



[Home](#) / [Portland City Council](#) / [Council Documents](#) / [Report](#)

## 2025-209

Report

### City Council convenes as Prosper Portland Budget Committee to approve the FY 2025-26 Budget

Accepted

DATE: May 13, 2025

TO:

Mayor Keith Wilson

Council President Elana Pirtle-Guiney

Council Vice President Tiffany Koyama Lane

Councilor Candance Avalos

Councilor Olivia Clark

Councilor Jamie Dunphy

Councilor Mitch Green

Councilor Sameer Kanal

Councilor Angelita Morillo

Councilor Steve Novick

Councilor Dan Ryan

Councilor Loretta Smith

Councilor Eric Zimmerman

FROM: Shea Flaherty Betin, Interim Executive Director, Prosper Portland

SUBJECT: Convening of the Budget Committee to Approve the FY 2025-26 Prosper Portland Proposed Budget

City Council, acting as the Prosper Portland Budget Committee, is scheduled to vote on Prosper Portland's budget on May 21, 2025. The attached Resolution, Exhibit A, illustrates the Fiscal Year (FY) 2025-26 Proposed Budget summary appropriations by fund and appropriation category that are detailed in the Proposed Budget Document. The FY 2025-26 Proposed Budget Document was published on May 5, 2025, and staff presented the budget to the Prosper Portland Budget Committee on May 8, 2025.

Exhibit A and Exhibit B, the FY 2025-26 Prosper Portland Proposed Budget, includes the Mayor's Proposed Budget decisions for Prosper Portland including General Fund and Recreational Cannabis Tax Fund allocations.

#### Document number

2025-209

#### Introduced by

[Mayor Keith Wilson](#)

#### City department

[Prosper Portland](#)

#### Contact

**Tony Barnes**

Finance Manager

✉ [barnest@prosperportland.us](mailto:barnest@prosperportland.us)

📞 [503-823-3287](tel:503-823-3287)

#### Agenda Type

Time Certain

#### Date and Time Information

##### Meeting Date

May 21, 2025

##### Start Time

11:45 am

##### Time Requested

1 hour

Exhibit A may be amended as directed by the Budget Committee as part of budget approval on May 21, 2025.

Following approval on the 21st, the Budget will be forwarded to the Tax Supervising and Conservation Commission (TSCC) for review and certification. The TSCC will conduct a public hearing and certify the budget prior to the Prosper Portland Board of Commissioners adopting the budget on June 18, 2025.

## Exhibits and Attachments

 [Exhibit A: Resolution approving the FY 2025-26 budget appropriations schedule by fund](#) 931.18 KB

 [Exhibit B: Prosper Portland proposed budget FY 2025-26](#) 8.09 MB

 [Testimony](#) 3.23 MB

## Impact Statement

### Purpose of Proposed Legislation and Background Information

Council is convened as the Prosper Portland Budget Committee to approve FY 2025-26 Budget Message. Requested amendments to the Proposed Budget, approval of amendments may be introduced and voted on prior to a final budget approval.

### Financial and Budgetary Impacts

Prosper Portland's FY 2025-26 Proposed Budget totals \$189 million in expenditures and 105 positions. The Proposed Budget is currently balanced using 1) the latest updates on projects and programs from Tax Increment Financing (TIF) District community action plans, 2) the latest TIF forecasts developed in conjunction with debt management staff at the City Office of Management and Finance, 3) the City Budget Office's current service level funding of General Fund resources for economic development, and 4) updated estimates for loan portfolio and property income revenues.

Prosper Portland's General Fund, Cannabis Fund, Community Development Block Grant, and Enterprise Zone Funds provide critical citywide resources to work toward the goals of Advance Portland. In total \$20 million in General Fund, Cannabis Fund, Community Development Block Grant, and Enterprise Zone resources are aligned to the Advance Portland objectives.

