

RESOLUTION No. 3 6 7 8 5

Amend the Portland Enterprise Zone Policy and procedures for distributing Community Contribution Funds (Resolution)

WHEREAS, the Enterprise Zone (the “E-Zone”) is a State of Oregon Business Development Department program that allows eligible companies property tax exemptions for up to five years in exchange for making capital improvements that create jobs and job opportunities along with other program requirements; and

WHEREAS, since 1986 three ten-year E-Zone designations have been sponsored by City Council and the Portland Development Commission (“PDC”) has acted as the E-Zone Manager for each zone; and

WHEREAS, as the E-Zone Manager, PDC accepts applications from eligible businesses and administers the program’s annual compliance, which includes managing intergovernmental agreements, facilitating public involvement, monitoring and oversight of company contract requirements, and collecting and disbursing grant funds to the local community in accordance with State statutes, Oregon Administrative Rules, and City policies; and

WHEREAS, since 1996, the City’s E-Zone programs have leveraged over one billion dollars of private investments and created and retained over five thousand full-time, quality jobs; and

WHEREAS, through Resolution No. 35506 dated March 27, 1996, City Council adopted the E-Zone Investment Strategy to provide guidance to PDC in its implementation of the North Northeast Enterprise Zone (the “N/NE E-Zone”); and

WHEREAS, Community Contribution funds are collected from companies participating in the N/NE E-Zone based on the companies’ hiring levels and are disbursed back into the community in the form of Workforce Training and Business Development grants; and

WHEREAS, the distribution of the Community Contribution fund was outlined in a policy adopted by City Council in 1999 through Resolution 35773; and

WHEREAS, the distribution of the Community Contribution workforce development funds was further outlined in procedures adopted by City Council on December 20, 2000 through Resolution 35951; and

WHEREAS, although the N/NE E-Zone terminated on July 1, 2007, thirty-five (35) companies remain active under preexisting N/NE E-Zone Investment Strategy contracts, which will be managed for the remainder of their exemption periods, the last of which expires no later than 2017; and

WHEREAS, on March 5, 2008, by Resolution No. 36583, City Council established the Portland Enterprise Zone (the “Portland E-Zone”) by adopting the Portland Enterprise Zone Policy (the “Portland E-Zone Policy”) and designated PDC to serve as the Portland E-Zone Manager; and

WHEREAS, the Portland E-Zone Policy provides for the creation of a Portland E-Zone Workforce Training and Business Development Fund (the "WTBD Fund") for use in funding workforce training and business development programs; and

WHEREAS, while the N/NE E-Zone Community Contribution fund and the Portland E-Zone WTBD Fund have similar goals, the funds are established and managed under two distinct policies and procedural frameworks; and

WHEREAS, the policies and procedures pertaining to the Portland E-Zone's WTBD Fund are more up-to-date than those pertaining to the N/NE E-Zone's Community Contribution fund, and the N/NE Community Contributions are decreasing as no new companies may apply; and

WHEREAS, the existence of two processes to meet similar policy goals presents an inefficiency in the administration of the E-Zone programs; and

WHEREAS, consolidating the Community Contribution fund with the WTBD Fund will streamline the process of distribution and enhance efficiency, thereby better serving the goals of both the N/NE E-Zone and the Portland E-Zone policies; and

WHEREAS, Community Contribution fees will continue to be collected pursuant to the individual N/NE E-Zone participating company contracts; and

WHEREAS, PDC's Board of Commissioners recommend that the City Council adopt amendments the Portland E-Zone Policy, which include changes to the role and composition of the Advisory Committee, and adopt revisions to the procedures pertaining to the distribution of the Community Contribution fund;

NOW, THEREFORE, BE IT RESOLVED that the City Council adopts the amended Portland Enterprise Zone Policy substantially in the form attached hereto as Exhibit A; and

BE IT FURTHER RESOLVED that the City Council adopts a policy that the Community Contribution funds shall be used for the purposes and distributed according to procedures set forth in the amended Portland Enterprise Zone Policy; and

BE IT FURTHER RESOLVED that this resolution shall be binding City policy.

Adopted by the Council: **MAY 05 2010**

Mayor Sam Adams
Sierra Gardiner & Bruce Allen
Date Prepared: April 22, 2010

LaVonne Griffin-Valade
Auditor of the City of Portland
By


Deputy

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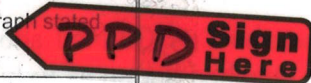
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Agenda No.
RESOLUTION NO.
Title

36785

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INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams	CLERK USE: DATE FILED <u>APR 30 2010</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Adams <i>[Signature]</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Leonard	LaVonne Griffin-Valade Auditor of the City of Portland By: <i>[Signature]</i> Deputy ACTION TAKEN:
BUREAU APPROVAL Bureau: <i>PDC</i> Bureau Head:	
Prepared by: Sierra Gardiner, PDC Date Prepared: April 20, 2010	
Financial Impact Statement Completed <input type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Council Meeting Date May 5, 2010	
City Attorney Approval	



AGENDA TIME CERTAIN <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 25 minutes (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	<input checked="" type="checkbox"/>	
2. Fish	2. Fish	<input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman	<input checked="" type="checkbox"/>	
4. Leonard	4. Leonard	<input checked="" type="checkbox"/>	
Adams	Adams	<input checked="" type="checkbox"/>	