

NORTH/NORTHEAST COMMUNITY DEVELOPMENT INITIATIVE ACTION PLAN

Fostering Economic Prosperity
Among African Americans and People of Color

January 2017



ACKNOWLEDGMENTS

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Special thanks go to all the community members who participated in focus group discussions, individual interviews and the two Community Forums. Your input was invaluable to the creation of the North/Northeast Community Development Initiative Five-Year Action Plan.

About this Plan

This North/Northeast (N/NE) Community Development Initiative Action Plan (Action Plan) has been developed to guide Prosper Portland's investment of the remaining \$32 million in Tax Increment Financing (TIF) resources for economic development in the Interstate Corridor Urban Renewal Area (Interstate Corridor URA).

Prosper Portland developed the Action Plan with the guidance and advice of the N/NE Community Development Advisory Committee, the input of thirty-five stakeholders who participated in 1:1 or group interviews, public input at Advisory Committee meetings, and public input from the nearly 200 community members who attended Community Forums on October 8 and October 20, 2016. The Action Plan is consistent with and has been informed by: the Urban League's State of Black Oregon Report, the Interstate Urban Renewal Area Plan (Adopted, 2000 and Amended and Restated, 2011), and Prosper Portland's 2015-2020 Strategic Plan.

TIF resources are limited by state laws to be used for the planning and construction of physical improvements. TIF funds must be invested within the boundary of the Urban Renewal Area ([Attachment A](#)) and cannot be used to fund programs or initiatives such as business technical assistance (business planning, marketing, accounting, etc.) or job training and employment assistance. These programs and initiatives are important to support economic growth and opportunity for businesses and individuals. Pages 14-15 of this Action Plan have further information about ongoing City/Prosper Portland-funded work that supports business technical assistance and workforce development, and activities that would complement the objectives of this Action Plan but that are currently not funded.

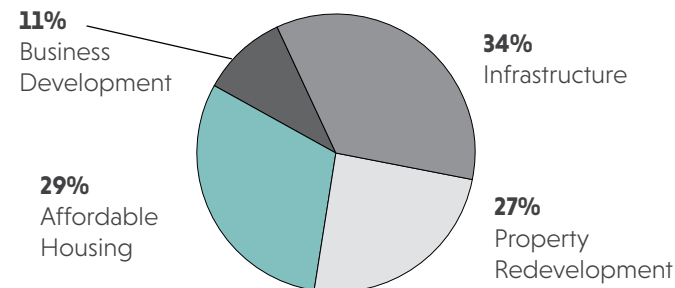
The Portland Housing Bureau (PHB) has a separate plan for the remaining Interstate Corridor TIF funds that are available for affordable housing (households under 80% Median Family Income). The Housing Bureau's plan is known as the North/Northeast Neighborhood Housing Strategy. It currently addresses \$20 million in TIF affordable housing funds and will be amended soon to propose the plan for spending an additional \$32 million in TIF affordable housing funds. Funding for housing will be allocated based on PHB's program guidelines, following all fair housing, state and federal requirements.

A Glossary of Terms in this report can be found in [Attachment B](#).

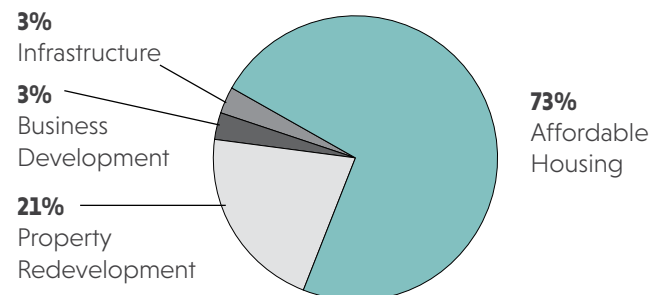
Interstate URA Project Expenditures



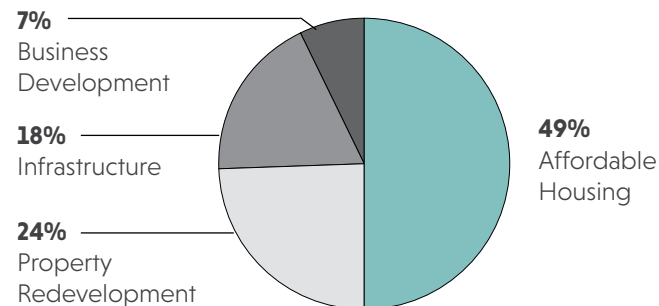
2001-2016: \$150.6M



2017-2021: \$146.7M



2001-2021: \$306M



INTRODUCTION

Goal:

The goal of the N/NE Community Development Action Plan is to use Tax Increment Financing resources to foster economic prosperity among communities and individuals that have not fully participated in, or benefited from, economic opportunities in the Interstate Corridor Urban Renewal Area (Interstate URA).

