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**Kimberly Branam**  
Executive Director

DATE: March 26, 2017

TO: Mayor Ted Wheeler  
Commissioner Chloe Eudaly  
Commissioner Nick Fish  
Commissioner Amanda Fritz  
Commissioner Dan Saltzman

FROM: Kimberly Branam, Prosper Portland Executive Director 

SUBJECT: FY 2017-18 Spring Budget Monitoring Report

Prosper Portland is pleased to submit its spring budget monitoring report. Included in this report is the request to carryover \$175,000 in current year funding to FY 2018-19 for priorities that are underway, but are not expected to fully be expended as of June 30, 2018. Also included is a request for additional funding to support the Hill Block project and Floor Area Ratio Program through June 30, 2018.

***Requested Carryover from FY 2017-18 to FY 2018-19:***

**1. Healthcare \$125,000**

- A. Healthcare Strategy \$75,000** – Prosper Portland’s FY17-18 Adopted Budget includes \$142,240 to begin work in the city’s healthcare cluster. The intent of the funding was to add an FTE at Prosper Portland to develop a plan for engagement, which would be implemented starting in late FY18-19. Due to a number of unfilled open positions within the Economic Development Department (including the Business and Industry Team Manager, to which this position would report), the hiring process began in November 2017 with interviews scheduled for December 2017.

In light of the direction to propose a 5% cut of its General Fund budget and related uncertainty regarding the ability to fund this position in FY18-19 and beyond, the decision was made in January 2018 to discontinue the search until there was greater certainty about future funding.

While City Council makes decisions about the FY18-19 budget, Prosper Portland proposes to spend \$92,240 in combined staff and M&S to conduct an in-depth analysis and strategy for how the agency can best address the needs of the healthcare sector, particularly in light of citywide budget constraints. Staff time will



be primarily devoted to managing and overseeing a consulting engagement, estimated to cost \$65,000. Staff time is estimated at 20% of an FTE or roughly \$27,240, which will be covered by a combination of staff, with primary contract management conducted by the agency’s existing Technology Cluster Project Manager. Prosper Portland began working on its healthcare strategy in FY17-18 and expects to complete the work in FY18-19. Therefore, Prosper Portland is requesting a transfer of \$75,000 of the \$92,240 into FY18-19.

As these funds are going to be used to define Prosper Portland’s role in the Healthcare Industry, it is expected that metrics will not be complete this first year and the consultant Prosper Portland works with will help create measurable outcomes.

**B. Inclusive Workplace Assistance \$50,000** – This proposal is to transfer the remaining \$50,000 of the \$142,240 to the Technology & Media Cluster. Over the past year, Prosper Portland has worked to prepare the TechTown Diversity Initiative’s infrastructure for growth, primarily through a streamlined onboarding process. This work is now complete and the coming year will require significant investments in training, education and company support for new pledge companies as they seek to become more inclusive workplaces. Prosper Portland is proposing to proceed along two lines: the addition of an annual small business seminar on inclusion (\$25,000) and substantial technical assistance to companies (\$25,000). The technical assistance will focus on inclusive workplace practices, primarily through baseline bias and equity training.

These funds will help achieve the following performance goals:

Increase TechTown Employment Coverage from current 2,400	3,600
Employees at TechTown Pledge companies receiving direct or indirect training	2,400
Company Attendance at Traded Sector Small Business Inclusion Seminar	75
Of these 75 companies, number that will subsequently sign a diversity pledge and/or engage in other inclusion and diversity training	25
Percentage point increase of female or under represented people of color hires at TechTown pledge companies above original FY18-19 metric	3% female/3% underrepresented



- 2. Traded Sector Inclusive Growth Plan \$50,000** – Given staff promotions and transitions, the Business and Industry (B&I) team had several unfilled positions in FY17-18, which created under-expenditures of more than \$50,000 in personnel. With a full staff now in place, Prosper Portland requests to carry forward \$50,000 to FY18-19 in order to evaluate how the team can best serve Portland residents in an equitable way. While Prosper Portland’s strategic plan provides overall direction to the B&I team, there is no template for how to conduct cluster support work with a social and racial equity lens at the operational level. Therefore, the B&I team is planning to engage in a staff-led planning process to review existing practices and create a comprehensive operational equity plan for cluster development and international trade.

Prosper Portland will release an RFP by April 2018 to select a third party consultant team for technical assistance on equity, international trade, and economic development. The consultants will further assist B&I with traded sector quantitative analyses, lessons learned/best practice assessments and strategic planning. The team should be identified by June 2018 and complete their work in September 2018. The deliverable will be a tactical-level blueprint with measurable, outcome-driven metrics guiding the B&I team’s work in building an equitable local economy.

***Requested Project Increases in FY 2017-18:***

- 3. Hill Block Community Engagement and Planning \$50,000** – Prosper Portland received \$50,000 in the Fall BMP to facilitate community outreach on the Hill Block project. Prosper Portland requests an additional \$50,000 in FY17-18 based on the updated assumptions regarding facilitation, staff and public outreach costs.

<b>HILL BLOCK FY17-18 Budget</b>	<b><u>Actuals</u> to Date</b>	<b><u>Budget</u> March</b>	<b><u>Budget</u> April</b>	<b><u>Budget</u> May</b>	<b><u>Budget</u> June</b>	<b><u>Total</u></b>
Staff	19,923	7,668	12,000	10,000	10,000	<b>59,591</b>
Public Outreach Meetings	1,909	1,500	20,000	15,000	2,000	<b>40,409</b>
<b>Total Expense</b>	<b>\$ 21,832</b>	<b>\$ 9,168</b>	<b>\$ 32,000</b>	<b>\$ 25,000</b>	<b>\$ 12,000</b>	<b>\$100,000</b>

- 4. Excess Floor Area Ratio Study \$30,000** – Bureau of Planning and Sustainability and Prosper Portland have been asked to evaluate the potential for disposition of excess floor area ratio (FAR) on publically owned properties in order to achieve multiple community objectives. The \$30,000 budget request will be used to hire an economic consultant to conduct a market feasibility analysis to identify the potential demand and value of creating a marketplace for this excess FAR and to share any additional findings that should be shared with policy makers.

