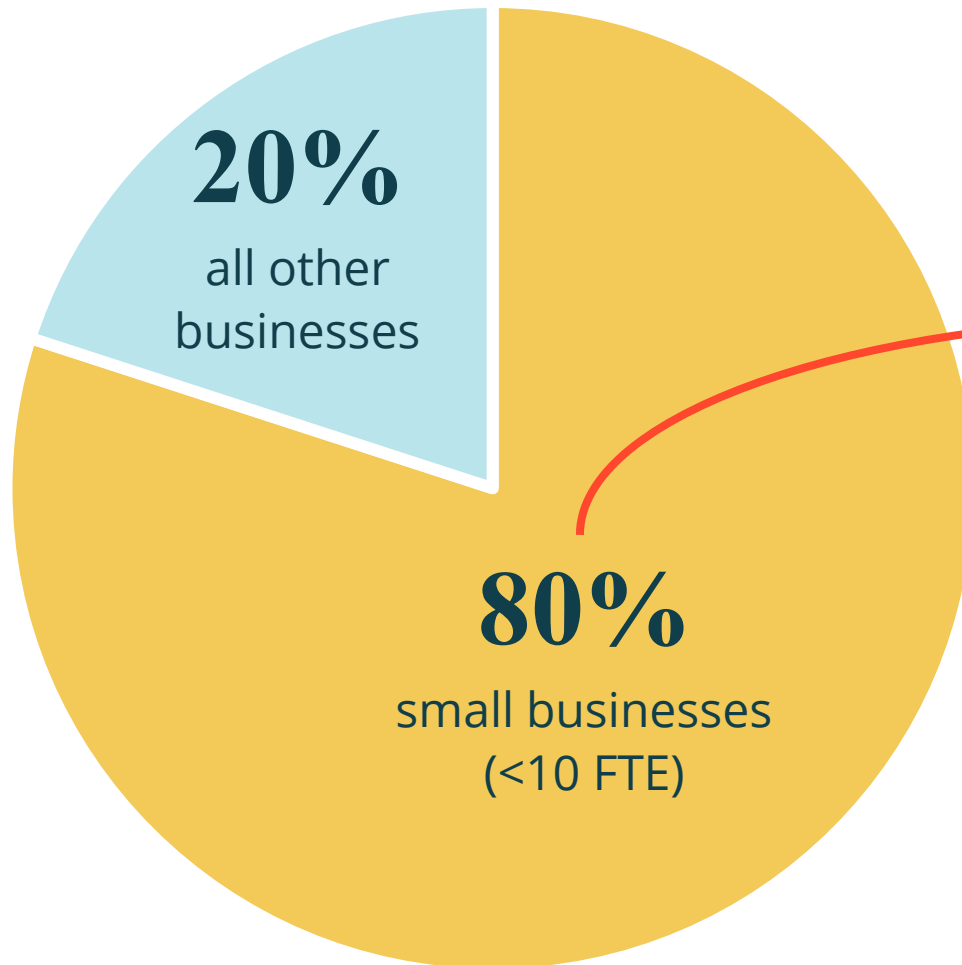


Small Business Support

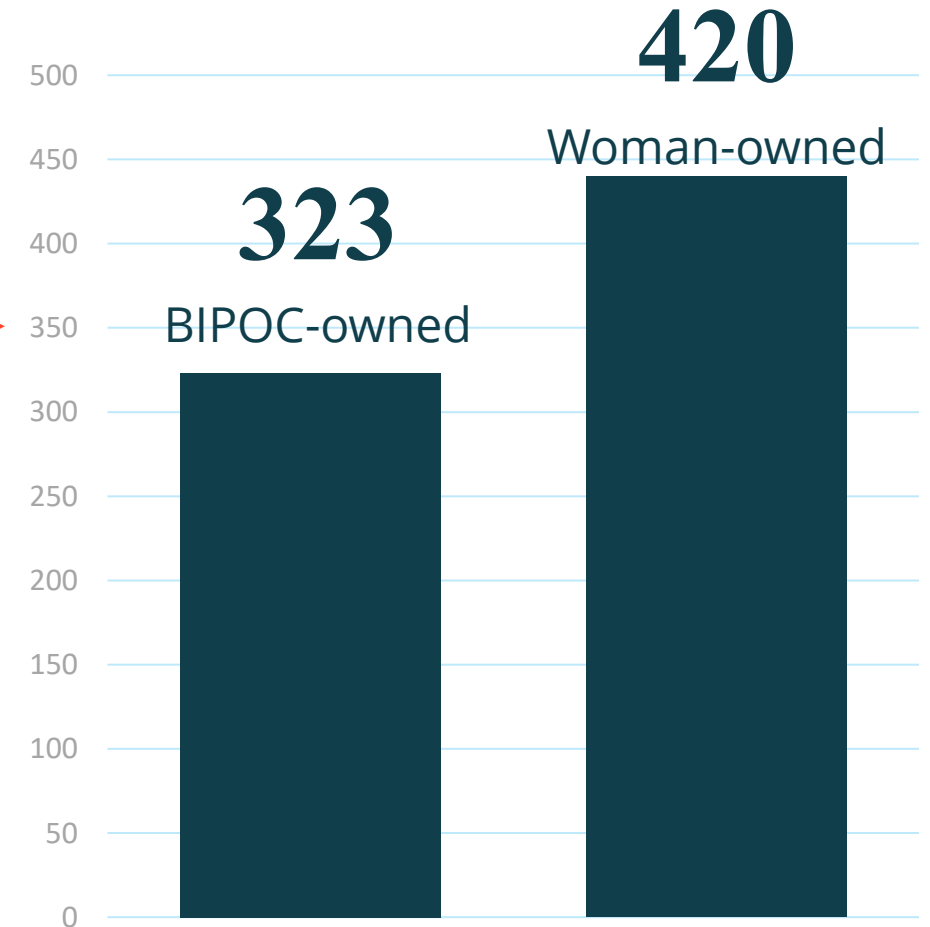
April 10, 2024 - Portland City Council

PMC Members

Of all PMC members...



Of those small businesses...



Key Small Business Outreach

- Comcast RISE Grantee Support (2023)
 - **100** Multnomah County small businesses (**60%** BIPOC-owned; **65%** woman-owned)
 - **\$4M** in grants @ \$5000 per business and technical support
- East Multnomah County Cares Act Small Business Grant Program (2021)
 - **400** small businesses in East County (**50%** BIPOC-owned)
 - **\$1.2M** in grant funding @ \$2500 per business



Ongoing Small Business Initiatives

- Small Business Management Program – Since 2011
 - Scholarships for **12-24** small business/yr.
 - Combined investment of Chamber contribution matched by Bank of America - **\$178,223**
 - Resulting in **\$31,868,541** in total impact or **6450%** ROI – measured in new economic activity and jobs created*
- Free small business advising sessions via the PCC Small Business Development Center hosted at the Chamber.
- Partner with Downtown Portland Clean & Safe
 - Additional support for 80+ local small businesses



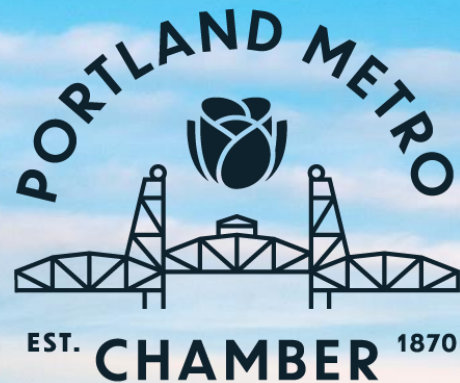
* 2022 Report from SBDC at PCC

Vibrant Downtown for Small Business

Through our ESD affiliate: Downtown Portland Clean & Safe

- Visit Downtown Campaign (**200K+** Followers)
 - Promotes coming Downtown to locals (25-Miles)
- Glass Kiosk Retail Incubator Project @ Director Park
 - **5** Small Retailers featured so far
- PDX Pop-Up Shops – total of **9** Holiday Shops
 - **7** Small Businesses, working with over **54+** local makers
 - +Oregon Potter's Association (**40+** Local Potters)
 - +PDX Urban Winery (**14** Local Wineries)
- Retail grants
 - **4** retail grants to small businesses (**totaling \$75,000**)
 - Required at least a one-year NEW lease in DPC&S district
- Downtown Retail Council
 - Monthly meetings supporting collaborative marketing efforts for downtown retailers and consumer businesses