Why:

When the Interstate Corridor URA was established in 2000, it was done so with an understanding that investments would be made to:

Primarily benefit existing residents and businesses within the Area through the creation of wealth, revitalization of neighborhoods, expansion of housing choices, creation of business and job opportunities, provision of transportation linkages, protection of residents and businesses from the threats posed by gentrification and displacement, and through the creation and enhancement of those features which enhance the quality of life within the Area. A special emphasis will be placed on providing timely benefits to groups most at risk of displacement (e.g., the elderly, people of color, small businesses, low income people, the disabled).¹

While many public investments were made to improve transportation, revitalize neighborhoods, and create commercial corridors, the benefits of the investments have been enjoyed primarily by businesses and residents who are white and do not have historic ties to the neighborhood, and who have higher incomes. As such, Prosper Portland has not been fully successful in addressing those most at risk of displacement. The agency's focus for distributing the remaining Tax Increment Funds will therefore be to target those underserved populations.

Many statistics reinforce the case that these communities have not equally benefited from the economic prosperity and growth within the URA. As shown in [Attachment C](#), between 2000 and 2013 three demographic groups saw a dramatic decrease in their population within the Interstate Corridor URA: African Americans (-33 percent/-3,544), Hawaiian-Pacific Islanders (-36 percent/-208) and Native Americans (-25 percent/339). During that same period white population grew by 30 percent (7,571) and Asian American population grew by 14.5 percent (311). The Latino population was relatively stable at - 0.2 percent.



Community members at the Grand Reopening of Dawson Park

¹ Interstate Corridor Urban Renewal Plan, Adopted 2000 and Amended and Restated, 2011

Over the same 13-year period median income for African Americans fell sharply (by 31 percent), bringing the median household income for African Americans in the Interstate Corridor to \$24,322, 13 percent lower than African American median income in Portland. Due to the small population of Hawaiian-Pacific Islanders and Native Americans, data on median family income does not exist for these communities. However, citywide data indicates that individuals living within the URA likely had a sharp decline in their family income as well between 2000 and 2013. Whites and Latinos in the URA experienced a moderate rise in median income in the Interstate Corridor, while Asian American median income rose by 20 percent.

Since 2000, African Americans living in poverty rose by nine percent, and now 30 percent of African Americans in the URA have incomes below the poverty level. Latino median income barely changed between 2000 and 2013; however, the percent of Latinos below the poverty level remains high at 25 percent. By comparison, the poverty rate among whites in the URA shows a modest increase since 2000; yet this group has the lowest poverty rate overall among all demographic groups. The wealth disparities in Portland mirror national data. According to the Pew Research Center, white households have a net

worth 13 times that of black households and 10 times that of Latino households.

Prosper Portland recognizes that the African American community and other communities of color have experienced significantly restricted access to employment and wealth creation opportunities within the Interstate Corridor URA – even while other communities and businesses have seen significant gains. This disparity has hindered economic opportunities and reduced community capacity to support cultural and community assets. This Action Plan, and the investments directed therein, are therefore specifically designed to ensure the remaining Interstate Corridor economic development resources are directed towards long-term and former members of the community who have not benefited from the impact of public and private investments to date.

This Plan places special emphasis on reaching the African American community, not only for the reasons stated above, but because African Americans have constituted by far the largest minority population in the URA since its inception.

Summary of Proposed Investments and Outcomes:

This Action Plan proposes to invest the remaining TIF economic development resources in the following ways.

Foster Multi-Generational Wealth Creation and Community Assets	Proposed Five-Year Allocation	Estimated Number Assisted w/Grants & Loans
1 Promote Property Ownership and Redevelopment	\$10,750,000	44 property owners
2 Support Business Ownership and Growth	\$9,250,000	55 business owners
3 Invest in New and Existing Homeowners	\$5,000,000	60 homeowners
4 Advance Community Livability Projects	\$2,500,000	20 non-profits
5 Catalyze Cultural-Business Hub(s) ²	\$4,500,000	1-2 projects
TOTAL	\$32,000,000	

² Called “anchor” or “signature” projects in previous drafts.

INVESTING THE \$32 MILLION IN TAX INCREMENT FINANCING

1 Promote Property Ownership and Redevelopment

Provide Financing and Support for Property Improvements and

Redevelopment: Assist property owners to improve and develop their underutilized and underdeveloped commercial and residential properties.

Grants: Provide 75 percent matching grants of up to \$75,000 to assist property owners to improve and develop their assets. Up to \$25,000 may be used for project planning.

Property Development Loans:

- Interest Rate: A fixed rate based on the current Prime Rate plus three percentage points (with the ability to reduce by a maximum of the three percentage points for meeting certain public objectives) (Currently: 3.5% - 6.5%)
- Fee: 1% loan fee
- Payments: Construction Loan: May include a period of interest only and/or deferred payments; Permanent Loan: Principal and interest
- Borrower's Contribution: Minimum 10% equity contribution – can include land value
- Collateral: Security interest in the subject property or other real estate
- Guarantee: Personal and/or corporate guaranty from all principals and entities with 20% ownership interest in the property

Provide Financing and Support for Business Owners to Acquire Property:

Assist business owners to acquire properties to house their business operations. Must include an equivalent investment in redevelopment of the property.