Service Area	Bureau Name	Decision Package Title	Package Description	Funded in	Year Funded:	Package Funding	Package FTE	Package Status	Package Update
Legislative, Administrative, and Support	Prosper Portland	Cluster/Entrepreneurship Support Realignment	Reallocates \$24,877 of current service level appropriation Cluster Development (business recruitment) to Entrepreneurship within the Traded Sector program, as most business recruitment work has been transferred to Greater Portland Inc. and PDC will be more focused on entrepreneurship ecosystem capacity building. The effort will seek to extend Prosper Portland's work on inclusive entrepreneurship and integrate it more broadly within our partner services. PDC will also seek to develop a shared action plan and community metrics.	FY 2016-17 Adopted Budget	FY 2016-17	(24,877)		Complete	Fund amount for various cluster activities reduced by \$24,877 and transferred to Entrepreneurship activities. Currently going through selection process for Small Business Technical Assistance Partnership. First contracts will be in place mid May. Plan to disburse these funds to selected provider before end of fiscal year via a grant agreement.
Legislative, Administrative, and Support	Prosper Portland	Living Cully	The budget includes \$211,000 in one-time GF discretionary to support neighborhood economic development projects in the Cully neighborhood.	FY 2016-17 Adopted Budget	FY 2016-17	211,000		Complete	Funds were disbursed in June in support of the Living Cully project.
Legislative, Administrative, and Support	Prosper Portland	Greater Portland	Description: Greater Portland Inc (GPI) is a regional public-private economic development organization focused on 1) coordinating regional business recruitments among greater Portland's (Portland-Vancouver MSA) various local economic development organizations, and 2) leading regional marketing and branding to promote the region as one of the nation's most competitive and vibrant metropolitan economies. In addition, GPI serves as a key partner to PDC in implementing the region's broader economic development strategy (Greater Portland 2020) and its international trade and investment strategy (Greater Portland Global).  For the past four years, the City of Portland has invested \$100,000 annually in GPI to lead regional economic development. The City's General Fund investment has focused primarily on, marketing and branding the region to business stakeholders, coordinating local business retention/expansion projects where multiple greater Portland jurisdictions are under consideration, and managing regional business relocation projects, including responding to recruitment related Request for Information (RFI) and Request for Proposals (RFP). Coordination from GPI in these areas remains critical to ensure regional cooperation and a unified economic development voice. In addition, the City's \$100,000 annual investment in GPI directly supports staff focused on coordinating implementation of the region's international trade and investment strategy, a key priority for PDC and the target industries it serves.	FY 2016-17 Adopted Budget	FY 2016-17	(50,000)		Complete	Grant to GPI was reduced to \$50,000 for current fiscal year. Current year funding was fully disbursed in June.
Legislative, Administrative, and Support	Prosper Portland	Small Business Working Capital	Description: The Small Business Working Capital Program is utilized to increase access to capital for small businesses. Emphasis in the program is on businesses that have historically faced barriers accessing financing from traditional lenders. Consistent with the 2015-2020 PDC Strategic Plan, the aim of the program is promote wealth creation by broadening access to financing for small-scale, low-income, immigrant, and/or minority-owned firms (target businesses) who aim to grow their businesses.  PDC will issue a Request for Proposals (RFP) to lending entities to utilize General Fund allocations to administer financial products to fill the needs of our target businesses. Criteria for selecting the providers include: -Leverage of funding from other sources (i.e. Small Business Administration, US Department of Treasury, commercial loans, crowdfunding, etc.) -Demonstrated market need -Innovation and partnerships -History of successfully serving target businesses -History of successfully expanding and/or launching new financing products -Maximum financing of up to \$50,000 per business Based on the Requested Budget, the amount that PDC will offer through the RFP is estimated to be \$50,000. With this amount we would anticipate the entities selected through the RFP will be able to offer financing to approximately 10 businesses. If this \$111,923 reduction is restored, we anticipate entities will be able to offer financing to approximately 20 additional businesses.	FY 2016-17 Adopted Budget	FY 2016-17	(111,923)		Complete	Amount of funding provided to micro loan program reduced by \$111,923 for current year (to \$50,000). Current year funding expected to be fully disbursed in May/June.
Legislative, Administrative, and Support	Prosper Portland	Inclusive Startup Fund	Effective local policy to promote employment growth must include a focus on a healthy startup ecosystem. In the U.S. early-stage firms contribute disproportionately to net job creation. For most scalable startups, access to capital is an increasingly critical barrier to growth.	FY 2015-16 Adopted Budget	FY 2015-16	\$ 500,000		Complete	Funds granted to PEIC along with \$500k from Multnomah County. Funds in turn granted to Elevate Capital.
Legislative, Administrative, and Support	Prosper Portland	Adult/Youth Workforce realignment	Reallocates \$20,239 of current service level appropriation from Small and Microenterprise Business Development Program to Workforce Development Program based on current year forecast of program management/staffing activity between the programs.	FY 2016-17 Adopted Budget	FY 2016-17	20,239		Complete	Represents corrected allocation for program management between the two programs in FY 2016-17.
Legislative, Administrative, and Support	Prosper Portland	Venture Portland Business Association Pilot	This package requests \$166,036 in one-time GF discretionary funding for Venture Portland's pilot program to bolster business associations outside of the Central City. In 2015, Venture Portland launched the East Portland Pilot Project, a 12 month effort supporting six established East Portland neighborhood business districts. With additional funding, Venture Portland will continue its work in East Portland and expand its operations to North Portland. This funding is for a one-year catalytic project designed to respond to the disparity among Portland's business associations. The initiative will be focused on the following four strategies: Staffing - 90 total hours staffing/week (or 10 hours/week per district). Venture Portland will employ up to four community organizers working in 9 districts across East and North Portland. Personalized Technical Assistance - Staff will assist with the creation of annual workplans and budgets for business associations, as well as district event management and marketing campaigns. Grant Funds - \$4,000 grant available to each district (\$36,000 total across 9 districts) Quarterly Quadrant Conversations - Hosted gatherings for business district associations in E/N Portland to bring business leaders together to build partnerships or develop cross-district programming.	FY 2016-17 Adopted Budget	FY 2016-17	166,036		Complete	Funds have been fully disbursed to Venture Portland.
