



**PROSPER**  
**PORTLAND**  
Building an Equitable Economy

**DATE:** March 12, 2025  
**TO:** Board of Commissioners  
**FROM:** Shea Flaherty Betin, Interim Executive Director  
**SUBJECT:** Report Number 25-11  
Update on Workforce and Business Development Programs

### **BRIEF DESCRIPTION OF INFORMATION ITEM**

At the March 12, 2025, Prosper Portland Board of Commissioners (Board) meeting, staff will provide an overview of multiple economic development programs including Workforce Development, Community Opportunities and Enhancements Program, Inclusive Business Resource Network, Mercatus, and the Portland Small Business Hub (a list of partners can be found in Attachment A).

### **STRATEGIC ALIGNMENT AND OUTCOMES**

The programs managed by the Entrepreneurship and Community Economic Development (ECED) Team within the Economic Development Department at Prosper Portland support the following Advance Portland objectives:

- Objective 2 – Promote Equitable Wealth Creation
  - Outcome 2.1 – Help Entrepreneurs Start, Scale, and Innovate Through Partnerships
- Objective 4 – Connect Portlanders to High Quality Jobs in Future-Ready Sectors
  - Outcome 4.1 – Increase Inclusive, Industry-based Job Training and Career Path Employment

### **BACKGROUND AND CONTEXT**

The ECED Team has managed business and workforce development programs for over a decade. These programs provide critical supports that contribute to the city's economic growth.

The team uses a client-centered approach for all programming and supports community organizations through a partner network to ensure participants can access and receive services that best meet their needs. Additionally, the team is able to respond to economic challenges with program pivots to address the needs of job seekers and small business owners.

### **Workforce Development**

Prosper Portland and Worksystems, Inc. (Worksystems) have a long-standing partnership. Prosper Portland implements the youth program (known as NextGen) and adult workforce development program (known as Economic Opportunity Program) through grants to Worksystems, which delivers the two programs in coordination with its other workforce services. Worksystems, in turn, provides sub-grants to non-profit providers specializing in youth and adult workforce development. Youth workforce development providers were selected through a request for proposals (RFP) issued by Worksystems in the May 2022, and adult workforce development providers were selected through an RFP in the spring

of 2024. This network of nine providers serves approximately 900 individuals annually. Individuals can receive up to three years of individualized career coaching and job training, with an emphasis on high-paying industries.

In the fiscal year (FY) 2024-25, Prosper Portland took over the administration of the Community Workforce Navigator Program (CWNP) from Worksystems to streamline contract management and enhance coordination with the Neighborhood Prosperity districts. The CWNP aims to support priority neighborhoods and populations, particularly those within the Neighborhood Prosperity Network districts. Currently, this program contracts with the Rosewood Initiative, Division Midway Alliance, Portland Community College, and Urban League, collectively serving around 400 participants annually.

The total number of individuals served has significantly decreased due to reductions in the General Fund and Community Development Block Grant (CDBG) funds in FY 2024-25 alongside the rising cost of service provider wages.

The workforce development programs are funded with General Fund, CDBG, and Enterprise Zone resources, with additional funding leveraged by Worksystems. Below is the FY 2024-25 budget and estimated number of participants that will be served for each program:

- NextGen (serves youth ages 16-24): \$1,074,861 and 390 participants
- Economic Opportunity Program (serves adults aged 18 and older): \$1,074,861 and 590 participants
- CWNP: \$554,868 and 400 participants

### **Community Opportunities and Enhancements Program**

The Community Opportunities and Enhancements Program (COEP) is a City of Portland strategy to increase diversity and equity in construction contracting. The goals of the COEP are to increase the number of people of color and women in the trades through non-race-based approaches and to remove barriers for construction firms owned by people of color and women so that they can successfully participate in public contracting. The program is funded by a one percent set-aside of eligible costs on all City-owned public improvement contracts (referred to as the COEP fund). There are two components to the program: workforce development and business technical assistance.

