

PORTLAND DEVELOPMENT COMMISSION
Portland, Oregon

RESOLUTION NO. 6838

**ADOPTING BUDGET AMENDMENT NO. 2 FOR THE
FISCAL YEAR BEGINNING JULY 1, 2010 AND ENDING
JUNE 30, 2011; AND MAKING APPROPRIATIONS**

WHEREAS, the Board of Commissioners (the "Board") of the Portland Development Commission ("PDC") adopted the budget for fiscal year ("FY") 2010-11 (the "FY 2010-11 Adopted Budget") on June 23, 2010, pursuant to Resolution No. 6807;

WHEREAS, the Board of Commissioners (the "Board") of the Portland Development Commission ("PDC") adopted Budget Amendment No. 1 for "FY 2010-11 on September 24, 2010, pursuant to Resolution No. 6824 ("Budget Amendment No. 1") (the FY 2010-11 Adopted Budget as amended by Budget Amendment No. 1, the "FY 2010-11 Revised 1 Budget");

WHEREAS, the appropriation categories for the FY 2010-11 Revised 1 Budget are Business and Industry, Housing, Revitalization, Infrastructure, Administration, Debt Service, Cash Transfers Out, and Contingency;

WHEREAS, due to recognition of actual beginning fund balances for FY 2010-11 and changes in certain project requirements, it is necessary to amend PDC's FY 2010-11 Revised 1 Budget to reflect such changes in accordance with Oregon Local Budget Law (ORS 294.305 to 294.565); and

WHEREAS, this proposed budget amendment increases the total PDC budget from \$232,984,904 in the FY 2010-11 Revised 1 Budget to \$274,157,706 including transfers and contingency.

NOW, THEREFORE, BE IT RESOLVED that the Budget Amendment No. 2 Appropriation Schedule attached hereto as Exhibit A ("Budget Amendment No. #2") be adopted and the FY 2010-11 Revised 1 Budget be amended by replacing the appropriation summary attached thereto with the Revised Budget Appropriation Summary included in Budget Amendment No. 2 and replacing (for the identified funds only) the budget appropriation by fund attached to the FY 2010-11 Revised 1 Budget with the Budget Appropriation by Fund included in Budget Amendment No. 2, with total requirements of \$274,157,706 (the FY 2010-11 Revised 1 Budget, as so amended, the "FY 2010-11 Revised 2 Budget");

BE IT FURTHER RESOLVED that, pursuant to PDC's FY 2010-11 Revised 2 Budget, appropriations be and hereby are made for the fiscal year beginning July 1, 2010, and ending June 30, 2011, from the funds and for the expenditure categories as detailed in FY 2010-11 Revised 2 Budget; and

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

Adopted by the Portland Development Commission on December 8, 2010.

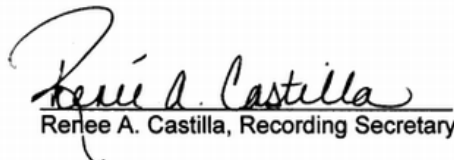

Reree A. Castilla, Recording Secretary

Exhibit A - Revised Budget Appropriation Summary

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	64,982,701	32,112,052	97,094,753
Revenue			
City General Fund	3,475,126	250,000	3,725,126
Federal and Other Grants	4,003,810	-69,949	3,933,861
Fees and Charges	326,880	12,753	339,633
Interest on Investments	430,000	15,427	445,427
Loan Collections	4,801,857	-212,180	4,589,677
Miscellaneous	167,500	5,000	172,500
Property Income	17,519,432	-2,016,000	15,503,432
Reimbursements	1,107,390	80,000	1,187,390
Service Reimbursements	20,401,729	0	20,401,729
Tax Increment Proceeds	115,568,479	8,720,884	124,289,363
Transfers In	200,000	2,274,815	2,474,815
Total Revenue	168,002,203	9,060,750	177,062,953
Total Resources	232,984,904	41,172,802	274,157,706
Requirements			
Expenditures			
Business and Industry	31,641,129	-1,341,060	30,300,069
Housing	70,507,799	-6,563,383	63,944,416
Infrastructure	26,367,819	9,199,119	35,566,938
Revitalization	38,953,362	19,063,582	58,016,944
Administration	22,784,125	647,534	23,431,659
Debt Service	3,764,108	-664,108	3,100,000
Total Expenditures	194,018,342	20,341,684	214,360,026
Transfers	20,601,739	2,274,815	22,876,554
Contingency	18,422,560	18,498,566	36,921,126
Ending Fund Balance	0	0	0
Total Requirements	232,984,904	41,172,802	274,157,706

Summary Changes to Resources:

Beginning Fund Balance: Increases by \$32 million based on actual FY 2009-10 ending fund balances.

