

# **ECONOMIC RESOURCES**

## **Inventory and Analysis**

## ECONOMIC RESOURCES

### I. INTRODUCTION<sup>1</sup>

Portland is the central city of the most diverse regional economy in Maine and one of the most diverse in northern New England. It also has the largest residential population in the State with a socioeconomic demographic mix, which must be protected and strengthened by zoning, neighborhood preservation, and solid economic development. Portland is at once a manufacturing center, a distribution center, a financial center, and a services center. It is a center for each of these not merely in the sense that it has an important firm or two in the given category. Rather, it has achieved a level of specialization that in each case commands disproportionate share of employment compared with the State as a whole.

In the spring of 1993, the Industry and Commerce Plan Advisory Committee (ICPAC) was formed. The Committee with assistance from Market Decisions and Enterprise Resources reviewed the inventory of data collected on existing and potential industries in the Portland area and the potential financial incentive programs to aid in the recruitment, retention and expansion of our industries. The Committee also made Zoning Ordinance recommendations regarding the industrial sectors of Portland. The Portland Industry and Commerce Plan was adopted as an element of Portland's Comprehensive Plan and the zoning recommendations were reviewed and adopted by the city in 1997. Please refer to the original report for the full text of its inventory and the policies are listed in the policy section of this document. The ICPAC study contains extensive economic inventories and analyses on Portland's industry and commerce sector, public infrastructure, human resources and technological infrastructure, business capital resources, and target of opportunities.

Downtown Vision is the 1991 plan, which thoroughly evaluated the conditions of the retail, office, and tourism sectors of the downtown economy. The inventory for this plan is found within the original document and the policies are listed in the policy section of this document. The revitalization and initial efforts to support the city's arts industry are based on the findings and recommendations of this report.

In addition to the inventory and analyses contained in the above studies, an update of economic conditions in Portland follows using recently released Census data, State sales tax information, and Maine labor force figures. Portland also conducted an analysis of the city's art industry and developed the Portland Arts District Plan adopted in 1996. A summary of the findings from this report is contained under section XII.

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<sup>1</sup> Portland Industry and Commerce Plan, Prepared for City of Portland by Industry and Commerce Plan Advisory Committee, assisted by Market Decisions, Inc. and Gore Flynn, Enterprise Resources. 1994. page 1-1

## II. PORTLAND'S LABOR FORCE<sup>2</sup>

The U.S. Census defines labor force as all people classified in the civilian labor force (that is, "employed" and "unemployed" people) plus members of the U.S. Armed Forces. Thus, labor force statistics refer to the number of residents in a community who are working in any municipality or are unemployed (not at work at the time of the census, actively looking for work or available to start a job). Portland's labor force figures refer to the city's residents who are employed or unemployed, but the figures do not refer to the number of jobs within the city.

Portland's labor force represents roughly 25% of Cumberland County's total labor force (refer to Table 1). The city's total labor force has 37,543 persons and almost all of these individuals are part of the city's civilian labor force. Only 72 residents are employed in the armed services. The Census reports that 1,781 persons are unemployed, which is an unemployment rate of 4.8% for the city, which is higher than the county's rate of 3.6%. Portland's total population of persons 16 years and over in age is 53,543. Of this total there are 16,540 persons who are not participating in the labor force; thus, Portland's labor participation rate is 69%. This rate is equal to the rate in Cumberland County and exceeds the state participation rate of 65.3%.

Table 1

	Portland	Cumber- land County	% of County in City	Maine
<b>Population 16 years and over</b>	53,543	210,662	25.4%	1,010,318
In labor force	37,003	145,269	25.5%	659,360
Civilian Labor Force (CLF)	36,931	143,908	25.7%	655,176
Employed	35,150	138,612	25.4%	624,011
Unemployed.	1,781	5,296	33.6%	31,165
Unemployment Rate - CLF	4.8%	3.6%		4.7%
Armed Forces	72	1361	5.3%	4184
Not in labor force	16,540	65,393	25.3%	350,958
Labor Force Participation Rate	69.1%	69.0%		65.3%
<b>Females 16 and Over</b>	28,349	110,364	25.7%	525,690
In labor force	18,295	70,346	26.0%	314,480
Civilian Labor Force	18,295	70,154	26.1%	313,878
Employed	17,549	67,743	25.9%	299,764
Female Labor Force Participation Rate	64.5%	63.7%		59.8%
Female Unemployment Rate	4.1%	3.4%		4.5%

Source: US Census 2000

Women represent 52.9% of the city's population aged 16 and over and 25.7% of the County for the same demographic group. In Portland, women represent 52% of the employed workforce. Portland's female labor force is consistently 26% of the County's figures for the total female labor force, the civilian labor force and women employed. The unemployment rate for women in Portland is 4.1%, which is higher than Cumberland County's rate of 3.4%; however, the labor

<sup>2</sup> Prepared by Portland Planning and Development Department based on Census 2000 data.

force participation rate for women in Portland is slightly higher than in Cumberland County and significantly higher than in Maine.

A special household survey of Portland Metropolitan Statistical Area<sup>3</sup> (MSA) conducted by the Census in June 2000 reports that 10.1% of the workers in the Portland MSA labor force are holding down more than one job. The survey also found that 13.7% of the people in the labor force are looking for a job.

