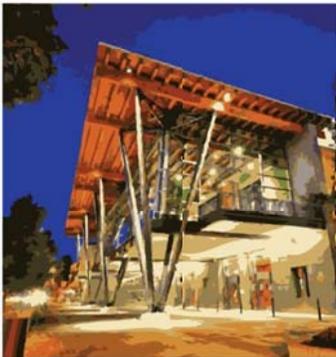


Salem

Strategic Economic Prosperity Plan



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Community
Planning
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About the Community Planning Workshop

Community Planning Workshop (CPW) is one of the core programs of the University of Oregon's Community Service Center (CSC) (csc.uoregon.edu). Established in 1977, CPW provides students the opportunity to address planning and public policy problems for clients throughout Oregon. Students work in teams under the direction of faculty and Graduate Teaching Fellows to develop proposals, conduct research, analyze and evaluate alternatives, and make recommendations for possible solutions to planning problems in rural Oregon communities.

This project was conducted as part of the University of Oregon Economic Development Center (EDC) – a CSC program that focuses on providing technical assistance related to economic development to communities throughout Oregon. The EDC is partially funded through a grant from the U.S. Department of Commerce, Economic Development Administration.

About SCI

The Sustainable Cities Initiative (SCI) is a cross-disciplinary organization at the University of Oregon that seeks to promote education, service, public outreach, and research on the design and development of sustainable cities. We are redefining higher education for the public good and catalyzing community change toward sustainability. Our work addresses sustainability at multiple scales and

emerges from the conviction that creating the sustainable city cannot happen within any single discipline. SCI is grounded in cross-disciplinary engagement as the key strategy for solving community sustainability issues. We serve as a catalyst for expanded research and teaching, and market this expertise to scholars, policymakers, community leaders, and project partners. Our work connects student energy, faculty experience, and community needs to produce innovative, tangible solutions for the creation of a sustainable society.

About SCY

The Sustainable City Year (SCY) program is a year-long partnership between SCI and one city in Oregon, in which students and faculty in courses from across the university collaborate with the partner city on sustainability and livability projects. SCY faculty and students work in collaboration with staff from the partner city through a variety of studio projects and service-learning courses to provide students with real-world projects to investigate. Students bring energy, enthusiasm, and innovative approaches to difficult, persistent problems. SCY's primary value derives from collaborations resulting in on-the-ground impact and forward movement for a community ready to transition to a more sustainable and livable future. SCY 2010-11 includes courses in Architecture; Arts and Administration; Business Management; Interior Architecture; Journalism; Landscape Architecture; Law; Planning, Public Policy, and Management; Product Design; and Civil Engineering (at Portland State University).

About Salem, Oregon

Salem, the capital city of Oregon and its third largest city (population 157,000, with 383,000 residents in the metropolitan area), lies in the center of the lush Willamette River valley, 47 miles from Portland. Salem is located an hour from the Cascade mountains to the east and ocean beaches to the west. Thriving businesses abound in Salem and benefit from economic diversity. The downtown has been recognized as one of the region's most vital retail centers for a community of its size. Salem has retained its vital core and continues to be supported by strong and vibrant historic neighborhoods, the campus-like Capitol Mall, Salem Regional Hospital, and Willamette University. Salem offers a wide array of restaurants, hotels, and tourist attractions, ranging from historic sites and museums to events that appeal to a wide variety of interests. 1,869 acres of park land invite residents and visitors alike to enjoy the outdoors.

EXECUTIVE SUMMARY

As part of its year-long collaboration with the University of Oregon Sustainable City Year program, the City of Salem Economic Development Division engaged with the Community Planning Workshop (CPW) to conduct a Strategic Economic Prosperity Plan. The plan is a five-year internal action plan that is intended to help the City and its economic development partners take a strategic approach to implementing local economic development initiatives.

Purpose of this Plan

A wide range of economic development partners currently work together on recruitment, retention, infrastructure, land supply and workforce development in Salem. These partners include the City's Economic Development Division, the Strategic Economic Development Corporation (SEDCOR), Business Oregon, the Salem Chamber of Commerce, and many more. With such a broad range of organizations involved in economic development, the City wants to ensure that City efforts are both coordinated and effective. The Strategic Economic Prosperity Plan will help to clearly define roles and responsibilities of all partners involved in economic development initiatives in Salem.

Methodology

The strategic planning process was conducted in three phases: (1) an organizational assessment of the City's economic development programs to identify key issues that may affect the City of Salem's economy, business climate, and working relationship with its partners; (2) strategic planning sessions with the City of Salem Economic Development Division to identify strategic issues, opportunities and set goals; and (3) development of the strategic plan based on information gathered during the organizational assessment, the strategic planning sessions, research, and interviews with City staff.

To develop the Plan, CPW conducted meetings with City staff, reviewed existing Economic Development Division documents, conducted phone interviews with both large and small local businesses and economic development partners, and administered an online business perception survey to assess the current perceptions of the City and its economic development partners and strategies.

Organizational Assessment

The organizational assessment identified a number of strategic issues relevant to the planning process through a SWOT analysis (strengths, weaknesses, opportunities, and threats). The SWOT analysis utilized information gathered from working with City staff, the interview process and the business perception survey. Table 1 summarizes the SWOT analysis.

Table 1. Summary of SWOT Analysis

| | Internal | External |
|---------------|---|---|
| Opportunities | <p>Strengths</p> <ul style="list-style-type: none"> • Strong and diverse group of economic development partners • Land supply | <p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of emphasis on retention and small business development • Communication • Lack of entrepreneurial, creative class • Roles of economic development organizations |
| Barriers | <p>Opportunities</p> <ul style="list-style-type: none"> • Attract traded-sector industries • Collaboration and partnerships • Salem livability | <p>Threats</p> <ul style="list-style-type: none"> • Outside force of the economy/availability of capital |

The organizational assessment revealed that, in general, Salem businesses have a positive perception of doing business in Salem. However, better communication between the EDD and its economic development partners is needed to better define roles and responsibilities. Streamlined communication of available economic development services to new and existing businesses is also needed.

Strategic Issues and Opportunities

CPW identified the following key strategic issues and opportunities during the organizational assessment phase of the project:

- **Be strategic about implementation** – Specific implementation strategies should be established to position Salem to diversify its employment base and increase the number of family-wage jobs.
- **Focus on partner collaboration** – Collaboration between Salem and its external economic development partners is imperative to successfully retain and attract new businesses and industries.
- **Capitalize on Salem’s role as regional employment center** – Enhance Salem’s role in the region by capitalizing on what makes it unique, particularly related to the accessibility of its geographical location, abundant natural resources, size and depth of its population, wage prices, cost of living, etc.
- **Enhance information systems** – Utilize and maintain internal and external data to develop economic and market indicators to support decisions that result in the allocation of resources, track the effectiveness of staff and partner efforts, understand historical trends to forecast future demand, and position the City for economic opportunities.
- **Communication is key** – Communication has proven to be essential, primarily in three key areas: (1) marketing the City as a livable community; (2) clarifying the roles and responsibilities between the City

and its external economic development partners; and (3) improving communication between the City and the business community around economic development services and strategies.

Strategic Plan Goals

The following strategic plan goals will help direct the EDD's internal work program, its economic development initiatives, and its relationships with its economic development partners. The goals listed in this plan were also used to support recommendations outlined in the Salem Target Industry Analysis, a supporting study of the renewable energy, food processing, bioscience and metal manufacturing industries also completed by CPW in 2010-2011.

In light of the organizational assessment and the strategic opportunities, the Salem Economic Development Division (EDD) will pursue the following goals and objectives to further the city's economic development objectives:

- **Goal 1:** Position Salem to attract and retain a diverse array of jobs and businesses.
- **Goal 2:** Communicate effectively with the community, City Departments and external economic development partners to reinforce a shared purpose, define roles and define a city-wide marketing message.
- **Goal 3:** Define the needs of Salem's existing business community.
- **Goal 4:** Enhance Salem's livability and business environment to ensure that Salem attracts a broad diversity of industry sectors and facilitates creativity and entrepreneurship.

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CHAPTER I: INTRODUCTION

This report presents a five-year strategic plan for the City of Salem Economic Development Division (EDD). The purpose of the plan is to articulate an internal work strategy for EDD staff and the City's economic development partners that will serve as the foundation for the City's economic development strategies. In short, this document is a five-year internal action plan that is intended to allow the City and its partners to better implement local economic development initiatives.

Background

From 1991 to the present, the City of Salem contracted with the Strategic Economic Development Corporation (SEDCOR) to implement economic development initiatives and services in Salem. In 2008, the City of Salem established an internal Economic Development Division (EDD) to implement a portion of the economic development services for the City. Today (2011), a wide range of economic development partners work together on recruitment, retention, infrastructure, land supply and workforce development. These partners include the City Economic Development Division, SEDCOR, Business Oregon, the Salem Chamber of Commerce, and many more (see Table 2.1 on page 6 for a complete list of partners).

With such a broad range of organizations involved in economic development, Salem wants to ensure that City staff efforts are both coordinated and effective. As a part of this effort, the City of Salem asked the Community Planning Workshop (CPW) at the University of Oregon to (1) conduct an organizational assessment of economic development efforts in Salem, and (2) facilitate development of a five-year strategic plan to guide the actions of the City and its economic development partners.

Purpose and Methods

The purpose of this project was to develop a five-year economic prosperity plan for the Economic Development Division. The plan includes goals, objectives, actions, and performance measures for economic development in Salem. It defines a process to improve both the internal working structure and focus for economic development at the City, as well as define how the City and its economic development partners can better serve and retain existing businesses and recruit new ones. The plan will help to clearly define roles and responsibilities of all partners involved in economic development initiatives in Salem.

The plan is intended to be an *internal* plan. In that context, the plan is organized around the actions of City staff, and how staff coordinate with local economic development partners. It is not intended to serve as the City Economic Development Vision; rather, it establishes a framework to effectively implement the Salem City Council goals and direction.

CPW facilitated a strategic planning process with City staff that included three phases:

PHASE I: ORGANIZATIONAL ASSESSMENT

At the outset, CPW met with the City's executive leadership team to understand the current status of economic development in Salem. CPW then conducted an organizational assessment that consisted of (1) discussions with City staff, (2) phone interviews with economic development and business leaders, and (3) an online business perception survey.

CPW interviewed key economic development partners in Salem to understand their perceptions of the economic development strategies in Salem, the roles and responsibilities of the various partners and suggestions for improved internal processes and strategies to recruit and retain businesses. CPW also interviewed local business leaders to understand their perceptions of the economic development environment in Salem, and specific strategies they think the City can take to improve service to new and existing businesses. CPW also administered an online business perception survey to area businesses through the Salem Chamber of Commerce and SEDCOR.

PHASE II: FACILITATED MEETINGS WITH CITY STAFF

CPW facilitated a strategic planning session with the City of Salem Economic Development Division to understand the current roles and responsibilities held by City staff and what the key priorities were for the Division. This session was followed by several discussions with City staff and resulted in draft goals, strategies, and actions. In December 2010, CPW presented the draft goals and actions to the executive leadership team for discussion and comment.

PHASE III: PLAN DEVELOPMENT

CPW developed the strategic plan based on information gathered during the organizational assessment, the strategic planning sessions, research, and interviews with City staff, and review/comments by City staff and leadership.

Organization of the Plan

The remainder of the Plan is organized as follows:

Chapter 2: Organizational Assessment describes the current roles and responsibilities of the City Economic Development Division and its economic development partners. It also outlines a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis based on key findings from the business and partner interviews and survey results.

Chapter 3: Strategic Economic Prosperity Plan identifies key strategic opportunities that were identified during Phases II and III of the project and measurable goals, objectives and action items to address these opportunities.

Chapter 4: Monitoring and Evaluation describes approaches that the City of Salem can use to guide the economic development strategies in Salem

and work more effectively with its economic development partners. This chapter also outlines recommendations on how to implement and monitor these strategies.

The Plan also includes two appendices:

Appendix A: Persons Interviewed for the Plan provides a list of interviewees.

Appendix B: Business Perception Survey Results provides a summary of the business perception survey sent to Chamber of Commerce and SEDCOR members, including a copy of comments from the open-ended survey questions.

CHAPTER 2: ORGANIZATIONAL ASSESSMENT

The strategic planning process included an organizational assessment to identify key issues that may affect the City of Salem's economy, business climate, and working relationship with its partners. The organizational assessment is used in strategic planning to assess the strengths and weaknesses internal to an organization and opportunities and threats in the external environment.

CPW began this process by outlining the current roles and responsibilities of each of the economic development partners in Salem, followed by a series of interviews with business partners and strategic partners and a business perception survey to area businesses. The organizational assessment included a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis which was intended to identify key strategic opportunities and provide the foundation for the strategic plan.

Organizational Assessment

An organizational assessment is typically the first step in the strategic planning process. The purpose is to understand the environment in which the organization is currently operating, and the factors that are likely to affect operations in the near future. The organizational assessment includes both the internal and external environments. The internal assessment documents current roles and responsibilities and viewpoints of City Economic Development staff. The external assessment documents roles and responsibilities of the City's economic development partners, the partners' opinion of economic development strategies and processes in Salem, and the business community's perceptions of Salem as a place to do business.

