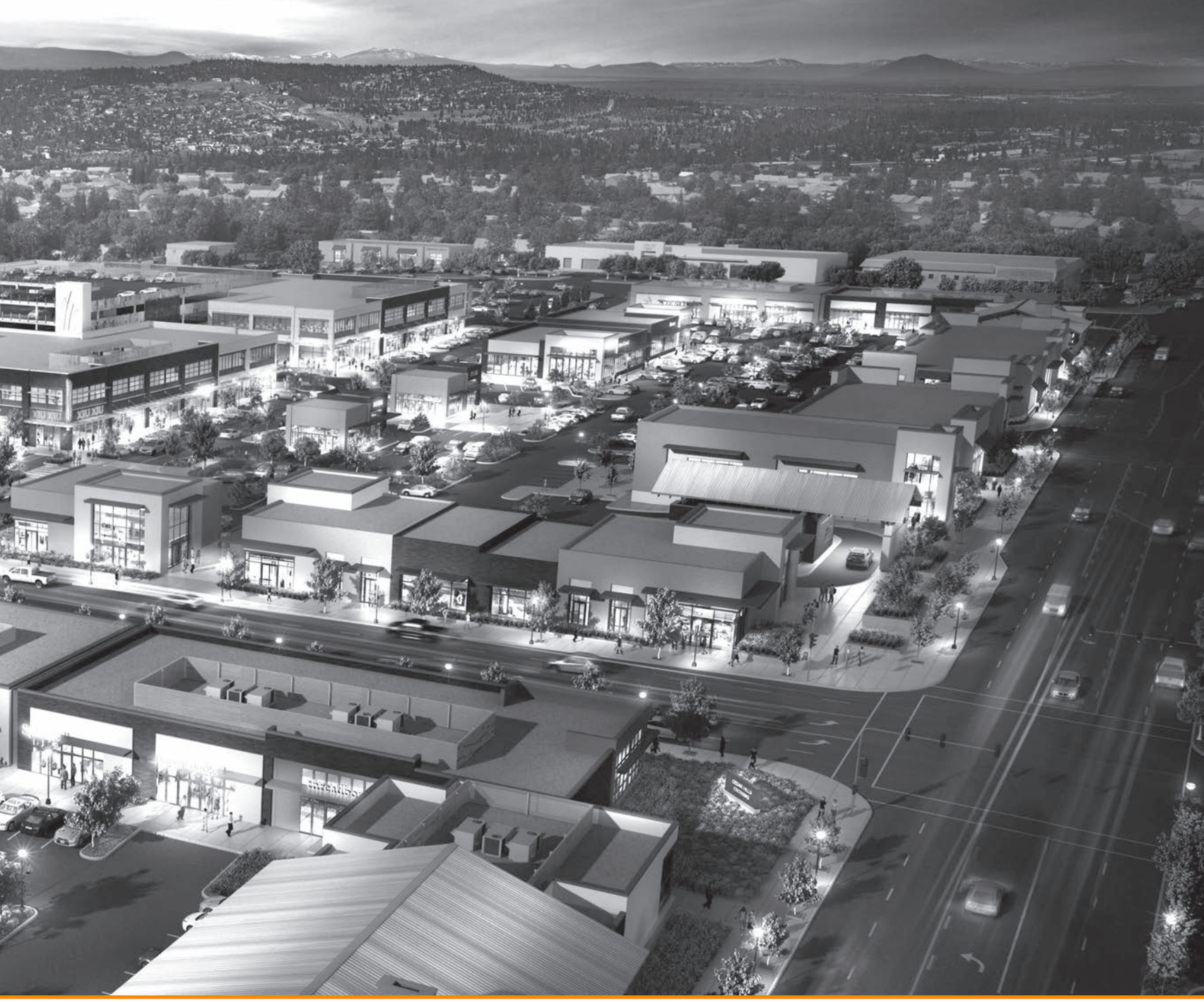


2017-2021 Economic Development Strategic Plan

Beaverton
OREGON

Introduction

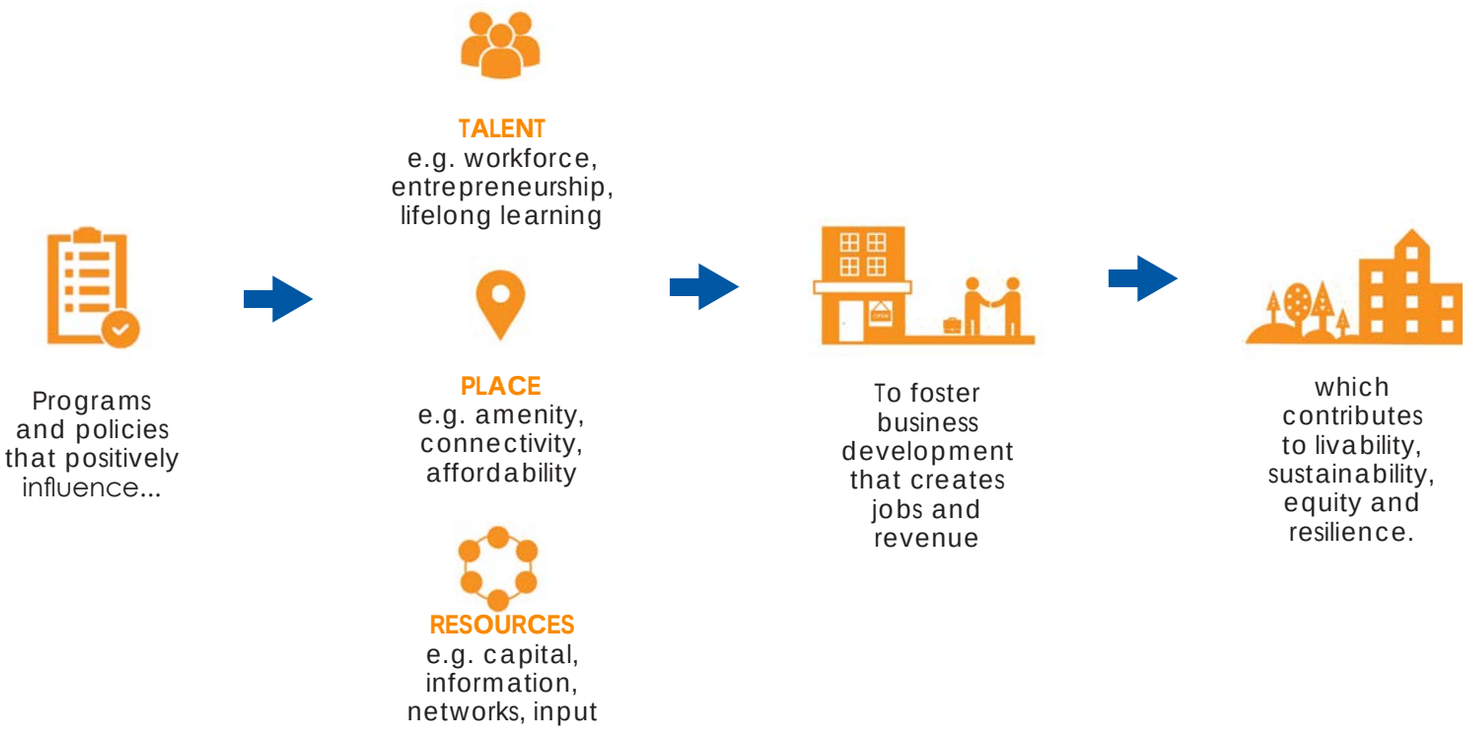
As the birthplace of the Silicon Forest and the home to innovative companies small and large, Beaverton has innovation and drive in its DNA.

Beaverton is also known for its inclusiveness and responsiveness to the needs of the community through an embrace of diversity and a well-regarded visioning initiative. Which asks, how do we best weave our community values into our business development efforts?

This Strategic Plan is intended to guide the city's economic development efforts over the next five years while maintaining the spirit of the city's commitment to innovation and inclusiveness.

In Beaverton, we want economic development to foster business growth in a way that enhances community vitality through the creation of jobs and revenue. Further, economic development should shape the place, talent, and resources that influence business creation, expansion, retention and attraction while maintaining alignment with our values to be a livable, inclusive, resilient and sustainable community.

Economic Development in Beaverton is...



Mayor's Message

In 2011, as the economy was climbing its way out of a deep recession, the City of Beaverton created a five year strategy to guide its Economic Development efforts. Since the inception of that plan, the city has been busy implementing a wide range of programs and initiatives focused on business development and success. Some of our most notable accomplishments include the following:

- Enterprise Zones were implemented to encourage investment and hiring.
- A brownfields program was created to reduce barriers to development on employment land.
- A seed fund enables our downtown association to participate in Main Street programs.
- Partnerships with MESO and the Hispanic Chamber were formed to bring business expertise to diverse segments of our community.
- The Impact Beaverton program was created to provide support services to small businesses and to leverage the Chamber's reach into the business community.
- Beaverton became the only city designated as an EXIM Bank marketing partner in Oregon.
- The Beaverton Startup Challenge has attracted innovative early stage companies and investors to the city.
- A Wayfinding program was implemented to ease navigation around Central Beaverton.
- Urban Renewal was initiated and investments are being made across Old Town and the Creekside District.

