RESOLUTION NO. 7285

AUTHORIZING EXECUTION OF FISCAL YEAR 2018/19 INTERGOVERNMENTAL SERVICE LEVEL AGREEMENT WITH THE CITY OF PORTLAND FOR GENERAL FUND SPECIAL APPROPRIATIONS OF $6,540,663 FOR ECONOMIC DEVELOPMENT ACTIVITIES

WHEREAS, Prosper Portland, as the duly-designated urban renewal agency of the City of Portland (“City”), is granted broad powers under Oregon Revised Statutes 457.170 for the planning and implementation of urban renewal projects;

WHEREAS, Prosper Portland has established expertise in economic development activities which, to the extent they are financed through the use of urban renewal tax increment revenues, are restricted to the City’s urban renewal areas;

WHEREAS, Prosper Portland’s 2015-2020 Strategic Plan goal is to achieve widely shared prosperity among all residents of Portland by harnessing and expanding Prosper Portland’s tools for job creation, place-making, and economic opportunity;

WHEREAS, the City and Prosper Portland desire that Prosper Portland implement certain economic development activities on a citywide basis, primarily community economic development and traded sector job creation and retention, and the City has approved funding to Prosper Portland to do so;

WHEREAS, implementing these economic development activities supports Prosper Portland’s mission and strategic goals related to increasing access to jobs, creating healthy and vibrant neighborhoods, and fostering equitable wealth creation; and

WHEREAS, the City and Prosper Portland desire to enter into an agreement to establish the terms and conditions by which the City will provide funding to Prosper Portland to implement economic development activities on a citywide basis.

NOW, THEREFORE, BE IT RESOLVED that the Prosper Portland Board of Commissioners authorizes the Executive Director to execute the Fiscal Year 2018/19 Intergovernmental Service Level Agreement – General Fund Special Appropriations with the City of Portland, substantially in the form affixed hereto as Exhibit A, to provide $6,540,663 to Prosper Portland for economic development activities; and

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon its adoption.

Adopted by the Prosper Portland Commission on September 13, 2018

Pam Feigenbutz, Recording Secretary
PROSPER PORTLAND
Portland, Oregon

RESOLUTION NO. 7285
EXHIBIT A

AUTHORIZING EXECUTION OF FISCAL YEAR 2018/19 INTERGOVERNMENTAL SERVICE LEVEL AGREEMENT WITH THE CITY OF PORTLAND FOR GENERAL FUND SPECIAL APPROPRIATIONS OF $6,540,663 FOR ECONOMIC DEVELOPMENT ACTIVITIES

Exhibit A includes this cover page and contains 7 pages:
- Draft Intergovernmental Agreement with the City of Portland
FY 2018-19 Intergovernmental Service Level Agreement
General Fund Appropriation

This Intergovernmental Service Level Agreement ("Agreement"), dated this ___ day of ____, 2018 ("Effective Date"), is made and entered into by and between the City of Portland (the "City") and Prosper Portland ("Prosper Portland") (collectively the "Parties").

RECITALS

A. Prosper Portland, as the duly-designated Urban Renewal agency of the City of Portland, is granted broad powers under ORS 457.170 for the planning and implementation of urban renewal projects.

B. A cooperative relationship between Prosper Portland and the City will be beneficial to the implementation of specific economic development activities including target industry development, entrepreneurial development and community economic development on a citywide basis.

C. Funding has been appropriated in the City’s FY 2018-19 Adopted Budget to fund the abovementioned economic development activities.

D. Both parties desire to enter into an agreement that will establish terms and conditions by which one party will engage and compensate the other party for performing specific services.

E. The City Budget Office ("CBO"), as the City’s budget liaison to Prosper Portland has been identified as the bureau responsible for managing this agreement.