Legislative, Administrative, and Support	Prosper Portland	SE Works Youth Transition Program	Description: The Youth Transition Project is a youth workforce development program that is focused on serving at-risk low-income 16-21 year olds. The Program seeks to break the cycle of poverty through attainment of a General Education Diploma (GED) and successful transition to college.  The GED is only one component of the transition to college, participants need a positive peer support group, care and attention and full wrap around services to be successful. SE Works provides strong relational supports through case management, one-on-one counseling and support, and appropriate referrals to treatment centers and other resources. Case management continues as the students graduate from the program and transition to college. Additionally, each youth has a volunteer mentor to support healthy social development. City funds assist with case management and allow for extended hours at the Dahl Family Youth Education and Career Development Center in SE Portland. The City's investment leverages \$310,000.00 in funding from other sources including PPS, Juan Young Trust and SAFEEO to support the Youth Transition Project to support three Masters Level Teachers with teaching licenses and a Center Director.	FY 2016-17 Adopted Budget	FY 2016-17	(40,956)		Complete	Program funding was reduced to match the \$40,956 reduction in the current year.
Legislative, Administrative, and Support	Prosper Portland	OT/CT Action Plan District Management	Description: The Old Town Chinatown neighborhood is a highly diverse historic district, featuring affordable building stock and social service agencies serving the low-income and homeless population, an active nightlife scene, tourist destinations, higher educational institutions, and a mix of commercial offices and local/independent retailers and restaurants. Despite these successes, the district struggles to promote a positive identity necessary to achieve a healthy and complete neighborhood. Addressing real and perceived issues of public safety and livability, balancing residential incomes through the introduction of new middle-income units and preservation of existing affordable housing units, investing in rehabilitation of historic buildings, embracing and enhancing the area's unique culture, history and identity, and promoting economic vitality were articulated as top priorities for community stakeholders.  The Old Town Chinatown 5-Year Action Plan ("Action Plan"), endorsed by City Council August 2014, is a comprehensive community development initiative to create a safe, vibrant, economically healthy neighborhood in Old Town Chinatown. The Action Plan outlines recommended actions and a dedication of PDC, City and private sector resources to achieve three strategic objectives over the five year term: -Attract new neighborhood investment to activate key properties and improve district connectivity; -Promote business vitality by increasing employment and retail activity; and -Align resources and build local capacity for improving district livability.  The Action Plan specifically calls for the dedication of City resources over a three year period (\$30,000/year) to support district management, promotion and programming. The investment leverages a minimum required match of \$30,000/year to be raised by the Old Town/Chinatown Community Association. The objective of this work is to coordinate key communications, programming efforts and branded improvements within the neighborhood to increase positive media coverage, bring people living and working in the neighborhood together, and drive interest in the area as a place to do business, spend time and money.  The first year of the program is currently underway and combined City and community-raised funds are being used to procure services necessary to develop and implement a strategic outreach and communications plan ("Strategic Plan"), including a unified vision for the neighborhood, and definition of deliverables and metrics for implementation. The remaining two years of the program will focus on implementation of the Strategic Plan and making refinements as necessary based on performance metrics and funding levels.	FY 2016-17 Adopted Budget	FY 2016-17	30,000		Complete	Funds have been disbursed to the OT/CT Community Association.
Legislative, Administrative, and Support	Prosper Portland	Innovation Fund - Bridging the Digital Divide	\$90,000 General Fund one-time for pilot web clinic serving disadvantaged business owners served through PDC's Small Business Development. Web clinic service provider will perform an evaluation for at least 75 businesses, develop individualized plans for e	FY 2015-16 Fall BMP	FY 2015-16	\$ 90,000		Complete	Project was rescheduled for 16/17 fiscal year due to staff capacity. \$90,000 innovation funds will be implementing the Phase II of the Mercatus website to support small business development: Project outcomes will be tracked by the increase in number of businesses on the site. Specific metrics include: • At least 200 new businesses added to the directory • 100 businesses have a complete business profile, which includes contact information, narrative of business/service, photos, etc • 10 businesses enter a new market (based on growth in accounts) resulting from participation in the Mercatus • Positive sales and business growth case studies • Expansion of the storytelling aspect of the site, featuring new businesses added through Innovation Fund efforts. Prosper Portland requested \$70,000 for carryover to FY 2017-18 to complete the work based on project timelines (\$20,000 was spent in FY 2016-17).
Legislative, Administrative, and Support	Prosper Portland	FY 2015-16 Carryover: B-Corp and F	This package processes program carryovers from the 2015-16 Spring BMP.	FY 2016-17 Adopted Budget	FY 2016-17	90,000		Complete	B-Corp program was not ultimately implemented by Prosper Portland. FY 2015-16 carryover for the \$90,000 innovation funds was allocated to support Phase II of the Mercatus website to support small business development. See updates in line 634.
Legislative, Administrative, and Support	Prosper Portland	Community Development Fund	Provide initial capital to launch a new revolving loan fund that provides gap financing for community-driven, public-benefit development projects that are in or adjacent to Neighborhood Prosperity Initiative (NPI) districts.	FY 2015-16 Adopted Budget	FY 2015-16	\$ 871,000		Complete	Prosper Portland established program guidelines and funded the Neighborhood Prosperity Initiative Opportunity Fund. Prosper Portland funded the first loan to Our 42nd Ave NPI in the amount of \$240,862 for the acquisition of a property in their district for community serving purposes. This program will serve as a revolving loan fund providing ongoing project funding as funds are repaid.
Legislative, Administrative, and Support	Prosper Portland	SE Works	Support the Youth Transition Program with funding for case management and extended hours at the Southeast Portland career center. Prosper Portland will manage the funding within the Adult and Youth Workforce program.	FY 2015-16 Adopted Budget	FY 2015-16	\$ 40,000		Complete	Funds were fully disbursed to SE Works in FY 2015-16

