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Kimberly Branam
Executive Director

DATE: April 20, 2020

TO: Mayor Ted Wheeler
Commissioner Chloe Eudaly
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Jo Ann Hardesty

FROM: Kimberly Branam, Prosper Portland Executive Director

SUBJECT: FY 2019-20 Spring Budget Monitoring Report

Prosper Portland is pleased to submit its spring budget monitoring report. Included in this report is the request to carryover \$197,000 in current year funding to FY 2020-21 for priorities that are underway and are not expected to fully be expended as of June 30, 2020.

Requested Carryover from FY 2019-20 to FY 2020-21:

Brownfield \$122,000 – Prosper Portland’s FY19-20 Adopted Budget includes \$123,000 to continue work as the Brownfield Property Tax Exemption Program administrator. This package provides Prosper Portland with funding to evaluate the development of a Brownfield cleanup tax incentive authorized by HB 4084.

Currently, the program is working through legislative fixes. The support of Multnomah County and Portland Public Schools is necessary prior to implementing this program, as legislation requires 75% of the taxing jurisdictions to approve. Following these steps, Prosper Portland will be able to implement the Brownfield Property Tax Exemption Program.

Albina Vision \$75,000 – Prosper Portland’s FY19-20 Adopted Budget includes \$75,000 to conduct community engagement efforts to capture how Portlanders envision the future of Albina / the Rose Quarter, coordinate engagement activities with adjacent community engagement efforts, and be informed by stakeholders and the work in N/NE Portland and the Broadway Corridor. The Albina Vision Trust is committed to completing the work and will need to roll over the grant funds to FY20-21 to do so.

Status Reporting Requirements

Current Year Projections – Prosper Portland projects that its share of General Fund and Cannabis funds will spend out entirely, provided the requested modifications are made.

Current Year Decision Package Updates – This report describes the status of prior decision package-funded activities. The majority of Prosper Portland’s decision package



report indicates that spending and outcomes are on track and as expected. See attached report for additional detail.

ZD - Prosper Portland

DP Type

Request Name: 9925 -Brownfield Program Carryover

Package Description

This is for the development of the brownfields tax exemption program that has not yet been approved by Multnomah County and PPS. BES is the lead project management on the development phase which will transition to Prosper Portland once approved by City Council. The legislation authorizing the creations of the exemption program requires approval from 75% of the taxing jurisdictions in the area where the exemption will be available. In Portland that means the City of Portland, Portland Public Schools and Multnomah County all have to agree. At the moment the County isn't on board. BES is working through this with Former Commissioner Fish staff. Funds will need to be carried over to next fiscal year.

Service Impacts

Equity Impacts

Account Name		2019-20 SPRING Requested Adj
Expense	External Materials and Services	-122,000
Expense	Sum:	-122,000

Account Name		2019-20 SPRING Requested Adj
Revenue	General Fund Discretionary	-122,000
Revenue	Sum:	-122,000

ZD - Prosper Portland

DP Type

Request Name: 9926 -Albina Vision Carryover

Package Description

Albina Vision Trust has a \$75,000 grant (allocated via City Council) for FY19-20 to conduct community engagement efforts to capture how Portlanders envision the future of Albina / the Rose Quarter, coordinate engagement activities with adjacent community engagement efforts, and be informed by stakeholders and the work in N/NE Portland and the Broadway Corridor. The Albina Vision Trust is committed to completing the work and will need to roll over the grant funds to FY20-21 to do so.

Service Impacts

Equity Impacts

Account Name		2019-20 SPRING Requested Adj
Expense	External Materials and Services	-75,000
Expense	Sum:	-75,000

Account Name		2019-20 SPRING Requested Adj
Revenue	General Fund Discretionary	-75,000
Revenue	Sum:	-75,000

Business Area Projection Report

#MULTIVALUE

Major Object	2019-20 SPRING Requested Total	2019-20 March Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Requested Total
External Materials and Services	6,674,994	4,312,748	6,674,994	100%
Sum:	6,674,994	4,312,748	6,674,994	100%

Major Object	2019-20 SPRING Requested Total	2019-20 March Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Requested Total
General Fund Discretionary	6,674,994	0	6,674,994	100%
Sum:	6,674,994	0	6,674,994	100%

Major Object	2019-20 SPRING Requested Total	2019-20 March Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Requested Total
External Materials and Services	737,126	-149,997	737,126	100%
Sum:	737,126	-149,997	737,126	100%

Major Object	2019-20 SPRING Requested Total	2019-20 March Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Requested Total
Miscellaneous Fund Allocation	737,126	0	737,126	100%
Sum:	737,126	0	737,126	100%

Revenue Discussion

Prosper Portland is reimbursed by the City of Portland.

