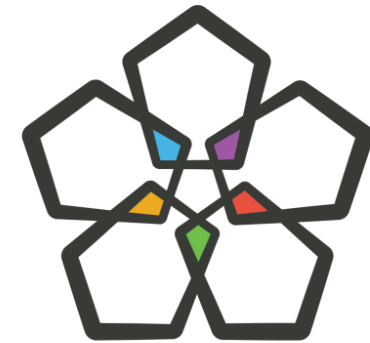


Economic Impact & Intervention Task Force

Briefing: April 3, 2020



PROSPER
PORTLAND

Agenda

- I. Welcome & Context**
- II. Meeting Objectives & Protocols**
- III. Update: COVID-19 Economic Impact & CARES Act**
- IV. Update & Discussion: Portland Economic Stabilization & Relief Framework**
 - I. Portland Small Business Relief Fund**
 - II. Work Groups Report Out**
- V. Discussion: Key Legislative Priorities**
- VI. Next Steps**

Impacts of the Shutdown and Federal Response on the Three-County Portland Economy

April 3, 2019



1. How is the regional economy affected during the shutdown?
2. How, and to what extent, does the federal CARES Act mitigate the near-term economic damage?
3. How can localities make limited assistance count?

Q1: How is the regional economy affected during the shutdown?

Dynamics of the shutdown

Businesses close, or slowdown, during the stay-at-home order



Business revenues decline



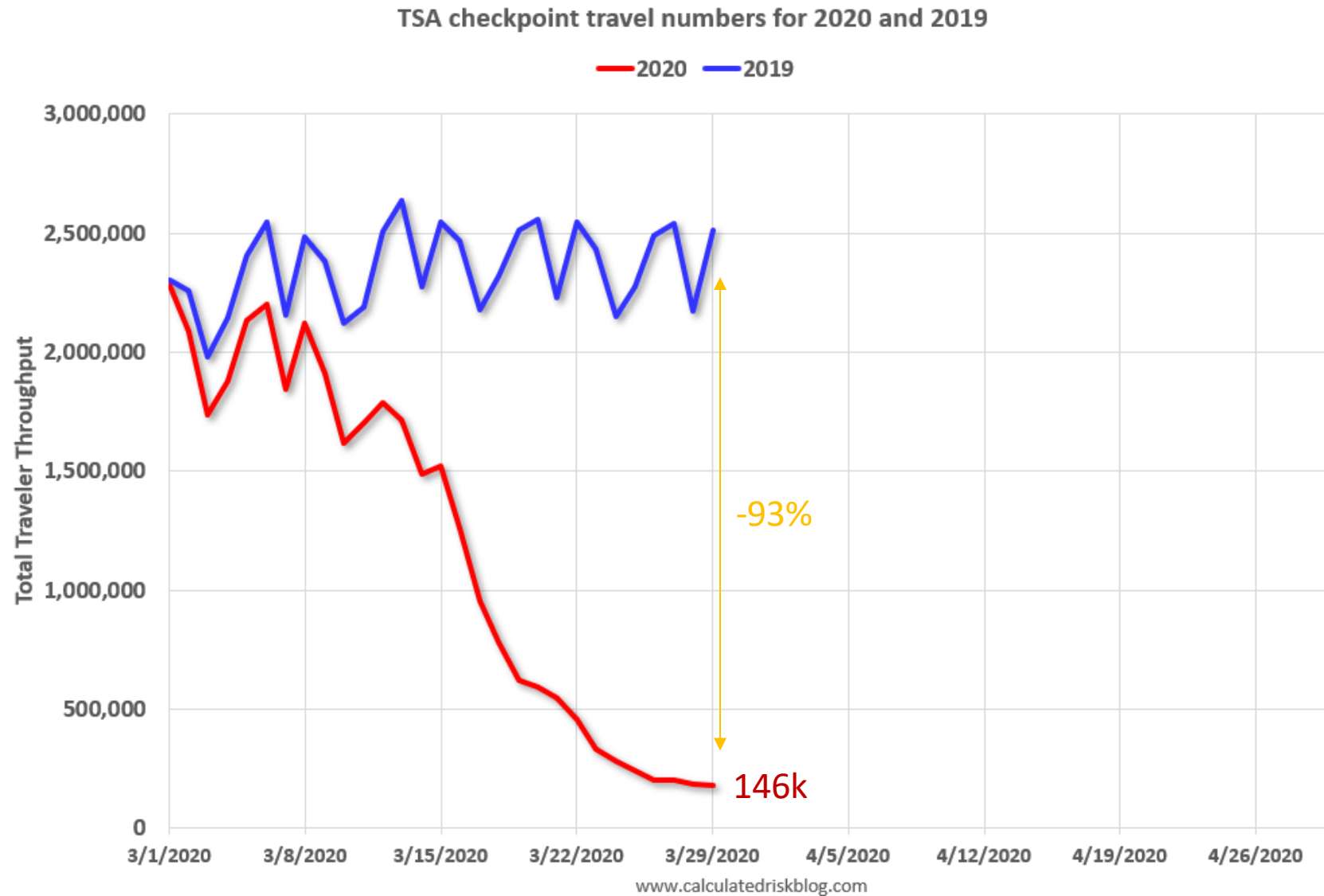
Businesses implement layoffs and furloughs



