

**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**DISCUSSION DRAFT ACTION PLAN**  
**8-29-16 Version ~ 70 % Complete**

**“Fostering Economic Prosperity Among African Americans and other People of Color”**

**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**Fostering Economic Prosperity Among African Americans and other People of Color**  
**Draft Five-Year Action Plan**

**Discussion Box:** As currently written, the N/NE CDI prioritizes economic prosperity for African Americans; should this be broadened to also include African immigrants and refugees?

**Title Page: *Committee Members and Partners and Process to Date - Picture(s)***

**Page 1: Introduction and Context Setting – 1-2 page with pictures**

- **Goal of Project and Document Overview**
  - **Why focus on African Americans**
    - *Community experience in N/NE*
    - *Values – community prosperity, community control, provide individual opportunity*
    - *PDC's commitment/need to work with African American Businesses and Residents citywide, no matter where they live. Some of the best market opportunities may be in Lents, Gateway and NPI neighborhoods.*
  - **Why focus on prosperity (and economic development)**
    - *Importance of access to employment, importance of wealth creation, importance of community capacity to deliver PHB does housing, Multnomah Co does anti-poverty, PDC's mission is to support economic growth and prosperity*
    - *How the work is delivered – i.e. workforce development and business technical assistance is through community-based organizations.*
- **Objectives:**
  - Objective 1: Foster Individual Wealth Creation through Property Ownership
  - Objective 2: Foster Individual Wealth Creation through Business Ownership and Entrepreneurship
  - Objective 3: Increase Access to Capital
  - Objective 4: Increase Access to Jobs & Workforce Development
  - Objective 5: Promote Community Driven Solutions
  - Objective 6: Expand Affordable Housing Strategy
- **New Practices & Policies/ Process**
  - *Public outreach for plan i.e. interviews and other outreach*
  - *Plan for how to get the \$\$ out the door – when will we use NOFAs, etc.*
  - *Accountability and Oversight Committee*
- **Summary of Investments**

**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**Fostering Economic Prosperity Among African Americans and other People of Color**  
**Draft Five-Year Action Plan**

**Objective 1: Foster Individual Wealth Creation through Property Ownership**

Lead: PDC and Property Owners

Potential Partners: Development Industry, Lenders, N/NE CDI Oversight Committee

**Key Action Items:**

Action 1.A: Prioritize Interstate property development resources (technical assistance, grants and loans) to African American property owners and purchasers.

Action 1.B: Assist existing property owners to develop their underutilized and underdeveloped commercial and residential properties; priority should be given to African American property owners, **particularly those who have owned property prior to the creation of the Interstate Corridor URA (2001)**. Recommended approaches for working with property owners include:

- Provide tailored technical assistance, mentoring and education to allow property owners to understand their development options.
- Develop a user-friendly real estate development model to use in educating property owners about development options. The model will include: a range of development types, typical lot sizes and land values in N/NE Portland, building design prototypes; typical real estate partnership structures; conventional financing structures and land values.
- Ensure that development plans are scaled to the financial capacity and equity position of the property owners.
- Ensure that professional advice regarding development options take into account the long-term operational issues associated with the new asset and that the future owner is set up for success.
- Facilitate development partnerships with LTPOs, when necessary, to protect their equity position.

Action 1.C: Support acquisition and development of commercial and residential property by Africans Americans through new financing tools, and through networking, development and educational opportunities.

Action 1.D **Make minor amendment to the Interstate Corridor Urban Area to ensure inclusion of key**

**Success Measures and Timeline:**

Action 1.A: 80% of Property Investment Program (PIP) Grants **and Commercial Property Redevelopment Loans** in the Interstate Corridor URA are to African American property owners and purchasers each year.

Action 1.B:

1. Within 6 months of adoption of the Action Plan, a real estate development model is created to assist in education property owners about development options.
2. Support at least 15 long-time property owners to complete development feasibility studies for their property each year.
3. Support at least (5) five African American property owners per year initiate redevelopment of their based on technical assistance and due diligence from a PIP or previous DOS Grant.

Action 1.C:

1. PDC and/or its partners host networking and educational events for African Americans at least 4 times per year.
2. See Objective 3 for more detail about new financing tools.

**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**Fostering Economic Prosperity Among African Americans and other People of Color**  
**Draft Five-Year Action Plan**

properties adjacent to the URA boundary.

