

# South Portland Economic Development Plan: Positioning South Portland for Balanced and Healthy Growth

## Plan Appendices

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## Appendices: Table of Contents

October 1, 2015 Community Meeting Notes	3
November 17, 2015 Community Meeting Notes	12
Resident Survey Analysis	17
Stakeholder Interview Summary	24
Focus Groups with South Portland High School and College Students	30

# South Portland Economic Development Strategic Plan Community Meeting | Breakout table notes | October 1, 2015 Prepared by R. Karp

## Common strategies identified across tables

- Develop underutilized properties and sites
- Branding and marketing of city (neighborhoods, businesses)
- Business attraction and retention
- Workforce & education initiatives (SMCC)
- High speed internet (broadband or fiber optics)
- Poverty alleviation strategies
- East-West corridor
- Office of Economic Development/Ombudsman/Local development corporation

## Table 1

### Strengths

- Streamlined planning process works well
- Strong bond rating (micro loans)
- Good working relationship with businesses and education (TI/SMCC)
- Access to transportation hubs
- Neighborhoods/schools
- People/diversity
- Mall area driving force for economy

### Needs Improvement

- Developing underutilized sites is critical
- Branding – currently non-existent
- Office of economic development (internal v. external)
- Gateways to city
- Working relationships/industry connection to workforce at younger age
- East-west transit corridor
- Manufacturing sector

### Goals & Priorities

- Increase wages
- Balance development
- Workforce
- Improve Broadway

### Strategies

- Branding: both of city, and of industries within the city
- Entrepreneurial/small business development plus public education, attracting larger companies to pay into tax base
- Develop underutilized sites
- Community education, engagement, leadership
- Workforce development initiatives
- Office of Economic Development/regulatory agency – mixed view of value

## Table 2

### **Strengths**

- Neighborhoods \*\*
- Smart development \*\*
- Business diversity (small/large, various industries)
- Public transportation expansion to support business needs and neighborhoods \*\*\*\*
- Socioeconomic diversity
- Access to community college system \*\*\*\*\*
- Large tax base to create opportunities \*
- Support City Planning Department staff \*\*

*These asterisks appeared in the notes, but we are not certain what they indicate*

### **Needs Improvement**

- Help landowners redevelop underutilized properties
- Improve Knightville to be a vibrant area
- Decrease vacancy rates in office space
- Improve regulatory stability and certainty for new/existing businesses
- Waterfront business development (consider impact on transportation systems)
- East/west traffic

### **Goals & Priorities**

- Focus on development that minimizes impact on resident quality of life
- Attract high paying industry
- Develop workforce to meet high-paying industry needs
- Stability and fairness in permitting process
- Work to improve business friendly image
- Improve city aesthetics (Main St., Broadway, Downtown)

### **Strategies**

- Develop underutilized sites through actively marketing South Portland
- Identify highest and best use for under used properties

### Table 3

#### **Strengths**

- Workforce housing
- Access to ocean/waterfront (Turner's Island)
- Eimskip
- Rail service (Rigby)
- Highway access, Airport
- Deep water pier
- Low crime
- Public bus service
- Good quality of life
- Good TIF incentive

#### **Needs Improvement**

- Food/nutrition safety net for kids
- Winterization program/audits
- More bus routes throughout day
- Housing stock for workers
- "Exit interviews" for departing businesses
- Recruit business to backfill vacant space

#### **Goals & Priorities**

- "Maslow Hierarchy"
  - Take care of human condition basic needs – food/shelter of good quality
- Better paying jobs
- Prepare for self-employed/high tech
  - Continue investment in hi-speed internet: broadband
- Recreational spaces for non-organized sports
  - Destination small parks with benches and flower

#### **Proposed Strategies**

- Workforce & Employment initiative
  - SMCC – use staff/students as partners and workforce
- Business & Development
- Main Street Program

#### **Missing Strategies**

- Open space preservation
- Awareness of climate change opportunity/threat

## Table 4

### **Strengths**

- Neighborhoods
- Educated population
- Waterfront
- Mall area
- Separation of delis business area and residential
- Location – central and connected to transportation
- Educational opportunities (SMCC)

### Disadvantages

- Perception (T&F) of negative business climate
- Tankage – plus or minus?
- Tankage – cleanup when petroleum industry declines
- Unattractive gateways to city
- Poor public transportation

### **Needs Improvement**

- n/a

### **Goals & Priorities**

- Increase dense, mixed use areas
- Supporting/celebrating local businesses – get the word out
- Development ombudsmen
- Develop priorities to enhance city brand
- Keep regional development focus. No South Portland island
- Reverse the tide of increasing poverty statistics
  - Education (secondary, adult, etc.).

### **Strategies**

- Support zoning and development planning [that supports goals]
- Publication and marketing [of businesses]; microloan program
- TIF funds for economic development/business ombudsmen
- Leadership around branding/marketing of city
- Increase participation in recruitment efforts. Adopt “no poaching” rule
- Drill further into poverty data and develop strategy

## Table 5

### **Strengths**

- Educational system/SMCC
- Casco Bay availability/access to quality business services
- Quality public schools
- High bond rating
- Recreational access
- Anchor businesses/employers, etc. TI, Fairchild

### **Weaknesses**

- Utilization Access to Casco Bay
- Traffic flow Broadway/East – poor circulation
- Brownfields (too many)
- Limited housing
- Utility costs

### **Needs Improvement**

- Educate citizens on approval process
- Clear vision of economic development plan
- Incentivize brownfield redevelopment
- Increase fiber optic internet
- Job fairs
- Keep up with diversity of population