Tax Increment Debt Proceeds: Increases by \$8.7 million (net) based on changes in project timing and cash requirement in each URA.

Property Income: Decreased a net \$ 2 million – primarily related to removing property sale assumptions related to disposition of HAP Scattered Sites – properties will be transferred to PHB.

Transfers In: Increases \$2.3 million, primarily for recognizing interfund loan repayments required from last fiscal year to manage year-end cash flow (offset by Transfers-Out in Requirements).

Summary Changes to Requirements:

Business and Industry: Decreases a net \$1.3 million – includes increases in several URAs (i.e. North Macadam) for carryover of certain projects – but net decrease is caused by moving appropriations to Revitalization in River District URA to help fund Vestas line item.

Housing: Decreases a net \$6.6 million. While unfinished project carryover from FY 2009-10 are

added in several URAs – the budget decreases is due to moving the Killingsworth Station project from Housing to PDC's Revitalization category and moving out expenditures for Block 49 in North Macadam to future fiscal years.

Infrastructure: Increases a net \$9.2 million due to carryover for streets and parks projects – primary carryover is for final Streetcar Connector project costs in River District.

Revitalization: Increases \$19 million – key projects include adding Killingsworth Station (from Housing) and Vestas in River District URA (funded partly from Business and Industry).

Transfers Out: Increases \$2.3 million, primarily for recognizing interfund loan repayments required from last fiscal year to manage year-end cash flow.

Contingency: Increases \$18.5 million due to unused increases in beginning fund balances that will fund projects in the five-year forecast.

**Revised Budget Appropriation by Fund
 Airport Way URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	5,663,570	-1	5,663,569
Revenue			
Interest on Investments	18,000	0	18,000
Loan Collections	87,627	50,000	137,627
Property Income	2,500,000	500,000	3,000,000
Reimbursements	5,000	0	5,000
Total Revenue	2,610,627	550,000	3,160,627
Total Resources	8,274,197	549,999	8,824,196
Requirements			
Expenditures			
Business and Industry	2,676,417	0	2,676,417
Revitalization	1,757,548	550,000	2,307,548
Administration	3,308	0	3,308
Total Expenditures	4,437,273	550,000	4,987,273
Transfers	412,538	0	412,538
Contingency	3,424,386	-1	3,424,385
Ending Fund Balance	0	0	0
Total Requirements	8,274,197	549,999	8,824,196

Changes to Resources:

Property Income: Adding \$500,000 in property income from Cascade Station leases this fiscal year.

Changes to Requirements:

Revitalization: Adding \$550,000 in Cascade Station to account for 92nd Avenue LID and potential loan activity.

**Revised Budget Appropriation by Fund
Ambassador Program**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	25,000	-1,481	23,519
Total Resources	25,000	-1,481	23,519
Requirements			
Expenditures			
Business and Industry	25,000	-1,481	23,519
Total Expenditures	25,000	-1,481	23,519
Ending Fund Balance	0	0	0
Total Requirements	25,000	-1,481	23,519

Changes to Resources:

Beginning Fund Balance: decreased by \$1,481 based on actual FY 2009-10 ending fund balance.

Changes to Requirements:

Business and Industry: decreased by \$1,481 based on reduced beginning fund balance.

**Revised Budget Appropriation by Fund
 Central Eastside URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	18,668	1,152,015	1,170,683
Revenue			
Interest on Investments	25,000	0	25,000
Loan Collections	66,207	0	66,207
Property Income	2,020,000	0	2,020,000
Tax Increment Proceeds	9,780,444	0	9,780,444
Total Revenue	11,891,651	0	11,891,651
Total Resources	11,910,319	1,152,015	13,062,334
Requirements			
Expenditures			
Business and Industry	1,130,777	0	1,130,777
Housing	954,415	-53,725	900,690
Infrastructure	4,326,759	124,000	4,450,759
Revitalization	3,745,881	485,000	4,230,881
Administration	68,000	0	68,000
Total Expenditures	10,225,832	555,275	10,781,107
Transfers	1,652,593	0	1,652,593
Contingency	31,894	596,740	628,634
Ending Fund Balance	0	0	0
Total Requirements	11,910,319	1,152,015	13,062,334

Changes to Resources:

Beginning Fund Balance: Adding \$1.2 million due to higher ending fund balance from FY 2009-10.

