

A Vibrant City

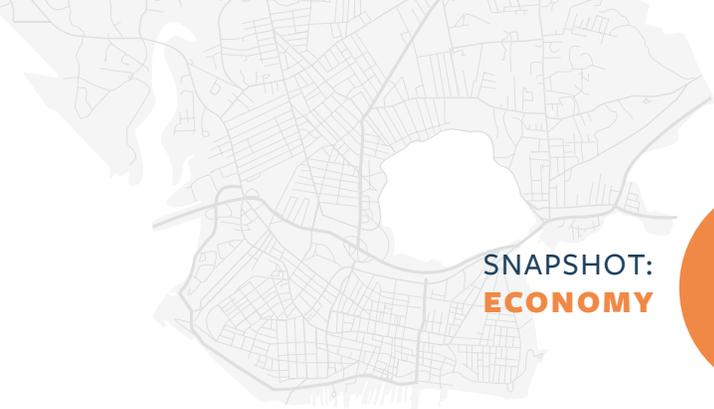
A SUSTAINABLE AND EQUITABLE PORTLAND is one that supports local businesses and large institutions, includes a diversity of sectors, and provides a welcoming environment for new and existing residents and entrepreneurs. Portland's historic industries, such as manufacturing, fishing, shipping, and tourism, are still relevant and evolving, but Portland's 21st century economy is increasingly diverse, with statewide impacts and global connections, simultaneously serving as a financial and services center, a thriving local food cluster, a port of international trade, a regional healthcare hub, and a flourishing center of arts and culture. Greater Portland represents approximately half the State of Maine's economic output, and at the heart of the region, Portland is an engine for Maine's economic health. The impact of Portland's economy is felt in the state in manifold capacities - its food culture is a catalyst for renewed agricultural growth in rural Maine, it is home to one of the states three key ports and largest airport and Portland's creative class has begun to spillover its own borders, helping to revitalize many other Maine cities and towns all across the state.

Portland is a tourism destination for its history, waterfront, arts and food and beverage scene. It is also successful as the signature urban location in a

state of great natural beauty. The combination of a vibrant city with an exquisite coast and proximity to lakes, rivers and mountains remains a key advantage for attracting tourists and full time residents alike. Having added 2,000 high-end hotel rooms in the last 5 years, and having seen its role as a cruise ship destination rise, Portland is a haven for travelers all around the world during peak season and a consistent regional attraction year-round.

The city's entrepreneurial ecosystem has gained national and global recognition. Our food and maker economy continues to thrive and we continue to explore way to grow our value-added industries such as brewing and distilling, seafood processing, farm-to-table restaurants and other food producers who build on the high quality raw materials of local agricultural and natural resources. In addition, remote workers represent a growing sector of our economy bolstered by our quality of life and transit infrastructure. Creative and collaborative workspaces are flourishing in the city providing opportunities to the changing needs of the 21st century workforce.

Portland is also once again becoming a center for global industry. The City's international shipping



SNAPSHOT: ECONOMY

capacity is growing and evolving to respond to the needs of a 21st century marketplace. The number of regional business with international influence is expanding and more and more employers are considering making Portland their global and U.S. headquarters.

The geography of the city's commercial activity is shifting, dynamic, and multi-nodal. Portland's downtown continues to grow and be a magnet for new business and tourism. In addition to areas such as the Old Port and the Arts District, in recent years new clusters of new economic activity have emerged. East Bayside has developed as the locus of local food and artisan entrepreneurial activity; Thompson's Point is re-purposing existing historic industrial structures into innovative additions to Portland arts and food scene; new businesses and housing are appearing on inner Washington Avenue; the International Marine Terminal is expanding; and the Eastern Waterfront is poised to achieve the vision laid out over a decade ago. Recent initiatives, such as the rezoning of Forest Avenue, public investments in Woodfords Corner, and the enactment of the India Street form-based code and historic district, have established policy frameworks that will continue to nurture growth and guide transformation. These examples demonstrate the importance not only of private investment, but responsive land use policies, transportation systems and supporting infrastructure that a healthy economy require.

Challenges for Portland's economy are many, including a scarcity of office, industrial and commercial space to meet current demand; an aging workforce; the need to develop and attract a workforce with appropriate skills to meet the needs of today's economy; low population growth; low household income relative to the region and the country; rising housing costs and insufficient housing supply that make it difficult for many to both live and work in the city. Improved broadband access and choice; however, remain significant obstacles to growing all aspects of economy.

