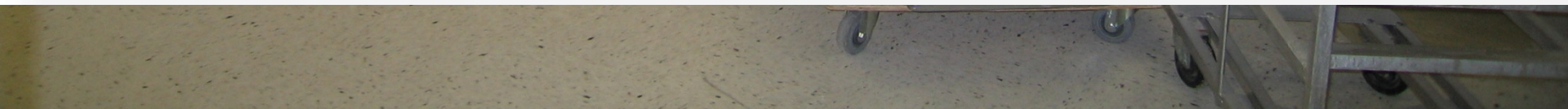




City of Portland Neighborhood Economic Development Strategy

A 5-Year Plan to Support Neighborhood Vitality & Business
Success

Presentation to City Council
May 25, 2011



Background

- **5-Year Economic Development Strategy**
- **Project Advisory Committee**
- **NED Roundtable – September 2010**
- **Public Comment & Outreach**
- **PDC Board Endorsed – May 2010**



The Goal

To create economic opportunity & neighborhood vitality throughout Portland:

- **Improve profitability of businesses**
- **Increase real median family income**
- **Achieve net job growth in priority neighborhoods**

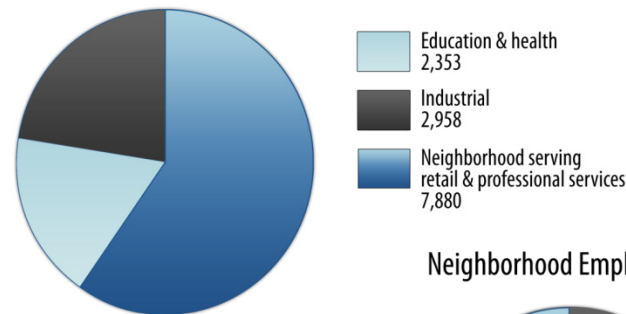
Neighborhoods are Regional Assets



- Produce, attract & retain workforce
- Businesses meet demand for goods & services
- Hold regional business assets
- Centers of employment

