

Portland, Maine



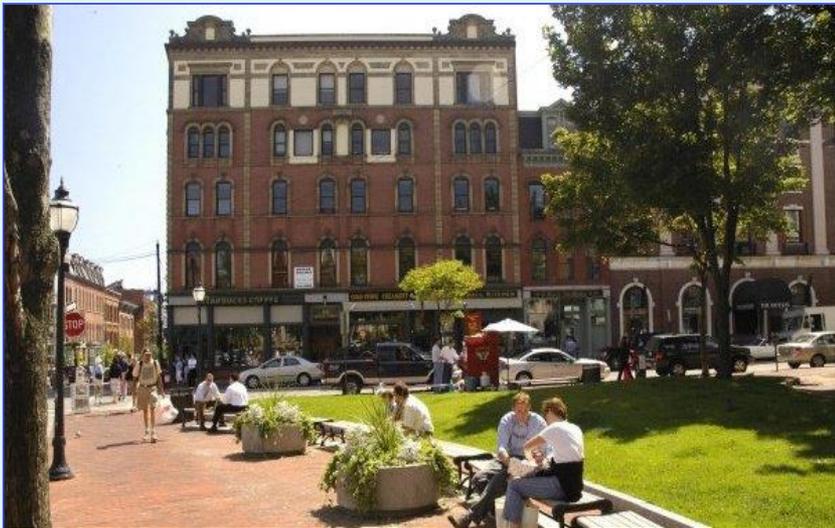
Yes. Life's good here.

# State of Portland's Economy July 2018



# Important Portland Statistics

- Population: 66,649, largest municipality in Maine
  - Population Growth 3.6% (2000-2016)
  - Race: 82% White; and, 18% non-White
  - Education: Over 44% with Bachelor Degree or More
- Portland MSA Population 2017: 532,083
- 2018 Portland Median Age: 35.8
- Diversity – Over 60 Languages spoken in Portland Schools
- Maine Unemployment Rate: 2.7% 3/2018; Portland Unemployment Rate 2.2% 3/2018.
- Portland's Diversified Tax Base: 44% Commercial/Industrial; 56% Residential



# Portland/Economic Engine for Maine

Portland is the economic engine for region and Maine, dominating sectors of:

- Health Care
- Legal/Financial Services
- Education
- Tourism
- Manufacturing
- Working Waterfront
- Transportation

# Economic Development Plan for Portland

Portland has developed a unified Economic Development Plan in collaboration with the [Portland Community Chamber of Commerce](#), the [Creative Portland Corporation](#), and the [Portland Development Corporation](#). These groups formed a [Task Force](#) to further this effort.

The first part of this effort consisted of an MIT Graduate Class in urban studies developing a demographic profile of Portland.

**PORTLAND IN FOCUS**  
BUILDING ON ASSETS FOR COLLABORATION AND GROWTH

**Overview**  
*Portland in Focus: Building on assets for collaboration and growth* is the work of MIT urban planning graduate students, under the supervision of Professor Karl Seidman. It provides guidance to the City of Portland and business leadership on strategies to enhance the city's economy and quality of life. The report draws on three months of socio-economic data analysis, input from over 100 Portland stakeholders, and research regarding best practices in other locations. The final report was submitted to the Office of Economic Division May 18, 2010, and can be viewed upon request.

**Three Strategy Areas for Economic Development Planning in Portland**  
Portland in Focus presents an economic development strategy aimed at supporting existing City businesses, fostering collaboration in the food and life science sector, and building off of assets in the City and surrounding region. Primary findings, goals and recommendations for the three focus areas are presented below.

**Business Retention:** From 2001 to 2008, the City of Portland lost jobs in many industries, and most notably over 2,000 jobs in finance, insurance and real estate while the metropolitan region gained over 1,600 of these jobs. In addition, Portland has a reputation as an unfriendly place to do business. Cumbersome administrative processes are among the barriers to the attraction and expansion businesses. The business retention strategy aims to systematically engage businesses, create business-friendly processes and increase interaction between businesses. The core of this strategy is a commitment to regularly visit targeted businesses to better address their short term needs and to shape long-term trends and policies to retain and grow businesses in Portland.

**KEY PARTNERS:**  
Chamber of Commerce, Coastal Enterprises, Inc., Workforce Investment Board, Small Business Development Center

Short-term	Mid-term	Long-term
<p>Implement pilot business visitation program</p> <p>Examine business permitting process</p>	<p>Develop full business visitation program</p> <p>Examine business registration process</p> <p>Centralize information</p>	<p>Continue business visitation program</p> <p>Facilitate industry meet-ups and networking events</p> <p>Streamlining business permitting process</p>

**Food sector:** The food sector (fishing, food and beverage-manufacturing, wholesale, retail and services) provides 11% of jobs in Portland and accounts for over 50% of all manufacturing jobs in the City. The food sector is integral to Portland's character, and there has been an explosion of groups working on food-related issues in the Portland area. Recommendations aim to support businesses and high-quality jobs in the food sector, strengthen local food systems, and complement related economic drivers in the City. The primary recommendation is to convene a collaborative food sector organization in order to facilitate the identification and implementation of priority initiatives.