### **Goals & Priorities**

- n/a

### **Strategies**

- Increase training partnership opportunities (employers)
- Develop brownfields
- Market quality of life to businesses
- Improve traffic situation (public transit)

## Table 6

### **Strengths**

- Location access – waterfront/highway
- Diverse economy
- Hi-speed internet
- Waterfront
- Schools/educational resources – opportunities for success
- Neighborhoods: vitality, sense of community and place
- Quality of life – recreation, green space, walk/bike/run

### **Needs Improvement**

- Gateways – physical assets, transportation corridors
- Waterfront uses
- Rail (underutilized)
- Improvement of our commercial centers (Mill Creek)
- Build consensus about appropriate vision for (re)development
- Reclaim entrepreneurship
- Attract tech jobs

### **Goals & Priorities**

- Can't put a square peg in a round hole: focus on business development that is realistic and matched with available land
- Main Street Programs
- Build a brand while allowing for distinction among neighborhoods
- Elevate design standards for our infrastructure – street appeal
- Long term – transition from petroleum based industries to renewable, with participation from industry
- Maintain economic diversity

### **Strategies**

- Expand high speed internet access
- Actively market South Portland
- Regional or local development corporation in order to acquire/aggregate land that would be available to developers
- Activate the flourishing tourism market [so South Portland will benefit]
  - Waterfront
  - Wainwright
- Long term master plan for the mall area

## Table 7

### **Strengths**

- Build upon existing educated workforce
- Unique location/airport
- Waterfront
- Attractive neighborhoods

### **Needs Improvement**

- Underperforming properties
- Clear ordinances/problems of interpretation
- Living wage
- City support of citizen vote/wishes
- Public access to waterfront/encourage new business
- Entice companies for the good of the city
- Image
- Education, education, education

### **Goals & Priorities**

- Strategic plan for urban open space/green spaces
- Improving underserved neighborhoods
- City working closely with SMCC
  - Incubator business program
- Fully support new Assistant City Manager

### **Strategies**

- Remove dead space and revitalize
- Improve relationships with existing businesses
- Local government transparency
- Engage more technology to attract 18-35 year olds to the area

## Table 8

### **Strengths**

- SMCC plus two other colleges
- Turnpike availability
- Strategic location: water, rail, airport
- Existing commercial areas
- People
- Strong middle class
- Hometown feel

### **Needs Improvement**

- Loss of business friendly feel; Not promoting businesses
- Distrust of City Council; unbalanced Council
- Disconnect – pipeline decision with people and business
- Knightville and traffic issues
- Lack of willingness to compromise
- Don't talk – businesses and neighbors
- Transparency

### **Goals & Priorities (opportunities)**

- Waterfront – ripe for redevelopment, businesses, better use
- SMCC and colleges
- SPHS – connect with SMCC
- Increase business to cover more of taxes – less from homeowners
- Crosstown/east-west road!
- Alternative transportation to lessen traffic
- Pay attention to young people [and their needs]
- Change the lives of low income people

### **Threats**

- Resting on laurels; must be proactive
- Economics not a top priority
- Lack of flexibility; rigid
- [transients] population – threat to neighborhoods
- Lack of alternative modes of transportation
- High levels of traffic in neighborhoods

### **Strategies**

- PR campaign to let people know it is time to work together
- Strategy to bring the less fortunate up, up, up
- Start earlier education
- Community buy in, work as a team
- Engage the 25-40 group in building community

South Portland Economic Development Strategic Plan  
Community Meeting | Breakout Table Notes | November 17, 2015  
Prepared by R. Karp

Strategy 1: Business Attraction & Retention

**Next Stage Business Center**

Timeframe: MT, 2017-2018

Implementing parties: City staff, Economic Development Committee, Private Developers

Resources/funding required: City (all citizens) must decide if it wants business growth, tax incentives

Key tasks:

- Identify Business friendly zones
- Survey businesses – what do they want and need?
- Community education

**Business Retention**

Timeframe: ST, 2016

Implementing parties: South Portland-Cape Elizabeth Chamber of Commerce, Economic Development Director, Economic Development Committee, Commercial Real Estate Brokers, Buy Local

Resources/funding required: Full Time Economic Development Director

Key tasks:

- Survey businesses that left South Portland for elsewhere
- Events for business networking and collaboration
- Space locating service for businesses wanting to come here

## Strategy 2: Entrepreneurial Development

### **Business incubator/Hub**

- Facilitate the development of business incubators

### **Small business “ambassador” to connect firms to regional resources**

Timeframe: Immediate

Implementing parties: City with a governmental position but possibly by a nonprofit, quasi-governmental agency. Should be a full time, fully funded position.

Resources/funding required: taxpayer dollars, partial funding from city Economic Development Corporation

Key tasks:

- Visit businesses; discuss quality of life and business connection to South Portland
- Develop and direct businesses to potential mentoring opportunities
- Provide guidance navigating government processes, such as permitting
- Maintain and distribute an updated “Doing Business in South Portland” guide
- Provide connections to available financing mechanisms, including grants, loans, that are aimed at business start-up
- Independent website

### Strategy 3: Workforce Development

#### **Connect SMCC resources to employers**

Timeframe: ST, 6 months – by May 2016 before summer, so curriculum planning can take place

Implementing parties: Economic Development Committee, City (as convener)

Resources/funding required: Space, SMCC, USM, PATHS, employers, business director

Key tasks:

- Planning and convening a meeting
- Software platform to help sustain communications and act as information clearinghouse between employers and SMCC. (Possibly to be modeled after the new Work/Live/Play/Maine website)
- Develop an updated business directory, relying on the Chambers, Buy Local, Maine Department of Labor, to help with this within the short term to support this overall project