The organizational assessment included the following steps:

- *Meetings with City staff:* CPW worked with City staff to understand the structure, roles and priorities of the various organizations involved in economic development.
- *Document Review:* CPW reviewed key documents, websites, and other materials that relate to economic development in Salem. The purpose of this step was to understand how the various organizations characterize both their economic development approach and their relationships.
- *Phone Interviews:* CPW interviewed representatives from the economic development partners, City staff and key business owners in Salem. The purpose of the interviews was to better understand the current economic development strategies, the definition of responsibilities between partners and the business perceptions of doing business in Salem. See Appendix A for a list of interviewees.
- *Online Survey:* An online survey was sent to all SEDCOR and Chamber of Commerce members. CPW received 105 responses to the survey. The

survey asked questions about the perceptions of businesses concerning Salem's business climate, economic development partners and strategies, available economic development assistance, and the local workforce. See Appendix B for the complete results from the survey.

Roles and Responsibilities

Defining the roles and responsibilities of the City of Salem and its economic development partners is a crucial step in the City's strategic planning process. Key partners involved in economic development activities in Salem include:

- Strategic Economic Development Corporation (SEDCOR)
- Business Oregon
- Chamber of Commerce
- Chemeketa Center for Business & Industry
- Mid-Willamette Valley Council of Governments
- Advanced Economic Solutions, Inc.
- Job Growers
- PGE/NW Natural
- Marion & Polk Counties
- Travel Salem

Table 2-1 outlines the current roles and responsibilities of the City and its economic development partners, with the understanding that these roles may shift depending on project type, size and location. Given this complexity, goals and objectives outlined in Chapter 3 address the importance of communication and acknowledgement of shared purpose between partners.

Table 2-1. City of Salem Economic Development Partners: Roles and Responsibilities

| Organization | Responsibility |
|---|---|
| City of Salem Economic Development Division | <ul style="list-style-type: none"> • Infrastructure management: land supply, permitting, utilities • Urban Renewal • Information management • City-wide marketing message • Direct recruitment and retention efforts • Economic development partner coordination • Maintain relationships with business community • Airport/air service |
| SEDCOR | <ul style="list-style-type: none"> • Market Salem to potential businesses • Site selection for new industries • Liaison between businesses, City, developer, funding sources • Maintain relationships with business community • Manage Enterprise Zones • Retention • Recruitment |
| Business Oregon | <ul style="list-style-type: none"> • Small business loan programs • Market Salem to companies outside of Oregon • Tax incentives • Funding source for city infrastructure, and new and expanding businesses |
| Chamber of Commerce | <ul style="list-style-type: none"> • Business advocacy in the public arena • Networking • Educational opportunities to help businesses grow |
| Chemeketa Center for Business & Industry | <ul style="list-style-type: none"> • Incubator space for small businesses • Workforce training • Small business development and training |
| Mid-Willamette Valley COG | <ul style="list-style-type: none"> • Small business loans through the USDA, SBA and US Department of Commerce • Regional development district • Regional data management |
| Advanced Economic Solutions, Inc. | <ul style="list-style-type: none"> • Small business development programs for Latino community |
| Job Growers | <ul style="list-style-type: none"> • Workforce training and recruitment |
| PGE/NW Natural | <ul style="list-style-type: none"> • Manage business energy demands • Help companies find creative solutions to energy problems |
| Marion & Polk Counties | <ul style="list-style-type: none"> • Tax incentive programs |
| Travel Salem | <ul style="list-style-type: none"> • Brand Salem as destination • Conference Center event recruitment |

Our assessment is that the City’s partners bring valuable and important expertise and resources to the table. However, confusion exists internally (among the partners) and externally (in the business community) as to who is doing what. To further complicate the matter, some responsibilities are shared between two or more partners. Responsibilities may also change depending on the type of project (commercial vs. industrial) and size and location of the potential or expanding business.

Strategic planning sessions with City staff, interviews and the business perception survey all revealed a need for clearer definition of who offers what services to existing and potential businesses. These roles are important for both the City and its partners’ internal working strategy and for the business community to access appropriate services. As an ancillary benefit, clearer roles should result in better coordination.

Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

The organizational assessment identified a number of strategic issues (characterized as strengths, weaknesses, opportunities, and threats or SWOT) relevant to the planning process. The SWOT analysis utilized information gathered from working with City staff, the interview process and the business perception survey. Table 2-2 summarizes the SWOT analysis, followed by a more detailed description of the SWOT analysis findings.

Table 2-2. Summary of SWOT Analysis

| | Internal | External |
|---------------|---|---|
| Opportunities | <p>Strengths</p> <ul style="list-style-type: none"> • Strong and diverse group of economic development partners • Land supply | <p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of emphasis on retention and small business development • Communication • Lack of entrepreneurial, creative class • Roles of economic development organizations |
| Barriers | <p>Opportunities</p> <ul style="list-style-type: none"> • Attract traded-sector industries • Collaboration and partnerships • Salem livability | <p>Threats</p> <ul style="list-style-type: none"> • Outside force of the economy/availability of capital |

Strengths

- *Strong Group of Economic Development Partners* – The array and expertise of the economic development partners in Salem provide a strong and diverse foundation to build off of and implement the Strategic Economic Prosperity Plan.

- *Land Supply* – The City of Salem and its economic development partners have worked hard to develop a large and diverse land supply to attract new and expanding businesses to Salem. A key element of land supply is ensuring that adequate public facilities exist to accommodate development.

Weaknesses

- *Lack of Emphasis on Retention and Small Business Development* – Interviews and the business perception survey revealed that the business community perceives that the City places a heavy emphasis on business recruitment. CPW’s organizational assessment suggests that some effort is placed on retention and expansion, but that those efforts are not well publicized by the City or its partners.
- *Communication* – Communication emerged as a theme in three key areas: (1) better marketing to promote the City as a livable community that is open to business, to residents and current and potential businesses; (2) roles and responsibilities should be clarified between the City and its economic development partners; and (3) improved communication between the City and the business community around economic development services and strategies.
- *Entrepreneurial and Creative Class* – The City lacks focus on entrepreneurship that could fuel small business development, start-up companies with the potential for growth, and a creative class. Fostering creativity and entrepreneurship in Salem is critical to improved quality of life and diverse and stable employment opportunities.
- *Roles of Economic Development Organizations* – Interviews with economic development partners and area businesses revealed that roles and responsibilities between the partners should be better defined. Particular attention should be paid to clarifying the retention and recruitment efforts between the City and SEDCOR. Although retention programs do exist, they are not as prominent as recruitment efforts in Salem. Clarifying who is responsible for business retention will help to overcome this gap.

Opportunities

- *Attract Traded-Sector Industries* – Given the existing employment and occupational base in Salem, opportunities exist to grow traded sector industries.
- *Collaboration and Partnerships* – Collaboration between Salem and its economic development partners is imperative for a successful business environment. The City and its partners have had great success collaborating on large projects in the past. The goal is to capitalize on this success and promote a culture of collaboration and shared purpose across all economic development efforts for the purpose of job creation. The Economic Development Division should focus on using its staff

resources and access to information to help direct its partners and their economic development strategies.

- *Market Salem's Livability* – Positioning Salem as a livable community is a crucial element to attract and retain businesses in Salem. The City Economic Development Division has the opportunity to collaborate with other City departments and community organizations to market and brand the city of Salem for economic development purposes.

Threats

- *Outside Force of the Economy/Availability of Capital* – Access to capital for small businesses and the general economic downturn nationally pose an overarching challenge for the City and its economic development partners to improve the Salem business environment.

CHAPTER 3: STRATEGIC PROSPERITY PLAN

This chapter presents the five-year strategic prosperity plan for the Economic Development Division. The strategic plan provides a framework for implementing and coordinating economic development activities for the City and its economic development partners. This chapter begins with a set of definitions and then outlines strategic opportunities, goals, objectives and action items.

Definitions

An organization's **mission statement** is an action-oriented formulation of the organization's reason for existence. It serves to define how you propose to get from where you are to where you want to go. It is not defined in expressions of goals or objectives, rather it reflects a realistic but farsighted determination of who the organization is, who it serves, what it does, and what it can accomplish.

Goals are intended to represent the general end toward which an organization's effort is directed. Goals identify how an organization intends to address its strategic issues, considering both its success factors and its core competencies, in support of the mission.

A goal provides a sense of what level of performance is expected but it does not specify how the organization is to achieve that level. Generally, a goal should be assigned to each critical issue or programmatic area within the organization. Moreover, goals link "downward" to objectives. Every goal should have at least one objective associated with it. **Objectives** are the directions, methods, processes, or steps used to accomplish or achieve organizational goals.

Actions are defined activities or projects that implement objectives and are used to support the accomplishment of an objective, goal and the organizational mission. They are linked to specific resources and get assigned to a staff member or committee for implementation. Actions should relate to the vision, mission, and goals—and should lead to desired outcomes. **Performance metrics** assess whether the action has been carried out to accomplish the objective.

Mission Statement

The Salem Economic Development Division works strategically with partners to create and retain family-wage jobs and expand economic opportunity for Salem residents and businesses.

The City of Salem Economic Development Division, City staff, and its external economic development partners do this in four ways:

- 1- Address development impediments to accommodate the expansion of existing businesses and attract new businesses to the area.
- 2- Provide a range of services that can accommodate each business sector expand or relocate in Salem and tailor specific services, tools, and

incentives that accommodate their needs in a way that is mutually beneficial to both the recipient and the people of Salem.

- 3- Improve and enhance Salem’s livability and business environment through the use of Urban Renewal, and other City resources, to fund transportation and building improvements, increase park connectivity and networking, pursue renewable energy options in new development to reduce energy costs, facilitate progress toward a more sustainable community, and provide a range of support services to businesses and economic development partners.
- 4- Understand the local and regional workforce and help prepare it for the demands of emerging technologies and industries and align with the overall recruitment strategy and market sector targets.

Strategic Issues and Opportunities

This section outlines key strategic issues and opportunities identified during the organizational assessment phase of the project.

- **Be strategic about implementation** – Establish specific implementation strategies to position Salem to diversify its employment base and increase family-wage jobs.
- **Focus on partner collaboration** – Collaborate between Salem and its external economic development partners to successfully retain and attract new businesses and industries.
- **Capitalize on Salem’s role as regional employment center** – Enhance Salem’s role in the region by capitalizing on what makes it unique, particularly related to the accessibility of its geographical location, abundant natural resources, size and depth of its population, wage prices, cost of living, etc.
- **Enhance information systems** – Utilize and maintain internal and external data to develop economic and market indicators to support decisions that result in the allocation of resources, track the effectiveness of staff and partner efforts, understand historical trends to forecast future demand, and position the City for economic opportunities.
- **Communication is key** – Communication has proven to be essential, primarily in three key areas: (1) marketing the City as a livable community; (2) clarifying the roles and responsibilities between the City and its external economic development partners; and (3) improving communication between the City and the business community around economic development services and strategies.

Goals

In light of the organizational assessment and the strategic opportunities, the Salem Economic Development Division will pursue the following goals and objectives to further the City's economic development objectives.

Goal #1: Position Salem to attract and retain a diverse array of jobs and businesses.

Objective 1.1: Prepare Salem's vacant land supply for industrial and commercial development.

Action Item 1.1.1: Remove development obstacles at the Mill Creek Corporate Center, the Salem Renewable Energy and Technology Center, and other development sites throughout south Salem by completing infrastructure improvements and continuing to pursue funding for the College Water Project. (City Council 2010 Goal V1b)

Action Item 1.1.2: Prepare 70 acres of the Salem Airport property for infrastructure improvements necessary to support traded sector uses and jobs. (City Council 2010 Goal V1a)

Action Item 1.1.3: Work with developers to construct "spec" (speculative) space buildings on key vacant sites to accommodate market demand for available vacant industrial building space and facilitate business expansion and migration to these areas of Salem.

Action Item 1.1.4: Develop information systems to monitor land supply to ensure that an adequate number of sites, of different sizes and characteristics, are available for development to meet Salem's current and future needs. Ensure that vacant land supply resource benefits are being maximized by creating a value system that identifies the return on investment through the number of jobs per acre, wage rate per job, or other measurement tool.

Objective 1.2: Revitalize the City's key commercial and industrial districts to develop and improve existing land for new and expanding commercial and industrial uses.

Action Item 1.2.1: Utilize urban renewal to redevelop and improve existing developed land for new and expanding commercial and industrial uses (North Gateway Urban Renewal Area (URA), Fairview URA, McGilchrist URA, West Salem URA, Salem airport).

Action Item 1.2.2: Remediate brownfield sites, improve roadway and infrastructure, and remove the railroad track easement in West Salem to allow for redevelopment of the Gateway area. (City Council 2010 Goal V2a)

Action Item 1.2.3: Identify opportunity sites, including brownfields, and assemble properties for redevelopment, with guidance from an Urban Renewal plan. (City Council 2010 Goal V2b)

Action Item 1.2.4: Provide loans or matching grants for building improvements for businesses located within the City's Urban Renewal Areas.

Action Item 1.2.5: Implement URA projects to increase development density and revitalize geographical regions for livability improvements and economic development. (North Gateway URA, Fairview URA, McGilchrist URA, West Salem URA, Salem airport.

Objective 1.3: Encourage small business development and balance recruitment and retention efforts.

Action Item 1.3.1: Partner with SEDCOR to implement activities that support small business development.

