



FY 2016-17 Proposed Budget
May 11, 2016

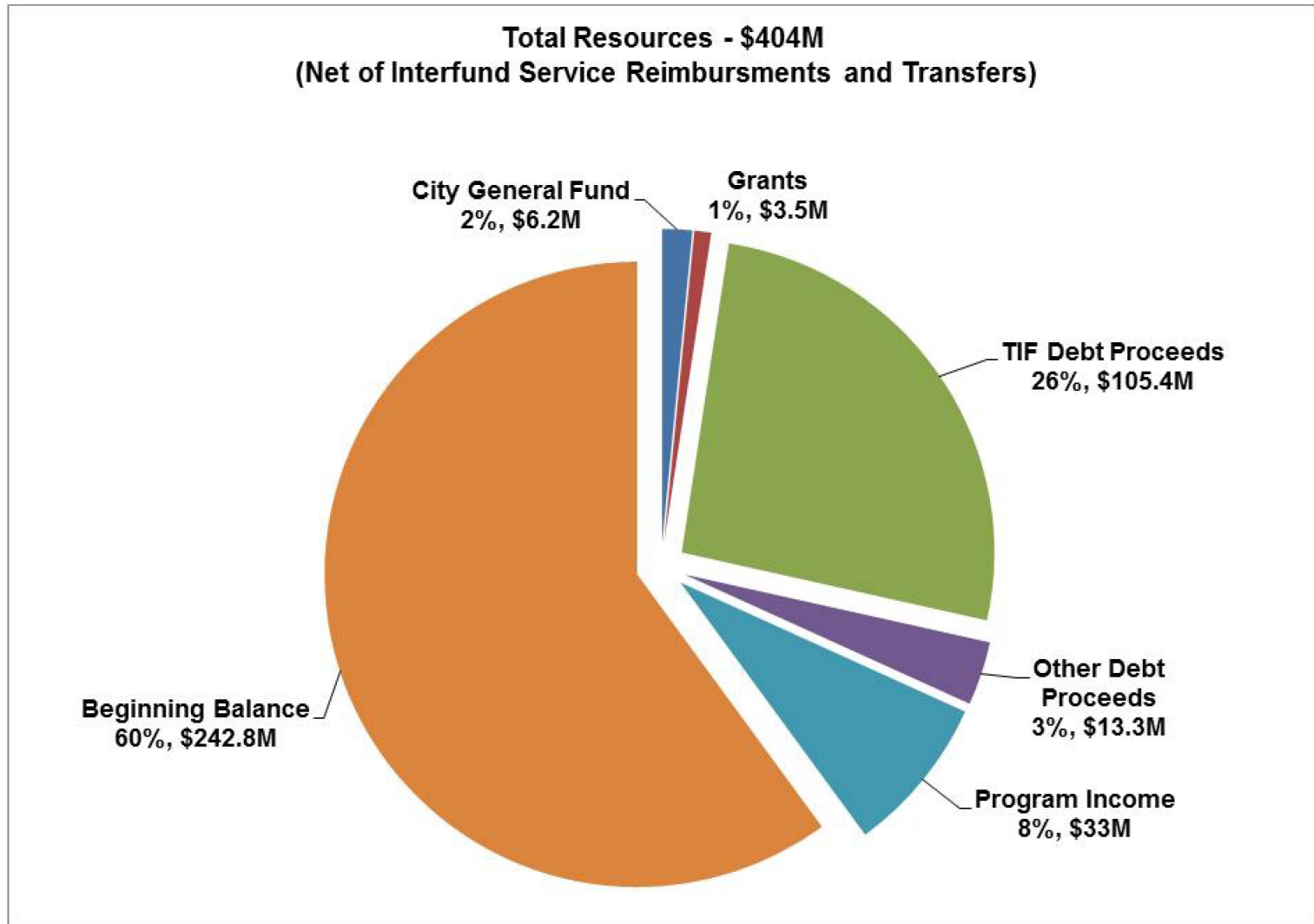
Agenda

- **Overview and Key Changes**
- **Summary of Proposed FY 2016-17 Budget and Five-Year Forecast**
- **Affordable Housing Set Aside Summary**
- **URA Overviews**
- **Budget Advisory Committee Testimony**
- **Questions**