Property Acquisition Loans

- Interest Rate: Fixed rate based on risk rating; min. 4%
- Fee: 1% loan fee
- Payments: May include a period of interest-only and/or deferred payments followed by principal and interest
- Collateral: Security interest in the subject property or other real estate
- Guarantee: Personal and/or corporate guaranty from all principals and entities with 20% ownership interest in property

⬇ TIMING

Start immediately, annual allocation for five years

Funds may be allocated through a Notice of Funding Availability (NOFA)

📊 OUTCOMES

30 property improvement grants for smaller-scale projects

30 property improvement loans to finance match for above smaller-scale projects

10 property development grants for larger-scale projects

10 property development loans (Assumes a loan size of \$500,000)

4 property acquisition loans (Assumes a loan size of \$500,000)

💰 TOTALS OVER 5 YRS

\$2,250,000

\$750,000

\$750,000

\$5,000,000

\$2,000,000

Mural on the Origami Catering building located on N Lombard St.



2 Support Business Ownership and Growth

Provide Financing for Small Business Growth: Assist small business growth through grants and loans:

Grants: Provide 75 percent matching grants of up to \$75,000 to assist property owners to improve and develop their assets. Up to \$25,000 may be used for project planning

Tenant Improvement Loan: Offer small business loans to pay for match.

- Interest Rate: Range from Prime to Prime+3% based on leverage and adjusted for risk (Currently: 3.5% - 6.5%)
- Fee: 1% loan fee
- Payments: Principal and interest in real payment; up to 1 year of interest-only payments, based on project underwriting
- Guarantee: Personal and/or corporate guaranty from all principals and entities with at least a 20% ownership interest in the business.

Create Affordable Commercial Space: Assist emerging or displaced small business owners by creating affordable commercial space. Could include landbanking. Reserve \$1,500,000 to assist small business owners located within a Cultural-Business Hub, if one is selected.

↓ TIMING

Start immediately, annual allocation for five years

Funds may be allocated through a Notice of Funding Availability (NOFA)

Start immediately. Funding may be allocated through a Notice of Funding Availability (NOFA).

▮ OUTCOMES

40 grants for tenant improvements

40 loans to finance match for above tenant improvements

Approximately 15,000 sq ft commercial space at 10 - 25% less than market. Assists approximately 10-15 businesses.

\$ TOTALS OVER 5 YRS

\$3,000,000

\$1,000,000

\$5,250,000

Hasan Artharee is the owner of the newly renovated North by Northeast Community Health Center (formerly Coast Industries, Inc.).



3 Invest in New and Existing Homeowners

*Funds allocated by the Portland Housing Bureau based on its program guidelines, following all fair housing, state and federal requirements.

Support Homeownership: Expand the availability of PHB's Down Payment Assistance Loan program to those with incomes between 80-120%.

- **Provide zero percent interest loan** of up to \$80,000 for first-time homebuyers.

Expand Home Repair Program: Expand the availability of PHB's Single Family Home Repair Programs

- **Provide zero percent interest loans** of up to \$40,000 per home to provide critical home repairs for homeowners at 80-120% of median family income.

Promote Accessory Dwelling Units: Expand proposed PHB programming for 17/18 to support development of accessory dwelling units and cottage homes to those with incomes between 80-120% of median family income as a way to bring more affordable housing units to market in the ICURA and as a way to support multi-generational families.

- **Program is currently under development.**
Details will be available by July 1, 2017

↓ TIMING

|| OUTCOMES

\$ TOTALS OVER 5 YRS

Start Immediately, annual allocation for five years

20 households

\$1,600,000

Start Immediately, annual allocation for five years

40 households

\$1,600,000

July 1, 2017

Households = TBD

\$1,800,000

4 Advance Community Livability Projects and Support Non-Profits

Invest in Community Livability Projects: Build community prosperity by supporting the growth, development and sustainability of key community-based organizations that drive economic development outcomes and serve communities that have experienced displacement or not benefited from economic opportunities (e.g. African Americans, people of color and people with disabilities).

- **Community Livability Grants** of up to \$300,000

↓ TIMING

|| OUTCOMES

\$ TOTALS OVER 5 YRS

Community Livability projects identified through annual grant application process.

20 Community Livability Grants to non-profit organizations

\$2,500,000

5 Catalyze Cultural-Business Hub(s)³ to further Culturally Specific Places and Economic Opportunities

Support Cultural-Business Hub: Foster multigenerational wealth creation by investing in 1-2 larger-scale projects that will provide commercial space for small businesses owned by African Americans and other people of color. Such projects will be places for businesses to grow and thrive, and will create active, vital sites offering culturally specific products, services, foods and/or entertainment. Examples of such projects include: the Mercado in Lents, Vanport Square in Interstate and the historic Golden West Hotel in the Central City. From 1906-1931, the Golden West Hotel was a hub of commercial activity providing lodging, entertainment, dining and personal services for Portland's small but growing African American population. The projects would be owned by African Americans and other people of color and meet specific timing, conditions and criteria:

Timing and Other Conditions:

1. Issue a NOFA within six months of adoption of the Plan.
2. Proposals will be reviewed by Prosper Portland and the Oversight Committee.
3. Project must meet criteria below.
4. If a feasible project(s) is not selected within three years of the adoption of this Plan the funds will be re-allocated towards another Plan action item.