### III. WORKING AGE OF PORTLAND EMPLOYEES

Portland's work force is aging. The number of employees between the ages of 35 to 44, 45 to 54 and 55 to 59 grew since 1990 with a total of 4,854 employees in those age brackets (refer to Table 2). The age category of 45 to 54 changed significantly with 3,309 or a 63.54% increase in employees. Declines in the number of employees occurred in the younger age brackets of Portland's work force. The age categories for 20 to 24 and 25 to 34 dropped by 16% and 11%, respectively. According to *Houses, Jobs, and Maine People: 2001*, Cumberland County attracted young adults with a net in-migration for people under 35.<sup>4</sup> While the employment figures do not mirror the population increase, it is the younger age groups that are needed to support the city's long-term economic health. The 25 to 34 age group continues to constitute the largest number of employees in Portland with roughly 27% of the work force, but this share is down from 31% in 1990. The 35 to 44 year olds are the next largest group in Portland's employment base with over 10,700 employees and 24% of the total employees.

Table 2

<b>Portland Working Age Population</b>			
<b>Age Group</b>	<b>1990</b>	<b>2000</b>	<b>Change</b>
15 to 19 years	3,715	3,535	(180)
20 to 24 years	6,467	5,413	(1,054)
25 to 34 years	13,949	12,408	(1,541)
35 to 44 years	9,511	10,778	1,267
45 to 54 years	5,207	8,516	3,309
55 to 59 years	2,363	2,641	278
60 to 64 years	2,643	2,065	(578)
Subtotal	43,855	45,356	1,501

Source: US Census Bureau

<sup>3</sup> Portland Metropolitan Statistical Area includes Cape Elizabeth, Casco, Cumberland, Falmouth, Freeport, Gorham, Gray, North Yarmouth, Long Island, Portland, Raymond, Scarborough, South Portland, Standish, Westbrook, Windham, Yarmouth, Buxton, Hollis, Limington, and Old Orchard Beach.

<sup>4</sup> *Houses, Jobs, and Maine People: 2001*, report by Frank O'Hara, Planning Decisions, to the 2001 Governor's Affordable Housing Conference, September 10, 2001, page 5.

#### IV. UNEMPLOYMENT RATE

The unemployment rate in Portland has been declining and is now consistent with Cumberland County's rate. Since 1994, Portland's unemployment declined from a high of 6.1% to a low of 2.1% in 2000 (refer to Table 3). The rate rose slightly to 2.2% in 2001. Cumberland County's unemployment rate was 5% in 1994 and is now 2.1%. The annual unemployment rates for Maine and the United States exceed Portland's unemployment figures since 1995.

Table 3

#### Unemployment Rates for Portland, Cumberland County, Maine and the U.S.

<u>Year</u>	<u>City of Portland</u>	<u>Cumberland County</u>	<u>State of Maine</u>	<u>USA</u>
1994	6.1%	5.0%	7.4%	6.1%
1995	4.2	3.6	5.7	5.6
1996	3.4	2.9	5.1	5.4
1997	3.4	2.9	5.4	4.9
1998	2.8	2.4	4.4	4.5
1999	2.5	2.3	4.1	4.2
2000	2.1	2.0	3.5	4.0
2001	2.2	2.1	3.5	4.8

Source: State of Maine, Department of Labor, Labor Market Information Service.

#### V. EMPLOYED LABOR FORCE BY OCCUPATION TYPE FOR CUMBERLAND COUNTY AND PORTLAND

##### A. Cumberland County

There were more jobs added in Cumberland County between 1990 and 1999 than people. The number of payroll positions rose from 139,225 to 164,929, which is an increase of 25,704 jobs (refer to Table 4). This 18.5% increase in the number of jobs in Cumberland County raises the jobs to population ratio from 0.57 to 0.62.

All of Cumberland County's economic sectors experienced job growth since 1990, except for manufacturing. There was a net loss of 651 manufacturing jobs, a 3.9% decline. Cumberland County's service sector expanded by 30.7% with 14,407 new payroll jobs. The next largest numerical increase was in the retail sector with 5,866 new positions, which is a 17.5% growth rate. The transportation sector added 1,891 jobs and finance added 1,558 jobs for growth rates of 22% and 12.5%, respectively.

While there was a net loss in manufacturing jobs in Cumberland County this occupation type comprises 10% of the county's total labor force. Services and retail are the two largest occupation types within the region's labor force. Service positions account for 37% of the labor force and retail jobs account for 24%. The number of firms operating in Cumberland County increased by 2,031, which is 23.8% increase in new businesses.