Action Item 1.3.2: Provide financial assistance to small businesses by partnering with local banks, cultivating an environment for angel investors and venture capital, and directing them to local, state, and federal resources.

Action Item 1.3.3: Encourage an entrepreneurial business class by cultivating incubation resources and programs, research and development initiatives, business training and a local chapter of the Oregon Entrepreneurs Network.

Action Item 1.3.4: Develop a business retention roundtable that includes representatives from small businesses, downtown, the City, the Chamber of Commerce and SEDCOR.

Action Item 1.3.5: Foster relationships with businesses through an economic gardening strategy to help stage two¹ businesses expand in Salem.

Action Item 1.3.6: Develop gap financing programs through the use of Urban Renewal funds, and other resources, to help new and existing businesses gain access to capital for building improvements, equipment, and working capital.

Action Item 1.3.7: Commit Urban Renewal Agency and real estate resources to aid in new business development space to facilitate entrepreneurship.

Objective 1.4: Identify recruitment strategies that prioritize a diverse set of industries and jobs.

Action Item 1.4.1: Work with SEDCOR, the internal department head development team, and external economic development partners to define a recruitment strategy that identifies specific target industries. Align recruitment strategies with Business Oregon and PGE to the degree appropriate. Review and reassess the target industry list on an annual basis.

Action Item 1.4.2: Maintain an internal "rapid response" team to respond to request for proposals (RFPs) and other leads.

Action Item 1.4.3: Establish recruitment benchmarks and review annually.

¹ Stage two businesses generally have 10-99 employees with annual revenues of \$1 million to \$49 million.

Action Item 1.4.4: Develop financial options and incentive programs for target industry sector growth through the use of existing State programs and the development of new programs.

Objective 1.5: Support downtown businesses and organizations to foster a healthy retail environment and the preservation of the historic downtown core.

Action Item 1.5.1: Work with Urban Development Real Properties Services and Downtown Revitalization Divisions to strategically acquire property, enhance livability, improve connectivity, and support a vibrant downtown.

Goal 2: Communicate effectively with the community, City Departments and external economic development partners to reinforce a shared purpose, define roles and define a city-wide marketing message.

Objective 2.1: Define the Economic Development Division's role with its internal development team.

Action Item 2.1.1: Coordinate with other City departments to successfully utilize the tools and resources available to recruit and retain business and smoothly transition responsibility to other departments as it evolves through various phases of development.

Action Item 2.1.2: Work with the Community Development Department Planning Division to establish long range plans, overlay zones, and development design guidelines as needed to implement particular growth and development strategies within urban renewal areas, and other regions throughout the City.

Action Item 2.1.3: Work with the Public Works Department to understand infrastructure capabilities and constraints of opportunity development sites. Identify five key enterprise areas and complete a thorough review of the zoning of each site and its allowed uses, environmental and wetland requirements, traffic impact, utility and other infrastructure demands.

Objective 2.2: Define the City's role in economic development and its strategic relationship with its external economic development partners.

Action Item 2.2.1: Meet with SEDCOR, PGE, Business Oregon and other partners on a quarterly basis to review successes and failures in capturing and growing target industry sectors. Redefine targets and strategies annually from these evaluations. Evaluate results annually to determine strategy effectiveness and to establish new approaches.

Action Item 2.2.2: Coordinate with SEDCOR:

- Develop an annual contract with target market recruitment and retention strategies and comprehensive performance measures to be reviewed in detail on a quarterly basis.

- Hold biannual meetings with all of the SEDCOR and Economic Development Division staff to familiarize team members with each other and understand the talents and tools available to be successful.
- Hold quarterly target market and performance measures review.
- Hold monthly productivity and progress review.

Action Item 2.2.3: Coordinate with Business Oregon:

- Meet with the Business Oregon director on a biannual basis to understand priorities, evaluate programs and resources available, and assist in the development of new tools.
- Meet with the Business Oregon national recruit representative on an annual basis for the Salem region to understand the progress of strategies being implemented, gauge Salem’s competitiveness and reassess SWOT.

Action Item 2.2.4: Chamber of Commerce: Meet with the Chamber of Commerce on a biannual basis to share successes, understand the needs of the business community, inform them of the resources available, and convey the Economic Development Division brand and mission.

Action Item 2.2.5: Meet with League of Oregon Cities staff on an annual basis to discuss their agenda and convey Salem’s target markets and strategies.

Action Item 2.2.6: Meet with Salem area legislative representatives on an annual basis to create or amend legislation to support area economic development; work with City Council, the internal development team, and external economic development partners to draft formal statements for or against proposed legislation.

Objective 2.3: Partner with universities, the State of Oregon, Salem Hospital, and others to attract more family-wage jobs. (City Council 2010 Goal VI d)

Action Item 2.3.1: Collaborate with Salem Hospital to create a strong regional health care system as well as to identify expansion and recruitment strategies in the biomedical industry.

Action Item 2.3.2: Meet annually with the Chemeketa Center for Business and Industry, Willamette University Atkinson Graduate School of Management, University of Oregon, and Oregon State University to understand workforce development needs and educational program priorities, trends and research.

Action Item 2.3.3: Develop long term strategic partnerships with universities and the community to create research extension sites and programs to attract target markets, expand employment sectors, and prepare the area workforce for developing fields and technologies.

Objective 2.4: Develop a common brand that captures the economic development goals and strategies and defines a city-wide marketing message.

Action Item 2.4.1: Retool website to provide information and easy access to resources and highlights business leader comments who have achieved success through the assistance of the Economic Development Division, similar to the Business Oregon website.

Action Item 2.4.2: Develop an awareness campaign to help the community understand the services available through the Economic Development Division and the successes experienced.

Objective 2.5: Convey needs and successes to Council, City management, and department heads.

Action Item 2.5.1: Provide economic development updates at department head meetings on a bi-monthly basis.

Action Item 2.5.2: Provide quarterly updates in the City Manager’s management report to City Council.

Objective 2.6: Network with economic development agencies and professionals.

Action Item 2.6.1: Participate in State and national conferences.

Action Item 2.6.2: Meet quarterly with regional Oregon Entrepreneur Network representative to gain information on regional progress and opportunities and gain insight as to ways the Economic Development Division may assist.

Action Item 2.6.3: Participate in area “pub-talks” to understand entrepreneurship in Salem.

Goal #3: Define the needs of Salem’s existing business community.

Objective 3.1: Make information available, accurate and useful to support economic development strategies and business needs.

Action Item 3.1.1: Assign a point person that will be the “keeper” of information and be the contact for businesses wanting to expand or locate in Salem.

Action Item 3.1.2: Institute a Business Registry program to track employment and trends for existing and new businesses.

Action Item 3.1.3: Work with SEDCOR to create a market and cluster analysis model to assess emerging and potential markets for Salem (based on the CPW Target Industry Analysis and other local research).

Action Item 3.1.4: Create livability metrics to promote Salem as a place to live and do business; develop consistent talking points that external economic development partners can use in their pitch about why to locate in Salem.

Action Item 3.1.5: Conduct a biannual Business Perception Survey to understand what businesses think about doing business in Salem and what they need to be more successful.

Action Item 3.1.6: Develop and update technology tools used for information systems to increase efficiency, accuracy, and effectiveness of data collection, Geographic Information Systems mapping, return on investment and other tracking mechanisms.

Goal #4: Enhance Salem’s livability and business environment to ensure that Salem attracts a broad diversity of industry sectors and facilitates creativity and entrepreneurship.

Objective 4.1: Improve infrastructure, including transportation and connectivity for all modes, utilities, storm water, etc.

Action Item 4.1.1: Increase access to naval ports by strategically locating rail spurs in industrial districts throughout the City. Work with SEDCOR to identify potential sites and State and Federal funding sources.

Action Item 4.1.2: Work with Planning and the Public Works Department to ensure road improvements provide access to downtown, open space areas and multiple modes of transportation.

Objective 4.2: Balance industrial and commercial development with open space and recreational elements.

Action Item 4.2.1: Identify and acquire real estate adjacent to industrial and commercial districts to provide open space and recreational elements for the benefit of those employed in the area and the surrounding community as needed.

Objective 4.3: Increase Sustainability Efforts

Action Item 4.3.1: Make a recommendation to City Council that companies eligible for enterprise zone tax exemption, business energy tax credits, urban renewal funds, and other incentives incorporate resource conservation technologies and renewable power supplies as a percentage or ratio of overall resource consumption.

Action Item 4.3.2: Continue to support activities identified in the Community Energy Strategy, Environmental Action Plan, and pursue additional funding to further activities as appropriate.

Action Item 4.3.3: Work with the Public Works Department to preserve water and wastewater resources and conduct development in a sustainable way.

CHAPTER 4: IMPLEMENTATION AND MONITORING

This chapter provides a framework that the City of Salem Economic Development Division can use to monitor progress towards the strategic plan goals. It describes a framework for plan review and maintenance, as well as performance measures the City can use to document progress.

Prerequisites for Successful Implementation

The plan's goals, objectives and action items provide a framework to help the Salem Economic Development Division and its partners to achieve its mission. Four key components are necessary to keep the plan active and meaningful:

1. **Strong leadership** – Strong leadership on behalf of the City is essential to ensure that the efforts being implemented are in-line with the goals of the plan and the City's economic development strategies.
2. **Partnership involvement** – Implementation of items in this plan requires substantial buy-in, involvement, and support from Salem's economic development partners.
3. **Systematic monitoring** – Systematic monitoring will track the progress of this plan and help identify needed changes.
4. **Plan Review and Updates** – To ensure the plan is responsive to the needs of the Economic Development Division and its economic development partners, this plan should be reviewed annually and updated every five years. This plan provides a framework for the EDD to work within; objectives and action items will change as local conditions and priorities shift.

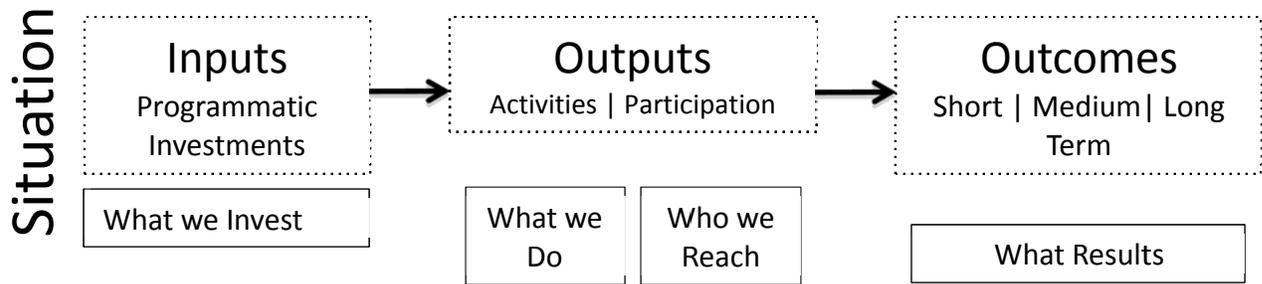
Framework for Implementation

The strategic prosperity plan provides the framework for activities that Salem's Economic Development Division will focus on over the next five years. A common framework for implementation is to use the strategic plan to provide broad direction and to refine the implementation through an annual work program. This plan provides the following:

- Clarification of the roles and responsibilities of the partners involved in economic development in Salem;
- Strategies for Salem to position themselves to retain and expand existing businesses and attract new ones;
- A framework to market, communicate and promote Salem as a livable and prosperous community; and
- A tool to help coordinate and direct economic development efforts and promote shared purpose between the City and its economic development partners.

For the strategic plan to be successful, it is useful to define the inputs, outputs and outcomes expected of the organization. Most organizations begin evaluations by developing a “logic model.” The logic model is a systematic and visual way to present and share the understanding of the relationships among an organization’s resources (inputs), the activities to be implemented (outputs), and the changes or results the organization hopes to achieve (outcomes). Figure 4-1 outlines a sample logic model.

Figure 4-1. Sample Logic Model

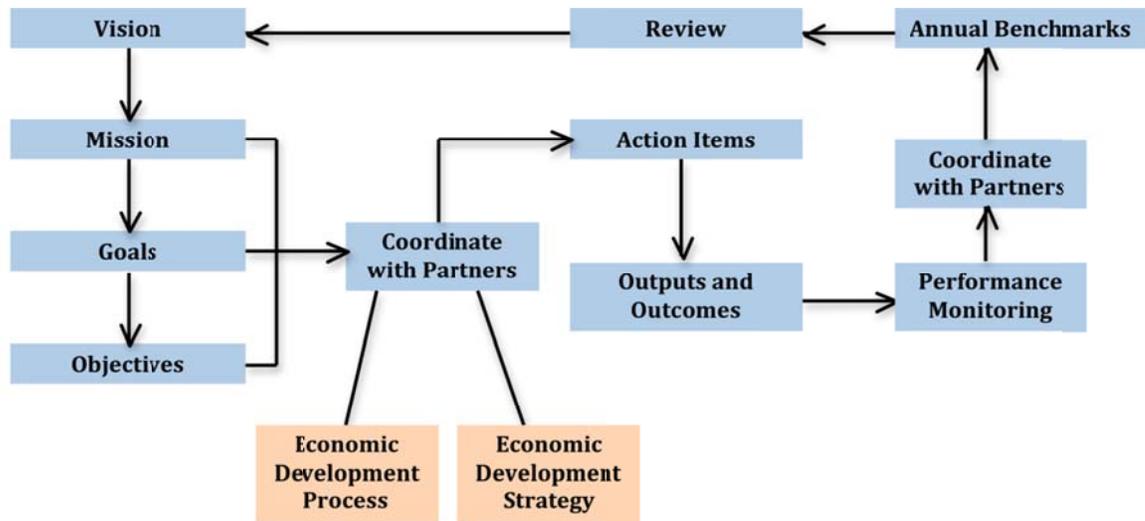


In short, the logic model shows how programmatic activities relate to goals. *Inputs* are materials, financial resources, and human resources that the activities take in and then process to produce the desired results. Those inputs include the resources from the City and its economic development partners. The inputs make the next level of the logic model possible: *outputs*. Outputs include the activities that will help to change the way that the City and its economic development partners work toward shared economic development goals. Those intended changes are identified as *outcomes*. Intermediate outcomes are the changes that occur at the individual or organizational level. For example, an output might be improved communication between the City and its economic development partners. The short-term outcome might be that roles and responsibilities are better defined. The ultimate outcomes include improved access to business development services, and ultimately an increased number of family-wage jobs.

