Prosper Portland Prosperity Investment Program Guidelines

Purpose: The purpose of the Prosperity Investment Program (PIP) is 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 grant deploys tax increment finance (TIF) resources to support local community action plans and advance 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.

Availability of Funds: If awarded, the PIP grant will reimburse up to 75% of eligible project costs upon project completion. There are two limits on PIP funding. First, no single grant may exceed 75% of the eligible costs for that project. Second, the total amount a business can receive across all PIP grants in any rolling five-year period is $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. Where multiple businesses operate on a single tax lot, each business is treated separately and is subject to the same limits. 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 grant program's externally facing webpage.

Eligible Entities

Note: Action Plan priorities used to review PIP grants in each TIF district must be posted on the PIP grant program's external webpage.

A. **Business owners**. Owners of a business that:

1. Is located in a City of Portland Tax Increment Finance District;
2. Holds a lease with at least three (3) years remaining on the term; <u>and</u>
3. Meets at least <u>one</u> of the following three criteria:
    a. The business is aligned with the adopted Action Plan priorities for the TIF district where the business is located.
    b. The business is a "Priority Industry Business," which means it is a traded sector and high growth business that generates sales outside of the region, bringing new income into the area (or that has specific prospects to do so), in one of the following priority industries:
        - Athletic & Outdoor and accessories
        - Food & Beverage Manufacturing
        - Green Cities

- Metals & Manufacturing
- Technology & Media

c. Is owned by a person who meets at least two or more of the following criteria:
   - The business owner's business or residence was displaced by urban renewal, or the business owner has generational ties to such displacement due to urban renewal;
   - The business owner has limited access to employment opportunities, capital, and/or has not benefited from generational wealth;
   - The business owner is a first-generation business owner and/or first- generation college graduate;
   - The business owner has owned their business for a minimum of 10 years; and/or
   - The business owner's business or home address is within a Census Tract scoring at an Income Threshold of 100 or below (as identified by the StatsAmerica Distress Tool, supported by the U.S. Economic Development Administration.

B. **Property Owners**. Owners of "Eligible Property," as defined below, who also meet one (1) of the following criteria:

1. They operate a business on the Eligible Property that is aligned with the priorities of the applicable TIF district action plan;
2. They operate a business on the Eligible Property that is a Priority Industry Business; or
3. They lease the Eligible Property to a tenant that is an eligible business, as set forth in Section A of these guidelines.

Eligible Property means property that:

1. Is located in a TIF district within the city of Portland;
2. Is zoned for commercial/mixed use, employment, industrial or multi-dwelling; and
3. Has all financial obligations related to the property paid current, including taxes and debt payments.

Ineligible Business Owners, Property Owners, and Other Entities:

1. Business Owners or Property Owners who have received a PIP grant within the prior five years are ineligible, unless such requirement is waived by the Executive Director.
2. Nonprofits are ineligible, unless a TIF district action plan states otherwise. In that case, the availability of the grant to nonprofits will be set forth on the PIP's externally facing webpage. In addition, the Executive Director has the authority to

waive this requirement and allow a nonprofit to receive a PIP grant in individual cases where the purposes of the PIP grant would otherwise be met.

3. National franchises.
4. Locally owned businesses/franchises with more than three locations.
5. Businesses that exclude minors during all business hours.
6. Businesses that sell cannabis products.
7. E-Commerce businesses.
8. Food Cart or Food Truck Owners.

Eligible Work: PIP grant funds may be used for both physical improvements (*hard costs*) and eligible consulting assistance (*soft costs*) to support business-related and property-related improvements on commercial, industrial, and mixed-use property.

- *Hard Costs:* Signage, painting, lighting, storefront, or mechanical systems, tenant improvements, roofs, sidewalks, parking lots, security, landscaping, or other permanent fixtures.
- *Soft Costs:* Design, architectural and engineering services, permitting fees, and third-party project management. Grant funds for soft costs may not exceed $25,000 and should reasonably lead to construction of improvements. Prosper Portland, at its sole discretion, may require use of a professional consultant for complex projects and where such advice is likely to improve the quality of the project.

Ineligible Work: The following uses are not eligible to receive PIP funding:

- Inventory purchases or replacement
- Non-permanent fixtures and furnishings
- Equipment purchases
- Government uses within publicly owned buildings
- Purchasing real property for development
- Operating expenses (e.g., owners or employee wages, marketing, equipment, research and development, rent)

Approvals: Prosper Portland has the sole authority to determine eligibility of proposed work and confirmation of completed work. Certain work may be required or precluded as a condition of funding. Participants will be responsible for obtaining necessary regulatory approvals, including those of the City Design and Landmark Commissions where applicable, the State Historic Preservation Office, the City of Portland permitting and development department, as well as all other necessary permits. All work must comply with city, state, and federal regulations.

Bidding: Prosper Portland requires at least one bid for each type of work proposed. Prosper Portland is committed to improving access to quality contracting jobs in our city. As part of this effort, Prosper Portland collects data through the PIP on the use of certified minority, women, and disabled veteran-owned firms (M/W/D) for projects we fund. Prosper Portland would like to record the M/W/D participation percentages for your project for reporting purposes. If the PIP applicant is a licensed contractor, an additional bid must be submitted to validate the applicant's bid. Contractor fees and overhead for applicant owners will not be reimbursed. All contractors must be licensed by the State of Oregon. All construction contracts will be between the applicant and contractor. Prosper Portland reserves the right to reject the Grantee's proposed contractor(s).

Commitment of Funds: PIP funds will be disbursed only for work completed after a Grant Agreement is executed. Prosper Portland will review and approve proposed work and ensure all other conditions are met prior to circulating a Grant Agreement for signature and allocating funds to the project, including ensuring that the project is fully funded. The Grant Agreement will outline additional terms and conditions of the grant and, only when signed, will serve as the legal commitment of both parties as to the scope and quality of work and the amount of funds committed.

Reimbursement of Funds: Prior to reimbursement of funds, all completed work will be reviewed by Prosper Portland staff as to compliance with the Grant Agreement.

General Conditions: The following general conditions will apply to all projects:

- Improvements funded by the grant must be maintained in good order, including prompt removal and repair of graffiti and vandalism.
- Property taxes must be current, and participants may have no debts in arrears to the City of Portland when the Grant Agreement is signed. Business owners must confirm with their landlord (if any) that property taxes are current in order to move forward with the grant.
- Compliance with the City of Portland Business License and State of Oregon Registry is required.
- Grantees must complete, sign, and submit a W-9 for disbursement of funds.
- Grantees will be required to retain records for potential auditing purposes.
- Grantees will be required to repay grant funds if the terms of a Grant Agreement are materially breached.
- Grant awards will be disbursed on an expense reimbursement basis for completed work only. Grantee is responsible for paying vendor and subcontractor invoices in full, submitting a copy of such paid invoice(s) to Prosper Portland along with a proof of payment for reimbursement by Prosper Portland. At Prosper Portland's discretion, contractors or consultants may be paid directly if, for example, reimbursement is deemed a financial hardship for grant recipient.

Revised Grant Guidelines. The Prosper Portland Executive Director may make changes to these Program Guidelines as necessary to enhance alignment with Board-adopted strategic plans, TIF district action plans, or community action plans. Any changes will be memorialized in re-issued Program Guidelines.

Guideline Adoption/Revision	
Board Action	Resolution No. 7195; June 8, 2016
Board Action	Resolution No. 7621; September 10, 2025
Executive Director	CAFÉ Delegated Review: July 07, 2026