Table 4

<b>Jobs in Cumberland County- 1990 and 1999</b>					
	<b>Dec-90</b>	<b>Dec - 99*</b>	<b>Change</b>	<b>Percent Change</b>	<b>% of Total 1999</b>
Payroll Jobs	139,225	164,929	25,704	18.5%	
Population (April 90-00)	243,135	265,612	22,477	9.2%	
Jobs to Population Ratio	0.57	0.62			
Housing Units (April 90-00)	109,890	122,600	12,710	11.6%	
Manufacturing	16,571	15,920	(651)	-3.9%	10%
Transportation	8,584	10,475	1,891	22.0%	6%
Retail	33,467	39,333	5,866	17.5%	24%
Finance	12,474	14,032	1,558	12.5%	9%
Services	47,000	61,417	14,417	30.7%	37%
Other	21,129	23,752	2,623	12.4%	14%
Number of firms	8,518	10,549	2,031	23.8%	

Source: Maine Department of Labor, ES 202 Data Series

## **B. Portland**

Portland is the central economic hub for the region with more payroll jobs than population. Portland's prominence as the economic core for Cumberland County is threatened by rapid employment growth in surrounding communities. Over 8,800 payroll jobs were created in Portland, a 14.5% increase in new opportunities (see Table 5). It should be noted that a portion of this increase is due to a correction in the employment data.<sup>5</sup> While Portland's growth is significant, new payroll jobs are being created faster in Cumberland County than in the city. Thus the city's share of the region's economic growth is declining. Indicators of the county's accelerated economic growth compared to Portland are as follows:

- Portland's share of the Cumberland County's total number of payroll jobs declined from 43.6% to 42.1%.
- Portland's share of Cumberland County's total population declined from 26.5 to 24.2%.
- Portland's share of Cumberland County's total housing units declined from 28.5% to 26%.

<sup>5</sup> The job data was corrected to include all University of Southern Maine employees working at the Portland Campus in the Portland totals, rather than credited to Gorham.

Table 5

<b>Jobs in Portland and Portland's Share of Cumberland County's Labor Force 1990 and 2000</b>						
	<b>Dec-90</b>	<b>Dec - 99*</b>	<b>Change</b>	<b>Percent Change</b>	<b>% of County in 1990 in 1999</b>	
Payroll Jobs	60,674	69,496	8,822	14.5%	43.6%	42.1%
Population (April 90-00)	64,357	64,249	(108)	-0.2%	26.5%	24.2%
Jobs to Population Ratio	0.94	1.08				
Housing Units (April 90-00)	31,293	31,862	569		28.5%	26.0%
Manufacturing	4,473	4,955	482	10.8%	27.0%	31.1%
Transportation	5,503	6,744	1,241	22.6%	64.1%	64.4%
Retail	8,913	10,499	1,586	17.8%	26.6%	26.7%
Finance	9,709	8,474	(1,235)	-12.7%	77.8%	60.4%
Services	23,430	29,659	6,229	26.6%	49.9%	48.3%
Other	8,646	9,165	519	6.0%	40.9%	38.6%
Number of firms	3,179	3,608	429	13.5%	37.3%	34.2%

Source: Maine Department of Labor, ES 202 Data Series  
 \* Some of the increase is due to a data "correction". In 1990, all of University of Southern Maine jobs were counted in Gorham. In 1999, the jobs were split to reflect jobs in Portland and Gorham

A comparison of the changes in occupation types for Cumberland County and Portland reveals significant differences between the county's and the city's economic base. While the manufacturing sector lost payroll jobs in Cumberland County, Portland added 482 positions. This is close to an 11% increase and raises Portland's share of the county's manufacturing jobs from 27% to 31.1%. Portland lost 1,235 payroll jobs in the finance sector, a decline of 12.7%, whereas Cumberland County gained 1,558 positions and grew by 12.5%. Therefore, Portland's share of the county finance positions dropped dramatically from 77.8% in 1990 to 60.4% in 1999. Roughly 6,200 new service jobs were created in Portland, a 26.6% increase. However, the County grew by 30.7% with more than 8,000 jobs added outside of the city. Almost all of the new transportation jobs created since 1990 are in Portland and represent 64.4% of the county's total. The number of firms in Portland has grown with 429 new businesses, a growth rate of 13.5%. Portland's new firms represent 21% of the 2,031 firms created in Cumberland County since 1990.

## VI. PROPORTION OF EMPLOYED LABOR FORCE BY INDUSTRY FOR PORTLAND AND CUMBERLAND COUNTY

To better understand the composition of Portland's economic base, Table 5 presents a breakdown of jobs according to Industry classifications for Portland, Cumberland County and Maine.

Table 6

Portland Residents by Industry Compared to Region and State						
	Portland	% of Cumberland Total	County	% of Total	Maine	% of Total
Agriculture, forestry, fishing and hunting, and mining	173	0.5%	1,366	1.0%	16,087	2.6%
Construction	1,453	4.1%	7,647	5.5%	42,906	6.9%
Manufacturing	2,614	7.4%	13,453	9.7%	88,885	14.2%
Wholesale trade	1,309	3.7%	5,372	3.9%	21,470	3.4%
Retail trade	4,734	13.5%	20,335	14.7%	84,412	13.5%
Transportation and warehousing, and utilities	1,335	3.8%	5,404	3.9%	26,857	4.3%
Information	1,718	4.9%	5,058	3.6%	15,294	2.5%
Finance, insurance, real estate, and rental and leasing	3,741	10.6%	13,590	9.8%	38,449	6.2%
Professional, scientific, management, administrative, waste management services	3,925	11.2%	13,756	9.9%	43,074	6.9%
Educational, health and social services	7,648	21.8%	30,854	22.3%	144,918	23.2%
Arts, entertainment, recreation, accommodation and food service	3,736	10.6%	10,727	7.7%	44,606	7.1%
Other services (except public administration)	1,707	4.9%	6,183	4.5%	29,182	4.7%
Public Administration	1,057	3.0%	4,867	3.5%	27,871	4.5%
Total Employed Persons	35,150	100.0%	138,612	100.0%	624,011	100.0%

