

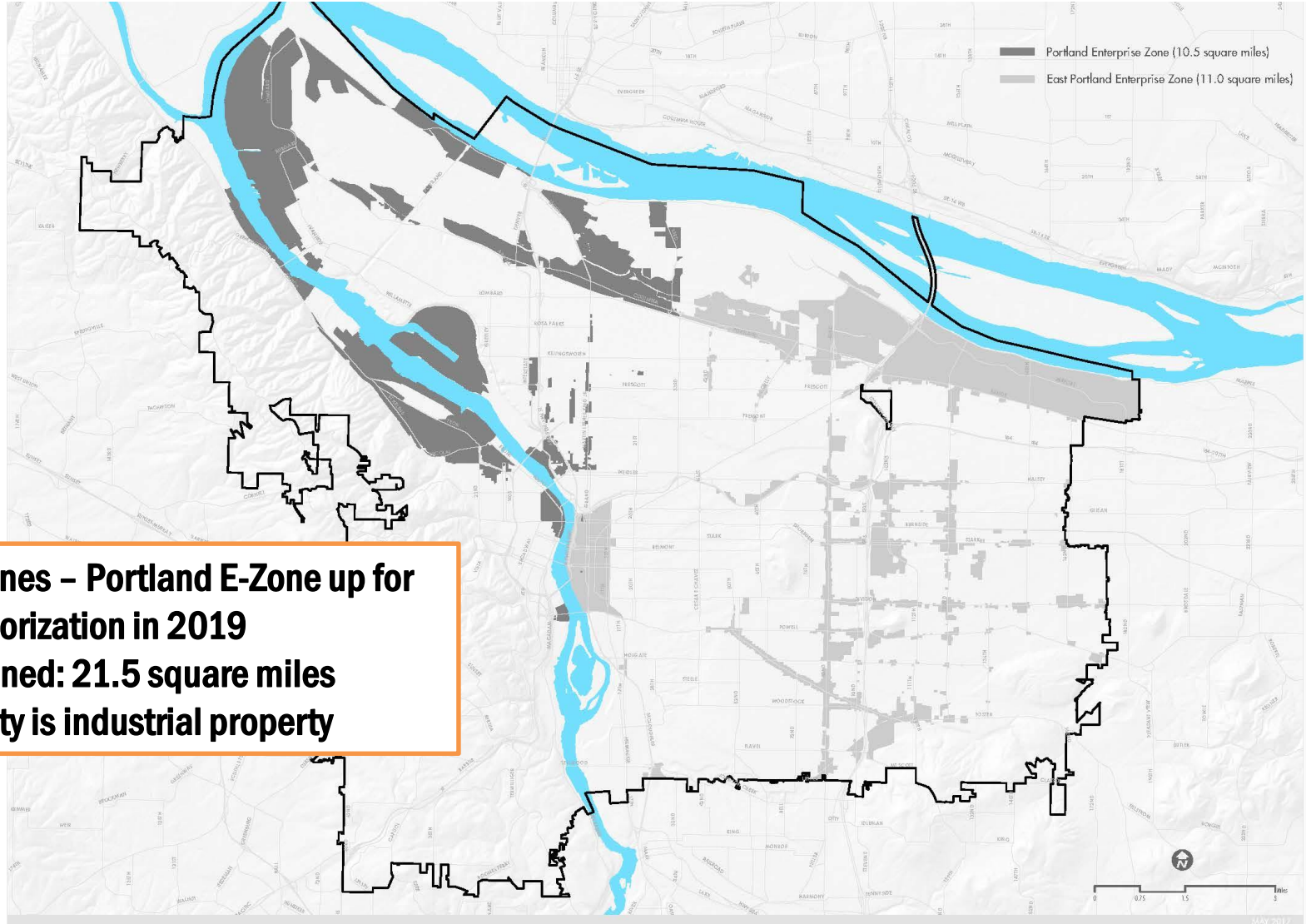


PROSPER
PORTLAND

Building an Equitable Economy

HOUSE ECONOMIC DEVELOPMENT COMMITTEE
Portland Enterprise Zone Program – February 6, 2019
Troels Adrian, Manager, Business & Industry Team, Prosper Portland