Changes to Requirements:

Housing: Reduced \$53,725 due to higher disbursement on loan in prior fiscal year.

Infrastructure: Increased \$124,000 due to carryover of Sidewalks/Routes to River.

Revitalization: Increased \$485,000 for Burnside Bridgehead predevelopment.

**Revised Budget Appropriation by Fund
 Convention Center URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	166,032	2,888,463	3,054,495
Revenue			
Interest on Investments	75,000	0	75,000
Loan Collections	267,079	0	267,079
Property Income	208,000	0	208,000
Tax Increment Proceeds	6,293,700	0	6,293,700
Total Revenue	6,843,779	0	6,843,779
Total Resources	7,009,811	2,888,463	9,898,274
Requirements			
Expenditures			
Business and Industry	662,367	0	662,367
Housing	3,320,427	1,643,463	4,963,890
Infrastructure	500,000	0	500,000
Revitalization	1,124,427	560,000	1,684,427
Administration	138,250	115,965	254,215
Total Expenditures	5,745,471	2,319,428	8,064,899
Transfers	1,164,340	0	1,164,340
Contingency	100,000	569,035	669,035
Ending Fund Balance	0	0	0
Total Requirements	7,009,811	2,888,463	9,898,274

Changes to Resources:

Beginning Fund Balance: Increased by \$2.9 million due to higher ending fund balance from FY 2009-10.

Changes to Requirements:

Housing: Increased \$1.6 million due to carryover of Miracles Club, McCoy Village and Rose Quarter housing projects.

Revitalization: Increased a net \$560,000 due to carryover of Storefront and Redevelopment Loan Program from FY 2009-10. Changes include a reduction in the Clean Energy Program by \$200,000 for programming in FY 2011-12.

Administration: Increased \$115,000 due to carryover of Eastside Central City IGA funding.

**Revised Budget Appropriation by Fund
 Downtown Waterfront URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	11,302,630	5,716,406	17,019,036
Revenue			
Interest on Investments	75,000	0	75,000
Loan Collections	1,655,140	-372,180	1,282,960
Property Income	2,250,700	-16,000	2,234,700
Reimbursements	450,463	0	450,463
Total Revenue	4,431,303	-388,180	4,043,123
Total Resources	15,733,933	5,328,226	21,062,159
Requirements			
Expenditures			
Business and Industry	282,793	0	282,793
Infrastructure	800,000	84,947	884,947
Revitalization	6,497,639	697,677	7,195,316
Administration	23,000	75,553	98,553
Total Expenditures	7,603,432	858,177	8,461,609
Transfers	1,377,538	0	1,377,538
Contingency	6,752,963	4,470,049	11,223,012
Ending Fund Balance	0	0	0
Total Requirements	15,733,933	5,328,226	21,062,159

Changes to Resources:

Beginning Fund Balance: Increased \$5.7 million due to higher ending fund balance from FY 2009-10. Higher balance due to repayment from River District of properties transferred from Downtown Waterfront to River District during River District URA Amendment and loan payoff associated with Grove Apartments.

Loan Collections: Decreased a net \$372,000 – primarily related to changes in assumptions for 5th and Washington loan repayment.

Changes to Requirements:

Infrastructure: Increased \$84,947 for net increase associated with Ankeny-Burnside Public Improvements (Saturday Market) completion.

Revitalization: Increased a net \$697,677 primarily due to changes for Block 8 (to match board resolution) loan

Administration: Increased \$75,553 due to carryover Westside Central City IGA funding.