The Proposed Budget includes \$3.7 million (26%) reduction in ongoing General Fund. While \$2 million of the ongoing cut is restored with one-time resources, the expiration of these resources at the end of next year will drastically reduce programming for Workforce and Small Business Support. General Fund impacts include:

- \$2,000,000 reduction to Workforce and Small Business Supports (no impact in FY 2025-26 as it is backfilled by one-time resources); will eliminate one or more programs in FY 2026-27 as one-time expires.

- \$650,000 reallocation of Economic and Development and Lending Staff to other Prosper resources.
- \$400,000 reduction in Workforce and reallocation of Economic and Development Lending Staff allocations to other Prosper resources.
- \$380,000 reduction to Community Based District Support (supporting administrative structure).
- \$192,500 reduction to Inclusive Entrepreneurship / Small Business Supports.
- \$50,000 reduction to the Office of Events and Film.

## Economic and Real Estate Development Impacts

The annual budget for Prosper Portland provides budget appropriation for both Citywide economic development programs and commercial development, housing, and small business support through loans and grants using tax increment and Strategic Investment Fund resources.

Prosper Portland's General Fund, Cannabis Tax Fund, CDBG, and Enterprise Zone Funds, provide critical citywide resources to work toward the goals of Advance Portland. In total, \$20 million of these resources are aligned to the Advance Portland objectives in the following ways:

**Propel Inclusive Economic Growth & Innovation** through traded sector business retention, expansion, and recruitment, Enterprise Zones, international trade development, and film recruitment and navigation through the Office of Events and Film.

**Support BIPOC Entrepreneurs to Start, Scale and Innovate** through creating the new Office of Small Business (which includes and builds on the Small Business Hub and Inclusive Business Resource Network), Reimagine Oregon Economic Opportunity Grant Fund, Mercatus BIPOC Business Registry, small business repair and stabilization grants, and My People's Market.

**Foster a Vibrant Central City & Neighborhood Commercial Districts** through the Neighborhood Prosperity Network, support for neighborhood business districts, funding to explore new TIF districts in East Portland and the Central City, events navigation and activations through the Office of Events and Film and helping support affordable commercial space on Prosper Portland managed property.

**Connect Portlanders to High Quality Jobs** through youth and adult workforce development programs serving culturally and geographically diverse populations across Portland, via partnership with Worksystems Inc, and via initiatives like Portland Means Progress.

TIF districts will support a variety of projects and programs to continue implementation of district Action Plans and programs. The FY 2025-26

Proposed Budget includes TIF and Strategic Investment Fund resources and action plans that are aligned to the Advance Portland objectives in the following ways:

**Foster a Vibrant Central City** through the Old Town Action Plan; Broadway Corridor; OMSI Master Plan; and South Waterfront/North Macadam TIF district investments in infrastructure to unlock new mixed-use, mixed-income development. The three newly adopted Central City TIF Districts now have assembled committees to develop the inaugural 5-year Action Plans for City Council approval in 2026.

**Foster Vibrant Neighborhood Commercial Districts** through the N/NE Community Development Initiative Action Plan and the Williams & Russell project; the Lents Action Plan and related development at SE 92<sup>nd</sup> and Harold; the Gateway Action Plan and anticipated infrastructure improvements and related development at NE 102<sup>nd</sup> and Pacific; as well as community livability grants and small business grants and loans along key corridors. The Cully Action Plan will be completed and launched. The three newly adopted East Portland TIF Districts will soon have assembled committees to develop the inaugural 5-year Action Plans for City Council approval in 2026.

**Support BIPOC Entrepreneurs to Start, Scale and Innovate** through business lending programs which can be scaled citywide through the Strategic Investment Fund as TIF districts close out; affordable commercial tenanting at projects like The Nick Fish, Lents Commons, Alberta Commons, and the Fairfield; via small business grants, and investments of the Construction Equity Fund.