Project Selection Criteria:

1. Aligns with the goals and objectives of the N/NE Community Development Initiative Action Plan especially:
 - Fostering multigenerational wealth creation through property ownership.
 - Fostering multigenerational wealth creation through business ownership.
2. Provides commercial space for small businesses owned by African Americans and other people of color to grow and thrive.
3. Demonstrates a commitment to tenancing a majority of the project with local, minority-owned businesses.
4. Provides long-term community benefits for African Americans and other people of color.
5. Provides meaningful contracting opportunities throughout the development and construction process for African Americans and other people of color.
6. Demonstrates financial feasibility and commitment from development and financial partners.

³ Called "anchor" or "signature" projects in previous drafts.

⌚ TIMING

See description of signature projects

📊 OUTCOMES

1-2 loans for Signature projects to create commercial space for minority-owned businesses

💰 TOTALS OVER 5 YRS

Up to \$4,500,000



The Portland Mercado in Lents is a hub for Latino culture.

5 Catalyze Cultural-Business Hub(s)³ to further Culturally Specific Places and Economic Opportunities (cont'd)

Property Development Loans:

- Interest Rate: A fixed rate based on the current Prime Rate plus three percentage points (with ability to reduce up to three percentage points for public objectives) (Currently: 3.5% - 6.5%)
- Fee: 1% loan fee
- Payments: Construction Loan: may include a period of interest only and/or deferred payments; Permanent Loan: Principal and interest
- Borrower's Contribution: Minimum 10% equity contribution – can include land value
- Collateral: Security interest in the subject property or other real estate
- Guarantee: Personal and/or corporate guaranty from all principals and entities with 20% ownership interest in the property



Photo by Jonathan Beaver

NEW PRACTICES AND POLICIES

I. Oversight Committee

Prosper Portland will establish an Oversight Committee by February 2017. Oversight Committee meetings will be open to the public.

The Action Plan is a living document, and the Oversight Committee may recommend adjustments of the **investment allocations** to take advantage of unique opportunities to promote wealth creation and/or to place resources where demand and the market conditions are the strongest. See [Attachment D](#) for the Draft Oversight Committee Project Charter.

II. Who Has Access

Given that an original intent of the Interstate Corridor URA was to benefit the existing community; the demographic shifts that have occurred since the implementation of the Interstate Corridor URA; and current and historical income disparities in this area; this Action Plan is explicitly intended to benefit people and communities that have experienced displacement or not benefited from economic opportunities. See [Attachment E](#) for Draft Criteria for beneficiaries of TIF investments.

III. Improving Outcomes

1. Work with lenders and community stakeholders to assess whether Prosper Portland's financial tools need modifications to achieve greater access to capital among business and property owners of color.
2. Proactively work with private and non-profit lenders and foundations to discuss ways to effectively partner to leverage TIF funding to achieve intended wealth creation goals AND to address the racial bias in lending that communities of color continue to experience.
3. Explore new financing tools:
 - Explore a down payment assistance program for commercial real estate purchase.
 - Explore a tax abatement program to maintain affordability for existing businesses who own their properties.
 - Expand the secured lines of credit program.



