

# PDC

## PORTLAND DEVELOPMENT COMMISSION

**DATE:** May 11, 2011  
**TO:** Board of Commissioners  
**FROM:** Patrick Quinton, Executive Director  
**SUBJECT:** Report Number 11-34  
City of Portland Neighborhood Economic Development Strategy

### EXECUTIVE SUMMARY

#### BOARD ACTION REQUESTED

Adopt Resolution No. 6869

#### ACTION SUMMARY

This action will endorse the *City of Portland Neighborhood Economic Development (NED) Strategy - A Five-Year Plan for Promoting Neighborhood Vitality and Business Success* (the Strategy), and recommend adoption by City Council. The Strategy builds out the Neighborhood and Small Business Vitality component of the City's 2009 Economic Development Strategy (Resolution No. 6714, June 10, 2009).

#### PUBLIC BENEFIT

The goal of the Strategy is to foster economic opportunity and neighborhood vitality throughout Portland. The Strategy aims to connect people to living-wage jobs, support small business growth and grow vibrant commercial areas. Together with business leadership and community partners PDC and the City will work to achieve three key objectives:

- Build local capacity to achieve economic development outcomes
- Drive neighborhood business growth
- Align and coordinate resources to support neighborhood economic development

The Strategy is intended to proactively support Communities of Color citywide and residents, businesses, and organizations within "Target Neighborhoods" including neighborhoods and commercial corridors that are:

- Experiencing lagging private investment and increased poverty;
- Experiencing gentrification pressures;
- Facing substantial change due to major public infrastructure improvements; and
- At risk of losing ground to suburban or big box competitors.

At the heart of this Strategy is a collaborative approach involving neighborhood residents, local businesses, community development organizations, financial institutions, foundations, business development organizations and other public entities working together.

This Strategy alone will not achieve the objectives of economic opportunity and neighborhood vitality. It will work in concert with implementation of the City of Portland's Five-Year Economic Development Strategy and the Portland Plan. Traded sector business retention and recruitment initiatives will help grow the regional economy and provide job opportunities for neighborhood residents. The proposed transportation infrastructure, housing choices, parks and green space investments will powerfully influence neighborhood vitality. Similarly, education-focused initiatives designed to strengthen neighborhood schools and prepare Portland's workforce will dramatically impact neighborhood and individual prosperity.

**This action will support the following PDC goals:**

- Strong Economic Growth and Competitiveness
- Sustainability and Social Equity
- Healthy Neighborhoods
- A Vibrant Central City
- Effective Stewardship over our Resources and Operations, and Employee Investment

**PUBLIC PARTICIPATION AND FEEDBACK**

Development of the Strategy began in May 2010, with the establishment of a Project Advisory Committee (PAC). The PAC included representation from the Interstate Corridor, Lents Town Center, and Gateway Regional Center urban renewal advisory committees, the East Portland Action Plan, the Cully-Concordia Action Plan, as well as key city-wide community serving institutions: Meyer Memorial Trust, Hispanic Metropolitan Chamber, Albina Community Bank, and the Housing Authority of Portland. This group met regularly over a nine-month period with the Project Team to inform and shape: 1) background research for the Strategy, 2) the public input process, and 3) the recommended action plan.

In addition to input and involvement by the PAC, this Strategy has also been informed by:

- Focus Group Input: At the beginning of the project, in May and June 2010, the Project Team conducted seventeen (17) focus group interviews with 95 stakeholders regarding challenges and aspirations for neighborhood economic development in Portland.
- NED Roundtable: On September 13, 2010, PDC and the Portland Plan hosted a day-long event on neighborhood economic development. The event was attended by approximately 300 people who heard about best practices in neighborhood economic development from practitioners across the country, discussed Portland's needs and opportunities, and gave input about how the City should engage in neighborhood economic development.
- Input from Stakeholder Groups and Individuals: PDC staff conducted two rounds of outreach, in the fall 2010 and in the spring 2011, regarding the development of the

Strategy. This included updating the following groups about the status of the project and the draft action plan for the Strategy:

- Portland Business Alliance
- Small Business Advisory Committee
- Alliance of Portland Neighborhood Business Associations
- The Interstate Corridor, Lents Town Center and Gateway Regional Center Urban Renewal Advisory Committee
- The North Portland Neighborhood Association Chairs
- Central Northeast Neighbors
- District Coalition Directors

In addition, PDC held a six-week public comment period on the Strategy and heard input from over 20 organizations and individuals.