**KEY PARTNERS:**  
Food businesses, non-profits, industry associations, technical assistance providers, state-level organizations

Short-term	Mid-term	Long-term
<p>Convene Food Sector Collaborative</p> <p>Identify funding for a wholesale distribution feasibility study</p> <p>Explore retail opportunities for fish and value-added foods</p>	<p>Identify and initiate priority projects</p> <p>Build relationships with tourism, the creative economy and business support programs</p>	<p>Implement priority projects</p> <p>Implement wholesale distribution system (as appropriate)</p>

**Life Sciences:** Over 30% of jobs in Portland are concentrated in education and health care services. The Portland region has strong educational programming around health care and life sciences, and boasts a growing network of research institutions. The City is also currently working to grow the biotechnology industry. Recommendations aim to expand on existing assets in Life Sciences, promote an entrepreneurial environment for businesses, and increase workforce capacity for core and emerging occupations. A central part of this strategy is creating a Life Science Collaborative to provide focused leadership and coordination in building the region's life sciences cluster.

**KEY PARTNERS:**  
Educational, research and medical institutions, businesses, investors, state-level government and organizations

Short-term	Mid-term	Long-term
<p>Convene Life Sciences Collaborative</p> <p>Identify new funding sources</p> <p>Strengthen relationships between education and the private sector</p>	<p>Develop marketing campaign</p> <p>Create business incubator</p> <p>Coordinate workforce training</p>	<p>Providing business support services</p> <p>Expand on existing assets for research</p> <p>Explore business attraction</p>

**Next Steps**  
*Portland in Focus* balances long-term goals and recommendations with short-term action steps. Early action initiatives include initiating a business visitation program, a crosscutting food sector organization and a regional life science cluster organization. The elements of these recommendations are sequenced to maximize the benefits that can be achieved with minimal initial resource inputs. These actions reflect a new approach to economic development planning in the City of Portland according to the following themes:

- Promoting collaboration between inter-related businesses and organizations
- Identifying shared visions and available resources to pursue common priorities
- Demonstrating the City's support for businesses and its awareness of their unique needs
- Building off of existing assets in the City and in the region to promote growth and economic development

# Economic Development Plan for Portland

The second phase was drafting the actual Plan as a working document for all organizations involved in Economic Development for Portland. This involved the use of social media – Facebook, Twitter, and the City of Portland’s website. The Plan was completed August 2011 with three major focus areas:

- Grow the Economy;
- Enrich the Creative Economy; and,
- Support Business.

Its Work Plan has since been updated three times - for 2014/2015, 2016/2017, and 2018/2019.



# Portland's Comprehensive Plan

The City of Portland recently completed a new Comprehensive Plan to ensure consistency with the State of Maine's Growth Management Act.

The City received over 2,000 responses to its Comprehensive Plan Survey, which provided a wealth of information about how residents view their City.

Many meetings were held, including 3 community forums. The new Comprehensive Plan was adopted by the City Council in June 2017.



For more information, please go to the City's website at:

<https://www.portlandmaine.gov/1579/Comprehensive-Plan>

# Portland's Economic Scorecard 2015

2015 was the 5th year of the Scorecard providing an assessment of the economic health in Portland and its surrounding region.

Highlights include:

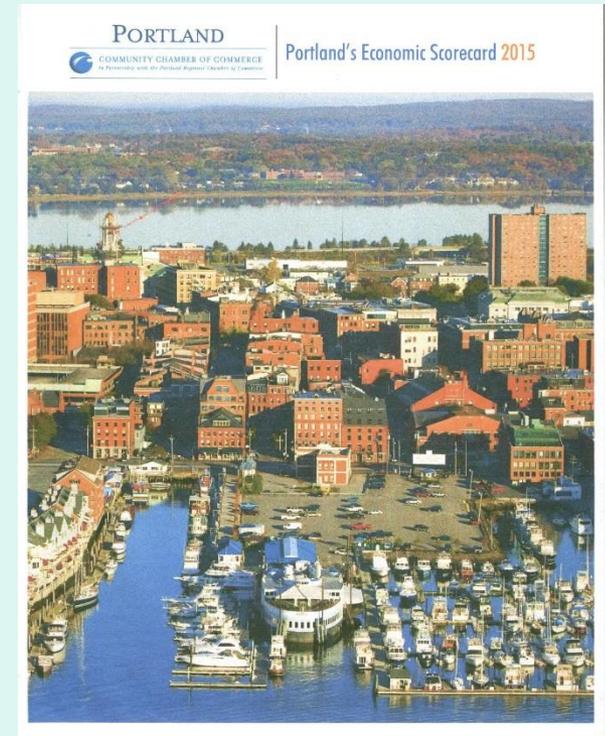
Port of Portland continues to see dramatic growth in exports, consistent with the ramp up of Eimskip.

