

# Prosper Portland

## Annual Report

### FY 18-19



PROSPER  
PORTLAND

Building an Equitable Economy

## **Mission**

To create economic growth and opportunity for Portland.

## **Vision**

Portland is one of the most globally competitive, equitable, and healthy cities in the world.

Prosper Portland stimulates job creation, encourages broad economic prosperity, and fosters great places on behalf of the City of Portland.

We are a workplace of choice with passionate staff excelling in an open and empowering environment and sharing a commitment to our collective success.



**PROSPER  
PORTLAND**

**Building an Equitable Economy**

222 NW Fifth Avenue, Portland, OR 97209

503-823-3200 [prosperportland.us](http://prosperportland.us)

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Find Prosper Portland financials at [prosperportland.us/cafr](https://prosperportland.us/cafr)

# Letter from the Commission Chair & Executive Director

In its 10th year of economic expansion, Portland's growth is steady, with increases in business growth, job creation, and wages. Last year, Multnomah County saw an increase of nearly 1,000 business and 10,000 jobs. Wages for all occupations have steadily increased by 10% over the last five years.



In line with our 2015-2020 Strategic Plan, Prosper Portland has actively engaged with partners to continue to strengthen Portland's economic health by increasing opportunities for everyone to contribute to – and benefit from – its expansion. During the 2018/2019 fiscal year, we collaborated with partners on key initiatives, advanced important projects and built a more inclusive internal culture to increase the impact of our work. These include:

- **Launching Portland Means Progress.** Instigated by Mayor Ted Wheeler's Council of Economic Advisors, the initiative supports private companies to create work experiences for underrepresented students, increase purchasing from businesses owned by people of color, and support healthy and inclusive company cultures. Fifty businesses, ranging in size from three to 15,000, committed to the initiative as early adopters as we prepare to make it more broadly available in 2020.
- **Delivering community-centered development projects.** With partners we celebrated the opening of 5,000 square feet of affordable commercial space at Alberta Commons, the completion of Gateway Discovery Park, and completion of the Woody Guthrie Place, Asian Health & Service Center, Oliver Station and Lents Commons, adding 263 housing units and 24,000 square feet of affordable commercial space, retail and community space in Lents Town Center.
- **Connecting residents** in all seven Neighborhood Prosperity Network districts with high-growth job opportunities through the **Workforce Navigator program**. As of March 2019, the program provided services to 770 individuals; of those, 65 percent were people of color. In the first three quarters of the year, more than 400 people received job placements through the navigators and our workforce partnerships.

- **Broadening support for diverse businesses** of all sizes from one-on-one advising to guidance on tradeshow participation and access to capital. With a number of the businesses using multiple programs and support, the economic development work touches approximately 1,300 businesses through the Inclusive Business Resource Network, the N/NE Community Development Initiative, and Mercatus.
- **Establishing an Equity Framework** as a resource for the organization's ongoing work to transform how we engage, how we partner, how we invest, and how we change our internal culture to ensure we are creating equitable opportunities and impacts through our efforts.
- **Adopting the 10-Year Financial Sustainability Plan**, which establishes a new business model for the agency to ensure future generations of entrepreneurs and community members can access programs and investment that supports inclusive economic growth and community development.

While strategic partnerships and interventions have advanced economic opportunity and prosperity, much work remains. Income disparities continue to exist for households of color, with African Americans earning 45 percent of the median income of White households. The region's growth has assisted in lifting families out of poverty; however, we still see higher rates of poverty among communities of color. Addressing this imbalance will continue to be the focus of our time, resources and commitment.

We look forward to our continued evolution as an organization and to working with community, private and partners to build an equitable economy by investing in neighborhoods, jobs, prosperity and partnerships throughout Portland.