To guide the implementation portion of the Strategy and its action plan going forward, PDC will convene a NED Leadership Group composed of public, private, and philanthropic partners. A comprehensive NED system in Portland will necessarily continually involve numerous public and private entities all working in the same direction to achieve agreed-upon goals.

## **COMPLIANCE WITH ADOPTED PLANS AND POLICIES**

First and foremost, the Neighborhood Economic Development Strategy is a companion to the City of Portland's overall Economic Development Strategy. Adopted in July 2009, the Economic Development Strategy seeks to expand prosperity and opportunity for Portland residents by creating 10,000 new jobs by 2014. The three key objectives of the Strategy are to:

1. Maximize Competitiveness: generate robust job growth by maximizing the opportunities to produce and sell products and services for existing, emerging and relocating businesses;
2. Drive Urban Innovation: maintain a leadership position in sustainability by constantly striving to produce an innovative urban setting that fosters creativity and invention; and
3. Stimulate Neighborhood Business Vitality: achieve broad-based prosperity by equalizing opportunity and stimulating business activity in neighborhoods throughout the city.

The Neighborhood Economic Development Strategy builds out actions for how Portland will carry out the third objective: stimulating neighborhood business vitality.

The Neighborhood Economic Development Strategy has also been developed in concert with the developing Portland Plan. The Portland Plan has identified as one of its core goals the expansion of economic prosperity through investment in neighborhood commercial corridors and small business development. Neighborhood commercial corridors and small businesses meeting local needs for goods and services will serve as the commercial anchors of "20-minute Neighborhoods." The Plan envisions that "by 2035 all Portland

neighborhood commercial districts are economically healthy and provide basic goods and services to meet neighborhood needs through commercial revitalization efforts, small business assistance and catalyst investments.”

In addition the Neighborhood Economic Development Strategy is consistent with and supports PDC’s Strategic Plan and the economic development objectives of the following urban renewal and neighborhood plans:

- Interstate Corridor Urban Renewal Area (URA) Plan
- Lents Town Center URA Plan
- Gateway Regional Center URA Plan
- East Portland Action Plan
- Cully-Concordia Action Plan

## **FINANCIAL IMPACT**

Adequate resources are required for the NED Strategy to succeed. While existing resources can be used for some of the proposed actions in the Strategy, additional investment by public, private and non-profit sectors is needed support the Strategy’s implementation.

Best practice research indicates that funding sources for neighborhood economic development in other cities is diverse at both government and neighborhood levels and is rarely dependent on one primary source to succeed. The constitution of these sources varies by city and neighborhood. In most cities redevelopment and tax increment financing (TIF) are contributors, but rarely the main driver of NED. As with the City’s overall Economic Development Strategy, successful implementation of the NED Strategy requires predictable revenue streams and more flexible tools for economic development activities.

### *Estimated Financial Requirements*

PDC estimates that the cost to implement the Strategy over the next five years is \$129 million. Of that amount approximately \$78 million will come from Tax Increment Financing (TIF) funds available for capital improvements in the Interstate, Lents and Gateway URAs. Another \$23 million is anticipated to be available to PDC in the form of City General Funds and Community Development Block Grant Funds to support ongoing neighborhood economic development programs including: City support for the Alliance for Portland Neighborhood Business Associations, the Portland Main Street Program, and the Economic Opportunity Initiative.

PDC estimates that an additional \$28 million, or \$5.6 million per year, will need to be secured from new sources in order to advance the new citywide work outlined in the Strategy for areas not currently in urban renewal and to fund work that is non-capital related.