Continued growth in consumer retail sales and restaurant and lodging retail sales.

Portland is keeping up with national employment growth in the past year, exceeding the region and Maine.

Lagging areas included food production, low population growth, higher home ownership costs, and increasing property values coupled with higher overall property tax burden to households.

Full 2015 Scorecard: <http://www.portlandregion.com/portlands-economic-scorecard.html>



# Portland Economic Statistics (last six years)

- \$540 Million in combined public and private investment
- \$100 Million (private investment) in Planning Stage
- Economic Impacts
  - Jobs (construction/permanent)
  - Taxes over \$300,000,000 Million in increased property valuation, which generates approximately \$6.5 Million in municipal property taxes.
  - Increased tourism activity (visitors and spending)

# Major Transportation Economic Drivers:

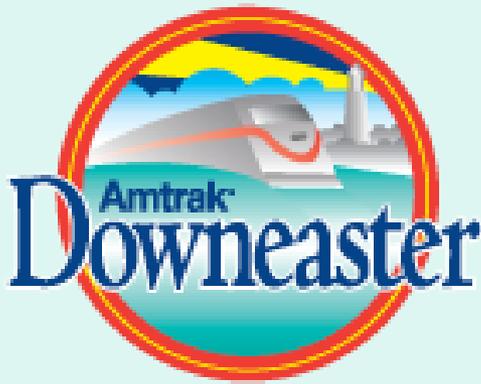
## Portland International Jetport

- Named 2015's Best Airport in No. America.
- 2017 all-time record for traffic with 1,862,213 passengers, over 2016 of 1,786,942 – an increase of 4.2%.
- Seven Airlines.
- Cargo Totals – Over 20 Million lbs./yr.
- City-owned and operated.
- \$75 million expansion completed in 2011, which included:
  - Larger security screening checkpoint
  - Three new gates
  - New ticketing concourse
  - New Parking Garage



# Major Transportation Economic Drivers:

## Downeaster: Rail Passenger Service



Rail passenger service to Boston; completed expansion to Freeport and Brunswick – a \$44 Million Investment; and a \$13 Million investment in a layover facility in Brunswick completed in late 2016.

# Major Transportation Economic Drivers: Ocean Gateway

- Ocean Gateway - \$20 Million Investment
- Designed for International Ferry and Cruise Ship Passengers
- Bay Ferries began Ferry Service to Yarmouth, Nova Scotia May 2016 (passenger with some commercial); 3<sup>rd</sup> Season 2018



# Major Transportation Economic Drivers: Cruise Ship Industry

Portland has a successful cruise ship industry. Below shows the number of cruise ships from 2011 through 2016, and estimates for 2017:

- 2011 – 64 Ships and 89,300 Passengers
- 2012 – 59 Ships, 68,850 Passengers, and over 26,000 crew
- 2013 – 59 Ships, 74,250 Passengers, and over 29,000 crew
- 2014 – 51 Ships, 70,131 Passengers, and over 29,000 crew
- 2015 – 51 Ships, 102,378 Passengers and 42,500 crew
- 2016 – 76 Ships, 101,980 Passengers, and 40,522 crew
- 2017 – 93 Ships, 145,054 Passengers, and 48,668 crew
- 2018 Estimates - 118 Ships, 170,157 Passengers, and 66,641 crew



