

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6605

**BOARD AUTHORIZATION FOR THE PORTLAND
DEVELOPMENT COMMISSION (PDC) TO ENTER INTO A
MEMORANDUM OF UNDERSTANDING (MOU) WITH THE
WORKSOURCE OREGON EMPLOYMENT
DEPARTMENT PORTLAND FOR THE PORTLAND
ENTERPRISE ZONE'S (E-ZONE) PROCEDURAL AND
OPERATING GUIDELINES**

WHEREAS, the Oregon Enterprise Zone Act, ORS 285C.050 – 285C.250, authorizes the designation of Enterprise Zones in urban and non-urban areas and provides that property tax abatement, job creation, and local municipal incentives are desirable to stimulate economic development in economically depressed areas;

WHEREAS, the Portland Development Commission (“PDC”) on February 27, 2008, through Resolution 6562 authorized the Executive Director formally request City Council approval of the Enterprise Zone Policy and authorized the PDC to submit an application on behalf of the City of Portland to the Oregon Economic and Community Development Department (“OECD”) for designation of a ten year Enterprise Zone in Portland;

WHEREAS, the City Council on March 5, 2008, through Resolution 36583 authorized the PDC to prepare and submit an E-Zone application on behalf of the City of Portland to the OECD for designation of a ten year E-Zone program in Portland;

WHEREAS, the OECD has informed PDC that the City will receive designation on or before July 1, 2008;

WHEREAS, the City of Portland is the Enterprise Zone Sponsor and has designated PDC to serve as the Enterprise Zone Manager;

WHEREAS, Portland City Council adopted the City of Portland Enterprise Zone Policy (Resolution No. 36583) (the “E-Zone Policy”), which provides for a tax exemption of five years’ duration and imposes additional conditions on companies participating in the E-Zone;

WHEREAS, the Oregon Enterprise Zone Act requires each company participating in the E-Zone to enter into a First Source Agreement (“FSA”) with a publicly funded job training provider.

WHEREAS, the E-Zone Policy refers to the WorkSource Oregon Employment Department Portland (“WSED”) as the publicly funded job training provider for FSAs with all Portland E-Zone companies;

WHEREAS, WSED attends Preauthorization Consultations as needed with Portland E-Zone staff for interested companies, signs and authorizes FSA contracts with each Portland E-Zone company, attends the Portland E-Zone Technical Advisory Committee ("TAC") and reports annually to the TAC on the hiring process for each Portland E-Zone company in which they have entered into contract;

WHEREAS, the procedural and operating guidelines for PDC and WSED are described in the Portland E-Zone Policy; and

WHEREAS, WSED and PDC desire to enter into the MOU to reinforce the procedural and operating guidelines associated with WSED's continual processing of E-Zone FSAs and tracking Portland E-Zone company's new hires.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby directed to enter into the MOU with Worksource Oregon Employment Department Portland, in a form substantially similar to that attached hereto as Exhibit A;

BE IT FURTHER RESOLVED, that, that the Executive Director is authorized to make changes to the MOU, so long as such changes are consistent with the E-Zone Policy; and

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

Adopted by the Portland Development Commission on June 25, 2008.



Renee A. Castilla, Recording Secretary

WorkSource Portland and Portland Development Commission MOU

**Memorandum of Understanding between the WorkSource Oregon Employment
Department Portland and the Portland Development Commission Regarding
Operational Guidelines for the Portland Enterprise Zone**

This Memorandum of Understanding (this "MOU") is between the STATE of OREGON, acting by and through its WORKSOURCE OREGON EMPLOYMENT DEPARTMENT PORTLAND ("WorkSource"), and PORTLAND DEVELOPMENT COMMISSION ("PDC") for the Portland Enterprise Zone ("E-Zone") program. This MOU shall become effective upon the date of last signature hereto and shall expire _____ unless renewed or extended in writing signed by both parties.

Recitals

- A. The City of Portland (the "City") applied for and received designation of the Portland Enterprise Zone (the "E-Zone") on _____, 2008 by the Director of the Oregon Economic and Community Development Department.
- B. The City through Resolution 36583 adopted the Portland Enterprise Zone Policy (the "E-Zone Policy").
- C. The City, as the E-Zone Sponsor, designated the PDC to serve as the Portland Enterprise Zone Manager.
- D. WorkSource is the State of Oregon's labor exchange agency (Employment Department) for the Portland Metro Area. WorkSource works in the Portland metro region under the umbrella of WorkSource Oregon and in partnership with the WorkSystems Inc., the job-training fund administrator for Multnomah and Washington Counties WIB (Workforce Investment Board) and their training providers.
- E. As required by the Oregon Enterprise Zone Act (ORS 285C.050 to 285C.250)(the "Act"), all authorized companies participating in the Portland E-zone must enter into a First Source Hiring Agreement ("FSA") with WorkSource, whereby WorkSource refers qualified candidates to the company for new jobs and job openings in the company.
- F. The purpose of this MOU is to provide operating principles intended to guide PDC and WorkSource staff consistent with the Act and the E-Zone Policy.