To meet the funding needs of the strategy, the City will work with public, private and non-profit partners to increase economic development funding by:

1. Increasing impact and investment of City of Portland resources including:
  - a. Improved coordination of existing City investments.
  - b. Coordinating existing City grants to support neighborhood economic development goals.
  - c. Identifying opportunities to expand Community Development Block Grant (CDBG) funding in support of NED.
  - d. Targeted procurement expenditures and investment of city investment funds.
2. Modestly increasing City General Fund support for NED.
3. Utilizing N/NE Enterprise Zone (E-Zone) Community Contributions to support the NED Strategy.
4. Establishing Neighborhood Opportunity Districts (NODs) – small scale and debt free urban renewal areas in up to three commercial corridors.
5. Leveraging private investment to match and leverage City investments in neighborhood economic development.
6. Analyzing the feasibility of Business or Economic Improvement Districts (BID) as a tool for long-term support of business district operations and improvements.
7. Proactively seek funding Federal funding for neighborhood economic development activities.
8. Creating permanent revenue streams dedicated to economic development including exploration of the following sources:
  - City and PDC-owned real estate, which could be leased instead of sold to developers and property managers and generate predictable lease payments;
  - Public parking facilities and spaces throughout the city, which hold untapped revenue potential with the expansion of parking meters and the use of demand-based pricing for existing spaces; and
  - The city's incremental gains in emissions reductions, which should have a dollar value under an emissions cap that can be realized through a sale under a cap and trade system or converted into a credit from the federal government.

## **RISK ASSESSMENT**

The legal impact of adopting the Strategy shows no significant risks. The same is true in terms of financial risk. Where feasible to use tax increment funds to implement the recommended actions, that source of funding will be used. Where not feasible, plans would be implemented to create new funding streams for neighborhood economic development. Operational impacts will be minimal.

Public input during the development of the plan indicates that there is significant support for the adoption of a new approach with neighborhoods. Adoption of the Strategy and its community-driven, community-led approach will be welcomed by many.

## **WORK LOAD IMPACT**

Current work plans will be aligned to include the new Strategy once it becomes adopted. This action will establish a priority for the recommended actions throughout PDC's work and

within PDC's budget. Work will be done by existing staff in the first year of implementation; however, additional staff may be requested in the future as the work flow and budget increases.

## **ALTERNATIVE ACTIONS**

Alternative actions are to either endorse the Strategy or to not endorse the Strategy. If the PDC Board of Commissioners (the Board) chooses to not endorse the Strategy, the Strategy would be presented to City Council at an upcoming Council meeting with the notation that the Board chose not to endorse the Strategy. City Council could choose to adopt the Strategy and direct PDC to implement the actions.

## **CONCURRENCE**

This Strategy has been developed in close collaboration with the PAC whose membership was articulated above. The PAC met on May 5, 2011, to review the finalized Strategy and they have indicated their support of this document.

Further, this Strategy has been developed in partnership with the Bureau of Planning and Sustainability and the Portland Plan process.

Following action by the PDC Board, the Strategy will be forwarded to the Portland City Council for adoption on May 25, 2011.

## **BACKGROUND**

The Neighborhood Economic Development Strategy was developed with direction from leadership of the Urban Development Department and the Mayor's office. This Strategy builds out the Neighborhood Business Vitality component of the City's 2009 Economic Development Strategy.

The goal of the Neighborhood Economic Development Strategy is to foster economic opportunity and neighborhood vitality throughout Portland. The Strategy aims to connect people to living-wage jobs, support small business growth and grow vibrant commercial areas. Together with business and community partners PDC and the City will work to achieve three key objectives:

- Build local capacity to achieve economic development outcomes
- Drive neighborhood business growth
- Align and coordinate resources to support neighborhood economic development

To guide implementation of the Strategy, PDC will convene a NED Leadership Group composed of public, private and philanthropic partners. PDC will work with partners to develop accountable metrics for each action item to include: job creation, new business starts, vacancy rates, hours of technical assistance provided, loans packaged, and other economic health indicators for Portland neighborhood business districts. Funding levels, community initiative, and partnership will be key determinants of the scale and timeline of its implementation.

For more detail on individual action items in the Strategy see Exhibit A of the Resolution No. 6872.