**Revised Budget Appropriation by Fund
 Enterprise Loans Fund**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	3,174,306	-665,227	2,509,079
Revenue			
City General Fund	200,000	0	200,000
Fees and Charges	0	12,753	12,753
Interest on Investments	0	5,427	5,427
Loan Collections	396,000	0	396,000
Transfers In	0	1,225,000	1,225,000
Total Revenue	596,000	1,243,180	1,839,180
Total Resources	3,770,306	577,953	4,348,259
Requirements			
Expenditures			
Business and Industry	1,044,690	0	1,044,690
Housing	2,280,000	484,849	2,764,849
Administration	102,186	-156	102,030
Total Expenditures	3,426,876	484,693	3,911,569
Transfers	322,186	0	322,186
Contingency	21,244	93,260	114,504
Ending Fund Balance	0	0	0
Total Requirements	3,770,306	577,953	4,348,259

Changes to Resources:

Beginning Fund Balance: Decreased by \$665,227 due to lower ending fund balance from FY 2009-10.

Transfers In: Increased by \$1.2 million due to recognizing year-end interfund loan repayments.

Changes to Requirements:

Housing: Increased a net \$484,849 for close-out amount that will be transferred to PHB for non-URA housing programs (based on repayment of interfund loans and beginning fund balances).

**Revised Budget Appropriation by Fund
Enterprise Management Fund**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	0	126,177	126,177
Revenue			
Property Income	1,237,732	0	1,237,732
Total Revenue	1,237,732	0	1,237,732
Total Resources	1,237,732	126,177	1,363,909
Requirements			
Expenditures			
Housing	1,237,732	126,177	1,363,909
Total Expenditures	1,237,732	126,177	1,363,909
Ending Fund Balance	0	0	0
Total Requirements	1,237,732	126,177	1,363,909

Changes to Resources:

Beginning Fund Balance: Increased by \$126,177 due to higher ending fund balance from FY 2009-10.

Changes to Requirements:

Housing: Increased a net \$126,177 for amount that will be transferred to PHB based on updated Headwaters cash balances.

**Revised Budget Appropriation by Fund
Enterprise Zone**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	263,829	0	263,829
Revenue			
Fees and Charges	20,000	0	20,000
Interest on Investments	10,000	0	10,000
Total Revenue	30,000	0	30,000
Total Resources	293,829	0	293,829
Requirements			
Expenditures			
Business and Industry	108,639	0	108,639
Total Expenditures	108,639	0	108,639
Transfers	9,248	0	9,248
Contingency	175,942	0	175,942
Ending Fund Balance	0	0	0
Total Requirements	293,829	0	293,829

No changes to resources or requirements

**Revised Budget Appropriation by Fund
 Gateway Regional Center URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	2,352,976	-58,214	2,294,762
Revenue			
Federal and Other Grants	208,500	0	208,500
Interest on Investments	1,000	0	1,000
Loan Collections	18,402	0	18,402
Reimbursements	0	80,000	80,000
Tax Increment Proceeds	4,151,858	-1,370,167	2,781,691
Total Revenue	4,379,760	-1,290,167	3,089,593
Total Resources	6,732,736	-1,348,381	5,384,355
Requirements			
Expenditures			
Business and Industry	335,888	0	335,888
Housing	1,011,826	-453,381	558,445
Infrastructure	618,000	80,000	698,000
Revitalization	3,690,491	-975,000	2,715,491
Administration	10,000	0	10,000
Total Expenditures	5,666,205	-1,348,381	4,317,824
Transfers	934,511	0	934,511
Contingency	132,020	0	132,020
Ending Fund Balance	0	0	0
Total Requirements	6,732,736	-1,348,381	5,384,355

Changes to Resources:

Beginning Fund Balance: Reduced beginning balance by \$58,214 based on lower than projected year-end beginning fund balances (mainly due to higher spending occurring on property cleanup activities that occurred prior to June 20, 2010).

Reimbursements: Increased by \$80,000 based on planned payments from city for parking lot at domestic violence shelter.

TIF Proceeds: Decreased by \$1.4 million due to overall decrease in forecasted expenditures (move to later years or housing and revitalization projects).

Changes to Requirements:

Housing: Decreased a net \$453,381 due to adjustments in the timing of housing property development (will be pushed to FY 2011-12 Budget).

Infrastructure: Increased \$80,000 due to for parking lot (Domestic violence shelter).

Revitalization: Decreased a net \$975,000 in mixed-use development - for programming in FY 2011-12.