Relationship Between Strategic Plan and Implementation

Figure 4-2 provides a visual representation of the relationship between the strategic plan and implementation for the City of Salem’s Economic Strategic Prosperity Plan. The organizational vision serves as the foundation upon which the City strategizes with its economic development partners, and polices and action items are determined. It does this through the mission statement, goals to achieve that mission, and objectives and action items to meet individual goals. The strategic plan provides a framework for the economic development partner relationship to exist collaboratively. Furthermore, it offers a framework for specific actions and projects to be defined that are necessary to complete the objectives.

Figure 4-2. Relationship Between Strategic Plan and Implementation



The strategic plan provides a tool that can help the Economic Development Division make decisions and collaborate with its economic development partners regarding yearly objectives and action items. Having a coordinated approach - shared goals, objectives, and actions - is especially important in an organization reliant on partnerships. By identifying its goals and communicating these goals to its partners, City Council and the public, Salem’s Economic Development Division will be more successful at achieving its mission.

Evaluating Progress

This section provides suggestions for the City of Salem to successfully implement and evaluate the progress of the plan.

Framework for Process and Strategy-Related Outcomes

Implementation of the strategic plan is complicated because it requires attention to both process-related and strategy-related outcomes. The process-related outcomes require the City to work strategically and collaboratively with its economic development partners. It requires particular attention to defining roles and responsibilities, promoting a shared purpose, and developing effective and efficient communication systems to share information and achieve the economic development objectives. For example, the plan outlines particular actions that the City should take to improve business retention and small business development.

On the other hand, the strategic plan articulates a set of strategy-related outcomes. The strategy-related outcomes consist of specific actions that the City should take to improve the business environment in Salem. For example, the City can use the strategic plan as a checklist. As each action is accomplished, the City can note what was done and check the action off the list.

Performance Measures

Performance measures can be used by the City of Salem to assess the success of their relationships with their economic development partners. Performance

measures can also be used to assess how these processes are affecting the success of the City's economic development program.

CPW recommends that the Economic Development Division hire an intern to (1) work with staff to refine the list of indicators presented below; (2) develop an annual report template to ensure consistent reporting from year to year; and (3) prepare the first annual report. The template will clearly outline the data sources needed to report on each indicator (some examples of data sources are listed below).

PROCESS-RELATED INDICATORS

- **Strategic Prosperity Plan:** Use the Economic Strategic Prosperity Plan as a checklist; review on an annual basis to ensure progress has been made on each action item. Add new action items as Council goals or local conditions change.
- **Communication with Partners:** Document number and type of meetings with economic development partners at the state, regional and local level. Also track the number of new partnerships formed annually.
- **Partner Reporting:** Require quarterly reporting from SEDCOR and other economic development partners to track new leads, number of meetings and events held with small businesses, etc.
- **Marketing Materials:** Track the development of new marketing materials that define roles and responsibilities of partners and document available services to businesses.
- **Customer Service Evaluation:** Conduct exit interviews with businesses after they access City and SEDCOR services for expansion or relocation. Assess these evaluations on a yearly basis to reexamine services offered to new and existing businesses. Track the satisfaction of the business community by conducting an annual Business Perception Survey. Ensure that businesses that chose *not* to locate in Salem are also interviewed.
 - *Suggested Data Source: the Business Registry proposed in Action Item 3.1.2*
- **Business Assistance:** Track the number and type of businesses assisted, both existing businesses and new prospects.
 - *Suggested Data Source: the Business Registry proposed in Action Item 3.1.2*
- **Business Climate Perception:** Track the perception of the local business climate.
 - *Suggested Data Source: Annual online business perception survey. Use the survey administered for this project as the baseline and modify it as appropriate*

ECONOMIC INDICATORS

- **Basic Economic Indicators:** Track net job growth, total employment, unemployment, changes in the composition of employment, payroll/wages, percent of jobs created/retained above City of Salem average wage, etc.
 - *Suggested Data Sources: Quarterly Census of Employment and Wages, the U.S. Census, Oregon Employment Department (Qualityinfo.org)*
- **Business Measures:** Track employment by sector, number of companies who export, percent of GDP spent on research and development, and job growth in identified clusters.
 - *Suggested Data Source: the Business Registry proposed in Action Item 3.1.2 and the Business Perception Survey proposed in Action Item 3.1.5*
- **Small Business Development:** Track the number of programs, initiatives and events for small businesses. Track the number of small businesses served by the City and its economic development partners.
 - *Suggested Data Source: develop an EDD and SEDCOR internal tracking tool*
- **Recruitment:** Track the number of leads and types of leads. Establish recruitment benchmarks and review quarterly.
 - *Suggested Data Source: develop an EDD and SEDCOR internal tracking tool*
- **City Investment:** Track the amount of infrastructure investment, incentives and tax credits provided to new or expanding businesses versus the number of jobs and tax revenue generated from that investment.
 - *Suggested Data Source: develop an EDD and SEDCOR internal tracking tool that would track dollars spent within Urban Renewal Districts*
- **Capital:** Document the available capital by tracking the number, value and type of business loans.
- **Land:** Track the number of acres of available land (commercial versus industrial). Also track the number of acres prepared for new development and the number of acres developed.
 - *Suggested Data Source: develop an EDD and SEDCOR internal tracking tool*
- **Business Registry:** Track the number of new businesses, number of new employees, type of business, and business needs, on a quarterly basis.

- **Transportation:** Track new roads, improved train access, air improvements, etc.
- **Livability:** Develop livability metrics.
- **Sustainability:** Track business conservation efforts and available incentives.

Plan Maintenance

As discussed at the beginning of this chapter, this plan provides a framework for the City of Salem Economic Development Division to work strategically with its partners on shared goals for achieving economic development goals in Salem. For the plan to be successful, it should be treated as a living document and be reviewed annually. As it stands now, the plan provides a process for the City to engage its economic development partners and a checklist to achieve specific economic development objectives and action items. As these objectives and action items are completed, new ones should be added depending on the City Council goals, the economic environment, and the priorities set out by the Division and its partners. The plan provides a framework for future action items to be added and replaced as necessary.

To ensure continuity with the needs of the Economic Development Division, its economic development partners and the City at large, this plan should be reviewed on an annual basis and updated every five years.

APPENDIX A: INTERVIEW LIST

Table A-1 outlines the economic development partners, businesses and City staff interviewed for the City of Salem Strategic Economic Prosperity Plan.

Table A-1. Interview List

| <u>Economic Development Partners</u> | | <u>Business Contacts</u> | |
|---|---------------------------|---------------------------------|---|
| Contact | Organization | Contact | Organization |
| Ray Burstedt | SEDCOR | David Truitt | Truitt Bros |
| Jill Miles | Business Oregon | Martin Morris | Salem Hospital |
| Diane McLaren | Chemeketa CCBI | Jim McMullen | Kettle Foods |
| Ray Teasley | MWVCOG | Don Holmberg | Wells Fargo |
| Theresa Taaffe | PGE | Carren Timm | Garmin |
| Mike McLaren | Salem Chamber of Commerce | Ron Craig | SANYO Solar West Salem |
| Patricia Grose | Job Growers, Inc. | Mark Lyman | Machinery Advanced Economic Solutions, Inc. |
| Pattie Milne | Marion County | Marin Arreola | |

| <u>Retail Contacts</u> | | <u>City of Salem</u> | |
|-------------------------------|---------------------|-----------------------------|---|
| Contact | Organization | Contact | Organization/Title |
| Alan Podaca | JC Pennys | Tory Banford | Management Analyst Director of Urban Development |
| Roger Yost | Alexandros | Rick Scott | Assistant Director of Urban Development |
| Ann & Chuck | French Unicorn | John Wales | Project Manager |
| | | Courtney Knox | |

APPENDIX B: RESULTS OF THE SALEM BUSINESS PERCEPTION SURVEY

Appendix B presents a summary of the results of an online business perception survey in the City of Salem. The primary objective was to understand the perceptions of businesses concerning Salem’s business climate, economic development partners and strategies, available economic development assistance, and the local workforce. A detailed account of all questions and comments can be found at the end of the document.

Methods

An online survey tool was used to collect the perception of businesses in the Salem area. Members of the Salem Area Chamber of Commerce and SEDCOR were invited to take the survey. We received 61 complete responses to the survey and 44 partially complete responses.

Respondents came from a variety of industries, as indicated in Table B-1. The largest number of respondents came from the construction, finance, and business services sectors. Respondents who answered other included food processing (2), education and training (4), government (2), hospitality (2), employment (1), and marketing (1).

Table B-1. Industry and Profession Categories of Respondents

| Industry Type | Percent of Respondents | Number of Respondents |
|------------------------------------|-------------------------------|------------------------------|
| Forestry or Fishing | 1.6% | 1 |
| Communication or Utilities | 4.9% | 3 |
| Construction | 13.1% | 8 |
| Finance, Insurance, or Real Estate | 18.0% | 11 |
| Business Services | 14.8% | 9 |
| Health Services | 8.2% | 5 |
| Other Services | 4.9% | 3 |
| Wood Products Manufacturing | 1.6% | 1 |
| Other manufacturing | 4.9% | 3 |
| Retail Trade | 3.3% | 2 |
| Eating and Drinking Establishment | 3.3% | 2 |
| Wholesale Trade | 0% | 0 |
| Other | 21.3% | 13 |

About three quarters of respondents’ companies were based in Salem, and have been operating in Salem for one to over 100 years. Companies had 0 to 1300 full time equivalent employees and 0 to 1335 total employees. The mean number of full time equivalent employees was 51, and total employees was 60.

Companies' gross revenues ranged greatly: 38.9% had revenues under \$500,000, 9.3% were between \$500,000 and \$1 million, 22.2% were between \$1 million and \$5 million, 7.4% were between \$5 million and \$10 million, and 16.7% were over \$10 million. Seventy two percent of companies plan to expand in the next five years.

Key Findings

Business Climate

Nearly all respondents (98.1%) said that perceptions about Salem's business climate are very or somewhat important in creating a strong local economy. About half of respondents said that Salem was a good place to do business at this time (48.1%), while 10.6% thought it was excellent, 32.7% thought it was fair, and 8.7% thought it was poor. Respondents responses to whether Salem has changed as a place to do business in the last five years was fairly evenly distributed, with 27.9% of respondents saying it is better, 22.1% saying it is worse, and 32.7% saying it was unchanged. Respondents' comments mentioned the economy, local government, state government, government regulation, taxes, and fees, and other topics both as evidence that the climate has improved and as evidence it has gotten worse.

The characteristics that respondents mentioned most positively affected views of the local business climate (more than 60% of respondents chose very or somewhat positive) were community safety, environmental quality, local leadership, medical facilities, parking, quality of life, recreation opportunities, and workforce availability. The characteristics that respondents mentioned most negatively affected views of the local business climate (more than 40% of respondents chose very or somewhat negative) were availability of capital, the cost of doing business, diverse economic base, local government regulations, local tax policies, the state's fiscal situation, state and federal regulations, state and federal tax policy, and the transportation system.

Respondents noted a significant difference between how they perceive the Salem business climate and how they believe others perceive the Salem business climate: while 52.9% of respondents perceive Salem to be pro-business, they believe only 11.8% of businesses outside of Salem think Salem is pro-business. Only 11.8% of respondents believe Salem is anti-business, but respondents believe 36.8% of businesses outside of Salem believe Salem is anti-business.

The most commonly cited strengths of doing business in Salem were the quality of life, local leadership, and economic growth potential and recreational opportunities. The most commonly cited weaknesses were the state's fiscal situation, state and federal regulations, and state and federal tax policies. Complete results can be found in the second part of this appendix (Complete Survey Results).

Economic Development Partners and Strategies

Three quarters of respondents believe that Salem city government is supportive of local business. In the comments, some differences were noted between the

support from elected officials and the follow through by city staff. When asked about the City of Salem and its partners' policy towards economic growth, 43.1% of respondents said they encourage economic growth, 35.4% said that they accommodate and manage economic growth, and 3.1% said that they discourage economic growth. Sixty-nine percent of respondents believe that the City of Salem and its economic development partners are focusing on the appropriate strategies to attract and retain businesses in Salem. Eighty-eight percent of respondents believe there are barriers to economic development in Salem and mentioned the general state of the economy, transportation, large city expectations in a small city, zoning, and regulations in their comments. Respondents were also asked about the top three steps that the City of Salem and its partners could take to improve Salem as a place to do business.

