

Ignite Salem

Forging our Future Together

An Economic Development Plan
for the City of Salem, Ohio

Prepared by the
Sustainable Opportunity
Development Center

2021
through
2026



Disclaimer Related to the Covid-19 Pandemic

This Economic Development Plan was released in the Fall of 2020, as the economy was beginning to re-open after the Covid-19 pandemic closures. The data for the report was gathered and the text of the report was prepared prior to the pandemic. As the economy prior to the pandemic had been expanding for over ten years, it was likely that a recession was likely in the five-year time frame covered by the plan.

With that said, the recommendations in the Economic Development Plan are intended to be long term in nature and to be applicable regardless of the economic climate.

The Economic Development Plan for the City of Salem is meant as a guide toward improving and growing our community. The purpose of this plan is to address issues facing our community. This plan looks at Salem's assets as well as what Salem is missing, prioritizes the need and takes steps toward obtaining those things that make a community thrive. The plan identifies goals to attract jobs, improve housing and enhance the quality of life.

City leaders and The SOD Center will utilize this plan to work with developers and businesses looking to invest in Salem. In this plan are specific goals and action steps toward achieving success for the Salem community. The goals are intended to be measurable and achievable. The goals outlined throughout this plan are 1 to 5 year goals. Annually leaders of the City and the SOD Center will review and evaluate the progress made toward achieving many of these goals. The intent is to look back on this plan in 5 years and know we have accomplished at least 75% of the goals listed.

The plan identifies areas of need such as business development and support, jobs, housing, education, downtown revitalization, and quality of life. The plan is intended to be flexible, allow for opportunity and account for some unexpected development. The goals in this plan come as a result of information gathered from the community survey, focus groups, city leaders and officials, city consultants, business owners and general feedback collected throughout the year. We hope you find the information pertinent and valuable, and as you read through this plan, you become excited about the future of Salem and consider investment in our community.

Sincerely,

Julie L Needs
Executive Director
SOD Center, Inc

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Executive Summary

CHAPTER 1

This Economic Development Plan for the City of Salem was prepared by the Sustainable Opportunity Development Center (SOD Center) to create a shared vision with the City and to serve as a basis for the SOD Center strategic plan. It offers 9 major themes supported by 23 measurable goals with underlying strategies for each. Target dates for completion of the strategies range from 1 to 5 years.

The plan is based on the premise that the goal of economic development is the cultivation of activities that create a net gain of money into the community. Due to limited resources, the plan assumes that economic development should proactively prioritize attracting or expanding businesses that have the greatest potential of creating new wealth. Secondly, economic development should be prepared to reactively assist new non-wealth creating businesses looking to locate or expand in Salem with prioritization based on ownership, the potential to draw customers/money into Salem and the potential to contribute to quality of life factors that could help attract other business to the area.

The plan is based on the premise that the goal of economic development is the cultivation of activities that create a net gain of money into the community.

The Goals developed were based on key findings in a variety of areas. At a very high level, these findings include:

- For a community of approximately 12,000 residents, Salem can be considered unique in having its own independent hospital, a daily newspaper, a campus of a major public university, a community center of the size and scope of the Salem Community Center, a well-endowed community foundation, and what may be the largest high school alumni association in the country as measured by its endowed funds. These community gems are coupled with a rich social and economic history. Each, and all of these taken together, form a foundation for building the economic future of the City of Salem.
- Salem has a long history of manufacturing and, as an industry, manufacturing continues as the largest employer of Salem workers and Salem residents. Manufacturing is likely to be the primary economic engine for the future.
- There appears to be a disconnect between the population who, through survey responses, lament a lack of “good” jobs and manufacturers who describe a significant number of open positions at all levels of their organizations.
- Salem’s industrial parks are all but full and there are no industrial sites that can be called “shovel ready.”
- Demographic trends for Salem reflect our region and include an aging, shrinking population which significantly lags the State of Ohio in median income and educational



attainment. With this said, Salem sits within commuting distance of 1 million working people.

- Despite efforts to put some incentives in place, current City policies are not structured to recruit or encourage business development. Similarly, the lack of a local building department leaves local businesses to use the State building department in Columbus for even the most minor building improvements.
- Housing is a significant barrier to growth based on two findings: 1) there has been very little new construction this century and therefore a significant lack of desirable inventory for the middle to upper middle class buyer and 2) there is an increasing part of the housing stock that has transitioned to rental properties and a significant percentage of those are seen as depressing property values and leading to many negative fallouts for the community.
- Through general neglect on multiple fronts, a handful of the buildings in the downtown business district are in structurally poor shape with about 20% of them vacant.
- Not unlike other communities in the region, the prevalence of drug use and the crime that follows with it are upper most in the mind of residents. Significant efforts by the Salem Police Department have reduced drug trafficking but the socioeconomic challenges of the community virtually guarantees it will continue. Addressing the deteriorating neighborhoods transitioning to inexpensive rentals could serve to make the City less attractive to those engaged in this activity.
- Salem has many assets that should be an attraction for visitors but the lack of a cohesive program to market these assets reduces their economic impact.
- The SOD Center has evolved into a public/private partnership created out of the Chamber of Commerce as an outgrowth of the Comprehensive Plan to provide a single source for economic development activity. As there is no other economic development resource in Salem, maintaining the financial viability of the SOD Center is crucial to future development and growth.
- Although dedicated economic development services are provided by the SOD Center, Salem needs a coordinated process for addressing business attraction or development. A proactive approach to seeking development and a process for responding to proposed development is necessary for the city to move forward and grow.

After a review of available economic and demographic data, as well as reviewing input from a community survey and multiple focus groups, the above findings and the recommendations derived from them were developed. The reader is referred to the recommendation summary at the end of the report for a complete listing of recommendations.

Introduction

Economic Development Concepts

There are a variety of definitions of Economic Development which primarily vary based on the geographic area being referenced. For example, economic development for a country is very different than for a community such as Salem. For the purposes of this report, we are accepting this definition:

By defining the community as Salem, Ohio and the immediate surrounding area, we can identify and prioritize activities that bring money specifically into that community. Because of the small geographic area involved, these may include activities that might otherwise not be considered a net gain of money. For example, transfer payments or spending on services may not create wealth when examined in a large geographic area, but may, in fact, attract new money into a small geography such as Salem.

With this in mind, as we prioritize economic development activity, we will first consider its impact on Salem and then its impact on the larger geographies of which Salem is a part, including Columbiana County, the State of Ohio and the United States.

Economic Development is the cultivation of activities that create a net gain of money into the community.¹

“Wealth creation” is an important concept.

Wealth is created from production. This could be from activities such as manufacturing, farming, or mining. Raw materials are converted into goods in excess of what the local population needs and those goods are then exported to other communities which, in turn, brings money into the community. In the modern economy, wealth can also be created by producing a service or non-physical product (e.g. software) that creates wealth out of intellectual property in the same sense that manufacturing a physical product creates wealth out of raw materials shaped into a physical product. The advantage of such production is that siting the company is much less demanding in the sense of requiring substantial property, equipment or infrastructure. To the extent a business, such as a restaurant, produces food which is served only to the local population, no new wealth is created. Similarly, a service provided and consumed locally creates no new wealth. These activities can be referred to as “selling to each other.” They create economic activity and they are healthy for the community, but they do not create new wealth. They are part of the multiplier effect discussed below. The



long-term economic health and viability of the community is based on creating new wealth and should be the highest priority for economic development.

This leads us to define the concept of the “**multiplier effect.**” When wealth is created in a community, much of it is spent in that community. Wages from factory jobs are spent in local stores, restaurants and service businesses. This “multiplies” the impact of the creation of wealth. Economic development helps keep money circulating in the community by promoting local businesses to provide goods and services. To the extent those local businesses are also locally owned, the multiplier effect is enhanced as the business profits have the opportunity to further circulate in the community.



Photo source Greg Petrachkoff

Purpose

The purpose of the Economic Development Plan for the City of Salem is to identify opportunities to grow the Salem economy. Prepared by the Sustainable Opportunity Development Center, Inc. (SOD Center) on behalf of the City of Salem, this plan focuses on the City the Salem while considering the role of neighboring townships. This plan looks at Salem's strengths as well as what Salem is missing in order to identify opportunities for economic growth and prioritize the steps toward obtaining those elements that make the community thrive. The plan identifies goals to attract industry and jobs, improve housing and enhance the quality of life.

City leaders can utilize this plan to work with developers looking to invest in Salem. In this plan are specific goals and action steps toward achieving success for the Salem

The purpose of the Economic Development Plan for the City of Salem is to identify opportunities to grow the Salem economy.



community. The goals are intended to be measurable and achievable. The goals outlined throughout this plan are 1-5 year goals. Each year the SOD Center, in conjunction with the Economic Development Committee of City Council, will review and evaluate the progress made toward achieving these goals. The intent is to look back on this plan in 5 years and know we have accomplished at least 75% of the goals listed.

“ We just need to keep and develop the stream of people wanting to come to Salem, and to remain here for the growth of the city; establishing the pride with the residents here.

Male, 65+

The plan identifies areas of need such as jobs, housing, shopping, education, healthcare and lifestyles. This is intended to be flexible, allow for opportunity and account for some unexpected development. The goals in this plan come as a result of information collected and gathered in individual and group meetings as well as through an online community survey. Participants included City officials, business leaders,

community organizations and individual citizens. We hope that, as you read through this plan, you become excited about the future of Salem and look to invest in our community.

Background

In January 2009, the City of Salem and the Salem Area Chamber of Commerce published the Salem Area Sustainable Comprehensive Plan (“Comprehensive Plan”) which was based on a lengthy planning process. The stated purpose of the previous Comprehensive Plan was to create a broad community vision and plan based on principles of sustainability. The intent was to take a long view that balances environmental sensitivity, social equity and economic vitality. After 10 years, the identified goals in the Comprehensive Plan have either been accomplished or they are now dated and in need of review.

In comparing the prior Comprehensive Plan to this Economic Development Plan, the key difference is that the Economic Development plan is narrower in scope. The focus is on those elements where the SOD Center, in conjunction with the City, can enhance the economic growth and development of business and industry in the community. In addition to the role that the Economic Development Plan plays for the City itself, the plan serves as a shared vision with the SOD Center in mapping future direction and activities. This is not to suggest that the City or the SOD Center, either separately or together, can accomplish all the recommendations in this plan on their own. A wide range of community organizations must come together to tackle many of the long standing issues identified in this report. Simply stated, if the issues were easy, they would have been solved by now.

Planning Approach

The planning process sought to include input from many sources in order to capture as broad a view as possible of the community's vision for Salem's economic future. Both residents and non-residents working in the City were sought to provide their views. Further, hard data was gathered from primarily government sources (e.g. the US Bureau of the Census) to guide discussion and ground the conclusions in fact.

Community input was sought through facilitated group discussions (i.e. focus groups) focusing on the desirability of growth, the preferred types of growth and the priorities for growth. Appendix A lists group meetings held. In order to broaden the input, an online survey was developed and distributed widely through community organizations and publicized through the SOD Center and City of Salem websites. Organizations in the community were contacted and asked to distribute the survey link to their members. For citizens without internet access, hard copies of the survey were made available through the Salem Public Library and the SOD Center. Appendix B lists the organizations contacted to distribute the survey. Appendix C is a copy of the online survey instrument. In the end, 245 surveys were returned and tabulated.

The Economic Development Plan spans 2021-2026

Statistical and demographic data were combined with community input to formulate conclusions about various aspects of the City of Salem economy, including certain quality of life measures that impact economic development. These conclusions, along with recommendations derived from the conclusions, were reviewed in draft form with City officials for their input and comment. Because this report will also form the foundation for future SOD Center strategic plans, the conclusions and recommendations were also reviewed by the SOD Center Executive Committee and Board of Directors.

Finally, this report was prepared summarizing the work done and the resulting conclusions and recommendations. The recommendations were formatted for ease of tracking over one, three- and five-year time frames. The Executive Director of the SOD Center will report progress annually to the Economic Development Committee of City Council.

Community Survey

Who participated?

In the process of completing this plan, several focus groups were held to gain specific insights. These focus groups drew over 90 participants from different aspects of community life (See Appendix A for a listing of the groups). A web based survey was conducted which ultimately drew 245 responses. The survey was publicized on both the SOD Center and City of Salem websites. Individual groups were also given invitations to participate (See Appendix B for a listing of the groups). This included outreach to Salem High School where Government classes were asked to participate. For interested parties without web access, surveys were made available at the SOD Center and through the Salem Public Library. Finally, thirteen interviews were conducted with individuals who could provide expertise in specific areas.

Hundreds of Salem Community Members

Data Analysis Methodology

Data was analyzed first as a whole, pulling out graphs and results from the data in its entirety. The data was then analyzed using a “sentiment analysis” that draws on key words used in text-based responses to form a picture of which words are used most frequently and in how they are used. For example, housing or downtown could be mentioned in either a positive or negative light, with recommendations or specific concerns included. The initial sentiment analysis creates these categories, which are then evaluated manually to ensure accuracy and confirm the intention of the response.

The data was then sliced into groupings based on the self-reported age of each respondent. This was repeated for each group, resulting in a listing of the most common responses by age group. While the aggregate responses and the age group specific responses sometimes match, often they do not, since each age group views challenges, opportunities, and needs of the community differently. The results from the survey begin on page 27.

By analyzing each individual response

Overview of Salem

The City of Salem is the largest city in Columbiana County, Ohio (2018 US census estimate: 11,715 residents). It sits in northeast Ohio halfway between Cleveland and Pittsburgh and less than an hour drive from Youngstown, Canton and Akron (see Figure 2-A). Salem has a rich history of manufacturing and production and currently supports both locally owned manufacturers and divisions of regional and national industrial concerns.

Workers in Salem are drawn from outside the community with over 80% of Salem workers commuting into the City for work. Netting inflow against outflow, Salem's workday

population may grow by as much as 5,000 people. This represents both a challenge and opportunity for the economic future of the City.

Overview of Major Industries

Salem's two major industries are manufacturing and healthcare, with manufacturing representing over a third of total employment in the City. In recent decades, Salem Regional Medical Center has been the largest employer, but they have



Figure 2-A, Metropolitan areas within a 150 miles of Salem, OH

recently been displaced by Ventra Manufacturing and roughly tied with Fresh Mark due to growth in those two companies.

A major concern of local employers in recent years has been the availability of workers. While Salem's population has been stable, there has been a decline in the middle-aged

~12,000
Residents

80%
Of workers commute
into Salem

160**Students graduate annually****\$10.5 million
In Alumni
Association
Assets****\$300,000
Scholarships
Awarded
Annually**

working population. Employers have expressed concern about the quality of applicants, citing both preparation for work and inability to pass a drug screen as factors.

Overview of the Salem School System

Salem has its own city school system graduating about 160 students per year. It has been recognized for the quality and extent of its Advanced Placement options. The schools have a great deal of community support as evidenced by the very unique Salem High School Alumni Association which boasts assets of over \$10.5 million and awards scholarships totaling over \$300,000 annually to graduating seniors as well as to alumni attending college. Yet the schools are challenged by a net loss in open enrollment students leaving the district at an annual cost in excess of \$1.7 million in State and local funding. Salem is also home to a regional campus of Kent State University and within a short drive of several universities and colleges. Salem Public Library ranks in the top 10% nationwide as measured by Library Journal's Index of Public

Library Service report. This report is published annually and they base their ratings on per-capita analysis of circulation, patron visits, program attendance, public computer use and circulation of digital materials. Salem Library offers significant adult and youth enrichment programs, with STEM programming for students supplementing what is offered in the schools.

Commercial and Retail Overview

Salem's retail presence is primarily in the downtown and on the east end. The downtown is supported and encouraged by the recently developed Downtown Salem Partnership ("DSP") which is an organization dedicated to promoting downtown businesses, hosting events and engaging with City government to encourage downtown development. The downtown holds a surprising number of locally owned

restaurants and a recently opened boutique hotel. The downtown is challenged by aging buildings, some with structural problems, and vacant storefronts. Local entrepreneurs have acquired some buildings and plan to set an example for rational downtown development. The SOD Center, on behalf of the City, engages Town Center Associates, a consulting firm dedicated to downtown revitalization, to provide advice and direction on downtown development.

The East End retail area is anchored by Giant Eagle supermarket on one end and Walmart/Home Depot on the other. In between are several plazas and available land for development. This is also the location of fast food restaurants, an automobile dealership, and a Holiday Inn Express. The East End is also the location of the hospital with many medical facilities congregated nearby.

Overview of the Salem Community Foundation

The Salem Community Foundation (“SCF”) is the largest foundation operating in Salem. It administers in excess of 120 individual funds ranging in size from a few thousand dollars to over \$20 million. Grants from the SCF support a wide variety of community, social, cultural, educational and governmental projects, awarding over \$60 million in grants to nonprofit organizations in the Salem area since its founding in 1966.

Overview of the Salem Community Center*

The Salem Community Center (“SCC”) is a recreational and sports facility opened in 2002 on approximately 10 acres of land with fitness facilities, four gymnasiums, an indoor track, an indoor pool and indoor

***Salem
Community
Center**
Named Salem’s Top
Asset by Survey
Respondents

soccer facility. Individual and corporate memberships are available as well as day-use passes. The CenterPlex facility (added in 2015), in combination with the Center Circle indoor soccer facility (added in 2007), host competitive basketball, volleyball, soccer and other events. The SCC hosts many events in its meeting rooms. Its sporting and other events attract visitors from a wide geographic area.

Overview of Housing

Salem's housing stock offers a wide variety in types of housing. South Lincoln and East State Street are historical areas with homes dating from the 1800's. Newer developments in Countryside, Pearce Circle, Quaker Lane and Bricker Farms offer middle and upper range single family homes. Housing challenges include a lack of recently constructed homes, an aging housing stock and an increase in the percent of rental housing.

