



DATE: February 11, 2015
TO: Board of Commissioners
FROM: Patrick Quinton, Executive Director
SUBJECT: Report Number 15-10
Authorizing a \$100,000 Grant to Greater Portland Inc

BOARD ACTION REQUESTED

Adopt Resolution No. 7099

ACTION DESCRIPTION

This action will authorize the Portland Development Commission (PDC) Executive Director to execute a Grant Agreement providing Greater Portland Inc (GPI) an amount not to exceed \$100,000 for regional business recruitment, marketing, and export coordination. This is the fourth year that PDC has provided a grant to GPI. Since the PDC Executive Director serves on the GPI Board of Directors, this action is being presented to the PDC Board of Commissioners (Board) for approval to avoid any perception of conflict of interest.

BACKGROUND AND CONTEXT

GPI is a local non-profit organization whose mission is to help companies expand and relocate to the Portland metropolitan region. Specifically, GPI conducts business development, develops marketing and branding, and coordinates regional strategies on economic development with partner organizations such as PDC. GPI and PDC staff regularly collaborate on economic development activities, and the funding through the Grant Agreement will leverage other public and private investment in GPI to further regional job creation and enhance Portland's competitiveness as a global center of innovation and trade. If approved, PDC would grant \$100,000 from the fiscal year (FY) 2014-15 PDC General Fund budget to GPI for the following purposes:

1. Continuing GPI's lead role in responding to all regional inquiries and information requests from businesses, such as Requests for Interest/Proposals, which focus on Portland's four target industry clusters (advanced manufacturing, athletic and outdoor, clean technology, and software). GPI will participate in two outbound trips to the San Francisco Bay Area to continue the long-term investment in recruiting companies to Portland. Separate initiatives with Technology Association of Oregon (TAO) and Oregon State University (OSU) would leverage and build relationships within the San Francisco Bay Area.
2. Developing marketing and branding campaigns for target industry clusters and relevant entrepreneurship and export programs. Actions will include:
 - a. Pitch a major publication for feature article highlighting the Portland metro area;

- b. Host a Global Cities Initiative in partnership with The Brookings Institution tied to the launch of Greater Portland 2020;
 - c. Continued development of the We Build Green Cities, AOPortland.com, and TechTown Portland brands; and
 - d. Outbound marketing in advance of a business development trip to Japan in April 2015.
3. Coordinating with regional partners on the Global Trade and Investment Plan, a trade and investment strategy focused on the region’s global competitiveness, helping companies in the region increase their export of goods and services into global markets and driving investment into the region from abroad. Specifically, GPI will focus on the following objectives:
 - a. Coordinate with PDC and regional partners to maintain and enhance the region’s competitive export advantage in computers and electronics through focused industry supply-chain analysis and initiatives;
 - b. Provide coordination to PDC and regional partners on outbound trade and investment missions;
 - c. Cultivate trade and investment opportunities through enhanced connections to export and business development resources and training; and
 - d. Integrate export promotion and inbound investment into Greater Portland branding and marketing efforts.

COMMUNITY AND PUBLIC BENEFIT

The Grant Agreement would provide funding for GPI to more intensely support traded sector job growth in advanced manufacturing, clean technology, athletic and outdoor, and software through strategic business recruitment, regional branding and marketing, and coordination/implementation of the Greater Portland Export Plan. Traded sector companies provide family-wage jobs and support local-serving industries such as retail and professional services.

PUBLIC PARTICIPATION AND FEEDBACK

No specific outreach was conducted regarding the Grant Agreement; however, the \$100,000 earmarked for GPI was approved as part of the FY 2014-15 City of Portland (City) budget process. The City’s budget process provides numerous opportunities for public input.

BUDGET AND FINANCIAL INFORMATION

There are sufficient resources in PDC’s FY 2014-15 General Fund budget to fund the Grant Agreement (see Attachment A).

RISK ASSESSMENT

The risks associated with approving the Grant Agreement are minimal. A detailed scope of work within the Grant Agreement requires that GPI report on the completion of all the work; GPI has fulfilled this requirement at the end of each of its previous agreement cycles.

ALTERNATIVE ACTIONS

The PDC Board could decide to not authorize execution of the Grant Agreement. GPI would then be working with fewer resources, and the City would no longer be a stated partner.

ATTACHMENTS

- A. FY 2014-15 General Fund Budget

Five-Year Forecast Program Requirements Detail

	Revised- 2 FY 2014-15	Draft FY 2015-16	Forecast FY 2016-17	Forecast FY 2017-18	Forecast FY 2018-19	Forecast FY 2019-20
PDC General Fund						
Resources						
Beginning Fund Balance	-6,267	0	0	0	0	0
Fees and Charges	1,500	1,500	0	0	0	0
Intergovernmental Revenues	4,198,786	5,726,441	4,045,171	4,108,028	4,180,986	4,257,608
Loan Collections	69,388	115,641	68,067	57,986	48,815	0
Transfers In	6,267	0	0	0	0	0
Total Resources	4,269,674	5,843,582	4,113,238	4,166,014	4,229,801	4,257,608
Requirements						
Program Expenditures						
Business Development						
Business Lending						
L04100101 SBLF-General_GEN	154,065	158,148	158,148	158,148	158,148	158,148
Small Business & Community Dev						
B15105101 Business Recruitment-GEN	0	10,000	10,000	10,000	10,000	10,000
B55003101 Community Dev Fund-GEN	0	1,000,000	0	0	0	0
B55060101 Small Business Technical-GEN	859,544	798,373	798,373	798,373	798,373	798,373
B55540101 NPI & Main St Network-GEN	575,975	474,167	474,167	474,167	474,167	474,167
B55935101 Venture Portland-GEN	302,994	311,023	311,023	311,023	311,023	311,023
Traded Sector Business Dev						
B15105101 Business Recruitment-GEN	5,000	0	0	0	0	0
B15100101 Cluster Development-GEN	106,864	30,132	30,132	30,132	30,132	30,132
B15130101 International Business Dev-GEN	124,800	80,000	80,000	80,000	80,000	80,000
B15301101 Green & Clean - Cluster Dev	191,013	80,000	80,000	80,000	80,000	80,000
B15505101 Inclusive Capital Fund-GEN	0	750,000	0	0	0	0
B15601101 Athletic - Cluster Dev	56,150	80,000	80,000	80,000	80,000	80,000
B15610101 Film/Video-GEN	20,000	20,000	20,000	20,000	20,000	20,000
B15620101 Entrepreneurial Dev-GEN	240,000	300,000	300,000	300,000	300,000	300,000
B15630101 Greater Portland-GEN	100,000	100,000	100,000	100,000	100,000	100,000
B15701101 Software - Cluster Dev	60,500	80,000	80,000	80,000	80,000	80,000
B15001101 Adv Mfg - Cluster Dev	80,837	80,000	80,000	80,000	80,000	80,000
Total Business Development	2,877,742	4,351,843	2,601,843	2,601,843	2,601,843	2,601,843
Total Program Expenditures	2,877,742	4,351,843	2,601,843	2,601,843	2,601,843	2,601,843
Personal Services	1,030,394	1,152,963	1,210,611	1,271,142	1,334,698	1,401,433
Transfers - Indirect	290,650	221,635	232,717	235,043	244,445	254,332
Total Fund Expenditures	4,198,786	5,726,441	4,045,171	4,108,028	4,180,986	4,257,608
Operating Transfers Out	66,947	117,141	68,067	57,986	48,815	0
Ending Fund Balance	3,941	0	0	0	0	0
Total Requirements	4,269,674	5,843,582	4,113,238	4,166,014	4,229,801	4,257,608