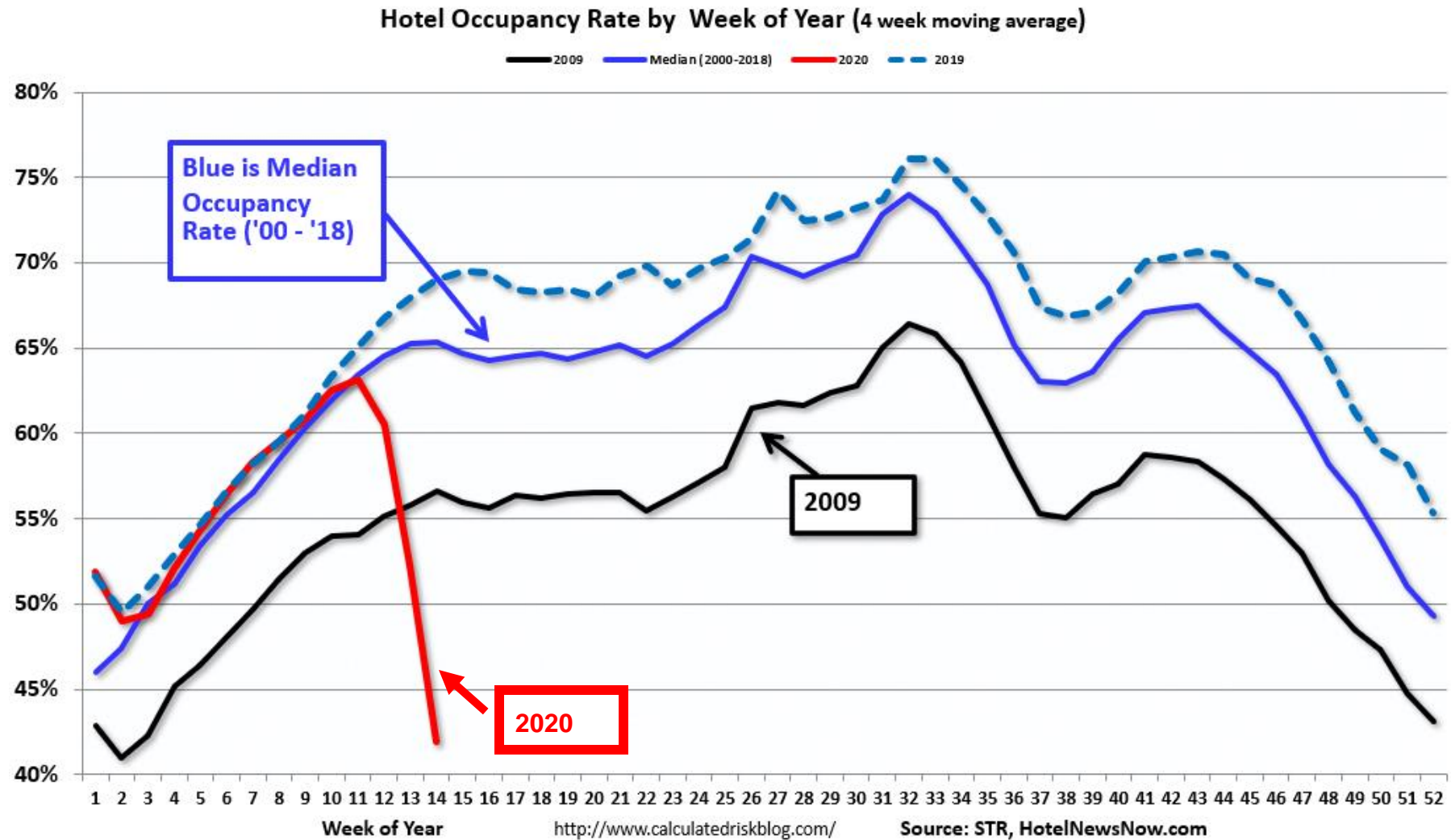
Households lose income and spend less



Air travel down 93% nationally from last year



Hotel occupancy down 67% nationally from last year



Economic effects are widespread

Alaska Airlines to cut flights by 70% in April and May due to coronavirus

Updated 6:48 AM; Today 6:45 AM



An Alaska Airlines plane is seen at Portland International Airport on Thursday, August 23, 2018. LC- Mark Graves

Source: Oregonian, March 26th

Metro laying off 40% of its workers amid coronavirus outbreak

by KATU Staff | Thursday, March 26th 2020



Burgerville furloughs 68 percent of workforce Trending

Drive-thru locations still operating despite cutbacks

By Anthony Macuk, Columbian business reporter
Published: March 24, 2020, 12:30pm

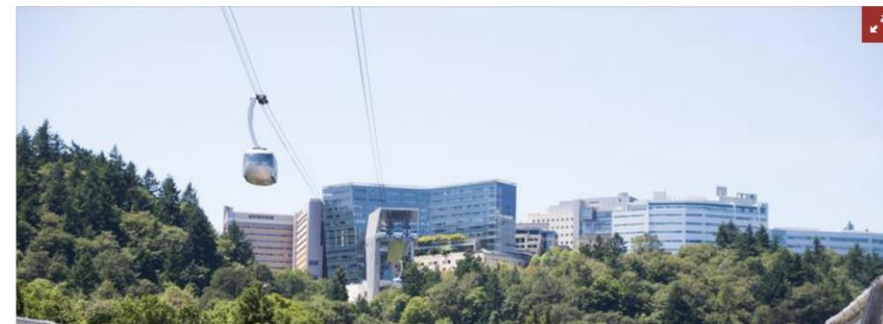
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Source: The Columbian, March 24th

OHSU expects \$50M a month hit from COVID-19

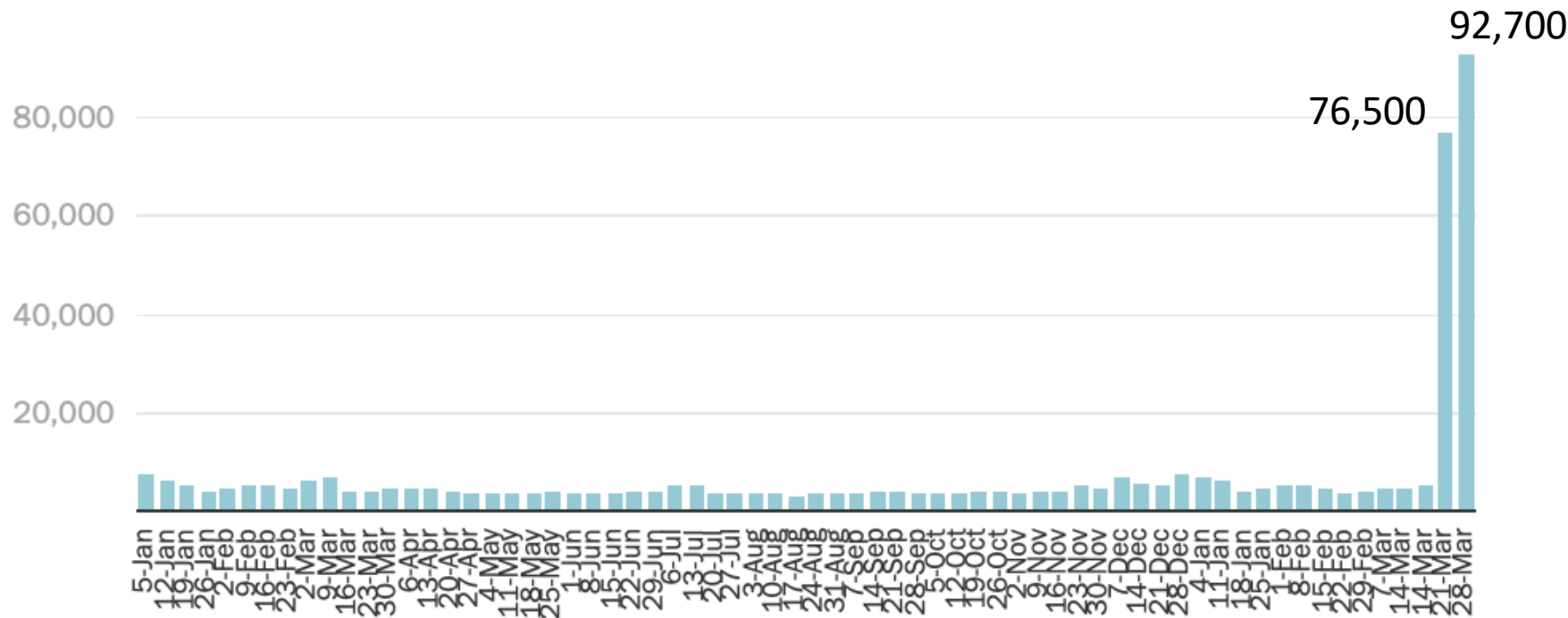
[Email](#) [Share](#) [in Share](#) [Tweet](#) [Save](#) [Print](#) [Order Reprints](#)



Source: Portland Business Journal, March 27th

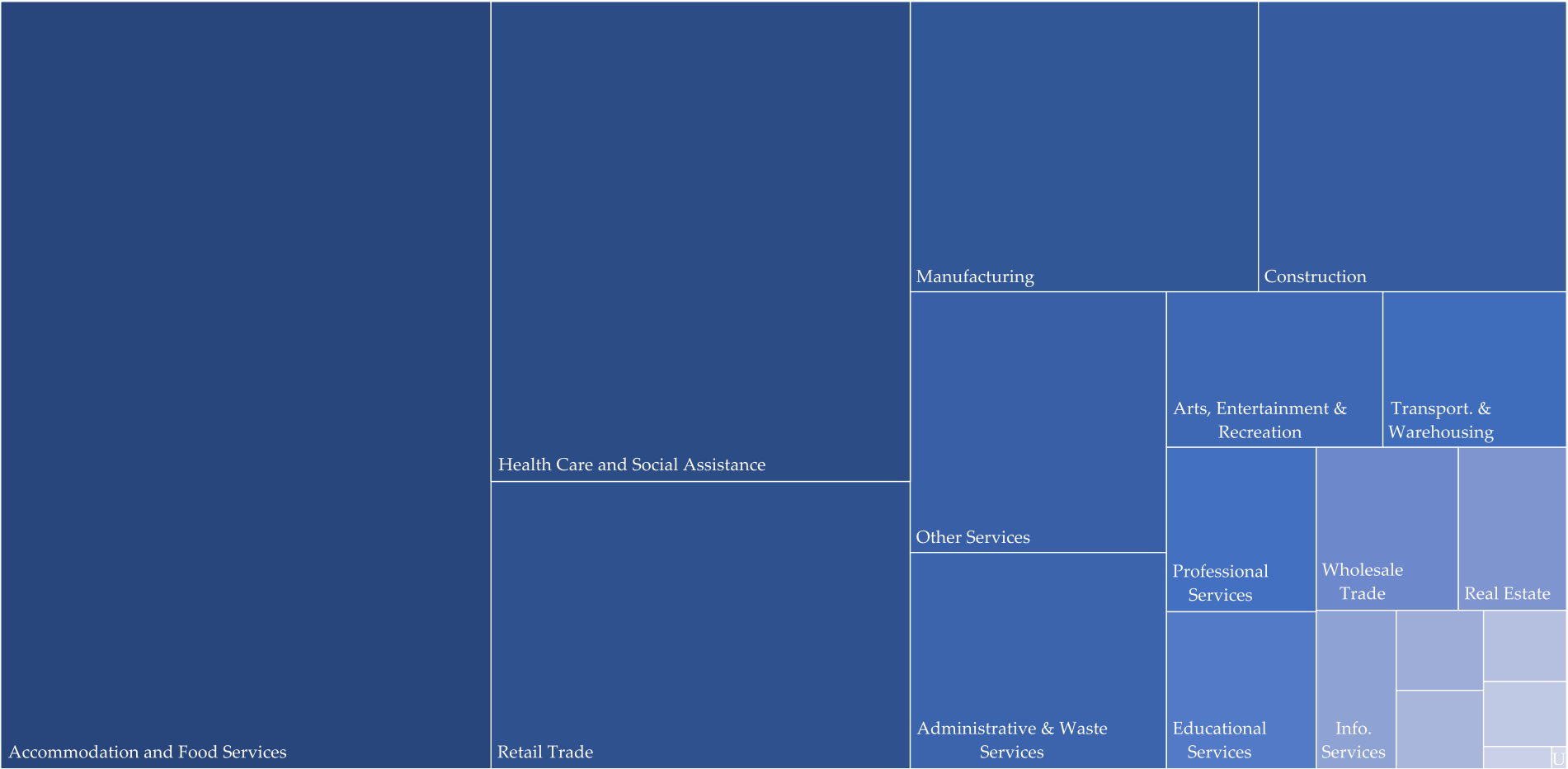
State unemployment rate could already be 11%