Mural by artists Eatcho and Jeremy Nichols at the Black United Fund

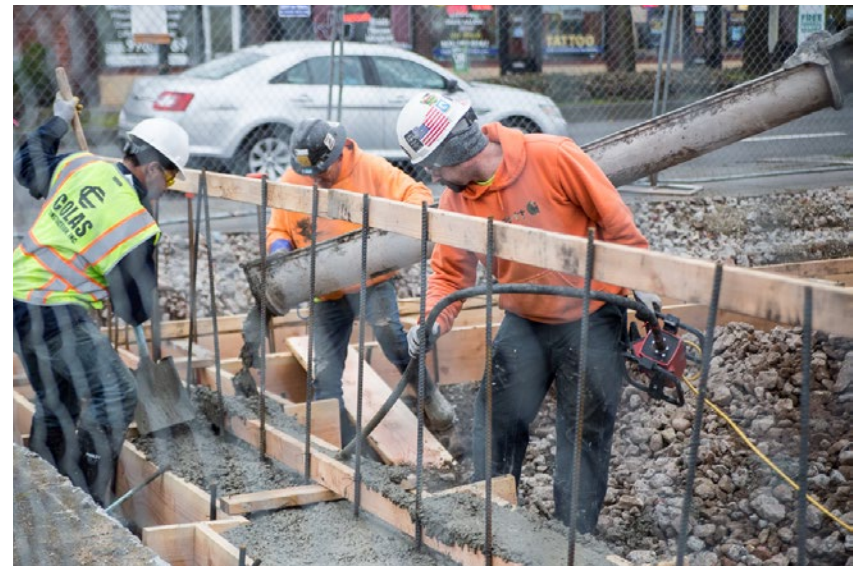


Community Forum attendee

4. Pair Prosper Portland business loans with ongoing business technical assistance.
5. Improve marketing and outreach to African Americans and other people of color about Prosper Portland grants, loans, and programs for businesses, property owners and residents.
 - Utilize community ambassadors to discuss Prosper Portland loans, grants and technical assistance with businesses, property owners, and residents.
 - Go to existing meetings and gatherings of African Americans and other residents and business owners of color to educate them about Prosper Portland offerings.
 - Develop user-friendly and accessible marketing materials regarding programs including videos and print media.
 - Reach people where they currently reside including in outer East Portland.
6. Improve practices and tools for working with long-time property owners including:
 - Provide tailored technical assistance, mentoring and education to allow property owners to understand their development options.
 - Develop user-friendly real estate development toolkits to use in educating property owners about development options. Tools

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 takes 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 long-time property owners (LTPO), when necessary, to protect their equity positions.
7. Continue to apply and strengthen Prosper Portland's Business and Workforce Equity Policy to ensure that the benefits of our investments in constructing improvements flow to minority and women-owned contractors and tradespeople.
 8. Make minor amendments to the Interstate Corridor Urban Renewal Area to ensure inclusion of key properties immediately adjacent to the URA boundary.
 9. Work proactively with foundations to identify partnerships that can leverage the reach of TIF investments and provide resources for critical non-TIF initiatives (see Section V).



IV. Other TIF Expenditures Within the Five-Year Timeframe:

Prosper Portland's budget and forecast includes funding for projects that have previously been approved in the URA. These projects are in addition to the \$32 million articulated in this Action Plan. One project will be cancelled. Please see below for more detail.

1. 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:

2. Planned projects in the Interstate Corridor URA that will not move forward:

- Bridgeton Trail – Prosper Portland and Metro have been unable to acquire necessary right-of-way for this project despite efforts over many years. Further, while this is a worthwhile public infrastructure investment, it does not align strongly with the Prosper Portland Strategic Plan nor this Action Plan.

Committed Projects/Activities	Budget Amt.
Alberta Commons (a.k.a. Natural Grocers) Includes design and buildout of space that will be master leased by Prosper Portland and tenanted with small, minority-owned businesses. It also includes costs for public art, signage, marketing of space, etc. Prosper Portland anticipates receiving approximately \$1 million in lease revenue from the master leased space over a 10-year period.	\$3,200,000
Lombard Streetscape – if a financially feasible solution can be developed	\$2,200,000
Killingsworth Streetscape project completion	\$75,000
Dr. Martin Luther King Jr. Heritage Markers	\$225,000
Gordly Cultural Center: Loan to purchase home to establish an African American cultural center and grant to support maintenance expenses for a two-year holding period.	\$577,000
Alberta and St Johns Main Street District Improvement Grants	\$410,000
Complete Past Grant Award Projects: Includes Community Livability Projects, Development Feasibility Grants, Storefront Improvement Grants and Special Authority Grants	\$1,000,000
Real Estate Management: managing properties in Kenton and leasing developed spaces to industrial and local businesses	\$1,300,000
Contingency	\$1,000,000
TOTAL	\$9,987,000