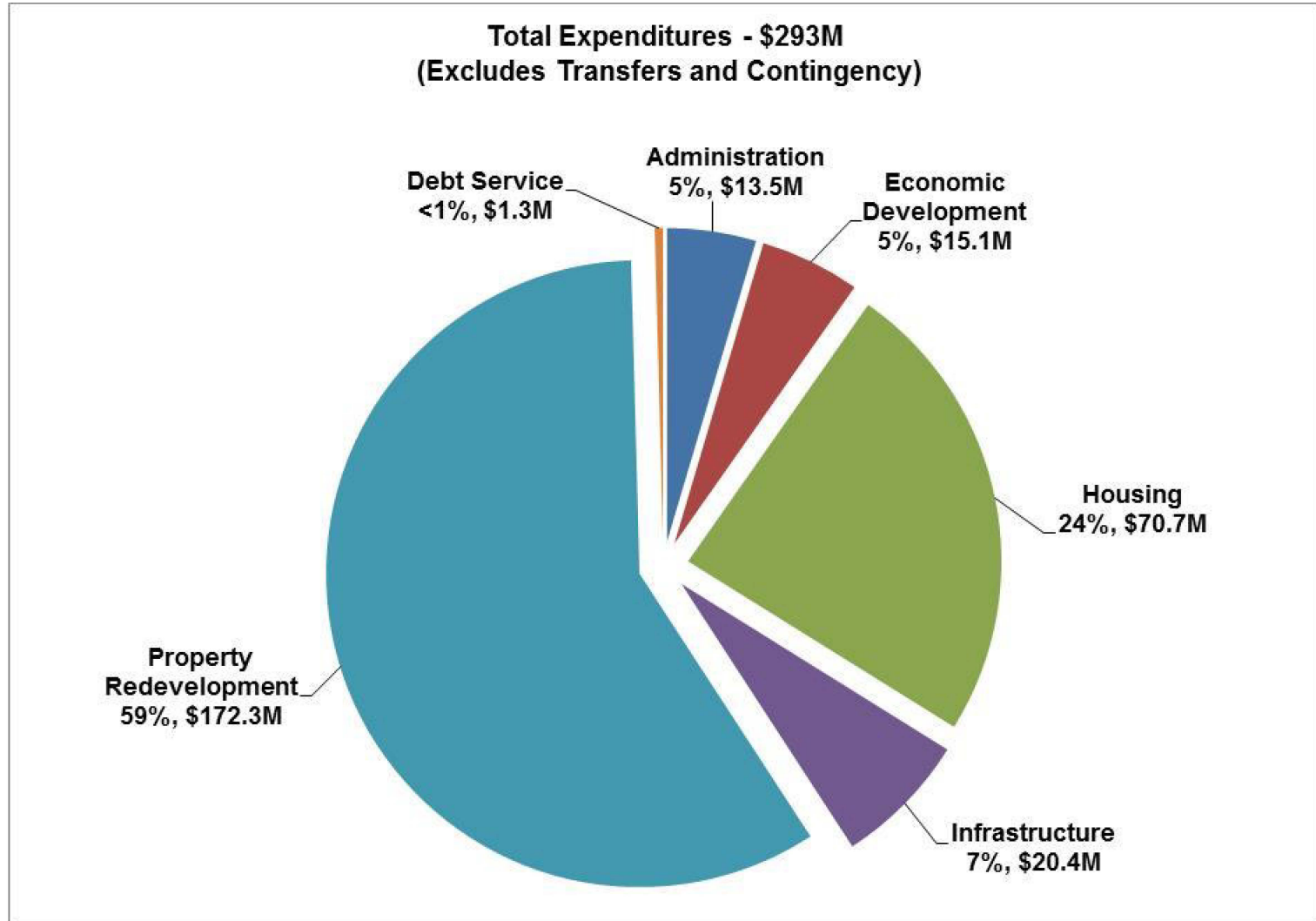
Context & Key Changes

- **2015-2020 PDC Strategic Plan**
 - Consistent application of public benefit agreements
 - Cluster work focused on middle-income jobs, equitable access to employment
 - New initiatives to support inclusive entrepreneurship
- **Long Term Business Plan**
 - Preserve ability to deliver on economic opportunity, development objectives
 - Diversify revenue streams and manage existing assets
 - Inter-fund borrowing
 - Staffing trends
- **Implementation of Amended Housing Set Aside Policy**
- **Notable URA Changes**
 - OCC : Convention Center Hotel Garage
 - DTWF: Increased resources available for OTCT Plan
 - River District: USPS acquisition, PDC/City IGA
 - Gateway: Draft action plan
 - Lents: Increased investment in town center projects

2016-17 Proposed Budget



2016-17 Proposed Budget

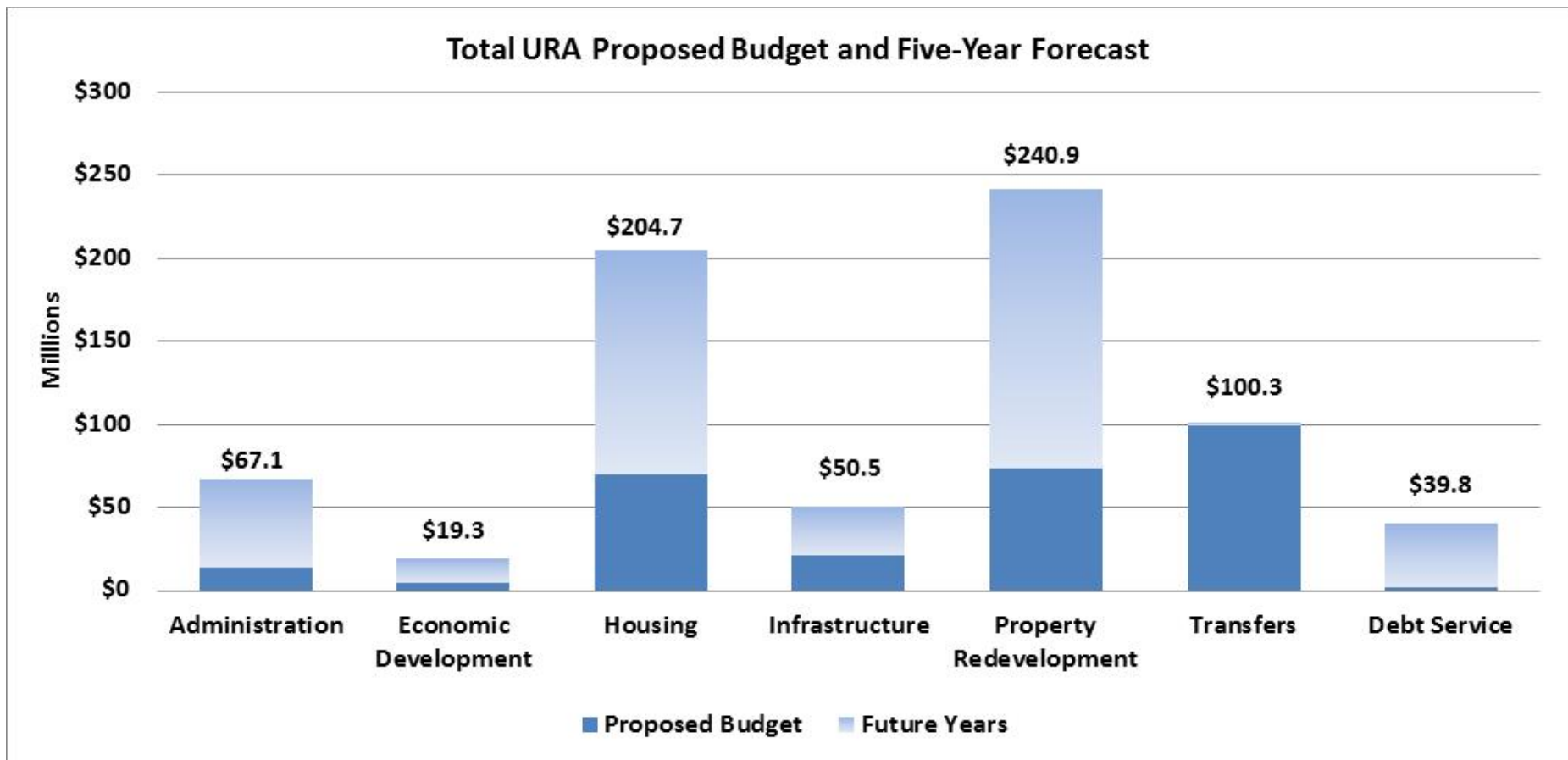


Housing Set Aside

FY 2015-16 Through FY 2025-26

Housing Set Aside Summary	FY 2015-16 through FY 2024-25 (Programmed)	Percent of New TIF
Downtown Waterfront	\$1,971,910	NA
South Park Blocks	5,860,500	NA
Oregon Convention Center	11,850,000	NA
Subtotal Closeout Districts	19,682,410	
Central Eastside	9,840,270	32%
Lents	43,137,259	43%
Interstate	103,843,400	70%
Gateway	13,930,936	29%
North Macadam	65,000,000	45%
River District	48,417,977	32%
Subtotal New TIF Forecast for Housing Set Aside	284,169,842	46%
Total Housing Set Aside	\$303,852,252	