169,200 Initial claims statewide in past 2 weeks



Oregon initial claims by industry

Weekly UI Claims by Industry for Oregon (Week ending March 28, 2020)



Source: OED, Oregonian
Note: Information for smaller industries remains confidential

Assumptions on the shutdown's effects

- Three categories of industry employment impact:
 - Lightly or not impacted
 - Slowdown: 20% layoffs/reduced hours and revenue
 - Closed: 70% layoffs/reduced hours and revenue
- 65% of employees in Portland Metro are in industries with high risk of business disruption
- High risk of disruption industries account for 48% of revenue (output) in the region

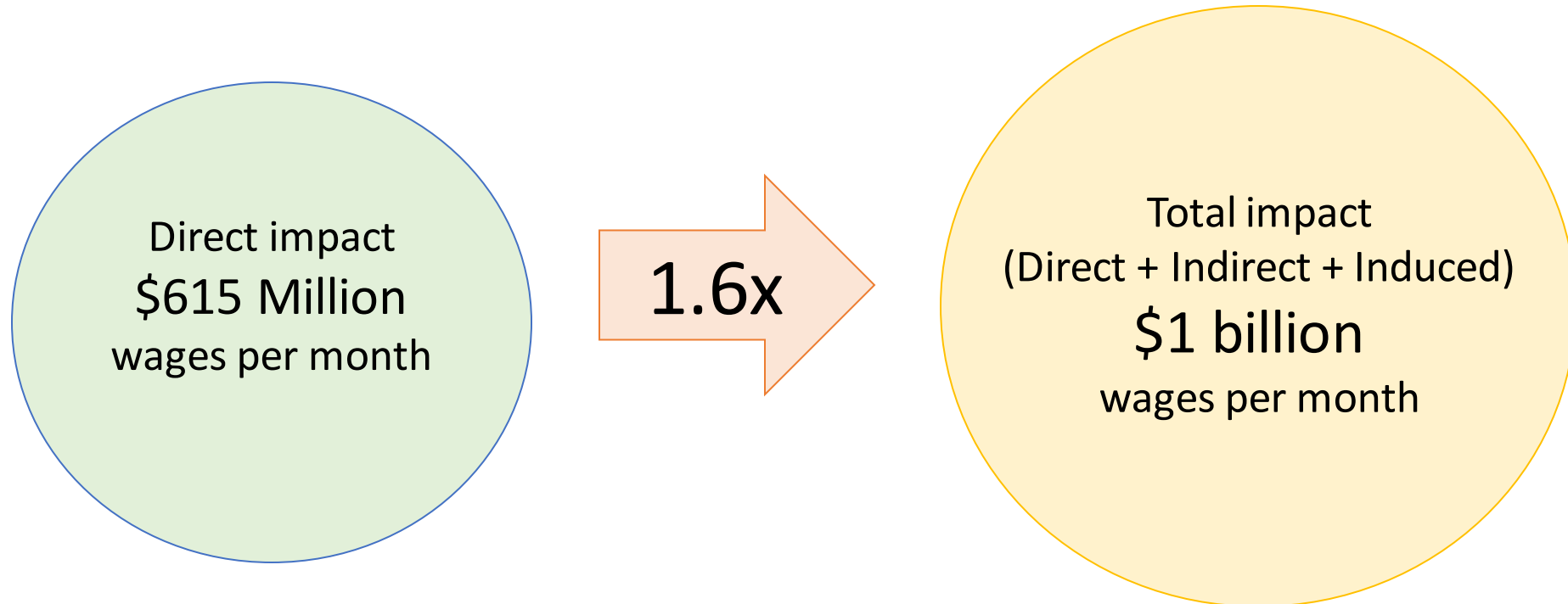
Industry level unemployment risk

Top 10 potential industry job losses, Portland Metro

| Rank | Industry | Potential Layoffs |
|------|--|-------------------|
| 1 | Food Services and Drinking Places | 65,000 |
| 2 | Retail | 25,000 |
| 3 | Professional, Scientific, and Technical Services | 19,000 |
| 4 | Leisure and Hospitality | 16,000 |
| 5 | Admin Support Services | 14,000 |
| 6 | Transportation | 11,000 |
| 7 | Durable Goods Wholesale and Manufacturing | 11,000 |
| 8 | Real Estate | 11,000 |
| 9 | Construction | 11,000 |
| 10 | Management of Companies | 8,000 |

