



FY 2015-16 Proposed Budget
May 13, 2015



Overview

1) Implement new Strategic Plan

- PDC's Proposed Budget is guided by the objectives of the new 2015-2020 PDC Strategic Plan with the goal of achieving widely shared prosperity among all residents of Portland.

2) Implement Budget impacts of URA Amendments

- North Macadam and Central Eastside expansion
- Reduction to River District
- Elimination of Education and no new resources in Willamette Industrial

3) Moving forward on action plans and strategies in Lents, Old Town/Chinatown, and Halsey-Weidler (Gateway)

4) Carrying forward funds for big ticket projects from FY 2014-15 to FY 2015-16

- Rose Quarter/Oregon Convention Center opportunities
- Central Eastside Strategic Sites/ODOT Blocks
- Convention Center Hotel
- Daimler loan
- Multnomah County Health Headquarters

Key URA Changes

River District and Downtown Waterfront

- Reduction in TIF due to amendment
- Focus on Old Town/Chinatown Action Plan
- Moving forward with Centennial Mills
- Moving forward with U.S. Post Office relocation

Lents

- Implementation of Lents Action Plan in partnership with the Portland Housing Bureau

Central Eastside

- Acquisition and predevelopment of ODOT blocks and Clinton Triangle

Interstate

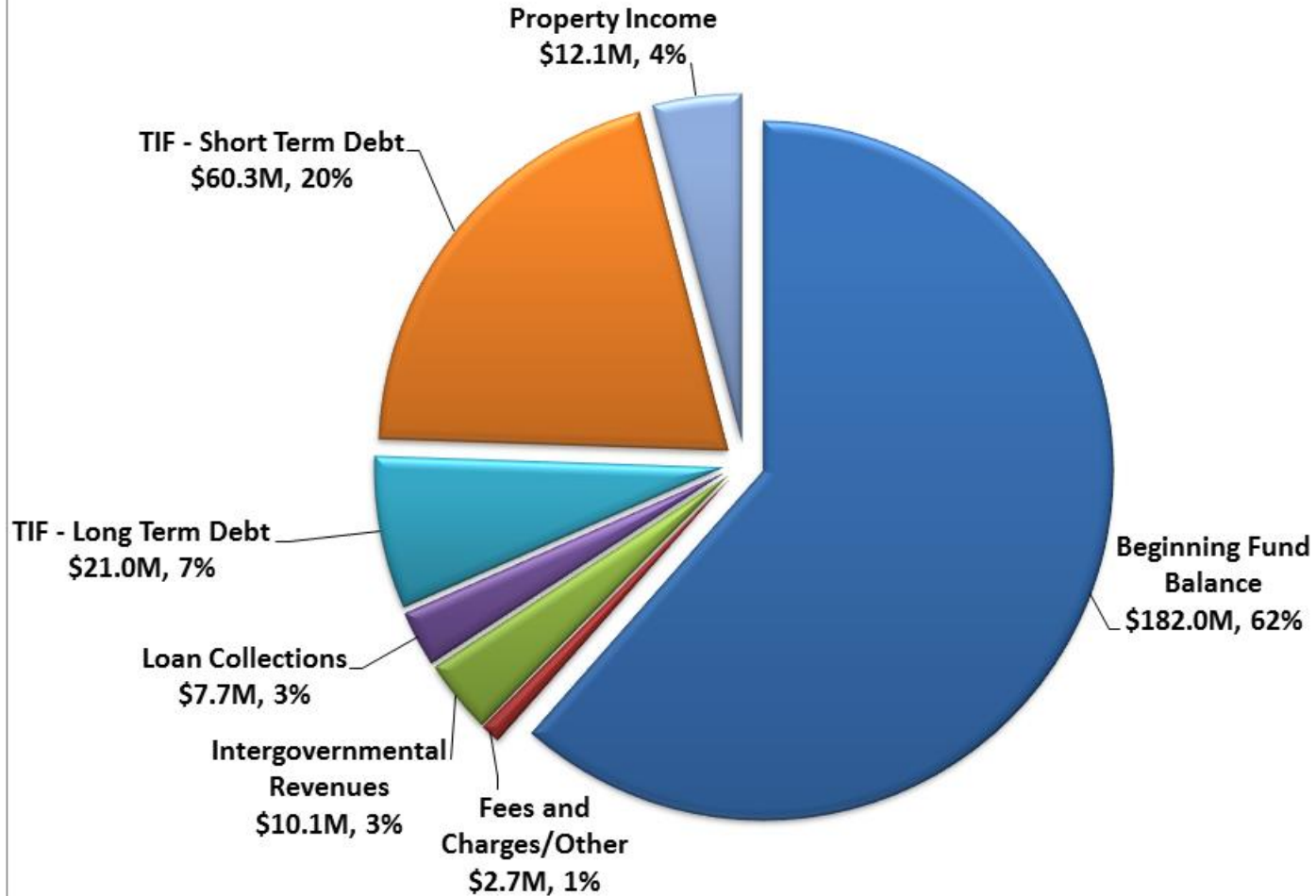
- Moving foreword with a development agreement on the MLK Alberta project

