



PROSPER
PORTLAND
Building an Equitable Economy

DATE: February 14, 2024
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 24-08
Adopting Reimagine Oregon Economic Opportunity Investment Fund Grant Program Guidelines

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7522

This action by the Prosper Portland Board of Commissioners (Board) will adopt the Reimagine Oregon Economic Opportunity Investment Fund Grant Program Guidelines (Grant Guidelines). If approved, the Grant Guidelines will allow Prosper Portland to provide grants to eligible entities within the city of Portland, including for-profit businesses, nonprofits, and social service organizations with a fiscal sponsor, focusing on economic and business development for those disproportionately affected by the cannabis prohibition. The Grant Guidelines focus on the following three types of investments: i.) Accelerating Business Growth and Entrepreneurship, ii.) Building Community Wealth and Economic Empowerment, and iii.) Creating Anchor Projects that Enhance Community Engagement and Collaboration.

STRATEGIC ALIGNMENT AND OUTCOMES

Administering the Grant Guidelines will allow Prosper Portland to implement the following Advance Portland objectives:

- Objective 2: Promote equitable wealth creation by supporting BIPOC-owned small businesses and entrepreneurs to start and grow businesses through partnerships, capital, and relevant support.
- Objective 3: Foster a vibrant Central City and neighborhood commercial districts with tailored strategies to reimagine and revitalize our commercial centers and corridors as vibrant nodes of employment, small business, entertainment, and cultural amenities.

BACKGROUND AND CONTEXT

On November 8, 2016, Portland voters passed Ballot Measure 26-180, establishing a three percent tax on recreational marijuana sales in the city of Portland. Revenues from this Recreational Cannabis Tax (RCT) are allocated to drug and alcohol treatment, public safety investments, and support for neighborhood small businesses. Since fiscal year (FY) 2018-19, Prosper Portland has received an annual allocation of RCT revenues to support community economic development activities and programs consistent with City of Portland Code 6.07.145, which stipulates that cannabis revenue tax funds can be used to provide “support for neighborhood small businesses, especially women-owned and minority-owned businesses, including but not limited to business incubator programs, management training, and job training opportunities; and providing economic opportunity and education to communities disproportionately impacted by cannabis prohibition.”

Reimagine Oregon began as a statewide movement of Black-led organizations and individuals working to dismantle systematic racism in Oregon. In 2020, Portland City Council (City Council) committed to supporting Reimagine Oregon, by providing approximately \$1,500,000 of RCT revenue on an annual basis. Funding for this program was initially administered through the City Office of Community and Civic Life, but in 2023, City Council redirected administration of annual Reimagine Oregon program funds, in addition to \$4,800,000 of one-time funding, to Prosper Portland for inclusion in the FY 2023-24 budget.

Since that time, Prosper Portland has hired staff and developed Grant Guidelines for program implementation that are attached as Exhibit A to Resolution No. 7522.

EQUITY IMPACT

The Grant Guidelines are tailored to create equitable economic outcomes for people and communities disproportionately affected by the cannabis prohibition. Direct investment into equitable economic outcomes will spur improved quality of life across different measures, leading the way and growing new initiatives that will result in holistic, positive, equitable outcomes. These actions will direct resources to support business owners disadvantaged by cannabis prohibition, which disadvantage, in the form of higher incarceration rates, arrests, and higher penalties, has been shown to highly correlate with race and other characteristics.

Grants that fund capital investments will be subject to Prosper Portland’s Construction Business Workforce Equity and Green Building policies.

COMMUNITY PARTICIPATION AND FEEDBACK

Prosper Portland staff and partners at Urban League of Portland have held dozens of meetings, briefings with elected officials, community members, and small business owners about the Reimagine Oregon program. Prosper Portland is also working with a consultant to conduct a series of focus group discussions that allow for community input on Grant Guidelines rollout and implementation.

In April 2024, Prosper Portland staff will convene an advisory committee to review and make recommendations for grant awards. The executive director will use this feedback from the advisory committee to prepare annual funding recommendations for the Prosper Portland Board of Commissioner’s consideration. The committee will be comprised of approximately five individuals representing Reimagine Oregon Steering Committee, Prosper Portland, and Portland City Council offices.

BUDGET AND FINANCIAL INFORMATION

There is approximately \$4,800,000 in the FY 2023-24 Prosper Portland budget for this grant program. Staff anticipates that in FY 2024-25 and beyond, there will be approximately \$1,500,000 available annually for these grants. Grant award ranges and sizes will be adjusted within the adopted Grant Guidelines, according to annual funding allocations.

RISK ASSESSMENT

As identified in the grant agreement contracts, reporting accomplishments and grant expenditures on an annual basis will limit risk and ensure grantees deliver optimal services and work toward the goals of this program.

ATTACHMENTS

None.