The largest industry in Portland is the educational, health and social services with 21.8% of the city's labor force employed in this sector. This industry is also the largest segment of Cumberland County and Maine's workforce with 22.3% and 23.2%, respectively. The next largest industry category in Portland is retail with 13.5% of the city's total employment. This figure is equal to the State's share, but lower than Cumberland County's 14.7% of employment in the retail industry. Portland's workforce is weighted toward professional employment. The following industries, each with roughly 11% of the city's employment, represent the next largest share of the city's employment base:

- Professional, scientific, management, administrative, waste management services;
- Finance, insurance, real estate and rental and leasing; and
- Arts, entertainment, recreation, accommodation and food service.

The industries of agriculture/forestry/fishing, construction, manufacturing, and public administration represent a smaller share of the city's total work force than these same sectors represent within the County and Maine. Portland is in line with Cumberland County and the State for the industries of wholesale trade, retail trade, transportation & warehousing, and other services.

## VII. MAJOR EMPLOYERS IN PORTLAND AND THE REGION

There have been few changes in the overall list of major employers for the region in 1997 and 2001. The seventeen major employers in Portland for 2001 are listed below in Table 7 and Table 8 is the list for 1997. The top three employers in 2001 are Maine Medical Center with 5,140 employees, UNUM Provident Corporation with 4,000 and LL Bean with 3,466 employees. There are seven corporations with 1,000 to 2,000 employees and seven major employers with between 500 and 1,000 employees. While there have been shifts within the list since 1997 based on the number of employees, there are only two companies that are no longer considered major employers. These companies are the Eastland Shoe Company and Talk America. Idexx and Sebago, Inc. have been added to the list of major employers in 2001 with 800 and 620 employees, respectively.

Table 7<sup>6</sup>

### Major Non-Government Employers for the City of Portland Metro Area

<u>Name</u>	<u>Business</u>	<u>Employees 2001<sup>1</sup></u>
Maine Medical Center	Medical Facility	5,140
UNUM Provident Corporation	Insurance	4,000
L.L. Bean	Outdoor/Recreational	3,466
Hannaford Bros. Co.	Wholesales and Retail	1,947
Verizon	Communications	1,519
Key Bank, N.A.	Banking	1,352
Fairchild Semiconductor	Technology	1,245
S. D. Warren Co.	Paper Products	1,200 *
Anthem/Blue Cross Blue Shield	Insurance	1,176
Mercy Hospital	Medical Facility	1,100
Banknorth, N.A.	Banking	900
Shaws Supermarkets	Retail Groceries	963
Idexx	Laboratory	800
Barber Foods	Retail Groceries	775
Blethen Maine Newspapers	Publishing	800
Sebago, Inc.	Footwear	620
FleetBoston Financial Corp.	Banking	509

Source: Telephone survey. Note: (1) Includes employers located outside the City of Portland, Maine. (\*) Estimated

<sup>6</sup> Official Statement Dated March 21, 2002, City of Portland, Maine \$14,445,000 General Obligation Bonds, ABN-AMRO Financial Services, Inc. Duane G. Kline, Director of Finance, City of Portland, Maine, edited 2002.

Table 8

<b>Major Non-Government Employers for the City of Portland Metro Area</b>		
<b><u>Name</u></b>	<b><u>Business</u></b>	<b><u>Company-wide Employees-1997</u></b>
Maine Medical Center	Medical Facility	4571
L.L. Bean	Retail Sporting Goods	3466
UNUM Corporation	Insurance	3300
Hannaford Bros. Co	Wholesale & Retail Groceries	1947
NYNEX	Communications	1519
Peoples Heritage Savings Bank	Banking	1453
Key Bank of Maine	Banking	1352
National Semiconductor	Technology	1245
S>D> Warren Co.	Paper Products	1200
Blue Cross Blue Shield of Maine	Insurance	1176
Shaw's Supermarkets	Wholesale & Retail Groceries	963
Mercy Hospital	Medical Facility	900
Fleet Bank of Maine	Banking	835
Barber Foods	Food Processor	730
Eastland Shoe Company	Retail	700
Portland Newspapers	Newspaper	625
Talk America	Telemarketing	560

Source: Portland Department of Finance, 1997 list of major employers

## VIII. VALUE OF TAXABLE RETAIL CONSUMER SALES BY RETAIL SECTOR FOR PORTLAND AND THE REGION

### A. Portland

The taxable consumer sales in Portland by sector are shown for 1994 through 2001 in Table 9. Over the past eight years, Portland's group total sales have increased by 32.9%. Total consumer sales grew steadily since 1994 and peaked in 2000. There was a slight decline in total sales of 1.5% between 2000 and 2001.

