



# SHARED PROSPERITY PROGRESS REPORT:

## Fiscal Year 2020-2021

### OUR VISION

The last year was a trying one for Port of Portland employees and our community. COVID-19 was not the only pandemic that we faced. The deaths of George Floyd, Breonna Taylor, Ahmaud Arbery and too many others have shown us that “we are living in a racism pandemic” as well (Source: American Psychology Association).

In light of these events, the Port paused to reflect. We wanted to come out of this pandemic better than when we entered it. Now was the time for a us to recast and deepen our DEI work, through a shared prosperity lens.

The Port’s mission is to enhance the region’s economy and quality of life. When we look at our history, we’ve created prosperity – bringing an estimated \$6.5 billion in economic impact to the region. But that has not been shared by everyone. Black, Indigenous, people of color, people with disabilities and low-income communities have been left behind in access to quality jobs, income equality and wealth.

Shared prosperity is using the Port’s resources to enable more people to share and drive the prosperity of our region. At the heart of our shared prosperity vision is our diversity, equity and inclusion work, a journey that started in 2013, with formal implementation beginning in 2019 when the Port’s Commission approved our Social Equity Policy that leads with race. From there, all 18 departments created an equity plan – identifying ways their teams could advance our equity goals.

## OUR SHARED PROSPERITY GOALS



## HOW WE MEASURE PROGRESS

Our diversity, equity, and inclusion (DEI) journey – which aims to meet our shared prosperity goals – is both a process and an outcome. That means it is long-term work. We are committed to learning and growing along the way, so we pay close attention to our progress. At the Port, we approach diversity, equity and inclusion like any other business priority: with clear leadership involvement and accountability, and a data-driven approach to measure success and identify opportunities for improvement.

We set metrics for all three shared prosperity goals. These metrics measure the participation of businesses from underserved communities in Port transactions, projects, and programs; the number of quality jobs created; hiring, retention and promotion rates for women, people of color, veterans and people with disabilities; DEI competency; and how we engage with our broader community. We also monitor and evaluate how each department implements its shared prosperity plans.

While this is a long-term journey for the Port, this report marks our progress toward achieving our established shared prosperity goals during the fiscal year 2020/2021 (July 1, 2020 – June 30, 2021). It also helps us understand where we are not making progress and need to evaluate our priorities and approach.

We believe that our work must strive toward an economy where everyone can participate, prosper and reach their full potential. The report illustrates how we are working to achieve that through collaborative public/private partnerships while noting where we have room to grow. As this work requires collaboration, we look to our continued collaboration with community partners to define the path ahead.

# SMALL BUSINESS PARTICIPATION

## GOAL: Increase small business participation

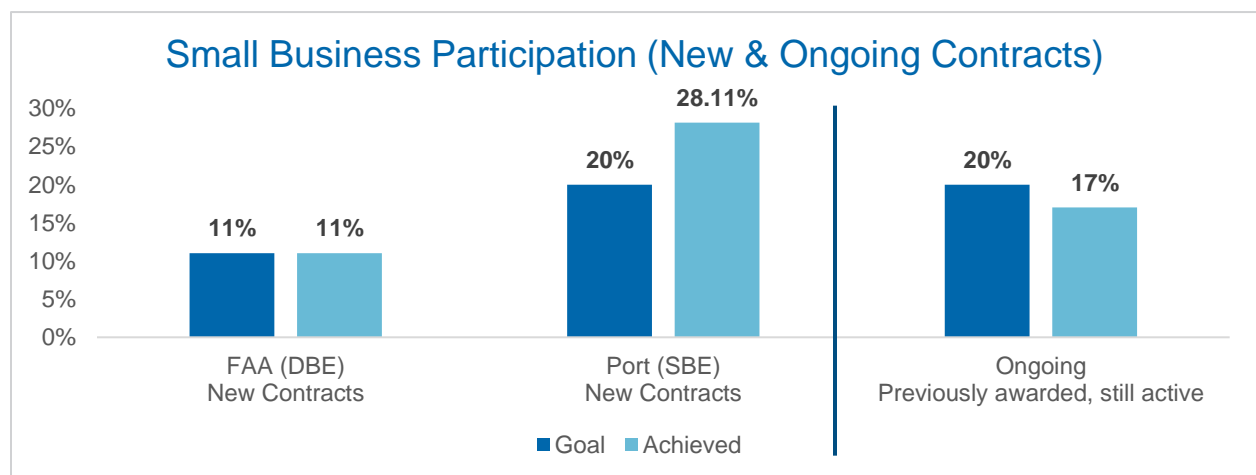
Our objective is to increase the participation of businesses from historically excluded communities in Port transactions, projects and programs. The Port is using our organizational assets, capabilities and market footprint to further equity outcomes among the small business community.