250k total jobs at risk during shutdown

Supply chain and consumer expenditure multipliers

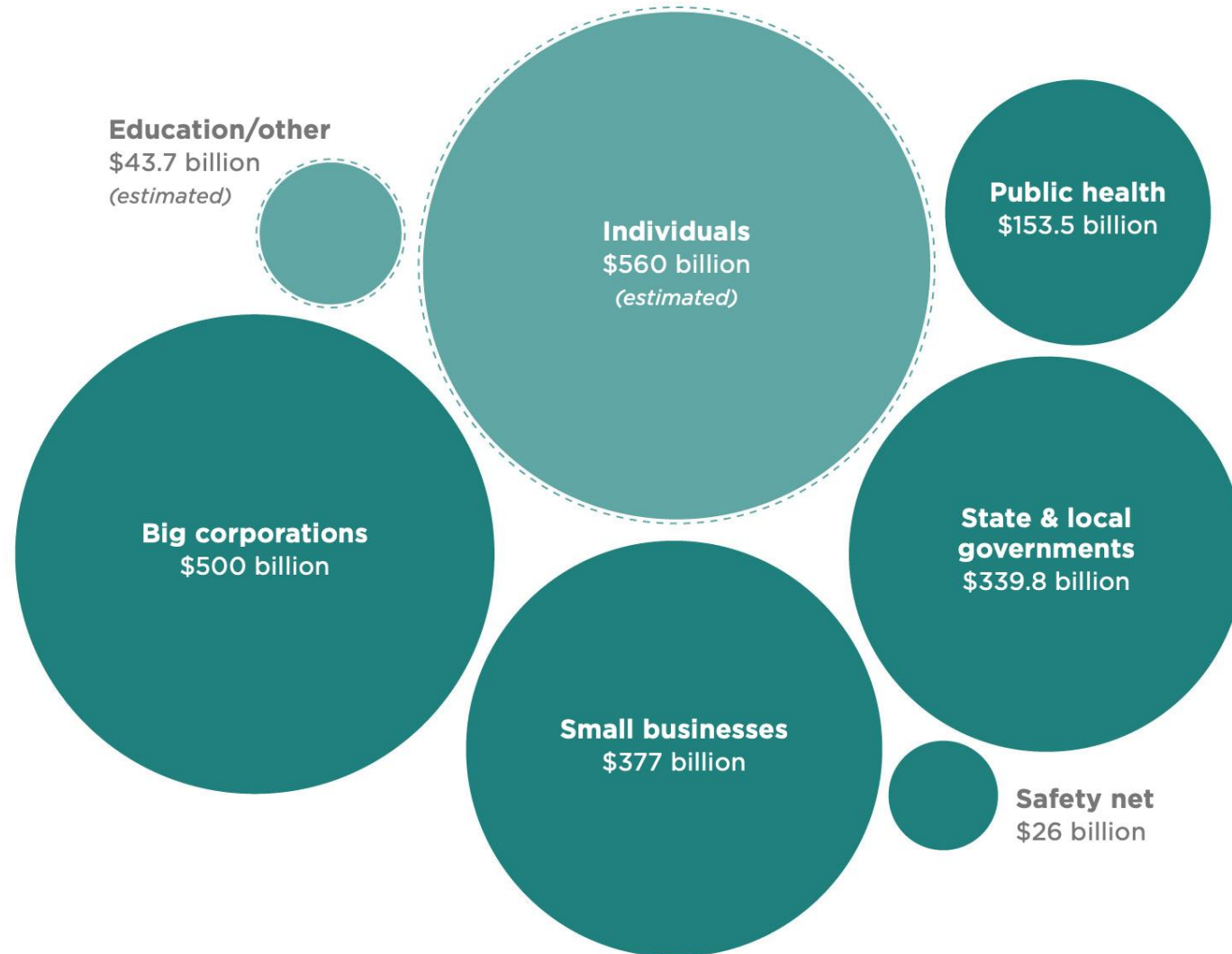


Effects in the Three-County Portland

- Business revenue falls by \$4 billion/month
- Unemployment rate increases to 20-25%
- Personal income falls by \$1 billion/month

Q2: How, and to what extent, does the CARES Act mitigate the near-term damage?

How the CARES Act breaks down



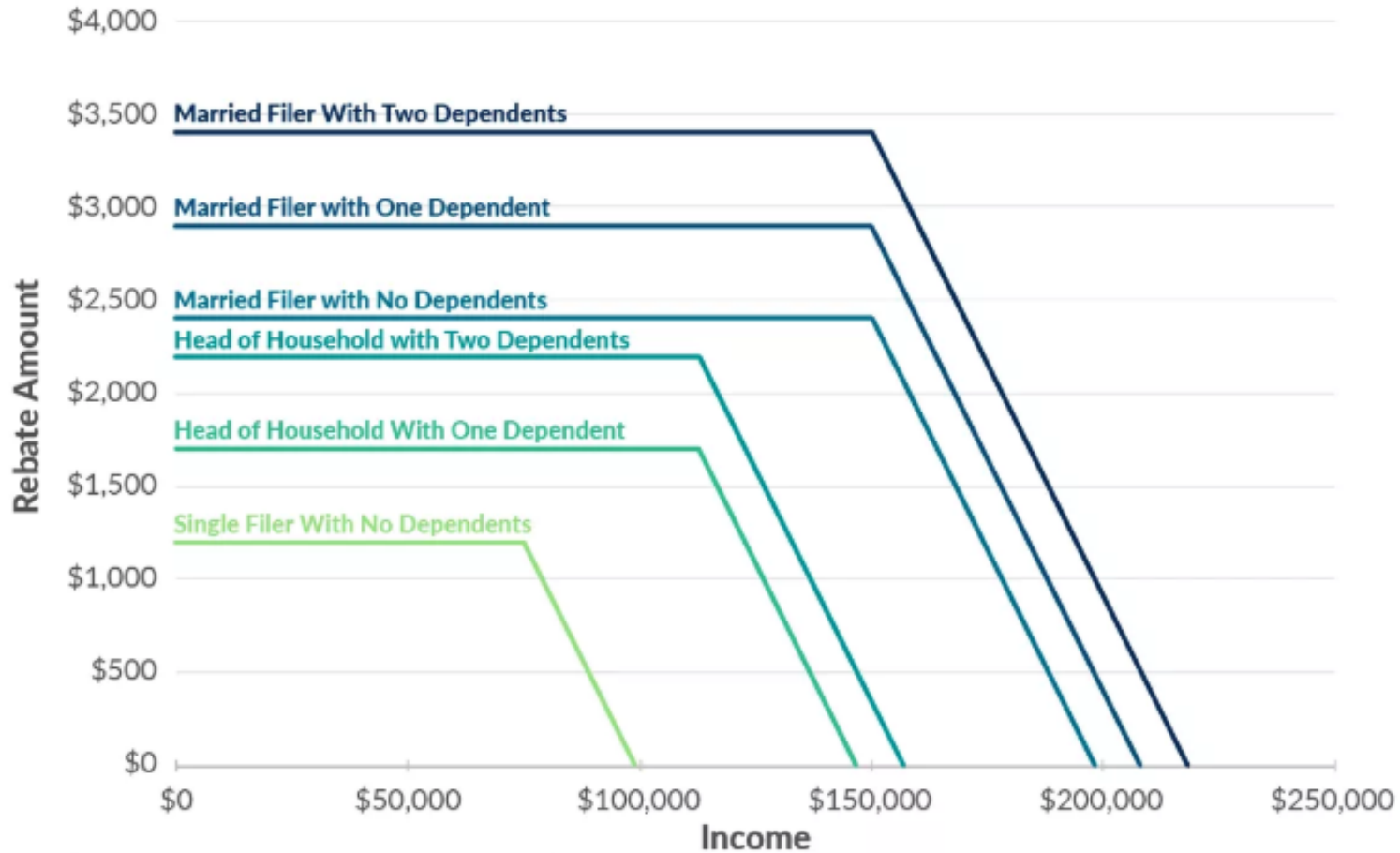
Source: Estimates for third relief bill based on bill text, committee and administration numbers.