Table 9  
Portland's Retail Sales Trend

<b>Year</b>	<b>Business/ Operating</b>	<b>Bldg. Supply</b>	<b>Food Store</b>	<b>Gen. Mdse.</b>	<b>Other Retail</b>	<b>Auto/ Transp.</b>	<b>Restaurant/ Lodging</b>	<b>Group Total</b>	<b>Personal Consump.</b>
1994	\$159,110	\$105,645	\$73,737	\$120,305	\$ 77,895	\$113,165	\$135,111	\$784,967	\$625,857
1995	165,895	106,698	68,528	120,447	80,239	126,882	139,136	807,828	641,933
1996	157,416	107,489	72,519	130,835	91,056	138,498	150,893	848,707	691,291
1997	168,749	11,0744	74,670	179,148	101,866	148,888	154,655	938,720	769,971
1998	171,766	118,365	79,240	213,452	109,693	161,897	167,001	1,021,417	204,796
1999	168,071	189,148	80,145	185,848	118,181	192,759	176,334	1,110,488	942,417
2000	168,677	207,800	81,510	186,456	131,426	217,285	194,268	1,187,424	1,018,746
2001	184,029	198,952	72,794	193,423	22,230	214,789	206,004	1,169,234	985,205

Source: State of Maine, Department of Taxation, Sales Tax Section; Amounts expressed in thousands.

In looking at the seven retail sectors that make up total consumer sales, the five strongest sectors are business/operating, building supply, general merchandise, auto/transportation and restaurant/lodging. Growth in sales in these five sectors are as follows:

- Building Supply – 88.3%
- General Merchandise – 60.8%
- Auto/Transportation – 89.8%
- Restaurant and Lodging - 52.5%
- Business and Operating - 15.7%,

In 2001 the food store<sup>7</sup> and other retail product groups experienced declines resulting in an overall loss of sales since 1994 of 1.3% and 71.5%, respectively. Both of these sectors had generally grown each year until 2001. The “other retail” sector had the most significant drop in sales from \$ 131,426,000 to \$22,230,000. The rate of personal consumption in Portland grew by 57.4%.

The quarterly sales for Portland are shown in the Table 10. This table is prepared by the State of Maine Revenue Services. The strongest quarters for the Restaurant and Lodging sector are in the second and third quarters, which indicate the strength of tourism in Portland. In 2001, there is a 42.4% increase between the first and second quarters. The second and third quarters are also generally the strongest quarters for the product groups of building supplies, food store, general merchandise and auto/transportation. The general merchandise category has three strong quarters with the fourth quarter generally accounting for comparable or higher consumer sales. Business operating varies from year to year, but the last three quarters are generally the healthiest for this sector. The first quarter is the lowest quarter for all product groups.

## **B. Portland ESA and Portland’s Share of the Regional Market**

The Portland region has had an increase in taxable consumer sales since 1996 (refer to Table 11). The sales rose from \$1,459,341 to 1,873,294. This is a 28.4% increase compared to Portland increase of 37.8% for the same time period. The highest amount of taxable sales occurred in 2000 with a total of \$1,879,674 and this figure declined slightly by 0.34%

The effect of tourism is reflected in the restaurant and lodging figures for the region with the third quarter accounting for the largest sales each year. The second and fourth quarters of this retail sector have comparable sales figures. The building supply product group has grown each year with the last three quarters representing strong sales. The highest sales quarter occurred in the third quarter of 1999. The food store sector also has generally strong sales during the last three quarters of each year. Similar to Portland’s sales data, this sector had its most profitable year in 2000, with a 10% decline of sales in 2001.

General merchandise and other retail have stronger sales in the second and third quarters, but the strongest sales activity occurs in the fourth quarter. The overall growth in these product group sectors since 1996 has been 33% for general merchandise and 18.8% for other retail.

The first quarter in all product groups has the lowest figures for taxable sales. Portland’s “other retail” sector did not share in this growth, which experienced a drop in sales in 2001 resulting in a decline of (-) 75.6%. This significant decline may be due to a tax adjustment

<sup>7</sup> It should be noted that the food store figures represent roughly 25% of the total sales, since food for home consumption is not taxed.

Table 10 Total Taxable Sales in Thousands of dollars by Individual Town and Product Group for Portland

