



Multnomah CountyDRAFTDRAFT
Agenda Placement Request
Budget Modification
(FY 2025)

Contingency Request

Board Clerk Use Only

Meeting Date: _____

Agenda Item #: _____

Est. Start Time: _____

Agenda Title: BUDGET MODIFICATION #D3-001-25: Requesting \$100,000 of one-time-only funding from the General Fund Contingency in order to Conduct an Economic Development Landscape Analysis and Report of Multnomah County to Inform a Countrywide Economic Development Strategy

Requested Date: April 17th	Time Needed: 25 min
Department: Office of District 3; Chair's Office	Requester Name & Email:
Division: N/A	Bryan Hockaday bryan.hockaday@multco.us

Please list all presenters, with their titles, organization or department, in order of speaker, or note if their role is to answer questions:

Bryan Hockaday, District 3 Chief of Staff

Will your group join virtually or in-person? (check one)

- ☒ Presenters will be in the Multnomah Building Boardroom.
☐ Presenters will be virtual/online

Budget Modification

1. Please provide a summary of the action you are requesting from the Board.

It is requested that \$100,000 of one-time-only County General Fund be allocated from contingency to fund a landscape analysis, including baseline economic data, and a report of economic development needs and opportunities in Multnomah County, as well as an assessment of economic development

strategies currently being pursued by State, regional and local partners. The report will also provide recommendations and next steps to inform an economic development strategy for the County.

It is requested that the Department of County Management oversee the contracting and delivery of this report. Development of the report should be guided by an advisory task force of economic development experts, local business representatives, a labor representative from the Northwest Labor Council, selected Department leadership, Chair Jessica Vega Pedersen and Commissioner Julia Brim-Edwards, as well as include engagement with local, state and regional economic development organizations. The report and recommendations will be presented to the Multnomah County Commission no later than August 15, 2025 to inform next steps of the County's economic development strategy implementation.

The County has a unique responsibility and plays a vital role as the provider of social services, health services and supportive safety net services. These include key economic development and empowerment strategies, as well as addressing our homelessness crisis, economic opportunity and living-wage jobs, workforce development, expanding access to high-quality preschool, and investing in community-based strategies to mitigate the impacts of the climate crisis. However, the County's ability to fund and provide these critical services is inextricably linked to the vitality of the local economy and wellbeing of our workforce. It is then imperative that the County play an active role in improving economic conditions for Multnomah County residents by accelerating economic development and creating more opportunities for county residents.

Historically, economic development initiatives in Multnomah County have been led by cities and partnering entities that focus on the Downtown core and Central City. The County should have a seat at the tables of these efforts to revitalize the Central City and support strategies that promote sustained economic growth and activity downtown, which directly contributes to the County's economic outlook and ability to provide core services.

Further, Multnomah County for decades has played a limited role in propelling economic development in the County, and an economic development landscape analysis report will inform the development and implementation of county-specific strategies to effectively retain and grow existing businesses, industries and employers that attract and retain traded sector jobs; recruit new businesses and employers; support a diverse, competitive workforce; and spur community and multigenerational wealth throughout the County, including in North Portland, Northeast Portland, Southeast Portland and East Multnomah County.

Conducting this economic development landscape analysis and report should consider the following:

- **Economic Indicators:** Collect data on employment rates, income levels, industry composition, population demographics and business activity. Identify potential growth sectors and competitive advantages that will retain, grow and attract existing and emerging industries to Multnomah County, including in the Industrial & Manufacturing Corridor, East County Growth & Innovation Zone, Port & Logistics Hub, and new Tax Increment Financing (TIF) Districts.
- **Comparative Analysis:** Compare Multnomah County's economic performance and development potential to other regions and counties. Identify areas where Multnomah County falls short compared to best practices or desired outcomes.

- **Local Regulations and Taxes:** Understand zoning and land use laws, regional and state taxes, permitting processes and other regulations that impact economic development.
- **County Assets:** Assess the availability, quality and value of County properties, land and assets and develop strategies to partner with developers to activate or reimagine these assets for community use or business development. Specific consideration should be given to tax increment finance districts and the County's diverse neighborhood business districts and cultural districts.
- **Cost of Living, Wages and Workforce Development:** Analyze factors that contribute to Multnomah County's cost of living, including housing affordability, household incomes, vacancy rates, access to homeownership and types and supply of available housing. Assess existing workforce development strategies and initiatives, including those that connect with local education institutions, community colleges and technical certification schools to provide pathways to career and professional advancement. Work led by County Commission members should help inform recommendations on workforce development needs and opportunities.
- **Engagement:** Conduct surveys, interviews and focus group studies with County residents, local businesses, neighborhood business districts, labor representatives, neighborhood and cultural business districts, community organizations, culturally specific chambers of commerce and regional development organizations to gather insights and perspectives.

2. Provide a brief overview of the current program, and explain what is changing in the budget modification. Include both policy and operational changes, and provide details if this program provides services to specific communities. Please note which Program Offers this action affects.

