



DATE: September 9, 2021

TO: Mayor Ted Wheeler  
Commissioner Jo Ann Hardesty  
Commissioner Mingus Mapps  
Commissioner Carmen Rubio  
Commissioner Dan Ryan

FROM: Kimberly Branam, Prosper Portland Executive Director

SUBJECT: FY 2021-22 Fall Budget Monitoring Report

Gustavo J. Cruz, Jr.  
Chair

Francesca Gambetti  
Commissioner

William Myers  
Commissioner

Peter Platt  
Commissioner

Serena Stoudamire  
Wesley  
Commissioner

Ted Wheeler  
Mayor

Kimberly Branam  
Executive Director

Prosper Portland is pleased to submit its Fall Budget Monitoring (BMP) report. Included in this report is an increase in fiscal year (FY) 2021-22 budget of \$452,491 as well as the prior year General Fund and Cannabis Fund expenditure report and updates on performance metrics.

#### **FY 2021-22 Budget Carry Over: \$177,491**

- **Small Business Repair Grants: \$167,491**
  - These committed expenses from FY 2020-21 for the Small Business Repair Grant did not spend out in their entirety and are thus requested to be carried over to FY 2021-22 as funds continue to be disbursed to small businesses in Portland in need of physical repairs.
- **Albina Vision Trust: \$10,000**
  - This grant is expected to be completely spent out by December 2021. Funds have been carried over since the FY 2019-20 allocation of \$75,000.

#### **FY 2021-22 New Requests: \$275,000**

- **Tax Increment Finance (TIF) District Exploration: \$250,000**
  - Exploration for two community TIF districts (boundaries to be determined): East Portland (area surrounding Rosewood, Division Midway Alliance and Jade District) and Parkrose. These funds will support community engagement and planning in partnership with community-based organizations to occur between now and June 30, 2022. The resources will facilitate community conversations centering the voices of historically underserved and marginalized communities to determine the potential of two community centered TIF Districts in supporting economic and housing stabilization in East Portland. The outcome of this work will result in a report to the Prosper Portland Board of Commissioners and City Council identifying feasibility of potential districts and next steps.
- **Ankeny West Cart Blocks Infrastructure Funding Amendment: \$25,000**
  - This budget request seeks \$25,000 to amend Prosper Portland's agreement with Friends of Green Loop to ensure completion of improvements the area for successful Cart Blocks

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operations. Council directed \$269,000 in the FY 2021-22 Adopted Budget to provide the necessary infrastructure to establish the “Cart Blocks” food cart pod. The funding for the infrastructure buildout included movement and installation of a gate in front of the AT&T building in order to make the use of this area feasible for cart operations. The estimate of \$38,138 to move the gate was the amount included in the Adopted Budget for this project, however, that estimate was provided on October 15, 2019. PBOT and AT&T staff have since determined that due to inflation and other changes to what is needed, the cost for moving and installing a new gate is now nearly \$64,000.

## FY 2020-21 Budget Reporting

<b>Prosper Portland FY 2020-21 General Fund &amp; Cannabis</b>	<b>Budget</b>	<b>Actuals</b>	<b>Variance</b>
<b>General Fund</b>			
Neighborhood Economic Development	5,366,838	5,187,145	179,693
Traded Sector	1,475,032	1,475,032	-
<b>General Fund Total</b>	<b>6,841,870</b>	<b>6,662,177</b>	<b>179,693</b>
<b>Cannabis Neighborhood Economic Development Total</b>	<b>858,440</b>	<b>858,440</b>	<b>-</b>
<b>Total Prosper Portland FY 2020-21 Contract</b>	<b>7,700,310</b>	<b>7,520,617</b>	<b>179,693</b>

## FY 2020-21 Performance Reporting

Attached are updated performance reports for program metrics and Prosper Portland’s key performance indicators. As of September 9, 2021, several metrics are still being collected by Prosper Portland partners for FY 2020-21 and will not be available until November. Performance metrics for FY 2020-21, in most cases, exceeded targeted numbers.