#### **Connect SMCC to overall economic development plan**

\*Note, table did not have time to discuss, but wanted to include this

## Strategy 4: Develop Underutilized Sites

### **Incentive Program to Catalyze Mill Creek Redevelopment**

Timeframe: MT, two years

Implementing parties: Economic Development Committee, Consultant, City Planning and Development Department, City Council

Resources/funding required: Funding to hire consultant, communication with existing property owners and potential developers, TIF funding for incentives, community and city council deliberation

Key tasks:

- Economic analysis of financial viability of planned zoning and density
- Density analysis to identify options to add density if needed to make plan work financially
- Review use TIF as development incentives
- Amend TIF plan to allow use for incentives

\*Note: This proposal followed discussion of consultant's preliminary analysis that several redevelopment scenarios in the Mill Creek Master Plan would not provide a financial return to developers.

## Strategy 5: Economic Development Corporation

### **Create an Economic Development Office**

Timeframe: MT, 1-2 years

Implementing parties: South Portland – Cape Elizabeth Chamber, Planning and Development Department, City Council, Board of Trustees (if EDC is nonprofit/quasi), Economic Development Committee

Resources/funding required: Public/private (businesses), TIF, staff, office space, marketing funding, event sponsorships

Key tasks:

- Real estate inventory
- Identify available funding/development incentives
- Business outreach (i.e. annual event)
- Cultivate partnerships
- Support workforce development and needs
- Coaching small businesses: contact SBA, loan sources, SCORE

## South Portland Resident Survey Analysis

Total respondents: 390

### Economic Development Goals and Priorities

#### 1. **What are the three most important economic development goals for South Portland?**

- N=390
- 46.9% (183) selected Improve and revitalize South Portland's downtown area
- 40.3% (157) selected Expand the city's tax base to generate revenue and limit growth in the residential tax rate
- 35.9% (140) selected Improve and revitalize South Portland's waterfront
- Environmental sustainability, diversifying the economy, and increasing the employment base also ranked highly (28-30%)

#### 2. **Of the three economic development goals you selected, which is most important?**

- N=377
- 24.7% (93) selected Expand the city's tax base to generate revenue and limit growth in the residential tax rate
- 16.7% (63) selected Improve and revitalize South Portland's downtown area
- 11.1% (43) selected Improve sustainability of city's economy and businesses

#### **Of the three economic development goals you selected, which is second most important?**

- N=371
- 16.7% (62) selected Improve and revitalize South Portland's downtown area
- 16.4% (61) selected Improve and revitalize South Portland's waterfront
- 11.3% (42) selected Diversify the city's economy, job, and tax base

*While there is not an overwhelming consensus, a large plurality and concentration of respondents indicate that expanding the city's tax base, improving and revitalizing both the downtown and waterfront, diversifying the economy, and improving the sustainability of the economy.*

*The selection of these goals as important by residents aligns with stakeholder interviews: expanding the tax base, diversifying the economy, and improving neighborhood commercial areas were among the goals identified during interviews that saw strong support across interviews.*

#### 3. **Which areas of South Portland should be priorities for new economic development?**

- N=382
- 68.1% (260) selected Downtown/Mill Creek/Knightville
- 46.6% (178) selected Waterfront
- 44% (168) selected Main Street Corridor/South End (including the Rigby rail yard)

*A majority of respondents would prioritize Mill Creek/Knightville/Downtown, followed by almost half citing the Waterfront and the Main Street Corridor. This is aligned with respondents' prioritization of location-based economic development goals – to revitalize the waterfront and downtown areas. Survey responses align with stakeholder interviews: interviewees noted a desire to see the implementation of the Mill Creek Master Plan and other development in Knightville, and activity around Rigby rail yard.*

Desired Type of Development

**4. Which types of new businesses/economic uses would you like to see in which areas?**

- N=355

For each of the following areas of South Portland, indicate the type of new businesses/economic uses you would like to see in each area.								
Answer Options	Light Industry	Office/Service Business	Retail	Restaurants	Arts/Entertainment	Heavy Industry/Petroleum	Marine Uses	Response Count
Maine Mall/West of I-295	195	187	180	131	98	25	8	315
	62%	59%	57%	42%	31%	8%	3%	
Mill Creek/Knightville	24	170	252	277	258	8	73	344
	7%	49%	73%	81%	75%	2%	21%	
Broadway Corridor	64	191	171	153	107	15	17	283
	23%	67%	60%	54%	38%	5%	6%	
Waterfront	73	72	109	192	147	68	262	332
	22%	22%	33%	58%	44%	20%	79%	
Main Street/North End	161	169	130	105	70	55	32	289
	56%	58%	45%	36%	24%	19%	11%	
Main Street/South End	179	175	141	124	80	60	17	301
	59%	58%	47%	41%	27%	20%	6%	
<i>answered question</i>								<b>355</b>
<i>skipped question</i>								<b>35</b>

By Use:

- There is considerable support for office and service business uses across all areas except the waterfront.
- Light industry is favored along the Main Street corridor and the Maine Mall area.
- Retail development has the greatest support in the Mill Creek/Knightville, the Broadway Corridor, and the Maine Mall area, with over 40% favoring retail uses along Main Street.
- Restaurants are especially desired in Mill Creek/Knightville (81%) and to a lesser degree but still a majority on the waterfront and along Broadway.
- Arts/entertainment is also highly favored for Mill Creek/Knightville (75%) with the waterfront the second most preferred area (44%).
- There is very little support for new heavy industry/petroleum uses and for marine uses other than on the waterfront.