For a community of approximately 12,000 residents, Salem can be considered unique in having its own independent hospital, a daily newspaper, a campus of a major public university, a community center of the size and scope of the SCC, a well-endowed community foundation, and a high school alumni association. These community gems are coupled with a rich social and economic history. Each, and all of these taken together, form a foundation for building the economic future of the City of Salem.

I am not originally from this area, but have really become more involved. Everyone is so welcoming and I quickly felt like a part of this community.

”

Female, 35-49



Impacts on Development

City Governance Structure

The City of Salem has a Statutory form of government organized under the Ohio Revised Code. Under the current form of government, some City functions are headed by part-time elected officials without a hierarchical structure. Others are headed by staff whose employment is subject to Civil Service rules, ostensibly under the authority of the Mayor.

City Zoning Codes

The zoning codes of the City of Salem are administered by the Office of Planning and Zoning, a function reporting to the Service Director. A zoning map can be found in Appendix D. While the zoning code is updated to address specific issues on an ongoing basis, the overall code dates from 1973.

There are two primary areas zoned for manufacturing. One is bordering the railroad tracks to the west of downtown and the second is the industrial park located in the northwest quadrant of the city. Both greenfield and brownfield sites are available but the number is limited. The City is lacking in shovel ready sites.

Recent changes shrunk the designated downtown historic district to focus tightly on just the downtown retail district. This reduces restrictions on development outside the immediate downtown area..

City Ordinances

In the last 5 years, Council has passed ordinances to address vacant buildings and to elevate commercial building inspections to meet the requirements of the International Property Maintenance Code ("IPMC"). The purpose of the vacant building ordinance is to reduce the number of vacant buildings and prevent vacant buildings from falling into disrepair. The vacant building ordinance requires registration of the vacancy with the Zoning Office within either 1) 30 days of identification by the Zoning Officer or 2) 90 days after it became vacant. Registration requires payment of a \$200 annual fee, which doubles if it is not paid within 30 days. Each subsequent year, the fee increases. This applies to both commercial and residential properties, although vacant homes actively listed for sale can get a 12 month exemption. Compliance with the self-reporting is minimal with the exception of banks who gain ownership through foreclosure. Vacant buildings are identified through observation by the Zoning Officer or building inspectors or through a report generated by the water department of "zero usage" properties.

There may be merit to engaging others in the identification of vacant properties.

Zoning Map
Appendix D
Page vii

Non-payment is enforced by tacking the unpaid balance on the water bill which prevents turning on the water or transferring the water account to a new owner until the bill is paid in full. The plan is that if a substantial amount accumulates on a single account, the City would pursue a tax lien.

With the support of the ordinance requiring inspections for IPMC compliance, well over 100 violations were sent out with an initial “friendly” notification. As a result, a substantial percentage of violations were fixed. In the event an owner does not correct a violation based on a friendly warning, the next step is a citation for a minor misdemeanor. This can incur a fine up to \$150 per violation. Unpaid fines can result in a warrant for arrest. However, a lack of clarity in the initial ordinance forbids the Planning and Zoning officer from issuing citations. This authority apparently falls to the Fire Chief. As a result, there are properties ready for citation under the ordinance, but no citations have been issued.

Building Inspection and Construction

The Fire Department has jurisdiction for annual inspection of commercial buildings for fire safety and is charged with making initial observations about building structure. Identified structural concerns are referred for an opinion by a qualified engineer. Certain buildings (the hospital, nursing homes and hotels) fall under the jurisdiction of the State Fire Marshall.

Both the City and the County lack a building department which means that all construction permitting must go to the State of Ohio building department. Small businesses, in particular, are burdened by the lack of timeliness and lack of responsiveness this entails. This has been cited as a deterrent to downtown redevelopment and as a deterrent to large developers considering Salem as a location for housing development. Concerns over burdening residents with permits for home projects have scuttled efforts to establish a local department. Despite the role this plays in discouraging local business start-ups, discussions continue with no immediate resolution on the horizon.

Health District

The City operates its own Health District which has jurisdiction for licensing restaurants, public swimming pools and funeral homes besides its public health responsibilities. The housing inspectors will be moved from reporting to the Service Director to being under the auspices of the Health District to better coordinate their activities. The primary responsibility of the housing inspectors is to conduct an annual inspection of the approximately 2000 rental units in the City.

***All Commercial building inspections must go through the State of Ohio building department**

Incentives for Business Development

The City has a “pre-1994” Community Redevelopment Act (“CRA”) program which allows up to a 15-year abatement of 100% of property taxes on new construction and/or new renovation. Certain areas of the City are designated for CRA inclusion based on the type of construction (commercial vs residential). Appendix E summarizes CRA availability. State law limits how many changes can be made to the CRA without permanently forfeiting this grandfathered status. Salem has reached the maximum number of allowable changes, meaning that any proposed changes must be considered in the context of losing the advantages of pre-1994 status.

The CRA allows up to a 15 year abatement of 100% of property taxes on new construction and/or new renovation.

The City also maintains incentive programs for the addition/retention of new jobs. In summary the three incentive programs are:

- Job Creation Incentive: Up to 55% of income tax withholding can be rebated to the employer for up to 5 years based on the number of jobs created.
- Net Profit Tax Incentive: Targeting new or startup businesses, this incentive rebates up to 55% (100% for a downtown business) of the net profit tax based on the number of jobs created.
- Business Acquisition and Growth Incentive: Targeting existing at-risk businesses maintaining or growing employment, this incentive rebates up to 100% of the net profit tax.

***Up to 100% net profit tax rebate for new or existing businesses downtown**

Despite having been in place for many years, only 5 companies have benefited from these incentives.

Incentives for Business Development Appendix F
See page xi

Summary of Recent Capital Investments

In 2016 the City began collecting a voter approved 5-year 0.25% add-on to the city income tax specifically designated to repave and/or repair City streets. Through 2019, the City has paved close to 35 miles of streets, spending \$7.7 million on road improvements, which includes both capital and 0.25% levy monies. The 0.25% add-on was renewed for an additional five years in November, 2019.

Between 2014 and 2019, the City water department invested \$12.7 million in upgrades to the water system.

In 2019, roughly 16,000 feet of gas lines were replaced by Columbia Gas at a cost of \$3.1 million. This upgrades the system to medium pressure which provides a safer system, greater reliability and reduced future maintenance.

Since 2014, area manufacturers have invested in expansions totaling \$18.25 million. These include expansions by Hickey Metal Fabricating and Metal and Wire, among others

”
Salem should be attracting more business that coincide with the millennial generation and what they like and want.

Female, 35-49

***Since 2016, improvements have been made to city roads, the city water system, and the city gas system**

Infrastructure

Utilities

Utility service to Salem is provided by First Energy (electric), Columbia Gas (natural gas) and the City of Salem Utilities Department (water).

The Salem Utilities Commission oversees the Utilities Department. Salem enjoys an abundance of good water with additional capacity in reserve to support future growth. Salem water rates are near the low end of rates in the State of Ohio. The combination of available capacity and low rates makes Salem an attractive location

Electric: First Energy
Natural Gas: Columbia Gas
Water: City of Salem Utilities Department

for industry that uses large quantities of water. The Utilities

Commission has developed an Asset Management Plan targeting upgrades to the water treatment plant to further improve quality and increase capacity. This identified need carries a price tag of \$7 million. Waste treatment facilities are in the midst of a

three-phase program to upgrade capacity and improve effectiveness. The total estimated cost of all three phases approaches \$20 million. Phase 1 work is in process and Phase 2 is under contract. Phase 3 is still in the planning stage.



Transportation

Salem has both strengths and weaknesses in its transportation infrastructure. It sits on a major railroad freight line. Although Salem is not a hub for intermodal traffic, there is one active railroad spur serving the downtown industrial area. Through the port at Wellsville, Salem has reasonable access to barge transport on the Ohio River. Major highways, including I-76/I-80 (the Ohio Turnpike), I-77, Ohio Route 11, and US Route 30 surround Salem but each requires minimal travel to access. The proposed expansion of US Route 30 to 4 lanes through Columbiana County has some potential to benefit east-west traffic, but development has been slow. Salem has a partially completed State Route 62 bypass that could enhance east-west truck traffic and relieve truck congestion in the downtown.

In summary, Salem sits in a unique location, surrounded by larger cities including Youngstown, Canton, Akron and, at a greater distance, halfway between Cleveland and Pittsburgh.

Broadband: Salem is served by several internet providers offering business customers bandwidth up to 1,000 bits/second. For businesses wanting a fiber optic connection, AT&T fiber connections are available directly through AT&T or through other providers.

Goal

Initiate a focused & disciplined effort towards business proactive policies that promote tax base diversification



Demographics



Population and Age

The 2018 estimated population of Salem was 11,715. This represents a 4.8% decline since the 2010 census (see Figure 3-A) which compares to a 1.3% growth in the State of Ohio population during the same period. During this same time period, there has been an aging of the population, with a 13% growth in the over 55 population between 2000 and 2017 (see Figure 3-B on page 22). The median age has increased from 39.5 to 40.2 during that same time period.

~12,000
Population of Salem

40.2
Median age of a Salem resident

The population of the City of Salem has declined 4% since 2000

Employment by Industry

According to the US Census Bureau, 5,404 Salem residents over the age of 16 held jobs in 2017, representing almost 57% of that over-16 population

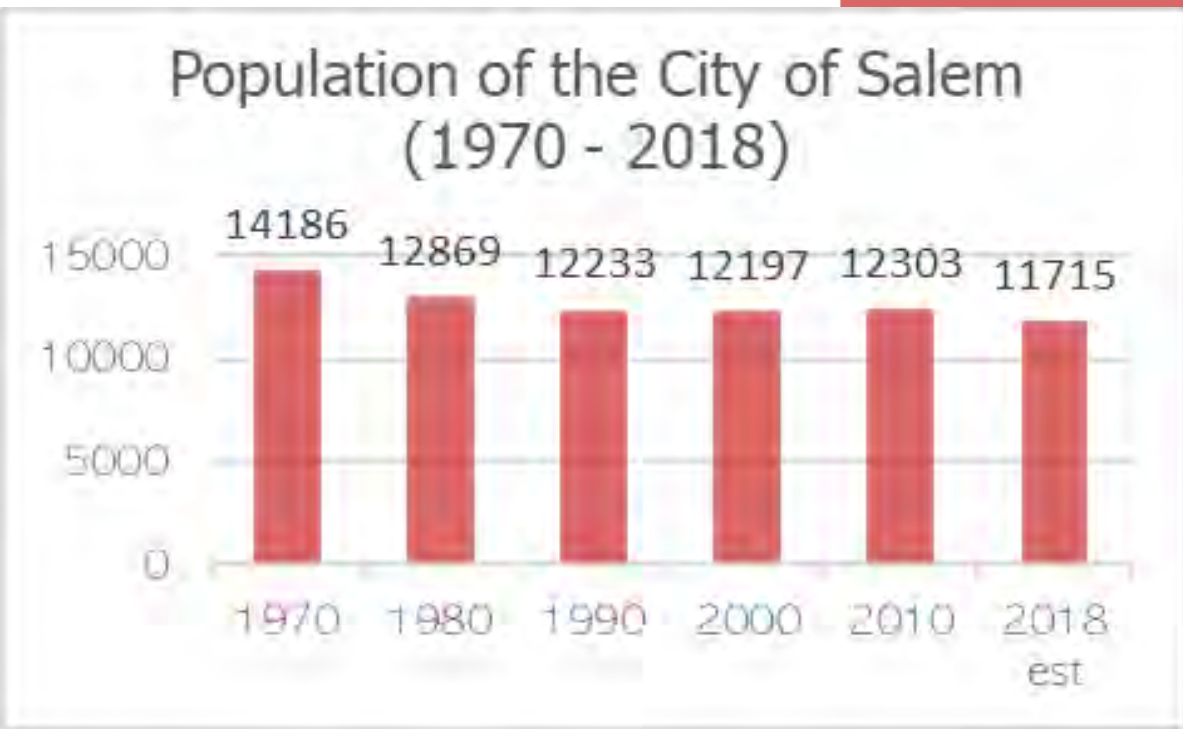


Figure 3-A, U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

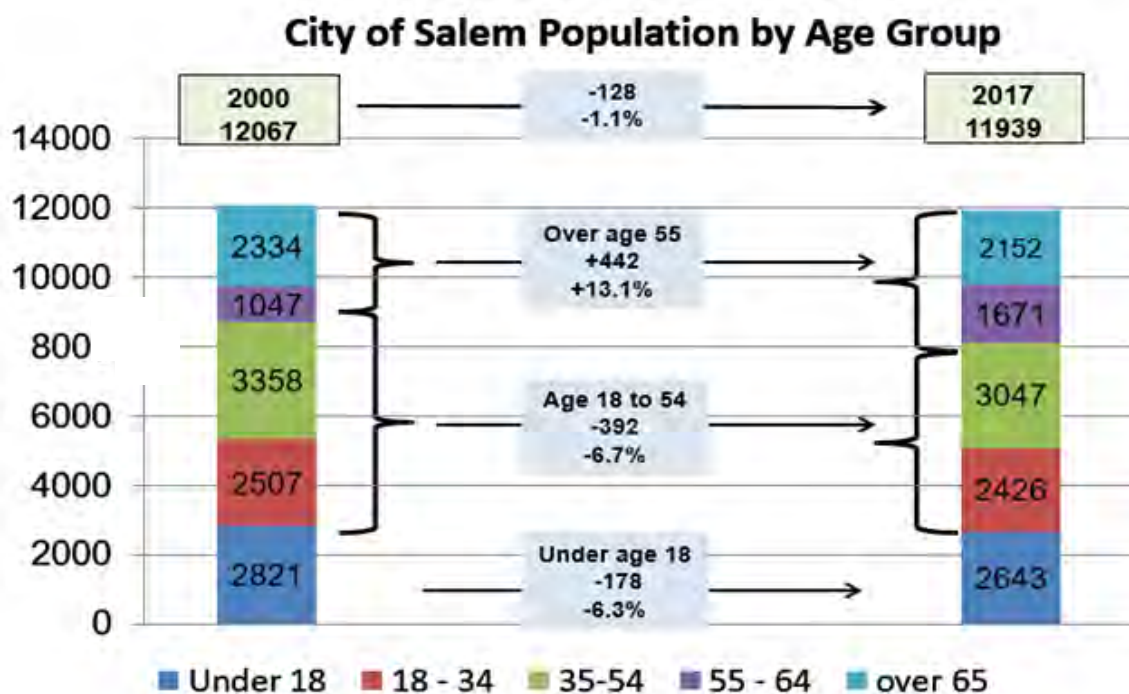


Figure 3-B, U.S. Census Bureau

group. This is actually fewer jobs than in 2010 when the same group held 5,492 jobs, although the 2010 figure represented a smaller percentage of the over 16 population (about 55%). The 2010 percentage could have been influenced by the Great Recession. The population over the age of 16 has dropped by almost 500 residents (4.9%) from 2010 to 2017.

Manufacturing is the major employer of Salem residents. Twenty-four percent of working Salem residents were employed in Manufacturing in 2017 (see Figure 3-C in Appendix G). This is followed by 18% in Health Care / Social Services. A breakdown of jobs in the City of Salem by NAISC industry sector is shown in Appendix G.

***Manufacturing
employed 24%
of working
Salem residents
in 2017**

Employment

Inflow and Outflow

Only 1437 Salem working residents (in 2017) actually worked in Salem which means that 3461 (>70%) commuted out of Salem for their primary job (see Figure 3-D). Viewed from the flip side, over 80% of the jobs in Salem are held by workers who commute into Salem. These percentages are not unusual in comparison to comparable sized Ohio cities, with Salem falling in the middle of a select group of Ohio cities (See Appendix H).

***Over 80% of jobs in Salem are filled by commuters from outside the city**

This inflow and outflow presents both challenges and opportunities for the City of Salem. It shows that there are desirable jobs in Salem worth commuting to. Inbound commuters also pay income tax revenue as non-residents and require minimal City services. The daily flow of workers into Salem raises the potential to attract commuting workers to purchase a home in order to reduce their commute. The commuters are also exposed to what Salem has to offer in terms of restaurants, shopping and activities.

Salem's Largest Employers in 2019

Ventra Salem, LLC– Flex-n-Gate*	770
Salem Regional Medical Center	743
Fresh Mark, Inc.*	739
MAC Trailer Manufacturing, Inc.*	361
American Standard *	313
Butech Bliss*	290
Walmart	285
Salem City Schools	245
Hickey Metal Fabrication*	197

*manufacturing/production facilities

Source: Salem Area Chamber of Commerce, March 2019

Outbound commuters represent risks parallel but opposite to the opportunities for inbound commuters. Thirty percent of Salem working residents commute more than 25 miles to work. They may decide to relocate to be closer to their work and they are exposed to what their work community has to offer. They are more likely to shop or frequent restaurants near their work place. Their income tax dollars are left in the city where they work, if there is an income tax in place.

“Salem needs employment opportunities to retain our youth [and] businesses/jobs. Salem is an aging community with many retirees.

