



Affordable Commercial Tenanting Grant for Interstate Corridor - Applications Now Open

The [Affordable Commercial Tenanting \(ACT\) Grant](#) is a new grant program from Prosper Portland being piloted in the [Interstate Corridor Tax Increment Finance District](#).

The ACT Grant provides funding to property owners and small business owners who are in the process of negotiating a lease. The program is intended to facilitate access to commercial space and support inclusive business growth. Grant funds may be used for tenant improvements, space-related soft costs, and permitting support to ready space to open for business. Technical assistance may also be available for business support.



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Prosper Portland will provide funds for real property improvements in ground floor commercial properties, and opportunities for local business owners to connect to technical assistance to foster business growth and wealth creation. Grant awards will take into account the rent discount the property owner provides and tenant improvement subsidy needed. Awards will not exceed \$300,000.

Eligible Property Owner: a private entity or a community based organization that leases to a qualified small business (see [Eligible Business Owner](#), below)

Property:

1. Property must be located within the [Interstate Corridor Tax Increment Financing district](#)
2. Property owner must own a commercial space that shall be delivered in warm shell standard to support move-in readiness. Warm shell standard shall include elements such as: finished HVAC system, drywall, flooring, ceiling, basic plumbing, electrical with outlets, lighting, and approved according to City of Portland building code requirements. A portion of the grant funds may be used to cover expenses to bring the space to this standard, but the majority of

flooring, ceiling, basic plumbing, electrical with outlets, lighting, and approved according to City of Portland building code requirements. A portion of the grant funds may be used to cover expenses to bring the space to this standard, but the majority of funds must be used for tenant specific improvements. If additional funding is needed to bring space to a warm shell standard, Prosper Portland may have other grant or loan programs available, pending eligibility.

3. Property must be at ground floor level.
4. Property must be zoned for commercial/mixed use.
5. Property owner must have a maintenance plan in place for the duration of the lease.
6. All financial obligations related to the property must be current, including taxes and debt payments.

Lease Terms:

1. Lessor must agree to provide a lease agreement for a minimum of three years to qualified business owners who fulfill the eligibility criteria.
2. Lease agreement(s) must provide for at least one of the following: a lease rate that is 10-25% below market rate of a comparable property, a period of rent abatement, and/or capped rent escalations during the affordable rate period with the intent of stepping up towards a market rate.



**Eligible Business
Owner**



Ineligible Entities



Eligible Business Owner

Business owner must identify with one or more of the following criteria:

1. Has been or is at risk of displacement due to gentrification;
2. Has limited access to employment opportunities, limited access to capital, and/or has not benefited from generational wealth;
3. First generation business owner and/or first-generation college graduate; and/or
4. Provides a product or service that benefits a historically underserved population.

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1. Previous experience in their industry through pop-up shops, markets, trade shows, etc. with the concept they are bringing to market with this new location.
2. Experience with a mobile business, such as a food truck
3. Local business owner who previously had a business in the area but closed due to displacement or lack of access to capital; or
4. Local business owner with a proven concept who is looking to expand into a second location.

Eligible Property:

Applicant must have or be in the process of securing a lease that meets the criteria under [Eligible Property](#) and [Lease Terms](#), above.

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Business License:

Applicant must have business registered with the [State of Oregon Business Registry](#) and have a current [City of Portland business license](#) by the time of the lease and grant agreement.



Ineligible Entities

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Grant Funds

Grant funds are available for tenant improvement hard and soft costs, including achieving the warm shell standard articulated in the [Eligible Property Owner](#) section, above.

1. Grant amounts shall not exceed \$300,000
2. Grant amounts will generally be equal to the rent discount and tenant improvement subsidy provided to the benefit of tenants over the term of the lease; the majority of funds is for tenant specific improvements
3. Funds must be directed to warm shell or business specific tenant improvements for the business owner who is entering into a lease agreement with the property owner
4. Grant funds are subject to budget availability

Grant funds will be issued on a reimbursement basis to pay for:

