



DATE: September 10, 2025
TO: Board of Commissioners
FROM: Cornell Wesley, Executive Director
SUBJECT: Report Number 25-28
Adopting Revised Prosperity Investment Program Grant Guidelines

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Approve Resolution No. 7621

This action by the Prosper Portland Board of Commissioners (Board) will approve revised Prosperity Investment Program (PIP) guidelines (Guidelines). If approved, the Guidelines will direct Prosper Portland's investment of grant dollars to business and property owners within the City of Portland's Tax Increment Finance (TIF) districts.

STRATEGIC ALIGNMENT AND OUTCOMES

The PIP aligns with Advance Portland's Outcome 3.5, Support Growth and Health of Businesses within Commercial Districts, and contributes to the success of City of Portland-adopted TIF district plans.

BACKGROUND AND CONTEXT

The PIP grant was created in 2016 to support and encourage business competitiveness and property redevelopment, in order to increase access to high quality employment for Portlanders, foster wealth creation, and build healthy communities. The PIP provides tax increment finance (TIF) resources in line with local community action plans and advances goals of fostering wealth creation through business ownership, while promoting a vibrant Central City and thriving commercial corridors through targeted investments in employment hubs, small businesses, entertainment, and cultural amenities.

The updated Guidelines reflect adjustments and clarifications on areas including eligible entities, available grant funding, and general conditions. The updates are further informed by feedback from internal Prosper Portland staff and past grant recipients.

Key changes to the Guidelines include:

- **Availability of Funds:** If awarded, the PIP grant will cover up to 75% of eligible project costs, reimbursed upon project completion, with a maximum grant of \$75,000. Reimbursement is contingent on submission of full proof of payment, a final invoice for completed work, and verification of project completion by Prosper Portland's grant coordinator.
- **Eligible Entities:** Redefines the criteria for both business and property owners who are eligible for the grant based on the presence of indicators of discrimination, alignment with priorities in TIF district action plans, or whether the business owner represents a Priority Industry (traded sector) business.
- **Multiple Businesses Operating in a Single Tax Lot:** In cases where multiple businesses operate on a single tax lot, each business may receive the full grant amount once every five years. All

awards are subject to budget availability and may not be offered in every TIF district. PIP grant availability in each TIF district will be set forth on the PIP's externally facing webpage.

EQUITY IMPACT

PIP is an existing program whereby TIF resources are granted in alignment with the agency's strategic priorities. The updated eligibility criteria within the PIP guidelines provides access to a range of applicants, including those prioritized in TIF district action plans, traded sector and high-growth businesses, and applicants who have experienced barriers to economic prosperity.

COMMUNITY PARTICIPATION AND FEEDBACK

Prosper Portland staff surveyed past PIP recipients who received a grant within the past five years. The questionnaire sought feedback on key areas including clarity of the guidelines, types of improvements funded, adequacy of funding amounts to do the project, experience with the reimbursement process, and overall experience with the program. Insights gathered from this feedback have directly informed and guided recent updates to the program guidelines.

The survey included a diverse cross-section of respondents- 45% business owners, 38% property owners, and 18% nonprofit administrators spanning five TIF districts (Central Eastside, Lents Town Center, Interstate Corridor, Old Town¹, and Gateway Regional Center). Respondents represented businesses with annual revenues ranging from \$50,000 to more than \$1 million, providing a wide-ranging perspective on the program's reach and impact.

Survey respondents generally agreed that the application guidelines are clear, and the scope of the eligible improvements aligned with their projects. Some participants noted the reimbursement-based model imposed a financial strain on to cover the project costs. Despite this challenge, grant recipients rated their overall experience highly, giving the program an average score of 4.4 out of 5 stars.

Survey feedback revealed three key priorities for enhancing the program, all of which are addressed in the updated program guidelines and general program implementation: 1. Increase the grant amount; 2. Offer assistance identifying reliable contractors; and 3. Support applicants in the permitting process would greatly improve accessibility and ease of implementation of the grant.

BUDGET AND FINANCIAL INFORMATION

There are no financial impacts from this proposed action. PIP funds are granted in TIF districts where funds are budgeted and available.

RISK ASSESSMENT

The Guidelines, as proposed, provide increased flexibility and clarity for applicants and grantees, and standardizes grant amounts across TIF districts.

ATTACHMENTS

None.

¹ The Old Town Action Plan spans both the former River and Downtown Waterfront TIF Districts