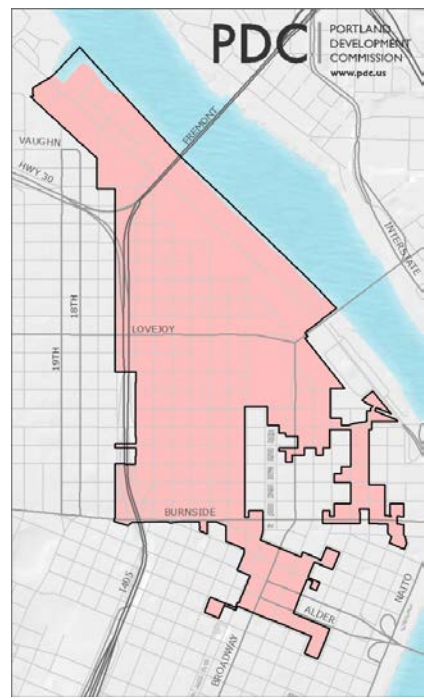
Total URA Proposed Budget and Five-Year Forecast



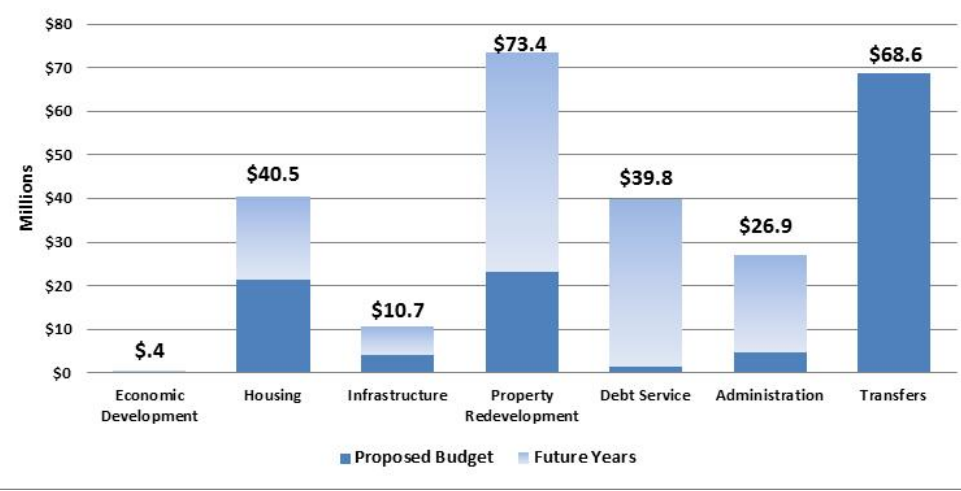
River District Budget Summary

Key Activities

- Old Town Chinatown Action Plan
 - PDC properties (Grove Hotel, A&N)
 - District parking
 - Business support
- Post Office
- Union Station
- Centennial Mills
- 10th & Yamhill



River District Proposed Budget and Five-Year Forecast



River District URA Fast Facts

Maximum Indebtedness	\$489.5M
Maximum Indebtedness Used	\$344.4M
Last Date to Issue Debt	2021
Acres	314.8
Housing Set Aside – Cumulative Target : 16-17 Budget	36% : 36%

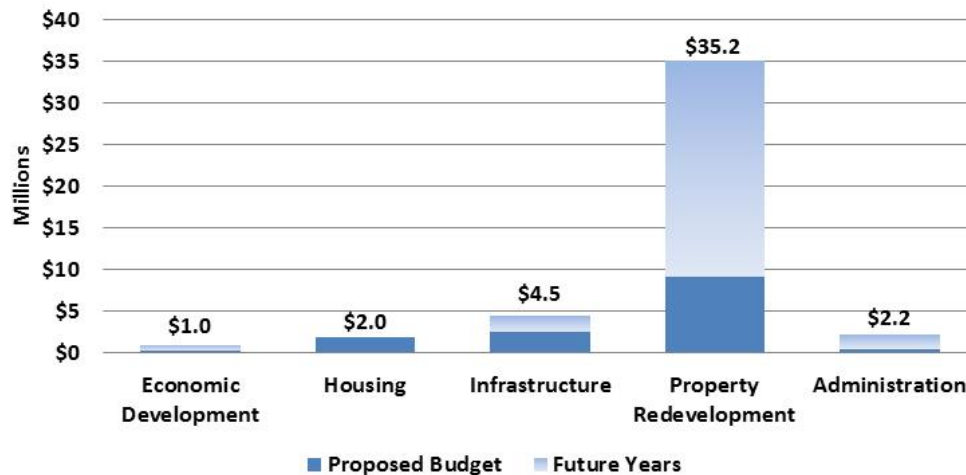
Downtown Waterfront Budget Summary

Key Activities

- Old Town Chinatown Action Plan
 - Private property redevelopment
 - District parking
 - Business support



Downtown Waterfront Proposed Budget and Five-Year Forecast



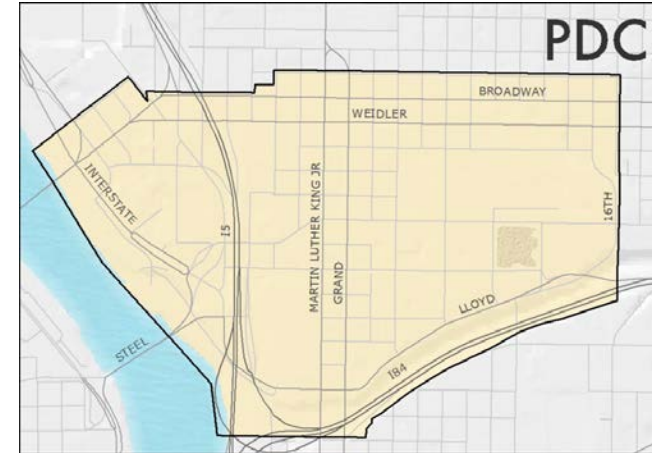
Downtown Waterfront URA Fast Facts

Maximum Indebtedness	\$165M
Maximum Indebtedness Used	\$165M
Date Reached Max Indebtedness	2008
Acres	233.1
Housing Set Aside – Target : 16-17 Budget	21% : 21%