Legislative, Administrative, and Support	Prosper Portland	FY 2014-15 Carryover: Partner Capacity Building	Include. Innovate. Invest. PORTLAND (I3PDX) partner capacity building. I3PDX serves as our umbrella initiative from which inclusive entrepreneurship programs are launched (ex. Startup PDX Challenge; Startup Weekend Access). Increasingly, there is a need t	FY 2015-16 Adopted Budget	FY 2015-16	\$ 100,000	Complete	Startup Challenge and the Increase Project were implemented in FY 2015-16
Legislative, Administrative, and Support	Prosper Portland	FY 2014-15 Carryover: Innovation Fund	To carryover \$88,000 of unspent Business Operations Management costs in Innovation Fund.	FY 2015-16 Adopted Budget	FY 2015-16	\$ 57,000	Complete	Final project complete in FY 2015-16 - \$49,000 in funds were returned via FY 2015-16 Spring BMP.
Legislative, Administrative, and Support	Prosper Portland	FY 2014-15 Carryover: Neighborhood Ec Dev Grants	PDC requests to carryover a portion of the Neighborhood Economic Development add-package of \$100,000. The package provides funding for three grants to community-based organizations focused on economic development issues in Lents Town Center, along Martin	FY 2015-16 Adopted Budget	FY 2015-16	\$ 60,000	Complete	Funds were fully disbursed to three community-based organizations to support NED goals.
Legislative, Administrative, and Support	Prosper Portland	VOZ Workers' Right Education	\$30,000 in one-time General Fund discretionary resources to support operative expenses for the MLK Worker's Center to facilitate employment for day laborers, investigate wage theft, and offer weekly English, music, and art classes. PDC will manage the fund	FY 2015-16 Adopted Budget	FY 2015-16	\$ 30,000	Complete	Funds were fully disbursed to Voz in FY 2015-16 to support ongoing operations.
Legislative, Administrative, and Support	Prosper Portland	Portland Mercado	This package was added by CBO in accordance with an amendment to the Fall BMP budget. Prosper Portland is to assess the damage to the food cart pod Portland Mercado, and provide financial assistance for repairs to affected businesses. The intent of the \$20,000 allocation is to backstop other funding for repairs, inclusive of donations and insurance funds, which should be fully expended prior to disbursement of funds from Prosper Portland.	FY 2016-17 Fall BMP	FY 2016-17	20,000	Complete	Funds will not be needed (will not be drawn).
Legislative, Administrative, and Support	Prosper Portland	Jade/APANO Multicultural Space (JAMS)	Provide operational support to APANO for the operation of the Jade/APANO Multicultural Space (JAMS) which is located in property owned by Metro at SE Division and SE 82nd Ave. This property will eventual redevelop into a development with affordable housing with ground floor commercial.	FY 2015-16 Adopted Budget	FY 2015-16	\$ 20,000	Completed	Funds were fully disbursed to APANO in FY 2015-16
Legislative, Administrative, and Support	Prosper Portland	Mayor's Innovation Fund Carryover	Prosper Portland requests \$70,000 of the original \$90,000 budget to be included in the FY 2017-18 budget. Prosper Portland was the recipient of \$90,000 from the Mayor's Innovation Fund in FY 2015-16. Our original timeline for this project was to prepare an RFP with the hopes of opening a web clinic in 2016 to support entrepreneurs of color develop and enhance a web presence. Work on the RFP stalled due to staff capacity.  During FY 2016-17, staff determined the best use of funds to achieve the original goals would be to support the second phase of Mercatus by growing the online platform (founded by Prosper Portland) which highlights entrepreneurs of color through storytelling and a comprehensive business inventory.  Prosper Portland seeks to support the growth of the directory in the following ways: -Outreach- help identify businesses that could benefit from joining the platform, specifically entrepreneurs of color -Assist businesses in establishing their business profile which would include contact info, "about" text and images -Hold several events annually, geared toward showcasing Mercatus businesses and increasing access to new markets (e.g. Travel Portland partnership around tourism industry)  Project outcomes will be tracked by the increase in number of businesses on the site. Specific metrics include: -At least 200 new businesses added to the directory -100 businesses have a complete business profile, which includes contact information, narrative of business/service, photos, etc. -10 businesses enter a new market (based on growth in accounts) resulting from participation in the Mercatus -Positive sales and business growth case studies -Expansion of the storytelling aspect of the site, featuring new businesses added through Phase 2  20,000 will be spent by June 30, 2017 supporting initial outreach efforts. PProsper Portland requests the balance of the program funding (\$70,000) move to FY 2017-18. Key deliverables and estimated costs are detailed below:  Deliverable/Funding/Timing -Business outreach and Profile Development for Latino, Asian and Native American businesses/\$45,000/Q1-Q2 -Develop & Execute Mercatus Marketing and Communications/\$6,000/Q1-Q2 -Website and Membership Management/\$12,000/Q1-Q2 -Website Fees: Squarespace (\$216), MembershipWorks (\$588), misc\$1,000/Q2 -Pop up events and speaker series (2-4)/\$6,000/Q2-Q4 TOTAL: \$70,000	FY 2016-17 Spring BMP	FY 2016-17	(70,000)	Complete	\$20,000 was disbursed in FY 2016-17. The majority of the \$70,000 will support Mercatus (see projected outcomes in Column D). This will go out on a reimbursement basis and is expected to spend out in FY 2017-18. See updates in line 634.
Legislative, Administrative, and Support	Prosper Portland	Entrepreneurship Carryover	Prosper Portland is providing a \$55,250 loan to Portland Economic Investment Corporation (PEIC) for ongoing operations to cover operations from 2017 through 2019. The PEIC is the entity  that serves as Limited Partner (LP) for two publicly backed funds – Portland Seed Fund II (PSF II) managed by Bridge City Management, and the Inclusive Fund managed by Elevate Capital. PEIC received \$750,000 from Prosper Portland for investment in Portland Seed Fund II and received \$500,000 from Prosper Portland for investment in the Inclusive Startup Fund (ISF). The monitoring of these two funds are the only programmatic activities PEIC has engaged in to date.  PEIC has no revenue source to pay for basic operating costs such as tax preparation, business license fees, insurance, bank trust account fees and legal services. To cover those costs, Prosper Portland granted PEIC \$55,000 along with the investment in PSF II and another \$50,000 along with the investment in ISF.  Prosper Portland will disburse \$25,250 in April, 2017 to support current operations, but plans to hold disbursement of the remaining \$30,000 until April, 2018.	FY 2016-17 Spring BMP	FY 2016-17	(30,000)	Complete	The first \$25,250 was disbursed FY16-17. The remaining \$30,000 will be disbursed on a reimbursement basis for legal costs as they arise.
Legislative, Administrative, and Support	Prosper Portland	FY 2016-17 Carryover: Innovation Funds	PDC requests \$70,000 of the original \$90,000 budget to be included in the FY 2017-18 budget. PDC was the recipient of \$90,000 from the Mayor's Innovation Fund in FY 2015-16. Our original timeline for this project was to prepare an RFP with the hopes of opening a web clinic in 2016 to support entrepreneurs of color develop and enhance a web presence. Work on the RFP stalled due to staff capacity.  During FY 2016-17, staff determined the best use of funds to achieve the original goals would be to support the second phase of mercatus by growing the online platform (founded by PDC) which highlights entrepreneurs of color through storytelling and a comprehensive business inventory.  PDC seeks to support the growth of the directory in the following ways: -Outreach- help identify businesses that could benefit from joining the platform, specifically entrepreneurs of color -Assist businesses in establishing their business profile which would include contact info, "about" text and images -Hold several events annually, geared toward showcasing Mercatus businesses and increasing access to new markets (e.g. Travel Portland partnership around tourism industry)Project outcomes will be tracked by the increase in number of businesses on the site. Specific metrics include: -At least 200 new businesses added to the directory -100 businesses have a complete business profile, which includes contact information, narrative of business/service, photos, etc. -10 businesses enter a new market (based on growth in accounts) resulting from participation in the Mercatus -Positive sales and business growth case studies -Expansion of the storytelling aspect of the site, featuring new businesses added through Phase 2  PDC estimates that \$20,000 will be spent by June 30, 2017 supporting initial outreach efforts. PDC requests the balance of the program funding (\$70,000) move to FY 2017-18. Key deliverables and estimated costs are detailed below:  Deliverable/Funding/Timing -Business outreach and Profile Development for Latino, Asian and Native American businesses/\$45,000/Q1-Q2 -Develop & Execute Mercatus Marketing and Communications/\$6,000/Q1-Q2 -Website and Membership Management/\$12,000/Q1-Q2 -Website Fees: Squarespace (\$216), MembershipWorks (\$588), misc\$1,000/Q2 -Pop up events and speaker series (2-4)/\$6,000/Q2-Q4 TOTAL: \$70,000	FY 2017-18 Adopted Budget	FY 2017-18	70,000	In Progress	Funds are anticipated to spend out in FY 17-18. More than 200 businesses now have profiles on the directory. The storytelling portion of the site is much more robust and continues to grow. Four storytelling events have been held focusing on various communities. We launched the first My People's Market, with a 2nd market being held in June 2018. Additionally, we were able to leverage more than \$50,000 from other partners to support this work. The website will be redesigned and updated to allow for greater functionality and user experience.