Economic Development Assistance

Only 28.1% of respondents have requested assistance from the City or its partners. Of those that requested assistance, 62.5% had requested assistance from the City of Salem, SEDCOR, and the Salem Area Chamber of Commerce. Respondents also requested assistance in smaller numbers from Business Oregon, the Oregon Department of Energy, and the Chemeketa Small Business Development Center. Of those who requested assistance, two thirds actually received assistance. Seventy-three percent received assistance from SEDCOR, 63.6% from the Salem Area Chamber of Commerce, 54.5% from the City of Salem, 27.3% from Business Oregon, and 27.3% from the Chemeketa Small Business Development Center.

About two thirds of respondents believe that enough information about where to go for business assistance is available. Those who said enough information is not available noted they would like information on tax codes, programs available through the Chemeketa Small Business Development Center, online content, and business education.

When asked whether the roles and responsibilities between the City and its economic development partners were clear, 13.8 % of respondents said these roles and responsibilities were very clear, 29.3% said they were somewhat clear, 29.3% said they were either clear nor unclear, 20.7% said they were somewhat unclear, and 6.9% said they were very unclear.

Over 35% of respondents listed the following areas of assistance as most needed to help their businesses grow: availability of capital, cut/lower taxes, improve transportation infrastructure, reduce health care costs, reduce regulations and fees, and streamline permitting processes.

Workforce

When asked whether they expect employees to be trained when they hire them, 41.7% of respondents said yes, 23.3% said no, and 35% said it depends. Those who said it depends generally indicated that they expect a basic education but plan on doing specialized training. In addition, they indicated that their expectations differ depending on the type of employee they are hiring.

At least 50% of respondents said that employees would need all of the listed skills in the next three to five years, but over 75% of respondents identified computer skills, customer service skills, interpersonal communication skills, and work ethic as needed.

Complete Survey Results

The remainder of this appendix presents detailed response tables and comments from the survey.

Q1. How important are perceptions about Salem's business climate in creating a strong local economy?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|--|-------------------------|-----------------------|
| Very important | 83.7% | 87 |
| Somewhat important | 14.4% | 15 |
| Neither important nor unimportant (not a factor) | 1.9% | 2 |
| Somewhat unimportant | 0.0% | 0 |
| Very unimportant | 0.0% | 0 |
| | answered question | 104 |
| | skipped question | 1 |

Q2. Overall, how would you rate Salem as a place to do business at this time?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Excellent | 10.6% | 11 |
| Good | 48.1% | 50 |
| Fair | 32.7% | 34 |
| Poor | 8.7% | 9 |
| | answered question | 104 |
| | skipped question | 1 |

Q3. How has Salem changed as a place to conduct business from five years ago (or since you began conducting business in Salem)? If you respond that it is better or worse, please state the reason(s).

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Better | 27.9% | 29 |
| Worse | 22.1% | 23 |
| Unchanged | 32.7% | 34 |
| Not sure | 17.3% | 18 |
| Comments | | 41 |
| | answered question | 104 |
| | skipped question | 1 |

Q4. The following is a list of characteristics that can affect views of the local business climate. Please rate these characteristics in terms of their effect on Salem as a place to do business. (Check the appropriate box).

| <i>Answer Options</i> | <i>Very Positive</i> | <i>Somewhat Positive</i> | <i>Neither Positive nor Negative</i> | <i>Somewhat Negative</i> | <i>Very Negative</i> | <i>Not Sure</i> | <i>Response Count</i> |
|--|----------------------|--------------------------|--------------------------------------|--------------------------|----------------------|-------------------|-----------------------|
| 1. Access to markets and customers | 10% | 37% | 30% | 18% | 3% | 1% | 67 |
| 2. Affordable housing | 13% | 40% | 26% | 18% | 1% | 1% | 68 |
| 3. Assistance to business | 19% | 31% | 24% | 12% | 7% | 6% | 67 |
| 4. Availability of capital | 7% | 7% | 25% | 40% | 10% | 10% | 68 |
| 5. Availability of land | 12% | 35% | 32% | 16% | 0% | 4% | 68 |
| 6. Availability of raw materials | 9% | 34% | 26% | 15% | 0% | 16% | 68 |
| 7. Availability of technology | 10% | 43% | 32% | 6% | 1% | 7% | 68 |
| 8. Community attitudes | 18% | 28% | 21% | 29% | 4% | 0% | 68 |
| 9. Community safety | 16% | 52% | 19% | 7% | 4% | 0% | 67 |
| 10. Competitive pressure from other businesses | 5% | 26% | 50% | 12% | 3% | 5% | 66 |
| 11. Cost of doing business | 13% | 19% | 22% | 28% | 12% | 4% | 67 |
| 12. Cost of living | 8% | 38% | 33% | 12% | 8% | 2% | 66 |
| 13. Diverse economic base | 3% | 15% | 33% | 35% | 12% | 2% | 66 |
| 14. Economic growth potential | 15% | 43% | 10% | 24% | 7% | 0% | 67 |
| 15. Environmental quality | 15% | 56% | 21% | 3% | 2% | 3% | 66 |
| 16. Growth management policies | 6% | 21% | 33% | 21% | 11% | 8% | 66 |
| 17. Infrastructure | 6% | 33% | 28% | 24% | 4% | 4% | 67 |
| 18. Local government regulations | 7% | 19% | 25% | 31% | 10% | 6% | 67 |
| 19. Local leadership | 27% | 35% | 21% | 9% | 5% | 3% | 66 |
| 20. Local tax policies | 14% | 23% | 26% | 21% | 11% | 6% | 66 |
| 21. Medical facilities | 12% | 63% | 18% | 6% | 0% | 1% | 67 |
| 22. Parking | 4% | 51% | 19% | 12% | 10% | 3% | 67 |
| 23. Permitting requirements | 9% | 13% | 40% | 12% | 13% | 12% | 67 |
| 24. Population density | 6% | 41% | 41% | 8% | 2% | 3% | 66 |
| 25. Public education system | 5% | 41% | 21% | 14% | 15% | 5% | 66 |
| 26. Quality of life | 24% | 54% | 15% | 7% | 0% | 0% | 67 |
| 27. Recreation opportunities | 37% | 37% | 15% | 9% | 1% | 0% | 67 |
| 28. Shopping facilities | 16% | 37% | 22% | 19% | 4% | 0% | 67 |
| 29. State's fiscal situation | 1% | 3% | 10% | 28% | 52% | 4% | 67 |
| 30. State and Federal regulations | 3% | 7% | 19% | 31% | 31% | 7% | 67 |
| 31. State and Federal tax policies | 4% | 7% | 15% | 28% | 36% | 9% | 67 |
| 32. Sustainability | 7% | 30% | 37% | 16% | 4% | 4% | 67 |
| 33. Traffic congestion | 6% | 28% | 31% | 28% | 3% | 3% | 67 |
| 34. Transportation system | 3% | 24% | 24% | 36% | 10% | 3% | 67 |
| 35. Utility costs | 8% | 23% | 39% | 21% | 5% | 5% | 66 |
| 36. Vital downtown | 3% | 46% | 24% | 15% | 10% | 1% | 67 |
| 37. Workforce availability | 15% | 46% | 22% | 10% | 1% | 4% | 67 |
| 38. Workforce quality | 9% | 37% | 27% | 21% | 3% | 3% | 67 |
| Comments | | | | | | | 4 |
| | | | | | | answered question | 68 |
| | | | | | | skipped question | 37 |

Comments:

- With Salem being the State Cap - it impacts our demographics negatively
- This question was difficult to answer because of its wording.
- Innovation
- There is no "source" for what's happening in Salem. Local radio stations are not listened to by the majority of the citizens; there is no real TV station; websites with what's happening in Salem are virtually unknown to locals.

Q5. Using the list of characteristics presented in Q-4, please indicate the top three strengths and weaknesses of doing business in Salem. You can enter the number of the item from question 4 or type in the characteristic.

| | <i>Strength #1</i> | <i>Strength #2</i> | <i>Strength #3</i> | <i>Strengths Total</i> |
|--|--------------------|--------------------|--------------------|------------------------|
| 26. Quality of life | 8 | 9 | 5 | 22 |
| 19. Local leadership | 7 | 7 | 7 | 21 |
| 14. Economic growth potential | 6 | 2 | 1 | 9 |
| 27. Recreation opportunities | 2 | 4 | 3 | 9 |
| 3. Assistance to business | 4 | 2 | 2 | 8 |
| 8. Community attitudes | 4 | 1 | 3 | 8 |
| 15. Environmental quality | 2 | 3 | 3 | 8 |
| 37. Workforce availability | 3 | 3 | 2 | 8 |
| 2. Affordable housing | 1 | 3 | 3 | 7 |
| 5. Availability of land | 4 | 1 | 1 | 6 |
| 12. Cost of living | 1 | 2 | 3 | 6 |
| 9. Community safety | 2 | 1 | 2 | 5 |
| 11. Cost of doing business | 1 | 3 | 1 | 5 |
| 17. Infrastructure | 1 | 2 | 2 | 5 |
| 21. Medical facilities | 0 | 1 | 4 | 5 |
| 38. Workforce quality | 3 | 1 | 1 | 5 |
| 32. Sustainability | 0 | 4 | 0 | 4 |
| 36. Vital downtown | 0 | 0 | 4 | 4 |
| 7. Availability of technology | 2 | 0 | 1 | 3 |
| 1. Access to markets and customers | 2 | 0 | 0 | 2 |
| 20. Local tax policies | 1 | 1 | 0 | 2 |
| 22. Parking | 1 | 0 | 1 | 2 |
| Impetus for positive change is apparent | 1 | 1 | 0 | 2 |
| 4. Availability of capital | 0 | 0 | 1 | 1 |
| 6. Availability of raw materials | 0 | 1 | 0 | 1 |
| 23. Permitting requirements | 0 | 0 | 1 | 1 |
| 25. Public education system | 0 | 0 | 1 | 1 |
| 28. Shopping facilities | 0 | 1 | 0 | 1 |
| 34. Transportation system | 0 | 1 | 0 | 1 |
| 35. Utility costs | 0 | 0 | 1 | 1 |
| Cohesive business community | 0 | 1 | 0 | 1 |
| Higher education access | 0 | 1 | 0 | 1 |
| State employment | 0 | 1 | 0 | 1 |
| Strong professional networks | 0 | 1 | 0 | 1 |
| Small size | 0 | 0 | 1 | 1 |
| 10. Competitive pressure from other busi | 0 | 0 | 0 | 0 |
| 13. Diverse economic base | 0 | 0 | 0 | 0 |
| 16. Growth management policies | 0 | 0 | 0 | 0 |
| 18. Local government regulations | 0 | 0 | 0 | 0 |
| 24. Population density | 0 | 0 | 0 | 0 |
| 29. State's fiscal situation | 0 | 0 | 0 | 0 |
| 30. State and Federal regulations | 0 | 0 | 0 | 0 |
| 31. State and Federal tax policies | 0 | 0 | 0 | 0 |
| 33. Traffic congestion | 0 | 0 | 0 | 0 |
| Anti-business attitude by state leaders | 0 | 0 | 0 | 0 |
| Buildings that don't pay property taxes | 0 | 0 | 0 | 0 |
| Not enough choices for food | 0 | 0 | 0 | 0 |
| Poor perception of Salem by those outsid | 0 | 0 | 0 | 0 |
| Public employee & union mindset in supp | 0 | 0 | 0 | 0 |
| Poor communication | 0 | 0 | 0 | 0 |
| Lack of high tech jobs | 0 | 0 | 0 | 0 |