**ATTACHMENTS:**

- A. Gateway Regional Center URA Financial Summary
- B. Interstate Corridor URA Financial Summary
- C. Lents Town Center URA Financial Summary
- D. General Fund Request
- E. Project Summary

**URA FINANCIAL SUMMARY**

**Five-Year Forecast Project Requirements**

FY 2010-11    FY 2011-12    FY 2012-13    FY 2013-14    FY 2014-15    FY 2015-16

**Gateway Regional Center URA**

**Resources**

Beginning Fund Balance	2,294,762	1,018,532	1,012,156	323,063	148,539	1,908,592
Federal and Other Grants	208,500	208,500	0	150,000	150,000	150,000
Interest on Investments	1,000	7,000	8,000	9,000	2,000	2,000
Loan Collections	18,402	18,402	14,478	10,555	10,555	10,555
Reimbursements	80,000	0	0	0	0	0
TIF Proceeds	2,781,691	3,977,922	9,979,530	3,303,022	2,617,498	133,860
<b>Total Fund Resources</b>	<b>5,384,355</b>	<b>5,230,356</b>	<b>11,014,164</b>	<b>3,795,640</b>	<b>2,928,592</b>	<b>2,205,007</b>

**Requirements**

**Program Expenditures**

**Administration**

**Finance**

H98001 Debt Management	10,000	10,000	10,000	10,000	10,000	10,000
<b>Administration Total</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>

**Business Development**

**High Growth**

H79020 Business Finance	37,500	37,500	37,500	37,500	37,500	37,500
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**Industry Cluster**

H28069 Lean Manufacturing	0	25,000	25,000	25,000	25,000	0
H72026 Cluster Development	0	200,000	100,000	100,000	100,000	100,000
H79020 Business Finance	37,500	37,500	37,500	37,500	37,500	37,500
H79100 Site Recruitment	0	14,250	14,250	14,250	0	0

**Neighborhood Economic Development**

H79020 Business Finance	75,000	75,000	75,000	75,000	75,000	75,000
H79060 Business Development	150,000	150,000	150,000	150,000	100,000	100,000

<b>Business Development Total</b>	<b>300,000</b>	<b>539,250</b>	<b>439,250</b>	<b>439,250</b>	<b>375,000</b>	<b>350,000</b>
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**Housing**

**Multi-Family - For Sale**

H20017 Ventura Park	0	75,000	300,000	0	0	0
H89034 Gateway/Glisan	0	500,000	5,500,000	0	0	0
H89035 Homeownership Development	400,000	0	100,000	100,000	0	0

**Multi-Family - Rental Housing**

H20017 Ventura Park	21,619	0	0	0	0	0
H89034 Gateway/Glisan	25,000	14,000	0	0	0	0

<b>Housing Total</b>	<b>446,619</b>	<b>589,000</b>	<b>5,900,000</b>	<b>100,000</b>	<b>0</b>	<b>0</b>
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**Infrastructure**

**Facilities**

H14392 Receiving Center Property	83,000	2,000	2,000	2,000	2,000	2,000
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**Parks**

H14387 Neighborhood Park	85,000	0	0	0	0	0
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**Transportation**

H14389 Central Gateway Redevelopment Strategy	525,000	883,000	120,000	0	0	0
H14394 Gateway Transit Center	5,000	0	0	0	0	0

<b>Infrastructure Total</b>	<b>698,000</b>	<b>885,000</b>	<b>122,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
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**Property Redevelopment**

**Plans and Strategies - Revitalization**

H14403 Gateway Community Outreach	3,000	3,000	3,000	3,000	3,000	3,000
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**Redevelopment**

H14390 Mixed Use Development/Acquisition	2,010,000	615,000	1,685,000	1,985,000	10,000	540,000
H27001 Storefront Grants	100,000	100,000	100,000	100,000	100,000	50,000
H27050 DOS Grants	100,000	50,000	50,000	50,000	25,000	50,000
H28030 Redevelopment Loan Projects	250,000	250,000	500,000	250,000	250,000	0
H79025 Green Business Grants	0	75,000	100,000	100,000	75,000	50,000



Five-Year Forecast Project Requirements

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
<b>Property Redevelopment Total</b>	<b>2,463,000</b>	<b>1,093,000</b>	<b>2,438,000</b>	<b>2,488,000</b>	<b>463,000</b>	<b>693,000</b>
<b>Total Program Expenditures</b>	<b>3,917,619</b>	<b>3,116,250</b>	<b>8,909,250</b>	<b>3,039,250</b>	<b>850,000</b>	<b>1,055,000</b>
Personal Services	288,379	341,837	320,733	109,413	30,600	37,980
Transfers - Indirect	934,511	671,447	1,229,477	419,417	117,300	145,590
PHB Staff/Admin	111,826	88,666	231,641	79,021	22,100	27,430
<b>Total Fund Expenditures</b>	<b>5,252,335</b>	<b>4,218,200</b>	<b>10,691,101</b>	<b>3,647,101</b>	<b>1,020,000</b>	<b>1,266,000</b>
Contingency	132,020	1,012,156	323,063	148,539	1,908,592	939,007
Ending Fund Balance	0	0	0	0	0	0
<b>Total Requirements</b>	<b>5,384,355</b>	<b>5,230,356</b>	<b>11,014,164</b>	<b>3,795,640</b>	<b>2,928,592</b>	<b>2,205,007</b>