Legislative, Administrative, and Support	Prosper Portland	Realignment- Film & Video to Healthcare	<p>The Traded Sector Cluster Development program currently includes one FTE supporting the Portland Film Office. The office facilitates filming of large and small productions in Portland. Its primary function is to remove barriers and serve as the conduit between partner business and production companies, making the process more efficient for both. Additionally, the office works directly with the industry to understand their needs and new trends, promotes Portland as a film location, and supports the industry's success locally, nationally and internationally. This includes supporting the creation of and continued programming of Cast Iron Studios Talent Diversity Initiative. In two years the initiative has trained 48 students of color through the acting course.</p> <p>This realignment will remove all ongoing General Fund for The Portland Film Office and the entirety of its function. Prior year (FY 15/16) film activity supported by the office included 480 permits and \$206,000 in revenue for the Portland Bureau of Transportation, and 173 permits and \$144,000 in revenue for the Bureau of Parks and Recreation.</p> <p>Historically, PDC's four target industries were: Athletic &amp; Outdoor Gear &amp; Apparel, Green Cities Products &amp; Services, Technology &amp; Media, and Metals &amp; Machinery Manufacturing. With the adoption of PDC's 5-year Strategic Plan in 2015, the agency added a fifth target cluster - Healthcare - to connect residents and employers to job and supply-chain opportunities at local hospitals and medical institutions. This cluster will likely serve as the initial avenue for anchor institution strategy development and execution. This new cluster will also serve as PDC's focal point for strategic work with OHSU related to the Knight Cancer Institute and emerging sectors such as Medical Devices and Health Sciences.</p> <p>The resources would fund (direct hire or consultant) a full time business development coordinator focused on business development (business recruitment, retention and expansion), as well as implementation of signature industry and workforce programs and initiatives.</p> <p>The following is a list of targeted metrics:</p> <ul style="list-style-type: none"> <li>50+ healthcare cluster business retention/expansion visits</li> <li>1 healthcare cluster business relocations (within Portland)</li> <li>75 healthcare cluster direct assistance, referral activities</li> <li>1 successfully launched entrepreneurship programs launched to support emerging healthcare cluster businesses</li> <li>2 successfully launched supply-chain programs focused on connecting priority businesses to healthcare procurement opportunities</li> </ul>	FY 2017-18 Adopted Budget	FY 2017-18			In Progress	The healthcare position was not filled in FY 17-18 due to lack of future funding. Prosper Portland intends to redistribute the healthcare work to current staff and carry over a portion of these funds to continue that work and backfill staff with contractors who will help assist in Prosper Portland's overall healthcare strategy.
Legislative, Administrative, and Support	Prosper Portland	Small Business Growth	<p>In early 2017, the Portland Development Commission will issue a Request for Proposals (RFP) from providers who wish to provide services that assist underrepresented entrepreneurs in one or more of six different service categories. This RFP is part of the Small Business Technical Assistance Partnership (SBTAP), which seeks to support a network of partners committed to the success of minority and women entrepreneurs.</p> <p>This request will augment PDC's Microenterprise and Small Business Program, which focuses on stabilizing businesses owned by underrepresented entrepreneurs. This request is for a program that will support stable underrepresented business owners to grow and create wealth for themselves and their communities. Objective 3 of PDC's 2015-2020 Strategic Plan aims to foster wealth creation within communities of color and in low income neighborhoods. This funding moves underrepresented entrepreneurs from having a way to make a living for themselves and on to a growth trajectory that leads them to creating more jobs and more wealth in their communities. Without this critical next step, underrepresented business owners don't achieve the wealth creation that can help eliminate the wealth gap experienced by communities of color and low income communities.</p> <p>Last year, PDC piloted the Increase Project, a program that helped 10 businesses owned by people of color to develop and implement growth plans to take their business to the next level. Only four months post-program graduation, the 10 graduates have seen amazing growth. Of those that have provided data to date:</p> <ul style="list-style-type: none"> <li>+66% of businesses expect to see an increase in 2016 sales (6 businesses reporting)</li> <li>+5 businesses have reported gaining more than 80 new accounts valued at \$94,000</li> <li>+87% of businesses launched a new location or service (7 businesses reporting)</li> <li>+2 businesses have entered new markets, including one outside of the U.S.</li> <li>+2 businesses have hired 3 new employees</li> </ul> <p>Funds from this request would allow PDC to run two additional Small Business Growth program cohorts in FY 2017-18, serving between 20-30 growth-oriented entrepreneurs of color. The program will:</p> <ul style="list-style-type: none"> <li>Increase access to financing. With additional financing options, small business owners can achieve scale, buffer losses, and exploit business opportunities that were previously out of reach.</li> <li>Increase market access: Participants will identify which products and customers promise to be the most profitable and which markets have the greatest potential for growth, helping them better understand their competition, the needs and desires of their customers, and how to effectively reach customers and improve sales.</li> <li>Increase mentoring opportunities: By connecting participants to a growing and diverse pool of successful entrepreneurs throughout the U.S. who can provide timely advice, lived experiences, and a listening ear, confidence and know-how is combined to improve outcomes.</li> <li>Increase owner know-how: Through a practical and engaging cohort-based model, small business owners will be given relevant business concepts, best practices, and training to turn growth plans into action.</li> </ul> <p>The program will be run by a service provider who will be selected through a competitive process as mentioned above. The successful RFP respondent will have access to (but not be required to use) the nationally recognized StreetWise MBA™ curriculum, currently used by 65 communities across the United States (see metrics below). PDC utilized this curriculum during the 2016 pilot and found it extremely valuable. Through a partnership with the City's Procurement Services, PDC has access to the licensed curriculum for a portion of the fiscal year. In 2015, 616 graduates from various programs supported by the Streetwise curriculum showed the following outcomes. We expect to see similar outcomes from our recently graduated cohort in 2017.</p>	FY 2017-18 Adopted Budget	FY 2017-18	175,000		In Progress	These funds supported two growth programs, the Increase Project run by PSU Business Outreach Program and the Xxcelerator, run by Xxcelerate Fund. Both programs successfully recruited their first cohort and are in beginning to recruit for their 2nd cohort which will most likely begin in May 2018. These funds are anticipated to be fully disbursed by yearend.
