

**Priority:** Basic Needs  
**Program Offer Type:** New Program  
**Related Programs:**

**Lead Agency:** County Human Services  
**Program Contact:** Ray Hudson

**Program Characteristics:**

**Executive Summary**

This three-year pilot prevention program will offer low-income youth with skills, motivation and interest in microenterprise the individually tailored business training, business plan development, personal development, access to capital, health and wellness support, life skills, mentoring, and linkage to social services they need to develop successful microenterprises.

**Program Description**

In 2004 the Portland Economic Opportunity Initiative, coordinated through City of Portland's Bureau of Housing and Community Development, initiated a collaborative system of small economic support projects aimed at increasing the income of targeted low-income residents by at least 25 percent over a three-year period. More than 30 small projects involving microenterprise, youth workforce, and adult workforce initiatives have been funded. However, all the youth projects involved traditional workforce approaches that attempt to steer the youth into traditional existing job placements. This pilot will provide youth the opportunity to develop microenterprises such as web site design, food carts, bakeries, and small craft and manufacturing businesses. Approximately 30 youth will be provided support services over a 3 year period with the goal of increasing their income by at least 25% by helping them develop microenterprises. This cooperative effort includes City of Portland, Northwest Area Foundation, United Way and U.S. Department of Housing and Urban Development. County funds would be leveraged 100% through other contributions and procured competitively. The program would not be limited to the City of Portland geographic area, Portland providers, or Portland youth.

**Program Justification**

This program supports Basic Needs strategy 6 by increasing income and self-sufficiency for high-risk youth. It links to the school aged policy framework by providing supports for school-aged youth. Poverty is a key risk factor for substance abuse and other youth risky behaviors. The American Dream - hope for a successful affluent life through hard work - fosters success and lowers problem behaviors. Yet, youth employment opportunities are bleak - a limited number of family wage jobs, many entry-level jobs at or below poverty, and low long-term stability for high paying jobs. One solution is to provide youth the opportunity to develop microenterprises based on their own initiative, interest, and unique skills. Successful microenterprises often expand to provide employment for others and potential expansion into the major employers of tomorrow. This pilot will provide opportunities to 30 high-risk youth and demonstrate the value of youth microenterprise development projects. It is provided through a proven collaborative network funding multiple providers that run small economic opportunity projects with a proven record of fostering successful microenterprise startups and increasing incomes of low-income clients.

**Performance Measures**

Measure Type	Primary Measure	Previous Year Actual (FY04-05)	Current Year Purchased (FY05-06)	Current Year Estimate (FY05-06)	Next Year Offer (FY06-07)
Output	Clients served	0	0	0	30
Outcome	Average increase in client income over three years	0%	0%	0%	25%
Outcome	Clients launching new business during first year	0%	0%	0%	45%

**Performance Measure - Description**

Key to success of this program are intensive support services, costing approximately \$6,000 per youth. This limits number of youth served to approximately 30. Additional measures of program intensity will be developed during procurement/contracting phase of the project depending on the details of the program approach. More than 30 youth would be served initially to allow for normal attrition.

## Legal/Contractual Obligation

The project should be funded for a period of no less than three years in order to demonstrate successful outcomes.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
<b>Program Expenses</b>	2006	2006	2007	2007
Contracts	\$0	\$0	\$75,000	\$0
Subtotal: Direct Exps:	<b>\$0</b>	<b>\$0</b>	<b>\$75,000</b>	<b>\$0</b>
Administration	\$0	\$0	\$2,944	\$0
Program Support	\$0	\$0	\$8,520	\$0
Subtotal: Other Exps:	<b>\$0</b>	<b>\$0</b>	<b>\$11,464</b>	<b>\$0</b>
Total GF/non-GF:	<b>\$0</b>	<b>\$0</b>	<b>\$86,464</b>	<b>\$0</b>
Program Total:	<b>\$0</b>		<b>\$86,464</b>	
Program FTE	0.00	0.00	0.00	0.00
<b>Program Revenues</b>				
Program Revenue for Admin	\$0	\$0	\$0	\$0
<b>Total Revenue:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Explanation of Revenues

CGF revenues of \$75,000 would be matched 100% with collaborative funding.

## Significant Program Changes

**Last year this program was:**

New program