| | <i>Weakness #1</i> | <i>Weakness #2</i> | <i>Weakness #3</i> | <i>Weaknesses Tot</i> |
|---|--------------------|--------------------|--------------------|-----------------------|
| 29. State's fiscal situation | 6 | 7 | 7 | 20 |
| 30. State and Federal regulations | 6 | 5 | 7 | 18 |
| 31. State and Federal tax policies | 4 | 8 | 6 | 18 |
| 34. Transportation system | 3 | 8 | 3 | 14 |
| 8. Community attitudes | 4 | 2 | 4 | 10 |
| 13. Diverse economic base | 2 | 2 | 4 | 8 |
| 22. Parking | 4 | 2 | 0 | 6 |
| 36. Vital downtown | 4 | 0 | 2 | 6 |
| 18. Local government regulations | 3 | 0 | 2 | 5 |
| 19. Local leadership | 2 | 1 | 2 | 5 |
| 20. Local tax policies | 2 | 3 | 0 | 5 |
| 23. Permitting requirements | 2 | 1 | 2 | 5 |
| 4. Availability of capital | 2 | 2 | 0 | 4 |
| 33. Traffic congestion | 1 | 0 | 3 | 4 |
| 38. Workforce quality | 2 | 0 | 2 | 4 |
| 3. Assistance to business | 1 | 2 | 0 | 3 |
| 35. Utility costs | 0 | 0 | 3 | 3 |
| 37. Workforce availability | 2 | 0 | 1 | 3 |
| 1. Access to markets and customers | 1 | 1 | 0 | 2 |
| 5. Availability of land | 1 | 0 | 1 | 2 |
| 7. Availability of technology | 0 | 2 | 0 | 2 |
| 14. Economic growth potential | 1 | 1 | 0 | 2 |
| 16. Growth management policies | 0 | 1 | 1 | 2 |
| 17. Infrastructure | 1 | 0 | 1 | 2 |
| 25. Public education system | 0 | 2 | 0 | 2 |
| 28. Shopping facilities | 0 | 1 | 1 | 2 |
| Buildings that don't pay property taxes | 0 | 2 | 0 | 2 |
| Poor communication | 1 | 0 | 1 | 2 |
| 2. Affordable housing | 1 | 0 | 0 | 1 |
| 6. Availability of raw materials | 0 | 1 | 0 | 1 |
| 10. Competitive pressure from other businesses | 1 | 0 | 0 | 1 |
| 11. Cost of doing business | 1 | 0 | 0 | 1 |
| 12. Cost of living | 0 | 1 | 0 | 1 |
| 27. Recreation opportunities | 0 | 0 | 1 | 1 |
| 32. Sustainability | 0 | 0 | 1 | 1 |
| Anti-business attitude by state leaders | 0 | 1 | 0 | 1 |
| Not enough choices for food | 0 | 1 | 0 | 1 |
| Poor perception of Salem by those outside Salem | 0 | 1 | 0 | 1 |
| Public employee & union mindset in supporting | 0 | 1 | 0 | 1 |
| Lack of high tech jobs | 0 | 0 | 1 | 1 |
| 9. Community safety | 0 | 0 | 0 | 0 |
| 15. Environmental quality | 0 | 0 | 0 | 0 |
| 21. Medical facilities | 0 | 0 | 0 | 0 |
| 24. Population density | 0 | 0 | 0 | 0 |
| 26. Quality of life | 0 | 0 | 0 | 0 |
| Impetus for positive change is apparent | 0 | 0 | 0 | 0 |
| Cohesive business community | 0 | 0 | 0 | 0 |
| Higher education access | 0 | 0 | 0 | 0 |
| State employment | 0 | 0 | 0 | 0 |
| Strong professional networks | 0 | 0 | 0 | 0 |
| Small size | 0 | 0 | 0 | 0 |

Q6. Please indicate your response to the following questions regarding Salem's business climate. (Check the appropriate box).

| <i>Answer Options</i> | <i>Pro-Business</i> | <i>Neutral</i> | <i>Anti-Business</i> | <i>Not Sure</i> | <i>Response Count</i> |
|---|---------------------|----------------|----------------------|-------------------|-----------------------|
| How do you personally perceive Salem as a place to do business? | 53% | 34% | 12% | 1% | 68 |
| How do you feel businesses outside of Salem perceive Salem as a place to do business? | 12% | 37% | 37% | 15% | 68 |
| | | | | answered question | 68 |
| | | | | skipped question | 37 |

Q7. Please indicate how supportive the Salem city government is to local business.

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-------------------------------------|-------------------------|-----------------------|
| Very supportive | 31.8% | 21 |
| Somewhat supportive | 43.9% | 29 |
| Neither supportive nor unsupportive | 7.6% | 5 |
| Somewhat unsupportive | 4.5% | 3 |
| Very unsupportive | 6.1% | 4 |
| Don't know | 6.1% | 4 |
| Comments | | 27 |
| | answered question | 66 |
| | skipped question | 39 |

Comments:

- I feel the city council is very pro-business, even when being that way is against the interests of the citizens.
- Janet Taylor did a great job. I believe everyone should do the same as Janet. Talk about an actual go getter.
- Permitting and ability to discuss interpretation bad
- City should make an effort to bring in high tech jobs and quit relying on state workers to support the economy.
- City government has assisted in recruiting businesses and simplified many regulations. There is too often a tendency to only listen to neighborhood associations or very small groups in opposition to business efforts, or protect trees where industrial property has been developed for business, but in most cases a compromise is found that allows the creation of private sector jobs.

- A seemingly simple permit to move into an existing building is going on a seven month process and we seem no closer than we were when we began. The planning department spends more time explaining why we can't move in rather than looking at how to make it work.
- When Mayor Taylor was first in office - the City was very supportive. That has changed somewhat over the last year or two
- The elected leadership is agreeable to business, but it doesn't permeate through the government ranks. And, those volunteers don't have the energy or power to create culture change to the degree needed.
- Salem Govt. seems very pro-business, particularly keeping business taxes that other areas have, out of our region- such as Trimet and Lane Transit taxes.
- From a builders standpoint fairly easy to work with on permits and etc. They are still very bureaucratic. Public works department is the most difficult to work with.
- It sometimes appears that more energy is put into bringing in new and larger businesses than finding ways to make it easier for existing, small business to thrive
- The collaborative effort between the City, SEDCOR and Business Oregon is unique and effective.
- The city council spends more time on chickens than how to improve our city
- I believe the leadership in the council and our mayor are pro-employers (pro-business) and show it with their attitudes and in their decisions
- Mayor Taylor and Council have been supportive in words, but staff controls the agenda and there is still an anti-business attitude at many staff levels.
- Positive enthusiasm of city leaders isn't always reflected in day-to-day transactions with municipal staff.
- Strives to work with businesses to achieve success
- Current city government is much more supportive of businesses than past administrations.
- They want business to come to the Salem area and want existing business to stay.
- I have heard so many stories about people trying to get permits and being shuffled from department to department, slow responses, sign regulations are so difficult to work with.

- From the Wachovia call center to the elimination of the Boise eyesore downtown Mayor Taylor has taken an incredible lead in supporting business growth
- Salem is all about the chain stores and restaurants... that attitude needs to be changed to value what is special and unique about Salem, especially in the downtown core.
- Better than in the past.
- Too pro-development, slow to support sustainability
- The mayor and city council aren't lined up against the business community.
- I am not aware of any programs or services that I feel would be beneficial to my business endeavors... However it is obvious that there is a push to find and define what these services might be but without acknowledging current economic realities. To me this comes across as rather foolish, like an ostrich burrowing its head in the ground, at best... At worst self-serving politicians looking to forward their own self-interest while paying lip service to the needs of local business.
- I don't have any direct contact with the city (since I live outside it and my business hasn't required any permitting or other city contact) so I don't have a basis for making an evaluation.

Q8. Please indicate what you think the City of Salem and its partners' policy is toward economic growth.

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|------------------------------------|-------------------------|-----------------------|
| Encourage economic growth | 43.1% | 28 |
| Accommodate/manage economic growth | 35.4% | 23 |
| Discourage economic growth | 3.1% | 2 |
| Not sure | 13.8% | 9 |
| It depends | 4.6% | 3 |
| Comments | | 22 |
| | answered question | 65 |
| | skipped question | 40 |

Comments:

- I see that the city is trying to have all these boards and councils, but I don't see any real results from these organizations and bodies, except for news about their forming and their meetings.
- The City, Chamber and SEDCOR have a healthy, positive view of economic growth.
- Very active & successful - Thanks to the help from SEDCOR and PGE

- The City of Salem is financially supportive of SEDCOR and participates in activities with them and the State of Oregon in recruitment efforts.
- If it is an "approved" industry then they get a green light. Otherwise the red tape is a huge problem.
- We have seen new businesses come to town, which has helped to generate jobs
- They do what they think they should to encourage the economy but truly don't make it a priority. There is a culture of not wanting to appear like they promote business in the staff.
- They appear to be pro-business, but I haven't read about many strong efforts to recruit businesses to the area. SEDCOR's magazines and literature are very helpful. Not much from the city.
- The Mayor has done a good job trying to encourage growth in spite of the state being difficult in selling the Mill Creek property to potential big businesses. You create jobs by bringing big new businesses in by giving very cheap land and other concessions such as taxes and etc. Other states will if we don't.
- Without economic growth, the entire social structure suffers.
- Appear to be open to large industries - but don't seem to help small industries
- Follow the money, if you are connected things flow if not then they could care less
- The city accommodates growth and encourages verbally, and in some cases have provided necessary capital and influence to encourage the downtown area and some business.
- See answer above. Statesman Journal promotes anti-business sentiment, as it has done consistently for 15 years.
- Team is pro-economic growth and strives to achieve such growth
- In the past, there has been a tendency to put undue restrictions on new business enterprises and land developers. Excessive SDC's and permitting costs have stifled new development in favor of surrounding communities.
- Support existing local businesses.
- See above - for the most part whatever business wants business seems to get in Salem
- I think SEDCOR does a good job of promoting Salem as a positive place to do business.
- Too pro-development, slow to support sustainability
- Except for a sign ordinance that seems out of touch with our need to communicate, the City seems very encouraging of growth.
- I'm unclear on what specific policies the city has that would encourage or discourage economic growth... And who exactly are these partners of whom you speak? This survey is very awkwardly written...

Q9. Do you think the City of Salem and its economic development partners are focusing on the appropriate strategies to attract and retain businesses in Salem?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Yes | 69.0% | 40 |
| No | 31.0% | 18 |
| Comments | | 30 |
| | answered question | 58 |
| | skipped question | 47 |

Comments:

- Based on gut feeling and what little news I hear on this topic.
- The Chamber and SEDCOR have had great wins in recent years, attracting some important developments and employers.
- Not familiar with strategies that are currently being employed.
- The State tax on small business is pushing them out of State
- We have experienced a great deal of success in attracting Japanese companies, but as far as I am aware, there has been only a little effort to engage Chinese companies in locating in Salem. This takes a manpower (or womanpower) effort along with the financial commitment to build the trust and relationships. This cannot be done overnight.
- I don't know what the strategies are but they appear to be only focusing on so called "green" companies.
- Somewhat yes, but some emphasis to attract small businesses rather than large corporations would also be helpful.
- I know they are always trying to bring more businesses in, in spite of an overall state attitude of keeping out business
- I have no idea what their strategies are so I can't answer this question intelligently
- The spin off impact from the successful implementation of the strategies yields far reaching benefits to the citizens.
- More time recruiting new than sustaining old.
- I believe SEDCOR works hard to attract business to this area
- Yet there needs to be greater influence on the State, as it is creating a reputation the City may have a hard time shaking
- City government lacks sophistication to tell a good deal from a bad one. Planners are considered as "experts" on growth; when common sense is often a better yardstick.
- continue to focus on strategic planning & positioning to support future economic growth
- More help to existing small businesses would be nice.
- Better than it was

- Giving tax incentives to attract new business put the full burden on the current business
- I'm not sure, I have not yet seen the plan.
- tax and education incentives to attract larger business or corporate divisions seems to be lacking
- It doesn't seem apparent that there is much outreach being done on the benefits of doing business in Salem.
- I'd like to say "not sure." However, I feel that Salem gets compared to the Portland metro area and falls short. Not sure of the strategies, but more multinational businesses, powerful regional or national businesses must be brought here.
- I think they are doing their best with the challenges that we have.
- This is a hard one but overall I think they're doing a great job - look at the growth of businesses on Mission Street, Salem Parkway just to name 2
- Speaking for downtown the waste of EID money over the last two and a half years is appalling. Select few businesses got positive attention and promotion while many businesses were completely disenfranchised. Many downtown business owners don't even know what GDS is doing for them (and it's because GDS isn't doing ANYTHING for them).
- As being the capital of the state Salem is very quiet
- Finally, after over-development, the focus is turning to longer-term sustainability.
- City officials, the Chamber, Sedcor, and Chemeketa seem to be working together to entice and invite new business to town. "Ready to Learn, Ready to Work" is making strides toward involving the next generation.
- Don't know
- By sending out questionnaires and general forwarding the attitude that they had no idea what the problems are? A viable dialogue with the business community must start with a frank acknowledgment of the realities... I don't hear anything like this happening.

Q10. Do you think there are barriers to economic development in Salem?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Yes | 88.3% | 53 |
| No | 11.7% | 7 |
| Comments | | 48 |
| | answered question | 60 |
| | skipped question | 45 |

Comments:

- State and federal tax liabilities
- Community attitude, lack of air service
- There are always barriers everywhere. The barrier here is a lack of a vital downtown, and a poor public transportation system.

