Portland, Maine Yes. Life's good here.

ECONOMIC DEVELOPMENT COMMITTEE

DATE: **January 26, 2016 (Tuesday)**
TIME: **5:00 – 7:00 p.m.**
LOCATION: **Room 209, Second Floor**
Portland City Hall

A G E N D A

1. **Welcome/Introductions**

2. **Brief Overview of the Portland Economic Development Plan and related documents (5:00 pm).**
    a) Greg Mitchell will provide a presentation at the meeting regarding enclosed documents which include the Portland Economic Development Plan, Portland Economic Scorecard, Greater Portland Economic Development Corporation (GPEDC), and Greater Portland Region Export Assessment Report.

3. **Brief Overview of City Economic Development Department (EDD) Services/ Work Plan and Accomplishments (5:15 pm).**
    a) Greg Mitchell will provide a presentation at the meeting regarding enclosed materials which include the EDD Services/ Work Plan Sheet and Accomplishment Listing.

4. **City Council Referral – Amendment to Portland City Code Chapter 15 Licensing and Permits and Chapter 30 Vehicles for Hire Re: Tour Operator Licensing (5:20 pm)**.
    a) Adam Lee will provide a briefing at the meeting regarding the enclosed materials.

5. **Proposed Amendments to the City Property Disposition related to Tax Acquired Properties and City Owned Properties (6:00 pm)**
    a) Staff will provide an overview of proposed amendments and provide materials at the meeting.

6. **Proposed Changes to City Permitting and Inspections Functions: Reorganization for Customer Efficiencies (6:20 pm)**.
    a) Staff will provide a presentation at the meeting regarding proposed reorganization changes to permitting and inspections to improve customer efficiencies.

7. **Executive Session (6:30 pm):** Pursuant to 1 M.R.S.A. 405(6)(C), the Committee will go into executive session to provide City staff guidance regarding:

a) A possible Tax Increment Financing District Credit Enhancement request;
b) A commercial space leasing opportunity of City property at 84 Free Street (in Spring Street Garage space).

Public Comment will be accepted on action items.

Next Meeting: February 11 and/or 23, 2016

Councilor David Brenerman, Chair

ECONOMIC DEVELOPMENT VISION + PLAN PORTLAND MAINE

August, 2011

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ECONOMIC DEVELOPMENT VISION + PLAN
PORTLAND, MAINE

The following is an economic development vision and plan for the City of Portland, Maine. It has been created in acknowledgement that economic development in general, and business retention, expansion, and attraction in particular, are vital to the growing prosperity and improvement in the quality of life of Portland's citizens.

This vision and plan provides a roadmap for success in Portland's future economic development. It draws on the previous and current work of the City, its citizens, businesses, and stakeholders. The vision and plan was accomplished through a collaboration of the City of Portland, Portland Community Chamber, and the Creative Portland Corporation. To guide the process and compile the results, the City and Chamber engaged the Economic Development Plan Task Force. A list of Task Force members is provided in Appendix A.

Rather than recreate the many recent efforts regarding components of the City's economic development, this plan draws from several recent reports that provide information relating to the economic development process. A listing of these reports is provided in Appendix B. The plan is also based on input obtained through outreach to citizens, workers, and stakeholders through a coordinated social media strategy including a project web page, Facebook page, and Twitter updates. Finally, it incorporates input received through outreach meetings and presentations, a listing of which is provided in Appendix C.

Using information gathered from these resources, an economic development vision and strategy has been developed that consists of the following components:

- **Guiding Principles + Vision Statements**
- **Goal Statements**
- **Implementation Strategies**

A description of these components is provided in Appendix D.

The vision and plan presents three primary areas critical to long-term success in Portland's economic development. These core areas of focus include:

1. **Grow the economy**
2. **Enrich the creative economy**
3. **Support Business**

To support these core areas of focus the City must take action to coordinate, communicate, and measure progress. Additionally, as part of this plan and vision and to enable its success:

Portland will work in collaboration with the communities and stakeholders of the Greater Portland Region to not only grow the City's economy, but also the economy of the region; together we will work to make the Greater Portland Region a great place to work, live, and grow a business.

Portland will participate in regional efforts at industry tradeshows and through external advertising, including specifically working with the Greater Portland Convention and Visitors Bureau and Greater Portland Economic Development Corporation

Portland will adhere to the regional economic development protocol agreed to by the Greater Portland Communities, and will participate in a collaborative marketing and business attraction program for the region

Portland is committed to regular and systematic economic development strategic planning and evaluation, including monitoring progress of its plan and activities, measuring progress and impacts, and making strategic changes as warranted. This includes maintaining and reporting through the Chamber's annual Economic Scorecard. The process will engage key stakeholders and include regular communications with the businesses, citizens and taxpayers of the City.

> Portland will utilize the latest technologies, including web and social media, to communicate and market Portland both inside and outside the region, and to deliver its economic and business development services and communications.

By adhering to this vision and plan, Portland will achieve its economic development goals, creating economic prosperity through growth of the City's tax and employment base. Portland's greatest strength is its underlying quality of life and unique character, contributing to its continuing national recognition as a highly desirable community in which to live and work. It is especially important for Portland to recognize, support, and enhance the fundamental qualities of place that make Portland unique and desirable for investment and growth; these include education, parks, waterfront, downtown, neighborhoods, cultural diversity, and the geographic and architectural heritage of the City. These assets enable Portland's economic development efforts to attract and grow businesses and support residents and workers. In turn, a strong economic environment enables the City to support and sustain these quality of life assets.

Economic development planning is an integral part of Portland's Comprehensive Plan, so this strategy document can be seen as a guiding policy and action plan in concert with other planning initiatives. The inter-relatedness of all elements of the plan are exemplified by the Sustainable Portland plan, which recognizes that the future health and prosperity of Portland depends on stewardship of our environment, our community, and our economy, the three fundamental components of future sustainable communities. For example, the City has adopted a Housing Plan that sets forth policies that will ensure that we can house a growing population, critical to building a workforce to engage in the jobs that will be created. Another example would be the Community Vision, which emphasizes the importance of quality education to ensure that the population possesses the skills needed to succeed in the modern economy – from skilled labor to high tech and innovation industries. It is understood that this Economic Development Vision and Plan for Portland does not itself address every component needed for future prosperity, but depends on the coordinated and comprehensive plans and policies that function together to secure our future well being.

This vision and plan is meant to be a living document to guide policies, programs, and actions within the City. It should be stressed that this is not a "City Government" only plan. It was developed by a collaborative effort between the City, the Portland Community Chamber, and the Creative Portland Corporation, with significant engagement from the Task Force; input from the public, private and not-for-profit sectors; and guidance from many past collaborative efforts. It is therefore a "community-wide" economic vision and plan to be utilized and implemented by those willing to participate and move forward into the future. Rather than being the sole document or effort related to economic and community development, this vision and plan is meant to provide a specific focus on the City's economic development vision, goals, and strategies. Other efforts and documents address closely related issues such as housing, infrastructure, services, and neighborhoods. Some of these issues are referenced in this vision and plan, but this document is not meant to cover those issues in detail.

Throughout the plan the term "business community" is used to represent the private sector. For this plan the "business community" is meant to mean all businesses in Portland, large or small, as well as any other stakeholders who have a vested interest in the economic growth and well being of the City of Portland.

Why a vision and plan? The purpose is best summarized in the following statement: "Creating economic prosperity through growing the City's tax and employment base." The economic recession has called out for the City to start considering "what's next" in terms of how we can grow wealth. Portland, along with other partner communities in South Portland, Scarborough, Falmouth, Cape Elizabeth, and Westbrook, plus the Portland Regional Chamber and a regional education alliance, have incorporated a private/public non-profit organization to support regional approaches to economic development, including marketing/branding. This vision and plan for Portland will help ensure that these regional efforts reflect the City's needs and strategies for economic development.

Strategies are the economic development priorities (or work plan) over the next 6-12 months starting in the summer of 2011. Appendix E outlines the assignment of work plan activities, budget resources and timeline.

The Plan's implementation will be monitored by the existing Task Force which has agreed to meet periodically to make sure the Plan is implemented and to recommend Plan revisions.

CORE ECONOMIC DEVELOPMENT FOCUS
GROW THE ECONOMY

Guiding Principles + Vision
The City is committed to creating economic prosperity through growing its tax and employment base.

Goals + Implementation Strategies
Understand the needs and concerns of existing businesses to support their retention and expansion
(Relevant Scorecard Indicators: none)

Work Plan:
Develop and sustain a visitation program to obtain regular feedback from the business community with areas of concern addressed in a timely manner. To implement this, the City should follow the detailed steps outlined in the MIT Report, with the major steps of the program being business outreach, information gathering, and most importantly, follow-up. The Mayor shall be involved and be the face of this program.

Action | Measurement:
- A business visitation pilot program will be established
- Feedback from the pilot visitation program will be used to adjust economic strategies and activities, and results of the visitation program will be communicated to the City's business community
- The results of the pilot program will be used to refine and implement an ongoing program
- Business will be better informed of economic development resources and opportunities in the City, and will feel that their concerns are being heard and acted upon

Develop non-visitation methods to enable additional communication and feedback from business by utilizing social media, surveys, and events

Utilize marketing and communication to promote, maintain and expand commercial loan and other business financial incentive programs that leverage and support business retention, expansion, and attraction

Support industry sectors that are innovative and have high growth/high value potential to provide future opportunities for economic development (Relevant Scorecard Indicators: S&E Occupations, Private Sector Employment Growth, Regional Earnings per Employee, Value of City Imports & Exports per Capita, Regional Venture Capital Investment, Regional Patents Issued). Added to these Scorecard Indicators will be employment growth and earnings per worker in targeted sectors.

This goal shall be accomplished through business retention and expansion efforts, as well as through a regional attraction effort coordinated with the Greater Portland Economic Development Corporation and Maine and Company. Based on past analyses and current data, sectors to target include:

- Finance and insurance
- Life science – including bioscience, healthcare, and medical
- Food production/food service – including fishing and seafood
- Marine and marine related – working waterfront, port related, and cargo
- Arts and culture
- Creative enterprise
- Visitation, tourism, and entertainment
- Support redevelopment of the Civic Center as a destination for visitors and residents alike
- Professional, technical services and business services
- Information Technology (IT) and IT-related services
- Manufacturing in niche areas including but not limited to food, chemical/biological, and nano-electronics

Work Plan:
Form working groups to develop specific strategies for each targeted sector, and for life sciences and food production services include in those strategies the recommendations from the MIT report.

Work Plan:
Produce additional analysis to further prioritize and develop sector/cluster strategies based on opportunity and analysis.

Action | Measurement:
- Form at least 3 working groups to develop strategies in three of the targeted sectors
- Identify and conduct further analysis to support strategy development in the three initial targeted sectors
- Develop implementation strategies in the three targeted sectors

In addition to the above targeted sectors, the City will value, support, and market green initiatives and businesses that operate in "green" markets

Work Plan:
Coordinate business and higher education needs to support regional workforce development
(Relevant Scorecard Indicators: Educational Attainment)

Advocate for workforce training and the education needs of Portland businesses to service providers and the regional higher education coalition

Participate through the Greater Portland Alliance of Colleges and Universities to strengthen alliances and opportunities for workforce education, training and development with the organization's regional institutes of higher education

Expand and encourage the availability of higher education scholarships provided by private businesses within the community

Action | Measurement:
- Conduct initial meeting between Greater Portland businesses, economic development representatives and representatives of the Greater Portland Alliance of Colleges and Universities; develop an ongoing process to increase advocacy, planning, and programming in support of workforce development

Increase awareness among businesses, workers, and residents regarding the benefits to the local economy of supporting Portland businesses
(Relevant Scorecard Indicators: None)

- Bring together Portland businesses and residents through marketing, communication and networking to increase sales at those businesses

Sustain economically vibrant neighborhoods
(Relevant Scorecard Indicators: None)

- Work with the City's neighborhood liaison to regularly engage businesses and residents in the environment and culture of Portland's neighborhoods
- Support the growth of local neighborhood business and promote the benefits they provide to the neighborhood's residents

Support efforts for a vibrant and attractive downtown
(Relevant Scorecard Indicators: Downtown Vacancy indicator)

- Recognize the Portland Downtown District as the entity to lead Downtown economic development efforts

Support a working waterfront, recognizing the Central Waterfront as an urban maritime district promoting traditional and emerging waterfront uses – a careful balance of mixed uses to help finance the marine infrastructure; the State Pier and Ocean Gateway, dedicated to passenger ferries, cruise ships and facilities; and the Western Waterfront, Portland's essential deep water port edge and acreage.
(Relevant Scorecard Indicators: Value of City Imports & Exports)

- Provide continued support for Ocean Gateway's use as an international passenger cruise ship terminal.
- Provide continued support for the International Marine Terminal (cargo shipping)
- Continue to monitor the effect of recent changes to zoning ordinances – allowing non-marine businesses on the water-front – on the growth and development of marine industries and quality of marine infrastructure in the zone.

- Provide continued support for the Portland Fish Pier and the infrastructure to support the fisheries industry.

- Prioritize attention and funding to dredge Portland's harbor (federal channel and private shores), and encourage investment in other marine infrastructure as a mean to provide continued access to and functional utility of private and publically owned piers.

Support and market Portland's distinct urban commercial targeted growth districts, encouraging a mix of housing and commercial development to create 24/7 activity and vitality. Each district will capitalize on its unique strengths to maximize the employment and tax base, channeling growth into emerging districts and established employment areas. These districts include: Bayside, an extension of downtown, featuring transit-oriented, high density modern mixed use along the new Bayside trail and a new front face to the city; Downtown, an historic main street, Arts District and Old Port, the center of finance, law, and commerce that capitalizes on its historic fabric and cosmopolitan feel; and Eastern Waterfront, an urban redevelopment district in a new street block grid on the scenic waterfront, situated at the hub of ferry terminals, the Eastern Prom Trail, and flanked by the charm of India Street and Munjoy Hill neighborhoods.
(Relevant Scorecard Indicators: None)

- Develop a Capital Improvement Plan (CIP) for commercial growth areas to address physical infrastructure needs

- Include information about business and growth opportunities for these targeted commercial areas within business expansion and attraction marketing and communication efforts

Continue to develop and promote Portland's commercial and industrial districts, including Riverside Street, the Rand Road Technology Park, and other locations suited for cutting edge business and industry.

- Develop a Capital Improvement Plan (CIP) for commercial growth areas to address physical infrastructure needs

- Include information about business and growth opportunities for these targeted commercial areas within business expansion and attraction marketing and communication efforts

Attract and support entrepreneurs as a means of growing and diversifying the local economy (Relevant Scorecard Indicators: Regional Venture Capital Investment) Add to Scorecard Indicators: Business Start-ups and Business Churn

- Coordinate entrepreneurship services to ensure Portland entrepreneurs are supported for start-up, retention, and growth

- Support efforts to increase minority entrepreneurship and the entry of minority populations into business and the workforce

- Develop a "Portland Host" program to have existing businesses and professionals welcome new business to the City and be available to help recruit new businesses. This program will include representatives of the Portland Community Chamber, the City and others as appropriate.

Recognize that infrastructure – be it roads, sewer, water, energy, communication networks or transportation – is the underpinning of economic growth and development. It must be maintained and improved to support the goals and strategies contained in this plan.
(Relevant Scorecard Indicators: Visitors to Region, Enplanement, Value of City Imports and Exports Per Capita)

- Portland will plan for future transportation and infrastructure needs and prioritize improvements to be implemented within a reasonable timeframe, in order to support economic development and growth

- Portland will provide a transportation system which encompasses all modes, balances competing objectives, and promotes the economic vitality and quality of life in the Portland community

- Portland will support a network of airport, rail, ports (cargo and passenger) and highway infrastructure to compete in the global economy

- Portland will continue to attract passenger airline carriers to the Jetport in an effort to lower ticket prices and offer greater choices for travelers

- Portland will encourage the development and maintenance of telecommunications infrastructure, including broadband service, to support opportunities arising from digital technologies

- Portland will support improvements and maintenance of environmental infrastructure (i.e. combined sewer overflow infrastructure to support a healthy harbor) to foster further growth

CORE ECONOMIC DEVELOPMENT FOCUS
ENRICH THE CREATIVE ECONOMY

A great growth potential for Portland's creative economy lies within the creative enterprise cluster. The creative enterprise cluster includes trades and professions that are built upon the translation of creative expression and talent along with application of innovation into profitable products and services. Examples of the creative enterprise cluster include the design arts, the culinary arts, textiles and furnishings, media, fashion, writing and publishing, advertising, music, innovation and knowledge based enterprises, and other such enterprises. Entrepreneurs building creative enterprises are attracted to cities like Portland, Maine that have the magnetic qualities of a vibrant and well known creative spirit, and a rich physical, social and cultural environment. Therefore, to foster growth of creative enterprises first requires maintaining and enhancing the presence of arts and cultural organizations and individual artists, and the protection and enhancement of the community cultural, environmental, architectural and natural assets. The affirmative action required to attract, nurture, and grow creative enterprises is to get the word out nationwide through community branding and marketing that Portland has what it takes to sustain and support these enterprises to capitalize on this growth industry for Portland.

Guiding Principles + Vision

Value innovation, entrepreneurship, creativity, arts, culture, and entertainment to improve the economy and enhance Portland's uniqueness and diversity

Goals + Implementation Strategies

Increase collaboration, coordination, and communication among those involved in the arts, cultural, creative and innovation sectors

(Relevant Scorecard Indicators: None)

Work Plan:
Recognize and utilize the Creative Portland Corporation ("Creative Portland") as the lead organization to drive strategies and implementation for Portland's creative economy efforts

Work Plan:
Inform the public on what the creative economy encompasses and its importance to the local cultural and economic environment

Action | Measurement:

- The Creative Portland Corporation will develop an operative definition and baseline metric of the existing creative enterprise economy in Portland, and periodically update this metric to assess progress in order to revise strategic initiatives and grow this sector.

Market Portland to increase recognition nationally and internationally that this is a City where arts, culture and entertainment, innovation, and creativity thrive

(Relevant Scorecard Indicators: Visitors to Greater Portland/Casco Bay Region and Regional Food Services & Drinking Places Sales Growth)

Work Plan:
Creative Portland will convene a meeting of all entities involved in marketing and branding Portland to collaborate on message and strategy implementation, determine roles and responsibilities, adopt a common brand and related sub-messages, and adopt a process for moving forward and implementing the strategy

Work Plan:
Take Creative Portland's web platform, LiveWorkPortland, and develop a web and social media plan on a national level; make sure that all related organizations' (City, Chamber, Greater Portland Economic Development Corporation, Portland Downtown District, Convention and Visitors Bureau, and Creative Portland Corporation) marketing and messaging align

Action | Measurement:
- Creative Portland will convene a meeting of all entities involved in marketing and branding Portland to collaborate on message and strategy implementation and determine roles and responsibilities
- A marketing strategy with a common brand and related sub-messages and a process for moving forward and implementing will be developed
- Citizens, businesses, and those involved in economic development services will easily recognize and utilize a united brand and messaging to promote business and economic development

Include within business attraction efforts a targeted strategy to attract creative and entrepreneurial individuals and businesses

Include in attraction efforts targeting visitors to Portland

Create incentives to establish and grow Portland's creative enterprises
(Relevant Scorecard Indicators: Venture Capital Investment indicator); add Business and Employment Growth in Creative Sectors

Work Plan:
Provide assistance to secure funding for organizations that support creativity, entrepreneurship, and innovation

Develop creative financing mechanisms, such as tax increment financing, which can help support major new, expanded, or rehabilitated cultural facilities

Work Plan:
Propose revisions to the City's creative economy revolving loan fund program to meet market demand

Work Plan:
Create incentives to attract and retain artists and entrepreneurs for development of live/work residences or common workspace and housing

Action | Measurement:
- Creative Portland to assess City loan and assistance programs and propose revisions
- CP will assess the feasibility of establishing a facility to house artists

Support individuals, workers, and businesses that are innovative, creative and entrepreneurial as a means of growing and diversifying the local economy
(Relevant Scorecard Indicators: None); add Business and Employment Growth in Creative Sectors

Research best practices among cities nationally to support the arts, entertainment, creativity, entrepreneurship, and innovation, and incorporate into Portland's strategy for creativity, entrepreneurship, and innovation

Obtain additional research/information regarding what drives creative persons and entrepreneurs to choose Portland by interviewing recent in-migrants

Survey creative economy businesses and ask what they need to grow their businesses, then develop action steps

Action | Measurement:
- Conduct initial research
- Track inputs, outputs and outcomes on specific programs and services established, including dollars spent to support, entities supported, dollars leveraged, satisfaction with the programs, and impact of funding

Recognize and support individual artists, and arts and cultural-related venues and organizations
(Relevant Scorecard Indicators: None)

Develop a "how to" online city resource to get events approved by the city

Feature one creative economy business per month on the City's eco-development web platform

Coordinate entrepreneurship services to ensure that Portland entrepreneurs are being supported for start-up, retention, and growth

CORE ECONOMIC DEVELOPMENT FOCUS
SUPPORT BUSINESS

Guiding Principles + Vision

Portland will be recognized as a city where the business community is valued and nurtured through support services which are relevant, helpful, welcoming, and delivered in a timely manner with superior "customer service"

The City will continue to strive towards a more simplified and streamlined process of interacting with all current and future businesses in Portland

Goals + Implementation Strategies

Interactions with City departments, agencies and staff will be handled with accuracy, timeliness and a positive customer service attitude.

(Relevant Scorecard Indicators: None)

Work Plan:
The City will produce an updated "Doing Business Guide" to assist businesses with obtaining services, including, for example, a timeline describing the process for approval and associated fees when licenses and permits are needed.

Work Plan:
The City will maintain a "Hotline" and focused web services/pages for business assistance, to connect businesses with needed services.

Work Plan:
Computer software will be implemented to improve communication, tracking, and follow-through among City departments and those seeking planning, development, licensing, codes, and permitting

Work Plan:
High level of accessibility will be maintained through all aspects of communications, included web and social media

Work Plan:
City staff that are interfacing with business will be provided additional customer service training

Action | Measurement:

- The City will put in place by July 1, 2012 a customer service feedback system to obtain feedback from those clients served by the City's business and development-related programs and services.

Work Plan:
The Development Review process will be clear, consistent, predictable and timely.

(Relevant Scorecard Indicators: None)

Action | Measurement:

- The 2010 updates to the City's Development Review process are intended to fulfill the goal expressed above. The Chamber and the City will undertake an annual review of development applications to verify that the updates are achieving their intended purpose, and will make recommendations for further refinement if so warranted.

The business community, in partnership with the City, will nurture the growth and prosperity of Portland businesses.

(Relevant Scorecard Indicators: Private Sector Employment Growth, Regional Earnings per Employee, Gross Metro Product Growth)

Specific assistance to be offered includes:

- Workforce Development – Align education and trade skills with business needs
- Visitation – Support visitation programs
- Marketing – Promote Portland as a place to work, play, shop and conduct business
- Networking – Support Portland business-to-business interactions
- Advocacy – Through regular briefings of elected officials, strengthen the voice of Portland businesses at all government levels, including those that have a regulatory impact and those that affect resource allocation

Utilize Federal, State and Local support to help Portland businesses of all sizes grow, add employment, and generate new net tax revenue as well as attract new businesses

(Relevant Scorecard Indicators: Employment Growth, Property Tax Rate, and Property Valuation)

- The City will review and revise its Tax Increment Financing Policy, as needed, to support the goal of expanding jobs and the municipal tax base associated with targeted economic and business development
- Maintain adequate funding for City-sponsored commercial and industrial loan and grant programs, and market the availability of such programs to the business community
- Monitor State and Federal business assistance programs and communicate with Portland businesses about those programs, advocating for program changes as needed
- Promote availability of all tax credit programs (Federal and State), including use of Historic tax credits for building rehabilitation in Portland's historic commercial districts

Appendices

APPENDIX A:
TASK FORCE MEMBERS + SUPPORT

Members

Richard Aronson
Century Tire Co.

Ed Bradley
Vessel Services, Inc.

Roxane Cole
Roxane Cole Commercial Real Estate

Corson Ellis
Kepware Technologies

Fred Forsley
Shipyard Brewery

Brenda Garrand
Garrand Marketing

Gary Goodrich
BioProcessing, Inc.

Andy Graham
Portland Color & Creative Portland

Joseph Gray
City of Portland

Chip Harris
Kilbride & Harris Insurance

Gerard Kiladjiian
Portland Harbor Hotel

Gary Koocher
Applicator Sales & Services

Jack Lufkin
Gorham Savings Bank & Portland Community Chamber

Gregory Mitchell
City of Portland

Paul Peck
Drummond & Drummond

Brian Petrovek
Portland Pirates & Portland's Downtown District

Charles Poole
Proprietors of Union Wharf

Nathan Smith
Bernstein Shur

Paul Stevens
SMRT

Support

Greg Mitchell and Nelle Hanig
City of Portland Economic Development Division

Alex Jaegerman
City of Portland Planning Department

Jack Lufkin
Portland Community Chamber

Jim Damicis
Project Consultant, Camoin Associates

Jeff Breece
Project Consultant, Camoin Associates

Jennifer S. Muller
Graphic Designer

Andy Graham
Portland Color

Laurie Banks
Perry & Banks

APPENDIX B:
LISTING OF PAST REPORTS REVIEWED

"Knowledge in Cities" by Todd Gabe, University of Maine, et al, September 2010 - Portland has a "thinking" economy.

Memorandum from the Metro Coalition Subcommittee regarding the Greater Portland Economic Development Corporation Formation - June 22, 2010

MIT Master's Class in Economic Development Planning Spring 2010 Report Portland in Focus – a Demographic/ Economic Profile

Portland's Downtown District (PDD) Strategic Plan – March 2010 (Portland's Downtown District)

Portland's Economic Scorecard 2010 (Portland Community Chamber in partnership with Portland Regional Chamber)

Development of a Regional Economic Development Organization for the Greater Portland Region – October 2009 (PolicyOne Research, Inc.)

Creative Economy Steering Committee – Report of Recommendations to the Portland City Council - October 2008

Looking Out for Portland and the Region 2007 (Portland Community Chamber)

Portland's Creative Economy Summit Report – May 31, 2006 (City of Portland)

A New Vision for Bayside, Book One: The Plan – April 2000 (City of Portland)

A New Vision for Bayside, Book Two: Implementation – April 2000 (City of Portland)

A Plan for Portland's Arts District – Executive Summary Prepared by the City of Portland Planning Division January 1996 (from the November 1995 Report just below)

A Plan for Portland's Arts District – November 1995 (Herbert Sprouse Consulting and The Wolf Organization, Inc.)

Downtown Vision – March 11, 1991 (City of Portland)
Vision 2000 – A Vision for the Future of the Greater Portland Region, c1989.

City of Portland's Comprehensive Plan

APPENDIX C:
OUTREACH MEETINGS + PRESENTATIONS COMPLETED

MIT Graduate Class stakeholder meetings and business interviews held during January to April 2010.

December 1, 2010 Creative Portland Corporation Board meeting – Reviewed the Draft Creative Economy Section.

January 20, 2011 Downtown Portland Corporation Board public meeting - Reviewed January 10, 2011 Draft Portland Economic Development Plan for input.

January 26, 2011 Community Development Committee public meeting - Reviewed January 10, 2011 Draft Portland Economic Development Plan for input.

February 9, 2011 Creative Portland Corporation Board public meeting - Reviewed February 8, 2011 Draft Portland Economic Development Plan for input with emphasis on the Creative Economy Chapter.

March 8, 2011 Portland Business Advisory Council meeting – Reviewed February 14, 2011 Draft Portland Economic Development Plan for input.

March 10, 2011 Portland Mayor's Local Cable TV Call-in Program – Greg Mitchell, Jack Lufkin and Andy Graham were interviewed by Portland Mayor Mavodones to discuss the Draft Portland Economic Development Plan.

APPENDIX D:
DESCRIPTION OF ECONOMIC DEVELOPMENT PLAN COMPONENTS

Guiding Principles + Vision Statements
These are high level statements designed to guide policy, ordinances, and activity, by the City and stakeholders. They represent what Portland stands for and wants to achieve and/or become over the long term.

Goal Statements
These are primary economic development goals to be achieved over the next three years and beyond – They provide more detail for the vision statements. Multiple goals should be identified for each vision/principle and address specific subject areas such as: planning & development process, regional cooperation, targeted industries, infrastructure, and quality of place.

Implementation Strategies
These are specific tactics that will be undertaken to achieve goals, including who has primary responsibility, timeframe, estimated costs, and how progress will be evaluated.

Economic Development Plan Components

PORTLAND, MAINE
ECONOMIC DEVELOPMENT PLAN
2011 + 2012 WORK PLAN

The 2011 + 2012 WORK PLAN is the document which will guide the economic development activities to be undertaken over the next twelve to eighteen months. The full list of strategies and goals can be found in the ECONOMIC DEVELOPMENT VISION + PLAN for Portland Maine, August 2012. The WORK PLAN is intended to be revised annually as goals are accomplished and new priorities arise. The ECONOMIC DEVELOPMENT VISION + PLAN provides a shared vision for guiding Portland's future economic prosperity. It was prepared under the direction of the Portland Economic Development Task Force, and lead partners involved with its creation include the City of Portland Economic Development Office, Portland Community Chamber, Portland's Downtown District, Downtown Portland Corporation, Creative Portland Corporation, Convention and Visitors Bureau, and others. The Portland Economic Development Task Force will oversee the WORK PLAN activities; and annual measurement of progress towards the ECONOMIC DEVELOPMENT VISION + PLAN will be accomplished through the Portland Community Chamber's annual Portland's Economic Scorecard. For more information regarding the WORK PLAN, the ECONOMIC DEVELOPMENT VISION + PLAN, or Portland's Economic Scorecard, please contact the City of Portland Economic Development Office or the Portland Community Chamber.

GROW THE ECONOMY

Principle and Vision Statement: The City is committed to creating economic prosperity through growing its tax and employment base.

Goals:

1. Understand the needs and concerns of existing business to support their retention and expansion.
2. Support industry sectors that are innovative and have high job growth, high value potential to provide future economic development opportunities.
3. Coordinate business and higher education needs to support regional workforce development.

Activities:	Budget/Resources:	Responsibilities:	Timeline/Measurement:
Business Visitation Program Development	$8,000 direct expenses and in-kind.	City + Chamber	Design and complete program by Nov., 2012
Industry Sector Research	$15,000-20,000 for consultant and in-kind.	City + Chamber	Form working groups, select industry sector focus and complete research by Dec., 2012.
Workforce Education Advocacy + Coordination	In-kind	City + Chamber	Work through the Greater Portland Economic Development Corporation.

PORTLAND, MAINE
ECONOMIC DEVELOPMENT PLAN
2011 + 2012 WORK PLAN

ENRICH THE CREATIVE ECONOMY

Principle and Vision Statement: Value innovation, entrepreneurship, creativity, arts, culture, and entertainment to improve the economy and enhance Portland's uniqueness and diversity.

Goals:

1. Increase collaboration, coordination, and communication among those involved in the arts, culture, creative and innovative sectors.
2. Market Portland and increase recognition nationally and internationslly that Portland is a City where the arts, culture, entertainment, innovation and creativity thrive.
3. Create incentives to establish and grow Portland's creative enterprises.

Activities:	Budget/Resources:	Responsibilities:	Timeline/Measurement:
Creative economy education	Annual TIF funding	Creative Portland	On-going
Develop Portland Marketing + Branding Program	$25,000	CP, City, PDD, Chamber and CVB	Convene meeting and complete by Dec., 2012.
Create incentives to retain and attract artists and entrepeneurs.	In-kind	CP, City and Chamber	Complete program evaluation and propose action by Jan., 2012.

SUPPORT BUSINESS

Principle and Vision Statement: Portland will be recognized as a city where the business community is valued and nurtured through support services which are relevant, helpful, welcoming, and delivered in a timely manner with superior "customer service". The City will continue to strive towards a more simplified and streamlined process of interacting with all current and future businesses of Portland.

Goals:

1. Interactions with City departments, agencies and staff will be handled with accuracy, timeliness and a positive customer service attitude.
2. The Department Review process will be clear, consistent, predictable and timely.

Activities:	Budget/Resources:	Responsibilities:	Timeline/Measurement:
"Update Doing Business Guide", maintain business assistance services, improve use of web/social media and commit to customer service" training.	Annual appropriations	City ED Staff	Update Guide by Winter 2012. Remainder activities are on-going.
Review 2010 Site Plan Standards effectiveness	In-kind	City + Chamber	Chamber and City staff to meet annually.

PORTLAND, MAINE ECONOMIC DEVELOPMENT PLAN

2014 & 2015 WORK PLAN

GROW THE ECONOMY

***Principle and Vision Statement*: The City is committed to creating economic prosperity through growing its tax and employment base.**

Goals:

1. Understand the needs and concerns of existing business to support their retention and expansion.

2. Support industry sectors that are innovative and have high job growth, high value potential to provide future economic development opportunities.

3. Coordinate business, higher education, and research and development needs to support regional workforce development.

Activities	*Responsibility/Lead Org. First **	*Status/Details*
Business Retention and Attraction		
- Business Visitation Program	City, Chamber, GPEDC	Ongoing/Retention, wkforce dev. & expansion, grow global exports, incl. food sector
- Growing Portland Initiative	GP, City, Chamber, CP, GPEDC	Ongoing/"Research Triangle" rollout & sector work groups deployment
- Industry Sector Research	Chamber, GP, City, GPEDC	Ongoing/Growth Strategy for specific industries in Portland Region
- Portland Technology Park	City, Chamber, GPEDC	Ongoing/Market park to businesses and plan for future phase
- PDC Commercial Loan and Grant Programs	City, PDC	Ongoing/Assistance to new and growing businesses
- Minority and Women-Owned Business Development	City, Chamber, CEI, and USSBA	**Proposed**/Inventory businesses, clarify growth challenges, incl. creative eco.; business forums incl workforce dev/industry-sector partnership opportunities; promote current financial and business development offerings; provide managerial, technical, and business consulting assistance; create connections to entrepreneurial and vocational training.
Workforce Development		
- Overcoming Barriers to Employment: Develop strategies, programs, and services to support workforce entry	GP, CVB, Chamber, City, PAEd	**Proposed**/Convene working groups to coordinate specific strategies.
- Utilize CDBG resources for workforce development	City, Chamber	Implement new CDBG program
Tourism		
- Raise Tourism Awareness	CVB, City, PDD, ME Office of Tourism	**Proposed**/Jetport; Cruise Portland, ME; cultural heritage; global mkts
-Create a cultural heritage tourism initiative	CVB, City, ME Office of Tourism	**Proposed**/Inventory and market cultural heritage projects, sites, and educational programs; identify cultural heritage tourism projects ready for marketing; include the cultural history of Portland on City website with links to CVB/tourism opportunities.
- Summit on Convention Center and Funding Sources	CVB, Civic Ctr., City, Hospitality Ind., Chamber	**Proposed**/
- Collaboration on People and Business Relocation Package(s)	CVB, Chamber, CP, City	**Proposed**/To assist businesses and individuals moving to Portland
Public Infrastructure/Transportation		
- Re-Establish Ferry Between Portland & Yarmouth, NS	City, State, MITC	Ongoing
- Extend Rail to Support Eimskip & Growth of Int'l Cargo Shipping	ME Port Authority, MEDOT, City	Ongoing/Strenthen partnership with Eimskip; State Bond Issue support
- Intermodal Planning and Infrastructure at Thompson's Point	MEDOT, EDA, City	Ongoing/State Bond Issue support
- Harbor Dredging	City, MEDOT, Wharf Owners	Ongoing/State Bond Issue support
- Establish a TIF strategy for transportation and downtown public infrastrucuture	City	**Proposed**/Discuss establishment of a downtown transportation oriented TIF district.
Metrics		
- Portland's Economic Scorecard	Chamber, City, CP, PDD, CVB	Ongoing/Enhance Integration with ED Plan

* Lead organization has primary responsibility for resources and implementation.

ENRICH THE CREATIVE ECONOMY

***Principle and Vision Statement*: Value innovation, entrepreneurship, creativity, arts, culture, and entertainment to improve the economy and enhance Portland's uniqueness and diversity.**

Goals:

1. Increase collaboration, coordination, and communication among those involved in the arts, culture, creative and innovative sectors.

2. Market Portland and increase recognition nationally and internationslly that Portland is a City where the arts, culture, entertainment, innovation and creativity thrive.

3. Create incentives to establish and grow Portland's creative enterprises.

Activities	*Responsibility/Lead Org. First **	*Status/Details*
Portland Marketing & Branding Program: Advance Implementation	CP, City, Chamber, PDD, CVB, WAC	Ongoing/Increase nat'l & int'l recognition of Portland, ME
Refine Recruitment Strategies & Programs for Creative Entrepreneurs	CP, City, Chamber	Ongoing/
Creative Space Development	CP	Ongoing/Inventory, database, additional space dev.

SUPPORT BUSINESS

***Principle and Vision Statement*: Portland will be recognized as a city where the business community is valued and nurtured through support services which are relevant, helpful, welcoming, and delivered in a timely manner with superior "customer service". The City will continue to strive towards a more simplified and streamlined process of interacting with all current and future businesses of Portland.**

Goals:

1. Interactions with City departments, agencies and staff will be handled with accuracy, timeliness and a positive customer service attitude.

2. The Department Review process will be clear, consistent, predictable and timely.

Activities	*Responsibility/Lead Org. First **	*Status/Details*
Update City Website as Customer Service Portal.	City	Ongoing/December 2014
Review 2010 Site Plan Standards Effectiveness	City & Chamber	Ongoing/Chamber and City staff meet annually
Streamlining Permitting	City	Ongoing

* Lead organization has primary responsibility for resources and implementation.

Acronym Definitions:
CDBG = Community Development Block Grant
CP = Creative Portland
CVB = Convention and Visitors Bureau
EDA = U.S. Department of Commerce/Economic Development Admin.
GP = Growing Portland
GPEDC = Greater Portland Economic Development Corporation
MEDOT = Maine Department of Transportation
MITC = Maine International Trade Center
PAEd = Portland Adult Ed.
PDC = Portland Development Corporation
PDD = Portland's Downtown District
SMCC = Southern Maine Community College
USM = University of Southern Maine
USSBA = U.S. Small Business Adminiatration
WAC = World Affairs Council

PORTLAND

COMMUNITY CHAMBER OF COMMERCE

In Partnership with the Portland Regional Chamber of Commerce

Portland's Economic Scorecard 2015

September 2015

Dear Readers,

The 2015 Portland Economic Scorecard is the Portland Community Chamber of Commerce's fifth assessment of economic health in Portland and its surrounding region. As we did last year, we want to first emphasize what a special place Portland is, and how exciting it is to see our City and our region gaining national recognition for all the things that make us truly unique.