2023 State of Small Business

Report sponsored by



COMCAST

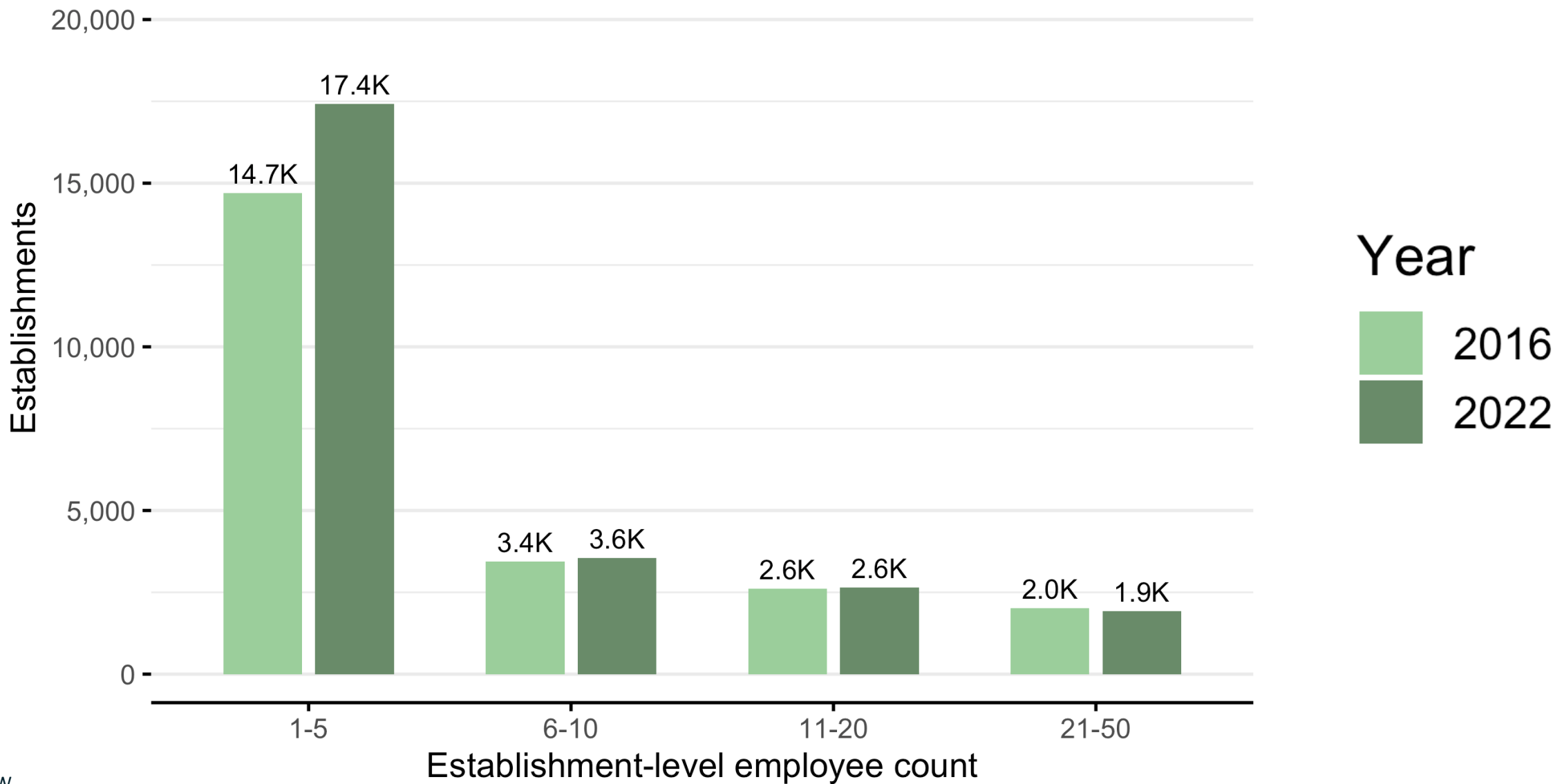
Research conducted by

ECONorthwest
ECONOMICS • FINANCE • PLANNING

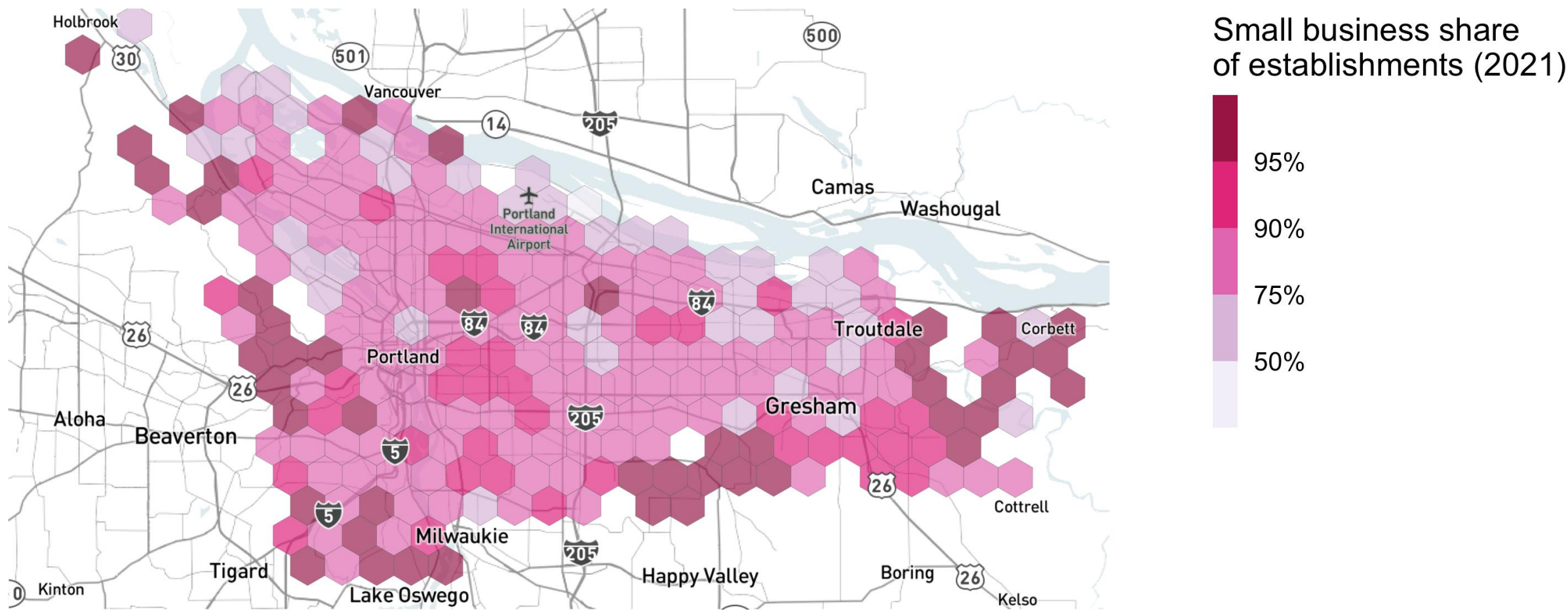
What is a small business?

