

**PORTLAND DEVELOPMENT COMMISSION**

Portland, Oregon

**RESOLUTION NO. 7195**

**ADOPTING PROSPERITY INVESTMENT PROGRAM GUIDELINES**

**WHEREAS**, on May 13, 2015, the Portland Development Commission (“PDC”) Board of Commissioners (“Board”) through Resolution No. 7109 adopted the PDC 2015-2020 Strategic Plan (“Strategic Plan”), setting PDC’s course of action over the next five years, guiding the annual budget, work priorities, and staffing;

**WHEREAS**, the Strategic Plan emphasizes widely shared prosperity by building healthy communities, maintaining economic competitiveness, and creating equitable opportunities for underserved communities;

**WHEREAS**, the Strategic Plan and the evolving Long Term Business Plan identify transparent administration of resources to ensure public funds are effectively invested to achieve public priorities today and maintain ability to achieve public priorities in the future;

**WHEREAS**, the PDC Storefront Improvement Program, Development Opportunity Services Grant, and the Green Features Grant Program have been successful programs in revitalizing Portland neighborhoods and supporting green business practices;

**WHEREAS**, the Prosperity Investment Program (the “Program”) will provide tax increment financing to make small-scale internal and external real property improvements and to deliver effective business and development-focused technical assistance;

**WHEREAS**, the Program will implement the Strategic Plan by supporting business competitiveness and property redevelopment projects that increase access to high quality employment for Portlanders, foster equitable wealth creation, and build healthy communities in line with local Community Action Plans;

**WHEREAS**, the Program will be awarded using social equity goals, will be managed to maximize public benefit within a constrained budget, and will be targeted to deliver outcomes unlikely to occur without the resources; and

**WHEREAS**, the Program will replace the current Storefront Improvement Program, Development Opportunity Services Grant, and the Green Features Grant Program.

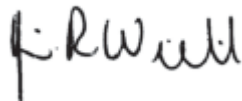
**NOW, THEREFORE, BE IT RESOLVED**, that the Program guidelines, attached hereto as Exhibit A, are adopted by the PDC Board;

**BE IT FURTHER RESOLVED**, that this action replaces the Program guidelines for the Storefront Improvement Program, the Development Opportunity Services Grant, and the Green Features Grant Program, adopted by the PDC Board on November 10, 2010 (Resolution No. 6836), April 13, 2011 (Resolution No. 6861), and May 12, 2010 (Resolution No. 6794), respectively;

**BE IT FURTHER RESOLVED**, that the Executive Director is authorized to modify the Program guidelines, so long as such changes do not materially impact the intentions of the Program or increase PDC's risks or obligations, as determined by the Executive Director in consultation with General Counsel; and

**BE IT FURTHER RESOLVED**, that this resolution shall become effective on July 1, 2016.

Adopted by the Portland Development Commission on June 8, 2016

A handwritten signature in black ink, appearing to read "Gina Wiedrick".

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Gina Wiedrick, Recording Secretary



## Prosperity Investment Program

### Program Guidelines

**Purpose:** Support business competitiveness and property redevelopment in order to secure access to high quality employment for Portlanders, to foster wealth creation, and to build healthy communities. The Prosperity Investment Program provides tax increment finance (TIF) resources in line with local community action plans and PDC's 2015-2020 Strategic Plan to make small-scale real property improvements and to deliver business and development-focused technical assistance. The Program investments will be awarded using social equity goals and will be managed to maximize public benefit. Investments will be targeted to deliver outcomes unlikely to occur without the resources.

**Availability of Funds:** The Program provides 50 percent matching funds for approved project hard and soft costs. Total grant may not exceed \$50,000. In limited cases, a grant may be approved by the Executive Director up to \$75,000 and/or at 75 percent matching funds.

Tax lots that have received the maximum grant amount are ineligible for additional grant funding. At the discretion of PDC, additional grant funds may be approved after ten years from final disbursement.

Funds are subject to budget availability. The Program may be targeted to specific geographic areas or priority populations as needed to meet the PDC 2015-2020 Strategic Plan and community action plans. Some program incentives may not be available in all areas or for all eligible applicants.

