



April 28, 2025 Finance Committee Agenda

City Hall, Council Chambers, 2nd Floor – 1221 SW Fourth Avenue, Portland, OR 97204

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Monday, April 28, 2025 12:00 pm

Session Status: Adjourned

Committee in Attendance:

Council President Elana Pirtle-Guiney, Vice Chair

Councilor Steve Novick

Councilor Mitch Green

Councilor Candace Avalos

Councilor Eric Zimmerman, Chair

Councilor Zimmerman presided.

Officers in attendance: Rebecca Dobert, Acting Council Clerk

Committee adjourned at 1:51 p.m.

Regular Agenda

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[Fund forecast update](#) (Presentation)

Document number: 2025-181

Introduced by: Mayor Keith Wilson

City department: City Budget Office

Time requested: 10 minutes

Council action: Placed on File

[Prosper Portland discussion](#) (Presentation)

Document number: 2025-182

Introduced by: Councilor Eric Zimmerman

Time requested: 1 hour

Council action: Placed on File

Portland City Council, Finance Committee

April 28, 2025 - 12:00 p.m.

Speaker List

Name	Title	Document Number
Eric Zimmerman	Councilor, Committee Chair	
Rebecca Dobert	Council Clerk	
Elana Pirtle-Guiney	Council President, Vice Committee Chair	
Steve Novick	Councilor	
Mitch Green	Councilor	
Candace Avalos	Councilor	
Lori Bocker	Council Operations Manager	
Peter Hulseman	Portland City Economist	2025-181
Shea Flaherty Betin	Interim Executive Director, Prosper Portland	2025-182
Tony Barnes	Chief Financial Officer, Prosper Portland	2025-182
Lisa Abuaf	Director of Development and Investment, Prosper Portland	2025-182
Andrew Fitzpatrick	Interim Economic Development Director, Prosper Portland	2025-182

Portland City Council Committee Meeting Closed Caption File

April 28, 2025 – 12:00 p.m.

This file was produced through the closed captioning process for the televised city Council broadcast and should not be considered a verbatim transcript. The official vote counts, motions, and names of speakers are included in the official minutes.

Speaker: Good afternoon. I'm going to call today's meeting of the finance committee to order. It is Monday, April 28th, 1201. And, clerk, you could read the roll, please.

Speaker: Pirtle-guiney here.

Speaker: Novick here. Green here. Avalos. Present. Zimmermann.

Speaker: Here. Thank you. Lori, can you read the code of conduct, please?

Speaker: Welcome to the meeting of the finance committee. To testify before this committee in person or virtually. You must sign up in advance on the committee agenda at ed.gov. Council agenda finance committee, or by calling 311. Information on engaging with the committee can be found at this link. Registration for virtual testimony closes one hour prior to the meeting. In person, testifiers must sign up before the agenda item is heard. If public testimony will be taken on an item, individuals may testify for three minutes unless the chair states otherwise, your microphone will be muted when your time is over. The chair preserves order. Disruptive conduct such as shouting. Refusing to conclude your testimony when time is up or interrupting others testimony or committee deliberations will not be allowed. If you cause a disruption, a warning will be given. Further disruption will result in ejection from the meeting. Anyone who fails to leave once ejected is subject to arrest for trespass. Additionally, the committee may take a short recess

and reconvene. Reconvene virtually. Your testimony should address the matter being considered when testifying. State your name for the record. If you are a lobbyist, identify the organization you represent. If you are testifying virtually, please unmute yourself when the clerk calls your name. Thank you.

Speaker: Great. With that, if you could read the first item. Thank you.

Speaker: Item one. Fund forecast update.

Speaker: I think we have some staff coming on up. Thank you.

Speaker: For the record, peter holtzman, city economist. I'm just going to give a real quick top down, you know, the highlights.

Speaker: And I'm going to I'm going to give you a prompt. So given given the document and how it's come out and given how much attention has come from the public about our \$93 million deficit, you have a document out today that talks about 19.7. So please hit on, of course, all the substantive pieces you need to hit on today, but also give an indication for how that is related to the rest of the other numbers that are out there, if you will. Thank you.

Speaker: Yep. So this piece of that 90 million is what council has adopted as ongoing. And so this does not include any expiring one time or new programs of any kind that council may wish to pursue. So it's just the ongoing current appropriation levels projected forward and then the revenues projected forward and the difference between those two things. And so that is different from the what has been in the media. The, the new deficit, it's shifted a bit from December, December, the total forecast deficit was 27 million, including just shy of 6,000,000 in 1 time deficit. That was reduced to about 21 million in the February forecast update. And it is further slightly improved to 19.7 million and ongoing and 1.1 time in one time. The only material change on this is the build Portland bonds, utilizing some of the reserves for the build Portland bonds to pay for the first few years. And

that reduces that expense by about \$200,000 per year. And then i'll talk about the larger economic situation after I go over the clean energy surcharge forecast. But the clean energy surcharge forecast shows no change to the five year total, though there is a substantive change, largely due to an accounting difference between the clean energy surcharge fund and the blt, and just accounting for the year and year fluctuations because of that. So it did change from a year to year basis, but it doesn't have has no impact on the five year total, which is included in the cip for that program. And then broadly for both of these and in general for revenue for the city. The recent tariff announcements on April 2nd and kind of the upending of international trade policy has very uncertain impacts of where we're going to be in the next six months, largely because I don't know what trade policy or anything is going to look like next month or the month after. It's really hard to project how our revenues are going to respond. The tail risk. I like the it's a very low likelihood, but has gotten really bad where we, you know, it's complete financial collapse. And you saw some murmurings of this right after the announcements where both treasury yields rose as the stock market collapsed, which is very rare for a developed country like the united states. It's more seen in emerging markets. And that that shows a lot of uncertainty. And we've seen some large firms pull their earnings guidance, which is a sign that the firms themselves are don't know what the next six months are going to look like. So this is not unique to Portland. It's not unique to our government, and it's not unique to the public sector that really the next year, couple years are very uncertain. And there's a wide range of possible outcomes. I have not included any of this in the forecasts because there is no data to suggest the bad things have happened. You forecast based on the data and it's been less than a month and there's no data to suggest anything other than what was previously assumed. That was my full update.

Speaker: Okay, great. We've got councilor green in the queue. Go ahead.

Speaker: Thank you. Chair. Thanks, peter. Just a quick clarifying question on the Portland clean energy or clean energy surcharge fund. I understand that that is cash accounting. Do you why do we do cash accounting for that for that fund and not accrual accounting.

Speaker: So I can't say for certain. I think it was a decision made by the proponents of the bill and the revenue division in conjunction when they joined. There are possible explanations such as, you know, they didn't want to mingle funds because if you do non-cash accounting, there's a separate fund that the unearned credits go into. And there may have been, you know, some unease about that. Largely it was a small technical accounting thing that was made close to a decade ago or over five years ago, decision that was made that I don't know if they necessarily could have foreseen the impacts it would have on like year to year collections. But yeah.

Speaker: Okay. That's that's really helpful context. So there's just cash flow timing uncertainty in the five year period. And so perhaps that's why there's a contingency balance there to cover that that cash flow uncertainty. Thank you.

Speaker: Vice chair.

Speaker: I'm hearing that it's a \$200,000 essentially change for next year. I'm looking at the out years and wondering if there were any changes in your forecast for the out years. There were a couple of out years that had larger one time revenue sources in previous forecasts. And do again in this forecast. Can you just remind us of any of those numbers have changed?

Speaker: There might have been changes. The key year that did not have change is fiscal year 2728. That's the year that the next pers increase happens. And that's actually the year of the forecast, the year where revenues and expenses are closest. The revenues for that did not change. There might have been some movement in

property taxes in a lot of them happened in the February update, like regarding like the north macadam getting pushed up a year for the array and or the tax increment financing district coming back a little bit earlier. And some other small ones that happen there. But again, in the in the important pinch year, there's no difference between this forecast and the December forecast.

Speaker: Great.

Speaker: Thank you. No problem.

Speaker: Councilor go ahead.

Speaker: Thank you. You mentioned the north macadam tiff. Just and that reminded me. So does this forecast assume expiration of that tiff and then returning tiff monies?

Speaker: Yeah it does impact the that pinch here that I was describing. So if that revenue was not there for the pinch year that would be a further cut that would need to be taken to get to the enough revenues for expenses for that fiscal year. So yes, it does assume. It assumes it comes back in fiscal year 2627.

Speaker: Okay. Thank you.

Speaker: Thanks. Colleagues, I'm going to jump in with a question. So I don't recall a time when I've had an economist signal, just a level of uncertainty as much as you have today until back in the 0809 time frame and the beginnings of the great recession. Given that, and also recognizing there's not a lot of data yet. Thinking about contingencies and reserves, and if I use those as mindsets or a mindset to use those for rainy days or unanticipated issues. What what might a person in your position say, given an uncertainty in a report like this, a body should consider when it comes to reserves and contingencies.

Speaker: I'll separate them out. I'll say in regards to contingencies council providing as much flexibility for themselves in six months would be recommended.

Just because we don't really know where we're going to be. And it's likely that you will in six months, want there to be contingencies available to react to what's going on for reserves. The idea behind at least the general fund reserve is that should revenue come in in the current fiscal year, well below projections. So that is a possibility for next year, given all the uncertainty that that is when that is utilized, it is by financial policy intended to be replenished the following fiscal year. But it gives you time to pay your employees and to pay your bonds and all the legal requirements. And so if our reserve policy is a little bit lower than Moody's and other bond rating agencies would suggest, or what the government finance officer association would recommend. That being said, part of that reason is because we have a little bit more resilient revenue streams and so we can kind of get away with it. But business license tax is likely the first thing that's going to be impacted if there is a severe recession. And it kind of adds to our exposure there, because not a lot of cities have revenue structures like we do. So we have different considerations to take into account when going into periods of great uncertainty.

Speaker: Okay. And the percentage of our general fund that is business license taxes.

Speaker: It's 205 million of 750 million. I can't do the math right now. I, I think it's like 30 to 40%. It's right in that range.

