RESOLUTION NO. 6913

ADOPTING REVISED PDC 2010–2014 STRATEGIC PLAN

WHEREAS, the Portland Development Commission ("PDC") adopted a 2010-2014 Strategic Plan in January 27, 2010 (Resolution No. 6767);

WHEREAS, the Board directed the Executive Director to report to the Board annual progress on the Strategic Plan, and to review and update the Strategic Plan as necessary;

WHEREAS, PDC’s recent adoption of the Economic Development and Neighborhood Economic Development Strategies make alignment revisions to its 2010-2014 Strategic Plan advisable;

WHEREAS, after discussions and consultation with PDC’s Board of Commissioners, PDC has made proposed revisions to the PDC 2010-2014 Strategic Plan to reflect PDC’s current organizational structure, and PDC’s focus on job creation, economic development, and social equity.

NOW, THEREFORE, BE IT RESOLVED that the PDC Board of Commissioners adopt the Revised PDC 2010-2014 Strategic Plan attached hereto as Exhibit A;

BE IT FURTHER RESOLVED that the Revised PDC 2010-2014 Strategic Plan shall guide PDC’s business plans, activities, and investments through the remainder of this 2010-2014 planning cycle;

BE IT FURTHER RESOLVED that the Executive Director is hereby delegated authority to revise and modify the Key Actions, as deemed necessary, to achieve the Goals set forth in this Strategic Plan;

BE IT FURTHER RESOLVED that the Executive Director shall 1) provide the Board with an annual performance report that the five Goals in the Revised 2010 – 2014 Strategic Plan, 2) review the Strategic Plan each year and 3) inform the Board of any major revisions or modifications made to the Key Actions;

BE IT FURTHER RESOLVED that the Goals and Outcomes in the Revised Strategic Plan 2010-2014 shall not be modified without Board approval, and

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon its adoption.

REVISED PDC STRATEGIC PLAN 2010 – 2014

Portland is well-recognized as a city with an exceptionally high quality of life, a vibrant urban core surrounded by dynamic neighborhoods, each with a distinctive identity and commercial character, and an ethos of progressive politics and community participation. In recent years, Portland has added another element to its reputation: national leadership in promoting a sustainable, 21st century economy.

Portland’s leadership is no accident. The Portland Development Commission (PDC) focuses on what matters to Portland residents and businesses: job creation, economic opportunity, collaboration and responsible stewardship of public funds. The agency makes explicit investments in business growth, workforce training, catalytic projects and an ecosystem that nurtures small businesses, entrepreneurs and innovators alike. Over the past two years, we have been particularly focused on strengthening the city’s signature traded sector clusters: athletic and outdoor, clean technology, advanced manufacturing and software.

This revised 2010 – 2014 Strategic Plan is intended to guide our work over the remaining three years of this planning cycle. This plan serves as the basis for our work plans and budgets, as well as our annual report on accomplishments and performance, where we evaluate the effectiveness and efficiency of our key actions. Key measures of our success include overall job and wage growth, the expansion of firms in our target industries, and how well we maximize the private and public funds in our projects.

We thank the PDC employees who contributed to this Strategic Plan and who carry out its ambitious goals, as well as the many public and private partners who share in the planning of our work. We are confident PDC is well positioned to fulfill its mission: to create one of the world’s most desirable and equitable cities by investing in job creation, innovation and economic opportunity throughout Portland.

Sincerely,

J. Scott Andrews  
PDC Board Chair

Patrick Quinton  
Executive Director
PDC STRATEGIC PLAN:
CREATING A SUSTAINABLE PORTLAND
Created by Portland voters in 1958, the Portland Development Commission has been a driving force in Portland’s reputation for vibrancy and livability. As Portland’s urban renewal and economic development agency, PDC focuses on investing in the job creation, innovation and economic opportunity that will transform Portland into one of the world’s most desirable and equitable cities.

