

Tom Kelly
Chair

Gustavo J. Cruz, Jr.
Commissioner

Mark Edlen
Commissioner

Alisha Moreland-Capua
Commissioner

William Myers
Commissioner

Ted Wheeler
Mayor

Kimberly Branam
Executive Director

This document represents the official meeting record of the March 8, 2017 Portland Development Commission (PDC) Board of Commissioners (Board) meeting held at 222 NW 5th Ave., Portland, OR 97209. The full video recording of this meeting can be found at: <https://www.youtube.com/watch?v=no-n1JYoNgU>

1. Call to Order and Roll Call

Chair Kelly called the meeting to order at approximately 3:03 p.m. Pam Micek, PDC Board recording secretary, called the PDC Board roll:

Chair Tom Kelly	PRESENT
Commissioner Gustavo Cruz	PRESENT
Commissioner Mark Edlen	PRESENT
Commissioner Alisha Moreland-Capua	PRESENT
Commissioner William Myers	PRESENT

2. Commissioner Reports

Commissioner Cruz

- Attended Campaign for Equal Justice luncheon, the annual American Civil Liberties Union dinner, and the Catholic Charities annual dinner.

Commissioner Edlen

- Attended several meetings with folks like Meyer Memorial Trust regarding wealth generation for the disadvantaged.

Commissioner Myers

- Attended the Black Parent Initiative Circle of Growth Luncheon, All Hands Raised event, and the dedication of the Multnomah County Elections Building.

Chair Kelly

- Attended the Black Parent Initiative Circle of Growth Luncheon and All Hands Raised event.

3. Executive Director Report

- On February 9, 2017, spoke at the Gateway Area Business Association meeting.
- On February 9, 2017 spoke at PDC’s Small Business Technical Assistance Provider workshop.
- On February 13, 2017 attended the Mercari Ribbon Cutting event with Mayor Ted Wheeler.
- On February 15, 2017 attended the Emerging Leaders Internship Company Kick-Off event.
- PDC presented, with assistance from Design+Culture Lab, at the Tech Plus Inclusion: A Community Conversation event on February 21, 2017.
- On February 22, 2017 attended the All Hands Raised event.

- On Monday, March 6, 2017 approximately 50 representatives and supporters of VOZ Workers' Rights Education Project came to PDC to present a letter requesting that PDC continue to work with VOZ on the development of a facility for day laborers on PDC property in Central Eastside Urban Renewal Area.
- Planning to attend the NW Youth Careers Fair Expo breakfast, March 14, 2017.
- Will be a guest speaker for the Equitable Economic Development Fellowship webinar on March 14, 2017.
- On March 15, 2017, speaking as part of a panel discussion at the "Think & Drink" event regarding the future of housing and urban development in Portland.
- On March 16, 2017, PDC will be receiving a Daily Journal of Commerce "Newsmakers of the Year" award.
- The North/Northeast Community Development Initiative Action Plan Forum is scheduled for Thursday, March 23 from 5-8 p.m. at New Song Community Center.

4. Meeting Minutes

Chair Kelly called for a motion to approve the February 8, 2017 PDC Board meeting minutes. Commissioner Edlen moved and Commissioner Cruz seconded the motion.

AYES: Cruz, Edlen, Kelly, Moreland-Capuia, Myers

NAYS: None

5. Public Comment for Items Not on Agenda

Francisco Aguirre, President, VOZ Workers' Rights Education Project (VOZ)

Mr. Aguirre requested that an agreement for a long term lease to build a better structure at the Worker Center be reached quickly. He stressed that a better structure is key for day laborers to succeed since they do not have permanent jobs.

Rosario Cardenas, Day Laborer, VOZ

Mr. Cardenas stated that as a day laborer at VOZ, he has had the opportunity to meet lawyers and diverse professionals who have donated their time to share knowledge and expertise. He has also participated in English as a Second Language courses and multiple art workshops. Mr. Cardenas remarked that he has also had the opportunity to take safety and job skill training courses. He shared that he is now an expert in painting, roofing, and wall finishing. The salary he receives as a day laborer pays for his own bills and allows him to support his mother and two brothers. He considers VOZ his home and family.

