

EXHIBIT A
FY 2021-22 Intergovernmental Service Level Agreement
General Fund and Cannabis Tax Fund

This Intergovernmental Service Level Agreement (“Agreement”), dated this ___ day of ____, 2021 (“Effective Date”), is made and entered into by and between the **City of Portland** (the “City”) and **Prosper Portland** (“Prosper Portland”) (collectively the “Parties”).

RECITALS

A. Prosper Portland, as the duly designated Urban Renewal agency of the City of Portland, is granted broad powers under ORS 457 and City Charter Chapter 15 for the planning and implementation of urban renewal projects and economic development activities.

B. A cooperative relationship between Prosper Portland and the City will be beneficial to the implementation of specific economic development activities including target industry development, entrepreneurial development and community economic development on a citywide basis.

C. Funding has been appropriated in the City’s FY 2021-22 Adopted Budget to fund the abovementioned economic development activities.

D. Both parties desire to enter into an agreement that will establish terms and conditions by which one party will engage and compensate the other party for performing specific services.

E. The City Budget Office (“CBO”), as the City’s budget liaison to Prosper Portland, has been identified as the bureau responsible for managing this agreement.

AGREEMENT

1. Parties

Prosper Portland
Main Contact: Tony Barnes
City of Portland, City Budget Office
Main Contact: Yung Ouyang

2. Term and Termination

This Fiscal Year 2021-22 Agreement runs from July 1, 2021 to June 30, 2022.

- a. The full amount of funds for FY 2021-22 is authorized in the City’s FY 2021-22 Adopted Budget.
- b. If funding is authorized for an additional program or transfer, City may add that program or transfer by written amendment to this Agreement, subject to Prosper Portland approval.

- c. Either party may terminate the entire Agreement with 30 days prior written notice to the other.
- d. If this Agreement is terminated, the City shall reimburse Prosper Portland for expenses incurred and funds contractually committed, prior to the date of termination, in the course of performing the activities described in the Scope of Services.

3. Roles & Responsibilities

The City will send funds to Prosper Portland pursuant to the terms of Section 4 of this agreement.

4. Scope of Services

The City will provide to Prosper Portland a total of \$8,402,220 in funding in the following amounts for the following economic development activities during FY 2021-22. Prosper Portland shall successfully implement the economic development activities described below and meet the programmatic performance measure targets as defined below:

Programs:

- 1) Entrepreneurship and Community Economic Development (ECED) - \$5,871,992. Consisting of:

Neighborhood Prosperity Network (NPN) (\$868,386)

Neighborhood Prosperity Network focuses on seven economically challenged business areas in North, East and outer Northeast Portland to build the capacity of community-based organizations to become active partners in neighborhood economic development. In addition to ongoing technical assistance and training provided by Prosper Portland, the districts will be eligible for a district administration and operations grant, marketing, promotions and branding grant, and a property improvement grant.

Neighborhood Commercial Corridors also includes an initial appropriation of \$61,900 for transfer of NPN tax increment shared revenue forecast to be received by the City General Fund that will be transferred to Prosper Portland in accordance with the Neighborhood Prosperity Initiative for Granted Revenues IGA approved in 2012. The amount will be reconciled in the Spring Budget Monitoring Process based on actual taxes received during FY 2021-22.

Funding for the above programming is intended to produce the following outcomes:

Neighborhood Prosperity Network Performance Measures	Target FY 2021-22
Number of volunteer hours provided by NPN	10,000
Net number of businesses	20
Operating funds raised by NPN	\$750,000

Venture Portland (\$555,128)

Funds provided to Venture Portland to support training, technical assistance, and small grants to Portland’s neighborhood business district associations.

Funding for the above programming is intended to produce the following outcomes:

Venture Portland Performance Measures	Target FY 2021-22
Amount of technical assistance and training hours to Business District Associations by Venture Portland	2,700
Number of volunteer hours	8,000
Private Funds leveraged by Venture Portland	\$200,000

Inclusive Business Resource Network (IBRN) (\$3,127,436)

IBRN is a network of more than 11 organizations that serves approximately 600 businesses a year and includes both traded sector and local service sector businesses at different stages, from startup to growth. The IBRN is designed specifically for underrepresented and disadvantaged entrepreneurs with many of the organizations rooted in communities of color and all providing culturally responsive business technical assistance.

This total includes \$1,221,593 in Cannabis Funds, of which \$871,593 is ongoing funding for IBRN and cannabis business technical assistance, Mercatus and My People’s Market. \$350,000 is one-time funding to provide digital support and e-commerce adaptations to small businesses and My People’s Market vendors.

Funding for the above programming is intended to produce the following outcomes:

Inclusive Business Resource Network Program Performance Measures	Target FY 2021-22
1000 strong and stable businesses in five years	250
250 businesses grow sales or profit margins in five years	120
25 businesses invest in expansion in five years	10
100 Startup businesses launched in five years	80
Number of businesses receiving light touch technical assistance	450
Number of businesses receiving long term technical assistance	450

Adult and Youth Workforce Development (\$1,326,042)

The goal of this program is to raise the incomes of low-income Portland residents through workforce development. All participants have incomes of 50 percent or less of the Portland area median family income and often face barriers to employment such as limited English proficiency, criminal histories,

homelessness, drug and alcohol addictions, and lack of educational credentials and basic skills.