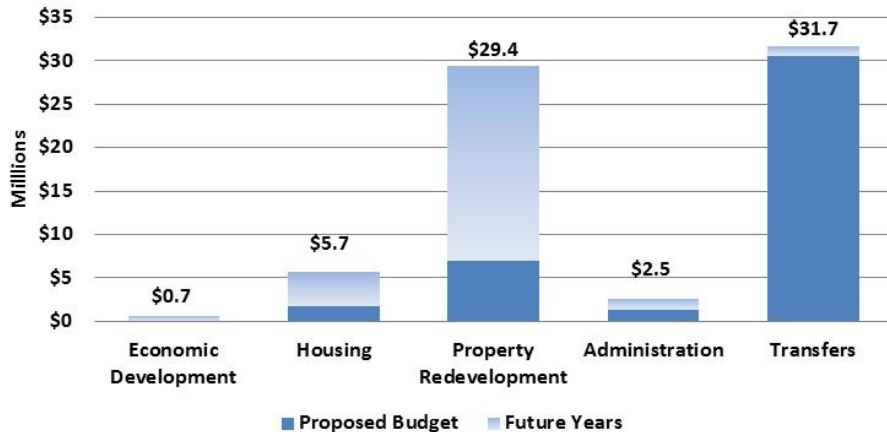
Convention Center Budget Summary

Key Activities

- Convention Center Hotel & Garage
- Rose Quarter redevelopment



Convention Center Proposed Budget and Five-Year Forecast



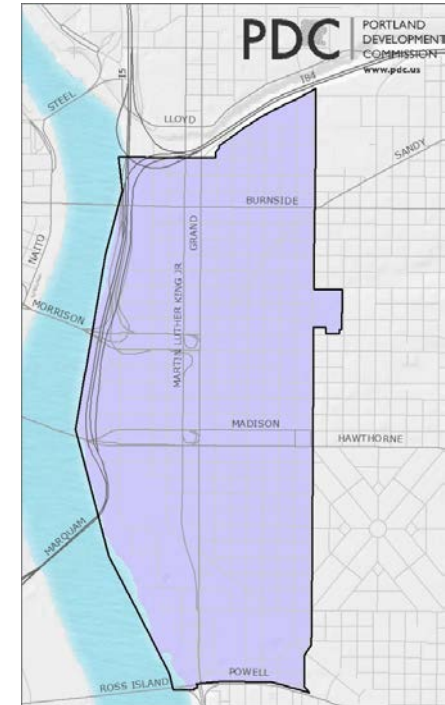
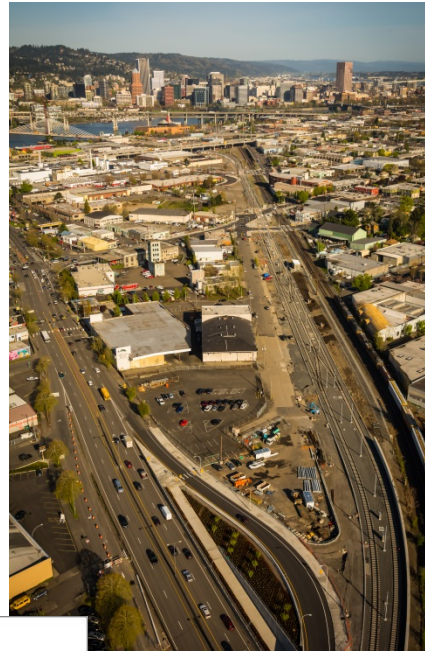
Oregon Convention Center URA Fast Facts

Maximum Indebtedness	\$167.5M
Maximum Indebtedness Used	\$167.5M
Last Date to Issue Debt	2013
Acres	410
Housing Set Aside – Cumulative Target :	
16-17 Budget	26% : 21%

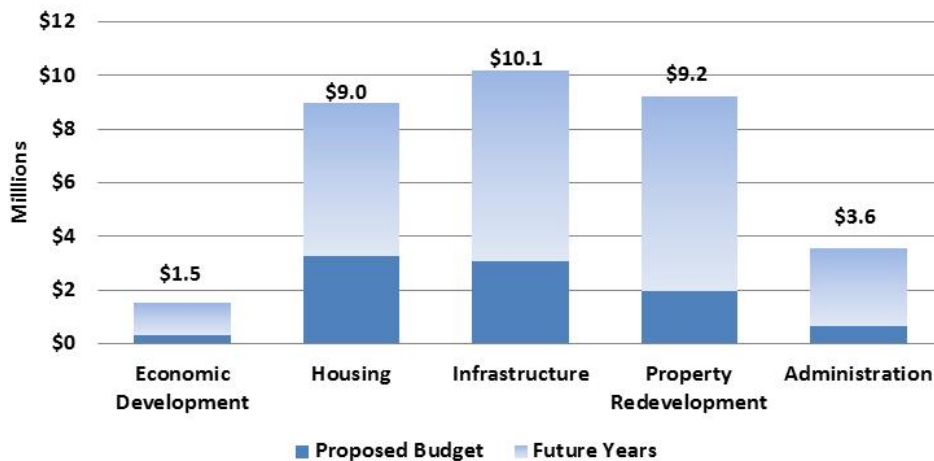
Central Eastside Budget Summary

Key Activities

- Clinton Triangle/PMLR station area redevelopment
- ODOT blocks redevelopment
- Entrepreneurship and business support



