



This document constitutes the official meeting record of the November 9, 2011, Portland Development Commission (PDC) Board of Commissioner's Meeting held at 222 NW fifth Ave., Portland, OR 97209. The full video recording of this meeting can be found at: <http://www.youtube.com/watch?v=JYDt8g4bLyl>

Acting Chair, John Mohlis, called the meeting to order at approximately 3:13 p.m.

J. Scott Andrews
Commission Chair

Ms. Tracey Gemma, acting as recording secretary for the Board, called the Commission roll:

Aneshka Dickson
Commissioner

Chair Scott Andrews	PRESENT VIA PHONE
Commissioner Aneshka Dickson	PRESENT
Commissioner John Mohlis	PRESENT
Commissioner Steven Straus	PRESENT
Commissioner Charles Wilhoite	ABSENT

John C. Mohlis
Commissioner

I. MEETING MINUTE APPROVAL

Steven Straus
Commissioner

Acting Chair Mohlis called for a motion to approve the October 26, 2011, meeting minutes. One small correction was noted and Commissioner Straus moved and Commissioner Dickson seconded the motion.

Charles A. Wilhoite
Commissioner

AYES: Andrews, Dickson, Mohlis, Straus
NAYS: None

Sam Adams
Mayor

Acting Chair John Mohlis reported on these items:

Patrick Quinton
Executive Director

- Congratulated Chair Andrews for receiving the Portland Business Alliance William S. Naito Outstanding Service Award
- Congratulated Commissioner Dickson and her company, Colas Construction, for being one of six companies who will be receiving the 2011 Excellence in Family Business Award
- SoloPower's Board action was taken and they announced first round of hires which will put a lot of construction workers to work

II. COMMISSIONER REPORTS

222 Northwest
Fifth Avenue
Portland, OR
97209-3859

Commissioner Dickson

Thanked Acting Chair Mohlis for the recognition and said she attended the Neighborhood Prosperity Initiative meeting. She said it was well attended and she appreciates the Mayor and PDC Executive Director, Patrick Quinton's, leadership on this effort. She also applauded staff, specifically Ms. Kate Deane and Ms. Dana DeKlyen, for their hard work on this effort.

tel: 503.823.3200

Commissioner Straus

fax: 503.823.3368

He attended the EcoDistrict Summit sponsored by PDC and Portland State University (PSU). He said Mr. Rob Bennet, Office of Sustainability, showed a spectacular promotional video and encouraged PDC and others to view it and utilize it whenever possible.

TTY: 503.823.3366



Chair Andrews (acting as Commissioner Andrews during this forum)

Thanked Commissioner Mohlis for chairing this meeting and said he enjoyed watching the City Council meeting where Mr. Quinton spoke about the Tax Increment Financing (TIF) set aside.

He thanked Mr. Quinton for the BOMA presentation he delivered and said it was a big success. He also congratulated Commissioner Dickson for her business being slated to receive recognition.

III. EXECUTIVE DIRECTOR REPORT

PDC Executive Director, Mr. Patrick Quinton, briefed the Board on these other recent activities:

- Last week a lot of activity around promoting start ups in Portland – Specifically, the Portland Seed Fund activity where eight companies in the seed fund made presentations. Venture NW held their annual event featuring 12 companies, with 11 of them being Portland businesses. Together, almost 20 start-up companies have great opportunities and are optimistic for their future
- Last week was Electrical Vehicle (EV) Week in Portland – Attended the EV Road Map Conference where Portland is premier city to sequel of the film, “Revenge of the Electric Car.” He spoke at this premier, along with the film’s Director
- Announced Portland/Oregon are going after locating the US Patent Office
- At December 14 Board meeting, Board will receive presentation on the draft Metro Export Strategy
- Will be in Washington D. C. with Mayor, staff, the Greater Portland Director, and others to present the draft Export Plan to the Brookings Institution and other federal agencies and will meet with members of congress to discuss export strategies and best practices
- Attended with Chair Andrews a ribbon cutting for the new downtown Nike store – good win for the city and Nike
- TV Show “Grimm” filmed in Portland is a growing list of shows filmed in Portland – Premiered in Portland and it is receiving incredible ratings – gave credit to our and the Governor’s film office for their hard work
- Recognized PDC new employees – Ms. Patricia Weekly, Contracts and Compliance Officer, and Ms. Courtney Cohn in the IT Department

IV. AUTHORIZE EXECUTIVE DIRECTOR TO APPROVE UPDATE TO THE TAX INCREMENT FINANCING FOR AFFORDABLE HOUSING POLICY

Portland Development Commission staff presenting this item:

Ms. Julie Cody, Chief Financial Officer

Portland City Council is scheduled November 9, 2011, to consider for adoption an updated TIF Set Aside for Affordable Housing Policy (the Set Aside Policy), along with a Policy Implementation Plan and Income Guidelines. This action authorizes the Executive Director to adopt the same updated set of Set Aside Policy documents.

At the time of originally adopting the TIF Set Aside Policy, it was contemplated City Council and PDC would conduct a thorough review of the policy and its impact on tax increment revenues, city housing, and other goals. Portland Development Commission staff has been involved in this review process as participants in both the technical review and the stakeholder review committees. A public hearing on the Set Aside Policy was held August 2, 2011, for the purpose of obtaining input on draft recommendations for improvements and enhancements to the policy.

During this meeting, Ms. Cody provided an overview of the update process for the Board’s consideration. Specifically, structural changes were recommended to improve administration,

transparency, and reporting, as well as to align the policy with priorities set by the Portland Housing Bureau's (PHB's) Strategic Plan, the Portland Plan, Urban Renewal Area (URA) Plans and current and future Portland housing needs. The aggregate citywide minimum of 30 percent of TIF collected under the Set Aside Policy would be dedicated to supporting the development, preservation and

rehabilitation of housing affordable to households with incomes below 100 percent of median family income. This 30 percent would be calculated in the aggregate, across all URAs in existence as of July 1, 2006 (other than the Airport Way and Willamette Industrial URAs), and future URAs created after the adoption of this policy.