## STEPS TO REACHING OUR GOAL

Public agency contracting can be a lengthy, time-consuming process – especially for small businesses. We try to reduce these barriers because we know how valuable it can be to have small businesses earn contracts with public agencies like the Port. To further empower small businesses, we offer the support they need to better position themselves for contracts with the Port and other public agencies.

To ensure small business participation, we set an aspirational goal of 20% Small Business Enterprise (SBE) utilization on our locally funded projects and 11% Disadvantaged Business Enterprise (DBE) utilization, measured by dollars spent on our federally funded projects across all 18 departments. We met our small business contracting goals. In addition to 11% of federally funded projects going to DBE contractors, small businesses accounted for more the 28% of all new locally funded contracts.

We also set a goal to have small businesses account for 20% of our ongoing contracts, which often span across multiple years. We are currently at 17% for our contracts that were awarded between 2017-2020 but still active in 2021. While we've grown new contracts for small businesses the last two years, we know we still have room to improve. We will build on this progress to ensure we reach our 20% goal in future years for ongoing contracts.



## INTEGRATING AN EQUITY LENS

We also integrate an equity lens into our decision-making processes to help create quality jobs, increase small business participation and inspire other community benefits. Here are a few examples of the progress we've made in the last year.



**More opportunities for underrepresented artists:** The Art Program used an equity lens and awarded over \$1.3 million to artists to increase the participation of art-related businesses owned by women and people of color. We worked with the Regional Arts and Culture Council and a diverse Art Committee to expand outreach to emerging artists. To help mitigate barriers that professional artists face, we started awarding honorariums of \$500 to \$3,500 to all artists participating in our temporary rotating art program.



**Diversifying underwriting services:** In December 2020, our finance team used the equity lens to solicit bids for investment bank underwriting services. As part of a planning process and to add more diversity to the banking team, they looked for ways to increase the response participation from nationally recognized Minority Business Enterprises, Women Business Enterprises and veteran-owned investment banks. These efforts paid dividends – they successfully diversified the pool of investment banks we now work with while ensuring our organization receives the highest level of service.



**Supporting quality jobs on development projects:** We set a new policy that development on Port property by outside partners will require 20% small business utilization, the creation of quality jobs that align with the Port's Quality Job criteria and various beneficial community programs. As a result, development projects currently under negotiation could result in up to \$48 million in regional development and \$9.6 million in small business contracts. These potential projects would create up to 385 quality jobs, which we define as offering at least three of the following:

wages equal to or greater than state average wage; competitive benefits; low barriers-to-entry; career ladder opportunities; workforce support; and diverse and inclusive workplaces.



**Engaging small businesses through PDX Next:** The Port worked with Skanska, our lead construction partner on PDX Next, to empower small businesses. The construction company serves as a mentor in our Mentor Protégé Program, which has brought together more than 100 small businesses with established companies to help them grow. Over two years, mentors consult on business plans, contracts and financials – better positioning small businesses to earn work with public agencies like the Port in the future.

The program helped seven Mentor Protégé graduates secure contracts for the PDX Concourse E expansion, which opened July 2021: Azuri Construction, Chick of All Trades, Diverse Works, Green Man Construction, O'Neill Construction Group, Professional Lath and Plaster and Sign Wizards.

# EMPLOYEE ENGAGEMENT & INCLUSION

**GOAL:** Create an equitable, inclusive, and welcoming place to work

Our objective is to make sure that the Port is regarded as an equitable, inclusive and welcoming place to work. To ensure our people prosper, we take a data-driven, science-based and human-centered approach to attracting, developing and retaining our diverse talent.