Willamette Industrial

- No new tax increment resources

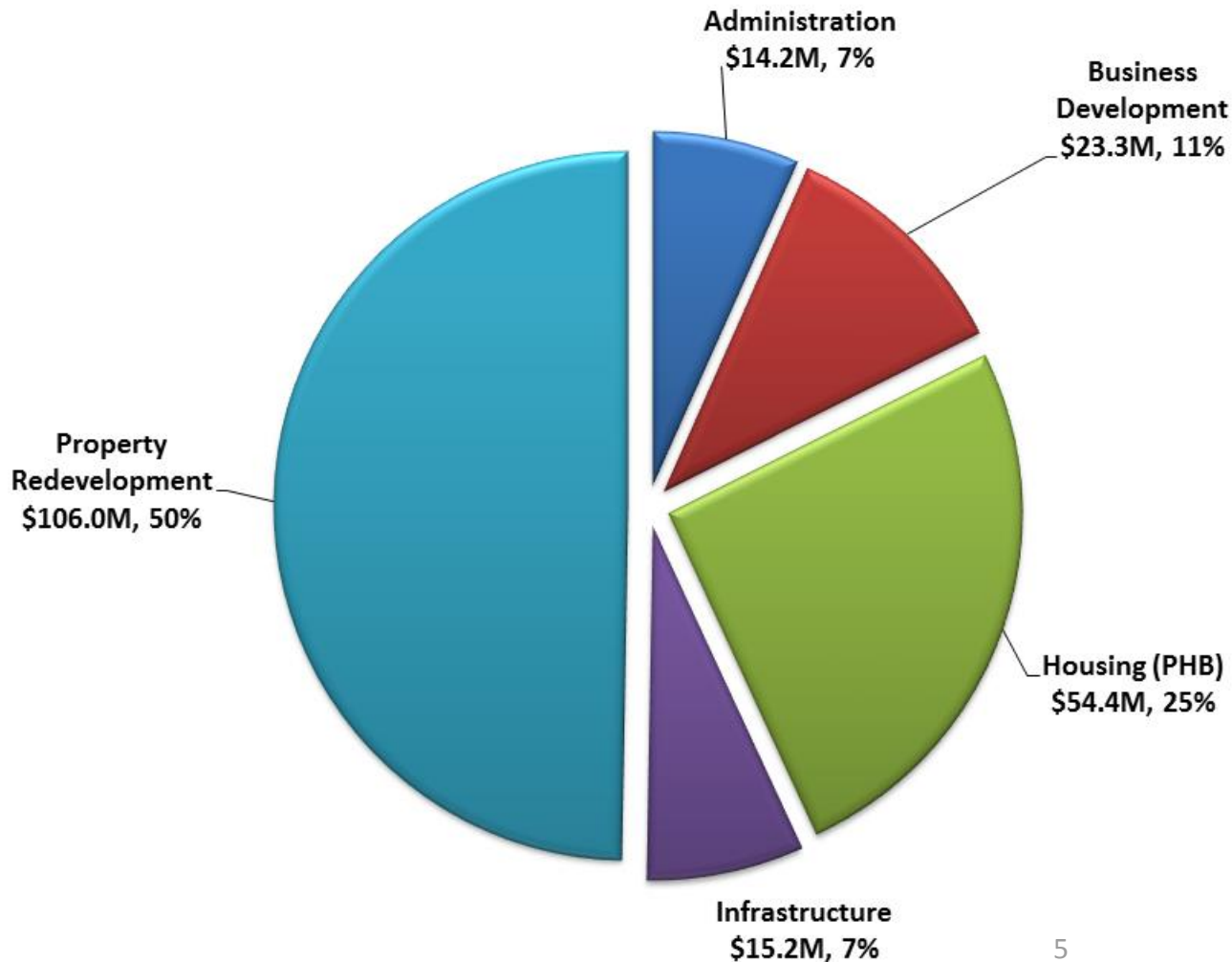
2015-16 Proposed Budget

FY 2015-16 Resources - \$295.9 Million (net of interfund transfers)