Speaker: So thanks for that. That answer. And colleagues, I know that a few of us have had some discussions that there's a desire to have a larger reserve and contingencies discussion on this in this body to help guide our overall counsel, and that will be coming forward. And I and I highlighted at this point, given given his words today. And they are also terms that I think we get used often interchangeably. And they are certainly if we listen to his words are not designed to be interchangeable funds. Right. My editorializing is the contingency maximum

flexibility for council at a future date in the current year that we're talking about and reserve is when the bottom has fallen out for some reason, and we need to be able to keep the lights on and keep city functions going. So when we get prepared to enter into a first and a robust budget season, I offer up that to this body, because we're in a position of privilege to be able to share this committee's experience and any of our our positions that we take with our with our colleagues across the 12. And I think that these are important policy and discussions and direction changes setting that this this council is going to take on. So I just want to highlight some of these pieces that have been highlighted for us today. Any closing remarks at all from you? No, I don't see anybody else in the queue. And with that we'll say thank you. Thank you. Okay. We're going to move on to item number two. And clerk, if you could.

Speaker: Item item two prosper Portland discussion.

Speaker: Thanks. So we've got some of the leadership of prosper Portland coming up. And what today's discussion is intended to do is, you know, like a few other presentations that we've had for the council and for this body is. This this serves in large part as as a budget presentation by prosper, but also kind of an orienting presentation by prosper to us having their unique status. I would remind everybody, just in terms of the guidelines, that we should try to think about when we are discussing this topic today, is that the mayor has not released an executive budget yet, and so I want to be mindful of that. But but also, given the incredibly constrained timeline from when the mayor's budget is released, I felt it was more important to have prosper come have this opportunity with the committee than to not have them present to a committee to get into the more of the details that will exist here. So I say that, and I offer it as an opportunity for you and for them to share their priorities, share the direction for prosper, and for us to ask questions

and get some get some direction that we may want. And if you have concerns about individual details of this budget, that hopefully this presentation can help you form those. And if you have concerns or amendments later on that those would be most appropriate once the mayor's budget has been proposed. And when we are in a full council work session. And with that, shay, i'll turn it over to you.

Speaker: So much. All right. Good afternoon. Committee chair. Zimmerman. Madam council president, committee vice chair, pirtle-guiney and councilors. Avalos, guinea and green and novick. My apologies. For the record. My name is shay flaherty. I'm the interim executive director at prosper Portland. And first, I want to sincerely thank you all for the opportunity to be here with you today. We understand the precious nature of your time in this budget season. We're grateful to be able to share more about our work, more about our agency's unique charter mandated budget process, and how our budget constraints and priorities will impact Portland in the year ahead. If we go to the next slide, economic and urban development work is complicated, expansive, and often difficult to translate for a lot of Portlanders. You're going to see on screen right now what we intend to cover today. But I first want to agree wholeheartedly with you, chair zimmerman. Over the years, we've found it so important that council and the public get to transparently hear about our work before council convenes as our budget committee on may 8th. So with that in mind, let's jump in. If we go to the next slide and then the slide after that. Angela. Thank you. So with the recent city charter amendments, while those did not create changes in prosper, Portland's governance structure or the relationship between our board of commissioners, the mayor and City Council, which i'll get to shortly, the image on screen reflects how our agency has since integrated into the new structure of the city administrator and our service areas. Prosper Portland continues to be governed by a five member board of

commissioners that we refer to as the prosper Portland board, who are all local residents that are appointed by the mayor and approved by you, our City Council. The executive director reports directly to the prosper Portland board. And additionally, in this new structure, the executive director and the prosper leadership team also work closely with the community economic development service area, and they coordinate with the deputy city administrator, all while still reporting to our board. This mirrors how, in our previous government structure, prosper Portland leadership would work closely with either the mayor's office or the liaison that was assigned to our agency. Our agency also also note has five operating departments, including separate legal, procurement and finance functions that support our business lines and economic development and urban development. Next slide. We received quite a few questions around prosper Portland's status as a separate legal entity as it relates to the city to start state law, specifically, ORS 457 and the city charter named prosper Portland as the redevelopment authority for the city of Portland. Each municipality by that same state law can only have one such authority. As I mentioned before, our board oversees our agency's day to day operations. It's set, they set our direction, and they approve expenditures in alignment with City Council approved tif and general fund budgets. In terms of City Council's crucial role here, the full City Council approves our annual budget, including both tif budgets and general fund budgets. As I mentioned, that's going to occur on May 8th. City Council also approves the economic development and housing related policies that guide both prosper Portland and the Portland housing bureau's work. Lastly, and very importantly, council also approves the creation of new tif districts and those five year tif district action plans. If you go to the next slide. In terms of the policy context and the oversight of our work, I'll note that we are primarily guided by advanced

Portland, which is the city of Portland strategy for inclusive economic growth that centers climate action, which council adopted in 2023. We host an advisory committee of public and private implementation partners that help keep us accountable and on track across the five years of the plan's objectives. And I noted already that within tif districts, we have both the overarching tif plans and then individual five year action plans that respectively set the stage for what types of investments we're able to make, and then, in turn, which types of investments we should make throughout those five year periods. And because 45% of tif funds are allocated to the Portland housing bureau through the city's tif set aside policy for affordable housing, and because the remaining 55% of those tif funds stay with prosper Portland and can be spent on both mixed income or market rate housing, it's also important to mention that the housing production strategy informs our work. If you go to the next slide. And I know we don't have enough time today to fully get into our agency's history, including our history as the Portland development commission, and the harm that we often acknowledge occurred to and within communities as part as past urban renewal efforts. But the equity statement you see on screen is important reflection of the many changes our agency has made to learn from the mistakes of the past, but more beyond statements. I'm prouder of the outcomes which you'll see a snapshot shortly. Those outcomes continue to show how we address disparities in our community. At a time when the work of lifting all boats is increasingly dismissed as die or defunded or undervalued across our country. And i'll just note, I'm proud to live and work at a place that isn't backing down from these commitments and from doing work differently. Go to the next slide. Now, before you now are our major business lines. Generally speaking, our economic development programs, which you see on the left, are predominantly funded by city general fund, recreational cannabis tax

dollars and other smaller fund sources like enterprise zone. These tend to be service or program based works, funding activities and community like small business supports, workforce development for job seekers, support for the events and film producers in our city and film attraction, as well as employer retention, expansion and recruitment. While these general fund and cannabis and enterprise zone funds represent less than 15% of our agency's budget, we consider them precious in the sense that they fund the work that tiff legally cannot fund. Right? So they're complementing tiff investments in that critical community capacity to help stabilize business owners and residents, as that tiff accrues, our development and investment teams on the right oversee and deploy the bulk of our agency's budget in the form of tiff resources that may be part of development projects, grants and loans, and the ongoing management of assets that range from spaces for affordable commissary tenantry all the way to larger properties like union station. You'll have a chance to hear from both departments, from my colleagues lisa abeloff and andrew fitzpatrick. But for now, i'll mention that what you see on screen reflects the work of 105 staff, countless nonprofit and private contracted service delivery partners. Next slide. Here. Before you now are our outcomes. At a glance, I want to call out a few things. The job numbers are a reflection of our business advancements. Teams efforts to retain, expand, and attract firms. Companies that you see represented here are participating in public benefit agreements, and they also might be receiving an enterprise zone tax abatement. The 1400 plus business clients represent all of our service clients across programs like the communities opportunities enhancements program, the inclusive business resource network, mercatus, and my people's market, as well as the Portland small business hub, which is now becoming the office of small business. The workforce development numbers are through our partnership. That's an ongoing partnership

with work systems, inc. Volunteer hours represent really a reflection of community support within district work and the neighborhood prosperity initiative. Within districts we fund. You might recognize names like the division midway alliance, the j district, and the rosewood initiative, and the access to capital numbers are comprehensive, so they include small businesses, including kind of businesses that get funded through the prosperity improvement program, think tenant improvements or storefront improvements, anchor nonprofit community livability grants, affordable commercial tenants and tif districts, our recent repair, restore and winter relief and of course, our loan programs. Really proud of this one. 36% of all construction went to covid certified firms, including 8.2 million to minority owned firms. That's across 14 projects since April of 2025. That, again, can include anything from tenant improvements, partnerships, the recent completion of projects like the short stack mississippi, which received a commercial property loan for us. And i'll always be honest, I think we tend to prefer using disaggregated racial data wherever possible and not using terms like poc or bipoc. I know that can create the risk of erasure for certain communities, but I know we're short on time today, so please know we do have that disaggregated data can share if needed. If we go to the next slide here you can see our board of commissioners, which I believe for the first time in our history, i'll represent Portland diverse communities. You can also see our total resources and budget. These numbers, like zimmerman mentioned, are a reflection of our draft and recommended budget that was published in February. The proposed budget from the mayor that will present next week will have and reflect any changes from the mayor's proposed budget and any updates in tif district forecasts, mainly due to the different timing around projects. I'll also, if you notice that the total resources number is higher, that's often because we are carrying project investments over multiple years. So capital investments

across different projects. Often those funds are pre committed and we're awaiting a certain phase of development or construction before that those expenditures are made. If we go to the next slide angela thank you I know we've covered this. So I think it's just in order to get some of this in our public record, I want to reiterate that tiff is not a new tax in a tif district. The amount of property taxes that go to overlapping jurisdictions the city, county, metro and Portland schools are frozen for the duration of the life of the district. The city then borrows money by issuing bonds or borrowing from banks, and prosper Portland uses those funds to invest in sticks and bricks activities in tif districts in the model, property values then modestly increase, either due to that direct investment or market activity. Prosper receives those increment property taxes that exceed the frozen rate, and the city uses that tax increment to pay off any previous borrowing. I'll note it's not possible to move tif from one district to another outside of those originating boundaries. And then obviously when the tif district reaches a certain point 3% in the tax increment growth of the maximum indebtedness, then 25% of new tax increment after that goes back to the jurisdictions when tax increment reaches 10% of the district's maximum indebtedness, then 100% of those new taxes then go to the overlapping jurisdictions. So what you see on screen is that that light blue section on top, just showing that if growth gets to a certain point, then taxes start going back to our jurisdictions when it closes, then all the jurisdictions share a larger pot of property taxes and that can be used again. Tif can be used for everything from buying land to making loans to grant investments for things like home acquisition, repair, support for small businesses, infrastructure, parks, water, sewer, utilities, roads, affordable housing, both preservation and production, mixed use commercial property, redevelopment, anchoring, community nonprofits and all of these types of investments are done in partnership with property owners, tenants

