

Westside 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:
 - Property tax appeals have driven FY 25/26 Assessed Value to just below the Frozen Base
 - However, County's preliminary Certified Frozen Base (FY 24/25) is lower than estimates modelled during TIF District formation – decreasing the deficit between the Frozen Base and Assessed Value.
- 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

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.



Discuss agency budget and staffing
- any follow up administrative
related questions?

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.

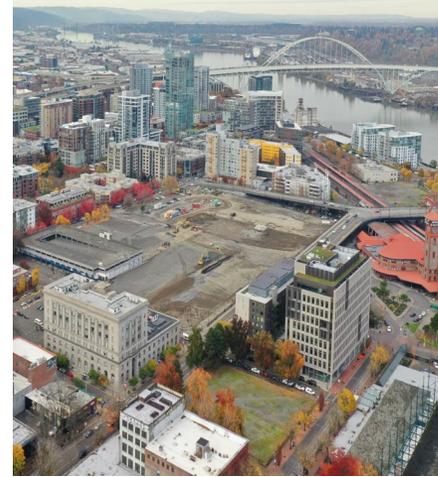
General Fund, SIF, PCEF, and Other Funds work together to provide technical assistance and working capital to complement TIF work inside and outside of TIF Districts.

Westside: Prosper Portland Program Income



Old Town Chinatown Action Plan: \$22M

- Office to residential conversions
- Grants: Chinatown Gate, Skatepark, lanterns, small business
- Loans: Lan Su expansion predev, commercial property
- Property management



Broadway Corridor: \$23M

- Middle-Income Housing
- LID payments + interim interest
- Post Office relocation
- Property management

Staffing within the Westside

Prosper Portland TIF District Staff Funding

30 Year TIF District Model (FY 25-26 thru 55-56) – *based on historic data:*

- Annual Average: \$3,097,000
- Program Delivery: \$1,689,000 (12%)
- Admin: \$1,408,000 (10%)

5 Year Action Plan Forecast (FY 25-26 - FY 30-31) – *under adjustment:*

- **Annual Average: \$204,000**
 - Program Delivery: \$113,000*
 - Admin: \$91,000**
- Action Plan Net Total: \$20,810,000

Note: additional funding provided via program income to support corresponding investments in Old Town and Broadway Corridor

Prosper Portland TIF District Staffing

Project Management*

Project Managers: Broadway Corridor, Old Town, Downtown/Public Realm

Development Managers

Additional Program Delivery Staff*

- *Real Estate & Property Management (USPS, Union Station, Old Town)*
- *Loan and Grants Programs*
- *Office of Small Business*
- *District/Project Specific Legal Counsel, Finance & Comms*

Administrative Costs**

- *Agency Administration (Executive, HR, Legal, Procurement)*
- *Agency Materials & Services (office, IT, agency trainings & sponsorships)*

When Action Plan FY budget is below annual average staffing costs, to stabilize staffing over 5 year term, the difference is funded primarily from Program Income from old TIF districts (loans, property income/sales) or other funding sources (Strategic Investment Fund, GF)



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

Working Group Investment Priorities



Commercial Vitality

- Support and grow diverse owned **small businesses** to help **attract/retain people to the district**
- Develop a **retail investment strategy** to retain and recruit **retailers**
- Grow **quality jobs and employee presence** within the district

Public Realm, Arts, and Culture

- Invest in **public art, murals, street amenities, lighting** and infrastructure for **activations and connectivity**
- Reimagine **Waterfront Park**; increase **waterfront access** and activations

Housing & Livability

- Prioritize **economic development** in initial years to strengthen development market
- Invest in affordable housing, with a focus on **preserving existing affordable housing**
- Pursue partnership models to deliver **live/work** and **active ground floor uses in affordable housing**

Westside Action Plan Budget

	Yr 1-2	Yr 3-4	Yr 5-6	Total FY 25-26 thru 30-31	Outcomes
Prosper Portland: Economic & Urban Development (55%)					
Commercial Vitality					
Small Business Support - Grants	100,000	200,000	400,000	\$700,000	10-15 grants to small businesses
Anchor Retail - Loans	225,000	700,000	2,000,000	\$2,925,000	5 - 30 loans + retail strategy
Employer Retention / Recruitment / Expansion	100,000	170,000	200,000	\$470,000	Expansion/retention/and/or recruitment of 1 - 10 traded sector companies
Vibrant Public Realm & Infrastructure					
Cultural Capital Improvements - Loans			1,033,000	\$1,033,000	1-3 loans
Public Realm - Grants	100,000	200,000	800,000	\$800,000	5-10 grants to community non-profit partners
Infrastructure / Open Space		500,000	6,000,000	\$6,500,000	Enhance Waterfront Park and improve district connectivity
PHB: Affordable Housing Set-Aside (45%)					
Affordable Housing Production & Stabilization					
District Preservation Study	200,000			\$200,000	1 District wide analysis
Mixed-Income Housing Fund			4,000,000	\$4,000,000	1 mixed-income housing project
Affordable Housing Fund			4,182,000	\$4,182,000	1-2 opportunities for preservation, rehabilitation, and/or acquisition
Total Action Plan Budget				\$20,810,000	

Budget Shortfalls FY 25/26 thru FY 26/27
 Economic & Urban Development: \$525,000
 Affordable Housing: \$200,000

Discussion: Near-Term Economic Development Investment Priorities

FY 25/26 thru FY 26/27 = \$525,000

Any edits or clarification?
Confirm investment priorities?

Goal	Action	Outcome
Small Business Support	<p>Provide grants to small businesses for TIF-eligible improvements, with an emphasis on retaining existing legacy businesses and filling vacancies. Businesses must serve minors during a portion of their business hours.</p> <p>Partner with the Office of Small Business and other existing organizations offering technical assistance within the area such as the Oldtown Community Association and the Downtown Neighborhood Association to identify strategic opportunities for coordinated support.</p>	Invest \$100,000 in 1-2 Small Business Grants
Retail Strategy to Retain and Recruit Anchor Retailers	<p>Invest in a retail strategy to identify gaps and successful formats for further investment.</p> <p>Provide loans to retail to recruit and expand the presence of anchor retailers on the retail core.</p>	Invest \$225,000 in Retail Strategy OR 1-2 Anchor Retail Business Loans
Employer Retention / Recruitment / Expansion	Provide grants to support the retention, recruitment and expansion of District employers. Attract, retain, and expand traded sector employers and grow employee attendance in the District through implementing the actions outlined in the Cluster Action Plans coupled with limited resources to support TIF-eligible investments.	Invest \$100,000 in the expansion/retention/and/or recruitment of 1 traded sector company
Public Realm - Grants	Provide Community Livability Grants (CLG) to anchor community organizations to support cultural inclusion and community livability. Grant funds shall be prioritized for projects that provide inclusive district activations and/or public realm enhancements such as public art, murals, and street or open space amenities.	Invest \$100,000 in 2-3 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