Revenue Risks

The City of Portland reimburses Prosper Portland for its expenditures, based on an intergovernmental agreement. This limits the risk associated with receiving Cannabis Fund revenues for FY19-20.

Expenditure Discussion

Prosper Portland is projecting to spend all Cannabis dollars by yearend.

Expenditure Risks

More than a third of these funds have been spent to date. Small businesses and cannabis businesses are now receiving online technical assistance, as well as grant and loan funding due to the negative economic impacts of COVID 19.

Other Notes

Prosper Portland is reimbursed by the City of Portland.

Revenue Risks

The City of Portland reimburses Prosper Portland for its expenditures, based on an intergovernmental agreement. This limits the risk associated with receiving General Fund revenues.

Expenditure Discussion

Prosper Portland is projecting to spend all General Fund dollars by yearend, with the exception of the Brownfields Cleanup Tax Incentive and the Albina Vision funds. \$197,000 are requested to be carried over into FY20-21 for these programs.

Expenditure Risks

Business Area Projection Report

Economic development, be it traded sector business support, small business support, or workforce support, is facing a substantial impact due to COVID-19. While these funds were intended to be spent to help grow businesses, the rapidly changing environment may mean that these dollars are used to help stabilize businesses. More than half of these funds have been spent to date.

Other Notes

Service Area	Bureau Name	Decision Package Title	Package Description	Funded in	Year Funded	Package Funding	Package FTE	Package Status	Package Update
Community Development	Prosper Portland	Coordinated Community Plan & Development	Collectively, the partner Bureaus are planning, implementing, and investing in multiple projects and policy directives towards Portland's long-term future growth in NE Portland. The Bureaus' work in this area often overlaps but at times is not optimally coordinated with regards to planning, communications, community outreach, implementation, or outcomes. This diminishes how the community experiences the City and produces inefficient investments and outcomes. Northeast Portland: Activities and investments in this area would follow through on commitments to make sure redevelopment of the area achieves equitable development outcomes and benefits to the N/NE Portland community. Included are resources for Cully TIF district feasibility and analysis (\$50k) and Hill Block property (\$100k). The Partner Bureaus are directed to propose a one-time funding package which reflects specific staffing, community investment, and tasks required to implement on City Council project and policy priorities in each of the three communities as described above. The partner Bureaus are further directed to work with the Bureau of Revenue and Financial Services to determine a robust funding strategy for stable, long term public investment to implement on community priorities and action plans within each of the geographies.	FY 2019-20 Adopted Budget	FY 2019-20	150,000		In progress	Complete - Hill Block: Coordination is continuing with the Project Working Group (PWG) for the Russell/ Williams site. The PWG, N/NE Neighborhood Housing Strategy Oversight Committee and the N/NE Community Development Initiative oversight committee have all voted in favor of bringing the site into Interstate TIF District. This was then passed by the Prosper Portland Board in March is now part of the TIF District. In progress - Cully TIF District: The seven community groups representing the Cully neighborhood completed a facilitation process resulting in an adopted charter and mutually agreed upon decision-making model to be utilized by the Exploratory Leadership Committee (ELC). As work enters the next phase during the COVID 19 environment, regular meetings continue to be conducted using online platforms. The ELC is currently developing an engagement plan to further refine priorities for the Cully community and explore the applicability of tax increment finance to address those priorities. It is expected that the balance will continue to mobilize the efforts of the project.
Community Development	Prosper Portland	Portland Means Progress	The goal is to promote private sector investment in programming that supports inclusive economic growth and job creation, based on findings from the Mayor's Council of Economic Advisors (CEA) to address key disparity issues in the city. The CEA Business Challenge is a city-wide business initiative where businesses commit to at least one of the following actions: create work experience opportunities for underrepresented students, create culture change in their organizations by providing diversity training for staff, or support underrepresented small businesses through purchasing of goods and services. It is an effort to engage the private sector into taking measurable action to address the growing disparity in Portland.	FY 2019-20 Adopted Budget	FY 2019-20	300,000		In progress	50 Early Adopter businesses: - 94% have less than 3k employees - About 27k total employees represented - 12% identify as minority-owned - 34% identify as women-owned - 4 equity practitioners and 16 companies worked together to create the Culture Change Roadmap, which launched March 10: https://portlandmeansprogress.com/culture-change-roadmap - 53 work experience opportunities in 2019 through Worksystems, Emerging Leaders & internal internship programs - 88% early adopter businesses expressed an interest in recommitting to PMP in 2020 - Around 2/3 of PMP early adopters connected with other PMP businesses about their commitments https://portlandmeansprogress.com/
