



## CITY OF SOUTH PORTLAND

THOMAS S. COWARD  
Mayor

JAMES H. GAILEY  
City Manager

SUSAN M. MOONEY  
City Clerk

SALLY J. DAGGETT  
Jensen Baird Gardner & Henry

### In City Council

#### Resolve #4 -10/11

District One  
THOMAS S. COWARD

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District Two  
PATRICIA A. SMITH

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District Three  
ROSEMARIE DE ANGELIS

\_\_\_\_\_

District Four  
MAXINE BEECHER

\_\_\_\_\_

District Five  
JAMES HUGHES

\_\_\_\_\_

At Large  
LINDA R. BOUDREAU

\_\_\_\_\_

At Large  
THOMAS E. BLAKE

**WHEREAS**, the Metro Coalition, consisting of the communities of Cape Elizabeth, Falmouth, Portland, Scarborough, South Portland, and Westbrook, directed parties interested in the establishment of the Greater Portland Economic Development Corporation ("GPEDC") to draft by-laws sufficient to enable the creation of the public corporation, the express purpose of which would be to further economic development opportunities for the six communities that comprise the Metro Coalition; and

**WHEREAS**, a Metro Coalition Subcommittee was established, with representatives of Falmouth, Portland, Scarborough, South Portland, Westbrook, the Portland Regional Chamber, the Greater Portland Alliance of Colleges and Universities, Cumberland County, and Greater Portland Council of Governments ("GPCOG") worked together to draft by-laws and articles of incorporation to create the GPEDC; and

**WHEREAS**, the communities of Portland, Scarborough, South Portland, and Westbrook, together with representatives of Cumberland County and with assistance and input from the communities' Legislative delegation, the Portland Regional Chamber and the Town of Falmouth resulted in a number of important initiatives and successes in establishing regional economic development opportunities; and

**WHEREAS**, one of those accomplishments was the communities' success in initiating changes to the State's Pine Tree Development Zone ("PTDZ") enabling legislation to permit companies in Cumberland County, previously omitted, to be eligible for PTDZ economic and tax benefits available elsewhere in the State; and

**WHEREAS**, the members of the GPEDC from Portland, Scarborough, South Portland, and Westbrook have informally adopted business retention protocols that not only enhance the ability of companies to grow in the best circumstances and locations available regionally, but also ensure that the resources of the participating communities are used in a collaborative fashion, rather than a competitive manner; and

**WHEREAS**, the communities of Portland, Scarborough, South Portland, and Westbrook have worked jointly for several years to market the region both within Maine (e.g. Maine Real Estate Developers Association events) and outside Maine (e.g. bio-technology trade shows).

**NOW THEREFORE BE IT RESOLVED**, that the South Portland City Council authorizes the City Manager to join this effort and execute appropriate documentation in the further development and incorporation of the Greater Portland Economic Development Corporation in order to permit the City of South Portland to join in the activities of the GPEDC; and

**BE IT FURTHER RESOLVED**, that the mission of the GPEDC shall be to grow and develop a sustainable economy in the Greater Portland region through the establishment of a regional economic development corporation, which shall be organized and managed by incorporators and directors appointed by the communities of Cape Elizabeth, Falmouth, Portland, Scarborough, South Portland, and Westbrook (the "Participating Communities"), the Portland Regional Chamber, and the Greater Portland Alliance of Colleges and Universities; and

**BE IT FURTHER RESOLVED**, the purpose of the Corporation shall be to foster, encourage, and assist the physical location, settlement or resettlement of industrial, manufacturing, fishing, agricultural, recreational, and other business enterprises within the Participating Communities using a collaborative approach; and

**BE IT FURTHER RESOLVED**, that a phased approach to the GPEDC workplan is envisioned to correspond with available funding and staff resources; and

**BE IT FURTHER RESOLVED**, that Phase 1, occurring within the first year after GPEDC incorporation, is expected to include the establishment of the Board of Directors, development of a marketing plan that fully reflects the region, development of a phased budget, and attainment of grants and other funding that does not at this time require municipal investment; and

**BE IT FURTHER RESOLVED**, that staffing of the GPEDC is expected to initially consist of the Economic Development Directors from each community as designees to the Corporation; and

**BE IT FURTHER RESOLVED**, that Phase II, occurring in year 1 – 3, is expected to consist of implementation of the marketing plan, targeting critical industry sectors as represented by companies currently located out-of-state or overseas, and continuing to build a retinue of incentives that can be applied on a regional basis; and

**BE IT FURTHER RESOLVED**, that one-time funding for GPEDC programs and projects, during the initial years, is expected to come from agencies and organizations such as the Economic Development Administration of the U.S. Department of Commerce, the Greater Portland Public Development Commission, and others to be determined; and

**BE IT FURTHER RESOLVED**, that the Chair of the Board of Directors of the GPEDC or his/her designee shall prepare annual progress reports to be delivered to the South Portland City Council.

