
Springfield UGB Planning: Stakeholder Committee Meeting #3 Economic Development Strategy

Presented by:

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Discussion Overview

- Community survey results: Economic development
- Economic development policies
 - What are they trying to achieve?
 - Brainstorming strategies for Springfield

Community Survey Results

Focusing on Economic Development

Common characteristics: Older men living in Springfield and working in the private sector

214 people responded to the survey

- 57% were male
- One-third were 50-59 years old
- 72% lived in Springfield's UGB
 - 14% living outside Springfield's UGB: business owners or managers in Springfield
- Most worked in the private sector
 - 30%: private sector employees
 - 22%: owned businesses or were self-employed
- Results are not statistically representative of all residents of Springfield

More efficient land use but may approve of UGB expansion

- Commercial and industrial land
 - Occur at higher densities: 59% agreed
 - Limit the supply of com. land to facilitate redevelopment: 48% agreed
- Consider expanding the UGB for:
 - Commercial development: 46% agreed & 25% said it depends
 - Industrial development: 42% agreed & 24% said it depends

Multiple agencies should participate in economic development to manage growth

- Pace of employment growth
 - Managed growth: 43%
 - Targeted growth: 35%
- Who should work to recruit, retain, and expand businesses
 - The City: 72%
 - The Chamber of Commerce: 68%
 - Lane Metro Partnership: 68%

Support for policies to retain and expand businesses

	Agree	Neither	Disagree
Take steps to retain and expand existing businesses	85%	9%	4%
Focus business recruitment on businesses that provide higher-wage or family-wage jobs	81%	15%	3%
Actively recruit businesses	73%	16%	12%
Market itself better to new businesses	58%	28%	10%
Not provide incentives to businesses that provide low-wage jobs	52%	26%	22%
Provide financial incentives to attract new employment	49%	23%	26%
Not do anything to increase economic development	9%	8%	84%

Support development downtown and in commercial centers

	Agree	Neither	Disagree
Encourage new businesses to locate downtown	80%	14%	6%
Encourage development of neighborhood commercial centers	66%	21%	12%
Have more land for light manufacturing	44%	35%	19%
Have more land for heavy industry	23%	26%	48%
Streamline the development permitting process	70%	13%	15%
Increase development fees to pay for infrastructure development	56%	22%	21%

Concerns about quality of life and quality of workers

	Agree	Neither	Disagree
Have strong policies to maintain environmental quality	85%	11%	3%
Adopt policies that will create more affordable housing for workers	65%	24%	10%
The City has a well-educated labor force	25%	38%	32%
The City has an adequate employment base	17%	32%	46%

Support providing flexible and smaller sites

	Response Percent
Business parks	72%
Downtown office	71%
Downtown retail	70%
Neighborhood retail	58%
Small manufacturing sites (<5 acres)	57%
Community retail	57%
Medium manufacturing sites (5-20 acres)	43%
Regional retail	28%
Large manufacturing sites (>20 acres)	23%
Other (please specify)	15%

Concerns about...

- Issues and concerns
 - Failure to attract businesses
 - Appearance of downtown and Glenwood
 - Lengthy and costly building permitting process
- Actions to help solve issues
 - Targeted, active business recruiting
 - Clean up streets and storefronts
 - Streamline the permitting process

Springfield is attractive because...

- Attractive to employers
 - The city government embraces new businesses
 - Quality of life, recreation, “liveability”
 - Low: taxes, operating costs, utilities, and housing
- Areas of improvement
 - Redevelopment efforts, especially downtown
 - Tax breaks to businesses, protect private investment
 - Training and education opportunities for workers

Small employers

- Of the 44% of respondents who own or manage a business or are members of the Chamber of Commerce

Answer Options	Response Percent	Response Count
Less than 10	50.0%	37
10-19	12.2%	9
20-49	10.8%	8
50-99	9.5%	7
More than 100	17.6%	13

Businesses are concerned about...

- 44% of respondents own or manage a business or are belong to the Chamber
- Biggest issues facing businesses at this time
 - Recruiting and retaining qualified employees
 - Recent economic downturn, impact on demand
 - High costs of business, such as health insurance
 - Federal, state, county, and city regulations
 - Slow housing market
 - Rising fuel prices

Most business expansions will be small

- 46% of respondents plan to expand business
- Most expansions will be small
 - 18 businesses (56%) will be by less than 5 FTE
 - 22 businesses (67%) will add < 2,000 sq. ft.
 - 24 businesses (73%) will need < 1/2 acre
- 3 or 4 businesses will have expansions that add > 50 FTE, >10,000 sq. ft, and > 5 acres

What Are Economic Development Policies Trying to Achieve?