94% of business establishments in Multnomah Co. have 5 or fewer employees

Count of business establishments with less than 50 employees in Multnomah County

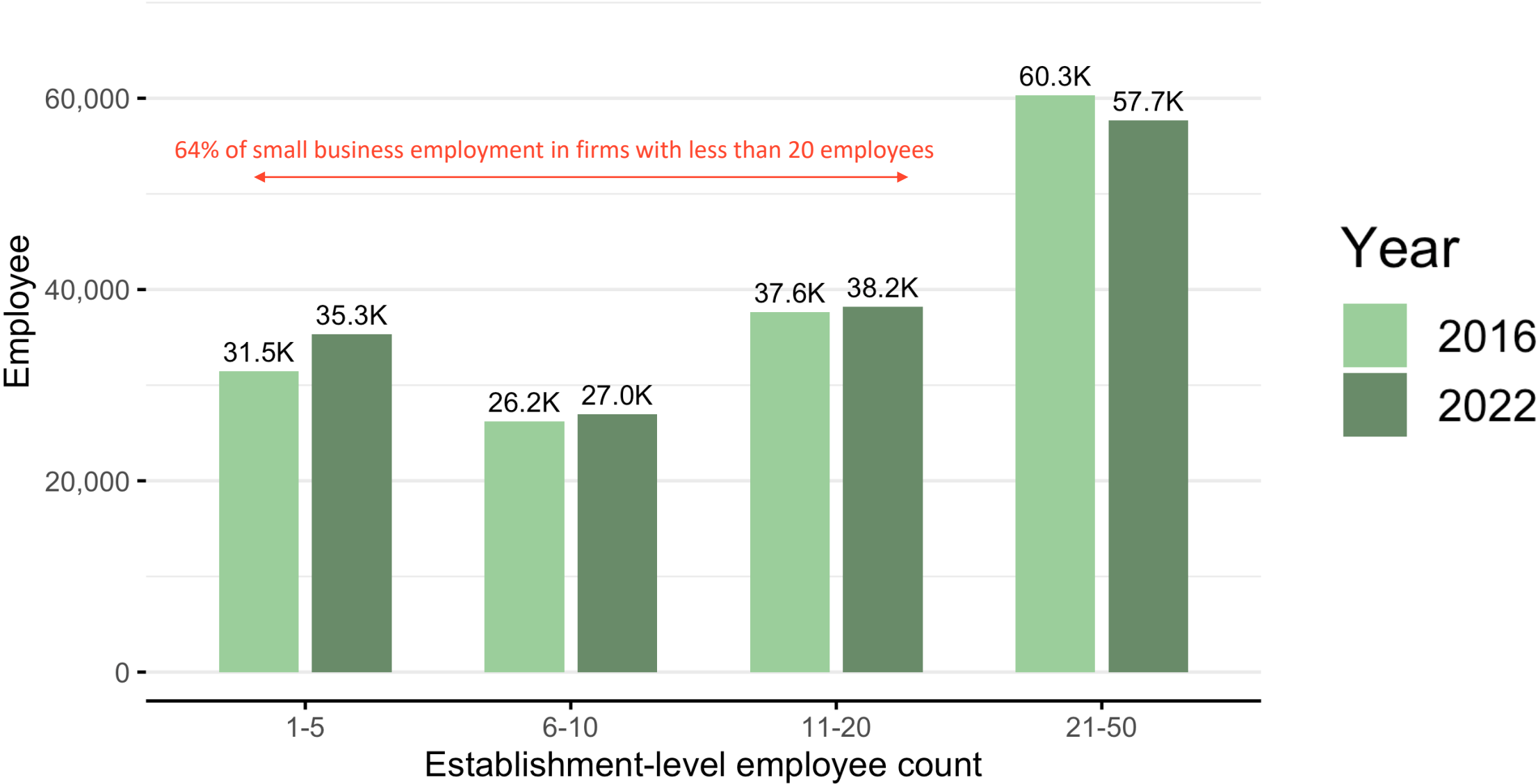


Concentration of small business locations are distributed across the County

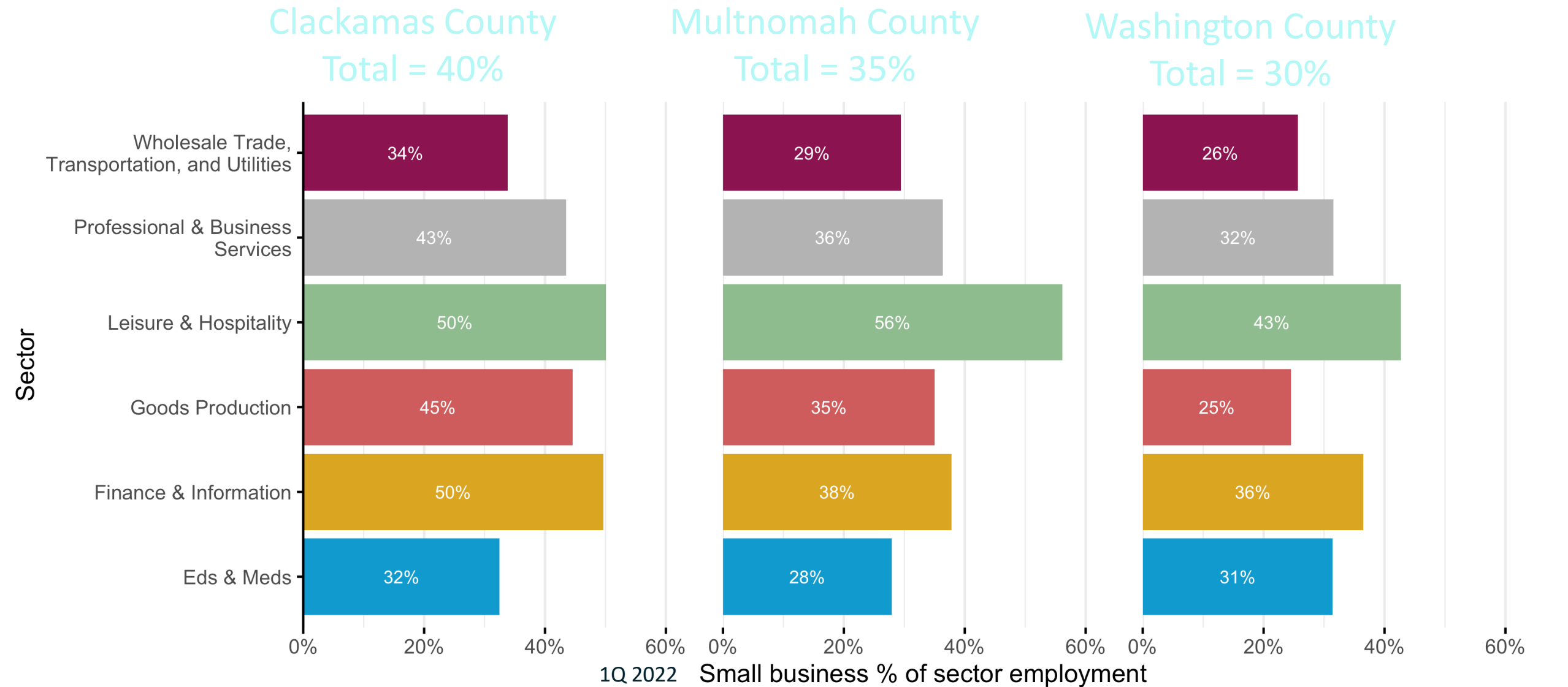


Small businesses employ 35% of the workforce in Multnomah County

Small Business Employment by Size of Establishment in Multnomah County



Highest share of small business jobs in leisure and hospitality sector



Small Business Peer Region Comparison