Agreement

Now, therefore, WorkSource and PDC hereby agree as follows:

1. Assumptions

As required by section 285C.215 of the Act, all companies utilizing the E-Zone program ("Company") must execute an FSA. In order to satisfy this requirement, all companies in the E-Zone will be required to enter into an FSA with WorkSource for all employees hired at the company's E-Zone facility throughout the project's construction and tax exemption period.

WorkSource will work as the liaison for WorkSource Oregon to PDC staff. The PDC will work cooperatively with WorkSource to ensure that each Oregon Enterprise Zone Authorization Application is accompanied by a signed FSA.

2. Process

PDC will notify WorkSource when it receives an Oregon Enterprise Zone Authorization Application from a Company. This notice will contain at a minimum: (1) the Company's name, address and phone number; (2) the Company's Federal ID number; and (3) Company's Point-of-Contact including phone number and email address.

WorkSource will use this information to contact the Company and tailor the FSA to meet the needs of the Company and the E-Zone Program. The FSA will detail performance standards for hiring and recruitment activities such as, growth occupations, skills required to perform opened positions, number of positions being hired, and the timeline for filling positions. WorkSource will use this information to refer qualified candidates to the Company. Furthermore, WorkSystems Inc. (WSI) may use this information to create training opportunities for individuals in the WorkSource system in order to fill positions at E-Zone participating firms.

Once the FSA is created by WorkSource it will be forwarded to the PDC. Upon receiving the FSA from WorkSource, PDC will ensure that the Company signs and returns the FSA to PDC prior to entering into the written agreement. Upon receipt of the signed FSA, PDC will forward a copy to WorkSource for signature. Finally, WorkSource will send a copy of the signed FSA to the PDC and the Company so that hiring can commence. WorkSource will communicate to the Company the details concerning FSA compliance and how to post job listings. WorkSource will provide information on service available to the Company, highlighting OED's iMatchSkills® and Quality Info websites, in an effort to establish agreed upon communication practice for job posting.

3. Reporting

WorkSource shall be a member of the Portland E-Zone Technical Advisory Committee (TAC) and will work with PDC to compile and review Annual Compliance Reports. WorkSource will report annually to the TAC each Company's

FSA compliance status and bring documentation for the record. This report will include a summary of Companies' hires based on referrals through WorkSource. Furthermore, WorkSource will report to PDC at any point in the year if it appears an employer is not meeting compliance with their FSA. WorkSource will also report to PDC if they become aware of any actions that could negatively affect the Company's E-Zone written agreement. WorkSource will keep records for tracking purposes.

If an issue of FSA non-compliance occurs, WorkSource will notify PDC and attempt to work with the Company to bring it back into compliance. PDC will be included in meetings relating to a Company's non-compliance as determined by PDC and WorkSource. If an issue of FSA non-compliance occurs, WorkSource will be in a service provision role and PDC will be in a compliance and enforcement role.

4. Confidential Information

Except for information that is already a matter of public record or information that either party determines in good faith that it is obligated to disclose under the Oregon Public Records

Law (ORS 192.410 to 192.505), neither PDC nor WorkSource shall publish or otherwise disclose, except to WorkSource or PDC or as otherwise required by law, any information or data obtained hereunder from private individuals, organizations, or public agencies in a publication wherein the information or data furnished by or about any particular person or establishment can be identified, except with the written consent of such person or establishment. Information concerning the business of the WorkSource or PDC, their financial affairs, and their relations with their clients and employees, as well as any other information that may be specifically and respectively classified as confidential by the WorkSource or PDC, shall be kept confidential. PDC and WorkSource shall instruct their employees and contractors to keep such information confidential by using the same care and discretion that they use with similar information that the PDC and WorkSource designate as confidential.

5. Records Retention

WorkSource will be responsible for maintaining all records related to the FSA and any documentation related to FSA tracking for six (6) years after the E-Zone designation terminates.

6. Amendments

This MOU may be amended only by a writing signed by both parties. The PDC Executive Director has the authority to approve amendments to this MOU to the extent such amendments are consistent with the E-Zone Policy and the Act.

WorkSource Portland Employment Department

By: _____
Name, Title

Date: _____

Portland Development Commission

By: _____
Bruce A. Warner, Executive Director

Date: _____

PDC

PORTLAND DEVELOPMENT COMMISSION

Resolution Number 6605

TITLE: RD AUTHORIZATION FOR THE PORTLAND DEVELOPMENT COMMISSION (PDC) TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE WORKSOURCE OREGON EMPLOYEMENT DEPARTMENT PORTLAND FOR THE PORTLAND ENTERPRISE ZONE'S (E-ZONE) PROCEDURAL AND OPERATING GUIDELINES

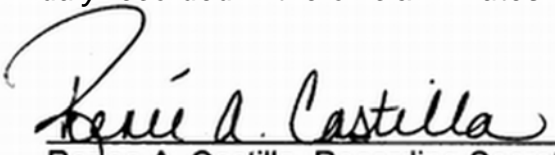
Adopted by the Portland Development Commission on June 25, 2008.

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Mark Rosenbaum, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Sal Kadri	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Bertha Ferrán	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Charles Wilhoite	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Consent Agenda		<input 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 duly recorded in the official minutes of the meeting.


Renee A. Castilla, Recording Secretary

Date: June 26, 2008