



GREATER PORTLAND
ECONOMIC DEVELOPMENT
CORPORATION
BUSINESS PLAN
2011-2013

August 12, 2011

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I. OVERVIEW

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.

This Business Plan, produced by the GPEDC Board of Directors, identifies the vision of the corporation and the values that guide the way in which work will be accomplished. The Business Plan also articulates the tasks and the resources needed for the first three years.

II. HISTORY

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

In November 2009 the Metro Coalition directed the establishment of 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 (see attached resolutions).

III. MISSION, VISION AND VALUES

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 foster 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 organization, the GPEDC has the same rights, powers, and privileges of other corporations similarly organized and existing under the laws of the State of Maine.

VISION

***“Greater Portland, Maine –
A great place to live, learn, play, and do business”***

VALUES

We encourage growth and investment in local businesses, and support entrepreneurship in our communities as essential to long-term success.

We will work continuously to develop trusting public-private partnerships through collaboration.

We believe in a proactive attitude, which, through a focused approach, will create measurable outcomes.

We view higher education institutions as vital partners because an educated workforce is critical to economic and cultural development, and supports creativity, innovation, and entrepreneurship.

We will work in a transparent, consistent and equitable manner to promote dynamic and innovative economic growth.

GOALS

- Advocacy
- Business Retention
- Business Recruitment
- Process Efficiency
- Growth in innovation and business innovation sectors

OBJECTIVES

Recognizing the benefits of attracting and retaining a skilled workforce that is creative, innovative and entrepreneurial, the GPEDC will work to:

- Promote and support the region's world-famous quality of life.
- Support strategies that attract and retain a skilled workforce.
- Encourage and promote entrepreneurialism, innovation and creativity in the region's economy.

IV. OPERATIONAL PLAN

Board of Directors

GPEDC's Board of Directors is a mix of public, private and educational representatives, with a majority of private business and industry sector representation. The emphasis on the private sector representation is critical not only for success in the region, but also for providing legitimacy to GPEDC broad collaborative approach.

The board composition is made up of no more than nineteen (19) Directors, serving staggered three year terms, consisting of a majority drawn from the private sector and representing the industries and sectors identified below, the Chair of the Portland Regional Chamber, two representatives of the Greater Portland Alliance of Colleges and Universities, and the City/Town Managers of the six communities or their designees. Industry categories from which private sector representation will be sought include:

- A. Marketing
- B. Legal
- C. Energy
- D. Healthcare
- E. Information Technology
- F. Bio Tech
- G. Precision Manufacturing

- H. Finance/Insurance/Real Estate
- I. Retail
- J. Hospitality
- K. Arts and Design
- L. Other industries as determined by the Board

Roles & Responsibilities for Board

The Board of Directors is responsible for the financial oversight and policy direction of GPEDC, and for the development and oversight of hiring of support staff positions, including an Executive Director. In addition, the Board will have the usual seats of the positions for Treasurer, Secretary, and Chair and Vice Chair. The Board may seek to advocate on behalf of particular businesses, or address policy questions at a regional or State level. The member communities have twice successfully advocated for changes to the Pine Tree Development Zone regulations, and on behalf of the Greater Portland Public Development Commission, with whom the GPEDC has forged a significant partnership.

Executive Director

The Executive Director (ED) will be highly motivated, self-directed and recognize the importance of a collaborative approach to regional economic development, particularly in relation to the continued independence of the member communities.

The ED will serve as the first point of contact for clients, brokers, site locators and business owners seeking to relocate into the Greater Portland Region. The ED will provide a link between the client and GPEDC, and then the individual community Economic Development Directors as the site location search is narrowed or redefined. All communities will be provided an equal opportunity to offer suitable sites. The municipal economic development directors will be responsible for the activities within their own municipalities, but will work with the GPEDC Executive Director to facilitate the process.

Marketing will be handled by GPEDC for firms from outside the region, and the Executive Director will work collaboratively with municipal economic development directors on behalf of firms seeking relocation from one community to another.

Work Plan

The work plan of GPEDC consists of implementing a marketing plan, targeting critical industry sectors and continuing to build a retinue of incentives that can be applied on a

regional basis. Lastly, longer-term, inter local agreements will be needed to permit a fluid level of activity and resources to flow within the region.

One-time funding for GPEDC programs and projects, during the initial years, is expected to come from agencies and organizations such as the Economic Development Administration of the Dept. of Commerce, the Greater Portland Public Development Commission, and others to be determined. Businesses may contribute to the GPEDC, but given the 501(c)(6) status, the contributions will be tax deductible only as a business expense.