Female, 50-64

**Top Industry
Manufacturing**

Over 80%
Jobs in Salem held
by people who
don't live in Salem

Over 30%
Salem residents
commute more than
25 miles for work

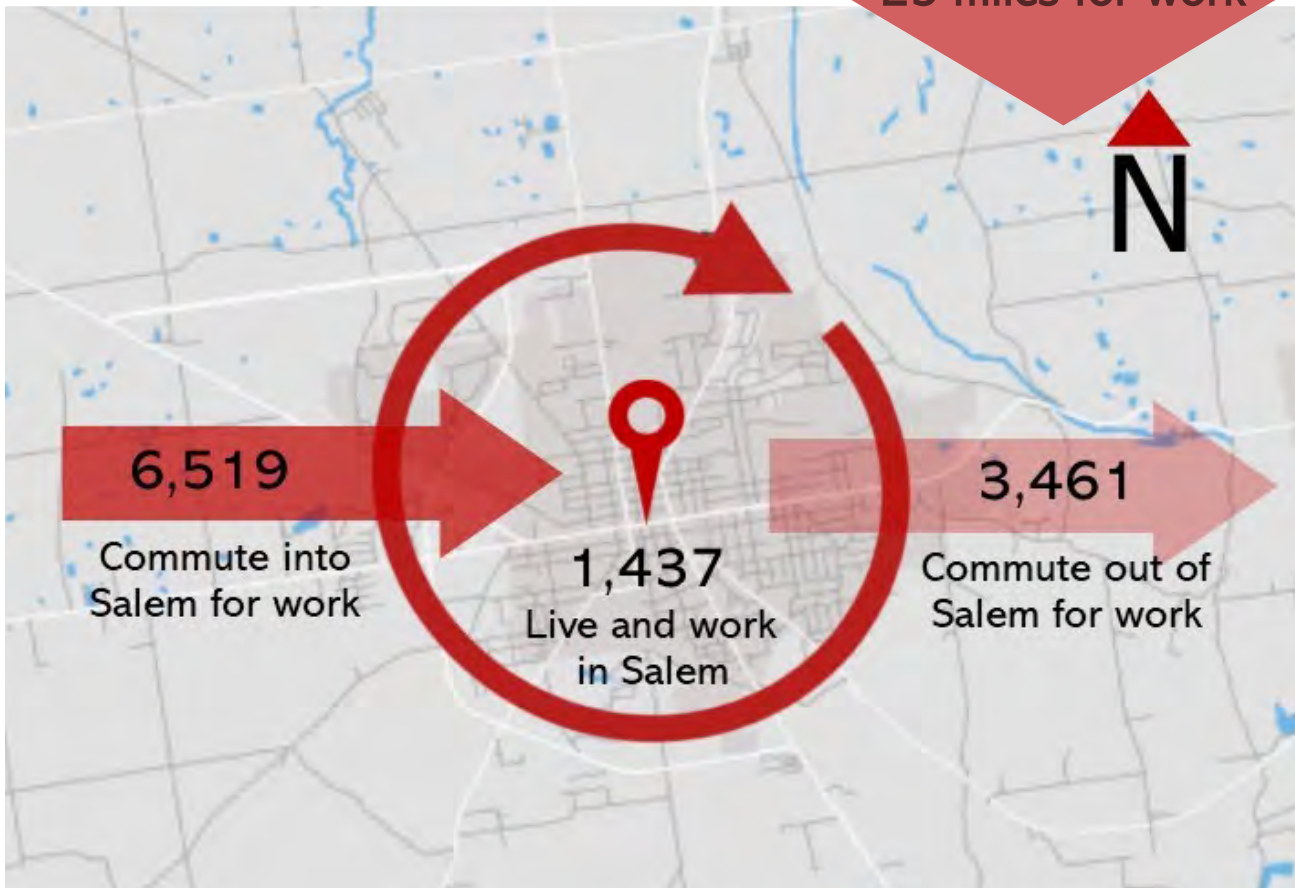


Figure 3-D, U.S. Census Bureau, 2017 Worker Inflow and Outflow

Immigration

The immigrant population, largely of Guatemalan origin, may represent 4% of the population, but efforts to accurately count immigrants can be difficult. Officials indicate that there is a substantial population of undocumented aliens living in the community. The population is insular for various reasons, including: 1) cultural traditions, 2) fear of authority based on their home country experience, 3) fear of I.C.E. scrutiny, and 4) prejudice and hostility from some of our population. At least two area churches have outreach programs to work with the Guatemalan population and assist them with everyday needs. Some of the population is reluctant to get a driver's license, so they must live within walking distance of work, shopping, etc. Some part of the population is families with children attending the public schools, which has led to a substantial effort to offer classes for English language learners. Others are single individuals. In both cases, sending money home to their relatives is a priority for many. They are attracted by employment opportunities at one production facility and in neighboring agriculture operations. They are attracted to work in unskilled positions which go unfilled by American workers. Adding to the concern for their future, many of the children are encouraged to drop out of school when they are legally able to work.

We need to learn to embrace our differences rather than condemn them.

Female, 50-64

“If Salem intends to grow into the future we need to develop ourselves as a welcoming place for all and not just those who understand how to "work" Salem.

Female, 35-49



Poverty and Unemployment

\$38,426

City of Salem
Median Household
Income

5.2% County
Unemployment
Rate

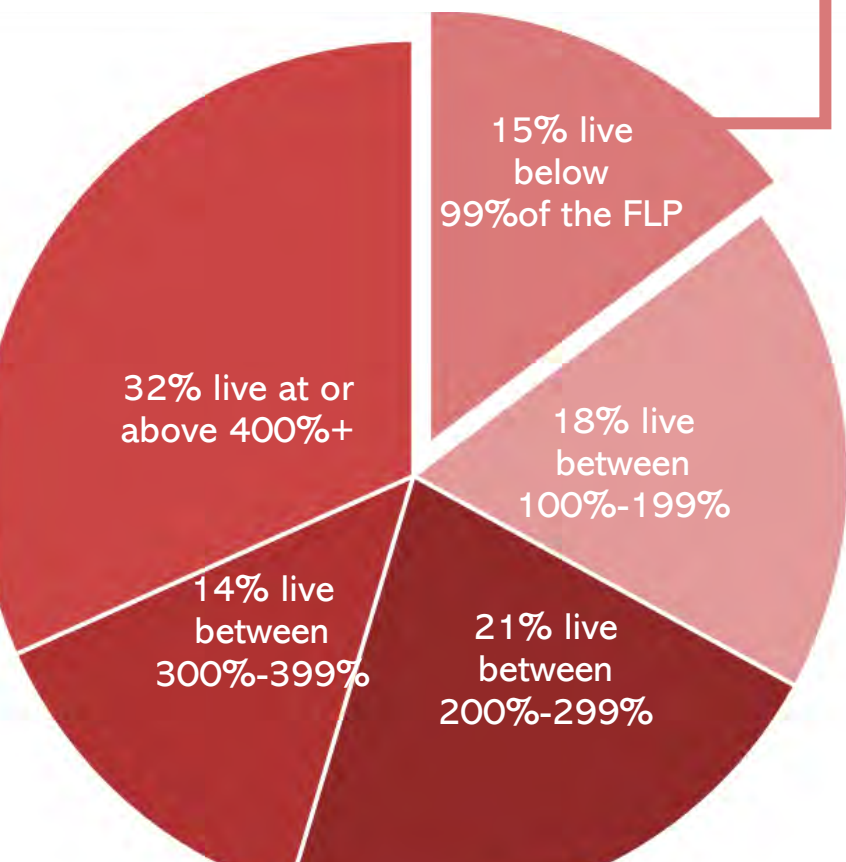
Almost **30%**
Of children in Salem live
below the Federal
Poverty Level

The median household income for the City of Salem is \$38,426 according to the 2018 American Community Survey conducted by the US Census Bureau. This is just over 17% less than Columbiana County (\$46,306) and almost 30% less than the State of Ohio (\$54,333).

For Columbiana County, the average annual unemployment rate as of 2018 was 5.2% versus 13.4% (2009 annual data) at the height of the Great Recession. Indications are that the County unemployment rate has dropped further in 2019.

Despite the positive appearance of the drop in the County unemployment rate, the actual number of County residents who are employed has dropped from 46,000 in 2009 (when the unemployment rate was at its highest) to 44,700 in 2018. This is the result in both a decrease in the overall population and a decrease in the percent of the population in the Civilian Labor Force. In Salem, according to the ACS, the Civilian Labor Force has dropped by 306 (4.9%) from 2010 to 2017.

15% Of families in
Salem live below the
Federal Poverty Level



There is a negative trend in the percent of the population living in poverty. Poverty is measured in relation to the Federal Poverty Level ("FPL"). For reference, the 2017 FPL for a family of four was \$24,600. In 2017, approximately one-third of Salem residents were living at or below 200% of the FPL. Half of those were below 100% of the poverty level; one-quarter were below 50% of the FPL. Almost 30% of children under the age of 18 are living below 100% of the FPL. In 2018, household median income in Salem is almost 30% below the State of Ohio household median income. Compared to 2000, the percent of the population below 100% of the FPL has grown from 11.7% to 20.2%. (The FPL has been adjusted in line with Consumer Price Index over that time period.)

Community Input

In the process of completing this plan, several focus groups were held to gain specific insights. These focus groups drew over 90 participants from different aspects of community life (See Appendix A for a listing of the groups). A web based survey was conducted which ultimately drew 245 responses. The survey was publicized on both the SOD Center and City of Salem websites. Individual groups were also given invitations to participate (See Appendix B for a listing of the groups). This included outreach to Salem High School where Government classes were asked to participate. For interested parties without web access, surveys were made available at the SOD Center and through the Salem Public Library. Finally, thirteen interviews were conducted with individuals who could provide expertise in specific areas.

245
Survey Responses

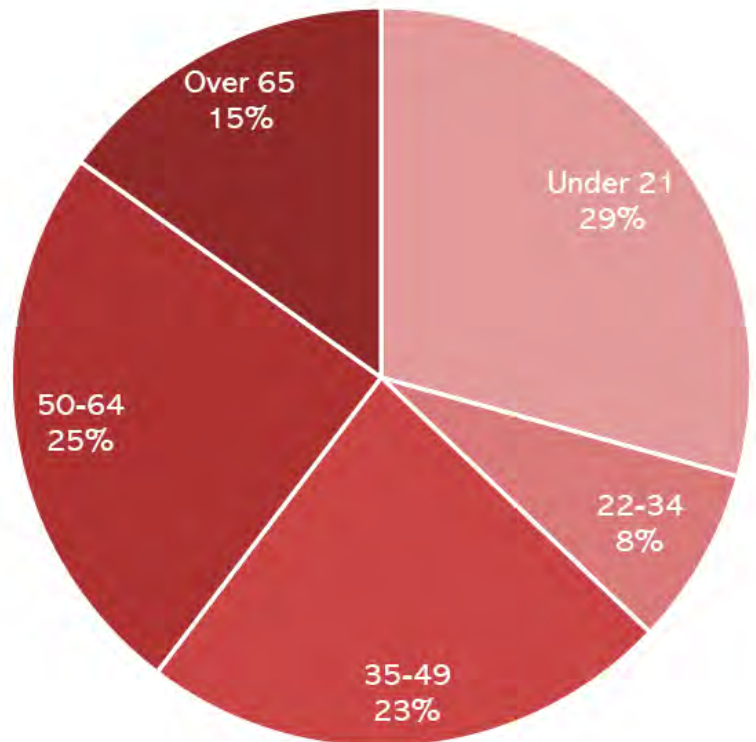
53:47
Male : Female Respondents

The survey had both multiple choice and open-ended questions. The complete survey results are shown in Appendix C. The answers to open ended questions were categorized by topic to identify common elements and trends.

As an overall assessment of the current state of the Salem economy, over 80% of respondents rated Salem’s economic development progress in the last 10 years as slow to moderate . A few respondents chose stagnant and declining while almost no one said it was “booming.”

Another question listed six categories of focus and asked respondents to indicate their importance as a focus of economic development over the next 10 years.

Who responded to the survey?



75%
Of respondents live in Salem

2/3
Of respondents work in Salem

Over 50%
Of respondents earn over \$50,000/annually

While looking at the data in age segments gives insight into how each age group views Salem’s strengths and weaknesses, this breakdown masks the overall response. For example, among total respondents, the top challenge that emerged was the issue of Crime/Drugs, because though it was not the top issue for each age group, it was an issue for enough people across all age groups to be the top issue for the aggregated responses.

”
There’s a lack of vision, loss of youth, no strong cultural initiatives, [and Salem] does not reflect or emit a forward thinking community.
Female, 35-49

It should also be noted here that responses like “community” and “housing” and “attitude” are an amalgamation of responses of similar sentiment, but do not tell the full story of the frustrations and hope behind them.

From the survey results, with validation from focus groups and interviews, several themes emerge regarding the challenges faced by the community. We will examine six: in detail: Jobs, Housing/Rentals, Downtown/Retail, Leadership, Crime/Drugs, and Activities. These six areas were selected based on the volume of responses to the open-ended question: “What are Salem’s Challenges?”

Top Response by Age Group

<21 22-34 35-49 50-64 65+

Salem’s #1 Asset	Salem Community Center			
Salem’s #2 Asset	Salem Schools	Manufacturing	Library	Community Foundations
Salem’s top Challenge	Drugs	Housing	Lack of community	Jobs

Crime/Drugs: This drew the most responses from the Challenges question. Disturbingly, the identification of “drugs” as a problem came primarily from our under 21 population. Crime is linked to drugs by many, but not all. Several comments positively recognized the efforts of the Salem Police Department. A

life-long resident approached us after a focus group and lamented the spread of blighted areas while also identifying open drug dealing outside her downtown office window.

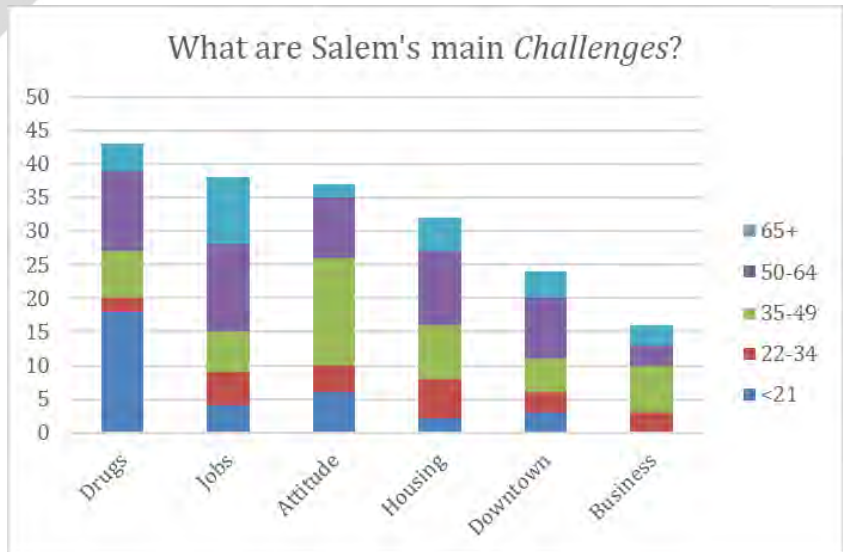
Jobs: Sufficient well-paying jobs were seen as a key for the future. One respondent said, “...every other ‘problem’ is solved by jobs and income.” Another noted there is “too much talk about downtown and retail--jobs that pay nothing. We need to figure out how to attract and retain industrial jobs that pay middle class wages, and more importantly the upper management jobs that come with them.” Among the job related concerns were 1) having more “well paid” or “middle class” or “skilled” jobs, 2) having

more white collar/professional jobs, 3) having more jobs to attract back young people who left for college. Young people responding to the survey asked for more jobs for teens. This perception about the quantity and quality of jobs available is in direct opposition to manufacturing employers in and around Salem saying they have a variety

We need tech business that brings young professionals, perhaps create a shared workspace near downtown.

Female, 35-49

of open jobs at all levels and cannot find candidates. Focus group discussions raised the question whether much of the public accept of the idea that any manufacturing job constitutes a “good” job, regardless of pay and benefits.. One recommendation that emerged in responses in the survey was to encourage growth in technology jobs along side industry jobs to move Salem forward and attract young professionals.



How much focus should Salem give to each issue in the next 5 years?