These accomplishments and a stronger regional economy have resulted in a dramatic reduction in Beaverton's unemployment rate. Further, vacancy rates in the city's office, flex, and industrial properties have plummeted to record lows due to strong leasing by businesses.

Building on these successes and responding to a changing environment, we have created the city's next five-year Economic Development Strategy. It was created with unprecedented engagement with diverse local and regional stakeholders and speaks to the strong vision and clear values of our community.

This plan will guide us for the next five years, help us live up to our 'Open for Business' agenda, and make Beaverton an economic leader in the State of Oregon.

Sincerely,
Denny Doyle

About Beaverton

Beaverton is welcoming, diverse and fiscally responsible; a place where businesses choose to start and grow because of advantages in costs, convenient and accessible location, access to talent and a business-friendly environment.

Rated one of the Top 10 cities in America, Beaverton has a current population of nearly 100,000 and is the 6th largest city in the state. Beaverton is situated within the Portland Metropolitan region, which is home to nearly 2.4 million people. Beaverton's Urban Services Boundary (USB), which includes the city itself, as well as unincorporated areas directly adjacent to the city, has more than 260,000 residents.

Beaverton is centrally located to many of the region's economic drivers. Nike World Headquarters has a Beaverton address and is expanding rapidly; Intel's largest concentration of employees in the world is just minutes west of town; and Beaverton is easily accessible, with direct light rail service to Downtown Portland and the region's international airport.

The city has an ample and diverse supply of office, industrial, and flex space, predominately found in business park settings along the city's major highways US 26 and US 217. While opportunities for expansion on undeveloped land in these business parks is limited, significant capacity for intensifying employment is possible through expansion of existing facilities as well as new construction in the city's core for higher-density office uses.

Beaverton receives high marks for quality of life and fiscally responsible governance. The city has prioritized investment in transit-oriented development and revitalization in the downtown core to help catalyze the retail amenities, housing and transportation choices valued in today's market. Housing and commercial costs are favorable compared to other parts of the region and West coast; however, diligence is needed to maintain this affordability for businesses and residents. Efforts to address regional traffic congestion remain a priority, as does the provision of transit and transportation options to employment areas. Beaverton has a workforce that is younger, more diverse and better-educated than the metropolitan area and the State as a whole. These labor force

characteristics are a major competitive advantage and contribute to the city being a preferred location for many innovative and rapidly expanding businesses.

Beaverton's well-regarded public and private K-12 schools are an important attraction to business and a key retention asset. More than 20 two and four-year colleges are within 20 miles of Beaverton. The city's primary talent challenge lies in helping employers find the skilled workers they seek, while also addressing persistent gaps in access to economic opportunity experienced by some segments of the community.

Beaverton has a storied history of innovation and entrepreneurship, is the cradle of the Silicon Forest and has benefited from the startup and expansion of companies in a diverse range of industries. The city has the second highest level of venture capital investments in the state, outperforming all of the major cities in Oregon in either a gross or per-capita basis. Beaverton also has the Oregon Technology Business Center (OTBC), one of the longest-running and most recognized incubator spaces in the state of Oregon.

The city is committed to programs and incentives designed to meet the needs of a wide range of businesses whether they are small, large, local serving or export-oriented. The city also believes in utilizing a wide range of partners who recognize the opportunity to maximize impact by strengthening relationships, leveraging resources and increasing visibility.

Much more information about Beaverton's economy and its economic development programs and priorities can be found in the adopted Economic Opportunities Analysis and Economy Element of the Comprehensive Plan as well as the City of Beaverton's Economic Development website at www.beavertonoregon.gov/EconomicDevelopment.

Beaverton City Profile

Latitude
45.48° N
Longitude
-122.79° E

96,500 2015 Estimated Population

22 Two-Year and Four-Year colleges are located within 20 miles of Beaverton

#9 Rated as one of the best cities to live by *Money Magazine*

$56,130
Average median household income in 2013, vs. a state average of $50,251

20 million
square feet of office and industrial space

67,016 Jobs in Beaverton, up from 59,869 in 2010

43.4 %
of residents have a Bachelor's degree or higher- compared to a metro average of 34.9%

5,100
Registered businesses in the City of Beaverton

9 Rail stations serving three rail lines and 20 bus lines

$680 million
in school bonding, the highest level of investment in Oregon's history.

Mission, Goals and Approach

Our Mission is to deliver programs and policies that foster business success in ways that contribute to economic vitality and adhere to our values around diversity, sustainability, equity, and resilience.

We support our mission by focusing on these Goals:

Business: Businesses locate, grow and thrive in Beaverton.