and development partners. And then per stiff statute. As I mentioned, tiff can't fund things like workforce development or business technical assistance, which is why general funds are so important to us. And they complement those tif resources both at prosper and fps, so we can continue to deliver on the breadth of community needs related to stabilization and inclusive growth. We go to the next slide. You'll recall that when we had our tiff tif meetings with all of you earlier this year and in subsequent meetings, we've shared the results of a recent third party evaluation that was done for all of our agencies tiff activities from 2000 to 2023. It's important to call out that again in how tiff is set up for every \$1 of city funds that are invested in tiff. On average, private partners are investing \$15. You'll also recall that the city's portion of. Of that, every tiff dollar is actually \$0.33, with the rest coming from other jurisdictions. And so the graph on screen, what you're seeing is how tiff performed relative to private investment across all these different parts of the city. And, you know, some obviously performed better than others given market dynamics. But you'll note that in every district you see private investment that was at least twice that of our public dollars. Lastly, if we go to the next slide, I just want to highlight how impactful tiff has been over the past two decades within our efforts to produce affordable housing via the Portland housing bureau 45. 47%, actually, of all the affordable housing produced in this city has included tiff funding. That's over 5600 units. I'll also note, I'm very grateful that we have here in the audience from fb to answer questions after this if needed. I think if we go to the next slide with that, I'm passing the mic to our chief financial officer, tony barnes. Hey.

Speaker: Thank you shay. Next slide please. Well good afternoon. Committee chair, zimmerman, council president pirtle-guiney and committee members. For the record, I'm tony barnes, prosper Portland cfo. The next several slides recap our

budget process and some high level trends. The City Council serving as prosper's budget committee to approve the budget, aligns to the overall city of Portland budget process. Our process begins in November as we update work plans and forecasts and engage with our community budget committee to seek feedback on our work plan in the draft budget. While no specific action is taken. Prosper staff present the draft budget in January to the prosper board. Board of commissioners. Prior to the submittal of the draft budget, the recommended budget in February. Ongoing outreach occurs through April as our team continues to work with tiff district action plan committees and other stakeholders in tif districts, as shown here. We are just before the release of the proposed budget on may 5th, was planning to present the budget on may 7th. That's changing to may 8th next week. Budget approval with council is scheduled for may 21st. The budget will be submitted to the sec, the tax supervising and conservation commission for review and certification, and the prosper board will take final action to adopt the budget on June 18th, following review and certification by the sec. Next slide please. As noted on the prior slide, we engaged with our 15 member community budget committee during budget development, who represents prosperous partners across business lines and tif districts. The committee this year reviewed options to provide input on the initial general fund 10% cut packages and submitted a letter with the recommendation to the prosper board. Board of commissioners. The letter is aligned with the general fund reductions identified in the recommended budget, and will be addressed later in this presentation, and also there are specific tif district targeted budget outreach that included the central eastside industrial council, old town community association, cully leadership committee, north northeast action plan leadership committee, and the south Portland neighborhood association. Next slide please. Some general themes for this year's budget include

continuing to work on the work of our financial sustainability plan, and rebalanced operating budgets as tif district resources decline. Our updated operating budget includes general fund allocated in the last year from returning tax increment to provide a more stable foundation to support economic development programming citywide, implementation of newer tif districts and deployment of the strategic investment fund for lending programs across the city. As we move forward with our new funding model that remains approximately about \$100 million in established resources to deliver on remaining action plan priorities in gateway, lents, north northeast, broadway corridor and north macadam areas. Several new districts, including cully, will have limited resources in the initial five years as there will be unable to leverage long term borrowing and most recently, resources in the upcoming year are dedicated to developing action plans. The strategic investment fund represents a revolving pool of resources to support small business commercial lending. Earnings from these activities help support the operating budget of prosper Portland, alongside general fund and other resources. There's a \$50 million pool that is critical in creating access to capital resources lending programs across the city. Next slide please. On this final slide, this summarizes some recent history as well as the draft forecast. This graph illustrates the level of spending by major type of funding source. Looking at the last five years shown in blue compared the upcoming five years in green tif district spending will decline in the next five years as resources in active districts are spent down and new districts spending will take a while to generate. Federal and state grants were much higher over the last five years, based on the level of cares act and American rescue plan grant funds. And finally, the strategic investment fund. Lending will increase over the next few years. But this also includes a category of pef resources, which are

new to the forecast. And with that, I'm going to hand it over to lisa and andrew for the more detailed budget discussion. Thank you.

Speaker: Thanks, tony. Next slide please, angela. Thanks. Good afternoon. Council president, committee chair and finance committee. For the record, I'm lisa ablauf. I am the director of development investment with prosper Portland. And happy to present a bit more on our tax increment districts. Next slide please. This slide illustrates when districts originated and their current status. As you can see from the timeline, we're at a pretty important transitional moment for tax increment finance districts in our city. The majority of districts that started in the 80s and the 90s and the aughts have either terminated or sunseting, as tony mentioned. Terminated districts means everything is complete. A notice of termination has been recorded with the county, and while assets may remain in the district, those assets will remain until they're sold or transferred into a new tif district. These include districts like airport way, south park blocks, or the convention center, all of which again, are complete in terms of the tif plan and their investments. Sunseting districts are those where all bonds are paid off and tif revenue is no longer collected. But tif proceeds are still available available within those districts to invest. There are four key districts that have this characterization. Central, eastside, lents, interstate, and willamette. And you see the active districts here in green. Those are districts that are mid cycle currently collecting tif revenue. Those are districts like gateway or north mac where there's outstanding tax increment resources to invest and more significant resources for larger scale projects. And then active districts also include our newer tif districts, things like cully or our six new tif districts, with three in the central city and three in the east side that you see over on the right hand side of the slide. Next slide please. We also thought it would be helpful to share what I believe all of the council members have already had a chance to see in

the past, which is an overlay of how those tax increment finance districts interface with the City Council districts. These show where tif plans, action plans and resources are available to invest in economic development or affordable housing in each council member's area. In addition to formal council decisions related to the new tif district action plans and community leadership committee committees, we also anticipate ongoing engagement with council offices on major projects or at key milestones. Things like the recent groundbreaking at williamson russell. Next slide please. So this next graph takes kind of that categorization of tif districts and gives you a sense of the breakdown of the 100 million or so that tony shared that are in active or sunseting tif districts. What you see is the total amount of resources available across all tif districts is about 113 million. These numbers do include the affordable housing set aside. There's approximately 51 million of those dollars available in active in sunseting sunseting tif districts in the neighborhoods i.e. Lents, gateway and interstate, and about 43 million available in active and sunseting central city districts. This is predominantly in north mac with a bit in central east side. The new central city resources of about 15 million that you see here in purple actually reflects transferring over of resources that were in the river district, tif district into the new westside tif districts, and that will largely be necessary to support property management requirements that we have at things like union station, broadway corridor, and on properties that we own in old town. Next slide please. This next slide kind of takes that same 113 million and splits it a different way for you to be able to see it across tif districts and shown by different business lines. So what you see on the left hand side is a graph by tif districts. And what you see on the right hand side is a graph that shows by investment category, as shown here active and sunseting. Tif districts have the most resources. Those are what you see on the right hand side of the bar graph. And much of that is

dedicated to infrastructure, such as in north macadam for transportation or open space and redevelopment, as well as to affordable housing, either through redevelopment, loans or acquisition. And similarly, you'll see there's a sizable amount when you look on the graph on the right for redevelopment, and that goes out via our commercial property loans to projects like williams and russell and the cultural business hubs in north northeast. Next slide please. To illustrate more about the impact of the relationship of the returning tif districts that tony mentioned with the new tif district tif districts. This graph illustrates in green the estimated taxes fOregone for the city of Portland from all six new tif districts. That's what you see in the lower kind of section in green. In blue is the amount of the retiring terminating tif districts returning to the city. However, most of this amount has already been factored into the city's budget and forecast over the first ten years. It's important to note that the impact to the city from the new tif districts is approximately 71 million, while the city will also be receiving 448 million back from the expired tif districts. This amount nets to about 1.3 billion over a 35 year period. That's coming back to the city from the last generation of tax increment finance districts. Next slide please. As she mentioned, over the past ten years, prosper Portland has moved to having action plans developed with community input and oversight to guide our investments over a five year period. Each of the action plans shown here in old town, in gateway and north northeast and in lents are approved by both the prosper Portland board and City Council. An action plan outlines specific community priorities and measurable outcomes that guide what invest tif in. These plans are typically five years with the ability to extend, and they focus on community defined goals. They prioritize investments based on the available resources over that five year period, and are developed in collaboration with community stakeholders. For example, the 2024 gateway action plan that was

updated just last year was developed in close partnership with community members, and the plan reflects 18 months of engagement with with those community members. Based on that process, the community identified three areas. So if you take a look at the gateway plan, it highlights the need to celebrate and cultivate diverse businesses and provide business stabilization, things like activating properties and providing interim uses. And last but not least, supporting housing opportunities, ownership and income diversification across all income levels. These themes of stabilization and inclusive growth for small businesses, residents, and opportunities for community are consistent across most of our action plans and our key themes that we hear from community. Next slide please. I'd like to now touch on how we implement on those community goals within each district. As shae mentioned, within the development and investment department, we have staff working in three major areas. First, we're able to provide direct loans and grants to stabilize and grow small businesses, to stabilize property owners, and to provide for commercial development, both within tif districts and citywide. Through our strategic investment fund, we offer access to capital via a range of financial programs, from smaller scale grants like the repair restore grant or the prosperity investment program grant that we have available in tif districts to large scale loans for business retention and commercial property redevelopment. And as shae mentioned, that can also be included that can also be provided to middle income housing. We have a team of underwriters who work closely with other community lenders like miso and craft3, and grant program staff, who develop and manage our grant programs. In fiscal year 2324, we actually provided 18 loans to 14 clients, placing over 8.5 million. For example, we supported ladybug academy, a childcare in north northeast located on the ground floor of a pc building, or we also supported via loan the phoenix pharmacy on southeast foster, which is an