Central Eastside Proposed Budget and Five-Year Forecast



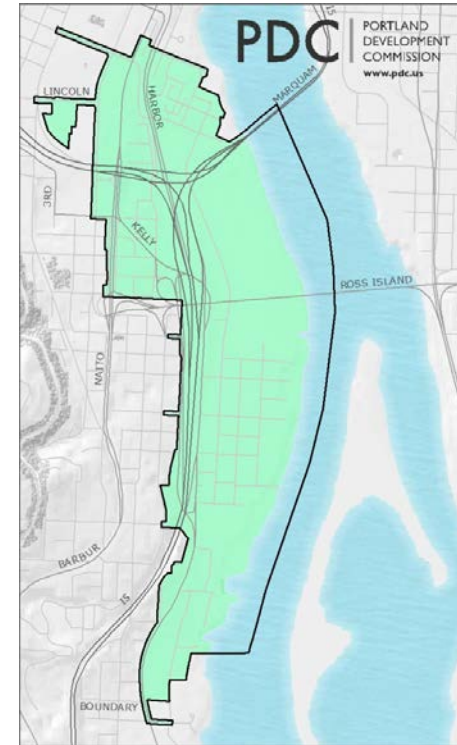
Central Eastside URA Fast Facts

Maximum Indebtedness	\$126.0M
Maximum Indebtedness Used	\$99.1M
Last Date to Issue Debt	2023
Acres	708.5
Housing Set Aside – Cumulative Target :	
16-17 Budget	22% : 19%

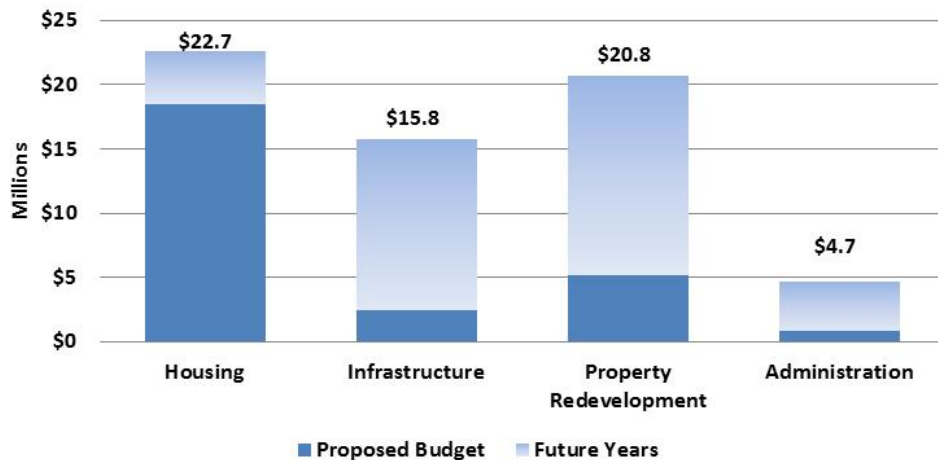
North Macadam Budget Summary

Key Activities

- OHSU and ZRZ redevelopment related infrastructure
 - SW Bond
- Commercial development at new PSU School of Business
- Prepare for future North District infrastructure improvements
 - Utilities, streets, greenway



North Macadam Proposed Budget and Five-Year Forecast



North Macadam URA Fast Facts

Maximum Indebtedness	\$288.6M
Maximum Indebtedness Used	\$139.8M
Last Date to Issue Debt	2025
Acres	447.0
Housing Set Aside – Cumulative Target :	
16-17 Budget	44% : 51%

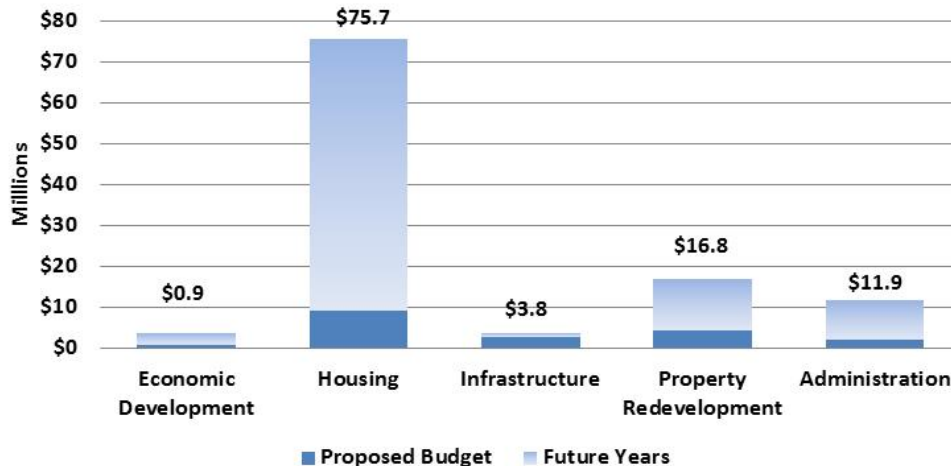
Interstate Budget Summary

Key Activities

- Community development initiative lens for opportunity funds
 - Equitable business, job growth
 - Long time property owners
 - Community assets
- MLK Alberta
- Lombard Investment Strategy



Interstate Proposed Budget and Five-Year Forecast



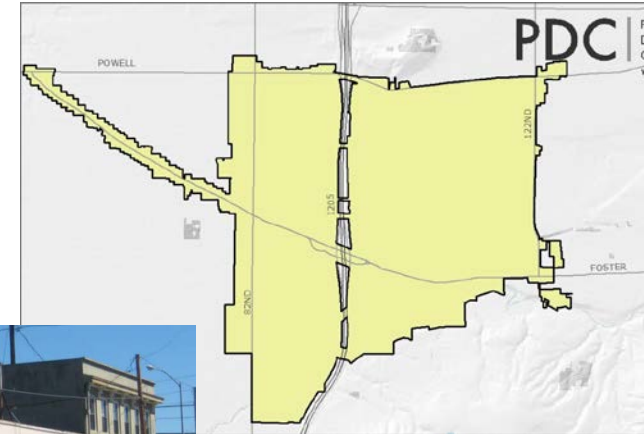
Interstate Corridor URA Fast Facts

Maximum Indebtedness	\$335.0M
Maximum Indebtedness Used	\$193.1M
Five-Year Plan Additional Indebtedness	\$134.8M
Last Date to Issue Debt	N/A
Acres	3,990
Assessed Value 2001-02	\$1,078M
Assessed Value 2015-16	\$2,516M
Housing Set Aside – Cumulative Target :	
16-17 Budget	55% : 38%