2015-16 Proposed Budget

FY 2015-16 Expenditures - \$213.2 Million

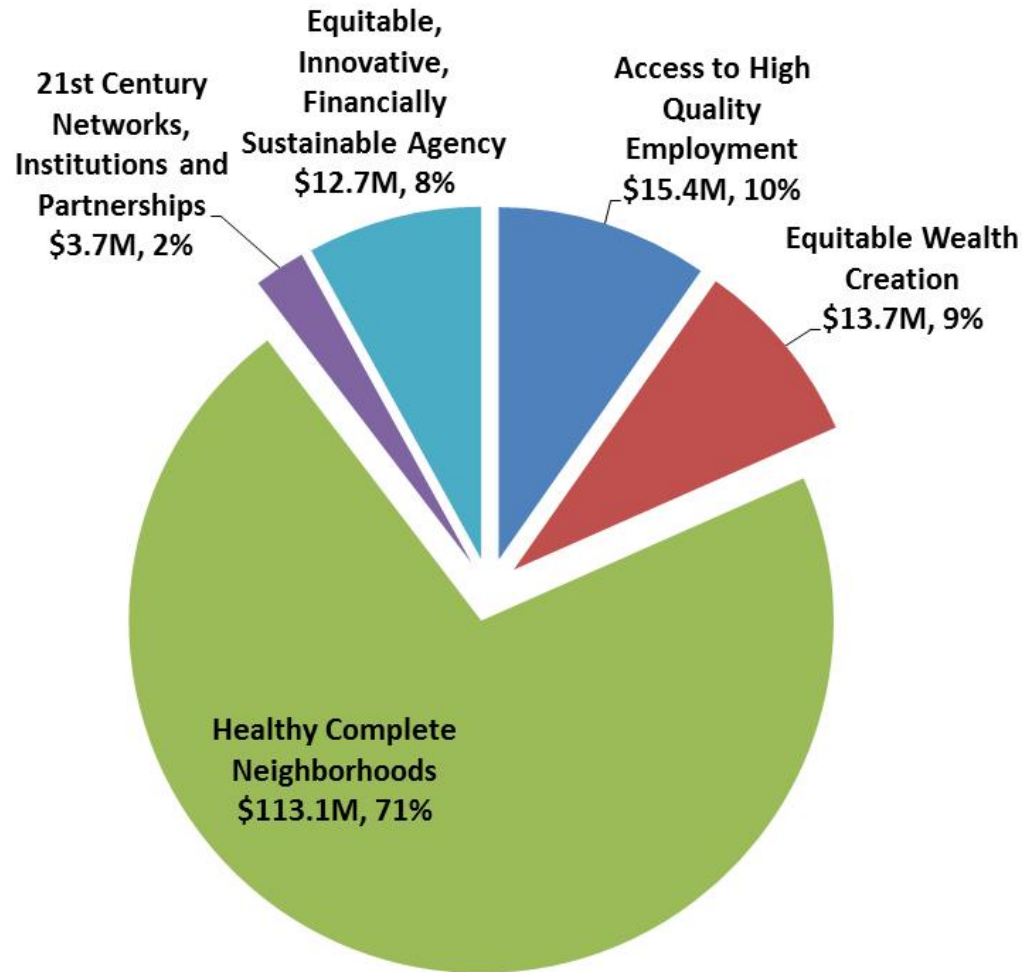


Housing Set Aside

Cumulative Housing Set Aside							
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Housing Set Aside Summary	Actual	Revised	Requested	Forecast	Forecast	Forecast	Forecast
Downtown Waterfront	17,314,207	17,314,207	19,031,552	19,286,117	19,286,117	19,286,117	19,286,117
21% Target	91,402,338	91,402,338	91,402,338	91,402,338	91,402,338	91,402,338	91,402,338
	19%	19%	21%	21%	21%	21%	21%
South Park Blocks	31,347,713	31,626,131	37,486,617	37,486,617	37,486,617	37,486,617	37,486,617
52% Target	61,090,678	61,090,678	61,090,678	61,090,678	61,090,678	61,090,678	61,090,678
	51%	52%	61%	61%	61%	61%	61%
Oregon Convention Center	7,935,111	8,129,282	19,629,282	19,629,282	19,629,282	19,629,282	19,629,282
26% Target	78,564,626	78,564,626	78,564,626	78,564,626	78,564,626	78,564,626	78,564,626
	10%	10%	25%	25%	25%	25%	25%
Central Eastside	5,353,382	5,413,723	8,963,394	9,724,359	9,846,258	12,185,478	13,727,448
15% (30% after \$35M reached/18% avg.)	34,790,068	37,667,188	42,628,775	46,572,297	50,762,876	55,161,893	55,459,112
24% Average	15%	14%	21%	21%	19%	22%	25%
Lents	22,506,428	23,918,676	25,685,365	32,914,767	40,060,022	42,555,935	47,555,935
30% Target	64,786,703	73,418,063	83,008,463	95,670,863	121,100,303	131,649,743	160,999,875
	35%	33%	31%	34%	33%	32%	30%
Interstate	30,984,760	32,933,067	42,324,903	50,399,958	59,064,609	69,014,134	77,547,272
30% Target	87,265,623	98,294,583	116,421,150	131,587,762	147,784,326	164,990,163	183,211,923
	36%	34%	36%	38%	40%	42%	42%
Gateway	6,392,802	9,390,810	11,305,738	11,856,204	12,216,902	12,423,556	13,423,556
30% Target	19,533,611	22,890,251	27,137,271	31,014,961	34,910,580	38,946,006	45,181,206
	33%	41%	42%	38%	35%	32%	30%
North Macadam	28,680,065	28,697,717	30,697,717	47,697,717	47,897,717	48,097,717	48,297,717
36%	69,707,294	72,884,126	74,554,526	92,787,806	100,049,472	107,435,017	115,479,647
42% after URA Amendment	41%	39%	41%	51%	48%	45%	42%
River District	60,566,558	74,932,778	89,750,268	97,820,024	101,073,557	103,502,025	103,502,025
30% Target	165,246,186	184,899,469	224,210,043	256,475,004	282,985,757	302,833,600	322,014,400
	37%	41%	40%	38%	36%	34%	32%
Education	82,875	82,875	82,875	82,875	82,875	82,875	82,875
30% Target	978,808	978,808	978,808	978,808	978,808	978,808	978,808
	8%	8%	8%	8%	8%	8%	8%
Total Housing	211,163,902	232,439,267	284,957,712	326,897,921	346,643,957	364,263,737	380,538,845
Base	673,365,935	722,090,129	799,996,678	886,145,143	969,629,764	1,033,052,873	1,114,382,615
Combined Percentage	31%	32%	36%	37%	36%	35%	34%
Annual Housing Set Aside Amount	9,552,934	21,275,365	52,518,445	41,940,209	19,746,036	17,619,780	16,275,108

Budget by Strategic Objective

**FY 2015-16 Proposed Budget by Strategic Objective
(excludes Housing)**



Budget by Strategic Objective/ Key Action

Healthy and Complete Neighborhoods	Non-TIF	TIF	Total	
Connected Innovation and Job Centers (<i>NMAC/CES Investments</i>)	0	5,115,797	5,115,797	
Regional Assets (<i>Centennial Mills, CC Hotel, Post Office, Union Station</i>)	1,000,000	57,995,206	58,995,206	
Vibrant Communities and Corridors (<i>Commercial Lending, DOS/SIP, Neighborhood Transportation projects</i>)	0	49,007,899	49,007,899	
Total Healthy and Complete Neighborhoods	1,000,000	112,118,902	113,118,902	71%
Access to High Quality Employment				
Quality Job Growth and Business Vitality (<i>Traded Sector, DT Business Lending, International Business Development, E-Zone</i>)	3,118,146	2,570,926	5,689,072	
Access to Career-Path Employment (<i>NNE E-Zone Contributions, Workforce Development</i>)	4,154,631	5,600,039	9,754,670	
Total Access to High Quality Employment	7,272,777	8,170,965	15,443,742	10%
Foster Wealth Creation within Communities of Color				
Inclusive Innovation & Entrepreneurship (<i>Inclusive Startup Fund, Entrepreneurship</i>)	605,504	0	605,504	
Business Growth (<i>Neighborhood Business Development and Lending</i>)	892,032	11,835,129	12,727,161	
Property Owner Development (<i>Neighborhood DOS</i>)	0	406,373	403,373	
Total Foster Wealth Creation	1,497,536	12,241,502	13,739,038	9%

