

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 6993

**ADOPTING AN UPDATED FINANCIAL INVESTMENT POLICY AND
PROCESS FOR INTERNAL REVIEW AND APPROVAL OF FINANCIAL
INVESTMENTS**

WHEREAS, the Board of Commissioners (“Board”) by separate actions, approves guidelines for the administration of a variety of financial assistance programs consistent with the Portland Development Commission’s (“PDC”) Strategic Plan;

WHEREAS, in making financial investments it is a prudent business practice to thoroughly review proposed projects to minimize risks and maximize public benefits; and as such, the Board desires to update the formal internal review process to assist the Board and Executive Director in making financial investment decisions;

WHEREAS, the Board, in Resolution No. 6214, resolved that the Executive Director is expressly authorized to make grant and funding applications from any source; to make grant awards of PDC funds up to \$500,000; and to approve all loans or other financing agreements of any amount that are made consistent with adopted financial assistance guidelines and that are in furtherance of PDC projects, programs and goals; and

WHEREAS, PDC comprehensively measures the effectiveness of its programs and investments in delivering on the Strategic Plan by jobs retained and created, dollars leveraged, assessed value increased, and other relevant economic development metrics.

NOW, THEREFORE, BE IT RESOLVED, that the Board adopts the following Financial Investment Policy to guide PDC financial investments:

When investing public resources to achieve its strategic plan, PDC will apply sound financial guidelines and accountable and transparent processes.

BE IT FURTHER RESOLVED, that the Board directs the Executive Director to establish an internal Financial Investment Committee (“FIC”) with a minimum of three members to be appointed by the Executive Director in consultation with the Board Chair;

BE IT FURTHER RESOLVED, that the FIC shall have the following responsibilities to review for recommendation:

1. Loans and grants for any financial assistance programs where approval has not been delegated by Executive Director;
2. Loan modifications;
3. New and revised financial assistance guidelines;

4. Acquisition, disposition, and long term (greater than two years) leasing of real property;
5. Acquisition of real property collateral (by foreclosure, deed in lieu of foreclosure, or voluntary transfer) for purpose of future sale to apply against outstanding obligations; and
6. Additional responsibilities delegated by the Board and/or the Executive Director.

BE IT FURTHER RESOLVED, that the Executive Director may approve any loan exception to adopted loan guidelines except (1) for the maximum loan amount; and (2) any reduction in the repayment obligation of the borrower of more than \$500,000;

BE IT FURTHER RESOLVED, that prior to FIC recommending approval of financial assistance that includes exceptions to adopted guidelines, the committee will verify through appropriate due diligence that program objectives are not jeopardized and any exception is necessary to meeting agency objectives and goals;

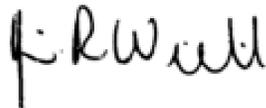
BE IT FURTHER RESOLVED, that on a quarterly basis the Chief Financial Officer shall provide to the Board a comprehensive report of all financial assistance requests approved by the Executive Director or other delegates during the quarter, including an explanation of all requests approved with exceptions to program guidelines.

BE IT FURTHER RESOLVED, that the Board hereby delegates authority to the Executive Director to approve and update the FIC Charter and FIC Procedures as needed to implement this policy;

BE IT FURTHER RESOLVED, that Resolution 6832 is hereby replaced in its entirety; and

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

Adopted by Portland Development Commission on March 13, 2013



Gina Wiedrick, Recording Secretary

RESOLUTION NO. 6993

RESOLUTION TITLE:

ADOPTING AN UPDATED FINANCIAL INVESTMENT POLICY AND PROCESS FOR INTERNAL REVIEW AND APPROVAL OF FINANCIAL INVESTMENTS

Adopted by the Portland Development Commission on March 13, 2013

| 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 type="checkbox"/> | Commissioner Steven Straus | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input checked="" type="checkbox"/> | Commissioner Charles Wilhoite | <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>Date:</p> <p>March 14, 2013</p> |
| <p>Gina Wiedrick, Recording Secretary</p> | |