Portland Metro has the highest share of small business employment of the peers

MSA share of jobs in firms with 50 or fewer employees in 2020

Portland-Vancouver-Hillsboro, OR-WA Metro Area

28.0%

Austin-Round Rock, TX Metro Area

26.4%

Seattle-Tacoma-Bellevue, WA Metro Area

25.8%

United States

24.9%

Nashville-Davidson–Murfreesboro–Franklin, TN Metro Area

22.4%

Salt Lake City, UT Metro Area

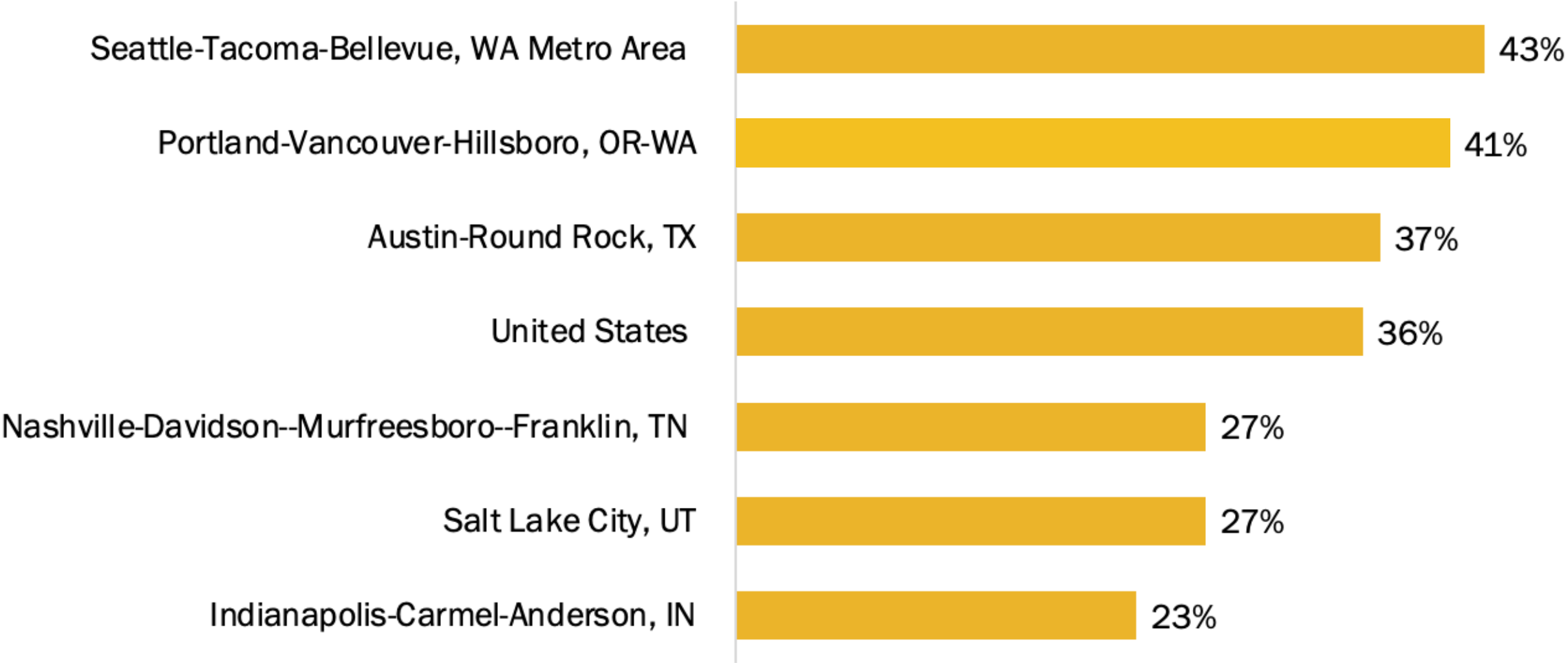
20.8%

Indianapolis-Carmel-Anderson, IN Metro Area

20.1%

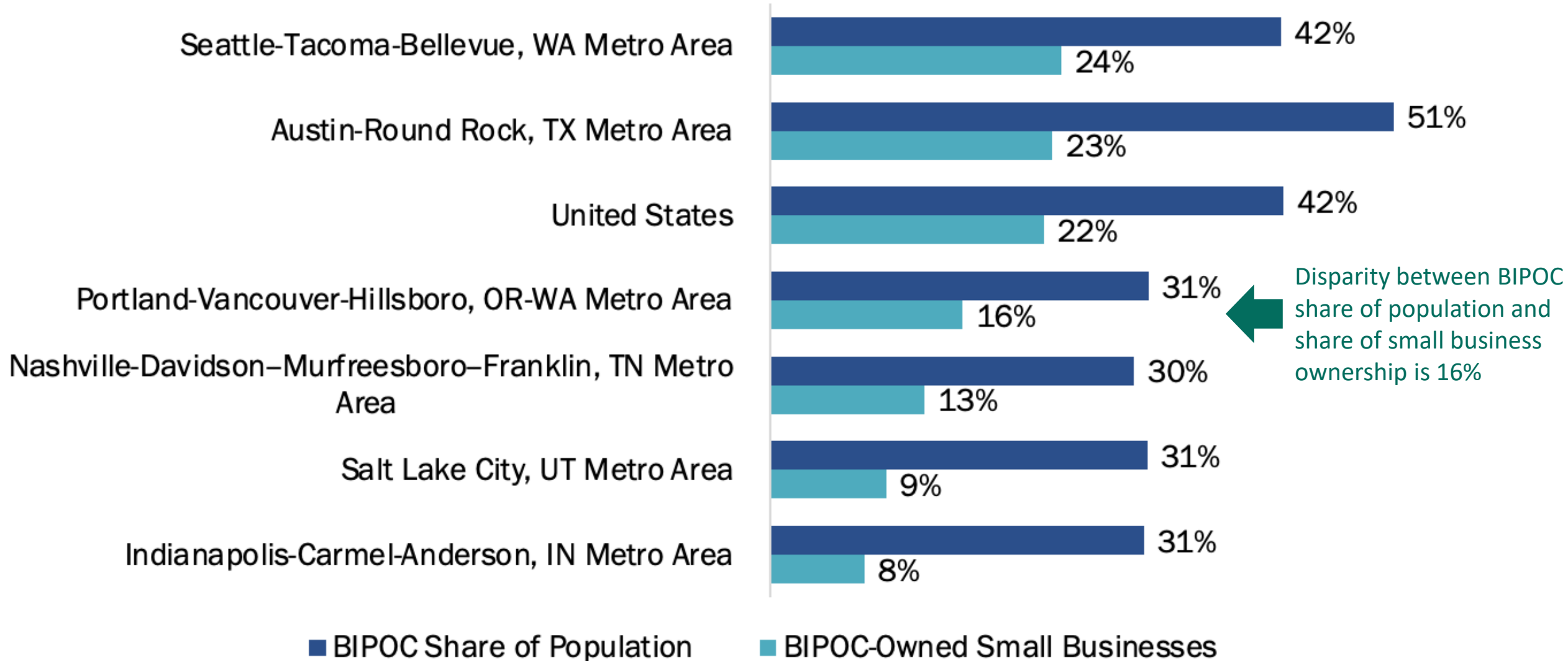
Portland Metro share of woman owned small business 6% higher than U.S. average