Legislative, Administrative, and Support	Prosper Portland	FY 2016-17 Carryover: Entrepreneurship	<p>PDC is providing a \$55,250 loan to Portland Economic Investment Corporation (PEIC) for ongoing operations to cover operations from 2017 through 2019. The PEIC is the entity that serves as Limited Partner (LP) for two publicly backed funds - Portland Seed Fund II (PSF II) managed by Bridge City Management, and the Inclusive Fund managed by Elevate Capital. PEIC received \$750,000 from PDC for investment in Portland Seed Fund II and received \$500,000 from PDC for investment in the Inclusive Startup Fund (ISF). The monitoring of these two funds are the only programmatic activities PEIC has engaged in to date.</p> <p>PEIC has no revenue source to pay for basic operating costs such as tax preparation, business license fees, insurance, bank trust account fees and legal services. To cover those costs, PDC granted PEIC \$55,000 along with the investment in PSF II and another \$50,000 along with the investment in ISF.</p> <p>PDC will disburse \$25,250 in April, 2017 to support current operations, but plans to hold disbursement of the remaining \$30,000 until April, 2018.</p>	FY 2017-18 Adopted Budget	FY 2017-18	30,000		In Progress	The first \$25,250 of the loan has been disbursed and the remaining \$30,000 will be disbursed by the end of FY17-18.
Legislative, Administrative, and Support	Prosper Portland	Entrepreneurship Support	<p>The Traded Sector Entrepreneurship portfolio consists of programs that provide direct support to traded sector startups owned by people of color, women and other underrepresented minorities and indirect support to technical assistance organizations to adopt more inclusive practices that increase the diversity of startup founders they serve.</p> <p>A signature program of this portfolio is the Startup PDX Challenge. Traditionally this program provided in kind services, technical assistance and a cash award. A cut of \$50,000 would cut the financial award given to the winners and reduces resources available to external organization that will administer the program. PDC plans to manage a competitive solicitation process to select one or more organizations to provide direct assistance to traded sector startups with underrepresented founders instead of running another Startup PDX Challenge.</p> <p>The Startup PDX Challenge has been a popular program in underrepresented communities and has been a significant milestone for underrepresented entrepreneurs who have used this cash investment to launch their company. Traditionally, the cash award served as very early seed money for minority startups founders who lack networks of wealth to secure early capital from friends and family.</p> <p>By eliminating the cash award, five to six promising startup founders of color will not be able to access this early seed money. Previous Startup PDX Challenge winners have provided feedback that the early seed money was instrumental to getting their business off the ground in the early stages.</p> <p>The Film and Video Office has functioned under the Traded Sector umbrella at PDC and in the FY 2017-18, PDC elected to realign funding from Film and Video to Healthcare (ZD_01). CBO recommends this realignment. While PDC acknowledges the value of this work, the healthcare cluster is more aligned with their core mission. There is interest both at PDC and within the City to see this work continue.</p>	FY 2017-18 Adopted Budget	FY 2017-18	(50,000)		Complete	
Legislative, Administrative, and Support	Prosper Portland	Film & Video Office	<p>This person in this position: reviews all permits for film to ensure accuracy and completion, acts as a resource for productions looking to film, facilitates successful productions that achieve economic development goals, as well as those of the production and partner bureaus, identifies ways to provide increased (or same) service delivery in a more streamlined process, partners with organizations doing work within the film industry that have a focus on economic opportunity and inclusion, sponsors and supports the State of Oregon Economic Impact Study for the film industry, and addresses concerns from neighbors and neighborhood associations impacted by film productions. This funding is one-time and the Film and Video Office will need to identify and secure independent funding after FY 2017-18.</p>	FY 2017-18 Adopted Budget	FY 2017-18	142,240		In Progress	These funds are expected to spend out by yearend. The Film Office serves as the liaison between film productions working within the city - helping them navigate the requirements and relationships needed to conduct business here while minimizing the negative impact such work has on the residents and businesses. This FTE is working toward financial independence.
Legislative, Administrative, and Support	Prosper Portland	Cluster Ind. External Materials and Services Red	<p>This impact will be spread across five programs within the Traded Sector Economic Development Team. It will reduce the material and service budget for each program by \$4,000. The programs impacted are: Advanced Manufacturing, Athletic &amp; Outdoor, Clean Tech, International Trade, and Software. These programs support economic growth and opportunity by increasing access and opportunities to high growth sectors of the economy.</p> <ul style="list-style-type: none"> <li>These four industry clusters account for 53,000 jobs in Multnomah County in 2016.</li> <li>This is 19% more jobs than these industries accounted for five years ago.</li> <li>In 2015 exports accounted for 16% of our regions GDP and totaled \$25.4 billion.</li> </ul> <p>It is anticipated this cut will impact 3-4 programs within the cluster budget that directly assist international efforts and traded sector job growth. Further, 1-2 programs will likely find efficiencies in service delivery and will experience minimal impacts. A level of uncertainty exists as to which specific programs will be impacted but the types of impacts include:</p> <ul style="list-style-type: none"> <li>Support to industry associations;</li> <li>Direct delivery of programming for traded sector businesses located in Portland such as trade show support and supply chain events;</li> <li>Programming for diversity and inclusion efforts within traded sector businesses.</li> </ul>	FY 2017-18 Adopted Budget	FY 2017-18	(20,000)		Complete	