## STEPS TO REACHING OUR GOAL

A welcoming and inclusive place to work requires we maintain strategies to enhance employee-centered programs, eliminate recruitment and advancement barriers and advance our employees' DEI and cultural competency. This happens because of our internal programming, recruitment and promotions, and training and education.

To facilitate our success, we have Employee and Business Resource Groups (ERGs/BRGs), a Port of Portland Culture team (PoP Culture), and an employee wellness program. In addition, the DEI Team offers ongoing education to help ensure the Port is a dynamic place to work.

Like many employers, this fiscal year required the Port to pivot and adjust. Our essential workers reported daily to ensure our airport and marine terminals ran efficiently during an unprecedented pandemic, while other employees worked remotely – realigning how we work, meet and manage projects. Many Port parents had to juggle work and virtual school for their children.

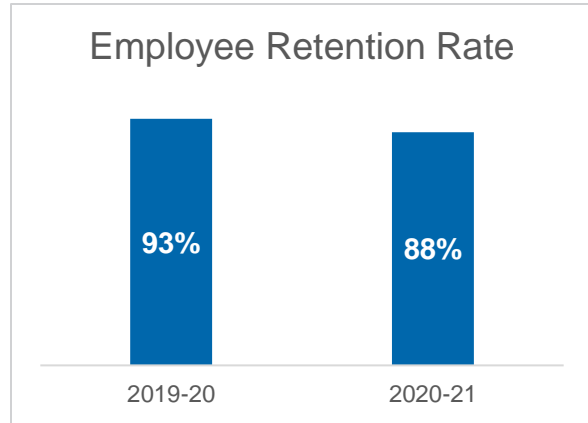
## EMPLOYEE-CENTERED PROGRAMMING



We made the following progress in the last fiscal year on our employee-centered programming.

## EMPLOYEE RETENTION

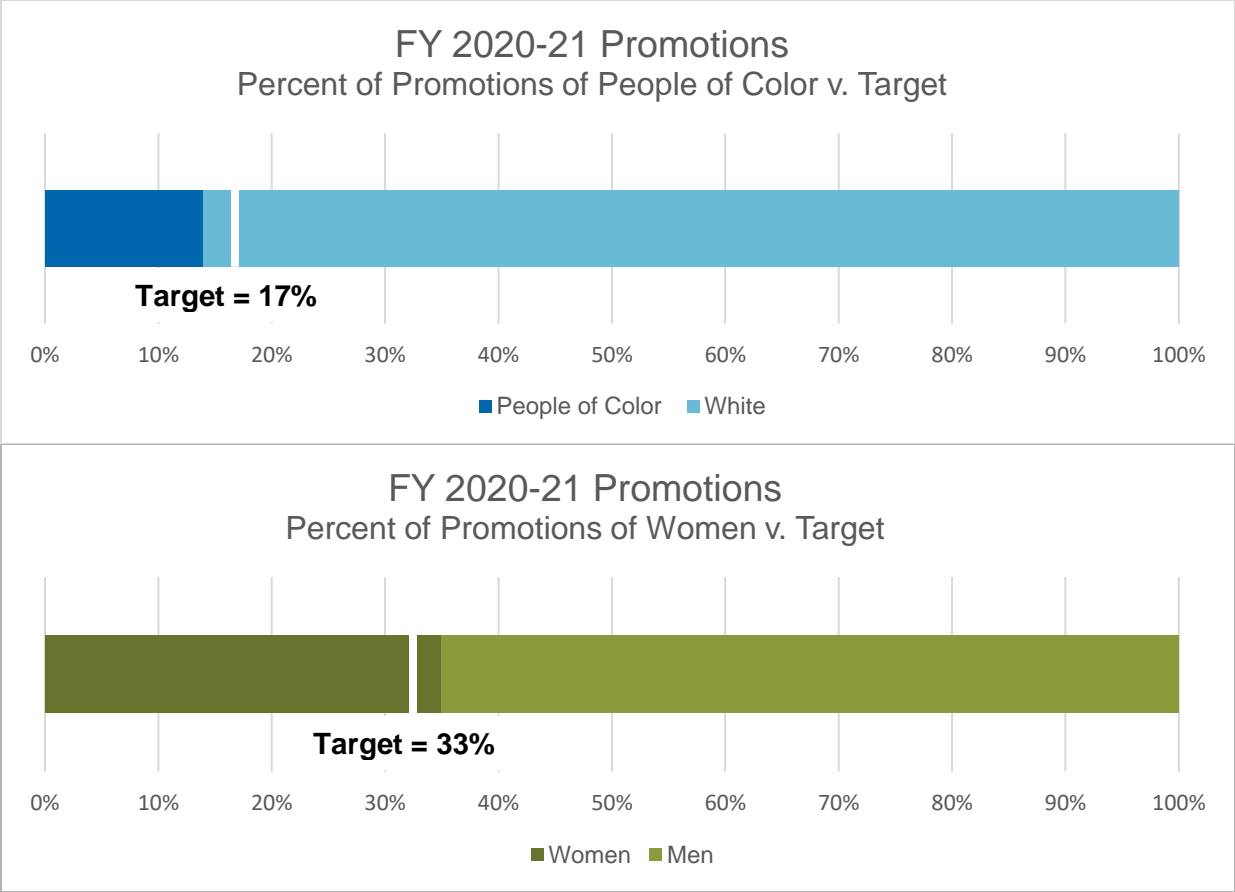
Employee retention during this unprecedented time has affected the Port just as it has other organizations. We saw a dip in retention from 2019-20 to the 2020-21 fiscal year. While the Port makes retention a priority, we recognize the pandemic required we pivot and reimagine how we recruit and retain our employees.