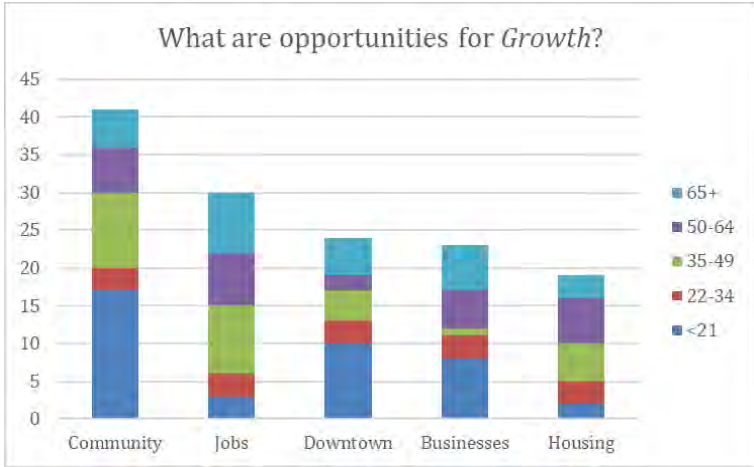
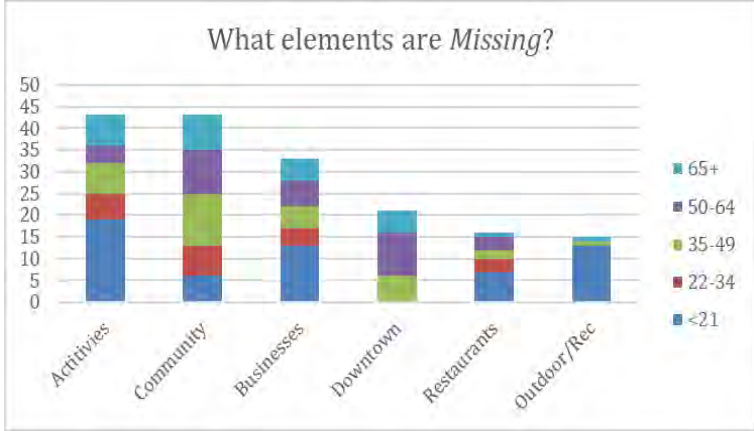
Business Growth & Attraction Should be #1 Priority

Housing and Population Needs much Progress

Downtown Development Needs much Progress

Housing/Rentals: The concerns about housing can be divided into two categories: 1. Not enough middle and upper level homes for purchase and 2. having too many rental units. A focus group of six busy residential real estate agents identified a significant shortage of middle to upper level inventory, including ranch and 2-story single family homes and condominiums across a wide price range. One survey respondent said, “If the city is not providing middle class housing, then they can't expect individuals or families to move here” (Male, 22-34). Quality apartments that target young people starting out or older adults no longer interested in ownership are also needed. The agents felt that the best prospects for development of new homes were 2-story single

family homes and condominiums. The group felt that the community could readily fill another 30 to 50 new 2-story homes in the \$150,000 - \$250,000 range and 75 to 100 condominium units within the \$90,000 - \$200,000+ price range. Because this reflects a national and regional shortage of housing, the challenge is finding a developer willing and able to acquire the land and build on speculation. There is also a strong feeling about blighted neighborhoods and the expansion of blight. Survey respondents allege a lack of enforcement of ordinances that allows the blight to continue and point to various

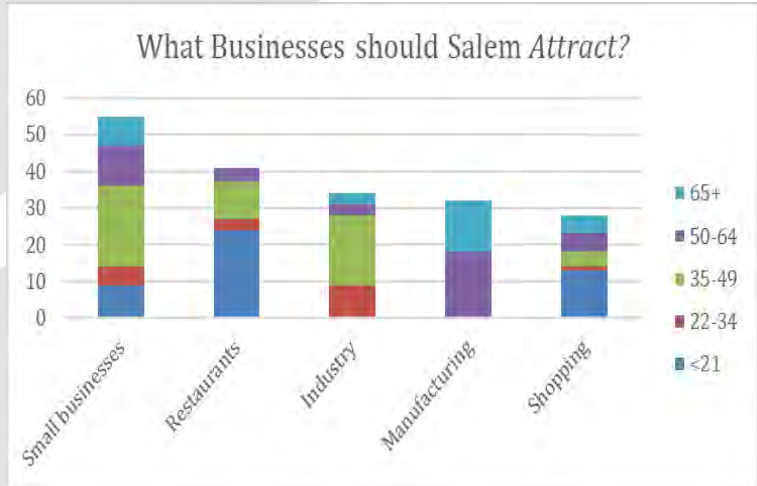


spinoff effects thought to result from an excess of poorly managed rentals, including: crime, drugs, and strains on the social safety net. Interviews with one of the housing inspectors and comments from landlords caution that seemingly “good” tenants can become problems over time. Once a tenant is in a lease, they are protected by significant legal rights. Real estate agents point to declining neighborhoods where owners want to sell their existing single family home and their only choice is to sell it as a rental because of the surrounding houses. They explain that even “flippers” are

unwilling to purchase homes in certain neighborhoods because they will not be able to recover their investment due to depressed home prices. A survey respondent summed it up, saying, “The slum rental homes bring in drugs, bad news and bad people. They make our town look trashy.”

Downtown/Retail: Survey respondents have a mixed view of retail in general and downtown specifically. A significant minority of respondents point to positive trends in downtown and speak well of the retail options in the City, given its size. One respondent

said: “Some of Salem’s challenges include lack of downtown businesses. In recent years, it has been much more active and involved. Many community members only hope to see Downtown Salem grow in the years to come!” (Female 22-34). Some speak of the need to “upscale” the retail offerings or speak negatively about certain types of businesses. A majority of comments feel the need for greater variety of retail and substantial change to downtown. One specific comment asked for “small intimate businesses. We cannot compete with the website and internet, but we have



“Some of Salem’s challenges include lack of downtown businesses...many community members only hope to see Downtown Salem grow in the years to come!

Female, 22-34

the ability to have social interaction and touchable, tactile businesses with personal customer service” (Female, 50-64). There is a similar, but more evenly divided, split on dining options. Some recognize a wide variety of locally owned establishments as a strength while others note the lack of nationally recognized chain restaurants as a



weakness. Developing the arts and culture activities in Salem was also mentioned by respondents across multiple questions, with specific suggestions to promote this downtown.

Leadership: While there was some praise for city leadership, a majority of the comments on this topic spoke to a general lack of vision and a sense of being stuck in the past. Representative comments include:

- “We are a ‘good old days’ city and those cities are dying.” (Male, 35-49)
- “Too many times, things that work in other areas are shot down before they can be implemented. ‘It won’t work here.’” (Male, 50-64)
- “Old-style leadership needs to adopt more progressive trends.” (Female, 35-49)
- “Too many people [are] happy with status quo and [have] no vision of what the future could hold.” (Male, 22-34)

Activities: Comments about entertainment and things to do are grouped here. The comments seem to divide by age. There were requests for “family activities.” One respondent referred to Salem as a “retirement community,” reflecting the aging of the population. Focus group and survey comments reflected a perceived lack of family dining options such as those provided by national chain restaurants. The DSP focus group offered the observation that our local restaurants may need to better promote a family friendly atmosphere/menu. Many of the under 21 respondents were asking for more entertainment options. One young person asked for “more places to hangout for the people who don’t want to be around people who are doing drugs.” (Female, under 21) Another summarized by saying, “I’m tired of being inside on my phone.” (Male, under 21)

”
Salem doesn't really have anything for teenagers to do...Usually we drive around and go to Walmart and it's getting really boring. My friends and I always talk about how there is nothing to do and how we wish we had somewhere to go and hang out.

Female, under 21

Manufacturing and Industry

Overview of Manufacturing and Industry

Salem has a long history in manufacturing. Besides representing the largest portion of jobs in the City, manufacturing (in and out of Salem) is also the major employer of Salem residents. See Figure 3-C under Demographics and 5-A) Current production facilities located in the City limits represent a broad range of industries (see page 22 for a list of the largest production facilities).

Manufacturing has been concentrated in two areas of the City. The oldest area is west of downtown along the railroad tracks. The second is the Salem Industrial Park located in the northwest section of the City. The industrial park was developed in two phases and is currently essentially full, with only one “greenfield” site available for development.

The downtown industrial area has several strong industrial concerns as well as some small entrepreneurial startups. It also includes “brownfield” sites which have been evaluated for environmental concerns and are now ready for development.

Several existing industrial concerns have recently completed or plan to initiate expansion

***Manufacturing employed 24% of working Salem residents in 2017**

Jobs in the City of Salem by Industry

- Manufacturing
- Health Care / Social Assistance
- Retail Trade
- Educational Services
- Accommodation / Food Services
- All Other

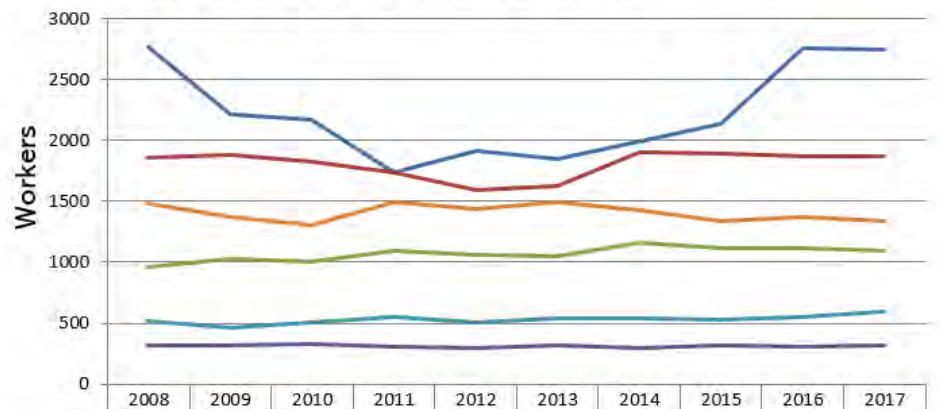


Figure 5-A, U.S. Census Bureau

plans. Given the history and current dominance of manufacturing in Salem, the logical target for growing economic activity in Salem is manufacturing. Manufacturing, in comparison to service or retail industries, represents the opportunity to create wealth which expands the economic base of the community and then further supports growth in service, retail and government.



Potential Targets for Growing Manufacturing

We will examine three possible approaches to expanding our economic base:

First, economic development theory indicates that the most successful and prevalent source of growth comes from existing businesses. By definition, expanding existing businesses has a greater probability of long term viability than starting a new business. And, it requires much less community investment in time and resources than attracting a new business.

The primary role for the City and the economic development professional in promoting expansion of manufacturing businesses is to alleviate barriers, generally in response to requests from the manufacturer. These activities are situation specific but may include:

- Assisting in identifying land for acquisition with the potential for facilitating annexation, zoning changes and infrastructure improvements (i.e. roads, utilities, etc) , and may also incorporate seeking grant monies (e.g. through EPA, Utility companies, or ODOT)
- Assisting with property acquisition through the Columbiana County Port Authority or Columbiana County Economic Development /Land Bank
- Assisting in identifying workforce, including incentivizing expanded employment as a way to offset training costs through grant monies (e.g. through Jobs Ohio, Team NEO or Ohio Means Jobs)
- Assisting in identifying financing through commercial banks or economic development organizations such as Mahoning Valley Economic Development Corporation or Ohio Mid-Eastern Governments Association (OMEGA)
- Assisting in identifying incentives for job creation (e.g. withholding tax reimbursement) and/or incentives for construction (e.g. CRA or TIF)

Second, promoting entrepreneurial development of a new manufacturing concern has all the expected risks associated with a new business startup. It also tends to be a long term strategy in that it may be years before the company grows to have a significant economic impact on the community.

Support services for a start up from an economic development organization are similar to those for expansion of an existing concern but most likely will require an increased level of involvement to offset the likely lack of experience in these areas from the entrepreneur. Prior to engaging seriously with an entrepreneur, the economic development professional needs to be convinced of the viability of the business plan and should be in a position to offer intense business planning services.

The **third** prong of development for manufacturing is attraction. This has the potential for the biggest wins, but also may require years of sourcing opportunities and sorting through potential deals. It requires the most intensive effort from the City and the economic development professional in a targeted and coordinated effort.

Appendix I lists the priorities of Site Selectors as identified in an annual survey. Site selectors must sort through many communities quickly to narrow the field to a reasonable number of potential deals. Given this, they are known to quickly eliminate communities or properties that lack a straightforward likelihood of success. The successful deal emanates from having a properly sized property that is ready for immediate development and a community that is welcoming in the sense of mitigating any barriers to developing the site and facilitating the business startup.

When it comes to identifying land, one method to attract an outside company and accelerate development is to prepare available land to be “shovel ready.” Franklin Street, a large commercial real estate firm in the southeast defines shovel ready* as:

- Ownership of the site is clearly defined and in the hands of a third party such as a local government agency, developer, private company, etc.
- Detailed information on the site is readily available and packaged in a profile that includes:
 - Site boundaries and identification of adjacent owners
 - Layout of the site with a survey, plat or parcels, roads, utilities, environmental reports and water management permits
 - Clearly defined pricing by parcel and acre
- Identification of whether the site is in any type of Opportunity zone, HUB zone, New Market Tax Credit qualified or CRA that would qualify the prospective buyer for incentives
- Completion of formal title search as well as geotechnical soils testing and archaeological studies
- Defined transportation access to site and timing required for road and/or rail installation
- Defined utility access to the site and timing required to run service to a specific lot/site

Beyond the technical aspects identified above to make a site shovel-ready,

Salem should attract professional positions. Would be nice to attract a technologically based company.

Female, 65+

consideration should be given to the type of business that should be targeted for a particular site as well as general considerations about the lay of the property and surrounding properties that might be impacted by the development as well as how the broader transportation infrastructure supports the industrial use being contemplated. Finally, consideration should be given to what industry can be supported by the area workforce and community.

[There is] too much talk about downtown and retail--jobs that pay nothing. We need to figure out how to attract and retain industrial jobs that pay middle class wages.

Male, 22-34

By simultaneously developing a list of properties available for industrial development, making them shovel-ready and identifying the types of industry that can best fit the community's assets, the risks associated with industry attraction can be reduced.

The evaluation of available properties should include:

- Current ownership and the motivation of the current owner to proceed
- Political barriers to development such as proper zoning and/or risks of community opposition
- Infrastructure barriers including the need for road and/or utility connections
- Workforce availability within a reasonable commuting distance
- Economic incentives available from State or local sources
- Steps needed to achieve "shovel readiness"

The evaluation of community assets should include:

- Workforce readiness for a particular industry
- Identification of industries that are upstream or downstream of existing regional businesses
- Identification of regional assets, such as transportation or utility infrastructure that meet the target industry's needs
- Available housing and quality of life

Honest assessment of available properties and community assets will allow the economic development professional to proceed with confidence in the effort to attract new industry. Likely sources of successful manufacturing growth in Salem include: 1) expansion of existing businesses, 2) identifying and recruiting upstream or downstream businesses that serve existing local industry, 3) with the recent development of shale oil and gas resources, industries that benefit from proximity to the shale oil fields, and 4) industries associated with new technologies, emanating from emerging regional trends including the existences of additives manufacturing resources in Youngstown and the announced automobile battery plant in Lordstown

Growth and Attraction

Business Attraction Incentives

Earlier in this report the incentives currently in place in Salem have been summarized. These include: CRA, jobs incentive, Net profit incentive, Retention incentive. The details of each are included in Appendix F.

Consideration should be given to other business attraction initiatives including:

- Willingness to enter into a TIF arrangements
- Annexation of targeted land in anticipation of development
- Development of additional industry park property with the potential purchase of land by the City for this purpose
- Creating a Joint Economic Development District (“JEDD”) with adjacent townships to further development options
- Creating Enterprise Zones, which are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investments.
- Combining or “nesting” of the above mentioned incentives

In addition, the State of Ohio has business attraction incentives. One recently reinstated program includes the Rural Industrial Park Loan Program (“RIPL”) which provides low-interest direct loans to assist eligible applicants in financing the development and improvement of industrial parks and related off-site public infrastructure improvements. Columbiana County is one of 35 eligible Ohio counties. SOD Center serves as a resource to identify and access this and other State incentives.

Properties Available for Industrial Development

The SOD Center maintains a list of targeted properties for industrial development (See Appendix J). These properties include parcels of various sizes including both greenfield and brownfield properties. The property database documents each property’s specifications and readiness for development.

The SOD Center is in a position to work with the City on improving the potential attractiveness of each property by eliminating barriers that could slow or hinder development. The aggressiveness with which each property is pursued should be prioritized based on the desirability of the property for development, the extent of the barriers in place and, most importantly, the motivation of the current owner to work toward the development goal.

Production Alternatives to Traditional Manufacturing

As mentioned in the Introduction, wealth can be created from production associated with the application of intellectual property. This could encompass certain service businesses, internet retailing, or startup software development.

In its simplest form, it literally can be a matter of having a desk, a PC and a broadband connection. A service based business can create a market for developing and distributing software or other intellectual property that is unlimited in its geographic reach. Similar shared space arrangements may increase demand for office space from people who do not always work from their company's main office or have a home based business but would like a professional space nearby. It is difficult to quantify the current level of demand for this type of space, but demand is likely to grow as baby boomers approach retirement age as many of them will continue to work in part time consulting or advisory capacities.

Another example of production is a food service retail operation that produces and distributes its proprietary products through traditional channels or via the internet. Such sales can support maintaining a retail front in downtown that might not otherwise support itself.

A third and larger scale example could be a business to business service center that provides logistics, call center, or distribution functions under contract to other companies.

Each of these examples of alternative production models exists in our region today. They may be relatively modest in size, but they supplement the local economy and add wealth. They add diversity and interest to the business landscape. And, from an economic development perspective, startups of this type may not require a lot of infrastructure or resources. From an attraction perspective, these entrepreneurs can choose to live anywhere, so we have to ask: why not locate in Salem? The key is to offer the infrastructure (i.e. high speed internet) and quality of life amenities that make a community attractive to these firms.

Goal

Attract new wealth by growing manufacturing/production

Grow existing manufacturing businesses



Health Care and Wellness

Acute Care Resources

The presence of Salem Regional Medical Center, an independent community hospital established in 1913, is unique for a community of 12,000 population. The hospital remains financially strong despite the impact of the declining socioeconomic status of the community. Its growth areas include cancer care (both medical and radiation) particularly since an affiliation with the Seidman Cancer Center at University Hospitals of Cleveland, orthopedics with the addition of new physicians who have brought innovative procedures, and diagnostic medical imaging where the hospital has long been a leader. Each of these services attracts patients from a broader geography than its ordinary service area.

Besides being the second largest employer in the City, the hospital makes it attractive for peripheral businesses to locate in the City. These include private primary and specialty physician offices, nursing homes, home health and hospice services, dialysis services, drug stores and others. Certainly some of these businesses would be in the community without the hospital, but not the quantity that Salem enjoys. The hospital also brings in significant Federal and State dollars and revenue from commercial insurance contracts.

Chronic Care Resources

Salem has a substantial number of beds available for long term care including skilled care, intermediate care, and assisted living. The facilities include:

- Salem Circle of Care (62 bed): Skilled Nursing**
- Blossom Nursing and Rehabilitation Center (100 bed): Skilled Nursing**
- Salem Healthcare West (formerly Essex of Salem I) (90 bed): Skilled Nursing**
- Salem Healthcare North (formerly Essex of Salem II) (86 bed): Skilled Nursing**
- Salem Healthcare East (formerly Essex of Salem III) (50 bed): Skilled Nursing**
- Auburn Skilled Nursing and Rehabilitation Center (44 bed): Skilled Nursing**
- Courtyard at Lexington Assisted Living: Assisted Living**
- Brookdale Assisted Living: Assisted Living**
- Grace Woods Senior Living of Salem: Assisted Living**

Chronic care needs are also served by Salem Visiting Nurse Association, Salem Home Medical, Community Hospice, Fresenius Dialysis Center, and several outpatient physical therapy practices.

Salem has several apartment and condominium developments that are amenable to seniors



living independently. These developments span a wide price range, with some targeting low income seniors.