**Revised Budget Appropriation by Fund
 General Fund**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	1,637,924	3,120,874	4,758,798
Revenue			
City General Fund	3,275,126	250,000	3,525,126
Interest on Investments	0	10,000	10,000
Loan Collections	0	110,000	110,000
Miscellaneous	167,500	5,000	172,500
Reimbursements	526,927	0	526,927
Service Reimbursements	20,401,729	0	20,401,729
Transfers In	200,000	1,049,815	1,249,815
Total Revenue	24,571,282	1,424,815	25,996,097
Total Resources	26,209,206	4,545,689	30,754,895
Requirements			
Expenditures			
Business and Industry	3,818,548	486,167	4,304,715
Revitalization	213,500	0	213,500
Administration	21,573,886	301,263	21,875,149
Total Expenditures	25,605,934	787,430	26,393,364
Transfers	509,601	1,049,815	1,559,416
Contingency	151,408	2,650,707	2,802,115
Ending Fund Balance	0	0	0
Total Requirements	26,209,206	4,545,689	30,754,895

Changes to Resources:

Beginning Fund Balance: Increased beginning balance by \$3.2 million based on higher than projected year-end fund balances) – mostly related to Predevelopment Fund resources that are being held in reserve and for interfund cash flow purposes.

City General Fund: Increased by \$250,000 based on planned payments from city for Milepost 5 project (added from City General Fund)

Transfers In: Increased by \$1 million based on transfers within General Fund (from Indirect Fund to Business and Technology Fund to fully funded FY 2009-10 ERP and ECM projects).

Changes to Requirements:

Business and Industry: Increased by \$486,167 based on updated City General fund requirements (including beginning fund balances and \$250,000 for Milepost 5 project).

Administration: Increased \$301,263 – Recognizing final benefit and unemployment costs associated with FY 2009-10 reduction in force (funded by beginning fund balance).

Transfers Out: Increased by \$1 million based on transfers within General Fund (from Indirect Fund to Business and Technology Fund to fully funded FY 2009-10 ERP and ECM projects).

Contingency: Increased by \$2.7 million based on FY 2009-10 ending fund balance (mostly related to recognizing cash in Predevelopment Fund which is being held in reserve and primarily for interfund cash flow purposes).

**Revised Budget Appropriation by Fund
 HCD Contract Fund**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	0	1,216,131	1,216,131
Revenue			
Federal and Other Grants	3,795,310	-69,949	3,725,361
Total Revenue	3,795,310	-69,949	3,725,361
Total Resources	3,795,310	1,146,182	4,941,492
Requirements			
Expenditures			
Business and Industry	3,661,791	-77,451	3,584,340
Housing	0	2,633	2,633
Total Expenditures	3,661,791	-74,818	3,586,973
Transfers	133,519	1,221,000	1,354,519
Ending Fund Balance	0	0	0
Total Requirements	3,795,310	1,146,182	4,941,492

Changes to Resources:

Beginning Fund Balance: Increased beginning balance by \$1.2 million based on higher than projected year-end fund balances).

Federal and Other Grants: Decreased by \$69,949 based on true-up of EOI contract totals.

Changes to Requirements:

Business and Industry: Decreased by \$77,451 to true-up EOI contract totals.

Transfers Out: Increased \$1.2 million for repayment of year-end cash-flow interfund loans.

**Revised Budget Appropriation by Fund
 HOME Grant**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	0	122,182	122,182
Total Resources	0	122,182	122,182
Requirements			
Expenditures			
Housing	0	118,182	118,182
Total Expenditures	0	118,182	118,182
Transfers	0	4,000	4,000
Ending Fund Balance	0	0	0
Total Requirements	0	122,182	122,182

Changes to Resources:

Beginning Fund Balance: Increased beginning balance by \$122,182 based on higher than projected year-end beginning fund balances (residual housing HOME resources)

Changes to Requirements:

Housing: Increased \$118,182 to transfer residual resources to Portland Housing Bureau.

