

Portland, Oregon

## FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Christine Moody, Chief Procurement Officer		2. Telephone No. 823.1095	3. Bureau/Office/Dept. Bureau of Internal Business Services
4a. To be filed (hearing date):  11/20/13	4b. Calendar (Check One)  <div style="display: flex; justify-content: space-around;"> <span>Regular <input checked="" type="checkbox"/></span> <span>Consent <input type="checkbox"/></span> <span>4/5ths <input type="checkbox"/></span> </div>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: 11/6/13
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

**1) Legislation Title:**

Authorize a pilot program with Kiva Microfunds to identify and recommend small businesses in the Portland Metropolitan area for Kiva Zip's micro lending platform (Resolution)

**2) Purpose of the Proposed Legislation:**

The purpose of the proposed legislation is to authorize a pilot program with Kiva Zip and provide a grant in the amount of \$5,000.

**3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?**

- |  |                                    |                                    |                                |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast             | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input type="checkbox"/> Central City                  |                                    |                                    |                                |

**FINANCIAL IMPACT****4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.**

This legislation will not generate any direct revenue for the City.

**5) Expense: What are the costs to the City as a result of this legislation? What is the source of funding for the expense?**

This action will authorize a grant in the amount of \$5,000 to Kiva Zip that will provide opportunities for local small businesses to obtain microloans directly from Kiva. Funding for this grant is available in the FY 2013-14 Procurement Services' budget.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

There are no current year position changes resulting from this legislation.

- **Will positions be created or eliminated in future years as a result of this legislation?**

There are no future year position changes resulting from this legislation.

*(Complete the following section only if an amendment to the budget is proposed.)*

**7) Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

No change in appropriation is required.

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

- ☒ YES: Please proceed to Question #9.  
☐ NO: Please, explain why below; and proceed to Question #10.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

This legislation will provide opportunities for local small businesses in the construction and professional services industries to obtain microloans through the Kiva Zip platform.

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

Community members and business groups were briefed on the Kiva Zip pilot program at the October 15, 2013 Fair Contracting Forum.

c) How did public involvement shape the outcome of this Council item?

Evidence of the 2009 Disparity Study indicated evidence of disparities within the local marketplace with minorities and women facing greater disadvantages than other firm owners when seeking access to capital. This evidence was obtained through interviews with local small business owners along with national research obtained by the consulting firm.

d) Who designed and implemented the public involvement related to this Council item?

Procurement Services.

e) Primary contact for more information on this public involvement process (name, title, phone, email):

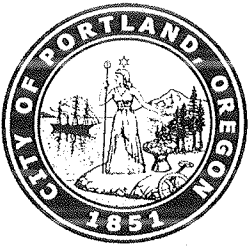
Christine Moody, x 3-1095

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Yes, marketing and outreach to M/W/ESB businesses in the Prime Contractor Development Program and M/W/ESB professional services firms.

Bryant Enge, Director

APPROPRIATION UNIT HEAD (Typed name and signature)



# CITY OF PORTLAND

37042

Christine Moody  
Chief Procurement Officer  
Procurement Services

## OFFICE OF MANAGEMENT AND FINANCE

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Charlie Hales, Mayor

Jack D. Graham, Chief Administrative Officer

Bryant Enge, Director, Bureau of Internal Business Services

### FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison \_\_\_\_\_

**DATE:** November 14, 2013  
**TO:** Mayor Charlie Hales  
**FROM:** Christine Moody, Chief Procurement Officer  
**RE:** Authorize a pilot program with Kiva Microfunds to identify and recommend small businesses in the Portland Metropolitan area for Kiva Zip's micro lending Platform (Resolution)

1. **INTENDED THURSDAY FILING DATE:** November 14, 2013
2. **REQUESTED COUNCIL AGENDA DATE:** November 20, 2013
3. **CONTACT NAME & NUMBER:** Christine Moody x 3-1095
4. **PLACE ON:** ☐ CONSENT ☒ REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:** ☒ Yes ☐ No ☐ N/A
6. **ONE (1) ORIGINAL OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED:** ☐ Yes ☐ No ☒ N/A

#### 7. BACKGROUND/ANALYSIS:

The City of Portland desires to encourage and spur economic development and job creation, and support local small businesses in an era of limited financial resources. The City recognizes our community partners that have micro lending programs that support local small businesses. KIVA is an innovative online microfinance platform that relies on "Trustees" to identify and recommend small businesses that are eligible to raise up to \$5,000 or \$10,000 in crowd funded capital with zero percent interest. Procurement Services will become a "Trustee" and recommend small businesses for the Kiva Zip platform. By being a "Trustee", the City does not finance, guarantee or have any fiduciary duty to these small businesses but rather facilitates the access of no-cost capital.

**Legal issues** – none

**Controversial issues** – none

**Citizen participation** – none

**Link to current city policies** – Social Equity Contracting Strategy

**Other governmental participation** – none

#### 8. FINANCIAL IMPACT:

This action will authorize a grant to provide Kiva Zip \$5,000 to support local small businesses. Funding for this grant is available in the FY 2013-14 budget.

#### 9. RECOMMENDATION/ACTION REQUESTED:

Authorize a pilot program with Kiva Zip and provide a grant in the amount of \$5,000.

*An Equal Opportunity Employer*

*To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.*