

**PEDC**  
**Strategic Planning Process**  
**Status Report**

***September 21, 2009***

1

We are here to provide you an update of the Economic Strategic Planning Process. We are not requesting any decisions this evening. You have been provided this summary report. I will briefly discuss its key points and a copy of this report will be posted on the town's web page.

## **2008 PEDC Report to the Town Council**

- ***Outlined 2009 Economic Strategic Planning Focus to:***
  - **Develop a consensus on the top drivers of the Town's economy.**
  - **Identify actions that are needed to put the Town on the right economic path.**
  - **Identify obstacles that may impede success.**
  - **Help achieve our goal by leveraging:**
    - ***Principles of "smart growth" embodied in development plans (such as the West Side Master Plan)***
    - ***Regional resources***

2

Slide 2- In the December 2008 annual report we laid out the focus of the process for 2009 –to develop community consensus; identify actions needed and obstacles to success; and to leverage smart growth principles and regional resources

## Status of PEDC Strategic Planning Process

- ✓ **Phase 1 Report (May 2007)**
  - **Developed the SWOT** (Strengths, Weaknesses, Opportunities, and Threats)
  - **Outlined the project path ahead**

### Ⓜ **Phase 2**

- ✓ **Public Workshops and Surveys validated Phase 1 work (Mar-Apr 09)**
  - *Wide Community Stakeholder Participation*
  - *Town Council, Town administration, Town Committees and Boards, Town citizens, and other subject matter experts*

Ⓜ – **Determine the “how” and “what” of the Phase 1 issues**

Ⓜ – **Develop Plans of Actions and Milestones that include implementation initiatives.**

Ⓜ – **Develop quantifiable measures of effectiveness.**

✓ = Completed    Ⓜ = work in-progress

3

Slide 3- The process builds on the Phase I report. Phase 2 started in March and April with two professionally facilitated workshops and an on-line survey to validate our Phase I work and guide the way ahead in determining how to build on our strengths and opportunities and counter the weaknesses and threats to the Town's economic health. We had wide community participation 400+ participants- (116 workshops; 286 survey): over 650 community manhours of thought and participation; generated many ideas and suggestions in addition to the workshop and survey consensus rankings summarized in the backup slides. We have raised over \$6,000 in donations to fund the work.

“How”- what policies and actions to achieve the objectives

“What”- what resources and means to make it happen

✓ **Consensus from 2009 Workshops and Surveys**

- *2007 SWOT was valid.*
- *Town economic conditions continue to weaken*
- *Town needs a healthy local business base*
- *Development opportunities on the West Side are essential to economic health*