By Area:

- Respondents strongly want a retail/dining and entertainment center in Mill Creek/Knightville.
- The waterfront is favored for marine uses and restaurants.
- In other areas, residents favor a mix of light industrial, office, retail and restaurants with the Maine Mall area less favored for restaurants, and Broadway less favored for light industry.

**5. Which characteristics are most important for the businesses that South Portland should seek to attract and grow?**

- N=355
- 72.7% (258) selected Will create good jobs (living wage pay, health insurance, other employee benefits)
- 51.3% (182) selected Is committed to environmentally sustainable practices
- 42.3% (150) selected Is a destination business that will attract people to South Portland
- 40% (142) selected Provides local goods and services that add to South Portland amenities

**Which of the three characteristics you selected above is most important?**

- N=347
- 45.2% (157) selected Will create good jobs (living wage pay, health insurance, other employee benefits)
- 15.6% (54) selected Is committed to environmentally sustainable practices
- 13% (45) selected Provides local goods and services that add to South Portland amenities

*A majority of respondents believe that South Portland should attract and grow businesses that will create good jobs, commit to sustainable practices, and provide goods and services that add to South Portland amenities.*

South Portland Assets and Weaknesses

**6. Which of the following represent South Portland's strongest assets to support future economic development? (Check up to five only)**

- N=345
- 70.1% (242) Location with region and proximity to downtown Portland
- 47.2% (163) Waterfront infrastructure and access
- 40.9% (141) Mill Creek/Knightville downtown center
- 34.2% (118) Southern Maine Community College
- 29.9% (103) Business friendly reputation/image

*A strong majority of respondents believe one of the city's greatest assets is its proximity to Portland and its location with the larger region. A concentration of respondents also believe that the waterfront and Mill Creek/Knightville downtown center are strong assets – and these responses align with earlier answers involving geographic strategies for revitalization efforts and economic investment.*

Stakeholder interview responses support the resident survey: 44% of interviewees believed the waterfront was an asset. A smaller percentage cited Knightville, proximity to downtown, and business friendly reputation. When asked about workforce and training, employers spoke positively about SMCC, though it was not listed explicitly as an asset by many interviewees.

**7. Which of the following represent South Portland’s greatest economic development challenges or weaknesses? (Check up to five only)**

- N=341
- 46% (157) Local conflicts/differences over desired development
- 43.1% (147) Competition from other communities and economic centers
- 42.5% (145) Outdated commercial/business areas
- 40.8% (139) Traffic congestion
- 22.3% (76) Lack of available land for new development

A concentration of respondents were evenly split among the top challenges to South Portland, and indicated that conflicts over desired development, conflicts from other economic centers, outdated commercial areas and traffic congestion as key concerns. A lack of land for new development was also indicated.

Some of these themes were also expressed in the stakeholder interviews. Interviewees also noted that a lack of developable land and differences over development as challenges.

Demographic Information on Respondents Compared to South Portland Population

**Male/Female**

- N=341
- 178 female (52%), 163 male (48%)
- In 2013, South Portland gender breakdown was 54% female, 46% male

**Age**

- N=340

What is your age?				
Answer Options	Response Percent	Response Count	2013 ACS Percent	2013 ACS Percentage, 20 and older
Under 18	0.0%	0	24.6%*	
18-24	1.5%	5	5.6%+	7.4%+
25-34	13.8%	47	13.3%	17.6%
35-44	20.0%	68	14.7%	19.5%
45-54	26.8%	91	14.5%	19.3%
55-64	20.3%	69	12.2%	16.2%
65 and older	17.6%	60	15.1%	20.0%
<i>answered question</i>		<b>340</b>		
<i>skipped question</i>		<b>50</b>		

\*Under 19, + 20 to 25

- The age breakdown of the South Portland Resident Survey respondents was not representative of South Portland’s actual population.
- The survey underrepresented younger South Portland residents, those below 34 years old and senior citizens, and overrepresented those 45 to 64. 15.3% of survey respondents were younger than 34 years old, whereas this age group comprises 43% of the city’s actual population and over 26% of all adults. Conversely, 47.1% of respondents were between 45 to 64, whereas only 27% of the city’s population and 35% of adults over 19 falls in that age range. The population 35 to 45 was the most representative cohort comprising 20% of respondents and 19.5 % of the population over 19.

**Neighborhood residency of respondents**

- N=339

<b>Please select the neighborhood where you live or reside closest to:</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Ferry Village	10.9%	37
Knightville / Mill Creek	13.0%	44
Willard	20.6%	70
Pleasantdale	3.5%	12
Outer Highland Ave	5.9%	20
Thorton Heights (Cash Corner to	5.9%	20
Redbank / Brickhill	2.1%	7
Meeting House Hill	16.2%	55
Brown’s Hill (Evans to Cash Corner)	3.8%	13
Stanwood Park	2.7%	9
Country Gardens	3.8%	13
Meadow Glen	0.9%	3
Cash Park	1.2%	4
Sunset Park	0.9%	3
Sylvan Sites	2.9%	10
Other/not sure	5.6%	19
<b><i>answered question</i></b>		<b>339</b>
<b><i>skipped question</i></b>		<b>51</b>

- A high concentration of respondents live in Willard, Meeting House Hill, Knightville/Mill Creek, and Ferry Village. Residents in these four neighborhoods account for 60% of respondents.

