoite stated that PDC needs to have a good response to the staffing question. Ms. Brown responded there is still work that needs to be done behind the scenes (i.e., security, rents, cleanup and maintenance, outreach, etc.). Executive Director Quinton responded that even though some projects may not move forward, PDC staff is constantly working on them so money goes out to that.

Ms. Detweiler asked what funds PDC expects to have spent this FY. Ms. Bjelland responded that dollars will go out for Daimler, the Pacific Northwest College of Art, the Convention Center Hotel, among other projects. Executive Director Quinton added that there a number of small business loans, too. Jill Chen, Lending & Investment Manager, added that out of 10 deals, only two of them will actually get funded; the others do not pass the Strategic Alignment and Equity Lens.

Commissioner Edlen asked if this is because PDC is hard to work with or because it is expensive. Various staff responded yes to both; some clients expect it to be free. Executive Director Quinton stated that PDC staff will forward a report to the PDC Board explaining this in more detail. He added that PDC staff should focus on where PDC is needed the most; perhaps PDC does not have the right products for certain circumstances, but that that is something to discuss in future meetings.

Tony Barnes, Budget Officer, provided a summary of the loan transaction and real estate portfolio numbers, and then discussed the process for the budget development and monitoring cycle for the coming months until adoption in June 2015. The five-year resources numbers takes into account the assumption that all of the proposed urban renewal area (URA) changes are adopted and move forward, and noted that the Interstate Corridor URA does not have an end date, unlike all of the other URAs. Ms. Brown added that it is not a legal requirement to have end dates on any of the URAs, but it was something that PDC felt the need to forego for just this one URA.

At approximately 9:52 a.m. Chair Kelly called for a break. At approximately 10:03 a.m. Chair Kelly called the meeting to order.

4. Overview of the Draft 2015-2020 Strategic Plan

Executive Director Quinton stated that the PDC Strategic Plan sets the goals, objectives, outcomes, actions, and metrics for PDC for the next five years. PDC uses the Strategic Plan to establish work plans and budgets and to evaluate success on an annual basis. The draft Strategic Plan framework focuses on the goal, objectives, and metrics. The next step is to refine the framework and establish outcomes and actions. The presentation was focused on the challenges that the city is facing, what PDC needs to focus on, and what its key actions are.

Ms. Detweiler stated that City of Portland (City) Commissioner Nick Fish has expressed interest in a Portland City Council (City Council) and PDC Board combined work session.

At approximately 10:30 a.m., Mayor Charlie Hales arrived.

Chair Kelly stated that green sustainability and carbon reduction are not strong enough in the draft Strategic Plan, although he is not sure if they deserve a whole section to themselves. He added that

property ownership of small businesses of color is not strong enough either; wealth of property is important and it needs to have a greater focus.

Commissioner Mohlis stated that there are a lot of goals, a lot of moving parts, but he has always been an advocate of job creation, and it looks like the neighborhood component would be great in helping to further that goal.

Commissioner Wilhoite stated that there are a lot of gaps throughout the city, and everything PDC does must be done by looking through the equity lens, and when PDC is helping to improve the economy, its focus should be on closing those gaps.

Commissioner Edlen stated that education is a great equalizer; higher education is working better in Oregon now than it did throughout his career. Affordable housing is the next topic of focus; everyone needs a stable and good home to get started in. He asked how PDC can help entrepreneurs to do more, grow more, and take more chances. He added that job growth is important and it is great to do that in the neighborhoods, but it is best to build them where transit is already in place to make the commute easier.

Chair Kelly finished by asking the rhetorical question of if there is enough money for PDC to take on these tasks, and whether PDC is the right actor.

5. The Year Ahead

Mayor Hales stated that during the first two years of office, there were many topics that he needed to focus on, and now he can focus on things that he wants to, like the work that the PDC Board and staff are focusing on, too, and working with the other City bureaus to align projects so that PDC is not the only one that should be, for example, improving neighborhoods. It is important to complete the work on the amendments to the six URAs. With regards to housing, it is important that the Portland Housing Bureau (PHB) and PDC work well together; he promised to talk to PHB and its commissioner to ensure that they put forth the same efforts that PDC is putting into the relationship.