unreinforced masonry building that had stood there long vacant. Working with a long time property owner in each tif district. We also have designated relationship and project management staff who lead engagement with district stakeholders to further our equitable development goals. This often involves working in close coordination with other bureau partners as well, such as the bureau of planning and sustainability, the permitting bureau, Portland housing bureau, as well as our infrastructure bureaus. When we're working on larger scale equitable development projects, for example, a Broadway corridor, we recently completed demolition of the main facility to prepare the site for future development. And over the coming year, pbOT will now begin construction of the new Northwest Johnson and Kearney streets, connecting Union Station in Old Town West to the Pearl. We also are similarly in the Interstate. TIF district staff are working with the Williams and Russell CDC order development and PCRI on the buildout of three projects that will provide affordable homeownership and rental opportunities, as well as a Black business hub at the Williams and Russell site. Finally, we have a real estate team that manages the direct leasing and tenantry of Prosper held properties. These include tenants of Prosper Portland owned or managed properties to offer important commercial hubs and to deliver on community action plan goals. For example, affordable commercial space at Alberta Commons, the Nick Fish, Lens Commons and the Fairfield through direct leasing, property management and tenant improvement investments, we provide resources that can help to stabilize and grow our small businesses. Next slide please. The table in this slide highlights the different ways we engage when making our TIF districts across the areas. In addition to annual budget outreach, Prosper also engages with community on an ongoing basis to ensure TIF investments align with council adopted district plans and action plans on major development projects like Broadway corridor. We convene in initiatives specific

committees like the steering committee that we convene when we are doing the visioning for that site to inform the goals of the future development and when appropriate, we actually also convene ongoing committees to continue to track against the outcomes that the community has set forth. For example, at Broadway corridor, we actually staff an ongoing labor management community oversight committee to track our construction equity performance over multiple phases of the project, from demolition to infrastructure to vertical development. Moving next to kind of the central column in smaller geographic neighborhoods, think Old Town, Central, East Side, we report and track our investments or our action plan implementation in partnership with existing organizations like the existing neighborhood and business associations. This is different than in other areas that are much larger geographies with multiple neighborhood associations, business associations, and community based partners such as in North Northeast and Cully, where Prosper and FBH staff independently, staff and oversight and leadership committee chartered with overseeing our action plan goals, our implementation and the outcomes in Cully and the new East Portland TIF districts. Unique community leadership committees will guide investments via those council approved action plans, and they are also further supported by a community based liaison to ensure ongoing connection between district residents, the community leadership committee and Prosper Portland and FBH staff. Next slide please. Finally, I wanted to revisit our process for launching the new TIF districts that we had a chance to check in with you on earlier this year, the related action plans and the oversight committees. First, we're pleased to announce that we got over 30 applicants per central city ad hoc working group that will put together the action plans. And we're thankful to the D2, D3 and D4 council member offices who participated in reviewing those applications. And just last week, we opened the

application process for three east Portland tif district community leadership committees. Applications will be due on may 26th, with more information available online at prosper Portland backslash east pdx, clc. So encourage all of your constituents to apply if they're a resident or worship or work out in east Portland while the central city working groups will be ad hoc based on guidance we receive from the community during the tif evaluation process, the east Portland committees will be standing bodies delivering on the tif plans and the governance charters committed to within the plans. We'll bring those committee rosters to council later this spring for your approval. The three east Portland committees purpose will be to advise prosper and fb, Portland City Council and the prosper Portland board as we bring forward action plans and all six action plans will be coming back before you in the next year for approval. And with that, I'm going to pass it on to andrew to talk a little bit about our general fund activity.

Speaker: Thanks, lisa.

Speaker: Good afternoon. Committee chair. Madam president, members of the finance committee, appreciate your time and consideration this afternoon. My name is andrew fitzpatrick. I'm the interim director of economic development at prosper Portland. And as lisa mentioned, i'll walk through the economic development program side of what prosper does for our community. After the development and investment side that she touched on, if we go to the next slide, angela. So first i'll talk about our business lines, basically the core of the offerings that we make across the city of Portland. And then in the next part of these slides, we'll talk about the funding streams that make each of these possible. So there's basically four buckets across our business lines on the programing that we offer citywide. The first is our inclusive business retention expansion and competitiveness programing. And this work really focuses on focuses on trade

sector job creation, competitiveness and equitable economic growth. Recent results have included the relocations or firm expansions of companies like baumann cider, daimler truck north America, dos hermanos bakery, hoka, jacobson salt, jaguar land rover, legitscript, sherpa design and others. This work has also resulted in \$126 million in investment into Portland through the enterprise zone program, and \$495 million in cumulative spend at local bipoc owned businesses through Portland means progress since 2019. And the second column, you see the small business programs and these provide business development support and technical assistance to entrepreneurs at varying levels of need. This can include one on one support, peer support workshops, specialized professional services, legal services, capital advising, and credit coaching. These programs support about 600 unique clients annually through the inclusive business resources network and about 100 firms through the community opportunities and enhancements program, which is focused on the construction industry. Our mercatus program serves as a business directory and business development program that facilitates greater procurement and spending with diverse local businesses. Our office of film and events strengthens Portland's film and events industries to drive economic activity, attract tourism, and enhance the city's brand. This is achieved through investments in high impact events, grants and technical assistance, and streamlined permitting, with expert guidance for producers. It has offered vendor space for over 400 businesses via my people's market since 2017, facilitated about a billion and a half dollars in local spending by the film industry since 2015 and 16, including such productions as the recent filming of amazon series criminal and overtime has made ten grants to bipoc filmmakers, 88 community event grants, eight scale up grants, eight large event grants, and offer technical assistance to 22 large events in the city. The newly created office of small business focuses on a customer centric approach to

centralizing small business assistance and services from the city of Portland to small businesses throughout our community. Officially launching next month in may. The office has already begun casework with individual businesses to problem solve specific challenges, and has participated in business visits and community listening sessions. I know some of you as well on council and the third column, workforce development. Our adult and youth workforce development programs serve low income Portlanders through services like career counseling, vocational case management, and work readiness training in partnership with work systems, inc. These programs serve approximately 900 individuals annually, with up to three years of individualized job training and preparation, and an emphasis on high paying industries. The workforce community navigator program serves about 500 participants each year, and the community opportunities and enhancements program, which has a firm focus but also an individual workforce focus, serves about 150 individuals in the construction trades annually. The last and fourth bucket on the rightmost column of this slide is our business district capacity building work, which is really focused on our neighborhood prosperity network, which are seven community based organizations and districts that receive grants, training and technical assistance. These organizations create economic opportunities, small business growth, and neighborhood capacity. And I just want to note here that prosper is actively partnering with several other city bureaus to coordinate a more comprehensive citywide business district strategy to more efficiently deliver support to business districts at various levels of need and opportunity throughout the city of Portland. Next slide please. So this graph essentially shows each of our key programs and investments that are available citywide, meaning that they're not restricted to geographic tif districts. And the proportion of the general fund cannabis strategic investment fund, pcf, federal

cdbg, and e zone funds. So lots of braiding in some cases of different funding streams for these. But we're hopeful that some of the coloring can come through here and that we can have a conversation. If you have any questions in q&a, but just wanted to really illustrate the different types of funds that make each of these programs actually work and have impact here in the community. In total, this represents about \$11 million in technical assistance contracts and grants and \$11 million in lending capital. And the brown bands that you see that are vertical in each of these areas show the level of general fund cannabis and cdbg that had been allocated in the current fy 2425 budget. Just to give you a sense of how the 10% general fund cut and the loss of one time general fund and cannabis resources impact these programs, 10% general fund, sorry, 10% general fund reductions show up in community based district support. Office of small business and workforce development impacts that will be discussed momentarily. One time general fund impacts from the current year show up. Mostly, you'll see in the office of film and events. However, there are also one time impacts in workforce development from expiration of arpa funds. One time cannabis impacts show up in our reimagined Oregon program, mainly from the spend down of one time grant resources that were available for direct grants to businesses affected by cannabis prohibition and our business advancement area. This actually shows a higher level of funding than the current year, due to some one time retention funds that were included in the 2526 budget. This graph does not include \$1.2 million in the repair restore grant, resources that were one time in nature in 24 and 25, and happy to discuss that piece further as well. And, angela, if we could go to the next slide, please. So the last slide from me is really just putting forward some program level impacts that the city administrators recommended budget would have. So looking at a 10% general fund, cut, the recommended budget would remove venture

Portland funding and refocus that funding into internal capacity to deliver district supports that I mentioned earlier. It would reduce by about 112 the number of individual workforce development participants in our workforce development programs. It would reduce some of our administrative capacity for the inclusive business resources network. They host community of practice meetings, which are really important opportunities for different providers to get together and talk about common issues that they're seeing, make referrals of individual businesses across the network, and do other types of kind of peer to peer learning and support, which we find really valuable at prosper. And then last, this is more internal, but it would affect staff capacity, which is the moving of three positions that would be funded by our strategic investment fund that tony mentioned, our sif. And so those are kind of the four main areas of impact from the general fund cut of 10% in the recommended budget. And with that, i'll be handing it back to shay.

