



# CITY OF SALEM

585 Liberty St SE  
Salem, OR 97301

## Staff Report

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**TO:** Mayor and City Council

**THROUGH:** Kristin Rutherford, Interim City Manager

**FROM:** Norman Wright, Community Development Director

**SUBJECT:**

Economic development quarterly report

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Strong and Diverse Economy

**SUMMARY:**

City Council requested economic development reports from the Urban Development Department associated with the goal of creating a vibrant economy. This report includes activity from quarter four of calendar year 2021 and the first quarter of calendar year 2022.

**ISSUE:**

Information report of economic development activities from quarter four of calendar year 2021 and the first quarter of calendar year 2022.

**RECOMMENDATION:**

Information only.

**FACTS AND FINDINGS:**

**URA Grant Activity**

Property owners and businesses continue to access URA grants to spur new development and redevelopment for the benefit of the community.

In the Riverfront-Downtown URA, an estimated \$584,715 of capital improvement grant funds were committed to eight projects with total project costs of about \$1.3M. These grants funds were used to leverage private capital to recruit new business and reduce downtown vacancy. The Strategic Project

Grant also funded \$45,405 in grants to fund crime prevention/security improvements for two properties within the URA. In the downtown core, two outdoor dining platforms have received grant commitments for a total of \$40,000 from the Open For Business Grant, created to reduce impacts resulting from the pandemic.

The West Salem Urban Renewal matching grant helped finance the construction of the new multi-use two story building on Patterson St NW where the construction was completed over the last quarter and opened for new offices. Additional grant commitments are pending final plans and application materials. The design of 2nd St NW is 60% complete, and public outreach was done with updates to area councilors, neighborhood, and business associations. The interactions we have had with the public thus far indicate enthusiasm for the street construction so redevelopment may occur, and the elements of the Edgewater St district may be extended north to this area.

In the North Gateway Urban Renewal Area, a new grant was issued for manufacturing equipment at 20/10 Products located at 3049 Industrial Way NE where the total investment is \$563,000 and the grant is \$261,000. There was also a grant commitment to Freeman Motors for building and ADA improvements with a total estimated cost of \$494,000 and a grant of \$247,000. There is significant interest in the grant program, and we anticipate more applications next quarter.

The North Gateway Strategic Project Grant was approved by Council in January 2022 and launched in February. This grant was created to support the business community by offering financial support to property owners for safety and security projects for their building and/ or property. Staff has begun receiving inquiries and are working with property owners to identify eligible expenses.

## **Business Outreach**

Urban Development staff continue to engage with local businesses and made over 50 one-on-one business contacts in each of the last two quarters. Staff also attended several professional business group meetings including Coffee Club for Startups, Pub Talks, SEDCOR events, Salem Chamber of Commerce events, and Latino Business Alliance meetings.

The topic of business inquires continues to move away from COVID-19 grant relief towards macro-economic issues like workforce and supply chain challenges. When possible, staff connects businesses with regional partners like Willamette Workforce Partnership and SEDCOR to help businesses find solutions.

Staff is also seeing an increase in the number of calls from new and existing businesses seeking information on loans, business plan development, zoning or city process questions, business growth, and business incentives. Staff directly assists businesses with City based topics like those on zoning, Salem Revised Code, utility capacity, and URA grant programs. On other topics, staff connects businesses with our partners from organizations like SEDCOR, Small Business Development Center, Business Oregon, Willamette Workforce Partnership, and the Mid-Valley Venture Catalyst. Staff also communicates with businesses on a regular basis via the *Business Resources* email list that has over 450 contacts.

## **Marketing Videos**

The Urban Development department signed a contract with Allied Video to produce 10 business marketing and lifestyle videos. These videos will be 1-2-minute profiles that can be used to market Salem and highlight the high-quality goods and services offered here. Five videos have been shot or are already scheduled. These videos feature downtown co-working spaces, The Gray Lab and Co.W, Oregon Fruit, Fork Forty, and entrepreneurial events. The first round of videos is in editing and will be released soon. These videos will be shared on the City's social media, new website and with partners and businesses. The videos can also be used for business recruitment efforts and by businesses for employment recruitment. The marketing videos are one of the initiatives identified in the Economic Development Strategy and COVID-19 Recovery Plan.

## **Entrepreneurship**

Urban Development staff have been working with partners to re-catalyze entrepreneur events whose growth had been limited over the last two years. Staff initiated a quarterly event coordination meeting with members of Launch Mid-Valley and assist in promoting events and ensuring the Launch Mid-Valley website is updated. Staff continue to partner with the Mid-Valley Venture Catalyst on events like Coffee Club for Start-Ups and Pub Talks to bring in speakers and panelists on topics of interest to our business community.

Staff is also supporting other groups and individuals who want to offer entrepreneurship focused events such as helping to coordinate the Boss Ladies Spring Series. This series is geared towards woman founders and CEOs. March and April events were on digital marketing & branding and keys to financial success. The March Boss ladies will be featured in the entrepreneurship video referenced in the *Marketing Videos* section of this report.

Seth Lenaerts  
Program Manager

Attachments: None