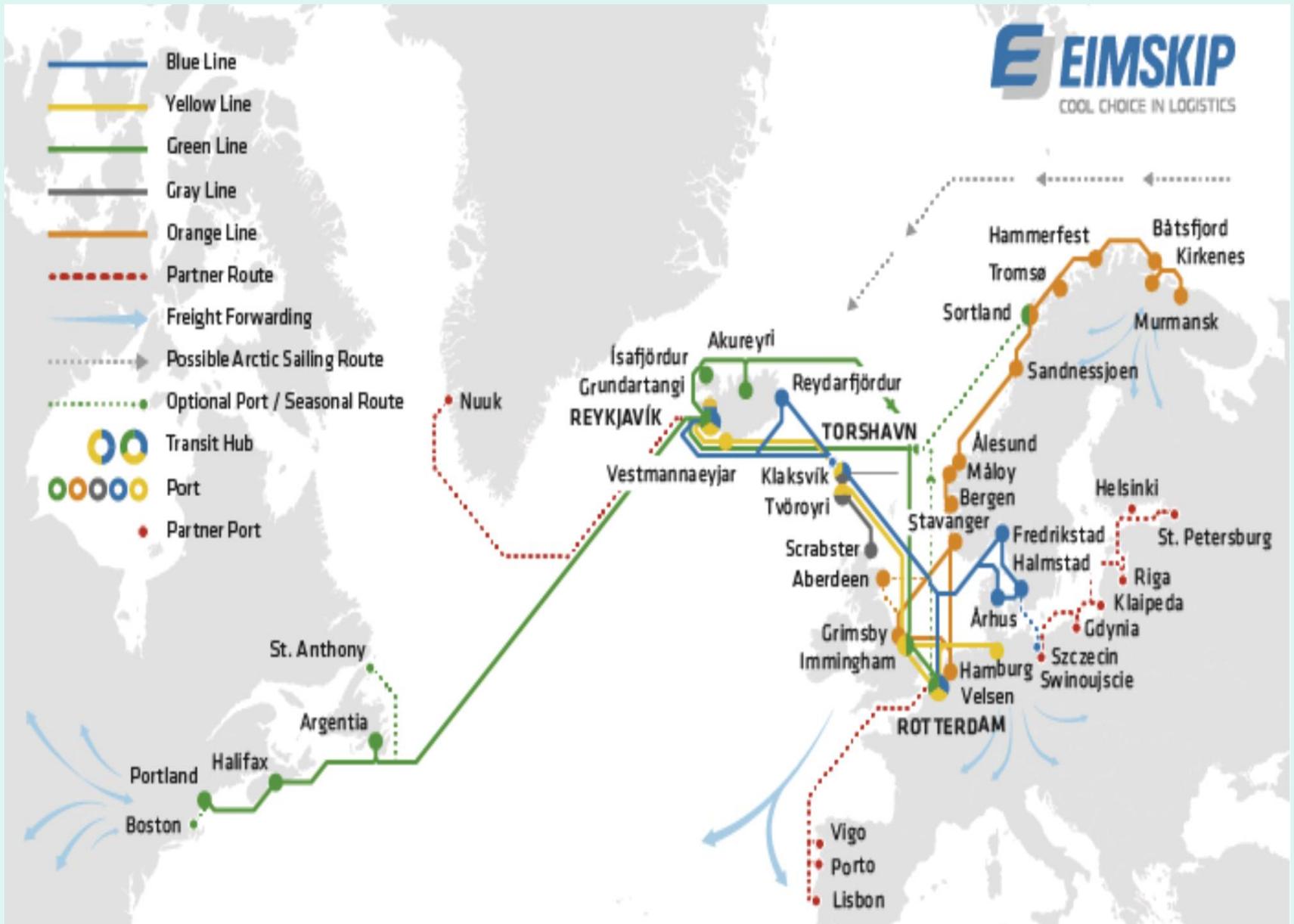
# Major Transportation Economic Drivers: International Marine Terminal/W. Commercial Street Area

- City Leases to Maine Port Authority for its management and investment; 2<sup>nd</sup> new crane added 2018
- Eimskip Cargo Shipping started April 2013
- Rail extension completed 2018
- Cold Storage Facility/Planning and Design
- Phin Sprague boat yard expansion with additional travel lift



# Recent Port investments by the Maine Port Authority succeeded in attracting new freight and international trade relationships with Northern Europe: Eimskip





**Trade connections  
drive education, arts,  
culture, and tourism  
connections**



**Photo Credit, Chris Cary, SoliDG**

# Major Transportation Economic Drivers: Portland Transportation Center Future Planning

Intermodal facility planning underway with NNEPRA, Thompson's Point, MDOT, and the City of Portland.



# Mixed Use/Thompson's Point Development

**Project Total Investment**  
**Value estimated at \$100+**  
**Million**

Phased Development Includes:

- Event Center
- Restaurant
- Hotel
- Office Building
- Parking Structure
- Sports  
Medicine/Performance Lab
- \$4+ Million off-site public  
infrastructure investment

**Projects Completed:**

Outdoor Concerts  
Winter Ice Skating Rink/Tubing

**Who's There Now:**

Bissell Brothers Brewing Company  
Big Room Studios  
Brick South Event Hall  
Open Bench Project  
Tree of 40 Fruit  
Color Me Mine  
Stroudwater Distillery  
Big Room Studios  
Cellardoor Winery Maine  
International Cryptozoology Museum



Birdseye View Thompson's Point Peninsula

The Forefront at Thompsons Point Portland, Maine Nov. 26, 2013

# Public/Cross Insurance Arena,

f/k/a Cumberland County Civic Center

- Recently Completed Renovation -

\$33 Million Renovation  
Completed March 2014

- New entrances at Spring and Free Streets
- Updated/expanded locker rooms
- Added restroom space
- Expanded ticket areas
- New loading dock



# Sports Teams



# Bayside Bowl Expansion

Bo Po, LLC (a/k/a Bayside Bowl) was the sole proposer to the City's RFP to sell 71 Hanover Street.



