

PORTLAND COMMUNITY INVESTMENT FUND

DATE: March 8, 2023
TO: Governing Board
FROM: Casey Edmondson, Prosper Portland Staff
SUBJECT: Report Number PCIF-5

GOVERNING BOARD ACTIONS REQUESTED

Adopt Resolution No. 5

ACTION DESCRIPTION

On October 12, 2016, through Resolution No. 7214, the Prosper Portland Board of Commissioners (Board) directed staff to create a Community Development Entity (CDE), a federally authorized organization that is eligible to apply for and receive New Markets Tax Credits (NMTC) from the U.S. Department of Treasury's Community Development Financial Institutions Fund (CDFI Fund). While Prosper Portland is the Controlling Entity of the CDE, known as the Portland Community Investment Fund (PCIF), PCIF is and will continue to remain a separate legal entity from Prosper Portland. As such, there are distinct PCIF Bylaws that identify how PCIF is managed and governed. The members of the Prosper Portland Board also serve the members of the PCIF Board and convene from time to time to take action to manage PCIF.

Since creating PCIF, staff have submitted three NMTC applications, none of which were successful. While there are no current plans to submit another NMTC application, the PCIF Board needs to take certain administrative and operational actions to ensure its ongoing functioning, including to identify its Directors and to appoint appropriate staff as PCIF Officers. In addition, to simplify the ongoing administration of PCIF, particularly during times in which no substantial NMTC application activity is ongoing, PCIF and its Board would also benefit from making certain changes to PCIF's Bylaws as described in the paragraph below.

On March 8, 2023, staff will request that the PCIF Board address certain matters in connection with the administrative and operational functions of PCIF. Specifically, staff will ask the Board to (i) confirm the identities of the existing Directors and Chairperson of the Board of PCIF; (ii) formally appoint a new Secretary and General Counsel; (iii) formally designating a replacement for Adam Lane as Chief Financial Officer and Chief Operating Officer; and (iv) to amend the Bylaws of PCIF to, as more specifically described in the written Amendment No. 1 to Bylaws of Portland Community Investment Fund attached to the draft Resolution, to update the location of PCIF's principal office, to make more flexible the processes for appointing officers on an interim basis in the case of a vacancy, to clarify that the Chairperson of the Board is not an officer of the Corporation, to clarify the circumstances under which an annual meeting of the corporation must be held, and to bring certain references up to date.

By taking the actions described in subsections (i) through (iii), above, the PCIF Board will clarify the current governance of PCIF and position PCIF to submit updated information to the Oregon Secretary of State. By amending the Bylaws to update the location of PCIF's principal office, to update references from PDC to Prosper Portland, and to clarify that the Chairperson of the Board is a Director rather than an officer of PCIF, the PCIF Board will modernize the Bylaws and help avoid confusion. By allowing the PCIF President to make temporary appointments of PCIF officers and by reducing the required frequency of PCIF Board meetings, the PCIF Board can reduce the administrative burden on itself and on PCIF officers while maintaining appropriate oversight and governance.

ATTACHMENTS

None.