***“Closing the Gap” is a  
core and critical issue  
for the Town’s economic recovery***

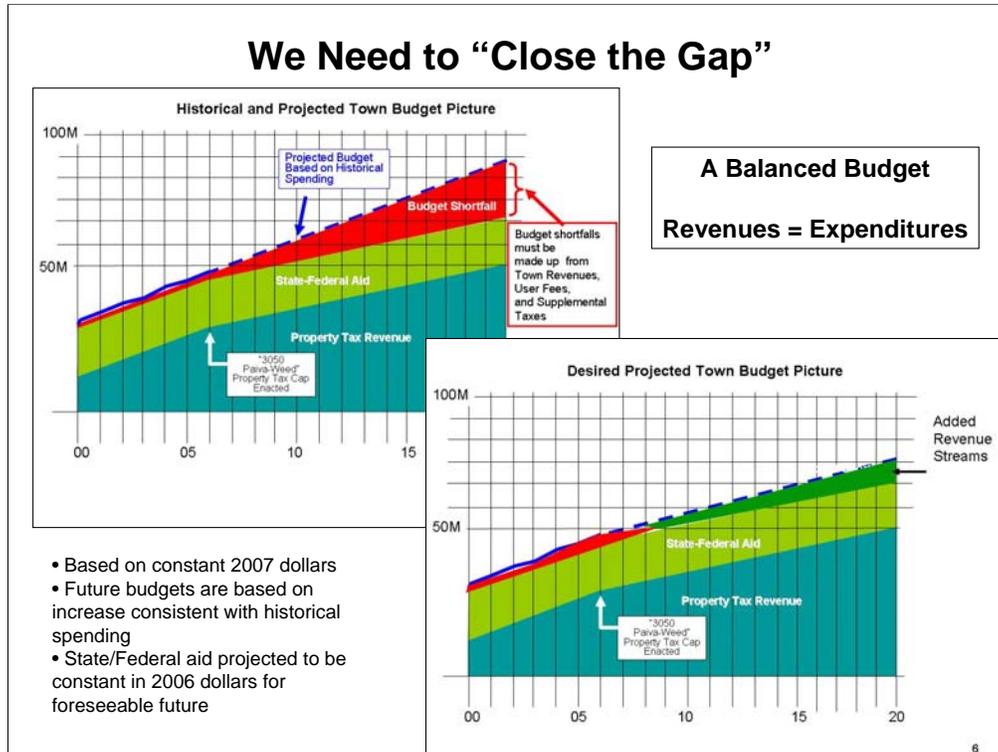
4

Slide 4- The workshops achieved consensus on several key points

- (1) Phase 1 analysis was validated as a reasonable representation of the Town
- (2) The Town economy continues to weaken,
- (3) A healthy business base is necessary to economic health and
- (4) West Side development is an essential ingredient.

The overall message from the two workshops is that a balanced budget is essential and we need to close the impending gap between revenues and expenditures.

## We Need to “Close the Gap”



Slide 5- These graphs project the revenue vs expenditure shortfall if we continue “business as usual” as we have for the past 10 years. You have seen them before. The situation is actually worse because the projections were made before the recession, the reductions in state support and probable future federal reductions after the stimulus bubble.

We need to “close the gap”.

## **W** Key Issues to Town Economic Health

- ***Achieving maximum benefit from prime developable properties.***
  - *Increase attractiveness to developers*
  - *Maximize Jobs*
  - *Maximize Positive Revenue (property taxes, etc.)*
- ***Enhancing business incentives to locate and grow in Portsmouth***
  - *Business friendliness*
  - *Lower cost of doing business*
- ***Positioning Town to best capitalize on economic opportunities***
  - *Realize benefits of the Melville 'backyard' at earliest date*
  - *Development of Tank Farms 1 and 2*
  - *Make wise pre-economic recovery investments*
- ***Increasing potential value of Town-owned West Side recreational lands***
- ***Ensuring economic development does not degrade the quality of life of Portsmouth residents.***

**W** = work in progress

6

Slide 6- A Key Issue to economic health lies in the achievement of the maximum benefit from developable business properties. We know the areas of East and West Main road are bound to be developed. We want to enhance their attractiveness to community friendly businesses that maximize jobs and revenue. One of the ten principles of Smart Growth is to make development decisions fair and cost effective- that is what we want to do. Rhode Island is at the bottom of the Nation in business friendliness. But that doesn't mean that Portsmouth needs to lie their with the rest of the state. We can be better by being more friendly and reducing the cost and uncertainty of doing business in the Town. In a down economy, communities that make wise investments; not necessarily in \$ but in actions and better policies to position themselves for the recovery, will come out ahead.

We must position ourselves to seize the opportunities presented by our West Side when decisions are made on the Navy Tank Farms. The recreational potential of the west side is a pearl that should be cultivated for maximum value.

All this has to be done consistent with some measurable indicators of the quality of life valued by the Town.