Those providing testimony on this item:

- No public testimony given.

Board Discussion and/or requested follow-up relative to this item:

- Commissioner Dickson asked whether or not PDC was still involved with the PHB's budget process. Ms. Cody said yes, PDC works hand-in-hand with PHB during the entire budget process and provides oversight of their work.
- Commissioner Dickson asked if the Board would still be reviewing PHB's budget and Ms. Cody said yes.
- Chair Andrews thanked staff for their efforts and said the change to create PHB and the budgeting process could have been very contentious but instead it has been a cooperative effort and programmatic changes are not large and methodology changes are proving to be helpful.
- Mr. Quinton recognized Ms. Traci Manning (Ms. Margaret VanVliet successor) and Ms. Daniel Ledezma for their efforts and thanked them for being present
- Acting Chair Mohlis recognized Ms. Manning as the new PHB Director and thanked her for attending the meeting.

Acting Chair Mohlis called for motion to approve Resolution 6908 and Commissioner Dickson moved and Commissioner Straus seconded the motion.

AYES: Andrews, Dickson, Mohlis, Straus

NAYS: None

V. AUTHORIZE EXECUTIVE DIRECTOR TO APPROVE FY 2011-12 BUDGET AMENDMENT NO. 1

Portland Development Commission staff presenting this item:

Mr. Tony Barnes, Deputy Budget Officer

This action formally amended the current fiscal year (FY) 2011-12 Adopted PDC Budget for the first time this year, in the following ways:

- (1) Recognized and appropriated actual beginning fund balances based on FY 2010-11 audited ending-fund balances;
- (2) Made specific adjustments to URA and non-URA projects and programs based on project timing to recognize unexpended commitments from the prior year and other changes in project timing (i.e. the Oregon Sustainability Center);
- (3) Made adjustments necessary to implement the Interstate Corridor and Oregon Convention Center URA amendments.

In summary, the FY 2011-12 Budget Amendment No. 1 increases the total PDC budget from \$209,084,319 in the FY 2011-12 Adopted Budget to \$253,902,914 including transfers, contingency and reserves. Excluding transfers and contingency, total budgeted expenditures increase from \$159,375,330 to \$192,917,893.

Those providing testimony on this item:

No individuals provided public testimony on this item.

Board Discussion and/or requested follow-up relative to this item:

- Commissioner Dickson said she understands where PHB comes into the budget and requested Mr. Barnes explain the term “contingency money.” Mr. Barnes provided an answer and also said a portion of the \$16 million not being appropriated will be added to next year’s budget, with most of the dollars being carried over from housing-related projects.
- Acting Chair Mohlis thanked Mr. Barnes for the clear and concise report.

Acting Chair Mohlis called for motion to approve Resolution 6911 and Commissioner Straus moved and Commissioner Dickson seconded the motion.

AYES: Andrews, Dickson, Mohlis, Straus

NAYS: None

Chair Andrews announced he would not be able to participate in the next item, Report 11-73, and disconnected from the meeting via phone.

VI. UPDATE ON THE PDC ENTREPRENEURSHIP STRATEGY

Portland Development Commission staff presenting this item:

Ms. Jennifer Nolfi, Business and Industry Division Manager

Mr. Chris Harder, Business and Industry Manager

During this Board meeting, staff provided information on the impact of entrepreneurship on Portland’s economy, summarized key findings from the State of Entrepreneurship Report, highlighted recent entrepreneurship events and outlined PDC’s entrepreneurship action plan and scorecard.

Staff said supporting entrepreneurship has been identified by PDC and the City of Portland as a priority to support job creation, innovation, and competitiveness. In the City’s Economic Development Strategy, “entrepreneurship” is identified as a key objective of the neighborhood business vitality and target industry cluster strategies, as well in specific neighborhood and central city projects. In 2010, PDC sought to define and clarify the role of entrepreneurship as an economic driver in Portland through the development of the State of Entrepreneurship Report.

Most recently, PDC’s Leadership Team explicitly identified innovation and entrepreneurship as a key outcome to achieve in PDC’s revised FY 2010-2014 Strategic Plan, which will be going to the Board for review in early December at their retreat, and to the Board for consideration of approval in January.

Mr. Harder concluded the presentation by thanking the Board for the opportunity to present this information and acknowledged Mr. Randy Evans, Senior Project Manager, for his hard work.

Mr. Harder showed the video, “Portland, Oregon Supports Entrepreneurs,” and thanked PDC staff member, Mr. John Cardenas, for his work to develop such a great piece.

Those providing public testimony on this item:

Ms. Sheetal Dube, Founder and CEO, AudioName.com, provided testimony. Ms. Dube expressed her appreciation to PDC and the Portland Seed Fund, as it was the catalyst for helping her company move forward.

Board Discussion and/or requested follow-up relative to this item:

- Commissioner Straus said he was surprised the real job growth is coming from companies with two-to-nine employees.
- Commissioner Straus said the capital gains tax in Oregon is a big problem for companies and asked what initiatives PDC has in place to retain companies here.
- Mr. Quinton and Acting Chair Mohlis thanked Ms. Dube for attending the meeting and congratulated her on the success of her business.
- Commissioner Dickson said she is very proud of the work that is taking place, as many Fortune 500 companies started out small and said, never underestimate the power of being “small.”

VII. ADJOURN

There being no further business, Acting Chair Mohlis adjourned the meeting.

Respectfully submitted,

Approved by the Portland Development Commission December 14, 2011.



Recording Secretary