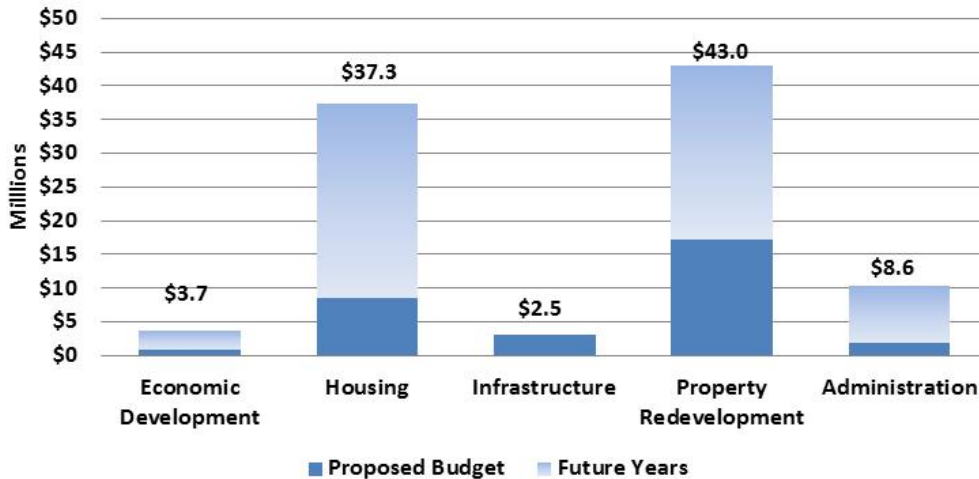
Lents Town Center Budget Summary

Key Activities

- Lents Action Plan
 - Catalytic town center projects
 - 72nd & Foster predevelopment
 - Business development on commercial corridors
- SE Foster streetscape
- Leach Botanical Gardens



Lents Proposed Budget and Five-Year Forecast



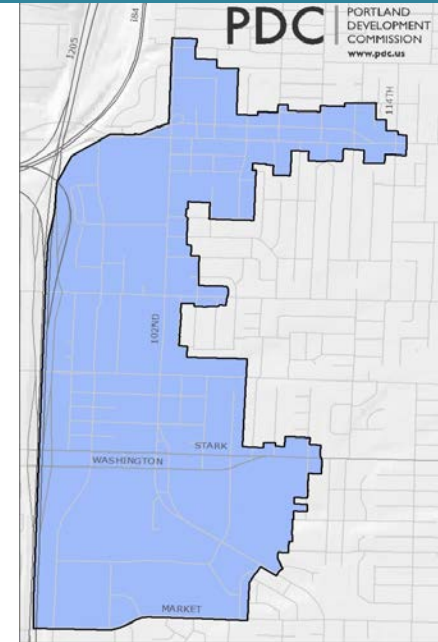
Lents Town Center URA Fast Facts

Maximum Indebtedness	\$245.0M
Maximum Indebtedness Used	\$135.9M
Five-Year Plan Additional Indebtedness	\$95.4M
Last Date to Issue Debt	2020
Acres	2,846.30
Assessed Value 1999-00	\$687M
Assessed Value 2015-16	\$1,434M
Housing Set Aside – Cumulative Target:	
16-17 Budget	38% : 36%

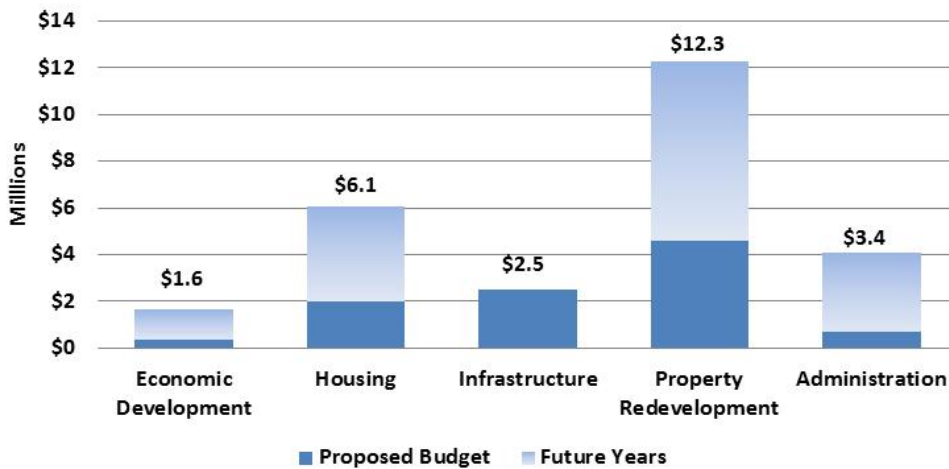
Gateway Budget Summary

Key Activities

- Halsey/Weidler commercial corridor investment strategy
 - Streetscape improvements
 - Investment in three-acre park at NE 106th & Halsey
 - Developer selected for one-acre PDC site