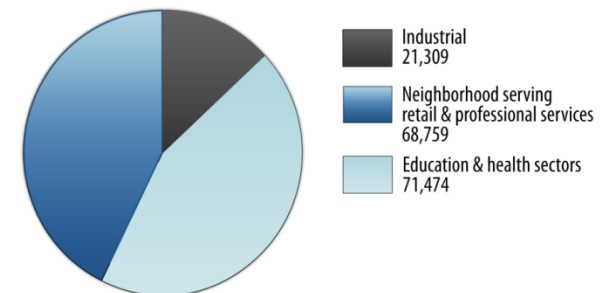


Neighborhood Businesses by Sector



BPS calculations from Covered Employment data of Oregon

Neighborhood Employment by Sector

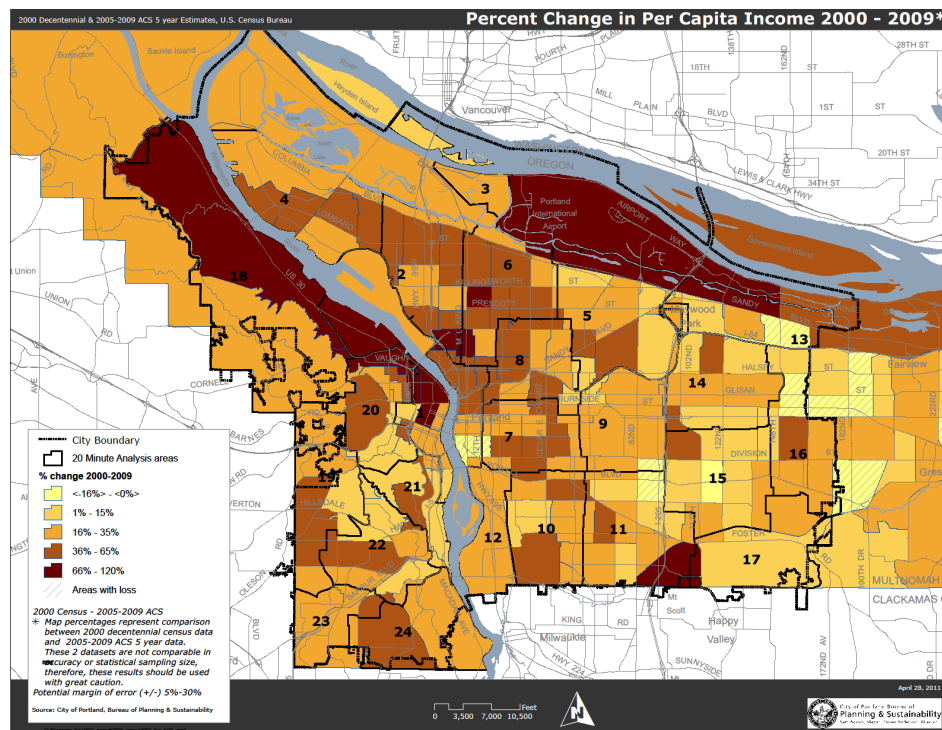
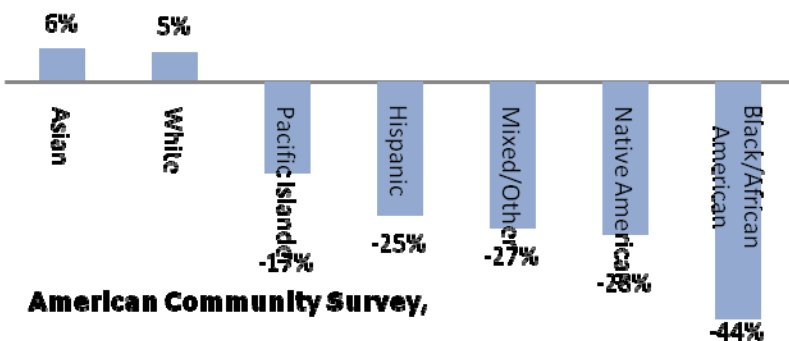


BPS calculations from Covered Employment data of Oregon Employment Department, 2008

Our Challenges

- Communities of color disproportionately make lower incomes
- Jobs are growing in the westside; poverty is increasing in the eastside
- Development can accelerate gentrification pressures
- Neighborhoods are strained by rapid low income population growth

The Prosperity Gap: Portland Median Household Income Differentials by Race and Ethnicity, 2005-2009



Our Challenges Cont'd

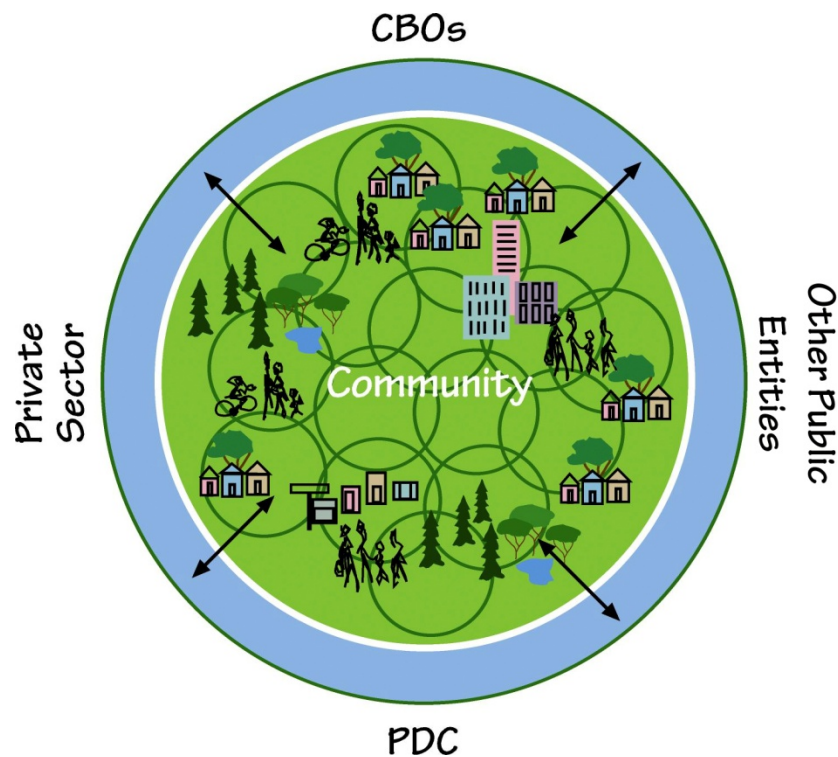
- Lack strategic focus and coordination
- Limited investment tools
- Insufficient community and non-profit capacity