**Five-Year Forecast Project Requirements**

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
<b>Interstate Corridor URA</b>						
<b>Resources</b>						
Beginning Fund Balance	2,392,256	361,425	66,630	398,397	752,775	784,672
Interest on Investments	20,000	20,000	20,000	20,000	20,000	20,000
Loan Collections	1,391,951	3,499,287	240,756	215,712	165,888	155,124
Property Income	2,440,000	500,000	0	0	0	0
TIF Proceeds	31,950,445	10,873,763	12,174,892	10,380,547	10,620,591	7,207,418
<b>Total Fund Resources</b>	<b>38,194,652</b>	<b>15,254,475</b>	<b>12,502,278</b>	<b>11,014,656</b>	<b>11,559,254</b>	<b>8,167,214</b>
<b>Requirements</b>						
<b>Program Expenditures</b>						
<b>Administration</b>						
<b>Executive</b>						
H60041 Eastside Central City Plan	276,998	0	0	0	0	0
H60042 N/NE Economic Dev Initiative	127,995	68,440	0	0	0	0
<b>Finance</b>						
H98001 Debt Management	20,438	21,459	22,532	22,532	22,532	22,532
<b>Administration Total</b>	<b>425,431</b>	<b>89,899</b>	<b>22,532</b>	<b>22,532</b>	<b>22,532</b>	<b>22,532</b>
<b>Business Development</b>						
<b>High Growth</b>						
H79020 Business Finance	425,000	300,000	300,000	300,000	300,000	300,000
<b>Industry Cluster</b>						
H28059 Manufacturing Investment Fund	0	200,000	200,000	200,000	200,000	200,000
H28069 Lean Manufacturing	0	70,000	70,000	70,000	70,000	70,000
H28070 Green Innovation Park	0	200,000	0	0	0	0
H72026 Cluster Development	380,000	100,000	100,000	100,000	100,000	100,000
H79020 Business Finance	775,000	430,000	430,000	430,000	430,000	430,000
H79100 Site Recruitment	0	42,750	42,750	42,750	0	0
<b>Neighborhood Economic Development</b>						
H61008 Killingsworth Station Commercial	0	902,656	0	0	0	0
H72030 Neighborhood Economic Development	50,000	75,000	75,000	75,000	75,000	75,000
H79020 Business Finance	625,000	500,000	500,000	500,000	500,000	500,000
H79025 Green Business Grants	200,000	200,000	200,000	200,000	200,000	200,000
<b>Business Development Total</b>	<b>2,455,000</b>	<b>3,020,406</b>	<b>1,917,750</b>	<b>1,917,750</b>	<b>1,875,000</b>	<b>1,875,000</b>
<b>Housing</b>						
<b>Multi-Family - For Sale</b>						
H20027 PCRI Scattered Sites 2 (NOFA)	400,000	0	0	0	0	0
H34606 Killingsworth Station	0	850,000	0	0	0	0
H38711 Habitat for Humanity - Homeownership	211,750	0	0	0	0	0
H38712 Woolsey Corner Homeownership Dev	480,857	0	0	0	0	0
H89035 Homeownership Development	0	0	500,000	500,000	500,000	0
H89046 PCRI Home Ownership Development	625,796	0	0	0	0	0
<b>Multi-Family - Rental Housing</b>						
H89030 Affordable Rental Housing	250,000	0	0	0	1,500,000	0
H89047 Bridge Meadows	1,318,722	0	0	0	0	0
H89048 Ainsworth Court	1,400,000	0	0	0	0	0
<b>Single-Family - Home Repair</b>						
H89010 Home Repair Projects	487,953	487,953	487,953	487,953	487,953	487,953
H89045 Home Rehab and Retention	100,000	100,000	100,000	100,000	100,000	100,000
<b>Single-Family - Homebuyer Assistance</b>						
H37932 HAP Afford Ownership/Rehab	647,000	150,000	0	0	0	0
H89020 Home Buyer Assistance	601,727	500,000	500,000	500,000	500,000	0
<b>Housing Total</b>	<b>6,523,805</b>	<b>2,087,953</b>	<b>1,587,953</b>	<b>1,587,953</b>	<b>3,087,953</b>	<b>587,953</b>
<b>Infrastructure</b>						
<b>Parks</b>						