Speaker: Thank you andrew. Go to the next slide angela. One more. So what you see here is in summary, our total requested budget that was drafted in February totals 129 million. If you include the affordable housing set aside, that's 164 million tif district spending, as you can see in green, still remains the majority of our spending. It's anchored, as you heard from lisa, by a spend down of existing resources in north northeast gateway and north macadam. And again the importance of the strategic investment fund. That revolving loan represents a growing portion of our budget, as do investments through pcef and other city contracts. General fund remains a significant foundational component to the overall budget, providing necessary funds to deliver city wide economic development programs that you just heard about from andrew, as well as leverage and deliver on other sources like cif and federal grants. If we go to the next slide again, I wanted to end on these outcomes because it represents why this work

ultimately matters to me, to this team, to our staff, and to the communities we serve. This is equitable wealth building at work. It's what's possible when we center community and partnership and their capacity. That's how we can live into our values and assert that, yes, in fact, we can unapologetically embrace growth while also centering equity and climate action. So I thank you all for the opportunity to be here today again, and I'm excited to have time to answer any and all of your questions and have a good discussion. Thank you all.

Speaker: Great. Thank you. Colleagues, I'm going to look to folks in the queue and we'll go to vice chair pirtle-guiney.

Speaker: Thank you. Before I ask a couple of budget questions, I do want to flag that at some point. I'd love to hear more about the cross bureau work on business district support. I want to focus on budget questions today, but I hadn't heard about that work previously. First, just clarifying question are there funds anywhere in the proposals that you sent to the mayor for continuing the repair and restore grants, or have those been fully zeroed out in the proposals that you've put forward?

Speaker: Well.

Speaker: So I can ask the question that way.

Speaker: No, it's great. I will note early in the process, as most of our partner bureaus were informed, we weren't able to make additional budget requests. And so what you saw reflected was mainly our cuts. I think we heard from council that there was an appetite to potentially fund that. But tony, I'm not sure.

Speaker: There's nothing in the proposed budget or the recommended budget related to repair grants.

Speaker: And how much was available there last year.

Speaker: For the current year, we had a total of 1.2 million. Majority of that was expiring arpa funds, but also one time general fund.

Speaker: And that ran out about three quarters of the way through the year. Is that correct?

Speaker: Last December.

Speaker: So about halfway through the year? Yeah. Okay. Are there proposed cuts that you considered that were not included in what you presented to the mayor? And what we saw today that council should know about?

Speaker: So that's a great question.

Speaker: Too sticky for you, chair.

Speaker: No thank you, council president. So as tony mentioned, as part of our budget process, one of the key points for us is engagement with our our budget committee, our internal budget committee. And that happens before even our board votes on the budget. And so they're weighing often, you know, throughout December and January, once we have a sense of our potential cut or add capacity, they're weighing kind of how will we as prosper Portland absorb and assume those cuts. There was quite robust discussion around how those would be centered. Ultimately, they landed on that direction for the 10% to be predominantly centered on the capacity of venture Portland. We also as, as my colleagues shared, were able to, you know, take some of the interest from the strategic investment fund and support some staff cuts there. But ultimately they were weighing whether or not where we have general fund rate concentrated in business support programs and workforce and business districts. Our budget committee ultimately directed us to centralize, like centralize the bulk of the cuts around those business districts. And so there's minor cuts then, as you heard, to workforce development and to business support programs.

Speaker: Got it.

Speaker: Chair i'll.

Speaker: Have other questions, but I want to give my colleagues a chance.

Speaker: With that, we'll go to councilor. Novick, please.

Speaker: The 1424 businesses, small businesses assisted. Is that over what? Over what period of time is that?

Speaker: That is annual across a lot of programs that can fluctuate year over year. You know, we tend to have, depending on the program and inclusive business resource network, that's a three year commitment to work with the business. On the mercato side, there's roughly there's right now, I think, over 1000 businesses in the registry, but we're only counting the ones that we're adding. The businesses that are also served through the small business hub and now the small business office. That's direct engagement and case management. So we're we're taking a few different sources as we get to that 1400 number.

Speaker: How many small businesses are there in Portland.

Speaker: It's a highly disputed number I've heard I've heard estimates upwards of 50,000, a lot of them being home based. Again, some are tracked by the city. Many are not, as we know, that home based businesses and businesses owned by a lot of communities of color just simply don't get tracked across all our systems. Again, it's a tough one that we that we have struggled to get an accurate number in the past. I'm not sure if you'll have any other numbers.

Speaker: But what I'm wondering is everybody loves small business, so people want to have a program that supports small business, but you can only assist a small fraction of the small businesses that exist. And I don't mean to sound cynical, but I mean, how do you know that you're assisting the right businesses? Do you have metrics that show that these the businesses you assist wind up doing better

than similarly situated businesses? You don't assist? I mean, like, what's the how do you assure yourselves that you're doing the right things with the right people and actually making a real difference as opposed to just making a gesture?

Speaker: It's a great question. Councilor. I'd say we've traditionally and historically centered our investments again, in line with a lot of what we see as gaps in the community, what we hear from our different engagement tables. So for programs like the inclusive business resource network, we are intentionally targeting, you know, minority and women owned business owners who we know face barriers through our business district work. We might be targeting some of those business owners that, you know, exist along main streets that are better served by kind of those district organizations that might not require as heavy a lift, right. So I really say it depends on on the business and their individual trajectory and their journey. One of the reasons for an office of small business that was called out in advance, Portland strategy, was that we haven't had that central clearinghouse and that central place where business owners, regardless of size and industry or cultural community, could just get a question answered. So one thing we're excited about after launching next week is that we'll be able to actually measure both another space to measure, not just we do measure metrics and outcomes for all our programs, but oftentimes, you know, there's limitations by funding type. If it's community development block grants, those are income restricted. So some of that has also been driven by micro entrepreneurship and entrepreneurship programs. But we're excited to have this new office of small businesses just kind of a come one, come all. Anyone can come in. We can redirect and refer folks to those programs. But it has been a gap, kind of this central place to track issues and understand kind of the broader landscape.

Speaker: So, I mean, do you have I mean, is it possible for you to measure the success of businesses you've helped as opposed to similarly situated businesses that you haven't?

Speaker: That's a great I think it would be difficult just in the sense that we're obviously not tracking the performance of the businesses that aren't in the programs ourselves, but we have a lot of measures from the impacted businesses that we are working directly with, from the services that they receive, and then some of the outputs and outcomes that we track against those individuals is just difficult to come to. A comparator group of businesses that we don't work with.

Speaker: Could you use some like big general statistics, like 90% of small businesses fail in the first year or whatever. And yeah, we against that.

Speaker: That's a good suggestion.

Speaker: We know that. We know four out of five tend to not fail. And we know that within the metrics of the programs we do track the business owners, that it's interesting. We've noted in a lot of our metrics that we can share reports from business owners that engage with at least two of the providers in the network tend to beat that four out of five number. But I will note that for business owners that were not engaging with, we do do other types of studies and kind of track information across the city. I'm thinking particularly of when we think about the health of our corridors and of our neighborhoods as part of our recent state of the economy report and our work with econorthwest, we do track corridor health and so that can get to some of those larger kind of, you know, not quite macroeconomic, but local based trends when it comes to retail vacancies and kind of the relative strength or resilience of a given corridor.

Speaker: Is there any concern, sort of like with school vouchers, that the kind of companies that become aware that you can help and seek that help are companies

that sort of start off with a leg up to begin with, or do you do outreach to businesses that don't know their prosper exist, and you make them aware that prosper exists?

Speaker: This is why partnership is so important to us and the inclusive business resource network, again, mentioning the community of practice that andrew alluded to. Those are 20 plus place based organizations that are either industry specific or culturally specific, that may or may not ever know that prosper Portland is behind those funds. If you're thinking about groups like microenterprise services or nea or apano or hacienda neighborhood house, you know all these different groups that over time engage in that network. We're trusting in those community relationships to reach those organizations and those businesses that don't traditionally ever think about the city as a as a touchpoint.

Speaker: Can I just add to that? We actually have that relationship. I mentioned we work closely with miso, with craft3, with other conventional lenders. We actually often will get referrals for business loans from those conventional lenders who aren't willing to take kind of the level of risk or provide access to capital. And so they'll refer businesses over to prosper Portland, and we do vice versa. If we feel like there's a business who's kind of better suited and prepared to go into the market, will kind of forward them to our partners as well.

Speaker: Thank you.

Speaker: Let me go to councilor green now.

Speaker: Chair, thank you all for coming here today to present this information. I have a number of questions, but i'll just start with the first one. That's kind of broad or conceptual. Can you say more about the strategic investment fund. Like what is that? What does that do and how is it funded?

Speaker: What do you get us and get us started? And then I can councilor.

Speaker: So the strategic investment fund was funded out of our financial investment plan that was approved by our board, I think in the spring of 2023. And it is formed from the residual assets from expiring tif districts and other funding sources. So those resources came into the strategic investment fund with the plan of providing citywide access to capital where the principal would be reinvested over time, but also the interest from those investments could come back to support the overall operating budget for prosper Portland. To help bolster the operating budget as expiring tif districts declined, those resources and strategic investment fund paired with the general fund and other resources, kind of make up three legs to the stool of a operating budget for prosper Portland going forward. So there's around \$50 million in resources to invest. We have about \$10 million programed in the recommended budget going forward. And 2526 and I think, as lisa mentioned, we had about \$8.5 million of loans in the last fiscal year from that fund, both small business and commercial.

Speaker: So the in the past, we've had really, really limited business kind of direct business lending funds. It was mostly through the eda. So this allowed us to scale having grant loan dollars for small businesses. The other thing it allowed us to do is actually to have commercial property lending outside of tif districts. Until we had the strategic investment fund, we couldn't actually lend into development projects, commercial development projects, housing projects citywide. So now with the strategic investment fund, if we get a call from a small business that's outside of a tif district or somebody who's looking to develop a middle income housing project, we can fund it citywide versus just within tif districts, which felt really important. So and just one last thing, because it feels important. What tony's mentioning is we had loans, we have terminated tif districts, and we had loans that were continuing to pay off, or we had properties and the sales assets. And so we have converted

those over into a strategic investment fund in a way, for those tif districts to actually now pay into investment in initiatives that are citywide initiatives.

