



DATE: October 10, 2012
TO: Board of Commissioners
FROM: Patrick Quinton, Executive Director
SUBJECT: Report Number 12-34
Authorizing the Executive Director to Commence and Respond to Litigation

BOARD ACTION REQUESTED

Adopt Resolution No. 6972

ACTION DESCRIPTION

This action delegates to the Executive Director all authority necessary to initiate and respond to litigation on any matter delegated to him or her in order to timely protect the interests of the Portland Development Commission (PDC).

BACKGROUND AND CONTEXT

On March 12, 2003, Resolution No. 5991 delegated authority to the Executive Director to commence litigation related to PDC's loan portfolio and other matters within the Loan Committee's authority, which generally included loans and grants within established programs and below delegated expenditure authority. The Loan Committee was replaced by the Financial Investment Committee (FIC) on October 27, 2010, by Resolution No. 6832. That resolution broadened the Committee's scope to include acquisition and disposition of real estate, but did not provide a parallel expansion of the Executive Director's authority to initiate or respond to litigation. In addition, Resolution 5991 does not confer authority to commence litigation which involves other day-to-day business matters outside FIC's authority, such as contracts and leases, and which may be necessary from time to time.

Resolution No. 5991 was also unclear as to when the Board would be provided with reports regarding pending litigation. This resolution clarifies that the General Counsel will provide reports to the Board before the commencement of or response to litigation, upon any material change in the status of litigation, or at any time the Board requests such a report.

COMMUNITY AND PUBLIC BENEFIT

This action serves the public interest to the degree that it enables PDC to both initiate and respond to litigation in the most efficient and cost-effective manner possible.

PUBLIC PARTICIPATION AND FEEDBACK

Not applicable.

BUDGET AND FINANCIAL INFORMATION

If approved, this resolution's financial impact to the Commission will be the reduction in time Commissioners could be required to spend initiating or responding to litigation that falls within the Executive Director's current scope of authority, but is not provided for by Resolution 5991.

RISK ASSESSMENT

Taking no action would necessitate involving the Board in matters where the Executive Director has already been delegated authority. This would impact Commissioners' time and reduce the Commission's efficiency.

ALTERNATIVE ACTIONS

Resolutions 5991 and 6832 could be left unchanged, which would continue to limit the scope of the Executive Director's authority to initiate and respond to litigation.

ATTACHMENTS

None