Expansion Opportunities

Past development of new healthcare businesses has been split by extensions of services by SRMC as well as independent private development. In the 1970's/1980's, a private doctor's park was developed for physician offices off of Southeast Boulevard near the hospital. Another development was formed off of State Street north of the hospital, which was later acquired by the hospital. The hospital constructed a medical office building attached to the hospital by an over street walkway to further expand available space.

In 2007-08, the hospital worked with the City and a private developer to extend Pershing Street east from Southeast Boulevard to Cunningham Road. The first and, to date, only business located along the extension is the Fresenius Dialysis Center. Multiple lots remain available and logically could be targeted to healthcare related businesses.

Many of the offices in the Southeast Boulevard doctor's park have been renovated and, in some cases, combined to meet modern office needs. Currently, there are no units available in the doctor's park.

Wellness Resources

Based on planning by SRMC, identified needs for healthcare services in the community include expanded mental health services, although this is a regional as well as local problem.

Another unique facility for a community of 12,000 population is the Salem Community Center ("SCC"). It is a private, not-for-profit recreational and sports facility opened in 2002 on approximately 10 acres of land with fitness facilities, four gymnasiums, an indoor pool and indoor soccer facility. No public monies were used for the construction of the facilities as the funding was provided by the McKeown trust, a legacy managed by the Salem Community Foundation. Likewise, no public funds underwrite the on-going operations. The McKeown trust and other SCF funds provide on-going support for capital and operating needs. Individual and corporate memberships are available as well as day-use passes. The CenterPlex facility (added in 2015) hosts competitive basketball, volleyball and other events. The Center Circle indoor soccer facility was added in 2007. The SCC also hosts many events in its meeting rooms. Its sporting and other events attract visitors from a wide geographic area.

Commercial and Retail

Overview

For the purposes of this plan, commercial and retail districts will be divided into four areas: Downtown, East End, North End and West State Street. The downtown is defined by the downtown historic district and the commercial developments on adjacent streets. The East End stretches along East State Street from the hospital to the Walmart. The North End is defined by the prior TIF arrangement and includes the area around North Ellsworth and the Bypass. The West State Street area includes State Street from Ellsworth west to the city limits.

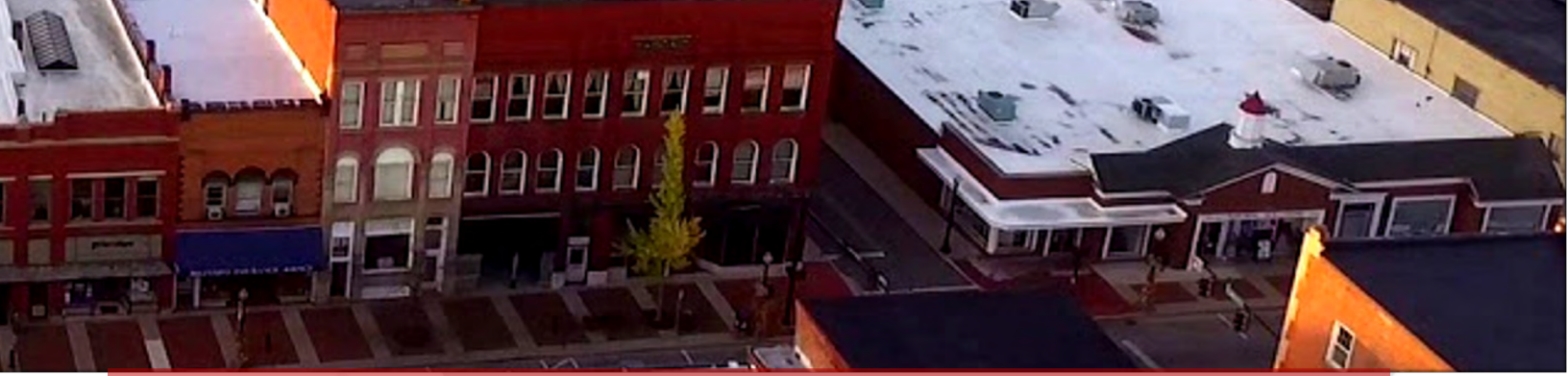
In 2017, two TIF arrangements targeting commercial development in the East End and the North End came to an end with mixed results. The City had invested in infrastructure development with the intent to recoup the costs through the recapture of property taxes from new development. In fact, neither TIF zone attracted sufficient new development to offset the costs invested by the City. There are no current TIFs in place open for development, but business specific TIF's are available. Two business-specific TIFs are in place, one ending in 2021 and one in 2027.

Based on this experience, one lesson learned from these TIF experiences is that TIFs may work better in response to a specific proposed development rather than having zones proactively established with the hope of attracting future development. With pre-established zones, the clock starts running on completing the development. If sufficient development does not occur, the City can be stuck with unrecaptured costs. Past TIFs have been 10 years in length and this seems reasonable to give time for cost recapture without stringing it out too long.

Salem should be attracting businesses like downtown coffee shops, micro-breweries, and a "sweets" shop.. Now-a-days, food and beer bring people to specified locations.

Female, 22-34

***TIF stands for Tax increment financing**



CHAPTER 7

Downtown

The downtown along State Street between Lincoln and Ellsworth is characterized by older buildings, some of “historic” interest, in varying conditions. Concern over the deterioration of certain vacant structures led the City to adopt the International Property Maintenance Code (“IPMC”) guidelines as a means to enforce code compliance as previously described. The City also adopted a vacant building ordinance to encourage landlords to actively pursue tenants. While early in the process, it is safe to say that these efforts have met with only mixed success.

Our downtown structure is beautiful! It just needs more active businesses, and community activities to generate a more vibrant feel and bring people in.

Female, 22-34

Data collected as of December, 2019 show by category the current use of 105 downtown units being tracked in conjunction with TCA. As shown in Figure 7-A, the percentages by category are then compared to what TCA characterizes as an ideal makeup of a vibrant downtown. Salem’s downtown contains more office and vacant

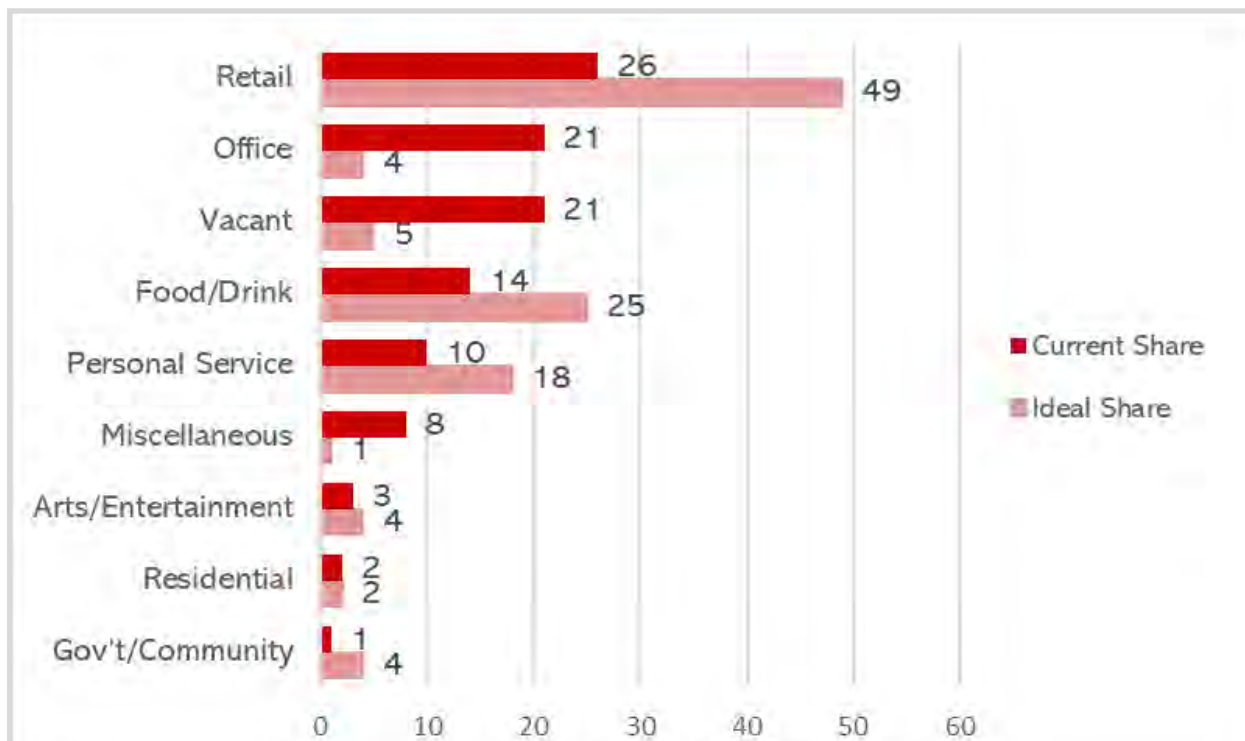


Figure 7-A, Downtown properties.net report for September 2019 through Town Center Associates

***TCA stands for Town Center Associates**

spaces, a lack of retail space, and a small deficit in the food/drink category than the ideal makeup of a vibrant downtown. Of the 24 properties listed as vacant, over half of those properties are currently in violation of the vacant building ordinance.

Through a September 2019 TCA report, 59% of 105 inspected facades were in “good “ condition, while 41% fell into the “Fair” or “Poor” category (roughly equally divided). In comparison to the initial assessment in 2017, IMPC violations have dropped from 48 buildings (135 violations) to 37 buildings (95 violations). There were significant identified problems with signage throughout the downtown.

Downtown buildings can be categorized by condition with their future prospects directly related to 1) the soundness of the building and 2) the means of the owner. “Means” refers to either financial means and/or the means to manage and move a project forward.



Five general categories of building condition are:

- Structurally sound and renovated to current standards
- Structurally sound in need of minor to moderate renovations
- Structurally sound in need of major renovation
- Structurally unsound but capable of repair within the context of economic viability
- Structurally unsound and not economically viable to renovate

On top of the building condition, we must overlay ownership and occupancy. This is predictive of the prospect of the building receiving the repairs, renovations and future maintenance needed to make it a part of a vibrant downtown.

More niche, retail shopping, but something with broader appeal. Tech business that brings young professionals - create a shared workspace near downtown....

Female, 35-49

Over many years, the downtown has seen a select number of individual property owners with means acquire properties and invest in rehabilitation of individual buildings with positive benefits for downtown. They have done this for

their own use or as an investment and it has resulted in spot improvements. These actions have required the owners to take on a certain amount of risk and to also take a leap of faith on the future of downtown. At the same time, other property owners have allowed vacant buildings to deteriorate to the point that, in 2015, two adjacent buildings had to be torn down leaving a gap in the streetscape. There have been 4 instances in the last 5 years where the street and/or sidewalk had to be closed due to the risk of falling bricks or walls. Unfortunately, there may be other buildings where demolition is the only solution. Demolition can be problematic due to shared walls or other shared connections with adjacent buildings.

The downtown has transitioned from what was historically a shopping district to a mix of uses including professional offices, some



retail, and a strong presence of popular locally owned restaurants. The downtown also houses the Salem Community Theatre which hosts locally produced live stage productions. According to TCA, vibrant downtowns have more retail and less office space than Salem currently has. One logical approach is to encourage office



occupancy on the second floor level while leaving the ground floor for retail. The challenge for owners wanting to use the second floor space is that much of it is in poor repair and it will require upgrades to current building codes and possibly a zoning change of use. All of this necessitates approvals through the State Building department which, as previously mentioned, is a challenge. In many cases, the likely cost may be difficult to recoup through rent.

One measure of a healthy downtown is the number of vacancies, but another is the ability to replace spaces that are vacated. By TCA's count, for the 4 years ending in December 2019, 36 new businesses have started in downtown while 35 businesses were lost. This works out to roughly 18 "transitions" per year on average. In TCA's experience, any downtown should expect 5-10% transitions per year. This is running a little higher in Salem, but the good news is that downtown is holding its own. The opportunity that this presents is that, combined with existing vacancies, the natural annual transition of occupants means that the occupancy profile shown in Figure 6-A could be dramatically changed in a short time frame if the desired business types could be attracted to downtown.

Adjacent streets, including Pershing and Second Street, have more recent developments including the Second Street Plaza and, on Pershing, the recently renovated and re-opened Timberlane's Complex.

The downtown has the most cohesive business association of any of Salem's retail sections in the form of the DSP. The City has also invested in the consulting services

of Town Center Associates to advise on downtown development. The City has taken a further step to seek help through R-CAP's Entrepreneurial Communities Initiative, funded through a grant from the US Department of Agriculture and designed to help small cities and towns build thriving economies by focusing on entrepreneurs and the complex ecosystems that support them. Each of these efforts seeks to encourage downtown development while balancing the interests of property owners with the collective interest of a vibrant downtown.

Specific current efforts at revitalization include:

- The SHSAA is completing a substantial renovation to their property at 330 East State Street including a new façade. The building will continue to house the SHSAA offices and its collection of Salem High School memorabilia.
- The building at 525 East State Street has been recently purchased by a local family with the intent to renovate it to reflect its original appearance.
- The former Huntington Insurance building at 542 East State Street has been acquired by a local investor who is dividing it into office spaces for lease and is considering offering a shared office arrangement.
- The building at 530 East State Street was remodeled to house a winery on the ground floor and a newly renovated apartment on the second level.
- The building at 420 East State Street has recently been remodeled and opened as a bicycle shop.

These examples all have been undertaken by owners with the means to complete their project and to do it in a way that substantially improves the property. As with prior efforts undertaken to renovate and put downtown buildings to productive use, each of these demonstrates the vision of the owner for a more vibrant downtown.

Current initiatives being promoted by the DSP include:

- Finding an alternative to relying on State building inspectors
- Working with the City to enforce applicable ordinances: vacant building, IPMC and signage
- Improving wayfinding to orient visitors to downtown businesses and direct them to convenient off street parking
- On-going efforts to bring residents and visitors downtown through Second Saturday events
- Promotion of Small Business Saturday to connect retailers and shoppers to national event
- Support of Designated Outdoor Refreshment Area (DORA) to expand visitor experience



- Creation of Business in a Day flow chart to aid entrepreneurs through our new business processes in Salem
 - Adding value for DSP membership through communication of best practices for downtown building owners and tenants
 - Coordination with Visit Salem Ohio to continue to promote and enhance the downtown and increase the digital footprint for certain well known aspects of Salem history
- The challenge for downtown property owners is balancing the costs of renovation and upkeep with the potential return from rental income. Due to the poor condition of some buildings, rents are held down and investment in adjacent buildings is thereby discouraged.

The challenge for City government is to balance encouragement and enforcement. Encouragement includes the evaluation of programs such as a Community Investment Corporation (“CIC”), DORA, Downtown Redevelopment District (“DRD”), Special Improvement District (“SID”), public-private partnerships to provide funding, and a local building department. Enforcement means targeting vacant buildings and buildings that do not meet Fire Code and IPMC standards and following through until the situations are resolved. A strategy for addressing buildings deteriorated beyond repair is needed to avoid future situation such as the gap currently in place east of the Butler building or the further closing of streets or sidewalks due to falling debris. Addressing these issues will encourage investment in the downtown by assuring property owners that their investment will be protected from neighboring buildings sitting vacant or deteriorating without repair.

East End

The East End is the hub of shopping, fast food and some entertainment. It is adjacent to much of the medical facility development in the community. Anchored by Giant Eagle supermarket, Walmart, Home Depot and several shopping plazas, the area attracts shoppers from a wide geographic area.

The area also has Salem's only "chain" hotel, the Holiday Inn Express, and the Salem Twin Cinema, which was recently upgraded to a digital format.

The East End contains a variety of properties amenable to commercial enterprises. These include individual spots in the existing plazas as well as vacant land for development.

North End

The North End saw the development of the new Chrysler Jeep Dodge dealership in 2011. Adjacent to the dealership is prime retail property which could house services to support local residents as well as bypass traffic. This area was included in the former TIF zone and efforts at that time to develop the property focused on the potential for a gas station, convenience store and/or fast food or other restaurant.

Extending down Ellsworth, potential land for development includes property adjacent to the Eagles Club. On the opposite side of the street is the former Chrysler dealership currently occupied by the Habitat for Humanity ReStore.



West State Street

The West State Street commercial area is less developed than the East End. It is a mix of fast food, houses, factories, and other businesses and the area lacks a cohesive feel or concept. There are some vacant properties that are in need of redevelopment and some current interest in redeveloping specific properties.

One challenge with West State Street is that it passes through both the City of Salem and Perry Township. The importance (and the opportunity) of West State Street is that it is a main entryway into the City of Salem. More workers who commute into Salem come from the west than from any other direction. The disconnected mixed use of this main entry corridor does not give a strong first impression. Simply stated, this commercial area of town needs a vision. As a major entry way into the City, the West End Commercial District needs a clearly defined vision for future development. Because it passes through township land, this may be an opportunity for Joint Economic Development District (JEDD).

Need more frequent special events. There's a lack of pride for publicspaces.

Female, 35-49

Goal

Continue to promote increased vibrancy in downtown

Provide for appropriate sustainable development east, north and west

Housing

Summary of Current Status

Salem has a wide range of housing options, although certain categories may have limited availability. The housing stock is aging and little new construction has occurred in the last 10 years. In fact, a significant portion (81.6%) of housing units were constructed prior to 1980 (See Figure 8-A). Specifically, according to the Planning and Zoning office, there were 3 housing starts in 2018 and 8 housing starts in 2019 (through November). The estimated median value of owner occupied housing units was \$97,800 in 2018 according to the American Community Survey. The comparable value for the State of Ohio is 30% higher at \$140,000.

