



**PROSPER**  
**PORTLAND**  
Building an Equitable Economy

**DATE:** August 9, 2017  
**TO:** Board of Commissioners  
**FROM:** Kimberly Branam, Executive Director  
**SUBJECT:** Report Number 17-32

Authorizing an Amendment to the Intergovernmental Agreement with the Bureau of Revenue and Financial Services, Procurement Services in an Amount Not to Exceed \$682,400 for Business and Workforce Equity Contract Compliance Services

### **BOARD ACTION REQUESTED**

Adopt Resolution No. 7247

### **STRATEGIC PLAN ALIGNMENT AND OUTCOMES**

This proposed action by the Prosper Portland Board of Commissioners (Board) will authorize an amendment to an Intergovernmental Agreement (IGA) with the City of Portland (City) Bureau of Revenue and Financial Services, Procurement Services (Bureau). This IGA was first approved in fiscal year (FY) 2012-13 for the Bureau to provide Prosper Portland with business and workforce equity contract and hiring compliance services; the Bureau has provided these services every year since then. The proposed IGA amendment to continue these services in FY 2017-18 for \$116,700, increasing the cumulative IGA amount to \$682,400, which exceeds the Executive Director's signature authority and requires Prosper Portland Board approval.

The monitoring of Prosper Portland's Business and Workforce Equity Program is essential to delivering on the agency's 2015-2020 Strategic Plan goals of equitable construction and contracting, wealth creation, and quality jobs.

### **BACKGROUND AND CONTEXT**

The Prosper Portland Business Equity Program requires contractors on specified projects to make good faith efforts to provide contracting opportunities available to certified disadvantaged, minority, woman-owned, and emerging small businesses (certified firms) when subcontracting portions of Prosper Portland-funded projects. The Prosper Portland Workforce Equity Program and the City Workforce Training and Hiring Program both require contractors working on certain construction projects to make good faith efforts to hire and train a diverse workforce, including apprentices. Such requirements necessitate a mechanism for documenting and evaluating the degree to which certified firms are being offered opportunities for work and the degree to which the workforce reflects program goals.

The Bureau assesses the degree to which the project is subcontracting to minority, women, and small business firms and the degree to which the project is hiring from minority and women populations set forth in the Prosper Portland Equity Policy and Procedures, including monthly and annual utilization and workforce reports. A significant change from past IGA amendments is a shift in responsibility for issuing exemptions or violations to Prosper Portland Staff. Any exception from the Equity Policy requirements would require prior consultation between the Prosper Portland Executive Director and the Board.

The Bureau has also provided compliance tracking services for the South Waterfront Project Apprenticeship Agreement by Prosper Portland, Oregon Health and Science University (OHSU), River Campus Investors, North Macadam Investors, the Block 37 project, and the South Waterfront North District Development Agreement by Prosper Portland and ZRZ Realty Company. The proposed IGA amendment includes compliance services for the two Project Apprenticeship Agreements signed regarding development of the South Waterfront.

Later this year, the Bureau will be updating its software systems allowing Prosper Portland real-time monitoring of the degree to which project owners and their respective contractors are complying with Prosper Portland Equity Policy requirements on their respective projects.

### **EQUITY IMPACT**

The monitoring and compliance of Prosper Portland’s Business and Workforce Equity Program provided by the Bureau allows Prosper Portland to work toward its goals of meeting and exceeding equitable wealth-creation outcomes from Prosper Portland-sponsored projects.

### **COMMUNITY PARTICIPATION AND FEEDBACK**

Staff has not conducted public outreach specific to this proposed action.

### **BUDGET AND FINANCIAL INFORMATION**

Funding for this IGA is included in the FY 2017-18 Adopted Budget for the Social Equity, Policy and Communications (SEPC) department. The SEPC department budget is a component of the Administration appropriation within the General Fund. Most of the costs in this appropriation category are offset by revenue in the form of Service Reimbursements recovered from all other Prosper Portland funds (see Attachment A). The following table lists prior amendments to the IGA:

Amendment	Fiscal Year	Amount
Initial IGA	2012-13	\$110,000
1 <sup>st</sup>	2013-14	\$113,000
2 <sup>nd</sup>	2014-15	\$113,000
3 <sup>rd</sup>	2015-16	\$113,000
4th	2016-17	\$116,700
5th	2017-18	\$116,700
Total		\$682,400

### **RISK ASSESSMENT**

There are no significant risks to adopting the amendment. Prosper Portland staff coordinates with the Bureau on a weekly basis and in monthly meetings. The form of the amendment is based on a structure that has been utilized for a number of years on similar IGAs.

### **ATTACHMENTS**

- A. FY 2017-18 Adopted General Fund Budget Summary

**URA Financial Summary**

**Financial Summary  
 Total Resources and Requirements**

<b>General Fund</b>	<b>Actuals FY 2014-15</b>	<b>Actuals FY 2015-16</b>	<b>Revised FY 2016-17</b>	<b>Proposed FY 2017-18</b>	<b>Approved FY 2017-18</b>	<b>Adopted FY 2017-18</b>
<b>Resources:</b>						
Beginning Fund Balance	2,042,835	1,762,245	1,433,338	1,409,463	1,409,463	1,524,713
<b>Revenue</b>						
City General Fund	5,228,187	5,974,492	5,622,466	5,534,110	5,787,610	5,787,610
Fees and Charges	167,236	76,870	210,330	0	0	0
Grants - Federal except HCD	40,104	0	0	0	0	0
Grants - State & Local	17,265	595,116	59,117	59,117	59,117	59,117
Interest on Investments	8,258	12,749	0	0	0	0
Loan Collections	127,254	213,913	195,077	0	0	0
Miscellaneous	57,899	32,765	0	0	0	0
Property Income	187,308	5,517	12,926	12,926	12,926	12,926
Reimbursements	4,645	336	72,000	60,000	60,000	60,000
Service Reimburements	11,611,800	13,355,092	13,464,206	13,049,162	13,049,162	13,049,163
Transfers In	306,267	105	99,438	33,769	33,769	0
<b>Total Revenue</b>	<b>17,756,223</b>	<b>20,266,954</b>	<b>19,735,560</b>	<b>18,749,084</b>	<b>19,002,584</b>	<b>18,968,816</b>
<b>Total Resources</b>	<b>19,799,058</b>	<b>22,029,200</b>	<b>21,168,898</b>	<b>20,158,547</b>	<b>20,412,047</b>	<b>20,493,529</b>
<b>Requirements</b>						
<b>Expenditures</b>						
Administration	11,777,609	12,962,784	12,706,039	12,699,241	12,699,241	12,404,787
Economic Development	5,466,561	6,837,046	5,825,126	5,392,604	5,646,104	5,646,041
Housing	90,448	79,234	88,050	0	0	0
Property Redevelopment	265,217	257,949	445,248	284,505	284,505	289,639
<b>Total Expenditures</b>	<b>17,599,835</b>	<b>20,137,013</b>	<b>19,064,463</b>	<b>18,376,350</b>	<b>18,629,850</b>	<b>18,340,467</b>
Transfers	436,978	458,848	579,722	406,504	406,504	372,735
Contingency	0	0	1,524,713	1,375,694	1,375,694	1,780,327
Ending Balance	1,762,245	1,433,339	0	0	0	0
<b>Total Requirements</b>	<b>19,799,058</b>	<b>22,029,200</b>	<b>21,168,898</b>	<b>20,158,547</b>	<b>20,412,047</b>	<b>20,493,529</b>