- Availability of capital is #1 right now.
- Perception perception perception. Also the lack of quality people in this town that don't support local small businesses, but make the 1 hour trip to Eugene/Portland
- State measure 66-67; Too much GOVERNMENT; too much regulation; property taxes are too high
- Consumer perception that they have to go to Portland to get a good selection / price for larger items. 2. Business indifference to consumer attitudes. 3. Business having weak marketing plans / skills.
- Limits on building height is ridiculous
- Lack of infrastructure and incentives to do business in Salem.
- There is still a "no-growth" attitude in Salem - many think State Government is all we need. They often forget that government pays no property tax which is the main funding source for city services. Also, nearly half of the current State workforce does not live in Salem, therefore, not shopping, dining, or contributing to our non-profits.
- Taxes! They are way too high.
- City, State Government. Can't seem to work together. One continues to blame the other.
- Lack of air service, government owned or controlled land (Mill Creek), fear of the anti-business anti-growth advocates is an insidious anchor
- Parking. And the perception that people in Salem are cheap and won't pay for anything.
- Perception that you have to go to Portland to get the "good" or high level services.
- Transportation - there should be easier access to Portland (airport, city, etc.) besides driving. Salem appears as an isolated place (even though it isn't). It is often a barrier for people wanting to do business in the area.
- The State, the Governor.
- Land use policies, decline of natural resource industries with reliance on manufacturing to replace lost living wage jobs, lack of large "anchor" businesses in Salem area (Intel, Nike, etc.)
- Stupid initiatives such as Councilmember Tefler's effort to save a few white oaks on valuable and viable industrial land when there is a well preserved corpse of trees within one mile. The words "Green" and "Sustainable" need to be clearly defined. These buzzwords are overused and misused and create barriers to projects that produce private sector jobs.
- Educated workforce
- The State of Oregon.
- Land, tax incentives, ready labor, a transportation system.
- Property development requirements such as - 'linking streets'
- When tax breaks are used to attract business there is nothing done when the business does not follow thru with its side of the bargain, which hurts the rest of the business community

- Our State... and Urban Growth Boundary issues to the North, as it is the closest and most valuable land to those with Capital from the Portland area
- Too many no growth people
- High unemployment; concentration of prisons in Salem and related low income/at risk families that accompany that population; the (often partisan based) hyper-judgmentalism that exists in business sectors
- Portland, Eugene and Bend. Vast areas of land currently used by government entities instead of being available for private development. High property taxes.
- Staff fails to understand the time is money. City-imposed fees and charges, discrepancies in zoning codes, etc. create barriers and impose long delays and costs.
- Anti-business political ads and state tax policies that discourage businesses from relocating to or even remaining in Oregon.
- Zoning, development standards; current economic situation throughout the state is detrimental to growth
- Some zoning requirements. High property taxes.
- Excessive costs and regulations common to most Oregon cities.
- Unless you a big enough
- Land, fee costs
- Measure 66 and 67
- Land use/transportation
- Real estate -- I've seen a number of businesses go out of business or move, because of the drastic increase in lease rates.
- Compared to the Portland metro area, Salem's reach is much more local; I've seen most of my friends leave Salem (after getting a bachelor's or master's degree) to go to Portland or beyond, but hardly anyone ever thinks of staying in Salem. There is the perception that there is no (or hardly any) growth potential for upward-bound professional growth. We need to get more multinational or powerful national businesses here.
- ODOT unwilling to work with our area to level the playing field and help make our area more accessible
- The city of Salem still has a small mindset. It still thinks it is small, therefore it remains small. Salem needs to look no further south than Corvallis for what works...look at the mix of restaurants and businesses.
- Franchises look at our "numbers" here and see the poor climate and attitude of public employees and determine we are not a good pick for location.
- Traffic flow and parking from my point of view - driving on Mission or the Parkway you can see the difference in traffic from 5 years ago - we need ways to keep traffic moving, improve public transportation and get a major carrier flying from Salem
- People that are in charge are thinking about their pocket not the public and too many lazy, government dependent are living in this town that

don't want to spend money on anything because they don't earn it to spend it.

- Innovation is discouraged.
- I think the community needs to believe in itself first. I think there is very little feeling of community in Salem, but then I live in NE Salem. We're probably the weakest link. And you know what they say about a chain and its weakest link. A lot of NE Salem is outside of the city of limits.
- Don't know
- The general state of the economy is an obvious impediment... The general sad-sack attitude of the populace is also a problem, but what do you expect from endless rounds of "We need your help figuring out how to make this better... Tell us what you think?" There is no leadership here beyond endless rounds of policy "debate"... It feels like a fire drill.

Q11. Please list the top three steps the city of Salem and its partners could take to improve Salem as a place to do business.

Step 1:

- Reduce tax liabilities
- Obtain air service
- Improve public transportation.
- Lean on the banks.
- Small business loans
- Incentives to do business in Salem
- Convince businesses of need to promote themselves to local consumers
- Better roads crossing the river and in West Salem
- Make it easier to determine who the economic contact is, State, SEDCOR or the City.
- Make city more attractive - Lancaster has the strip mall uglies and East Salem is a turn off.
- Pursue High tech companies
- Educate the community on the importance of private sector jobs.
- Lower taxes
- No recommendations
- Get air service
- Offer incentives for local government, school district, and local businesses to only hire or to first hire Salem businesses.
- Better transportation systems (roads, rail, air)
- Get the state to allow the city and SEDCOR to make the deals for the Mill Creek property.

- Keep the focus on creating and maintaining manufacturing and information processing jobs.
- Industrial diversification.
- Get the State of Oregon to follow the City of Salem's lead rather than get in the way.
- Develop not only vocational ready labor through Community College, but recruit young professionals.
- The City has no connection with the COST and/or the FINANCIAL VIABILITY of a property when they demands for exactions
- Get some of the prisons out of the Salem area
- Better relationship with Keizer, partner to brand the Salem Parkway as a GATEWAY
- Streamline permitting/licensing
- Charge the state for property taxes or make them move
- Fix underlying codes so they are consistent.
- Continue to seek ways to streamline the permit process & implement system development charges that are more reasonable in relation to the project under consideration.
- Complete and act on the Downtown Strategic Action plan
- Keep taxes and tax assessments under control.
- Get out of the way
- Lowering the tax base
- City government unity
- Get to know, support and nurture existing local businesses
- Deal with measure 66 and 67
- Tax incentives for businesses to relocate to Salem
- Market Salem as a destination -- among neighboring cities (Portland, Eugene, etc.) and outside the State of Oregon
- Attract multinational companies
- Make a stronger voice at the Capitol
- Improve parking situation
- Include businesses that draw the younger generation.
- Cut down on unnecessary political barriers to permitting and signage, renovation, etc.
- Stop seeing government as the enemy - focus on the positive and building business instead of blaming the legislature
- Promote locally owned businesses.
- Stop over taxing small businesses
- Support small businesses

- Incubate social innovation.
- Encourage the county to preach the same economic goals development goals as the city.
- Provide more parking in the downtown core
- Stop giving business permits to dollar stores so we don't look like the armpit of the state.
- Continue to keep infrastructure in good repair.

Step 2:

- Stop trying to force downtown revitalization - if you force it, it will just fall back down.
- Foster good relations with smaller local/regional banks and promote those to their members/constituents.
- New buildings
- Stop multifamily zoning in south Salem
- Work with local businesses to improve marketing to local consumers.
- Better Parking
- Develop a plan for a prospective business of the process and timeline that it will take for the business to develop facilities.
- Focus on education and training at high-school - poor performing schools produce poor performing employees
- Provide a training base for high tech industry
- Identify certain sectors of the economy to target for recruitment: for example - bio tech research
- Make the permitting process acceptable
- promote downtown OUTSIDE of town
- Reduce the notion that there is a lot of crime in Salem
- More workforce training opportunities
- Continue and increase funding to SEDCOR in five year contracts
- Educate workforce.
- Reduce the unemployment rate to 5%.
- The roadway system to get from I5 to downtown is very bad. Needs immediate improvement.
- Urban Growth to the North
- Be more customer-oriented -- and business IS a customer!
- Market successes by the City of Salem better
- Scale back systems development charges.

- Communicate to the Legislature how much damage its tax policies have done to the City's efforts to attract and retain good businesses.
- Review zoning, overlays and development standards to reduce impediments to development
- Get rid of the politically correct attitude towards everything.
- Staff following the city policy and not making up their own rules
- Embrace new ideas
- Develop Salem industry specific incubators (i.e. food processing). Position Salem as the obvious expert
- Less red -tape for expansion
- Help small businesses that are struggling to stay in their current location (cap on lease and rental rate increases, etc.)
- Work hand-in-hand with local universities (Willamette, Western Oregon, Corban) to attract and retain educated employees
- Expand SEDCOR to include small business recruitment
- Stop raising business license fees
- Do something with Salem Centre downtown to draw more tenants.
- Embrace businesses that come into the area, monitor "no big box" campaigns and other issues that discourage national retailers from locating here
- Get a major airline flying out of Salem
- Create a vibrant, pedestrian friendly downtown (see McMinnville, Corvallis, Eugene).
- Financial institution lending more available
- Provide more resources for small businesses
- Invest in renewable energy, resource management.
- Educate the population about what those goals are and how they can benefit from them.
- More pedestrian friendly streets
- Exercise some actual leadership rather than continuing rounds of lip service. i.e. we are hosting a debate between candidate x and y... and then shitting out an endorsement for candidate x the very next day.
- Continue to see businesses as a strength in the community, just as hospitals, schools, workers, etc. are.

Step 3:

- Combat falsely perceived anti-business atmosphere fostered by the Democrat party
- Prop up Chemeketa.
- Keep up the good work!
- Tax incentives to businesses

- Create restaurant zoning in south Salem
- Promote the local area as having as good, or better selection and pricing as Portland.
- Tax breaks
- Encourage quick-start new small businesses with easy rules and supportive infrastructure.
- Enforce federal immigration policies
- Elect residents to City Council that understand and support businesses
- Let the market decide what businesses should locate here.
- More hardball and urgency with the state when they hurt us (Mill Creek, closing RR crossings, higher taxes)
- More public announcements/advertise Salem as a great place & open for businesses.
- Promote Salem's education opportunities (quality of schools - elementary, middle, high, colleges/universities)
- Strongly oppose unfunded mandates from the state and federal governments.
- Access to capital.
- Improve the number of kids going from high school to college.
- Taxes on small biz.
- Influence the State in pro-employer values
- Market partnerships with others better
- Create environment that does not tolerate unnecessary delays in permits, etc.
- Help promote the many contributions made by the Chamber and local businesses to improve the quality of life in Salem, to help balance some of the anti-business sentiment that seems to gain such media attention.
- Help SMALL business succeed in every way possible!
- Put pressure on the Salem schools for better K-12 Education
- New bridge so the downtown traffic of just drive thru's doesn't prohibit shoppers & visitors from enjoying town
- Develop campaign to encourage City residences and business to support local businesses
- Improve parking
- Improve connections with potential community members who are leaving Salem (ie. Willamette students who leave after they graduate, young professionals finding other opportunities outside of Salem, etc.)
- Find a "niche" industry and be regionally/nationally known for it
- Reduce government and limit spending on union contracts

- Continue to promote downtown community and Salem as a whole - keep up with the competition
- Continue to include "mixed use" buildings in the city limits.
- Create incentives for businesses to locate and stay.
- Focus on making downtown a signature unique destination - there are some great businesses but there just isn't the signature attractive aesthetic in Salem - it needs some pizzazz
- Encourage commercial property owners to maintain and update high visibility properties. Ignored properties in highly trafficked areas create blighted neighborhoods.
- More activity in downtown
- Create more jobs and encourage young people to work rather than be happy with government help
- Create and support an entertainment district downtown.
- Educate means advertise: buses, billboards, the web. Advertise the websites where people can get local information. Eventually the websites would be supported mostly by word-of-mouth.
- Business centers comprised of all services (work, entertainment, food, recreation, living, transportation)
- Outlaw sandwich board holders... It just the city look like some kind of big market bazaar.
- Insure that unnecessary regulations aren't added; continue to use existing laws/regulations to address issues that arise; don't let exceptions become the reason for new rules.

Q12. Have you or your present employer ever requested assistance from the City or its economic development partners?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Yes | 28.1% | 18 |
| No | 71.9% | 46 |
| | answered question | 64 |
| | skipped question | 41 |

Q13. Who did you request assistance from? (Check all that apply).

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|--------------------------------|-------------------------|-----------------------|
| Business Oregon | 18.8% | 3 |
| City of Salem | 62.5% | 10 |
| SEDCOR | 62.5% | 10 |
| Salem Area Chamber of Commerce | 62.5% | 10 |
| Comments | | 3 |
| | answered question | 16 |
| | skipped question | 89 |

Comments:

- Chemeketa Small Business Development Center
- In the form of support and networking, we do not have loans/grants/or monies from these groups.
- Oregon Department of Energy

Q14. Have you ever received assistance from the City or its economic development partners?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Yes | 66.7% | 12 |
| No | 33.3% | 6 |
| | answered question | 18 |
| | skipped question | 87 |

Q15. Who did you receive assistance from? (Check all that apply).

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|--------------------------------|-------------------------|-----------------------|
| Business Oregon | 27.3% | 3 |
| City of Salem | 54.5% | 6 |
| SEDCOR | 72.7% | 8 |
| Salem Area Chamber of Commerce | 63.6% | 7 |
| Comments | | 3 |
| | answered question | 11 |
| | skipped question | 94 |

Comments:

- Chemeketa Small Business Development Center
- Chemeketa Community College Center of Business and Industry.
- Chemeketa Business Development Center

Q16. Is enough information available about where to go for business assistance?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Yes | 64.4% | 38 |
| No | 35.6% | 21 |
| Comments | | 10 |
| | answered question | 59 |
| | skipped question | 46 |

Comments:

- I don't know what I don't know...
- Directory of companies willing to commit to local businesses
- Not sure what resources are available for new business.
- Where to start inquiring.

- More clear information and an attempt to reach out to local businesses to help educate entrepreneurs.
- I know it's out there, but not sure where to look - easy access from websites?
- Website, personal contact.
- People starting new businesses might benefit from a mandatory business class before they get a business license.
- E-mail newsletters promoting programs like Chemeketa's Business Development Center has
- Some actual human beings to speak with about specific issues like the tax code would be helpful. I feel like every time I go looking for answers to specific questions I have about doing business I come away from the experience with more frustration and questions.