Sustaining a robust and equitable economy will require Portland to accommodate emerging employment sectors, technological change, and shifting market demands. It will require support of a diverse set of industries and balancing of resource allocation across sectors. A robust and equitable economy also needs a sustainable transportation network, and a sufficient supply of housing that is accessible to its workforce - goals supported throughout this plan. Portland's economy is marked by a unified working culture that brings municipal, private sector and non-profit leaders together in common purpose for greater prosperity for all City residents and workers. Civil discourse and mutual respect are hallmarks of the way in which the City advances its economic agenda. Portland is poised for growth in population, jobs and greater economic and cultural diversity in the next ten years. As Portland faces future challenges of growth and evolution, it does so with a strong economic and civic foundation.



STATE GOAL

Promote an economic climate that increases job opportunities and overall economic well-being.

LOCAL GOALS

WE WILL:

Create economic prosperity by growing Portland's tax and employment base.

Value innovation and creativity as cornerstones of the local economy, central to Portland's uniqueness and diversity.

Reinforce the waterfront as a key component of Portland's economic health, balancing traditional and emerging industries with tourism and recreation.

Support sustainable growth in our educational and medical institutions.

Invest in, attract, and retain human capital to support a growing economy.

Respect that our unique quality of place is a key part of our current and future economic success.

Value and nurture business.

FUTURE STRATEGIES

1. ADOPT MEASURABLE OBJECTIVES

- Track economic indicators and periodically issue performance reports.
- Generate reports to keep staff and city leadership apprised of performance.
- Consider national best practices in developing metrics.

2. SUPPORT LOCAL BUSINESS

- Pursue policies that create, nurture, and retain local businesses.
- Support job creation and business growth through public initiatives and private partnerships.
- Strengthen city programs and services that support business development.

3. INVEST IN INFRASTRUCTURE

- Make physical improvements and expansions to below- and above-grade infrastructure, including utilities, stormwater, transit, parking, and streets, to maintain and accommodate new growth.
- Coordinate interdepartmental planning and investment strategies, which may involve strategic public investment, private investment, or public/private partnerships.

4. INVEST IN PEOPLE

- Prepare our current and future residents to compete in an increasingly knowledge-based economy.
- Invest in schools as a means of attracting, developing, and retaining an educated workforce.
- Explore the feasibility of a new city office to address issues of economic opportunity and workforce integration.

5. TARGET AREAS FOR JOB GROWTH

- Ensure that new employment can be accommodated in growth centers across the city.
- Evaluate zoning and the condition of existing infrastructure in target areas - downtown, in identified neighborhood centers, and along transit corridors - to ensure that employment growth can be supported.
- Modify ordinances and make strategic investments to better promote business development and job creation in these areas.

6. SUPPORT EDUCATION & HEALTHCARE

- Promote the orderly expansion of the institutional uses which are central to workforce development, employment, and the health of the local and regional economies.



SNAPSHOT: ECONOMY

7. ENCOURAGE INNOVATION AND ENRICH THE CREATIVE ECONOMY

- Capitalize on the potential of temporary measures, activities, and uses to support and develop life in the city, and explore models for incorporating changes in city policy in an incremental and scalable way.
- Continue marketing and branding programs and refine recruitment strategies.

8. EMPHASIZE ARTS AND CULTURE

- Leverage arts and culture as a central element of our distinct quality of place.
- Support our cultural institutions and our places for the arts.
- Improve access to arts and culture.
- Continue to celebrate the importance of arts and culture in Portland's dynamic nature.

9. INVEST IN TRANSPORTATION

- Recognize the role of the transportation system in the current and future economic health of the city.
- Maintain and invest in our multi-modal transportation system - the International Jetport, Ocean Gateway, passenger rail service, the International Marine Terminal, METRO, and the Portland



BUY LOCAL

Portland Buy Local is a campaign of the Portland Independent Business & Community Alliance with over 450 members. Their mission is to support locally owned, independent businesses in Portland, to maintain its unique community character, provide continuing opportunities for entrepreneurs, build community economic strength, and prevent the displacement of community-based businesses by national and global chains.

