



PROSPER
PORTLAND
Building an Equitable Economy

DATE: July 12, 2023
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 23-21
Authorizing a Grant to the Old Town Community Association for up to \$272,000 for Business Attraction and Neighborhood Activation

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7495

This action by the Prosper Portland Board of Commissioners (Board) will authorize the Executive Director to negotiate and enter into a grant agreement (Grant) with the Old Town Community Association (OTCA) for up to \$272,000 for the purpose of facilitating the attraction and retention of business and non-profit organizations to the neighborhood and the positive activation of the Old Town streets. The funds will be used to pay the salaries and associated expenses for OTCA employees and contractors tasked with business attraction and activation objectives. Staff are seeking Prosper Portland Board approval of the Grant, as the aggregate total of grants to OTCA since fiscal year (FY) 2017-18 exceeds the Executive Director's delegated signature authority.

STRATEGIC ALIGNMENT AND OUTCOMES

This action delivers on the agency's strategic goals by creating healthy, complete neighborhoods and by providing wealth creation opportunities for local business owners.

BACKGROUND AND CONTEXT

In early 2014, Prosper Portland staff convened community and City of Portland bureau partners to develop a holistic, strategic, five-year investment strategy for the Old Town community. This effort led to the creation of the Old Town/Chinatown Five Year Action Plan (Action Plan), which was adopted by Portland City Council on August 6, 2014, through Ordinance No. 186744 (see Attachment A for focus area). The Action Plan guided Prosper Portland and partner activities through 2019. At that time, staff reconvened community partners and collectively agreed to propose a five-year extension to the Action Plan in acknowledgment that many of the priorities were relevant and yet to be accomplished. Portland City Council subsequently adopted the Old Town/Chinatown Five Year Action Plan Extension 2019-24 on September 4, 2019, through Resolution No. 37445, reaffirming the Action Plan's goals and relevance.

The Action Plan includes Goal 3.2 "*Promotion & Programming. Establish District Manager position to support district management and public space programming efforts.*" Prosper Portland has provided support to the OTCA in the past to activate, advance, and promote the Old Town/Chinatown district to

further Action Plan priorities, and now desires to continue this support. Past support to the OTCA for Action Plan implementation included the following previous grants:

<u>Fiscal Year</u>	<u>Grant Amount</u>
2017-18	\$18,081
2018-19	\$39,000
2019-20	\$30,000
2020-21	\$0
2021-22	\$207,000
2022-23	\$260,000
2023-24	\$272,000 (proposed)

Prosper Portland’s financial support to the OTCA significantly increased in FY 2021-22 in recognition of the rapidly deteriorating conditions in Old Town primarily caused by the COVID pandemic. Prior to the pandemic, Old Town was improving with new businesses coming into the district. Staff believes the added assistance to the OTCA has had a positive effect on the business climate and general conditions of the neighborhood. Following are recent accomplishments of the OTCA’s efforts funded by Prosper Portland:

Businesses Recruited/Assisted

- 10 new tenants signed lease agreements in 2022
- 26 businesses owners received business support services
- 14 business owners on tours in Old Town that were seeking space but did not lease space
- 5 businesses assisted with Prosperity Investment Program grant funds
- 6 businesses assisted with loans
- 4 investors are being assisted with acquiring property in Old Town
- 6 businesses assisted with amending their current lease agreements

Activations

- From February 2022 to June 2023, the OTCA hosted, supported, or produced 50 events
- 12 large events attracted between 400 and 3,000 people to Old Town
- Large events supported 25 to 40 small businesses
- 7 art exhibitions supporting 71 local artists
- 9 collaborative events with social services providers: P:ear, Blanchet House, Maybelle Center for Community
- 10 landlords activated storefronts and leased space

The OTCA has raised significant funds for other activities and neighborhood projects that are in addition to Prosper Portland’s support. In FY 2022-23 these awards and projects included:

- \$30,000 from Regional Arts and Culture Council for public art
- \$500,000 American Rescue Plan Act grant sponsored by City Commissioner Mingus Mapps to help small business owners improve the security of their storefronts
- \$100,000 from the Portland Environmental Management Office (PEMO) for tree lights along NW 3rd, 4th, and 5th avenues from W Burnside to NW Glisan streets
- \$50,000 from the Portland Bureau of Transportation to replace brick pavers along NW 3rd and 4th Avenues
- \$35,000 from PEMO with for a String Light Lantern Pilot Project

EQUITY IMPACT

A major focus and accomplishment of the business attraction and community activation supported by this grant has been bringing Black, Indigenous, and People of Color organizations and customers to Old Town and creating opportunities for wealth creation in the community.