## RECRUITMENT BARRIERS & PROMOTIONS

A more inclusive culture starts with recruiting. Our goal is a workforce that meets or exceeds the percentage of women and people of color eligible for work in the region. This year, the Port exceeded those efforts – mirroring the community we serve. We also want all Port workers to have equitable access to growth at the organization. When that happens, the rate of promotions for women and people of color is equal to the percentage of employees who work at the Port. Below are our results for the year:

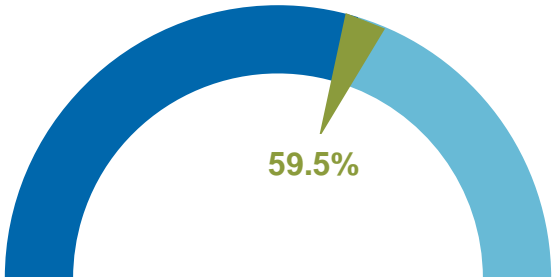
Employee Resource Groups	Business Resource Groups	PoP Culture	Wellness
<ul style="list-style-type: none"> <li>Added the Native People’s United resource group</li> <li>Held six virtual celebratory/heritage months</li> <li>All resource groups serve in advisory capacity</li> </ul>	<ul style="list-style-type: none"> <li>Hosted quarterly events focused on leadership and management</li> <li>Held a resume writing course</li> <li>Brought in 8 guest speakers focused on developing leadership skills</li> </ul>	<ul style="list-style-type: none"> <li>Hosted monthlong Diversity Summit attended by 118 employees and Culture Week with 50 daily attendees</li> <li>Shared quarterly communications highlighting PoP Culture updates</li> <li>Led ongoing engagement projects:               <ul style="list-style-type: none"> <li>Engagement survey review</li> <li>DEI Annual online training</li> <li>White Men and Diversity series</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>10+ wellness competitions with 400+ employees</li> <li>90+ virtual wellness seminars</li> <li>100+ virtual fitness classes</li> <li>300+ Gold Badges earned (Top Category) through Sprout wellness program</li> </ul>