Mayor Hales gave an overview of things happening in each of the URAs, the great projects that are coming up, and commenting on projects that he would like PDC to complete. He does not want to limp along any longer on the Veterans' Memorial Coliseum; either find more uses for it, or demolish it. He would like to see movement on the Oregon Department of Transportation (ODOT) blocks in the Central Eastside. PDC and the City need to accelerate the momentum taking place in various URAs. PDC needs to move forward with Centennial Mills and proceed with targeted demolition; the City cannot continue to pay for relics that have no use. He expressed his excitement on getting closer to a resolution on the United States Post Office site. He stated that the City does not have a "Bureau of Public Spaces" but it is a conversation that he would like to have; there is a need for more public places, not just parks, in the neighborhoods, where places like farmers markets can set up without having to look for an available parking lot space. He listed the areas where he would like to see 11 cranes in the various URAs working, with PDC's logos on them, making things happen: two in Old Town/Chinatown, two in the Central Eastside (including the ODOT Blocks), two in the River District, two in Interstate Corridor, one in Gateway Regional Center, and two in Lents Town Center. He finished by acknowledging that there is great work being done by the volunteers serving on the PDC Board and the Executive Director and his team.

Commissioner Edlen stated that people are followers, and if PDC goes out to do something, then others will follow and assist in completing the project. It is better to be criticized for doing something, then for not doing anything at all.

Chair Kelly asked if PDC has enough resources for the Neighborhood Prosperity Initiatives. Mayor Hales responded no. Chair Kelly asked what is the solution. Mayor Hales responded that this is something the City and PDC need to talk about; he is open to ideas, and is something that can be discussed and addressed after the URA changes are completed.

6. Lunch

At approximately 12:09 p.m. Chair Kelly called for a break. At approximately 12:47 p.m. Chair Kelly called the meeting to order, and Mayor Hales excused himself.

7. FY 2014-15 Work Plan and FY 2015-16 Draft Work Plan Review

Kimberly Branam, Deputy Director, gave an introduction and listed the five complementary objectives.

Goal 1: Access to High Quality Employment

Goal 2: Equitable Wealth Creation

Chris Harder, Economic Development Manager, gave an overview of Business Development activities and the goal and proposed outcomes for Goals 1 and 2. Kate Deane, Community Economic Development Manager, gave an overview of the work being done by her team.

Commissioner Wilhoite wanted to know if the public asked for a summary of the results of the programs and the companies that are being served, is that information available. Mr. Harder responded that PDC staff has a list compiled and can share it as requested.

A link to the City Club of Portland podcast where three of the Startup PDX Challenge winners spoke at the December 12 lunch event can be found here:

<http://members.pdxcityclub.com/library/fridayforumarchive/viewfridayforum?DocumentKey=2d85b4b-b-ab2e-4151-b677-8114cfab9cb2>.

Commissioner Wilhoite brought up how it will work for minority contractors that are not designated as Disadvantaged Business Enterprise or Minority, Women and Emerging Small Business, and they complain that they cannot participate in a given contract because they do not have a designation yet they have been doing the work for decades. Commissioner Mohlis agreed that PDC needs to have a good answer for this.

Goal 3: Healthy Complete Neighborhoods

Lisa Abuaf, Central City Manager, and Bruce Wood, Real Estate & Construction Manager, gave an overview of ongoing activities, an update on projects, and proposed outcomes for Goal 3.

Commissioner Edlen asked if there will be a cap on the dollars for the Centennial Mills project, specially the demolition work. Executive Director Quinton responded that the PDC Board will have more opportunities to look at the contracts.

Goal 4: 21st Century Networks, Institutions, and Partnerships

Ms. Branam gave an overview of the overview of ongoing activities and new work that is anticipated as part of Goal 3.

Goal 5: Equitable, Innovative, and Financially Sustainable Agency/Stewardship

Jeff Fish, HR Director, gave an update on human resources activities.

Commissioner Edlen asked what PDC's rate is on hiring a person of color, when the interview pool is 30 percent people of color. Mr. Fish responded that it is 50 percent.

Mr. Fish handed out the document titled "Continuum on Becoming an Anti-Racist, Multicultural Institution," included in these minutes as Attachment 1.

Shawn Uhlman, Public Affairs Manager, gave an overview of the goals for Communications and Engagement.

Commissioner Wilhoite asked if PDC has noticed a loss of anything by moving away from the URA advisory committees. Executive Director Quinton responded that he does not think that PDC has lost anything, but it is the public perception that PDC staff is not as reachable; however, there are the other people in the public that feel that PDC is more accessible because there are so many more ways that the public can interact with PDC through social media. In addition, there are two budget advisory committees, but there still may be individuals who feel left out. Ms. Detweiler suggested that perhaps with the higher profile projects, like Centennial Mills, it might help to bolster outreach to improve PDC's stakeholder engagement.

Executive Director Quinton and Peter Englander, Opportunities Cooperative Manager, gave an overview of the financial sustainability of PDC.

Commissioner Edlen asked what role PDC staff sees PDC playing in Commercial Property Assessed Clean Energy. Mr. Englander responded that there are deals, especially with international players, in the pipeline that PDC has been working on. The biggest success of the tools so far is at the mezzanine level.

On the EB-5 Program, PDC looked at becoming a regional center, but chose not to because it is too involved. Commissioner Edlen has how many regional centers are there in Oregon now. Mr. Englander responded that there are nine, but they are all mostly focusing on different things.

