

Central Eastside Corridor TIF Action Plan Working Group Meeting #7

January 2026



**Portland
Housing Bureau**



**PROSPER
PORTLAND**

Today's Outcomes:

- Shared information about updated financial forecast
- Confirmation of near-term economic development investment priorities
- Identified next steps



Operating Agreements

- Active participation
- Share the mic – and use your name tent
- Question the problem vs. the individual
- Permission to make mistakes
- Intent vs. impact
- Lead with curiosity
- Experience discomfort
- Expect and accept non-closure

Public Participation Guidelines

- Working Group meetings are open to the public
- Public invited to comment at start of meeting
- Public and staff asked to observe and listen for the remainder of the meeting
- Reserve discussion / questions / activity participation to members only

Update on TIF Projections & Next Steps

Working Group Process



Key Committee Outputs:

- ✓ Inform context and vision for 5-year investment strategy
- ✓ Develop investment priorities
- ✓ Align budget allocations and anticipated outcomes
- ✓ Recommend future approach for governance and reporting on Action Plan progress
- Recommend Action Plan TIF investment priorities for Prosper Board and City Council approval



TIF Forecast Model Updates

- District is not generating increment due to:
 - County's preliminary Certified Frozen Base (FY 24/25) is slightly higher than estimates modelled during TIF District formation.
 - Property tax appeals have driven FY 25/26 Assessed Value to just below the Frozen Base
- Financial model will continue to be adjusted:
 - Frozen Base will be adjusted once final figures incorporating utility values are available Summer 2026
 - County continues to process FY 25/26 property tax appeals creating additional uncertainty for future years

City General Fund

\$13M (\$11M ongoing)

Base programming for Citywide Economic Development

- Small Business Assistance
- Business Advancement
- District Supports
- Events & Film
- Workforce



Other Citywide Funds

~\$6M annually

RCT, CDBG, E-Zone, Partner Resources

- Small Business Assistance
- Workforce
- Business Advancement
- Events & Film



Prosper Portland's funding works together to deliver on Citywide and Advance Portland goals.

Strategic Investment Fund

\$52M Corpus

- Small Business Working Capital Loans
- Middle Income Housing and Commercial Development Loans
- Real Estate Investments

TIF District Funds

\$252M Balance

- | | |
|----------------------|---------------------------------|
| Broadway Corridor | South Waterfront Infrastructure |
| Old Town Action Plan | OMSI Master Plan |
| N/NE Action Plan | Housing Set Aside |
| Gateway Action Plan | Six New Districts |
| Lents Action Plan | |

PCEF

\$43M Contract
~\$9M Annually

- Small Business Assistance
- Business Advancement
- District Supports
- Events & Film
- Workforce

General Fund leverages SIF and Other Citywide Funds deliver programs, lending, and investments.

General Fund, SIF, PCEF, and Other Funds work together to provide technical assistance and working capital to complement TIF work inside and outside of TIF Districts.

Alternative Path Forward:

1. Postpone finalizing Action Plans until TIF resources become available
2. Use the Working Group's input on investment priorities to-date to inform Economic Development activity and explore limited 26/27 funding via Prosper program income available within the district to maintain early investment momentum.
3. PHB has determined, without TIF resources, Affordable Housing spending would be delayed until set-aside resources come available.
4. Provide a report to Prosper's Board summarizing Working Group's work to date together with economic development specific investment priorities identified for the first years of the district (including FY 26/27).
5. Continue to engage the Working Group as part of the FY 26/27 budget process.
6. Prosper and PHB will re-engage with the Working Group on Action Planning in out years as TIF resources become available and seek City Council approval.



Can we reconfirm investment priorities and near term economic & urban development priorities for FY26/27?