Budget by Strategic Objective/ Key Action

21st Century Networks, Institutions, and Partnerships	Non-TIF	TIF	Total	
Affordability & Neighborhood Solutions (<i>CC 2035, NED Leadership</i>)	0	60,848	60,848	
Innovation and Infrastructure (<i>Innovation Fund</i>)	25,000	0	25,000	
Neighborhood Capacity Building (<i>NPI districts, Community Livability Grants</i>)	1,402,027	2,090,102	3,492,129	
Total Healthy and Complete Neighborhoods	1,427,027	2,319,678	3,746,705	2%
Equitable, Innovative, Financially Sustainable Agency				
Communications, Engagement and Community Partnership	75,466	1,410,025	1,485,491	
Effective Management and Governance	0	833,674	833,674	
Employee Development, Engagement and Effectiveness	0	3,300,261	3,300,261	
Financial Sustainability and Stewardship	266,268	6,836,216	7,102,484	
Total Equitable, Innovative, Financially Sustainable Agency	341,734	12,380,176	12,721,910	8%

Healthy and Complete Neighborhoods

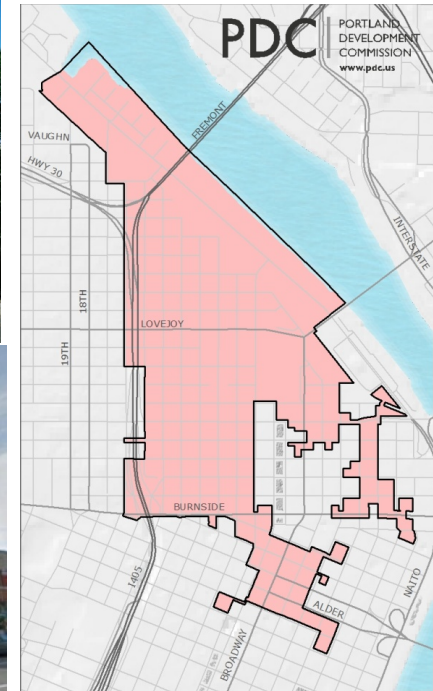
Healthy Neighborhoods by Program		%
Administration	\$779,134	0.7%
Business Development	334,737	0.3%
Infrastructure	13,335,154	11.8%
Parks	2,826,499	2.5%
Public Facilities	2,506,054	2.2%
Transportation	9,898,601	8.8%
Property Redevelopment	70,448,041	62.3%
Commercial Property Redevelopment	60,592,722	53.6%
Commercial Real Estate Lending	33,597,217	29.7%
Community Redevelopment Grants	2,583,938	2.3%
Healthy Neighborhoods Total	\$113,118,902	100.0%

Healthy Neighborhoods by Fund		%
Central Eastside URA	\$2,666,047	2.4%
Convention Center URA	27,378,841	24.2%
Downtown Waterfront URA	5,010,592	4.4%
River District URA	53,434,483	47.2%
North Macadam URA	1,101,503	1.0%
South Park Blocks URA	60,621	0.1%
Central City Subtotal	89,652,087	79.3%
Gateway Regional Center URA	3,950,667	3.5%
Interstate Corridor URA	9,433,077	8.3%
Lents Town Center URA	8,268,011	7.3%
Neighborhoods Subtotal	21,651,755	19.1%
Indirect Fund (Overhead)	815,060	0.7%
Business Management Fund	1,000,000	0.9%
Healthy Neighborhoods Total	\$113,118,902	100.0%

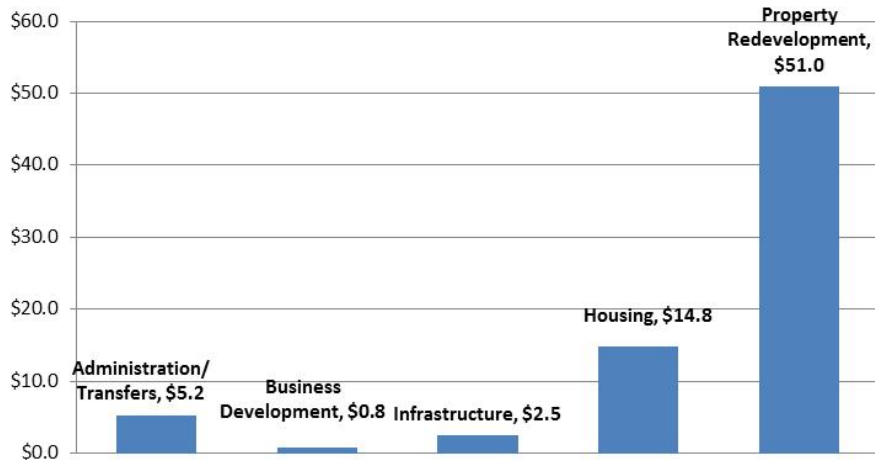
River District Budget Summary

Key Activities

- Old Town Chinatown Action Plan
 - PDC properties (Grove Hotel, Block A&N)
 - Private property redevelopment
 - Entrepreneurship & business support
- Centennial Mills
- Union Station
- Post Office



River District FY 2015-16 Proposed Budget



River District URA Fast Facts

Maximum Indebtedness	\$489.5M
Maximum Indebtedness Used	\$324.4M
Last Date to Issue Debt	2021
Acres	351.2
Housing Set Aside - Target : 15-16 Budget	30% : 40%

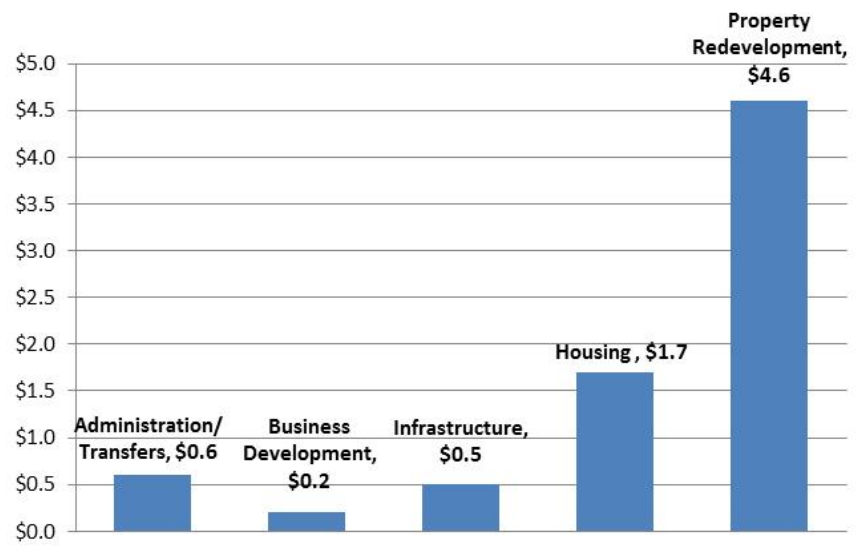
Downtown Waterfront Budget Summary

Key Activities

- Old Town Chinatown Action Plan
 - Private property redevelopment
 - Entrepreneurship & business support