**Gustavo J. Cruz, Jr.**  
Commission Chair



**Kimberly Branam**  
Executive Director

# Our Impact

FY 2014-2019



## Neighborhoods



**\$71.7 M**  
Prosper Portland  
investment through  
loans and grants  
over 5 years

**\$186.3 M**  
additional outside  
investment

FY 2018-19



## Prosperity

**\$1.2 M**  
in Prosperity Investment  
Program grants

**\$673,773**  
in grants to  
People of Color

**989**  
businesses received technical  
assistance through IBRN

**692**  
are businesses owned  
by People of Color

**\$366.7 M\***  
in construction costs

**\$85.2 M**  
to certified firms\*\*

FY 2018-19



## Jobs

ACTIVITY	JOBS
Traded Sector Job Growth	1,545
Small Business Job Growth	497
Workforce Program Job Placement	444

**2,486** TOTAL JOBS

FY 2018-19



## Partnership

**38,018** total volunteer hours\*\*\*

**14,428** total training technical assistance hours\*\*\*

\* This number includes dollars expended on professional services and hard construction costs for Prosper Portland's owned and supported properties, land sales, and intergovernmental government agreements with partner agencies.

\*\* Certified firms include contract amounts awarded to firms certified as Disadvantaged Business Enterprises (DBE), Minority-Owned Business Enterprises (MBE), Woman-Owned Business Enterprises (WBE) and Emerging Small Businesses (ESB).

\*\*\* Total hours among neighborhood and business partner organizations (Neighborhood Prosperity Network and Venture Portland)

# Neighborhoods



Build and  
increase access to  
healthy, complete  
neighborhoods.





📷 The family of Gladys McCoy joined project partners in celebrating the grand opening of the Multnomah County Gladys McCoy Health Department headquarters

## Progress in Old Town/Chinatown

Since the adoption of the Old Town/Chinatown Action Plan in 2014, Prosper Portland and our partners have furthered the plan's broad objectives – to attract new investment to activate key properties and improve district connectivity; promote business vitality by increasing employment and retail activity; and align resources and build local capacity for improving district livability.

In 2018-19 several milestones contributed to that progress. The arrival of the Portland Chinatown Museum in summer 2018 brought a new cultural institution to the neighborhood, dedicated to preserving its history, with programming to address the critical issues of our time – immigration, national and ethnic identity, gender and race. In October 2018 the Hoxton Hotel opened at 4th and Burnside, activating a prominent location near the Chinatown Gate, and bringing

positive economic activity that will contribute to the real and perceived safety of the neighborhood.

And in March 2019, the celebration of the Multnomah County health department headquarters marked a key moment in Prosper Portland's longtime partnership with Multnomah County and shared commitment to creating healthy communities and economic opportunities across the city. The nine-story, 159,000 square foot building will house at least 500 employees in the rapidly transforming north end of Old Town/ Chinatown. The investment signals the transformation to come in the Broadway Corridor. Along with the Bud Clark Commons, Pacific NW College of the Arts, the historic Union Station, and the US Post Office site, these anchors represent the diversity of residents, employees and community members that will be welcomed into and served by this changing neighborhood.



 Community Livability Grant recipient Lan Su Chinese Garden

**OLD TOWN / CHINATOWN  
ACTION PLAN**  
FY 14/15 - FY 18/19

**1,000+**  
New jobs\*

**\$122 M**  
Added wages\*  
(a 33% increase)

**\$625 K**  
in grant awards to  
community-based  
nonprofits through  
the Community  
Livability Grant

— Over 5 years —

\* 2014-2018 Oregon Employment Department's Quarterly Census of Employment and Wages



📷 Children enjoying the new water play area at Gateway Discovery Park

## Strategic investment in Gateway

Recent investments in Gateway Regional Center illustrate Prosper Portland's commitment to the success of East Portland and deliver on key aspects of the East Portland Action Plan and the Gateway Action Plan. The Gateway Action Plan emphasized the creation of a vibrant and active Halsey/Weidler business district that is well connected to the Gateway Transit Center.

Recently completed streetscape Improvements on Halsey and Weidler provide a new festival street at 102nd, an improved east island, and crossing signals across Halsey for safer crossings. In advance of those improvements, Prosper Portland worked with 14 businesses along the Halsey/Weidler commercial corridor to improve and stabilize long term businesses, anticipating new development and streetscape activity along the corridor.


With the grand opening of Gateway Discovery Park in 2018, the community gained a long-desired public gathering



 The groundbreaking of Halsey 106, a mixed-use development adjacent to the park

space in the heart of the neighborhood. The Gateway neighborhood turned out in the hundreds to celebrate the opening of the park, which offers an inclusive play area for kids of all abilities (thanks to efforts led by Harper’s Playground), a large grassy lawn, a plaza for performances and other events, a splash pad for water play, a skateboard area, picnic and gathering spots, and innovative public art. Prosper Portland provided \$1.2 million for the park and plaza, supporting a collaboration with Portland Parks & Recreation and

the local community and business groups to achieve this long-awaited amenity for Gateway.