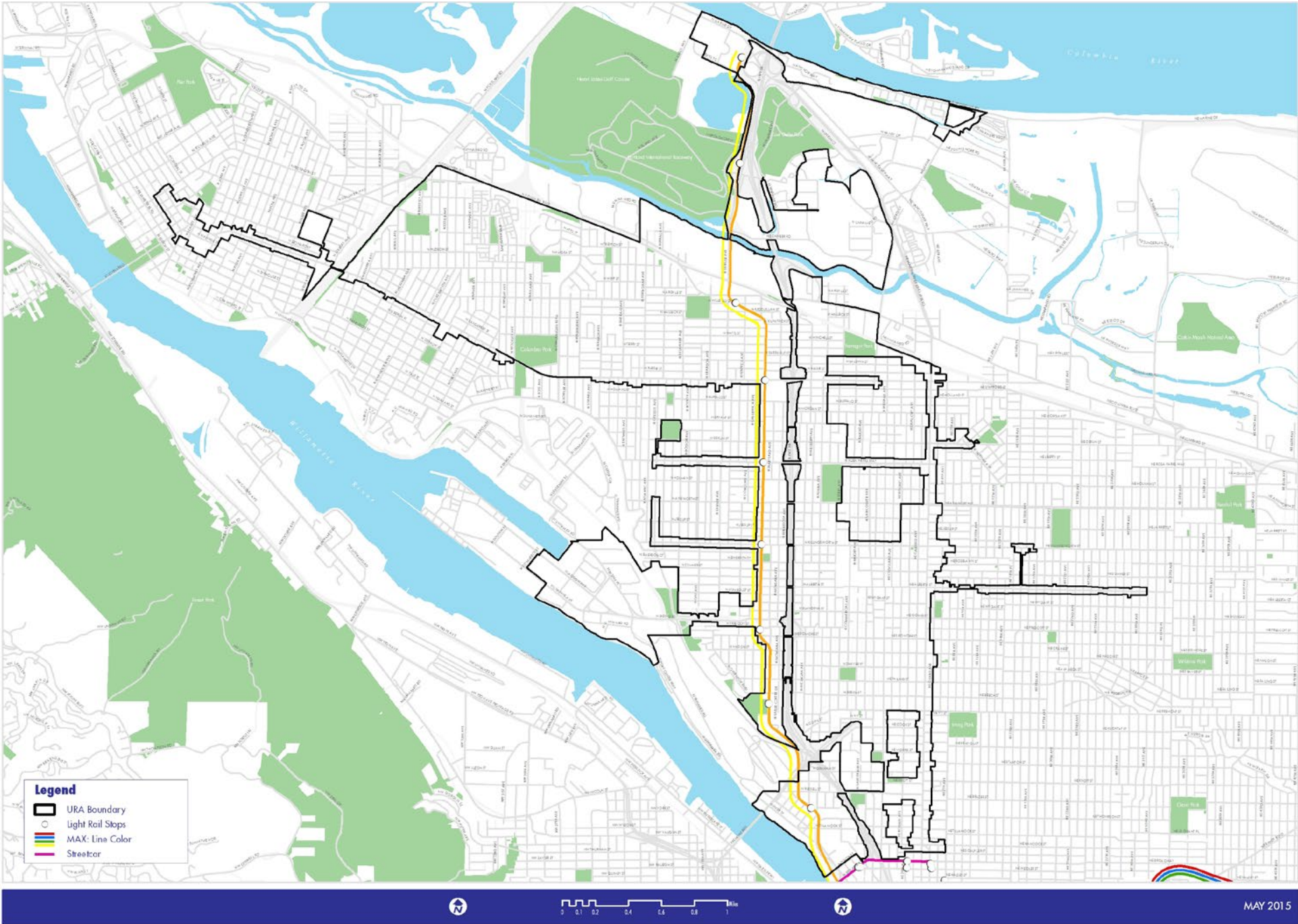
V. Non-TIF Resources:

Tax increment resources available in the Interstate Corridor URA are limited to physical construction. While this is a beneficial economic development tool, it is an incomplete tool. Non-restricted, non-TIF funding sources are needed to assist with the wealth creation goals of this Action Plan. The following are recommendations regarding non-TIF funding sources.

1. Continue City support for existing Prosper Portland programs that will contribute to the success of this Action Plan:
 - **Support Business Technical Assistance:** Continue to provide culturally appropriate, easily accessible business technical assistance and mentorship to startups, small businesses and youth entrepreneurs.
 - **Provide Workforce Development Opportunities:** Continue to support workforce development for low-income youth and adults through the Economic Opportunity Initiative.
2. New activities that should be initiated and funded to increase the likelihood of success of this plan:
 - **Develop Business Opportunities with Anchor Institutions:** Increase market opportunities for local businesses by establishing productive connections to large employers and anchor institutions with substantial purchasing power.
[NEW FUNDING NEEDED](#)
 - **Connect People to Jobs:** Proactively connect unemployed and underemployed residents to jobs created by Prosper Portland's economic development activities, and to workforce development opportunities available through the public workforce system. Key activities include:
 - Establish a community-based workforce navigator focused on N/NE and particularly on the returning residents and current residents of publicly supported housing.
[NEW FUNDING NEEDED](#)
 - Establish a system for notifying community-based workforce development organizations and other CBOs of jobs created through Prosper Portland's economic development activities.
 - **Increase Job Training Support:** Support training for high-demand, living wage occupations: health care, manufacturing, banking, construction.
[NEW FUNDING NEEDED](#)
 - **Develop Job Opportunities with Anchor Institutions:** Support the development of career-track, middle-wage jobs through a citywide anchor institution strategy focused on health care, public sector and/or educational institutions.
[NEW FUNDING NEEDED](#)
 - **Promote STEM and STEAM:** Support youth workforce development through initiatives such as science, technology, engineering, arts, and math (STEM and STEAM).
[NEW FUNDING NEEDED](#)
 - **Establish a Neighborhood Prosperity Initiative Area:** Identify and support community-based organization to drive economic development outcomes in the Interstate Corridor URA with an emphasis on supporting economic opportunities for African Americans and people of color.
[NEW FUNDING NEEDED](#)
 - **Promote Culturally Relevant Financial Education Programs:** Work with partners to promote increased education for African Americans and people of color on wealth management, investing, and financial literacy. This is particularly urgent for senior homeowners so that they and their families can make informed decisions about their properties in the face of financial pressures from taxes and limited retirement income.

ATTACHMENTS

ATTACHMENT A: INTERSTATE CORRIDOR URA MAP



ATTACHMENT B: GLOSSARY OF TERMS

Accessory Dwelling Units – An accessory dwelling unit (ADU) is a second dwelling unit created on a lot with a house, attached house or manufactured home. The second unit is created auxiliary to, and is smaller than, the main dwelling. ADUs can be created in a variety of ways, including conversion of a portion of an existing house, addition to an existing house, conversion of an existing garage or the construction of an entirely new building.