Gateway Proposed Budget and Five-Year Forecast



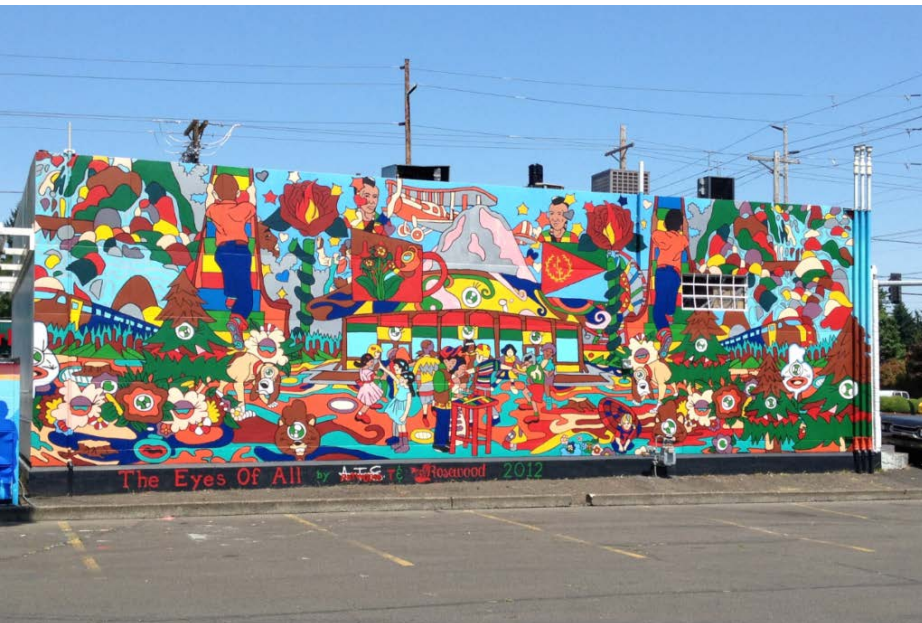
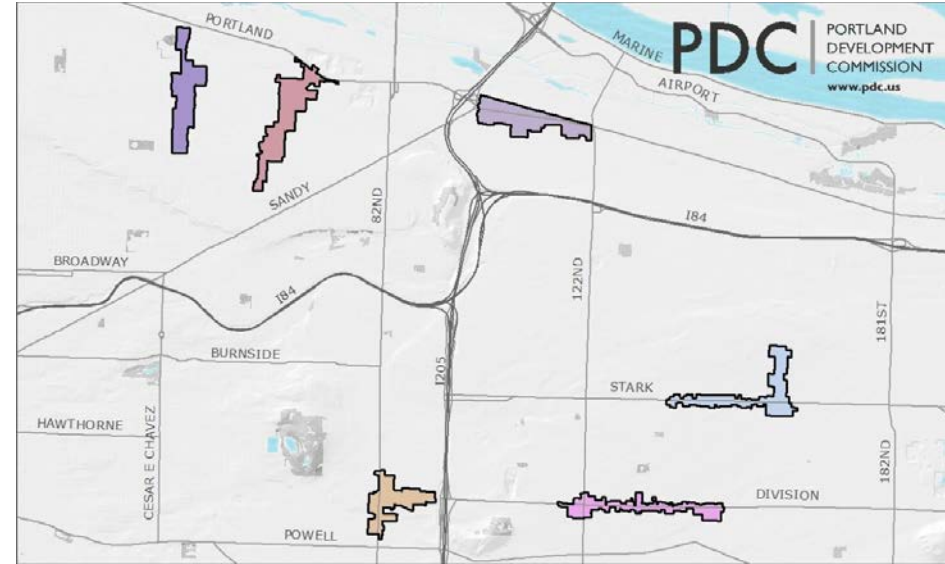
Gateway Regional Center URA Fast Facts

Maximum Indebtedness	\$164.2M
Maximum Indebtedness Used	\$46.0M
Five-Year Plan Additional Indebtedness	\$23.3M
Last Date to Issue Debt	2022
Acres	658.5
Assessed Value 2002-03	\$343M
Assessed Value 2015-16	\$553M
Housing Set Aside – Cumulative Target : 16-17 Budget	33% : 37%

Neighborhood Prosperity Initiative Districts

Key Programs/Project Goals

- District Improvement & Promotion Grants
- Full time district managers
- Capacity building & trainings



NPI URA (Combined) Fast Facts

Last Date to Issue Debt	n/a
Maximum Indebtedness	\$7.5M
Maximum Indebtedness Used	\$.6M
Acres	803.7
Housing Set Aside – Cumulative Target	
: Proposed	n/a

Questions & Discussion



FY 2016-17 General Fund Request

Program	PDC Requested and Proposed Budget			Recommended Changes		
	CAL	Decision Packages	PDC Total	Ongoing	1-Time and Carryover	Total Recommended
NPI and Main Street Network	\$ 786,148		\$ 786,148			\$ 786,148
Venture Portland	\$ 318,447		\$ 318,447		\$ 166,036	\$ 484,483
Small & Micro Business Technical Assistance	\$ 944,401	\$ (55,372)	\$ 889,029	\$ (20,239)		\$ 924,162
VOZ and SE Works	\$ 71,673	\$ (71,673)	\$ -	\$ (40,956)		\$ 30,717
Adult and Youth Workforce EOI	\$ 1,237,065	\$ 20,239	\$ 1,257,304	\$ 20,239		\$ 1,257,304
Small Business Working Capital	\$ 161,922	\$ (111,922)	\$ 50,000	\$ (111,923)		\$ 49,999
Powell/Division BRT Local Action Plan		\$ 400,000	\$ 400,000			\$ -
Small Business Increase Project		\$ 200,000	\$ 200,000			\$ -
Old Town/Chinatown Economic Development Grants		\$ 30,000	\$ 30,000		\$ 30,000	\$ 30,000
Innovation Fund (Bridging Tech Divide)					\$ 90,000	\$ 90,000
Living Cully					\$ 211,000	\$ 211,000
Neighborhood Subtotal	\$ 3,519,657	\$ 411,272	\$ 3,930,929	\$ (152,879)	\$ 497,036	\$ 3,863,814
Cluster Development	\$ 1,327,455	\$ (74,870)	\$ 1,252,585	\$ (74,870)		\$ 1,252,585
Entrepreneurship Support	\$ 527,196	\$ 24,870	\$ 552,066	\$ 24,870		\$ 552,066
Portland Benefit Corp (B-Corp) Program		\$ 350,000	\$ 350,000	\$ 275,000	\$ 75,000	\$ 350,000
Healthcare and Biotechnology Cluster		\$ 150,000	\$ 150,000			\$ -
Traded Sector Subtotal	\$ 1,854,651	\$ 450,000	\$ 2,304,651	\$ 225,000	\$ 75,000	\$ 2,154,651
TOTAL	\$ 5,374,308	\$ 861,272	\$ 6,235,580	\$ 72,121	\$ 572,036	\$ 6,018,465

FY 16-17 General Fund Request

Powell-Division BRT - \$400,000

Allow for the implementation of an on-the-ground Community Development Team that will be focused primarily in the Division portion of the BRT corridor within Portland (82nd Ave to the Portland/Gresham boundary). Three primary functions will be expanded or put in place including:

- Community Outreach Worker
- Workforce Navigator
- Business Technical Assistance Advisor

Grants to NPIs and qualified service providers will fund positions. Positions will work as a team and in close coordination with the Jade and Division Midway Alliance NPIs. Some funding may also be used to work with anchor institutions around employment and business opportunities.

FY 16-17 General Fund Request

Small Business Increase Project - \$200,000

The Small Business Increase Project is a wealth creation initiative that uses the nationally recognized StreetWise 'MBA'™ curriculum to provide growth-oriented small business owners the opportunity to develop a roadmap for expansion.