Speaker: Thank you. Because I think that's what I'm trying to understand is because I understand that tif resources are for that tif district and then they expire. But what wasn't clear is how do we move assets, residual assets from those tif districts into this thing. So it's as you said, it's sort of financial or like sort of dollar returns from outstanding loans and then sales of properties.

Speaker: Yeah, it's that if we are selling real estate, real property assets or we have literally we have kind of paper assets in a loan agreement, those assets actually transfer over into the fund when the tif district is terminated.

Speaker: Okay. So that's there's a certain amount of fund fungibility when the. When the tif district is complete. Yeah.

Speaker: And any commitments of the district are complete as well.

Speaker: And then and then that can be used for broad use okay. There's no restrictions on use.

Speaker: Sustainability outside of our charter I think. Sorry.

Speaker: Okay. That's that's helpful on slide 24, is it possible to bring that back up? A lot of I have a hard time understanding that slide. So hopefully we can kind of talk through it.

Speaker: I think.

Speaker: It looks like it's a yeah it's this one. So I understand. To go into full screen mode here. Okay. So I understand what the chart is showing. The green series are the taxes from the new tif districts or the new districts that don't flow to the general fund or other jurisdictions. They flow to the, the tif or the. I mean, it's the tif revenues, the tif resources, but the blue series, I'm a little confused by these are returning tif resources, correct from previous tif districts?

Speaker: That's correct. Councilor.

Speaker: So wouldn't it be true that if you didn't do any like suppose we never did the six new districts, we'd still see those blue bars, right? That's correct. I think what's confusing to me is it's being presented as if this is sort of like a the green creates the blue sort of sort of return like benefit cost ratio type of concept. And it that's what it looks like to me. And I could, could you comment on that.

Speaker: Yeah. Thank thanks. Councilor this the I think the intent of the slide was to focus on just the initial question that came up during the formation of the new districts, of whether all the returning tif dollars would be canceled by the creation of the new districts and the fOregone taxes from the new districts. And so what this is beginning to illustrate is that the fOregone taxes does not approach the, the returning taxes. So there was a lot more coming back to the city and the overlapping taxing jurisdictions than is being fOregone in this ten year time period and over the life of the of the districts. However, as as lisa mentioned, those resources have been accounted for within the city's budget as well as county budget and other overlapping taxing jurisdictions.

Speaker: Okay. Thank you. And just while we're on the slide, the 2324 returning was about 22, 25 million. If I'm eyeballing that correctly. But that didn't go back to those taxes, didn't it? Well, at least 25% of it, I think, came back to Portland. And then we just we gave it right back to prosper. Is that true? Yeah.

Speaker: This graph is specifically for the city general fund. So this represents that 25% okay.

Speaker: So but those resources were then transferred to prosper. And the Portland housing bureau's general fund overhead or general fund categories. Right.

Speaker: Yes. And the adopted 2425 budget, about \$8 million was adopted into the 2425 prosper Portland general fund. So it essentially increased the base

ongoing resources for general fund prosper's budget that's included in the recommended budget graphs. We show.

Speaker: Okay. And I just I just note that colleagues, because when we were presented a series like this, looking to the future, that doesn't assume that council makes a decision to transfer returning tif resources back to prosper Portland. So I'm flagging that for our awareness as we think about this going forward. And then I think the last question I have, it wasn't directly in the slides, but I but I understand that when we do capital project set asides like there's a bull run capital project set aside that I understand that prosper Portland, we've transferred management of that 1% set aside and I just while I have you here, I've I've received questions from the contractors at that technical set aside is supposed to support and they've just been having difficulty getting access to that. So I wonder if what's the right process for me to kind of help that kind of person out.

Speaker: We actually just prepared a memo on the 1% set aside and what it's intended to be used for and how it can help, and we're happy to share that with you and the rest of the councilors here. It's not necessarily project by project based. So happy to kind of share some of the terms and conditions there and how the money would be used.

Speaker: That would be helpful.

Speaker: Of course.

Speaker: Thank you. And then I think that's probably enough for me for now.

Speaker: Thanks, councilor. I'm going to go to councilor avalos next, please.

Speaker: Hello. Thanks for being here. So a little bit of context for what my question is about. As you all know, I know a lot about the cully tif process and the work that we did to ideally create a community led tif district, right? That they will the community will be able to have input on the decisions on how to use those

dollars. Now we are launching a bunch of new tif districts in my district, and these are in historically underserved areas, as we know. So I kind of want to just talk a little bit about, like, the safeguards that we're using to ensure that, you know, residents, businesses are not only the primary beneficiaries, but also are protected from displacement. You know, we talked a lot about this in the tif, and I know that, like, not only the charter but also the process for this dlc are intended to do that, but we also are still waiting to see how that actually manifests. And because that is still kind of in its pilot phase. And then we're launching a whole bunch of new tif districts, supposedly with the intention of modeling what's happening in cully. And yet we don't have those results yet. So I'm kind of just trying to understand from you all how you're preparing that and specifically in how you're training the clc members, because what, you know, the city has done some work, and I'm planning on bringing in more of this into discussion in my various committees. But the city has done some anti-displacement work. You have an anti-displacement framework. You know, pbob has a specific one to pbob, but then there's this kind of larger application that I'm trying to socialize a bit, but I'm curious what y'all's plans are as it relates to the clc members and helping them understand what the anti-displacement framework looks like. How are you coaching them when they're making those decisions? Because these are, you know, community leaders that are going to need a lot of historical context, and it's a lot of dense financial information. So how are you planning to help the clc understand this? And then therefore the application right, being anti-displacement strategies for these new tif districts, does that question make sense? I know I had a lot of parts to it. Go ahead.

Speaker: Well I can start councilor. Thank you. This this question is, is at the core of the tension of kind of why we're in this work and why we care so deeply about it. I'll note that there's a as you know, since we modeled a lot of the east Portland

districts on the cully charter, the governance charter, the tif plan from the foundation. Right. One one thing that that that helps me kind of conceptualize this is the tif plans in and of themselves don't have the same kind of potential for displacement pressure that previous districts might have, in the sense that the tif plan outlines all the potential things we can fund. And in the east Portland plans, you know, certain types of investments like infrastructure. I'll give you the example of sidewalks are actually prohibited to receive funding without an adjacent stabilizing asset. Right. So already there's kind of a different way of going about this work. Secondly, I think, you know, a lot of it's around the engagement and the capacity building, as you've noted, right, in cully, we benefited from a lot of organizations. And I think for as we look to, to start the east Portland clcs starting off on the right foot and engagement and making sure we have the right voices at the table is paramount. So I think we just sent you and the other district one councilors. We're hoping you can help us get the word out and then also adequately staffing those folks. We know that for the first five years, we're not going to have a sizable amount of resources in those tif districts. And so that gives us time to capacitate and to plan and to think about those action plans. I know, lisa, you can probably add on this quite a bit.

Speaker: Yeah, maybe i'll just i'll jump in because i'll build on shay's comments around the community liaison and the engagement. I we've also spent about a year with the with the cully clc somewhat just kind of the community leadership committee as it formed and kind of stormed, normed, started to perform. And during that time, we've also been doing a lot of orientation around what are the past plans, that and the multiple plans that cully already had in place. We're not starting from scratch, and they're hearing from past kind of from community voice. We've been sharing a lot of data, whether it's like real estate based data or what's

the stat, what's the condition for small businesses or residents in cully? So they're starting with an understanding with kind of a qualitative and quantitative understanding of, of the needs, and that they have a shared understanding relative to folks who have been doing the work in cully for a long time at a policy level, not just at a kind of lived experience as well as a lived experience level. And then, as shay mentioned, we are just moving into engagement around the action plan. And I think we have we just a week ago had a leadership committee where we had a conversation, which is to say, let's not start from scratch. We know there was a lot of conversation coming out of the exploration process. That said, start with investments that stabilize first and then move to larger scale investments. And so that's literally the track that we're moving against as we think about the first five year action plan, is that we invest in things like our small business grants or our anchor nonprofit grants, or on kind of housing housing side, some of their home stabilization programs that we start there. And that aligns nicely with the smaller amount of resources that are available until year five and until we issue debt. I do want to lift up just because I think it's important. We're learning a lot off of cully and deep and profound appreciations for our partners in cully who are doing this work with us. And in fact, in the same way that we took a lot of our learnings off of the exploration process into the east Portland exploration process, we're doing the same around how does how do we provide good orientation to our leadership committees, and then how do we move into action planning once they have kind of a stable footing and are really kind of broad understanding of all of the different policies and data, as well as their lived experience.

Speaker: Thank you. Last question, i, I get a lot of questions and comments from my constituents about the ways in which I personally, as a councilor, will be engaged in the tiff. I think a lot of it, a lot of the spirit of the question is coming from

a worry of the things that I'm describing around displacement, and just making sure that the clcs are stood up in a way that they are staffed properly, that they have the resources to do their job, and that they have the training to do it in a way that protects, again, historically underserved area. So. Yeah, I kind of just wanted to ask about that.

Speaker: It's a great question. So one thing we've started modeling for the three central city tiff districts is engaging council offices on first, the selection of the clc members. I think second is making sure that we have non-voting seats for city and county partners to participate on an ongoing basis. Right. We want to make sure, obviously, that we as prosper and the city that we're not voting and we're letting the community make those calls, but we want to also make sure that we have those non-voting seats available just so that folks can you all can stay, you know, plugged in at the latest. And I think ultimately City Council does. And we've been very clear with community and upfront that at the end of the day, City Council does have the ultimate authority right to create the action plans to approve them. And that council and our board share the ultimate responsibility and accountability for those investments. But we can't do it without the partnership and without having that that community expertise at the table.

Speaker: Okay. Yeah, I think I'm more so just signaling to you all that I'm hearing that feedback from constituents. I have told them in response that I plan on keeping an eye on it, but I'm also looking and i'll follow up with you all just of like, what are the ways in which I can be involved? I don't want to obviously be overbearing. I understand my role kind of in the picture because I am on the council and I have the ultimate say, so I don't want to interfere too early, but it's just a recurring question I get at the neighborhood associations. Is that worry that they're going to be kind of on their own, and they are asking me to advocate for

them. So I want to talk about what that might look like in partnership. That's not stepping on people's toes, but also is us engaging in a community again, that is worried about displacement risks. And they have new brand new representatives and a voice and they're asking for my input. So I want to flag for you that I'm looking for ways to be involved.