MSA share of firms with 50 or fewer employees that were woman owned in 2020



Disparity in BIPOC owned small business lowest in Portland Metro

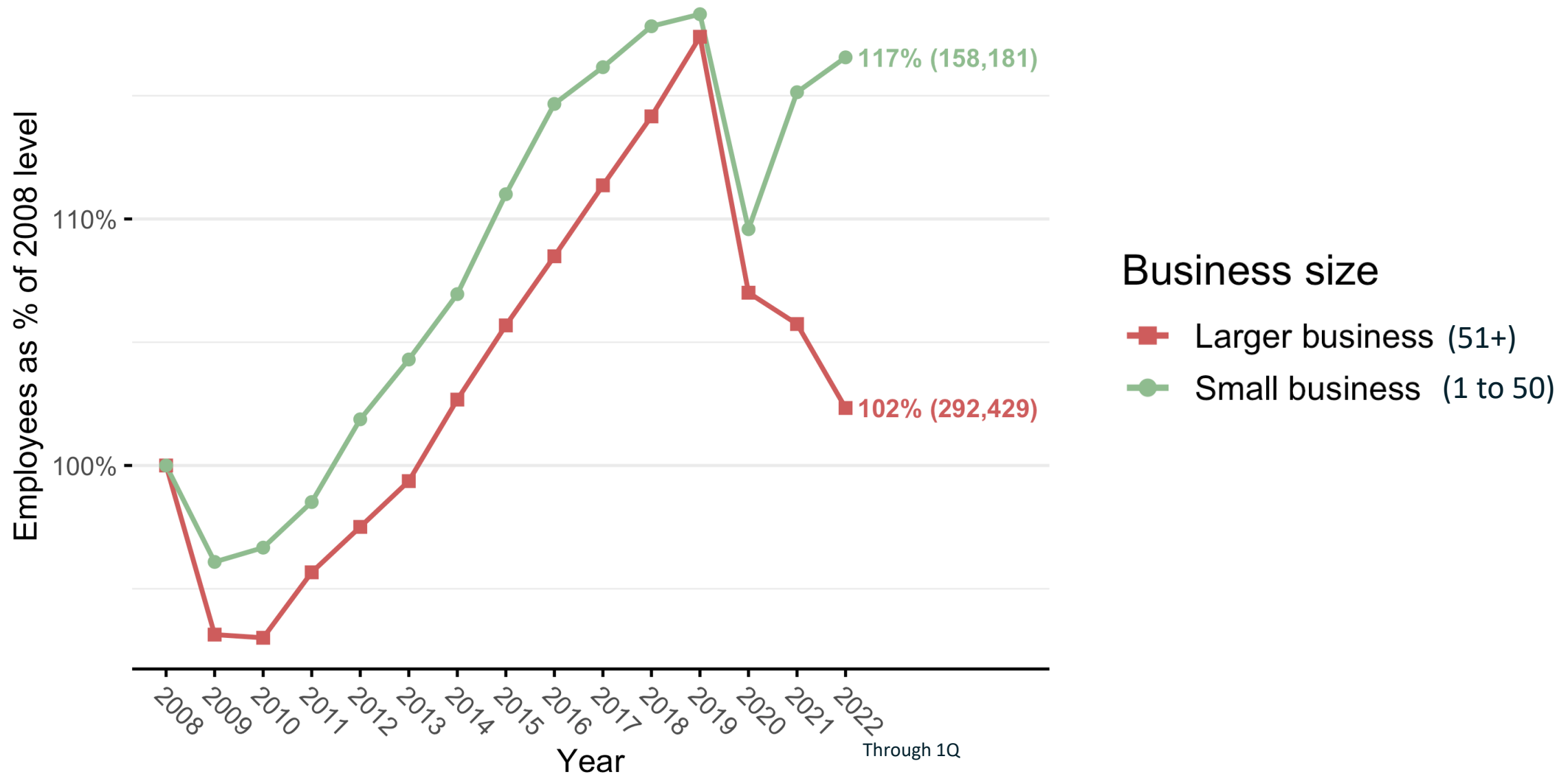
Share of BIPOC population compared to share of BIPOC owned small business in 2020



Small business recovery and resiliency

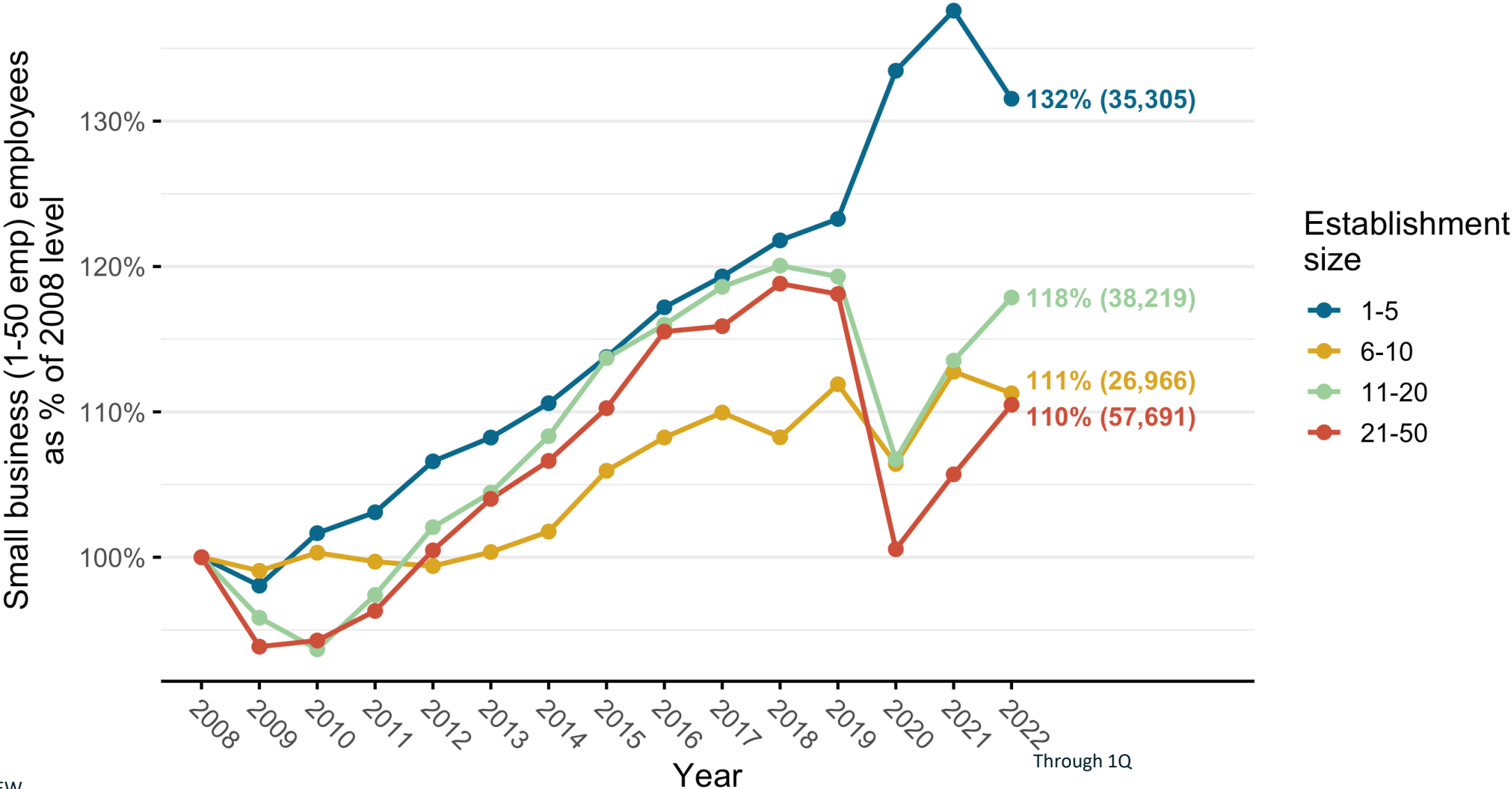
Jobs have not recovered for firms with more than 50 employees