AGREEMENT

1. Parties

Prosper Portland
Main Contact: Tony Barnes
City of Portland, City Budget Office
Main Contact: Josh Harwood

2. Term and Termination

This Fiscal Year 2018-19 Agreement runs from July 1, 2018 to June 30, 2019.

a. The full amount of funds for 2018-19 is authorized in the City’s FY 2018-19 Adopted Budget.

b. If funding is authorized for an additional program or transfer, City may add that program or transfer by written amendment to this Agreement, subject to Prosper Portland approval.

c. Either party may terminate the entire Agreement with 30 days prior written notice to the other.
d. If this Agreement is terminated, the City shall reimburse Prosper Portland for expenses incurred and funds contractually committed, prior to the date of termination, in the course of performing the activities described in the Scope of Services.

3. Roles & Responsibilities
The City will send funds to Prosper Portland pursuant to the terms of Section 4 of this agreement.

4. Scope of Services
The City will provide to Prosper Portland a total of $6,540,664 in funding in the following amounts for the following economic development activities during FY 2018-19. Prosper Portland shall successfully implement the economic development activities described below and meet the programmatic performance measure targets as defined below:

Programs:

1) Entrepreneurship and Community Economic Development (ECED) - $4,961,896 - consisting of:

   Neighborhood Prosperity Network (NPN) ($1,122,124)
   This program consists of:

   Neighborhood Prosperity Network focuses on seven economically challenged business areas in North, East and outer Northeast Portland to build the capacity of community-based organizations to become active partners in neighborhood economic development. In addition to ongoing technical assistance and training provided by Prosper Portland, the districts will be eligible for a district administration and operations grant, marketing, promotions and branding grant, and a property improvement grant.

   Neighborhood Commercial Corridors also includes an initial appropriation of $299,339 for transfer of NPN tax increment shared revenue forecast to be received by the City General Fund that will be transferred to Prosper Portland in accordance with the Neighborhood Prosperity Initiative for Granted Revenues IGA approved in 2012. The amount will be reconciled in the Spring Budget Monitoring Process based on actual taxes received during FY 2018-19.

   Funding for the above programming is intended to produce the following outcomes:
<table>
<thead>
<tr>
<th>Neighborhood Prosperity Network Performance Measures</th>
<th>Target FY 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of volunteer hours provided by NPN</td>
<td>30,000</td>
</tr>
<tr>
<td>Net number of businesses</td>
<td>20</td>
</tr>
<tr>
<td>Net number of full-time hires</td>
<td>50</td>
</tr>
<tr>
<td>Operating funds raised by NPN</td>
<td>$500,000</td>
</tr>
</tbody>
</table>

Venture Portland ($536,528)
Funds provided to Venture Portland to support training, technical assistance, and small grants to Portland’s neighborhood business district associations. The total includes ongoing funding of $200,000 for the Catalytic Investment Initiative which is a follow up to the East Portland pilot.

Funding for the above programming is intended to produce the following outcomes:

<table>
<thead>
<tr>
<th>Venture Portland Performance Measures</th>
<th>Target FY 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount of technical assistance and training hours to Business District Associations by Venture Portland</td>
<td>2,900</td>
</tr>
<tr>
<td>Number of projects funded by Venture Portland</td>
<td>35</td>
</tr>
<tr>
<td>Number of business district members</td>
<td>36</td>
</tr>
<tr>
<td>Number of volunteer hours</td>
<td>1,980</td>
</tr>
<tr>
<td>Percentage of General Fund budget awarded to business districts</td>
<td>18%</td>
</tr>
</tbody>
</table>

Inclusive Business Resource Network (IBRN) ($1,983,549)
IBRN is a network of more than 11 organizations that serves approximately 600 businesses a year and includes both traded sector and local service sector businesses at different stages, from startup to growth. The IBRN is designed specifically for underrepresented and disadvantaged entrepreneurs with many of the organizations rooted in communities of color and all providing culturally responsive business technical assistance.

