



PROSPER
PORTLAND
Building an Equitable Economy

DATE: September 29, 2021
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 21-26

Authorizing Execution of Intergovernmental Agreement with the City of Portland Office of Management and Finance to Implement Economic Development Projects with Federal American Rescue Plan Funds

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7432

This action by the Prosper Portland Board of Commissioners (Board) will i) authorize execution of an Intergovernmental Agreement (IGA) with the City of Portland (City) Office of Management and Finance (OMF) to implement economic development projects with local federal American Rescue Plan Act (ARP) Funds; and ii) authorize the Executive Director to execute subrecipient contracts. If approved, this action will allow Prosper Portland to invest \$7,395,931 of federal relief resources to support Portland's small businesses, community-based providers, and workforce development services for residents.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

This action will deliver on Prosper Portland's Strategic Plan goals to create healthy, complete neighborhoods; provide access high quality employment; foster wealth creation within communities of color; and form 21st century civic networks, institutions, and partnerships.

BACKGROUND AND CONTEXT

The American Rescue Plan, also known as the COVID-19 Stimulus Package or American Rescue Plan Act (ARP) of 2021, is a \$1.9 trillion economic stimulus bill signed into law in March 2021. The City will receive \$207.9 million of local relief funds in two installments. The first allocation was received in May 2021, with the second expected in 2022.

City Council committed \$40.4 million in ARP funding in the Fiscal Year 2021-2022 budget approved in June 2021 and voted to allocate an additional \$63.6 million in July 2021. City Council, through Ordinance No. 190443 and 190525, appropriated \$7,395,931 to Prosper Portland to implement the following five economic development projects:

Minority Chambers of Commerce Support. The Minority Chamber of Commerce Support will provide capacity building funds to community-based partner organizations directly serving BIPOC-owned and diverse small businesses. Prosper Portland will enter into subrecipient agreements with the Hispanic Metropolitan Chamber, Black American Chamber of Commerce, Oregon Native American Chamber, Soul District Business Association, Oregon Pride In Business and the Asian American Chamber of Commerce. For this project, the allocation of funding amounts or any changes to the partners served with these funds will be determined in coordination with the Executive Director and the Mayor's office.

Venture Portland Catalytic Investment Initiative. Prosper Portland will enter into a subrecipient contract with Venture Portland to increase Venture Portland’s staff capacity to better serve six designated Catalytic Investment Initiative (CII) business districts that have historically been under-represented and have a higher number of BIPOC-owned businesses. The additional staff capacity will increase organizer hours from 12 hours a week per district to up to 36 hours per week in six CII districts, which includes St. Johns, Williams, Foster, Lents, Gateway and Midway business districts.

In addition to support for the CII districts, Venture Portland will deploy an Events Hub Team who will be a one stop shop for business districts and organizations needing technical assistance to implement neighborhood and large-scale events while navigating COVID-19 restrictions and best practices.

Downtown and Commercial Business Corridors Revitalization and Activation Consultant Team. Prosper Portland will contract with a consultant team to implement a near-term retail and activation strategy with a focus on prioritizing businesses owned by and community-based organizations serving Black, Indigenous, and People of Color. The consultant will lead the following activities to support and elevate small businesses and organizations adversely impacted by the COVID-19 pandemic:

- Develop a marketing and communications campaign to promote activities within the central city and broader city of Portland featuring small businesses and community-based organizations.
- Plan and execute Pop Up Small Business Events and Activations for interim use activities in vacant storefronts and adjacent spaces including working with property owners and small businesses for short-term leasing opportunities.
- Program community-based events and activations at key community business nodes and corridors in partnership with community-based organizations.

Small Business Resource Navigation & Technical Assistance. Prosper Portland will help address the inequitable access to federal and state funds by implementing a culturally-specific navigator program which will help BIPOC-owned businesses impacted by the pandemic access relief-focused assistance. The business navigation services will be provided through community partners who will support businesses who need assistance accessing grants or loans or other COVID-19 relief resources. Prosper Portland will enter into a subrecipient contract with the providers that are selected through a request for proposal process.

Rapid Workforce Training & Employment for Vulnerable Portlanders. Prosper Portland will enter into a subrecipient contract with Worksystems, Inc to provide paid work opportunities and rapid re-careering services for Portlanders who are houseless, at risk of eviction, or at risk of involvement in violence. These services will address the disproportional economic impacts COVID-19 has had on people of color and other vulnerable populations currently disconnected from the workforce.

The paid work and stipend employment opportunities will focus on city recovery efforts, including trash and graffiti cleanup and houseless community support. These work opportunities will also include placements at businesses that are at risk of closing because of losses incurred while cooperating with the social distancing guidelines required by the State of Oregon.

The rapid workforce training component will help individuals re-career through short-term and intensive trainings focused on high-demand industries with middle-income jobs. The trainings are approximately 12 weeks or shorter in duration from the start of the training to employment. After a participant has completed a training program, they will be provided direct connections to employers. This funding will be used to scale existing industry specific trainings that have been developed. These programs have connections with employer partners who hire program graduates in areas such as construction, waste and recycling hauling, entry-level clerical positions within hospitals and clinics, entry-level IT careers, and banking customer service.

In order to pass the federal resources to Prosper Portland, OMF and Prosper Portland will enter into an IGA that outlines the scopes of work, equity requirements, and reporting requirements.

EQUITY IMPACT

These projects were funded by City Council because they align with the City’s core values of anti-racism, equity, in-language access and transparency to ensure benefits for Black, Indigenous and communities of color and the most vulnerable Portlanders.

COMMUNITY PARTICIPATION AND FEEDBACK

In March 2021, staff convened the Economic Relief and Stabilization Coordinating Council (Economic Council) to identify, coordinate, and deliver on key economic relief and stimulus priorities aligned with City Council direction, community input, and near-term opportunities. The Economic Council coordinated across City bureaus to achieve shared priorities, reduce duplication and confusion, and provide options and recommendations to City Council.

Staff also engaged with the Economic Recovery Task Force, which consists of nearly 70 business, community, foundation, labor, public and workforce leaders, to provide guidance on project proposal development and implementation.

BUDGET AND FINANCIAL INFORMATION

Prosper Portland anticipates receiving \$7,395,931 of ARP funds. The chart below provides a breakdown of funding allocation by project. Prosper Portland will allocate \$571,928 of these funds toward staffing and overhead costs. A limited term project manager and project coordinator will be hired to implement a portion of this work.

Project	Allocation Amount
Rapid Workforce Training & Employment for Vulnerable Portlanders	\$4,000,000
Venture Portland Catalytic Investment Initiative	\$530,931
Downtown and Commercial Business Corridors Revitalization and Activation Consultant Team	\$165,000
Small Business Resource Navigation & Technical Assistance	\$2,000,000
Minority Chamber of Commerce Support	\$700,000
Total	\$7,395,931

RISK ASSESSMENT

Staff will conduct a risk assessment for each organization contracted through a subrecipient agreement. If an organization is considered moderate to high risk, additional monitoring and/or reporting may be required.

Project timelines may need to be adjusted to recruit and onboard additional staff to manage the projects.

ATTACHMENTS

None.