Some quick background: in 2007, the PCCC released "Looking Out for Portland and the Region," which examined our economy in ways that hadn't been done before. That report became the touchstone for many successful economic development initiatives, including this Scorecard.

Every Scorecard includes the data we need to analyze the strengths and weaknesses of our local economy. We compare ourselves to Maine, New England, the U.S. and a set of benchmark cities from around the country that best resemble us. We set goals for excellence, and we measure our progress toward those goals, both annually and over time.

Thus, each Scorecard is a tool for understanding how Portland is performing economically and what's needed to keep our City and our region strong. Depending on how you look at the numbers you can construct different narratives about our civic and economic well-being. But certain observations seem particularly significant to the PCCC:

A. Measuring gross metro product growth, the Portland Metropolitan Statistical Area (MSA) lags national benchmark regions and the U.S.

- However, the Port of Portland continues to see dramatic growth in exports, consistent with the ramp up of Eimskip.
- Likewise, the region shows strong growth in consumer retail sales and restaurant and lodging retail sales.

B. The City is keeping up with national employment growth in the past year and exceeding the region and Maine. In greater focus:

- In the past year, employment growth is especially strong in Business and Financial Services; and Arts, Entertainment, Recreation, and Visitation.
- In the past year, Portland's employment growth is keeping up with comparative benchmarks in these sectors: Bio-Med, Life Science, and Healthcare; Information Technology; and Creative Occupations.
- Along with MSA and Maine benchmarks, the city's Food Production sector is lagging.

C. Beyond sector-specific employment, these metrics indicate concern for population and business growth in the City of Portland:

- A low unemployment rate, but wages that lag the national average.
- A median household income on par with the national benchmark cities but lagging the MSA, Maine, and the U.S.
- A low population growth that continues to lag benchmarks.
- Higher (than benchmark) home ownership costs and lower rental availability/affordability.
- Increasing property values coupled with higher overall property tax burden to households.

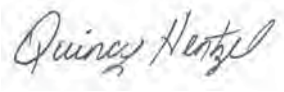
From the PCCC's perspective, we see two key takeaways:

1) It is imperative that we grow the regional economy through regional collaboration with economic development, workforce, community development, housing, transportation and trade. The City needs a strong regional economy and the region needs a strong City economy!

2) We must address cost and wage issues. Portland and the region must be a home for economically sustainable jobs and businesses, with sustainable incomes and wages.

The issues identified in the data are complex, and there are no silver bullets. The work we have done together to date has had great value – the many positives in the City and the region testify to the good outcomes we've achieved. And at the heart of our findings we think it is essential that we clear the way for more jobs, a more prosperous middle class and a stronger set of economic fundamentals.

Quincy Hentzel



President

PORTLAND
COMMUNITY CHAMBER OF COMMERCE
In Partnership with the Portland Regional Chamber of Commerce

Acknowledgments

This year's Scorecard updates the framework we have built over the last five years.

We have aligned the Scorecard's indicators with the City of Portland's Economic Vision and Plan, a living economic development strategy that represents the collaboration of City officials (including Mayor Michael Brennan and Economic Development Director Greg Mitchell), the Portland Development Corporation (which helped fund this report, along with the Chamber), Creative Portland, the Greater Portland Convention and Visitors Bureau, the Portland Downtown District, the Growing Portland Collaborative and of course the Portland Community Chamber of Commerce.

Our collective partnership represents a commitment to work across organizational lines to achieve our common goals for a better, more prosperous Portland. Thanks go out to all these organizations, and in particular to Andy Graham, Chris Hall, Steve Hewins, Jennifer Hutchins, Jack Lufkin, Greg Mitchell, John Spritz and Lynn Tillotson who all contributed directly to this year's Scorecard. Thank you.

Special thanks and recognition go to Ryan Wallace, Project Director, Maine Center for Business and Economic Research, University of Southern Maine and Jim Damicis of Camoin Associates who performed all the research that we report on today. Jim has helped us author all four of our Scorecards, providing insight and analysis at every turn. Ryan joined our team this year, and together with his student assistants, has added new insight and value to this report.

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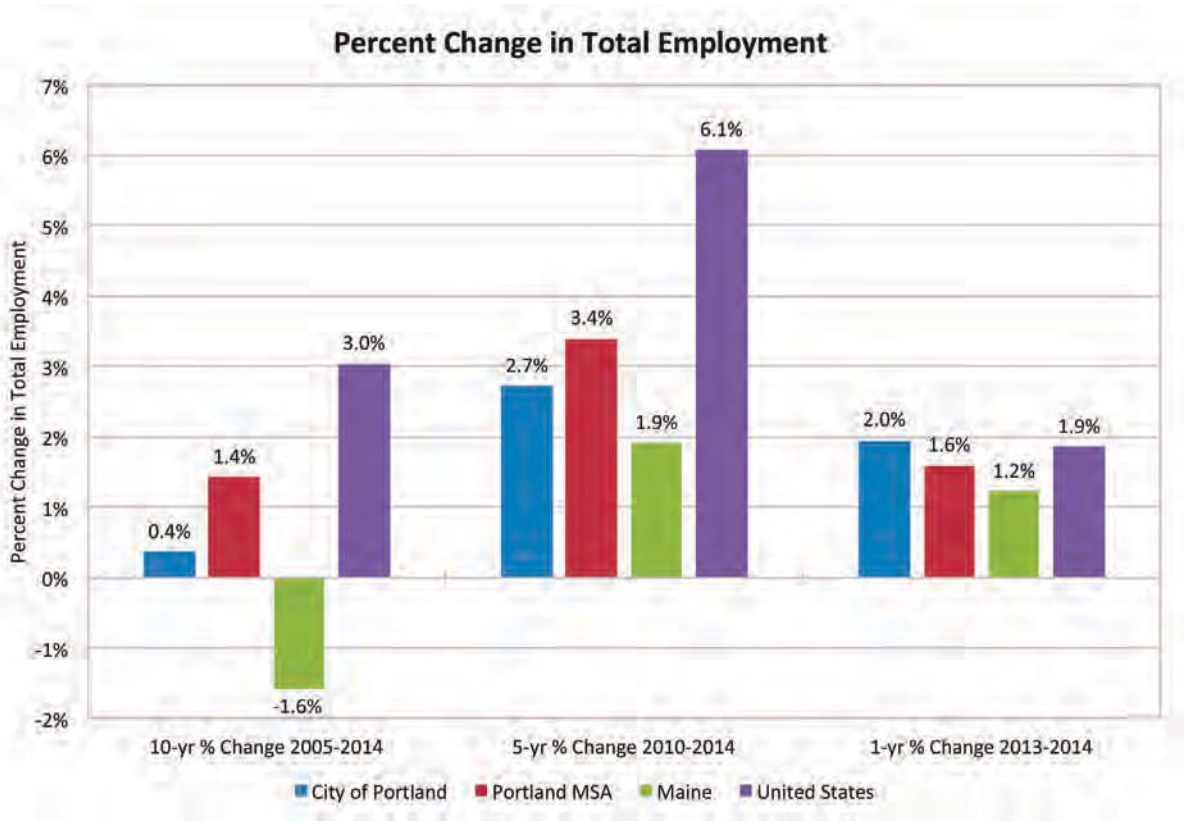
Total Employment Growth

Keeping Up ⇔

TARGET: Annual employment growth will exceed the national average

Between 2013 and 2014, employment in the City of Portland increased by 2.0%, compared to a 1.9% increase nationally.

Over the five-year period from 2010 to 2014, Portland experienced a 2.7% increase in total employment. At the regional level (Portland MSA) the increase was 3.4%, while Maine overall gained 1.9%. National employment growth outpaced all the comparison geographies, with a 6.1% increase. Between 2005 and 2014, employment in the city increased by 0.4%, compared to a 1.4% increase regionally and a 1.6% decrease in Maine. At the national level, employment grew by 3.0% during the ten-year period.



WHY IS THIS SIGNIFICANT?

Employment growth measures the ability of the economy to produce job and business growth. A steady increase in the number of jobs that keeps pace with population growth ensures that residents will be able to find work, contributing to the overall economic stability. It also shows the ability of business to compete and grow.

SOURCES AND NOTES:

Employment is from Economic Modeling Specialist Inc., EMSI, QCEW + Non-QCEW + Self-Employed workers, 2014 Class of Workers; www.economicmodeling.com.

Employment and occupations include all workers including sole proprietors, self-employed, 1099 workers, and extended proprietors.

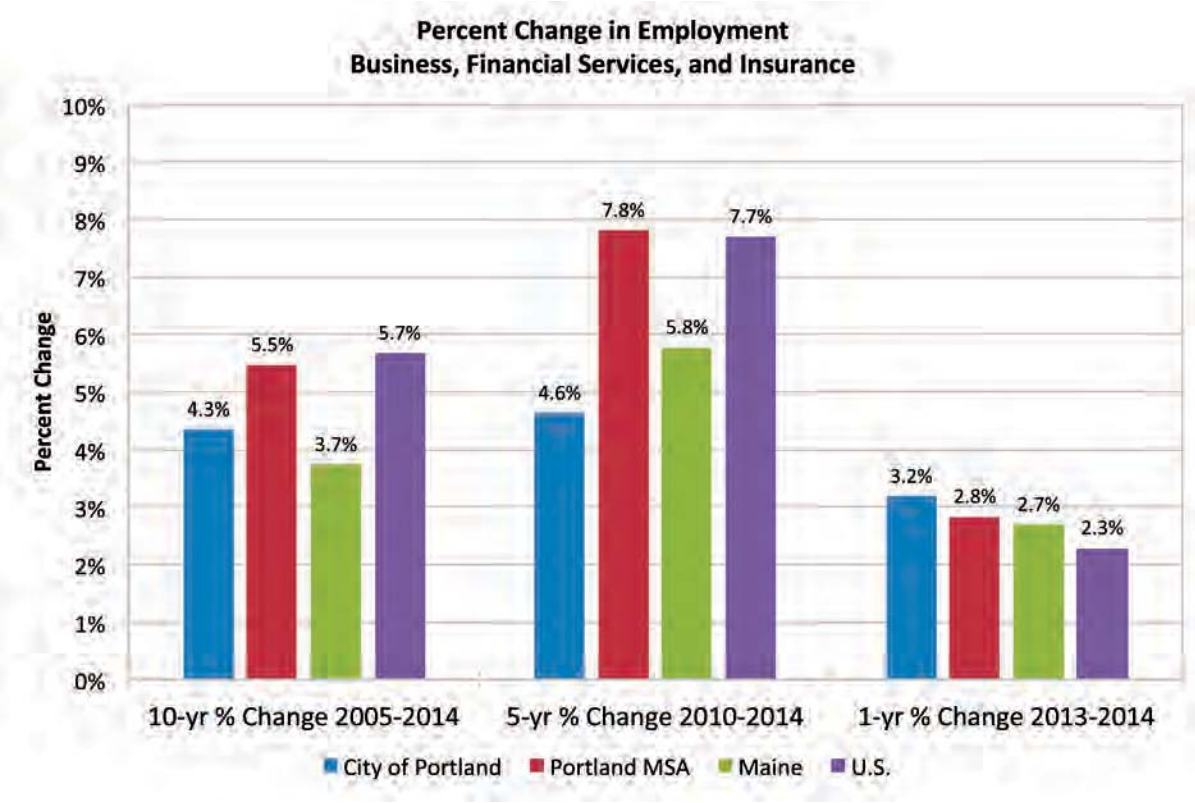
Business Financial Services and Insurance

Exceeding ⇑

TARGET: Annual growth in the City of Portland will exceed that of the U.S.

Between 2013 and 2014, employment in the Business Financial Services and Insurance sectors experienced a 3.2% increase in employment compared to a 2.3% increase nationally.

In the five-year period from 2010 to 2014, the City of Portland experienced a 4.6% increase in employment in the sector. At the regional level (Portland MSA) the increase was 7.8%, while Maine employment grew by 5.8%. National employment kept pace with the Portland MSA region at 7.7% growth. In the ten-year period between 2005 and 2014, employment in the city increased by 4.3%, compared to a 5.5% increase regionally and a 3.7% in Maine.At the national level, employment grew at 5.7% over the same period.



WHY IS THIS SIGNIFICANT?

Business Financial Services and Insurance sectors are an important part of city and regional economies and are targeted sectors for Portland per their Economic Vision and Plan. The high wages in these sectors contribute a higher multiplier to the local economy. Along with high-paying jobs, these sectors often consume commercial real estate.

SOURCES AND NOTES:

Employment is from Economic Modeling Specialist Inc, EMSI, QCEW + Non-QCEW + Self-Employed workers, 2014 Class of Workers; www.economicmodeling.com

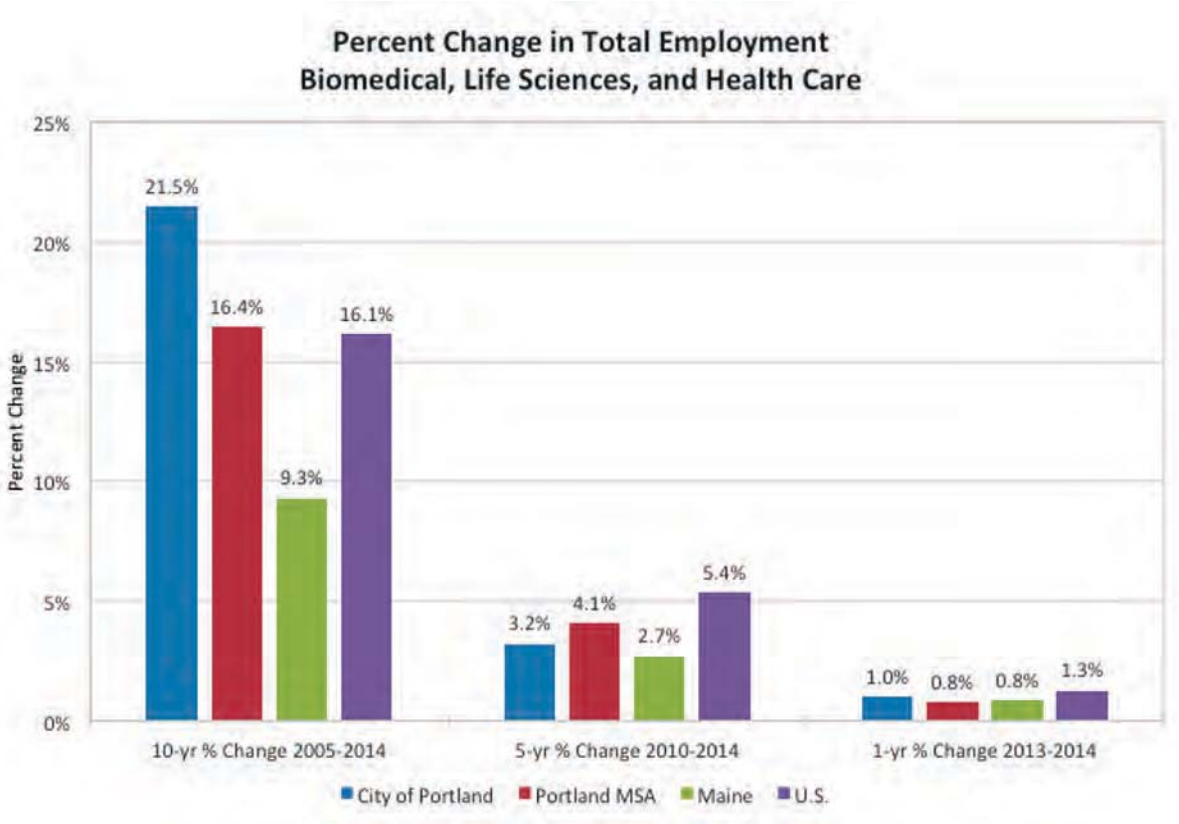
Bio-Med, Life Science, and Healthcare

Keeping Up ⇔

TARGET: Annual growth in the City of Portland will exceed that of the U.S.

Between 2013 and 2014, employment in bioscience, life science and health care sectors in the City of Portland increased by 1.0%, compared to a 1.3% increase nationally.

Over the five-year period from 2010 to 2014, The City of Portland experienced a 3.2% increase in employment. At the regional level (Portland MSA), the increase was 4.1%, while Maine employment grew by 2.7% and U.S. employment expanded by 5.4%. Between 2005 and 2014, employment in the city increase by 21.5%, compared to a 16.4% increase regionally and a 9.3% increase in Maine. At the national level, employment grew at 16.1% in the sector.



WHY IS THIS SIGNIFICANT?

Combined, these sectors contain the largest employment pool – close to 9,000 jobs – in the City of Portland. The presence of Maine Medical Center, Mercy Hospital, InterMed, Martin's Point, and other employers explains this dominance. Jobs in these sectors tend to be high paying, making them a significant multiplier within the local economy. However, as these sectors mature, growth may be measured less in sheer employment numbers and more in innovation.

SOURCES AND NOTES:

Employment is from Economic Modeling Specialist Inc, EMSI, QCEW + Non-QCEW + Self-Employed workers, 2014 Class of Workers; www.economicmodeling.com

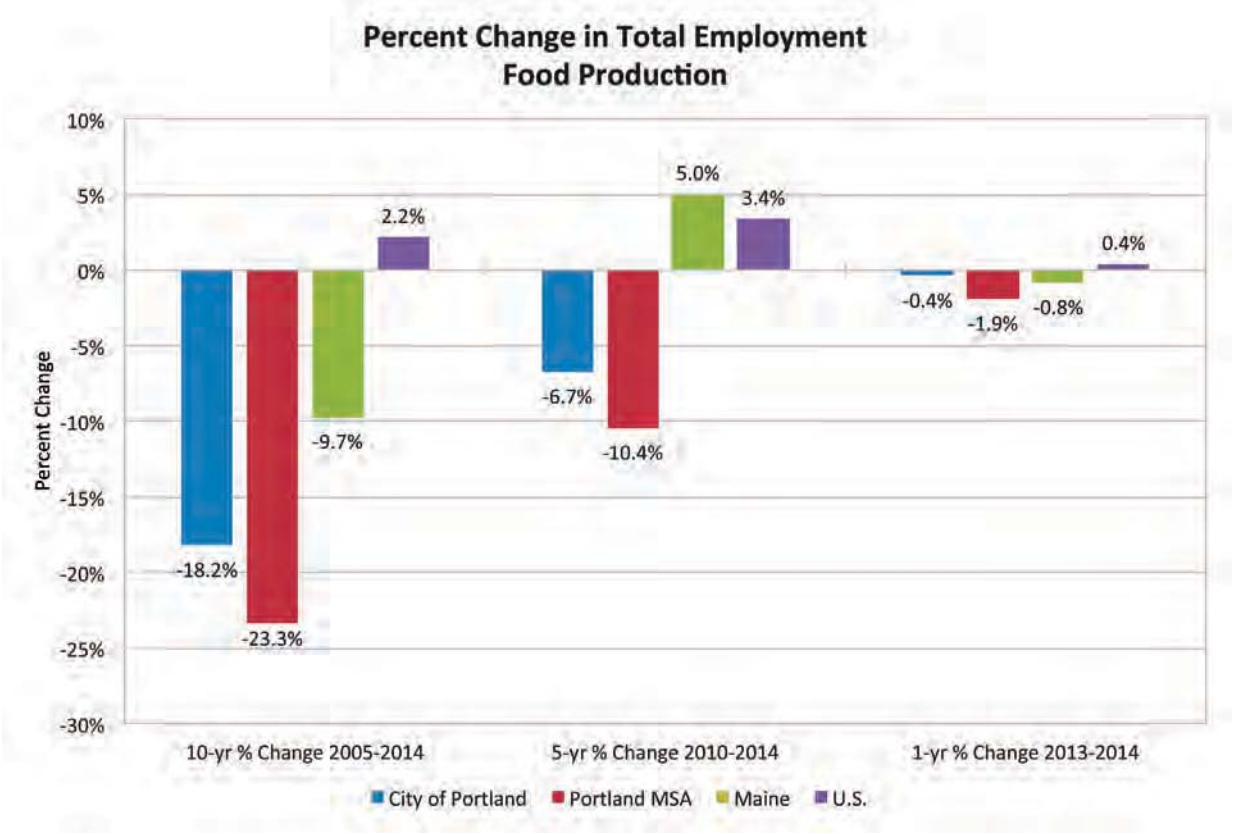
Food Production

Lagging ⇓

TARGET: Annual growth in the City of Portland will exceed that of the U.S.

Between 2013 and 2014, the City of Portland saw a 0.4% decrease in the number of Food Production jobs compared to a 0.4% increase nationally.

In the five-year period from 2010 to 2014, Portland experienced a 6.7% decrease in food production employment, while regional employment fell by 10.4%. Meanwhile, statewide employment outpaced all comparison geographies with growth of 5.0%, while national employment grew by 3.4% in the sector. Over the ten-year period between 2005 and 2014, employment in the city decreased by 18.2% compared to a 23.3% decrease regionally and a 9.7% decrease in Maine. At the national level, food production employment grew by 2.2% over the same period.



WHY IS THIS SIGNIFICANT?

Food production has a threefold significance in Portland's economy. First, it traditionally provides entry-level to mid-level employment for area residents; in particular, much of the city's immigrant/refugee population looks to food production jobs for their first career position in America. Second, it is a natural corollary to our strong restaurant sector. Third, it has great potential for the increasing focus on food security and the farm-to-table movement.

SOURCES AND NOTES:

Employment is from Economic Modeling Specialist Inc., EMSI, QCEW + Non-QCEW + Self-Employed workers, 2014 Class of Workers; www.economicmodeling.com.

Note: This sector is food manufacturing only and excludes agriculture, fishing and restaurants.

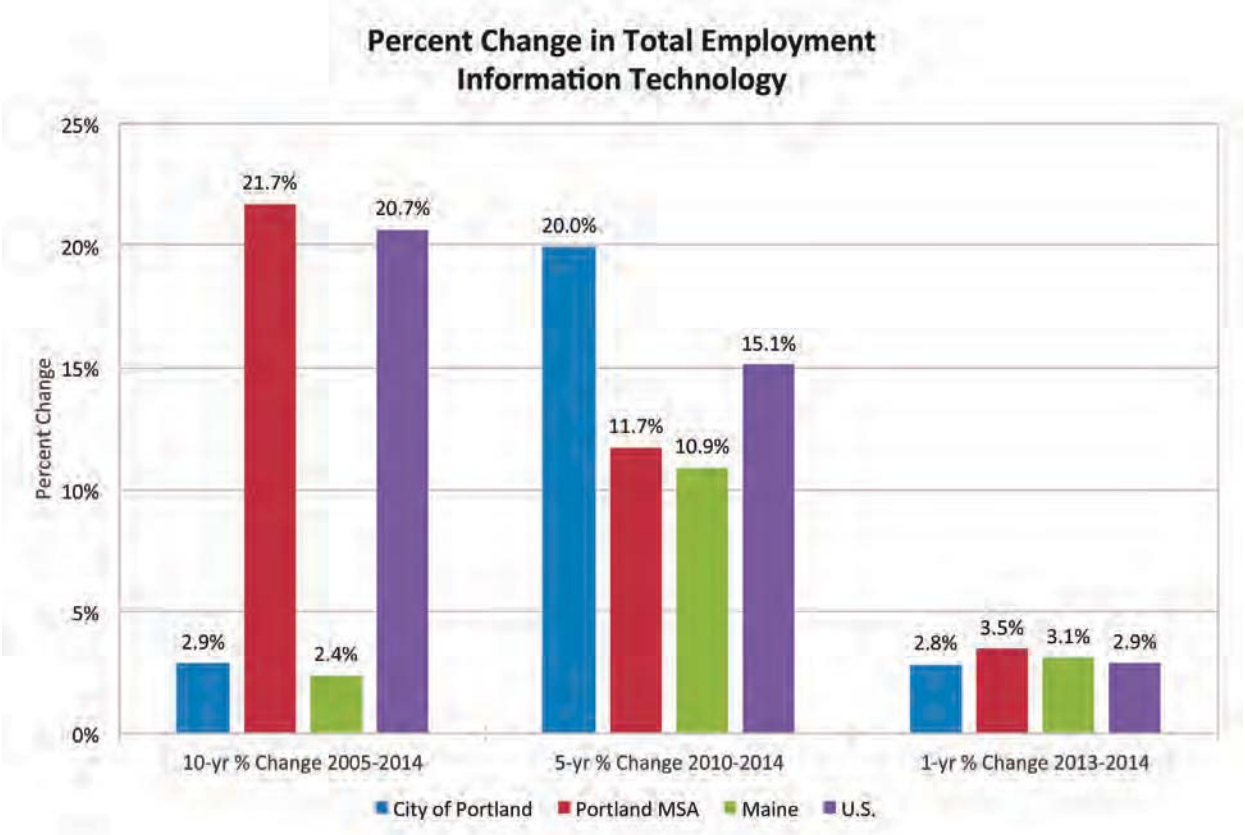
Information Technology

Keeping Up ⇔

TARGET: Annual growth in the City of Portland will exceed that of the U.S.

Between 2013 and 2014, employment in the information technology sector in the City of Portland increased by 2.8% compared to a 2.9% increase nationally.

In the five-year period from 2010 to 2014, the City of Portland has outpaced comparison geographies at 20% employment growth in the information technology sector. At the regional level (Portland MSA) the increase was 11.7%, while employment in Maine overall grew by just 10.9%. National employment grew by 15.1% over the period. In the ten-year period between 2005 and 2014, employment in the city increased by just 2.9%, compared to a 21.7% increase regionally and a 2.4% increase in Maine.At the national level, employment grew at 20.7%, keeping pace with regionwide growth.



WHY IS THIS SIGNIFICANT?

This sector is comprised of IT firms (rather than, say, IT departments within government or finance or insurance). Like healthcare, as the IT sector matures, it may see slower growth in employment, balanced by increased innovation. Meanwhile, these jobs tend to pay higher than average wages, attract younger, entrepreneurial talent, and support many other industries in the region.

SOURCES AND NOTES:

Employment is from Economic Modeling Specialist Inc., EMSI, QCEW + Non-QCEW + Self-Employed workers, 2014 Class of Workers; www.economicmodeling.com.

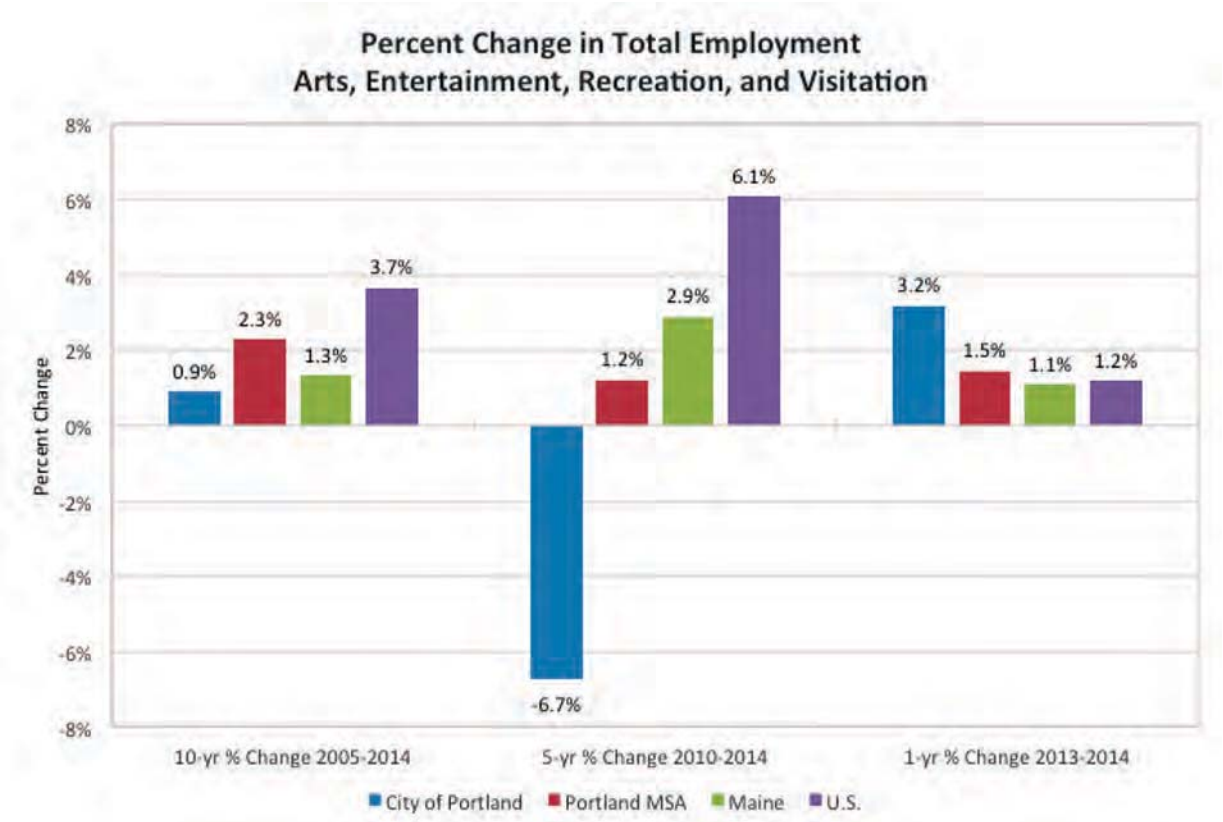
Arts, Entertainment, Recreation, Visitation

Exceeding ⇑

TARGET: Annual growth in the City of Portland will exceed that of the U.S.

Between 2013 and 2014, the City of Portland experienced a 3.2% increase in the number of Arts, Entertainment, Recreation, and Visitation jobs compared to 1.2% growth in the U.S.

Over the five-year period from 2010 to 2014, Portland experienced a 6.7% decrease in this employment sector, compared to regional growth of 1.2% and national growth of 6.1%, for the same period. In the ten-year period between 2005 and 2014, employment in the city increased by 0.9% compared to a 2.3% increase regionally and a 1.3% increase in Maine. At the national level, employment grew by 3.7%.



WHY IS THIS SIGNIFICANT?

The City of Portland's Economic Vision and Plan targets the arts, entertainment, recreation, and visitation sectors. Strong employment growth in these sectors indicates that the city's "brand" continues to attract visitor dollars and is a varied resource for city and regional residents. Among recent accolades for Portland: Business Insider named Portland one of their "14 Places You Should Plan to Visit in 2014"; SmartAsset named Portland "America's Best Minor League Baseball Town"; and Travel+Leisure named Portland one of "America's Best Cities for Hipsters."

SOURCES AND NOTES:

Occupations are compiled by Maine Center for Business and Economic Research from Employment is from Economic Modeling Specialist Inc., EMSI, QCEW + Non-QCEW + Self-Employed workers, 2014 Class of Workers; www.economicmodeling.com.

Employment and occupations include all workers including sole proprietors, self-employed, 1099 workers, and extended proprietors.

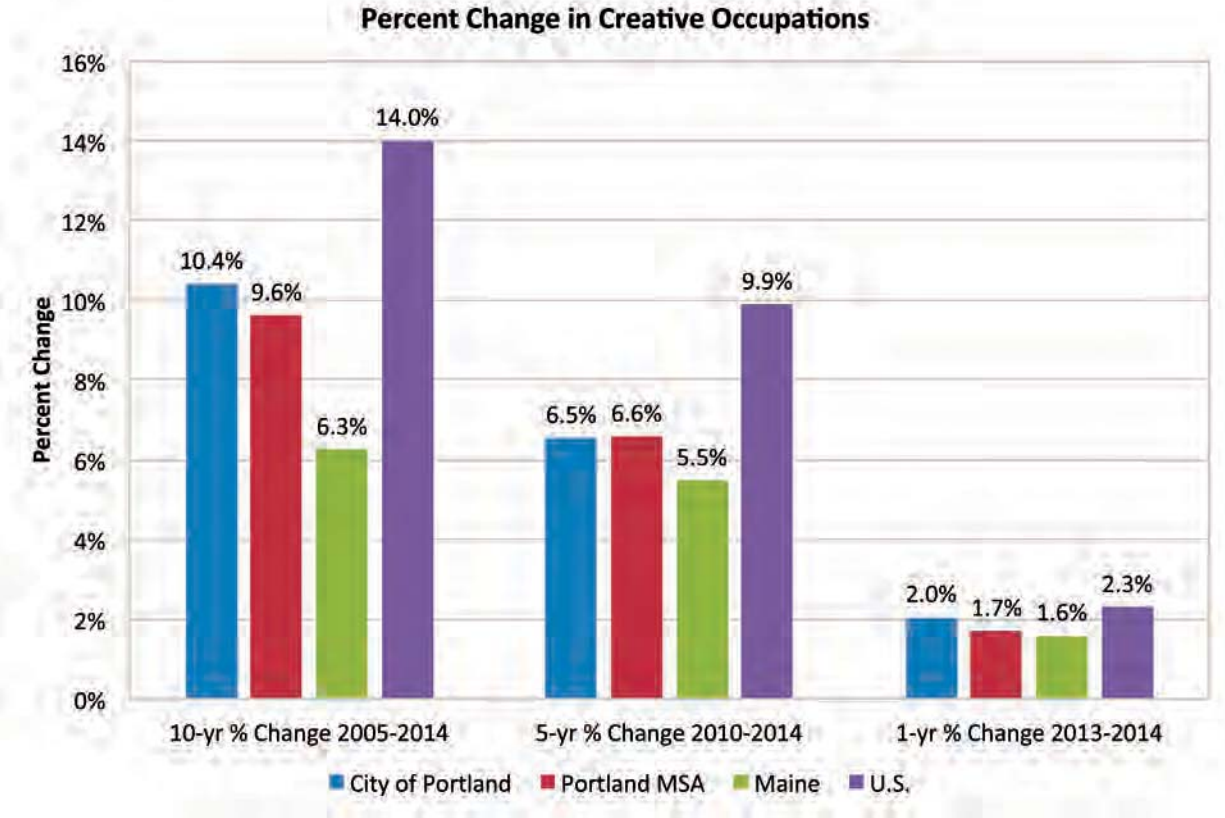
Creative Occupations Growth

Keeping Up ⇔

TARGET: Annual growth of creative occupations will exceed national benchmark

Between 2013 and 2014, the City of Portland saw a 2.0% increase in the number of creative occupations compared to a 2.3% increase in the U.S.

Creative occupations in the City of Portland grew between 2013 and 2014 as well increasing over the past 5 and 10 years. However, Portland has lagged behind the U.S. in each of these periods, although the city is keeping up in the most recent period. The Portland MSA and the State of Maine also added creative occupations during each of these periods at a pace similar to the city. In 2014, creative occupations in Portland accounted for nearly 27% of all jobs, which exceeds Portland MSA (24%), Maine (22%), and U.S. (24%) shares.



WHY IS THIS SIGNIFICANT?

Close to 27% of Portland's economy depends on its creative occupations, including advertising, architecture, design, engineering, law, multimedia, software development, the arts, and other fields. Workers in these areas typically specialize in knowledge and ideas, rather than conventional products. And cities with higher concentrations of "the creative class" show higher rates of employment growth and new business creation.

SOURCES AND NOTES:

Occupations are compiled by Maine Center for Business and Economic Research and Camoin Associates from EMSI, Complete Employment – 2014, www.economicmodeling.com.

Definition of creative occupations is from the U.S. Department of Agriculture Economic Research Service Definition: http://www.ers.usda.gov/data-products/creative-class-county-codes/documentation.aspx.

Employment and occupations include all workers including sole proprietors, self-employed, 1099 workers, and extended proprietors.

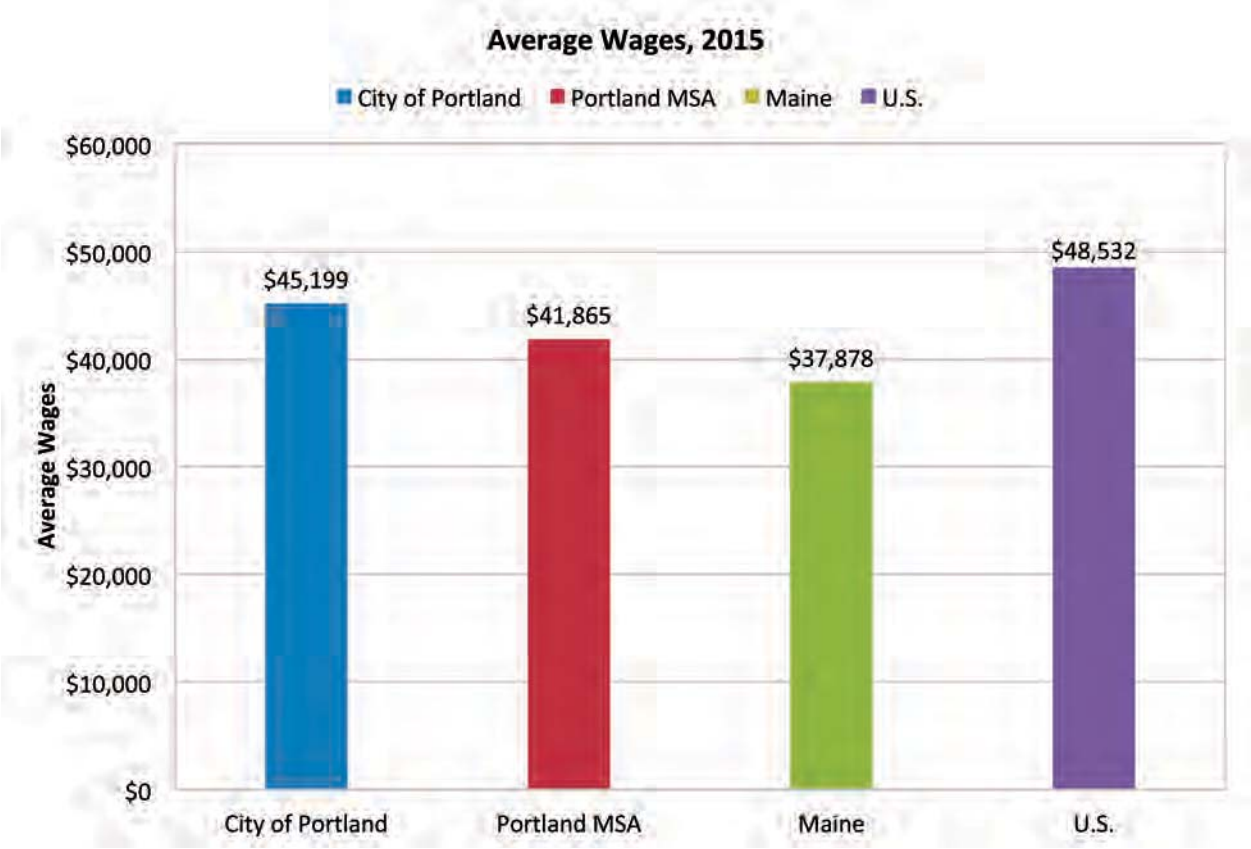
Average Wages

Lagging ⇓

TARGET: Average City Wages will exceed that of the national average.

