

# PIDC 2020



## An Organizational Strategy to Drive Growth to Every Corner of Philadelphia





## PIDC

We are Philadelphia's public-private economic development corporation, as a private, non-profit. PIDC is a non-profit founded by the City of Philadelphia and the Chamber of Commerce for Greater Philadelphia in 1958.

## OUR VISION

A Philadelphia economy that is diversified, growing, and inclusive as it drives jobs, investment, tax revenue, and revitalization throughout the city, producing a high quality of life for all residents, businesses, visitors, and workers.

## OUR MISSION

PIDC's mission is to spur investment, support business growth, and foster developments that create jobs, revitalize neighborhoods, and drive growth to every corner of Philadelphia. To achieve our mission, we attract, manage, and invest public and private resources in the clients, communities, and markets that energize Philadelphia's economy.

## OUR VALUES

We **love** Philadelphia as a place to live, work, and raise our families. We are passionate about our city and its capacity to grow and improve. We are committed to playing a leading role in stimulating and driving that economic growth in a broad and inclusive manner.

We **engage** deeply and honestly with a diverse base of partners, clients, and each other to build relationships that drive positive outcomes.

We **thrive** on attracting resources to Philadelphia and investing them in the people, partnerships, and transactions that drive the broadest growth opportunities possible, especially for those that may lack access to traditional resources and opportunities.

We are **open** to new ideas, relationships, resources, and ways of doing things in the spirit of continuous improvement and expanded impact.

# STRATEGIC PILLARS & GOALS



## SUMMARY

The following plan outlines goals for every arm of the organization to collaboratively advance the work that supports our mission. We have organized our goals around the four pillars of our corporate strategy—Connect, Execute, Innovate, and Sustain. To fulfill our mission, PIDC is committed to achieving the following goals and objectives during the course of the plan.

### **CONNECT** to stakeholders, partners, clients & the marketplace

1. Drive PIDC's identity in the marketplace as a go-to resource for growth
2. Position PIDC's products and services to attract clients and investment
3. Build a pipeline of diverse clients across all product lines and throughout the city
4. Connect internal knowledge to drive success for clients, partners, and colleagues
5. Build, support, and engage an active governance network

### **EXECUTE** delivery of products & services that drive growth throughout the city

1. Close a broad portfolio of loans, grants, and technical assistance services
2. Raise capital for existing products, services, and assets
3. Operate and grow the Navy Yard as a premier business campus
4. Stimulate commercial and industrial land development, leveraging PIDC's land portfolio
5. Support and execute priority City transactions and initiatives

### **INNOVATE** new resources, products & business processes that advance our mission

1. Develop new products and services to support investment and growth
2. Capture new investors with PIDC's impact story
3. Modernize business strategies, tools and processes to support efficiency and growth

### **SUSTAIN** a thriving, dynamic & successful PIDC organization

1. Prepare, implement, and manage a profitable, multi-year financial plan
2. Attract, develop, and retain best talent through a culture of performance
3. Identify and manage risk to ensure growth and profitability
4. Provide excellent customer service to clients, partners, and colleagues
5. Advance diversity and inclusion throughout the economy and PIDC's operations



# GOALS & OBJECTIVES

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## **CONNECT** to stakeholders, partners, clients & the marketplace

- 1. Drive PIDC's identity in the marketplace as a go-to resource for growth**
  - Celebrate PIDC's 60th anniversary with a communications program that reinforces our partnerships, clients, and identity
  - Provide board, staff, clients and partners with consistent messages about PIDC's identity and successes and position them as ambassadors
  - Establish a community engagement leadership team at the Navy Yard and build programs for Corporate Social Responsibility, Innovation/Entrepreneurship and Sustainability
  - Increase visibility of PIDC's investments in Start-Up and Innovation partners
  - Position PIDC team members across key industry networks and events to reinforce our identity and expertise
  - Convene a city-wide discussion with partners about the future of work and its impact in Philadelphia
  
- 2. Position PIDC's products and services to attract clients and investment**
  - Position Philadelphia, PIDC, and our land inventory for expanded development
  - Position our business lending and project finance resources to attract new clients
  - Update and reposition Navy Yard brand with new messaging and marketing tools
  - Update all PIDC product positioning statements
  
- 3. Build a pipeline of diverse clients across all product lines and throughout the city**
  - Increase inquiries by 50% by 2020
  - Increase repeat business with clients by 50% by 2020
  - Establish internal referral channel and resource guide for each PIDC employee to refer at least one new contact to marketing or product teams
  - Establish a business development program for R&D prospects at the Navy Yard
  
- 4. Connect internal knowledge to drive success for clients, partners and colleagues**
  - Reinforce stronger working relationships with key City departments
  - Align internal communications and process management for pipeline development, management, and increased efficiency and productivity
  - Formalize PIDC Alumni Network and create engagement opportunities
  - Promote PIDC Colleagues as resources for the marketplace in communications, workshops and external activities
  
- 5. Build, support and engage an active governance network**
  - Maintain active participation at Board, Executive Committee, and working committees
  - Establish three new Board Committees to engage stakeholders and guide our work



## **EXECUTE** delivery of products & services that drive growth throughout the city

### **1. Close a broad portfolio of loans, grants and technical assistance services**

- Execute key transactions volumes annually: Business Lending, Project Finance, Tax Exempt Bonds, and Grant Administration
- Grow business loans to 100 loans and total transactions to 200 annually by 2020
- Maintain 100% zip code coverage for PIDC's portfolio on a rolling 5-year basis
- Achieve 50% MBE/WBE/DBE business loans across all PIDC products by 2020
- Implement StartUp PHL Fund II Structure with a new partner in 2018
- Expand post-closing technical assistance programs and outcome reporting
- Secure three grant awards for brownfield cleanup from state & federal sources totaling \$2+ million by 2020