Annual job count as a share of 2008 employment level in Multnomah County

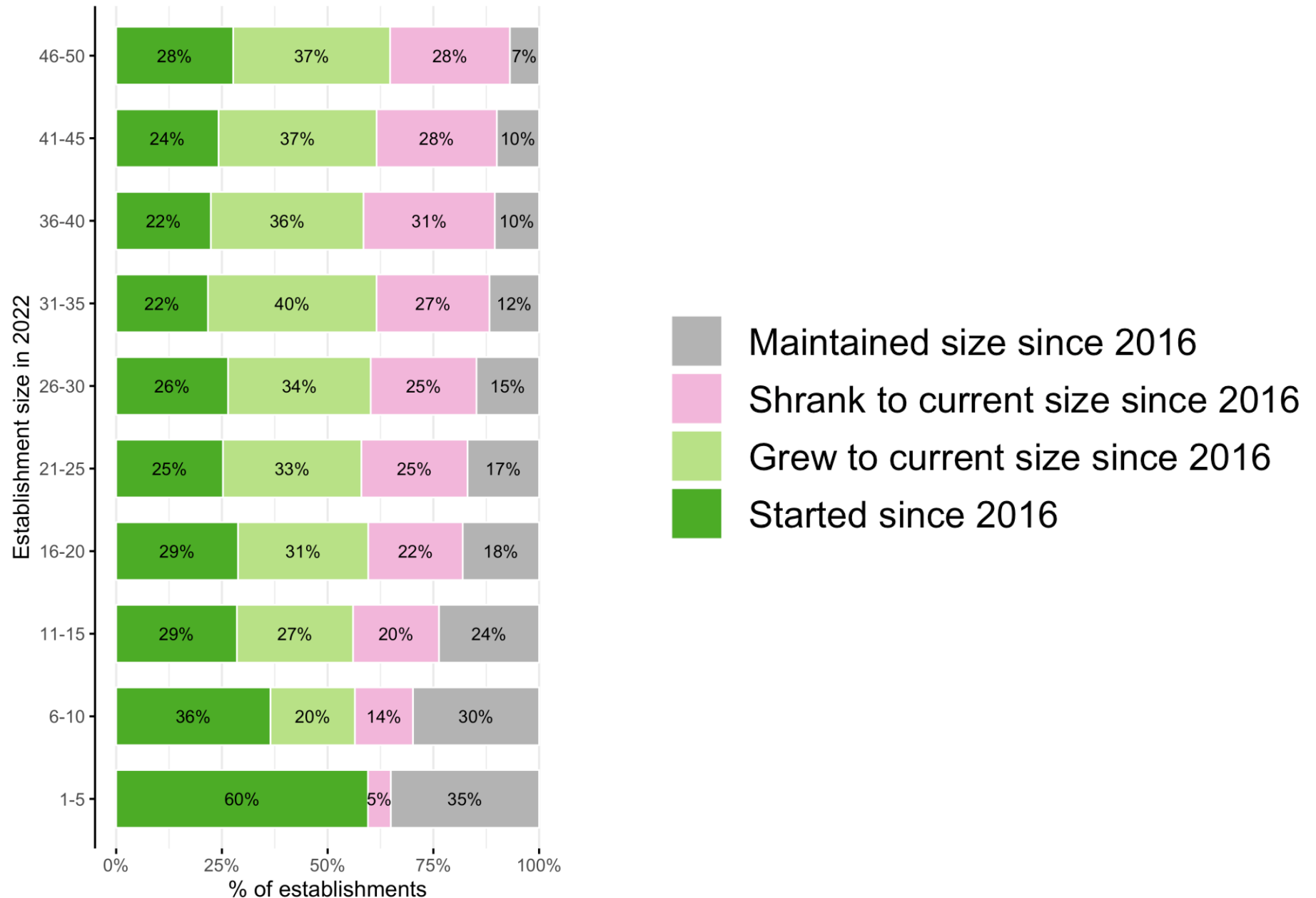


Micro businesses employment growth rate is the highest since 2008

Annual job count as a share of 2008 employment level in Multnomah County

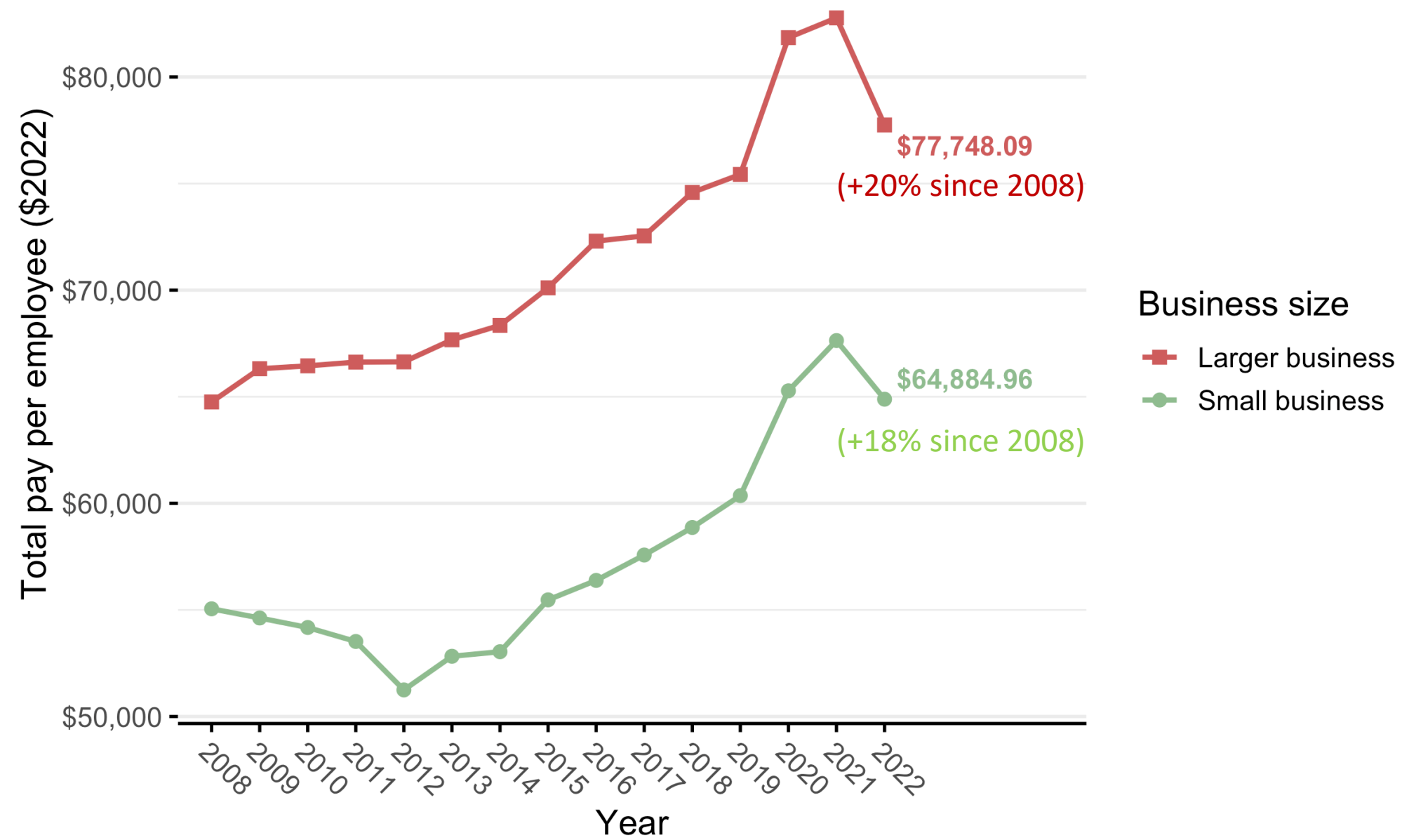


