

**PORTLAND DEVELOPMENT COMMISSION**

Portland, Oregon

**RESOLUTION NO. 7164**

**APPROVING PROGRAM GUIDELINES FOR THE NEIGHBORHOOD  
PROSPERITY INITIATIVE OPPORTUNITY FUND**

**WHEREAS**, the Portland Development Commission (“PDC”) and the City of Portland established six Neighborhood Prosperity Initiative (“NPI”) districts in May 2012 as mini-urban renewal districts in order to grow community capacity and to enable small-scale, community driven investments within each district;

**WHEREAS**, the Portland City Council approved a one-time General Fund add package request, providing \$891,000 to PDC to administer what was once known as the Community Development Fund and has been renamed the NPI Opportunity Fund (“NPI Opportunity Fund”); and

**WHEREAS**, PDC wishes to establish the NPI Opportunity Fund Program Guidelines to guide PDC financial support for new transactions.

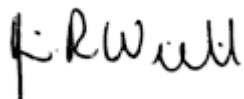
**NOW, THEREFORE, BE IT RESOLVED**, that the NPI Opportunity Fund Program Guidelines attached hereto as Exhibit A are adopted by the PDC Board of Commissioners;

**BE IT FURTHER RESOLVED**, that the Executive Director is hereby authorized to execute NPI Opportunity Fund Program Guidelines substantially in accord with the provisions of Exhibit A;

**BE IT FURTHER RESOLVED**, that the Executive Director is authorized to make any procedural and administrative changes to the NPI Opportunity Fund Program Guidelines if such changes do not materially increase PDC’s obligations or risks, as determined by the Executive Director in consultation with PDC’s General Counsel; and

**BE IT FURTHER RESOLVED**, that this resolution shall become effective immediately upon its adoption.

Adopted by the Portland Development Commission on February 10, 2016



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Gina Wiedrick, Recording Secretary

**PORTLAND DEVELOPMENT COMMISSION**

Portland, Oregon

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**EXHIBIT A**

**APPROVING PROGRAM GUIDELINES FOR THE NEIGHBORHOOD  
PROSPERITY INITIATIVE OPPORTUNITY FUND**

Exhibit A includes this cover page and contains four pages:

- Neighborhood Prosperity Initiative Opportunity Fund DRAFT Program Guidelines

## **Neighborhood Prosperity Initiative Opportunity Fund DRAFT Program Guidelines**

The Neighborhood Prosperity Initiative (NPI) Opportunity Fund is established to facilitate a limited number of catalytic community-driven, public-benefit development projects within, or immediately adjacent to, Portland's six NPI districts. The NPI Opportunity Fund provides financial assistance for property acquisition, and predevelopment. The NPI Opportunity Fund is initially capitalized with \$870,000 in City of Portland General Funds.

### **Eligible Projects**

Eligible projects must:

- Be located in or adjacent to an NPI district – see attached map
- Have the endorsement of the NPI
- Have the goal of achieving clearly articulated public benefits of the NPI. Examples of public benefits include, but are not limited to: developing property to replace family-unfriendly uses, securing long-term commercial affordability in developments, job creation for local residents, and creating space for community events and uses.

NPI Opportunity Fund resources may be used only for property acquisition and predevelopment. The Fund will focus on three types of community-identified development projects: 1) ground-up development of community-owned property; 2) redevelopment or repurposing of under-utilized buildings; and 3) projects undertaken in partnership with private owners or 3rd party developers that meet community objectives.

### **Eligible Recipient**

The eligible recipients of financial assistance may be a non-profit or for profit entity which has agreed to collaborate in developing an Eligible Project consistent with community objectives.

### **Service Area**

All NPIs and areas immediately adjacent to NPIs.

### **Financial Assistance Types and Guidelines**

The NPI Opportunity Fund's investments will be tailored to address the specific needs of each project. Investments may take the form of credit enhancement or subordinated loans. The term of investment for property acquisition is anticipated to be approximately three years to allow the funds to revolve back to the Fund and made available for additional projects. The program is anticipated to support 5-6 projects over the next 5 years. The average PDC investment will generally be \$200,000 per project. Grants for property acquisition are not eligible from the Fund. Up to 20 percent of the Fund may be invested in the form of predevelopment grants. Predevelopment grants will not exceed \$25,000 per project and must be matched 1:1.