**Revised Budget Appropriation by Fund
 Interstate Corridor URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	592,052	1,800,204	2,392,256
Revenue			
Interest on Investments	20,000	0	20,000
Loan Collections	1,391,951	0	1,391,951
Property Income	2,440,000	0	2,440,000
Tax Increment Proceeds	27,182,955	4,767,490	31,950,445
Total Revenue	31,034,906	4,767,490	35,802,396
Total Resources	31,626,958	6,567,694	38,194,652
Requirements			
Expenditures			
Business and Industry	2,573,743	0	2,573,743
Housing	12,782,343	-5,016,195	7,766,148
Infrastructure	2,044,000	2,009,849	4,053,849
Revitalization	7,397,802	9,373,047	16,770,849
Administration	224,438	200,993	425,431
Total Expenditures	25,022,326	6,567,694	31,590,020
Transfers	3,151,794	0	3,151,794
Contingency	3,452,838	0	3,452,838
Ending Fund Balance	0	0	0
Total Requirements	31,626,958	6,567,694	38,194,652

Changes to Resources:

Beginning Fund Balance: Increased beginning balances by \$1.8 million based on higher FY 2009-10 ending fund balances.

TIF Proceeds: Increased by \$4.8 million due to fund carryover increases for infrastructure and revitalization projects (most projects are identified as carryover from FY 2009-10 and increase in TIF resources represent TIF resources not utilized in FY 2009-10).

Changes to Requirements:

Housing: Decreased a net \$5 million. While carryover is added for several prior year projects including PCRI and Bridge Meadows projects, Killingsworth project (\$5 million) is being transferred back to PDC from Housing and HAP Scattered Sites funding is being reduced to the net funding requirement from PDC (previous estimates included gross revenue and expenditure estimates to occur at PDC).

Infrastructure: Increased \$2 million primarily associated with prior year carryover for streetscape and traffic calming projects.

Revitalization: Increased a net \$9.4 million (\$4 million for Kenton Street carryover and \$5 million for moving Killingsworth Project from PHB (Housing) to PDC (Revitalization)).

Administration: Increased \$200,000 for prior-year carryover and ongoing work for Central City IGA and N/NE study.

**Revised Budget Appropriation by Fund
 Lents Town Center URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	11,674,387	4,166,093	15,840,480
Revenue			
Interest on Investments	14,000	0	14,000
Loan Collections	113,096	0	113,096
Property Income	2,500,000	-2,500,000	0
Tax Increment Proceeds	6,805,205	-5,452,619	1,352,586
Total Revenue	9,432,301	-7,952,619	1,479,682
Total Resources	21,106,688	-3,786,526	17,320,162
Requirements			
Expenditures			
Business and Industry	1,345,271	-65,000	1,280,271
Housing	6,821,020	-1,289,526	5,531,494
Infrastructure	4,015,000	-1,837,000	2,178,000
Revitalization	6,366,177	-595,000	5,771,177
Administration	10,000	0	10,000
Total Expenditures	18,557,468	-3,786,526	14,770,942
Transfers	2,404,942	0	2,404,942
Contingency	144,278	0	144,278
Ending Fund Balance	0	0	0
Total Requirements	21,106,688	-3,786,526	17,320,162

Changes to Resources:

Beginning Fund Balance: Increased beginning balance by \$4.2 million based on higher FY 2009-10 ending fund balances.

Property Income: Property Income is reduced by \$2.5 million based on removing HAP scattered sites property sale (will be recorded by PHB).

TIF Proceeds: Decreased by \$5.3 million due to overall decrease in forecasted expenditures (move to later years or housing and revitalization projects).

Changes to Requirements:

Housing: Decreases a net \$1.3 million due to increases in carryover projects (primarily homeownership assistance) offset by a decrease in planned expenditures for HAP Scattered Sites development. HAP Scattered Sites funding is being reduced to the net funding requirement from PDC (previous estimates included gross revenue and expenditure estimates to occur at PDC).

Infrastructure: Decreases a net \$1.8 million to move neighborhood transportation projects to

future years based on project timing.

Revitalization: Decreases a net \$595,000 for Lents Town Center Development moved to future years - for programming in FY 2011-12.