Bayside Bowl expansion, completed early 2017 includes:

- Adding 8, 10-pin bowling lanes;
- Dining/lounge area;
- Function room;
- DJ Platform



Photo courtesy of Bayside Bowl

# Public/Sale of Public Works Bayside Properties

Sites offered for sale with broker assistance:

- Parcel 1: 55 Portland Street
- Parcel 2: 44 Hanover Street;
- Parcel 3: 56 Parris Street
- Parcel 4: 82 Hanover Street
- Parcel 5: 65 Hanover Street
- Parcel 6: 178 Kennebec Street

The City has closed on the sale of 56 Parris Street and 65 Hanover Street.

The four remaining parcels are now under various Purchase and Sale Agreement.

The sale of all of these parcels will provide for a mix of uses, including housing, retail, and office development.



# Mixed Use



Portland Company 10-Acre Site  
- \$100+ Million Project



# Mixed Use

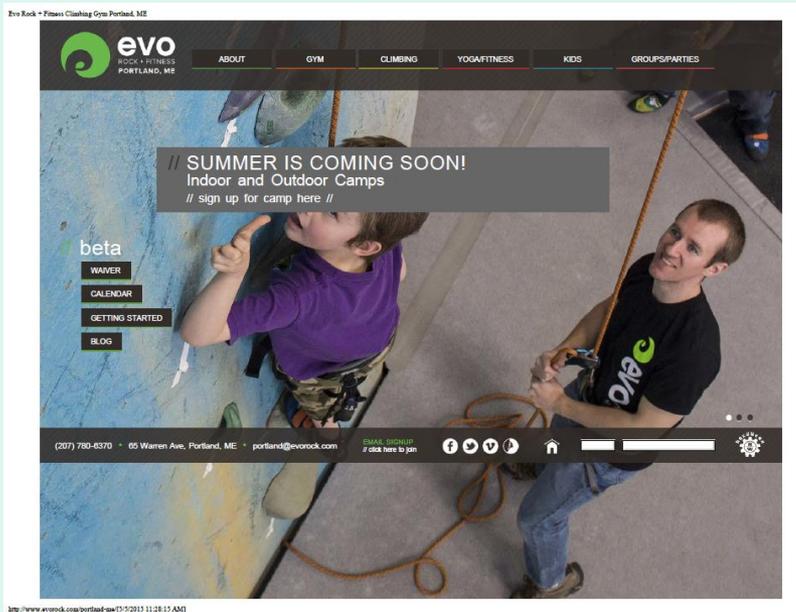


Construction began Fall 2017 of a 100,000 sq. ft. office building for the new headquarters of Wex and 450 quality jobs, with an anticipated additional 200 new jobs in the coming future.

Includes 10,000 sq. ft. of retail on first floor.



# Evo Rock Gym Expansion



Expanded from 127 Marginal Way to 65 Warren Avenue:

– from 2,800 sq. ft. with 24-foot climbing walls

– to 13,000 sq. ft. with 42-foot climbing walls.



# Public/Portland Technology Park - Development Sites Available -

Phase 1 is completed, which opened four sites for sale, investment, and development.

Site 4 has been sold and will become the new headquarters of **Patrons Oxford Insurance**. Construction completed in 2017 for its 19,000 sf energy efficient office building.

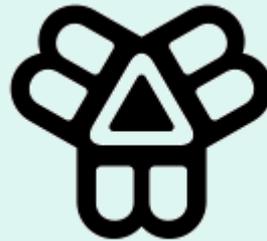
The Park is located minutes from the Interstate (Exit 47) and the Portland International Jetport.

- Fully permitted
- Roadway with all utilities to four development sites.
- Phase 2 will provide three additional sites.
- 10,000 – 40,000 square foot building sites
- Financing – SBA 504 Eligible



# Portland's Craft Breweries and Distilleries

This manufacturing cluster now stands at 18 breweries, 6 distilleries, and growing.



- Bissell Brothers Brewing



# Hospitality – Completed

Inn at Diamond Cove –  
Development of the double  
barracks building into 22  
hotelminium units.



Press Hotel in former  
Press Herald Building  
on Congress Street  
- 110-Room  
Boutique Hotel  
- Restaurant



# Hospitality – Completed

## Hyatt Place – Corner of Fore and Union Streets

- 7 stories
- 123 rooms
- 1,000 sq. ft. of restaurant space.



Courtyard by Marriott, 321 Commercial Street by J. B. Brown, 131 Hotel Rooms, with 14 apartments/condos and Restaurant



# Hospitality-Completed

Westin Harbor View Hotel, f/k/a Eastland Hotel –  
\$30 Million Renovation recently completed by  
owner Rockbridge Capital.