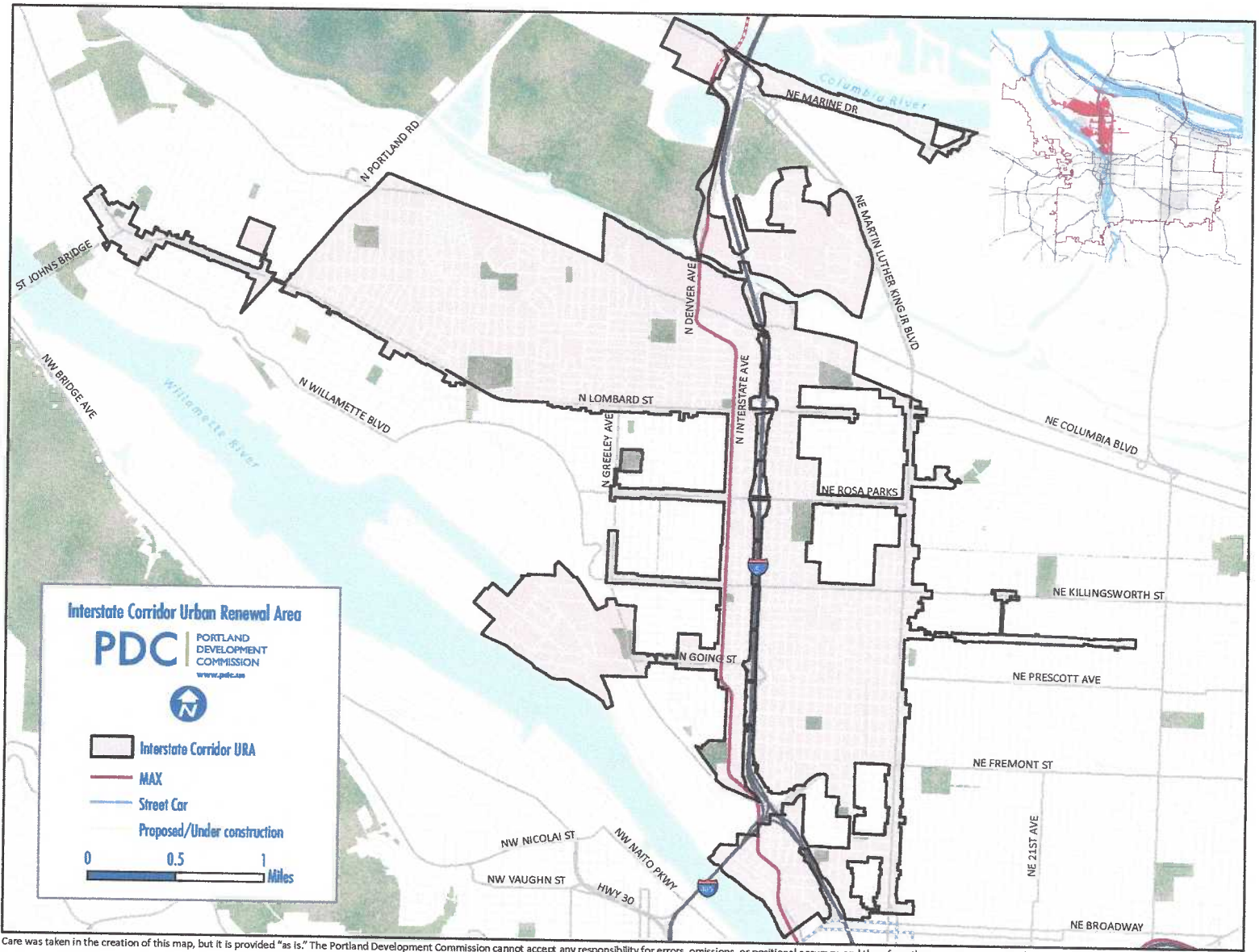
1. Hard costs to ready the space for leasing (referred to in the [Property](#) section, above) and other tenant improvement-related costs including but not limited to signage, landscaping, lighting, security upgrades
2. Up to \$25,000 can be used for soft costs including design, architectural and engineering services, permitting fees, and project management
3. Up to \$25,000 can be directed toward predevelopment work, including architectural services, structural engineering, and environmental, market, or financial analysis associated with physical construction



Ineligible Expenses

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1. Inventory purchase or replacement
2. Non-permanent fixtures (e.g., unsecured shelving, furniture, etc.)
3. Operating expenses (owners or employee wages, marketing, equipment, research and development, rent, etc.)
4. General small business technical assistance (e.g., business planning or other support to strengthen business operations)



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