The park and the adjacent mixed-use development, now known as Halsey 106, tell a big story for this neighborhood, adding to the area’s commercial activity and vibrancy, building a positive local identity, and ultimately welcoming 75 more households that will also be able to enjoy the park. It’s a catalytic investment for the Halsey-Weidler commercial corridor, which combined with Prosper Portland’s strategic investments in small business and infrastructure will drive economic growth in Gateway. 

**5,500** residents  
within a ½ mile of the park

**75** new homes

**57** affordable units

**11,000** sq. ft.  
affordable commercial space

**\$10.3M** total Prosper  
Portland  
investment

**\$4.1M** total PBOT  
investment

**\$8.8M** total PP&R  
investment

**\$7.4M** total PHB  
investment

# Prosperity



Advance  
wealth-building  
opportunities for  
underserved and low-  
income neighborhoods,  
communities of color  
and women.



📍 Green Owl Consulting at My People's Market in June 2019

## The broadening reach of equitable business support

Since its founding in 2016, Prosper Portland's Mercatus initiative has grown to include a 500-business online directory, a successful recurring public market, an awards program and print magazine, and training for first-time trade show exhibitors. Each element intends to create more opportunity and visibility for the city's entrepreneurs of color.

The directory features stories like Ro Tam, owner of Either/Or café and its outgrowth, Tanglewood Beverage Company. Both have grown significantly, thanks in part to a grant and business accelerator services from Prosper Portland.

My People's Market, a growing celebration of Portland's multicultural small business owners, attracted more than 7,500 people to its fourth iteration held in June 2019. The 130 vendors, all Mercatus businesses, generated an estimated \$45,000 in immediate sales plus contracting opportunities, wholesale accounts and business leads. Prosper Portland's



📷 *Left to right: Maple XO, Upper Metal Class, Rose Alchemista, Frankie & Coco, Flipside Hats, and Mudd Ceramics at the February 2019 NY NOW show*

Inclusive Business Resource Network has also played a significant role in the continued development of My People's Market.

Prosper Portland's traded sector work is creating additional synergy with goals for equitable business growth, with the NY Now show a stellar example.

Prosper Portland's Athletic & Outdoor/Consumer Products cluster staff coordinates the show and

engaged 10 emerging Portland brands (90% women or PoC-owned) to participate. All were new to the event; several were also first-time trade show attendees as well. The companies secured new wholesale orders

**“After experiencing the show in a group booth with a variety of brands, I’m now able to mentor and share my experience with other small business owners”**

*- NY Now vendor*

totaling nearly \$150,000, received market feedback, and gained experience with trade show preparation and participation which they are now sharing with a learning cohort

of Mercatus businesses to support their own involvement in market-expanding events.

**\$77,408** total sales  
**10,500** total attendees

at FY18/19 summer & fall My People's Market

**\$150,000**  
 in wholesale orders

for 10 emerging Portland brands at NY Now



Christina & Jamaal Lane, Champions Barbershop; Dayna & Cole Reed, greenHAUS gallery+boutique; and Theotis Cason, Cason's Fine Meats

## Alberta Commons tenants celebrate grand opening

In summer 2019, a festive gathering of community members at NE Martin Luther King Jr Blvd and NE Alberta celebrated the opening of the Alberta Commons, featuring three local businesses owned by people of color with longtime ties to the N/NE neighborhood: Cason's Fine Meats, Champions Barbershop, and greenHAUS gallery + boutique. The business owners named the area Dream Street: "a place where equity, reconciliation, and commerce come together." All three are enrolled in Prosper Portland's Affordable Commercial Tenanting Program, designed to help small businesses, including those owned by people of color, gain a foothold in the retail mix of the area, provide needed goods and services to the neighborhood and create lasting, beneficial relationships with the surrounding community. 🍀

**9,000**

residents within a ½ mile  
with access to healthy  
foods & amenities

**5,125**

sq. ft. of affordable  
commercial space



# Jobs



Support local company growth with access to new markets, technical assistance, and loans, and connect Portlanders to training and job opportunities.