In partnership with Worksystems, COEP provides workforce development through increased outreach and recruitment into certified pre-apprenticeship and apprenticeship programs. The program provides participant supports and helps lower barriers to participation, assisting with career progression through mentoring, networking, and resource connection. Apprenticeship placement may occur through either the trade unions or merit shops with retention services helping participants gain the necessary work experience to complete the apprenticeship process. Services are provided by seven community partners who receive grant funding from the regional collaboration known as the Construction Careers Training Program (CCTP). This program is a partnership of funders including Prosper Portland, Multnomah County, Washington County, the U.S. Department of Labor, and the Port of Portland.

COEP also offers business technical assistance to enrolled businesses with the objective of diversifying the pipeline and better positioning businesses to be awarded public contracting opportunities. Supports can include advising on bidding and estimating, managing cash-flow, project management, trades/skills, bonding and insurance, workforce management and navigating City software and processes. Prosper Portland manages grant agreements with five community partners to deliver these services.

This program is funded exclusively by COEP program funds, provided to Prosper Portland through an Intergovernmental Agreement with the City of Portland. Below is the FY 2024-25 budget and participant capacity for each program:

- Workforce development: \$1,460,824 to Worksystems, serving 150 participants
- Business technical assistance: \$635,000 to five community partners, serving 100 participants

### **Inclusive Business Resource Network**

The Inclusive Business Resource Network (IBRN) is a citywide program that provides business development support and technical assistance through a partnership network. This program began in 2017 when multiple programs serving entrepreneurs merged, with a particular focus on client-centered services and supporting a community of practitioners.

The program was designed to support businesses from those with an idea to those ready to grow, and ensure technical assistance leads to wealth creation for those who have experienced setbacks and systemic inequities, including underserved entrepreneurs, women founders, and low-income business owners. It is a multi-year support program and expectations are that businesses take multiple years to start, stabilize, prepare for growth and implement growth strategies. Services delivered through IBRN support clients in reaching the following outcomes:

**Idea to Launch** – services support aspiring business owners to attain foundational business skills to determine if they have a viable business idea or product.

**Stability & Resiliency** – services position business owners for wealth creation and asset building. Business owners explore the opportunity to grow or scale in the future and realize the business's full potential.

**Grow & Scale** – services support business owners with ongoing wealth creation and asset building. Business owners develop and implement growth strategies.

IBRN partners deliver services in a variety of ways including one-on-one support, peer to peer support and cohorts, workshops, and specialized professional services. Business owners can receive advising in areas such as business operations, financing, growth strategy, and marketing as well as industry-specific topics.

The program has shifted over the years to respond to feedback from business owners. For example, staff implemented a new client-centered goal setting tool for the most recent round of funding awarded in 2022. IBRN is currently funded with General Fund, CDBG, Cannabis Tax, and Enterprise Zone resources. The FY 2024-25 budget of \$3,259,603 currently supports 14 partners to serve a goal of 650 small businesses.

### **Mercatus**

Mercatus furthers building an inclusive economy through the establishment of an online business directory (<https://mercatuspdx.com/>) and storytelling platform for the region's diverse business community, connecting the city and region with local talents, businesses, services, and products. Since its creation in 2016, Mercatus has consistently grown and become a venue to create community, celebrate culture, and elevate the voices of small businesses.

In addition to creating visibility via the online directory, each year Mercatus publishes new business features and cultural business guides such as the Buy Native Guide, Black-Owned Business Guide, and Shop AAPI. Businesses listed on the directory are connected with growth opportunities through collaborations with My People's Market, Portland Means Progress, and supplier diversity initiatives. The platform also provides members with the Mercatus Connect Board which provides a way to share jobs, contracts, and other purchasing or procurement opportunities.

Through a contribution of Reimagine Oregon funds and in partnership with Avenue Agency, Mercatus was able to continue offering its Digital Marketing Program. The program supports businesses to increase their online presence through establishing or expanding their digital footprint. Businesses are

provided consultative services on the local marketing stack and awarded a small supportive grant to help implement strategies and approaches they have learned through the program.

The program is currently funded with Cannabis Tax Revenues, General Fund, Enterprise Zone resources as well as program income. The FY 2024-25 budget is \$111,382.

