WHEREAS, the Portland Development Commission ("PDC") Board of Commissioners ("Board") through Resolution No. 3550 designates the PDC Board as PDC’s Local Contract Review Board ("LCRB");

WHEREAS, Oregon Revised Statutes ("ORS") Chapter 279 requires that a public agency compel a contractor to secure a performance and payment bond in the case of public improvement contracts unless the requirement is waived or exempted;

WHEREAS, PDC intends to support three projects, Pacific Northwest College of Art, Portland Mercado, LLC and Z. Haus, LLC, (the "Subject Projects") each of which involves both a lease of PDC-owned real estate and the making of construction loans;

WHEREAS, the PDC General Counsel does not believe that the bond provisions of ORS Chapter 279 apply to the Subject Projects;

WHEREAS, PDC has been unable to obtain official assurances that the Subject projects are not covered by the bond statute;

WHEREAS, because there are significant penalties for failure to comply with the statutory requirements in the event of non-compliance with the bond statute, the PDC General Counsel recommends that that the LCRB waive and exempt the bond requirements as a precautionary measure;

WHEREAS, ORS 279C.380(1)(a) provides for waiver of the performance bond and ORS 279C.390(1) allows for exemption of the payment bond upon action by a local contract review board; and

WHEREAS, PDC’s LCRB rules provide for Board waiver of the performance bond and exemption of the payment bond under Part 1 (III)(C)(1)(g).
NOW, THEREFORE, BE IT RESOLVED, the Board acting as the LCRB hereby waives the requirement of a performance bond and exempts the requirement of a payment bond for the Subject Projects; and

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

Adopted by Portland Development Commission on March 12, 2014

[Signature]

Gina Wiedrich, Recording Secretary
RESOLUTION NO. 7046

RESOLUTION TITLE:
WAIVING AND EXEMPTING POTENTIAL BOND REQUIREMENT FOR THE PACIFIC NORTHWEST COLLEGE OF ART, PORTLAND MERCADO, LLC, AND Z. HAUS, LLC, PROJECTS

Adopted by the Portland Development Commission on March 12, 2014

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☐ Consent Agenda  ☑ 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.

Date:

March 13, 2014

Gina Wiedrick, Recording Secretary