



Staff Report

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Item #: 6.b.

TO: Mayor and City Council

THROUGH: Kristin Retherford, 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 two of calendar year 2022.

ISSUE:

Information report of economic development activities from quarter two 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 \$93,904 of Strategic Project Grant funds were committed to five projects to help cover costs for crime prevention improvements to a building, including trash enclosures, fencing and security lighting, and cameras.

The third phase of downtown streetscape improvement is near completion on the south side of Court Street between Front/Commercial Streets and west side of Commercial Street between Court and State Streets. Street scape improvements included adding pedestrian lighting where there was none previously and electrical and plumbing infrastructure.

In the West Salem Urban Renewal Area, new redevelopment grant applications have been submitted for consideration, and more are anticipated later this year. The design of 2nd Street NW is approaching 80% complete and construction will start in 2023. The Urban Land Institute Technical Assistance Panel was in West Salem at the end of June for a tour and to meet with councilors, businesses, residents, and other stakeholders. Their study and recommendations will be complete this summer.

The projects located at 3049 Industrial Way NE and 3772 Portland Road NE that were funded through the North Gateway Grant Program are complete. Improvements to the buildings at 1795 Silverton Road NE are nearly done and there is a commitment for trade equipment at 3590 Portland Road NE that should result in the creation of seven new jobs.

The North Gateway Strategic Project Grant program was approved by Council in January 2022 and launched in February. This program was modeled after the Riverfront-Downtown Strategic Grant Program. 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. In the last quarter an estimated \$138,819 dollars were committed to nine projects. Six of the projects include exterior security cameras and lighting, one project is for exterior building lighting, parking lot lighting and cameras, one project is for exterior security cameras and fencing, and one project is for fencing only.

Business Outreach

Urban Development staff had over 50 connections with businesses in the last quarter. The most common assistance is related to a specific or unique business-related inquiry. Staff connected with 17 businesses or individuals who were seeking entrepreneurial assistance. There were also about 10 unique business engagements for inquiries on URA grants, event information and staff-initiated check-ins with businesses to follow up on past assistance.

Staff is attending more meetings and events with emerging businesses and entrepreneurs. Examples of such meetings in the last quarter include Chemeketa's Small Business Management graduation, Merit's entrepreneur finance class, and the Latino Microenterprise Development Program Orientation. Staff leverage these events to promote City resources and ensure new businesses are aware of City and partner programs that can help support the businesses' goals. Staff will continue to look at opportunities to engage with entrepreneurs as they began their endeavors.

A round table meeting with some of the Salem's largest food producers was held in May. Attendees included: Ingredion, Shinsegae/Emart, Yamasa, Fresh n' Local, Don Froylan Cheese, and Oregon Fruit Products. The meeting was held at Chemeketa's New Agricultural Center. Workforce was a key topic of the meeting, including worker training programs. Economic Development staff was on hand and City Engineer Brian Martin provided an update on the City's water service.

Marketing Videos

As reported in the Q1 Economic Development Quarterly, the Urban Development Department signed a contract with Allied Video to produce 10 business marketing and lifestyle videos. Four of these videos have been shot and final edits to the first video are being worked on now. The first video will serve as template for future videos. Once complete, the second round of video shoots will begin.

Entrepreneurship

There are exciting activities happening in the entrepreneurial community. The Latino Microenterprise Development Program held an orientation on June 15. This program is an initiative lead by Latino Business Alliance, Chemeketa Community College, Advanced Economic Solutions, Mid-Willamette Valley Council of Governments, and SEDCOR. The program has funding for two groups of roughly 25 prospective entrepreneurs or small business owners. Participants will receive business training and be eligible for micro-loans through the Latino Business Alliance.

The Salem entrepreneurial community continues to grow with strong attendance at monthly Coffee Clubs and a Pub Talk held in Mid-June. The regional venture catalyst in partnership with the city will be holding planning meetings at the August and October Coffee Club meetings to see what types of initiatives, activities and assistance would benefit local entrepreneurs.

Recruitment

In southeast Salem, property has been sold to new businesses at the Salem Business Campus, and construction has started to extend Gaia Street SE to Culver Drive SE. Two new buildings are under construction at the PacTrust campus of the Mill Creek Corporate Center (MCCC). The new street, Truax Drive SE, has been constructed to the east of this site. It is likely that additional properties at MCCC will be under construction this summer as well.

Seth Lenaerts
Program Manager

Attachments: None