**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**Fostering Economic Prosperity Among African Americans and other People of Color**  
**Draft Five-Year Action Plan**

**Objective 2: Foster Individual Wealth Creation through Business Ownership and Entrepreneurship**

Lead: PDC

**Potential Partners:** Community Based Business Technical Assistance Providers, Start-up Community, Portland Public Schools, Community Based Organizations, Private Industry, N/NE CDI Oversight Committee

**Key Action Items:**

**Action 2.A:** Prioritize Interstate business development work, grants and loans to businesses and start-up ventures owned by African Americans AND **proactively connect residents or business owners returning to the Interstate Corridor URA to grants and loans.**

**Action 2.B:** Provide culturally-appropriate, easily accessible business technical assistance and mentorship to African American start-ups, small businesses and youth entrepreneurs AND **proactively connect residents or business owners returning to the Interstate Corridor URA to business technical assistance.**

**Action 2.C:** Create affordable retail space for emerging small businesses owners.

Potential commercial affordability tools include but not limited to:

- Tenant improvement grants, such as the Prosperity Investment Grant
- Commercial land banking
- Purchase commercial buildings and allowing small business owners to purchase the buildings on contract
- Create small business incubation spaces
- Commercial Affordability Bonus for new development

**Action 2.D:** Support initiatives that elevate the presence of businesses owned by African Americans and other people of color.

**Success Measures and Timeline:**

**Action 2.A:**

1. 80% of PDC proactive business development visits in the Interstate Corridor URA are to African American-owned businesses and African American start-up founders each year.
2. 80% of Property Investment Program (PIP) Grants and Commercial Property Redevelopment Loans in the Interstate Corridor URA are to African American property owners and purchasers each year.

**Action 2.B:**

1. Annually, at least 20% of participants served through PDC's Small and Micro Business Development Program will be African American (Citywide).
2. 15 African American start-up businesses with growth potential receive PDC supported business technical assistance and mentorship per year.
3. Provide an annual grant of \$100,000 to youth entrepreneurship organization.

**Action 2C:**

1. By 2020, 15,000 sq. ft. of commercial spaces is available at 25% less than market rates in the Interstate Corridor URA

**Action 2.D:**

1. PDC or its partners convene at least four events per year celebrating the success of African American businesses in Portland.

**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**Fostering Economic Prosperity Among African Americans and other People of Color**  
**Draft Five-Year Action Plan**

**Objective 3: Increase Access to Capital and Economic Opportunity Programs**

Lead: PDC

Potential Partners: Traditional Lenders, Community Development Finance Organizations, Non-Profit Business Development Organizations, Community Based Organizations, Multnomah County, and N/NE CDI Oversight Committee

**Key Action Items:**

Action 3.A: Work with lenders and community stakeholders to revise PDC financial tools to achieve greater access to capital among business and property owners of color.

Recommended new business and property development finance approaches and tools for PDC include, but are not limited to:

- Pair PDC business loans with ongoing business technical assistance.
- Provide loan terms such as staggering interest rates and deferred payments for 2-3 yrs.
- Explore a down payment assistance program for commercial real estate purchase.
- Create a tax abatement program to maintain affordability for existing businesses who own their property
- Expand the secured lines of credit program
- Take more risk to get businesses into market rate locations

Action 3.B: Improve marketing and outreach to African American and other people of color about PDC grants, loans, and programs for businesses and property owners.

Recommended techniques for reaching residents includes, but is not limited to:

- Utilizing trusted and well known community ambassadors to discuss PDC offerings with businesses and residents.
- Go to existing meetings and gatherings of African American residents and businesses to educate them about PDC offerings.
- Utilize social media
- Develop user friendly and accessible collateral regarding programs including videos and print media.

**Success Measures and Timeline:**

Action 3.A:

1. Within 6 months of the adoption of this Action Plan, PDC revises lending products to better meet the needs of business and property owners
2. 80% of PDC business lending (dollar volume) in the ICURA is to African Americans each year.
3. 80% of PDC property lending (dollar volume) in the Interstate Corridor URA is to African Americans each year.
4. At least three (3) business lending transactions to qualified African American borrowers are approved directly or through a lending program funded by PDC each year.
5. At least three (3) property development transactions to qualified African American borrowers are approved directly or through a lending program funded by PDC each year.

Action 3.B:

1. Within 6 months of the adoption of this Action Plan, PDC develops a marketing and outreach plan to reach African American residents and businesses regarding PDC's economic development grant, loan, business technical assistance and workforce development programs.
2. Within 2 months of the adoption of this Action Plan, PDC establish an oversight committee that advise PDC on investment decisions regarding economic development grants, loans, business technical assistance and workforce development programs.

**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**Fostering Economic Prosperity Among African Americans and other People of Color**  
**Draft Five-Year Action Plan**

**Objective 4: Increase Access to Jobs**

Lead: PDC, Worksystems Inc.

Potential Partners: PHB, Home Forward, Community Based Workforce Development Providers, Portland Public Schools, Community Based Organizations, STEM/STEAM Providers, Private Industry and N/NE CDI Oversight Committee

**Key Actions:**

Action 4.A: Proactively connect unemployed and underemployed residents to jobs created by PDC’s economic development activities, and to workforce development opportunities available through the public workforce system. **Particular focus should be on connecting returning residents, those already living in publically supported housing, and those who are housing unstable.**

Key actions that would assist in connecting low-income individuals to workforce services, training and high quality jobs:

- Encourage unemployed and under-employed individuals to register with the WorkSource system so that they are eligible and connected to a spectrum of workforce development services.
- Consider a stipend for people to afford to go through job training programs at community colleges and other training opportunities offered by the public workforce development system such as BankWorks.
- Encourage use of the on-the-job training (OJT) program by employers so that individuals are paid while they receive job training.
- Proactively engage policy makers at a federal, state and regional level to remove systemic barriers for job seekers. Innovations in the system may require pilot projects and possibly federal waivers.