## Near-Term Strategic Plan Focus

- ***The Next Phase of the Economic Strategic Plan will:***
  - **Identify and Implement Near Term Revenue Positive Initiatives (other than the West Side) within the next two years**
  - **Develop Near Term actions (West Side Master Plan-Related) to pre-position the town to best seize opportunities as they emerge. (e.g., Zoning/PUD/PMD)**

***The PEDC will interface and team with Town staff, the Portsmouth Redevelopment Agency, Planning, Zoning, Design Review Boards, other Town bodies and the citizens in the development of action plans.***

7

Slide 7- We intend to work those issues that can achieve the maximum benefit in the near term- next two years. This includes, first, ensuring the developable lands other than the west side are properly managed by providing businesses, property owners and developers more definitive rules by which they can make their development decisions. We can't be sure when action will be needed on the West Side, but we must pre-position ourselves to best seize the opportunities as they are presented.

The interfacing referred to on the slide has started- Two weeks ago we were invited to a very productive workshop with the Planning Board.

As we saw with the exceptional participation in our two workshops and survey, the community is very eager to help. We value this input and look to build consensus on new ideas for action.

### **Next Economic Strategic Plan Steps**

- ***November 2009 – Community Workshop to get input on the draft Near-Term Economic Strategic Action Plan***
- ***January 2010 – Present Next Phase of Economic Strategic Plan to the Town Council***
- ***2010 – Continue to work the next phase and develop follow-on phases of the economic strategy as the economy improves***

8

Slide 8- The process will continue with a third workshop to review ideas for the near-term Action Plan. We plan to have that Action Plan to the Town Council for review in January.

The economy is moving target and we will continue to re-evaluate our plans to achieve maximum effectiveness and make periodic reports to the Town Council.

Any questions?

# Backup

## Summary of Community Input to the PEDC SWOT Analysis

### 21 March 2009 PEDC Workshop - SUMMARY

- 60 people, including the PEDC attended the 21 March 2009 workshop. The purpose of the workshop was to get validation on the Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis that was conducted by the PEDC.
- Consensus was achieved through two methods: voting for 1<sup>st</sup> and 2<sup>nd</sup> priority of identified SWOTs; and allocating 5 green dots to top priorities, with no restricting on how they could be allocated, i.e. all could be allocated to one or multiple priorities. In addition there was brainstorming on other SWOTs that were not previously identified. This method of achieving validation was to obtain a consensus result vice a strictly statistical assessment.
- As a result of the workshop, the SWOT analysis prepared by the PEDC was validated.

#### Top 3 Strengths:

- Prime coastal location;
- Desirable community, NE character;
- Stable and growing business base

#### Top 3 Opportunities:

- Tank Farm development;
- Tourism (historic, agriculture, arts);
- Sustainable Energy Development

#### Top 3 Weaknesses:

- Lack of utility infrastructure;
- High cost of doing business;
- Town budget process

#### Top 3 Threats:

- Competing Town budget needs;
- Waste Water decisions for West Side;
- Lack of workforce housing

10

Purpose achieve consensus vs strictly statistical assessment

•Vote 1st & 2nd priority (From list developed at meeting included Ph 1 SWOT & more- 19 Ops; 40 W & Ts; 31 S.

•Allocate green dots to top priorities

•Also brainstorm on other SWOTs, ideas and solutions- list of 25

Opps Tourism- recreational also

EDC is Working- All 3 ops;high business cost weakness; Top threat- get more revenues

## Summary of Community Input to the PEDC SWOT Analysis

### 30 April 2009 PEDC Workshop - SUMMARY

- 56 people attended the workshop including the PEDC. This workshop was focused on classifying expenditures of the town. A qualitative assessment criterion was established: Critical, Essential, Routine, and Unneeded. The only definitions established were the priority of importance, with critical being most important and unneeded being the least important.
- Top 3 critical expenditures:
  - Public Safety,
  - Education, and
  - Business Growth.
- Top 3 essential expenditures:
  - Smart Growth,
  - Police, and
  - Revenue Generation, Regionalization and Library (tied)
- Top 3 routine expenditures:
  - Road Maintenance,
  - Garbage Disposal and
  - Recycling.
- Top 3 unneeded expenditures were:
  - Duplicity of Services and ,
  - Open Space Management and More State Mandates (tied)

11

EDC working- Critical exp- Business growth

Essential Exp- smart growth & revenue generation

## **Summary of Community Input to the PEDC SWOT Analysis**

### **Survey on PEDC SWOT - SUMMARY**

- An on-line survey on the PEDC SWOT validation was prepared and a link was present on the Portsmouth, RI web site. This survey was a supplement to the March 09 PEDC workshop. There were 286 respondents as of 10 June 2009.