## Homeowner or renter

- N=335

Are you a:		
Answer Options	Response Percent	Response Count
Homeowner?	88.1%	295
Renter?	11.9%	40
<i>answered question</i>		<b>335</b>
<i>skipped question</i>		<b>55</b>

- The majority of respondents are homeowners – 88%, as opposed to renters, 11%. This stands in stark contrast to the census data, which shows 60% owners and 40% renters.

## Tenure in South Portland

- N=339

How long have you lived in South Portland?		
Answer Options	Response Percent	Response Count
Less than a	5.3%	18
1-5 years	16.5%	56
6-10 years	16.8%	57
11-20 years	25.1%	85
21-40 years	24.2%	82
More than 41	12.1%	41
<i>answered question</i>		<b>339</b>
<i>skipped question</i>		<b>51</b>

## Do you work in South Portland?

- N=337

Do you work in South Portland?		
Answer Options	Response Percent	Response Count
Yes	35.6%	120
No	64.4%	217
<i>answered question</i>		<b>337</b>
<i>skipped question</i>		<b>53</b>

## Do you own a business in South Portland?

- N=343

<b>Do you own a business in South Portland?</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Yes	17.2%	59
No	82.8%	284
<i>answered question</i>		<b>343</b>
<i>skipped question</i>		<b>47</b>

### **Community workshop**

- 101 people provided their email addresses indicating interest in participation in the upcoming workshop

## South Portland Economic Development Plan Stakeholder Interview Summary

This document summarizes stakeholder interviews conducted during June and July. Twenty-five interviews were conducted with large employers, small business owners, real estate developers, brokers and property owners, and community residents and civic leaders. The percentages in the summary represent the percentage of the 25 interviewees who cited the point or expressed the opinion noted.

### Vision and Goals

Stakeholders had diverse views on South Portland's economic future with some focusing on improving specific areas or sites in the city, others desiring specific types of businesses and some focusing on improved schools or more green space. Despite the range of response, the most commonly shared vision is for **improvement and expansion of pedestrian-oriented, small business oriented and mixed-use neighborhood business centers**. In many cases, this was often expressed as seeing implementation of the Mill Creek Master Plan or creating more areas like Knightville. The vision of over three-quarters of interviewees included developing these types of small business and pedestrian oriented commercial centers. Two other vision elements were cited by more than a handful of stakeholders:

- Generating higher use of underutilized properties, including the waterfront, Rigby Yards and South Main Street, was cited by 36% of interviewees;
- Ensuring and maintaining a business friendly city was cited by 25% of stakeholders.

For economic development goals, expanding the tax base and increasing jobs had the strongest support with each mentioned in 40% of the interviews. Diversifying the city economy was another often mentioned goal cited by 28% of stakeholders. A core group (25%) saw these three goals as inter-related and all important for South Portland to pursue. Improving neighborhood commercial areas was another commonly mentioned goal cited by 25% of interviewees. Several other goals were mentioned by one or two people, including an improved image, attracting more young people, improved infrastructure or schools and ensuring a skilled workforce.

### Conflicts

Three themes emerged from stakeholder comments on conflicts over development in South Portland:

1. As a result of the Clean Skies/Tar Sands issue, the community is divided over Portland Pipeline and the role of the petroleum industry in the city's future. This conflict does not necessarily carry over into other projects or issues but some interviewees think it has a lingering impact on the sense of community and the city's political environment.
2. Many people commented on growing NIMBY opposition to development within the city, with residents increasingly opposing projects due to small or perceived impacts on their immediate neighborhood.

3. Several people believe that insufficient communication, transparency and community engagement around development proposals contributes to distrust and resident opposition and that more effective and open approaches to these aspects of the development process could reduce conflicts.

A more localized conflict over parking in Knightville was raised by some businesses. They report resident hostility to employee parking in the neighborhood that has included instances of hostile notes and vandalism (i.e., key scratching or vehicles). One business indicated that this problem might lead them to consider relocating from their current location.

### Community Assets and Weaknesses/Barriers to Development

Responses to these two questions were quite varied and covered a large set of strengths and weaknesses. No single asset or weakness was mentioned by a majority of stakeholders. The most frequently stated assets were:

- City's waterfront (44%);
- Proximity to highways and transportation (24%); and
- The Maine Mall (20%).

Three other items were mentioned by four interviewees (16%): (1) Knightville; (2) proximity to Portland; and (3) the combination of a pro-business attitude, planning board policies and staff work that facilitates new development and business growth in South Portland.

Views on city weaknesses or barriers to development were similarly concentrated on three attributes:

- The City Council becoming less supportive of business growth and more focused on improving amenities for residents along with resident attitudes that are less favorable to toward business and development (32%);
- The lack of land for new development and the costs and challenges to reuse of underutilized property (20%) ; and
- Poor communications, transparency and community engagement around development projects (20%)

### Role of South Portland in Region and Regional Trends

Interviewees were asked about how South Portland's economic role in the region has changed in recent years and regional trends that South Portland might capitalize on as part of its economic development plan.

For South Portland's role in the region, the most common response is that the city is known for the Maine Mall and surrounding retail stores and that this has not changed. Several people noted that roles differ between South Portland's western side, a large retail and business center, and the eastern section, which is better known for its residential neighborhoods. Some recent changes noted by interviewees include:

- The city’s reputation as a location for industrial businesses is changing;
- Knightville and new local businesses are attracting people from Portland to shop and dine;
- Recent recognition as a nice and up-and- coming place to live.

Several important regional trends that interviewees cited include:

- Portland is experiencing a housing boom and hot market with the demand for housing exceeding what the city can supply;
- Tourism is growing with new hotel development in Portland that is bringing visitors to the region but also increasing competition for some South Portland hotels;
- Increased interest in buying local and supporting local businesses;
- Foodie culture and growth in restaurants, breweries and small food product businesses;
- Growing arts activity in Portland.

