



DATE: July 14, 2021
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 21-21

Authorizing an Amendment to the Intergovernmental Agreement Among Prosper Portland, the City of Portland Office of Management and Finance, and the City of Portland Office of Equity and Human Rights for the Community Opportunities and Enhancement Program

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7426

This action by the Prosper Portland Board of Commissioners (Board) will authorize the Executive Director to execute an amendment to the intergovernmental agreement (IGA) with the City of Portland (City) Office of Management and Finance (OMF) and Office of Equity and Human Rights (OEHR) for the purpose of extending Phase I of the Community Opportunities and Enhancements Program (COEP) by one year. The parties wish to extend Phase I on an interim basis, rather than entering into the anticipated longer-term extension in the original IGA, in order to provide interim funding while the ratepayer validation is being pursued by the City.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

Implementation of the COEP supports Prosper Portland's goals of widely shared prosperity and collaboration with our partners to build an equitable economy. Specifically, COEP supports access to career-path employment for underrepresented job seekers and wealth creation opportunities for entrepreneurs of color. Overall, the goals of the COEP are to increase the number of people of color and women in the construction trades and to remove barriers for construction firms owned by people of color and women so that they can successfully participate in public contracting.

BACKGROUND AND CONTEXT

COEP is one of the City's strategies to increase diversity and equity in construction contracting and is funded by a one percent set-aside of hard construction costs on all City-owned public improvement construction contracts. Through a series of grants, COEP funds workforce development and business technical assistance to accomplish its goals.

On November 8, 2017, City Council authorized the creation of COEP through Resolution 37331, along with several other efforts to support social equity in contracting. City Council approved resolutions requiring the use of a Community Equity and Inclusion Plan for projects between \$10,000,000 and \$25,000,000 and required Community Benefit Agreements for projects over \$25,000,000. To address the inefficiencies of project-by-project construction equity efforts, City Council directed staff to create COEP and fund it by collecting one percent from all City-owned construction projects.

On January 29, 2020, through Resolution No. 7348 and on February 12, 2020, through Resolution No. 7360, the Prosper Portland Board authorized Prosper Portland to enter into the COEP IGA with OMF and OEHR to implement Phase I of the program. This IGA expired on June 30, 2021. The Prosper Portland Board action on July 14, 2021, will extend the expiration to June 30, 2022, and allocate additional funding for Phase I of the program.

EQUITY IMPACT

COEP provides much-needed resources to communities of color and women who are interested in pursuing a career in the trades and construction business ownership. The grant process that Prosper Portland manages using COEP resources prioritizes funding to organizations serving communities of color.

COMMUNITY PARTICIPATION AND FEEDBACK

Staff has engaged with stakeholders and community members to develop and implement COEP, as more specifically detailed in the reports to Resolution No. 7348 and 7360 (the previous COEP IGA resolutions adopted by the Prosper Portland Board early 2020).

Staff launched a competitive Request for Proposals solicitation in 2020 to select service providers for COEP. Because of the short-term nature of the extension period, staff anticipates simply extending these service provider grant agreements for the extension period on the same or substantially similar terms, utilizing the additional funding made available by OMF.

BUDGET AND FINANCIAL INFORMATION

Through the original IGA, OMF made \$1,114,786 available to Prosper Portland for program expenses, including funds for partner service delivery and Prosper Portland grant administration. This Amendment includes an additional \$641,761 to continue program delivery. Staff is recommending not taking administrative fees in order to maintain partner funding levels consistent with fiscal year 2020-21 partner grants. However, if OMF identifies additional funds in excess of \$641,761, the IGA amendment authorizes up to \$85,000 for Prosper Portland administrative fees.

RISK ASSESSMENT

There are no new risks to Prosper Portland beyond those inherent in the original COEP IGA.

ATTACHMENTS

None.