Rafael Ortiz, VOZ, member of the Day Labor Committee

New to Portland and on the streets in downtown in the year 2014, Mr. Ortiz learned of the VOZ Day Labor Workers' Center from another day laborer. On his first day at the center, Mr. Ortiz was invited to participate in a sheet rock installation workshop. He now considers himself an expert and is frequently

asked to hang sheet rock by current employers. Mr. Ortiz has learned many skills from fellow day laborers and they have learned from him too. Through VOZ he is able to support his family and his ex-wife's family. He has also had the opportunity to create his own workshop creating piñatas which has allowed him to raise funds for the VOZ Building the Dream project.

Jamie Partridge, Portland Jobs with Justice Coalition

Mr. Partridge emphasized that the Voz Workers' Rights Project and the MLK Center have played a key role in providing a safe, secure and organized space for day laborers. The Coalition would like to send a message of solidarity in requesting a long-term lease for the Worker Center.

Peter Parks, VOZ Secretary

Mr. Parks stated that VOZ needs a Letter of Intent or a long-term lease in order to begin their capital campaign. Mr. Park stated that this is required in order to obtain the money to take the actions necessary to see whether building on the current property is viable.

Reverend Mark Knutson, Senior Pastor Augustana Lutheran Church

Reverend Knutson stated that as one of many faith leaders including the Muslim, Jewish, Buddhist, and Hindu faith communities he is hoping PDC will make getting a Letter of Intent and agreeing to a long-term lease the highest priority as it would if they were addressing the Convention Center Hotel.

Romeo Sosa, Executive Director, VOZ

Mr. Sosa shared a letter with the PDC Board that had been presented to PDC on March 6, 2017. Mr. Sosa thanked PDC for its support thus far and asked PDC to make this project a priority.

Commissioner Edlen inquired as to how many people were served each day at VOZ.

Mr. Sosa replied that it can depend on the day and the weather but can be between 50 to 120 people.

Executive Director Branam stated that reoccurring meetings would be set up going forward between VOZ representatives and Mayra Arreola and Damien Crowder to finalize the Letter of Intent. Director Branam also emphasized that PDC wants to make sure it can support VOZ on common ground and fully understand what it is hoping for.

Commissioner Edlen asked when a conclusion might be determined.

Executive Director Branam replied that PDC is waiting to hear answers from VOZ on Thursday to help PDC move forward.

Both Commissioners Edlen and Moreland-Capuia asked to be updated on the progress of the sessions at every Board meeting.

Tony Jordan, Portlanders for Parking Reform

Mr. Jordan expressed concerns regarding the Convention Center Garage. He feels that operating projections for the garage are overly optimistic.

CONSENT AGENDA

6. Action Item: Resolution 7227 - Authorizing the Execution of a Lease Amendment with Figure Plant LLC for the Portland Development Commission Property Located at 8411 N. Denver Avenue within the Interstate Corridor Urban Renewal Area.

With this action, the PDC Board will authorize the execution of the First Amendment to Lease Agreement (Lease Amendment) between PDC and Figure Plant, LLC (Figure Plant, or Tenant), for the PDC-owned real property known as the Nelson Industrial Building located at 8411 N. Denver Avenue in the Kenton business district within the Interstate Corridor Urban Renewal Area. Figure Plant, a visual design display and fabrication studio, has leased space in the Nelson Industrial Building since 2010. The company has 13 full-time employees, three part-time employees, and pays them an average of \$25.00 per hour. Should the Lease Amendment be approved, Figure Plant will be able to expand its business into additional space at the Nelson Industrial Building, exercise its option to extend the lease term through March 2026, and hire at least five additional employees. Since the proposed aggregate term of the lease extends the lease beyond five years, the Lease Amendment requires PDC Board approval.

Chair Kelly called for a motion to approve Resolution No. 7227; Commissioner Cruz moved and Commissioner Edlen seconded the motion.

AYES: Cruz, Edlen, Kelly, Moreland-Capuia, Myers
NAYS: None

REGULAR AGENDA

7. Action Item: Resolution 7228 – Authorizing an Operating Loan to the Portland Economic Investment Corporation and an Update on PDC Inclusive Entrepreneurship Activities

PDC staff presenting this item:

Katherine Krajnak, Project Manager I

With this action PDC Board will authorize a \$55,250 operating loan to the Portland Economic Investment Corporation (PEIC), allowing PEIC to continue to play a critical role supporting PDC's entrepreneurship programs. PEIC, a special entity established by PDC, has facilitated the launch and capitalization of two seed funds that achieved significant results for supporting local entrepreneurs and growing high wage jobs in Portland. If approved, the operating loan will assist PEIC in covering costs such as tax preparation, business license fees, insurance, bank trust account fees, and legal services.