# Education/University of New England – College of Dental Medicine

Construction completed - \$17 Million Investment.



# Medical/Maine Medical Center \$512 Million Expansion/2018 Start

Maine Medical Center (MMC) is the state's largest and only teaching hospital.

MMC is involved in a \$512 million expansion to modernize and expand the hospital and its infrastructure. Some of the components include a 60,000 SF, two story addition atop the East Tower with a helipad on the roof,

a 10-story freestanding garage with 2,400 spaces, and finally a 270,000 SF, seven story building for clinical uses, and a new entrance that will change the campus' orientation to Congress Street. Completion is anticipated by the end of 2022. Previously, MMC invested \$40 million in an expansion of its operating rooms



# Residential

## Completed in Past Five Years



CHOM/Elm Street – 38 Family Units



Pearl Place II – 54 Family Apartments



Redevelopment of the Former Nathan Clifford Street – 19 condo units.



CHOM/High Street – 30 Senior Units

# Residential – Continued



**118 Congress Street:** Mixed-used with 2 commercial units on ground floor, 18-space enclosed parking, and 12 condo units on upper 3 floors.



**Marquis Lofts:** 33 Lafayette Street – this development will replace existing church with a 4-story structure with parking on first level, with 6 condo units.



**West End Place:** 39 market rate apartments, with ground level commercial space.

## Residential – Continued



**152 Sheridan Street:** 5 apartment units on three floors.



**Munjoy Heights:** Located off Walnut Street – includes 29, 3- and 4-story townhouses with integral garages and roof decks.

# Residential

Redfern Properties - 665 Congress Street into 132-Unit Apt. Building; \$20 Million Project; former home of Joe's Super Variety.



Park Danforth expansion on Forest Avenue with 58 new apartments completed 2016.



# Residential



Luminato: At 167-169 Newbury Street - 24 condos ranging from 1-3 bedrooms. Completed 2017.



Shared Rooftop Terrace

# Residential

113 Newbury Street by  
Reger Dasco Properties  
into 35 Condo Units.

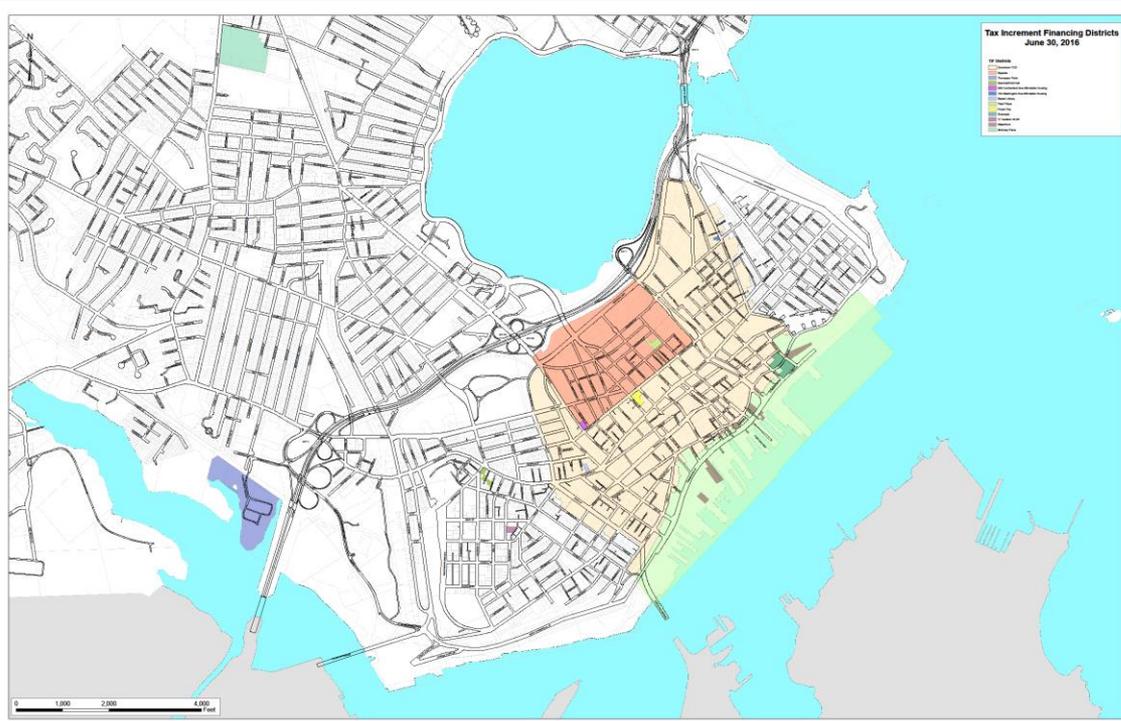


# Portland's Economic Development Tools

## Tax Increment Financing (TIF):

The Portland City Council has adopted a TIF policy designed for creating area-wide TIF districts, as well as individual TIF projects as requested by the development community. Economic Development staff provides a yearly report on TIFs to the City Council.