Legislative, Administrative, and Support	Prosper Portland	Venture Portland Catalytic Investment Initiative	<p>After a successful pilot in East Portland, Venture Portland would like to apply lessons learned in East and North Portland Business Districts. Venture Portland's Catalytic Investment Initiative addresses disparities (historic and structural) and rapid evolution in targeted districts by focusing on three short-term goals:</p> <ul style="list-style-type: none"> <li>•Increase Membership – neighborhood business district associations require strong membership to generate revenue, engage enough volunteers to maintain productive Board and Committees and accomplish goals. Strong membership accurately reflects the full diversity of a neighborhood; it enables communication and community engagement and is a key tool for preventing displacement in rapidly evolving areas.</li> <li>•Pilot Project Result – Increased membership 86% across all districts (190 new members, nearly half of all current East/North Portland business association members are new); added 78 new member benefits to better serve the diverse mix of East/North Portland businesses</li> <li>•Increase Volunteerism – neighborhood business districts are volunteer-run organizations. To ensure their ongoing ability to drive Portland's economy, ongoing investment must be made in developing current and future leaders.</li> <li>•Pilot Project Result – Increased volunteerism 29%, adding needed volunteer capacity to help the City invest more than \$100 million in public infrastructure projects across all districts (added 35 new Board members); 22% of district Board members are now people of color</li> <li>•Increase Revenue – neighborhood businesses and business districts drive Portland's economy. Increasing revenue provides stability for Portland's volunteer-run organizations which in turn provide services and support that make cash registers ring in neighborhood businesses.</li> <li>•Pilot Project Result – Increased revenue 150% across all districts (generated \$160,000); hosted 14 revenue-generating events that connected neighbors with neighborhood businesses and made cash registers ring in economically lagging parts of Portland</li> </ul> <p>The Future – City Wide Although we launched this effort as a 12-month demonstration project, we knew that for a catalytic investment of this magnitude to succeed long-term, it would require a 3-5 year effort. In transitioning this funding to ongoing we hope to stabilize current participating districts over the next 2-4 years and then turn our attention to other districts in need.</p> <p>At Venture Portland's 2017 Strategy Summit, neighborhood business district leaders representing 40 districts city wide were asked to identify their biggest barriers to success; despite record-setting membership and revenue growth over the last four years, the following issues were shared across districts:</p> <ul style="list-style-type: none"> <li>•Rapid District Evolution Outpacing Volunteer Capacity</li> <li>•Member Engagement</li> <li>•Leadership Development</li> </ul> <p>Portland is changing rapidly and volunteer-run neighborhood business districts city wide are struggling to keep pace. Transitioning this successful model from a pilot project to an ongoing effort provides critical stability for the committed district volunteers and professional staff working to strengthen our economy and ensure our shared prosperity. Together we are growing business and connecting neighborhoods.</p> <p>This Catalytic Investment Initiative is ongoing. Venture Portland and targeted districts achieve the following short-term outcomes:</p>	FY 2017-18 Adopted Budget	FY 2017-18	168,000	Complete	The grant agreement between Prosper Portland and Venture Portland is executed, and the grant was fully disbursed in February 2018. Venture Portland reported that all Catalytic Investment Initiative grants have been disbursed to eight targeted business districts. Additional accomplishments will be reported by Venture Portland at the end of fiscal year 17-18.
Legislative, Administrative, and Support	Prosper Portland	Small Business Tech. Assistance Partnership	<p>After completing the SBTAP RFP this June, we have contracted with eleven organizations and are now able to re-evaluate the service numbers for FY 2017-18. The formation of SBTAP has increased the number of businesses served each year from approximately 300 to 430. With that increase, there is a need to increase the supplemental services budget to accommodate the extra client load. Supplemental services include services such as legal, credit counseling, market research, accounting assistance, childcare costs so business owners can attend classes and workshops, and digital marketing assistance. The average cost for supplemental services per client amounts to \$330 per year. With an additional 130 clients, this creates a need of \$42,900 per year.</p>	FY 2017-18 Fall BMP	FY 2017-18	-	Complete	The project was not funded.
Legislative, Administrative, and Support	Prosper Portland	Holman Dock Replacement	<p>- Asset Information: The Holman Light Watercraft Dock provides lighthouse craft access to the Willamette River.</p> <p>- Project Description: The dock is approaching the end of its ten year service life and needs to be replaced. Estimate includes replacement of freeboard portion of dock (ramp and gangway have already been replaced). Assumes existing freeboard is dismantled and salvaged. Anticipated that freeboard would need to be constructed offsite in advance of July 1, 2018 window for next in water work timeframe. Capital cost includes cost to rebuild freeboard dock, permits, dismantling of dock, and in water work (including in water permit/assumes current DSL permit through 2019). Assumes replaces dock in current form.