Talent: Education and workforce development programs serve businesses and employees alike.

Brand: Beaverton is known as a great place for business.

Placemaking: Beaverton has the community amenities that businesses and workers want and expect.

Ecosystem: Beaverton's economic development ecosystem is highly functional and supportive.

Values: Expanding and improving Beaverton's livability, sustainability, equity, and resilience.

Our Approach is informed by four core principles:

Partnership: Economic development is shaped by entities beyond the Economic Development Division. We partner with private, public and nonprofit organizations at the local, regional, state and national level to foster economic development success.

Flexibility and Adaptation: This is a five-year strategy, but the world is a fast-moving place. Today's conditions could change virtually overnight. We need to be flexible and adaptive to maximize our impact.

Continuous Improvement: We strive to track our performance and continuously improve. We use manageable and meaningful metrics to stay aware of our impact so that we can adapt and provide better results.

Customer Centric: We understand that for our initiatives to be successful, we need to listen carefully to the end user, understand their needs, think creatively, be willing to pilot new and innovative solutions and be accountable for outcomes.

A Commitment to Metrics

Metrics are essential for understanding the city's business climate as well as the impact of our programs and initiatives. We propose metrics organized around three areas: activity, effectiveness and the economy.

Activity metrics track the outputs of the Division and its partners and provide insight into what the Division is doing to support its goals. Effectiveness metrics track the results of the Division's activities and provide insight into how well the Division is achieving its goals. Economic indicators are high-level metrics that track the outcomes sought by engaging in economic development.

The Economic Development Division is committed to making metrics an integral part of this plan and a key component of its ongoing work. Further, regular reporting to the Mayor and City Council is recommended as a way to promote accountability and improve decision-making on key priorities.

Initiatives

Nine strategic initiatives have been defined in response to our stakeholder input and our analysis of Beaverton's economy and ecosystem. These initiatives address how the Economic Development Division and the city as a whole engage with business in a proactive and customer-centric manner. The goal of each initiative is to contribute to improving Beaverton's business climate and promoting the city as welcoming and open for business. Each section specifies the actions, outcomes and key partners involved in executing the initiative.

- Business Retention and Expansion
- Attraction and Recruitment
- Placemaking
- Small Business Development
- Innovation and Entrepreneurship
- Branding and Marketing
- Workforce
- Targeted Industry Clusters
- Ecosystem Leadership

Business Retention and Expansion

Engaging and assisting Beaverton businesses to stay and grow in Beaverton will continue to be the primary function of the Economic Development Division and its closest partners. Business retention is a well-recognized best practice that consistently provides a high return on investment for economic development organizations. Effective retention and expansion results require building face-to-face relationships and providing superior customer service to existing businesses and should be complimented by effective incentives, business-friendly city services and thoughtful coordination with regional partners.

Actions

- Schedule regular meetings with top employers and provide timely follow-up on identified needs and concerns
- Survey businesses to track changes in business practices and program awareness to better inform program and policy responses
- Identify fast-growing companies and facilitate their ability to remain in Beaverton as they scale up
- Define and manage incentives and services to effectively retain and expand businesses
- Promote exporting as a method of business expansion
- Continue strong Chamber partnership through *Impact Beaverton, Beaverton4Business,* and the Business walks
- Encourage and facilitate a seamless, user-friendly experience for permitting and review
- Provide a coordinated customer experience by deploying a customer relationship management (CRM) system

Outcomes

- New jobs
- Retained jobs
- New investment
- Strong customer service ratings from businesses that interact with Economic Development

Key External Partners

Beaverton Chamber of Commerce, Impact Beaverton, Westside Economic Alliance, Beaverton Downtown Association, Education and Workforce partners, Trade Associations, EXIM Bank, US Commercial Services/ USEAC, Commercial Brokers

Attraction and Recruitment

Business attraction and recruitment should complement business retention and expansion by focusing on strategic opportunities with the highest benefit to the city's existing businesses and residents. The emphasis in this area should be focused on attracting businesses that provide family wage jobs or are in high demand by Beaverton residents. Efforts in this area should be focused on effective marketing, superior customer service and the timely provision of the information site selectors need to make location decisions. Partnerships also bring exceptional leverage to this initiative, as the pipeline of leads originate from a diverse range of organizations and individuals.