Metric	Target
Number of businesses enrolled in program	30
Number of businesses who complete a 3 year growth plan	80%
Number of businesses who maintain or increase revenues (reported 1 year after graduation)	80%
Number of businesses connected to a mentor after graduation	80%
Number of businesses who access financing (reported 1 year after graduation)	50%
Number of businesses who hire additional employees (reported 1 year after graduation)	50%

FY 16-17 General Fund Request

Portland Benefit Corporation Program (B-Corp) - \$350,000

- Procure and develop a company assessment tool in partnership with B-Lab, a national nonprofit organization focused on promoting B Corps and helping communities launch B Corp programs;
- Establish a “Best for Portland” campaign to encourage local companies to seek B Corp certification and a rewards program for top performers;
- Coordinate company training and technical assistance;
- Procure (direct hire or consultant) a program manager.

Metric	Target	Time Frame
# of new companies participating in B Corp assessment program	50	FY 16-17
% of participant companies that increased their B Corp score following first assessment and technical assistance	50%	FY 16-17

FY 16-17 General Fund Request

Old Town/Chinatown EcDev Grants - \$30,000

Focus Area	Deliverables / Metrics
Event & Community Development Programming	Neighborhood events, markets, festival street activation; Opportunities for small business promotions; Coordination of branded investments including Big Bellies, streetlight banners, etc
Communications & Public Relations	Neighborhood website; Social Media strategy; Protocol/templates for neighborhood communications; Press releases & positive media placement; Coordination of various neighborhood campaigns/subcommittee activities
Partner Engagement	Engagement of area businesses and institutions to further implementation of Strategic Plan, including fundraising efforts and development of partnerships with PNCA, UO, etc.
Development Resources	Vacant business mapping; education re: PDC & City resources; distribution of district data applicable to business development decisions (demographics, ped counts, etc)

FY 16-17 General Fund Request

Healthcare Cluster - \$150,000

Funds would be used to procure (direct hire or consultant) a full time business development coordinator focused on business development (business recruitment, retention and expansion), as well as implementation of signature industry and workforce programs and initiatives.

Metric	Target	Time Frame
# of healthcare cluster business retention/expansion visits	50+	FY 16-17
# of healthcare cluster business relocations (within Portland)	2	FY 16-17
# of healthcare cluster direct assistance, referral activities	75	FY 16-17
# of successfully launched entrepreneurship programs launched to support emerging healthcare cluster businesses	1	FY 16-17
# of successfully launched supply-chain programs focused on connecting priority businesses to healthcare procurement opportunities	1	FY 16-17

FY 16-17 General Fund Request

Small and Microenterprise Business Development- (\$35,133)

Ten qualified non-profit organizations deliver technical assistance and training to approximately 500 businesses each year. City funds pay for 1:1 tailored business advising and on-site, drop-in business advising provided in most NPI and Main St areas.

Measures	Target with Reduction	Target without Reduction
Long term, tailored, one-on-one advising		
Number of businesses served	350	320
Number of technical assistance hours provided	17,800	15,800
Percent of businesses of color served	70%	70%
Percent of business owners with limited English proficiency	30%	30%
Percent of businesses with a Median Family Income at or below 80% at enrollment	90%	90%
Drop-in advising at NPI and Main Street offices		
Number of businesses served	360	360
Number of technical assistance hours provided	1,500	1,500

FY 16-17 General Fund Request

Small Business Working Capital (\$111,923)

The Small Business Working Capital Program is utilized to increase access to capital for small businesses. Emphasis in the program is on businesses that have historically faced barriers accessing financing from traditional lenders.

Metric	Target with Reduction	Target without Reduction
Number of transactions	10*	30*
Leverage per transaction	Minimum of 1:2	Minimum of 1:2
Default rate	5%	5%

*Assumes an average loan size of \$15,000.

FY 16-17 General Fund Request

SE Works Youth Transition Program (\$40,956)

The Youth Transition Project is a youth workforce development program that is focused on serving at-risk low-income 16-21 year olds. The Program seeks to break the cycle of poverty through attainment of a General Education Diploma (GED) and successful transition to college.

FY 14/15 City Contract		
Metric	Target	Outcomes
Enrollment in GED	60 participants	68
GED Test Completed	51 (85% of participants)	51 (75%)
GED Earned	43 (85% of test takers)	24 (47%)*

**The national average of GED Earned for 2014 was 35%..*

FY 16-17 General Fund Request

Voz (\$30,717)

The City's investment partially funds 2 FTE at Voz. Additionally, the City funds are used to help fund two part-time positions of the Worker Center Coordinators who handle day-to-day operations at the center, including worker registration and dispatching.

Goals:	Outcome:
Support for 400 day labors.	872 workers served, 3,275 day labor hires facilitated
Train 26 individuals in computer literacy.	16 classes with a total of 128 individuals trained in computer literacy.
4 ESL classes	4 English as a second language classes held and attended by 20 individuals
Train at least 96 day laborers	200 day laborers trained in Siding, Flooring/Tile, Basic Plumbing, Basic Electricity, Doors and Windows installation, Silkscreen, and Pruning
Conduct 6 trainings.	Completed six (6) Health and Safety Trainings (OSHA Certified) provided for 102 individuals
Offer monthly "Know your Rights" trainings.	Completed twelve (18) "Know your Rights" trainings covering labor rights and wage theft prevention tools.
Average hourly wage of \$12.87	Day Labors guaranteed at least \$12.00/hour.
Ongoing assistance to day laborers	34 Wage Theft cases worked through our Legal Wage Claim Services with claims totaling \$34,454, and \$13,743 recuperated. As of June 20, 2015 six (6) of those cases were still on-going.

FY 16-17 General Fund Request

Greater Portland Inc. (\$50,000)

For the past four years, the City of Portland has invested \$100,000 annually in GPI to lead regional economic development. The City's General Fund investment has focused primarily on, marketing and branding the region to business stakeholders, coordinating local business retention/expansion projects where multiple greater Portland jurisdictions are under consideration, and managing regional business relocation projects.

Metric	Target	Result
# of coordinated retention/expansion projects where region's outside of Portland are consideration	1-3	1
# of business recruitment prospects and leads developed	50	58
# of regionally coordinated recruitment RFP and RFI responses	25	34
# of foreign direct investment events with foreign investment teams planned and coordinated	4	4
# of outbound recruitment and sales trips planned and executed	4	5
# of inbound site selector visits coordinated	3	3
# of earned media ad placements highlighting Portland companies or industries	At least 1	6