In the second quarter of 2015, the City's average wage of $45,199 was below the national average of $48,532

In the second quarter of 2015, the City of Portland had a higher average wage ($45,199) than the Portland MSA ($41,865) and the State of Maine ($37,878) but lagged behind the national average ($48,532).



WHY IS THIS SIGNIFICANT?

Higher wages in Portland, relative to the state of Maine, are an indication of higher-quality, professional jobs in the City as well as a well-educated and skilled workforce. However, in general for economic development, wages that are much higher than national averages can be a deterrent to expansion for some industries.

SOURCES AND NOTES:

Wages represent QCEW Employees, Non-QCEW Employees & Self-Employed. Data provided by Economic Modelling Specialists Intl. (EMSI); www.economicmodeling.com for Q2 2015.

Data includes wages and salaries but excludes supplements (employer contributions to 401(k) plans, pensions, insurance funds and government social insurance (FIA/FUTA)).

Metropolitan Statistical Area (MSA) and New England City and Town Areas (NECTA) geography listings are from - OMB Bulletin No. 13-01, February 2013, www.census.gov/population/metro/

Unemployment Rate

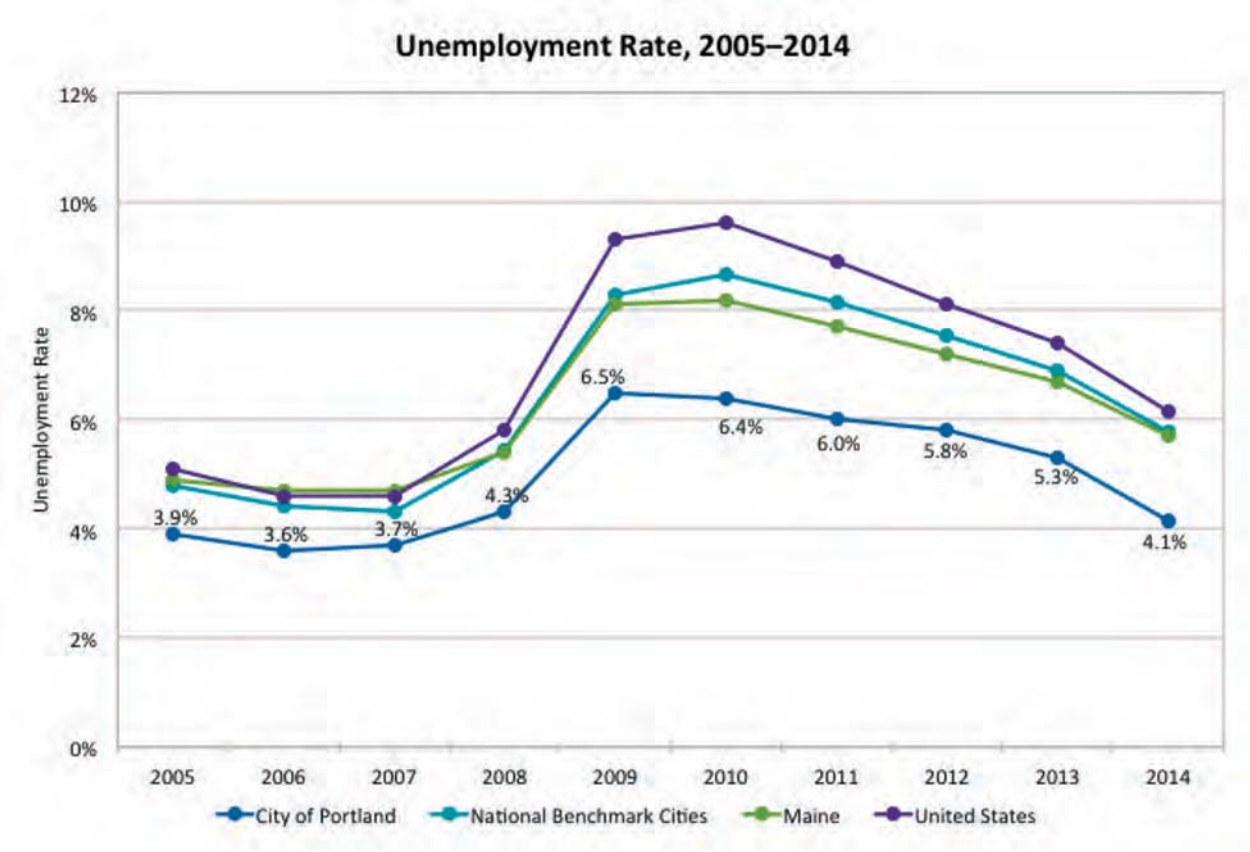
Exceeding ⇑

**Meaning a lower unemployment rate*

TARGET: The annual city unemployment rate will be below the national benchmarks

From 2005 to 2014, the annual unemployment rate for the City of Portland has remained lower than that of the national benchmark cities.

During this period, the unemployment rate for the City of Portland experienced a low of 3.6% in 2006, rose to a high of 6.5% in 2009, and has since dropped to 4.1% in 2014. Portland's 2014 level of 4.1% compares to 5.7% for the national benchmark cities, 5.7% for Maine, and 6.2% for the U.S. as a whole.



WHY IS THIS SIGNIFICANT?
A low unemployment rate is one indication of the ability of resident workers to find jobs. It signifies opportunities for workers to have jobs and generate incomes.

SOURCES AND NOTES:
Local Area Unemployment Statistics (LAUS) program, U.S. Bureau of Labor Statistics; www.bls.gov/lau/home.htm

National Unemployment rate is from Current Population Survey, conducted by the Bureau of Census for the Bureau of Labor Statistics; www.bls.gov/cps/home.htm#annual .

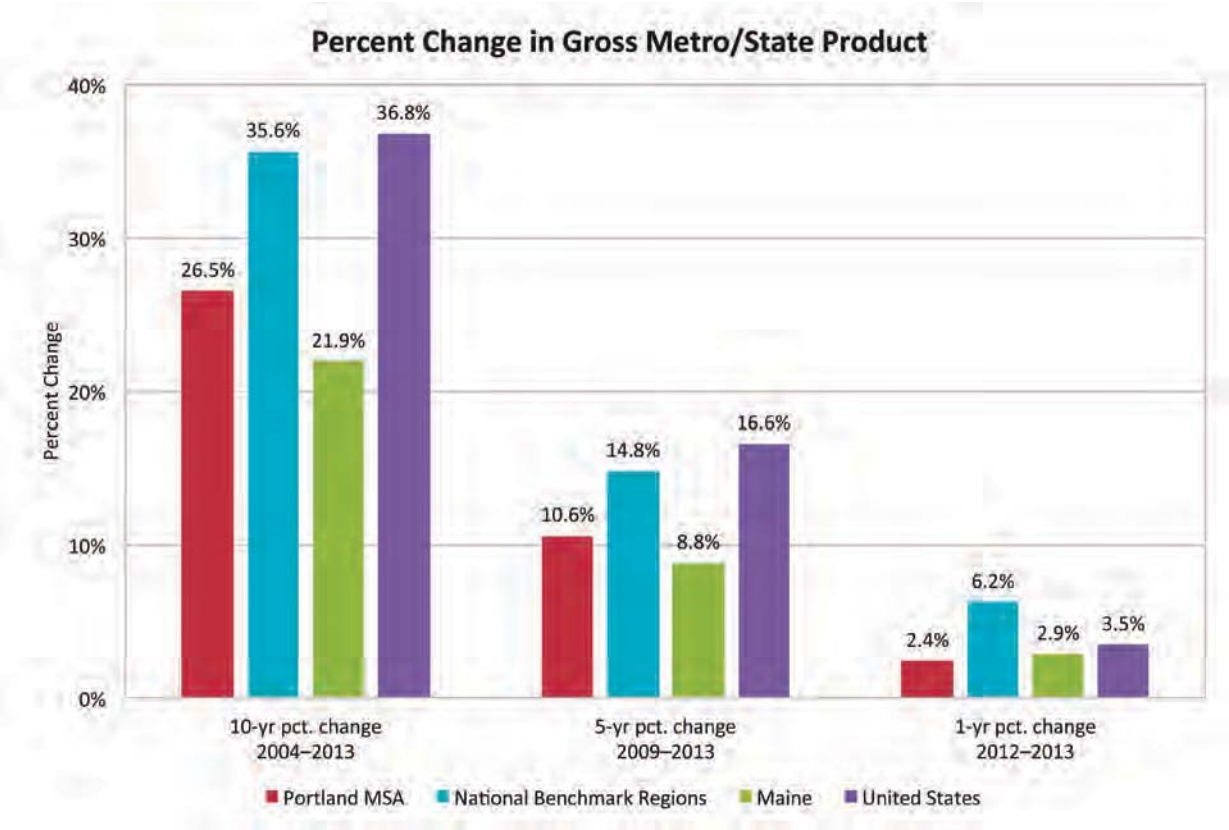
Gross Metro Product Growth

Lagging ⇓

TARGET: Annual growth in gross metro product will exceed the national benchmarks.

Between 2012 and 2013, growth in gross metro product for the Portland region was 2.4%, well below the national benchmark average growth of 6.2%.

In the ten-year period from 2004-2013, the Portland region experienced an increase of 26.5% in gross metro product. This was lower than the 35.6% increase for the averaged national benchmark regions and the 36.8% for the United States average, but higher than Maine's 21.9% change.



WHY IS THIS SIGNIFICANT?

Gross Metro Product is a measure of the economic output of all industries in a specific metropolitan area. Therefore, it is a direct indicator of the productivity of the overall Portland regional economy. A lagging indication means that the local Portland economy is growing at a slower pace compared the national benchmark regions.

SOURCES AND NOTES:

Gross Metro Product is from Bureau of Economic Analysis, U.S. Department of Commerce; Estimates of GDP by metropolitan area for 2013 and revised estimates for 2001-2011; http://www.bea.gov/.

Note: GMP in millions of actual dollars, not adjusted for inflation.

Metropolitan Statistical Area (MSA) and New England City and Town Areas (NECTA) geography listings are from - OMB Bulletin No. 13-01, February 2013, www.census.gov/population/metro/

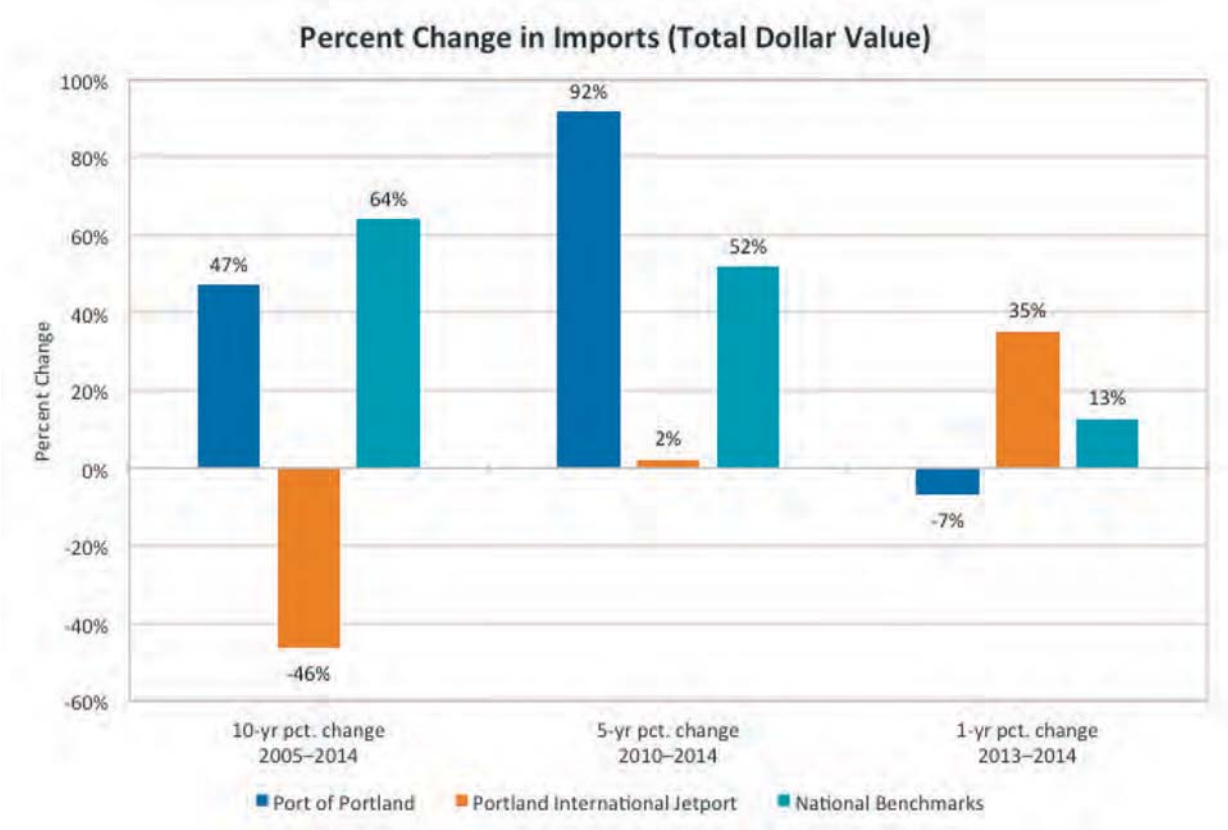
Growth in Value of Imports

Lagging ⇓

TARGET: The annual percent change in value of total imports at the Port of Portland will exceed that of the national benchmarks.

From 2013 to 2014, the percent change in the total dollar value of imports through the Port of Portland was -7% compared to 13% for the national benchmarks. The 5-year percent change significantly surpassed the national benchmarks, while the 10-year change is lagging national benchmark averages.

In 2014, the total value of imports through the Port of Portland was $3.07 billion, a decrease of 7% from the 2013 total import value of $3.3 billion. The total value of imports through national benchmark ports experienced an increase of 13% over the same period, while imports through the Portland Jetport grew by 35%.



WHY THIS IS SIGNIFICANT?

Port activities such as shipping and warehousing directly create jobs and businesses. As imports through the port increase, more jobs and businesses are generated to handle the flow of goods. Increasing imports is also a sign of a healthy economy as businesses and consumers increase purchases. Imports are also an important part of manufacturing supply chains.

SOURCES AND NOTES:

Import data is from the World Institute for Strategic Economic Research (WISER), "WISERTrade at HCC: Port HS Database", provided by the Maine International Trade Center; data from U.S. Census Bureau, Foreign Trade Division. http://www.wisertrade.org

U.S. Imports by Port indicate pass-through location only and do not reflect state of origin or destination.

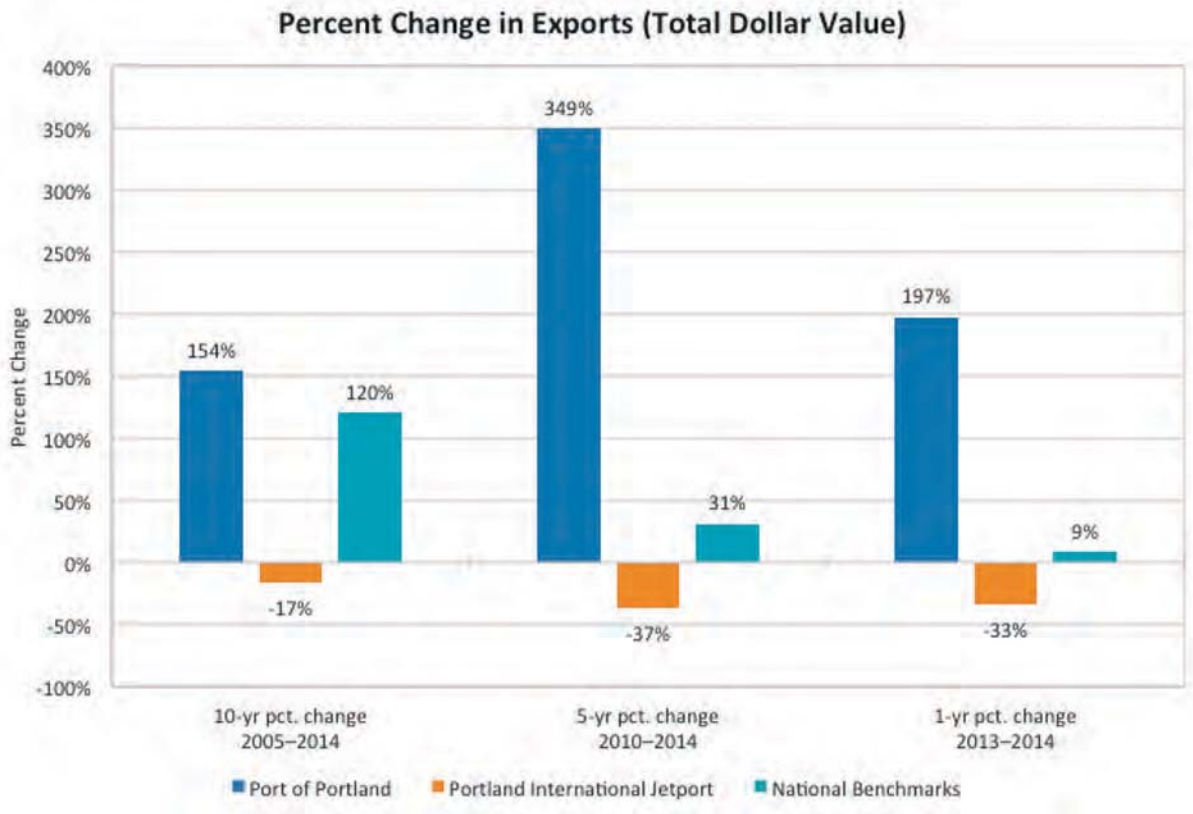
Growth in Value of Exports

Exceeding ⇑

TARGET: The annual percent change in value of total exports at the Port of Portland will exceed that of the national benchmarks ports.

From 2013 to 2014, the total dollar value of exports through the Port of Portland increased by 197% compared to an increase of just 9% for the national benchmarks. Much of this growth is due to the ramp up in Eimskip shipping activities.

In 2014, the total value of exports through the Port of Portland was approximately $227 million, an increase of 197% compared to $76.5 million in 2013. Increases that are even more significant appear over the 5-year period 2010-14, when exports increased by 349%. Much of these significant changes are a result of ramping up in shipping activity by Eimskip, the Icelandic shipping company who established its North American headquarters in Portland in 2013.



WHY THIS IS SIGNIFICANT?

Port activities such as shipping and warehousing directly create jobs and businesses. As exports through the port increase, more jobs and businesses are generated to handle the flow of goods. Additionally, Increased exports is also a sign of a healthy economy as it indicates local and regional manufacturing are selling and shipping more goods.

SOURCES AND NOTES:

Export data is from the World Institute for Strategic Economic Research (WISER), "WISERTrade at HCC: Port HS Database", provided by the Maine International Trade Center; data from U.S. Census Bureau, Foreign Trade Division. http://www.wisertrade.org

U.S. Exports by Port indicate pass-through location only and do not reflect state of origin or destination.

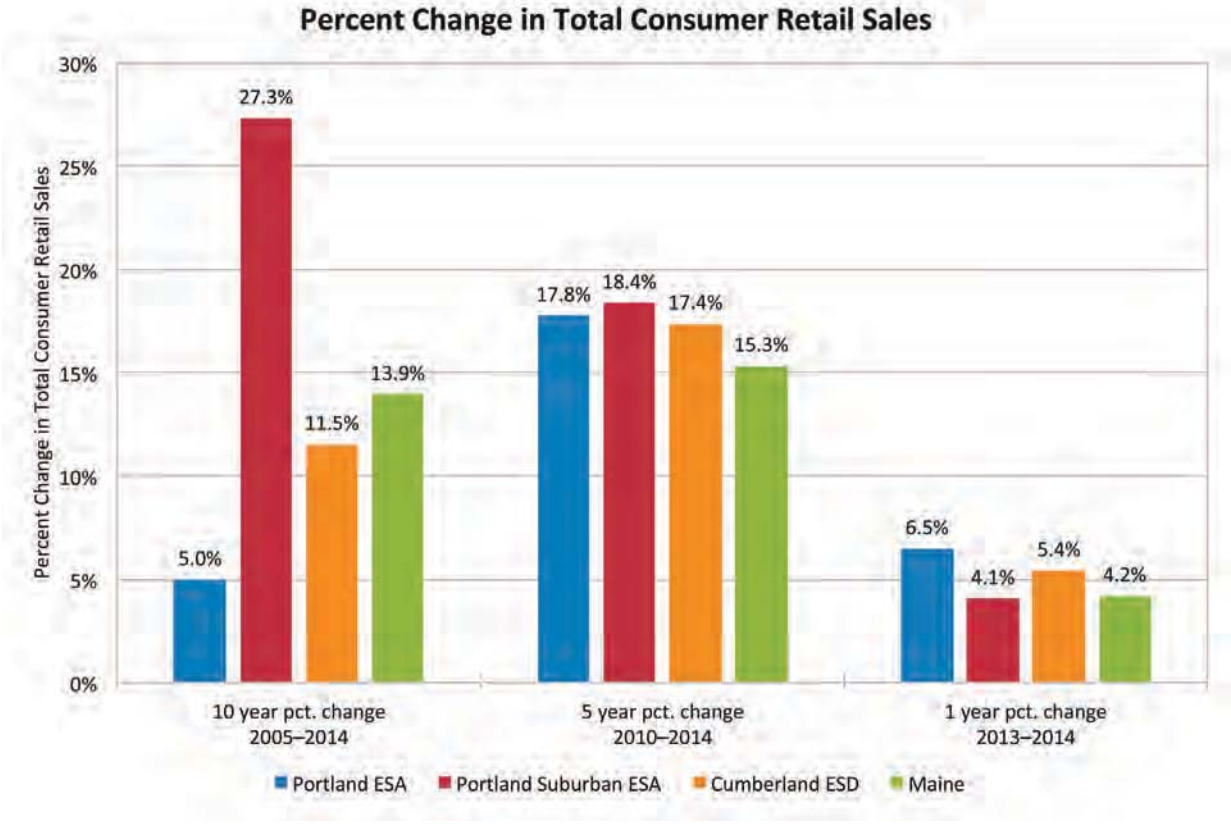
Total Consumer Retail Sales

Exceeding ⇑

TARGET: Annual growth in Portland Economic Summary Area retail sales will exceed that of Maine.

Between 2013 and 2014, the Portland ESA achieved 6.5% in retail sales growth, outperforming Maine's 4.2% growth.

The Portland Economic Summary Area (ESA) experienced an increase of 6.5% in total consumer retail sales between 2013 and 2014 compared to 4.1% in the Portland Suburban ESA, 5.4% in the Cumberland ESA, and 4.2% in Maine (see below for definitions of economic summary areas and districts). In the five-year period between 2010 and 2014 all of the geographies experienced a significant increase ranging from 15.3% to nearly 19%. The Portland ESA experienced 5.0% growth between 2005 and 2014, while the Portland Suburban ESA increases by 27.3 %.



WHY IS THIS SIGNIFICANT?

Growth in retail sales is an indication that consumers are spending and circulating money. The Portland ESA's lower rate of growth relative to the Portland Suburban ESA indicates that Portland has been less effective at capitalizing on the spending power of the region's residents. Increased retail spending leads to higher retail employment and acts as a boost to the economy as those dollars continue to circulate.

SOURCES AND NOTES:

Consumer Retail Sales- 2004-2014 is from Maine Taxable Retail Sales, Maine Office of Policy and Management, http://www.maine.gov/economist/retail/index.shtml. See webpage for economic summary area definitions.

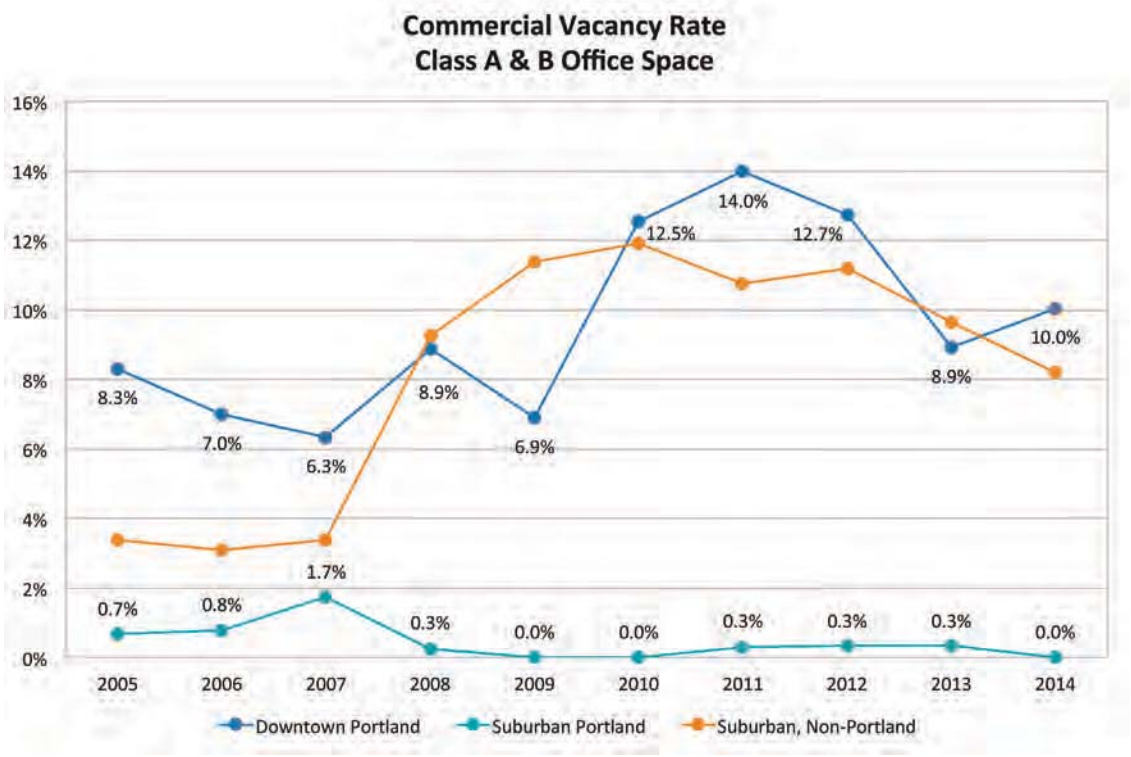
City Commercial Vacancy Rates

Keeping Up ⇔ Downtown
Lagging ⇓ Suburban

TARGET: Annual downtown and suburban Portland Class A & B office space vacancy rate will be between 5% and 10%.

In 2014, the Downtown Portland market had a vacancy rate of 10% for class A and B office space combined, which is in line with the target. Suburban Portland area dipped to a 0% vacancy rate.

Over the past ten year period, from 2005 to 2014, the Downtown Portland and Non-Portland Suburban (8.2%) areas have experienced upward trends in vacancy rates of Class A and B office space followed by decreases in 2012 and 2013. The Downtown Portland 2014 rate (10%) has increased 1.1% from 2013 after consistently dropping from nearly 14% in 2011. Suburban Portland has maintained a consistently low vacancy rate during this time period, never exceeding 2% and has dropped to an effective rate of 0% in 2014.



WHY IS THIS SIGNIFICANT?

In general, vacancy rates reflect the overall health of the commercial real estate market. Vacancy rates below five percent suggest supply constraints which limiting opportunities for business expansion and location, while vacancy rates greater than 10 percent suggest excess supply. A vacancy rate lower than the Non-Portland suburban areas shows that the city is effectively competing against these locations for businesses.

SOURCES AND NOTES:

Vacancy rates from Boulos Company, Portland, Maine; "Greater Portland Area Office Market Survey" 2000-2014; www.cbre.us

"Downtown Portland" consists of properties/land on the Peninsula while "Suburban Portland" consists of the area off the Peninsula. "Suburban, Non-Portland" is defined as the following areas: Falmouth, Cumberland, Yarmouth Westbrook, Maine Mall Area, Scarborough, and South Portland.

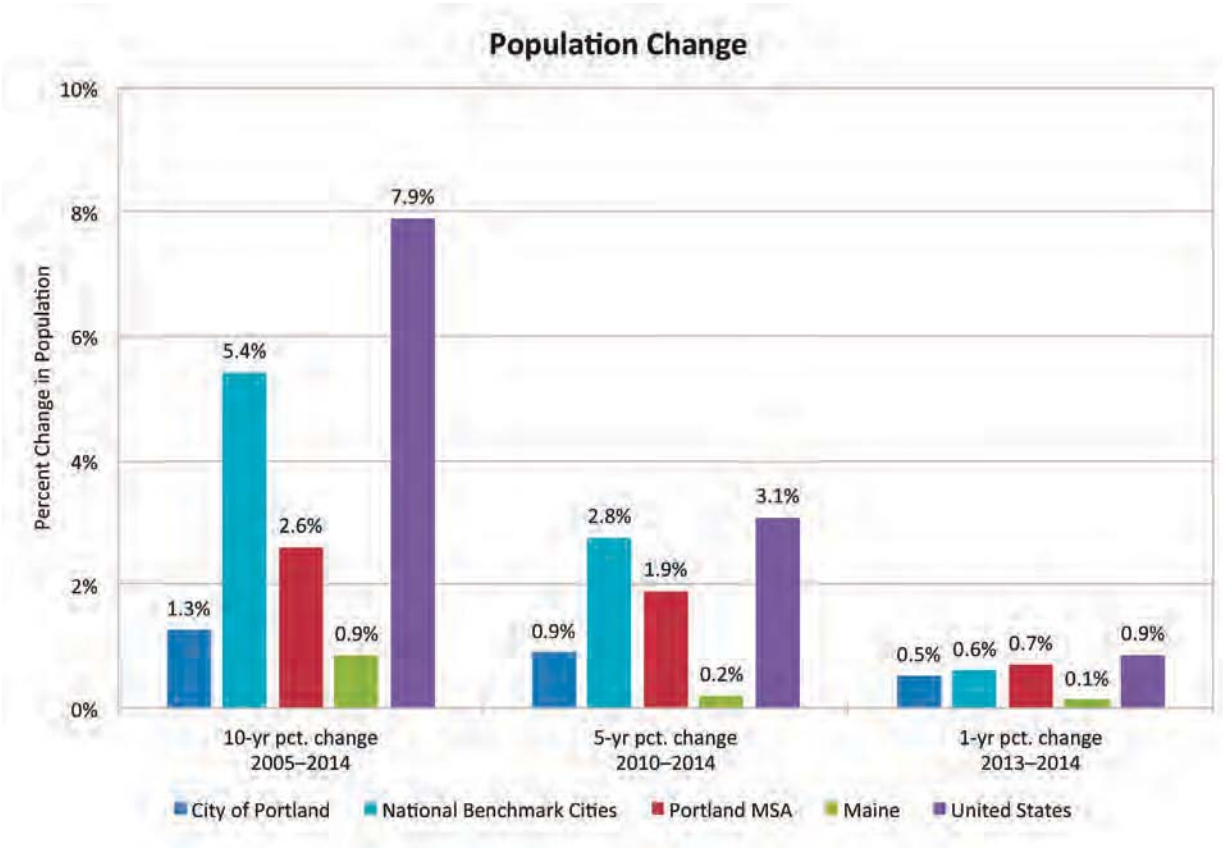
City Population Growth

Keeping Up ⇔

TARGET: Annual city population growth will equal the national benchmarks.

Between 2013 and 2014 the City of Portland experienced comparable population growth (0.5%) to the national benchmark cities (0.6%).

From 2010 to 2014, the population of the City of Portland increased by 0.9%, while the national benchmark cities increased by 2.8%. From 2005 to 2014, the population of the City of Portland increased by 1.3%, while the national benchmark cities increased by 5.4%.



WHY IS THIS SIGNIFICANT?

A healthy level of population growth ensures that there will be a sufficient workforce to fill the jobs needed to support the City's economy. Population growth, through both natural increase and in-migration, helps fuel the economy by both supplying workers for jobs and generating demand for goods and services. Population growth also supports a healthy housing market.

SOURCES AND NOTES:

Population 2000-2009 is from Annual Estimates of the Population; July 1, 2000 to July 1, 2009; U.S. Census Bureau; www.census.gov/popest; 2010-2014 - Current Estimates data, Vintage 2014, July 1, 2010 to July 1, 2014.

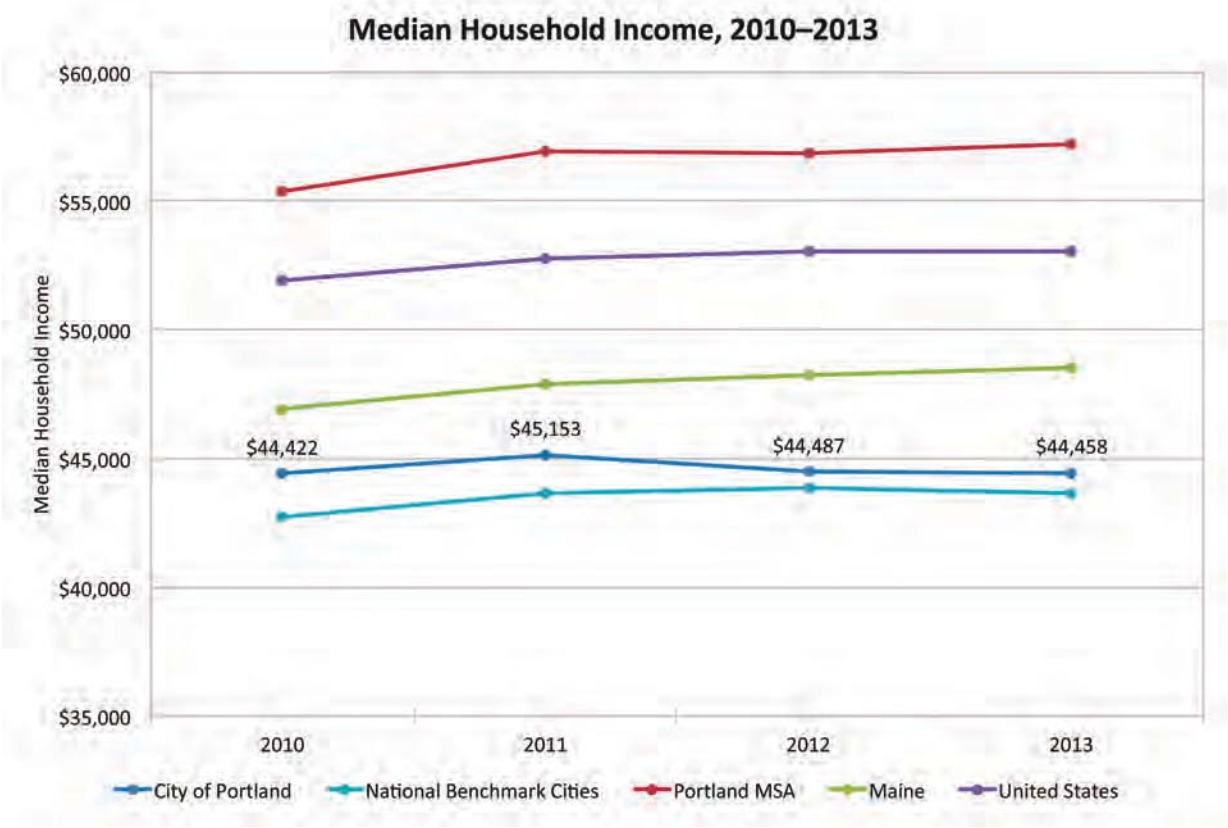
Median City Household Income

Keeping Up ⇔

TARGET: Annual city median household income will exceed the national benchmarks.

On average in 2013 households in the City of Portland have slightly higher incomes than the national benchmark cities, but the gap has been closing since 2010.

In 2013, the median household income in the City of Portland was $44,458. This was higher than the national benchmark cities ($43,675) and lower than the median for the Portland MSA ($57,193), Maine ($48,543), and the national average ($53,046). Between 2012 and 2013, the City of Portland's median household income decreased slightly, but generally held level.



WHY IS THIS SIGNIFICANT?

Household income provides a means to measure the vitality of a local economy and the overall well-being of residents. A strong local economy has relatively higher wages and greater employment opportunities leading to higher incomes. Income allows residents to make choices and have opportunities to support their quality of life and overall well-being. A higher city median household income also means that households have more money to spend on goods and services in the local economy.