### **2. Raise capital for existing products, services and assets**

- Establish 5 new investor relationships by 2020
- Secure \$8M of debt and \$8M of equity for business lending programs over three years
- Raise \$6M in 2018 and an additional \$10M over 2019 and 2020 to fund impact development projects
- Raise \$500,000 in annual commitments to support technical assistance and business support by 2020

### **3. Operate and grow the Navy Yard as a premier business campus**

- Expand transit services and ridership
- Implement a multi-family residential development program
- Execute key leasing and development opportunities directly and with partners to attract 10 new companies and 1,000 employees annually and 5 new R&D facilities by 2020
- Operate and maintain the property consistent with a first-class campus
- Update the Navy Yard Master Plan for next phase of growth
- Develop and implement a multi-year capital and operating plan
- Produce a diverse portfolio of events to drive visibility and partnerships
- Operate and grow the Navy Yard micro grid
- Develop "smart cities" partnerships to demonstrate and deploy technology

### **4. Stimulate commercial and industrial land development, leveraging PIDC's land portfolio**

- Implement key Lower Schuylkill River initiatives around land assembly, planning, infrastructure, and development
- Execute five land sales to support logistics and distribution development through 2020
- Structure a development for PIDC's own balance sheet by 2020
- Execute stormwater development project in the sports complex
- Complete one new industrial land assembly and position for investment
- Complete sale of Horning Road property to Amtrak or an investor in 2019

### **5. Support and execute priority City transactions and initiatives**

- Support the City's business attraction and retention program with marketing, real estate, and financing resources
- Execute key public-private development opportunities
- Execute conduit real estate transactions and establish a portfolio tracking tool
- Partner with the Airport on key logistics, commercial, and facility development opportunities
- Provide the Rebuild Program with financing, business operations and private investment support



# GOALS & OBJECTIVES

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## **INNOVATE** new resources, products, & business processes that advance our mission

- 1. Develop new products and services to support investment and growth**
  - Launch a new capital fund for mixed-use development in commercial districts paired with a comprehensive technical resource for property owners and tenants
  - Partner with the chamber to implement key transactions and initiatives in the innovation economy
  - Establish a more robust post-closing Technical Assistance Program focused on client growth and portfolio risk management with a stronger connection to performance tracking
  - Evaluate and reposition the Contract Line of Credit product to achieve broader and more sustained impact
  
- 2. Capture new investors with PIDC's impact story**
  - Develop a set of communications tools to describe PIDC's impact story
  - Collect longitudinal data on borrower's growth and performance to demonstrate outcomes
  - Develop an impact assessment tool for real estate and lending transactions and post-closing reporting
  - Plan and execute an investors conference for impact commercial development and job growth in 2019
  
- 3. Modernize business strategies, tools and processes to support efficiency and growth**
  - Implement a new CRM tool in 2018
  - Plan and implement a new enterprise-wide database and software tool to collect, manage, and report on data, performance, and outcomes by 2020
  - Improve remote access for colleagues
  - Improve customer on-line portal to expand functionality and service
  - Implement an on-line learning management system for team members
  - Create a new automatic credit reporting system for loans and the portfolio
  - Develop and implement tools and dashboards to track and report on pipeline and transaction activity, including grants and conduit transactions
  - Implement a PIDC intranet for internal communication and collaboration



## **SUSTAIN** a thriving, dynamic, & successful PIDC organization

- 1. Prepare, implement and manage a profitable, multi-year financial plan**
  - Implement a 3-year operating budget in 2018
  - Increase revenue by 20% by 2020
  - Identify and implement new cost control opportunities to reduce overhead expenses by 20% by 2020
  - Pay-off higher interest debt
  - Implement new accounting pronouncements
  
- 2. Attract, develop and retain best talent through a culture of performance**
  - Establish a comprehensive onboarding program
  - Complete a comprehensive review of compensation and benefits
  - Implement a new performance assessment and management process
  - Provide a leadership training program and support for managers
  - Execute an annual program of employee engagement opportunities
  - Complete new office lease in 2018
  
- 3. Identify and manage risk to ensure growth and profitability**
  - Make organizational changes to support more efficient decision-making, greater production, and enhanced risk management
  - Implement more sophisticated and proactive accounting and risk measurement tools around asset-liability mix, cash flow, and interest rate risk
  - Upgrade IT systems for security, back-up recovery, disaster recovery, and business continuity
  - Complete external review with Aeris and raise ranking to "A" by 2020
  - Pursue changes in OMB policy regarding Philadelphia's CRA boundaries
  
- 4. Provide excellent customer service to clients, partners and colleagues**
  - Update post-closing surveys for all products and publish results
  - Establish a regular debrief for lessons learned from lost transactions
  - Establish a regular, proactive, and standard communication tool for investors
  
- 5. Advance diversity and inclusion throughout the economy and PIDC's operations**
  - Establish appropriate culture, training and support resources for D&I awareness across staff and Board
  - Establish a diversity and inclusion dashboard and regularly report on governance, staff, lending, and contracting goals for PIDC activity
  - Build a robust network and resource of diverse firms for procurement opportunities



1500 Market Street  
Suite 2600 West  
Philadelphia, PA 19102  
P 215.496.8169  
PIDCphila.com