Funding for the above programming is intended to produce the following outcomes:
Inclusive Business Resource Network Program Performance Measures

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>Target FY 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>1000 strong and stable businesses in five years</td>
<td>200</td>
</tr>
<tr>
<td>250 businesses grow sales or profit margins in five years</td>
<td>45</td>
</tr>
<tr>
<td>25 businesses invest in expansion in five years</td>
<td>4</td>
</tr>
<tr>
<td>Number of businesses receiving light touch technical assistance</td>
<td>400</td>
</tr>
<tr>
<td>Number of businesses receiving long term technical assistance</td>
<td>400</td>
</tr>
<tr>
<td>Percent of business owners of color served by IBRN</td>
<td>75%</td>
</tr>
</tbody>
</table>

Adult and Youth Workforce Development ($1,319,695)

The goal of this program is to raise the incomes of low income Portland residents through workforce development. All participants have incomes of 50 percent or less of the Portland area median family income and often face barriers to employment such as limited English proficiency, criminal histories, homelessness, drug and alcohol addictions, and lack of educational credentials and basic skills.

Funding for the above programming is intended to produce the following outcomes:

<table>
<thead>
<tr>
<th>Workforce Development Program Performance Measures</th>
<th>Target FY 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of youth participants people of color in workforce development</td>
<td>70%</td>
</tr>
<tr>
<td>Percentage of adult participants people of color in workforce development</td>
<td>50%</td>
</tr>
<tr>
<td>Number of youth participants in workforce development</td>
<td>500</td>
</tr>
<tr>
<td>Number of adult participants in workforce development</td>
<td>825</td>
</tr>
<tr>
<td>Percent of youth participants placed in employment or post-secondary training</td>
<td>75% employed &amp; 65% in training</td>
</tr>
<tr>
<td>Percent of adult participants in workforce development who advanced in employment as demonstrated by gain in earnings, wage or benefits</td>
<td>60%</td>
</tr>
</tbody>
</table>

2) Traded Sector Job Creation & Retention - $1,428,766 consisting of:

Cluster Development ($1,428,766)

The City’s Economic Development Strategy seeks to raise the national and international competitive profile of four target industry clusters (clean technology;
athletic & outdoor; metals and machinery; and software and digital media) through the retention and expansion of local companies and the strategic recruitment of firms to the city. Cluster efforts support creation of middle wage jobs and broadening the talent pipeline to generate inclusive growth in these targeted industries.

The Cluster Initiatives and Business Development Program include:
- Business development to support quality job growth through business and industry expansion;
- Business development to alleviate barriers to growth;
- Business recruitment in partnership with Greater Portland Inc.; and
- International business development and export promotion.

The Cluster Development program includes $142,240 in one-time General Fund resources to support the Film & Video Office for one year. By FY 2019-20, this office is expected to be at least partially self-sustaining.

Funding for the above programming is intended to produce the following outcomes:

<table>
<thead>
<tr>
<th>Traded Sector Economic Development Performance Measures</th>
<th>Target FY 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of companies introduced to capital partners</td>
<td>40</td>
</tr>
<tr>
<td>Number of Traded Sector business retention/expansion visits</td>
<td>350</td>
</tr>
<tr>
<td>Number of Traded Sector direct assistance, referral activities</td>
<td>400</td>
</tr>
<tr>
<td>Number of Portland Traded Sector firms receiving export assistance</td>
<td>40</td>
</tr>
<tr>
<td>Number of companies participating in a Public Benefit Agreement or public pledge that aligns with Prosper Portland strategic plan</td>
<td>55</td>
</tr>
<tr>
<td>Number of Traded Sector business relocations (within Portland) and expansions</td>
<td>10</td>
</tr>
<tr>
<td>Cluster growth year over year</td>
<td>2%</td>
</tr>
<tr>
<td>Jobs resulting from traded sector business relocations and expansions within Portland</td>
<td>1,000</td>
</tr>
<tr>
<td>Jobs created by leading cluster firms supported by Prosper Portland</td>
<td>4%</td>
</tr>
<tr>
<td>% increase of female or under represented people of color hires at TechTown pledge companies</td>
<td>10% female/15% underrepresented</td>
</tr>
</tbody>
</table>