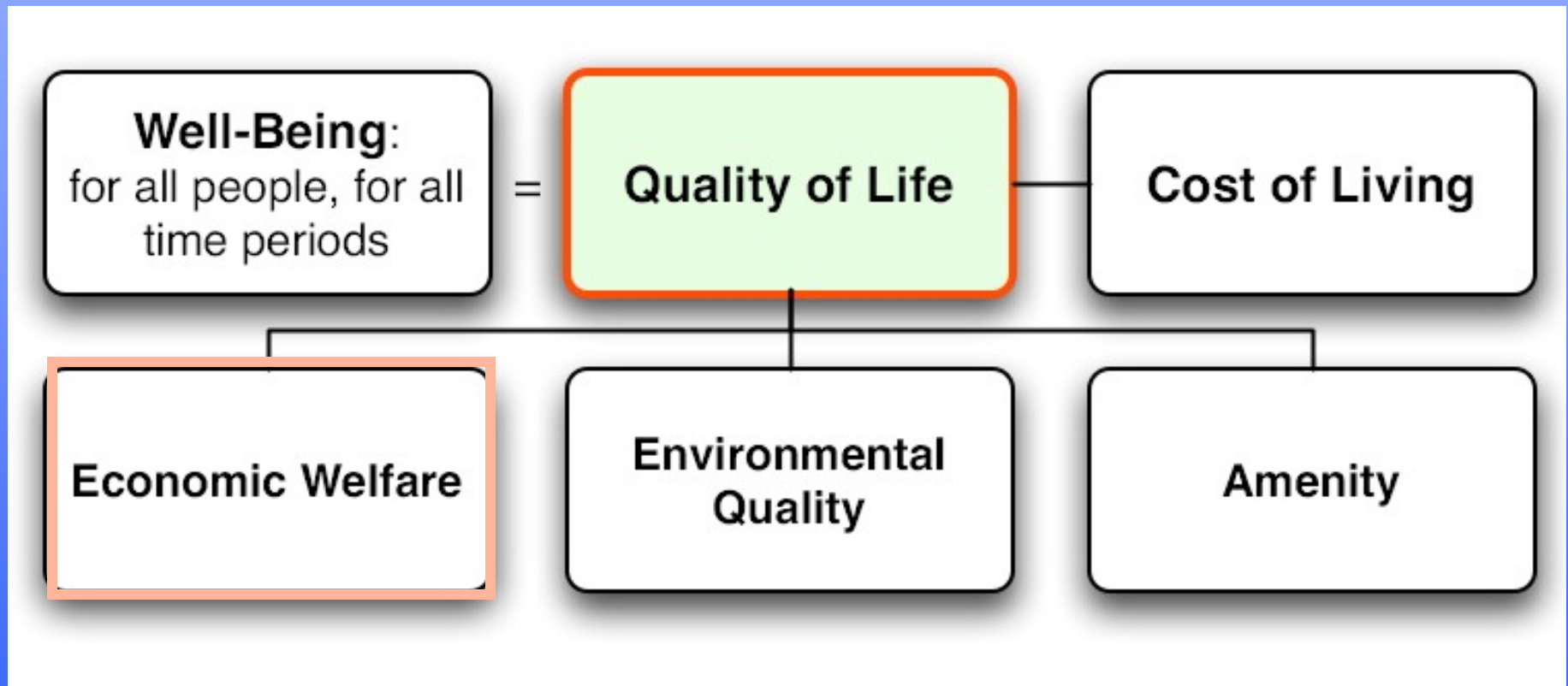
Traditional, Narrower View

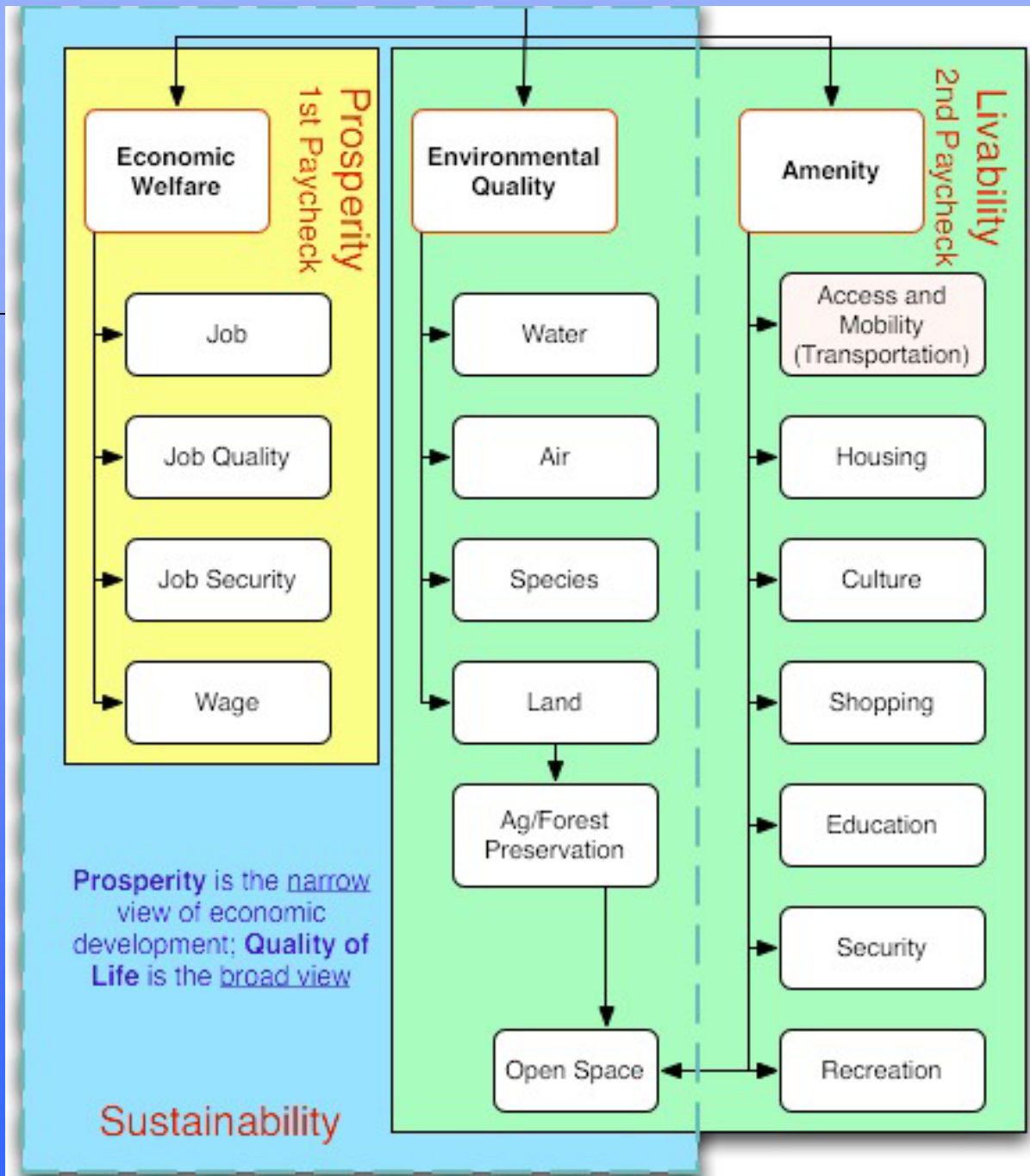
- Jobs and income
 - Retention and creation of jobs that pay high wages
 - Offer meaningful and secure labor, with opportunity for advancement
- Focus on jobs means focus on businesses
 - Industry sectors; clusters
- Focus of economic development agencies

Emerging View

- The process of improving a community's well-being through:
 - Job creation, business growth, and income growth
 - Improvements to the wider social and natural environment that strengthen the economy
- The broader goals also affect the traditional goal of job creation

Simple Model of Regional Growth





But jobs still key objective

- Business creates jobs
- Not all jobs have equal impact
 - Traded sector
 - Clusters with comparative advantage
- If economic development = jobs, and firms are the main job generators, then EcDev policy should focus on:

Factors that matter to firms

Factors that Matter to Firms

- 1. Direct inputs
 - Natural resources and supplies
 - Land and buildings
 - Labor: cost and quality

Factors that Matter to Firms

- 2. Factors directly affecting the cost of inputs and the revenues from outputs
 - Location relative to supplies and markets
 - Infrastructure and utilities: cost and quality
 - Business clusters

Factors that Matter to Firms

- 3. Factors indirectly affecting the cost of inputs
 - Amenity and other quality of life factors (affect labor supply and cost)
 - Government policies

Implications: one way to organize policy for economic development

- Land development
 - Land supply
 - Infrastructure provision
 - Development process
 - Quality of life
- Business operations
 - Business development
 - Workforce training
- Business assistance and coordination
 - Business recruitment
 - Business retention
 - Interregional coordination

Brainstorming Economic Development Strategies

Next Steps

Upcoming Meetings

- Next stakeholder meeting
 - **July 24:** Review draft EOA
 - August: Committee recess
 - September 25: Discuss community development concepts
- Planning Commission and City Council work sessions
 - September 22: Progress report about EOA and BLI
 - October 27: Policy discussion about site needs