Only about 7% of houses in Salem were built this century

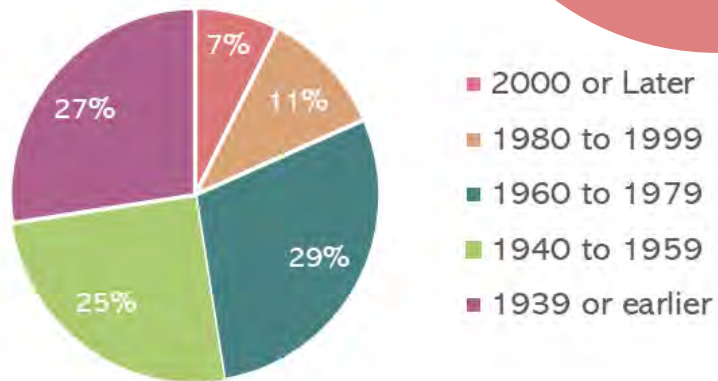


Figure 8-A, Salem Housing by Date of Construction (as of 2017)
U.S. Census Bureau, 2013-2017 American Community Survey

Identified Housing Needs

There has been a growing percentage of housing units offered as rentals, increasing from 34.5% of housing units in 2000 to 39.5% of housing units in 2017 (See Figure 8-B). Of particular concern is that many occupants of rental units appear to be struggling economically. Figure 8-C shows that over half of renters are spending 30% or more of their gross income on rent and 39% of renters live at or below 100% of the poverty level.

Both community survey results and conversations with area realtors identify a shortage of middle to upper middle priced homes. These are defined as single family homes in the \$150,000 to \$250,000 range (somewhat lower for ranches). Realtors identified significant shortages in ranch and

I would like to see Salem grow by seeing new housing developments. If the city is not providing middle class housing, then they can't expect individuals or families to move here.

Male, 22-34



2-story single family homes as well as in condominiums (particularly those aimed at seniors). Based on their expertise, the realtors identified that the construction cost of new ranch homes would be well in excess of \$200,000, which would price those homes out of the local market.

Realtors also note that a concern associated with the aging housing stock is that some existing homes have not been updated inside, making them less attractive to buyers. This is also associated with unrealistic price expectations on the part of sellers which can make houses difficult to sell.

At the same time, there are concerns about the deterioration of neighborhoods, particularly where there are substantial numbers of rental units. This has manifested itself in relatively quick sales of desirable properties and even reports of “bidding wars.” On the other hand, more blighted properties are decreasing property values and desirability

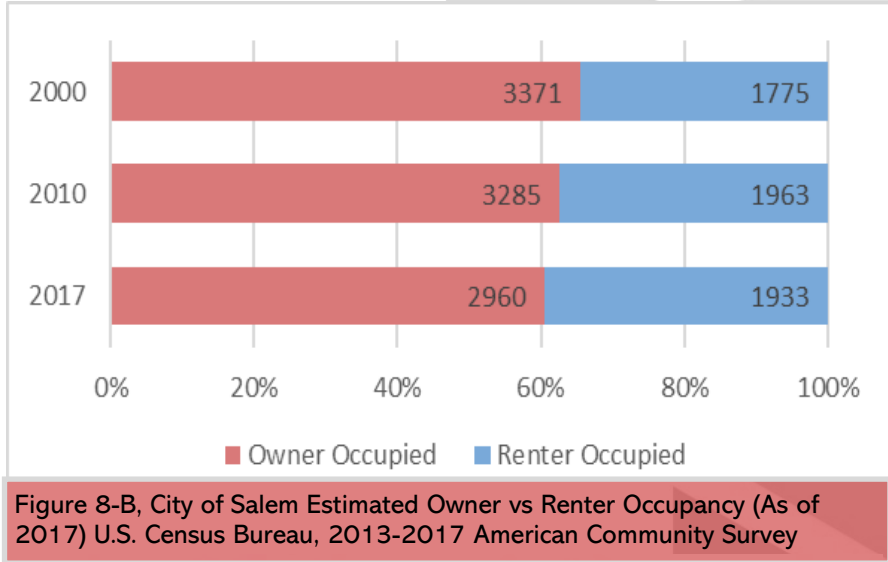


Figure 8-B, City of Salem Estimated Owner vs Renter Occupancy (As of 2017) U.S. Census Bureau, 2013-2017 American Community Survey

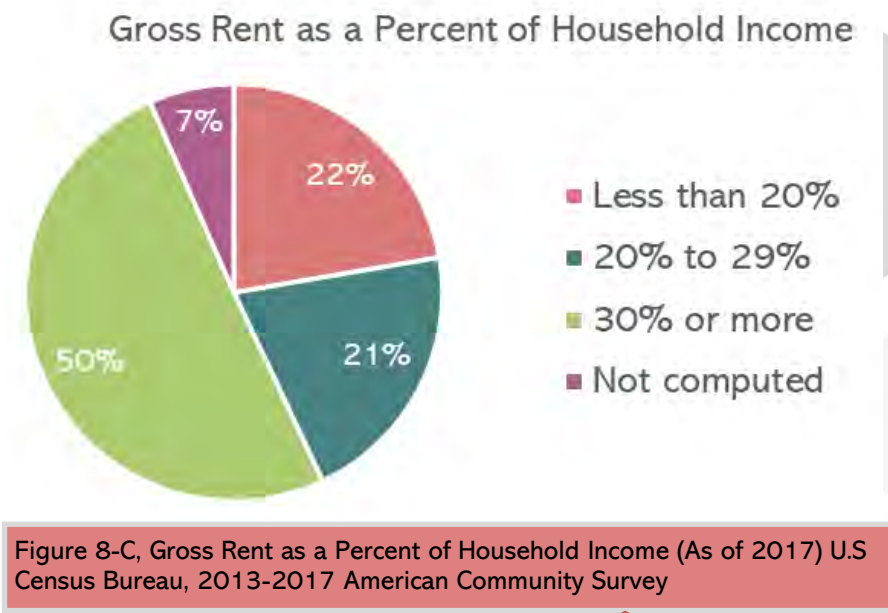


Figure 8-C, Gross Rent as a Percent of Household Income (As of 2017) U.S. Census Bureau, 2013-2017 American Community Survey

39% of families living in Salem rental units live below 100% of the Federal poverty level

of certain neighborhoods as well as placing a burden on city services. The area where blight is a concern is expanding and making it difficult for current owners of single family homes in those areas to sell their homes to anyone other than someone who will turn it into a rental. There are active “flippers” in the community who will update older homes for resale, but they will shy away from neighborhoods where they can’t realize a return on their investment.

Rental units targeting middle income workers or seniors could be a way to attract young people as well as allow older adults to transition from desirable single family homes while continuing to live in Salem.

Encouraging development of upstairs units in downtown buildings could address this in a small way while adding vibrancy to the downtown. However, the same issues exist for creating upstairs apartments as exist for creating upstairs office space.

Target properties for housing development

Several existing developments include vacant property for future homes. Including:

- Bricker Farms: middle income single family homes
- Stonegate Terrace: upper income single family homes
- Edgewood Drive : middle income single family homes

None of the existing developments has substantial capacity and no houses appear to be developed “on spec.” National or regional housing developers of middle to upper middle income housing have not shown interest in the Salem market. Factors large developers consider in selecting a site include: sufficient land to build at least 25+ houses, the presence or absence of a local building department, and school district State report card scores.

There are vacant properties within or adjacent to the City of Salem that appear appropriate for housing development. These include:

- Farmland around the intersection of Cunningham and East Pershing Street
- End of Fairview Avenue (8 acres)
- Extension of Highland East (26 platted lots available): middle income single family homes
- End of Hickory Lance (extending to Route 45)

In each case, these properties need to be purchased by an interested developer, possibly annexed into the City, and made ready with infrastructure improvements.

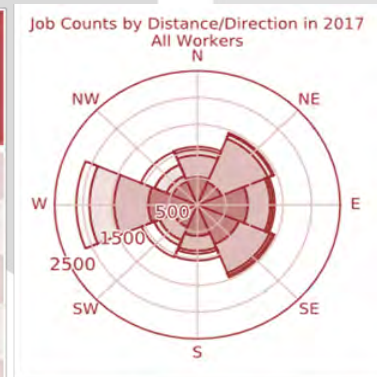
Salem has very few options for housing when you consider what would attract families that are looking to build in a newer development in the 250k to 350k range. It would be nice to see property annexed into the city for such developments.

Male, 50-64

Tools to Encourage New Development or Home Renovation

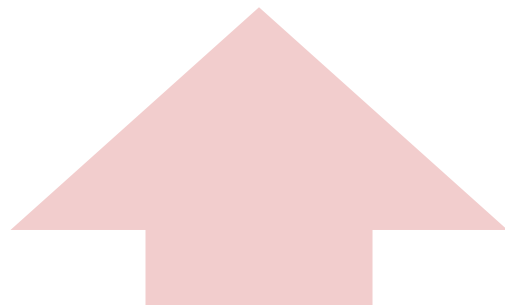
The CRA as currently designed allows tax abatements of 100% for both home renovation and new home construction for up to 15 years. However, it is limited to certain residential areas. The geographic limits were adopted to avoid disadvantaging existing home owners attempting to sell their homes. Unfortunately, the areas excluded from the CRA are those areas most likely to have homes desirable to the middle and upper middle income buyers. The CRA cannot be altered without forfeiting the advantages of the “pre-1994” provisions. (See Appendix E for areas where the CRA is available.) TIF financing is another tool available in State law.

Jobs in Salem OH by Worker Home County	2017 Count	Share
Total Jobs in Salem Ohio	10633	100.0%
Columbiana County, OH	4,099	51.5%
Mahoning County, OH	1,532	19.3%
Stark County, OH	663	8.3%
Trumbull County, OH	269	3.4%
Summit County, OH	188	2.4%
Cuyahoga County, OH	142	1.8%
Portage County, OH	93	1.2%
Carroll County, OH	78	1.0%
Mercer County, PA	48	0.6%
Tuscarawas County, OH	45	0.6%
All Other Locations	799	10.0%



Goal

Raise the median house price



Workforce and Education

Overview

As shown in Appendix I, site selectors identify “availability of skilled labor” as one of the top factors in identifying a prospective location for their clients, ranking it the number one factor in a 2018 survey. Even local employers considering expansion must be comfortable that they will be able to staff their new facilities before they commit to expanding locally.

Looking at a 30 mile circle around Salem which touches 12 Ohio, Pennsylvania and West Virginia counties, we see a population of 2.1 million from which Salem can draw workers. According to the US Census Bureau, the civilian labor force for this region is over 1 million (See Figure 9-A in Appendix). Despite this seeming availability of workers, employers report that their experienced workers are aging toward retirement causing concern about where the next generation of replacements will come from. They report difficulty in finding workers who will 1) pass a drug screen and 2) reliably show up for work.

Closer to home, Figure 9-B shows a breakdown of the 10,633 working residents living within a 5 mile circle drawn around Salem. One third of those jobs are filled with residents from within that 5 mile radius while two thirds are filled with commuters from outside the area. At the same time, 73% (over 9000 residents) are commuting out of the area for work.

Figure 9-C looks at the same 10,633 jobs within 5 miles around Salem. Since the turn of the 21st century, the peak year for jobs in this area was 2008, just before the Great Recession. Since that peak year, and despite a significant decrease in the unemployment rate, the region had 2.9% fewer jobs (equal to 322 jobs out of over 10,000) in 2017 compared to 2008. Of more significance and of more concern, over 1000 less jobs

**LaborForce
of 1 million is
estimated in
this region**

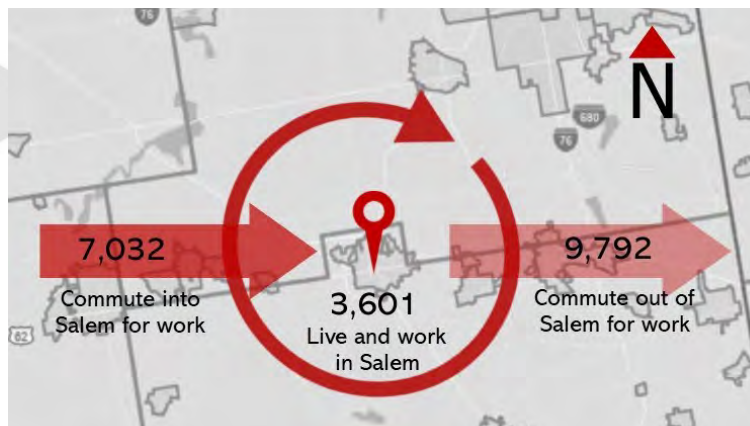


Figure 9-B, U.S. Census Bureau, 2017 Worker Inflow and Outflow from within Salem plus a 5 mile radius

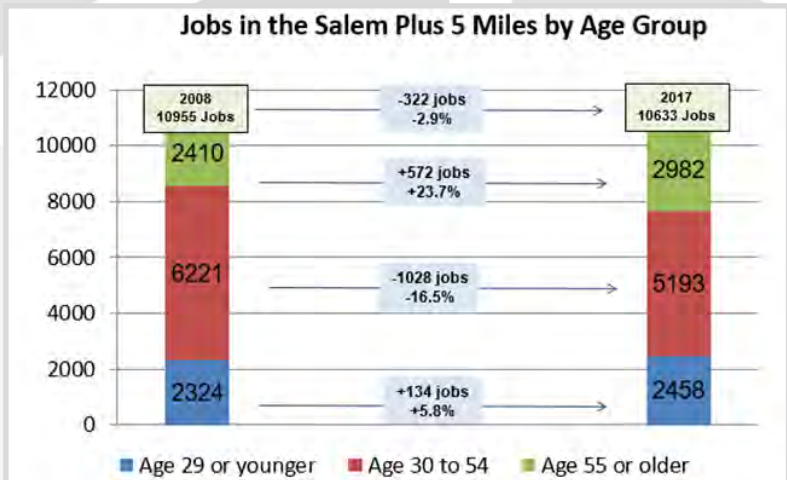


Figure 9-C U.S. Census Bureau

were filled by workers between the ages of 30 and 54. At the same time, 572 MORE jobs were filled by workers age 55 and older. This substantiates concerns expressed by employers that their workforce is aging. The good news is the number of jobs filled by workers under the age of 30 also increased by 5.8%.

Just over half of the 10,633 jobs within this range are filled by

Columbiana County residents with another nearly 20% filled by Mahoning County residents (See Figure 9-D in the Appendix). The remaining 30% commute from other counties with the greatest numbers coming from the west. About 10%, roughly 1000 workers, commute more than 25 miles to work in this area.

Based on the US Bureau of the Census American Community Survey, another concern is that educational attainment in our area lags the rest of the State. This is true for Columbiana County and for the City of Salem. The following table shows ACS estimates of advanced degree holders as a percent of the population over the age of 25:

Not only is Salem significantly lower than the State of Ohio, but Salem's percentage of the population holding a bachelor's degree or higher has dropped since 2010. Combined with a drop in the overall population, there are about 200 fewer residents holding a bachelor's degree or higher in 2017 versus 2010. During the same period, the number of Salem residents with "some college, no degree" has gone up by almost 400.

	Salem 2010	Salem 2017	County 2017	Ohio 2017
Bachelor's degree or higher	16.3%	14.8%	13.9%	27.2%
Associate's degree or higher	22.9%	23.9%	23.3%	35.7%

Education

Primary and Secondary Education

Salem City Schools graduates about 160 students per year. It has been recognized for the quality and extent of its Advanced Placement options. From a vocational perspective and unlike many public schools in Ohio, Salem Schools offer a precision machining program and elective classes in woods. They have also introduced classes in computer coding, robotics and engineering using 3D modeling. Similar to surrounding districts, only about 60% of the students entering college within 2 years of high school graduation attain a college degree within 6 years of high school graduation.

160
High school graduates a year

Yet, as the chart below shows, the schools are challenged by a net loss in open enrollment students leaving the district at an annual net cost in excess of \$1.7 million in State and local funding. Roughly half of the total outflow includes local tax dollars flowing out of Salem to fund education in other districts. There are likely many reasons for this. Despite many recent interior renovations, the age of the school buildings is one visible negative. With the recent announcement that United Schools will be pursuing a new K-12 building, every surrounding district has much newer facilities than Salem. Unfortunately, the net loss from FY2019 to FY 2020 has worsened.

	FY 2019		FY 2020		Change	
	FTE	\$	FTE	\$	FTE	\$
Open Enrollment IN	133.25	\$ 780,248	119.99	\$ 711,548	-13.26	\$ (68,700)
Open Enrollment OUT	-312.02	\$ (1,812,676)	-338.34	\$ (1,985,879)	-26.32	\$ (173,203)
Charter/Online OUT	-37.86	\$ (311,392)	-50.93	\$ (436,282)	-13.07	\$ (124,890)
Net Impact	-216.63	\$ (1,343,820)	-269.28	\$ (1,710,612)	-52.65	\$ (366,792)

St. Paul's Catholic School offers K-6 education in Salem. Other adjacent public school systems include:

- West Branch (Mahoning County)
- South Range (Mahoning County)
- United Local (Columbiana County)
- Leetonia (Columbiana County).

Higher Education Resources

Within commuting distance of Salem are multiple universities and colleges. The main campus of Kent State University ("KSU") in Kent, Ohio is within commuting distance. Kent State also offers regional campuses in Salem and East Liverpool. Combined, the two Columbiana County campuses offer 28 degree programs, 13 of which are Bachelor degrees. The Kent Salem Campus has demonstrated success with first generation college students, transfer students from other universities, discharged veterans and local students starting college. The SCF subsidizes tuition for students from local school districts. The KSU Columbiana Campuses have an innovative Rural Scholars program that identifies secondary school students with potential and provides mentoring by older students to help them navigate career choices and educational opportunities. The Salem Campus is known for its programs in Nursing, Radiologic Technology and Horticulture Science, in particular. Recent upgrades to its health sciences wing and its science laboratories provide outstanding STEM capabilities.