SOURCES AND NOTES:

Median Household Income is from American Community Survey (ACS) 5-year estimates; Form DP03. www.factfinder2.census.gov

Metropolitan Statistical Area (MSA) and New England City and Town Areas (NECTA) geography listings are from - OMB Bulletin No. 13-01, February 2013, www.census.gov/population/metro/

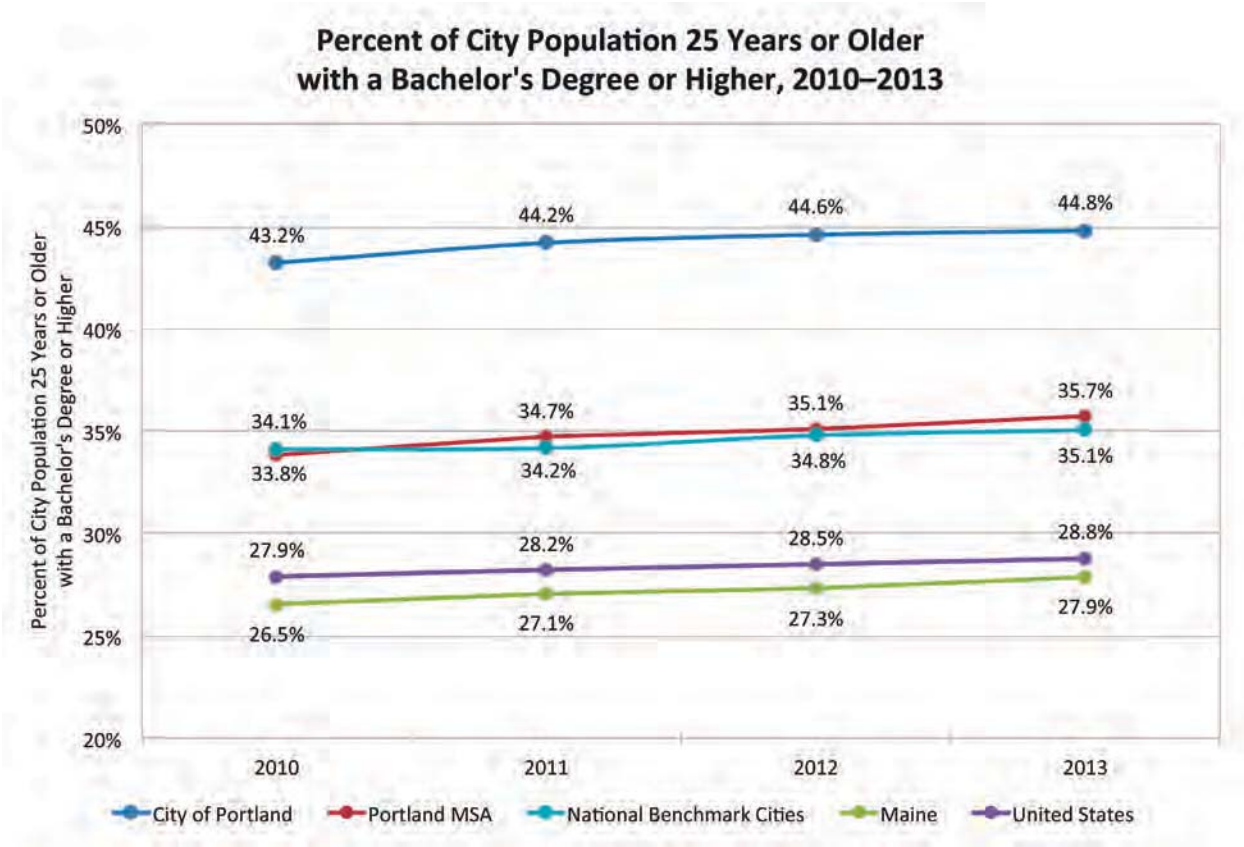
Educational Attainment

Exceeding ⇑

TARGET: Annual percent of city population 25 years or older with a bachelor's degree or higher will exceed the national benchmark cities.

In 2013, 44.8% of Portland's population had obtained a bachelor's degree or higher, which was considerably higher than the national benchmark cities (35.1%).

Portland's educational attainment was higher than the averages experienced for the Portland MSA (35.7%) and the national benchmark cities (35.1%), the State of Maine (27.9%), and the U.S. overall (28.8%).



WHY IS THIS SIGNIFICANT?

An educated population is critical for economic development as businesses are attracted to places with a well-educated workforce from which to hire workers. Additionally, a better educated workforce corresponds to higher employment, better wages, and greater productivity within an area's economy.

SOURCES AND NOTES:

Educational Attainment is from American Community Survey (ACS) 5-year estimates, www.factfinder.census.gov, Form S1501.

Reference group summaries are the averages for the groups and include Portland or the Portland context geography.

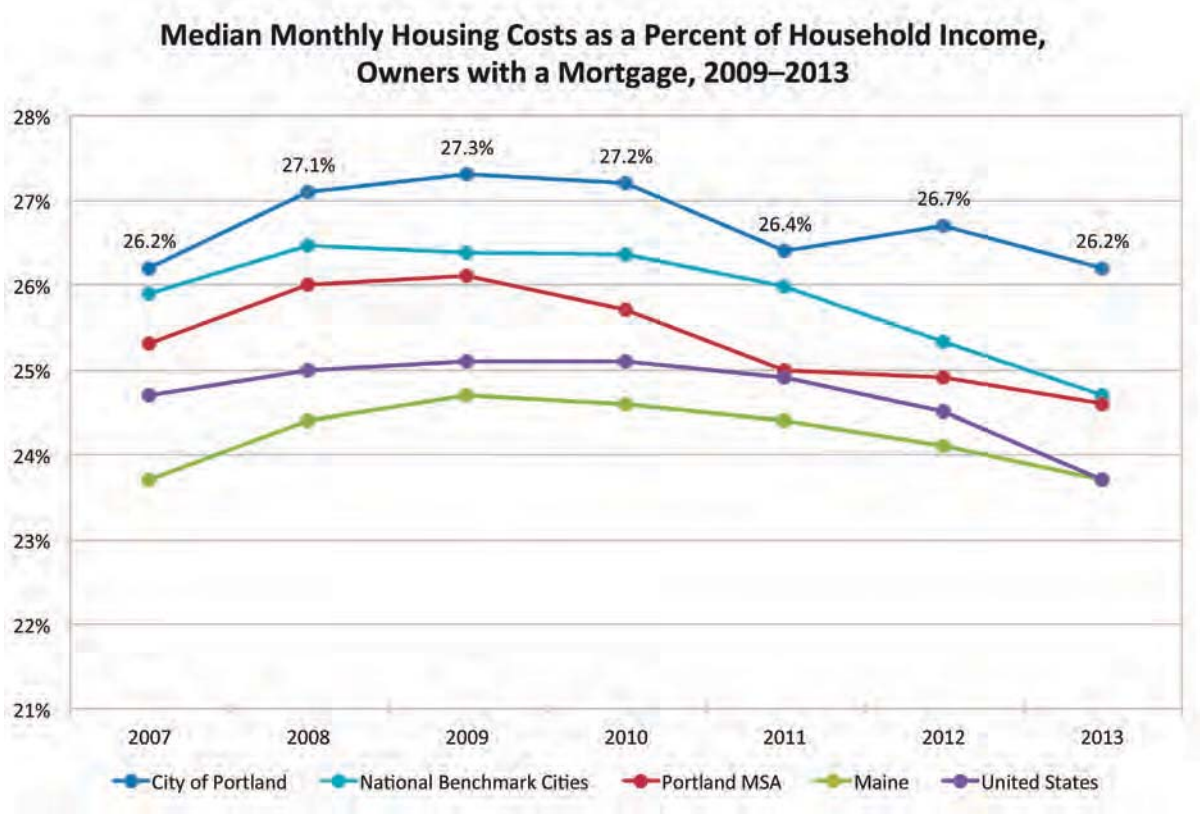
Housing Affordability- Ownership

Lagging ⇓

TARGET: Portland's median monthly housing costs as a percent of household income will be equal to or below the national benchmarks.

In terms of home ownership affordability, as measured by average monthly home ownership costs as a percent of income, the City of Portland is less affordable (26.2%) than the national benchmark cities (23.6%).

The City of Portland's median monthly homeownership costs as a percent of household income was consistently above that of the national benchmark cities, the Portland MSA, Maine, and the U.S. between 2009 and 2013. In 2013, these costs accounted for 26.2% of household income in the City of Portland, compared to 23.6% in the national benchmark cities, both experiencing a decrease from 2012.



WHY IS THIS SIGNIFICANT?

As the costs of owning a home in the City rise, fewer residents are able to afford to buy homes and benefit from the financial security that comes with ownership. In addition, it can lead to foreclosure as residents become unable to make mortgage payments, and can act as a destabilizing force in neighborhoods. It is an important indicator for economic development as it relates to the ability of an area to provide housing for its workforce.

SOURCES AND NOTES:

All data from ACS 3-year estimates, www.factfinder.census.gov

Owner data is median monthly housing costs as a percent of household income-owners with a mortgage.

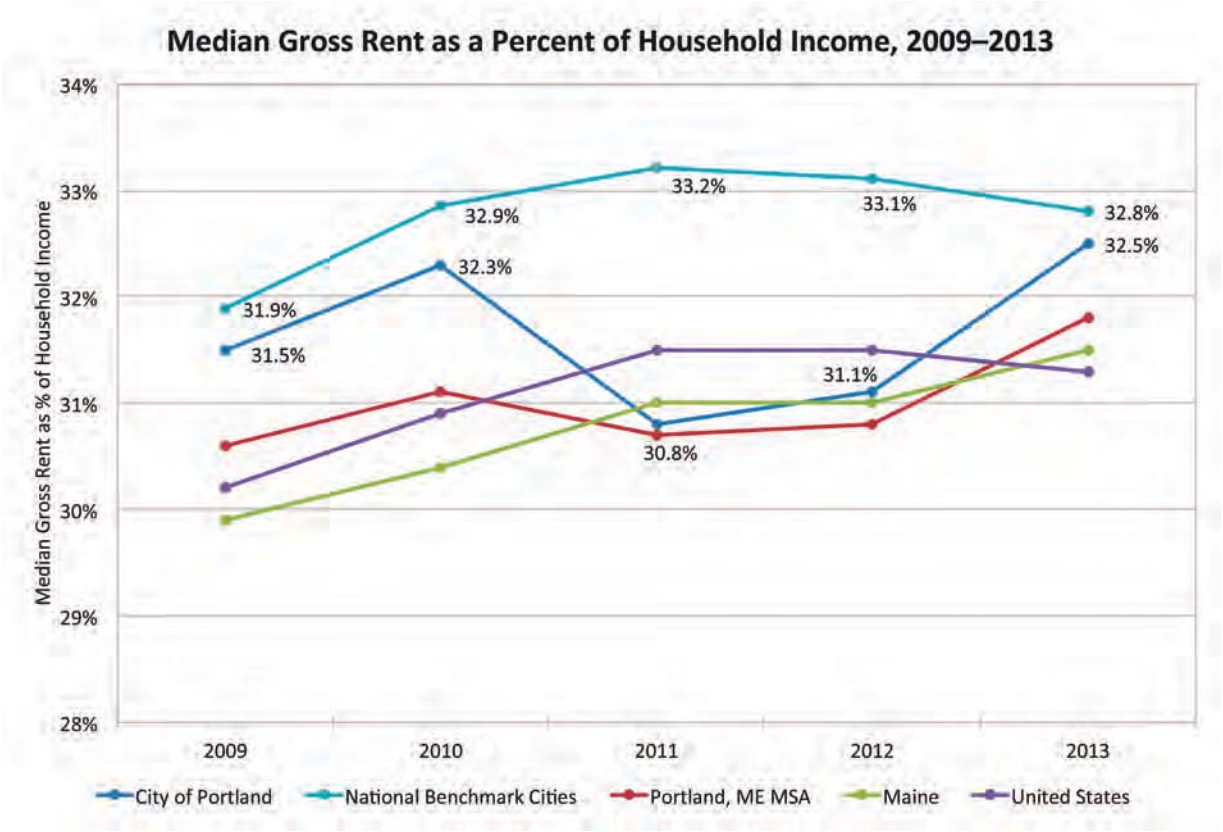
Housing Affordability – Rental

Keeping Up ⇔

TARGET: Portland's median gross rent as a percent of household income will be equal to or below the national benchmarks.

In terms of rental affordability in 2013, the City of Portland is more affordable than the national benchmark cities.

In 2013, median monthly gross rent represented 32.5% of household income in the City of Portland compared to 32.8% for the national benchmark cities. While the city still exceeds benchmark measures, this gap in recent periods is shrinking. Looking at the Portland MSA, median monthly gross rent represented 31.8% of household income, compared to 31.5% in Maine and 31.3% nationally.



WHY IS THIS SIGNIFICANT?

Affordable rental housing is key to retaining the workers the City needs at a variety of skill and income levels. Lack of affordable rental options for low, moderate, as well as high income levels constrains the workforce availability of cities and region. Affordable rental housing can attract young people, whose talent the city's economy will depend on in the future.

SOURCES AND NOTES:

All data from American Community Survey (ACS); 3-year estimates; www.factfinder.census.gov
Renter data is median gross rent as a percent of household income.

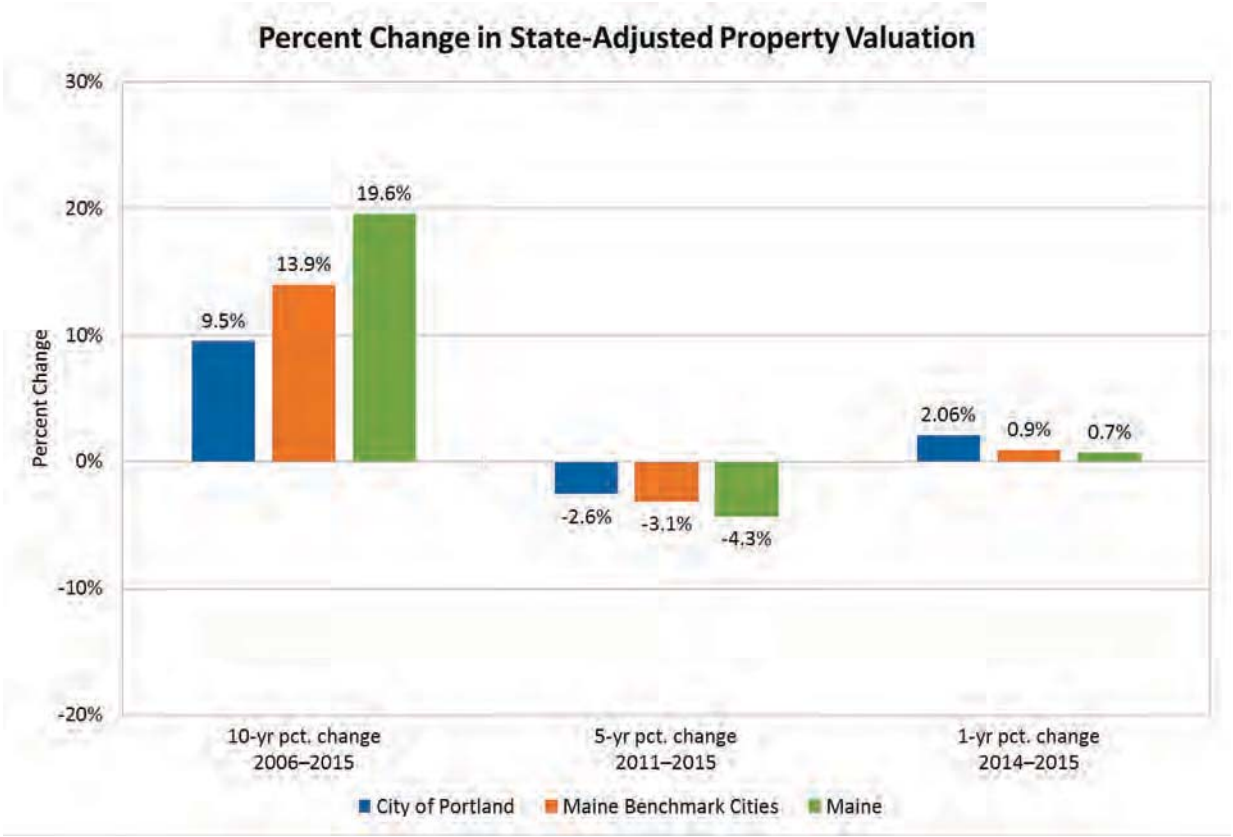
Property Valuation

Exceeding ⇑

TARGET: Percent change in annual city property valuation will exceed the Maine benchmark cities.

Between 2014 and 2015, the City of Portland's property valuation (state equalized) increased 2.06%, exceeding the Maine Benchmark cities (0.9%).

Between 2011 and 2015, the state equalized valuation of property in the City of Portland decreased by 2.6 %, while Maine benchmark cities decreased, 3.1 % and the State of Maine decreased 4.3%. In the ten-year period from 2006-15, the City of Portland's property valuation experienced a 9.5% change, the Maine benchmark cities, 13.9%, and the State of Maine, 19.6%.



WHY IS THIS SIGNIFICANT?

Property values indicate the relative strength of the local real estate and new construction market. Rising property values are an indication of increased demand by people and businesses for properties in the city. Declining values, however, can be a sign of disinvestment and low demand.

SOURCES AND NOTES:

State valuation is from "State Valuation History (2000-2015)", Property Tax Division, Maine Revenue Services, Maine Bureau of Taxation; http://www.maine.gov/revenue/propertytax/sidebar/state_valuation_history.htm

Valuation is state equalized valuation of property (valuation determined by local assessing and adjusted by the state based on recent property sales). State equalized valuations are used to allow for equitable comparison among municipalities.

State represents total statewide and not average.

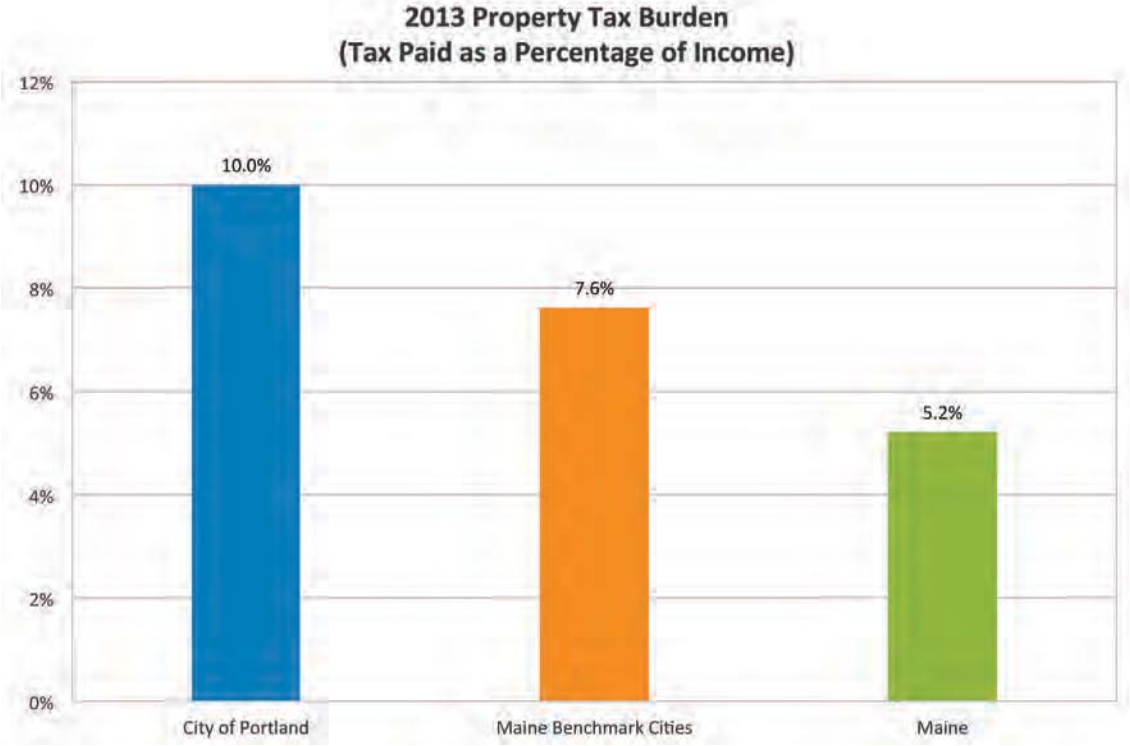
Property Tax Burden

Lagging ⇓

TARGET: The Property Tax Burden will be below Maine benchmark cities.

In 2013, the tax burden was 10% compared to 7.6% for the Maine Benchmark Cities.

A typical household in Portland spent 10% of its income on local property taxes in 2013. This is the highest tax burden among all 16 Maine Benchmark Cities and well above their average of 7.6%. The tax burden of city households is nearly double that of the average household in Maine.



WHY IS THIS SIGNIFICANT?

A high property tax burden decreases the attractiveness of the City to people considering moving to and working in the City of Portland. This, in turn, makes it less attractive to businesses considering locating in the City because they will expect to have a more difficult time attracting talented workers. Additionally, more money spent on tax bills leaves less money for households to spend in the local economy.

SOURCES AND NOTES:

Full value tax rates from Property Tax Division, Maine Revenue Services, Maine Bureau of Taxation; http://www.maine.gov/revenue/propertytax/municipalservices/fullvalue.htm

Full value tax rates are calculated by dividing a municipality's property tax assessment ($ raised through property taxes) by the municipalities state equalized valuation of property (valuation determined by local assessing and adjusted by the state based on recent property sales). State equalized valuations are used to allow for equitable comparison among municipalities. The rate used here is for municipal, school, and county property taxes combined.

Median Home Value and Median Household Income are from 2013 American Community Survey 5-Year Estimates; http://factfinder2.census.gov/

Median home value is based on owner occupied homes.

Full Value Property Tax Rates

Keeping Up ⇔

TARGET: Annual city full value property tax rate will be equal or below the Maine benchmarks.

In 2013, the City of Portland's full value property tax rate was 18.7 mils, which is slightly higher than that of the Maine benchmark cities (18.6).

Since 2007 Portland's full-value tax rate exceeded the Maine benchmark cities and the average for Maine. In 2013, nine of the 15 benchmark cities had rates lower than that of Portland, while six had higher rates. It should be noted that if the recent trend between 2012 and 2013 continues, then Portland's full value property tax rate will begin to exceed the Maine benchmarks.

WHY IS THIS SIGNIFICANT?

Ensuring that property taxes remain affordable for residents is critical to the fiscal health of the city. If property taxes become too much of a burden, residents will move out of Portland in favor of surrounding towns with lower taxes.

SOURCES AND NOTES:

Full value tax rates are from Property Tax Division, Maine Revenue Services, Maine Bureau of Taxation; http://www.maine.gov/revenue/propertytax/municipalservices/fullvalue.htm

Full value tax rates are calculated by dividing a municipality's property tax assessment ($ raised through property taxes) by the municipalities state equalized valuation of property (valuation determined by local assessing and adjusted by the state based on recent property sales). State equalized valuations are used to allow for equitable comparison among municipalities. The rate used here is for municipal, school, and county property taxes combined.

Adjustments have been made for homestead exemptions and tax increment financing arrangements
State represents total statewide and not average for the full-value tax rate indicator.

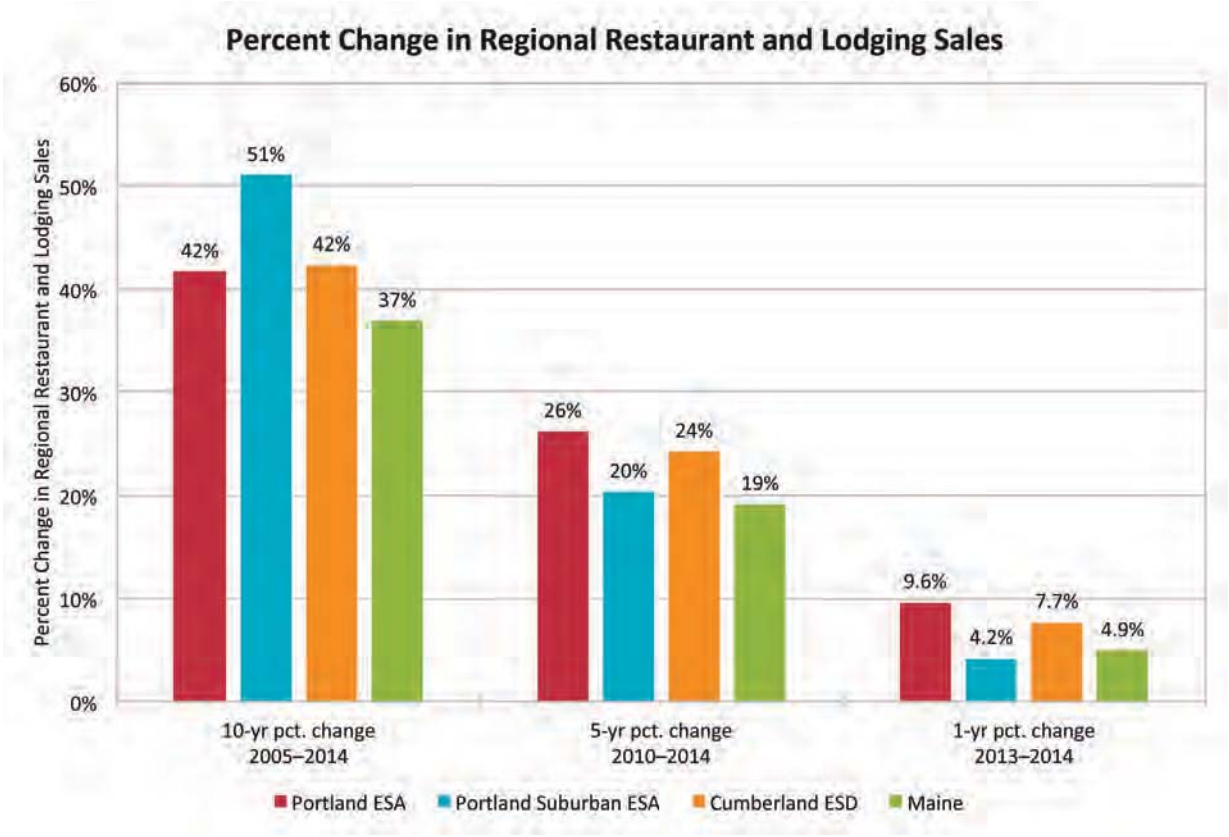
Restaurant and Lodging Retail Sales

Exceeding ⇑

TARGET: Annual growth in restaurant and lodging sales will exceed that of Maine.

Between 2013 and 2014, sales in the Portland region grew by 9.6% exceeding the State of Maine, which grew at 4.9%.

The Portland Economic Summary Area (ESA) experienced an increase of 9.6% over the one year period 2013 to 2014, outpacing the State of Maine (4.9%), the Portland Suburban ESA (4.2%) and entire Cumberland Economic Summary District (7.7%). In the 5-year period between 2010 and 2014, the Portland Economic Summary Area (ESA) experienced an increase to 26%. The Portland region has seen a 42% increase in the percent change in restaurant and lodging sales over the last 10-year period from 2005 to 2014, which is on par with the comparison geographies, with the exception of the Portland Suburban ESA which increased by 51% over this period.



WHY IS THIS SIGNIFICANT?

Restaurant and lodging sales are indicative of the local visitation industry. Portland and the region are nationally-known for restaurant quality. Continuing to grow this sector plus hospitality overall provide new dollars into the local and regional economy plus these same businesses serve local residents as well.

SOURCES AND NOTES:

Restaurant and Lodging Retail Sales- 2004-2013 are from Maine Taxable Retail Sales, Maine Office of Policy and Management, http://www.maine.gov/economist/retail/index.shtml. See webpage for economic summary area definitions.

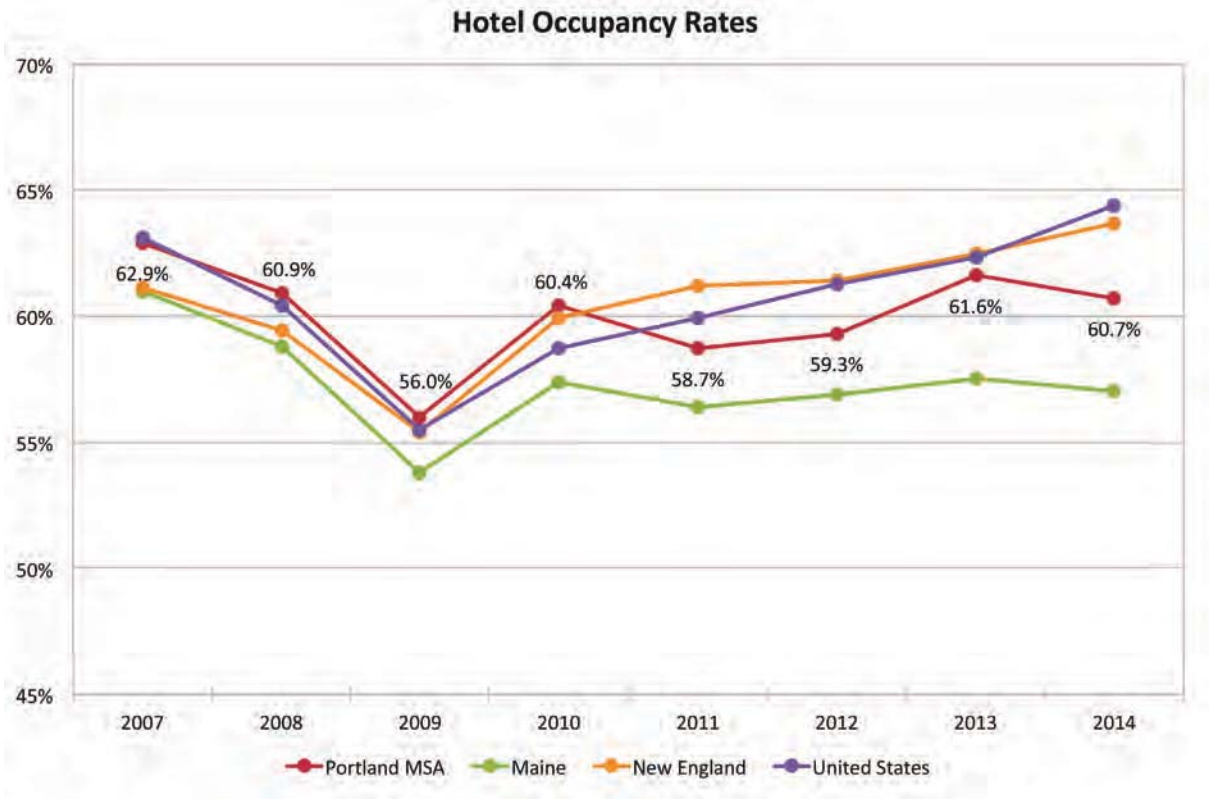
Hotel Occupancy Rates

Lagging ⇓

TARGET: The Hotel annual occupancy rate will exceed that of New England.

In 2014 the Portland MSA's hotel occupancy rate (60.7%) was below average rates in New England (63.7%).

In 2014, the Portland MSA had an average hotel occupancy rate of 60.7% compared to New England's rate of 63.7%, though higher than the statewide rate of 57%. The decline in occupancy over the previous year is in part due to an increased supply of rooms resulting from the recent development of hotels.



WHY IS THIS SIGNIFICANT?

A higher hotel occupancy rate reflects increased visitors to the City. These travelers are a mix of leisure and business travelers and both increase spending and contribute to the local and regional economy.

SOURCES AND NOTES:

Occupancy data was provided by the Maine Innkeepers Association and is from Smith Travel Reports; www.str.com

Occupancy rate = rooms sold divided by rooms available multiplied by 100. Occupancy is always expressed as a percentage of rooms occupied. Data is based on a 12-month average from December to December except for 2009 and 2010 which is based on November to November.

Metropolitan Statistical Area (MSA) and New England City and Town Areas (NECTA) geography listings are from - OMB Bulletin No. 13-01, February 2013, www.census.gov/population/metro/

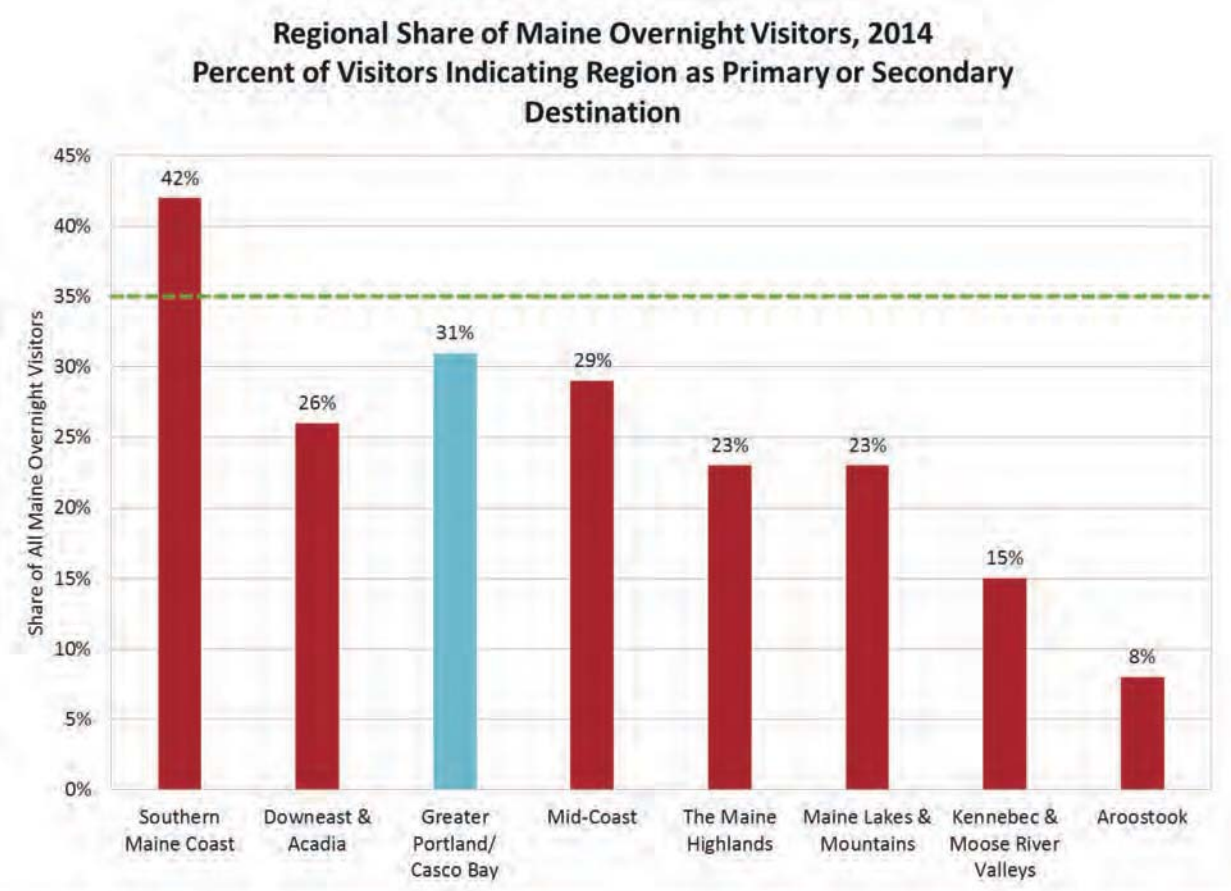
Overnight Visitors

Lagging ⇓

TARGET: Annual total Maine overnight visitors indicating Greater Portland/Casco Bay Region as their primary or secondary destination will remain at or above 35%.

In 2014, 31% of Maine's overnight visitors used the Greater Portland/Casco Bay region as their primary or secondary destination.

In 2014, the Greater Portland/Casco Bay region ranked second by capturing 31% of Maine's overnight visitors. This was down from 34% in 2013.



WHY IS THIS SIGNIFICANT?

Tourism is a key component of the local and regional economy. Portland captures visitors as both a primary and secondary destination meaning it both supports Maine's tourism economy as a destination and benefits from it as visitors coming to Maine to visit other locations also visit Portland during their trip.

SOURCES AND NOTES:

Overnight visitor data is from The Maine Office of Tourism Visitor Tracking Research Annual Report; Maine Office of Tourism; http://visitmaine.com/assets/downloads/

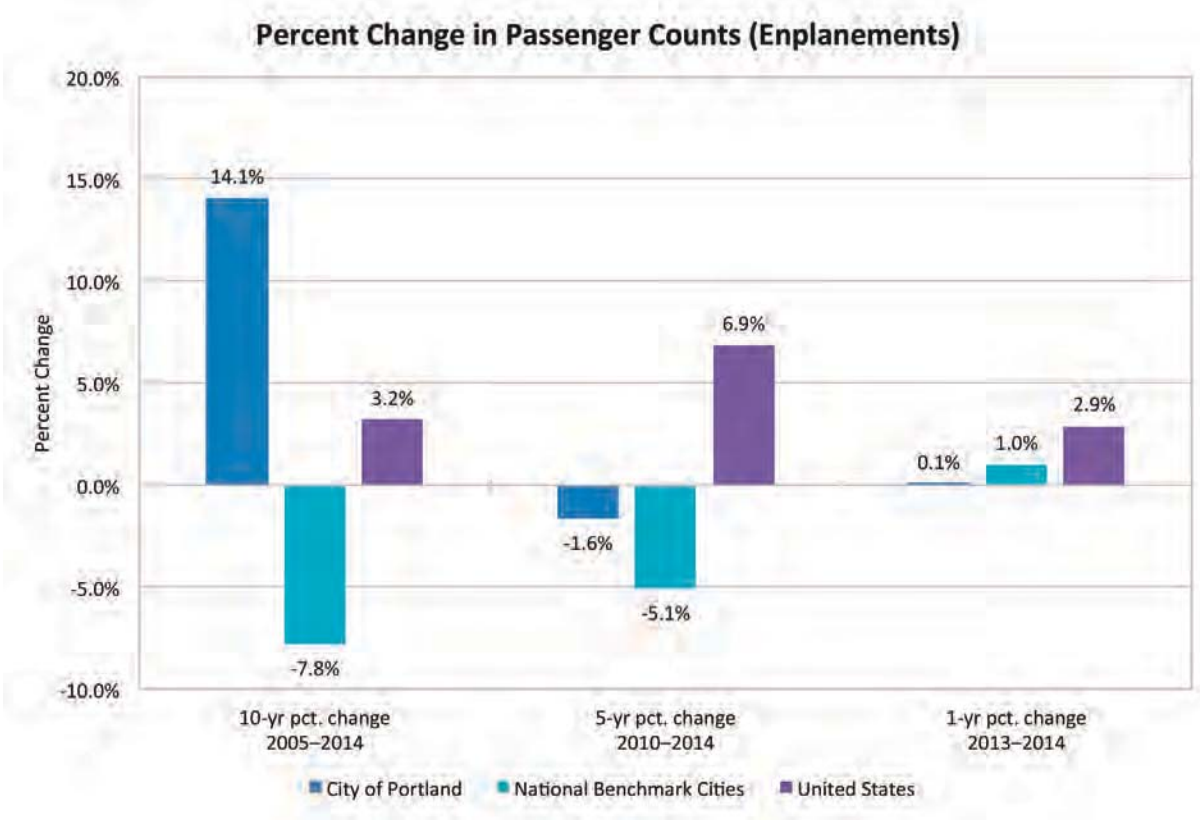
Airline Passenger Counts (Enplanement)

Lagging ⇓

TARGET: Annual passenger (Enplanements) growth will exceed the national benchmarks.

The Portland International Jetport saw virtually level enplanements between 2013 and 2014, at just 0.1% growth. This is below the national benchmark cities, which experienced 1% growth in enplanements over the period.

Enplanement counts are those boarding revenue passengers embarking on an airline trip. In the last year, 2013-2014, the annual passenger count change at Portland International Jetport (0.1%) was flat and below increases for both the benchmark cities (1.0%) and the US overall (2.0%). Over the past five years, Portland witnessed a drop of 1.6% in passenger counts, although better than the benchmark average of (-5.1%). However, Portland enplanements in 2014 were 14.1% higher than 2005 levels, outpacing both benchmark cities' average and the nation.



WHY THIS IS SIGNIFICANT?

