

PDC

PORTLAND DEVELOPMENT COMMISSION

DATE: February 27, 2008
TO: Board of Commissioners
FROM: Bruce A. Warner, Executive Director
SUBJECT: Report Number 08-29
Overview of the submitted FY2008/09 Requested Budget

EXECUTIVE SUMMARY

BOARD ACTION REQUESTED

None – information only.

SUMMARY

The PDC/Council Budget Work Group will be submitting the FY2008/09 PDC Requested Budget to the Mayor on February 25, 2008. The item will present the Commission with an overview of the Work Group key findings and policy direction.

BACKGROUND

For the second consecutive year, the Portland Development Commission (PDC)/City Council Budget Work Group convened to formulate PDC's Requested Budget. The meetings also reflected PDC continuing tradition of public involvement. All meetings were televised on public access, and this year the budget development benefited from citizen advisors and private sector partners who accepted the invitation to participate in many of the meetings

In April PDC's Budget and the Mayor's Proposed Budget will be released for broader community input. In May City Council will officially hold hearings and approve the budget in their inaugural role as PDC's Budget Committee followed by the PDC Board assuming their duties of adopting the budget as the agency's Governing Body in June.

The highlights of the discussion were broken down into four areas. The following reflects the Work Group perspectives on these items:

Administration:

- In 2008, PDC is celebrating 50 years of existence. Over that period the agency has evolved, expanded, contracted and expanded again. It now has over 200 employees, eleven urban renewal areas, and an annual budget in excess of \$200 million; adapting to changing times. Considerable time was spent discussing the role and scope of each of PDC's departments. We are supportive of the direction the agency is going to improve integration and delivery of services. We are hopeful for a "lean and mean" PDC which is

aggressive, yet responsible and accountable to taxpayers through stronger internal controls, and is constantly measuring its success.

Urban Renewal Geographic Focus:

- In 2007 the Budget Work Group recommended several concrete steps around three of the downtown urban renewal areas. By July 2008, through a separate, yet affiliated advisory group, PDC will have led the community through policy decisions on Downtown Waterfront, South Park Blocks and the River District urban renewal areas. We applaud the completion, yet we also find another work item taking its place. In 2008/09 we recommend the agency once again engage the community, and the Planning Bureau, and other partners to pursue some specific research about Central City and neighborhood based urban renewal

Housing and Development:

- Similar to 2007, the budget was formulated in the context of individual Urban Renewal Area (URA) projects as well as PDC-wide program areas. We reviewed and are comfortable with PDC's efforts to implement the thirty percent set aside for affordable housing. We also welcome the opportunity for the PDC Board and City Council to discuss some innovative thinking on the use of the residential tax abatement program. We also highlighted four important projects that will set the tone for PDC activity over the next few years. These projects were selected due to the positive benefits they bring to the area and the importance for close coordination between PDC and City Council.

Economic Development:

- The Work Group supports PDC General Fund request (amount undetermined at press time). We are pleased with the strategic leadership and restructure under PDC's new Economic Development Director. Moving forward we want PDC to continue to lead the City and take calculated risks on investments which expand and enhance our base of target industries/traded sector companies in close partnership with the Office of Sustainable Development. We expect equal attention and innovation as the agency focuses assistance and growth on its Community Economic Development programs with the Bureau of Housing and Community Development.

Details of this overview will be provided through a short PowerPoint at the February 27th meeting.

CC: Keith Witcosky
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