Affordable housing – Housing affordable to residents with a income equal to between 0–60 percent of Median Family Income (MFI).

Anchor Institutions – Large organizations, most often public or non-profit, that are primarily anchored in place—colleges and universities, hospitals and health-care facilities, utilities, faith-based organizations, museums, and arts centers. Anchor institutions are key drivers of local and regional economic opportunity. Anchor institutions offer stable jobs, many with career ladders and good wages and benefits, and strong purchasing power of goods and services.

Business Technical Assistance – Services provided to individuals to help them start, stabilize and grow a business. Typically advising centers around business planning, financial planning, marketing, access to capital, legal and human resource issues.

Community development – A process wherein community members come together to take action and generate solutions (economic, place-based, social, environmental, and cultural) to common problems.

Community Livability Projects – Projects supported by Prosper Portland's Community Livability Grant (CLG) program that provides grants to community-based organizations for projects that foster vibrant and healthy neighborhoods and improve the prosperity of area residents and businesses.

Cultural-Business Hub – 1-2 larger-scale projects that will provide commercial space for small businesses owned by people of color. Such projects will be places for business to grow and thrive, and will create active, vital sites offering culturally specific products, services, foods and/or entertainment.

Disparities – Differences between population groups in the presence of any form of outcomes, including access to services. Disparities include both acceptable and unacceptable differences. (Adapted from Multnomah County Health Department, Health Equity Initiative)

Economic development – Work to improve the standard of living and economic competitiveness; activities include business retention, expansion and recruitment, international trade, and entrepreneurship development.

Economic opportunities – The ability for people to create wealth through activities such as: accessing employment, building businesses, and purchasing property.

Gentrification – The process by which an undervalued neighborhood becomes desirable, which results in the displacement of lower income households due to the loss of affordable housing, often with a corresponding change in racial and ethnic makeup of a neighborhood's residents and businesses.

Median Family Income – An income threshold set by Department of Housing and Urban Development, updated annually, generally in December. New thresholds are effective immediately. Current MFI thresholds can be found online at <https://www.portlandoregon.gov/phb/50010>

Neighborhood Prosperity Initiative (NPI) – A Prosper Portland program focused on community economic development at the neighborhood scale. A community-driven, self-help approach is at the heart of this work. With grants, training, and support from Prosper Portland, each district is responsible for planning and implementing projects to improve the local commercial district.

NOFA - Notice of Funding Availability

People or communities of color – Native American, African American, Latino, Asian, Slavic, and African immigrant and refugee people or communities (*per Coalition of Communities of Color*).

Small businesses – Establishments with 50 or fewer employees.

Tax increment financing (TIF) - A public financing method that is used for redevelopment, infrastructure, and other community-improvement projects within Urban Renewal Areas.

Urban Renewal Area (URA) – A defined geography from which tax increment financing is both generated and spent.

Wealth Creation – Increasing individual net worth which is defined as the value of all assets owned net of all liabilities owed at a point in time.

White people or communities - People or communities with the racial identity of Caucasian, without being Latino (*per Coalitions of Communities of Color*).

Workforce development - A range of educational, training, and networking activities to create, sustain, and retain a viable workforce that supports economic security for individuals and meets current and future business and industry needs.

ATTACHMENT C: DEMOGRAPHIC TRENDS IN THE INTERSTATE CORRIDOR URA AND CITY OF PORTLAND

		INTERSTATE CORRIDOR URA			CITY OF PORTLAND		
		2000	2013	GROWTH	2000	2013	GROWTH
African-American	POPULATION	10,795	7,251	-32.8%	41,589	44,397	6.8%
	INCOME	\$35,398	\$24,322	-31.3%	\$27,103	\$27,923	3.0%
	POVERY RATE	24.9	33.5	34.5%	25.9	35.5	37.1%
Asian-American	POPULATION	2,141	2,452	14.5%	39,485	58,397	47.9%
	INCOME	\$53,127	\$63,586	19.7%	\$42,576	\$50,829	19.4%
	POVERY RATE	23.6	14.6	-38.1%	13.2	22.1	67.4%
Hawaiian/ Pacific Islander	POPULATION	586	378	-35.5%	3,658	5,410	47.9%
	INCOME	--	--	--	\$39,115	\$26,294	-32.8%
	POVERY RATE	--	--	--	14.7	--	--
Hispanic/Latino	POPULATION	3,915	3,909	-0.2%	36,058	60,974	69.1%
	INCOME	\$40,387	\$40,660	0.7%	\$32,371	\$35,108	8.5%
	POVERY RATE	30.1	25.3	-15.9%	24.1	34.0	41.1%
Native American	POPULATION	1,368	1,028	-24.9%	12,125	16,868	39.1%
	INCOME	--	--	--	\$30,471	\$22,247	-27.0%
	POVERY RATE	29.1	--	--	22.8	48.1	111.0%
White	POPULATION	24,909	32,480	30.4%	430,350	500,855	16.4%
	INCOME	\$53,595	\$54,799	2.2%	\$41,476	\$59,758	44.1%
	POVERY RATE	13.1	14.2	8.4%	10.9	15.2	39.4%