### **Portland Small Business Hub**

The Portland Small Business Hub (Hub) launched in July 2022 with the support of the City of Portland's Coronavirus State and Local Fiscal Recovery Funds (SLFRF) as part of the American Rescue Plan Act (ARPA). The website <https://PDXSmallBizHub.com/> was created in response to the needs of Portland's small business community during the pandemic, providing resources and financial assistance to cope with mandated business closures and restrictions.

In March 2020, Prosper Portland initiated a hotline to respond to business inquiries and address the needs of the local business community. This hotline became a crucial resource, connecting small business owners to federal relief programs, such as the Paycheck Protection Program (PPP), as well as the local Small Business Relief Fund (SBRF), which was managed by Prosper Portland.

Establishment of the Hub allowed Prosper Portland to discontinue the outdated hotline and enhance its support capacity through contracted service providers. This new approach enabled businesses to connect with a live person via phone, email, or chat. Additionally, the Hub contracted with a network of providers to deliver personalized navigation service through online appointments. Services are offered in multiple languages, and interpretation is available when needed.

The Hub maintains an online resource library that is regularly updated, as well as a list of workshops and networking events for small businesses. It also provides the technology infrastructure for the future Office of Small Business, which will be discussed in more detail below. This program is funded by ARPA funds and General Fund resources, with an overall budget of \$1,133,851. Of this amount, \$992,497 comes from ARPA to support service providers since July 2022. Initially, the program began with six providers: Livelihood Northwest, Hacienda CDC, Mercy Corps Northwest, Microenterprise Services of Oregon (MESO), Immigrant & Refugee Community Organization (IRCO), and the Black American Chamber of Commerce (BACC). As of January 2025, the program currently contracts only with BACC and IRCO.

### **PROGRAM OUTCOMES AND EQUITY IMPACT**

Prosper Portland's workforce and business development programming is helping people gain skills, earn increased wages, stabilize and grow their businesses and access additional resources. The team utilizes multiple tools to monitor and evaluate service delivery and collect outcomes, including both qualitative and quantitative data. Data are collected from partners as well as directly from participants (see detailed program data in Attachment B).

Additionally, to promote equitable wealth creation, job training and employment, these programs focus on addressing barriers experienced by historically marginalized and underrepresented communities.

The following information highlights program outcomes and equity impact. Staff collects demographic data as part of the agency's reporting and Prosper Portland's success in serving minority communities is a testament to the success in targeting the conditions that create disparities or barriers, without engaging in race-based decision making.

### **Workforce Development**

In FY 2023-24, Prosper Portland's investments in the NextGen program, the Economic Opportunity Program (EOP), and the (CWNP) served over 1,600 participants.

The NextGen program assisted 491 participants, with 78 percent entering the program with incomes at or below 30 percent of the Median Family Income (MFI). Out of those, 90 participants completed the program, and 78 secured employment or continued their education in post-secondary institutions.

The EOP served 686 participants, with 87 percent entering with incomes at or below 30 percent of the MFI. Among those who completed the program, 51 percent retained their employment, and 58 percent experienced advancement in their careers, as shown by a gain in earnings, wages or benefits. Overall, participants who completed the program saw an average wage increase of 16 percent compared to their starting wages.

The CWNP supported 462 participants, with 82 percent entering at or below 30 percent of the MFI. In total, 77 participants found employment through this program.

Providers regularly enter participant data and outcomes into designated systems. Worksystems provides bi-annual reports to Prosper Portland regarding youth and adult workforce programs. Prosper Portland manages the CWNP data system, ensuring access to real-time data.

### **Community Opportunities and Enhancements Program**

In FY 2023-24, a total of 141 construction firms received business technical assistance from five service providers. Nearly all the business owners identified as people of color. Among them, the Hispanic community represented 51 percent, while the African American community accounted for 34 percent. Other communities, including Asian, Native American and white, also benefited from this assistance, though in smaller numbers than the Hispanic and African American communities. Additionally, 39 percent of the business served were owned by woman or gender expansive individuals.

The Construction Career Training Program, managed by Worksystems, provided outreach, pre-apprenticeship training, or retention support to 265 participants in FY 2023-24. Of these program participants, 47 percent identified as African American, 22 percent as Hispanic, 13 percent identified as low income or did not identify a racial identity, 10 percent as Native American and seven percent as Asian.