To achieve this end, this revised 2010 – 2014 Strategic Plan focuses PDC’s efforts around five goals:

- Strong Economic Growth and Competitiveness
- Social Equity
- Healthy Neighborhoods
- A Vibrant Central City
- Effective Stewardship over our Resources and Operations, and Employee Investment

Within each of these goals are the desired outcomes PDC is working toward over the remaining three years of this strategic plan. Following each outcome are several key actions (the tactical work) PDC commits to undertake.

PDC’s Strategic Plan sets a course for action. PDC develops its business work plans, budget and individual performance expectations in alignment with this Plan. Our annual strategic planning and performance evaluation ensures our strategic direction remains relevant and our service delivery efficient and effective.
PDC GOAL STRONG ECONOMIC GROWTH & COMPETITIVENESS

PDC’s leadership in economic development resulted in City Council’s adoption of Portland’s first Economic Development Strategy in more than 15 years. The key actions of this goal support the Portland Economic Development Strategy by prioritizing investment in industry clusters, nurturing innovation, developing predictable funding for economic development and advancing regional competitiveness through a variety of partnerships.

Outcome to achieve:

JOBS — Portland possesses a robust sustainable economy that by 2014 has increased employment by 10,000 jobs.

Key Actions to achieve this outcome:

- Organize industry clusters — clean technology, athletic & outdoor, software and advanced manufacturing – to prioritize interventions in traded sectors.
- Expand employment in target industry clusters through implementation of cluster industry-driven interventions.
- Increase the supply of available land to support growth of high wage industries and attract taxable investment through inter-agency coordination that incents brownfield and other redevelopment initiatives.
- Implement a focused international strategy to assist Portland firms in increasing exports and to attract foreign investment.
- Use Clean Technology cluster strategies, PDC tools and technical expertise to further sustainable policy development and to make Portland a global capital for sustainable business sectors.

Outcome to achieve:

INNOVATION & ENTREPRENEURSHIP — Portland is recognized as a leader in innovation and entrepreneurship, especially in the field of sustainability.

Key Actions to achieve this outcome:

- Establish an entrepreneurial development initiative that 1) emphasizes target industry clusters; 2) addresses challenges such as access to capital, mentorship, and marketing; and 3) reports on Portland’s entrepreneurial health with publication of an annual scorecard.
- Partner with higher education institutions, research centers, and research and development-intensive firms to drive target industry cluster competitiveness, technology commercialization and innovation that support job creation, new product development and high growth firms.
- Inform and connect entrepreneurs, small businesses and expanding businesses with resources such as the pdx4biz website, and technical assistance through Oregon Entrepreneurs Network, Oregon Manufacturing Extension Partnership, Small Business Development Center, Venture Portland, local chambers and other organizations.
Outcome to achieve:

INVESTMENT — Portland has a stable funding base and a range of capital products to finance business growth.

Key Actions to achieve this outcome:

- Market existing business finance programs through proactive strategic business outreach efforts to support the growth of clusters and high growth firms across all sectors.
- Expand the range and diversity of PDC’s business finance products to fill the most critical gaps in the local business finance market.
- Manage the Enterprise Zone program as a key retention, expansion and recruitment tool to support new investment, quality jobs and community benefits within N/NE Portland.
- Partner with venture capitalists, banks, commercial, community and other lenders/ investors to expand patient capital resources.

Outcome to achieve:

REGIONAL COMPETITIVENESS — Portland is the center of a thriving, equitable regional economy that produces an abundance of quality jobs and demonstrates resilience through business cycles.

Key Actions to achieve this outcome:

- Partner with Greater Portland Inc., Oregon Business Development Department, and other key partners to advance regional economic development objectives through strong leadership, resource development, and alignment of goals, actions, and resources.
- Partner with education and workforce institutions to increase access to quality job opportunities for all Portlanders and to ensure that the region has a well-trained workforce with technical and management-level talent capable of meeting the needs of cluster and high growth firms.
- Work with the city and state to identify and address key policy and regulatory impediments to business growth and advance innovative policies designed to heighten the region’s competitiveness for cluster firms.
- Partner with Greater Portland, Inc. and other key partners to implement a branding strategy that promotes Portland globally as a competitive location to start, grow, or locate a business.
PDC GOAL  HEALTHY NEIGHBORHOODS

To foster economic and neighborhood vitality throughout Portland - particularly for communities of color and within priority geographic areas - PDC supports a community-driven approach that successfully positions local businesses, neighborhoods and their residents to connect to and compete in the regional economy. The key actions of this goal support a partnership model and the Neighborhood Economic Development Strategy by prioritizing commercial districts, business growth, and community capacity.