### Ratings of Attributes

The following sections summarize interviewees’ response when asked to rate different attributes of South Portland that can impact economic development.

**Workforce Skills.** The region has a diverse workforce and employers report that they are able to find workers for most positions but that some types of positions are challenging to fill including advanced engineers, low skill hospitality jobs, retail positions and marine technicians.

**Education and Workforce System.** Most employers were positive about the regional system and several use SMCC and USM to recruit employees and for specialized training. SMCC was mentioned as valuable for construction trades and for semiconductor manufacturing technicians. USM is creating a new hospitality program in conjunction with the area industry. Employers also reported relying on colleges outside the region for some specialized skills such as marine technicians from the University of New Hampshire and refrigeration repair and maintenance from Eastern Maine Community College. A few people felt the state and region does not compare well to other states, with less funding and political support for education and is slower to respond to emerging employer needs.

There were mixed opinions about the South Portland schools. Some interviewees felt the schools could do more to prepare students for STEM skills and careers, and work with more area employers to expose students to career options and internships. Most people were positive about the school system and the city’s recent investment in its schools. However, there were concerns about disparities in school ratings and educational outcomes between the schools on the eastern and western parts of South Portland, and some interviewees think the school’s mid-level ratings impair its ability to attract new families and firms.

**Entrepreneurial Activity.** Most interviewees reported increasing entrepreneurial activity in South Portland and pointed to a number of new businesses being formed. Most felt business start-ups were highest among restaurants, food, and retail businesses. Several indicated that

there is a growing start-up culture and support system in the Portland region. SMCC has an entrepreneurship assistance program for its own students and alumni but does not serve general entrepreneurs in South Portland or elsewhere in the region.

**Business Permitting.** Those with direct experience were very positive about the city processes and city staff. They report that the process is smooth; it is clear what you need to do, easy to get forms, and employees are helpful. One person suggested the city might enhance the process with on-line forms and applications, and one business owner mentioned the large upfront sewer fee is a problem for new businesses.

**Development Permitting.** The vast majority of businesses and developers with experience securing development permits view the city's permitting process very positively. Several developers reported that the South Portland Planning Department is one of the best in Maine and very easy and helpful to work with. Some with experience across multiple states felt South Portland excelled in comparison to communities in other states as well. However, several problems and concerns were cited: (1) increasing resident opposition to projects combined with the need for zoning changes for projects is making it more difficult to get approval for non-standard projects; (2) poor communication, trust and transparency around development projects in which developers and city official are seen as working on projects without informing or involving community stakeholders early in the process. Some interviewees also felt the projects are often not explained well in terms of the benefits they will provide to the city and residents and how they fit into long-term community goals; and (3) zoning for some parts of the city is outdated and does not reflect current plans and goals; this makes it difficult to gain approval for projects that "don't fit the mold" or involve uncommon uses and activities (e.g., outdoor dining, bed and breakfasts, etc.).

**Small Business Financing.** Most people familiar with this issue noted that business access to capital has improved over the last several years and that several Maine-based community banks are very active in supplying capital to small businesses. A few interviewees did state that obtaining credit is still challenging, especially in terms of bank collateral requirements.

**Commercial and Industrial Real Estate.** Interviewees noted that space availability is very tight now and noted the limited availability of land for new development. Another theme was the existence of many unattractive auto-oriented strip mall-style shopping centers. A few interviewees cited limited availability of smaller size industrial space and commercial space for small businesses in neighborhood business districts.

**Telecommunications Infrastructure.** Most people did not see any issues here and a few noted that South Portland has advantages in this area with the GWI-fiber optic network serving parts of the city and high speed connections being made to city owned buildings.

**Transportation.** Many interviewees mentioned that South Portland's excellent highway and airport access, rail service and a sea port make transportation an important South Portland asset. In addition, several problems or areas for improvement were noted. Several people felt that bus services could be improved in terms of frequency of service, many transfers needed to travel between some parts of the region, and coordination between locally operated bus services.

Another concern was traffic congestion due to the single east-west connector (Broadway) or the Casco Bay Bridge. However, several people noted that traffic congestion is overstated since it still takes only ten minutes to get across the city and delays due to the Casco Bay draw bridge opening are infrequent.

**Government Services.** There was a strong consensus that city services are high quality, particularly fire, police and public works services. Several businesses cited their strong relationships with the city fire and police departments. Most residents and business owners felt that they received very good services at a fair level of taxes.

**Amenities.** South Portland was consistently viewed as having excellent amenities and good quality of life with its mix of beaches, recreational facilities, waterfront park, green belt, and shopping. Its proximity to Portland provides easy access to the neighboring city's restaurants and cultural offerings.

### Current ED Activities

Almost all interviewees were familiar with the city's economic development efforts in terms of Jon Jennings' work and were very positive about his style, knowledge and efforts to assist proposed projects and to help businesses start and grow in South Portland. Several businesses cited direct contact with and support they received from Jon. Some people were uncertain about the specific outcomes of these efforts and whether they did result in new development projects and businesses. Several EDC members view the city as too reactive in its economic development work and cited the need for a clearer plan and a proactive approach to promote economic development. There were mixed views on the value of creating an Economic Development Corporation: some felt it would help move more challenging properties into development while others saw it as potential adding another entity and additional barriers to the process. There were also concerns about having board members and staff with the necessary expertise for the corporation to be effective at real estate development and the financial risks involved.