Before participation in the COEP funded workforce development program, enrolled participants earned an average wage of \$18.63 per hour. After being placed into registered apprenticeship training programs, their average wages increased to \$28.12. This hourly wage will gradually increase as participants progress through the apprenticeship process.

For both the workforce and business technical assistance components of the program, providers must enter participant data into designated systems. Worksystems generates a monthly report for Prosper Portland using a dashboard, along with bi-annual participant reports for the workforce component of the program. In addition, business technical assistance providers enter data on a quarterly basis through an online system managed by Prosper Portland.

### **Inclusive Business Resource Network**

In FY 2023-24, 621 small businesses were served through IBRN. Seventy-two percent of participants identify as a person of color and 71 percent identify as a woman or gender expansive.

Partners enter service data in an online systems monthly and provide annual narrative reports. Participant outcomes are collected via quarterly client surveys. On average, 30 percent of clients respond to these surveys. Clients report growth in skills attained or confidence in areas supported by service providers as well as business owner progress toward self-identified goals. Outcomes are reported network-wide on an annual basis. In FY 2023-24, clients reported they gained skills in 88 percent of goal areas supported, felt supported by their business advisor regarding 92 percent of goal areas supported, and made progress on 77 percent of goal areas supported.

In addition to overall business advising, Prosper Portland funded access to professional services. More than \$250,000 was provided to consultants to provide professional services such as legal advising, capital funding training, digital marketing, food and beverage lab tests and consulting, and human resources advising. More than 245 businesses received these services.

### **Mercatus**

Since its inception in 2016, Mercatus has consistently experienced growth, with over 1,900 businesses currently listed on the directory. In FY 2023-24 and into the current fiscal year, Prosper Portland continued its partnership with Avenue Agency to establish new brand guidelines and develop a digital marketing strategy for the platform. The tailored strategy aimed to create greater visibility for the directory, nurture a collaborative community for members, and improve member satisfaction through personalized outreach and enhancing resource awareness through targeted communication. To achieve this, the strategy focused content development around the pillars of education, community, impact, celebration, and membership.

Mercatus continued its collaboration with Portland Means Progress, with both initiatives co-funding the Mercatus Navigator Role. In addition to creating awareness and active recruitment efforts, the Navigator facilitates connections between businesses listed on the directory and Portland Means Progresses businesses with a focus on intentional purchasing. Mercatus partnered with Portland Means Progress to host a catering fair, showcasing 10 Mercatus businesses with over 45 connections made to future opportunities. The partnerships with Avenue Agency and the Mercatus Navigator have significantly contributed to the growth of the directory.

The Mercatus Digital Marketing Program was extended throughout FY 2023-24 with funding from Reimagine Oregon. The previous cycle served 60 businesses across industries such as food and beverage, retail, and professional services. The current cycle remains open with the intent of serving the same number of businesses with consultative services and small grants for those who successfully complete the program. These grants help support the creation of new websites, the launch of advertising campaigns, and the development of engaging social media content. Recipients who have completed the program, on average, have reported a 30 percent increase in online engagement and a 15 percent growth in revenue.

### **Portland Small Business Hub**

From its inception in July 2022 until December 2024, 599 unique businesses benefitted from one-on-one appointments. Of the participants, 64 percent identify as a person of color, and 62 percent identify as woman or gender expansive. Additionally, 569 unique individuals registered for the free monthly webinars on small business loans and grants. The Central Navigators, staffed by the Black American Chamber of Commerce, responded to nearly 2,500 inquiries through phone, email, and online chats. The Hub website attracted over 30,000 visits, with the resource library and the event pages being among the most popular features.

The Hub collaborated with IBRN to bring additional resources to clients served through the Hub. Among the businesses served through appointments, 12 percent (72 businesses) received professional services funded by IBRN. Fifteen percent are enrolled in the IBRN and COEP, while 30 percent received support in identifying financial assistance or completing application processes.

Outcomes are gathered through follow-up surveys, with a response rate of 16 percent. Among those who responded, 74 percent reported they gained skills or knowledge after meeting with the service providers, and 67 percent learned about these resources for the first time.