- ***Percentage of workforce in Multnomah County working in quality job occupations grew to 55.6%.*** Quality jobs grew three percentage points from the previous year and exceeded the anticipated 5-year goal outlined in the strategic plan by about eight percentage points.
- ***Percentage of non-TIF resources for operating budget (staff, materials and services, economic development programs) decreased from FY 2019-20 (69% to 67%).*** Operating resources continued to decrease in FY 2020-21 compared to prior years primarily due to loss of loan interest and property income as a result of the COVID-19 pandemic.
- ***Ratio of private investment to Prosper Portland financial assistance increased from FY 2019-20 (4.1 to 7.4).*** Loan, grant and Enterprise Zone activities leveraged additional private investment at a higher ratio than previous years.
- ***Number of jobs created across the agency increased from FY 2019-20 (2,258 to 2,513).*** Job creation increased based on efforts made by the Business and Industry team, as well as the lending team to strengthen small businesses in Portland.

**ZD - Prosper Portland**

**DP Type**

**Encumbrance Carryover**

**Request Name:** 12561 -Small Business Repair Grants Encumbrance Carry Over

**Package Description**

Many Portland businesses have experienced an unprecedented level of stress and anxiety as a result of recent economic shocks. A General Fund allocation to the Local Small Business Repair Grants would be available throughout the city to support businesses with immediate physical repair needs and provide an urgent intervention for our neighborhoods and commercial corridors, particularly outside of existing Tax Increment Finance districts. In FY 2020-21, Prosper Portland received \$550,000 General Fund resources. Of this, \$382,509 was disbursed through the end of June and helped about 100 small businesses. This is a request to carry over the remaining \$167,491.

**Service Impacts**

Businesses receive about \$4,000 in grants, so it is estimated that about 42 more businesses will be served by the remaining funds.

**Equity Impacts**

- FY 2020-21 funding breakdown is as follows:
- 37% of grant resources were to White owned businesses
- 18% of grant resources were to Asian owned businesses
- 1% of grant resources were to Black or African American owned businesses
- 3% of grant resources were to Middle Eastern / North African owned businesses
- 5% of grant resources were to Hispanic or Latino/a/x owned businesses
- 35% of businesses entered N/A; unknown or preferred to self-describe; or chose not to identify

**CBO Analysis**

	2021-22 FALL Requested Adj	Fall Adopted Total
External Materials and Services	167,491	0

	2021-22 FALL Requested Adj	Fall Adopted Total
General Fund Discretionary	167,491	0

**ZD - Prosper Portland**

**DP Type**

**Encumbrance Carryover**

**Request Name:** 12562 -Albina Vision Trust Encumbrance Carry Over

**Package Description**

Albina Vision Trust received 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 \$10,000 to FY21-22 to do so.

**Service Impacts**

**Equity Impacts**

**CBO Analysis**

	2021-22 FALL Requested Adj	Fall Adopted Total
External Materials and Services	10,000	0

	2021-22 FALL Requested Adj	Fall Adopted Total
General Fund Discretionary	10,000	0

**ZD - Prosper Portland**

**DP Type**

**Technical Adjustments**

**Request Name:** 12602 -Technical adjustment updating RCT commitment items

**Package Description**

CBO is entering this on behalf of the bureau. Purpose is to make a net zero entry to align RCT allocations with new commitment items.

**Service Impacts**

**Equity Impacts**

**CBO Analysis**

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	2021-22 FALL Requested Adj	Fall Adopted Total
Miscellaneous Fund Allocation	0	0

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**ZD - Prosper Portland**

**DP Type**

**New GF Request**

**Request Name:** 12669 -Community TIF District Exploration

**Package Description**

Capacity building with community based organizations to help facilitate community conversations that will center the voices of historically underserved and marginalized communities in exploring the potential of two community centered Tax Increment Finance (TIF) districts.

**Service Impacts**

Exploration for two community TIF districts (boundaries to be determined): East Portland (area surrounding Rosewood, Division Midway Alliance and Jade District) and Parkrose. This work is to center community conversations.

**Equity Impacts**

Ensures that historically underrepresented communities benefit from the investment that is occurring in the neighborhoods. These districts are in neighborhoods with the lowest average household incomes and higher than average diversity compared to Portland as a whole.