Downtown Waterfront FY 2015-16 Proposed Budget

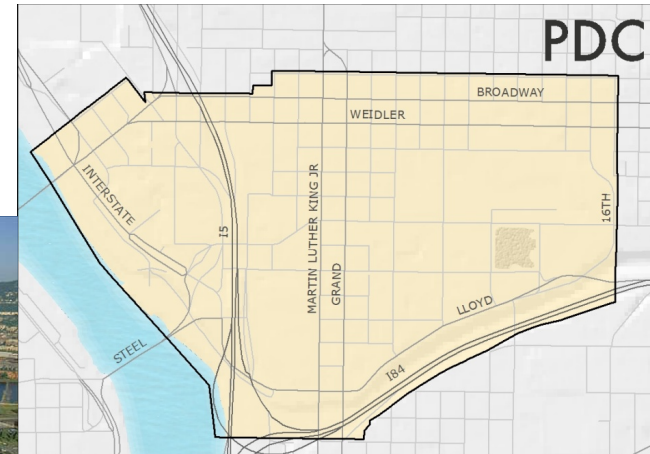


Downtown Waterfront URA Fast Facts	
Maximum Indebtedness	\$165M
Maximum Indebtedness Used	\$165M
Date Reached Max Indebtedness	2008
Acres	233.1
Housing Set Aside – Target : 15-16 Budget	21% : 21%

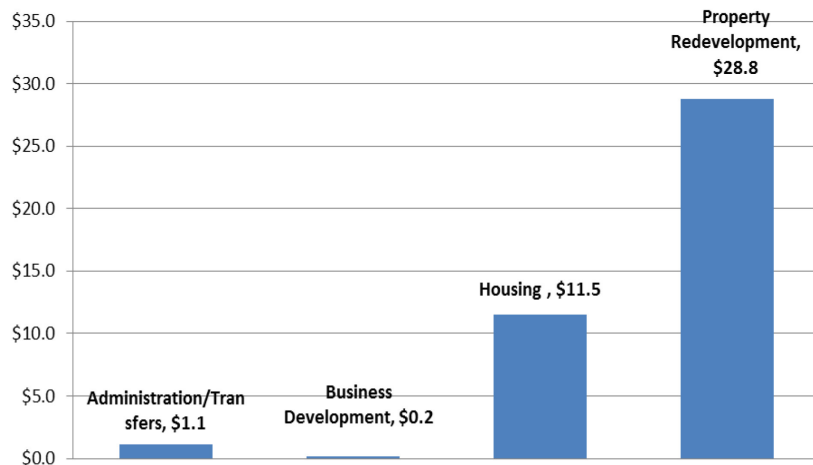
Convention Center Budget Summary

Key Activities

- Convention Center Hotel
- Rose Quarter redevelopment



Convention Center FY 2015-16 Proposed Budget



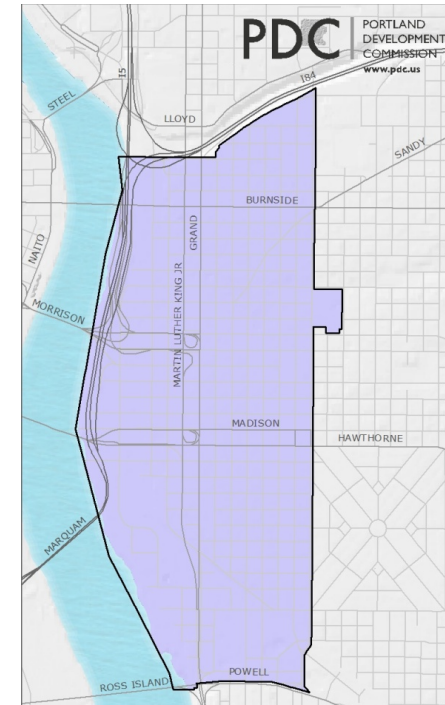
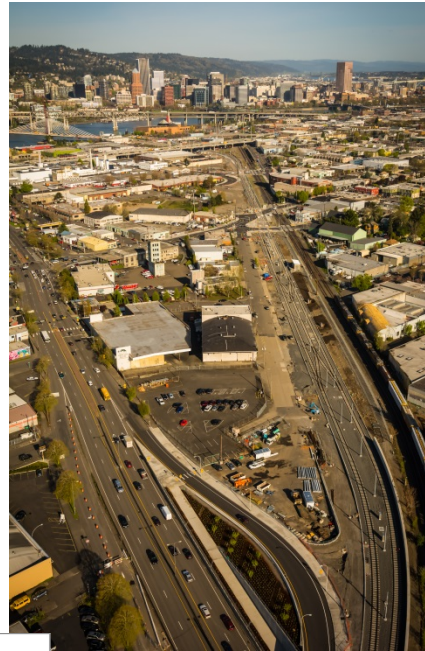
Oregon Convention Center URA Fast Facts

Maximum Indebtedness	\$167.5M
Maximum Indebtedness Used	\$167.5M
Last Date to Issue Debt	2013
Acres	410
Housing Set Aside – Target : 15-16 Budget	26% : 25%