Speaker: We would we would welcome that. We would love that.

Speaker: Great. Thanks.

Speaker: Back to vice chair pirtle-guiney.

Speaker: I two questions. One, I hope brief. I noticed that there's about a 50% cut to the office of events and film, and that's not something that you mentioned as one of the main cuts in your four buckets. Is that due to general fund reductions, or was there an expiring one time fund there? What is the story with that cut.

Speaker: Primarily one time funding that's expired. So we would look to hopefully have more and more dollars coming in the door from partners in the community that can help to do event sponsorships and things like that. But a lot of that discrepancy is one time expiration. I don't know if.

Speaker: That's and that's primarily on the events side, not film production support side.

Speaker: That's right. Yeah.

Speaker: I'm wondering what we're leaving on the table. You mentioned when I asked about the repair and restore grants that you hadn't had the opportunity to talk about additional programs. You were just asked about cuts. Are there things that we should know we could be doing better to support economic development or our small business community, or to support workforce in a different way that we're leaving on the table, because we didn't ask that question.

Speaker: I'll just since you mentioned repair restore, i'll just start with that. And then my colleagues can add, I mean, that's a recurring need that has been highlighted across the city from different districts. So we understand that. And we're just trying to kind of manage with the resources that we have. But we do still have the staff with the expertise and experience and the process that we earlier developed to kind of get that out in an efficient way that met a lot of different business small businesses needs in the moment. And so that would be an area that we would love to consider.

Speaker: I think building on that, I would point to our joint priorities with the office of government relations throughout this session in salem. Those really reflect, I think, where we see gaps both in the short and medium term. Right. So one of our main priorities in this session is to advocate for broadway corridor. And obviously the catalytic housing projects that are across the city. Another one that that we know is potentially being considered in the state, reflects your question around events capacity. Right. We know there's an ask being circulated that would bolster the capacity of event producers in the central city, who we know have had tough financial years and who have been receiving support from our office of events and film and travel Portland. I think there's probably quite a few others, but I think the priority for us is, is definitely our our housing projects and knowing that we have such a shortfall of units.

Speaker: Thank you.

Speaker: First off, I'm just happy to hear in this budget the creation of small business office, sometimes the most simple names send the exact right signal. So thank you for just kind of codifying that I think probably goes to you, andrew, I'm curious just in terms of our support of our small business districts. And so using this opportunity as some clarifying what we mean by that, when I say that I'm

talking about things like midway alliance, I'm talking about saint john's, I'm talking about hollywood, I'm talking about a variety of the micro downtowns that exist across Portland, which I think make us particularly unique and pretty great. So you've identified that the pass through with venture is cut in this budget with respect to the money that those districts get from us. What kind of mechanism do you see? Or does that money also completely ending? You mentioned that you're rethinking it, but I guess I'm asking for a hypothesis of where you think that's going in this, in this new budget.

Speaker: Yeah. Thank you for the question, chairman. A lot of it is not returning to us. It's an actual cut. But to the extent that we're retaining some of the funding, it's really focused on trying to expand what was happening with venture Portland throughout the rest of the city, understanding that there's kind of a spectrum of needs across business districts. Some of them have been around a long time and are very mature and developed, and others perhaps have gone nascent or are not doing that much at the moment due to various issues on their capacity side. So we have seven neighborhood prosperity networks, but we know there's a whole bunch of other needs in between those and then those that might be ready on the other end to perhaps become an enhanced service district. We think that there are some candidates that could move into that place of starting to have ratepayers that pay into a fund that they have the discretion to direct back into their own activities. But then there are a lot of other things in the middle, like perhaps a partnership with the not for profit association of Oregon to build governance capacity for boards and then other things. As I mentioned that the president asked about partnerships with pbob to try to do more work on public realm activations in a sustainable way as well. So I think there is this spectrum that we're trying to manage for right now and then spread one unfortunately smaller resource across all of it. And I'll just say I

appreciate your comments about the small business office, because right off the bat, they've already met with a number of those different business associations at different places in the spectrum, and they've been able to kind of directly engage businesses that have had needs, but also just the governance itself of that to say, like, what do you have needs on right now and how can we help you kind of better serve your members at this point in their kind of district formation?

Speaker: I'll definitely be open to any staff support in terms of developing what a return package would look like for the grants that made it to the district. I'm not particularly interested in the middle organization aspect, but money that hit the ground. I'd be interested in a staff, a prediction for what that would take. I am curious in terms of the prosper commission, when they heard your budget, what areas of the budget they if they were sitting here, and maybe next time we should. As I was saying here, I think we probably should have invited them. If they were sitting here, what would they want us to know is the most important thing in terms of our consideration of the budget. What do they want to protect, preserve, maintain? In a in a year where you've been asked to develop a 10% reduction, reduced budget? That's a tough one. And I'll give you a little leeway. Like we won't hold you to it. We know you're speaking for them.

Speaker: I appreciate that, chair. It's I will say one of the benefits of having a diverse board is that they all have diverse perspectives. And so, you know, when we when we go into following our, our meetings with the, with our community budget committee and we go to our board, it varies. But I will say this past year, you know, we hear quite a lot of concern on our board for small businesses. And so I think them understanding the cut with venture Portland and, you know, the 10% of their budget that actually to your point went to community versus staffing and overhead. They were always they're always quite concerned with the impact of small business

owners whenever we have cuts. And so that tends to be a loud voice that we hear. You know, we have we have board members that that care deeply about the trends in our city around development and investment and who's coming in. And so I think for them, making sure that we had a robust presence in salem this year, and we had a broadway corridor lobby day for them, that was first and foremost a priority. So we received direction around that, I think. Yeah, we're fortunate to have quite a number of perspectives.

Speaker: Thanks. You know, I think it kind of riffs a little bit from councilor novick questions in terms of the small business and some of the questions around that. Not that this would ever be the right metric, but we do have to get to a point where we have some metric to track, right? I sit in in rooms where the budget is tracking who is still housed after we helped them six months, 18 months, and 24 months later, as a metric of whether or not homeless services are actually having their outcomes. So I'd be curious of if you get a prosper grant, whatever that that means. How likely are you still to be in business in the place we thought you were in business two and five years later? To give us an idea if this has been worth the squeeze, so to speak. We have, as a community, talked a lot about small businesses, and some of these are just integral to the fabric that Portland kind of sees in itself. We don't talk a lot about. But there was one mention today about high, I think was, you know, workforce development in in high wage, high earning jobs. But we don't talk a lot about recruiting high earning jobs here. And a lot of these buildings that are behind us where we sit right now are filled with businesses who we could probably never cite the name. They're not sexy in terms of the current era of things. We know they're not the nike's and the keens and the intels, but they are high wage filled jobs in a variety of other, you know, jobs. I'm just curious what our footprint is or what prosper would need to be able to have. And I

don't know if it's a recruiting strategy or if it's a retention strategy around that side of it, and just kind of where prosper has kind of fallen on on those types of topics.

Speaker: Yeah. That's a great question, chair. Thank you. It's one that's that's very active and frequent right now, especially as we've we've observed kind of the attrition that our city has experienced. One way that we actually partnered with andrew and his previous role, we have an internal retention and attraction kind of internal task force that's worked closely with the mayor's team over time. You know, that can be everything from site visits with electeds to make sure that folks know that they are appreciated, to triaging issues, whether it's with permitting or access to capital. And occasionally we would also have the chief of police or other other officers join us on those visits. That continues to be an important line of work for us. On the attraction side, we do quite a bit of attraction work. I will note we are not the lead marketers. We partner with greater Portland inc. To do that marketing work, and we rely on leads from both greater Portland, inc. And business Oregon for attraction. I think it's no surprise to anybody that those attraction leads have slowed over the past few years following the pandemic, but we do jump when they come up, and a lot of that has to do with the availability of sites, right? As folks have needs for land and energy and water, we tend to not have a lot of those larger industrial sites in Portland. And so we know that that a lot of that energy and attention goes to our surrounding jurisdictions. But we do continue to, I think, focus where attraction and expansion are concerned with our key cluster areas. Right. So we do retain staff for each of those key clusters, right? Athletic and outdoor, our legacy employers and metals and machinery, certainly tech and media, food and beverage manufacturing. You know, there's probably missing one. There's our key our key industries here. And we're fortunate to have a staff dedicated to each. And so that both builds relationships and can respond to real needs in real time.

Speaker: Thanks. And colleagues. I'm just flagging. We do have a little bit more time. So if people have additional questions, you should get in the queue. With the 50% reduction in the event and film area. I guess I'm looking for specifics. What's not getting funded that we've enjoyed this last couple of years in that bucket.

Speaker: Primarily staffing. So we're losing some staff. We've we've condensed down to the core functions which are event navigation and navigation for film. But we also in previous years we've we've benefited from a more robust budget around two different programs. We have we had our community event program, and then we had our scale up program. We've pretty much lost access to our community event program over the year. We were fortunate to receive a one time injection of funds from the visitor development fund. And so we have a partnership with travel Portland for film attraction and for, you know, film grants for, you know, basically post-production grants for Oregon filmmakers. But we've lost that kind of small event grant fund. And then we have that one time fund to support larger events that would actually draw overnight stays in Portland.

Speaker: Okay. Great. I appreciate that. I had one more mic check some notes before I go to councilor green in a second. Oh. On the I just want to give you the chance, andrew, to talk a little bit like where did we where did the small grant program grow out of from what issue did we start. That or maybe a better one is when did we grow it and why did it get to 1.2? In terms of what type of stuff is the small grant program, small repair grant helping people access? What is it truly doing? And I say that because every time I'm in the community, I feel like I'm telling the story of what the repair grant program is to somebody who doesn't yet know about it but could have used it. So I'm hoping to just give you a check on the microphone.