5. Deliverables & Payment Schedule

Deliverables from Prosper Portland will be as follows

a. Prosper Portland will provide periodic activity billings. The current year appropriations will be broken out into the following categories: Personnel Services, Materials &
Supplies, Financial Assistance, and Overhead and include actuals and balances. Any major contracts (more than $5,000) included in billings in either Neighborhood Economic Development or Traded Sector programming will be listed with a brief explanation of service provided.

b. Prosper Portland will provide CBO with finalized FY 2017-18 program performance data (i.e. outcomes) and key performance measure data during the first quarter of FY 2018-19, consistent with City bureau reporting expectations. Prosper Portland will also provide CBO with updated FY 2018-19 program performance data, key performance measure data, and project-specific metrics upon request throughout the fiscal year.

Payment Schedule
Prosper Portland will bill CBO on a periodic basis based on expenditures incurred, unless and to the extent the Parties agree in writing to alternate disbursement or payment arrangements. The total General Fund Special Appropriations is $6,540,664.

6. Changes to Funding Allocations
The Prosper Portland Contract Signatory and the CBO Contract Signatory are authorized to adjust funding levels by program or adjust funding between sub-program categories, through a duly executed amendment to this Agreement, so long as sufficient funds have been appropriated in the City budget to cover the maximum amounts payable for economic development activities by the City under this Agreement, and sufficient funds have been appropriated for these economic development activities in Prosper Portland's Budget.

a. The current year appropriations include up to $299,339 in General Fund revenue sharing related to the Neighborhood Prosperity Network (NPN). Billings for NPN are contingent upon actual taxes collected.

7. Administration & Dispute Resolution

Administration
The Parties will determine the frequency and scope of any necessary City/Prosper Portland meetings. The Parties may amend any provision of this Agreement in a writing signed by both parties hereto.

Dispute Resolution
If a dispute arises regarding the terms and conditions of this Agreement, all parties agree to exercise good faith in expeditiously resolving said conflict in the following manner:

a. All conflicts should first be discussed and resolved, if at all possible, at the staff level.
b. If the conflict cannot be resolved at the staff level, then the conflict should be elevated to the Main Contacts specified in Section 1 for discussion and resolution.
c. Any conflicts not resolved by the Main Contacts shall be elevated to the signatories of this Agreement for discussion and resolution.
Approvals

The City of Portland, through the City Budget Office, and Prosper Portland have executed this Agreement as of the date on Page 1.

CITY OF PORTLAND

________________________________
Claudio Campuzano, Interim Budget Director

PROSPER PORTLAND

________________________________
Kimberly Branam, Executive Director

APPROVED AS TO FORM:

________________________________
City Attorney

APPROVED AS TO FORM:

________________________________
Legal Counsel
RESOLUTION NO. 7285

RESOLUTION TITLE:
AUTHORIZING EXECUTION OF FISCAL YEAR 2018/19 INTERGOVERNMENTAL SERVICE LEVEL AGREEMENT WITH THE CITY OF PORTLAND FOR GENERAL FUND SPECIAL APPROPRIATIONS OF $6,540,663 FOR ECONOMIC DEVELOPMENT ACTIVITIES

Adopted by the Prosper Portland Commission on September 13, 2018

<table>
<thead>
<tr>
<th>PRESENT FOR VOTE</th>
<th>COMMISSIONERS</th>
<th>VOTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑</td>
<td>Chair Gustavo J. Cruz, Jr.</td>
<td>☑</td>
</tr>
<tr>
<td>☑</td>
<td>Commissioner Alisha Moreland-Capuia MD</td>
<td>☑</td>
</tr>
<tr>
<td>☑</td>
<td>Commissioner Francesca Gambetti</td>
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<tr>
<td>☑</td>
<td>Commissioner Peter Platt</td>
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</tr>
<tr>
<td>☑</td>
<td>Commissioner William Myers</td>
<td>☑</td>
</tr>
</tbody>
</table>

☑ Consent Agenda ☐ Regular Agenda

CERTIFICATION

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Prosper Portland Commission and as duly recorded in the official minutes of the meeting.

Date: September 12, 2018

Pam Feigenbutz, Recording Secretary