Year:Qtr	Business Operating	Building Supply	Food Store	General Mdse	Other Retail	Auto Transp	Restau Lodging	Total	Personal Consump	Restau rant	Lodging
2001:1	40788.6	37995.9	16121.2	39774.0	20909.7	46499.5	43114.2	245203.1	204414.5	38083.3	5030.9
2001:2	55450.5	54908.0	18197.8	46670.9	24215.2	58088.7	51391.2	308922.3	253471.8	43047.9	8343.3
2001:3	46478.8	53067.0	19312.5	47645.2	25527.9	61560.7	61467.6	315059.7	268580.9	48825.7	12641.9
2001:4	41312.0	52981.4	19163.3	59333.6	28577.6	48650.4	50031.5	300049.8	258737.8	42850.9	7180.6
2001	184028.9	198952.3	72794.8	193423.7	99230.4	214799.3	206004.5	1169234.9	985205.0	172807.8	33196.7
2000:1	37808.8	41058.3	18887.3	36087.3	27361.1	48673.1	39941.5	249817.4	212008.6	35306.5	4635.0
2000:2	42062.3	55954.7	21394.4	46464.3	80592.3	57093.8	48243.6	351805.4	309743.1	40646.3	7597.3
2000:3	43125.9	55076.2	21005.0	45125.9	-21143.0*	62531.2	58184.6	263905.8	220779.9	45558.7	12625.9
2000:4	45680.8	55711.5	20223.4	58778.8	44615.8	48986.9	47898.5	321895.7	276214.9	40854.2	7044.3
2000	168677.8	207800.7	81510.1	186456.3	131426.2	217285.0	194268.2	1187424.3	1018746.5	162365.7	31902.5
1999:1	35800.7	30321.9	17925.6	41697.6	26004.2	39287.4	36360.9	227398.3	191597.6	31666.7	4896.2
1999:2	45580.0	47711.3	19659.4	41587.7	28747.9	50741.1	41031.9	275059.3	229479.3	34927.1	6104.8
1999:3	43225.0	60407.0	21523.6	44460.4	30965.5	56740.7	55685.3	313007.5	269782.5	42253.5	13431.8
1999:4	43465.4	50708.1	21037.0	58102.5	32463.6	45990.1	43256.8	295023.5	251558.1	37319.0	5937.8
1999	168071.1	189148.3	80145.6	185848.2	118181.2	192759.3	176334.9	1110488.6	942417.5	146166.3	30168.6
1998:1	36682.8	24048.8	18145.1	41712.5	22451.7	32468.0	34901.2	210410.1	173727.3	29759.1	5142.1
1998:2	40876.4	30372.9	19516.7	51894.8	26016.5	43741.3	40129.4	252548.0	211671.6	33727.3	6402.1
1998:3	44816.3	32926.8	20928.1	52603.4	28238.4	47466.6	50500.8	277480.4	232664.1	38453.5	12047.3
1998:4	49391.2	31016.9	20650.2	67242.2	32986.5	38221.9	41469.7	280978.6	231587.4	35348.7	6121.0
1998	171766.7	118365.4	79240.1	213452.9	109693.1	161897.8	167001.1	1021417.1	849650.4	137288.6	29712.5
1997:1	38967.5	21138.2	17346.9	36742.2	21225.1	27028.7	31243.6	193692.2	154724.7	26716.0	4527.6
1997:2	45020.9	28105.5	18463.3	46963.1	24163.8	43578.5	38001.6	244296.7	199275.8	31314.8	6686.8
1997:3	43523.2	30557.4	19398.2	43936.6	26506.1	43258.8	47516.4	254696.7	211173.5	36465.0	11051.4
1997:4	41237.4	30943.1	19461.3	51506.0	29971.3	35022.1	37893.1	246034.3	204796.9	31791.6	6101.5
1997	168749.0	110744.2	74669.7	179147.9	101866.3	148888.1	154654.7	938719.9	769970.9	126287.4	28967.3
1996:1	37897.5	20667.6	16077.7	25888.0	16112.8	30559.0	31961.9	179164.5	141267.0	27558.8	4403.1
1996:2	36734.1	27420.6	18547.7	31101.5	24415.2	33984.4	36179.6	208383.1	171649.0	30088.3	6091.3
1996:3	38856.2	28779.6	19111.2	31939.6	22733.3	42003.3	45140.3	228563.5	189707.3	34629.0	10511.3
1996:4	43928.3	30621.6	18782.7	41906.5	27794.4	31951.3	37611.3	232596.1	188667.8	30718.5	6892.8
1996	157416.1	107489.4	72519.3	130835.6	91055.7	138498.0	150893.1	848707.2	691291.1	122994.6	27898.5
Total	1018710.6	932500.3	460879.6	1089164.6	651452.9	1074127.5	1049156.5	6275992.0	5257281.4	867910.4	181246.1

\* Negative numbers may be the result of a "negative audit", where tax dollars are refunded to businesses within that sector.

Source: Maine State Planning Office and the Maine Revenue Services, chart dated 2.27/02

rather than a dramatic decline in sales. The automobile and transportation product group had significant sales in its second and third quarters from 1996 to 1999. The 2000 and 2001 sales figures show that the first and last quarters are gaining in strength, with less seasonal shifts in its annual sales activity.