**CBO Analysis**

	2021-22 FALL Requested Adj	Fall Adopted Total
External Materials and Services	250,000	0

	2021-22 FALL Requested Adj	Fall Adopted Total
General Fund Discretionary	250,000	0

**ZD - Prosper Portland**

**DP Type**

**New GF Request**

**Request Name: 12670 -Ankeny West Cart Blocks Infrastructure Funding Amendment**

**Package Description**

Council directed \$269,000 in the FY 2021-22 Adopted Budget to provide the necessary infrastructure to establish the “Cart Blocks” food cart pod. This project provided new opportunities for local business owners that had been evicted from the Alder Street cart pod in 2018. The Cart Blocks project also activates a long-blighted park downtown.

The funding for the infrastructure build out included movement and installation of a gate in front of the AT&T building in order to make the use of this area feasible for cart operations. The estimate of \$38,138 to move the gate was the amount included in the Adopted Budget for this project, however, that estimate was provided on October 15, 2019. PBOT and AT&T staff have since determined that due to inflation and other changes to what is needed, the cost for moving and installing a new gate is now nearly \$64,000. This budget request seeks \$25,000 to amend Prosper Portland's agreement with Friends of Green Loop to ensure completion of improvements the area for successful Cart Blocks operations.

**Service Impacts**

This funding completes the City's commitment to establishing a new food cart pod in downtown, featuring food carts that were evicted from the Alder Street site when construction of the Ritz-Carlton Hotel began in 2018.

**Equity Impacts**

The food carts operating at the new “Cart Blocks” are small businesses predominantly owned by people of color, many of whom are also immigrants and refugees. Food carts helped Portland rebuild after the last recession and helped seed the culinary scene that followed. The successful operation of this new site is also expected to have broader positive impacts on economic recovery for businesses downtown. The Cart Blocks will be a new stop and building block for the Green Loop, a larger City initiative to activate and connect downtown to the central east side.

**CBO Analysis**

	2021-22 FALL Requested Adj	Fall Adopted Total
External Materials and Services	25,000	0

	2021-22 FALL Requested Adj	Fall Adopted Total
General Fund Discretionary	25,000	0

# Prior Year Fund Reconciliation Report

Prosper Portland

## 100 - General Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
External Materials and Services	6,841,870	6,662,177	97.37%
<b>TOTAL EXPENDITURES</b>	<b>6,841,870</b>	<b>6,662,177</b>	<b>97.37%</b>

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
General Fund Discretionary	6,841,870	0	0%
<b>TOTAL REVENUES</b>	<b>6,841,870</b>	<b>0</b>	<b>0.00%</b>

### Expenditure Discussion

Prosper Portland has a variance of \$179,693 in General Fund, which is due mostly to the following encumbrances that did not spend out by the end of June. \$2,202, however, is from Neighborhood Prosperity Initiative revenue share, which was in excess of the actual revenue share that the City received and is not being requested for carry over.

\$167,491 Small Business Repair Grants, these funds are being requested for carry over  
\$10,000 Albina Vision Trust, these funds are being requested for carry over

Prosper Portland had no variance in the Recreational Marijuana Tax Fund.

### Revenue Discussion

Prosper Portland is reimbursed for economic development expenses.

Prosper Portland is reimbursed for economic development expenses.

## 227 - Recreational Marijuana Tax Fund

EXPENDITURES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
External Materials and Services	858,440	858,440	100%
<b>TOTAL EXPENDITURES</b>	<b>858,440</b>	<b>858,440</b>	<b>100.00%</b>

REVENUES	2020-21 Revised Budget	2020-21 Actuals	Percent of Actuals to Revised
Miscellaneous Fund Allocation	858,440	0	0%
<b>TOTAL REVENUES</b>	<b>858,440</b>	<b>0</b>	<b>0.00%</b>

### Expenditure Discussion



## Prior Year Fund Reconciliation Report

Prosper Portland

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Prosper Portland has a variance of \$179,693 in General Fund, which is due mostly to the following encumbrances that did not spend out by the end of June. \$2,202, however, is from Neighborhood Prosperity Initiative revenue share, which was in excess of the actual revenue share that the City received and is not being requested for carry over.

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### Revenue Discussion

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### Other Notes

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**Bureau Performance Narrative**

Prosper Portland exceeded targeted metrics in most cases, with a handful of metrics coming in lower than estimated due to the impacts of the pandemic.