Youngstown State University in Youngstown OH is also within commuting distance. Private four year colleges within an hour's drive include Mount Union University, Malone University, Walsh University, Hiram College, and Geneva College (Pennsylvania).

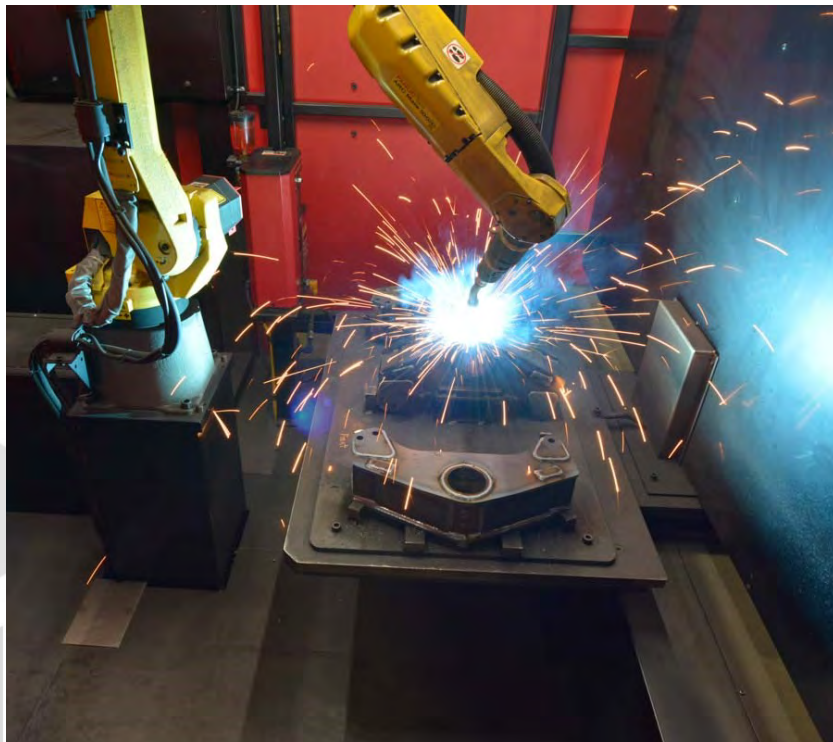
Training Needs

Adult Training Needs

In 2018, the SOD Center received a grant from the Governor's Office on Appalachia to develop a Training Center. As part of the process of applying for the grant and subsequently administering the grant, the SOD Center has identified training needs with input from area employers. Adult training can be divided into 1) formal training programs, 2) job specific skill training, and 3) general work readiness training.

Locally available formal training programs include: apprenticeships for various skilled trades, certificate programs through Columbiana County Career and Technical Center, New Castle School of Trades and the Hannah E Mullins School of Practical Nursing, associate degree programs through Kent State Salem Campus or Eastern Gateway Community College. Each of these organizations develops programming responsive to local employer needs.

Job specific training must also dynamically respond to market demand. These may be offered in a seminar format at work sites or in a training center such as that offered by the SOD Center. By identifying skills common to multiple employers, a local training center can offer local training, thereby reducing employer costs for time and travel. These might include work skills ranging from blueprint reading and basic pneumatics to new supervisor training. It could also include work readiness skills and fundamentals such as math for manufacturing or introduction to Excel.



General work readiness helps prepare adults for the world of work by teaching fundamental skills needed to get and hold a job. Skills to obtain a job include resume writing, navigating the on-line application process, and interviewing skills. Work readiness skills include life skills training on the importance of attitude, attendance and willingness to learn on the job. For candidates who have a specific industry in mind, more focused skills, such as safety training for manufacturing, can be offered.

The Training Center at the SOD Center in Salem offers both job specific training and general work readiness training to support local employers.

High School Student Preparation Needs

High school student preparation needs can be derived by understanding the skills employers report as lacking in the applicants they are interviewing. They can also be understood through the gaps identified by local adult training programs. In some cases, these skills can be academic skills, such as the mathematics necessary to handle manufacturing jobs. In many cases these are job readiness skills and/or life skills that are foundational to succeeding in the world of work.

Goal

Reduce the median household
income gap between the City of
Salem and the State of Ohio





Quality of Life

Quality of life is a component of economic development as a factor in attracting and maintaining employers and workforce. As examples, a negative environment with high crime or deteriorating infrastructure would tend to discourage employers and workers from locating in an area. A positive environment providing a safe welcoming community with vibrancy and activity would tend to attract employers and workers. Since all communities have both positives and negatives, quality of life is a measure of the balance: how a community's positive attributes weigh against its negative attributes. Opportunities can then be identified to improve the balance by building on the positives and mitigating the negatives.

Salem's quality of life can be judged by the strong feelings of pride and caring conveyed in the survey responses.

Even when identifying negatives, the sense is one of looking for opportunities to improve the community. Pride comes out in speaking of the many "community gems" previously identified in this report. But perceived quality of life likely varies by the age of the observer. Community assets that may be valued by the older generation may not speak to the under 30 generation.

I would like to see more people be able to walk around downtown and be able to do something and enjoy themselves while they are there.

”

Unspecified, Under 21

Survey respondents and focus groups identify that the perception of life quality could be greatly enhanced by better communicating the message of Salem's assets to both residents and non-residents. There is an identified need for creating synergy among many disjointed assets. This could be accomplished through an overarching marketing campaign. Many small communities have put together a community theme, often supported by a logo and advertising. Such an effort must only promise what the community can deliver. Today, this type of effort must incorporate a positive social media/web presence, perhaps above any other media. Unfortunately, today there is a privately administered social media platform that promotes the more negative aspects of community life. These marketing efforts need to incorporate both City services as well as private organizations of interest to visitors. Of course,



this requires that the City and multiple separate organizations come together with the intent to subordinate some of their individual interests to the greater good.

At the same time, identified negatives must be addressed to make Salem a desirable place to live, work or visit. As previously noted in this report, the community has identified major detractors from life quality, including drugs/crime, the spread of residential blight, and the condition of some downtown properties and strong perceptual negatives. Focus group discussions note that these three issues are interrelated. First impressions are key and, in this sense, the condition of downtown is paramount.

Over the years - same discussions - same negativities that shoot down suggestions - not willing to try to move in a different direction than past...there has to be a "hook" throughout the community to get people here.

Female, 65+



Goal

Promote the desirability to live in Salem

Promote assets that attract visitors to Salem





Community Resources

The City of Salem has a number of non-governmental organizations which support business and economic development from various angles.

The Sustainable Opportunity Development Center

The Sustainable Opportunity Development Center (“SOD Center”) was created in 2010 as an outcome of the Comprehensive Plan. The recommendation was to create an entity to exclusively focus on economic development. The SOD Center began as a privately funded economic development organization which also sought public and private grant funding. Beginning in 2015, the SOD Center began receiving funds directly from the City of Salem in exchange for providing economic development services to the City. For the purposes of this agreement, the SOD Center reports its progress quarterly to the Economic Development Committee of City Council.

Services provided by the SOD Center include development of entrepreneurs, assisting existing businesses with expansion, attraction of new businesses, and identifying barriers to development with the objective of clearing those barriers.

Early in the SOD Center’s life, it pursued retail development in TIF zones in the East End and the North End. SOD Center has taken over a contract the City had with Town Center Associates to focus on Downtown Development. Through that effort, the Downtown Salem Partnership was formed as a subsidiary to the SOD Center.

The SOD Center has also established an ongoing relationship with the Small Business Development Center (“SBDC”), an entity supported by the State of Ohio. Through that connection, the SOD Center has provided office space to SBDC consultants to meet with prospective entrepreneurs to develop business plans and pursue their dream of opening a business.

Absent the funding provided by the City of Salem, the ability of the SOD Center to continue, or continue at its current level of activity, is questionable.

Salem Area Chamber of Commerce (“the Chamber”)

Throughout its long and successful history dating back to the 1890’s, the Salem Area Chamber of Commerce has aimed to fulfill its mission: To foster, promote and develop the advancement of the commercial, financial, industrial and civic interests of Salem and the surrounding area. As a result of the Chamber’s sponsorship of the Comprehensive Plan, its efforts led to the creation of the SOD Center. Over 350 individuals, businesses and organizations partner with the Chamber to continue development in the community while also promoting goodwill.



The Chamber is a voluntary, non-profit organization that focuses on improving the quality of life for all through the hard work its members, volunteers and committees. It is committed to keep “PACE” (Promote, Advocate, Connect and Educate) on behalf of their membership. The Chamber works to promote and advocate for the City of Salem and Salem businesses through the sponsoring of community events such as: Beautification Awards, Christmas Parade, Clean-Up Salem Day, Christmas Light Up Night, Quakerfest (a one day festival held in October), Salem Second Saturday and Small Business Saturday as well as hosting their signature events of the Annual Meeting, Downtown Dining Experience, and Golf Outing. Along with general benefits to market and advertise their businesses, members of the Salem Area Chamber of Commerce are given the opportunity to make connections by sponsoring and participating in these events aimed to bring people into Salem and to encourage utilization of Salem businesses.

Downtown Salem Partnership (“DSP”)

The Downtown Salem Partnership was begun in 2015 under the auspices of the SOD Center as a re-boot of the former Salem Retail and Merchant Association. Founded by downtown business owners, DSP has as its mission the promotion of downtown businesses. Their efforts include: sponsoring events downtown, marketing downtown Salem as a destination, reducing barriers to starting and operating downtown businesses, improving access to downtown businesses through traffic and parking initiatives, and forming a liaison with City government. The DSP is welcoming to new business startups. Their efforts have been enhanced by the efforts of the Salem Beautification Committee, a committee of the Chamber, whose efforts across all of Salem have had particular success with cleanups and plantings in the downtown.

Goal

Ensure the future of full-time dedicated economic development services in Salem

Foundations

Salem is home to several foundations, the largest and most visible of which is the Salem Community Foundation ("SCF"). Another smaller foundation supporting the community is the Pearce Foundation. While neither is specifically focused on economic development, both organizations support the many community assets which collectively contribute greatly to the quality of life in Salem. While it is impossible to list all of their grants, their support extends to:

The Salem Community Foundation is the largest foundation in Salem

- Education through the public schools, Kent State Salem Campus, St. Paul's Catholic School
- Healthcare through support of the Salem Regional Medical Center
- Wellness through the development and support of the Salem Community Center and the public park system
- Public Safety through support of the Salem Police and Fire Departments
- Providing a community safety net through support of United Way, the Salvation Army, the Banquet of Salem, AID, Mobile Meals, SAFCO, Church Women United, and other community aid organizations

In all, these private foundations and other service organization in the community including Rotary, Kiwanis, Elks, and others provide resources that otherwise might be impossible to find in a community the size of Salem.

Salem High School Alumni Association ("SHSAA")

The SHSAA is a truly unique organization which is regularly contacted by other communities who are interested in duplicating its success. Founded in 1903, the SHSAA has assets in excess of \$10.5 million dedicated to supporting alumni of Salem City Schools in their pursuit of higher education or vocational training. In 2019, a total of \$364,875 in merit scholarships was awarded to graduating seniors and recent alumni of Salem High School. The SHSAA promotes Salem City Schools and offers opportunity to graduates to pursue higher education.

Summary of Community Resources

In summary, the City of Salem has a unique configuration of community resources to support business and community development. Greater coordination and targeting of these resources has the potential to further enhance the significant impact they have on the community.



Conclusions

General Economic Development Priorities

Considering that we all work within a system of resource limitations and in light of the definition of economic development as set out in the introduction to this report, the first conclusion is that, while new business should be welcomed, economic development activity and City incentives should target businesses most likely to increase wealth in the community.

Without identifying specific industries, we can prioritize types of business organizations that will be most likely to increase community wealth. Generally speaking, businesses that create new wealth should be the highest economic development priority. SOD and City efforts should proactively initiate recruitment of new wealth-creating industry while taking a more reactive approach to assisting with existing business expansion or new retail/commercial startups.

Ownership should also be considered: local owners will keep business profits local. Besides generating payroll and profit, wealth-creating businesses have a multiplier effect on the local economy as the money is spent and circulates.

Retail/restaurant/service businesses have a role. They enhance the community by providing local options for consumers and enhance the multiplier effect by providing venues for spending to circulate in the community. Local ownership is a bonus, as it is with manufacturing, because the profits stay local.

All business adds to the tax base. For profit businesses pay property and income tax and their employees pay personal income taxes. Not for profit service businesses do not pay property

Economic Impact →	Creates new Wealth	Pays Property Tax	Employees Pay Income Tax	Draws Money into Salem	Draws Transfer Pmts into Salem	Adds to Quality of Life
↓ Business Type						
Manufacturing/ Production	✓	✓	✓			
Retail Store		✓	✓	may		✓
Restaurant		✓	✓	may		✓
For Profit Service Business		✓	✓	may	may	✓
Not for Profit Service Business			✓	may	✓	✓
Government Service			✓		✓	✓



tax or income tax but their employees do pay personal income tax. Not for profit businesses may bring government transfer payments into the community (e.g. State funding or Medicare monies), that add to the economic base.

As we consider Salem's place in the larger scheme of county, State

and nation, only manufacturing and production (including new models of production) create new wealth that enhances the economic profile of those larger regions. Because of the enhanced benefits from local ownership, encouraging entrepreneurship becomes a priority. Because expanding a successful business is less risky than starting a new business, barriers to business expansion should be mitigated. When considering the attraction of a business to expand or relocate to the area, incentives should be targeted to those with the greatest opportunity to create new wealth in the community. These efforts have the biggest potential impact but also have the lowest probability of success. Success in business attraction can be improved by having coordinated efforts to present Salem's assets in the best possible light. Also, the likelihood of success in recruiting can be enhanced by targeting industries that fit with the assets the community has to offer.

We must also consider that any new business has intangibles beyond the money it generates. If these intangibles are negative, they may offset any economic gains. A manufacturing concern that generates pollution could be undesirable because it discourages other investment in the community. Similarly, certain retail, service or restaurant businesses may not fit the defined and desired character of the community and, in turn, discourage investment by others. This is where pre-planning and zoning interface with the targeting efforts of economic development.



SOD's Role



Readiness for Business Expansion/Attraction: Land

- A. The availability of land currently within the City suitable for manufacturing is limited and what land there is could be improved to a state of shovel readiness, which could enhance marketability for industrial development.
- B. The existing industrial parks have only one undeveloped lot.
- C. A small number of brownfield sites are available without the need to acquire or disrupt greenfield sites.
- D. There are vacant industrial buildings on the market for sale or for lease which provide opportunities for 1) existing companies to grow or expand, 2) for entrepreneurs to start up or 3) for outside companies interested establishing a Salem presence.
- E. The East End Retail district has been the location of much retail development and still has much land that could be developed. It lacks for a vision for what businesses may be desirable and, therefore, targeted.
- F. The North End district is limited in the amount of available land but contains potentially desirable land for retail expansion.
- G. The West State Street district is shared with Perry Township and is a hodge-podge of mixed use development, much of it dated. Despite being a key gateway for commuters and travelers into Salem, it lacks a vision for development.
- H. Salem is surrounded by undeveloped land situated in the surrounding townships. In some cases this land sits adjacent to current industrial, commercial or housing developments making it attractive for expansion. Depending on the township involved, the land of interest may sit in either Columbiana or Mahoning County.
- I. The approach to land annexation is controlled by the County Commissioners in each county and so City, Township and County all need to agree on the approach.

Readiness for Business Expansion/Attraction: Workforce

- A. While there are substantial numbers of people in the Civilian Labor Force within a 30-40 mile radius of Salem (over 1 million), the City of Salem and Columbiana County have seen a decline in population and in workers as well as an aging of the workforce.
- B. There is a disconnect between community perception and local employers regarding job availability. Based on survey responses, one of the most frequently cited needs are more “good” jobs. Yet, employers say that they have “good” jobs open and they are unable to attract quality applicants. There may be misperceptions about manufacturing jobs: how many are available, what they entail, and how to prepare for them.

- C. The City and County lag the State in educational attainment. The number of City residents holding Bachelor degrees or higher has declined. The number of residents over age 25 who have had “some college, no degree” has increased significantly which leads us to ask whether students are pushed into college who are not ready and perhaps would benefit from the many local job openings that do not require a college degree.
- D. Industry growth should focus on community realities: the world as it is, not as we would like it to be. This necessitates a focus on the historic strength of meat-and-potatoes manufacturing. We lack the workforce and other infrastructure to pursue high tech or other industries requiring advanced education and training.
- E. The immigrant population has shown work ethic, but they face prejudice and hostility, resulting in insular behavior. Worry that their immigration status may be challenged adds to the prospect of them being exploited. But, their upward mobility could be enhanced through training on how to advance in their employment. Immigrant parents and students need to understand the value of a high school degree. Immigrant non-working spouses could benefit from training on how to prepare for the work environment.

Readiness for Business Expansion/Attraction: Infrastructure

- A. Salem enjoys abundant water resources which support both industrial and residential users. Plans in place to further expand the capacity of the water and sewer systems will only enhance this asset.
- B. Salem lacks industrial sites that can be called shovel ready. In the identification of greenfield sites for designation as a future new industrial park, consideration should be given to existing utility services and the ability to extend them to any potential site.
- C. Salem has brownfield sites (such as the former Eljer property and the former Miller Holzworth property) that could be re-developed for new industry. A full evaluation of the utilities serving those brownfield sites should be conducted.
- D. Completing the Route 62 Bypass around Salem has long been a City priority to reduce passthrough truck traffic in downtown but has not made the list of State priorities. Some success was achieved by prioritizing the bypass in the GPS mapping software used by trucking companies. Completion of the bypass would enhance truck routes serving the area.