Actions

- Work with partners to proactively target and coordinate responses to companies that are targeting the Portland region.
- Develop marketing and branding materials that respond to key information needs of site selectors and appeal to targeted prospects
- Market the city's available job sites to the industries best able to provide living wage employment opportunities
- Participate in selected trade missions to attract Foreign Direct Investment (FDI)
- Define and manage incentives to effectively attract businesses that meet community objectives and values
- Work as an ombudsman to help businesses new to the area navigate state and local permitting requirements

Outcomes

- New jobs
- Increases in the number of companies and employees within our targeted industries
- New investment

Key External Partners

Greater Portland Inc., Business Oregon, Commercial Brokers, Site Selectors

Cascade Plaza West
SIAM LOTUS
TRI MET
MAX

Placemaking

Our outreach revealed that businesses are not only concerned about the space they occupy but how a community looks, feels and functions on a day to day basis for their employees. Businesses have emphasized that they are seeking spaces that are better connected with less congestion and more active transportation choices; offer an array of amenities, including food carts, brewpubs and gathering spaces; and deliver work environments that are creative and appealing to the current generation of workers. The focus of this initiative is to foster placemaking that responds to the market preferences of Beaverton businesses and their employees.

Actions

- Foster vibrant commercial districts, corridors, and centers through Main Street principles
- Increase the supply of office, industrial and flex space and encourage employment density
- Make the business case for transit oriented retail-rich environments that enhance the communities competitiveness for workers and investment
- Advocate for affordable housing that meets the needs of the city's businesses and workforce

Outcomes

- Implement a retail strategy for Central Beaverton that recognizes business and resident preferences
- Increase the supply and occupancy of industrial, office and flex space
- Continue to expand the capacity of the Main Street program with more programming and districts

Key External Partners

Beaverton Downtown Association, Oregon Main Street, Commercial Brokers, Small Business Development Center, Portland Community College

Small Business Development

Small businesses play a critical role in Beaverton's business landscape. They provide key goods and services to the city's firms, residents, and workers, and also provide a ladder of opportunity for many segments of the population. Given the breadth and diversity of Beaverton's small business community, a partnership model is most effective. Further, emphasis will be placed on fostering small businesses that enhance the city's competitiveness by providing goods and services most desired by businesses, workforce and residents. This initiative focuses on ensuring that business development services reach all segments of the community and support the community's identified small business needs.

Actions

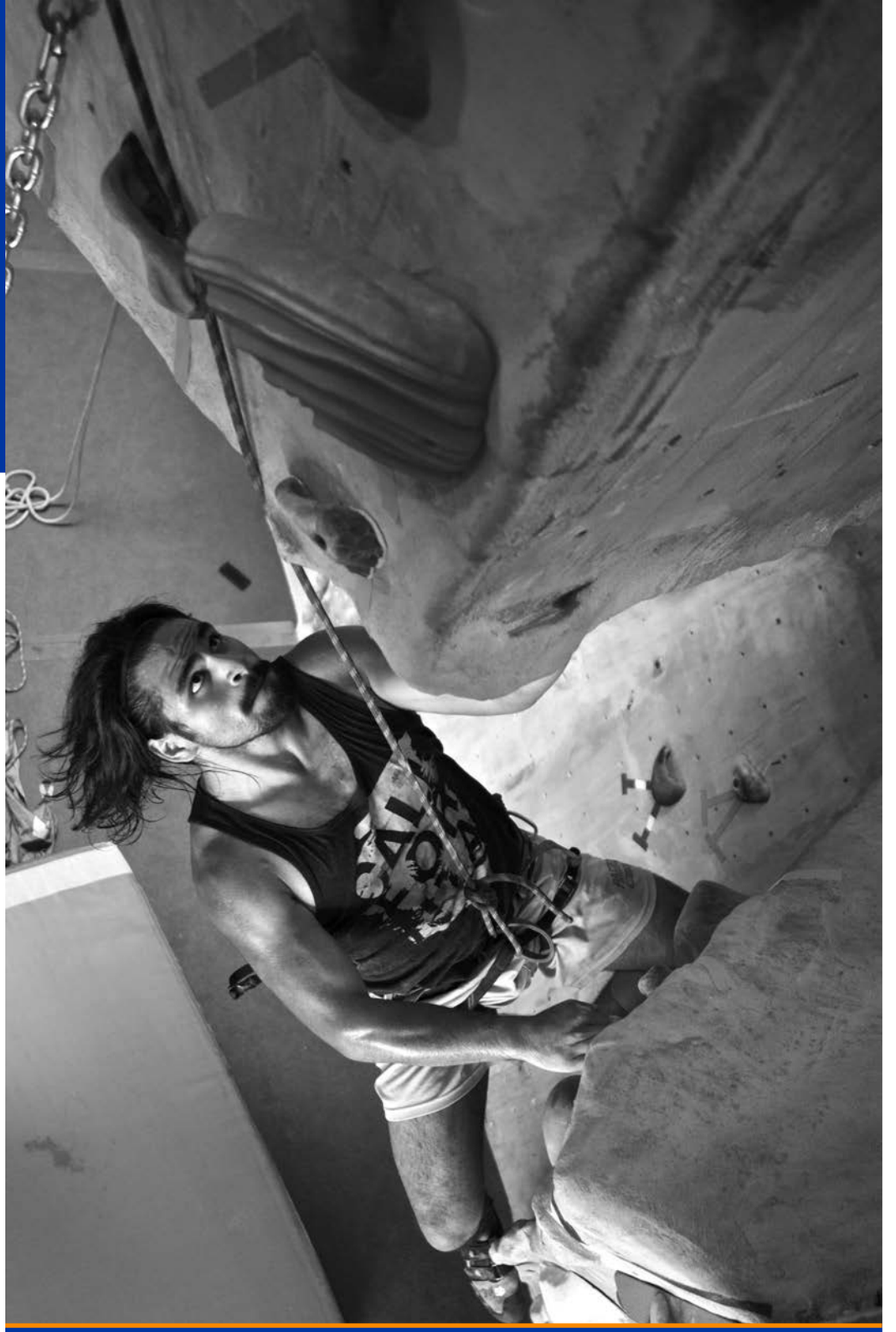
- Convene partners to clarify their unique capabilities and relationships with small business
- Create smart incentives to promote businesses that are concerned strategic to the enhancement of the business city's business climate
- Distribute small business resources in formats that effectively reach target audiences
- Continue support of the Main Street program through the seed fund and technical assistance
- Provide a seamless customer experience internally by deploying a customer relationship management (CRM) system