Portland currently has 10 Approved individual Site Specific TIF Districts; four area-wide TIF Districts – with associated Credit Enhancement Agreements - including the Bayside TIF, Waterfront TIF, and the Downtown Transit-Oriented TIF District; and, the Thompson's Point Transit-Oriented TIF District.

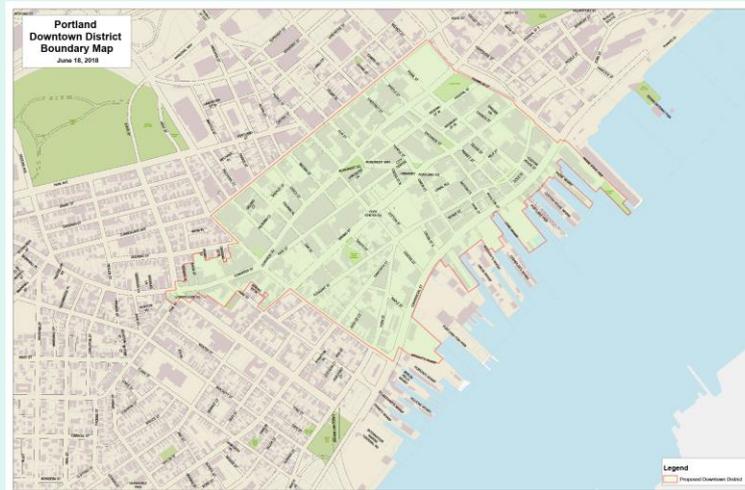


# Portland's Economic Development Tools

**Portland Downtown Business Improvement District**: This District is run by “Portland’s Downtown”. Portland’s Downtown (f/k/a “Portland’s Downtown District”) is instrumental in bringing events and people to the downtown, as well as keeping the area clean.



The geographic area of this district is pictured below:



# Portland Buy Local

The Portland Buy Local campaign was launched in July 2006 by a group of about twenty Portland business owners and citizens. After receiving a very enthusiastic response from both businesses and residents, that initial working group decided to incorporate the Portland Independent Business and Community Alliance (PIBCA) in September 2006 and form the organization's first [Board of Directors and Advisory Board](#).



Now, in 2018, Portland Buy Local boasts over 460 members, 85% of whom are Portland business owners.

It is noted that every \$100 spent at a local business contributes an additional \$58 to the local economy. By comparison, \$100 spent at a business with primary ownership outside the region yields just \$33 in local economic impact.

# Local Business Support



Fork Food Lab, in Portland's West Bayside neighborhood at 72 Parris Street, offers a full portfolio of a 50,000 sq. ft. kitchen space, 10 ovens, multiple ranges, 17 prep stations, storage, and staff on site for cleaning, allowing its food maker "members" (at over 20) to focus on their product with less administrative strain. With a public tasting room built in, members are able to share their creations immediately. This gives food entrepreneurs all the tools they need to create a successful business.



# Portland's Entrepreneurial Ecosystem

## Definition of Entrepreneurial Ecosystem:

*The social and economic environment affecting local/regional entrepreneurship.*

In Portland, that ecosystem is gaining strength, with a connected and dynamic network of organizations fostering entrepreneurship and accelerating the growth of innovative companies in a wide range of sectors.

## **Some of the Contributors to Portland's Entrepreneurial Ecosystem:**

- Maine Center for Entrepreneurial Development
- Gulf of Maine Research Institute
- UNE, USM, MECA
- Maine Startup and Create Week
- Co-Working Spaces (e.g., Cloudport, Think Tank, Engine Room, and Pelaton Labs)
- High Growth Companies (e.g., Cashstar, Kepware, Enviroligix, and Vets First Choice)
- Venture Hall
- Maine Accelerates Growth (MxG)
- Pitch Competitions
- E2Tech (Environmental & Energy Technology Council of Maine)

## **Some of the Regional Contributors:**

- Maine Technology Institute
- Venture Capital (e.g., Maine Angels, Maine Venture Fund)
- Maine Medical Center Research Institute
- Husson, SMCC, Bowdoin
- High Growth Companies such as IDEXX and WEX
- TechPlace Technology Accelerator



# Portland's Economic Development Tools

## **Portland Development Corporation:**

The Portland Development Corporation (PDC) provides financial assistance to business and industry throughout the City.

The PDC, created in 1991 by the City Council, reviews and approves all requests for loans from its revolving loan program and has provided more than 100 Portland businesses with over \$10.2 Million in financial assistance.

Loans can range in size from \$15,000 to \$300,000.