Funding for the above programming is intended to produce the following outcomes:

Workforce Development Program Performance Measures	Target FY 2021-22
Percentage of youth participants people of color in workforce development	65%
Percentage of adult participants people of color in workforce development	65%
Number of youth participants in workforce development	390
Number of adult participants in workforce development	781
Percent of adult participants in workforce development who advanced in employment as demonstrated by gain in earnings, wage or benefits	60%
Percent of youth participants placed in employment or post-secondary training	65%
Number of participants served through the Community Workforce Navigator Program	800
Percentage of navigator participants served who are people of color	65%

2) Traded Sector Job Creation & Retention - \$ 1,701,228. Consisting of:

Cluster Development (\$1,701,228)

The City’s Economic Development Strategy seeks to raise the national and international competitive profile of four target industry clusters (clean technology; athletic & outdoor; metals and machinery; and software and digital media) through the retention and expansion of local companies and the strategic recruitment of firms to the city. Cluster efforts support creation of middle wage jobs and broadening the talent pipeline to generate inclusive growth in these targeted industries.

The Cluster Initiatives and Business Development Program include:

- Business development to support quality job growth through business and industry expansion;
- Business development to alleviate barriers to growth;
- Business recruitment in partnership with Greater Portland Inc.; and
- International business development and export promotion.

The Cluster Development program includes \$71,995 in ongoing reductions, as well as \$192,960 in ongoing General Fund resources and \$40,385 in one-time General Fund resources to support the Portland Film Office. Also included here is one-time General Fund resources of \$100,000 for Music Portland capacity building.

Funding for the above programming is intended to produce the following outcomes:

Traded Sector Economic Development Performance Measures	Target FY 2021-22
Number of companies introduced to capital partners	40
Number of Traded Sector business retention/expansion visits	350
Number of Traded Sector direct assistance, referral activities	500
Number of Portland Traded Sector firms receiving export assistance	30
Number of companies participating in a Public Benefit Agreement or public pledge that aligns with Prosper Portland strategic plan	90
Number of Traded Sector business relocations (within Portland) and expansions	5
Jobs resulting from traded sector business relocations and expansions within Portland	500

3) Citywide Development Activities - \$829,000:

These funds are one-time resources for supporting redevelopment and economic development in Portland. Included in this funding is one-time General Fund:

- \$500,000 for Small Business Relief Repair Grants
- \$269,000 for Ankeny Food Cart Pod Infrastructure
- \$60,000 for Old Town / Chinatown Community Development Director

5. Deliverables & Payment Schedule

Deliverables from Prosper Portland will be as follows

- a. Prosper Portland will provide periodic activity billings. The current year appropriations will be broken out into the following categories: Personnel Services, Materials & Supplies, Financial Assistance, and Overhead and include actuals and balances. Any major contracts (more than \$5,000) included in billings in either Neighborhood Economic Development or Traded Sector programming will be listed with a brief explanation of service provided.
- b. Prosper Portland will provide CBO with finalized FY 2020-21 program performance data (i.e. outcomes) and key performance measure data during the first quarter of FY 2021-22, consistent with City bureau reporting expectations. Prosper Portland will also provide CBO with updated FY 2021-22 program performance data, key performance measure data, and project-specific metrics upon request throughout the fiscal year.

Payment Schedule

Prosper Portland will bill CBO on a periodic basis based on expenditures incurred, unless and to the extent the Parties agree in writing to alternate disbursement or payment arrangements. The total combined General Fund and Cannabis Tax Fund Special Appropriations is \$9,798,151.

6. Changes to Funding Allocations

The Prosper Portland Contract Signatory and the CBO Contract Signatory are authorized to adjust funding levels by program or adjust funding between sub-program categories, through a duly executed amendment to this Agreement, so long as sufficient funds have been appropriated in the City budget to cover the maximum amounts payable for economic development activities by the City under this Agreement, and sufficient funds have been appropriated for these economic development activities in Prosper Portland's Budget.

- a. The current year appropriations include up to \$61,900 in General Fund revenue sharing related to the Neighborhood Prosperity Network (NPN). Billings for NPN are contingent upon actual taxes collected.

7. Administration & Dispute Resolution

Administration

The Parties will determine the frequency and scope of any necessary City/Prosper Portland meetings. The Parties may amend any provision of this Agreement in a writing signed by both parties hereto.

Dispute Resolution

If a dispute arises regarding the terms and conditions of this Agreement, all parties agree to exercise good faith in expeditiously resolving said conflict in the following manner:

- a. All conflicts should first be discussed and resolved, if at all possible, at the staff level.
- b. If the conflict cannot be resolved at the staff level, then the conflict should be elevated to the Main Contacts specified in Section 1 for discussion and resolution.
- c. Any conflicts not resolved by the Main Contracts shall be elevated to the signatories of this Agreement for discussion and resolution.

Approvals

The City of Portland, through the City Budget Office, and Prosper Portland have executed this Agreement as of the date on Page 1.

CITY OF PORTLAND

PROSPER PORTLAND

Jessica Kinard, Interim Budget Director

Kimberly Branam, Executive Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney

General Counsel