A strong annual uptick in passenger counts is a good sign for Portland's economy. Increased numbers of passengers flying out of Portland mean a combination of positive things. As the local economy improves, businesses are able to send more employees on business trips. Increased air travel is also a sign that local residents and households are doing well financially and are able to take more leisure trips. Finally, it is also an indicator of visitors to the Portland region.

Enplanement data from Federal Aviation Administration, "Passenger Boarding (Enplanement) and All-Cargo Data for U.S. Airports" 2000-2014; www.faa.gov/airports/planning_capacity/passenger_allcargo_stats/passenger/index.cfm?year=all

National benchmark regions excludes New London, Bloomington, Worcester, Portsmouth, Santa Fe, Corvallis, & Yakima due to low enplanement counts and larger airports in regional vicinity.

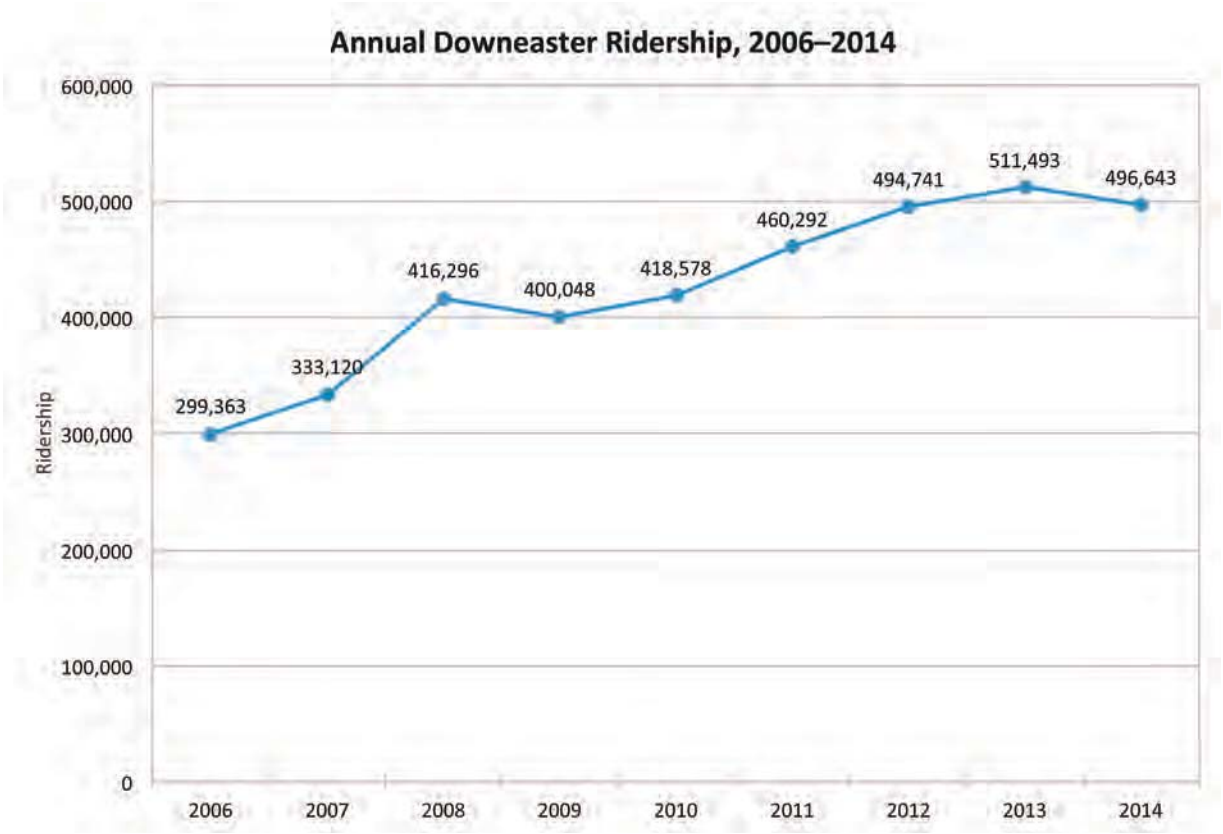
Amtrak Downeaster Ridership

Lagging ⇓

TARGET: Annual ridership of the Amtrak Downeaster will experience growth.

From 2013 to 2014, Downeaster ridership decreased by 3%, though it has increased by 19% in the last five years.

In 2014, ridership on Amtrak's Downeaster decreased slightly from an all-time high the previous year to 496,643 – similar to ridership levels in 2012 (494,741). Ridership has grown by 19% over the past five-years, up from 418,578 in 2010.



WHY IS THIS SIGNIFICANT?

The Amtrak Downeaster is a passenger train route running from Brunswick, Maine to Boston, Massachusetts that connects the City of Portland to the heart of the largest city in New England. Operating daily with five round trips between the two cities, the route ferries business and tourist passengers to and from Portland. Increased ridership means an increased flow of people, dollars, and business connections.

SOURCES AND NOTES:

Ridership History provided by Northern New England Passenger Rail Authority. Based on Daily Report Ridership Numbers; www.amtrakdowneaster.com/reports-and-statistics

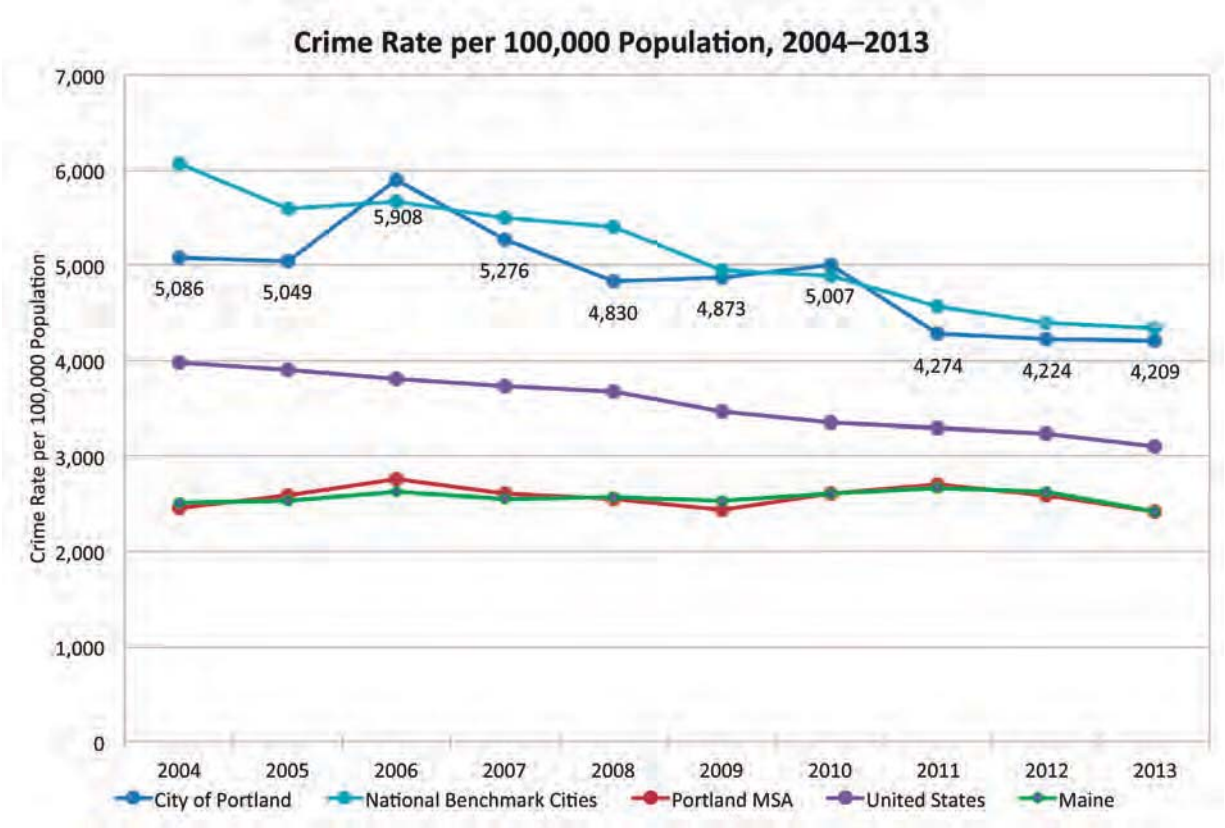
Crime Rate per 100,000 Population

Keeping Up ⇔

TARGET: City crime rate per 100,000 population will be below the national benchmark cities.

In 2013, the City of Portland's crime rate per 100,000 was 4,209 which was below the national benchmark cities rate of 4,336 in 2013.

Since 2004, the crime rate in the City of Portland has fluctuated relative to the national benchmark cities. From 2011 through 2013, Portland's crime rate remained below the benchmark cities level. During the same period, the Portland MSA and Maine were below that of the City of Portland, the national benchmark cities, and the US average.



WHY IS THIS SIGNIFICANT?

Crime is an important indicator of the quality of life. Workers, residents, and business value safety and will locate and remain in areas with lower crime rates.

SOURCES AND NOTES:

Crime data is from "Crime in the United States", Uniform Crime Reporting, Federal Bureau of Investigation, U.S. Department of Justice, www.fbi.gov

Violent offenses include murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault. Property offenses include burglary (breaking or entering), larceny-theft (except motor vehicle theft), and motor vehicle theft.

Crime rate trends may change over time as practices of reporting crimes changes
Metropolitan Statistical Area(MSA) and New England City and Town Areas (NECTA) geography listings are from - OMB Bulletin No. 13-01, February 2013, www.census.gov/population/metro/

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PORTLAND

COMMUNITY CHAMBER OF COMMERCE

In Partnership with the Portland Regional Chamber of Commerce

443 Congress Street
Portland, ME 04101
(207) 772-2811
www.portlandregion.com

GPEDC

Invest in Maine Project

Greater Portland
Economic Development
Corporation
Incorporated in 2011
501c6

geography

Represents 6 communities:
Portland, South Portland
Scarborough, Westbrook,
Falmouth & Cape Elizabeth

sectors

Life Science
Food Production
Precision Manufacturing

commitment

$50,000 cash match from communities
$57,000 in-kind staffing

governance

GPEDC Board of Directors:
Representing:
Six municipalities
Private sector representatives
University o f New England
SMCC

staffing

Five Municipal Economic Development Directors

timeline

through September 2017

components

1. Business directory – targeted sectors in CRM program
2. Industry Action Teams
3. International section of GPEDC website
4. International section of *Creative Portland* website
5. Presentation materials
6. Business development consultant
7. Push materials (newsletter)
8. Targeted Travel – food showcase
9. Targeted Travel – trade missions
10. Targeted Travel – direct travel

outcomes

150	direct contact with companies
50	skilled individuals seeking info
10	companies engaged
2-5	companies visiting
2-5	proposals generated
276	potential jobs over 10-years
$37.3	million indirect wages

sustainability

Ongoing commitment by municipalities
Ongoing commitment from private sector
Ongoing joint contact management (CRM)
Ongoing push material (Newsletter)

GREATER PORTLAND
ECONOMIC DEVELOPMENT CORP.

MISSION

The Greater Portland Economic Development Corporation (GPEDC) links private, educational and public institutions in pursuit of sustainable economic prosperity on behalf of the communities of Cape Elizabeth, Falmouth, Portland, Scarborough, South Portland and Westbrook.

The mission of GPEDC is to grow and develop a sustainable economy through the establishment of a regional economic development organization, organized and managed by a board of directors. GPEDC will develop a sustainable economy through increasing the retention and attraction of businesses, entrepreneurs and skilled workers. Additionally, GPEDC's purpose is to foste growth in industrial, manufacturing, fishing, agricultural, recreational, and other business enterprises within the greater Portland region, for either business retention or attraction. Lastly, as a duly incorporated organizatic the GPEDC has the same rights, powers, and privileges of other corporations similarly organized and existing under the laws of the State of Maine.

Business Plan
DOWNLOAD

HISTORY

Incorporated in early 2011, GPEDC is the result of a directiv made by the Metro Coalition, a group comprised of mayors and cit managers representing six Greater Portland communities.

In November 2009 the Metro Coalition directed the establishment o GPEDC for the express purpose of furthering economic development opportunities for the six communities. A subcommittee was established, with representatives of Falmouth, Portland, Scarborough, South Portland, Westbrook, the Portland Regional Chamber, the Southern Maine Education Alliance, the County, and the Greater Portland Council of Governments. This Subcommittee met a number of times to create the draft documents establishing GPEDC.

While GPEDC is a newly formed organization, cooperation for economic development has a solid foundation among the communities. Such cooperation included legislative advocacy for the region on the State's Pine Tree Development Zone (PTDZ), an informal adoption of business recruitment and retention protocols and joint participation in attraction marketing at trade shows.

The success with informal cooperation for economic development, paved the way for each of the six communities to adopt the resolution supporting GPEDC's incorporation.

Among the Best Places for Business & Careers in the U.S.

— Forbes Magazine

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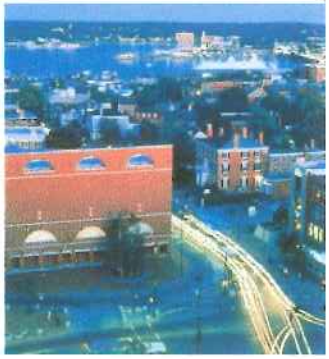
THE RIGHT PLACE. THE RIGHT TIME.

Just two hours north of Boston, Portland offers a sophisticated, vibrant community in which to start or move a business. A mecca of art, cuisine, music, and more, Portland, Maine is not only a great lifestyle choice—it's a smart business choice, too. In fact, Forbes Magazine named Portland one of the best places for business and careers, and American City Business Journals ranked Portland number one in the nation for small business vitality. Moreover, Portland is a hub offering easy access to markets in Canada and Europe.



We're the Greater Portland Economic Development Corporation (GPEDC). Our goal is to help your business achieve its full potential. With a variety of programs, assistance, and incentives for businesses of all kinds, we make it easy for you to start, grow, or relocate your business to Greater Portland and thrive. Consider us your first point of contact for locating your business in this great region.

Among the Best Places for Business & Careers in the U.S.

— Forbes Magazine

FERTILE SOIL FOR BUSINESS

Life is good here. And so is the business climate. Portland offers a business-friendly environment and entrepreneurial spirit that encourages businesses and startups of all kinds, along with the nation's lowest estimated local and state tax on new capital investment. Here, we don't believe in barriers—we pride ourselves in being a place where dynamic businesses can be built quickly and affordably.

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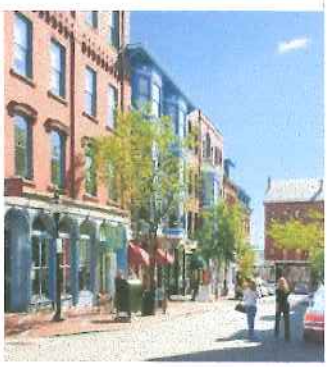
DEMOGRAPHICS

The Greater Portland Economic Development Corporation (GPEDC) makes it easy to start, grow, or relocate your business in the hub of northern New England. Drive two hours north of Boston to find New England's hippest urban area, a hospitable business environment, and the nation's lowest estimated tax burdens on new capital investment.



GREATER PORTLAND METRO STATISTICS	DOWNLOAD
Overview	PDF
Population	PDF
Housing	PDF
Income	PDF
Work	PDF
Bureau of Labor Statistics data	PDF
Bureau of Economic Analysis data	PDF

ADDITIONAL RESOURCES	DOWNLOAD
Occupational Employment and Wage Estimates (State of Maine)	EXCEL (DATA) EXCEL (FIELD DESCRIPTIONS)
Competitiveness of state and local business taxes on new investment (Ernst & Young study)	PDF

A top 20 best performing metro area

– Milken Institute

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STORIES

We know that Portland is a great place to live and to have a business. But don't have to take our word for it—watch the videos below to hear the stories of entrepreneurs in a variety of fields that have discovered the great quality of life and fertile business climate greater Portland offers.

JOSHUA BRODER AND ELIZA GINN

JOAN GORDON

SAM AND TERESA PIERCE

FRED THOMAS AND LAONGDAO "TAK" SUPPASETTAWAT

CORSON ELLIS

GRETCHEN KRUYSMAN

Learn more about the Portland experience at LiveWorkPortland →

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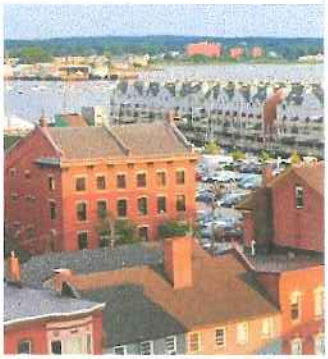
SEARCH

Fast facts for site locators

Experience Greater Portland

A GREAT FIT.

Greater Portland is home to companies of many kinds. We pride ourselves on having a talented workforce with high standards and a strong work ethic. We have particular strength in the following industries:



- Arts and Culture
- Biosciences
- Business & Financial Services
- Chemical Manufacturing
- Computer and Electronic Product Manufacturing
- Education and Knowledge Creation
- Environmental Services
- Information Technology
- Marine
- Specialized Manufacturing
- Transportation Equipment Manufacturing

For more information about Portland demographics, incentives, training or support, please visit our RESOURCES section.

One of North America's 10 Dream Towns

– Outside Magazine

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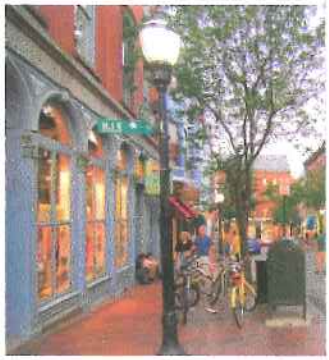
EDUCATION

The talent you need is here. People are the key to any organization's success. With global competition increasing, well trained, qualified employees are all the more important to stay competitive. The Portland area is rich in resources to assure you'll have the talent you need.



THE UNIVERSITY OF SOUTHERN MAINE is a regional university that provides students with high-quality, accessible, and affordable education.

SOUTHERN MAINE COMMUNITY COLLEGE offers a wide range of programs designed to provide Greater Portland businesses with the qualified employees they require to compete globally. SMCC also offers on-site classes.

THE UNIVERSITY OF NEW ENGLAND (UNE) is a leader in health sciences education, with more than 40 undergraduate, graduate and professional degree programs and Maine's only medical school.

BOWDOIN COLLEGE is an independent, nonsectarian, coeducational residential, undergraduate liberal arts institution founded in 1794.

ST. JOSEPH'S COLLEGE combines classic liberal arts, career focus, and rich personal attention to create well-rounded graduates.

YORK COUNTY COMMUNITY COLLEGE offers an affordable, supportive learning environment that prepares its students with the tools necessary to achieve success.

MAINE COLLEGE OF ART offers a Bachelor of Fine Arts, a Master of Fine Arts in Studio Arts, a Post-Baccalaureate in Art Education as well as Continuing Studies for adults and youths.

KAPLAN SOUTH PORTLAND is an outcomes-focused institution that offers relevant programs in many of the nation's fastest-growing fields

THE UNIVERSITY OF MAINE SCHOOL OF LAW is the state's public and only law school, serving as a force for the common good while preparing graduates for careers as leaders inside and outside the traditional legal profession.

A top 20 best performing metro area

– Milken Institute

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An export market assessment of the Greater Portland region

December 2015

Prepared for:
The City of Portland Economic Development Department and the Greater Portland Community Chamber of Commerce

Prepared by:
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Laura M. Yeitz, Graduate Research Assistant
Christopher Hopkins, Graduate Research Assistant

Maine Center for Business and Economic Research
University of Southern Maine

UNIVERSITY OF SOUTHERN MAINE
MAINE CENTER FOR BUSINESS AND ECONOMIC RESEARCH

EXECUTIVE SUMMARY

At the request of the City of Portland Economic Development Department and the Greater Portland Community Chamber of Commerce, this report sets out to describe the current conditions in the Greater Portland region related to export opportunities and investments related to the Port of Portland. Given the nature of international trade logistics, Portland will best be served by focusing on niche market segments that leverage existing strengths and capacities. The report identifies key regional industry and export specializations, import trends in Eimskip service areas, and discusses opportunities to link export strengths and industry specializations with recent infrastructure developments related to cold storage requirements. This data is not prescriptive but provides a foundation for understanding the current state of the region's industry and export capacity and is a first step towards developing a longer term strategy to leverage port developments and infrastructure investments in Portland. The key findings of this assessment are summarized as follows.

Regional output is stagnant, state output is declining

Real output, measured by gross metropolitan product, in the Portland region has grown minimally since pre-2008 recession levels, while state level real output has decreased over this period. This has significant implications for overall economic prospects in other areas of the state, but also bolsters the argument for an export based strategy.

Exports from Portland have jumped with the arrival of Eimskip, New England exports lag the nation

Exports originating trade journeys in Portland, have increased significantly since 2012 with the beginning of Eimskip service to the port. Exports in New England have grown slightly over the last decade, but well below national growth rates. However, part of this discrepancy has to do with strong growth in the energy sector elsewhere in the country.

Exports support a significant number of jobs in the Portland region, but a small share of overall employment

The Brookings Institute estimates that exports of manufactured goods and agriculture related products supported upwards of 6,500 jobs in the Portland Metropolitan area in 2014; 2,900 of which are directly supported by exporting industries. Based on estimates from the Brookings Institute, increasing exports by $1,000,000 will support another 5 jobs in the region.

Industry employment and industry trade specializations are in related industries

Key goods producing industry employment specializations in the Portland region are in seafood processing, pharmaceutical and medicine manufacturing, pulp, paper, and other forestry related products, beverage manufacturing, sugar and confectionary manufacturing, among others. Industry growth in pharmaceuticals and medicines is projected to increase in the coming years, some of which require temperature controlled shipment and storage. Export concentrations (industry level data is statewide) reflect these specializations.

Food product export specializations are concentrated to a few specialized categories

Key food product specializations are in leguminous products, crustaceans (lobsters), grapes, apples, and a variety of prepared products. Most all of the core food export products have some level of value-add with few raw commodities on the list, such as corn. Similarly, a vast majority of top exports from Portland are destined for northern EU countries, with the exception of seafood products, which are shared with both the Eimskip countries and exports elsewhere.

Strong growth in export markets along Eimskip service areas

Import markets in Eimskip service area countries are healthy. Top import product categories that relate to Portland and Maine export capacity have shown strong growth since 2010, growing on average between 30 and 60 percent. The most obvious commonality of imports to exports relates to medical oriented products, such as medical and surgical instruments, medicaments, and a product category that includes blood and vaccine related products. Other common products are automatic data process machines and in the taps, cocks, valves for pipes category. In general, the greatest level of overlap is with Iceland, unsurprisingly, followed by Denmark and Sweden. Food product category concentrations include seafood products, chocolate, fruit and nuts prepared of preserved, sauces, fresh apples, and bread and pastry products.

Products with cold storage requirements and export specializations in Portland and Maine

Specific product categories exported from the Portland region that may require refrigerated storage include fish, fresh, chilled or frozen and other marine products; seafood products prepared, canned and packaged; fruit and vegetable preserves or specialty foods; farmed fish and related products; meat products and meat packaging products; and pharmaceuticals and medicines. Of particular interest are the potential opportunities in pharmaceuticals and medicines.

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VI. Opportunities for cold storage and transport logistics 19
VII. Conclusions 24

I. Introduction: the Port of Portland as an economic development engine

At the request of the City of Portland Economic Development Department and the Greater Portland Community Chamber of Commerce, this report sets out to describe the current conditions in the Greater Portland region related to infrastructure developments and export opportunities at the Port of Portland. Exports are an important driver of the regional economy. The Brookings Institute estimates that exports of manufactured goods and agriculture related products supported upwards of 6,500 jobs in the Portland Metropolitan area in 2014; 2,900 of which are directly supported by exporting industries. Brookings estimates suggest that increasing exports by just $1,000,000 will support another 5 jobs in the region.[1]

A number of recent developments at the Port of Portland have positioned the region to capitalize on increased trade activity. Investments in the International Marine Terminal (IMT) have facilitated the location of the international shipping company Eimskip to the port, establishing trade linkages along the Scandinavian corridor and northern Europe. Further developments in cold storage capacity and freight rail logistics will further enhance the Port's competitiveness. These developments provide direct access for regional firms to new market opportunities, while acting as a catalyst for attracting new firms and investment to the area that bolster the region's competitiveness and economic development prospects.

However, the landscape of international trade has become increasingly concentrated in space; a result of technological advances in trade logistics and the advantages to scale. International waterborne trade in New England is concentrated in the metropolitan Boston region, as well as services at the ports of New York and New Jersey to the south. It is of course, unrealistic for Portland to compete on such scales. Rather, the Port of Portland and the region will draw advantages from a focus on strategic niche market segments, as well as leveraging its role in the regional port system. The development of niche strengths will in part be built upon what the region and state already do well and the assets that are of value to new firms.

As such, any successful export strategy should be informed by regional strength's and assets. In line with this, this report provides a baseline of knowledge of the current industry and export trends relevant to the Port of Portland and broader region of Maine. While the focus of this analysis is on the Portland region, successful economic development related to the port will be dependent upon activities in the Port's market area or 'Port District' and the state of Maine.[2] This report also provides an overview of regional export strengths in relation to market opportunities along Eimskip's service areas, as well as identifies potential export product markets for cold storage requirements.

[1] The Brookings study methodology includes all exports made in the region whether foreign or domestic, which differs from other export measures, such as the US Census which counts trade data based on origin of movement, which may not necessarily be where the product was produced.

[2] Port District definitions for the Portland Port District can be found in the appendices in Table 1A. Port Districts are defined by the US Census and reported in the international trade statistics. Port Districts are essentially the market area inclusive of a products movement of origin.

II. Port of Portland in context

Portland is the northernmost major Eastern US port and several sea shipping days closer to destinations in northern Europe and other parts of the world.[3] Efforts to develop the Port of Portland into a thriving international port are well underway. Since 2010, city, state, and national contributions have accelerated the reorganization of the Port of Portland into a promising point of processing, distribution, and logistics for the north Atlantic. In 2010, Maine was a recipient of the federal Transportation Investment Generating Economic Recovery (TIGER) grant. This investment accelerated Maine's 'Three-port Strategy,' developed in 1978 to concentrate state investment in deep-water port facilities. The Port of Portland is divided between the Portland and South Portland shores of the Fore River. Port facilities within the City of Portland include a mix of public and private terminals with cruise and municipal service designated to the east side, commercial fishing, landings, and tourism in the central waterfront zone, and commercial and industrial operations located at the western-most end. In 2011 under the Maine Port Authority, construction was also started on expansion and upgrades at the International Marine Terminal (IMT) pier.

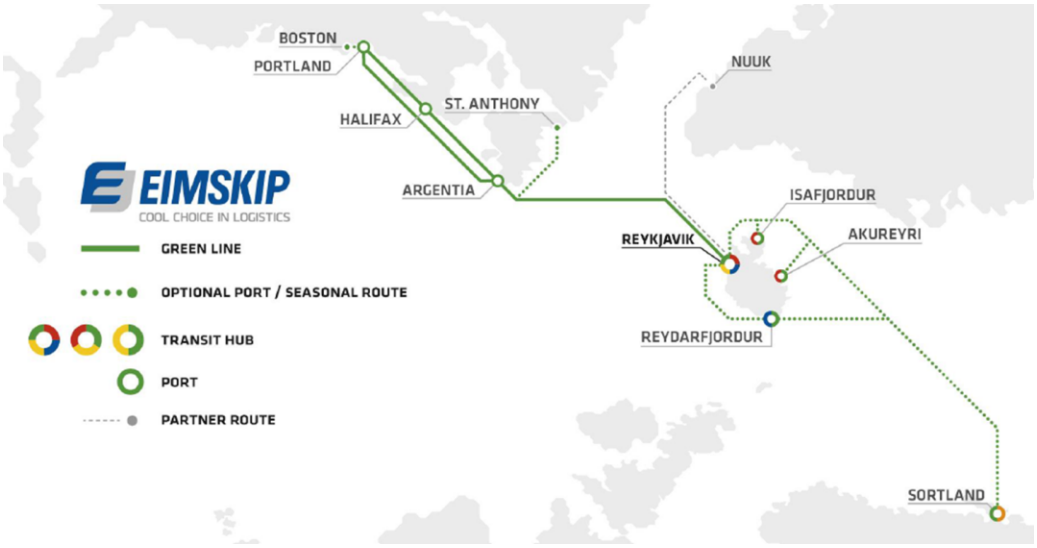
The arrival of Eimskip

In 2013, the Icelandic shipping company Eimskip moved its North American hub to the Port of Portland from Norfolk, Virginia, marking the first time in decades that Maine and the Port of Portland have had a major trade linkage established with international markets on a consistent schedule. Calling on Portland once every 1-2 weeks, the region is now directly connected with routine trade service to Maritime Canada, Iceland, and northern European countries via Eimskip's "Greenline" service (see Figure 1) with 11 ports of call within the North Atlantic Sea.[4] Eimskip also provides feeder services to a number of additional points, including Spain, Poland, and Russia.

Part of Eimskip's core business service is through refrigerated containerized shipping, or "reefers". As a strategic investment, the Maine Port Authority is seeking to build a 120,000 square feet cold storage warehouse with 12 truck bays and the capacity to provide variable refrigerated zones at varying temperatures to deep freeze as low as -20 to -30 degrees. The planned warehouse is directly adjacent to the IMT and is being linked to rail service with the extension of the existing rail line that connects with the New England network. Americold Storage was recently awarded the contract to build and operate the freezer storage facility that will accommodate the demands for a variety of goods and produce storage facilities.

[3] See Table 2A in the Appendices to view distances from the Port of Portland to comparative locations.
[4] Detailed Eimskip route map can be found in Appendices Figure A1.

Figure 1: Eimskip Green Line shipping route connecting Portland to Iceland and transit hubs

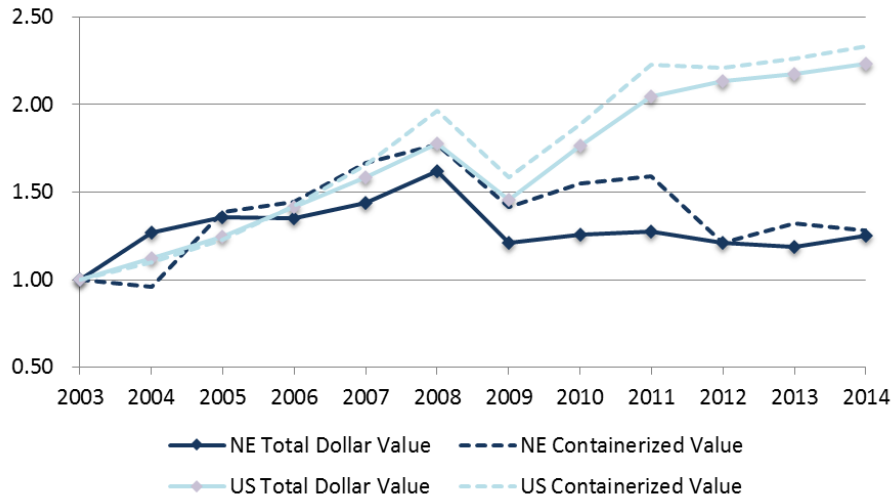


Source: Eimskip

Export trends in the region

US global exports have risen by over 225 percent over the last decade (Figure 2), driven by significant production of energy deposits and increased trade with emerging markets in Brazil, Asia, and elsewhere. Maine and New England have captured a much smaller share of this growth increasing by only 25% over 2003 levels. New England exports peaked in 2008 followed by a sharp decline during the Great Recession and have yet to regain pre-recession peak export levels. Nationally, Maine ranks 47th by export value, while neighboring Massachusetts ranked 16th, the highest of New England states.

Figure 2: Global export trend index for New England and the United States, 2003-2014

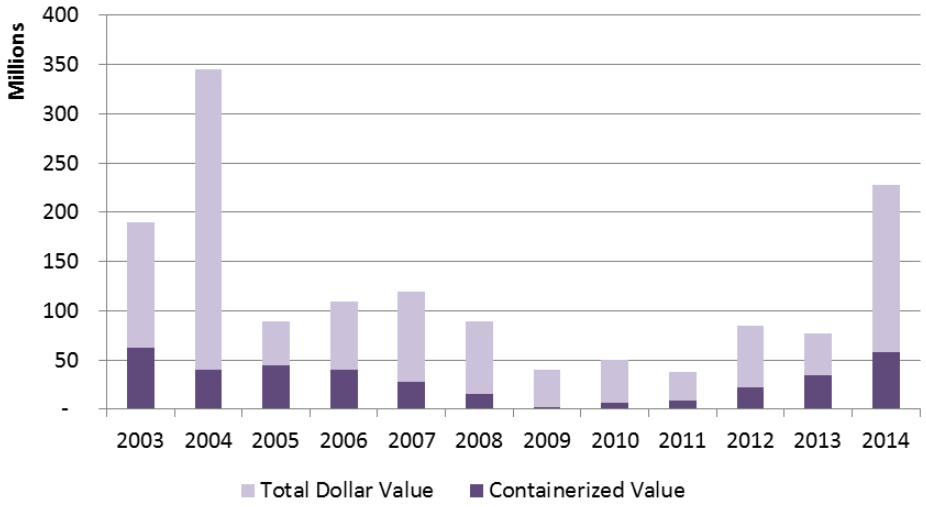


Source: US Census Foreign Trade Statistics; MCBER calculations; Base period 2003 = 1

In general, trade across US regions is highly concentrated to a select group of major port regions, such as Los Angeles, New York/New Jersey, and Chicago. According to the U.S. Department of Transportation, out of 63 international ports, Portland ranked 36th in total metric tons with 62,667 in 2014, while other major northeastern ports such as Boston, ranked 21st with 1,611,271 metric tons and New York/New Jersey ranked 3rd with 35,080,658 metric tons.

Exports originating from the Port of Portland have been largely dependent upon the presence of freighter services and flows of oil (Figure 3). Following a spike in 2004, exports had a sharp drop-off in 2005 and have remained relatively low through 2013. However, there is a notable increase in export value beginning in 2014 that coincides with the first full year of service Eimskip called on the Port of Portland, in which year exports totaled $228 million. In terms of domestic regional trading partners, Portland is most connected with its nearest neighbors, as one might expect. In 2008, 63 percent of trade by weight was traded between New England and the Mid-Atlantic regions. The largest trading partners are Massachusetts (7.5 million tons and $62 billion), New York (5.8 million tons and $ 6.2 billion) and New Hampshire (3 million tons and $1.8 billion). Canada also serves as a very valuable trade partner for Maine as well.

Figure 3: Total exports from Portland to World, 2003 to 2014 (in nominal dollars)

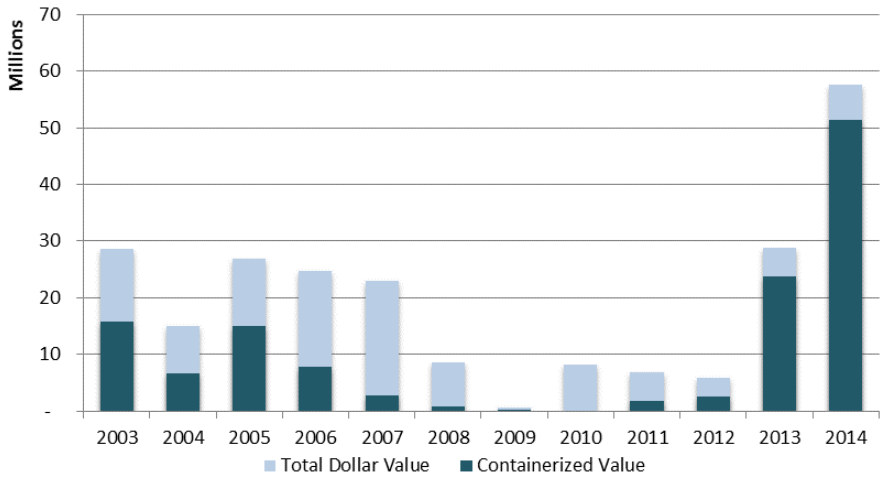


Source: US Census Foreign Trade Statistics; MCBER calculations

Figure 4 below shows export trends from Portland to Eimskip service area markets[5] in northern Europe. Over the past 10 years, trade with these countries has been quite variable with a pre-2014 peak of about $29 million. However, corresponding with the beginning of Eimskip's Portland based service, exports from Portland to these countries have doubled since 2013 and continue to trend upwards through 2015.[6]

[5] The Eimskip service area is defined as the countries along Eimskip's shipping routes shown in Figure A1 in the Appendices. These include the countries Iceland, Sweden, Norway, Denmark, Finland, Germany, the Netherlands, and the United Kingdom.
[6] Comparable annual trade data for 2015 was not yet available at the time of this writing.

Figure 4: Total exports from Portland to Eimskip service area countries, 2003 to 2014

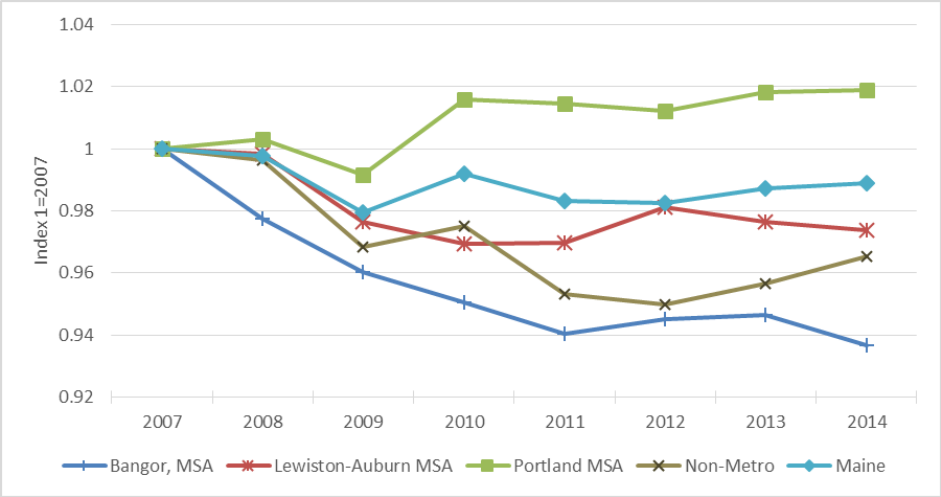


Source: US Census Foreign Trade Statistics; MCBER calculations. Note: Dollars all nominal.