The Strategy



1. **Build Local Capacity to Achieve Economic Development Outcomes**
2. **Drive Neighborhood Business Growth**
3. **Align & Coordinate Resources to Support Neighborhood Economic Development and Equity**

Community-Driven NED Approach



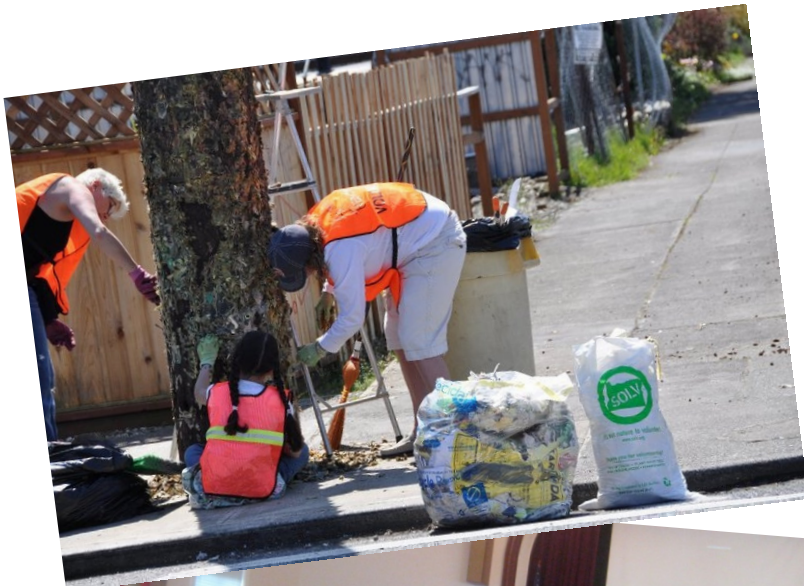
Best-practice approach:

- Model of Community Partnership:
 - Truly representative
 - Clear decision-making authority
 - Mutually-agreed upon goals
 - Mutual accountability
- Create market-driven, asset based neighborhood economic development plans
- Prioritize implementation actions
- Invest in programs/project

Strategic Focus

- **Communities of color citywide**
- **Priority neighborhoods**
 - Experiencing lagging commercial investment and increased poverty;
 - Experiencing gentrification pressures;
 - Facing substantial change; or
 - Whose business risk losing ground to competitors.

I. Build Local Capacity



A. Strengthen community capacity to develop NED plans
Focus Area Program – APNBA&CBOs – Main Streets

B. Increase citywide community & organizational capacity
Citywide Training – Increased Awareness of Tools – Support Long-time Property Owners



II. Drive Businesses Growth

- A. Connect Traded Sector & Neighborhood Work**
Workforce Training – Business Development in Neighborhoods – Commercial Site Readiness
- B. Seed NED Implementation**
Small-Scale Seed Grants – Storefront Program – Neighborhood Opportunity Districts
- C. Expand City-Wide Financial Tools**
Develop Partnerships – Support Microenterprises – Citywide Business Technical Assistance
- D. Tools to Support Neighborhood Development Citywide**
Resource Development – Catalytic Public/Private Developments



III. Align & Coordinate Resources

A. Align PDC efforts to support community-driven NED plans & Equity Objectives

*Budget & investment decisions –
Business Outreach – First Source
Hiring Agreements – Business
Equity Program*

B. Coordinate Small Business Assistance Efforts

*Convene Providers –
Portland4Biz.com – Assemble
financial lenders*

C. Coordinate City of Portland initiatives to support community-driven NED plans & Equity Objectives

NED-focused City Action Team



Implementation & Outcomes

IN YEAR 1

- Establish NED Leadership Group and City Action Team
- Develop Focus Area Program
- Expand small business technical assistance services
- Create one CBA with major employer
- Initiate resource development

BY YEAR 3

- Select and operationalize three Focus Areas
- Add two new Main Streets districts
- Create three CBAs with major employers
- Raise funds through resource development

BY YEAR 5

- At least six CBOs are successfully engaged in NED
- Create 1500 new jobs within neighborhoods
- Establish five CBAs with major employers
- Raise \$5.6M annually through resource development

✓ 4% growth in profitability of business in priority neighborhoods

✓ 3% growth in family income in communities of color

✓ 1% annual net job growth in priority neighborhoods

- NED Leadership Group
- Community & Business Partners
- City Action Team
- PDC's Neighborhood Division





Questions & Discussion

Portland's Small Businesses