</p> <p>\$230,000 dock and permits, and biological assessment \$20,000 consultant for permits \$50,000 Prosper Portland staff time</p> <p>- Explain Scores: Current failure scores are based on the dock nearing the end of its service life. Current dock surfaces may pose a risk to users given deteriorating wooden surfaces. Legal and financial impact based on current agreements in place to provide a usable dock through 2019. Number of lighthouse craft users are estimated to be under 1,000 by Prosper Portland staff. Progression/worst case based on risk that dock may come apart or disintegrate in high river current/water level conditions or if substantially impacted by another object within the next year. This could cause downriver impacts (higher city risk exposure).</p> <p>- Benefits: The project could create the following benefits (6% out of 10%)</p> <ol style="list-style-type: none"> <li>1) Improves safety for dock users and prevent debris if failure occurs)</li> <li>2) implements a community priority (Eastbank Crescent Riverfront Plan)</li> <li>3) implements an identified action in an approved City Plan (Eastbank Crescent Riverfront Plan)</li> </ol>	FY 2017-18 Fall BMP	FY 2017-18	-	Complete	This project is being partially funded with tax increment funding.
Legislative, Administrative, and Support	Prosper Portland	Old Town/China Town Dist. Mgr yr. 3	<p>The Old Town Chinatown neighborhood is a highly diverse historic district, featuring affordable building stock and social service agencies serving the low-income and homeless population, an active nightlife scene, tourist destinations, higher educational institutions, and a mix of commercial offices and local/independent retailers and restaurants. Despite these successes, the district struggles to promote a positive identity necessary to achieve a healthy and complete neighborhood. Addressing real and perceived issues of public safety and livability; balancing residential incomes through the introduction of new middle-income units and preservation of existing affordable housing units; investing in rehabilitation of historic buildings; embracing and enhancing the area's unique culture, history and identity; and, promoting economic vitality were articulated as top priorities for community stakeholders.</p> <p>The Old Town Chinatown 5-Year Action Plan ("Action Plan"), endorsed by City Council August 2014, is a comprehensive community development initiative to create a safe, vibrant, economically healthy neighborhood in Old Town Chinatown. The Action Plan outlines recommended actions and a dedication of Prosper Portland, City and private sector resources to achieve three strategic objectives over the five year term:</p> <ul style="list-style-type: none"> <li>•Attract new neighborhood investment to activate key properties and improve district connectivity;</li> <li>•Promote business vitality by increasing employment and retail activity; and</li> <li>•Align resources and build local capacity for improving district livability.</li> </ul> <p>The Action Plan specifically calls for the dedication of City resources over a three year period (\$30,000/year) to support district management, promotion and programming. The investment leverages a minimum required match of \$30,000/year to be raised by the Old Town/Chinatown Community Association ("Community Association"). The objective of this work is to coordinate key communications, programming efforts and branded improvements within the neighborhood to increase positive media coverage, bring people living and working in the neighborhood together, and drive interest in the area as a place to do business, spend time and money.</p> <p>The second year of the program is finished and combined City and community-raised funds are being used to hire a district manager. District management duties include: increasing district revenue for implementation of signature community events and community investment matching grant requirements; increasing district communication and engagement via various communication channels; promoting and enhancing the district's unique multiethnic history; understanding, assessing, and representing the district's unique needs for business vitality and district livability; and partnering with others to support various Old Town Chinatown Action Plan and Community Association Strategic Plan goals.</p> <p>This is the final year for the commitment of general fund dollars to support the program. Defined deliverables and metrics are currently under development with the preparation of a refined work plan, and are subject to change. Generally, the work for the coming year is anticipated to include the following focus areas &amp; Deliverables</p>	FY 2017-18 Fall BMP	FY 2017-18	30,000	In Progress	Contract was just signed, will disburse by yearend.
Legislative, Administrative, and Support	Prosper Portland	APANO	<p>Financial Sustainability--&gt;increase revenue to support ongoing employment of district management position and implementation of key district events and investments</p> <p>Event &amp; Community Development Programming--&gt;Neighborhood events, markets, festival street activation; Opportunities for small business promotions; Coordination of branded investments including Big Bellies, streetlight banners, etc</p> <p>APANO: \$100K one-time. This fills the final gap in the community space portion of the project. Currently the City has invested funding through the Portland Housing Bureau, Prosper Portland, and leverages private and non-profit investment in this community resource. The project hopes to break ground soon therefore this funding need is more urgent.</p>	FY 2017-18 Fall BMP	FY 2017-18	100,000	Complete	The grant agreement between APANO and Prosper Portland has been executed and funding has been fully disbursed to APANO. The property closed escrow in December 2017 and construction began shortly after the close date. We expect all construction, including tenant improvements, to be completed by December 2018. Once the core and shell of the building is completed, APANO will own the ground floor retail space, which will function as a community center and permanent home for APANO and Jade district offices.