📍 A worker at Gunderson, one of the new businesses to enroll in the Enterprise Zone.

## Advancing job creation through Enterprise Zone investment

In 2018-19, eight companies enrolled in the Enterprise Zone, one of Prosper Portland's most powerful incentive tools for job creation. That enrollment brought the total number of active E-Zone companies to 55.

The businesses represented multiple industries and projected an estimated total investment of \$54.5 million in physical expansions that would generate more than 500 jobs. The Enterprise Zone instituted a public benefits agreement (PBA) requirement in 2017, and each of the newly enrolled companies committed to specific activities aligned with PBAs that mirror Prosper Portland's strategic focus areas: jobs, prosperity, neighborhoods and partnerships. Examples include working with a local high school to establish internships and supporting entrepreneurs of color through executive mentoring.

Since 2009, nearly 100 companies have participated in the program, and approximately 55 projects are active. In the past 10 years, the City's E-Zone programs have leveraged more than \$825 million in private investments; over the past five years E-Zone investments have supported an average of 2,365 new jobs. Companies have invested anywhere from

\$100,000 to \$150 million in facilities, equipment, and machinery as part of their E-Zone qualified investments. As traded-sector companies, these firms could invest anywhere in the world. Their local investment demonstrates the power of the E-Zone program as Portland's best economic development tool for attracting industrial sector businesses to establish and grow in Portland. 📍

**“We have added 2 dozen jobs and are hiring at a living wage, investing in training and providing more benefits. We are where we are today because of the E-Zone.”**  
*- Roz McKenna, McKenna Metal*

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## New E-Zone Companies

**Gunderson**

**Urban Gypsum**

**Harder Mechanical**

**McKenna Metal LLC**

**Daimler Trucks NA**

**Profile Laser**

**Young's Market**

**A&K Designs**

**533**

jobs

**\$54.6 M**

investment

# Partnership



Collaborate  
with community  
organizations and  
the private sector  
to create an  
equitable city.



**The Williams and Russell Project Working Group**

## The essential role of community engagement

**P**rosper Portland is committed to using every avenue possible to ensure full public participation on all our projects and activities. Broadway Corridor, Williams and Russell, the North/Northeast Community Development Initiative and the Council on Economic and Racial Equity demonstrate tailored approaches to engage community members.

Multiple stakeholder groups have been the bedrock for the Broadway Corridor project: the Steering Committee, the public (particularly participants from communities with historical distrust of government), city bureau and other

### BROADWAY CORRIDOR OUTREACH

**1,000+**  
attendees

**10**  
focus groups

**4**  
public meetings

**3**  
online forums

**12**  
stakeholder presentations

**6**  
pop-up events




### The N/NE Community Development Initiative Oversight Committee

public partners, the consultant team, and our development advisor Continuum Partners have all influenced the work. On May 8, 2019, Prosper Portland reached a milestone in the Broadway Corridor development planning process with the Board of Commissioners' endorsement of the "Play" development concept. The development concept will inform the development plan for the Broadway Corridor site and the required Central City Master Plan for the USPS property.

The Williams and Russell Project Working Group (PWG), representing residents, organizations and community groups within or with a strong connection to the North/Northeast community, is defining and driving a community-centered visioning and development process leading to a broader community outreach approach and the final project elements and

goals. On Wednesday, Sept. 5, 2018 the PWG and the project's institutional partners signed a memorandum of understanding outlining the respective commitments and responsibilities related to the potential development of a 1.7-acre block bordered by Vancouver Avenue, Williams Avenue, Knott Street and Russell Street.

Through the North/Northeast Community Development Initiative (NNECDI), Prosper Portland has worked with community members to identify priority investments for the area. The N/NE CDI Oversight Committee provides accountability for the implementation of the goals, objectives and investment priorities of the N/NE CDI Action Plan, which guides Prosper Portland's investment of the remaining \$32 million in Tax Increment Financing (TIF) resources for economic development in the Interstate Corridor TIF district. 

# Acknowledgments

As always, our work depends on collaboration with private, public and nonprofit organizations that share our goal to build a more equitable city. Our thanks go to these partners and to our deeply committed board of commissioners and staff whose contributions of time, energy, and resources are so essential to the fulfillment of our mission.



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