COMMUNITY PARTICIPATION AND FEEDBACK

The OTCA general membership has supported the creation and work of the positions funded by Prosper Portland.

BUDGET AND FINANCIAL INFORMATION

The FY 2023-24 Adopted Budget does not include a specific allocation for this Grant; however, the amount for the Grant is within the total allocation for grants in the updated Financial Sustainability Plan related to Action Plan implementation. Staff will seek Prosper Portland Board approval of Revision 1 to the FY 2023-24 Adopted Budget in autumn that will move \$272,000 from Contingency to Property Development appropriations within the Downtown Waterfront district budget. There is sufficient budget appropriation within the overall FY 2023-24 Downtown Waterfront district budget in Property Redevelopment category for any initial grant disbursements until the revision is adopted.

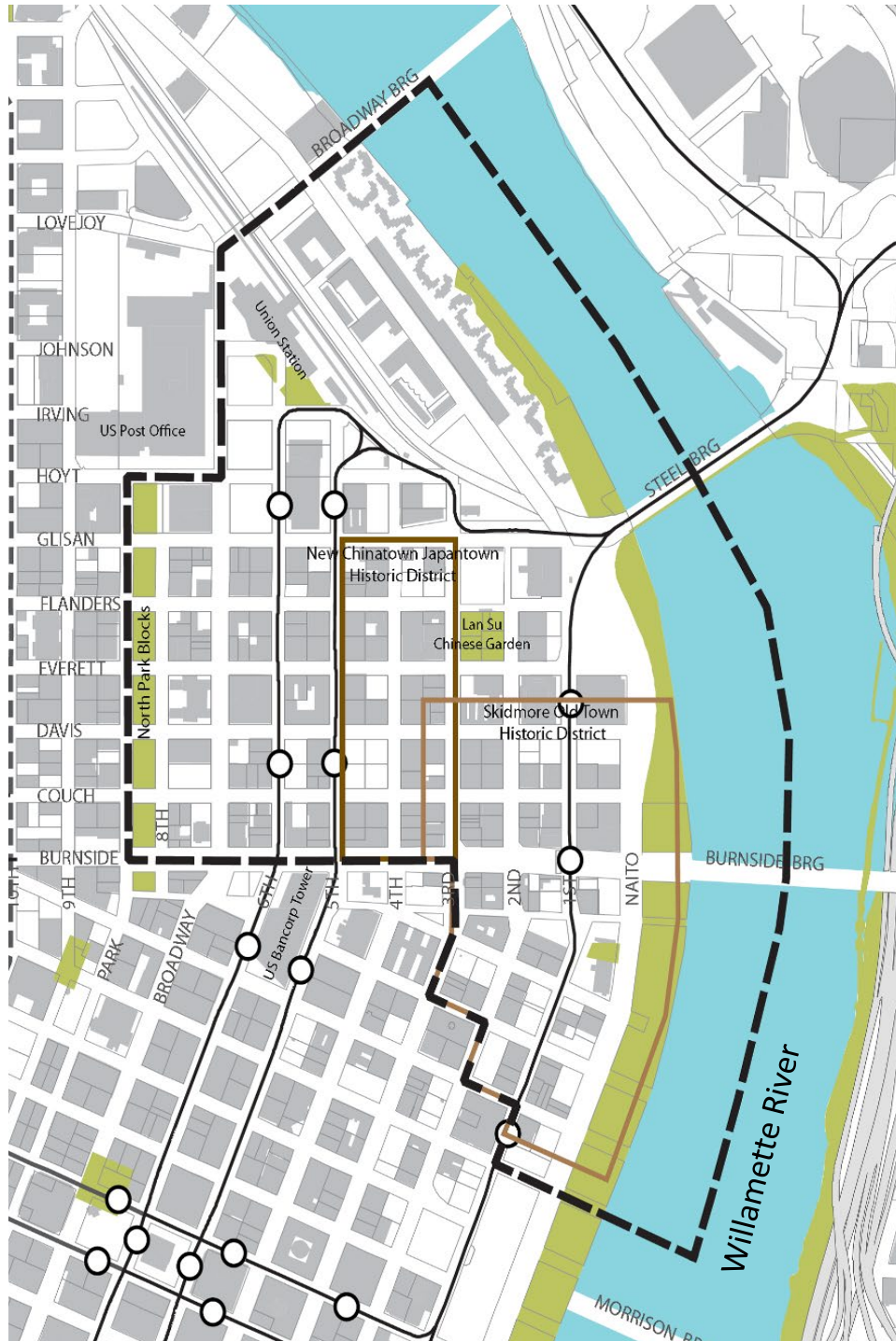
RISK ASSESSMENT

There is a risk that OTCA efforts will not be as successful as hoped for in business attraction and district activation. This risk is mitigated by bi-weekly meetings and reports on progress by the Grant recipient allowing for necessary course corrections if needed.