## **General Conditions**

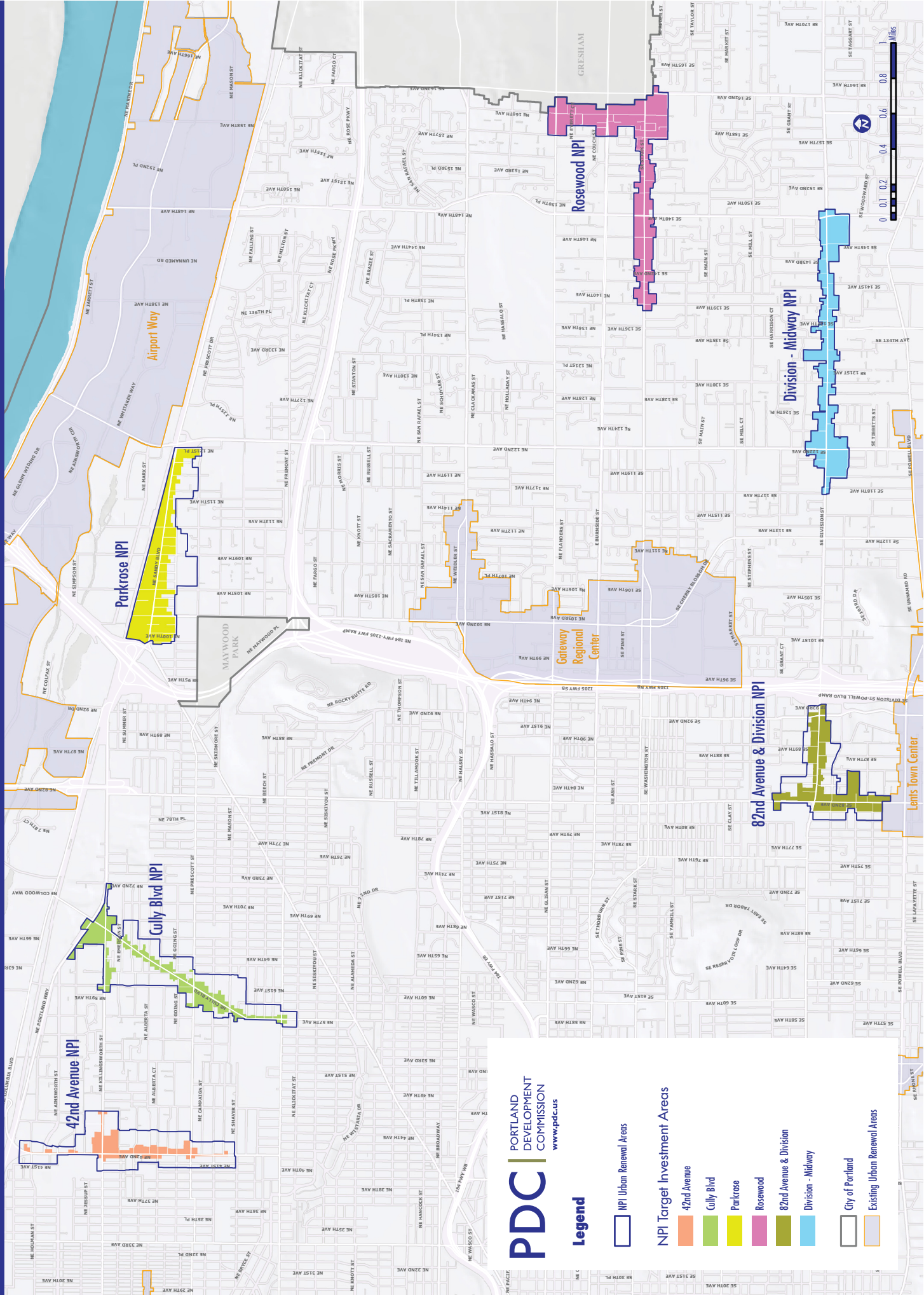
Target projects will be evaluated based on:

- alignment with community objectives
- ability to deliver on social equity, anti-displacement, economic opportunity, and/or wealth creation objectives
- strength of the business plan
- leverage from banks, foundations, private investors

PDC may, as a condition of approval of the investment, require that the borrower meet specific predevelopment targets and progress timelines.

Specific terms will be reviewed and recommended by PDC's Financial Investment Committee. Investments of \$500,000 or less may be approved by the Executive Director without further PDC Board approval.

# NEIGHBORHOOD PROSPERITY INITIATIVE



**RESOLUTION NO. 7164**

**RESOLUTION TITLE:**

APPROVING PROGRAM GUIDELINES FOR THE NEIGHBORHOOD PROSPERITY INITIATIVE OPPORTUNITY FUND

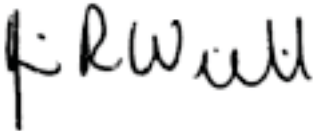
Adopted by the Portland Development Commission on February 10, 2016

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input type="checkbox"/>	Commissioner Tom Kelly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Gustavo Cruz, Jr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Acting Chair Aneshka Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Mark Edlen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner William Myers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" type="checkbox"/> Regular Agenda		

**CERTIFICATION**

**The undersigned hereby certifies that:**

*The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and as duly recorded in the official minutes of the meeting.*

	<p><b>Date:</b></p> <p>February 29, 2016</p>
<p><b>Gina Wiedrick, Recording Secretary</b></p>	