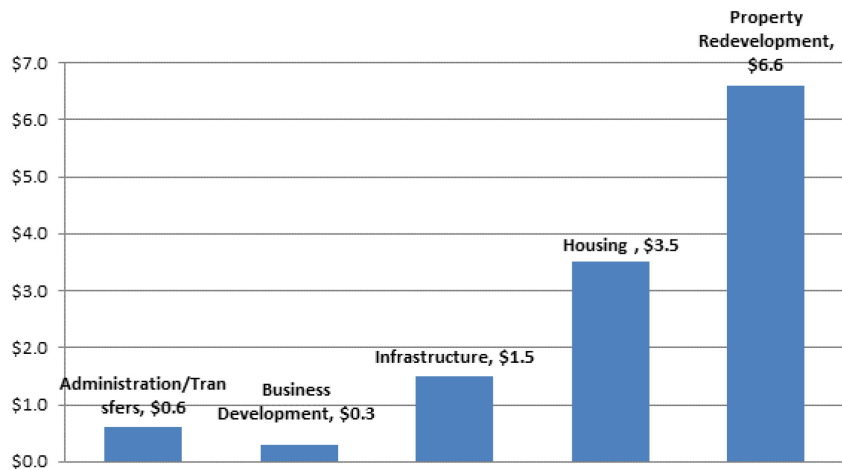
Central Eastside Budget Summary

Key Activities

- Clinton Triangle/PMLR station area redevelopment
- ODOT blocks redevelopment
- Entrepreneurship support



Central Eastside FY 2015-16 Proposed Budget



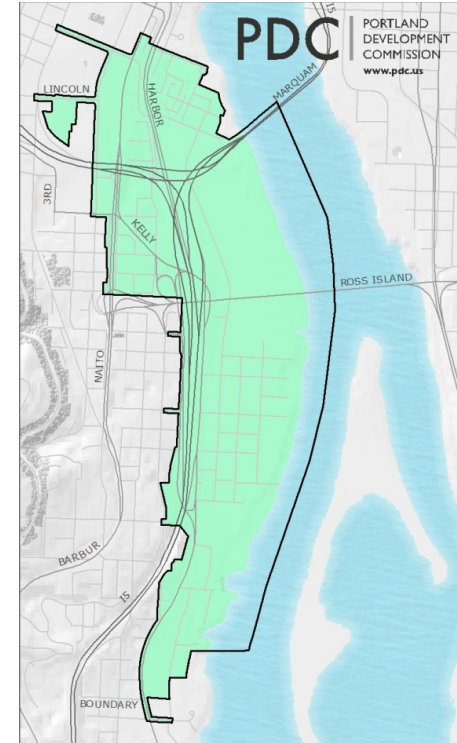
Central Eastside URA Fast Facts

Maximum Indebtedness	\$126M
Maximum Indebtedness Used	\$93.6M
Last Date to Issue Debt	2023
Acres	708.5
Housing Set Aside – Target : 15-16 Budget	18% : 21%

North Macadam Budget Summary

Key Activities

- Prepare for next phase of ZRZ and OHSU redevelopment – including related infrastructure improvements
 - SW Bond
 - Greenway
 - South Portal



North Macadam FY 2015-16 Proposed Budget



North Macadam URA Fast Facts

Maximum Indebtedness	\$288.6M
Maximum Indebtedness Used	\$132.8M
Last Date to Issue Debt	2025
Acres	447.0
Housing Set Aside – Target : 15-16 Budget	36% : 42%

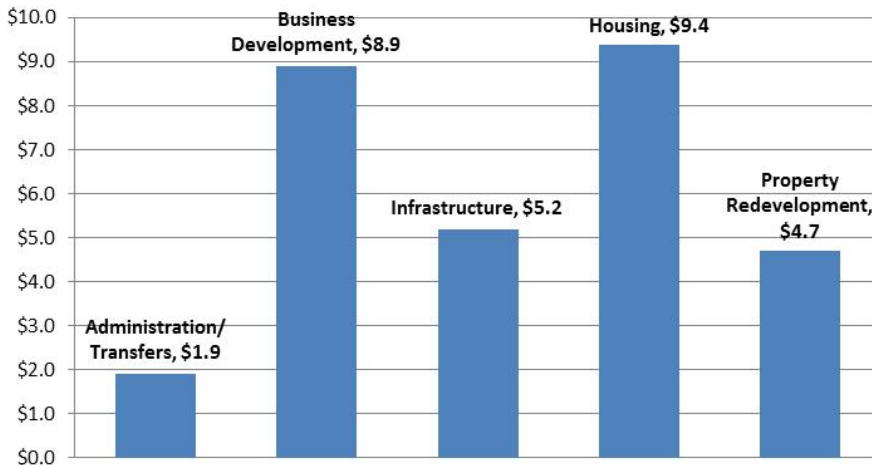
Interstate Budget Summary

Key Activities

- Daimler loan & business support
- Killingsworth Streetscape II
- MLK Alberta
- Lombard Investment Strategy
- Long time property owners



Interstate FY 2015-16 Proposed Budget



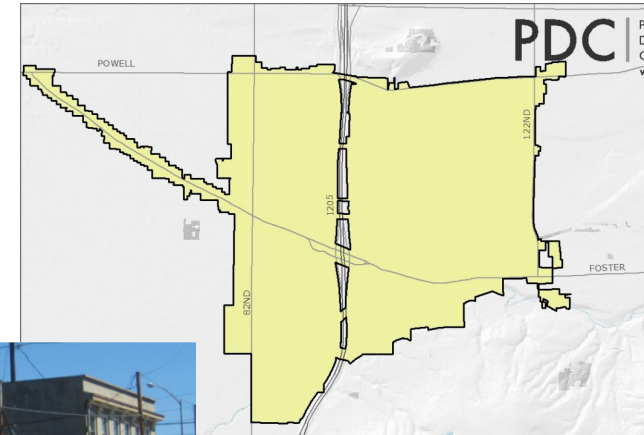
Interstate Corridor URA Fast Facts

Maximum Indebtedness	\$335.0M
Maximum Indebtedness Used	\$174.1M
Five-Year Plan additional indebtedness	\$88.6M
Acres	3,990
Assessed Value 2001-02	\$1,078M
Assessed Value 2014-15	\$2,368M
Housing Set Aside – Target : 15-16 Budget	30% : 36%