**Revised Budget Appropriation by Fund
 North Macadam URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	4,025,826	3,986,730	8,012,556
Revenue			
Fees and Charges	306,880	0	306,880
Interest on Investments	20,000	0	20,000
Loan Collections	128,882	0	128,882
Property Income	1,547,000	0	1,547,000
Tax Increment Proceeds	15,052,106	0	15,052,106
Total Revenue	17,054,868	0	17,054,868
Total Resources	21,080,694	3,986,730	25,067,424
Requirements			
Expenditures			
Business and Industry	770,707	946,585	1,717,292
Housing	12,918,390	-5,540,362	7,378,028
Infrastructure	2,264,205	1,313,927	3,578,132
Revitalization	495,860	99,500	595,360
Administration	47,000	0	47,000
Debt Service	3,114,108	-14,108	3,100,000
Total Expenditures	19,610,270	-3,194,458	16,415,812
Transfers	1,429,897	0	1,429,897
Contingency	40,527	7,181,188	7,221,715
Ending Fund Balance	0	0	0
Total Requirements	21,080,694	3,986,730	25,067,424

Changes to Resources:

Beginning Fund Balance: Increased beginning balance by \$4 million based on higher FY 2009-10 ending fund balances.

Changes to Requirements:

Business and Industry: Increased \$946,585 based on carryover of Wetlab and Bio-tech build out (from FY 2009-10).

Housing: Decreased a net \$5.5 million due to moving timing of Block 49 (Tamarack) project to future fiscal years.

Infrastructure: Increased a net \$1.3 million based on Central District Greenway and Gibbs Street pedestrian bridge carryover (from FY 2009-10).

Revitalization: Increased a net \$99,500, primarily for predevelopment activity and Riverplace Block 8.

**Revised Budget Appropriation by Fund
 Other Federal Grants**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	369,961	322,646	692,607
Revenue			
Loan Collections	152,000	0	152,000
Total Revenue	152,000	0	152,000
Total Resources	521,961	322,646	844,607
Requirements			
Expenditures			
Business and Industry	450,000	275,000	725,000
Housing	0	31	31
Total Expenditures	450,000	275,031	725,031
Transfers	37,510	0	37,510
Contingency	34,451	47,615	82,066
Ending Fund Balance	0	0	0
Total Requirements	521,961	322,646	844,607

Changes to Resources:

Beginning Fund Balance: Increased beginning balance by \$322,646 based on higher FY 2009-10 ending fund balances in EDA funds.

Changes to Requirements:

Business and Industry: Increased \$275,000 higher available beginning fund balance in EDA funds.

Contingency: Increased by \$47,615 in EDA funds for reserve/use future years.

**Revised Budget Appropriation by Fund
Risk Management Fund**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	353,870	-104,170	249,700
Total Resources	353,870	-104,170	249,700
Requirements			
Expenditures			
Administration	353,870	-104,170	249,700
Total Expenditures	353,870	-104,170	249,700
Ending Fund Balance	0	0	0
Total Requirements	353,870	-104,170	249,700

Changes to Resources:

Beginning Fund Balance: Decreased \$104,170 based on lower FY 2009-10 ending fund balance.

Changes to Requirements:

Administration: Reduced available appropriations for claims payments based on available fund balance.

**Revised Budget Appropriation by Fund
 River District URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	11,093,548	1,063,618	12,157,166
Revenue			
Interest on Investments	100,000	0	100,000
Loan Collections	456,741	0	456,741
Property Income	1,016,000	0	1,016,000
Reimbursements	125,000	0	125,000
Tax Increment Proceeds	45,454,500	10,776,180	56,230,680
Total Revenue	47,152,241	10,776,180	57,928,421
Total Resources	58,245,789	11,839,798	70,085,587
Requirements			
Expenditures			
Business and Industry	4,837,945	-3,250,000	1,587,945
Housing	28,142,535	-6,357	28,136,178
Infrastructure	11,799,855	7,423,396	19,223,251
Revitalization	6,689,957	8,250,000	14,939,957
Administration	200,000	0	200,000
Debt Service	650,000	-650,000	0
Total Expenditures	52,320,292	11,767,039	64,087,331
Transfers	5,498,256	0	5,498,256
Contingency	427,241	72,759	500,000
Ending Fund Balance	0	0	0
Total Requirements	58,245,789	11,839,798	70,085,587

Changes to Resources:

Beginning Fund Balance: Increased beginning balance by \$1 million based on higher FY 2009-10 ending fund balance.

TIF Proceeds: Increased by \$10.8 million due to timing changes required for Vestas project and other project requirements.