Credit: Audrey Carlsen/NPR

Design of the Economic Relief Rebate

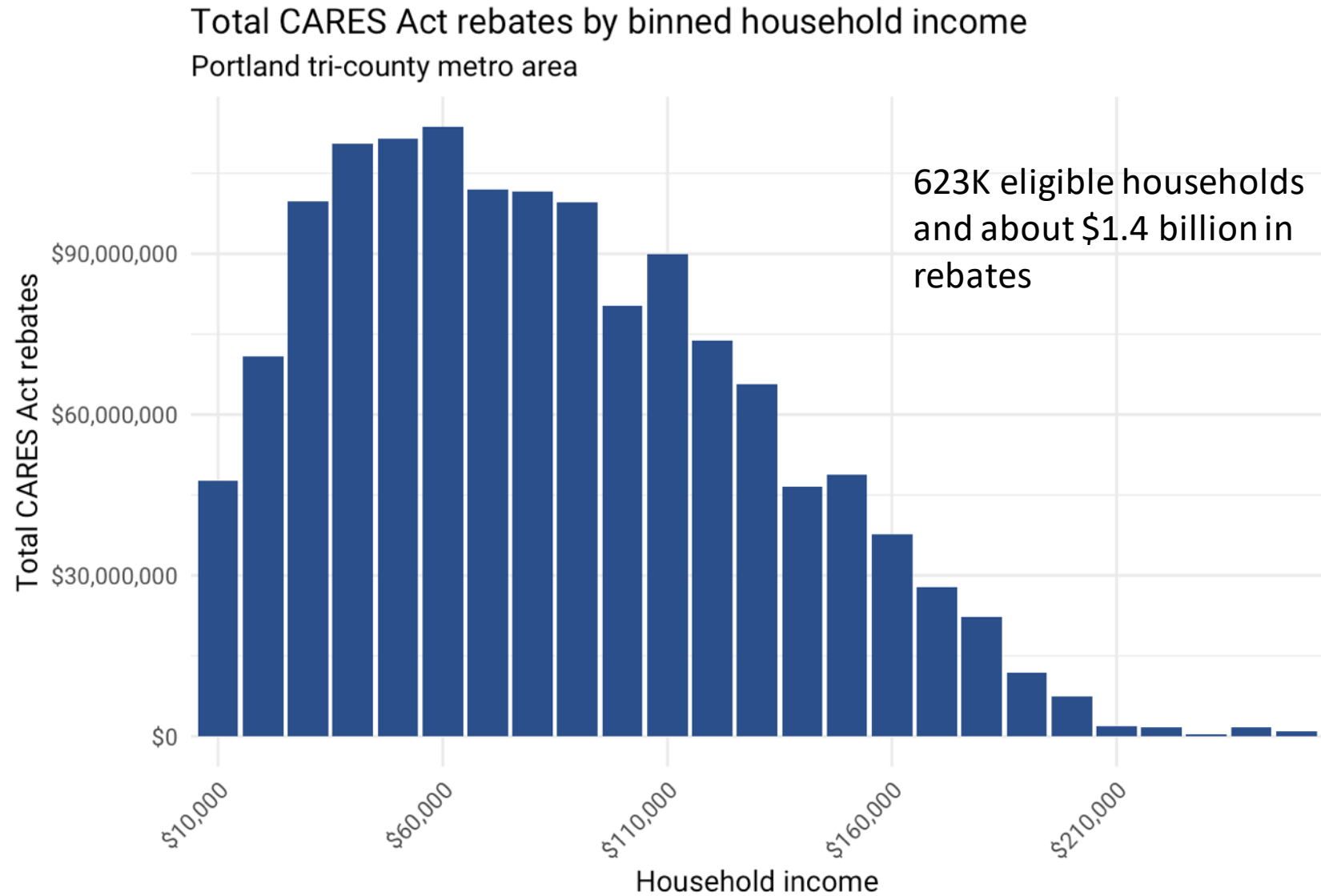
Proposed Relief Rebate in the CARES Act

Proposed Individual Economic Relief Rebate By Filing Status



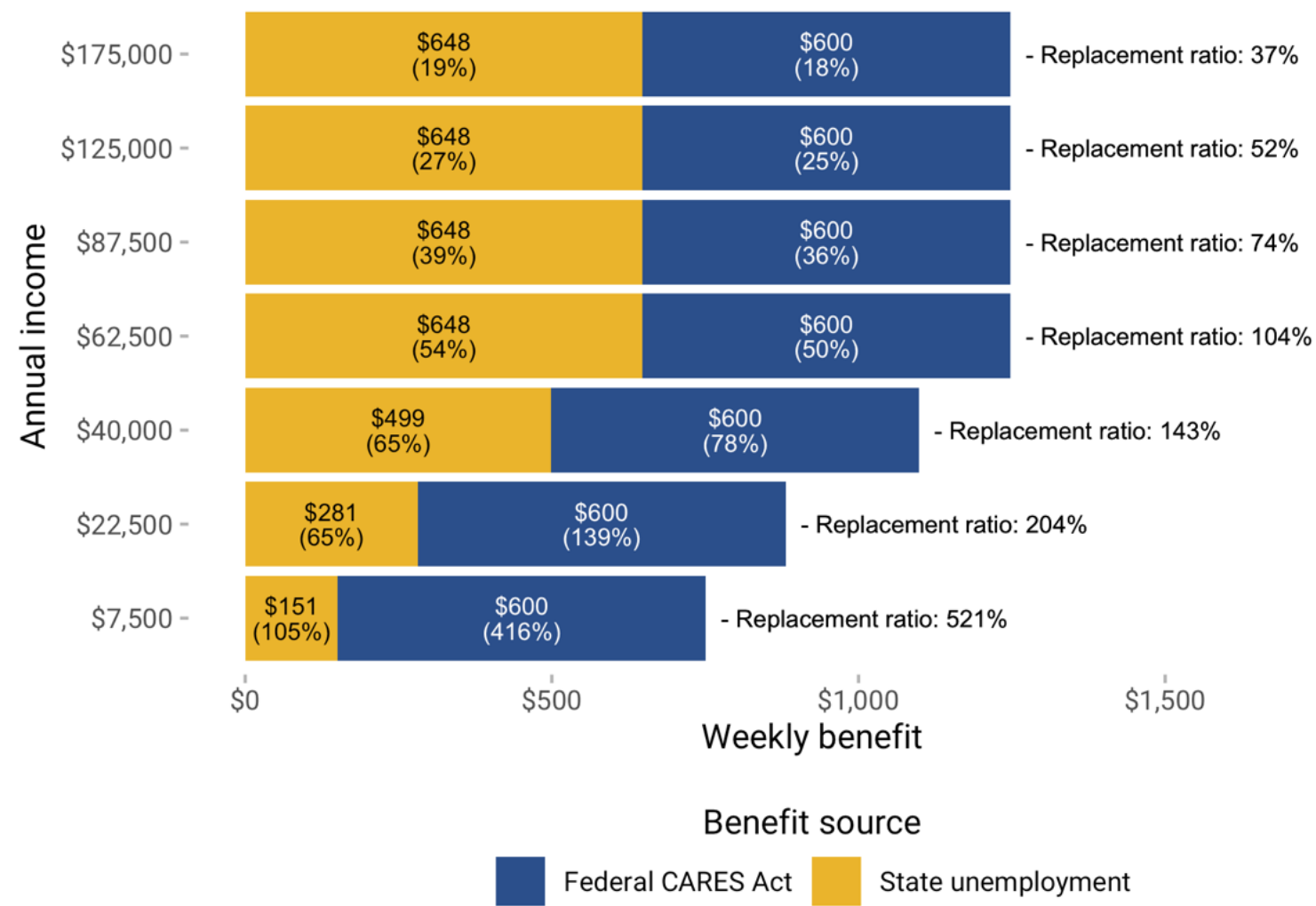
Source: "Coronavirus Aid, Relief, and Economic Security Act"

Distribution of the rebates in Portland



Source: 2018 1-yr ACS PUMS

CARES Act UI \$600 supplement



Source: Oregon Employment Department

Paycheck Protection Program:

- SBA loans of up to 2.5 times average monthly payroll costs in the year prior to the loan date
- Borrower is eligible for loan forgiveness equal to the amount the borrower spent on payroll, rent, and utilities during the 8-week period beginning on the date of the origination of the loan
- Forgiveness is reduced if the employer reduces the number of employees or cuts wages

- Federal CARES Act is the largest stimulus/disaster relief package in modern U.S. history
- Syncs well with a moderate/aggressive, three-month social distancing strategy
- Attempts to cover many bases, including:
 - Low-income and gig-economy workers
 - Seniors and people with disabilities
 - Small business liquidity
- Does not address the re-opening or recovery periods

How can localities make limited assistance count?

Making limited local dollars count

- Closely monitor implementation of the expansive federal response and fill gaps
- Prioritize scarce resources through eviction moratorium and suspensions of mortgage payments
- Consider targeting funds to:
 - Small businesses and non-profits especially hard hit traded-sector clusters (e.g., creative arts)
 - Main Street businesses located in the established districts of the Neighborhood Prosperity Network

ECONorthwest

ECONOMICS • FINANCE • PLANNING

John Tapogna, President, Tapogna@econw.com

Mike Wilkerson, Ph.D., Director of Analytics, Wilkerson@econw.com

Joel Ainsworth, Economist, Ainsworth@econw.com



Economic Stabilization & Recovery Framework

Kimberly Branam, Executive Director
Prosper Portland

Economic Stabilization & Recovery Framework

1

Increase
Communication &
Connections to
Support

2

Mitigate Economic
Hardship on
Impacted Individuals

3

Help Local
Businesses Stay
Solvent & Retain
Employees

4

Evaluate City
Business Practices &
Redirect Available
Resources

Prioritize support to the most **vulnerable**, applying a racial equity lens.
Act quickly. Leverage existing networks and assets.
Made a difference where possible. **Partner** & advocate elsewhere.



Economic Impact Action Committee

City leaders and
organizational partners.
Meet daily to set priorities,
coordinate activities &
deploy resources.



Economic Impact & Intervention Task Force

Business, community, foundation,
labor, public, and workforce leaders.
Advises on collaborative economic
stabilization and recovery
interventions.



