

PORTLAND DEVELOPMENT COMMISSION

Portland, Oregon

RESOLUTION NO. 7075

AUTHORIZING REPAYMENT OF THE OUTSTANDING LOAN USED TO FINANCE THE ARMORY BUILDING, LOCATED AT 128 NW ELEVENTH AVENUE IN THE RIVER DISTRICT URBAN RENEWAL AREA

WHEREAS, on November 19, 2003, the Portland Development Commission (“PDC”) Board of Commissioners (“Board”) approved Resolution No. 6073 authorizing PDC to support the redevelopment of the Armory Building located at 128 NW Eleventh Avenue into a world-class, sustainable performance arts facility;

WHEREAS, in order to attract and support significant New Market and Historic Tax Credits, PDC provided two loans: i.) Loan A in the amount of \$ 2.6 million, and ii.) Loan B in the amount of \$2.0 million;

WHEREAS, Loan A maturity date was extended to June 21, 2024 with a zero percent interest rate and Loan B was recharacterized as a community investment and forgiven under Resolution No. 7053 on June 4, 2014;

WHEREAS, the Armory Theater Fund (“ATF”) and Portland Center Stage (“PCS”) are proposing a \$1.25 million repayment to extinguish the outstanding Loan A balance of approximately \$3.16 million (\$2.6 million plus interest) while maintaining PCS’s commitment to provide a robust 10-year Community Investment Program;

WHEREAS, receipt of this repayment will allow PDC to increase the allocated funds for seismic (earthquake) assessments and retrofits from \$5 million to \$6.25 million in the Old Town/Chinatown community within the River District Urban Renewal Area; and

WHEREAS, the PDC Board believes that it is in the best interests of the City to accept the ATF and PCS repayment and PCS’s commitments for community benefits over the next decade.

NOW, THEREFORE, BE IT RESOLVED, that the PDC Board authorizes the Executive Director to approve the repayment \$1.25 million as satisfaction for the amounts due under ATF Loan A;

BE IT FURTHER RESOLVED, that in exchange for PDC’s acceptance of repayment of such amounts in satisfaction of all amounts due under ATF Loan A, PDC shall require that Portland Center Stage contractually commit i) to provide Community Benefits substantially similar to those attached as Exhibit A hereto, ii) to provide reports on at least an annual basis certifying as to the actual community benefits delivered in the previous year, and iii) that the agreement shall establish the financial benefits provided by such commitments, to be bestowed back to PDC and the community.

BE IT FURTHER RESOLVED, that the Executive Director may approve changes, if such changes do not materially increase PDC's obligations or risks, as determined by the Executive Director in consultation with PDC's General Counsel; and

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

Adopted by the Portland Development Commission on September 10, 2014

A handwritten signature in cursive script, appearing to read "Anne Crispino-Taylor", written in black ink on a white background.

Anne Crispino-Taylor, Recording Secretary

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RESOLUTION TITLE:

AUTHORIZING REPAYMENT OF THE OUTSTANDING LOAN USED TO FINANCE THE ARMORY BUILDING, LOCATED AT 128 NW ELEVENTH AVENUE IN THE RIVER DISTRICT URBAN RENEWAL AREA


Adopted by the Portland Development Commission on September 10, 2014

| PRESENT FOR VOTE | COMMISSIONERS | VOTE | | |
|---|-------------------------------|--|--------------------------|--------------------------|
| | | Yea | Nay | Abstain |
| <input checked="" type="checkbox"/> | Chair Tom Kelly | <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 Charles Wilhoite | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | | <input 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.

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|  | <p>Date:</p> <p>November 5, 2014</p> |
| <p>Anne Crispino-Taylor, Recording Secretary</p> | |