Outcomes

- Small business formation
- Small business growth
- Partner Success

Key External Partners

Impact Beaverton, Microenterprise Services of Oregon, Hispanic Chamber, Adelante Mujeres, Beaverton Downtown Association, BESThq, Small Business Development Centers, Small Business Administration, Local and Regional Banks, Commercial Brokers



Innovation & Entrepreneurship

Beaverton is a hub of innovation and entrepreneurship with a track record of start-ups that have emerged as regional and global leaders in their industry. Companies take root in Beaverton due to its location, workforce, quality of life and pro-business attitude. Companies with an emphasis on innovation are a good match for Beaverton, as they are suited to the city's inventory of flex and creative spaces, build on Beaverton's brand and assets, and provide family wage jobs. This initiative focuses on enhancing and promoting Beaverton as a place for innovative businesses to start and grow.

Actions

- Support the Oregon Technology Business Center and the Beaverton Startup Challenge
- Encourage targeted industry co-working, incubator and accelerator spaces
- Host partner events, trainings, and conferences that reinforce the City of Beaverton's innovation brand
- Highlight Beaverton's innovation successes and ecosystem through a range of media strategies
- Encourage all segments of the community to participate in innovation and entrepreneurship

Outcomes

- Growth in awareness of the Startup Challenge by businesses, investors and partners
- Demonstrated success in growing innovative companies
- Increased interest in locating in Beaverton by new and fast-growing businesses
- Increased partner and media recognition of Beaverton's innovation brand

Key External Partners

Oregon Technology Business Center, Oregon BEST, Technology Association of Oregon, signature research centers (ONAMI, OTRADI), Oregon Bioscience Association, Oregon Entrepreneurs Network, BESThq

Branding and Marketing

Branding and marketing are essential functions of economic development as they provides critical information about the community to policy makers, partners, businesses and workers. A strong brand conveys the essence of a community and contributes to successful recruitment and retention. Effective marketing ensures that key messages reach and influence their intended audience. In the context of the city's adopted marketing plan, the Economic Development Division's effort will focus on implementing messaging for maximum effectiveness with our current and target business communities.

Actions

- Leverage the Beaverton Marketing Plan to build brand awareness and target businesses, investors and workforce
- Celebrate business achievements, especially those tied to previous city support or incentives
- Use social and other media to stay "top of mind"
- Ensure marketing materials effectively reach target audiences
- Collaborate with partners to reach strategic audiences and communicate Beaverton's brand, advantages and offerings

Outcomes

- Earned media coverage
- Increased awareness of programs and initiatives
- Increased business participation in initiatives and outreach
- Improved economic website and online media visibility

Key External Partners

Greater Portland Inc, Trade Associations, Business Oregon, Impact Beaverton, Westside Economic Alliance, local businesses

Workforce

A highly competitive regional labor market has made attracting and retaining a reliable and talented workforce a top business concern. This is a dramatic shift, since the 2011 Economic Development strategy was written in a period of high unemployment and was focused on incentivizing businesses to add and retain workers. Workforce dynamics today are also shaped by demographic changes that include a growing cohort of older workers at or near retirement and a young workforce that brings new and diverse attitudes and preferences. The focus of this initiative is to collaborate with local, federal and state partners to ensure that Beaverton employers have access to a skilled and reliable workforce, and workers have access to meaningful and well-paying career pathways.

