



PROSPER
PORTLAND

Building an Equitable Economy

Gustavo J. Cruz, Jr.
Chair

Francesca Gambetti
Commissioner

Alisha Moreland-Capua, M.D.
Commissioner

William Myers
Commissioner

Peter Platt
Commissioner

Ted Wheeler
Mayor

Kimberly Branam
Executive Director

This document represents the official meeting record of the April 8, 2020, Prosper Portland Board of Commissioners (Board) meeting via Zoom due to the COVID-19 pandemic. The full video recording of this meeting can be found at <https://www.youtube.com/watch?v=ipE6tJSanWg>

1. Call to Order and Roll Call

Chair Gustavo Cruz called the meeting to order at approximately 3:01 p.m. Pam Feigenbutz, Prosper Portland Board recording secretary, called the Prosper Portland Board roll:

Chair Gustavo Cruz	PRESENT
Commissioner Francesca Gambetti	PRESENT
Commissioner Alisha Moreland-Capua	PRESENT
Commissioner William Myers	PRESENT
Commissioner Peter Platt	PRESENT

Justin Douglas read the following statement: “As a result of the COVID-19 pandemic and the need to limit in-person contact and promote social distancing, Prosper Portland is holding this meeting electronically as allowed by State law. All members of the Commission are attending remotely by phone and Prosper Portland has made several avenues available for the public to listen to the audio broadcast of this meeting. The public can also provide written testimony to the Commission by emailing feigenbutzp@prosperportland.us

2. Commissioner Reports

Commissioner Platt

- Nothing to report

Commissioner Myers

- Participated and continuing to participate on the Economic Impact Action Committee, Economic Impact and Intervention Task Force Committee and subsequent working groups

Commissioner Gambetti

- Continuing to work with clients

Commissioner Moreland-Capua

- Continuing to see eight to ten patients a day

Chair Cruz

- Participated and continuing to participate on the Economic Impact and Intervention Task Force

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3. Executive Director Report

- Stated in the past month Prosper Portland staff mobilized around the goal of serving the city during an unprecedented economic crisis and worked with partners to identify ways to support the residents and businesses of Portland followed and implement the ideas and solutions.
- Announced the Small Business Relief Fund loan opened at 9:00 a.m. on this date
- Stated Prosper Portland will continue to pursue additional state, federal, and private funds to augment the grant resources and will continue to work with external partners to identify ways to support local small businesses

4. Meeting Minutes

Chair Cruz called for a motion to approve the March 11, 2020 and March 26, 2020 Prosper Portland Board meeting minutes. Commissioner Myers moved and Commissioner Moreland-Capua seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capua, Myers, Platt
NAYS: None

5. Public Comment for Items Not on Agenda

A letter was received via email from Ashley Henry, Business for a Better Portland, (see attachment A).

REGULAR AGENDA

6. Action Item: Resolution 7364 – Adopting Revised Portland Small Business Relief Fund Program Guidelines

Prosper Portland staff presenting this item
Amy Nagy, Project Manager II

With this action, the Prosper Portland Board of Commissioners (Board) revised the Portland Small Business Relief Fund program guidelines.

Ms. Nagy spoke in detail regarding the proposed amendments, including 1.) the election and disbursement process, 2.) clarifying eligible businesses and, 3.) extending loan terms. Ms. Nagy shared results from the grant awards noting 8,777 applications were received for the available \$1,000,000. Grants were awarded to 210 recipients, of which 90 percent are people of color and 61 percent are women-owned businesses.

Chair Cruz called for a motion to approve Resolution 7364; Commissioner Moreland-Capua moved and Commissioner Myers seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capua, Myers, Platt
NAYS: None

7. Action Item: Resolution 7365 – Approving Terms of a Development Agreement and Ground Lease with Beam Construction and Management, LLC for the 0.80-Acre Prosper Portland-Owned Parcel Between SE Taylor, SE Water, and SE Salmon Streets and Exclusive Negotiating Rights for Two Prosper Portland-Owned Parcels Between SE Salmon and SE Madison Streets in the Central Eastside Tax Increment Finance District

Prosper Portland staff presenting this item
Thea Munchel, Project Manager I

With this action, the Prosper Portland Board authorized the executive director to authorize the terms (Term Sheet) for development of the ODOT Blocks, three Prosper Portland-owned properties located in the Central Eastside Tax Increment Finance district. The Term Sheet allows for Prosper Portland and development partner Beam Construction & Management, LLC (Beam) to negotiate a development agreement and ground lease for redevelopment of Block A, the northernmost of the ODOT Blocks, into Workshop Blocks, an innovative, multi-phased commercial and industrial development project in the heart of Portland's industrial sanctuary.