Five-Year Forecast Project Requirements

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
H19038 Interstate Parks	1,370,000	0	0	0	0	0
H28073 Bridgeton	0	1,000,000	700,000	0	0	0
H28074 Dawson Park	0	500,000	400,000	500,000	0	0
H28075 Small Scale Improvements	0	100,000	100,000	30,000	0	0
<b>Transportation</b>						
H19020 Interstate Streetscape Improvements	1,549,999	0	0	0	0	0
H19021 Interstate Trans Improvements	1,133,850	200,000	200,000	200,000	200,000	200,000
H28076 Denver Streetscape	0	15,000	15,000	0	0	15,000
H28077 Killingsworth Streetscape	0	1,000,000	1,000,000	0	0	0
H28078 Lombard Streetscape	0	200,000	600,000	1,000,000	1,000,000	0
<b>Infrastructure Total</b>	<b>4,053,849</b>	<b>3,015,000</b>	<b>3,015,000</b>	<b>1,730,000</b>	<b>1,200,000</b>	<b>215,000</b>
<b>Property Redevelopment</b>						
<b>Community Outreach - Revitalization</b>						
H11601 Community Outreach	0	10,000	10,000	10,000	10,000	10,000
<b>Plans and Strategies - Revitalization</b>						
H19018 Interstate Redevelopment	150,000	200,000	500,000	500,000	500,000	500,000
<b>Redevelopment</b>						
H19023 Community Livability Projects	760,000	300,000	300,000	300,000	300,000	400,000
H19048 Kenton Redev Downtown	4,500,000	500,000	250,000	500,000	0	0
H27001 Storefront Grants	600,000	600,000	600,000	600,000	600,000	600,000
H27050 DOS Grants	300,000	150,000	150,000	150,000	150,000	150,000
H28030 Redevelopment Loan Projects	2,000,000	1,400,000	1,200,000	1,200,000	1,200,000	1,200,000
H28031 Clean Energy Program	2,500,000	0	0	0	0	0
H34606 Killingsworth Station	5,013,047	0	0	0	0	0
H61010 Jefferson Plaza	100,000	0	500,000	0	0	0
H70712 Brownfields Redevel	100,000	0	0	0	0	0
<b>Property Redevelopment Total</b>	<b>16,023,047</b>	<b>3,160,000</b>	<b>3,510,000</b>	<b>3,260,000</b>	<b>2,760,000</b>	<b>2,860,000</b>
<b>Total Program Expenditures</b>	<b>29,481,132</b>	<b>11,373,258</b>	<b>10,053,235</b>	<b>8,518,235</b>	<b>8,945,485</b>	<b>5,560,485</b>
Personal Services	866,545	990,070	369,116	313,856	329,237	207,377
Transfers - Indirect	3,151,794	2,025,032	1,414,946	1,203,116	1,262,077	794,947
PHB Staff/Admin	1,242,343	799,485	266,584	226,674	237,783	149,773
<b>Total Fund Expenditures</b>	<b>34,741,814</b>	<b>15,187,845</b>	<b>12,103,881</b>	<b>10,261,881</b>	<b>10,774,582</b>	<b>6,712,582</b>
Contingency	3,452,838	66,630	398,397	752,775	784,672	1,454,632
Ending Fund Balance	0	0	0	0	0	0
<b>Total Requirements</b>	<b>38,194,652</b>	<b>15,254,475</b>	<b>12,502,278</b>	<b>11,014,656</b>	<b>11,559,254</b>	<b>8,167,214</b>