Working Group Investment Priorities



Vibrant Arts & Culture District

- Amplify as a **tourist destination with connectivity** for visiting restaurants, shops, and anchor entertainment destinations
- Prioritize **public art**, activations and provide support for artists and art organizations to access to affordable spaces
- Invest in a **multi-cultural district** with a thriving Indigenous/Native American Hub

Thriving Business Community

- Support **locally owned businesses** offering diverse products and services
- Invest in **employers** through recruitment, retention and expansion strategies
- Maintain **industrial sanctuary** and preserve industrial businesses, while celebrating connections

Housing Production

- Flexible, opportunistic funding to support **affordable housing** development
- Minimize resident displacement
- Include preferences in future RFPs/NOFAs for units and amenities designed for artists, makers, and other creative professionals

Central Eastside Corridor Action Plan Investment Priorities

	Yr 1-2	Yr 3-4	Yr 5-6	Total FY 25-26 thru 30-31	Outcomes
Prosper Portland: Economic & Urban Development (55%)					
Thriving Business Community					
Small Business Support - Grants	50,000	218,000	400,000	\$668,000	9-15 grants to small businesses
Small Business Support - Loans		50,000	400,000	\$450,000	3 - 7 loans to small businesses
Employer Retention / Recruitment / Expansion	24,000	100,000	400,000	\$524,000	Expansion/retention/and/or recruitment of 6 - 10 traded sector companies
Vibrant Arts & Culture District					
Public Realm - Grants	70,000	75,000	1,225,000	\$1,370,000	18 - 45 grants to community non-profit partners
Infrastructure / Open Space			1,000,000	\$1,000,000	Street and/or open space investment
PHB: Affordable Housing Set-Aside (45%)					
Affordable Housing Production & Stabilization					
Affordable Housing Development			2,754,000	\$2,754,000	1 - 3 acquisition opportunities
Homeowner Stabilization	100,000			\$100,000	20 - 25 grants to homeowner households
Renter Stabilization		300,000		\$300,000	2 - 3 rehab loans
Total Action Plan Budget				\$7,166,000	

Budget Shortfalls FY 25/26 thru FY 26/27
 Economic & Urban Development: \$144,000
 Affordable Housing: \$100,000

Discussion: Near-Term Economic Development Investment Priorities

Any edits or clarification?
Confirm investment priorities?

FY 25/26 thru FY 26/27 = \$144,000

Goal	Action	Outcome
Retain, stabilize, and grow small businesses	<p>Provide grants to small businesses for TIF-eligible improvements, with an emphasis on retaining and growing existing businesses within the District, preserving industrial space, and permanent improvements that serve current and future tenants.</p> <p>For new businesses, prioritize filling ground floor active uses that drive foot traffic along major corridors in the district.</p>	Invest \$50,000 via 1-2 Small Business Grants
Employer Retention / Recruitment / Expansion	Promote business tenant improvement grant for TIF eligible improvements within the District. Invest in employers through recruitment, retention and expansion strategies with an emphasis on existing businesses to retain and improve space .	Invest \$24,000 in expansion/retention/and/or recruitment of 1 traded sector company
Public Realm - Grants	Provide Community Livability Grants for TIF eligible improvements with an emphasis on District activations with pop-ups and public art , opportunities for mural installations to shape District identity, and	Invest \$70,000 in 1-2 Community Livability Grants to community-led public realm and community center projects

Alternative Path Forward: Next Steps

Jan
2026

Feb
2026

March
2026

April - May
2026

May
2026

June - July
2026

Summer 2026
and forward

Today:
Budget
Update &
Next Steps

Confirm
Investment
Priorities

Board
Approval of
Investment
Framework

Council
Budget
Work
Sessions

Council
approval of
Prosper
Budget

Final
Budget;
Board
Adoption

Refined Financial Model;
Working Group reconvenes as
resources become available

Ongoing Committee Engagement:

- ✓ Continued annual engagement in budget process via representation on Prosper's Community Budget Committee + via stakeholder testimony to affirm near-term Economic Development investment priorities; budget availability; and budget consideration
- ✓ Receive updated financial projections as available
- ✓ Reconvene to complete Action Plan as resources become available and recommend for Prosper Board and City Council approval
- ✓ Ongoing governance and reporting in alignment with Action Plan



Questions regarding next steps?

Questions or input regarding
summary report?