**Eligible Work:** The grant may be used for both physical improvement (*hard costs*) and eligible consulting assistance (*soft costs*) to support for-profit related business and property related improvements associated with commercial, industrial, mixed-use, and market rate housing projects.

*Hard Costs* - Signage, lighting, storefront, or mechanical systems, tenant improvements, roofs, sidewalks, parking lots, landscaping, or other permanent fixtures.

*Soft Costs* - Architectural (all phases), project management, design/marketing, or other technical assistance such as Lean/efficiency improvements. Grant funds for soft costs may not exceed \$25,000. PDC, at its sole discretion, may require use of a professional consultant for complex projects and where such advice is likely to improve the quality of the project.

**Ineligible Work:** The following uses are not eligible to receive Grant funding given funding restrictions and Grant purpose:

- Non-TIF eligible work (e.g., non-permanent fixtures, personal property and equipment, government uses within publically owned buildings)
- National franchises
- Locally owned franchises with more than three locations
- Non-profit organizations
- Businesses that exclude minors during all business hours

In limited cases grants may be sanctioned for one of these uses with Director approval.

**Approvals:** PDC has the sole authority to determine eligibility of proposed work and confirmation of completed work. Certain work may be required or precluded as a condition of funding. Participants will be responsible for obtaining necessary regulatory approvals, including those of the City Design and Landmark Commissions where applicable, the State Historic Preservation Office, the City of Portland building permits, and any other necessary permits. All work must comply with city, state, and federal regulations.

**Bidding:** PDC requires at least one bid for each type of work proposed. Grant projects must provide professional and construction contracting opportunities to Minority or Women Owned firms that have been historically underutilized.

If the applicant is a licensed contractor, an additional bid must be submitted to validate the applicant's bid. Contractor fees and overhead for applicant owners will not be reimbursed. All contractors must be licensed by the State of Oregon. All construction contracts will be between the applicant and contractor. PDC reserves the right to reject the Grantee's proposed contractor(s).

**Commitment of Funds:** Grant funds will only be disbursed for work completed after a Grant Agreement is executed. PDC will review and approve proposed work and ensure all other conditions are met prior to issuing a Grant Agreement and allocating funds to the project. The Grant Agreement will outline additional terms and conditions of the matching grant, and will serve as the legal commitment of both parties as to the scope and quality of work and the amount of funds committed.

**Reimbursement of Funds:** Prior to reimbursement of funds, all completed work will be reviewed by PDC staff as to compliance with the Grant Agreement. At PDC discretion, the contractors or consultants may be paid directly if reimbursement is deemed a financial hardship for grant recipient.

**General Conditions:** The following general conditions will apply to all projects:

- Improvements funded by the grant will be maintained in good order; graffiti and vandalism will be dutifully repaired.
- Property taxes must be current, and participants may have no debts in arrears to the City when the Grant Agreement is issued.
- Compliance with the City of Portland Business License is required.
- The Applicant must complete, sign, and submit a W-9 for disbursement of funds.
- All projects will display signage indicating PDC's involvement in the improvement work during construction.
- Grantees will be required to retain records for potential PDC audit.
- Grantees will be required to repay grant funds if the terms of a grant agreement are materially breached.

*The PDC Executive Director may make minor changes to the Program Guidelines as necessary to enhance alignment with the PDC 2015-2020 Strategic Plan, urban renewal area plans, and community action plans.*

**RESOLUTION NO. 7195**

**RESOLUTION TITLE:**

ADOPTING PROSPERITY INVESTMENT PROGRAM GUIDELINES

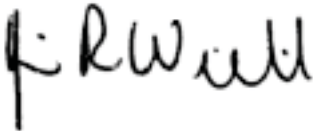
Adopted by the Portland Development Commission on June 8, 2016

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Tom Kelly	<input checked="" 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"/>	Commissioner 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.*

	<b>Date:</b>  June 9, 2016
<b>Gina Wiedrick, Recording Secretary</b>	