## **FUTURE PROGRAMMING**

As Prosper Portland continues the work of connecting Portlanders to high-quality employment opportunities and promoting equitable wealth creation, the ECED team will look to maintain community capacity, strengthen existing partnerships, and build subject matter expertise across networks.

The team will stay actively engaged with partners and the clients it serves to ensure programming is supportive and responsive to evolving community needs. With the launch of the Office of Small Businesses, close collaboration will occur with the Office and its liaisons to ensure our programming is accessible to the businesses it serves.

The team will work to create more connection between workforce development and business support initiatives, exploring opportunities for workforce participants to meet the employment needs of small business community and supporting workers who may be looking to start their own businesses.

### **Workforce Development**

Worksystems has received \$6,899,660 from the City of Portland's Coronavirus State and Local Fiscal Recovery Funds (SLFRF) as part of the American Rescue Plan Act (ARPA). This funding supports their Re-careering, Paid Worker, and Intentional Shopping programs. The services funded by ARPA are expected to be completed by March 31, 2025.

Additionally, Prosper Portland has provided \$90,000 of Enterprise Zone funds to Worksystems in FY 2024-25 to support internships through the Paid Worker Program. This initiative targets individuals within the homeless continuum of care, including residents of the Safe Rest Village (SRV) shelter who are seeking employment.

Future workforce development programs may be affected by anticipated General Fund and CDBG budget reductions in FY 2025-26, potentially leading to decreased service delivery.

### **Community Opportunities and Enhancements Program**

Staff work closely with the City of Portland to review the City's ten-year infrastructure project pipeline and future program funding with the goal is to ensure there is a skilled workforce capable of performing project work and that qualified businesses are ready to hire these skilled workers. Additionally, staff are developing a dashboard to track contracts awarded to businesses enrolled in the COEP. This tool will help assess the relationship between COEP's business technical assistance participants and the City construction contracts awarded to those firms.

Future COEP business trainings will be tailored to cover essential components necessary for securing contracts and fulfilling the requirements of City construction projects. This includes obtaining COBID certification, being a BOLI registered training agent, understanding prevailing wage requirements, accessing bonding and insurance capacity, and managing the invoicing and reporting processes associated with public works projects.

Future service delivery levels for business technical assistance and workforce development initiatives may be affected by capital improvement project schedule and related one percent set aside of executed contracts for hard construction costs.

### **Inclusive Business Resource Network**

In the near term, staff does not anticipate significant changes to IBRN programming. With the upcoming launch of the Office of Small Business, staff will work closely to ensure programming is accessible to those in most need.

Prosper Portland staff were selected to participate in a fellowship with Results for America (RFA), an organization that works with governments to improve procurement practices. With a focus on results-

driven contracting and evidence-based spending, RFA will support the IBRN team with development of the next competitive solicitation planned for late 2026.

Future business technical assistance programming may be affected by anticipated General Fund and CDBG budget reductions in FY 2025-26, potentially leading to decreased service delivery.

### **Mercatus**

Looking ahead, Prosper Portland plans to bring new benefits and supports to Mercatus members. In collaboration with Business Oregon, staff will host a series of workshops focused on the Certification Office for Business Inclusion and Diversity (COBID) process. The goal is to assist members in getting certified and expanding opportunities to government contracting.

Mercatus has historically hosted events focused on networking, business-to-business connections, and sharing resources. Staff are currently revamping these events with the intent of creating meaningful economic opportunity and community connection, which could have an industry specific focus like the Catering Fair.

A comprehensive overhaul of the Mercatus PDX website will enhance user navigation, accessibility, and mobile responsiveness. The upgraded platform will feature real-time resource updates, an intuitive event calendar, and inspiring success stories to celebrate member achievements.

Due to budget constraints, the Digital Marketing Program cannot be funded beyond the current open cycle. However, given the importance of digital marketing and online presence for business success, staff remain committed to exploring alternative ways to support the marketing needs of our members.

Future support levels may be impacted by cannabis tax revenue reductions, as this makes up a majority of the Mercatus budget.