An update regarding PDC's inclusive entrepreneurship activities was provided as well.

Ms. Krajnak shared that the original grant agreement to PEIC contemplated that the capital grant resources would be disbursed by March 31, 2017; after discussions with Inclusive Startup Fund (ISF)

manager Elevate Capital, staff is requesting that this date be extended to August 30, 2017 to allow for Elevate Capital to continue seeking private funds.

Ms. Krajnak shared that PEIC has no revenue source to pay for basic operating costs in future years such as tax preparation, business license fees, insurance, bank trust account fees, and legal services. It is estimated that these costs through December 31, 2019 will amount to \$55,250.

Since Portland Seed Fund (PSF II) and ISF are not expected to see any capital return for the first seven years of their fund lifecycle (2020 and 2024 respectively), operating loan payments are structured to allow time for a capital return from PSF II or ISF to PEIC.

Chair Kelly called forward guests to testify.

Nitin Rai, Managing Director, Elevate Capital

Mr. Rai notated that there are two funds, the Inclusive and Elevate Capital Fund. He stated that the latter could be considered a seed and early stage fund which is currently at 10 million. The funds are directed towards minorities, women and underserved regions. Mr. Rai stated that since receiving \$250,000 from the first closing in March, he has raised \$750,000 from private investors and has another \$200,000 in the pipeline. He is currently at 2.1 million and needs to raise an additional \$900,000. He would like to request the extension to allow him more time to bring in additional capital.

The Commissioners responded with a series of questions regarding what types of companies were funded, the number of people employed at each company and inquired about the structure of the financial investments.

Yesenia Gallardo, CEO and Co-Founder, Poda Foods

Ms. Gallardo was a recipient of PDX Startup PDX Challenge. The opportunity to compete in the PDX Challenge played a large role in Ms. Gallardo and her partner choosing to locate their edible insect startup in Portland. She stated that the PDX Challenge was a very formative experience and provided her with enormous support. She added that the PDX Challenge is a convener of the startup community of color.

Jamal Lane, Owner, Champions Barbershop and Champions Barbering Institute

Mr. Lane was a participant of the Increase Project and a recipient of services via the Micro & Small Business Program with Micro Enterprise Services of Oregon. As a result of the Increase Project, Mr. Lane was introduced to a network of other small business owners. The small business owners have been able to share business knowledge with one another thus helping their businesses grow.

Jorge Guzman, Cofounder, Versi (Funded by Inclusive Startup Fund)

Mr. Guzman commented that Elevate Capital's funding model is closing the gap for small businesses and allowing them to grow. He also noted that Elevate Capital is seeking out minority entrepreneurs and not only helping them with funding but providing support and expertise.

Chair Kelly called for a motion to approve Resolution No. 7228; Commissioner Edlen moved and Commissioner Cruz seconded the motion.

AYES: Cruz, Edlen, Kelly, Moreland-Capuia, Myers
NAYS: None

8. Action Item: Resolution 7229 – Authorizing a Purchase Option Agreement to Convey 0.99 Acres of Real Property in the Interstate Corridor Urban Renewal Area to Transition Projects, Inc.

PDC staff presenting this item:
Jillian Detweiler, Real Estate Manager

With this action the PDC Board will approve the terms and conditions whereby the PDC Executive Director shall execute an Option to Purchase Agreement between PDC and Transition Projects, Inc. (TPI), for the conveyance of a property located at 2221 N. Argyle Way (Property), located in the Interstate Corridor Urban Renewal Area. Upon execution of the Agreement, TPI intends to secure financing and construct 72 units of affordable, permanent housing for individuals who are transitioning from, or are at risk of, homelessness, and veterans (Project). The Project's location will provide residents with access to transportation, commercial, and recreational services – all of which are essential elements of successful housing for low-income, formerly homeless, residents. Assuming full funding can be secured, TPI intends to break ground on the Property in 2018.

The purchase price for the Property shall be established by an appraisal of the highest and best use of the Property. In February 2016, a market positioning and pricing analysis estimated the value of the Property at \$1,339,523.