Pull together Working Groups Regularly

Engage key stakeholders
in coordination with Task
Force and Action
Committee

Economic Impact Response Teams

Actions Taken



1. Increase Communication & Connections to Support

Established central number and call center for small businesses and impacted individuals: **503-823-4000**

Launched **COVID-19 Resource Page** for businesses and residents



2. Mitigate Economic Hardship on Impacted Individuals

Imposed an eviction moratorium for residents

Secured unemployment insurance regulations adjustment



3. Help Small Businesses Stay Solvent & Retain Employees

Provided \$150k to APANO to support Jade District Businesses

Launched \$2.4M Small Business Relief Fund with partners

Unlocked SBA-disaster loans



4. Evaluate City Business Practices and Redirect Available Resources

City and Prosper offered rent and loan payment deferrals for borrowers & commercial tenants

Redirected \$3M to invest in small business fund and household rent relief

Next Steps

- Connections to CARES Campaign
- Refine and implement equity lens and workgroup recommendations
- Pursue additional resources for small business relief grants
- Strategically deploy federal resources and refine legislative agenda



Small Business Relief Fund

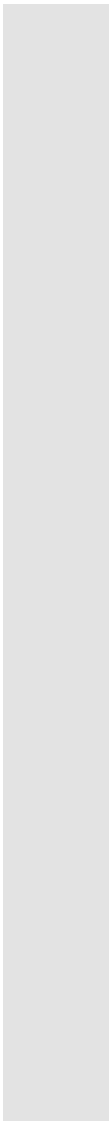
Tory Campbell, Economic Development Director
Prosper Portland





Portland Small Business Relief Fund

Purpose: Provide small grants and no interest loans to COVID-19 impacted businesses to provide interim relief to businesses and enable them to retain their business and employees.





Partner Engagement:

Oregon Community Foundation, Inclusive Business Resource Network,, lending partners, Fund investors, Council for Economic and Racial Equity, local small businesses

Activate partnership network to notify businesses about fund opportunity



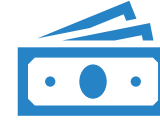
Grant Program:

Application Period: March 30th – April 1

Received **11,000 Applications**
8,800 Met Initial Eligibility

Round 1 Grant Award
Notifications: **April 7**

Will continue to
seek additional resources to
expand the fund



Loan roll-out:

Application Period: April 9th-12th

Sorted & Reviewed – April 13th-14th

Send to CDFIs – April 15th

Underwriting Starts – April 16th

Disbursements – April 22nd

Process & Timeline

Portland Small Business Relief Fund: Application Criteria

Grant Program

Requirements

- ≤ \$2 million or less in annual gross revenue

Loan Program

Requirements

- ≤ \$5 million or less in annual gross revenue

Shared Requirements

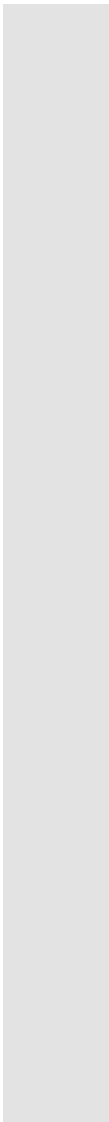
- Business is public-facing and directly impacted by new public health requirements related to COVID-19 pandemic **OR**
- Business has experienced 25% or more decline in revenue since Feb 1, 2020
- Less than 50 employees
- Business is primary source of income for business owner(s)
- Operating in City of Portland as a business since July 1, 2019

| | Grant | Loan |
|------------------------|----------|----------|
| Available Funds | \$1.38M | \$1M |
| Max per business | \$10,000 | \$50,000 |
| # of Businesses served | 175+ | 50+ |

Fund at a Glance



Equity & Vulnerability Priorities

- Businesses owned by Black, Indigenous, Asian Pacific Islander and People of Color and/or women
 - Businesses for whom resources will help them stay in business
 - Businesses who continue to pay employees and/or provide healthcare and other insurance during COVID-19
- 

Small Business Relief Fund Grant Applications – Summary

SUBMISSIONS

Grant Submissions: 11,041

Meeting Initial Eligibility Criteria: 8,777

BUSINESS TYPE

Sole Proprietors: 4,672 (53.2%)

Businesses w/2 or more employees: 4,105 (46.8%)

EMPLOYEE SIZE

| | |
|------------------|---------------|
| 1 employee | 4,672 (53.2%) |
| 2 - 5 employees | 2,689 (32.7%) |
| 6 - 9 employees | 687 (7.8%) |
| 10 -25 employees | 498 (5.7%) |
| > 25 employees | 51 (0.6%) |

YEARS IN BUSINESS

| | |
|--------------|---------------|
| < 3 years | 2,142 (24.4%) |
| 3 - 5 years | 1,940 (22.1%) |
| 6 - 10 years | 1,840 (21.0%) |
| > 10 years | 2,855 (32.5%) |