Q17. Are the roles and responsibilities between the City and its economic development partners clear?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|---------------------------|-------------------------|-----------------------|
| Very clear | 13.8% | 8 |
| Somewhat clear | 29.3% | 17 |
| Neither clear nor unclear | 29.3% | 17 |
| Somewhat unclear | 20.7% | 12 |
| Very unclear | 6.9% | 4 |
| Comments | | 16 |
| | answered question | 58 |
| | skipped question | 47 |

Comments:

- If I dig for answers, I am sure to find them.
- I'm a little fuzzy sometimes, esp. re SEDCOR.
- It is not clear as to whom is the lead agency, State, SEDCOR or City
- As potential clients are evaluating Salem for potential, the city should involve multiple people to address any concerns they may have.
- It takes all entities to make a successful recruitment, Business Oregon, SEDCOR, Chemeketa Community College, Chamber of Commerce, and the City of Salem. However, it also takes the support of the community as decisions are made by the City Council for land use, environmental issues, etc. There needs to be a clear designation of who does what, and get the message out to the community.
- The State of Oregon Dept. of Administrative Services has been a barrier to the efficient development of the Mill Creek property.
- Information and process could definitely be improved... and more timely.
- It all depends on who you know and who you talk to.
- I understand the interrelationships between the city and its partners
- Not sure what is out there and who to go to for what information
- It's very subjective and open to interpretation by city employees
- They work very closely together.
- Maybe it's clear to the leaders of the community, but other people could benefit from know how this works.
- Don't know

- Go Google "Salem Oregon Economic Development Partners". What do you see? Because I just see an enormous mess. Obviously we are talking about the chamber here, but again I just feel like it's more lip service. If there is some actual good happening here let's hear about it. If times are tough and there are no good examples then give me some clear cut suggestions on how, as a local business owner I can help to improve the situation beyond simply joining a committee. I elect politicians so they can join committees.
- Don't know.

Q18. What areas of assistance are most needed to help your business grow and succeed? Check all that apply.

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|---------------------------------------|-------------------------|-----------------------|
| Availability of capital | 39.7% | 25 |
| Communications infrastructure | 15.9% | 10 |
| Networking groups/business clusters | 33.3% | 21 |
| Outreach/information on local market | 34.9% | 22 |
| Cut/lower taxes | 46.0% | 29 |
| Employee education/training | 25.4% | 16 |
| Employee recruitment | 14.3% | 9 |
| Employee retention | 11.1% | 7 |
| Financial support | 14.3% | 9 |
| Improve transportation infrastructure | 36.5% | 23 |
| Increase land availability | 17.5% | 11 |
| Information about available resources | 27.0% | 17 |
| Provide affordable housing | 6.3% | 4 |
| Reduce health care costs | 38.1% | 24 |
| Reduce regulations and fees | 47.6% | 30 |
| Streamline permitting processes | 42.9% | 27 |
| Wage issues/overtime issues | 9.5% | 6 |
| No assistance needed | 4.8% | 3 |
| Not sure | 1.6% | 1 |
| Other | 6.3% | 4 |
| | answered question | 63 |
| | skipped question | 42 |

Q19. Do you expect your employees to already be trained when you hire them?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Yes | 41.7% | 25 |
| No | 23.3% | 14 |
| It depends | 35.0% | 21 |
| Comments | | 18 |
| | answered question | 60 |
| | skipped question | 45 |

Comments:

- If I were hiring for a position, and only looking for applicants that had done that job before, I should only have to train them on particulars - how "we" do things.
- We are a trade so journeymen yes apprentices not so much
- For manufacturing laborers NO, but clerical and management YES
- Employees need to know how to read and write, and preferably have basic computer skills. However, much of the work is specific to the machinery and we need to train them.
- Need good general education and be willing/able to learn
- It depends on the position and the experience of the employee. Training prior to hiring is required, but we provide training on our processes and approach, we expect the fundamentals on how to execute our process and approach to be in-place.
- There are some skills that should be required - others can be trained for specific organizations.
- Currently have no employees and do not anticipate any in the near future but if I did, I'd expect them to have at least the fundamental skills to make them trainable
- Depends on the level of employee. If seeking experienced - person needs to have pertinent training. if seeking entry level, person needs to have some basic training and knowledge
- Business should be expected to train to specific of the company
- Less training would be expected in a job with specific qualifications or requirements related to prior education, experience, or professional certification.
- Most of the jobs in our agency, the training is on the job
- It depends on the position -- sometimes yes and in other cases, no -- we do the training.
- No on specific procedures/policies/etc.; yes on soft skills
- I work with employees if necessary. Retraining is an ongoing process in today's economy.
- Depends upon the position. Basic reading, writing, computer skills and speaking.
- I only hire candidates with proven experience, but it's required for my industry. I don't expect the City to train my staff... although having a work force that has basic work ethic and values rather than a "welfare mentality" is quite important.
- I expect a good basic education but anticipate having to do any specialized training myself.

Q20. What skills will your employees need in the next 3-5 years to help your business be successful? (Check all that apply).

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------------|-------------------------|-----------------------|
| Computer skills | 81.7% | 49 |
| Customer service skills | 78.3% | 47 |
| Industry-specific skills | 61.7% | 37 |
| Interpersonal communication | 76.7% | 46 |
| Math | 56.7% | 34 |
| Reading | 56.7% | 34 |
| <i>Technological skills</i> | 50.0% | 30 |
| Writing | 63.3% | 38 |
| Work ethic | 86.7% | 52 |
| Other (please specify) | 11.7% | 7 |
| | answered question | 60 |
| | skipped question | 45 |

Q21. Please indicate the type of industry or profession that most accurately describes your business.

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|--|-------------------------|-----------------------|
| Agriculture, Forestry, Fishing | 1.6% | 1 |
| Transportation, Communication, Utilities | 4.9% | 3 |
| Construction | 13.1% | 8 |
| Finance, Insurance, Real Estate | 18.0% | 11 |
| Business Services | 14.8% | 9 |
| Health Services | 8.2% | 5 |
| <i>Other Services</i> | 4.9% | 3 |
| Wood Products Manufacturing | 1.6% | 1 |
| Other Manufacturing | 4.9% | 3 |
| Retail Trade | 3.3% | 2 |
| Eating and Drinking Establishment | 3.3% | 2 |
| Wholesale Trade | 0.0% | 0 |
| Other (please specify) | 21.3% | 13 |
| | answered question | 61 |
| | skipped question | 44 |

Other:

- Food Processing and Marketing
- Education
- Government
- Hospitality
- Employment industry
- Government
- Food Processing
- Hospitality - Travel agency - leisure and business travel
- Education
- Education
- Marketing
- Training
- Funeral service and crematory

Q22. How many years has your company been operating in Salem?

12, 30, 2, 5, 3, 64, 6, 40, 20, 15, 20, 10, 18, 20, 6, 2, 100, 35, 100, 0, 23, 5, 50, 50, 28, 20, 24, 10, 19, , 30, 3, 30, 6, 30, 2, 25, , 4, 42, 50, 40, 150, 10, 7, 20, 40, 61, 10, 8, 5, 2, 13, 29, 50, 1, 1, 30.

Mean is 26 years.

Q23. Is your company based in Salem?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Yes | 76.7% | 46 |
| No | 23.3% | 14 |
| | answered question | 60 |
| | skipped question | 45 |

Q24. What is your zip code?

| <i>Zip Code</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------|-------------------------|-----------------------|
| 97301 | 36% | 21 |
| 97302 | 28% | 16 |
| 97303 | 9% | 5 |
| 97304 | 3% | 2 |
| 97305 | 9% | 5 |
| 97306 | 3% | 2 |
| 97325 | 5% | 3 |
| 97338 | 5% | 3 |
| 97361 | 5% | 3 |

Q25. In total, how many full-time and part-time employees are currently employed by your business?

Full-time Employees: 1, 1, 1, 17, 1, 60, 2, 100, , 26, 262, 2, , 3, 1, 10, 1300, 8, 0, 3, 15, 45, 14, 12, 100, 65, 95, 160, 2, 9, 10, 25, 40, 3, 75, 14, 7, 6, 9, 40, , 8, 1, 3, 9, 1, 7, 1, 1, 24, 11, 1, 0.

Mean: 51

Total employees: 1, 1, 0, 22, 2, 70, 8, 110, 56, 262, 2, 11, 4, 10, 1335, 41, 0, 5, 15, 18, 18, 12, 75, 230, 0, 15, 10, 25, 60, 3, 200, 7, 9, 60, 8, 3, 3, 11, 1, 32, 1, 8, 4, 24, 2, 0.

Mean: 60

Q26. Please indicate your gross revenues for the most recent complete fiscal year.

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|--------------------------|-------------------------|-----------------------|
| Under \$500,000 | 38.9% | 21 |
| \$500,000-\$1 million | 9.3% | 5 |
| \$1 million-\$5 million | 22.2% | 12 |
| \$5 million-\$10 million | 7.4% | 4 |
| Over \$10 million | 16.7% | 9 |
| Not sure | 5.6% | 3 |
| | answered question | 54 |
| | skipped question | 51 |

Q27. Do you plan to expand your business in the next five years?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Yes | 72.4% | 42 |
| No | 27.6% | 16 |
| | answered question | 58 |
| | skipped question | 47 |

Q28. If you plan to expand your business in the next five years, will you expand it in Salem?

| <i>Answer Options</i> | <i>Response Percent</i> | <i>Response Count</i> |
|-----------------------|-------------------------|-----------------------|
| Yes | 74.4% | 32 |
| No | 25.6% | 11 |
| Comments | | 12 |
| | answered question | 43 |
| | skipped question | 62 |

Comments:

- Also expanding to surrounding communities.
- Growth potential is practically non-existent.
- Eastern Oregon and Southern Valley
- Not sure, due to some state regulations.
- We are Keizer based
- Among other places. If other places expand our corporate hub in Salem will as well
- Oregon's tax system, Oregon's government policies
- I'm not IN Salem. We are a city. Not Salem. Tough to expand my city to Salem, eh?
- Need to diversify our markets / customer base
- Yes and no. I will expand within and without Salem
- Not sure. 98% of our business (customers) are in Portland. We are currently expanding to Eugene as well.
- By increasing my client base in Salem so yes but not in the sense you are probably asking the question

Q29. If you plan to expand your business in the next five years, please indicate how you expect your business to grow.

| | |
|--|-------|
| Average estimated number of new employees (Full time equivalent) | 34 |
| Average additional floor area needed (sq feet) | 5661 |
| Average additional land needed (sq feet) | 14959 |

Q30. Please share any other comments you have in the space below.

- I am concerned that there are so many groups working on retaining and recruiting businesses when a more concentrated effort would produce better results. A little of the "lone wolf" attitude has appeared in the last few years with reluctance to share the accolades of success. No one can do it alone, and if one partner fails, we all fail. It would be beneficial in these tough times to draw in our boundaries closer to the Salem area where the bulk of our financial resources are centered and not

try to be everything to a three county area. Salem has plenty of empty buildings and potential land to market.

- Thank you for the survey. I think some of the biggest challenges we face is competition from outside this area, as well as state regulation and state taxes. It is difficult to justify doing business to my board in a state that discourages promotion and growth of small businesses within high level, highly skilled jobs. It is assumed that the high level jobs are only among the larger businesses. We have to overcome some regulations in this state that other states do not have to become more successful.
- Thank you for the opportunity. Hope it helps.
- Not sure how I got on your list!
- I moved from a small location to a larger downtown location in hopes of being part of a vibrant neighborhood with a sense of community and a pro-active downtown mentality. We've got nothing of the kind right now. And have paid nearly \$1,000 a year in parking tax for the privilege.
- Thank you for asking! I think the business community and Chamber specifically have fueled the often perceived negative impression of business in Salem by the frequent passionate and emotional outbursts for lack of a better word against the legislature - I have nearly walked out of Chamber events where the animosity of the "us versus them" mentality is so evident. Instead of complaining about all the "horrible anti-business legislation" the business community should be celebrating all the positives that have occurred - the Boise eyesore going away, all the new building projects, the growth of so many businesses - focusing on our strengths would put us above the fray, where we should be instead of in the "trenches" appearing to fight for the business side. Business can't be perceived as the force for the good if the face of business acts so badly.
- With the right mission focus, the Salem business community will out-compete neighboring cities due to the small town characteristics and lower cost of living. Economic development and leadership need innovative approaches for this to occur.
- If Salem is healthy, we're healthy. Economic policies that bring quality businesses and jobs to town, increase our patient base.
- I appreciate that preparing something like this is probably a much harder process than I imagine. But honestly with the exception of a few of the write in questions I kind of feel like my time has been wasted. There is vacant commercial real estate within a few blocks of any given point on a map and yet I'm expected to spend time thinking up accurate answers to questions like how many additional SQ FT of land I anticipate requiring in the next 5 years... Or how many people I anticipate hiring when I'm having trouble even bring subsistence level business in the door. I hope for all our sakes that these questions find some reliable respondents, but for me they are a smack in the face. Frankly I could go on for days here but I really don't think anyone should have the right to just bitch away without at least trying offering solutions... And all I really have to offer there is figure out what you've been doing for the last year, and then immediately do something else.