Table 11

Portland ESA: Taxable Retail Sales (all values in \$1,000)							
Year: qtr	Building Supply	Food Stores	General Mdse.	Other Retail	Auto Transp.	Rest. & Lodging	Total Taxable Sales
1996:1	40,691	28,812	62,739	31,236	77,428	51,870	<b>292,776</b>
1996:2	56,676	32,354	75,675	42,503	90,949	59,629	<b>357,786</b>
1996:3	52,096	33,398	84,178	45,719	101,280	74,421	<b>391,092</b>
1996:4	51,218	33,060	122,821	64,128	82,298	64,162	<b>417,687</b>
<b>Annual total</b>	<b>200,681</b>	<b>127,624</b>	<b>345,413</b>	<b>183,586</b>	<b>351,955</b>	<b>250,082</b>	<b>1,459,341</b>
1997:1	32,920	30,007	77,816	41,147	68,916	52,861	<b>303,667</b>
1997:2	48,264	32,170	98,251	46,998	112,254	63,864	<b>401,801</b>
1997:3	49,062	33,877	103,615	52,368	105,259	78,037	<b>422,218</b>
1997:4	48,274	34,360	127,920	70,384	83,577	61,763	<b>426,278</b>
<b>Annual total</b>	<b>178,520</b>	<b>130,414</b>	<b>407,602</b>	<b>210,897</b>	<b>370,006</b>	<b>256,525</b>	<b>1,553,964</b>
1998:1	36,031	31,515	83,702	43,916	83,511	58,902	<b>337,577</b>
1998:2	50,555	33,467	106,187	51,548	106,067	64,823	<b>412,647</b>
1998:3	51,555	36,002	110,498	54,187	108,664	81,379	<b>442,285</b>
1998:4	48,783	35,544	143,383	75,641	91,755	69,523	<b>464,629</b>
<b>Annual total</b>	<b>186,924</b>	<b>136,528</b>	<b>443,770</b>	<b>225,292</b>	<b>389,997</b>	<b>274,627</b>	<b>1,657,138</b>
1999:1	43,551	31,888	85,821	46,840	94,460	60,608	<b>363,168</b>
1999:2	64,374	34,042	95,516	53,657	113,375	67,951	<b>428,915</b>
1999:3	82,298	37,718	104,060	59,945	126,179	93,928	<b>504,128</b>
1999:4	66,920	36,447	140,211	76,065	99,704	73,701	<b>493,048</b>
<b>Annual total</b>	<b>257,143</b>	<b>140,095</b>	<b>425,608</b>	<b>236,507</b>	<b>433,718</b>	<b>296,188</b>	<b>1,789,259</b>
2000:1	51,232	33,507	81,623	51,067	109,875	65,496	<b>392,800</b>
2000:2	69,698	37,079	105,030	57,626	124,420	80,319	<b>474,172</b>
2000:3	68,481	37,034	106,383	57,815	129,420	95,701	<b>494,834</b>
2000:4	67,912	36,125	142,583	89,320	102,660	79,268	<b>517,868</b>
<b>Annual total</b>	<b>257,323</b>	<b>143,745</b>	<b>435,619</b>	<b>255,828</b>	<b>466,375</b>	<b>320,784</b>	<b>1,879,674</b>
2001:1	45,842	28,813	91,473	45,316	105,487	71,370	<b>388,301</b>
2001:2	66,885	31,648	102,206	48,536	127,285	81,793	<b>458,353</b>
2001:3	65,061	33,898	106,831	53,691	138,900	97,153	<b>495,534</b>
2001:4	65,632	35,062	159,046	70,520	121,115	79,731	<b>531,106</b>
<b>Annual total</b>	<b>243,420</b>	<b>129,421</b>	<b>459,556</b>	<b>218,063</b>	<b>492,787</b>	<b>330,047</b>	<b>1,873,294</b>

Source: State of Maine, State Planning Office, web site, quarterly taxable sales figures for Portland ESA.

Portland's total sales represent a significant portion of the region's sales. Following is Table 12 that lists the total taxable sales for the past five years in Portland ESA and the city. The Portland numbers do not include the figures for business and operating as presented above. Portland's share of sales is close to half of the annual sales in the regional market. Portland's share of taxable sales was 47.4% in 1996 and grew to a high of 54.2% in 2000. The national economic decline in 2001 is seen in the city's reduced share of regional sales, which dropped to 48.5% that year.

Table 12

<b>Total Taxable Sales (all values in \$1,000)</b>			
<b>Portland SEA and the City of Portland</b>			
	<b>Portland ESA</b>	<b>City of Portland</b>	<b>Portland's Share of Portland ESA Sales</b>
1996	1,459,341	691,290	47.4%
1997	1,553,964	769,971	49.5%
1998	1,657,138	849,648	51.3%
1999	1,789,259	942,415	52.7%
2000	1,879,674	1,018,745	54.2%
2001	1,873,294	908,192	48.5%

Total Taxable Sales includes the product groups of building supply, food stores, general merchandise, other retail, auto transportation and restaurant and lodging.

Source: State Planning Office Retail Sales Data

## **IX. WHERE EMPLOYMENT OPPORTUNITIES EXIST AND COMMUTING PATTERNS OF PORTLAND RESIDENTS**

Portland is the employment center for Cumberland County with 42.1% of all jobs located within the city in 1999 (refer to Table 13). The next largest employment center is South Portland with 14.4% of all the county's jobs. The municipalities of Brunswick, Freeport, Scarborough, and Westbrook each have between 5% and 8% of the county's employment. All of the other communities have less than 5% of the County's jobs.

The number of jobs in Portland grew by 14.7% since 1990. Portland's growth may be characterized as moderate compared to the more rapid job growth experienced in some of the surrounding suburban communities. For example, the number of jobs in Freeport grew by 72.1%, Scarborough grew by 58.9%, South Portland grew by 43.8% and Falmouth grew by 29%. Some of the outlying communities also had a high percentage change in their job numbers, but continue to represent a small percentage of the overall employment opportunities.

