



CITY OF SALEM

585 Liberty St SE
Salem, OR 97301

Staff Report

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Date: 9/14/2020

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TO: Mayor and City Council
THROUGH: Steve Powers, City Manager
FROM: Kristin Rutherford, Urban Development Director

SUBJECT:

Salem's Economic Development Strategic Plan Update

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Strong and Diverse Economy; Welcoming and Livable Community.

ISSUE:

Update the City's 2011 Economic Development Strategic Plan

RECOMMENDATION:

Information only.

SUMMARY:

The City's most recent Strategic Economic Development Plan (Plan) was prepared in 2011 and is due for an update. Many of initiatives in the existing Plan have been completed or revised due to changing needs or conditions. Salem has changed over the last nine years too. The population has increased from 157,000 to 176,000 and the City has experienced growth and shifts in employment mix. COVID-19 has had considerable negative impacts on the economy, and the updated strategic plan will focus on the City's recovery with intentional focus and actions to ensure equitable outcomes for all of Salem's residents.

FACTS AND FINDINGS:

Updating the Economic Development Strategy Plan will be an Urban Development Department led initiative, and there are not any immediate budget impacts. The Plan will establish the roadmap to

ensure Salem's economy will recover from COVID-19 impacts and be more diverse, equitable, and resilient. The Plan is being developed concurrently with several other important City visioning and planning documents, including Our Salem and the City-wide Climate Action Plan. Staff will work collaboratively across departments to leverage outreach and information gathering opportunities to ensure the Economic Development Strategy Plan is aligned with other City plans. To that point, the timing of this Plan will be coordinated with other planning efforts, and staff anticipates returning to Council in mid-2021 to share updates.

Staff time will primarily be focused on research and public outreach around these key topics:

- Economic recovery from the negative impacts due to the COVID-19 pandemic.
- Evaluate key industries and employment mix.
- Coordinate with the Community Development Department to analyze future housing and employment land supply.
- Overall assessment of urban renewal area priorities to ensure actions are still relevant and respond to current business needs, community livability, and equitable outcomes.
- Business retention (includes supply chains, industry clusters, infrastructure, small business & workforce needs, access to capital).
- Entrepreneurship, and innovation (includes access to capital and technical assistance. Specific focus on underrepresented communities).
- Equitable Broadband access.
- Affordable housing.
- Equity and inclusion - ensuring that actions in the Plan reflect and address the needs of all residents, with specific focus on the needs of people of color.
- Marketing and promotion - articulating Salem's story, successes, and opportunities, to inform future business retention and recruitment efforts, as well as defining identity and building community pride.
- Coordination and alignment to other planned or existing efforts: City Strategic Plan, City wide Climate Action Plan, Our Salem, City Transportation Plan.

BACKGROUND:

The intent of the Plan is to meet the needs of residents and businesses in Salem. Since March, many

businesses have been impacted by the pandemic and are struggling to stay afloat. There has been a roughly 5% increase in unemployment in the Salem metropolitan statistical area. Black, Indigenous, and People of Color (BIPOC) have been disproportionately impacted by the health and economic impacts of COVID-19, and these groups will be central to the recommendations in the Plan update.

The update of the 2011 Plan will serve as the City's economic recovery strategy, during and post the COVID-19 pandemic, as well as the implementation plan for policies and goals contained in the updated Comprehensive Plan and City Strategic Plan. Recommendations will be shaped by targeted outreach efforts to get input from segments of the community who are generally underrepresented. The goal of outreach efforts will be to understand what residents and businesses need to ensure a speedy economic recovery. That input, as well as feedback from many of the economic development and community development organizations, will inform a large portion of this Plan.

Local planning to ensure the success of our community has never been more important. Recent events and trends highlight the importance of local communities and businesses taking the lead on resiliency and serving as the catalyst for change.

Seth Lenaerts
Program Manager I

Attachments:

1. None