Five-Year Forecast Project Requirements

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
<b>Lents Town Center URA</b>						
<b>Resources</b>						
Beginning Fund Balance	15,840,480	144,278	282,801	410,228	163,827	1,183,145
Federal and Other Grants	0	250,000	0	0	0	0
Interest on Investments	14,000	6,000	7,000	5,000	5,000	5,000
Loan Collections	113,096	108,000	108,000	108,000	108,000	108,000
Property Income	0	1,100,000	0	0	0	0
TIF Proceeds	1,352,586	14,006,563	16,201,368	13,173,424	7,835,543	5,867,234
<b>Total Fund Resources</b>	<b>17,320,162</b>	<b>15,614,841</b>	<b>16,599,169</b>	<b>13,696,652</b>	<b>8,112,370</b>	<b>7,163,379</b>
<b>Requirements</b>						
<b>Program Expenditures</b>						
<b>Administration</b>						
<b>Finance</b>						
H98001 Debt Management	10,000	10,000	10,000	10,000	10,000	10,000
<b>Administration Total</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Business Development</b>						
<b>High Growth</b>						
H79020 Business Finance	250,000	200,000	250,000	250,000	250,000	250,000
<b>Industry Cluster</b>						
H28069 Lean Manufacturing	0	30,000	30,000	30,000	30,000	30,000
H28070 Green Innovation Park	0	185,000	0	0	0	0
H72026 Cluster Development	0	30,000	30,000	30,000	30,000	30,000
H79020 Business Finance	250,000	200,000	250,000	250,000	250,000	200,000
H79100 Site Recruitment	0	38,000	38,000	38,000	0	0
<b>Neighborhood Economic Development</b>						
H72030 Neighborhood Economic Development	120,000	0	0	0	0	0
H79020 Business Finance	500,000	400,000	400,000	400,000	400,000	400,000
H79060 Business Development	85,000	200,000	200,000	200,000	200,000	200,000
<b>Business Development Total</b>	<b>1,205,000</b>	<b>1,283,000</b>	<b>1,198,000</b>	<b>1,198,000</b>	<b>1,160,000</b>	<b>1,110,000</b>
<b>Housing</b>						
<b>Multi-Family - For Sale</b>						
H33441 Dahlia Commons Homeownership	446,000	1,134,000	0	0	0	0
H33442 Habitat for Humanity #3	27,709	0	0	0	0	0
<b>Multi-Family - Rental Housing</b>						
H20023 Holgate House	725,000	197,398	0	0	0	0
H89015 Rental Rehabilitation Projects	200,000	0	0	0	0	0
H89030 Affordable Rental Housing	0	3,000,000	250,000	250,000	1,000,000	250,000
H89031 The Glen Apartments	1,498,764	0	0	0	0	0
<b>Single-Family - Home Repair</b>						
H32131 REACH Home Rehabilitation	125,000	0	0	0	0	0
H89010 Home Repair Projects	286,001	444,354	434,784	544,354	294,354	444,354
<b>Single-Family - Homebuyer Assistance</b>						
H37930 Scat Site Home Rehab & Subs HAP	773,000	150,000	0	0	0	0
H89020 Home Buyer Assistance	709,930	400,000	700,000	800,000	700,000	700,000
<b>Housing Total</b>	<b>4,791,404</b>	<b>5,325,752</b>	<b>1,384,784</b>	<b>1,594,354</b>	<b>1,994,354</b>	<b>1,394,354</b>
<b>Infrastructure</b>						
<b>Infrastructure Operations</b>						
H13125 Parks Public Improvements	0	115,000	0	0	0	0
<b>Parks</b>						
H13125 Parks Public Improvements	270,000	0	1,175,000	100,000	100,000	100,000
<b>Transportation</b>						
H26714 Streets/Sidewalks LID	500,000	377,000	578,000	0	0	0
H26715 Neighborhood Trans Safety Improvements	1,408,000	2,200,000	2,300,000	550,000	0	0
<b>Infrastructure Total</b>	<b>2,178,000</b>	<b>2,692,000</b>	<b>4,053,000</b>	<b>650,000</b>	<b>100,000</b>	<b>100,000</b>