ATTACHMENT D: DRAFT OVERSIGHT COMMITTEE PROJECT CHARTER

Prosper Portland
North/Northeast Community Development Initiative

DRAFT Oversight Committee Project Charter

Background

The North/Northeast (N/NE) Community Development Initiative Action Plan (Action Plan) has been developed to guide Prosper Portland's investment of the remaining \$32 million in Tax Increment Financing (TIF) resources for economic development in the Interstate Corridor Urban Renewal Area (Interstate Corridor URA). The goal of the N/NE Community Development Initiative (CDI) is to use TIF resources to foster economic prosperity among African Americans and people of color by helping them participate in, benefit from and contribute to the local, regional and global economies. The Action Plan proposes to invest the remaining TIF economic development resources to underserved populations in the following ways:

Scope

Foster Multi-Generational Wealth Creation and Community Assets	Proposed Five-Year Allocation	Estimated Number Assisted w/Grants & Loans
1 Promote Property Ownership and Redevelopment	\$10,750,000	44 property owners
2 Support Business Ownership and Growth	\$9,250,000	55 business owners
3 Invest in New and Existing Homeowners	\$5,000,000	60 homeowners
4 Advance Community Livability Projects	\$2,500,000	20 non-profits
5 Catalyze Cultural-Business Hub(s)	\$4,500,000	1-2 projects
TOTAL	\$32,000,000	

The N/NE Oversight Committee is hereby created to ensure accountability for the implementation of the goals, objectives and investment priorities of the N/NE Community Development Initiative Action Plan. The Oversight Committee, working with Prosper Portland, reviews, advises and monitors redevelopment proposals and projects according to the timelines, metrics, and allocation amounts outlined in the Action Plan. The Plan is a living document, and Prosper Portland under the consultation with the Oversight Committee may recommend adjustments of the investment allocation to take advantage of unique opportunities to promote wealth creation and/or to place resources where demand and the market conditions are the strongest.

Membership Responsibilities

- For the first year meetings will take place once a month. Thereafter, the group shall meet quarterly. With proper notice to the public, additional meetings may be scheduled as needed by the committee chair.
- Review quarterly update on the allocations of PIP grants and business technical assistance program within the Interstate Corridor URA.
- Review Notification of Funding Availability for TIF-sponsored program within the Interstate Corridor URA.
- Review Community Livability Grants for the Interstate Corridor URA.
- Serve as an advisory body for the Portland Housing Bureau's Homeownership Support, Home Repairs and Accessory Dwelling Programs administered within the Interstate Corridor URA.
- The Oversight Committee's initial term of one year will be up for renewal each year for the next five years, or until the expiration of the URA.

Selection Process

Membership positions shall be selected by Prosper Portland in consultation with members of the N/NE Community Development Initiative Project Advisory Committee. The Oversight Committee shall be composed of 15 community members who are subject matter experts.

Selection Criteria

- Have a general understanding of Prosper Portland and the N/NE Community Development Initiative Action Plan.
- Have an understanding of the historical displacement of African Americans and people of color and why a specific emphasis will be placed on providing timely benefits to groups most at risk of displacement or not benefiting from economic opportunities.
- Must attend regularly scheduled meetings, be prepared for these meetings and participate fully in accordance with their roles
- It is expected that any business owner, non-profit organization or property owner will not have a financial conflict of interest for themselves, an organization they are employed by or a board member of, or a member of their family with Prosper Portland and the accompanying \$32 million in investment.

Meetings and Quorum

All meetings of this committee are considered public meetings. There shall be meeting notices, and records shall be kept. The Committee will abide by all standards and practices required of public meetings and public bodies by law. A quorum is present when a minimum of seven (7) voting members are in attendance at the meeting.

Decision Making and Voting

The committee will use standard parliamentary procedure in process and decision making, and will keep records of all deliberations and decisions. The committee will attempt to make decisions by consensus. If an impasse occurs, the chairperson may call for a vote of the committee membership. In the event that a consensus is not reached and a vote does not yield a decision, the chairperson will act on behalf of the committee.

ATTACHMENT E: INVESTMENT CRITERIA FOR TIF FUNDS

TIF investments will prioritize:

1. Current or former business owners, property owners and residents, and their descendants, who owned businesses, owned property or lived within the Interstate Corridor URA boundaries prior to its establishment in 2000 and have experienced impediments or disadvantages in benefiting from economic opportunities (e.g. legacy of redlining, racism, lack of access to capital etc.).
2. Other business and property owners who do not have historical ties to the Interstate Corridor URA, but who:
 - a. Experience economic barriers to business and property ownership in the Interstate Corridor URA;
 - b. Are African Americans or people of color;
 - c. Provide a product or service that is beneficial to a historically underserved population; or
 - d. Commit to tangible and sustainable economic benefits for underserved populations.
3. Funding for housing will be allocated by the Portland Housing Bureau based on its program guidelines, following all fair housing, state and federal requirements.