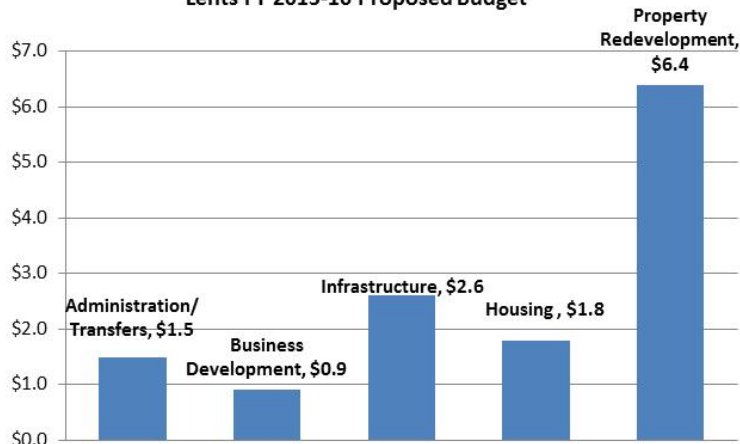
Lents Town Center Budget Summary

Key Activities

- Lents Action Plan
 - PDC properties (92H, 93rd/Woodstock)
 - Private investment on 92nd; west foster node
 - Business development on commercial corridors;
- SE Foster streetscape
- 122nd sidewalk and safety improvements



Lents FY 2015-16 Proposed Budget



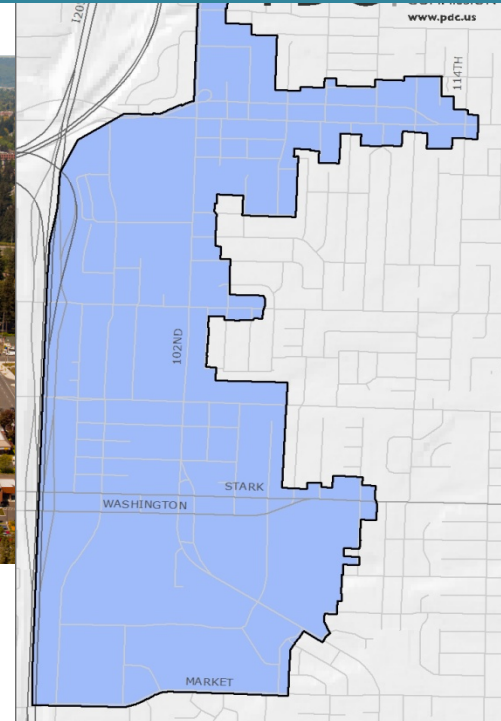
Lents Town Center URA Fast Facts

Maximum Indebtedness	\$245M
Maximum Indebtedness Used	\$125.9M
Five-Year Plan additional indebtedness	\$45.2M
Acres	2,846.30
Assessed Value 1999-00	\$687M
Assessed Value 2014-15	\$1,387M
Housing Set Aside – Target: 15-16	
Budget	17
	30% : 31%

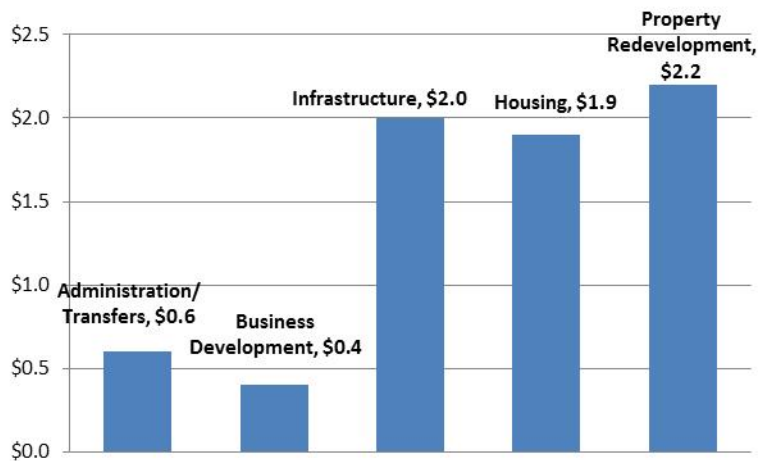
Gateway Budget Summary

Key Activities

- Halsey/Weidler commercial corridor investment strategy
 - Streetscape improvements
 - Investment in three-acre park at NE 106th & Halsey
 - Identify developer for one-acre PDC site



Gateway FY 2015-16 Proposed Budget



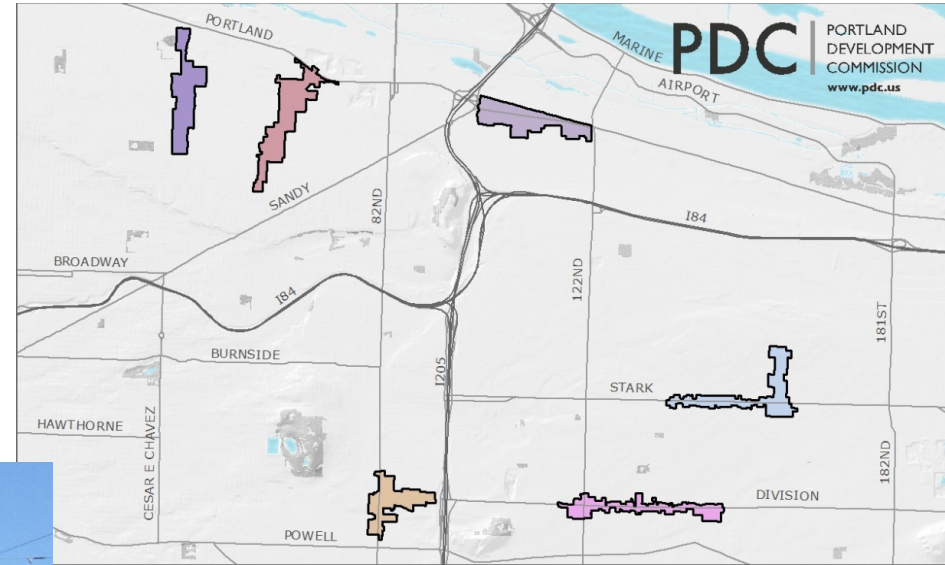
Gateway Regional Center URA Fast Facts

Maximum Indebtedness	\$164.2M
Maximum Indebtedness Used	\$41.0M
Five-Year Plan additional indebtedness	\$23.2M
Acres	658.5
Assessed Value 2002-03	\$343M
Assessed Value 2013-14	\$510M
Housing Set Aside – Target : 15-16 Budget	30% : 42%

