

# Goal: Stimulate Neighborhood Business Vitality

New Neighborhood Business Licenses Issued:  
14-month cumulative count since July 2009



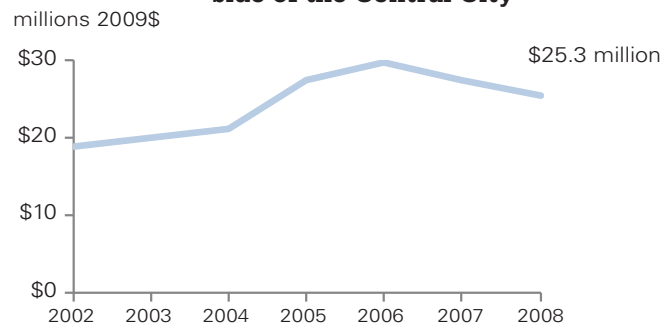
Business tax revenue from Portland businesses provides an indicator of business vitality. While business taxes for Central City businesses declined sharply in 2008, neighborhood businesses fared slightly better.

## How does the business community rate Portland as a place to do business?

- 55% of businesses report positive attitudes about doing business in Portland
- 66% say Portland provides a fertile environment for innovation
- 67% report that their most cutting-edge researchers are located in Portland; an additional 7% are located elsewhere in Oregon

Source: PDC Software survey

## Portland Business Taxes: Portland Businesses in neighborhoods outside of the Central City



## Neighborhood Business Vitality Highlights

### Portland Main Street Project

St. John's Main Streets Coalition, NE Alberta Main Street Program and Hillsdale Community Foundation, will be the first urban Green Main Street program in the country. Services for the newly-selected districts began in early July, with National Trust staff working with each of the organizations on board development and on the hiring process for the Main Street Program Manager positions. Each of the new Main Street program areas will receive considerable financial and technical assistance and intensive training to embrace and promote its unique assets, while also capitalizing on the abilities of residents, business owners, and volunteers who work and live in the business district.

### Business Portland Web Site

Business Portland ([www.portland4biz.com](http://www.portland4biz.com)) launched in June as the premier website for information about doing business in Portland. The web site addresses starting, expanding and locating a business in the city. Business Portland will also be a clearinghouse for relevant business news, host an events calendar, and offer a listing service for businesses to post opportunities. Business Portland is also a conduit for social media networks.

## Entrepreneurial Development

The University of Portland's Center for Entrepreneurship, in partnership with Impresa Economics and Willamette University, is leading a study on the State of Entrepreneurship in Portland. A group of stakeholders has been meeting on a regular basis to inform the study and review information being gathered. As part of the study, a comprehensive survey of the entrepreneurial community is being conducted and a scorecard is being developed to measure Portland's entrepreneurial health. The Portland Seed Fund was launched with five board members and the selection of a fund manager.

## The North/Northeast Study

After months of public involvement and feasibility inquiries, the 21-member Citizen Advisory Committee voted in May to approve eight separate policy and boundary recommendations for the Interstate Corridor Urban Renewal Area and Oregon Convention Center URA. The adopted recommendations included policy issues dealing with prioritization of investment in the two URAs, the development of a Community Benefit Agreement, recommendations for the Portland Housing Bureau, and five URA boundary adjustment recommendations.

# Update: September 2010

## City of Portland Economic Development Strategy

In July 2009, Portland City Council adopted the *Portland Economic Development Strategy: A Five-Year Plan for Promoting Job Creation*. The City continues to update stakeholders and the public on the progress of implementation through these public reports. Ongoing updates and presentations can be found throughout the year at [www.pdxeconomicdevelopment.com](http://www.pdxeconomicdevelopment.com).

This second report marks one year after the Strategy's implementation. At the Strategy's adoption, metrics were to be used as benchmarks to track progress.

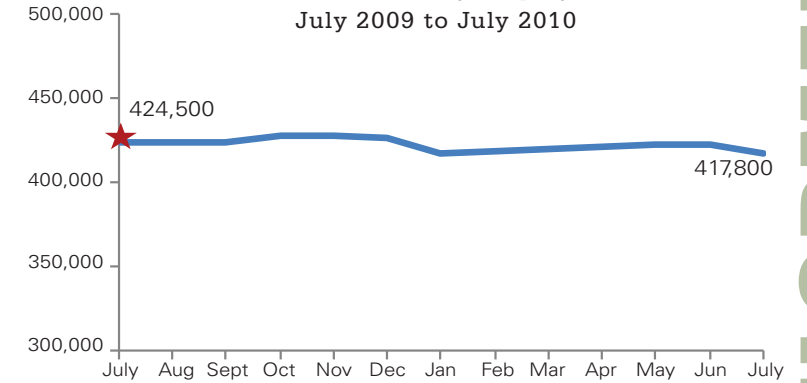


This second report serves as a snapshot of economic activity as of September 2010, and recognizes that some metrics are subject to seasonal changes and revisions, and that progress will be continually changing throughout the life of the plan.