**Connecting Portlanders to High Quality Jobs** through major projects like infrastructure improvements and affordable housing development at Broadway Corridor and other public private partnerships, traded sector business loans and grants for capital improvements in key job centers like the Central Eastside, and longer-term impacts through the Construction Equity Fund and related outcomes.

Economic impact of these programs will be measured as projects and programs will be evaluated as projects and program are implemented. However, current Key Performance Indicators for FY 2025-26 include the following targets based on historical performance of economic development and development programs and projects:

- \$23 Million in new loans serving 15 small businesses and urban development projects, \$7.3M in grants serving 125 businesses through prosperity investment (PIP) affordable commercial (ACT) and PCEF funded energy efficiency grants.
- 1,250 people served through workforce training.
- 660 unique IBRN business clients served.
- District support to 240 traded sector businesses.

## Community Impacts and Community Involvement

Prosper Portland's FY 2025-26 Proposed Budget supports interventions and investments in furtherance of Advance Portland: A Call to Action for Inclusive Economic Growth. The proposed budget will help Portland's small businesses, traded sector industries and Central City and neighborhood commercial districts to stabilize and grow – through community-driven, equity-centered programs like IBRN, Mercatus, My Peoples Market, Portland Means Progress, TIF district action plans, small business grants and loans, and the Neighborhood Prosperity Network. Recognizing the critical need to strengthen diverse small businesses, the budget includes resources for workforce training and development, business growth and expansion; helping industry partners to deploy innovative green products and services; and igniting major events to drive foot traffic and tourism. The FY 2025-26 Proposed Budget also continues to incorporate ongoing Reimagine Oregon and Inclusive Business Resource network funding from the Recreational Cannabis Tax fund.

Prosper Portland staff reviewed the FY 2025-26 Draft Budget with its 15-member Community Budget Committee (CBC), which met four times over the course of the budget cycle and whose members represent a diverse array of geographic, industry-sector, and community stakeholders. The Prosper Portland Board held a work session on January 30 to review General Fund programming, General Fund recommend cuts, and TIF district spending plans that were incorporated into the Requested Budget.

The Requested Budget became part of the overall Requested Budget submitted by the Community Development Service group with the budgets for the Bureau of Planning and Sustainability, Portland Housing Bureau, and Bureau of Development Services. Staff also reviewed specific TIF district Requested Budgets with community and neighborhood organizations to receive input. The CBC letter and a summary of TIF district budget outreach will be included in the Budget Process section of the Proposed Budget.

## 100% Renewable Goal

Prosper Portland's Green Building policy establishes certain LEED standards for all property dispositions, leased real property and projects receiving certain levels of financial assistance included in the FY 2025-26 Proposed Budget.

The FY 2025-26 Proposed Budget includes funding for implementing Advance Portland and the Green Cities cluster, working collaboratively with a broad category of companies producing innovative products, services, and technologies that benefit the environment or conserve natural resources.

The FY 2025-26 Proposed Budget includes new programs to be implemented by PCEF funding, providing resources to help small business



and property owners attain energy saving improvements through grants, loans and technical assistance.

Economic and Real Estate Development Analysis

Analysis provided by Prosper Portland

Prosper Portland staff has reviewed the Economic and Real Estate Development Impact Analysis submitted for this action and finds that it satisfies the requirements set forth in City Council Resolution 37664. The analysis is sufficiently detailed and complete to be considered a final statement for purposes of this action.

Document History

Document number: 2025-209

President's referral: [City Council](#)

Agenda	Council action
<a href="#">May 21, 2025</a> Time Certain <div>City Council</div>	<p><b>Placed on File</b></p> <p>Motion to approve the Prosper Portland Budget: Moved by Morillo and seconded by Kanal. (Aye (10): Kanal, Ryan, Koyama Lane, Morillo, Novick, Zimmerman, Avalos, Dunphy, Smith, Pirtle-Guiney; Nay (2): Clark, Green)</p> <p>Record is kept by Prosper Portland Budget Committee Clerk.</p>