This budget modification will provide funding for a landscape analysis and report and recommendations of economic development needs and opportunities in Multnomah County. This landscape analysis and report should leverage the strategic initiatives and efforts already underway and identify strategies that propel economic development in Multnomah County by working with businesses, industry stakeholders, educational institutions and regional development organizations, including the following:

- **The Port of Portland** significantly contributes to economic development through freight and passenger service and several small business programs, including a mentorship program, a Disadvantaged Business Enterprise (DBE) program. The Port's Industrial and Economic Development division manages six business parks and prides themselves as drivers of local industry and innovation.
- **Micro Enterprise Services of Oregon (MESO)**, which exclusively serves the Portland metro area, provides entrepreneurs with business advertising and strategic planning services, lending and credit-building opportunities and professional development training.
- **The Gresham Area Chamber of Commerce** has been a driving force behind the growth and prosperity of Gresham, fostering a business-friendly environment and supporting the local economy. The Chamber is an East Multnomah County catalyst for economic development that advocates, educates, and collaborates to produce vitality and prosperity.

- **The Albina Vision Trust (AVT)** is a community-driven non-profit created to buy back land, rebuild community, and reroot Black legacies and Black futures in the heart of Portland's central city. The Albina Vision Community Investment Plan that AVT initiated is building on the work of a wide range of community partners who created a development vision that lays the groundwork for investment. The vision is anchored by equitable public park spaces that seamlessly connect to the river and its surrounding neighborhoods.
- **Greater Portland Inc (GPI)** emphasizes large-scale business and industry growth by providing consulting services, networking opportunities and other resources for companies that wish to establish themselves in the area. Its sister organization, the **Greater Portland Economic Development District (GPEDD)**, is the EDA-designated nonprofit organization that serves Clackamas, Multnomah, Washington and Clark counties, focusing on sustainable growth, small business development and upward mobility within the workforce. GPEDD produces a five-year Comprehensive Economic Development Strategy for this district of counties.
- **Portland Metro Chamber** supports commerce through resource sharing, policy research, advocacy and professional development opportunities. Though economic development is not its sole focus, the Chamber plays a key role in the local business environment. Recent notable work includes publishing reports on economic conditions and endorsing tax credits that will incentivize business growth. Its sister organizations, Downtown Portland Clean & Safe and Partners in Diversity, also contribute to commercial activity in the metro area.
- **Travel Portland** promotes the metro area as a desirable location for visitors by promoting local restaurants, shops, lodging and recreational opportunities. Additionally, Travel Portland advertises Portland as a destination for conventions, conferences and other large groups through marketing and sales activities.
- **Business Oregon** is the state's economic development agency. The Business Oregon Commission oversees the agency's activities to ensure a coherent, integrated approach to economic development and a continuous policy direction that can transcend changes in executive and legislative leadership. As a trade dependent state and region, coordination with Business Oregon and the Port of Portland is essential to supporting the County's trade-related economic activity.
- **Better Portland** is a network of community and business leaders that connects businesses, entrepreneurs, nonprofits and other organizations to foster collaboration and community impact through social engagement to support business growth in Portland.
- **Sport Oregon**, which was established in mission is to drive economic development and enhance quality of life for all Oregonians through sport, which plays a significant role in driving economic vitality, supporting jobs and local businesses, fostering social connections, and igniting emotional pride.
- **Education and Research partners**, including Portland State University, Oregon Health and Sciences University, Portland Community College and Mt. Hood Community College, as well as Oregon State University's Portland Center and Food Innovation Center and the University of Oregon Ballmer Institute, which connects with industry and economic development leaders to

develop and provide continuing education programs and certification training by subject-matter experts. These programs offer training in high-demand fields like manufacturing, healthcare and renewable energy and provide paths to well-paying jobs and careers.

3. How will the changes from this budget modification be measured?

This report will inform the development and implementation of a countywide economic empowerment strategy that spurs sustained economic growth, contributes to rising household incomes and expands access to capital for local entrepreneurs, particularly for people of color, women, low-income, veterans and underrepresented communities.

4. Explain the fiscal impact (current year and ongoing), including the following:

In FY 2025, the Chief Financial Officer's program offer 72003 General Fund appropriation will be increased by \$100,000 of one-time-only funding in order to fund the economic landscape analysis. These one-time-only costs will not reoccur in future fiscal years.

5. Explain any legal and/or policy issues involved.

The County has County Video Lottery (VLF) revenue that can be used to support countywide economic development and empowerment strategy that includes measurable targets. The County's use of VLF is governed by Oregon Revised Statute (ORS) 461.512, which requires VLF, including interest earned on those funds, to be deposited in a dedicated accounting fund used to further "economic development," and used to pay administrative expenses tied to ensuring the County's use of VLF complies with Oregon law.