Community Development	Prosper Portland	IBRN - NPN Business Support	In 2014, Prosper Portland piloted a model of providing light touch business advising support in the Rosewood and Division Midway Alliance Neighborhood Prosperity Initiative districts as part of the Microenterprise and Small Business Development Program (Micro Program). Since 2014, due to demand and need, the service expanded to other Neighborhood Prosperity Network (NPN) districts supported by Enterprise Zone funding; however there has been no dedicated funding specifically for NPN business support services. Without a dedicated funding source, the number of business support staff for the NPN has decreased due to variability of Enterprise Zone funding. The Micro Program has since become part of the Inclusive Business Resource Network (IBRN) which now has a system of both long term support (programs that provide 40+ hours of technical assistance a year) and light touch support (programs that help navigate businesses to programs within IBRN and provide approximately 10 hours of service a year). Light touch business support that through the NPN helps those communities reach their business stability goals. This type of business outreach increases access to services and support available through the extensive IBRN portfolio. 11% of clients served through NPN services have transitioned into long term programming to date and 27% have achieved a Strong and Stable badge (IBRN's system for measurable outcomes). Since 2014, lessons learned have shown that for business support to work effectively for the NPN, enough staff time must be dedicated to outreach and relationship development in coordination with the district manager. The program has been most	FY 2019-20 Adopted Budget	FY 2019-20	194,000		In progress	Support is now focused on helping businesses survive the COVID 19 crisis through support from Livelihood NW, MESO, NAYA. There is still a significant need for technical assistance during this crisis, especially in applying for federal and local grants. 77 clients served for Q1 and Q2 40% identify as female Priority Populations # % Total Black 10 13% Total Native 1 1% Total Latinx 16 21% Total POC 51 66% Total BIPOC 27 35% Total Low Income 41 53%
Community Development	Prosper Portland	Portland Film Office	In collaboration with the City Budget Office and in response to the FY 18-19 Budget Note, the Portland Film Office is requesting \$142,000 in General Funds for FY 19-20. Permitting bureaus, such as Parks and PBOT, will be responsible for funding half of the Film Office for FY 19-20. Prosper Portland will work with these bureaus to develop a process for the successful long-term funding of the Portland Film Office. The Portland Film Office is a city entity supporting an industry that generated \$162 million in economic activity in FY 16-17. The Film Office serves as the liaison between film productions working within the city - helping with the requirements and relationships needed to conduct business in Portland while minimizing the negative impact such work has on the residents and businesses. This economic activity increased Portland's national and international presence, specifically through shows on HBO, Netflix, IFC and NBC. The Film Office sets local policy, removes barriers and works to ensure that film production increases economic and cultural benefits for the local workforce and businesses. It works to attract film production into Portland and represent Portland globally.	FY 2019-20 Adopted Budget	FY 2019-20	142,000		In progress	An MOU has been signed by the Bureau Directors for Prosper Portland, PBOT and Parks to focus on the financial sustainability of the Portland Film Office (PFO). PFO is working to create an omnibus film permit and intake process as the foundation of the office's self-sufficiency. Film Office staff continues to be the important link between the business needs of production companies and the regulatory requirements of the City in support of almost \$160M of economic activity in Portland. PFO is the lead for workforce development efforts for the local industry via the Talent Diversity Initiative, Outside the Frame support, Post Production grant program, and an internship program for the second season of 'Shrill.' Heading into FY20-21, the PFO will be leading Covid response initiatives to help restore the local industry as film production starts back up.
Community Development	Prosper Portland	FY 2018-19 Carryover: Brownfield Program		FY 2019-20 Adopted Budget	FY 2019-20	123,000		In progress	This is for the development of the brownfields tax exemption program that has not yet been approved by Multnomah County and PPS. Jenn with BES is the lead project management on the development phase which will transition to Prosper Portland once approved by City Council. The legislation authorizing the creation of the exemption program requires approval from 75% of the taxing jurisdictions in the area where the exemption will be available. In Portland that means the City of Portland, Portland Public Schools and Multnomah County all have to agree. At the moment the County isn't on board. Jenn is managing the politics through Former Comm. Fish staff. Funds will need to be carried over to next fiscal year.
Community Development	Prosper Portland	Albina Vision		FY 2019-20 Adopted Budget	FY 2019-20	75,000		In progress	Albina Vision Trust has a \$75,000 grant (allocated via City Council) for FY19-20 to conduct community engagement efforts to capture how Portlanders envision the future of Albina / the Rose Quarter, coordinate engagement activities with adjacent community engagement efforts, and be informed by stakeholders and the work in N/NE Portland and the Broadway Corridor. The Albina Vision Trust is committed to completing the work and will need to roll over the grant funds to FY20-21 to do so.
Community Development	Prosper Portland	James Beard Market		FY 2019-20 Adopted Budget	FY 2019-20	100,000		In progress	This funding has been changed to Division Bus Rapid Transit anti-displacement effort. APANO and Livelihood NW are working with businesses and community members in outer Division to help strengthen organizations and offer support during construction. They are both doing online technical assistance.