Five-Year Forecast Project Requirements

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
<b>Property Redevelopment</b>						
Redevelopment						
H12209 LTC Town Cntr Redevelopment	2,065,000	1,160,000	2,990,000	1,835,000	385,000	325,000
H12212 Johnson Creek Industrial Area Revitalization	100,000	100,000	430,000	4,000,000	0	0
H27001 Storefront Grants	300,000	300,000	300,000	300,000	250,000	250,000
H27050 DOS Grants	100,000	75,000	75,000	75,000	50,000	50,000
H28030 Redevelopment Loan Projects	800,000	300,000	300,000	300,000	300,000	300,000
H28031 Clean Energy Program	1,000,000	0	0	0	0	0
H60008 SE 92nd Redevelopment	300,000	500,000	2,250,000	220,000	1,200,000	250,000
H60050 Foster Road Redevelopment	300,000	0	0	670,000	0	0
H60052 LTC Comm Livability Grants	250,000	300,000	300,000	300,000	200,000	190,000
H60053 LTC Station Area Redevelopment	75,000	0	75,000	0	0	0
H79025 Green Business Grants	125,000	125,000	125,000	125,000	125,000	125,000
<b>Property Redevelopment Total</b>	<b>5,415,000</b>	<b>2,860,000</b>	<b>6,845,000</b>	<b>7,825,000</b>	<b>2,510,000</b>	<b>1,490,000</b>
<b>Total Program Expenditures</b>	<b>13,599,404</b>	<b>12,170,752</b>	<b>13,490,784</b>	<b>11,277,354</b>	<b>5,774,354</b>	<b>4,104,354</b>
Personal Services	431,448	971,824	485,668	405,985	207,877	147,757
Transfers - Indirect	2,404,942	1,512,095	1,861,728	1,556,275	796,861	566,401
PHB Staff/Admin	740,090	677,369	350,761	293,211	150,133	106,713
<b>Total Fund Expenditures</b>	<b>17,175,884</b>	<b>15,332,040</b>	<b>16,188,941</b>	<b>13,532,825</b>	<b>6,929,225</b>	<b>4,925,225</b>
Contingency	144,278	282,801	410,228	163,827	1,183,145	2,238,154
Ending Fund Balance	0	0	0	0	0	0
<b>Total Requirements</b>	<b>17,320,162</b>	<b>15,614,841</b>	<b>16,599,169</b>	<b>13,696,652</b>	<b>8,112,370</b>	<b>7,163,379</b>

Summary of Program Budgets

	FY 2008-09 Year-End Actuals	FY 2009-10 Year-End Actuals	FY 2010-11 Revised Budget	FY 2011-12 Requested Without DP's	FY 2011-12 Requested Budget
<b>Portland Development Commission</b>					
<b>Accounting</b>					
Accounting			0	0	0
<b>Total Accounting</b>			<b>0</b>	<b>0</b>	<b>0</b>
<b>Community Economic Development</b>					
Community Economic Development			565,000	0	565,000
Local Partner Initiatives			528,875	286,544	282,245
Trade Sector Job Create & Retain			1,231,607	916,380	1,269,634
<b>Total Community Economic Development</b>			<b>2,325,482</b>	<b>1,202,924</b>	<b>2,116,879</b>
<b>Economic Opportunity</b>					
Microenterprise Growth			29,159	29,961	29,961
Workforce Development			1,370,485	1,408,173	1,386,421
<b>Total Economic Opportunity</b>			<b>1,399,644</b>	<b>1,438,134</b>	<b>1,416,382</b>
<b>Total Programs</b>			<b>3,725,126</b>	<b>2,641,058</b>	<b>3,533,261</b>

## PROJECT SUMMARY

<b>Project Name:</b>	Neighborhood Economic Development Strategy
<b>Description:</b>	The Strategy articulates how PDC, in concert with community partners, business leadership and the City of Portland will connect people to living-wage jobs, support small business growth and grow vibrant commercial areas.
<b>Location:</b>	Neighborhoods citywide including Neighborhood URAs (see below) and areas outside of urban renewal
<b>URA:</b>	Gateway Regional Center, Interstate Corridor, and Lents Town Center URAs
<b>Current Phase:</b>	Endorsement/Adoption of Strategy by PDC and City Leadership
<b>Next Milestone:</b>	Strategy Implementation
<b>Completion Target:</b>	2016
<b>Outcome:</b>	<ul style="list-style-type: none"><li>• Improved profitability of businesses in targeted neighborhoods by 5%</li><li>• Increased real median household income for priority communities by 3% within 5 years</li><li>• Achieve 1% annual net job growth in targeted neighborhoods.</li></ul>
<b>Site/Project Map:</b>	Citywide