

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 6961

AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PORTLAND TO PROVIDE FUNDING OF \$5,844,591 TO THE PORTLAND DEVELOPMENT COMMISSION FOR IMPLEMENTING ECONOMIC DEVELOPMENT ACTIVITIES ON A CITYWIDE BASIS

WHEREAS, the Portland Development Commission ("PDC"), as the duly-designated urban renewal agency of the City of Portland ("City"), is granted broad powers under ORS 457.170 for the planning and implementation of urban renewal projects. As part of this implementation, PDC has established expertise in economic development activities which, to the extent they are financed through the use of urban renewal tax increment revenues, are restricted to the City's urban renewal areas;

WHEREAS, the City and PDC desire that PDC implement certain of PDC's economic development activities, primarily Neighborhood Economic Development and Traded Sector Job Creation and Retention, on a citywide basis, and the City is willing to provide funding to PDC to do so;

WHEREAS, implementing these economic development activities supports PDC's mission and strategic goals related to strong economic growth and competitive region; and

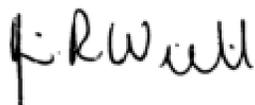
WHEREAS, the City and PDC desire to enter into an agreement to establish the terms and conditions by which the City will provide funding to PDC to implement economic development activities on a citywide basis.

NOW, THEREFORE, BE IT RESOLVED that the Executive Director is hereby authorized to execute an Intergovernmental Agreement with the City of Portland, substantially in the form attached hereto as Exhibit A, in the amount of \$5,884,591 for Economic Development activities (the "IGA");

BE IT FURTHER RESOLVED that the Executive Director may modify the IGA, either before or after execution if, in the opinion of the Executive Director and the General Counsel, the changes do not materially increase PDC's obligations or risks; and

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

Adopted by Portland Development Commission on September 12, 2012



Gina Wiedrick, Recording Secretary

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 6961

EXHIBIT A

**AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF
PORTLAND TO PROVIDE FUNDING OF \$5,844,591 TO THE PORTLAND
DEVELOPMENT COMMISSION FOR IMPLEMENTING ECONOMIC DEVELOPMENT
ACTIVITIES ON A CITYWIDE BASIS**

Exhibit A includes this cover page and contains 7 pages:

- FY 2012-13 Intergovernmental Service Legal Agreement General Fund Special Appropriations

**FY 2012-13 Intergovernmental Service Level Agreement
General Fund Special Appropriations**

This Intergovernmental Service Level Agreement (“Agreement”), dated this 12th day of September, 2012 (“Effective Date”), is made and entered into by and between the **City of Portland** (the “City”) and the **Portland Development Commission** (“PDC”) (collectively the “Parties”).

RECITALS

- A.** PDC, as the duly-designated Urban Renewal agency of the City of Portland, is granted broad powers under ORS 457.170 for the planning and implementation of urban renewal projects. As part of this implementation it has established expertise in economic development activities whose scope is restricted to the City’s urban renewal areas.
- B.** A cooperative relationship between PDC and the City will be beneficial to the implementation of specific economic development activities including target industry development, entrepreneurial development, community economic development and small business loans on a citywide basis.
- C.** Funding has been appropriated in the City’s FY 2012-13 adopted budget to fund the abovementioned economic development activities.
- D.** Both parties desire to enter into an agreement that will establish terms and conditions by which one party will engage and compensate the other party for performing specific services.
- E.** The Office of Management and Finance (“OMF”), as the City’s budget liaison to PDC has been identified as the bureau responsible for managing this agreement.

AGREEMENT

1. Parties

Portland Development Commission

Main Contact: George Cornett

City of Portland, Office of Management and Finance

Main Contact: Tess Jordan

2. Term and Termination

This Agreement runs for Fiscal Year 2012-2013; that is July 1, 2012 to June 30, 2013.

- a. The full amount of funds for 2012-2013 is authorized in the City’s current fiscal year budget.