### Priorities

No single activity or project emerged as a common priority for most stakeholders. Instead six activities had support from a core group of four to six people. These six items are:

- **Mill Creek Redevelopment(6):** work to make progress on Mill Creek redevelopment Master Plan, including working with the area property owners;
- **Business Attraction (5):** working to attract more businesses to South Portland or to attract specific types of businesses, including corporate headquarters, retail, restaurants, entertainment businesses;
- **Develop underused properties besides Mill Creek (5):** develop plans for and/or work with property owners to promote reuse, infill development or new development. Some cited specific sites or areas;
- **Attractive Commercial Areas (5):** Improve the appearance of business centers, with a few people specifically mentioning Mill Creek and the Maine Mall area. Several

interviewees supported using a Main Street type program to improve these areas;

- **Business Friendly Image and Culture:** Maintain and enhance attitude and culture to be supportive of new businesses and economic development; actively promote this aspect of the city;
- **Create mixed-use pedestrian-oriented areas (4):** planning, zoning and infrastructure improvements to create conditions for such districts.

Workforce development and educating the community around economic development were each cited by three people. Two people saw either retaining existing businesses/industries or addressing parking needs and conflicts in Knightville as a priority. Thirteen other items were mentioned by only one person.

## Focus Groups with South Portland High School and College Students



### **SPHS Chapter of FBLA—Focus Group December 10, 2015**

#### **Introduction**

On Thursday, December 10, 2015 the Chairman of the Economic Development Committee and Assistant City Manager met with members of the South Portland High School Chapter of the Future Business Leaders of America (FBLA). The group answered prepared questions and discussed their perceptions of South Portland, its economy, opportunities for young people, and quality of life in the community. The following is a summary of that conversation.

#### **Quality of Life**

Is South Portland a good place to live, work, go to school, and play? Yes, generally. It is a safe community. There are a diverse mix of businesses and neighborhoods. Recreational opportunities are excellent for all ages. The best things going for the city are its proximity to the ocean and its neighborhoods. Some of its greatest assets are relatively unknown to some people outside of town, including the Knightville/Mill Creek area and Willard Beach. The reconstruction of Main Street with new streetscape design greatly improves the aesthetics of that area, and the students hope the city will continue revitalizing neighborhoods to increase vibrancy. Many areas of the city look great, but there are others that need improvement, including redevelopment of some blighted properties. The greatest weakness of South Portland is that it feels like a bedroom community. Apart from visiting restaurants in the mall area or going to the movies, there is not a lot to do on a weekend evening. The city needs more vibrancy, entertainment, activities, and nightlife for all age groups.

#### **Education**

The students felt public education in South Portland could be improved. There is a perception that educational choices within core curriculum and electives at the high school level are limited, and many classes are too easy. Portland Arts and Technology High School (PATHS) is an asset and it does a good job with workforce skills training. The High School has an internship program in place but more students could take advantage of it. The group acknowledged it is

difficult motivating high school age students to take advantage of opportunities that will prepare them for their future.

### **Economic Opportunities**

The group perceived that South Portland's largest employment sectors are semiconductors, food distribution and warehousing, the maritime industry including petroleum, retail, and many other small local businesses that collectively account for a large segment of the economy. Opportunities for young people beginning their careers are limited depending on the career one chooses. Some careers such as healthcare, engineering, and technology likely have greater opportunity in this area. However, many other careers may require one to move away. There are lots of businesses in the South Portland area, but the largest number of jobs is clustered in a relatively small number of industries.

### **Civic Engagement**

The students felt that young people do have the ability to engage with government, but rarely exercise this right because it is too intimidating or they are unsure how to engage with government. It is easy for students to have a voice on issues related to education because there is student representation on the School Board. On all other issues it is not clear how students could effectively communicate. There are issues important to students that often go unheard because there is no open line of communication, i.e. environmental issues, community events, and civic involvement opportunities in the city. The city should explore the idea of a periodic communication sent from a representative of the Student Senate to City Council that might include city-level issues of concern to the student body.



## SMCC Business Program — Focus Group December 15, 2015

### Introduction

On Tuesday, December 15, 2015 the Chairman of the Economic Development Committee and Assistant City Manager met with a group of SMCC students enrolled in the Business and Hospitality Management Programs. The purpose of the meeting was to discuss the students' perceptions of South Portland, its economy, challenges when starting a career, opportunities for new college graduates, and quality of life in the community. The following is a summary of the conversation.

### Opportunity in the Local Area

The group generally perceived that not much opportunity exists in the Portland region for recent business and hospitality program graduates to find good entry level jobs. One example provided was the hospitality industry, which is a large sector of the Portland economy; if a college graduate is interested in hotel management, they would likely have to start at a front desk position or similar making little more than minimum wage and it could be many years before achieving a hotel management position. In general they do see the Portland area as having a lot of jobs, but not enough good jobs that pay a living wage and provide some basic benefits, especially for entry level college graduates.

Most of the jobs available to younger people are primarily in retail and tourism, which typically don't provide high wages. The group believes the Portland area is overly-reliant on tourism and needs to diversify and grow more "year-round" businesses, including professional services, manufacturing, etc. Several students expressed discouragement when considering job prospects; they know a several USM graduates who have bachelor's degrees and they have only been able to find call center jobs paying around \$14/hour.

When the group was asked how many planned to move out of state after graduation, roughly half indicated that was their intent. However, when asked their reasoning the majority said it was due to a lack of opportunity and not because they didn't want to stay in Maine.