Outcome to achieve:

COMMERCIAL DISTRICTS — Neighborhoods throughout Portland are anchored by regionally competitive commercial areas that support business growth and align with local demand for goods and services.

Key Actions to achieve this outcome:

- Support community-driven Focus Area and Main Street programs within business districts by building on their unique assets to increase their competitiveness.
- Target financial and technical assistance to local property owners and developers to build on each district’s particular character and demographic composition and to improve the commercial environment.
- Identify and deploy a wider range of funding sources to invest in and deliver catalytic projects, both in and outside urban renewal areas, which stimulate additional private investment in commercial areas.
- Invest in infrastructure or sustainable district solutions necessary to facilitate commercial site readiness and attract employment-focused development on key neighborhood sites.
- Implement green development standards and promote a diverse mix of goods and services to meet basic needs and foster 20-minute neighborhoods.

Outcome to achieve:

BUSINESS GROWTH — Thriving businesses throughout the city’s neighborhoods provide employment and wealth creation opportunities for Portlanders.

Key Actions to achieve this outcome:

- Prioritize existing business finance programs to support the growth of neighborhood businesses that provide employment and wealth creation opportunities for communities of color and for residents within priority geographic areas.
- Expand citywide financial tools for neighborhood businesses, especially working capital for small businesses.
- Address gaps in small business technical assistance to stabilize and grow neighborhood businesses.
- Improve awareness and use of business-support tools and resources through outreach to businesses owned by underserved populations, Portland4biz.com, collateral in multiple languages, and coordination between providers.
- Preserve and create living wage jobs in neighborhood employment districts by connecting regional business retention and expansion work to these areas.
- Promote sustainable business practices by leveraging historic public infrastructure investments and focusing assistance on very small, minority, and historically disadvantaged business owners.
Outcome to achieve:

COMMUNITY CAPACITY — Local business owners, residents and community experts drive economic development outcomes with support of aligned city government agencies and a new model of community involvement.

Key Actions to achieve this outcome:

- Establish a citywide Neighborhood Economic Development leadership group composed of public, private, community and philanthropic partners to guide the implementation of PDC’s neighborhood initiatives and community involvement model.

- Strengthen local business, developer and community capacity to create and lead neighborhood economic development initiatives through training and technical assistance.

- Build on existing partnerships with community-based organizations and Venture Portland to establish complementary and joint initiatives that support neighborhood economic development citywide.

- Develop a city action team to coordinate City of Portland initiatives and holistically address neighborhood and community-level objectives.
PDC GOAL

A VIBRANT CENTRAL CITY

Portland’s Central City includes the five urban renewal areas that border the Willamette: River District, South Park Blocks, Downtown Waterfront, North Macadam, Central Eastside and Oregon Convention Center; and as such is the economic and employment core of the region. Thus Central City vibrancy is linked to the health of the city and region. The key actions of this goal increase the competitive advantages of the Central City by directly promoting jobs, increasing urban innovation and nurturing its role as a regional asset.

Outcome to achieve:

JOBS — Increase the number of targeted industry cluster jobs located within the Central City.

Key Actions to achieve this outcome:

• Promote the growth of cluster and high growth firms in the Central City by using the real estate and business lending tools available. Focus on those clusters for which the Central City is a preferred location.

• Implement real estate projects which specific clusters have identified as contributing to their competitive advantage.

• Encourage entrepreneurship by helping to provide the space, infrastructure and services these firms require to grow.

• Market selected Central City strategic sites to target industry cluster firms.

Outcome to achieve:

URBAN INNOVATION — Strengthen Portland’s leadership in sustainability and green development by keeping the Central City at the forefront of innovation in the built environment

Key Actions to achieve this outcome:

• Expand the green development cluster by creating innovative models of new construction, promoting energy efficient commercial retrofits, and exploring solutions at the district or neighborhood scale.