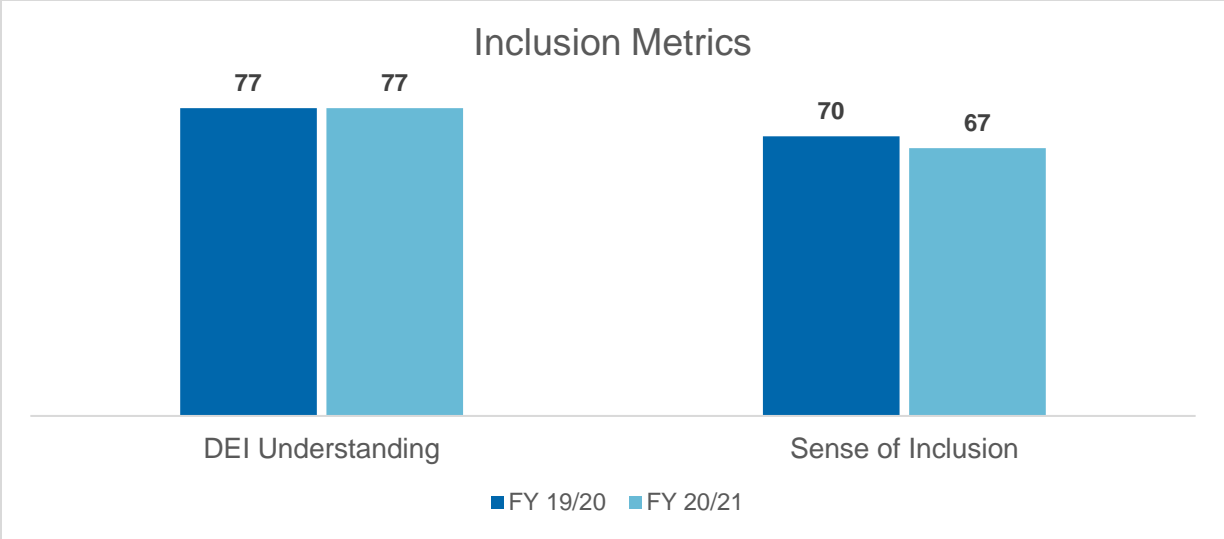
**TRAINING & EDUCATION**

Training and education are essential to building awareness and cultural competency. Nearly 60% of Port employees participated in DEI training. That was a 36.5% improvement from the previous fiscal year, which can be attributed to offering more opportunities for employees to engage and implementing a tracking system to measure our progress.

**Annual Employee Training**



We also measure engagement as it relates to inclusion. Our results remained constant regarding employees' understanding of diversity, equity and inclusion. Our sense of inclusion metric showed a slight dip of 3 points after a quarter-over-quarter increase, which we attribute to the stressful occurrences during this unprecedented time.



As continuous learning is one of the most important keys to embed DEI values and principles into our work, we engage in deep conversations on a wide range of topics. We hosted more than 40 Conscious Conversations that explored issues of race, sex, and gender equity and identity. Every quarter, we strive to write and publish three equity-related stories that document how Port employees embed DEI decision making in programs, projects, transactions and other activities. Through these stories, employees share how they approach problems, the decision-making process they pursued, what they learned along the way, and any new insights that the Port can use to develop new ideas. In the last two years, 16 articles have been published – receiving 3,307 views.

**40+**  
Conscious Conversations

**16**  
Articles on equity in practice shared

**3,307**  
Article views among 700+ employees



# CREATING MEANINGFUL COMMUNITY ENGAGEMENT

## GOAL: Equitable engagement

Community engagement is defined as a mechanism to gather external information and use it to inform our work. This new information helps us understand different perspectives and how our work benefits and burdens the community. Prioritizing activities to engage Black, Indigenous, people of color, and people living with disabilities, produces Equitable Engagement, which is the result we aim to achieve. Our objective is to develop mutually beneficial relationships, invite diverse perspectives and engage the leadership of people of color.

Community engagement holds the promise that public participation can influence decisions that affect the provision of services, future visions and the sustainability of our communities. Governments have a long history of using advisors and key stakeholders to inform decision-making. Typically, those individuals have not broadly represented the community, and the resulting engagement perpetuated policies and outcomes that benefit those with access. A robust community engagement effort is based on a foundation of authenticity, transparency, partnership and growth. This type of relationship-building begins long before there are big decisions to be made.

## STEPS TO REACHING THE GOAL

In the 2020/21 Fiscal Year, we began building a framework for a Port Engagement Program. This work included interviewing community partners to understand their experience working with the Port and creating a shared definition for Equitable Engagement. We also developed Port principles of engagement and worked to update Port employees' understanding of engagement best practices.