GPEDC Work Plan Years 1-3

| <u>Year 1 – 3 Work Plan/Task</u> | <u>Completion Date</u> |
|---|-------------------------------|
| 1.0 Complete the GPEDC Board establishment | December, 2011 |
| 2.0 Board education & development | December, 2011 |
| a) Compile essential information | |
| b) Provide board training | |
| c) Expand training to additional stakeholders | |
| 3.0 Implementation of business retention strategy | March, 2012 |
| a) Determine key businesses (large and small) within each community and establish working relationships to identify their expansion needs. | |
| b) Assist each community to be the best “product” it can be, through as efficient and predictable a process as possible across the spectrum of communities. | |
| c) Working with other organizations, ensure that GPEDC’s efforts are not duplicative by holding coordinated regular meetings with other organizations. | |
| d) Work with area colleges & universities to establish programs needed by area firms to develop and expand the workforce. | |
| 4.0 Development of marketing strategy | January, 2012 |
| a) Initiate an identity campaign that projects a positive business development message about Greater Portland. | |
| b) Participate in selected events, which may include traditional trade shows as well as job fairs. | |
| c) Establish a visible, kiosk-type presence at high traffic venues like the Portland Jetport and the Ocean Gateway Terminal. | |
| 5.0 Develop and implement business attraction protocol | January, 2012 |
| a) CEO round tables | |
| b) Business needs evaluation | |
| c) Business visitation program development | |
| d) Program development that encourages and promotes creative and innovative entrepreneurial sectors | |
| 6.0 Web site creation | In process |

- | | | |
|-----|---|-----------------|
| 7.0 | Standard operating procedures (SOP) for GPEDC | In process |
| | a) Establish a single (POC) for business inquiries | |
| | b) Establish & adopt protocols for advocacy | |
| | c) Establish SOP for site evaluation for business referrals | |
| 8.0 | Establish a public-private sector funding approach | September, 2011 |
| 9.0 | Establish annual benchmarks using existing outcomes | January, 2012 |

V. FINANCIAL PLAN

GPEDC's Board focus would be on the creation of marketing materials, conference exhibit registrations, and allied activities that coincide with the establishment of the GPEDC office.

**GREATER PORTLAND ECONOMIC DEVELOPMENT CORPORATION –
July, 14, 2011**

| <u>EXPENSES</u> | Through 12/2012 | Through 12/2013 | Through 12/2014 |
|---|----------------------------|----------------------------|----------------------------|
| Organizational Staffing | \$ 80,000 | \$ 83,000 | \$ 85,000 |
| Fringe (40%) | \$ 32,000 | \$ 33,200 | \$ 34,000 |
| Office Space rent, supplies and equipment* | \$ 10,000 | \$ 24,000 | \$ 24,000 |
| Computers & phone* | \$ 4,000 | \$ 2,000 | \$ 2,000 |
| Legal (General) | \$ 3,000 | \$ 3,000 | \$ 3,000 |
| Financial (Financial Statements /audits) | \$ 3,000 | \$ 1,500 | \$ 1,500 |
| Insurance (General & Board Liability) | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| Advertising & Marketing | \$ 80,000 | \$ 85,000 | \$ 85,000 |
| <ul style="list-style-type: none"> • Website (R/D/M) • Advertising • Trade Shows/Job Fairs • Travel | | | |
| Contingency | <u>\$ 70,000</u> | <u>\$ 20,000</u> | <u>\$ 20,000</u> |
| GRAND TOTAL | \$ 284,500 | \$254,200 | \$ 257,000 |

* Includes one-time collocation cost

savings

| Income Projections | YEAR 1 | YEAR 2 | YEAR 3 |
|--|-------------------|-------------------|--------------------|
| Grtr. Port. Public Dev. Comm. | \$ 200,000 | \$ 200,000 | \$ 50,000 |
| Portland Regional Chamber/ Local Chambers | \$ 25,000 | \$ 30,000 | \$ 35,000 |
| Municipal (Cash) | \$ 25,000 | \$ 30,000 | \$ 35,000 |
| Private Sector | \$ 0 | \$ 50,000 | \$ 150,000 |
| Event Revenue | \$ 0 | \$ 10,000 | \$ 20,000 |
| Federal Grants | <u>TBD</u> | <u>TBD</u> | <u>TBD</u> |
| GRAND TOTAL | \$ 250,000 | \$ 320,000 | \$290,000 |
| ANNUAL NET | \$19,000 | \$43,800 | \$ (65,400) |
| END OF YEAR RESERVES | \$19,000 | \$62,800 | \$ 0 |
| IN-KIND MATCHES | | | |
| Municipal (In-kind) | \$ 75,000 | \$ 75,000 | \$ 75,000 |

Notes: Expenses includes administrative/operational expenses including one-time "start-up" costs to purchase furniture, office equipment, computer(s) and phone(s). Budgeted are one full-time staff person and office space expenses. Space and equipment expenses could be lower if the GPEDC co-locates with an existing organization.

Sources include possible funding to support the administrative, operational and program programs. The final resolution will be at the direction of the Board of Directors.

VI. OUTCOMES

The following outcomes will be used to monitor the success of GPEDC activities and investments.

- Leveraging actions
- Creation of new partnerships between education and business (10/ year)
- Adoption of long term indicators with benchmarks, such as:
 - Number of jobs created
 - Number of businesses retained
 - Number of businesses leveraged
 - Net change in income levels
 - Increased numbers of educated workers in key sectors

VII. APPENDIX