III. The Greater Portland regional economy and industrial specializations

As the economic center of Maine, the Portland Metropolitan Statistical Area (MSA) churns out over half of the state's gross domestic product annually ($25.8 billion) while comprising a smaller share of the state's population, roughly 40 percent. Statewide, real output has actually decreased since pre-recession peaks as measured by GDP (Figure 5), suggesting the state has yet to fully recover from the economic downturn. Of the state's regions, only the Portland MSA has experienced an increase in real output since its pre-recession peak. The Bangor MSA, Lewiston-Auburn MSA, and the non-MSA share of state GDP have all *decreased* over this period. As the structure of the state's economy evolves, the Portland MSA will become ever increasingly important to the state's overall economy.

Figure 5: Gross domestic product by MSA, non-MSA, and Maine. 2007-2014

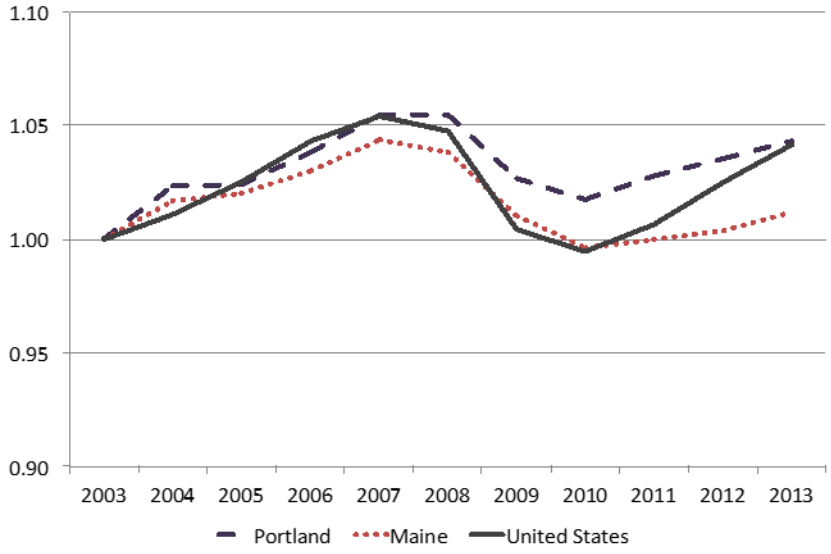


Source: US Bureau of Economic Analysis, regional accounts. Base period 2007 = 1.

A majority of output in the Portland MSA derives from healthcare, business and professional services, and tourism related industries. About 10 percent of gross metropolitan output originates in the manufacturing sector, though this number has been declining. Still, the Portland MSA generates over half of all manufacturing output in the state and this share continues to increase.

Total employment in the region has grown by just over 14,000 workers since 2003; a 4 percent change. This follows national trends and is higher than that of Maine (Figure 6). While Portland fared somewhat better during the 2008 recession than the nation, the rate of recovery has been *lower* than the US, which has experienced a much higher rate of change since 2010. Meanwhile, Maine on the whole has yet to show signs of recovering jobs lost since the recession and is beginning to show stresses of population demographics in the labor market.

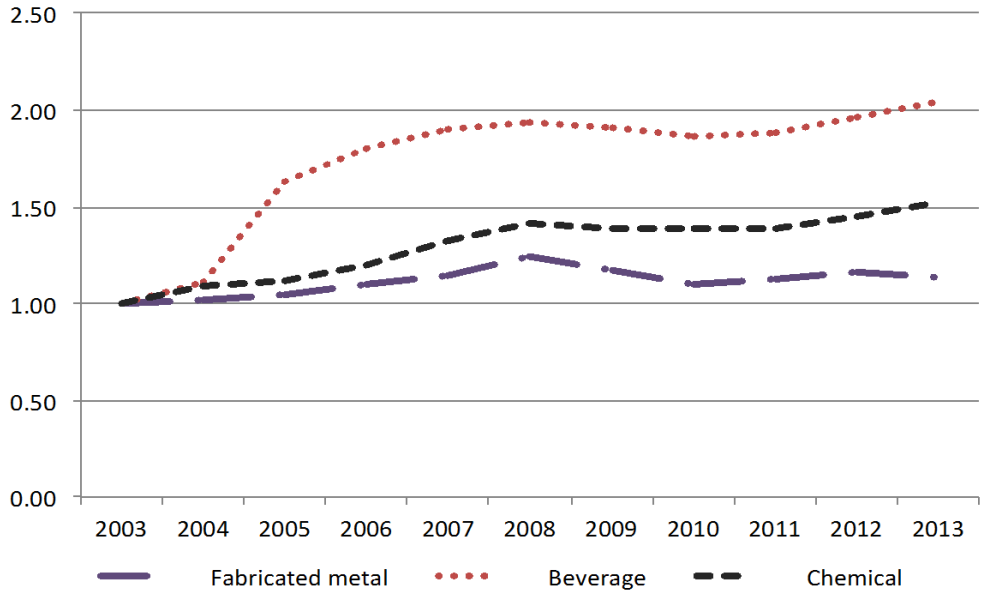
Figure 6: Total employment growth index in Portland MSA and Maine, 2003-2013



Source: US Bureau of Economic Analysis, regional accounts. Base period 2003 = 1.

Manufacturing employment in the US has experienced significant declines over the last 30 years, primarily in standardized and mature industries that comprise traditional manufacturing activities. However, in recent years there has been some level of resurgence in manufacturing in the US driven largely by industries that are reliant on high skill workers and innovative activities to produce high value-added products. These trends are reflected in Maine and the Portland region, where the key manufacturing sectors that are experiencing employment growth include fabricated metal products, chemical manufacturing, and beverage manufacturing (Figure 7). These high value-add and craft based industries are distinct from the more traditional manufacturing industries that were once drivers of the state's economy, such as paper and paperboard manufacturing and shoe and textiles.

Figure 7: Employment trends in select manufacturing industries in Maine, 2003-2013



Source: US Bureau of Economic Analysis, regional accounts. Base period 2003 = 1.

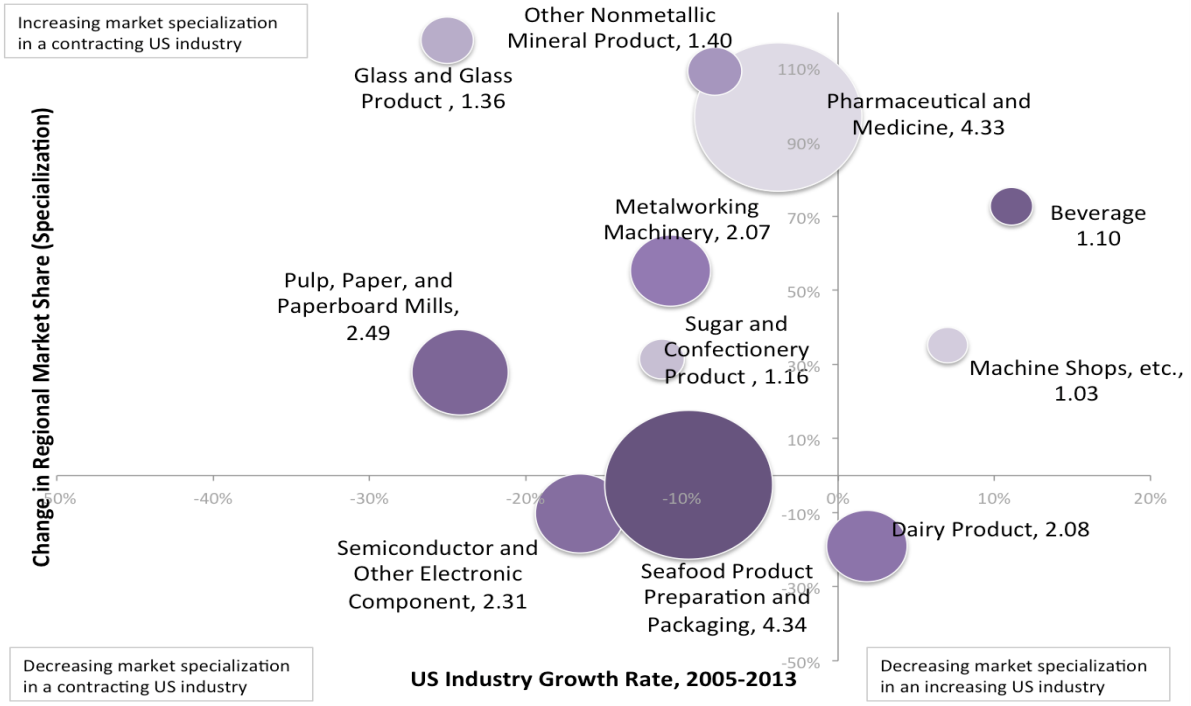
Regional industry specializations

Industry specializations, measured by location quotients, are indicative of potential regional competitive advantages.[7] This is because firms in similar or related industries located in geographic proximity have access to a larger and more specialized labor pool, shared supplier networks, and reduced transaction costs in the sharing of knowledge and innovation across networks of firms and supporting institutions. Industry clusters, as they are popularly referred to, are key catalysts for innovation activities that produce high-value added products and competitive advantages.

Figure 8 shows the regional specializations or "clusters" in goods producing industries (manufacturing and agriculture) in the Greater Portland region. The size of each bubble represents industry specialization in the region in 2013 measured by location quotients, while the X axis is the growth rate of the corresponding sector at the US national level (representative of the overall "market") and the Y axis represents the Portland region's change in market share measured by the change in specialization. A higher location quotient is indicative of a higher regional industry specialization. A positive change in specialization represents an increase share of the national market. Industries that are regionally concentrated or specialized represent a potential regional competitive advantage and may be good targets for export-based strategies.

[7] Location quotients measure the relative specialization or concentration of an industry in a region compared to national industry shares using employment numbers. A value greater than 1 indicates concentration, while a value below one indicates underrepresentation of an industry in the region.

Figure 8: Industry specializations in goods producing industries for the Greater Portland region



Source: ME Department of Labor, QCEW data series establishment level data; US BLS; MCBER calculations

Nationally most industries have contracted over the 2005-2013 period, although in the Portland region a number of industries have maintained or increased their share of the national market. The pharmaceutical and medicine manufacturing industries have experienced a significant jump in national market share over the period. In addition to seafood preparation and packaging, these industries represent the most specialized. Pulp, paper, and paperboard mills and semiconductor and other electronics are also highly specialized, though the latter of these industries is losing market share in a declining industry and also is a poor candidate for containerized exports in the region. Of note, is the small but growing specialization in sugar and confectionary products and beverage manufacturing industries; both good candidates for export markets and containerized shipping.

Industry growth is projected to accelerate in pharmaceuticals and medicine driven by increased access to health care domestically and heightened demand for health care more broadly from an aging population. Similar demographics are playing out in European nations, although significant regulatory barriers between the US and northern European nations may challenge the possibility of bolstering exports in this industry. Alternatively, seafood preparation and packaging provides a strong opportunity for the region, particularly the prospects of high value-add processing capacities. Still, there are challenges related to constraints in supply with the decline and instability in ocean resources in the region.

Regional firms in key industries

Using NAICS codes associated with the greater Portland region's top goods producing industries, a list of businesses were compiled using Reference USA and publicly available data sources. A detailed list is included in an excel file that accompanies this report which includes firms, available contact information, and in some cases approximate details of firm operations. While no means exhaustive, this list includes the largest and most well established firms in the region and provide a good sample of the potential exporting firms that currently exist in the Portland MSA region.

IV. Export specializations by industry and product codes

In this section, we focus on industry *export* specialization for goods producing industries in the food production and manufacturing sectors. Trade data by industry NAICS is limited to the state level and not available at a more detailed geography, such as the Portland MSA. Still, Maine is a relevant geography to draw connections between employment specializations and export trends in key industries.

Global exports by NAICS industry

Trade data is reported by the US Census Bureau for industries using the North American Industrial Classification System (NAICS) for selected geographies down to the state and Port District level.[8] [9] Table 1 below shows the top exports from Maine relative to New England by total dollar value (TDV) and for containerized vessel value (CVV) both in nominal dollars.[10] Average annual exports from Maine between 2012 and 2014 amounted to about $2.8 billion per year, which comprised just 5 percent of all exports originating in New England. Between 2005 and 2014, the nominal dollar value of exports grew from $2.3 billion to $2.7 billion dollars – an increase of 16 percent, well below national growth but on par with New England.

Like most regional export hubs, exports are highly specialized in specific industries in specific regions. This is particularly true for smaller, regional hubs relative to the major ports such as New York/New Jersey or Los Angeles. For instance, the top 20 exports from Maine make up roughly 83 percent of all exports from the state and more than half (52 percent) of global exports are from industries with a high to very high location quotient (specialization) relative to New England (Table 1). In general, these exports reflect the state's assets in natural resource based industries in agriculture and forest products. However, there are key export strengths that are high value added industries.

Pulp, paper, and paperboard mill products and seafood processing, are among Maine's top industry exports (by total dollar value) with high specializations relative to New England, (12.2 and 7.3 respectively). Annual dollar average of pulp, paper, and paperboard mill product exports were roughly

[8] The Portland Port District is defined as inclusive of all ports in Maine, as well as Portsmouth, NH, Lebanon, NH, and Manchester Airport, NH. A list is included in the appendices.

[9] Port specific trade data is not reported using the NAICS, but port specific trade data is available by Harmonized Product code, which is discussed in the next section.

[10] To address volatility in levels from year to year, an average of years 2012-2014 were calculated to smooth one time spikes in annual exports which may distort the overall picture (such as aerospace).

$438 million, comprising 62 percent share of exports in New England, while related export industries such as converted paper products and timber and logs comprise another 11 percent of total Maine exports. Other core export industries in the food production and manufacturing space include fish processing and aquaculture (fresh, chilled, or frozen and farmed fish and related) which are highly specialized relative to New England and are a combined 14% of the Maine's exports. Fruit and vegetable preserves and specialty products and meat packing products are highly specialized exports in Maine, but comprise just 3% of total export value. Still, this suggests a highly specialized niche that may present opportunities to exploit.

Table 1: Top industry global exports from Maine relative to New England by NAICS

Naics	Industry	TDV 12/14 average	Share of total	Share of NE	Containerized share	Specialization to NE
3221	Pulp, Paper, And Paperboard Mill Products	$437,764,349	15.5%	61.8%	23.5%	12.2
1141	Fish, Fresh, Chilled Or Frozen And Other Marine Products	$349,326,576	12.4%	36.9%	1.0%	7.3
3344	Semiconductors And Other Electronic Components	$254,612,423	9.0%	5.0%	0.1%	1.0
1133	Timber And Logs	$187,266,491	6.7%	81.1%	0.2%	16.0
3364	Aerospace Products And Parts	$178,341,285	6.3%	2.1%	0.4%	0.4
2111	Oil And Gas	$158,603,098	5.6%	73.8%	0.0%	14.5
3222	Converted Paper Products	$133,451,841	4.7%	25.3%	63.3%	5.0
3254	Pharmaceuticals And Medicines	$83,645,763	3.0%	3.7%	20.3%	0.7
3345	Navigational, Measuring, Electromedical, And Control Instrı	$70,155,593	2.5%	1.5%	25.8%	0.3
3211	Sawmill And Wood Products	$62,655,729	2.2%	38.1%	4.7%	7.5
3114	Fruit And Vegetable Preserves And Specialty Foods	$56,852,162	2.0%	31.9%	21.2%	6.3
1125	Farmed Fish And Related Products	$52,429,265	1.9%	83.7%	0.0%	16.5
3339	Other General Purpose Machinery	$45,552,043	1.6%	2.9%	35.2%	0.6
3261	Plastics Products	$45,307,461	1.6%	4.1%	45.2%	0.8
3362	Motor Vehicle Bodies And Trailers	$41,431,537	1.5%	51.0%	0.4%	10.0
3329	Other Fabricated Metal Products	$40,136,730	1.4%	3.6%	2.6%	0.7
3353	Electrical Equipment	$39,230,962	1.4%	5.7%	2.2%	1.1
9900	Special Classification Provisions, Nesoi	$37,576,813	1.3%	7.5%	0.7%	1.5
9100	Waste And Scrap	$31,446,066	1.1%	1.7%	9.2%	0.3
3116	Meat Products And Meat Packaging Products	$28,947,507	1.0%	15.2%	1.3%	3.0
	TOTAL TOP 20	$2,334,733,693	82.93%	5.1%	12%	
	TOTAL ALL INDUSTRIES	$2,815,402,268				

Source: US Census, Foreign Trade Statistics; MCBER's calculations

Pharmaceuticals and medicines are also among Maine's top 20 exports by total dollar value and the state's industry is gaining national market share, though the national market appears to be declining somewhat (refer to Figure 8). While a majority of exports from the industry are not containerized, a significant share is; roughly 20 percent of total industry exports are shipped by container. The industry's specialization in Maine relative to New England is rather low (.7), which is due in part to the heavy concentration of biotech firms in the metro Boston area. However, the Boston region is a short distance to Portland and the regions are connected by rail, as well as feeder services operated by Eimskip. Despite constantly evolving demands for specific drugs and medicines, demand for cold storage is projected to increase for the industry and may present long-term opportunities for the Port of Portland. Semiconductors has also been a key export industry. However, the industry's products do not make strong candidates for containerized shipping.

Table 1 shows containerized value as a percent of total dollar value (TDV) for Portland's top 25 global product exports. Average annual containerized exports of converted paper products accounted for 63 percent of exports (by value) from Maine between 2012 and 2014, roughly $84.5 million worth. By far the most concentrated in containerized shipping among Maine's top 25 industry global exports. The percentage of plastic products containerized exports makes up is roughly 45 percent of that commodities TDV, meaning slightly less than half of this product was exported via waterborne containership. Other notable containerized exports are other general purpose machine (35 percent), navigational, measuring, electromedical, and control instruments (26 percent), pulp, paper, and paper board mill products (24 percent), pharmaceuticals (20 percent), and fruit and vegetable preserves and specialty foods (21 percent).

Exports by product category (Harmonized System codes)

While most products are likely produced and distributed by the same industry, a look at the *types* of products being exported from the region provides another dimension of information not necessarily captured in the industry export data. Data are based on the Harmonized System (HS) two-digit and four-digit product codes.[11]

Food product exports

Table 2 shows the top food related exports by dollar value by detailed HS product codes originating at the Port of Portland. Values are shown for both total exports and exports to Eimskip services area countries. Exports are concentrated in a few specialized categories, such as leguminous products, crustaceans (lobsters), grapes, apples, and a variety of other prepared products. Most all of the core food export products have some level of value-add with few raw commodities on the list, with the exception of corn. Similarly, a vast majority of top exports from Portland are destined for northern EU countries, with the exception of seafood products, which are shared with both the Eimskip countries and exports elsewhere. On average 70 percent of Portland's top food orientated exports to the world are shipped using waterborne containers, while 89 percent of exports going to Northern Europe are containerized.

[11] The international Harmonized System is administrated by the World Customs Organization and serves as the foundation for the import and export classification systems used in the United States. Due to international standards, the HS is a universal economic language and code for goods, is an essential tool for analyzing international trade. The United States (U.S.) import classification system, the Harmonized Tariff Schedule (HTS) administered by the U.S. International Trade Administration Commission (USITC), and the U.S. export classification system, the Schedule B administered by the U.S. Census Bureau, Foreign Trade Division, both rely on the international HS codes for their 4- and 6-digit headings and subheadings. http://siccode.com/en/pages/harmonized-system-hs

Table 2: Top 25 food oriented exports from Portland by detailed product HS code (4-digit), 2014

		World		Northern Europe		
Code	Category	Total Dollar Value	Container Share of TDV	Total Dollar Value	Container Share of TDV	Share of TDV to North EU
0713	Leguminous Vegetables, Dried Shelled	$5,210,140	0.00	-	-	-
0306	Crustaceans Live Frsh Etc Smoked/cooked Flours Etc	$3,732,951	0.84	$2,201,717	0.86	0.59
0806	Grapes, Fresh Or Dried	$1,750,558	0.93	$1,632,529	1.00	0.93
2103	Sauces & Prep; Mixed Condiments, Mustard Flour Etc	$1,606,084	0.95	$1,551,974	0.98	0.97
0808	Apples, Pears And Quinces, Fresh	$1,373,899	1.00	$1,373,899	1.00	1.00
1806	Chocolate & Other Food Products Containing Cocoa	$1,298,801	0.94	$1,298,801	0.94	1.00
1605	Crustaceans, Molluscs Etc. Prepared Or Preserved	$1,225,096	0.00	$1,212,338	0.00	0.99
2106	Food Preparations Nesoi	$1,107,049	0.96	$1,086,248	0.98	0.98
0811	Fruit & Nuts (raw Or Cooked By Steam Etc), Frozen	$1,001,987	1.00	$1,001,987	1.00	1.00
0302	Fish, Fresh Or Chilled (no Fillets Or Other Meat)	$900,191	0.00	-	-	-
0303	Fish, Frozen (no Fish Fillets Or Other Fish Meat)	$810,333	0.73	$592,533	1.00	0.73
1905	Bread, Pastry, Cakes Etc; Comm Wafrs, Emp Caps Etc	$750,279	0.86	$741,495	0.87	0.99
0304	Fish Fillets & Oth Fish Meat, Fresh, Chill Or Froz	$616,068	0.13	$304,704	0	0.49
0307	Molluscs Live Fresh Etc; Smoked; Flours Etc Edible	$578,651	0.67	$241,838	1.00	0.42
0714	Cassava, Arrowroot Etc, Fresh Or Dry; Sago Pith	$567,972	1.00	$567,972	1.00	1.00
2008	Fruit, Nuts Etc Prepared Or Preserved Nesoi	$525,027	0.75	$398,213	0.99	0.76
1904	Foods Prep By Swell Cereal; Cereal Nesoi, Grain Fm	$461,833	1.00	$461,833	1.00	1.00
2002	Tomatoes Prepared Or Preserved Nesoi	$397,673	0.95	$379,128	1.00	0.95
0901	Coffee; Coffee Husks Etc; Substitutes With Coffee	$335,701	0.10	$33,806	1.00	0.10
1704	Sugar Confection (incl White Chocolate), No Cocoa	$325,408	0.79	$258,304	1.00	0.79
2201	Waters, Natural Etc, Not Sweetened Etc; Ice & Snow	$282,663	1.00	$282,663	1.00	1.00
1005	Corn (maize)	$275,167	0.95	$275,167	0.95	1.00
2309	Preparations Used In Animal Feeding	$188,478	1.00	$188,478	1.00	1.00
1901	Malt Ext; Food Prep Of Flour Etc Un 40% Cocoa Etc	$168,000	1.00	$168,000	1.00	1.00
1501	Pig Fat And Poultry Fat Other Than Head 0209, 1503	$166,551	0.00	-	-	-

Source: US Census, Foreign Trade Statistics; MCBER's calculations. Note: Northern Europe refers to the countries in Eimskip's service area.

Manufacturing product exports

Product export data for manufacturing is slightly more variable, as large one time orders may skew the steady flow of trade from specific sectors. For instance, a large product delivery in the civilian aircraft, engines, and parts category of $128.5 million was far an above the next closest product category exports in specialized medical instruments. Top manufacturing product exports appear to be somewhat diverse, with various products in medical devices or medicines, paper and wood related, metal manufacturing, or involving chemicals (Table 3).

Similar to food products, a majority of manufacturing exports to northern European countries were shipped via containers. Export destinations of manufacturing products are not necessarily concentrated along Eimskip shipping routes in northern Europe as they are in food products. However, exports shipping to northern EU countries either comprised a vast majority of total dollar value in an export category or none at all.

While manufacturing related products in general require less refrigeration, products related to medical or pharmaceuticals may require temperature control. Exports of these products from Portland are not necessarily in abundance. However, there is export presence of products in the category of human blood and vaccines, as well as medicaments not specified elsewhere. These product categories are discussed in more detail in the next section in relation to cold storage capacity.

Table 3: Top 25 manufacturing exports from Portland by detailed HS code (4-digit), 2014

		World		Northern Europe		
Code	Category	Total Dollar Value	Container Share of TDV	Total Dollar Value	Container Share of TDV	Share of TDV to North EU
8800	Civilian Aircraft, Engines, And Parts	$128,540,799	0.00	$111,531	1.00	0.00
9027	Inst Etc For Physical Etc Anal Etc; Microtome; Pts	$7,047,478	0.98	$6,888,315	1.00	0.98
8703	Motor Cars & Vehicles For Transporting Persons	$5,506,728	0.77	$4,709,018	0.74	0.86
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$4,807,158	0.11	$715,312	0.72	0.15
4703	Chemical Woodpulp, Soda Or Sulfate, Not Dissoly Gr	$3,585,361	0.47	$1,676,710	1.00	0.47
8102	Molybdenum & Articles Thereof, Incl Waste & Scrap	$2,659,302	0.01	$70,883	0.20	0.03
4801	Newsprint, In Rolls Or Sheets	$2,499,313	1.00	$2,499,313	1.00	1.00
8705	Special Purpose Motor Vehicles Nesoi	$2,379,788	0.04	$91,997	1.00	0.04
4011	New Pneumatic Tires, Of Rubber	$2,045,588	0.96	$2,035,913	0.96	1.00
9026	Inst Etc Measure Or Check Flow, Level Etc, Pts Etc	$2,038,574	0.00			0.00
7204	Ferrous Waste & Scrap; Remelt Scr Iron/steel Ingot	$1,921,424	0.00			0.00
3822	Composite Diagnostic/lab Reagents, Exc Pharmaceut	$1,852,507	0.90	$1,661,120	1.00	0.90
7314	Cloth, Grill Etc Ir Or St; Expand Metal, Ir Or St	$1,795,208	0.01	$22,184	1.00	0.01
7304	Tubes, Pipes Etc, Seamless, Iron Nesoi & Steel	$1,734,078	1.00	$1,734,078	1.00	1.00
8481	Taps, Cocks, Valves Etc For Pipes, Tanks Etc, Pts	$1,586,919	0.88	$1,389,780	1.00	0.88
9802	Expts Charity Nesoi; Impts Return Articls, Advancd	$1,540,835	1.00	$14,079	1.00	0.01
4819	Cartons Etc Paper; Office Box Files Etc, Paper Etc	$1,528,302	0.98	$1,501,440	1.00	0.98
3002	Human Blood; Animal Blood; Antisera, Vaccines Etc	$1,292,459	0.90	$1,165,392	1.00	0.90
8903	Yachts & Other Vessels For Pleas Etc; Row Boat Etc	$1,235,053	0.40	$499,773	0.80	0.40
4403	Wood In The Rough, Stripped Or Not Of Sapwood Etc	$1,095,575	0.01	$7,654	1.00	0.01
8471	Automatic Data Process Machines; Magn Reader Etc	$1,087,842	0.35	$411,424	0.93	0.38
9403	Furniture Nesoi And Parts Thereof	$885,013	0.53	$384,817	0.94	0.43
3402	Organic Surf-act Agents, Preps & Cleaning Preps	$881,706	0.14	$177,759	0.68	0.20
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$869,173	0.10	$84,067	1.00	0.10
8101	Tungsten (wolfram) & Articles, Incl Waste & Scrap	$701,909	0.00	$3,267	0.00	0.00

Source: US Census, Foreign Trade Statistics; MCBER's calculations

Of the top manufacturing exports in 2014, there are several potential categories that relate to key regional industry specializations discussed in Section III of this report. These are primarily in the areas of machining and metal products, pharmaceuticals and medicines, and pulp, paper, and paperboard mills. The paper industry has struggled significantly in the last several years reflected by mill closures and mass layoffs; the outlook is weak for this industry. However, specializations in the other two industries are key to the region.

V. Import markets in Eimskip service areas

Maritime trade connections brought about through Eimskip trade routes present new market opportunities for regional firms to access northern European markets. In light of this, it is important to have not only an understanding of the current export patterns from regional firms and exports but also the import patterns in countries on the newly established trade linkages through Eimskip. We summarize by comparing key imports in countries relative to export strengths originating from Portland.

Top import product categories with Portland export strength

Table 4 shows top global imports across all product categories and the corresponding level of global exports originating in the Port of Portland in 2014. The most obvious commonality of imports to exports relates to medical oriented products, such as medical and surgical instruments, medicaments, and a product category that includes blood and vaccine related products. Other common products are automatic data process machines and in the taps, cocks, valves for pipes category. In general, the greatest level of overlap is with Iceland, unsurprisingly, followed by Denmark and Sweden. Virtually all top imports identified here have grown in total dollar value since 2010, in most cases significantly. The relative size of Port of Portland exports is quite small. Still, these measures provide a broad sense of the types of product export capacity and their alignment with Eimskip service areas.

Looking specifically at food products in Table 5, we find similar product concentrations in such categories as seafood products, chocolate, fruit and nuts prepared of preserved, sauces, fresh apples, and bread and pastry products. There has been significant growth in total dollar value of imports across all top product categories since 2010. This suggests healthy markets and prospective opportunities for export placement.

Table 4: Relational table Portland key exports and top imports in Eimskip service area, 2014 (in 'ooo's)

		Country imports		Portland PD
HS4	Product description	Total dollar value	Growth 2010-14	Total global exports
Denmark				
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$3,471,034	38.9%	$4,807
8471	Automatic Data Process Machines; Magn Reader Etc	$2,135,796	10.6%	$1,088
302	Fish, Fresh Or Chilled (No Fillets Or Other Meat)	$1,350,524	27.7%	$900
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$801,127	-6.7%	$869
3002	Human Blood; Animal Blood; Antisera, Vaccines Etc	$776,042	81.8%	$1,292
8481	Taps, Cocks, Valves Etc For Pipes, Tanks Etc, Pts	$764,084	20.8%	$1,587
Finland				
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$1,889,929	4.4%	$4,807
8471	Automatic Data Process Machines; Magn Reader Etc	$1,314,967	12.0%	$1,088
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$519,640	30.3%	$869
4011	New Pneumatic Tires, Of Rubber	$489,790	30.6%	$2,046
8481	Taps, Cocks, Valves Etc For Pipes, Tanks Etc, Pts	$477,613	17.5%	$1,587
Germany				
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$26,183,950	-7.1%	$4,807
8471	Automatic Data Process Machines; Magn Reader Etc	$21,219,468	3.5%	$1,088
3002	Human Blood; Animal Blood; Antisera, Vaccines Etc	$18,392,431	30.9%	$1,292
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$8,796,503	23.2%	$869
4011	New Pneumatic Tires, Of Rubber	$7,635,932	23.3%	$2,046
Iceland				
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$129,262	14.1%	$4,807
8471	Automatic Data Process Machines; Magn Reader Etc	$105,616	78.2%	$1,088
306	Crustcns Lve Frsh Etc, Ckd Etc.; Flrs Mls H Cnsump	$56,816	-1.7%	$3,754
2106	Food Preparations Nesoi	$38,296	28.8%	$1,107
4819	Cartons Etc Paper; Office Box Files Etc, Paper Etc	$28,325	30.4%	$1,528
4011	New Pneumatic Tires, Of Rubber	$28,026	47.5%	$2,046
3822	Composite Diagnostic/Lab Reagents, Exc Pharmaceut	$27,835	68.8%	$1,853
1905	Bread, Pastry, Cakes Etc; Comm Wafrs, Emp Caps Etc	$27,188	32.6%	$750
Netherlands				
8471	Automatic Data Process Machines; Magn Reader Etc	$28,201,506	8.5%	$1,088
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$12,646,849	15.9%	$4,807
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$6,351,895	14.2%	$869
Norway				
8471	Automatic Data Process Machines; Magn Reader Etc	$1,781,309	25.8%	$1,088
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$1,564,823	8.2%	$4,807
9403	Furniture Nesoi And Parts Thereof	$1,327,270	25.4%	$885
8481	Taps, Cocks, Valves Etc For Pipes, Tanks Etc, Pts	$1,171,819	71.0%	$1,587
Sweden				
8471	Automatic Data Process Machines; Magn Reader Etc	$3,988,130	15.3%	$1,088
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$3,019,823	7.9%	$4,807
9403	Furniture Nesoi And Parts Thereof	$1,281,621	21.4%	$885
4011	New Pneumatic Tires, Of Rubber	$1,021,042	5.7%	$2,046
3002	Human Blood; Animal Blood; Antisera, Vaccines Etc	$953,090	15.6%	$1,292
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$952,261	20.1%	$869
United Kingdom				
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$21,172,783	27.0%	$4,807
8471	Automatic Data Process Machines; Magn Reader Etc	$14,642,030	10.3%	$1,088
3002	Human Blood; Animal Blood; Antisera, Vaccines Etc	$9,001,932	104.0%	$1,292
9403	Furniture Nesoi And Parts Thereof	$4,141,005	6.7%	$885
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$3,952,051	17.2%	$869

Source: US Census, Foreign Trade Statistics; MCBER's calculations

Table 5: Relational table Portland key food oriented exports and imports in Eimskip service area, 2014 (in 'ooo's*)*

		Country imports		Portland PD
HS4	Product description	Total dollar value	Growth 2010-14	Total global exports
Denmark				
1806	Chocolate & Other Food Products Containing Cocoa	$340,117	41.9%	$1,299
2008	Fruit, Nuts Etc Prepared Or Preserved Nesoi	$86,059	40.9%	$525
306	Crustcns Lve Frsh Etc, Ckd Etc.; Flrs Mls H Cnsump	$286,305	35.0%	$3,733
1605	Crustaceans, Molluscs Etc. Prepared Or Preserved	$368,419	33.6%	$1,225
2106	Food Preparations Nesoi	$407,949	33.4%	$1,107
Finland				
2103	Sauces & Prep; Mixed Condiments, Mustard Flour Etc	$130,558	28.4%	$1,608
2106	Food Preparations Nesoi	$232,320	23.9%	$1,107
Germany				
1806	Chocolate & Other Food Products Containing Cocoa	$2,308,493	45.1%	$1,299
1905	Bread, Pastry, Cakes Etc; Comm Wafrs, Emp Caps Etc	$2,154,432	29.1%	$750
2008	Fruit, Nuts Etc Prepared Or Preserved Nesoi	$1,382,247	22.0%	$525
Iceland				
307	Molluscs & Aqua Invert Nesoi, Lve Etc.; Flours Etc	$7,238	48.3%	$579
1806	Chocolate & Other Food Products Containing Cocoa	$14,715	45.0%	$1,299
808	Apples, Pears And Quinces, Fresh	$7,832	35.2%	$1,374
806	Grapes, Fresh Or Dried	$7,087	34.6%	$1,751
1905	Bread, Pastry, Cakes Etc; Comm Wafrs, Emp Caps Etc	$27,188	32.6%	$750
Netherlands				
306	Crustcns Lve Frsh Etc, Ckd Etc.; Flrs Mls H Cnsump	$525,940	58.7%	$3,733
2106	Food Preparations Nesoi	$1,082,554	50.4%	$1,107
2103	Sauces & Prep; Mixed Condiments, Mustard Flour Etc	$383,864	39.7%	$1,608
1806	Chocolate & Other Food Products Containing Cocoa	$1,064,007	39.6%	$1,299
Norway				
2106	Food Preparations Nesoi	$653,488.94	60.2%	$1,107
306	Crustcns Lve Frsh Etc, Ckd Etc.; Flrs Mls H Cnsump	$105,045.88	60.0%	$3,733
2008	Fruit, Nuts Etc Prepared Or Preserved Nesoi	$88,496.25	49.6%	$525
2103	Sauces & Prep; Mixed Condiments, Mustard Flour Etc	$128,727.71	35.1%	$1,608
Sweden				
304	Fish Fillets & Oth Fish Meat, Fresh, Chill Or Froz	$847,662	60.2%	$616
306	Crustcns Lve Frsh Etc, Ckd Etc.; Flrs Mls H Cnsump	$168,049	47.1%	$3,733
1905	Bread, Pastry, Cakes Etc; Comm Wafrs, Emp Caps Etc	$394,631	46.3%	$750
1605	Crustaceans, Molluscs Etc. Prepared Or Preserved	$214,882	41.6%	$1,225
2008	Fruit, Nuts Etc Prepared Or Preserved Nesoi	$164,243	39.6%	$525
United Kingdom				
306	Crustcns Lve Frsh Etc, Ckd Etc.; Flrs Mls H Cnsump	$610,451	54.9%	$3,733
2106	Food Preparations Nesoi	$1,870,562	42.9%	$1,107
1806	Chocolate & Other Food Products Containing Cocoa	$2,132,244	39.6%	$1,299
1605	Crustaceans, Molluscs Etc. Prepared Or Preserved	$485,949	37.9%	$1,225
1905	Bread, Pastry, Cakes Etc; Comm Wafrs, Emp Caps Etc	$2,485,439	35.8%	$750

Source: US Census, Foreign Trade Statistics; MCBER's calculations

VI. Opportunities for cold storage and transport logistics

As discussed in the opening sections of this report, two key strategic developments are taking shape at the International Marine Terminal (IMT) at the Port of Portland that provide transportation and

logistical infrastructure to containerized movement of goods. These include the extension of a Pan Am freight rail line to the IMT and the siting of a cold storage facility adjacent to the both the IMT and the freight rail line. Both developments will increase the competitiveness and services the Port is able to provide and will help directly facilitate increased trade at the IMT.

The market for cold storage infrastructure and logistics

A refrigerated warehouse is an important segment of the supply chain that involves the storage of temperature-sensitive goods. Temperature controlled services include blast freezing and tempering. Refrigerated storage helps in storage of perishable goods during cold chain supply. Based on temperature ranges maintained, refrigerated warehouses can be segmented into two categories: Cold storage (coolers) and frozen storage (freezers). Cold storage areas usually maintain temperatures between 0-10 °C (32-50°F), while frozen storage areas maintain temperatures lower than 0°C (32°F). The market has witnessed an evolutionary change over the last few years. It has shifted from mere storage of food products in cold storage warehouses and their refrigerated transportation to the provision of value-added services to customers. Some of these value-added services include disaster recovery services, specialized services for specific customers, and web interfaces that improve the customer interface with suppliers as it enables them to track shipments throughout the supply chain.

Demand for refrigerated and frozen storage is concentrated among food products, which account for 88 percent of capacity, while the remaining 12 percent is mainly comprised of pharmaceuticals, floral and fur products that are subject to spoilage if not maintained at a suitable temperature. Major market segmentation broken down by industry is distributed among food manufacturers (33 percent), food wholesalers (33 percent), retailers (22 percent), pharmaceuticals, floral, and fur products (12 percent). Much of the demand for cold storage is for domestic consumption. Demand from the food manufactures and food retailers segments are expected to decline as more retailers bypass wholesalers and purchase goods directly from manufacturers.[12] The share of industry revenue will remain low as many food retailers continue to operate their own refrigerated warehouses (IBISWorld, 2015).