- b. If funding is authorized for an additional program or transfer, City may add that program or transfer by written amendment to this Agreement, subject to PDC approval.
- c. Either party may terminate the entire Agreement with 30 days prior written notice to the other.
- d. If this Agreement is terminated, the City shall reimburse PDC for expenses incurred and funds contractually committed, prior to the date of termination, in the course of performing the activities described in the Scope of Services.

3. Roles & Responsibilities

The City will send funds to PDC pursuant to the terms of Section 4 of this agreement.

4. Scope of Services

The City will provide to PDC a total of \$5,844,591 in funding in the following amounts for the following economic development activities during the 2012-2013 Fiscal Year and PDC shall use the funding to implement those economic development activities as described below:

Programs:

- 1) Neighborhood Economic Development - \$3,448,368, consisting of:

Neighborhood Main Street Revitalization Program (\$290,000)

Portland Main Street is a community-led revitalization program designed to stimulate neighborhood businesses. In June 2010, Portland designated Alberta, Hillsdale, and St Johns as its first three Main Street districts. The districts receive grants for district administration, property and sustainability improvements, and promotional events. PDC also provides technical assistance to the districts in implementation of the Main Street approach, district design support, and organizational capacity building.

Small Business Technical Assistance (\$600,000)

This is technical assistance for small businesses citywide. This will allow the City to support delivery of these services by qualified non-profit providers. Funding will be directed to fill gaps in business technical assistance services with a focus on stabilizing and growing small businesses with modest incomes, businesses located in economically challenged areas, and businesses whose owners may need services provided in languages other than English.

Venture Portland (\$288,350)

Funds provided to Venture Portland to support training, technical assistance, and small grants to Portland's neighborhood business district associations.

Economic Opportunity Initiative (\$1,605,018)

Established in 2004, the Economic Opportunity Initiative (EOI) provides workforce and microenterprise development and other support services to vulnerable individuals at 0% to 50% of the Median Family Income (MFI) for youth and adult workforce development projects and 0% to 80% of MFI for microenterprise development projects. Individuals enrolled in EOI receive long-term (up to three years) microenterprise or workforce development services. Program participants often face barriers to employment and business development such as limited English proficiency, criminal histories, homelessness, and drug and alcohol addictions. Individualized plans to address education, training, job or life skill needs are developed for each participant.

Neighborhood Prosperity Initiative (\$665,000)

This program will focus on six economically challenged business areas in East and outer Northeast Portland that are either not yet ready for a full scale Main Street approach or that are not a good fit for this model. City General Funds will be used to build the capacity of community-based organizations to become active partners in neighborhood economic development. In addition to ongoing technical assistance and training provided by PDC, the districts will be eligible for a district administration and operations grant, a marketing, promotions and branding grant, and a property improvement grant.

2) Traded Sector Job Creation And Retention - \$2,396,223 consisting of:

Cluster Industry Development (\$1,121,080)

The City's Economic Development Strategy seeks to raise the national and international visibility and competitive profile of four industry clusters (clean technology; athletic & outdoor; advanced manufacturing; and software). The Cluster Industry Development Program includes:

- market analysis and research
- business and technical assistance
- industry initiatives defined as high-impact, coordinated activities to advance the long-term competitiveness of target industry clusters such as workforce development, promotion, education, and supply chain

The program is designed to grow Portland's job base and build the Portland region's competitive advantage and brand.

Targeted Business Recruitment (\$365,143)

PDC engages in proactive, strategic industry recruitment for the City of Portland and on behalf of the region through a partnership with Greater Portland Inc. Funds will pay for recruitment trips, fly-outs and trade show attendance, including expenses to perform market research on likely recruitment targets and marketing activities designed to promote the region's clusters at these shows.

Small Business Working Capital (\$200,000)

This program will provide flexible working capital financing to small companies that are primed for growth but lack the cash to invest.