**424,500**  
Jobs in  
Multnomah County  
at the Adoption of  
the Strategy

Employment in Multnomah County is holding steady following the Economic Development Strategy's adoption, following a year of steep decline in 2008.

Multnomah County Employment: July 2009 to July 2010



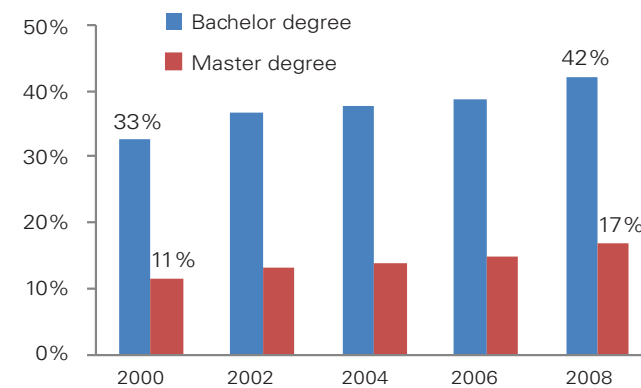
All non-farm employment not seasonally adjusted. Total Nonfarm Payroll Employment is available for Multnomah County, but not City of Portland. Since about 85 percent of Multnomah County jobs are in Portland, county data is used to monitor Portland job growth. Data is revised throughout the year. Data was extracted August 2010.

Multnomah County's labor force reached a recent low of 417,100 in January 2010. After adding 5,700 jobs in the first six months of 2010, the county shed another 5,000 jobs in July.

**Out of the nation's 100 largest metro areas, Portland ranks #8 in productivity growth**

Productivity, measured by annualized percent change in Gross Domestic Product per job, increased almost 4% between 2001 and 2005. The national average was 2% as stated in the Brookings Institute's Metropolicy report.

City of Portland residents 25 years + with college and advanced degrees



Source: Oregon Employment Department analysis of American Community Survey.

Portland is an educated place. From 2000-2008, the percentage of Portland's workforce with bachelors and masters degrees increased significantly, outpacing the US, the metro region, and the state.



# Goal: Maximize Competitiveness

## Cluster Highlights

### Activewear

The Portland Center for Design and Innovation, Inc. (PCDI) was officially launched in March 2010. PCDI is led by a volunteer board including representatives from industry, government, higher education, and large and small businesses. PCDI is in the process of hiring an Executive Director following a national search. The activewear industry report and genealogy map are scheduled for completion in November.

An action plan based on the findings is scheduled for release at that time. The action plan will focus on talent development through industry and higher education collaboration; an entrepreneurial program with mentors and finance tools; and quarterly activewear industry events.

### Advanced Manufacturing

The wind energy cluster convened its first roundtable with 16 participants, and acted on opportunities to help local manufacturers tap into the wind supply chain at a national trade show. Members of local, established manufacturing firms joined a delegation of economic development officials from the region to attend Windpower 2010, the largest wind energy trade show, to promote the region's manufacturing opportunities for wind energy developers and other suppliers.

### Software

With the help of the Software Association of Oregon, PDC has embarked on a comprehensive survey and community conversation with the software industry. The two surveys have generated an impressive response rate, and results highlighted the industry's role as an innovative importer of monetary and intellectual capital, and exporter of products and services outside the region. Industry representatives confirmed the need for mentoring to develop business acumen and raise capital. PDC will complete the third and final survey to produce final action items for the industry. Survey results and next steps for the industry will be unveiled in early November.

### Clean Tech

In August, Vestas, the world's leader in producing high-tech wind power systems, announced it will move its North American headquarters into the historic Meier & Frank Depot Building in Portland's Pearl District. When redeveloped, the building will house Vestas' 400 existing Portland employees and have the capacity for an additional 200 employees. ReVolt Technology, LLC, a European technology company which has developed a rechargeable zinc-air battery, selected a site in Portland's Airport Way Urban Renewal Area to serve as its headquarters. Revolt expects to begin battery development and HQ operations in October, adding up to 150 jobs by 2015.

**PDC Loans and Grants secured nearly 1,000 jobs**

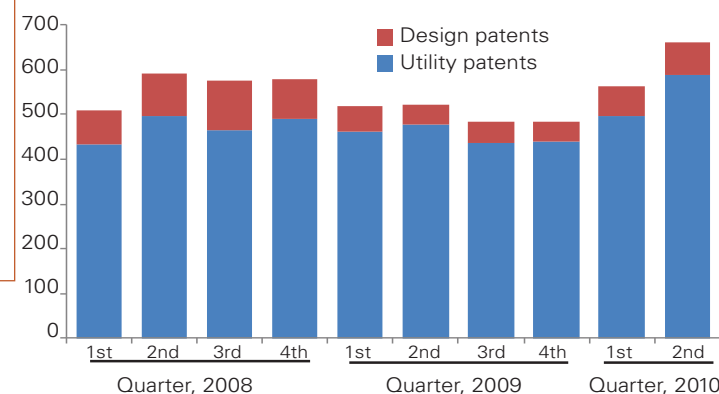
### Businesses Awarded PDC Loans and Grants July 2009 to August 2010