Ms. Munchel noted three phases are expected to occur over a seven-year period. Each phase will be designed with a focus on different but complimentary industry clusters providing opportunity for cross industry exchanges and efficiencies. Ms. Munchel explained the redevelopment of the ODOT blocks will provide quality job opportunities, services and support workforce development of a long vacant three block area. Ms. Munchel shared the terms for Block A and the long-term revenue stream. Staff anticipate construction could begin in the year 2022 and be completed in the year 2023. Ms. Munchel noted terms for blocks B and C are yet to be determined and still several years out. Ms. Munchel stated as part of the pre-development work, Beam hosted industry-focused meetings to inform them how to increase workforce equity outcomes during construction and operations.

Chair Cruz call forward guests to testify via Zoom.

Jonathan Malsin, Beam, noted Beam's goal to provide programming that would create career pathways for people from historically disadvantaged communities.

Chair Cruz called for a motion to approve Resolution 7365; Commissioner Gambetti moved and Commissioner Platt seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capua, Myers, Platt
NAYS: None

8. Action Item: Resolution 7366 – Approving Funding for Improvements to the Prosper Portland-Owned Retail Space within the Halsey 106 Project in the Gateway Regional Center Tax Increment Finance District

Prosper Portland staff presenting this item
Thea Munchel, Project Manager I

With this action, the Prosper Portland Board authorized \$3,500,000 in funding for the Halsey 106 development in the Gateway Regional Center Tax Increment Finance District, a catalytic mixed-use, mixed income project adjacent to Gateway Discovery Park at NE 106th Avenue and Halsey Street. The funding ensures the completion of necessary design, construction, and leasing activities associated with

the Prosper Portland-owned ground floor retail space and allows for the retail space to be enrolled in the agency's Affordable Commercial Tenanting Program.

Ms. Munchel provided a brief overview of the mixed-use and mixed-income project. Ms. Munchel noted the ground floor commercial space will be programmed to support businesses traditionally underrepresented in the community. Ms. Munchel explained staff have been working with a retail advisory committee composed of a diverse group of stakeholders to establish recommendations for the pursuit of ground floor tenants. Ms. Munchel noted lessons learned from a previous project have informed them to build out the core shell of the retail spaces to more of a warm shell. The requested additional funding includes resources for tenant improvements.

Chair Cruz called for a motion to approve Resolution 7366; Commissioner Gambetti moved and Commissioner Platt seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capua, Myers, Platt

NAYS: None

9. Action Item: Resolution 7367 – Adopting Budget Amendment No. 3 for the Fiscal Year Beginning July 1, 2019, and Ending June 30, 2020; and Making Appropriations

Prosper Portland staff presenting this item
Tony Barnes, Finance Manager

With this action, the Prosper Portland Board amended the current fiscal year 2019-20 budget for the third time to specifically address appropriations related to establishment of the Portland Small Business Relief Fund (Business Relief Fund) as well as provide additional resources to the Neighborhood Prosperity Network (NPN) program. These amendments include:

- (1) Recognizing \$1,000,000 additional City of Portland General Fund resources and related expenditures to establish the Business Relief Fund grant program;
- (2) Moving \$1,300,000 in Enterprise Zone contingency to Economic Development appropriations to establish the Business Relief Fund loan program and disburse a grant to the Asian Pacific American Network of Oregon to support affected businesses in the Jade District and Old Town/Chinatown; and
- (3) Moving \$320,000 in NPN tax increment finance and General Fund shared revenue resources from Contingency to Economic Development appropriations to support increased NPN grant activity and operations.

Mr. Barnes reviewed the above amendments in a bit more detail.

Chair Cruz called for a motion to approve Resolution 7367; Commissioner Myers moved and Commissioner Gambetti seconded the motion.

AYES: Cruz, Gambetti, Moreland-Capua, Myers, Platt

NAYS: None

10. Adjourn

There being no further business, Chair Cruz adjourned the Prosper Portland Board meeting at approximately 5:12 p.m.



Updated April 7, 2020

Governor Kate Brown
Senate President Peter Courtney
House Speaker Tina Kotek
State Capitol Building
900 Court Street NE
Salem, Oregon 97301

Dear Governor Brown, President Courtney and Speaker Kotek:

We hope this letter finds you and your families safe and healthy. Thank you for all you are doing for our State in this crisis. We offer a special thanks to Governor Brown for

issuing the moratorium on commercial evictions. Your action offers stabilization that will temporarily staunch the bleeding for our most vulnerable small businesses. Now, our state needs to do more to help save the community that employs 55% of Oregon's private workforce, our small businesses.

Without additional immediate actions, many of the businesses you will want to support in a Special Session will have closed their doors forever by the time that Special Session is held.

Fortunately, there are actions that you, Governor Brown, and the Emergency Board can take immediately.