Fiscal Note: Less than \$1,000

Dated: October 4, 2010

Meeting of October 4, 2010

**South Portland City Council**  
***Position Paper of the City Manager***

***Subject:***

**RESOLVE # 4-0/11 – Establishing the Greater Portland Economic Development Corporation. Passage requires majority vote.**

***Position:***

In November, 2009, the Metro Coalition directed the communities interested in establishing the Greater Portland Economic Development Corporation (GPEDC) to establish the basis for and draft by-laws sufficient to enable the creation of a 501(c)(6) public corporation. The express purpose would be to further economic development for the six communities that comprise the Metro Coalition on a regional basis. This followed recent changes to the Greater Portland Public Development Commission enabling legislation, which among other things, broadened the scope of the Commission's activities. A subcommittee was formed, with representatives of Falmouth, Portland, Scarborough, South Portland, Westbrook, the Portland Regional Chamber, the Southern Maine Education Alliance, the County, and GPCOG.

In the meantime, the economic development directors of the Metro Coalition participated in and provided guidance on a number of important initiatives that established regional economic development opportunities. Last year, working with area legislators, the Regional Chamber, and the County, the communities were successful in effecting changes to the State's Pine Tree Development Zone (PTDZ) enabling legislation so that companies in York and Cumberland counties, previously excluded, would be eligible for economic and tax benefits as available elsewhere in the State.

Secondly, the initial five communities have informally adopted business retention protocols that not only enhance the ability of companies to grow in the best circumstances and locations available regionally, but also ensure a collaborative approach and process, with the aim of keeping the business in the region as the most important goal.

Thirdly, Portland, Scarborough, South Portland, and Westbrook have been jointly marketing the region since 2006, both inside (e.g. MEREDA events) and outside the

state (e.g. bio-technology trade shows). The GPEDC will first create a regional marketing plan for branding and business attraction.

### **By-laws and Articles of Incorporation –**

The key purpose of the Corporation is to incent economic development within the region through marketing, and increase business attraction for firms from outside the State. Below is an overview of the bylaws that would be used by the Corporation, upon its establishment.

#### **1. Board of Directors Composition –**

All six Metro Coalition communities would be invited to participate in the GPEDC, with each community having a single representative on the Board. In addition, the Board's initial composition would include one representative from the Portland Regional Chamber, and two representatives of the Southern Maine Educational Alliance (consisting of USM, UNE, and SMCC), for a total of nine original Board members. The remainder of the Board, up to an additional ten members, will be selected from the Life Science, Information Technology, Precision Manufacturing, and Hospitality sectors to provide the broadest ability to incent and enhance economic development activities with a regional impact. As part of the legal review of the by-laws, it was decided that the Corporation would not be a membership corporation, and thus would have no membership dues.

#### **2. Work plan and Funding –**

The Subcommittee called for a phased approach to the development of the GPEDC to correspond with available funding and staff resources. Phase 1 (Year 1) would result in the establishment of the Board of Directors, development of a marketing plan, development of a phased budget (see next item), and attainment of grants and other funding that is not intended to require municipal investment. It was recognized that staff for the Corporation would likely be the ED directors from each community, possibly as designees to the Corporation.

Phase II (Years 1 – 3) would consist of marketing plan implementation, targeting critical industry sector companies located out of state or overseas, and continuing to build a retinue of incentives that could be applied on a regional basis. Longer term, inter-local agreements could be established to permit a fluid level of activity and resources to flow within the region.

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

### **3. Budget –**


The budget for the Corporation will be limited at the outset to funds available through existing budgets within the participating municipalities, and donations from others as appropriate and noted above. Again, there is no municipal funding anticipated at this time. The Corporation's Board initial focus would be on the creation of marketing materials, conference exhibit registrations, and allied activities that coincide with the establishment of the Corporation (filing fees, etc.). The Subcommittee did review two budget scenarios which presented unpaid and paid staff, but future staffing and budget decisions will be left up to the Board of Directors to more fully outline and detail.

### **Summary –**

The establishment of the Greater Portland Economic Development Committee is the result of what the participants believe has been, and will continue to be a successful public/private regional partnership that provides the best opportunity for furthering economic development in what arguably the State's economic engine. Certainly, past legislative and cooperative successes appear to reflect that reality. It is the hope of the drafters of the GPEDC that the respective municipal councils of the Metro Regional Coalition will recognize the importance of the GPEDC's establishment, and affirmatively support the formation of the Corporation.

### ***Requested Action:***

Council passage of RESOLVE #4-10/11.

  
Assistant City Manager