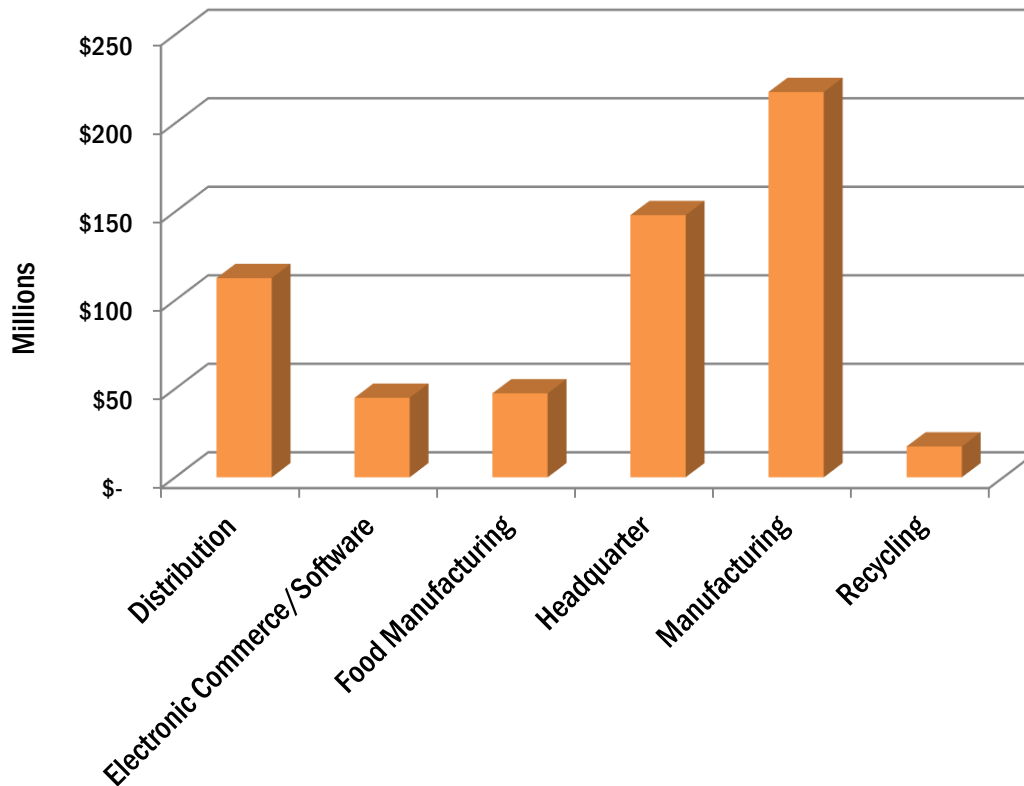
City of Portland Enterprise Zones



- **Two zones – Portland E-Zone up for reauthorization in 2019**
- **Combined: 21.5 square miles**
- **Majority is industrial property**

Active Projects

Investment by Industry,
Active E-Zone Companies



E-Zone Companies by Location,
2017:

North: 23

Airport Way: 9

Northeast: 8

Northwest: 8

Central Eastside: 7

Lents: 2

Total: 57

E-Zone Program Overview



- 2,800+ new jobs at E-Zone companies 2015-17
 - Total average compensation: \$41.95/hour
 - \$144 million invested in 2018
 - \$133 million in local purchases in 2017
- NOTE: these are preliminary figures*