### **Portland Small Business Hub**

The Hub provides the foundational technology infrastructure for the Office of Small Business launch, a key action articulated in the Advance Portland strategy. Prosper Portland aims to build upon the existing Hub offerings to create a new Office of Small Business website that will provide assistance in navigating City services and resources. As ARPA funding expires, Prosper Portland will transition services from the Hub to the Office of Small Business with the launch of <https://PDXOfficeOfSmallBusiness.com> in Spring 2025.

The supports that the Hub's transition offer will be complemented by external facing liaisons who will be proactively engaging with the businesses, each covering two City Council districts. Their critical responsibilities include coordinating small business programs at Prosper Portland, introducing web-based services and training, connecting to the business community on a human level, and collaborating with City bureaus to enhance service delivery for Portland's small businesses.

### **ATTACHMENTS**

- A. Community Partners by Program
- B. Program Recipients Disaggregated Racial and Ethnic Identity



**COMMUNITY PARTNERS BY PROGRAM**

**Workforce Development Partners**

Organization	Adult	Youth	CWNP	COEP
Central City Concern	X			X
Constructing Hope				X
Division Midway Alliance			X	
Immigrant and Refugee Community Organization (IRCO)	X	X		
Labor's Community Service Agency				X
New Avenues for Youth		X		
Oregon Tradeswomen				X
Our Just Future	X			
POIC		X		X
Portland Community College		X	X	
Portland YouthBuilders		X		X
Rosewood Initiative			X	
SE Works	X			
Trash for Peace	X			
Urban League of Portland			X	X
Worksystems	X	X		X

**Business Development**

<b>Organization</b>	<b>IBRN</b>	<b>COEP</b>	<b>Small Business Hub</b>
APANO	X		
Black American Chamber of Commerce (BACC)	X		X
Built Oregon	X		
Hacienda CDC	X		X
Hispanic Metropolitan Chamber (HMC)	X		
Immigrant and Refugee Community Organization (IRCO)	X		X
LatinoBuilt Association of Contractors		X	
Livelihood NW	X	X	X
Mercy Corps NW			X
Metropolitan Family Service (MFS)	X		
Micro Enterprise Services of Oregon (MESO)	X		X
National Association of Minority Contracts of Oregon (NAMC)		X	
Native Youth and Family Association (NAYA)	X		
Neighborhood House	X		
NuProject	X		
NW Native Chamber (NWNC)	X		
Philippine American Chamber of Commerce (PACCO)	X		
Portland Community College - Small Business Development Center (SBDC)	X		
Professional Business Development Group (PBDG)		X	
TIE	X		
Urban League of Portland		X	
Vibrant Future	X		
Xcelerate Women	X		

**PROGRAM RECIPIENTS DISAGGREGATED RACIAL AND ETHNIC IDENTITY**

<b>FY 2023/24 Racial and Ethnic Identity</b>	<b>Adult Workforce</b>	<b>Youth Workforce</b>	<b>CWNP</b>	<b>COEP Workforce</b>	<b>IBRN</b>	<b>COEP Business TA</b>	<b>Small Business Hub</b>	<b>All Programs</b>
<b>Total participants</b>	686	491	462	289	621	141	599	3289
<b>Black or African American</b>	27%	28%	30%	47%	25%	34%	24%	29%
<b>American Indian or Alaska Native</b>	2%	3%	0%	10%	8%	5%	3%	4%
<b>Asian</b>	6%	13%	16%	7%	13%	4%	13%	11%
<b>Native Hawaiian or Pacific Islander</b>	0%	1%	1%	0%	2%	0%	2%	1%
<b>Hispanic or Latino/a/x</b>	7%	12%	24%	22%	24%	51%	16%	18%
<b>Middle Eastern / North African</b>	0%	0%	0%	0%	1%	0%	4%	1%
<b>White</b>	38%	23%	17%	0%	22%	2%	26%	23%
<b>Two or more</b>	15%	16%	7%	0%	0%	0%	0%	7%
<b>Prefer to self-describe</b>	0%	0%	0%	0%	4%	1%	8%	2%
<b>Choose not to identify /No race reported</b>	5%	4%	5%	13%	1%	3%	6%	5%
<b>Women or gender expansive</b>	42%	49%	49%	30%	71%	39%	62%	52%