Changes to Requirements:

Business and Industry: Decreased a net \$3.25 million (reallocated to Revitalization Commercial Redevelopment Loan Fund to help fund Vestas project).

Housing: Decreased a net \$6,357 – includes carryover of prior year unspent budget for Resource Access Center but offset by moving final budget for Resource Access Center to future fiscal years (FY 2011-12).

Infrastructure: Increased a net \$7.4 million for carryover of unspent budget for Streetcar project. Also adds \$400,000 to total project budget for Neighborhood Park.

Revitalization: Increased a net \$8.25 million, primarily for adding Vestas project to Commercial Redevelopment Loan Program.

**Revised Budget Appropriation by Fund
 South Park Blocks URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	11,695,555	6,631,568	18,327,123
Revenue			
Interest on Investments	70,000	0	70,000
Loan Collections	68,732	0	68,732
Property Income	1,800,000	0	1,800,000
Total Revenue	1,938,732	0	1,938,732
Total Resources	13,634,287	6,631,568	20,265,855
Requirements			
Expenditures			
Business and Industry	7,641,553	345,120	7,986,673
Housing	1,039,111	3,420,828	4,459,939
Revitalization	438,649	618,358	1,057,007
Administration	25,000	58,086	83,086
Total Expenditures	9,144,313	4,442,392	13,586,705
Transfers	1,342,735	0	1,342,735
Contingency	3,147,239	2,189,176	5,336,415
Ending Fund Balance	0	0	0
Total Requirements	13,634,287	6,631,568	20,265,855

Changes to Resources:

Beginning Fund Balance: Increased beginning balance by \$6.6 million based on higher FY 2009-10 ending fund balances.

Changes to Requirements:

Business and Industry: Increased a net \$345,120 to carryover of Business Loan program and allocation of resources to Oregon Sustainability Project and business finance loan programs.

Housing: Increased a net \$3.4 million for prior year carryover associated with Chaucer, Martha Washington and Admiral Apartments which will be completed this fiscal year.

Revitalization: Increased a net \$618,358, for commercial redevelopment loan program projects (carryover resources from FY 2009-10).

Administration: Increased \$58,086 for carryover associated with Central City IGA.

**Revised Budget Appropriation by Fund
 Willamette Industrial URA**

	Revised 1 FY 2010-11	Recommended Change	Revised 2 FY 2010-11
Resources			
Beginning Fund Balance	572,567	628,038	1,200,605
Revenue			
Interest on Investments	2,000	0	2,000
Tax Increment Proceeds	847,711	0	847,711
Total Revenue	849,711	0	849,711
Total Resources	1,422,278	628,038	2,050,316
Requirements			
Expenditures			
Business and Industry	275,000	0	275,000
Revitalization	535,431	0	535,431
Administration	5,187	0	5,187
Total Expenditures	815,618	0	815,618
Transfers	220,531	0	220,531
Contingency	386,129	628,038	1,014,167
Ending Fund Balance	0	0	0
Total Requirements	1,422,278	628,038	2,050,316

Changes to Resources:

Beginning Fund Balance: Increased beginning balance by \$628,038 based on higher FY 2009-10 ending fund balances.

Changes to Requirements:

Contingency: Increased by \$628,038 based on higher beginning fund balance – will be programmed in FY 2011-12.

PDC
PORTLAND DEVELOPMENT COMMISSION

Resolution Number 6838

Title:

**ADOPTING BUDGET AMENDMENT NO. 2 FOR THE FISCAL YEAR
BEGINNING JULY 1, 2010 AND ENDING JUNE 30, 2011; AND MAKING
APPROPRIATIONS**

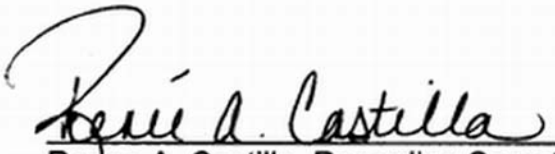
Adopted by the Portland Development Commission on December 8, 2010.

PRESENT FOR VOTE	COMMISSIONERS	VOTE		
		Yea	Nay	Abstain
<input checked="" type="checkbox"/>	Chair Scott Andrews	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Aneshka Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner John Mohlis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Commissioner Steven Straus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Commissioner Charles Wilhoite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Consent Agenda		<input checked="" 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: February 10, 2011