Seed Fund Initiative (\$300,000)

This Fund will make investments of between \$25,000 and \$100,000 to startups at the earliest stage of development. The Portland Seed Fund is intended to address the most critical gap in funding for growing companies, increasing the job creation prospects for startup firms and the pipeline of viable companies for later stage investors.

International Business Development (\$205,000)

This program will implement the international business development strategy developed by PDC and the Mayor's office. A key component will be implementing the Brookings Metro Export Initiative and Strategy with an emphasis on increasing the level of target industry exports and foreign direct investment activity in Portland.

Entrepreneurial Development (\$150,000)

This program provides direct funding to programs that provide intensive assistance to entrepreneurs and early-stage startups. The objective is to enhance the entrepreneurial ecosystem in the Portland region and statewide by implementing the Entrepreneurship and Innovation Strategy unveiled in October 2011.

Portland 4 Biz Website (\$55,000)

The One-Stop Permitting and Business Services Website will continue to contribute to a more efficient small business delivery system by creating a one-stop-shop for business owners seeking permits, information, and assistance from the City and service delivery partners. This funding will continue the development and maintenance of the website.

5. Deliverables & Payment Schedule

Deliverables from PDC will be as follows:

- a. PDC will provide periodic activity billings. The current year appropriations will be broken out into the following categories: Personnel Services, Materials & Supplies, Contracts/Financial Assistance and Overhead, and will include actuals and balances.

- b. PDC will provide quarterly reporting detailing financial & program activity, within 30 days of quarter end. The format will show agency outputs and other information pertinent to understanding the deliverables of the activities.

Payment Schedule:

PDC will bill OMF on a periodic basis based on expenditures incurred, unless and to the extent the Parties agree in writing to alternate disbursement or payment arrangements. The total General Fund Special Appropriations is \$5,844,591.

6. Changes to Funding Allocations

The PDC Contract Signatory and the OMF Contract Signatory are authorized to increase funding, through a duly executed amendment to this Agreement, so long as sufficient funds have been appropriated in the City budget to cover the maximum amounts payable for economic development activities by the City under this Agreement, and sufficient funds have been appropriated for these economic development activities in PDC's Budget.

7. Administration & Dispute Resolution

Administration

The Parties will determine the frequency and scope of any necessary City/PDC meetings. The Parties may amend any provision of this Agreement in writing signed by both parties hereto.

Dispute Resolution

If a dispute arises regarding the terms and conditions of this Agreement, all parties agree to exercise good faith in expeditiously resolving said conflict in the following manner:

- a. All conflicts should first be discussed and resolved, if at all possible, at the staff level.
- b. If the conflict cannot be resolved at the staff level, then the conflict should be elevated to the Main Contacts specified in Section 1 for discussion and resolution.
- c. Any conflicts not resolved by the Main Contracts shall be elevated to the signatories of this Agreement for discussion and resolution.

8. Approvals

IN WITNESS WHEREOF, the City of Portland, through the Office of Management and Finance and the Portland Development Commission have executed this Agreement as of the date on Page 1.

CITY OF PORTLAND

PORTLAND DEVELOPMENT COMMISSION

Rich Goward, Chief Financial Officer

Patrick Quinton, Executive Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney

Legal Counsel

RESOLUTION NO. 6961

RESOLUTION TITLE:

AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PORTLAND TO PROVIDE FUNDING OF \$5,844,591 TO THE PORTLAND DEVELOPMENT COMMISSION FOR IMPLEMENTING ECONOMIC DEVELOPMENT ACTIVITIES ON A CITYWIDE BASIS

Adopted by the Portland Development Commission on September 12, 2012

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Scott Andrews	<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 John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Steven Straus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Charles Wilhoite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Consent Agenda <input 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>Date:</p> <p style="text-align: center;">September 13, 2012</p>
<p>Gina Wiedrick, Recording Secretary</p>	