Speaker: Yeah. Thank you chairman, I appreciate that question. And the call out, you know, councilor novick asked this question about access to information. We want to make sure everyone in the city has as much access to information about this particular resource, especially if it were to be funded again going forward, because we have experienced that, it's been an extremely important lifeline to a lot of different small businesses out there that are operating on very thin margins and perhaps, you know, maybe on the verge of going out of business when something like a window gets broken or they, you know, are experienced graffiti or break in that does damage to their physical storefront. We know that a lot of people don't have out of pocket cash or resources to go in and have that repaired, so it's an evolution of a program. But I mean, it was really started after the racial justice demonstrations. It was really for political damage that was done early on, and then it morphed more into just ongoing needs of any property owner. From a small business perspective, over the last three years, that I don't have the number in front of me, but I think it's a little bit. Over \$4 million have been dispersed in the city, and I think a pretty nimble and agile fashion as needs have come up. And then we really streamline an application process to get the dollars out the door in the hands of the business owner operator as fast as possible just to help them get through. Because, you know, it's not just that they are dealing with this issue. They're probably also dealing with a higher insurance deductible that their meetings, some additional premiums that they're paying on that side, together with maybe cost of goods and staffing. So for us, this is like the least we can try to do to provide that level of lifeline when something unfortunate comes up for them, that's no fault of their own. And so we just want to help them continue to stay in business and ideally grow and prosper in our city. And this is the resource that kind of evolved over time to do that. So I appreciate the question.

Speaker: Maybe i'll just put a finer tune on that. So the grant actually started as a \$10,000 grant. That was just a straight up kind of show us your invoice and that you paid for a window repair or a door repair, and we would cut you a check. That's where it started. And then I think we heard more and more from small businesses, as andrew mentioned, that they were not only experiencing increased insurance premiums because of kind of those replacements that they were needing to do over and over again. But they were also interested in things like, can I put a security camera in my location? So we actually grew it to what we then called the restore program that allowed for a grant that was up to 25,000. That was similarly kind of made sure that it was ease of access. And then we were lucky that we actually had that product and kind of amazing team of staff who are ready to go when the winter storm happened. And so we literally pivoted the restore grant, and we allowed it to respond to the impacts to small businesses. Because of the week of closures due to the winter storm.

Speaker: Thanks. I'm a fan of it and I didn't even know some of that. So thanks for sharing that. And is there is it only available to businesses in downtown Portland?

Speaker: No, it's available citywide.

Speaker: Citywide. Great. Okay. With that, councilor green, next question.

Speaker: Chair, I have two new questions. I think they're. Just specific. I'm looking at the last adopted budget. We'll see the new adopt the proposed budget here shortly. But. In 2425 it looks like we prosper started receiving Portland clean energy funds. And I think the final adopted figure was 7.6 million. Is that in the climate investment plan okay. And what. Well, i'll read the climate investment plan then. It went through a vetting process, I imagine.

Speaker: So yeah, we can actually I mean, we have an intergovernmental agreement with pcef. And so those dollars actually cover three distinct kind of

initiatives. One is actually it leverages our existing coepp work around construction workforce training opportunities. And maybe andrew can speak to that more. It's in in his shop. We also got a certain amount of resources to sponsor a grant program. Right. We have grant program managers. So they're putting together a grant program that focuses on small businesses, city wide access to do energy efficiency upgrades, think of new refrigerators, new systems within their space, and you'll see that launch shortly. It will be called the b, b e program that we will be able to offer as a grant program. And then we had a pool of funds within strategic priority 14 within the climate investment plan that is for access to capital. And we are working with pcef to actually use that both for some pilot conversion programs as well as some kind of smaller, we call it. We have a program called property fit, where you can actually take out a loan against your utility savings, so you repay your loan via utility savings. And we're able to offer to that to projects.

Speaker: Thank you. That's extremely helpful. And then my second question is just on the big property redevelopment category of your expenditures, it looks like last year it was 51% of annual expenditures, \$107 million. And I understand it's largely for commercial redevelopment, but but but I'm just curious because i, I see that in 20, if you go from 2020 to 2023 and then to into the 2023, 2024 period, there's about a \$95 million increase in that line item being funded. And it's, you know, stabilized in the north of \$100 million level. So I'm wondering programmatically what changed at that boundary period. And just give me a little context here on how that might map to prosper's priorities.

Speaker: Thanks, councilor, for that question. I'd like to go back and formulate a more specific response to that. But I think what you're looking at there, what you're seeing there are probably the trend from actual spending to budget, and perhaps in that we have a lot of funding that's contained within the old town action plan for

lending, as well as lending and grant programs in different tif district action plans that lisa spoke of. North northeast, gateway, lents, central eastside. So there's a movement of funds through that redevelopment line item that really is dispersed across the tif districts. I think most of that is related to the old town action plan and north northeast action plan. For the most part, the budget dollars that are anticipated to go out this year, this fiscal year, and over the next couple of years, there's going to be potentially a portion of those dollars that roll over into fiscal year 25, 26 and into future years, depending on how this year spends out. So I would anticipate we might not see it in the proposed version coming before you next week, but in future versions, as we close out the year, how those dollars flow into the future fiscal years primarily lending primarily some grant programs, but also property development and management dollars as well. There's about \$8 million in that category for ongoing property management. That is largely offset by revenues there.

Speaker: Can I just I might just build on that because I'm trying to think of where give us a moment and we'll come back with greater details. But that is the line item. That's the that part of the square that does contribute. That's where you see our loan to williams and russell. So it's a forgivable loan to williams and russell. It's where you see our investments in interstate to the cultural business hubs. It's where you see our investment in the casket and the falcon building in old town. It's where all of our business lending, our commercial property, redevelopment loans that go to our business lending in the central east side. It's depending on the timing. It's where our resources for the fish and kind of improvements to the ground floor of the fish, or very often we're investing in mixed income housing projects with the Portland housing bureau. That's the redevelopment bucket

captures all of that together with our our small business grants and our nonprofit grants.

Speaker: And I'm sorry, I didn't mention strategic investment fund. That's where strategic investment fund most of those lending programs roll up to as well. So it's a combination of tif districts as well as the strategic investment fund for lending there.

Speaker: Okay, that that's helpful because it's, you know, in 2223, the actuals was about \$36 million for that line item. And then the following year was \$128 million. Or that was the revised figure, I should say. So, you know, the discussion around the transfers and the broader uses is really helpful. Is the Broadway corridor part of that? Yeah. And Broadway corridor came online right about that time. So I would imagine.

Speaker: Yeah, totally. I think demo is probably in there. I do think it's important. Like as Tony mentioned, we usually will roll over because capital projects will move year to year, and we can't guarantee that we're going to either need it or not need it in the given year. Right. It all really depends on the construction schedule is usually what we'll do is we'll be conservative and keep it in the current fiscal year. So we're not asking our board for multiple budget amendments. And then at the time that the fiscal year concludes, you'll usually see our rev one of our budget rolling it over into the next fiscal year.

Speaker: Okay. Thank you. Yeah.

Speaker: Thanks. You guys I one of the things we're expecting probably end up seeing from a number of the bureaus and the service areas is an effort toward consolidation of the of the centralized type of services. So instead of every bureau having their own set of h.r or their own set of communications or their own set of legal in terms of trying to understand that right sizing, given the transformation of

government with respect to. I'm looking at your org chart. Were you given any direction and for that effort? And, you know, I see that you have a legal department, you have an hr department and an equity department, policy department, comms department, all those one. Does prosper, have to have its own legal department. And does it have to have its own hr department? I'm just curious on that.

Speaker: It's a good question. And it's one I think tony could speak on. It's a question we've considered in previous years and asked we've been asked that one before. I think in general, we understand that from the recent charter amendment process that we still retain kind of predominantly an independent legal entity. And so as such, there's pros and cons to organizing prosper in this way. I think you can see other jurisdictions that this department might be more embedded into the city structure, but you still have to have that independent commission. Tony, actually, we ran the numbers on this. What was it like two years ago on whether or not we would create cost savings by moving a lot of those functions into the city? And predominantly we found it was cost neutral. I will say there is a there also is a benefit of that relative independence, just in the specialization of our of our different teams. Right? Our we're not necessarily dealing with the same type of legal challenges that the city does at large. And so our our legal team is highly specialized into real estate transactions, into that type of work.

Speaker: And lending. I want to lift up that on our legal team. We have expertise in real estate transactions, in loan agreements, in kind of contractual, in construction, contractual agreements, just because of the distinct work of doing vertical development, where we're not doing infrastructure in the way that the city is doing. And tony can speak further, we really did. We ran the numbers to understand what was kind of what were the trade offs to either keeping those in-house relative to securing those via a contract with the city.

Speaker: Challenge in if I have a vote on your budget. You know, I've got my city attorney's office who advises me and all my colleagues. And so in terms of having oversight over prosper. But then I guess what I would say is who does prosper's legal department feel their client is right? Where does the where does the heart of legal advice go to in that case? And this is one of those that seems it could be potentially conflicting where when we just the pure fact that you're presenting to the City Council for approval of your budget, then you have a commission as well. I think those overlapping authorities are areas that we need to get very clear on as we enter into this season. And maybe similarly in air, but particularly in legal, just where there can be so much conflict in those types of worlds. And we talk a lot about a city attorney's office and who it represents and how it represents, particularly when there's conflict which occurs. But i'll leave that there. I'm looking at my colleagues. I don't see any other comments right now or questions. I'm going to look to you, shay, if there's anything you'd like to close out with your team. Otherwise, we will wrap this up.

Speaker: I'll just. I'll just end with deep appreciation. Like I mentioned, this work can be really complicated as you all know. Making sure it's available transparently to the public is of the utmost importance to us. So that we can continue to capacitate economic development.

Speaker: I'm sure that there is I appreciate everybody. That concludes item 2, I was going to say I'm sure there is a script I should say about our next meeting. But with that, colleagues, I'm going to close our meeting and the next meeting of the finance committee is on may 5th. Out of session.