Actions

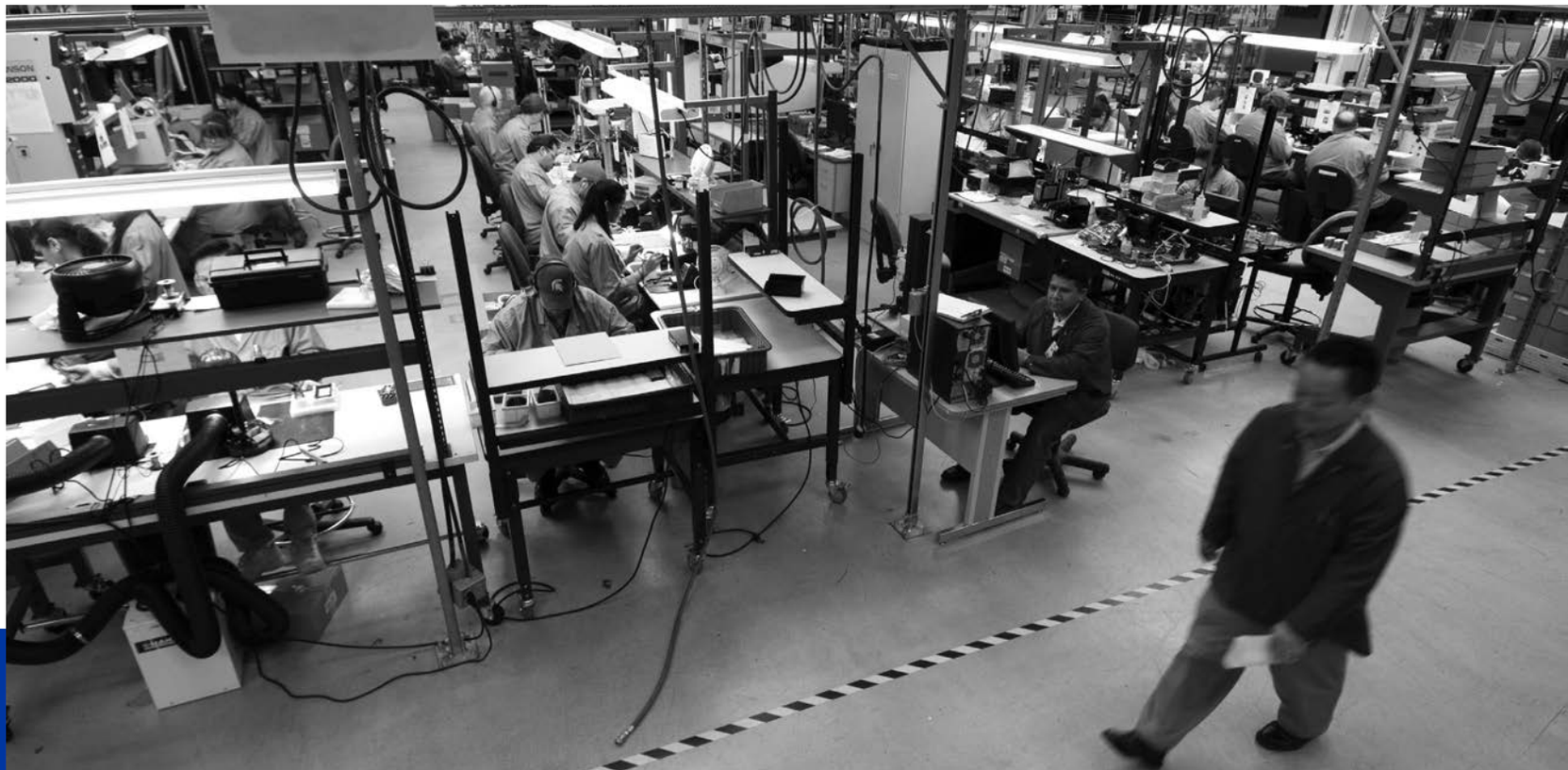
- Engage with workforce partners to strengthen workforce programs
- Connect businesses with hiring and training resources
- Align workforce incentives and programming with current business needs
- Ensure workforce programming serves diverse business and community needs
- Support K-12 initiatives that bridge student and business needs

Outcomes

- Reduce unemployment across diverse demographic segments
- Reduce workforce constraints as measured by survey of businesses and business check-ins
- Increase number of Beaverton residents aware of opportunities to work in Beaverton
- Increase partner engagement in Beaverton

Key External Partners

WorkSystems, Portland Community College, Beaverton School District, Oregon Employment Department, State Universities



Targeted Industry Clusters

A focus on target industries and industry clusters helps a community better understand itself and organize limited resources around initiatives best suited to its unique business climate. Target Industries are those with a large presence in the community and/or strong growth potential. An industry cluster is a geographic concentration of interconnected businesses, suppliers, and associated institutions around a particular industry category. This initiative focuses on strengthening Beaverton's economy through thoughtful targeting of our efforts and incentives to targeted industries and their related clusters.