The PDC Board will discuss a distinct, near-term use permit for the Property that will allow for a different user to use the Property to provide temporary shelter known as a Tiny House Community. This use permit, which does not require PDC Board approval, would allow for a 12-month temporary use prior to the permanent TPI Project.

Chair Kelly called forward guest to testify.

George Devendorf, Executive Director, Transition Projects Inc.

Commissioner Moreland-Capuia expressed her concern regarding the success of both projects; Mr. Devendorf informed the Board that TPI is only involved with the permanent housing.

Commissioner Moreland-Capuia inquired as to whether there was a long-term plan in place for the 14 women who are to potentially be served by the Tiny House Community once the 12 month period concludes. She also requested that there be a plan and a narrative, which all parties involved have, in terms of sharing with the Board the long-term plan for maintaining the Tiny House project.

Ben Mauro, City of Portland Office of Management & Finance

Mr. Mauro responded that he has received commitments from the Office of Homeless Services, Catholic Charities, the Mayor's Office, and the Office of Management & Finance to have a very clear transition plan for each woman in the proposed community. The partners will ensure that the 14 women will not

be back on the street, won't encumber the property, and won't be an issue for the TPI Project. The goal is to find permanent housing for 14 women.

Weibly Bowles, Land Use Chair, Kenton Neighborhood Association

Chair Kelly asked Ms. Bowles whether the Kenton Neighborhood Association was taking a position on the proposed Tiny House Community. Ms. Bowles responded that the neighborhood association would be voting that evening but the board was not taking a position.

Commissioner Moreland-Capuia asked to be notified on the outcome of the vote.

Chair Kelly called for a motion to approve Resolution No. 7229; Commissioner Cruz moved and Commissioner Edlen seconded the motion.

AYES: Cruz, Edlen, Kelly, Moreland-Capuia, Myers
NAYES: None

9. Information Item: Update on the Fiscal Year 2016/17 PDC Community Livability Grant Program Awards.

PDC staff presenting this item:
Alison Wicks, Project Coordinator

In fiscal year (FY) 2006/07, the PDC established the Community Livability Grant (CLG) Program, a competitive grant program to support non-profit and community-based organizations in the Interstate Corridor Urban Renewal Area (URA). Owing to its success and popularity, PDC expanded the CLG Program to the Lents Town Center and Gateway Regional Center URAs in FY 2010/11, to the Old Town/Chinatown neighborhood (River District and Downtown Waterfront URAs) in FY 2014/15, and to the Central Eastside URA in FY 2015/16.

Since 2006, PDC has awarded more than \$5,000,000 to over 100 community-based organizations across multiple URAs.

Ms. Wicks provided an update on the CLG Program awards for FY 2016/17. Recipients of the awards are located in the Lents Town Center, Gateway Regional Center, and Central Eastside URAs, and in the Old Town/Chinatown neighborhood. The CLG Program for the Interstate Corridor URA is on a different cycle.

Chair Kelly called forward guest to testify.

Jeff MacDonald, Associate Director, IRCO

Mr. MacDonald informed the Board that IRCO utilized the grant funds to build a training room focused on the healthcare industry, contracted with a state certified Minority-Owned, Women-Owned & Emerging Small Business contractor and came in under budget.

Commissioner Moreland-Capuia asked if IRCO has plans to expand into dentistry or veterinarian services.

Lee Cha, Executive Director, Immigrant Refugee Community Organization (IRCO)

Mr. Cha responded that trying to get congressional leadership involved to help with the certifying process has been very complicated.

Rose High Bear, Founder, Wisdom of the Elders

Rose High Bear illustrated how Wisdom of the Elders used the funds to train native youth in environmental habitat restoration with the hopes of introducing them to careers in the Science, Technology, Engineering, and Mathematics fields.

Suzy Jeffreys, Executive Director, North by Northeast Community Center

Ms. Jeffreys shared how the funds helped keep the North by Northeast Community Center in inner Northeast Portland by procuring a building that required quite significant improvements. The grant paid for 75 percent of the improvements.

10. Adjourn

There being no further business, Chair Kelly adjourned the PDC Board meeting at approximately 4:55 p.m.

Approved by the Portland Development Commission on April 12, 2017



Pam Micek, Recording Secretary