60% of micro businesses operating today have formed since 2016



Small Business Incomes

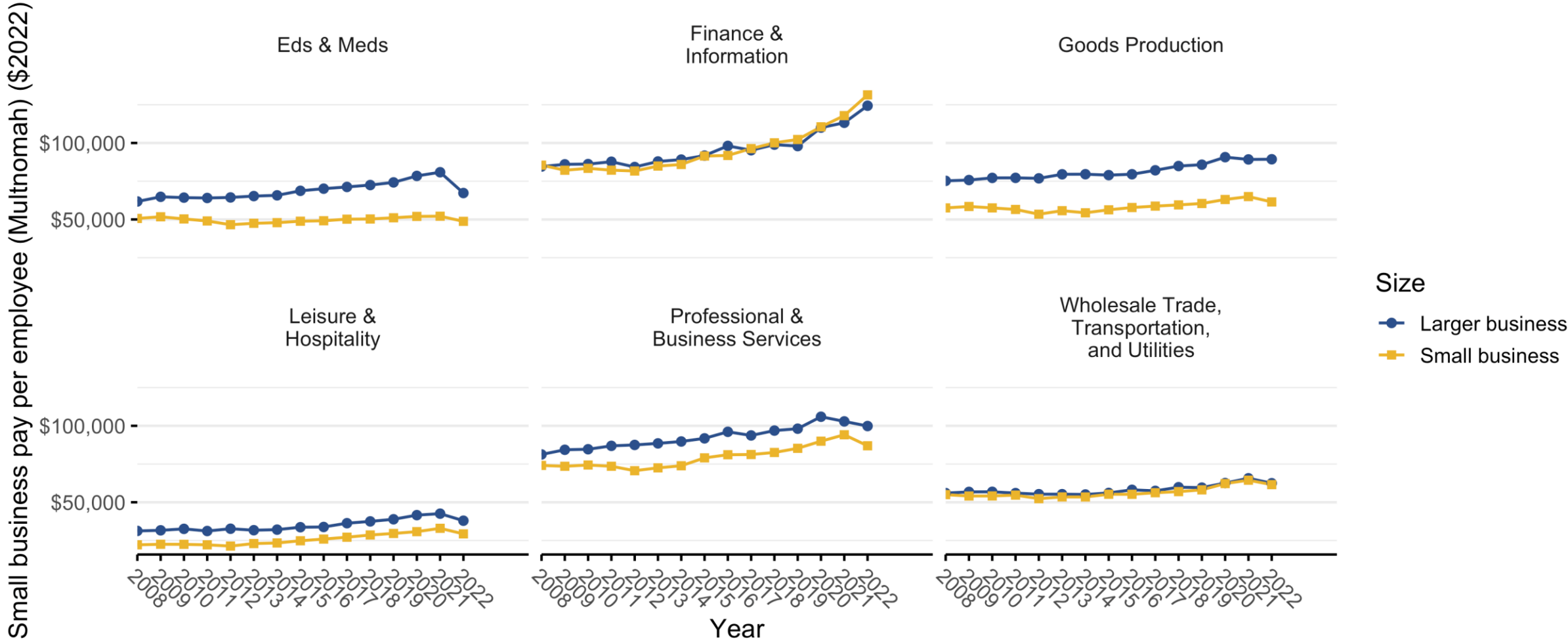
Average incomes in small businesses are lower but have kept pace since 2008



Source: QCEW

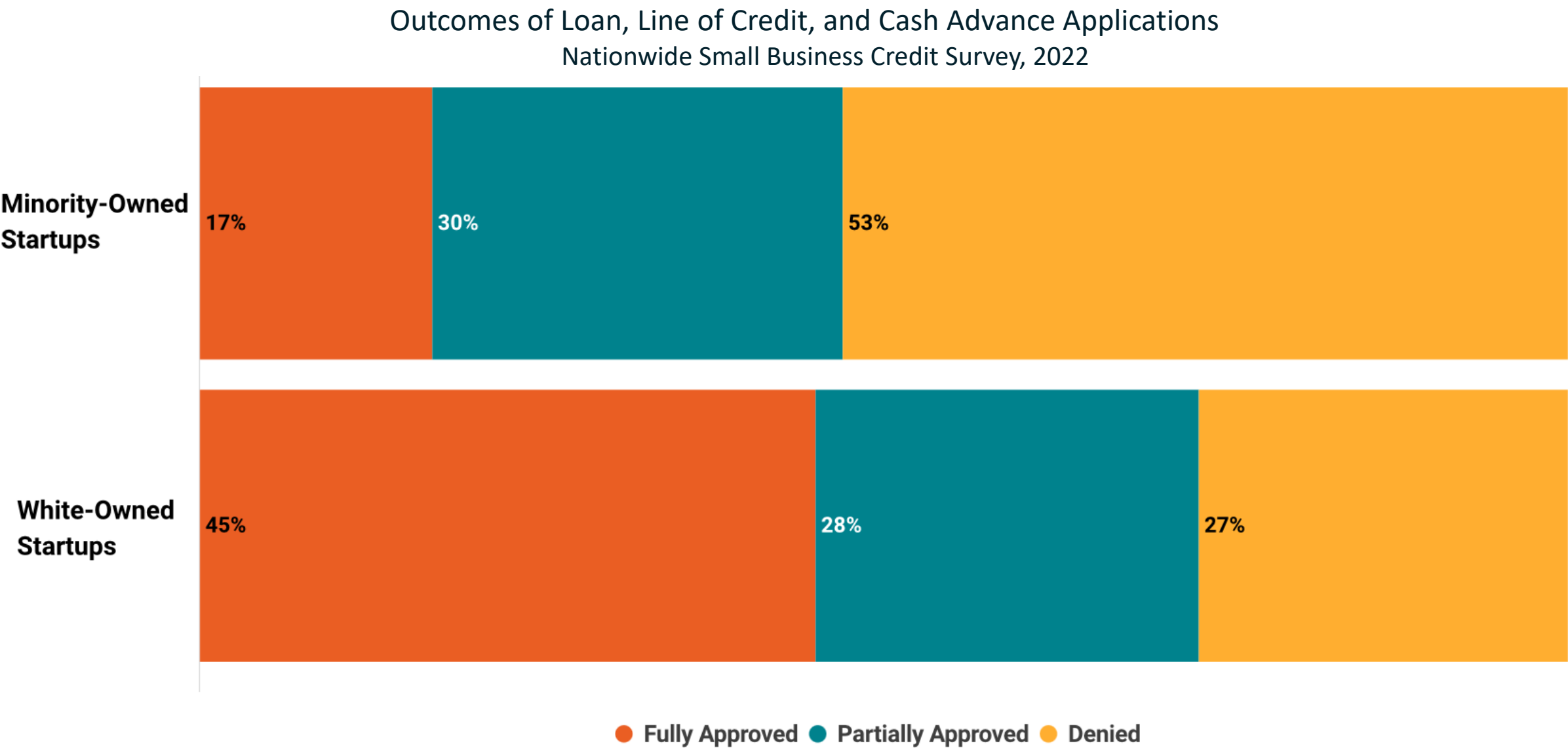
Small business pay gap not present in all industries