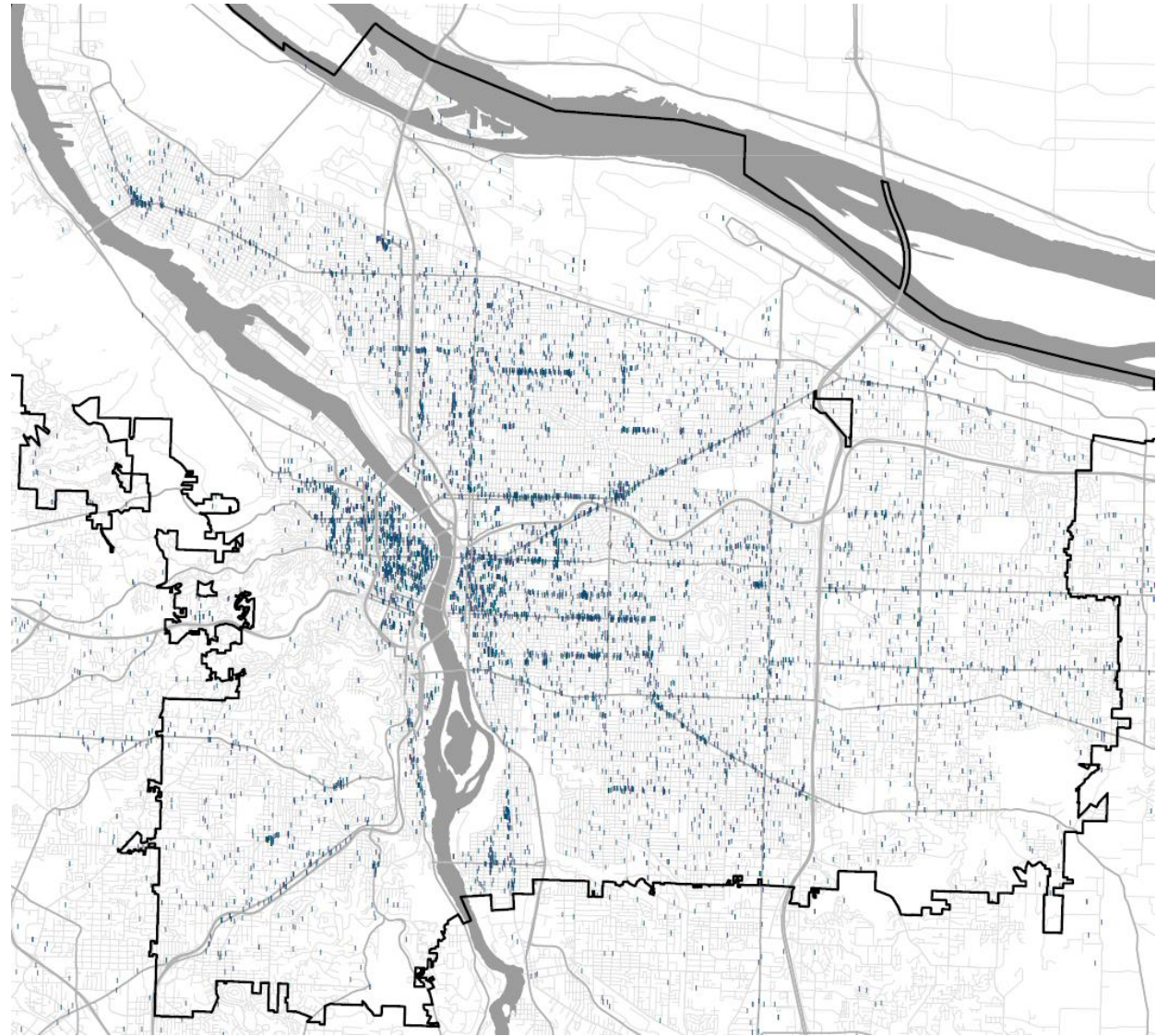
PUBLIC-FACING

| | |
|-----|---------------|
| YES | 6,704 (76.4%) |
| NO | 2,073 (23.6%) |

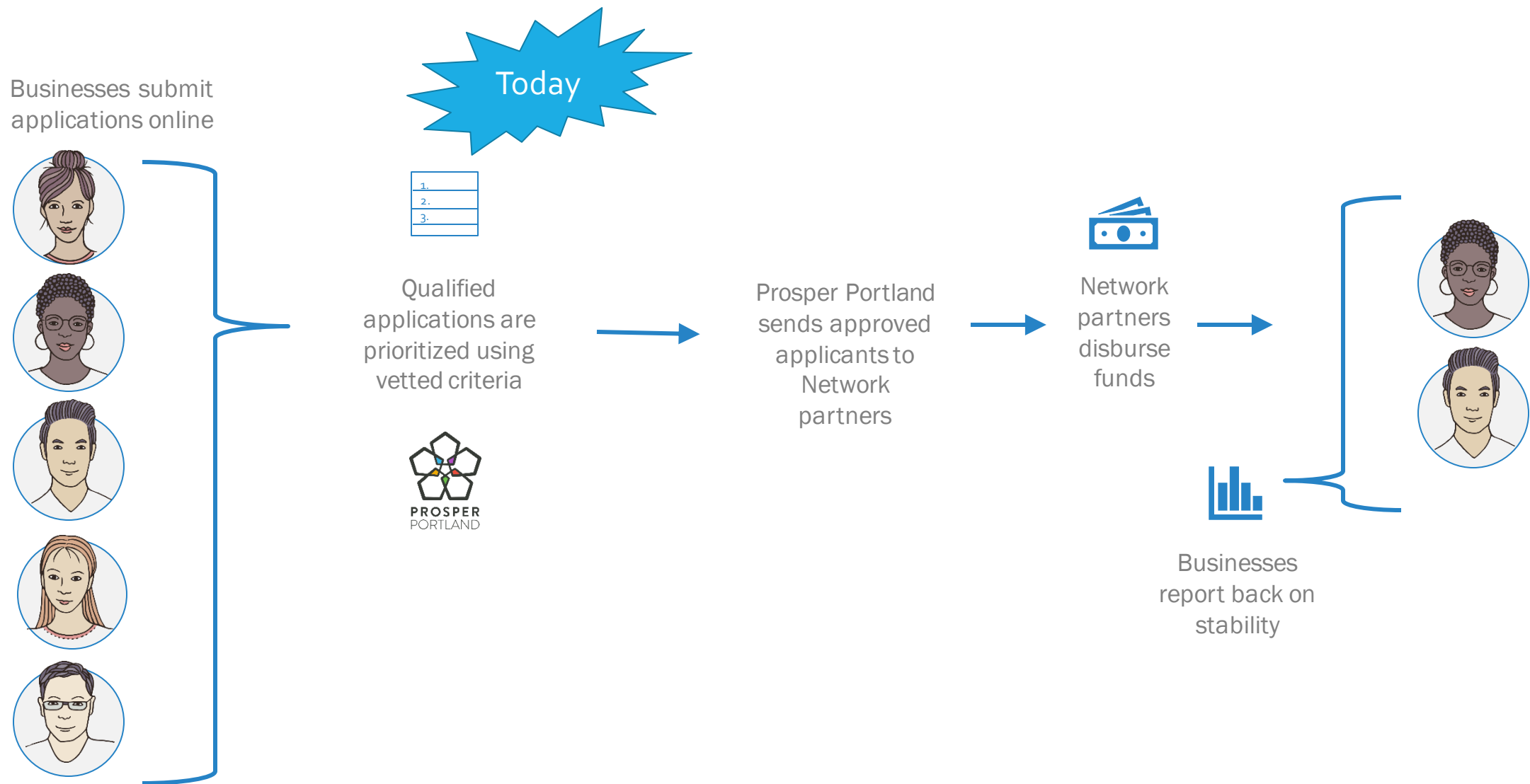
DEMOGRAPHICS

| | |
|-------------|---------------|
| POC | 3,014 (34.3%) |
| WOMAN-OWNED | 1,733 (19.7%) |
| NON-POC | 5,763 (65.7%) |
| WOMAN-OWNED | 3,617 (41.1%) |

Small Business Relief Fund Grant Applications – Geographic Distribution

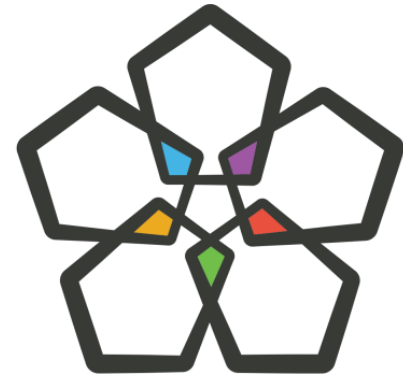


APPLICATION, SELECTION & DISBURSEMENT



Discussion & Questions

Please use the chat function or “raise your hand” for questions & comments.



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Work Group Reports

Work Group Updates

Leading with a Racial Equity Lens

Addressing the Digital Divide

Reducing Commercial Evictions

Evaluating City Practices – Permitting & Construction

Evaluating City Practices – Supporting Local Businesses

Evaluating City Practices - Supporting Non-profits & the Arts

Leading with Racial Equity

Work Group Members

- Anthony Deloney, Self Enhancement Inc
- Benjamin Duncan, Multnomah County Office of Diversity & Equity
- Carmen Castro, Hispanic Metropolitan Chamber of Commerce
- E.D. Mondaine, National Association for the Advancement of Colored People
- James Parker, Oregon Native American Chamber
- Jan Mason, Philippine American Chamber of Commerce
- Juan Barraza, Portland State Center for Entrepreneurship
- Kenechi Onyeagusi, Professional Business Development Group
- Matthew Serres, Disability Rights Oregon
- Rana Uzzaman, Portland YouthBuilders & Prosper Portland Council for Economic & Racial Equity
- Robin Wang, Vibrant Future / Formerly Ascent Funding
- Victoria Lara, Lara Media Services
- Yuri Sernande, Asian Pacific American Chamber of Commerce

City Staff:

- Andrea Pastor, BPS – Bureau of Planning and Sustainability
- Claire Adamsick, Office of Commissioner Fritz
- **Dr. Markisha Smith**, OEHR – Office of Equity and Human Rights
- Derek Bradley, Office of Commissioner Hardesty
- Hannah Holloway, Office of Commissioner Chloe Eudaly
- Khanh Tran, Mayor's Office
- **Mayra Arreola**, Prosper Portland

Leading with a Racial Equity Lens

Take Aways

- Equity lens is both an expectation and a shared responsibility
- Equity needs to be grounded in the work, intentional and not an after-thought
- Need to recognize emotional labor

Next Steps

- Convene Leads and Co-Chairs to share lens
- Connect with Equity Workgroup members as needed to provide support and additional resources
- Ensure diverse voices and representation in all Work Groups

Leading with a Racial Equity Lens

Economic Impact and Intervention Task Force

Equity and Vulnerability Lens

Addressing the
digital divide

Reducing
Commercial
Evictions

Evaluating City
Practices

Addressing the Digital Divide

Work Group Members

- **Alan Hipólito**, Verde/suma
- Adelle Pomoroy, Free Geek
- Brian McGuirk, Multnomah County Library
- Don Wolff, Portland Public Schools
- Alyshia Macaysa, SCPDX Equity Consulting Advisor
- Andres Lopez, Coalition of Communities of Color
- Andrew McGough or Representative, Worksystems, Inc.
- Cara Snow, Technology Association of Oregon
- Gabriela Rodriguez Beron, Technology Justice Advocate
- Jackie Murphy, NE STEAM Coalition
- J. Aronson, Worksystems, Inc.
- John Wasiutynski, Multnomah County
- Justen Harn, Open Signal
- Matthew Timberlake, Multnomah County Library
- Nandini Ranganathan, CETI
- Rick Turoczy, PIE

City Staff:

- Christine Kendrick, BPS/Smart City PDX
- **Elisabeth Perez**, OCT
- Rebecca Gibbons, OCT Digital Inclusion Program Manager - DIN Coleader
- Kenya Williams, Community & Civic Life
- Jared Wiener, Prosper Portland / Tech Industry Lead
- **Kevin Martin**, BPS
- Mayra Arreola, Prosper Portland
- Judith Mowry, Office of Equity and Human Rights

Addressing the Digital Divide



Problem Statement

Digital Divide is exacerbated by COVID-19 emergency



Framework

Work is guided by Equity, Privacy, and Open Data



Activities/sub-teams

Communicate available resources

Engage Frontline Communities

Deliver Technology resources

Addressing the Digital Divide

Take aways

- Workgroup members already know many of the community needs
- Some resources are already available but without access people are unaware of what is available
- Secured initial ECC donation of 200 Chromebooks for distribution to Reynolds school dist/CBOs

Next Steps

- Finalize sub-team members (targeted outreach)
- Draft process for donation distribution and communication to CBOs (devices/connectivity/training/community support)
- Finalize plan and logistics for Chromebook donation

Reducing Commercial Evictions

Work Group Members

- **Edy Martinez**, NAYA
- **Eric Cress**, Urban Development Partners
- Jim Mark, Melvin Mark
- John Wasiutynski , Multnomah County
- Susan Steward, BOMA
- Jacob Falkinburg , Venture Portland
- Kate Fagerholm, Metro
- Kate Merrill, Central Eastside Industrial Council
- Kelly Ross, NAIOP Oregon
- Lyndsey Westgaard, Commercial Association of Brokers
- Matthew Tschabold, Portland Housing Bureau
- Michele Reeves, Civilis Consultants
- Randy Miller, Produce Row
- Rebecca Stavenjord, Multnomah County, Dist 4
- Sce Pike, IOTAS
- Teresa Carr, Port of Portland

City Staff:

- Asena Lawrence, Mayor's Office
- **Joana Filgueiras**, Prosper Portland
- Lisa Abuaf, Prosper Portland
- Pauline Goble, City Office of Management & Finance Facilities

Reducing Commercial Evictions

Takeaways

- Pressure needs be pushed up the "food-chain" to lenders via political leadership's ability to convene.
- Need for immediate technical assistance/ education for small businesses and landlords
- Potential loans and tax abatement can be interesting – not clear where the gap is relevant to stimulus/ SBA programs.

Next Steps

- Define a joint commercial property owner/ small business ask and have Prosper and the Mayor's office convene a conversation with lenders
- Provide immediate technical assistance, particularly for small businesses, regarding moratorium and lease negotiations.
- Create an information campaign (series of webinars to promote information) – use industry peers and real estate attorneys

Evaluating City Practices – Permitting & Construction Work Group Members

- **Willy Meyers**, Columbia Pacific Building Trades Council
- **Rana Uzzaman**, Portland YouthBuilders & Council for Economic & Racial Equity
- Emerald Bogue, Port of Portland
- Jan Mason, Mackenzie & Philippine American Chamber of Commerce
- Jill Sherman, Gerding Edlen
- Jon Issacs, Portland Business Alliance
- Mike Salsgiver, Associated General Contractors Oregon-Columbia Chapter
- Nate McCoy, NAMCO
- Paul Slyman, Metro
- Susan Steward, BOMA

Staffed By:

- Amanda Watson, Mayor's Office
- Andy Peterson, Bureau of Development Services
- Dan Spero, Prosper Portland
- John Cardenas, Prosper Portland
- Josh Harwood, City of Portland Budget Office
- **Karl Dinkelspiel**, Prosper Portland
- **Karl Lisle**, City of Portland, Office of Management and Finance
- Kathleen Brenes, City Procurement
- Matt Tschabold, Portland Housing Bureau

Evaluating City Practices – Supporting Local Businesses

Work Group Members

- Amanda Lowthian, Travel Portland
- Ashley Henry, BBPDX
- Christine Chin-Ryan, Business Owner
- Dan Klinkert, OTCT Community Association
- **Duncan Hwang**, APANO
- Ed Ariniello, US Outdoor Store
- Evelyn Liu, APACC
- Jeff Miller, Travel Portland
- Johnell Bell, Business Owner
- Mark Darienzo, Climate Jobs PDX, Jobs with Justice
- Mitch Daugherty, Built Oregon
- Sarah Shaoul, Business Owner
- **Skip Newberry**, Technology Association of Oregon
- Stephen Green, BICEP
- Rebecca Stavenjord, Multnomah County
- Rick Turoczy, PIE
- Teri Karren-Keith, Beneficial Bank

City Staff:

- Dan Spero, Prosper Portland
- Karl Dinkelspiel, Prosper Portland
- Karl Lisle, Office of Management and Finance
- Les Spitler, City Procurement
- Matt Gierach, Debt Management

Evaluating City Practices – Supporting Local Businesses

Takeaways: Keep local business in business

- Confidence building for small business/entrepreneurs: strong, loud, consistent city messaging
- Council policy: "buy local" P-Card requirement
- Fire Bureau food purchasing practices
- Inventory City spending on small business

Next Steps

- Meet week of 4/6 to refine and prioritize ideas/concepts
- Discuss operationalization and potential resource needs

Evaluating City Practices – Supporting Non-Profits & the Arts Work Group Members

- Andrea Valderrama, Coalition of Communities of Color
- Brian Berry, OMSI
- Pastor Ed Williams, Mt. Olivet Church
- Helen Deltoso, RACC
- Jeff Curtis, Portland Rose Festival
- Jenny Stadler , PHAME PDC
- **Madison Cario**, RACC
- **Miranda Mishan**, NAYA
- Rosaline Hui, Portland Chinese Times
- Scott Kerman , Blanchet House
- Scott Showalter, Oregon Symphony

City Staff:

- Amanda Watson, Mayor Wheeler's Office
- Andres Oswill, Office of Commissioner Eudaly
- Damian Crowder, Prosper Portland
- Dana DeKleyn, Prosper Portland
- Ginger Damron, Grants Office
- Giyan Kim, Office of Management and Finance
- **Karl Dinkelspiel**, Prosper Portland
- **Karl Lisle**, Office of Management and Finance
- Sue Lewis, Prosper Portland

Evaluating City Practices – Permitting & Construction

Takeaways: Keep work moving

- Implement uniform COVID safety guidelines on all projects
- Create combined BDS/City communications plan
- Vastly accelerate permitting digitization

Next Steps

- Meet week of 4/6 to refine and prioritize ideas/concepts
- Discuss operationalization and potential resource needs

Evaluating City Practices – Supporting Non-profits & the Arts

Takeaways: Supporting the Community

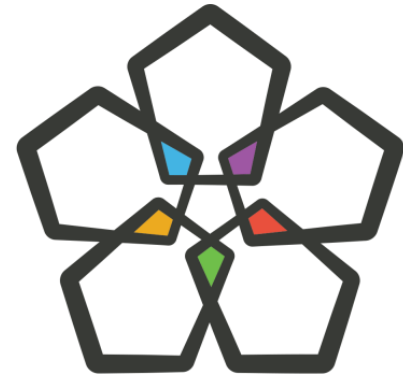
- Balancing immediate needs with long-term fallout
- Advocacy: make community and impacts visible
- Both add and pool resources
- Improve access to resources and increase flexibility

Next Steps

- Meet week of 4/6 to refine and prioritize ideas/concepts
- Discuss operationalization and potential resource needs

Discussion & Questions

Please use the chat function or “raise your hand” for questions & comments.



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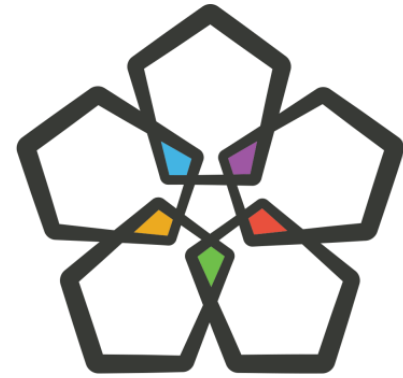


Discussion: Key Legislative Priorities

Elizabeth Edwards, Director
Office of Government Relations

Discussion & Questions

Please use the chat function or “raise your hand” for questions & comments.



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