Action 4.B: Support training for high-demand, living wage occupations: health care, manufacturing, banking, construction.

Action 4.C: Support youth workforce development through initiatives such as science, technology, engineering, arts, and math (STEM and STEAM).

**Success Measures and Timeline:**

Action 4.A:

1. Within 6 months of adoption of this plan establish a community-based workforce navigator focused on N/NE, and particularly on the returning residents, and current residents of publically supported housing.
2. Within 6 months of adoption of this plan, a system will be in place for notifying community-based workforce development organizations and other community based organizations will be made aware of jobs created through PDC’s economic development activities.
3. 300 people navigated to jobs and workforce development services per year; 50% of people served by the N/NE Workforce Navigator will be African Americans; activities and outcomes of workforce navigation will be tracked.
4. Annually, at least 20% of adults and youth served through the PDC-supported, long-term workforce development program will be African American. (Citywide).

Action 4.B:

1. Support 4 cohort trainings per year in high-demand, living wage occupations; 20 participants each. 50% will be African American.

Action 4.C:

**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**Fostering Economic Prosperity Among African Americans and other People of Color**  
**Draft Five-Year Action Plan**

1. Provide an annual grant of \$100,000 to STEAM/STEM organization for youth programming.

**Objective 5: Support Community Driven Solutions**

Lead: PDC

Potential Partners: Community-Based Organizations and N/NE CDI Oversight Committee

**Key Actions:**

Action 5.A: Invest in a **marquee, community-driven project** that celebrates and honor Portland’s African American culture and history

Action 5.B: **Build community prosperity** by supporting the growth, development and sustainability needs key community-based organizations that serve the African American community, **particularly those who drive economic development outcomes.**

Action 5.C: Support a community based organization to drive economic development outcomes in the Interstate Corridor URA with an emphasis on supporting economic opportunities for African Americans.

**Success Measures and Timeline:**

Action 5.A:

1. Within 6 months of adoption of this plan issue a Notice of Funding Availability (NOFA) or Request for Proposals to identify the signature, community-driven project.
2. Within 5 years the selected signature project is financed and construction is underway.

Action 5.B:

1. Provide access to grants and loans of up to \$500,000 per year to community based organizations who drive economic outcomes to African Americans.

Action 5.C:

1. Grant to one CBO for community driven economic development.



**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**Fostering Economic Prosperity Among African Americans and other People of Color**  
**Draft Five-Year Action Plan**

**Objective 6: Expand the Affordable Housing Strategy Tools**

Lead: PHB

Potential Partners: N/NE CDI Oversight Committee

**Key Actions:**

Action 6.A: Make homeownership in the Interstate Corridor URA feasible for middle-income African American homebuyers who align with PHB’s preference policy (see below).

Action 6.B: Support development of accessory dwelling units and cottage homes as a way to bring more affordable housing units to market in the ICURA and as a way to support multi-generational families.

**Success Measures and Timeline:**

Action 6.A:

1. 4 homebuyers with moderate household incomes assisted per year. PHB's preference policy would apply.

Action 6.B:

1. 5 property owners assisted each year to construct accessory dwelling units on their property with agreements about affordability and alignment with PHB's Preference Policy.

**Preference Policy:**

**Priority Status Households:**

Top priority is given to households (and their descendants) who owned property that was taken by Portland City government—during the building of Memorial Coliseum or the expansion of Emanuel Hospital, for example.

**All Other Applicants – Preference Points:**

- Up to three points are possible based on whether your current or former address falls within one of the areas where past City plans had a destabilizing effect on long-term residents;
- Up to three more points are possible based on the current or former address of your parent/guardian or grandparent.

**N/NE COMMUNITY DEVELOPMENT INITIATIVE**  
**Fostering Economic Prosperity Among African Americans and other People of Color**  
**Draft Five-Year Action Plan**

**Other TIF Expenditures Within the 5-Year Timeframe**

Planned projects in the Interstate Corridor URA that ***will be completed over the next five years*** that are not covered by the \$32 million for economic and community development:

- MLK/Alberta Development Project (a.k.a. Natural Grocers)
- Lombard Streetscape
- Alberta and St Johns Main Street
- Kenton –Property development (possibly)

Planned projects in the Interstate Corridor URA that are ***not moving forward***:

- Bridgeton Trail – unable to acquire necessary right of way. This project does not align with the PDC Strategic Plan nor this Draft N/NE Action Plan.