Table 13

Municipality	Jobs by Community				% Change from 1990 to 1999 for Selected towns
	1980 <sup>8</sup>	1990	1999 Qt 4	% of Total	
Baldwin			208	0.1%	
Bridgton			2,031	1.2%	
Brunswick			11,949	7.3%	
Cape Elizabeth	913	1642	1,335	0.8%	-18.7%
Casco			683	0.4%	
Cumberland	902	1241	1,162	0.7%	-6.4%
Falmouth	2346	3413	4,412	2.7%	29.3%
Freeport	2213	4724	8,132	4.9%	72.1%
Gorham	2617	3667	3,898	2.4%	6.3%
Gray			2,060	1.3%	
Harpswell			438	0.3%	
Harrison			196	0.1%	
Long Island			47	0.0%	
Naples			824	0.5%	
New Gloucester			664	0.4%	
N. Yarmouth	266	299	386	0.2%	29.0%
Portland	44789	60390	69,283	42.1%	14.7%
Pownal			119	0.1%	
Raymond	530	843	1,070	0.7%	26.9%
Scarborough	3516	6658	10,577	6.4%	58.9%
Sebago			107	0.1%	
S. Portland	11311	16495	23,726	14.4%	43.8%
Standish	1421	1702	1,988	1.2%	16.8%
Westbrook	6948	10324	10,315	6.3%	-0.1%
Windham	2061	4450	5,191	3.2%	16.7%
Yarmouth	1709	3033	3,587	2.2%	18.3%
Frye Island			13	0.0%	
unknown			15	0.0%	
<b>Cumberland County</b>			<b>164,416</b>	<b>100.0%</b>	

The Census 2000 provides statistics on the commuting patterns of residents. Over 70.7% of Portland residents commute in a vehicle by themselves. This percentage is lower than the figures for Cumberland County and Maine, which report single occupant commuting of 78.9% and 78.6% respectively. Carpooling represents 10.8% of Portland's commuters, which is within a percentage point of the figures for Cumberland County and Maine. Almost 9% of Portland residents walk to work, whereas only 4% of commuters outside of Portland walk. Those people who use public transportation or other means of transport constitute 6% of the city's commuters and this is significantly higher than the percentages for Cumberland County and Maine. Only 3.6% of Portland's residents work at home, but this figure rises to 4.6% in Cumberland County and 4.4% in Maine. The average time to travel to work in Portland is 18.7 minutes and the average rises to 22 minutes or more for Cumberland County and Maine.

<sup>8</sup> Figure 6-7, Employment, 1980-1990, Portland Industry and Commerce Plan, page 6-12.

Table 14

	Portland		Cumberland County		Maine	
	Count	% of Total	Count	% of Total	Count	% of Total
Workers 16 and Over commuting to Work	34,626	100.0%	137,256	100.0%	615,144	100.0%
Car, truck, or van - - drove alone	24,477	70.7%	108,338	78.9%	483,317	78.6%
Car, truck, or van - - carpooled	3,748	10.8%	13,022	9.5%	69,208	11.3%
Public transportation (including taxicab)	1,533	4.4%	2,191	1.6%	5,217	0.8%
Walked	3,097	8.9%	6,069	4.4%	24,700	4.0%
Other means	540	1.6%	1,333	1.0%	5,740	0.9%
Worked at home	1,231	3.6%	6,303	4.6%	26,962	4.4%
Mean travel time to work (minutes) <sup>1</sup>	18.7		22		22.7	
Worked outside of County of Residence	2,562	7.4%	15,510	11.3%	134,717	21.9%

Source: US Census 2000

## X. PORTLAND'S ART INDUSTRY AND PORTLAND'S ARTS DISTRICT<sup>9</sup>

Portland sought to better understand its growing Arts Industry in the mid 1990's. The goal was to develop strategies to promote the health, stability and growth of the city's arts organizations, artists and cultural heritage. A market survey and cultural census were conducted as part of Portland's Arts District Plan.

In 1995, the total direct impact of cultural spending in Portland was over 33 million dollars annually, which was considerably higher than communities much larger than Portland. This dollar amount is a conservative figure, since it does not include any multipliers or estimates for secondary spending cycles. Arts and cultural organizations spent 21 million dollars annually. The cultural sector employs 340 employees with an annual payroll in excess of 9.8 million. Volunteers devote over 85,000 hours a year representing an aggregate impact of \$850,000. Artists' expenditures amount to an additional \$500,000 annually.

There are over 2,000 arts events annually in Portland, of which over half are free. The total annual audience for arts events is well over 900,000 people. The cultural census also found that 96% of the audience for free events participates within the Arts District and 76% of the paid admissions occur within the Arts District.

The market survey found that 70% of those people surveyed agreed that Portland is a better place to live because of the variety of arts activities. Similarly 75% agreed the city should support the arts industry and 83% concurred that better promotion would increase tourism. The attendance rate of residents is high with 50% having attended at least one live performance (paid) within the past year and 49% had visited a gallery or museum in the same time. The average size of an attending part to arts and cultural events is 3.0 and over half report that children accompany them to events more than a third of the time. The survey also found that residents felt considerably safer in Portland than respondents in other metropolitan areas.

<sup>9</sup> A Plan for Portland's Arts District, Prepared for the Portland Arts and Cultural Steering Committee, Prepared by Herbert Sprouse Consulting and The Wolf Organization, Inc. 1995. Edited 2002.