In turn, "furthering economic development" is defined in ORS 461.540(3)(c), which states that the term includes, without limitation, providing:

- Services or financial assistance to for-profit and nonprofit businesses located or to be located in Oregon;
- Services or financial assistance to business or industry associations to promote, expand or prevent the decline of their businesses; or
- Services or financial assistance for facilities, physical environments or development projects, as defined in ORS 285B.410 (Definitions for ORS 285B.410 to 285B.482) that benefit Oregon's economy.

Examples of "furthering economic development" include:

- A project that involves strategic planning, training or other technical assistance as defined by the Oregon Business Development Department by rule, and that is aimed at strengthening the economic development, community development or infrastructure priority setting of a municipality or region.
- A project for the acquisition, improvement, construction, demolition, or redevelopment of municipally owned utilities, buildings, land, transportation facilities or other facilities that assist the economic and community development of the municipality, including planning project activities that are necessary or useful as determined by the Oregon Infrastructure Finance Authority.

The Video Lottery Funding is currently allocated in the FY 2025 budget. If the Board of County Commissioners is interested in more direct use of VLF for economic development, we would need to consider other funding sources for the programs that are currently supported by the funds. For more information on those programs please see the [Chief Financial Officer's FY 2025 Video Lottery memo](#).

6. Explain any community and/or other government participation.

This landscape analysis report should leverage the strategic initiatives and efforts already underway and identify strategies that propel economic development in Multnomah County by working with businesses, industry stakeholders, educational and research institutions, and regional development organizations, as noted above.

7. What revenue is being changed and why? If the revenue is from a federal source, please list the Assistance Listing Number (ALN).

N/A

For Grants Only

8. What period does the grant cover? What programmatic needs are anticipated after the grant expires, and how do you anticipate funding them? N/A

9. What stipulations are required by the grant (E.g. cash match, in kind match, reporting requirements, etc.)? N/A

10. What has significantly changed from when the Notice of Intent (NOI) was approved to apply for the grant? N/A

11. Is 100% of the central and department indirect recovered? If not, please explain why. N/A

For Contingency Requests Only

12. Why was the expenditure not included in the annual budget process?

The rapidly changing landscape of the economic drivers in Multnomah County and the need to conduct a detailed landscape analysis was not anticipated during the budget development process.

13. What efforts have been made to identify funds from other sources within the department/agency to cover this expenditure?

All funding has been allocated in the FY 2025 budget; this need was not anticipated during the budget process.

14. Why are no other department/agency fund sources available?

All funding has been allocated in the FY 2025 budget; this need was not anticipated during the budget process.

15. Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account. What are the plans for future ongoing funding?

This is a one-time-only request, no future funding is expected.

16. Has this request been made before? When? What was the outcome?

Funding has not been requested in the past.

Required Signature

Elected Official or Dept. Director:	<u>/s/ Commissioner Brim-Edwards</u> <u>/s/ Chair Jessica Vega Pederson</u>	Date: <u>April 4, 2025</u>
Budget Analyst:	<u>/s/ Christian Elkin</u>	Date: <u>April 4, 2025</u>
Department HR:	<u>/s/ N/A</u>	Date: <u>April 4, 2025</u>
Countywide HR:	<u>/s/ N/A</u>	Date: <u>April 4, 2025</u>

Exp/Rev/FTE - Budget Modification

Budget Year: 2025

Budget Modification: D3-001-25

Expenditures & Revenues

An increase in revenue is shown as a positive value and a decrease as a negative value.

Program Offer	Fund	Revenue/Expense	Cost Object	Ledger Account	Current Amount	Revised Amount after Budmod	Change Increase/ (Decrease)
72003 - FRM Chief Financial Officer							
01000 - General Fund							
	Expenses	704050	60170 - Professional Services		41,000	141,000	100,000
Total Expenses in 01000 - General Fund					41,000	141,000	100,000
Total Revenue less Expense in 01000 - General Fund					(41,000)	(141,000)	(100,000)
95000 - Fund Level Transactions							
01000 - General Fund							
	Expenses	9500001000	60470 - Contingency		23,065,469	22,965,469	(100,000)
Total Expenses in 01000 - General Fund					23,065,469	22,965,469	(100,000)
Total Revenue less Expense in 01000 - General Fund					(23,065,469)	(22,965,469)	100,000

Exp/Rev/FTE - Budget Modification

Budget Year: 2025

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Net Change by Fund Hierarchy and Department

An increase in revenue is shown as a positive value and a decrease as a negative value.

Fund Hierarchy	Department	Revenue Change	Expense Change	Net Change
1000 - General Fund	72 - County Management	0	100,000	(100,000)
	92 - Overall County	0	(100,000)	100,000
	Total 1000 - General Fund	0	0	0
Total		0	0	0

Exp/Rev/FTE - Budget Modification

Budget Year: 2025

Budget Modification: D3-001-25

Annualized Personnel Changes

No positions were affected by this Budget Modification.

Current Year Personnel Changes

No positions were affected by this Budget Modification.