Alternatively, food wholesalers and pharmaceuticals, floral, and fur product market segments have grown significantly over the past fifteen years as downstream customers have increasingly outsourced warehousing and distribution functions in order to improve operating efficiencies. Pharmaceutical companies built inventories to meet an expected increase in demand during the past five years, boosting demand for refrigerated storage from this segment. Sales of fur products in the United States have decreased over the past decade, with the recession and warmer weather accelerating the decline. However, demand for refrigerated storage from producers of fur has increased over the past five years as exports have increased with growing demand from East Asian countries.

The extent of this expansion has been somewhat limited by the proliferation of “just-in-time” inventory management, which has made it easier for manufacturers to ship products to market faster, thereby reducing the need for warehousing. The level of trade in perishable goods also has a strong

[12] Wholesale bypass is a phenomenon in which retailers purchase goods directly from manufacturers, leaving wholesalers out of the supply chain.

effect on industry demand, as the long distance transport of these products usually necessitates their temporary storage in refrigerated storage facilities. The market for specialized cold storage facilities is expected to grow with consumer demand for specialty, health conscious food products, such all-natural and organic foods that are niche oriented and require small-batch handling. In Maine and the New England region, the number of organic farms has increased dramatically over the last 10 years and continues to trend upwards. The industry's services are also tied the demand for medicines and other pharmaceutical products requiring refrigeration. This is expected to be the case as large cohorts of baby boomer population move into retirement ages.

Specific product groupings exported from the Portland region that may require refrigerated storage, include the following:

- fish, fresh, chilled or frozen and other marine products;
- seafood products prepared, canned and packaged
- fruit and vegetable preserves or specialty foods
- farmed fish and related products
- meat products and meat packaging products
- pharmaceuticals and medicines

One challenge of these products is the regulatory and inspection compliance requirements of both US and import countries. Currently, there does not exist an on-site USDA inspection facility in proximity to the Port of Portland. However, Americold Storage also operates cold storage facilities in the Boston region with access to FDA inspection facilities providing an efficient logistical.

New England capacity and competitive landscape

Gross refrigerated storage capacity in New England totaled 121 million cubic feet as of 2013, while approximately 100 million of that space was usable refrigerated storage capacity. A majority of cold storage warehouses in New England are located between 100 and 146 miles from Portland, with an average distance of 131 miles (refer to Figure 9 and Table A4 in Appendices). About half of all New England locations have a square footage between 10,000 and 39,999, while another half of facilitates carry storage capacity of between 2,500 and 9,999 sq. ft. Most locations offer a variety of services such as value added services or exports. Six locations are connected to rail, while another six are located aside port facilities. Americold Storage, who is to develop the facility in Portland, operates several locations around greater Boston which house USDA Inspection Services and bonded warehouses. A list of cold storage facilities and specifications can be found in Table 3 of the Appendices.

Challenges with transport logistics

When looking at domestic transportation of international trade freight, 36 percent by tonnage and 61 percent by value was moved by truck in 2007. Federal Highway Administration (FHWA) estimates of domestic transport of international trade by truck are expected to rise by upwards of 60 percent. Without an increase to the capacity of our interstate highway systems and clean renewable fuels to

power the vehicles on them, the cost of over-the-road freight transport will inevitably increase and the competitiveness of associated firms will decrease. It may be helpful and strategic for metros, firms, and state agencies alike to seek alternative intermodal sources for freight transport to over the road transport. For Maine, this may include rail and articulated tug barge feeder systems, both of which have a density cost advantage over tractor-trailer trucks and aviation. Rail improvements and creation of a Jones Act compliant inter-city freight barge service are currently under development by the Maine Port Authority. Container shipping has a density cost advantage over railcar, trailer, and aviation—making high-density, low margin commodities such as pulp, paper, single serving non-alcoholic bottle beverages, and others ideal products for rail systems.[13]

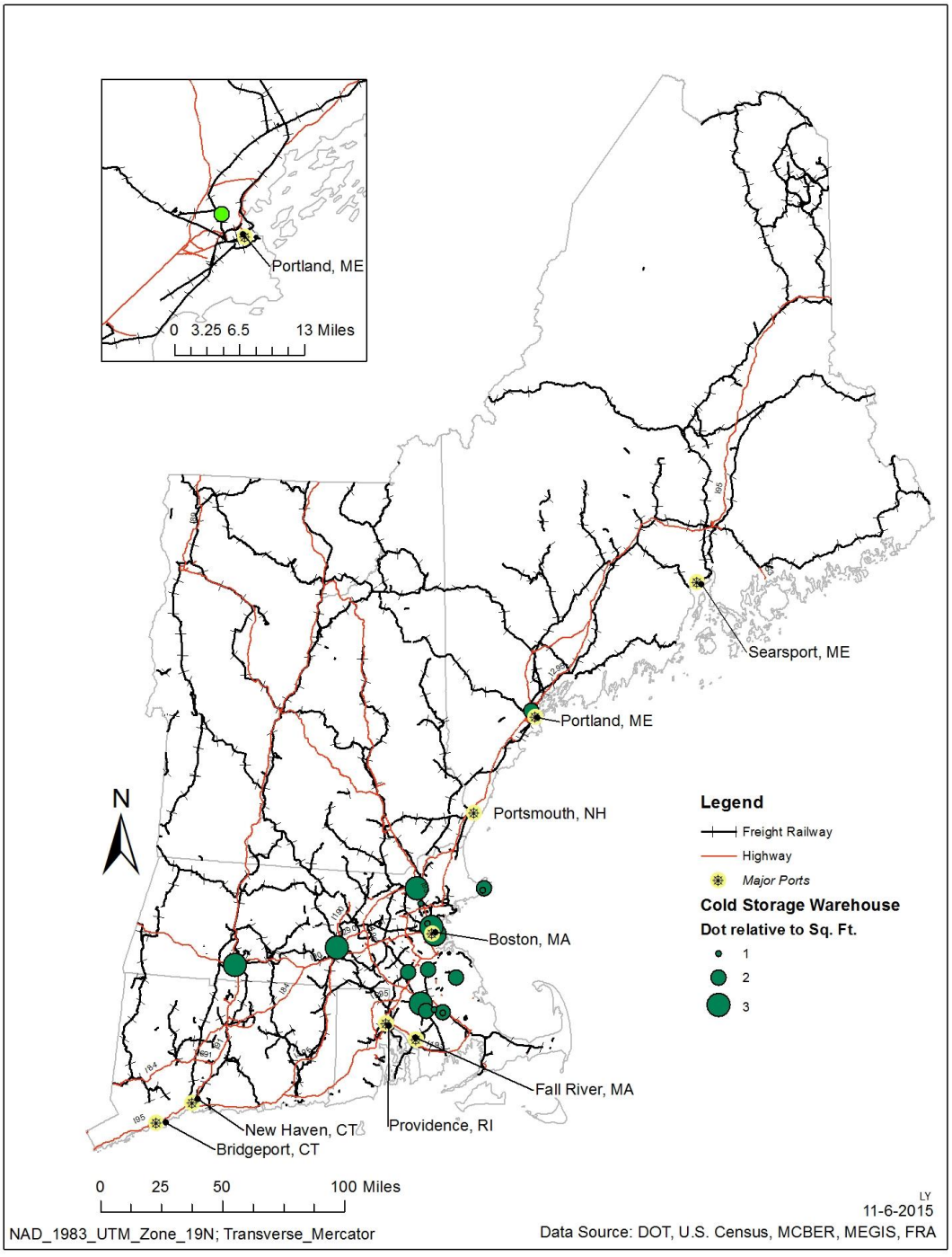
Maine and much of New England is serviced by Class II and III regional freight rail service with limited access to Class I[14]. In general, the Class II and III lines that are accessible across Maine limit the weight of products that can be shipped at a time, thereby a relative cost disadvantage over Class I. Figure 9 shows the freight and transportation network connecting the Port of Portland with the rest of New England and key distribution centers in Boston and northern Maine. Maine relies on freight facilities located outside of the state. For example, the ports of Halifax and St. John to the east provide marine and/or rail links, including Class I freight rail, while Boston to the south has connections to ports and Class I rail. Recent expansion of the rail line to the IMT at the Port of Portland and the adjacent cold storage warehouse are obvious advantages in linking multi-modal transportation with Eimskip capacities.

Maine's railroad infrastructure has been downsized over the last 40 years. Historically, rail in Maine has serviced the potato industry and more recently the pulp and paper industry. Though declines in the pulp and paper industry have reduced services for rail shipment. Lack of investment in infrastructure has followed the dispersion of freight generating business away from traditional rail served locations to new locations along the interstate highway system. None of the seven transcontinental Class I railroads traverse Maine, New Hampshire or Vermont. Maine's railroad system is composed of Class II and III rails and face weight and cost-benefit restrictions. Furthermore, the proliferation of just-in-time inventory demands timely product transport. Rail is impractical for these types of inventory and supplier management systems. However, these management systems are generally reserved for specific types of manufacturing industries and are much less intensive in food production.

[13] A majority of this information is sourced from the New England Marine Highway Project Service Design, October 15, 2013 report.

[14] Rail networks depicted in Figure 10 do not distinguish between rail Class types. However, there are only a handful of Class I rail that run services in New England, primarily located in Massachusetts.

Figure 9: Portland and New England trade network



VII. Conclusions

The new developments at the Port of Portland offer significant opportunities to bolster economic development and prosperity in the region and statewide through increased trade and foreign investment. In order for an export strategy to be successful, initiatives will need to understand and exploit niche opportunities, as well as act in a supportive role to the larger New England ports. This market assessment was an attempt to understand the key industry and export strengths in the greater Portland region (and state of Maine) which may help lay the foundation for initiatives aimed at identifying niche opportunities. There are several broad findings that are important to consider related to the Port of Portland's export capacity.

Industry employment specializations are reflective of export specializations in the state of Maine. This suggests that the key competitive industries in the region are already exporting their products. These include seafood processing, pharmaceuticals and medicines, and paper and other timber related products. In addition, a number of other food related goods are key exports in the region that likely require temperature controlled environments to ship products.

Another key opportunity to consider, is the existing specialization in medical related products and the Portland region's proximity to the route 128 corridor in greater Boston. Just 100 miles from the Port of Portland and home to hundreds of biomedical and pharmaceutical manufacturing companies, costs along the 128 corridor continue to rise in both labor and real estate in the region. As production becomes more standardized for certain drugs and medical equipment due to patent expirations and other market changes, Portland offers many attractive locational advantages. These include such attractors as lower wages for workers relative to Boston metro wages, cold storage capacity, and more direct access to northern European markets. We suggest further exploring the viability of a niche in medicines and pharmaceutical exports, particularly as they relate to cold storage requirements.

Any export strategy must remember that quick jobs should not be the priority. Rather strategy should strive to enhance the competitiveness of the region by bolstering supplier networks, resilience, and innovation. This starts with focusing on the industries and firms that already exist in the region that are strengths to help build clusters that provide differentiation in international markets. However, the artisanal nature of many small businesses in Portland, particularly related to the food space may prove challenging to export markets, because of the lack of scalable nature of these businesses which runs counter to traditional trade arrangements that are based on volume and consistent, standardized nature of products. However, fostering working relationships across both public and private sector stakeholders offers the greatest opportunity for rewards. Central to this is the alignment of goals among stakeholders.

Appendices

Table A1: Definitions of Portland Port District

Port Code	Port Name
101	PORTLAND, ME
102	BANGOR, ME
103	EASTPORT, ME
104	JACKMAN, ME
105	VANCEBORO, ME
106	HOULTON, ME
107	FORT FAIRFIELD, ME
108	VAN BUREN, ME
109	MADAWASKA, ME
110	FORT KENT, ME
111	BATH, ME
112	BAR HARBOR, ME
115	CALAIS, ME
118	LIMESTONE, ME
121	ROCKLAND, ME
122	JONESPORT, ME
127	BRIDGEWATER, ME
131	PORTSMOUTH, NH
132	BELFAST, ME
152	SEARSPORT, ME
181	LEBANON AIRPORT, NH
182	MANCHESTER USER FEE Airport, NH

Source: US Census

Table A2: Comparative distance to shipping points

		Portland	Boston	New York/ New Jersey
New York/New Jersey		426	386	NA
Canada	Halifax	376 (1.6 days)	417 (1.7 days)	636 (2.6 days)
	Argentia, NFL	900 (3.8 days)	941 (3.9 days)	1160 (4.8 days)
	Quebec	1338 (5.6 days)	1379 (5.7 days)	1599 (6.7 days)
Iceland	Reykjavik	2720 (11.3 days)	2761 (11.5 days)	2980 (12.4 days)
	Isafjordur	2834 (11.8 days)	2875 (12 days)	3095 (12.9 days)
	Akureyri	2967 (12.4 days)	3008 (12.5 days)	3227 (13.4 days)
Norway	OSLO	3699 (15.4 days)	3740 (15.6 days	3960 (16.5 days)
	Sortland	3808 (15.9 days)	3849 (16 days)	4069 (17 days)
Netherlands	Rotterdam	3657 (15.2 days)	3698 (15.4 days)	3918 (16.3 days)
England	Immingham	3707 (15.4 days)	3748 (15.6 days)	3968 (16.5 days)

Figure A1: Eimskip service routes

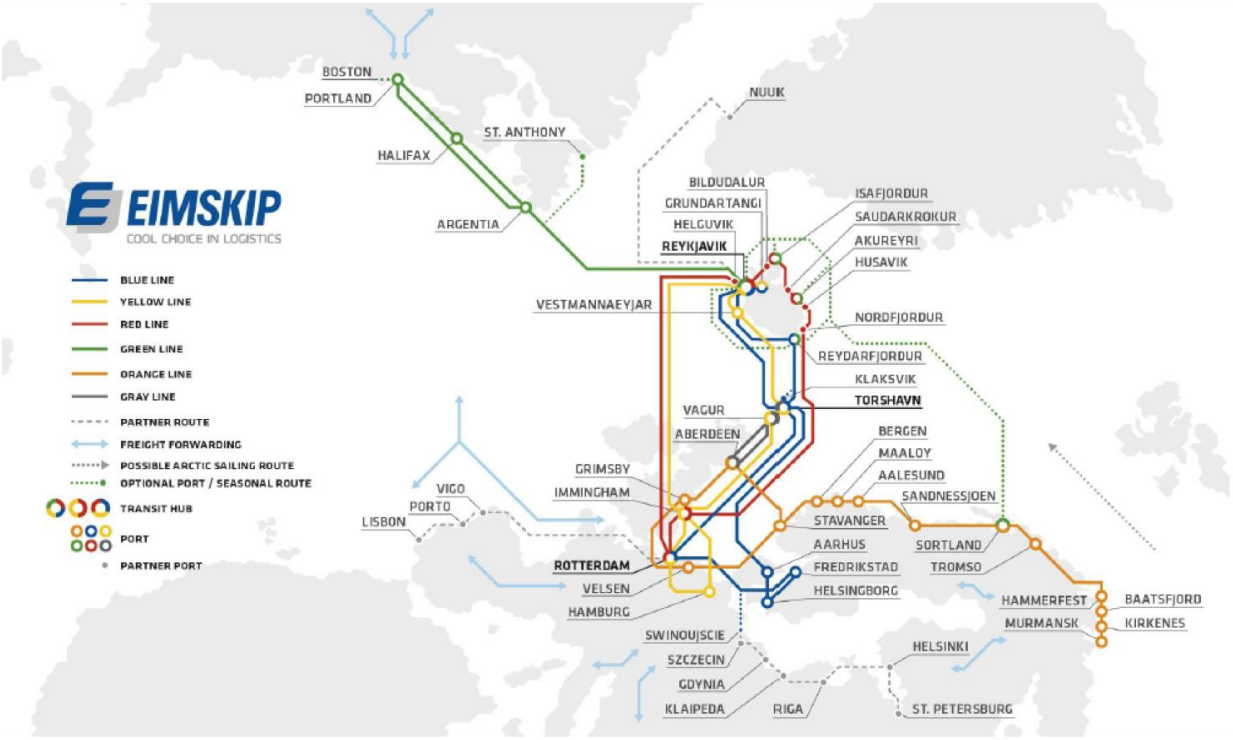
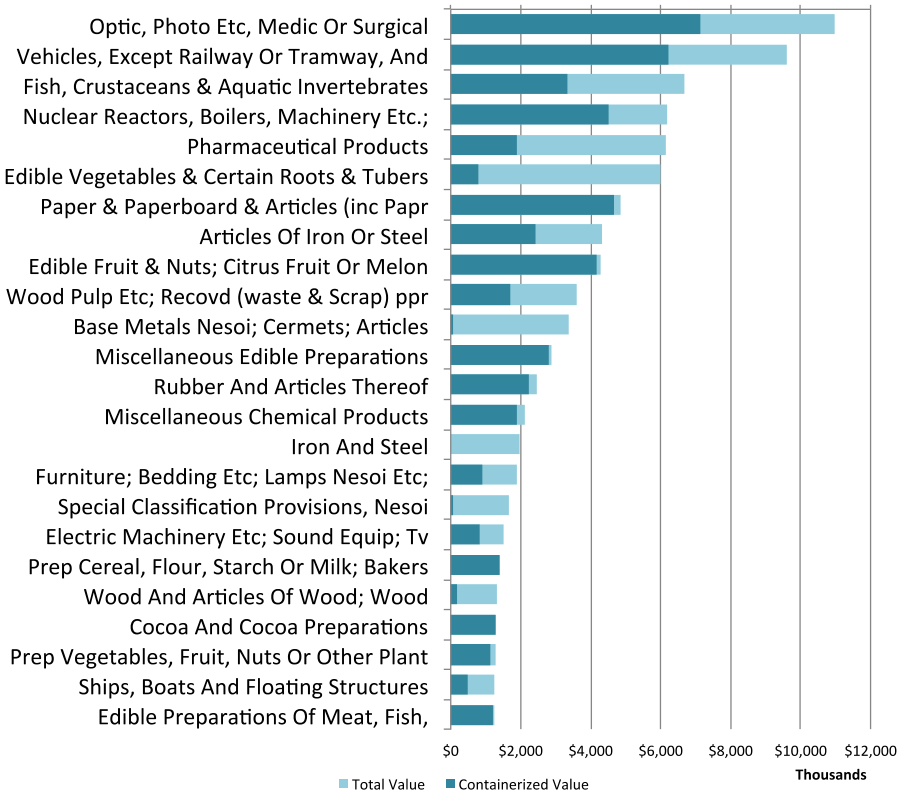
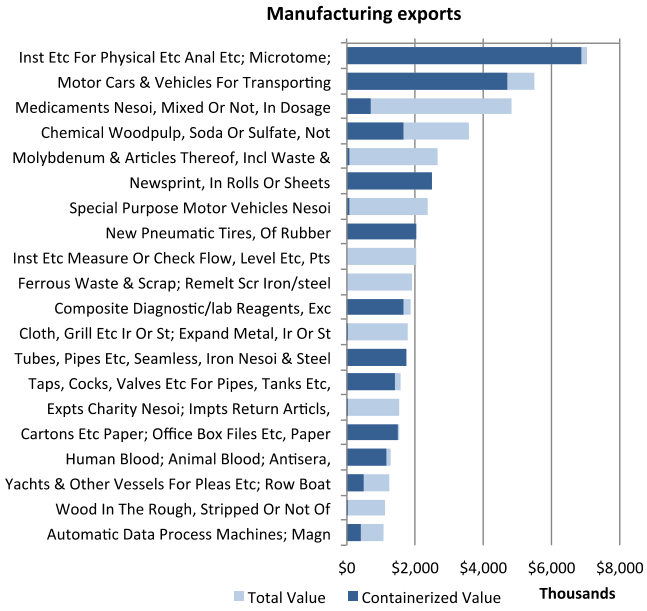


Figure 2A: Top 25 product exports from Portland by broad product HS code, 2014



Figures A3a and A3b: Top 20 food and manufacturing product exports TDV by HS product code (4-digit), 2014



Tables A3: Global imports in 2014 for Eimskip service area countries (Tables by country)

Top 20 global product imports to Denmark, 2014

HS4	Product description	Import value ('000's)	Growth 2010-14
2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	$4,632,845	36.2%
8703	Motor Cars & Vehicles For Transporting Persons	$3,476,359	21.9%
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$3,471,034	38.9%
2709	Crude Oil From Petroleum And Bituminous Minerals	$2,572,525	60.7%
8901	Vessels For The Transport Of Persons Or Goods	$2,514,404	92.7%
8471	Automatic Data Process Machines; Magn Reader Etc	$2,135,796	10.6%
8517	Electric Apparatus For Line Telephony Etc, Parts	$2,066,115	36.5%
302	Fish, Fresh Or Chilled (No Fillets Or Other Meat)	$1,350,524	27.7%
8708	Parts & Access For Motor Vehicles (Head 8701-8705)	$978,110	12.2%
8704	Motor Vehicles For Transport Of Goods	$877,174	82.7%
9403	Furniture Nesoi And Parts Thereof	$863,513	12.8%
2304	Soybean Oilcake & Oth Solid Residue, Wh/Not Ground	$846,689	29.3%
8483	Transmission Shafts, Bearings, Gears Etc; Parts	$801,564	2.2%
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$801,127	-6.7%
3002	Human Blood; Animal Blood; Antisera, Vaccines Etc	$776,042	81.8%
8481	Taps, Cocks, Valves Etc For Pipes, Tanks Etc, Pts	$764,084	20.8%
2204	Wine Of Fresh Grapes; Grape Must Nesoi	$710,460	7.2%
8504	Elec Trans, Static Conv & Induct, Adp Pwr Supp, Pt	$653,931	44.2%
9401	Seats (Except Barber, Dental, Etc), And Parts	$644,773	8.0%
8443	Print Mach Incl Ink-Jet Mach Ancil T Prnt Pt Nesoi	$637,823	-2.2%

Top 20 global imports to Finland, 2014

HS4	Product description	Import value ('000's)	Growth 2010-14
2709	Crude Oil From Petroleum And Bituminous Minerals	$8,456,787	28.7%
2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	$4,293,271	63.6%
8703	Motor Cars & Vehicles For Transporting Persons	$2,646,869	4.7%
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$1,889,929	4.4%
8517	Electric Apparatus For Line Telephony Etc, Parts	$1,390,619	-37.0%
8471	Automatic Data Process Machines; Magn Reader Etc	$1,314,967	12.0%
8708	Parts & Access For Motor Vehicles (Head 8701-8705)	$1,110,553	60.2%
2716	Electrical Energy	$1,023,983	11.6%
2603	Copper Ores And Concentrates	$768,676	-11.2%
8704	Motor Vehicles For Transport Of Goods	$628,247	28.8%
8431	Parts For Machinery Of Headings 8425 To 8430	$546,874	12.5%
2701	Coal; Briquettes, Ovoids Etc. Mfr From Coal	$543,613	-24.6%
8542	Electronic Integrated Circuits & Microassembl, Pts	$543,172	61.8%
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$519,640	30.3%
8504	Elec Trans, Static Conv & Induct, Adp Pwr Supp, Pt	$515,865	6.9%
4301	Raw Furskins Nesoi (Incl Pcs For Fur Use)	$510,962	169.1%
2604	Nickel Ores And Concentrates	$501,640	36.3%
4011	New Pneumatic Tires, Of Rubber	$489,790	30.6%
8481	Taps, Cocks, Valves Etc For Pipes, Tanks Etc, Pts	$477,613	17.5%
3901	Polymers Of Ethylene, In Primary Forms	470,850	3.6%

Top 20 global imports to Germany, 2014

HS4	Product description	Import value ('000's)	Growth 2010-14
2709	Crude Oil From Petroleum And Bituminous Minerals	$65,848,481	25.4%
8703	Motor Cars & Vehicles For Transporting Persons	$45,988,174	28.5%
8708	Parts & Access For Motor Vehicles (Head 8701-8705)	$37,619,171	37.9%
2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	$32,871,043	25.9%
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$26,183,950	-7.1%
8471	Automatic Data Process Machines; Magn Reader Etc	$21,219,468	3.5%
8802	Aircraft, Powered; Spacecraft & Launch Vehicles	$19,895,407	20.2%
8517	Electric Apparatus For Line Telephony Etc, Parts	$19,635,361	39.0%
3002	Human Blood; Animal Blood; Antisera, Vaccines Etc	$18,392,431	30.9%
8542	Electronic Integrated Circuits & Microassembl, Pts	$13,804,469	10.7%
8411	Turbojets, Turbopropellers & Oth Gas Turbines, Pts	$10,401,088	68.6%
8544	Insulated Wire, Cable Etc; Opt Sheath Fib Cables	$10,345,958	19.8%
8443	Print Mach Incl Ink-Jet Mach Ancil T Prnt Pt Nesoi	$10,107,127	-27.2%
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$8,796,503	23.2%
9401	Seats (Except Barber, Dental, Etc), And Parts	$8,562,883	26.1%
8803	Parts Of Balloons Etc, Aircraft, Spacecraft Etc	$8,523,600	-12.4%
4011	New Pneumatic Tires, Of Rubber	$7,635,932	23.3%
8536	Electrical Apparatus For Switching Etc, Nov 1000 V	$7,406,227	14.5%
8409	Parts For Engines Of Heading 8407 Or 8408	$7,113,741	41.2%
8528	Tv Recvrs, Incl Video Monitors & Projectors	6,801,895	-16.1%

Top 20 global imports to Iceland, 2014

HS4	Product description	Import value ('000's)	Growth 2010-14
2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	$873,251	89.2%
2818	Artfl Corundum W/Nt Chem Defnd Alum Oxid/Hydroxide	$494,084	-4.2%
8545	Carbon Electrodes & Brushes, Lamp Carbons Etc	$369,787	20.2%
8703	Motor Cars & Vehicles For Transporting Persons	$216,233	213.8%
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$129,262	14.1%
8471	Automatic Data Process Machines; Magn Reader Etc	$105,616	78.2%
8517	Electric Apparatus For Line Telephony Etc, Parts	$92,032	139.1%
8902	Fishing Vessels;Factory Ships & Shps,Ves, Nesoi	$73,406	222.0%
7607	Aluminum Foil (Back Or Not) Nov .2mm Th (Ex Back)	$59,462	96.3%
306	Crustcns Lve Frsh Etc, Ckd Etc.; Flrs Mls H Cnsump	$56,816	-1.7%
8906	Vessels Nesoi Incl Warshp/Lifebt Ex Row Boats	$56,181	68546.8%
8802	Aircraft, Powered; Spacecraft & Launch Vehicles	$46,428	44.5%
2106	Food Preparations Nesoi	$38,296	28.8%
8704	Motor Vehicles For Transport Of Goods	$36,579	312.9%
3923	Containers (Boxes, Bags Etc), Closurers Etc, Plast	$34,369	29.8%
9403	Furniture Nesoi And Parts Thereof	$32,411	47.8%
4819	Cartons Etc Paper; Office Box Files Etc, Paper Etc	$28,325	30.4%
4011	New Pneumatic Tires, Of Rubber	$28,026	47.5%
3822	Composite Diagnostic/Lab Reagents, Exc Pharmaceut	$27,835	68.8%
1905	Bread, Pastry, Cakes Etc; Comm Wafrs, Emp Caps Etc	$27,188	32.6%

Top 20 global imports to Netherlands, 2014

HS4	Product description	Import value ('000's)	Growth 2010-14
2709	Crude Oil From Petroleum And Bituminous Minerals	$64,808,683	28.9%
2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	$41,715,779	45.0%
8471	Automatic Data Process Machines; Magn Reader Etc	$28,201,506	8.5%
8517	Electric Apparatus For Line Telephony Etc, Parts	$27,288,291	30.1%
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$12,646,849	15.9%
8703	Motor Cars & Vehicles For Transporting Persons	$10,774,615	-3.0%
8443	Print Mach Incl Ink-Jet Mach Ancil T Prnt Pt Nesoi	$8,182,055	-17.7%
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$6,351,895	14.2%
7601	Aluminum, Unwrought	$5,553,156	27.7%
8542	Electronic Integrated Circuits & Microassembl, Pts	$5,288,089	6.3%
2701	Coal; Briquettes, Ovoids Etc. Mfr From Coal	$5,247,572	15.0%
8528	Tv Recvrs, Incl Video Monitors & Projectors	$5,229,426	-21.5%
9021	Orthopedic Appl; Artif Body Pts; Hear Aid; Pts Etc	$5,225,988	63.3%
2711	Petroleum Gases & Other Gaseous Hydrocarbons	$4,937,393	269.2%
8708	Parts & Access For Motor Vehicles (Head 8701-8705)	$4,439,522	13.8%
2707	Oils Etc From High Temp Coal Tar; Sim Aromatic Etc	$3,604,368	14.2%
2601	Iron Ores & Concentrates, Including Roast Pyrites	$3,170,939	-26.1%
8473	Parts Etc For Adp & Other Office Machines	$3,094,677	-69.5%
9504	Articles For Arcade, Table Or Parlor Games, Parts	$3,053,379	-14.2%
8541	Semiconductor Devices; Light-Emit Diodes Etc, Pts	2,875,699	-55.6%

Top 20 global imports to Norway, 2014

HS4	Product description	Import value ('000's)	Growth 2010-14
8703	Motor Cars & Vehicles For Transporting Persons	$5,679,939	31.6%
2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	$2,926,953	13.4%
8517	Electric Apparatus For Line Telephony Etc, Parts	$1,929,760	33.8%
7501	Nickle Mattes, Nickle Oxide Sinters, Oth Int Prod	$1,903,129	-14.0%
8471	Automatic Data Process Machines; Magn Reader Etc	$1,781,309	25.8%
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$1,564,823	8.2%
8704	Motor Vehicles For Transport Of Goods	$1,331,722	27.5%
9403	Furniture Nesoi And Parts Thereof	$1,327,270	25.4%
7308	Structures Nesoi & Parts Thereof, Of Iron Or Steel	$1,285,045	62.2%
8481	Taps, Cocks, Valves Etc For Pipes, Tanks Etc, Pts	$1,171,819	71.0%
8431	Parts For Machinery Of Headings 8425 To 8430	$1,153,541	79.9%
9999	Special Reporting Provisions, Nesoi	$995,969	13.7%
2709	Crude Oil From Petroleum And Bituminous Minerals	$916,965	6.8%
8479	Machines Etc Having Individual Functions Nesoi, Pt	$872,549	38.9%
8708	Parts & Access For Motor Vehicles (Head 8701-8705)	$872,067	15.1%
8802	Aircraft, Powered; Spacecraft & Launch Vehicles	$869,900	3.3%
8905	Light-Vessels, Fire-Floats Etc; Fl Docks & Platfms	$831,980	2441.3%
8901	Vessels For The Transport Of Persons Or Goods	$831,612	-71.6%
7601	Aluminum, Unwrought	$777,293	-41.8%
2818	Artfl Corundum W/Nt Chem Defnd Alum Oxid/Hydroxide	$732,444	5.7%

Top 20 global imports to Sweden, 2014

HS4	Product description	Import value ('000's)	Growth 2010-14
2709	Crude Oil From Petroleum And Bituminous Minerals	$12,518,274	19.8%
8703	Motor Cars & Vehicles For Transporting Persons	$7,982,579	19.9%
2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	$7,449,024	25.4%
8517	Electric Apparatus For Line Telephony Etc, Parts	$6,722,364	56.3%
8708	Parts & Access For Motor Vehicles (Head 8701-8705)	$5,217,268	3.3%
8471	Automatic Data Process Machines; Magn Reader Etc	$3,988,130	15.3%
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$3,019,823	7.9%
302	Fish, Fresh Or Chilled (No Fillets Or Other Meat)	$2,996,602	57.9%
8528	Tv Recvrs, Incl Video Monitors & Projectors	$1,453,530	-19.0%
8704	Motor Vehicles For Transport Of Goods	$1,315,393	32.3%
9403	Furniture Nesoi And Parts Thereof	$1,281,621	21.4%
8409	Parts For Engines Of Heading 8407 Or 8408	$1,257,991	2.7%
2933	Heterocyclic Comp, Nit Hetero-Atoms Only	$1,220,769	-19.1%
2711	Petroleum Gases & Other Gaseous Hydrocarbons	$1,085,734	-17.7%
4011	New Pneumatic Tires, Of Rubber	$1,021,042	5.7%
8544	Insulated Wire, Cable Etc; Opt Sheath Fib Cables	$1,008,016	8.2%
8431	Parts For Machinery Of Headings 8425 To 8430	$968,276	20.0%
3002	Human Blood; Animal Blood; Antisera, Vaccines Etc	$953,090	15.6%
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$952,261	20.1%
8536	Electrical Apparatus For Switching Etc, Nov 1000 V	920,456	-4.4%

Top 20 global imports to the UK, 2014

HS4	Product description	Import value ('ooo's)	Growth 2010-14
8703	Motor Cars & Vehicles For Transporting Persons	$45,515,621	50.8%
2709	Crude Oil From Petroleum And Bituminous Minerals	$36,006,452	20.0%
2710	Oil (Not Crude) From Petrol & Bitum Mineral Etc.	$25,351,725	39.3%
3004	Medicaments Nesoi, Mixed Or Not, In Dosage Etc Fm	$21,172,783	27.0%
7108	Gold (Incl Plat Plated), Unwr, Semimfr Or Powder	$20,410,373	1408.0%
8517	Electric Apparatus For Line Telephony Etc, Parts	$16,553,547	12.2%
8411	Turbojets, Turbopropellers & Oth Gas Turbines, Pts	$16,186,768	37.5%
8708	Parts & Access For Motor Vehicles (Head 8701-8705)	$16,104,025	25.5%
8471	Automatic Data Process Machines; Magn Reader Etc	$14,642,030	10.3%
8802	Aircraft, Powered; Spacecraft & Launch Vehicles	$10,841,095	-27.1%
2711	Petroleum Gases & Other Gaseous Hydrocarbons	$9,178,383	-16.8%
3002	Human Blood; Animal Blood; Antisera, Vaccines Etc	$9,001,932	104.0%
8473	Parts Etc For Adp & Other Office Machines	$8,379,001	-12.9%
8704	Motor Vehicles For Transport Of Goods	$7,113,221	58.0%
8803	Parts Of Balloons Etc, Aircraft, Spacecraft Etc	$5,682,718	13.5%
2204	Wine Of Fresh Grapes; Grape Must Nesoi	$4,756,826	10.2%
8528	Tv Recvrs, Incl Video Monitors & Projectors	$4,749,476	-9.6%
8544	Insulated Wire, Cable Etc; Opt Sheath Fib Cables	$4,459,233	42.4%
9403	Furniture Nesoi And Parts Thereof	$4,141,005	6.7%
9018	Medical, Surgical, Dental Or Vet Inst, No Elec, Pt	$3,952,051	17.2%

Table A4: Cold storage companies and New England locations (distance from Portland)

Company	Address	distance (miles)*1	# of employees	Location Sales Volume	Sq. Ft.	cu. Ft.	Imp_Exp	Portside	rail cont.	# dock doors	other	frz capacity
A & D Cold Storage	512 Southbridge St, Worcester, MA	144	19	$ 1,585,000	2,500 - 9,999	1.5 m		x	x		frz/refer/dry storage	
Americold Logistics	1 Rowe Sq., Gloucester, MA	107	48	$ 4,006,000	317000	5.9 m	export	x		38		
Americold Logistics	455 John Hancock Rd, Taunton, MA	147	40	$ 3,338,000	40,000+	6.5 m			x		Frozen Pallet Capacity: 17,917 Cooler Pallet Capacity: 1,100 Dry Pallet Capacity: 5,000	
Americold Logistics	165 Read St, Portland, ME		10	$ 720,000	150000	1.7 m	export			11		
Americold Logistics	100 Widett Cir, Boston, MA	109	13	$ 1,084,000	260000	2.9 m	export		x	13		
Americold Logistics	69 Rogers Street, Gloucester, MA	107		n/a	n/a	2.6 m		x		14	customer dedicated	70% Racked, 3 Cells With 36 Pallets Per Day Blast Capacity
Americold Logistics	159 East Main, Gloucester, MA	107		n/a	317000	1.6 m	export	x		9		
Araho Transfer	7 Fid Kennedy Ave # 3, Boston, MA	109	25	$ 2,086,000	20000			x			3rd party seafood handler	
Arctic Cold Storage	420 Currant Rd, Fall River, MA	154	13	$ 1,084,000	10,000 - 39,999	2.3 m					cold/frz	
Atlantic Reefer Terminals Inc	8 Pond Rd Gloucester, MA	107	5	$ 417,000	2,500 - 9,999	300000						
Cold Storage Solution II	230 Kenneth Welch Dr., Lakeville, MA	146	8	$ 667,000	2,500 - 9,999							
Cold Storage Solution II	310 Kenneth Welch Dr., Lakeville, MA	146	6	$ 500,000	10,000 - 39,999							
Crystal Cold Storage	23 Sycamore Ave, Medford, MA	108	12	$ 1,001,000	10,000 - 39,999	2.5 m			x	12		
Peninsula Of Boston Inc	227 Adams Cir, Hanson, MA	132	6	$ 500,000	2,500 - 9,999	42000			x			
Pioneer Cold Logistic Svc	149 Plainfield St, Chicopee, MA	194	90	$ 7,511,000	40,000+	5 m					frzn/cooler/dry	
Preferred Freezer Svc	60 Commercial St, Everett, MA	104	50	$ 4,173,000	40,000+		both	x	x	16		6.4 million cu.ft.
Preferred Freezer Svc	45 Campanelli Dr., Westfield, MA	196	35	$ 2,921,000	24,000 (refer)		export			20		7.5 million cu.ft.
Preferred Freezer Svc	571 Paramount Dr., Raynham, MA	143	12	$ 1,001,000	10,000 - 39,999		export			20		5.3 million cu.ft.
Preferred Freezer Svc	55 Murphy Dr., Avon, MA	127		n/a	n/a		export			22		10 m cu ft
Preferred Freezer Svc	1 Commercial St, Sharon, MA	139	6	$ 500,000	2,500 - 9,999		export			14		4.7 m cu ft
Wilmington Cold Storage	2 Industrial Way, Wilmington, MA	102	20	$ 1,669,000	10,000 - 39,999	1m *						
Wilmington Cold Storage Co	1033 Turnpike St, Stoughton, MA	126	6	$ 500,000	2,500 - 9,999	1m *						

Economic Development Department
Gregory A. Mitchell, Director

PORTLAND ECONOMIC DEVELOPMENT DEPARTMENT SERVICES AND 2016/2017 WORKPLAN

MISSION

The Economic Development Department (EDD) strives to maintain and grow a diversified tax base that supports strong employment opportunities, while positioning Portland to compete in the global marketplace.