Ms. Brown gave an overview of numbers and work of Information Systems, as well as Internal Controls & Financial Reporting.

Ms. Bjelland gave an overview of the Real Estate & Lending department. Executive Director Quinton stated that PDC staff will present to the PDC Board at a future meeting on PDC's portfolio and what impact it has had with actions taken by the PDC Board. PDC is in conversations with the City regarding the Portland Harbor to determine what PDC's portion of the cleanup costs may be.

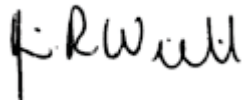
8. Discussion of Strategic Plan and Work Plans

These topics were covered during the presentation and discussions on item 7.

10. Adjourn

There being no further business, Chair Kelly adjourned the retreat at approximately 4:03 p.m.

Approved by the Portland Development Commission on April 8, 2015



Gina Wiedrick, Recording Secretary

Continuum on Becoming Antiracist Multicultural Institution

MONOCULTURAL Racial & Cultural Differences Seen as Deficits	MULTICULTURAL Tolerant of Racial and Cultural Differences	ANTIRACIST Racial and Cultural Differences	ANTIRACIST Racial and Cultural Differences Seen as Assets	ANTIRACIST MULTICULTURAL Racial and Cultural Differences Seen as Assets	
<p>1. EXCLUSIVE A Segregated Institution</p> <p>Intentionally and publicly excludes or segregates African Americans, Arab Americans, Native Americans, Latinos and Asian Americans</p> <p>Intentionally and publicly enforces the racist status quo throughout institution</p> <p>Institutionalization of racism includes formal policies and practices, teachings, and decision making on all levels</p> <p>Usually has similar intentional policies and practices toward other socially oppressed groups such as women, disabled, elderly and children, LGBTQ, citizens of developing nations, etc.</p>	<p>2. PASSIVE A 'Club' Institution</p> <p>Tolerant of a limited number of People of Color with "proper" perspective and credentials</p> <p>May still secretly limit or exclude People of Color in contradiction to public policies</p> <p>Continues to intentionally maintain white power and privilege through its formal policies and practices, teachings, and decision making on all levels of institutional life</p> <p>Often declares, "We don't have a problem."</p>	<p>3. SYMBOLIC CHANGE A Multicultural Institution</p> <p>Makes official policy pronouncements regarding multicultural diversity</p> <p>Sees itself as "non-racist" institution with open doors to People of Color</p> <p>Carries out intentional inclusiveness efforts, recruiting "someone of color" on committees or office staff</p> <p>Expanding view of diversity includes other socially oppressed groups such as women, disabled, elderly and children, gays and lesbians, citizens of developing nations, etc.</p> <p><i>But...</i></p> <p>"Not those who make waves"</p> <p>Little or no contextual change in culture, policies, and decision-making</p> <p>Is still relatively unaware of continuing patterns of privilege, paternalism and control</p>	<p>4. IDENTITY CHANGE An Antiracist Institution</p> <p>Growing understanding of racism as barrier to effective diversity</p> <p>Develops analysis of systemic racism</p> <p>Sponsors programs of antiracism training</p> <p>New consciousness of institutionalized white power and privilege</p> <p>Develops intentional identity as an "antiracist institution"</p> <p>Begins to develop accountability to racially oppressed communities</p> <p>Increasing commitment to dismantle racism and eliminate inherent white advantage</p> <p><i>But...</i></p> <p>Institutional structures and culture that maintain white power and privilege still intact and relatively untouched</p>	<p>5. STRUCTURAL CHANGE A Transforming Institution</p> <p>Commits to process of intentional institutional restructuring, based upon antiracist analysis and identity</p> <p>Audits and restructures all aspects of institutional life to ensure full participation of People of Color, including their world-view, culture and lifestyles</p> <p>Implements structures, policies and practices with inclusive decision making and other forms of power sharing on all levels of the institution's life and work</p> <p>Commits to struggle to dismantle racism in the wider community, and builds clear lines of accountability to racially oppressed communities</p> <p>Antiracist multicultural diversity becomes an institutionalized asset</p> <p>Redefines and rebuilds all relationships and activities in society, based on antiracist commitments</p>	<p>6. FULLY INCLUSIVE A Transformed Institution in a Transformed Society</p> <p>Future vision of an institution and wider community that has overcome systemic racism</p> <p>Institution's life reflects full participation and shared power with diverse racial, cultural, and economic groups in determining its mission, structure, constituency, policies and practices</p> <p>Full participation in decisions that shape the institution, and inclusion of diverse cultures, lifestyles, and interests</p> <p>A sense of restored community and mutual caring</p> <p>Allies with others in combating all forms of social oppression.</p>