ATTACHMENTS

- A. Old Town Acton Plan Focus Area
- B. River District and Downtown Waterfront Approved Financial Summaries

OLD TOWN ACTION PLAN FOCUS AREA MAP



RIVER DISTRICT AND DOWNTOWN WATERFRONT APPROVED FINANCIAL SUMMARIES

<u>Downtown Waterfront TIF Fund</u>	<u>Revised FY 2022-23</u>	<u>Adopted FY 2023-24</u>	<u>Forecast FY 2024-25</u>	<u>Forecast FY 2025-26</u>	<u>Forecast FY 2026-27</u>	<u>Forecast FY 2027-28</u>
Resources						
Beginning Fund Balance	37,704,434	30,473,024	7,531,681	5,617,206	4,314,911	3,755,677
Revenue						
Interest on Investments	188,522	145,944	48,685	0	0	0
Loan Collections	11,854	20,320	0	0	0	0
TIF - Long Term Debt	0	5,016,500	0	0	0	0
Property Sales	61,428	63,266	63,266	63,266	63,266	63,266
Rent and Property Income	20,496	2,646	0	0	0	0
Reimbursements	20,000	20,000	0	0	0	0
Total Revenue	302,300	5,268,676	111,951	63,266	63,266	63,266
Total Resources	38,006,734	35,741,700	7,643,632	5,680,472	4,378,177	3,818,943
Requirements						
Administration						
A00023-Debt Management-DTW	24,350	12,121	12,121	0	0	0
Administration Total	24,350	12,121	12,121	0	0	0
Economic Development						
Business Lending						
A00202-BL -General-DTW	0	200,000	200,000	200,000	200,000	200,000
Economic Development Total	0	200,000	200,000	200,000	200,000	200,000
Infrastructure						
Parks						
A00719-Skate Park Predev-DTW	250,000	0	0	0	0	0
Transportation						
A00693-RR Crossing Quiet Zone-DTW	0	200,000	0	0	0	0
Infrastructure Total	250,000	200,000	0	0	0	0
Property Redevelopment						
Commercial Property Lending						
A00359-CPRL-General-DTW	0	5,140,000	0	0	0	0
Real Estate Management						
A00259-Old Town Lofts-Prkng-DTW	1,400	1,000	0	0	0	0
A00260-RiverPlace Marina-DTW	20,000	20,000	0	0	0	0
A00263-One Waterfront South-DTW	0	22,500	22,500	22,500	22,500	22,500
A00625-Block 24-DTW	51,450	41,805	41,805	43,061	0	0
Real Estate Disposition						
A00259-Old Town Lofts-Prkng-DTW	500	0	0	0	0	0
Redevelopment Strategy						
A00522-Old Town Action Plan Investments-DTW	0	15,786,239	0	0	0	0
Redevelopment Grants						
A00389-Community Livability Grant-DTW	506,000	0	0	0	0	0
A00495-Prosperity Investment Program (PIP) Grant-DTW	357,409	318,000	0	0	0	0
A00670-Repair Grant-DTW	3,682	0	0	0	0	0
A00686-OTCT-PI-DTWF	180,000	0	0	0	0	0
Property Redevelopment Total	1,120,441	21,329,544	64,305	65,561	22,500	22,500
Total Program Expenditures	1,394,791	21,741,665	276,426	265,561	222,500	222,500
Personnel Services	160,092	351,087	250,000	100,000	100,000	50,000
Debt Service	4,080,000	0	0	0	0	0
Total Fund Expenditures	5,634,883	22,092,752	526,426	365,561	322,500	272,500
Interfund Transfers - Indirect Charges	1,898,827	1,783,133	1,500,000	1,000,000	300,000	0
Interfund Transfers - Cash Transfers	0	4,334,134	0	0	0	0
Contingency	30,473,024	7,531,681	5,617,206	4,314,911	3,755,677	3,546,443
Total Fund Requirements	38,006,734	35,741,700	7,643,632	5,680,472	4,378,177	3,818,943