Actions

- Work with business leaders and regional partners to identify target industry issues and priorities
- Convene targeted industry clusters to build relationships and address priorities
- Support trade groups relevant to targeted industry clusters
- Tailor programs and marketing to industries with the best growth and branding potential

Outcomes

- Increased number of jobs, businesses and revenues in targeted industry clusters
- Increased Industry participation in programs and incentives
- Greater visibility for Beaverton's most successful clusters

Key External Partners

Business Oregon, Greater Portland Inc., Technology Association of Oregon, Oregon Bioscience Association, Oregon Manufacturing Extension Partnership, Impact Beaverton, Oregon Technology Business Center

Ecosystem Leadership

Economic development is most successful when public, private and non-profit players are supported by information and are partnering effectively. The Economic Development Division should take a leadership role by monitoring and communicating information about Beaverton's business climate and economic conditions, and by convening and partnering to support community goals and strategies. Further, the Division has an important role to play in ensuring that programs and activities align with Beaverton's values of sustainability, equity, livability, and resilience.

Actions

- Monitor and communicate business climate and economic conditions
- Identify and establish strategic relationships in support of priority initiatives
- Apply a sustainability and equity lens to programs, policies and procedures
- Implement metrics and report regularly to Mayor and Council

Outcomes

- Information about Beaverton's economy is current and accessible
- Key partners understand and buy into the city's economic development strategies
- Diverse members of the community participate in and benefit from economic development efforts
- Increased business adoption of sustainability and resilience practices

Key External Partners

Oregon Employment Department, Diversity Advisory Board, Greater Portland Inc., Business Oregon, Westside Economic Alliance

Appendix: Strategy Research and Engagement Process

As detailed below, the Economic Development Strategy assessment and recommendations are based on a research and engagement process that included stakeholder interviews, a review of relevant plans and documents, a survey of Beaverton business, and a key leadership summit.

Review of Plans and Documents – To ensure that the Strategy was informed by and consistent with existing strategies and plans, a number of key city documents were reviewed. In addition, more than one hundred other documents were consulted, ranging from regional workforce development plans to census data to research and case studies on relevant topics. City strategies and plans reviewed include:

- The City of Beaverton's Community Vision (2010)
- Marketing Plan (2015), Draft Economic Opportunity Analysis (2015)
- Comprehensive Plan Economy Element and Housing Element (2016)
- Economic Development Division Website
- Diversity, Equity, and Inclusion Plan (2014)
- Market Analysis of Hotel Development Opportunities (2014)
- Housing Strategies Report (2015)
- Civic Plan (2011)
- Economic Development Task Force Paper for Civic Plan (2010)
- Beaverton Urban Renewal Plan (2011)
- Beaverton Economic Development Strategy (2011)
- Allen Boulevard Corridor Plan (2014)

Stakeholder Interviews – To ensure that the Strategy was informed by on-the-ground insights, interviews were held with more than 60 individuals representing diverse community expertise. This included leaders of public, private and non-profit organizations as well as members of the Mayor's Youth Advisory Board and the city's Diversity Advisory Board. Sincere gratitude is given for the time and thoughtful comments shared by these leaders. In addition to these interviews, insights from Business Retention and Expansion visits was incorporated, as was input from the Western Avenue stakeholder meeting.

Survey of Businesses – To ensure that the Strategy was informed by business realities, a survey was sent to businesses registered with the City of Beaverton. The survey was published in English and Spanish and made available in the city's six other priority languages. Businesses received two emails about the survey and the survey was cross-promoted by the Chamber of Commerce/IMPACT Beaverton and by BESThq. While the response rate of approximately six percent was not sufficient to make generalizations about the larger population of Beaverton businesses, the results are useful for understanding conditions and issues for a segment of the business community.

Economic Development Strategy Summit – To validate our findings and recommendations, a full-day Economic Development Strategy Summit was held. The design was intended to be small enough to facilitate productive conversation and large enough to capture a diverse array of perspectives. Approximately 70 invitations were extended, and 44 participants attended the event.

Office Supply
Urban Apparel
Urban Apparel
Virginia Garcia