Simultaneous with building the Engagement Program, we developed new goals for departmental equity workplans to reflect a better understanding of how our community engagement work needed to align with equity as an outcome. In the process, we updated this third shared prosperity goal to focus on three specific things: developing mutually beneficial relationships, inviting diverse perspectives and engaging the leadership of people of color.

In addition, our Equitable Engagement team:



**Delivered more than 25 presentations and training to Port staff on Community Engagement Best Practices.**



**Provided one-on-one support to all divisions as they updated their Equitable Engagement workplans.**



**Engaged community leaders, committees and coalitions on shared prosperity and used findings to inform programs and projects.**

As the Port is largely a revenue-driven operation, our assets must support themselves financially. For any that cannot, we apply a shared prosperity lens to be sure the investment is the best possible use of resources. We have completed preliminary reviews of all the Port's assets, with more in-depth work coming over the next year in partnership with community stakeholders. Initial discussions will focus on identifying the best use for West Hayden Island.

## OUR IMPACT

As a result of these efforts, Port leadership has offered strong internal support for using a community approach to new projects. The Port's shared prosperity vision also reflects a commitment to developing a community-centered approach. While some community partners are still skeptical, they appreciate our goals and intentions. We need to recognize that moving from intention to implementation will take time to infuse throughout the organization.

Additional progress in the last fiscal year include:

10 updated department equity workplans that incorporated community engagement goals	Developed a framework for consistent engagement systems and understanding	Our approach to project planning for several Port properties, including West Hayden Island and Terminal 2, reflects a change in how and who we engage	Conducted 30+ interviews to inform the development of our new Trade and Equitable Development Team – focused on sparking business growth and ownership in communities of color
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### Community Engagement Snapshot:

#### **New Aviation Career Pathways**

We look for opportunities to partner with community-based organizations that address social and economic disparities. In the last year, we partnered with the Portland Community College and the Hillsboro School District on its new Oregon Aerospace Careers for Everyone Program.

This is a training pathway program for high school students interested in careers as aviation maintenance technicians, avionics technicians, or professional pilots. A goal of the program is to diversify the aviation industry by introducing more nontraditional and under-represented candidates, like women and people of color, to the field.



*Photo courtesy of Oregon Aerospace Careers for Everyone*

## AREAS OF OPPORTUNITY

There are several areas of opportunity that lie ahead for the Port regarding our three goals. The opportunity is to identify where improvement is needed and develop a plan that turns opportunities into successes. The following are some examples:

### Goal 1 Increase small business participation

- Address continued use of underperforming prime contractors
- Address need for target businesses to have additional time for RFP or bid responses
- Create contracts that are appropriately scaled for SBEs to perform
- Evaluate experience requirements that prevent or eliminate SBE inclusion
- Continue providing technical assistance, education and pre-apprenticeship programs that support minorities and women in the trades

### Goal 2 Create an equitable, inclusive, welcoming place to work

- Improve promotion rate of Black, Indigenous, people of color (fell 4% below benchmark)
- Identify the cause for loss of workforce who identify as individuals with disabilities (loss of 15%) and women (loss of 6%)
- Improve professional development opportunities and enhance internal programs and collaborative ways to improve inclusion and belonging at work

### Goal 3 Equitable engagement

- Continue to provide training at all levels of the organization regarding community engagement – address differing levels of understanding and information
- Recognize the shift from past practices to future program development
- Continue to staff the development of department workplans to create strategic goals and measurable outcomes
- Understand and implement best practices regarding authentic engagement, institutionalize the move from intention to action

## WHERE WE ARE GOING

We continue to leverage data to make decisions to reduce barriers and create opportunities for communities of color, low-income workers and people with disabilities. The Port has identified six action items that we will begin to implement next year.

- Use our \$6.5 billion in economic impact a year to create jobs, attract businesses committed to quality jobs and partner with industries that build skills and training.
- Build partnerships that spark business growth and ownership in communities of color.
- Assess how our Port assets – marine terminals, industrial land and airports – can best contribute to prosperity in our region.
- Make it easier for small and minority-owned businesses to contract with the Port.
- Hold companies we contract with to high standards of equity.
- Grow our award-winning Mentor Protégé Program to help more small businesses build skills on Port projects.