Portland Buy Local was borne out of research that consistently demonstrates the positive impacts of locally owned businesses, which tend to keep a greater share of money circulating in the local economy than their large national counterparts, and are relatively resilient in the midst of macroeconomic fluctuations. For example, recent research by the Maine Center for Economic Policy found that, in general, money spent at local businesses generates as much as a 76% greater return to the local economy than money spent at national chains. Research has identified other benefits of buying local as well - creating local jobs, reducing environmental impacts, promoting entrepreneurship, and fostering community among them.



SNAPSHOT: ECONOMY

Transportation Center - as a foundation for local, regional, and international economic growth and as a bridge to future economic opportunities.

- Enhance connectivity between transportation modes by expanding intermodal passenger service at the Portland Transportation Center, and between transportation hubs such as the Jetport, Casco Bay Island Ferry Service, Portland Transportation Center, and downtown.

10. SUPPORT THE WATERFRONT

- Recognize the waterfront as a major economic driver.
- Leverage the economic potential of Portland's marine sector as an innovator in climate change adaptation.

11. IMPROVE BROADBAND ACCESS

- Invest in broadband to support a 21st century workforce, including telecommuters and entrepreneurs, and connect our community.



WHAT IS THE CREATIVE ECONOMY?

Defined loosely, the creative economy is economic activity generated from creative pursuits, whether in association with the arts, culture, technology, or other creative sectors. The creative economy has been widely credited with leading economic growth in the last decade, and communities across the country continue to explore ways to foster it. The expansion of the creative economy has clear planning implications: it has already reshaped the way people work and where people work, allowing for major shifts in patterns of land use and transportation.

Over the past several decades, the City of Portland has seen significant growth in its creative economy, built largely around cultural institutions, higher education, and an entrepreneurial spirit, and with the support of both public policy and the work of local non-profits like Creative Portland and the Portland Downtown District. The creative economy is evident in the entrepreneurship of East Bayside, the breweries of Riverside Street, the restaurants of the Old Port, as well as in the success of independent businesses across the city.

RECENT & ONGOING INITIATIVES

In 2011, the city developed an Economic Development Vision + Plan in collaboration with the Portland Community Chamber of Commerce, Creative Portland, the Portland Development Corporation, Convention and Visitors Bureau, and Portland Downtown. This plan has helped guide recent economic development initiatives and programs in the city.

ECONOMIC DEVELOPMENT INITIATIVES

Economic Scorecard In 2016, the city engaged in an initiative, led by the Portland Regional Chamber of Commerce, to generate an annual Economic Scorecard to measure Portland's economic performance relative to other similarly sized US cities.

Regulatory Process In 2016, the City Council approved the creation of a new department to streamline Portland's development regulatory process and requirements through the creation of a new department.

Broadband Survey In the summer of 2016, the city released, in conjunction with Tilson Technologies, a Broadband Improvement Survey to

gauge Portland residents' and business owners' views of their current Internet service and potential improvements.

ECONOMIC DEVELOPMENT PROGRAMS

Site Location Assistance Site location assistance is available to help those seeking to start up, grow, or relocate their business find suitable buildings and property in Portland.

Commercial Lending The city offers a number of direct commercial loan programs to assist with business start-ups and expansions.

Business Technical Assistance The city partners with business counseling assistance programs such as the Small Business Development Center, SCORE, and Coastal Enterprises Inc. to provide technical assistance to businesses at all stages of development.

Explanation and Access to Financial Incentives

From tax increment financing to job training grants, the Economic Development Department offers guidance in matching available local and state business incentives to business needs.