• Encourage business growth by increasing the commercialization of research through stronger partnerships and joint projects with OHSU, PSU and other higher education institutions located in the Central City.

• Create a new urban renewal district with the goal of assisting PSU to become a world class institution and a more effective job creation engine while also stimulating private investment to increase the tax base.

• Develop new models of urban real estate development to address affordability, sustainability, changing demand and market or financial realities.

• Support projects which maximize private investment and leverage of urban renewal resources in order to grow the tax base.
Outcome to achieve:

REGIONAL ASSET — Nurture the Central City’s competitive advantage as a successful model of core vitality in order to stimulate regional economic growth.

Key Actions to achieve this outcome:

- Through productive partnerships and focused use of urban renewal resources, strengthen Central City anchor institutions that drive business growth. Support redevelopment projects which enhance the use diversity and quality of place in Central City priority areas (i.e., where job growth will be hindered without such investments), such as Old Town/Chinatown and the retail core.

- Make strategic investments in selected urban infrastructure projects which are projected to have a strong, demonstrable, positive impact on job creation.

- Leverage existing infrastructure investments to attract businesses and stimulate job creation.

- Use the Storefront and DOS programs to promote small and locally-owned business success and to activate ground floor uses in targeted areas, such as the Downtown Retail Core.

- Support projects which maximize private investment and leverage of urban renewal resources in order to grow the tax base.
PDC GOAL   SOCIAL EQUITY

PDC’s strategic goals, outcomes and processes advance social and economic equity. Revitalization and economic development activities at both local and regional levels create equitable access to living wage jobs and wealth creation opportunities, ensuring that all Portland residents and historically disadvantaged Portlanders (i.e., communities of color and people in priority neighborhoods) in particular, experience increases in income. The key actions of this goal demonstrate PDC’s leadership in social equity by strengthening PDC’s internal business practices, establishing robust community partnerships, and promoting access to economic opportunities.

Outcome to achieve:

ECONOMIC OPPORTUNITY — Communities of color and residents of priority neighborhoods experience increases in income through equitable access to living wage jobs and wealth creation opportunities produced by revitalization and economic development activities.

Key Actions to achieve this outcome:

- Proactively connect communities of color and residents in priority neighborhoods to jobs in high growth, high demand industries through partnerships with workforce training organizations that provide skills training, job placement and career advancement assistance.
- Provide support to organizations working with business owners to support entrepreneurship and wealth creation among communities of color and within priority neighborhoods.
- Establish community benefit agreements with businesses and developers that have been awarded sizable grants or loans from PDC.
- Implement, monitor and enhance the Business and Workforce Equity policy to close utilization gaps identified in the disparity study, increase workforce diversity, and provide apprenticeship opportunities in the construction program.
- Calibrate investments and the rate of economic growth to meet the ability of minority and historically disadvantaged communities to absorb change without displacement.
- Partner with the City Action Team to ensure that PDC and City programs and investments promote equity and address issues of displacement and gentrification.
- Pair established developers in mentoring relationships with emerging local developers and develop green construction skills training for contractors in underserved communities.
- Promote sustainable business practices with a focus on small, minority and historically-disadvantaged business owners.

Outcome to achieve:

COMMUNITY PARTNERSHIP — PDC works closely with all communities, and particularly with historically disadvantaged communities, to address structural disparities, create pathways for prosperity, determine the process for community involvement and governance and develop mutual accountability.

Key Actions to achieve this outcome:

- Create and enhance collaborative working relationships with communities of color and targeted geographic areas to provide equity in access and opportunity.
• Analyze, target and monitor PDC investments and resources to measure where PDC dollars are going, and hold PDC accountable for explicitly advancing social and geographic equity and taking corrective action if necessary.

• Ensure that the role of the community is central to PDC’s decision-making at all levels and that PDC values diverse and equitable public participation that represents all communities, including communities of color and geography.

• Increase awareness of and access to business support tools and resources through proactive community outreach.