We write to you as organizations working to grow and strengthen both the state's economy and the broader community. To avoid massive *permanent* closures across the state, and the loss of jobs that would result, we respectfully request that you take decisive action to support our state's small businesses and their employees. As you move forward we request you apply these parameters to your actions:

- For the purpose of this emergency, we ask that you consider a company with fewer than 50 FTEs a small business rather than the 500 employees identified by the Small Business Administration.
- Prioritize the most vulnerable business owners—immigrants, entrepreneurs of color and women, as well as rural businesses--are being disproportionately affected by the crisis. It is critical for small business relief programs to be grounded in an understanding of the inequities that existed in our economy prior to this pandemic. Programs and funds must be distributed in ways that prioritize these communities rather than exacerbate existing inequities. As evidenced by the inadequate response during the 2008 Great Recession, without swift bold action that supports our most vulnerable, we will see the wholesale decimation of any modest gains made by these communities over the past 10+ years.

These are the three things Oregon small businesses need most now

While we understand the appeal in waiting to see how federal funds can help Oregon businesses before taking state action, the reality is that deployment of state resources cannot be delayed any longer. Small businesses do not have the capacity to absorb weeks of losses and all evidence has shown the federal rollout to be a messy, slow process that will take months to distribute funds to businesses. *To be clear, the*

requests below will not be sufficient but we are cognizant of the limited resources you currently have at your disposal.

1. Allocate \$5 million to fund technical support for Oregon’s most vulnerable small businesses by scaling up existing, trusted, community-based and culturally responsive programs. These organizations have the ability to rapidly:

- *Provide short-term navigation services to small businesses that do not have sufficient capacity in-house, so that Oregon businesses secure their fair share of the federal economic relief package and are able to get the correct funding that helps, not harms them longer term. (\$1 million)*
- *Provide comprehensive business strategy coaching that companies will need to do in order to survive this crisis. (\$4 million)*

For our state’s most vulnerable businesses to access resources coming from our individual cities and counties, state government, and federal government, we must rapidly scale up existing, trusted, community based technical assistance programs that help businesses navigate all of the options, identify those that are the best fit, and help them apply successfully to receive the funds they need. By pushing the resources as close to communities as possible, you’ll be engaging the nimble organizations best positioned to rapidly serve small business while bolstering the capacity of our state’s diffuse technical assistance network.

Examples of trusted, community-based, culturally competent technical assistance programs ready to provide immediate services with additional funding include:

- Small Business Development Centers
- Small town and culturally specific chambers of commerce
- Economic Development Districts, Economic Development Organizations
- Community Development Finance Institutions
- Nonprofit organizations such as Oregon Entrepreneurs Network, Oregon RAIN, PIE, and XXcelerate

In addition to short-term navigation assistance, many businesses will benefit from strategic business coaching that will allow them to evaluate and plan for cash flow, liquidity, and business structure issues through months of uncertainty. This support is particularly important for startups and businesses in hospitality, restaurants, travel, and personal services.

2. Allocate \$10 million to the Small Business Stabilization Fund established by the Oregon Community Foundation to get financial assistance directly to business owners immediately.

We are encouraged that the Governor's Coronavirus Economic Advisory Council is [prioritizing cash infusions](#) with a focus on small businesses and request that state funds distributed to the OCF fund be *earmarked for direct payments to businesses rather than loans*.

By directing funding to the Small Business Stabilization Fund, state government can eliminate bureaucratic hurdles for small businesses and get critical funding directly to small businesses most efficiently. Oregon nonprofit Community Lending Works has a model for a streamlined application that puts minimum burden on the business owner and allows funding to be deployed rapidly.

3. Postpone quarterly state tax prepayments due in April for 90 days without fees or penalties. Additionally, place a moratorium on quarterly payroll taxes due.

Now more than ever, small businesses need to hold onto hard earned cash to preserve payroll and other expenses necessary to remain solvent.

To ensure Oregon's small businesses can once again open their doors, remain open in the long term, and provide critical employment and services, we urge you and the Oregon Legislature to act now and invest significant resources in direct financial relief and technical assistance. Every day we wait results in more job loss and the boarding up of storefronts in our communities, potentially forever.

SIGNED ORGANIZATIONS:

Alberta Main Street
Bend Chamber of Commerce
Built Oregon
Business for a Better Portland
Cascades West Economic Development District
CCD Development Corporation
Civic Software Foundation of Oregon
Clackamas County Business Alliance
Community Lending Works

(Signed Organizations Continued from Previous Page...)

Craft 3

Greater Portland Inc

Historical Mississippi Business Association

Immigrant and Refugee Community Organization (IRCO)

Latinx Founders

Main Street Alliance | Main Street Alliance Action Fund

Micro Enterprise Services of Oregon

National Association of Minority Contractors Oregon

Native American Youth Family Center

Northeast Oregon Economic Development District

Oregon Cascades West Council of Governments

Oregon City Business Alliance

Oregon Economic Development Association

Oregon Economic Development Districts

Oregon Entrepreneurs Network

Oregon Native American Chamber

Oregon RAIN - Regional Accelerator and Innovation Network

Philippine American Chamber of Commerce of Oregon

Portland Incubator Experiment

PBDG Professional Business Development Group

Rural Development Initiatives

South Coast Development Council

Umpqua Economic Development Partnership

Verde

XXcelerate