The EDD operates with a staff of four and is dedicated to fostering a healthy and vibrant economic climate in Portland. Its work plan includes a number of programs, services, and activities to support business retention, expansion, and attraction.

BUSINESS SERVICES

Site Location Assistance. Confidential site location assistance is available to find suitable buildings and property for those seeking a Portland site to start up, grow, or relocate their business. We work in partnership with commercial brokers and property owners to arrange site visits to evaluate location options.

Commercial Lending. We offer a number of direct commercial loan programs to assist with business start-ups and expansions. The majority of City commercial loans serve as "gap" financing to leverage conventional financing available through banks and other lending organizations.

Business Technical Assistance. We partner 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 Local and State Business Financial Incentives. From tax increment financing to job training grants, there are a number of targeted financial incentives programs offered by the City and State to help businesses. We serve as a guide to match business incentives to business needs.

City Development Regulatory and Permitting Assistance. We offer guidance to businesses through the City's regulatory and approval processes, helping to enhance knowledge and efficiencies.

Marketing. The EDD 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. We attend many business-related events, such as the Portland Chamber Business Expo and the Maine Real Estate and Development Association (MEREDA) Real Estate Forecast Conference. In addition, presentations about our programs are provided to various local and regional organizations.

Waterfront: Point of first contact for business retention, recruitment, and waterfront issues, as well as:

- Inter-departmental coordination for waterfront policy, transportation, and development issues;
- Inter-agency liaison for State and Federal processes impacting waterfront development and port activities;
- Sea level rise planning;
- Eastern Waterfront infrastructure planning;
- Community boating and waterfront open space planning;
- FEMA flood plain amendments;
- City representative to the Waterfront Alliance;
- Primary staff to the Portland Fish Pier Authority.

PORTLAND ECONOMIC DEVELOPMENT DEPARTMENT WORKPLAN for 2016/2017

Portland Technology Park. The EDD has lead the development of the Portland Technology Park. The completion of Phase One of the Park opened up three sites for development. Interest in site 4 from Patrons Oxford Insurance Company resulted in this site going under contract to the company. Construction to extend the Park road to accommodate access to site 4 and build a 19,000 square foot headquarters for Patrons will begin in Spring 2016. Real estate brokers NAI The Dunham Group are marketing sites 1, 2, and 3. The Portland Technology Park is an environmentally friendly business campus for innovative high tech companies, life sciences, and others looking for a home in Portland, Maine. The Park is set amidst natural woodlands, adjacent to almost two hundred acres of forested lands and trails. Its transportation connectivity is remarkable, located minutes from the Interstate (Exit 47) and the Portland International Jetport.

- Fully permitted
- Roadway with utilities to four development sites
- 10,000 – 40,000 square foot building sites
- Immediate access to Maine Turnpike, Exit 47
- Financing – SBA 504 Eligible
- Three additional development sites in Phase Two

Market City Owned Property. 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.

City Façade Improvement Program. Market and administer 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.

Job Creation Grant Program. Market and administer 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). Creation of area-wide TIF Districts, as well as education and negotiation of public-private partnerships consistent with City TIF Policy. Individual Credit Enhancement Agreements with private developers for a TIF District reviewed on a case-by-case basis.

City Economic Development Plan. Partnering with stakeholders in the implementation of the Portland Economic Development Plan.

WATERFRONT PROGRAM WORKPLAN

Confined Aquatic Disposal (CAD) Cell Planning and Permitting. Use State of Maine Transportation bond funds to establish an environmentally, financially, and socially responsible facility to address berthing area dredge needs for Portland Harbor.

Eastern Waterfront Master Plan Implementation. Lead an interdepartmental staff workgroup to design and implement public infrastructure and open space expansion in the Eastern Waterfront that coordinates with private development and implements standing City policies.

Bayside Sea Level Rise Planning. Work with City Departments, science centers, educational entities, and the community to address current and future flooding risks in the Bayside and East Bayside neighborhoods.

East End Waterfront Access Project. Use grant funding from the Maine Coastal Program with private local match contributions, to plan, permit, and implement non-motorized boat access improvements near the East End Beach community boating facility.

West Commercial Street Corridor Study. Coordinate the review and City Council approval of an intermodal transportation plan for West Commercial Street.

Committee Staffing Responsibility

- ***Portland Development Corporation (PDC).*** City's commercial loan and grant approval committee.
- ***Economic Development Committee (HCDC).*** Three City Councilors (Brenerman, Costa, Thibodeau) meet monthly to review and provide direction on City economic development matters.
- ***Tax Acquired Property Committee (TAPC).*** City staff committee which advises the City Council on property disposition.
- ***Portland Fish Pier Authority (FPA)***. Board of Directors overseeing the operations, management, and development of the Portland Fish Pier facility.

BOARD RESPONSIBILITY

- ***Portland's Downtown District (PDD).*** Greg Mitchell is an ex-officio (non-voting) board member representing Portland.
- ***Creative Portland Corporation (CPC).*** Greg Mitchell is an ex-officio (voting) board member representing the City Manager.
- ***Economic Development Council of Maine (EDCM).*** Greg Mitchell is a Past President of EDCM.
- ***GPEDC.*** Greg Mitchell is the current Chair of the Board of Directors and serves as the City of Portland's representative.
- ***Portland Waterfront Alliance***. Bill Needelman is the City representative on the Portland Waterfront Alliance and a member of the Executive Committee.

For more information, contact Greg Mitchell at gmitchell@portlandmaine.gov or at (207) 874-8945; Nelle Hanig, Business Programs Manager, at nrh@portlandmaine.gov or at (207) 756-8019; William Needelman, Waterfront Coordinator, at wbn@portlandmaine.gov, or (207) 874-8722; or, Lori Paulette, Senior Executive Assistant at ljn@portlandmaine.gov or (207) 874-8683.

Economic Development Department
Gregory A. Mitchell, Director

PORTLAND ECONOMIC DEVELOPMENT DEPARTMENT

Report for FY2014 through FY2016 (to Date 1/20/2016)

The Economic Development Department (EDD) provides Portland with a ***positive financial return to support increased private sector investment, associated property tax revenue and jobs for area residents***. The EDD takes the lead on Portland's business retention, expansion, and recruitment programs. The 2015/2016 EDD annual work plan is attached. Highlights of the EDD costs and results include:

ANNUAL OPERATIONAL BUDGET

The EDD includes four City fulltime staff with annual budget of approximately $350,000. Staff costs are off-set by tax revenue generated from private sector investments and real estate transactions.

BUSINESS RECRUITMENT

- **Circus Conservatory of America:** Assisted with finding a location for the Circus Conservatory of America located at Thompson's Point in 2014. It has since vacated the property in order to focus more time and money toward establishing the conservatory as a degree-granting college.

  A new circus school will replace the Circus Conservatory of America called Circus Maine, started by a former Circus Conservatory of America instructor.

- **Nova Scotia Ferry Service:** Negotiated with Nova Star Cruises for ferry service to beginning with the 2014 Season, operating from the City's Ocean Gateway facility. This ferry service ran for an additional season in 2015 and ended the service. Staff continues to work with the selected operator to continue service in 2016.

- **Patrons Oxford Insurance**: Negotiated a Purchase and Sale Agreement for sale of City property at Portland Technology Park, for which Patrons will relocate their headquarters, with 40 employees, from Auburn.

- **New Small Businesses**: Provided assistance to entrepreneurs, start-ups, growing and relocating businesses, contributing to many new retail, service, manufacturing and restaurant businesses locating throughout the City.

BUSINESS EXPANSION/RETENTION

- **Ready Seafood Co. –** Renegotiated the lease with Ready Seafood for its space at the Portland Ocean Terminal in order for Ready's efficient use of the space. This brings lease rental income to the City of over $125K/year through 12/31/2017, at which time it may be renewed for an additional five years through 12/31/2022; and thereafter, one additional six-year term through 12/31/2028 – all upon mutual agreement of the parties.

- **Portland Tugboat** – Negotiated renewal and reestablishment of lease with Portland Tugboat for berthing, parking, and storage space at the Portland Ocean Terminal. This brings lease rental income to the City of over $85K/year through 6/30/2019. After this, should Portland Tugboat continue to occupy the Premises, the lease may be terminated at any time by either party by giving thirty days notice.

REAL ESTATE LEASE/PURCHASE OPTION

- Negotiated the City's purchase/lease option for property at 212 Canco Road, which houses the City Fire Department, as well as will house the City's Trades Division.

- Negotiated the City's purchase of 250 Canco Road (Pepsi Plant) as part of the relocation of Public Services out of Bayside.

- Negotiated a Land Swap Agreement with JB Brown in this Canco Road area, again, as part of the relocation of Public Services out of Bayside.

REAL ESTATE SALES

Under Purchase and Sale Agreement: Bayside property to Federated Companies
Sale Price: $2,275,000
Broker Fee @ 7% = $159,250
Total to City = $2,115,750

Under Purchase and Sale Agreement: Riverside Street to Thompson's Point Development Company, Inc., to assist with the relocation of Suburban Propane
Sale Price: $285,000
No Broker Fee
Total to City = $285,000

Sold 71 Hanover Street to Bayside Bowl (this is the former site of the City's sand/salt shed, now at Canco Road, for sale as a commercial use):
Sale Price: $340,018
No Broker Fee
Total to City = $340,018

COMMERCIAL LENDING AND GRANT ACTIVITY (Through the Portland Development Corporation)

City Commercial Current Lending Leverage Ratio: $2.4 Million in active lending associated with 32 loan clients, through the Portland Development Corporation, the City's lending board; these loans have leveraged over $59 million in private sector investment.

FY2010 Commercial Lending to Date: Over $3 Million in closed loans to 39 businesses leveraging over $58 Million in private investment associated with 378 jobs. Loans closed during:

FY10 – 7 closed for a total amount of $310,000
FY11 – 4 closed for a total amount of $134,000;
FY12 – 6 closed for a total amount of $454,944;
FY13 – 9 closed for a total of $718,500;
FY14 – 7 closed for a total of $814,289;
FY15 – 8 closed for a total of $607,033;
FY16 - 2 closed to date for a total of $195,000.

Development Public Infrastructure Grants

FY2010 Grants to Date: Ten public infrastructure grants to businesses were approved in an amount of over $180K, associated with $57.3 million in private investment.

Business Assistance Grants for Job Creation

To date, 13 grants associated with over 25 jobs have been approved through the program for a total amount of $200,000 from the almost $300,000 available in three rounds of the program from CDBG funds. The grants have been matched by over $2 million in private investment.

WATERFRONT

The City's Waterfront Coordinator joined the Economic Development Department as of mid-December 2015.

PORTLAND ECONOMIC DEVELOPMENT VISION AND PLAN

Plan Finalized August 2011: This Plan provides a roadmap for success in Portland's future economic development. It draws on the previous and current work of the City, its citizens, businesses, and stakeholders. The vision and plan was accomplished through a collaboration of the City of Portland, Community Chamber, Convention and Visitors Bureau, and the Creative Portland Corporation. The Vision and Plan presents three primary areas critical to long-term success in Portland's economic development. These core areas of focus include: (1) Grow the Economy; (2) Enrich the Creative Economy; and, (3) Support Business. The Plan includes a two year work plan of priority activities, which is overseen by the Mayor led stakeholder group. This groups meets quarterly.

ED Plan Accomplishments:

1. Business Visitation Program ongoing;
2. Doing Business Guide in Portland updated and online;
3. Chamber Scorecard updated and online;
4. "Why Portland" Videos created and online;
5. Marketing and Branding program – Brand complete "Portland, Maine |Yes, Life's Good Here; marketing ongoing;
6. Workforce Education Advocacy and Coordination – underway through the City/Chamber/GPEDC;
7. Growing Portland Initiative underway;
8. Streamlined Portland's development regulatory process and requirements, including permits and inspections;
9. Creative Portland website upgraded;
10. Creative Portland interactive online Map and Guide completed;
11. Creative Portland – metrics to measure creative economy completed;
12. Creative Portland art space survey completed; and,
13. Creative Portland Creative Space project ongoing.

Portland Economic Development Plan Implementation Grant Fund

This Program provides grant monies to invest in economic development projects and programs that carry-out Portland's Economic Development Vision and Plan. With an original budget of $250,000, its purpose is to fund planning studies and other "soft" costs associated with economic development projects and programs, conducted by non-profit and public entities, that advance the initiatives spelled out in the Plan.

To date, grants for 26 projects have been approved totaling $344K+. Because of the demand, the Portland City Council authorized the PDC to fund additional grants over and above the $250,000 set aside, with a cap to be determined by the PDC Board at the beginning of each fiscal year as 10% of its unrestricted/uncommitted funds. Below is detailed information to whom the grants were made, project, amount, and status:

Organization	**Project**	**Amount**	**Status**
Portland Regional Chamber	Why Portland Videos	$10,000	Completed
Portland Performing Arts Festival	1st Festival	$40,000	Completed
Portland Community Chamber	Scorecard Update	$8,000	Completed
Creative Portland	Live Work Website Update	$16,500	Completed
Creative Portland	Creative Economy Metrics	$1,500	Completed
Creative Portland	Art Space Survey	$5,750	Completed
Creative Portland	Branding	$20,000	Active
Creative Portland	2 Degrees Portland	$10,000	Active
Creative Portland	Creative Map and Guide	$5,835	Active
Creative Portland	Creative Space	$30,000	Active
Growing Portland	Growing Portland Initiative	$40,000	Active
City of Portland	Iceland/UK Trade Mission	$3,309	Completed
Portland Community Chamber	Startup and Create Week/2014	$25,000	Completed

World Affairs Council	Celebrating Immigration	$15,000	Completed
City of Portland	Industry Research/MCBER	$19,360	Active
Portland Community Chamber	Scorecard 2014/2015	$9,460	Completed
Creative Portland	Work in Place Summit	5,000	Active
Creative Portland	UNESCO Creative Cities	10,000	Active
City of Portland	MITC/Invest in Maine	10,000	Active
Portland Community Chamber	Startup and Create Week/2015	15,000	Completed
Creative Portland	Work in Place Summit	5,000	Active
Creative Portland	UNESCO Creative Cities	10,000	Active
City of Portland	MITC/Invest in Maine	10,000	Active
Cultivating Communities	Local Food Cluster Acceleration	15,000	Active
Cooperative Development Instit.	Instit. Food Service & Procurement	15,000	Active
ME Center for Enterprise Dev.	Top Gun Overhaul and Preflight	15,000	Active

TAX INCREMENT FINANCING (TIF)

Revised TIF Policy: In FY13, the City Council approved a revised TIF Policy which now focuses on more area-wide TIF Districts, while still allowing flexibility for individual TIF projects with associated Credit Enhancement Agreements.

Thompson's Point Development Company. This Transit Oriented Development (TOD) TIF supports the Development Company's redevelopment of Thompson's Points into the Forefront at Thompson's Point. As a result of a recent amendment to this TOD TIF, the Thompson's Point TIF area was increased from approximately 28 to 30 acres of real estate adjacent to the Portland Transportation Center that is home to the Northern New England Passenger Rail Authority, which runs the Amtrak Downeaster and Concord Trailways bus company.

The Forefront at Thompson's Point is a proposed $100 Million mixed-use development that will transform a blighted and grossly underutilized 30-acre parcel located along Interstate 295 into a highly visible gateway destination event center that is expected to generate significant economic activity within the District and throughout Portland. The Company plans to redevelop Thompson's Point in a manner that includes a substantial investment in public infrastructure, including construction of an above-ground parking garage with approximately 700 spaces, road extensions and widenings, rail crossings upgrade, utility investments, and expanded walking and biking trails. This Project is under construction.

Expanded Bayside TIF District: Portland City Council approved expansion of this TIF District on November 17, 2014, which application was then reviewed and approved by the Maine Department of Economic and Community Development for approval.

This TIF District was also amended by the Portland City Council on July 20, 2015, for expanded municipal allowable uses for TIF revenue investments. This awaits final approval by the Maine Department of Economic and Community Development.

Established Downtown/TOD District: The Portland City Council approved establishing this TIF District on February 9, 2015, which application was then reviewed and conditionally approved by the the Maine Department of Economic and Community Development Department. This TIF District provides annual funding to Creative Portland.

TIF Terminations: - Fore India Middle LLC – project did not come to fruition;

- Village at Ocean Gate (a/k/a Bay House): TIF terminated as rental units were turned into condominiums.

TIF Assignment: The Ocean Gateway Garage LLC TIF was approved by the City Council on January 20, 2016 for assignment to Portland Norwich Group, LLC.

CONGRESS STREET COMMERCIAL FAÇADE PROGRAM

The Façade Improvement Grant/Match Program has contributed to strengthening the downtown streetscape through two rounds of funding. With some funds remaining from round two after a project dropped out of the program, four additional projects are proceeding on Congress Street with completion anticipated by Summer 2016.

A third round will be launched in Summer 2016, targeting Washington Avenue and St. John Street. The Program provides design and construction grants that assist property and business owners with the rehabilitation of commercial storefronts and replacement of deteriorated and poor quality signs and awnings.

Round One: Targeting storefronts on Congress Street from Monument to Longfellow Squares, grants totaling $84,000 were awarded to seven projects, resulting in the rehabilitation of five storefronts, five awnings, and one sign. The grant awards leveraged $198,700 in private matching funds.

Round Two: Targeting storefronts on Congress Street from Washington Avenue to Weymouth Street, $100,000 in grants were approved for eight projects and are anticipated to leverage over $215,000 in private matching funds. Six storefronts, six signs, and one awning are completed; three more storefronts, an awning and a marquis will be completed by Summer 2016

PORTLAND TECHNOLOGY PARK

The completion of Phase One of the Portland Technology Park (975 feet of road with utilities), opened up three sites for development. Site 4 became of interest to Patrons Oxford Insurance Company. The site is now under contract with a planned extension of the road by another 155 feet to accommodate access to it. Construction of a 19,000 square foot headquarters for Patrons Oxford and the road extension will begin in Spring 2016. Real estate brokers NAI The Dunham Group are marketing Sites 1, 2, and 3.

Natural gas will be brought to the Park before the Fall of 2016.

An environmentally friendly business campus, the Technology Park provides a home for new and expanding innovative high tech companies, life sciences, and others. It is set amidst natural woodlands, adjacent to almost two hundred acres of forested woodlands and trails. The Park's transportation connectivity is remarkable, located minutes from the Interstate (Exit 47) and the Portland International Jetport. Once Phase Two is constructed, the fully built out campus will accommodate as much as 120,000 square feet of space in seven buildings, ranging from 10,000 to 40,000 square feet.

TAX ACQUIRED PROPERTY COMMITTEE

Each December, the City forecloses on properties through non-payment of taxes. Under rules established by the City Council, the TAPC (Tax-Acquired Property Committee) is then charged with overseeing this property in any eventual disposition.

TAPC, a City staff committee, was reconstituted in June 2009 and began with an update to the Rules for the Disposition of City-owned and Tax-Acquired Properties. Since then it has met regularly which has resulted, by December 2015, in ***placing over $4.85 Million in property value back on the tax rolls, with a resulting $87K+ annually in property taxes.***

TAPC closed on a sale of a tax-acquired residence during FY13, bringing in $77,100 in cash from the sale which resulted in the back taxes being paid, and providing for the redevelopment of a blighted single-family home for the neighborhood.

TAPC also closed on a sale during FY15 of a tax-acquired property on Cliff Island at 16 Fisherman's Cove, which generated $10,000 in cash for the City and will place a unique property back on the tax roll to support redevelopment of a single-family residence, together with a fuel station. This sale to Sustainable Cliff Island (SCI) will allow SCI to renovate and continue the fuel station operations, as well as renovate and provide year-round affordable family housing for the residence.

During calendar year 2015, TAPC has been reviewing the rules for amendments to make the process more streamlined. It is anticipated that the Council will vote on the proposed amendments early this year.

REGIONAL ECONOMIC DEVELOPMENT

Greater Portland Economic Development Corporation (GPEDC)

In January, 2011, the GPEDC was established as a public-private partnership to support a regional approach to economic development. The mission of the GPEDC is to grow and develop a sustainable economy in the Greater Portland region through this regional economic development corporation, organized and managed by incorporators and directors appointed by the communities of Cape Elizabeth, Falmouth, Portland, Scarborough, South Portland, and Westbrook (the "Participating Communities"), the Portland Regional Chamber, and the Greater Portland Alliance of Colleges and Universities.

In the Spring of 2015, the GPEDC secured a $50,000 grant from the Maine International Trade Center, leveraged by $50,000 in local public/private funds, to undertake a Greater Portland regional international business recruitment and marketing program.

Order 137-15/16
~~Tab 9 1-4-16~~
Tab 17 1-20-16

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
EDWARD J. SUSLOVIC (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

DAVID H. BRENERMAN (5)
JILL C. DUSON (A/L)
JON HINCK (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

AMENDMENT TO PORTLAND CITY CODE
CHAPTER 15 LICENSING AND PERMITS AND
CHAPTER 30 (VEHICLES FOR HIRE)
Re: Tour Operator Licensing

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND, MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:

1. That Section 15-12 of the Portland City Code is hereby amended to read as follows:

Sec. 15-12. Fees and expiration dates.

(a) Unless specified elsewhere in this Code, fees for licenses issued pursuant to this Code and the expiration date of each license shall be as follows:

...

Ch. 30, Art. III	Horse-drawn cabs	200.00, plus 20.00 per driver	April 30
Ch. 30, Art. ~~III~~IV	Bicycle cabs	100.00, plus 20.00 per driver	
Ch. 30, Art. V	Tour companies	300.00, plus 30.00 per vehicle/operator	March 31

...

2. That Chapter 30 of the Portland City Code is hereby amended by adding Sections 30-93 to 30-109, which said sections read as follows:

ARTICLE V. TOUR COMPANIES

DIVISION 1. GENERAL PROVISIONS

Sec. 30-93. Definitions.

As used in this article, unless the context otherwise indicates, the following words shall have the following meanings:

Tour company means any individual, group, or entity that provides tours for profit to the public of and in any portion of the City of Portland.

Tour vehicle means any motorized vehicle or apparatus that is used to transport individuals or passengers during a tour of and in any portion of the City. Tour vehicles shall include, but shall not be limited to, cars, trucks, vans, buses, motorcycles, mopeds, and segways.

Street, way, or public place means any street, way, trail, path, promenade, park, plaza, square, or other public property, or portion thereof.

To operate means to drive, pedal, pull, push or otherwise cause the tour vehicle to move.

Sec. 30-94. General licensing provisions to apply.

Except to the extent that this article contains a contrary provision, all general licensing provisions of chapter 15 shall apply to this article.

DIVISION 2. LICENSES

Sec. 30-95. License Required.

No tour company shall operate a tour vehicle on any street or way or in any public place without a tour company license. In obtaining or renewing a tour company license, accurate information for each operator and vehicle shall be provided pursuant to Section 30-96. An operator for whom such information has not been provided to the Licensing Authority is not licensed to operate. A vehicle for which such information has not been provided to the Licensing Authority is not licensed to be operated. Any operator who is less than eighteen (18) years old shall be restricted to operation between the hours of 8 a.m. to 6 p.m.

Sec. 30-96. Applications.

In addition to the general provisions of chapter 15 relating to the contents of applications, applications for tour company licenses shall contain the following:

(a) A complete listing of all operators to be employed by or associated with the applicant, giving each person's full name, age and present address.

(b) A complete record (Maine Criminal History Record search) of disqualifying criminal convictions or civil offenses as defined in Section 30-33(b)(3-6), if any, for all operators to be employed by or associated with the applicant, and for the applicant, or if the applicant is other than an individual, for each principal officer of the applicant.

(c) A detailed description of each tour vehicle and any other equipment to be used by the applicant, including a photograph of each tour vehicle and the make, model, color, year, power, and seating capacity specifications of each such vehicle.

Sec. 30-97. Licensing authority and regulations.

Notwithstanding any provision of chapter 15 to the contrary, the City Manager or his or her designee shall be the licensing authority for the owner/operator, vehicle, and operator licenses. The City Manager or his or her designee shall also have the authority to promulgate rules and regulations for tour licenses as he or she may deem necessary.

Sec. 30-98. Conditions precedent to issuance.

Prior to the issuance of any tour company license, and in addition to any other requirements of this article or chapter 15, the applicant shall file with the City Manager or his or her designee the following:

(a) A certificate issued by the applicant that the tour company to be licensed and all operators operating thereunder shall comply with the rules made under authority of this article by the licensing authority; and

(b) An insurance policy covering the term of the license and executed by an insurance company authorized to issue such policies in this state in the usual form of vehicle or other liability insurance policies in this state for injuries to persons and property resulting from the use and operation of the tour company to be licensed. Such policy of insurance shall be issued for a principal sum sufficient to provide indemnity in the amount of not less than four hundred thousand dollars ($400,000.00) per occurrence, for bodily injury, death and property damage. A certificate of insurance bearing an endorsement thereon by the issuing agent shall be deposited with the licensing authority. Such certificate shall state that the issuing agent shall notify the licensing authority in writing no less than thirty (30) days prior to the cancellation thereof. The City of Portland shall be included in the policy as an additional named insured.

Sec. 30-99. Denial, suspension, or revocation.

In addition to the general provisions of chapter 15 relating to the grounds for denial, suspension or revocation of license, a tour company, tour operator, or tour vehicle license may be denied, suspended or revoked on any of the following grounds:

(a) The applicant or licensee or any operator is less than seventeen (17) years of age or has had a disqualifying criminal conviction or civil offense as provided in Section 30-33(b)(3-6);

(b) Disobeying any order or direction of the City Manager or his or her designee, including, but not limited to, the city traffic engineer, license inspector, or any police officer; or

(c) Causing or permitting any violation of this article or chapter 25.

DIVISION 3. OPERATING REQUIREMENTS

Sec. 30-100. Operation limited to roadways; carrying of passengers; prohibited locations.

Licensed tour vehicles shall be operated within roadways only. Tour vehicles shall not be operated upon sidewalks or

bicycle paths, except those paths specifically designated for that purpose by the Director of Parks and Recreation. Tour vehicles may carry passengers to locations chosen by the passengers or may follow an agreed-upon route for sightseeing purposes. The City Manager or his or her designee shall have the right to prohibit tour vehicles from streets or roadways where the operation of such vehicles will present a threat to the safety of the tour vehicle operator and passengers or to other users of the street or roadway. The City Manager or his or her designee also shall have the authority to erect appropriate signs or markers, and to impose such conditions on the use of routes and locations as he or she deems proper, including limiting the number of such tour vehicles in operation on the same route or at the same location at any one (1) time, and restricting the days, times, or other circumstances of operation on any such route or at any such location. No such vehicle shall stop, stand, or park in any place while on route, to load or unload passengers or otherwise, except in accordance with traffic regulations, traffic-control devices, or the directions of a police officer or other authorized person. In no event shall a tour vehicle utilize a designated taxicab stand for any purpose whatsoever, unless required for an immediate response to an emergency situation. Tour vehicles shall not be permitted at the Jetport.

Sec. 30-101. Not to obstruct traffic; police orders.

No tour company or tour vehicle shall be operated in any manner which unreasonably or unnecessarily obstructs or impedes the free flow of vehicular or pedestrian traffic or otherwise endangers public safety. Any designee of the City Manager, including, but not limited to, police officers and the city traffic engineer, may at any time order the operator of any such company or vehicle to move along, pull over, make way, or temporarily discontinue the use of any such route or location, or any portion thereof, for the public safety or reduction of high-traffic areas.

Sec. 30-102. Traffic regulations to apply.

Except to the extent that this article contains a contrary provision, all traffic regulations of chapter 28, article III, shall apply to the operation of licensed tour companies and tour vehicles.

Sec. 30-103. Display of plate and badge.

A plate, to be issued by the licensing authority and bearing an identification number shall be displayed in a conspicuous place on each licensed tour vehicle at all times while in service. A badge, to be issued by the licensing authority and identifying the wearer by number as a licensed operator of such tour company or tour vehicle, shall be worn prominently on his or her person by each such operator at all times while on duty.

Sec. 30-104. Solicitation of business.

No person shall solicit business in any manner for any licensed tour company or tour vehicle while on route. Prohibited solicitation while standing shall include shouting, hollering, whistling, clapping, or making other loud noises, grabbing or otherwise annoying or harassing passersby, or any other conduct detrimental to the image or reputation of the trade or the public safety or convenience.

The City Manager or his or her designee may restrict the solicitation of business to certain designated areas within a specified zone in certain high-traffic areas.

Sec. 30-105. Passengers to be seated and well-behaved.

No operator of any tour company or tour vehicle shall load or admit more passengers at any one (1) time than may be fully seated in such tour vehicle. Every passenger in any such tour vehicle shall be and remain fully seated at all times while on route and shall refrain from any other conduct or behavior detrimental to the safety or comfort of passengers or others.

Sec. 30-106. Care and maintenance of tour vehicle.

Each licensed tour vehicle shall be at all times clean and in good repair.

Sec. 30-107. Conduct and appearance of operators; rule-making authority.

Every operator of a licensed tour company or tour vehicle shall be courteous at all times when on duty and shall refrain from any loud argument, fight or disturbance, or any other conduct or behavior detrimental to the image or reputation of the trade or the safety or comfort of passengers or others. The City Manager or his or her designee shall have authority to make

reasonable rules and regulations, consistent with the public safety and the image and reputation of the trade, governing the training and qualifications of such operators.

Sec. 30-108. Unsafe vehicles; inspections; order from service.

No licensed tour vehicle shall be operated at any time while unsafe, defective or in disrepair. The City Manager or his or her designee, including, but not limited to, any police officer or the license inspector may inspect a tour vehicle at any and all reasonable times, prior to being placed into service, while in service, or otherwise, and may at any time order such vehicle to be removed from service for any defect, unsafe condition, or want of repair. No such vehicle shall be returned to service except upon re-inspection by such officer, the license inspector or the licensing authority, and upon a finding that such repair has been made or that such defect or unsafe condition has been corrected.

Sec. 30-109. Storage of vehicles and equipment.

No tour vehicle or related equipment shall be kept or stored on any street or way or in any public place while not in service.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Anita LaChance, Sonia Bean, Danielle West-Chuhta, Nancy English, Julianne Sullivan

FROM: Adam R. Lee, Associate Corporation Counsel

DATE: 12/9/15

SUBJECT: Tour Company Licensing Ordinance

SPONSOR: Public Safety Health and Human Services Committee, Ordinance Amendments approved by Committee 4-0 on November 10, 2015

(If sponsored by a Council committee, include the date the committee met, the results of the vote, and the meeting minutes.

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading__December 21, 2015 Final Action ____January 4, 2016

Can action be taken at a later date: ____ Yes __X__ No (If no why not?)

Passage is recommended now so that Staff can make preparation for implementation of the licensing proccss and advise Tour Companies of the process in advance of "tour season" in the spring.

PRESENTATION: (List the presenter(s), type and length of presentation)

I. ONE SENTENCE SUMMARY

This Ordinance Amendment would require that those providing guided tours with vehicles within the City of Portland acquire a license to do so.

II. AGENDA DESCRIPTION

See Attached Memo

III. BACKGROUND

See Attached Memo

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

The licensing fees will be utilized primarily for administration of the lieensing process.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

See Attached Memo

VII. RECOMMENDATION

The unanimous PSHHS Committee recommended passage.

VIII. LIST ATTACHMENTS

October 5, 2015 Background Memorandum

November 10, 2015 Memorandum regarding solicitation limitation

Approved Ordinance Amendments

Prepared by: Adam R. Lee
Date: 12/9/15

Bean/agendarequestmemo/rev 11/2015

MEMORANDUM

To: Public Safety, Health and Human Services Committee

From: Adam Lee, Esq., Associate Corporation Counsel

Richard M. Bianculli Jr., Esq., Neighborhood Prosecutor

Re Proposed Ordinance Amendment to License Tour Companies

Date: October 5, 2015

The attached ordinance amendment proposes to require a license for tour companies that currently operate in the City of Portland. Adoption of the amendment will allow Portland to ensure public safety by confirming insurance requirements, reviewing background checks for tour company owners and operators, and conducting general safety inspections on tour vehicles. Requiring a license for tour companies is a logical step towards fostering a safe and productive tourist industry.

As an unlicensed business enterprise, mobile tour companies are currently prohibited from actively soliciting customers or selling tours on streets, sidewalks and public areas pursuant to Section 25-17(a) of the Portland City Code. The provision of licenses for tour companies will ensure that tour companies are permitted to conduct their business in a reasonable manner. A majority, if not all, of the current tour operators have indicated their support for a licensing program.

Portland has required licenses for horse-drawn carriages since 1984 and bicycle cabs since 1998. The proposed ordinance amendment will include similar requirements to those found in Chapter 30 for the horse-drawn carriages and bicycle cabs. Operators are required to keep the vehicles clean and presentable. Following the initial inspection required for a license, the license inspector or any police officer is permitted to inspect the tour vehicle at any time in order to ensure compliance with safety measures and the absence of safety hazards. Unsafe vehicles would be removed from service until the compliance issue is attended to.

The Jetport staff has confirmed that they are prepared to process the license applications as they are received. Once the ordinance is adopted, city officials would develop regulations including requirements for application deadlines, inspection checklists, and the like. The inspection of the tour vehicles will be considered a pre-requisite to the application process and inspections will be conducted by the Director of Port Operations, Kathy Alves.

MEMORANDUM

To: Public Safety, Health and Human Services Committee

From: Adam R. Lee, Esq., Associate Corporation Counsel

Re Limitation on Solicitation of Tour Companies Within a Distance of a Fixed-Base Tour Company

Date: November 10, 2015

At the October 13, 2015 meeting, this Committee approved Ordinance amendments creating a process by which Tour Companies are required to obtain licenses. The Committee suggested modifications to the amendments permitting the City Manager or his/her designee to issue and enforce the provisions of the Ordinance. The Committee also suggested an amendment that precludes solicitation by non-fixed-base tour companies within a certain distance of fixed-base tour companies. The Committee suggested that such amendment should be provided to the full Council at the time the Ordinance was placed on the Council's agenda. As a result of scheduling and additional research, Corporation Counsel determined it would be useful to present the issue again for discussion to the Committee before presentation to the full Council.

The amendment requested by the committee to prevent solicitation within a distance of a fixed-base company is a regulation on commercial speech. While the First Amendment affords less protection to commercial speech, it "does not fall outside the purview of the First Amendment." *Lorillard Tobacco v. Reilly*, 533 U.S. 525, 554 (2001). The U.S. Supreme Court established a four-part test in *Central Hudson Gas & Elect. Corp. v. Public Serv. Comm'n of N.Y.*, 447 U.S. 557 to determine whether regulations of commercial speech violate the First Amendment: 1) Is the commercial speech protected (does it concern lawful activity and is not misleading)?; 2) Is the asserted governmental interest substantial?; If the answer to both of the first two questions is yes, 3) does the regulation directly advance the governmental interest asserted?; and 4) Is the regulation more extensive than necessary to serve the interest?

From Corporation Counsel's perspective, the most likely issue on which this Ordinance would be challenged is what government interest is serves and whether it is narrowly tailored to serve that interest. Those challenging the Ordinance may argue that it was enacted for purposes of protecting certain companies from economic competition. Courts have held that such purposes are not legitimate government interests. *St. Joseph Abbey v. Castille*, 700 F.3d 154, 161 (5th Cir. 2012) ("As we see it, neither precedent nor broader principles suggest that mere economic protection of a pet industry is a legitimate governmental purpose[.]"); *Craigsmiles v. Giles*, 312 F.3d 220, 224 (6th Cir. 2002) ("Courts have repeatedly recognized that protecting a discrete interest group from economic competition is not a legitimate governmental purpose.").

Economic protectionism is distinct from another governmental purpose that could be served by the proposed amendment, that of public safety. There is no doubt that protection of public safety – specifically in the context of pedestrian and traffic safety – is a legitimate and significant governmental interest. *See McCullen v. Coakley*, 134 S.Ct. at 2535 and *Cutting v. City of Portland*, 2015 U.S. App. Lexis 16206. If the proposed amendment is enacted, it should be enacted on the basis of protecting public safety. It is Corporation Counsel's advice that prior to enactment of an amendment that would prohibit solicitation within a distance from fixed-base tour companies, the Council hears testimony regarding the congregating of solicitors in front of fixed-base establishments and that any amendment is narrowly-tailored and not more extensive than necessary to serve the public safety interest.

Adam R. Lee

Associate Corporation Counsel

MEMORANDUM

TO:	Portland City Council
FROM:	Twain Braden
SUBJECT:	Ordinance change (licensing of tour operators)
CASE:	Portland Discovery Land & Sea Tours (800.13925)
DATE:	January 19, 2016

History:

- Loophole as to "street vendors" in existing City Ordinance., making it unclear whether solicitation for tour operators was permitted;
- Above led to two court orders against transient operator, one by City of Portland and one by Portland Discovery for harassment against staff by transient operator;
- Missed last Committee meeting; was under impression it would go to Council.
- Portland Discovery supports licensing: oversight by City; fairness to all; **promotes safety**.

Problems with current Amendment / Tour Operator Licensing:

- Increases congestion on Commercial St., contributing to carnival-like atmosphere;
- Ramps up competition between fixed-base retail and transient vendors (free-for-all);
- Removes "no-solicitation" from streets to allow solicitation on streets;
- Exacerbates involvement by City zoning / parking officers vis-à-vis harassment / 15-minute parking areas.

Solution:

1. "Safety zone" of 65-feet is "content neutral" and can be imposed in interests of **safety**. However, if you accept Corp. Counsel's argument that imposing a 65-foot "safety zone" around fixed-base retail establishments of like kind (tour operators) runs afoul of the Constitution, there are several other options available to you to balance the fairness issue with the safety and tranquility of pedestrians on the streets of Portland. *See* Portland Restaurant / Food Cart Ordinance and Town of Norway Ordinance.

2. No solicitation at all (solicitation limited to private property): Revert to status quo with increased enforcement.

3. Designated solicitation areas: at Ocean Gateway (Juneau, Alaska model) or by Designated Location.

4. Solicitation only at designated pick-up and drop-off locations (designated by City Manager in interests of safety and congestion such as by zone or intersection):

5. Require tour operators to have a store-front to obtain a license that allows solicitation: Analogous to "sandwich board" ordinance

NOTE: Each of the above passes Constitutional muster based upon safety / congestion concerns.

Options:

A. Pass as is: City Manager may / may not resolve through designation of safety areas; fight continues into Spring and Summer; congestion and competition worsens; complaints continue; ***or***

B. Table vote and instruct Corp. Counsel to Amend the Ordinance to include any of the above consistent with your position; ***or***

C. Table vote until Council confers with City Manager as to which entity should handle / decide how it should address problems above.