Nearly everyone in the focus group agreed that the cost of housing is a barrier to keeping new graduates living in South Portland proper. Although South Portland is a bit less expensive than Portland, it is still more expensive than surrounding communities and the average price of rent is prohibitive, especially when considering average starting wages in the area.

The group felt there is a lot of opportunity for economic activity in the Mill Creek/Knightville area, but the current number of jobs in that area is few, especially good paying jobs. There was enthusiasm about the neighborhood and agreement that if there was greater density, more people living and working there, and larger buildings with more office/studio space, then it would support more restaurants and brewpubs, entertainment venues, arts and cultural businesses, etc. A vibrant area requires economic activity, more people present in the daytime and evening, and more money being spent.

### **Launching a Career**

Everyone felt strongly about the value of Business internships as an important tool for both experience and also career guidance. An internship program exists at SMCC, but there is limited placement and oftentimes they are unpaid internships (credit only). One student explained that she gets little student assistance and is struggling to pay her way through school. For her, an internship would have to pay, at least minimum wage, to make it possible. Other students would be satisfied with credit-only internships.

The students pitched the idea of a concerted effort amongst businesses in greater Portland to hold regular recruiting events on campus, either for full-time jobs or internships. Students need to graduate with some real world experience under their belt to improve their chances of finding a good job. They voiced frustration that many students simply don't know how to go about finding a job. Should they cold-call businesses, visit in person, or apply for work via the internet as jobs are posted? Finding a good job is often about relationships, but students don't have many opportunities to build relationships with local businesses. The conversation turned back to internships as a potential feeder program for prospective employees.

About half of the group indicated they have attended at least one job fair while at SMCC. There are not many job fairs, and a few students questioned their value because they seem impersonal, with limited information provided about the employers. The students expressed that they don't feel appreciated by prospective employers in the community. The business community doesn't seem to be focusing enough on grooming future employees. Some students would like to have mentors from the business community, people to meet with occasionally, email questions, discuss career ideas, etc.

The group suggested several ideas during the course of the conversation on ways the City and College could work together, perhaps planning a career event of greater value to students. The following is a compilation and expansion of the ideas suggested:

1. "Know the Economy" – Students need a better understanding of the greater Portland/southern Maine economy. There could be presentations on local economic

data, identify major employers, growth sectors, projected job growth in next five years, types of jobs in most demand and what they typically pay, etc.

2. “Meet the Business Community” – Presentations from a variety of employers, cross-section of several local industries, the types of employees/skills they are looking for now and in next few years, how their industry is evolving, etc.
3. “Launch your Career” – Students could hear from guest speakers about how they got their start and worked their way up in their career, what to do now to set up for success post-graduation, best practices for job searches, etc. Compare this to a TED talk; the intent is to inspire students through real-world examples.
4. “How to Start a Business” – Plenary session with speakers from Finance, Law, Real Estate, Municipal, SBDC; overview of resources available, things to consider, etc.

### **Perception of Community**

South Portland needs a niche; something big that it’s widely known for; something that will draw people and be a point of pride in the community. There is a lot going for the City and it’s easy to envision it being a “cool” place to live. This could be a venue that hosts a variety of events, and includes peripheral activities and entertainment. For example, a concert venue that is located near a food court (like Faneuil hall) and great nightlife (like Dave and Buster’s).

South Portland needs a place like a Public Market, indoor or outdoor, with stalls, perhaps in Mill Creek area. What if the City worked with a developer to create a “foodie hub” or maybe even just a food truck area? This would need convenient access and parking for quick lunch breaks. If not permanent, perhaps the City could hold an annual international food event that highlights as many unique, creative, and ethnically diverse foods as possible. This wouldn’t be a fancy or expensive event; it would be like a fair in the Maine tradition, but the “ultimate” event in Maine for foodies of all stripes.

When asked what South Portland’s greatest weakness was, the group agreed that it is disparity between neighborhoods and sections of the city. There was consensus that South Portland truly feels like two cities; the east end with waterfront, college, and more affluent neighborhoods, and the west end with commerce and industry.

Some of the students commented that the transit system is difficult for SMCC students living in Portland because, depending how far the walk is from bus stop on Congress Street, the total commute can easily take an hour. It would be great if there were more student housing options in Mill Creek area; it would be a convenient place to live. Bike Share facilities/kiosks near transit hub, green belt, and community college would be a great addition.

The group was asked about their thoughts on South Portland’s public school system. There was consensus that the schools are perceived to be good, but considered average in greater Portland area; better than some, but worse than others. It is important to note that most of the participants grew up in Cumberland County, but only one participant grew up in South Portland and attended its schools. However, one other participant was a former employee of the South Portland School District.

### **Other Comments and Ideas**

The students suggested that SMCC create a “community” portal online or perhaps an email distribution list for area employers or other organizations to send out job posts, internship opportunities, local events and community activities, requests for volunteers, etc.

Buying local is the cultural norm for people of the millennial generation. The City should emphasize locally owned small businesses as a key part of the city’s economic future. Important values of the millennial generation are local, sustainable, and green (do no harm). The wants of this generation are very different from our parents. We want to live in smaller, more efficient, and quality living spaces within and amongst people, a community that is walkable, vibrant, and healthy. South Portland has done a great job with the Main Street project. Those are the types of investments our generation wants and they will draw in people and businesses.

The City should consider adopting its own LEED certification for buildings and/or “certified local” designation for businesses that meet certain thresholds for sourcing goods and services. Young people would be interested to know which businesses are committed to sourcing locally.

Much of the refugee population seems to be an untapped resource. Many of these people are prevented from working more than six months while they await legal approval. The City should explore what programs could exist that utilize their skills and allow them to contribute.