### **Summary of demographics of people taking the survey**

- 55.5% live south of Town Hall; 38.1% live North of Town Hall
- 81.1% are employed, 14.9% are retired.
- 95.7% own their residence
- 92.5% are Portsmouth Voters
- 15.7% are Portsmouth Business owners
- 85.1% live in Portsmouth for greater than 10 months per year
- 66% have a household income greater than \$50K
- 56.7% are between 30 and 55 years old. 42.4% are older than 55.
- Female and males taking the survey were evenly split.

## Summary of Community Input to the PEDC SWOT Analysis

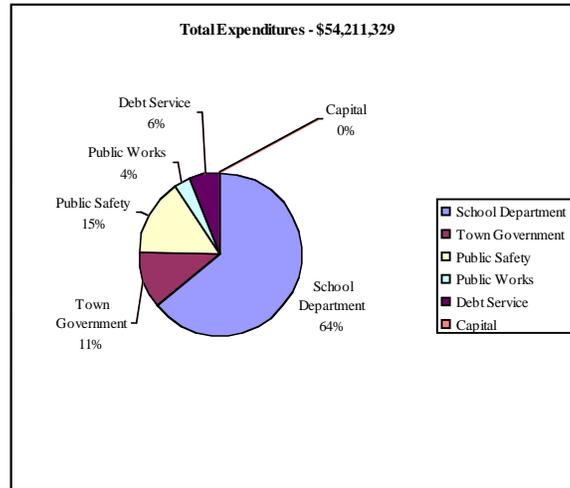
### Apr-Jun Survey on PEDC SWOT - SUMMARY OF DATA

- A majority of the respondents identified that the weaknesses need to be addressed within the next 5 years. 52.3% identified that the issue of Sewers needs to be addressed within the next 5 years. Greater than 60% of respondents identified that the remaining weaknesses should be addressed within 5 years.
- The threats identified in the PEDC SWOT were validated. 59.3% of respondents saw the influx of development as a threat to the NE Character of the town. The remaining threats were validated with greater than 65%.
- A majority of respondents identified that the threats should be addressed within the next 5 years. 61.3% identified that the influx of development threatening the NE Character of the town and the Uncertain Navy long-term future should be addressed within 5 years.
- **Summary data includes:**
  - 62.6% of respondents believe the current economic condition of Portsmouth is weak, very weak, or critically weak. Only 4.9% believe that the economic condition of Portsmouth is strong or very strong.
  - 72.1% of respondents believe the economic condition of Portsmouth has weakened or significantly weakened from 2008 to the present.
  - The strengths identified in the PEDC SWOT were validated by greater than 70% of respondents.
  - A significant majority (>75%) agrees that the identified strengths need to be capitalized on within the next 5 years.
  - The opportunities identified in the PEDC SWOT were validated. Island Park Development was validated with 65%; all others were validated by over 76%.
  - A significant majority (>70%) consensus agrees that the identified opportunities (except for Island Park Development) need to be addressed with the next 5 years. 56.7% agree that the opportunity to develop Island Park should be addressed within the next 5 years.
  - The weaknesses identified in the PEDC SWOT were validated. Lack of Sewers was validated with 59.6%; Lack of an Effective Transportation Infrastructure was validated with 68.2%. All other weaknesses were validated by greater than 74%.

13

General validation of SWOT. Also respondents took the time to provide 277 comments and suggestions.

### Town Expenditures 2008-09



### Town Revenue Sources 2008-09