Neighborhood Prosperity Initiative Districts

Key Programs/Project Goals

- District Improvement & Promotion Grants
- Full time district managers
- Capacity building & trainings



NPI URA (Combined) Fast Facts	
Last Date to Issue Debt	n/a
Maximum Indebtedness	\$7.5M
Maximum Indebtedness Used	\$.5M
Acres	803.7
Housing Set Aside – Target : Proposed	n/a

FY 2015-16 General Fund Request

PDC Proposed General Fund Budget (with Spring BMP Updates)

Program	FY 2015-16 CAL	Staffing	M&S	Carryover	Overhead	FY 2015-16 Proposed
NPI and Main Street Network	\$ 767,798.06	\$ 259,558	\$ 456,455	\$ 60,000	\$ 51,785	\$ 827,798
Venture Portland	\$ 311,013.64	\$ -	\$ 311,014	\$ -	\$ -	\$ 311,014
Small & Micro Business Technical Assistance	\$ 912,356.58	\$ 56,356	\$ 795,676	\$ -	\$ 60,325	\$ 912,357
Adult and Youth Workforce EOI	\$ 1,218,189.64	\$ 74,704	\$ 1,062,940	\$ -	\$ 80,546	\$ 1,218,190
Neighborhood Economic Development Grants (Add Package)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Decision Package - SE Works			\$ 40,000			\$ 40,000
Decision Package - Community Development Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Neighborhood Subtotal	\$ 3,209,358	\$ 390,618	\$ 2,666,084	\$ 60,000	\$ 192,656	\$ 3,309,358
Cluster Development	\$ 1,396,719.11	\$ 703,508	\$ 600,860	\$ 57,000	\$ 92,351	\$ 1,453,719
Entrepreneurship Support	\$ 414,890.15	\$ 133,541	\$ 253,917	\$ 100,000	\$ 27,432	\$ 514,890
Decision Package - Inclusive Capital Fund	\$ -	\$ -	\$ -	\$ -		\$ -
Traded Sector Subtotal	\$ 1,811,609	\$ 837,049	\$ 854,777	\$ 157,000	\$ 119,783	\$ 1,968,609
Small Business Working Capital	\$ 158,142.79	\$ -	\$ 158,143	\$ -	\$ -	\$ 158,143
TOTAL/TARGET	\$ 5,179,110	\$ 1,227,667	\$ 3,679,004	\$ 217,000	\$ 312,439	\$ 5,436,110

An aerial photograph of a city, likely Seattle, showing a dense residential area with houses and trees. A major highway, I-5, runs diagonally across the bottom right. A large, white, sans-serif text overlay reads "Questions & Discussion". The background shows a city skyline and mountains under a clear sky.

Questions & Discussion

FY 15-16 General Fund Request

Inclusive Startup Fund - \$750,000

- Mentoring & capital for Portland-based startups with diverse founding teams
- Critical next step to diversify Portland’s startup community
 - Close early-stage capital gap - “friends & family” funding stage
 - Build pipeline of entrepreneurs from underrepresented populations
 - Capacity building opportunity for diverse investors
- PDC’s role in launching Portland Seed Fund & Startup PDX Challenge provides agency with relevant investment and mentor organization experience
- Fund Mgr. to be selected through competitive RFP; \$750K leveraged (min 1:1 match) by outside partners: public, foundations, private

Metric	Target	Time Frame
# of startups assisted	40 (approximately 10 per year)	3-4 Years
# of new jobs created by participant startups	200+ FTE	5-7 Years
\$ amount of outside capital accessed by participant startups	5:1 when compared to initial equity or non-equity investment	5-7 Years

FY 15-16 General Fund Request

Community Development Fund - \$1M

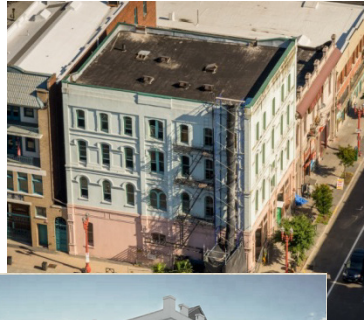
- Provide initial capital to launch a new revolving loan fund that provides gap financing for community-driven, public-benefit development projects
- Focused on projects within NPI districts where gap financing needs exceed NPI resources
- Projects would include:
 - Developing property to replace family-unfriendly uses,
 - Securing long-term commercial affordability in developments,
 - Creating space for community events and uses.

Metric	Target	Time Frame
Design Program Guidelines	Develop guidelines	By Q1: FY 2015-16
Secure Private Match	Secure funding from private sources including foundations, and other private investors	By Q2: FY 2015-16
Finance Projects	Up to 6 projects over 5 years	By June 30, 2020

River District – Major Projects Status

Old Town/Chinatown Action Plan (\$52M)

- PDC property redevelopment
- Private property redevelopment
- District Parking
- Seismic Assessments



Centennial Mills (\$20M)

- Selective demolition and site preparation
- Design/costing public improvements
- Design/construction public improvements with private development



Union Station (\$9M)

- Phase 1 & 2 initial repairs complete
- Phase 3 engineering of final phase station and track improvements underway
- Phase 4 design/construction of remaining improvements



USPS (\$35M)

- USPS acquisition & relocation
- Broadway Corridor Framework Plan
- USPS site redevelopment concepts