Cluster Businesses	Loans/Grants Awarded	Businesses Assisted	Projected Jobs Retained /To Create
Activewear	\$942,500	5	244 78
Advanced Manufacturing	\$75,000	2	6 0
Clean Tech—Green Development	\$410,000	3	50 22
Clean Tech—Energy Efficiency	\$150,000	1	14 3
Clean Tech—Electric Vehicles and Batteries	\$35,000	1	4 2
Software	\$575,000	4	34 30
Community Economic Dev.	\$22,240,000	22	265 144
High Growth Industries	\$40,000	1	6 4
<b>Total</b>	<b>\$4,448,500</b>	<b>32</b>	<b>585 260</b>

Since July 2009 PDC issued more than \$4.4 million loans and grants to businesses. PDC projects that this financial assistance will help to create or retain nearly 1,000 jobs.

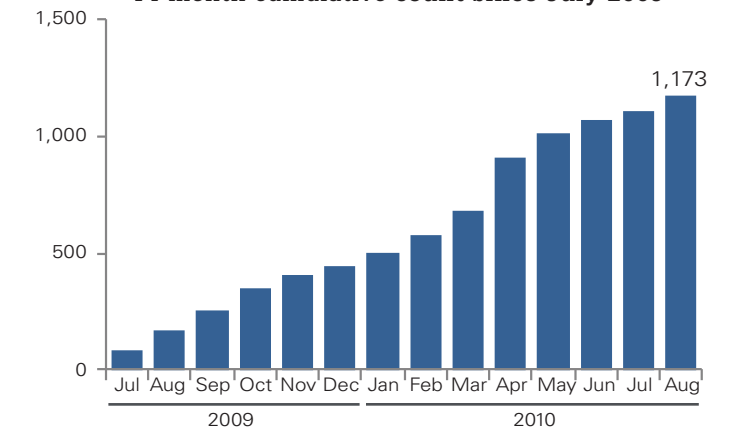
Patent activity increased in the second quarter of 2010, indicating ongoing innovation by the region's innovators despite the tough economic environment.

### Patents Issued in 4-County Area: 2008 to 2010



# Goal: Drive Urban Innovation

### New Central City Business Licenses Issued: 14-month cumulative count since July 2009



Since the adoption of the Economic Development Strategy, more than 1,000 new businesses have registered – and that's just in the Central City.

Businesses in Portland's Central City generated less revenue in business taxes in 2008 than in the previous three years. The City's entrepreneurship study will identify opportunities to nurture the small businesses that are vital to the city's wealth.



## Central City Highlights

### Oregon Sustainability Center

The Portland City Council, PDC Board and OUS Board took actions jointly committing \$900,000 to move forward with schematic design, scheduled to be completed by December 2010. During this process, staff will continue reaching out to private sector partners to maximize research and commercialization opportunities and to integrate private partners in the schematic design process. Staff is conducting ongoing fundraising with federal agencies and foundation partners to realize a replicable net zero mixed-use, high-density building.

### Eco Districts

Lloyd District partners signed a Declaration of Cooperation, and are moving forward with PDC to assess formation of an Sustainability Management Association similar to the Lloyd TMA. In October, PSU will release an updated campus Framework Plan with the EcoDistrict concept as a guiding element for all future PSU growth. In coordination with the Moody Street project, PDC is completing the South Waterfront district utility study and business case assessment. In Lents, PoSI received a \$50,000 grant from the Bullitt Foundation to assist with outreach and feasibility assessment in the pilot EcoDistrict. PoSI will host the second annual EcoDistrict summit on October 25-27 to discuss neighborhood-scale sustainability and innovation.

### Portland Streetcar Loop Project

Construction work commenced in April, including Convention Center District (CCD) sewer main and

manhole relocation and rehabilitation and Central Eastside District (CED) water main, sewer main and manhole relocation and rehabilitation. Construction of the track slab continues in the CCD and CED, the OMSI viaduct, and advanced utilities relocation/construction in the River District.

### Rose Quarter Redevelopment

City and PDC staff are actively reviewing the individual elements of each of three finalist proposals, focusing on those components with the broadest public support and financial viability. Concurrently, the City and PDC have determined that it is necessary to begin the discussion about the development potential for the entire Rose Quarter. The Coliseum remains the heart and soul of the Rose Quarter, and finding a way to revitalize it is a necessary part of future Rose Quarter development. This approach will allow the City and PDC to target the appropriate program for the Coliseum in the context of available public funding as well as determine whether elements that have been proposed for the Coliseum could be integrated with future development in the surrounding Rose Quarter.

### Clean Energy Works Portland

PDC's commitment to provide funding of up to \$15MM over three years to benefit low to moderate income households and promote living wage job creation recently helped the program secure an additional \$20MM in federal Recovery Act funding. PDC is now working to identify Oregon companies that may be able to supply the products needed for this program, maximizing the local economic benefits.