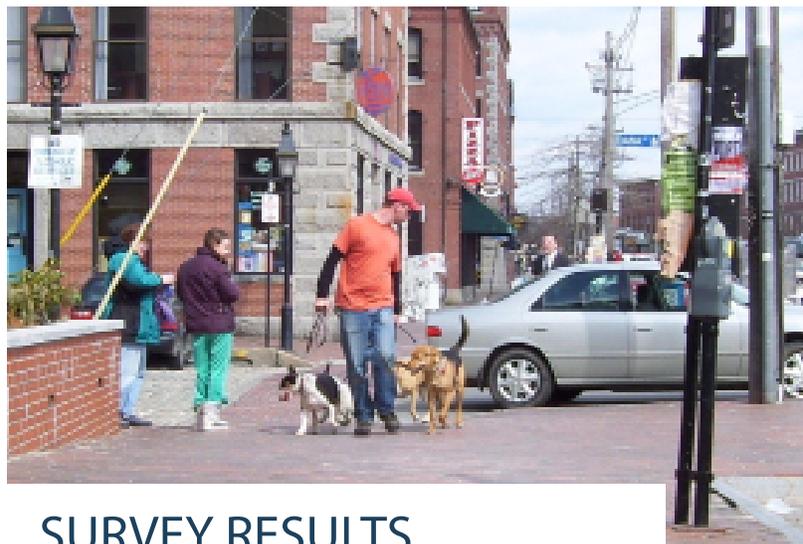
SNAPSHOT: ECONOMY

Marketing The city annually invests in marketing Portland's economic development programs through the City's website and in publications, including Portland's Downtown District Directory and Guide, and the Convention and Visitor's Bureau Guide, as well as through events and presentations in the region.

Portland Technology Park The Economic Development Department has led the development of the Portland Technology Park, an environmentally friendly business campus for innovative high tech companies, life sciences, and others.

Marketing of City-Owned Property The Economic Development Department is responsible for marketing and sales of available real estate located at the Portland Technology Park, in Bayside and the peninsula, and Riverside Street to attract private sector investment.

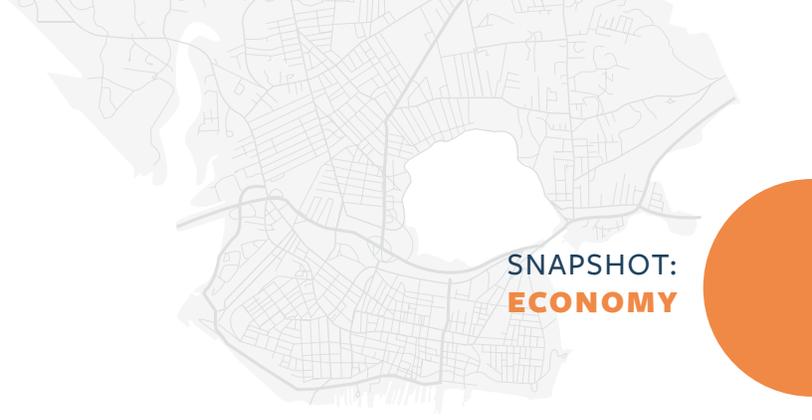
Façade Improvement Program The Economic Development Department administers a commercial façade improvement grant/match program targeting various commercial streets that need help to strengthen and enhance their streetscape. The program leverages private investment through incentive grants that help to fund the restoration/rehabilitation of storefronts, new signs, and awnings. When in an Historic District, or concerning a historic property, Economic Development and the Historic Preservation Program are jointly involved.



SURVEY RESULTS

What, if anything would you like to see municipal government do to support economic development in the City of Portland? (846 responses)

- Keep the economy diverse – green jobs, local food, manufacturing, working waterfront, downtown office space, creative sectors, start-ups
- Support local businesses and new entrepreneurs
- Support the arts
- Manage Parking
- Growth mixed use centers, on and off peninsula
- Improve transit, bike/ped linkages
- Promote housing affordability
- Promote commercial rent affordability
- Improve education/training of workforce
- Streamline permitting
- Streamline zoning code
- Support High Speed Internet
- Taxes (rates/incentives/commercial/residential)
- Support quality of place to attract and retain a quality workforce



**SNAPSHOT:
ECONOMY**

Job Creation Grant Program The Economic Development Department markets and administers the Business Assistance Program for Job Creation. The program assists new and expanding businesses with up to \$20,000 grants to create jobs for low/moderate income Portland residents, at \$10,000 per job.

Greater Portland Economic Development Corporation (GPEDC) Participating with South Portland, Westbrook, Scarborough, Falmouth, Cape Elizabeth, the Portland Chamber, and local education institutions through a regional economic development agency focused on out-of-state business recruitment, regional marketing, and regional economic growth.

Tax Increment Financing (TIF) The Economic Development Department has facilitated the creation of area-wide TIF Districts to support transit, economic development, public infrastructure and municipal finance.

City Economic Development Plan Both the development and implementation of the City's Economic Development Plan is a joint effort with a broad spectrum of community stakeholders.