• Build local community capacity to achieve equitable economic development outcomes in communities of color and priority neighborhoods.

**Outcome to achieve:**

INTERNAL ALIGNMENT—PDC’s internal business practices increase diversity and social equity within PDC and support equitable outcomes from projects and programs.

**Key Actions to achieve this outcome:**

• Modify PDC recruitment practices to achieve more diverse candidate pools and, ultimately, develop a staff that reflects the diversity of the Portland metropolitan region.

• Accept a higher level of financial risk in order to achieve PDC’s desired equity outcomes.

• Employ the PDC Diversity Council to increase cultural competency and training for PDC staff and include such training in orientation for all new employees.

• Develop and deploy an equity lens policy to institutionalize equity throughout PDC by providing a framework for employees during the development and execution of programs and policies.
PDC GOAL  EFFECTIVE STEWARDSHIP OVER RESOURCES & OPERATIONS, AND EMPLOYEE INVESTMENT

PDC exercises transparent and accountable stewardship of its public resources by incorporating best practices in strategic planning, performance measurement, budgeting, accounting and contracting, and continuous business process improvement. PDC values and supports employees through training and leadership development.

Outcome to achieve:

PEOPLE — The work environment values diversity and fosters productivity, learning and growth, and PDC recognizes its employees as the foundation of success.

Key Actions to achieve this outcome:

• Retain, support and cultivate employees by providing creative opportunities in training and career development throughout every employee’s tenure, and by addressing the need to develop managers into well-trained, informed leaders.
• Cultivate a culture of transparency through open and consistent communication between leadership and staff.
• Maintain a positive, productive and collaborative relationship between Labor and Management.
• Create a strategy and internal structure for succession planning that supports the long term success of the organization and its employees.
• Compete as an employer of choice by promoting an environment that attracts and retains a diverse, highly qualified and motivated workforce.

Outcome to achieve:

EFFECTIVE GOVERNANCE — PDC’s governance structure maintains a clear strategic direction and policy guidance as a foundation for creative and efficient program and project implementation.

Key Actions to achieve this outcome:

• Create a clear agency direction, align employee work priorities and inform decision making by using strategic planning, agency and employee work plans, program and performance metrics, periodic reporting, public participation and the budget process.
• Support an organizational culture of collaboration and accountability through role clarity and teamwork.
• Commit to a culture of continuous process improvement and leverage system investments when developing or modifying business processes.
• Manage projects according to best practices and generally accepted project management principles.
• Maximize collaboration with federal, state, and local government partners and other key stakeholders whenever possible to achieve high quality results.
• Promote an organizational culture characterized by high ethical and moral behavior and the avoidance of conflicts of interest.
Outcome to achieve:

STEWARDSHIP — PDC exercises transparent administration of resources and assets to ensure public funds are effectively and efficiently invested to achieve agency objectives while promoting the long term sustainability of the organization.

Key Actions to achieve this outcome:

- Encourage innovation and entrepreneurship in alignment with the agency’s strategic direction, priority actions and resource development activities.
- Use system investments to evaluate and assess ongoing financial and program implementation stewardship in reporting and tracking, especially for areas of greatest risk or liability.
- Promote the principles and value of internal controls.
- Perform appropriate and necessary due diligence prior to committing agency resources.
- Use a responsible and comprehensive budget and forecasting process to ensure appropriate resource and expenditure management.
- Consider environmental, economic and social sustainability as factors in program implementation.
- Develop and implement a resource development plan to establish a revenue base for PDC’s core work beyond tax increment financing, federal entitlements and city general funds.
Resolution Number 6913

Title:
ADOPTING REVISED PDC 2010-2014 STRATEGIC PLAN

Adopted by the Portland Development Commission on January 11, 2012.

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☐ Consent Agenda    ☑ Regular Agenda

Certification

The undersigned hereby certifies that:

The attached resolution is a true and correct copy of the resolution as finally adopted at a Board Meeting of the Portland Development Commission and duly recorded in the official minutes of the meeting.

Date: January 11, 2012.

Recording Secretary