Average income per employee in Multnomah County by sector



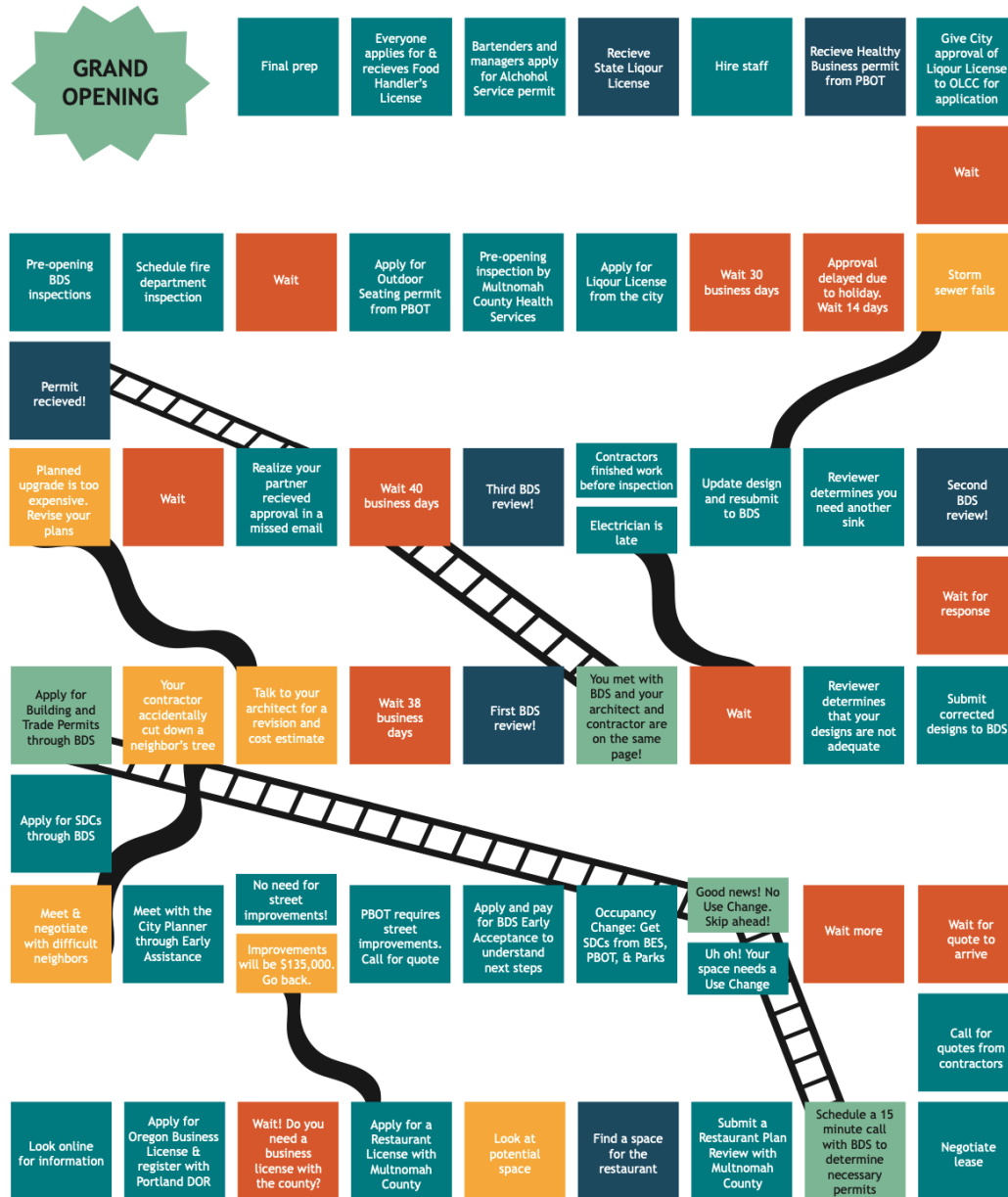
Takeaways

Access to capital for Startups remains a challenge for BIPOC owners



Source: 2022 Small Business Credit Survey

Navigating the permitting process is complicated and costly



Assumptions:

- Full service restaurant in Portland that seats 50 guests
- 1,000 square-foot floor plan
- Alteration/remodel cost of \$100,000
- Five new plumbing fixtures & three electrical alterations
- Outdoor seating for 30 linear feet of sidewalk
- Restaurant sign is 10 feet

Sample Permitting Costs

Permit or License Category	Space Does Not Require Use Change	Space Requires Use Change
Business and Restaurant Licensing	\$1,805	\$1,805
Liquor License	\$900	\$900
Building Permit Intake Fees	\$2,065	\$2,065
System Development Charges	\$21,220	\$41,590
Trades Permits and Other Fees	\$5,480	\$5,920
Total	\$31,129	\$51,939

The city provides a variety of resources, but lacks a dedicated small business office

	Salt Lake City, UT	Nashville, TN	Portland, OR	Indianapolis, IN	New York City, NY	Boston, MA	Chicago, IL	Minneapolis, MN
Designated Small Business Office				✓	✓	✓	✓	
One-on-One Assistance	✓		✓	✓	✓	✓	✓	
Online Resource Guide		✓			✓			✓
Permitting Guide			✓	✓	✓	✓		✓
Business Advising for Minority, Women, People with Disabilities-Owned	✓	✓	✓	✓	✓	✓	✓	
Business and Training / Technical Assistance	✓		✓	✓	✓	✓	✓	✓
Business Grants	✓	✓	✓	✓		✓	✓	✓
Networking and Advocacy			✓	✓	✓	✓		
Employer Tools / Health Insurance					✓		✓	✓

1. Compared to our peer regions and the national average, small businesses employ a larger share of the workforce in the Portland Metro region
2. Small business establishments account for more than half of the jobs in some sectors and are contributing to economic growth in both the Central City and the Corridors
3. Small business employment has been more resilient in the pandemic economic recovery
4. Disparities in small business ownership persists, particularly for BIPOC entrepreneurs, and is exacerbated by lower of availability of capital

Wilkerson@econw.com

ECONorthwest

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Los Angeles



Portland



Seattle



Boise



PORTLAND
SMALL BUSINESS HUB

PORTLAND OFFICE OF SMALL BUSINESS EXPLORATION

Discussion Draft – April 2024

Inclusive Growth Strategy

Today's Focus



OBJECTIVE 2

Promote Equitable
Wealth Creation

OBJECTIVE 3

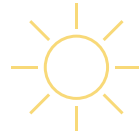
Foster a Vibrant
Central City
& Neighborhood
Commercial Districts

OBJECTIVE 1

Propel Inclusive
Economic Growth
& Innovation

OBJECTIVE 4

Connect Portlanders
to High-Quality Jobs in
Future-Ready Sectors



Goal:
Advance inclusive
growth in Portland

FOUNDATIONAL VALUES

Further Racial Equity & Inclusion - Advance Climate Action
Build Effective Institutions & Partnerships - Embrace & Manage Growth

Existing Services and Outcomes

518

Business Grants for Property Improvement, Repair, Restore, and Winter Relief programs

59%

BIPOC Restore Grants Recipients

\$11.5M

Business & Property Loans

480 jobs retained/created at 32 businesses

825

Small Businesses Served via IBRN and Small Biz Hub

67%

BIPOC Clients

789K ft²

Asset Management & Leased Commercial Space

12 small business tenants

SERVICE CHALLENGES IMPACTING SMALL BUSINESS OWNERS

- Difficult for businesses to navigate City of Portland and Prosper Portland programs, services, and regulations
- City services frequently aren't delivered with a customer facing lens
- Lack of central place for business to access government information or get help, or for City to track inquiries and business needs
- Small Business HUB currently centralizes intake for navigation and technical assistance, but ARPA funding is sunseting
- Budget cuts have impacted Empowering Small Biz Program at BDS

OFFICE OF SMALL BUSINESS POTENTIAL SERVICES

Small Business Liaisons (*FY 24/25*)

- Modeled after existing Portland Film Office FTE
- Would serve as liaisons, navigators, and relationship-oriented subject matter experts for small business trying to access City or Prosper programs or services.
- Provide limited advocacy within existing systems and track issues over time to inform potential policy changes

Permit support (*Future Capacity*)

- Staff would support high-level permit questions, overall process support, and advocacy within city permitting systems

Web-Based Education & Tools (*Maintain Capacity Post-ARPA*)

- Webinars hosted on PDX Small Biz Hub in partnership with external service providers
- Templates and checklists for frequently asked questions (loan readiness, how to start a business, City of Portland licensing)
- Web updates | Business events calendar

Inclusive Business Resource Network (*Rebrand*)

- External Service providers support industry-specific, long-term, and growth advising and cohort training
- Urgent need or on-call business advising

Commercial Space Matching (*Rebrand*)

- Licensed broker on the team that helps businesses find commercial space match-making, providing legal support referrals when needed.
- Business can make appointments or send inquiries via the Hub.

Legal support (*Rebrand*)

- Licensed small business attorney co-located at Office of Small Business
- Can provide key legal support such as support with entity creation, contract and lease review, employment law
- Businesses can make appointments or send inquiries via the Hub.

IMPLEMENTATION TIMELINE

FY 2023-24

- Begin reducing ARPA funded navigation services in the Small Business HUB and aligning remaining resources towards web-based business education.

FY 2024-25

- Hire and Onboard 2 Small Business Liaison FTEs.
- Launch Office of Small Business with internal liaison and navigation team
- Begin aligning Inclusive Business Resources Network contracts and community of practice towards Office of Small Business branding.

FY 25-26

- Continue web-based business education through partnerships and existing IBRN services
- Hire and Onboard remaining Small Business