Key Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
ZD_0039	Percentage of workforce in Multnomah County working in quality jobs	52.0%	52.3%	48.0%	55.6%	48.0%	N/A	Quality jobs maintained at levels from previous year and 4+ percentage points higher than anticipated 5-year goal outlined in the strategic plan.
ZD_0042	Percentage of Non-TIF Resources for Operating Budget (Staff, Materials and Services, Economic Development Programs)	73.0%	69.0%	75.0%	67.0%	70.0%	N/A	Operating resources continued to decrease in FY 2020-21 compared to prior years primarily due to loss of loan interest and property income as a result of COVID-19 pandemic.
ZD_0043	Ratio of private investment to Prosper Portland financial assistance	24.09	4.10	6.00	7.40	6.00	N/A	Lending, grant and Enterprise Zone activities leveraged additional private investment at a higher ratio than previous years
ZD_0057	Number of jobs created across agency	2,486	2,258	2,600	2,513	2,600	N/A	Jobs increased over last fiscal year. Still some issues meeting the target due to COVID.

Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
ZD_0001	Number of volunteer hours provided by NPI Districts	20,035	10,338	30,000	8,228	10,000	N/A	Did not meet target due to COVID
ZD_0002	Net number of businesses (NPI Districts)	51	15	20	N/A	20	N/A	Not available until late October
ZD_0005	Private Funds Leveraged by NPI Districts	\$747,304	\$1,052,254	\$500,000	\$3,734,711	\$750,000	N/A	

**Prosper Portland**  
Prior Year Performance Reporting

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Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
ZD_0006	Number of technical assistance and training hours to business district associations by Venture Portland	11,230	2,341	2,700	4,236	2,700	N/A	
ZD_0010	Private Funds Leveraged by Venture Portland	\$401,149	\$214,776	\$1,000,000	\$19,655	\$200,000	N/A	Did not meet target due to COVID
ZD_0020	Number of youth participants in workforce development	502	524	492	511	390	N/A	
ZD_0021	Percentage of youth participants POC in workforce development	64%	63%	65%	68%	65%	N/A	
ZD_0022	Number of adult participants in workforce development	936	895	781	787	781	N/A	
ZD_0023	Percentage of adult participants people of color in workforce development	53%	56%	65%	60%	65%	N/A	
ZD_0025	Number of Traded Sector business retention, expansion visits	402	329	350	375	N/A	N/A	
ZD_0026	Number of Traded Sector direct assistance, referral activities	450	738	400	544	N/A	N/A	
ZD_0027	Number of Traded Sector business relocations (within Portland) and expansions	36	11	10	12	N/A	N/A	
ZD_0028	Number of Portland Traded Sector firms receiving export assistance	35	19	40	25	N/A	N/A	Did not meet target due to COVID
ZD_0047	25 Businesses Invest in Expansion in 5 Years	5	7	10	9	11	25	
ZD_0048	100 Startup Businesses Launched in 5 Years	46	69	75	89	100	100	
ZD_0049	# of Businesses Receiving Light Touch Technical Assistance	656	676	400	673	450	N/A	
ZD_0050	Number of Businesses Receiving Long Term Technical Assistance	502	498	450	619	450	N/A	

**Prosper Portland**

Prior Year Performance Reporting

Run Date: 9/9/21

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Other Performance Measures	Measure Type Name	FY 2018-19 Actuals	FY 2019-20 Actuals	FY 2020-21 Target	FY 2020-21 Actuals	FY 2021-22 Target	Strategic Target	Details
ZD_0051 Percent of Adult Participants in Workforce Development who Advanced in Employment as Demonstrated by Gain in Earnings, Wage or Benefits	OUTCOME	62%	62%	60%	68%	60%	N/A	
ZD_0052 Percent of youth participants placed in employment or post-secondary training	OUTCOME	0	0	0	56%	65%	0	Did not meet target due to COVID
ZD_0053 Number of Companies Introduced to Capital Partners	OUTPUT	43	118	40	85	N/A	N/A	
ZD_0054 Jobs Resulting from Traded Sector Business Relocations and Expansions within Portland	OUTCOME	1,542	1,108	1,000	1,250	N/A	N/A	
ZD_0058 1000 Strong and Stable Businesses in 5 years	OUTCOME	118	226	250	267	305	1,000	
ZD_0059 Number of volunteer hours - Venture Portland	OUTPUT	0	9,386	8,000	5,844	8,000	N/A	Did not meet target due to COVID