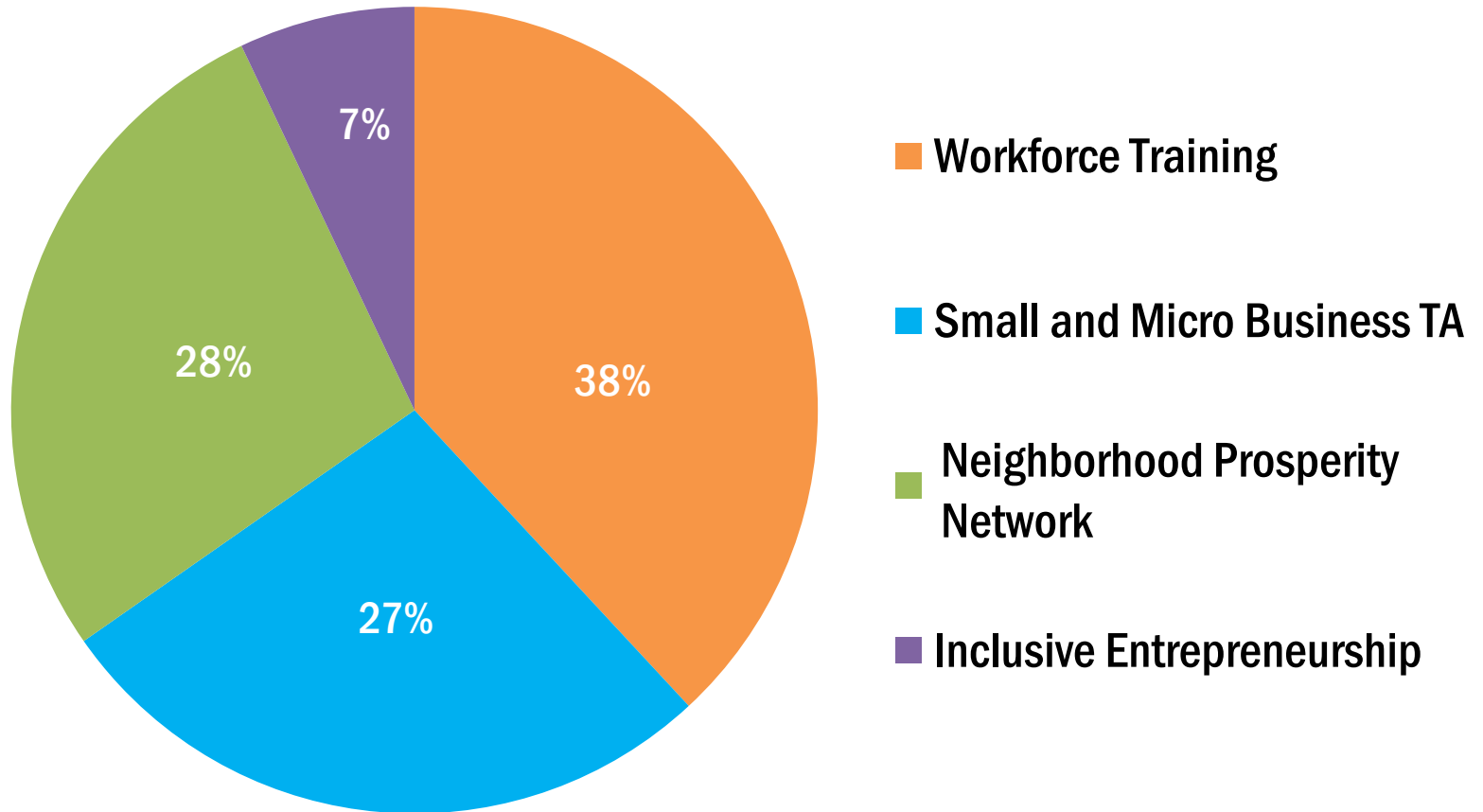


Administrative Priorities

- **Low upfront cost (application fee)**
 - **36% of active projects firms <50 employees**
- **Support Economic Development programming**
 - **15% set aside for Workforce Training & Business Development Fund (5% additional for large projects)**
- **Reduce complexity**
 - **Contract length reduced from 26 → 5 pages**
- **Effective compliance**
 - **Strong collaboration between Prosper Portland, Multnomah County, Business Oregon around compliance**

WTBDF Spending

2014-2018 Workforce Training Business Development Fund
Spent and Allocated Funds: \$2.6M



Policy Adaptation



Background

- **Spatial mismatch between areas of greatest need and where most E-Zone projects locate**
- **Desired flexible approach that allows for direct engagement with community**
- **Prosper Portland 2015 strategic plan introduced equity as centerpiece of economic development activities**

Policy Changes

	Pre-2017	Current Policy
Minimum Wage and/or compensation	85 percent of employees shall earn \$16.88 per hour, or, provide benefits package	\$15.00 per hour minimum wage for all employees, or, total compensation (wage & benefits) = \$20.00 per hour for all permanent employees after one year of employment
Procurement Plan	Submit a procurement plan and outline good faith efforts to increase purchasing	Specific good faith efforts to procure from businesses owned by people of color and from businesses located in Portland's lowest income communities
Additional Public Benefits	Not required	Added requirement that new companies agree to additional public benefit agreements

Public Benefit Agreements

- **Companies choose from menu of options**
 - **Jobs**
 - **Community Partnerships**
 - **Neighborhoods**
 - **Prosperity**
 - **Equity Training**
- **Requirements scale with investment and type of company**
- **Agreements individually negotiated and legally binding**
- **12 executed since policy took effect (1/1 2018)**
- **114 total commitments**
- **Menu of options reduces uncertainty for companies, site consultants**

Public Benefit Activity Examples



Transit Support (Daimler)

Diversity Hiring (Salt and Straw)



Child Care (Instrument)



QUESTIONS?

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