Service Area	Bureau Name	Decision Package Title	Package Description	Funded in	Year Funded	Package Funding	Package FTE	Package Status	Package Update
Community Development	Prosper Portland	Cannabis Tax Revenue to Prosper Portland	Amending adopted budget by moving 30% of Civic Life's carryover of Cannabis Tax funds for community grants to Prosper Portland.	FY 2019-20 Adopted Budget	FY 2019-20	210,000		In progress	Five cannabis businesses owned by people of color received a total of \$51,000 in grants administered by NuLeaf Project through Prosper Portland's Cannabis Business Development Equity Program. The grants intend to address the capital gap that business owners of color face and support business growth. Nu Leaf will also be piloting a low interest loan product in partnership with Colorado Lending Works with some of the cannabis tax funds to create a more sustainable funding option so that when the loan is paid back, other businesses can access the funding. NuLeaf Project, a nonprofit with a mission to help people of color build wealth in cannabis either as business owners or high-earning professionals, has entered its second year of assisting cannabis businesses owned by people from communities disproportionately targeted by cannabis prohibition. NuLeaf Project places a priority on supporting people from the communities targeted by cannabis criminalization: African Americans, Native Americans, and Latino Americans. The five businesses receiving grants will also receive support services from NuLeaf Project and Prosper Portland's Inclusive Business Resource Network including business coaching, technical assistance, and mentoring. All businesses receiving grants in 2020 are majority owned by members of the priority communities; more than half have women ownership. http://nuleafproject.org/
Community Development	Prosper Portland	Mercatus My Peoples Market	Mercatus is a storytelling platform and directory designed to elevate and connect entrepreneurs of color. The Mercatus Directory provides the opportunity for entrepreneurs of color to connect with new clients and gain new accounts. Businesses listed in the directory receive invitations to networking events, trade shows and connections to Prosper Portland industry clusters including athletic and outdoor, manufacturing, healthcare, technology, and green cities. It is a collective effort to reframe the business landscape of Portland to include entrepreneurs of color.	FY 2019-20 Adopted Budget	FY 2019-20	100,000		In progress	Hosted My People's Market 5: 118 businesses Mercatus business owners identify with multiple race/ ethnicity so numbers are not mutually exclusive: 141 or 23% Asian/ Pacific Islander 138 or 23% Black/ African American/ African 157 or 26% Latino/a/x 91 or 15% Native American Hosted 5 BIPOC specific business events (networking, work-shops), 1 market connection event- Professional Service Fair
Community Development	Prosper Portland	NPN OTCT District Manager	Provide funding for the Old Town Community Association (OTCA) district manager position to assist in its mission of promoting equitable development, job creation and livability in the Old Town / Chinatown neighborhood. The district manager position was created three years ago as part of a grant awarded by Prosper Portland from the General Fund and matched by donations from Old Town businesses, nonprofits, property owners and community members. The district manager works with OTCA to build the capacity of its all-volunteer board, and to promote the rapidly evolving, diverse neighborhood through marketing, promotions and events. The district manager's daily presence in the community allows for identification of opportunities to enhance the district. By consistently reaching out to both businesses and residents, the district manager helps the OTCA keep the promises of diversity and inclusion with its members and partners.	FY 2019-20 Adopted Budget	FY 2019-20	30,000		Complete	This grant was distributed in March. It supports the Old Town Community Association's Development Manager's salary. The Community association pays 50%. His name is Danial Klinkert and he has accomplished, among other things: organized community promotion events including artist pop up shops; met with many of the businesses to understand needs and inform them of City resources to help their businesses; coordinate the formulation of a Old town / China Town retail strategy; and working to place food carts in Old Town. The Community Association is the primary group representing residents and business in Old Town / China Town.
Community Development	Prosper Portland	Venture Portland	Allocate \$17,000 in one-time General Fund resources to Prosper Portland for Venture Portland. The funding source for this action is a \$17,000 reduction in Special Appropriations for the Frog Ferry Water Taxi feasibility study.	FY 2019-20 Adopted Budget	FY 2019-20	17,000		Complete	These funds are going toward staffing and overhead assistance on the Venture Portland contract. Staff time is needed to take this item to Prosper Portland's Board, as well as monitor and manage the contract outcomes and payments.