# Portland Economic Development Tools

- Façade Program Successes



# Portland Economic Development Tools

- Façade Program Successes



Corner of Forest Ave. and Congress St. After



Corner of Forest Ave. and Congress St. Before



# Portland's Economic Development Tools

Façade Improvement Program: The City has administered three rounds of this **grant/match, public/private partnership** program. It assists private property and business owners with renovating their commercial storefronts, and replacing deteriorated signs and awnings. The first two rounds were on **Congress Street** and the current round is on **Washington Avenue**.

The Numbers So Far: **Storefront Renovations: 16** (Congress 14; Wash. 2)  
**Total Grant Investment: \$201,356**  
**Total Private Investment: \$447,000**

**Is the Program a success? The before and after photos tell the story.**

# Portland's Economic Development Tools

## Creative Portland:

Creative Portland (CP), established November 2008 with the Portland City Council as its Corporator, is a nonprofit organization in support of the City of Portland's economic development efforts, which enhance and create business in the creative economy, arts district development, and employment opportunities.

Its programs of services, include, among others:

- First Friday Art Walk;
- 2 Degrees Portland; and,
- Updating the Cultural Plan.

CP receives annual TIF Funding from the City of Portland in an amount of up to \$100,000 from the Downtown Transit-Oriented TIF District; other funding sources are from private donations.

CP Website: [www.creativeportland.com](http://www.creativeportland.com)



# Portland's Economic Development Tools

## Form Based Zoning:

A recent example of this is the India Street Neighborhood. Form based zoning is intended to establish a zoning district that encourages a vibrant, walkable, mixed-use urban district, where new construction is regulated to conform with surrounding buildings, de-emphasizing land use.

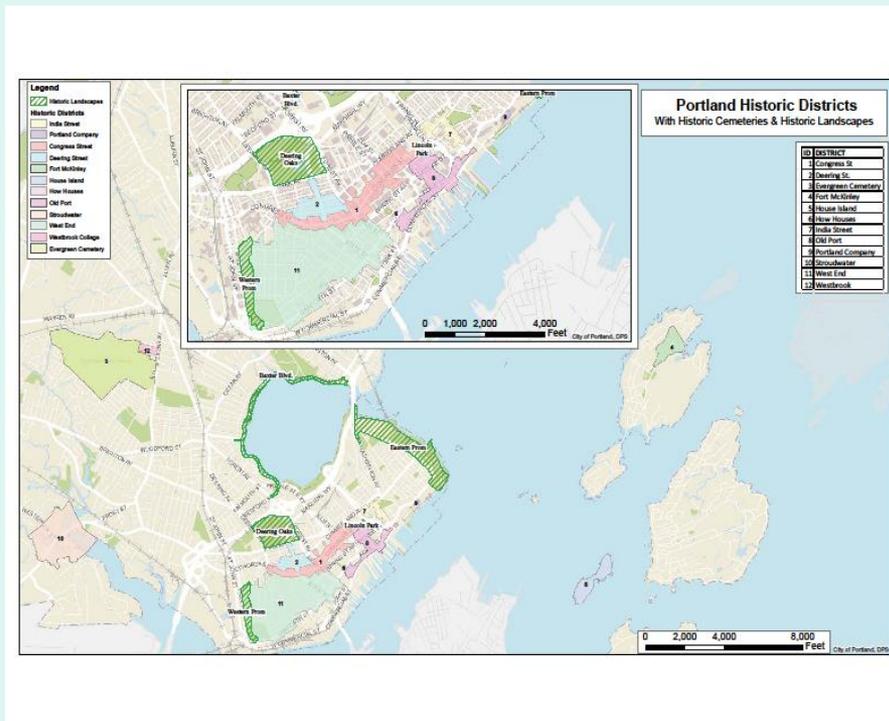


# Portland's Economic Development Tools

## Historic Preservation:

In 1990, the City of Portland adopted a historic preservation ordinance to recognize and preserve one of Portland's major assets – its rich collection of historic architecture and landscapes. The ordinance protects almost 2,000 properties through the City, in neighborhoods as diverse as the Old Port, Stroudwater, Congress Street, the West End, and Fort McKinley on Great Diamond Island.

The intent of the ordinance is not to prevent change, but to thoughtfully manage it, so that the unique character of these historic areas is retained.



# Portland's Economic Development Tools

## Office of Economic Opportunity:

***Mission Statement:*** To convene and leverage public and private partners to assure optimal communication and collaboration so that immigrants, people of color, and other underserved populations have access to jobs and related support services, as well as economic opportunities.

### ***Key Initiatives:***

- **Workforce Development**
- **Entrepreneurship and Self Employment**
- **English Proficiency for Adults**

# Portland Economic Development Department Staff

## Economic Development staff includes:

Director

Business Programs Manager

Waterfront Coordinator

Office of Economic Opportunity Director

Senior Executive Assistant

The annual budget for the Department is approximately \$450K.

Questions?