Readiness for Business Expansion/Attraction: Available Incentives and Resources

- A. Salem has an advantage in comparison to neighboring communities due to maintaining a pre-1994 Community Reinvestment Act ordinance. This advantage has not been well publicized and therefore the City does not get credit for it.
- B. Past decisions limiting application of the CRA on the residential side may offset the benefits of maintaining the pre-1994 status.
- C. Salem has a number of income tax incentives in place for employment growth. Again, this has not been well publicized and therefore the City does not get credit for it.
- D. Salem has TIF experience and a willingness to enter into new TIF arrangements. The preference is to offer this on a project specific basis rather than on a speculative basis. Exploration of how a TIF can be combined with other incentives could add to the City's development toolkit. Conversations prior to being faced with a development opportunity could speed decision making.
- E. The SOD Center is an independent, private, not-for-profit organization that has evolved into a public/private partnership with the goal of providing a single source for economic development activity. Just over ten years ago, the Comprehensive Plan, sponsored by the Chamber of Commerce, identified the need for such an entity. As there is no other economic development resource in Salem, maintaining the financial viability of the SOD Center is crucial to future development and growth.
- F. SOD Center has developed relationships with the SBDC, MEDVC, JobsOhio, TeamNEO, the Columbiana County Port Authority, OMEGA and other economic development entities that can bring resources to support specific development projects.
- G. Even with dedicated economic development services provided through the SOD Center, Salem needs a coordinated process for addressing business attraction or development. The City needs a proactive approach to seeking development as well as a proactive process for responding to proposed development.

Workforce/Jobs

For the purposes of this report, based on focus group discussions, a solid "middle class" lifestyle in Salem can be maintained with a family income of \$60,000 to \$100,000. This is a broad range and must factor in things like family size, the employee benefits associated with the job, and other factors. Nonetheless, this leads to the conclusion that a two-earner family must each hold jobs averaging \$30,000 to \$50,000 to achieve that range. This factors into what defines a "good" job in Salem.

- A. Manufacturing is the largest industry employing people in our City and our County. Manufacturers offer some of the better wage and benefit packages in the area.
- B. There is a significant disconnect between the employer community and the working

population as evidenced by a significant number of survey comments bemoaning the lack of “good” jobs and the number of manufacturing employers desperately seeking employers at all levels in their organization. Some of this may relate to the public perception of manufacturing jobs.

- C. High school students may lack an understanding of the types of jobs in demand in our area and may also be of the understanding that a 4 year degree is the only path to success. As a result, a little over half of Salem High School graduates pursue college in the 2 years after graduation but only about 60% of those pursuing college have a degree 6 years after graduation.
- D. For students not pursuing a four year degree, there may be a lack of understanding as to how to use their time in high school to pursue a career in manufacturing or the skilled trades. While Salem students can attend the Columbiana Career and Technical Center (CCCTC), the district is not a participating district in the CCCTC.
- E. For those entering the military after high school, understanding their local post-discharge options could influence the skills they pursue in the military and/or lead them to return home after their service.
- F. In seeking grant funding for the SOD Training Center, the SOD Center has identified adult training needs that fall into 2 major categories: 1) working to improve skills of existing workers and 2) working to provide basic skills for those seeking employment or advancement. In their first 2 years of existence, the SOD Training Center has targeted both audiences and has identified further opportunities to address the employability of the immigrant population.

Quality of Life Considerations

Salem has a tremendous history as well as an infrastructure of community organizations and attributes that would be the envy of any city of 12,000 population. Survey results recognize a number of “community gems” that add to the quality of life, as have been previously listed in this report.

Survey and focus group results, substantiated by Census data, also identify several areas where the respondents feel improvements are needed. These include:

A. Leadership

- a. Authority and accountability are diffused since many offices are elected directly.
- b. The lack of a City or County building department is a deterrent to business and housing expansion.

- c. Both the new vacant building ordinance and the new IPMC ordinance have fallen short of their potential due to either lack of enforcement and/or lack of follow through. Older Housing ordinances related to rental properties seem to have had the same fate.
- d. The Zoning ordinance (passed in 1973) is in need of an update.

B. Housing

- a. Increased poverty and an increase in the percent of rental housing units has led to an increase in blight in certain neighborhoods
- b. Relatively little construction since the turn of the 21st century has led to an older housing stock and a lack of sufficient middle/upper middle priced housing. The older housing stock is exacerbated by homes which are “dated,” lowering housing sale prices or discouraging potential buyers altogether.
- c. There is a market for a wide price range of condominiums and possibly quality apartments.
- d. Alternatives to support the costs of maintaining the large older homes in the historic district such as offering Bed and Breakfast accommodations have been cut off by City action.

C. Perception of school system

- a. Salem residents are choosing to open enroll their school-age children in public school districts other than Salem City Schools despite many apparent strengths of the district. This has resulted in a net outflow of students, which results in a very significant outflow of both State and local funding from Salem.
- b. Perception of Salem Public Schools is colored by the state Department of Education report card which disadvantages districts such as Salem that have students from a diversity of income groups. Report card grades are communicated widely through real estate web sites, discouraging potential residents and real estate developers.
- c. Salem school buildings are old and dated and could be a perceptual negative in comparison to surrounding districts. (With the announced replacement of United Locals buildings, every surrounding district will have substantially newer academic facilities than Salem.)



D. Retail blight/Downtown

- a. Individual vacant buildings lacking upkeep detract from an appearance of vibrancy. This exists in various areas but is particularly prevalent and noticeable in the downtown.
- b. In the last 5 years, four occasions of structural deficits have caused the closing of sidewalks/streets due to the risk of falling walls/bricks. Interviews with City officials indicate that there is a high probability of additional closures in the future for the same reason.
- c. Recently enacted ordinances to address vacant buildings and to maintain IPMC standards have yet to fully address these issues due to lack of enforcement and follow through.
- d. A strategy for improving downtown buildings must take into consideration the five previously identified categories of building condition with a targeted approach for each category.
- e. A small but potentially attractive option for promoting downtown vibrancy is encouraging development of more second floor spaces as either office space or “loft style” apartments.

E. Attractiveness to a worker unconnected to a physical work site and/or the “millennial entrepreneur”

- a. Due to the internet, more and more jobs allow employees to “live anywhere.”
- b. Due to the internet, entrepreneurs in certain technology fields can start up anywhere.
- c. When a person is no longer linked to the workplace, where to live becomes a function of family considerations and quality of life considerations.
- d. A small town (or someone’s home town) has some natural advantages but those advantages must be coupled with appropriate current lifestyle amenities and sufficient support for the needs of a worker disconnected from a specific work site.
- e. Needed services include high speed internet and shared office space, preferably within walking distance of downtown amenities.

F. Attractiveness to outside visitors

- a. Survey respondents were divided on the quantity and quality of dining options in the community but an objective observation (as cited by Town Center Associates) is that Salem has a large number of unique dining options for a City its size. Salem lacks nationally prominent casual sit-down restaurants, although this may be more of a concern to local residents than to visitors.

- b. Salem has seen the development of two hotels, one a chain and one an independent, in the last 10 years. This has provided bed tax monies and infused the Tourism Board with funds to promote the City.
- c. Salem has significant history and historical sites that might be of interest to visitors but their promotion has been disjointed and haphazard, under the uncoordinated auspices of multiple groups. The web presence of these assets is minimal.
- d. Salem has an annual Salem Cruise event that attracts thousands of people to the City for a summer weekend but received little credit in the survey as no respondent identified the Cruise as an asset and several respondents bemoaned the lack of a “festival” and/or the loss of the Salem Jubilee.
- e. Unlike many communities its size (particularly those with an array of historic homes), Salem lacks any operating Bed & Breakfasts. A search of the Airbnb.com website shows only a handful of available properties in Salem or within close proximity.

General Conclusion about Marketing Salem

Throughout the process of gathering community input for this plan there have been two general categories of observations related to marketing of Salem, its assets and activities. The first is that community assets exist, but then it becomes apparent that they are not known or recognized by the citizens of the community. One example of this is that many comments were received that the City needs to put incentives in place to attract business. The fact is that many incentives are already in place but are apparently unknown, even to existing businesses that are the primary targets of the incentives. Efforts have been made recently through projects such as Business in a Day to overcome this, but this requires continued vigilance.

The second category is that the information that is put out about various Salem assets is uncoordinated and difficult to find. This is particularly true of information that should be targeted to potential visitors. One example of this is that multiple focus group participants lament that Salem has a variety of organizations promoting events but little coordination between them and no overarching marketing campaign tying them together. A specific example is the efforts over the years by the Chamber to coordinate a community calendar to avoid conflicts meeting with only mixed success.

Comments suggest that part of the issue is that media has changed and that those organizations depending on the traditional avenues (e.g. the newspaper) are finding them no longer effective. In the case of the younger population, even Facebook and other sites are considered outdated, as products such as Instagram (and numerous others) are taking market share. Recent efforts have included using Tourism monies to contract for creation of internet/social media connections. The challenge to success for this effort will be a concerted effort to reel in all the current disjointed efforts by a wide range of organizations.

The outgrowth of both identified issues is lost opportunity. Many people are drawn into Salem for routine everyday activities (such as work, Walmart, SCC, SRMC) who, for example, are potential customers for downtown restaurants or possible visitors to be enticed back for a discretionary visit to take advantage of Salem's assets. Similarly, visitors come to Salem for one-time events (such as the Cruise, Centerplex/Center Circle events, Second Saturday, Sebo stadium) who, for example, could be shown other events to attend in Salem or encouraged to visit Salem restaurants or retail establishments. Finally, outsiders evaluating Salem as a place to locate either a business or to live do not get the full picture of the community or the options open to them. The conclusion is that there are many opportunities to cross-market Salem's assets that are being missed. The DSP has identified this opportunity and has taken initial steps to improve the marketing presence of the community. But, again, this will require new thinking, continued vigilance, and community cooperation.



Recommendations

The following recommendations represent a shared vision for specific activities to be undertaken by the SOD Center in conjunction with the City of Salem, with the involvement of many other community organizations. The target horizon for the recommendations is 5 years.

The recommendations from each chapter of this report are formatted into the following spreadsheet for easy review. The recommendations are grouped into 9 major themes. Each of 23 measurable goals is supported by underlying strategies. A target date for completion of each strategy is set for either one year, three years or five years.

Also, for each strategy, an organization (or group of organizations) is listed as responsible for working toward its completion. Depending on the nature of the strategy, completion of some may fall largely to a single organization where others are more amenable to a consortium of organizations working together.

The spreadsheet format lends itself to tracking and reporting progress and completion. The SOD Center will track progress and report periodically to the Economic Development Committee of City Council.

Many small communities do not have the same level of closeness that Salem has.

Male, 35-49

2021-2026 Recommendations

Theme I

City Structure

Goal

City to initiate a focused and disciplined effort towards business proactive policies that promote tax base diversification

Strategy

- 1 Evaluate and update current City policies that promote and support the growth of new and existing businesses
- 2 Pursue having a local (or County) building department
- 3 Revise the 1973 Zoning Code and associated ordinances

Initiative

- a Define authority to pursue enforcement of existing commercial building and housing (rental)
- b Pursue enforcement of existing ordinances up to and including citations into court

Theme II

Business Development & Entrepreneurial Support

Goal

Attract new wealth by growing manufacturing/production

Strategy

- 1 Identify and prepare land suitable for industrial growth

Initiative

- a Identify priority prospective shovel-ready sites: Greenfield and Brownfield
- b Identify gaps to shovel readiness for each priority property
- c Implement plans to make sites shovel ready
- d Develop and implement a strategy for Industrial Park(s) in Salem (expansion of existing or new)
- e Develop and implement a strategy for a small manufacturing incubator site

Strategy

- 2 Identify and prepare vacant buildings for industrial use

Initiative

- a Identify priority prospective "move-in ready" sites
- b Identify gaps to move-in readiness for each priority property
- c Implement plans to make sites move-in ready

Strategy

- 3 Evaluate and recommend changes, as needed, to economic development tools to promote industrial development

Initiative

- a Develop an annexation strategy to grow Salem
- b Identify development partners and their available tools
- c Develop an "Incentive Toolkit" to summarize and promote CRA, TIF, and other incentives
- d Evaluate current incentives and identify need for additional incentives; specifically evaluate the pros and cons of changing the current CRA structure and define targets for creating a TIF

Strategy

- 4 Evaluate and grow, as needed, support services to promote industrial development

Initiative

- a Identify development partners and their roles
- b Support prospective entrepreneurs with education and startup services
- c Catalog and develop, as needed, financing options for industrial entrepreneurs
- d Evaluate funding a SOD-based revolving loan fund with one target being industrial startups

Strategy

- 5 Identify and recruit desired types of industry

Initiative

- a Research businesses upstream or downstream from existing manufacturers
- b Research businesses supporting regional oil & gas, additive manufacturing, and electric vehicle development
- c Assemble and gain approval for a coordinated package of material describing Salem and its assets to prospective businesses
- d Appoint a group authorized to meet with and represent the City in discussions/negotiations with prospective businesses

Theme III

Goal

Business Retention and Expansion

Grow existing manufacturing businesses

Strategy Initiative

- 1 **Support the growth of existing businesses**
 - a Develop a marketing plan to existing businesses to promote City incentives and other reasons to expand in Salem
 - b Identify existing support services for business expansion as well as gaps in those services
 - c Gather real time information on local business needs through an on-going BR&E visit schedule with tracking and reporting (Obtain funding to implement CRM system for tracking)
 - d Promotion and networking of existing businesses

Theme IV

Goal

Quality of Life: Downtown Revitalization

Continue to promote increased vibrancy in downtown

Strategy Initiative

- 1 **Consider barriers to doing business downtown and streamline as necessary**
 - a Resolve issues with State inspections for renovation
 - b Implement "business in a day" web presence to ease hassles to opening a new business
 - c Finalize decision on DORA proposal

Strategy Initiative

- 2 **Strategize targeted initiatives for downtown buildings categorized by their condition**
 - a Formulate a strategy for removing buildings beyond repair
 - b Work with Land Bank to transition building ownership to facilitate development, as appropriate
 - c Ensure enforcement of existing ordinances: vacant building, IPMC, zoning
 - d Identify strategy for structurally sound, but vacant, buildings
 - e Encourage investment by owners with the means to acquire, renovate and maintain downtown buildings

Strategy Initiative

- 3 **Support downtown entrepreneurship through initiatives**
 - a Support and encourage of DSP marketing efforts
 - b Encourage innovative lease arrangements to attract tenants to downtown space
 - c Take advantage of the desirability of second floor space as office or living space for certain target audiences
 - d Encourage entrepreneurs to participate in free business planning services through the SBDC at SOD
 - e Fund SOD revolving loan fund with one target being downtown development
 - f Resurrect mothballed CIC, find funding, and target approaches for public/private partnerships for development

Theme V

Goal

Quality of Life: Retail/Commercial outside of Downtown

Provide for appropriate sustainable development east, north and west

Strategy Initiative

- 1 **Develop a vision for each distinct retail/commercial district: east, north, west**
- 2 **Catalog available land including identifying owners/developers**
- 3 **Identify and recruit desired types of businesses by district: east, north, west**

Theme VI

Goal

Quality of Life: Housing

Raise the median house price

Strategy Initiative

- 1 **Increase the amount of construction of new housing units in the City of Salem**
 - a Identify gaps in housing stock
 - b Identify property prime for residential development
 - c Facilitate development of new housing units based on gaps identified

Strategy Initiative

- 2 **Reverse the trend of spreading residential blight**
 - a Define "blight" and map residential areas impacted by blight
 - b Target properties contributing to the blight and work with owners to improve them
 - c Evaluate legal remedies available to address blighted properties; adjust as needed
 - d Identify and promote incentives available (ie CRA) for renovation or replacement of existing housing
 - e Formulate a strategy for removing houses beyond repair
 - f Work with Land Bank to transition property ownership to facilitate development, as appropriate
 - g Encourage investment by owners with the means to acquire, renovate and maintain both owner occupied and rental housing units

Theme VII

Workforce Development & Education

Goal

Reduce the median household income gap between the City of Salem and the State of Ohio

- | | | |
|----------------------------|----------|--|
| Strategy Initiative | 1 | Establish a series of initiatives aimed at recruiting young people entering the workforce to work in Salem |
| | | <ul style="list-style-type: none">a Market jobs available to area students attending and graduating from college to encourage them to return to Salem; consider incentivesb Identify students not graduating from college and help re-direct them into other training or on-the-job training or ways to complete their degree locally in an "in demand" fieldc Direct "mid-level" high school students to local careers, especially in production (manufacturing / entrepreneurship)d Target recruitment of returning military veterans |
| Strategy Initiative | 2 | Enhance career preparation for students attending Salem City Schools |
| | | <ul style="list-style-type: none">a Provide and support career counselling at the middle and high school levelsb Evaluate the best method for providing career and technical (CTE) education for studentsc Work with college bound students to enhance their prospects for college success and to understand the opportunities for local employment after colleged Reduce the net loss due to open enrollment out of the district to serve more students locally |
| Strategy Initiative | 3 | Improve the economic prospects of the adult working age population |
| | | <ul style="list-style-type: none">a Raise awareness and promote available career opportunities (including professional occupations)b Offer targeted training to improve existing workforcec Improve the economic prospects for immigrant population |

Theme VIII

Quality of Life: Recreation/Community Events/Cultural Opportunities/Tourism

Goal

Promote the desirability to live in Salem

- | | | |
|----------------------------|----------|---|
| Strategy Initiative | 1 | Develop a marketing plan for Salem as a place to live |
| | | <ul style="list-style-type: none">a Develop a coordinated web/social media strategy to promote local events to residents |
| | | Goal: Promote assets that attract visitors to Salem |
| Strategy Initiative | 1 | Develop a marketing plan for Salem as a place to visit |
| | | <ul style="list-style-type: none">a Develop a coordinated messaging theme for the City of Salem highlighting its many assetsb Develop a coordinated web/social media strategy to promote local events to potential visitorsc Leverage existing events (eg Cruise) to gain exposure for Salemd Leverage existing facilities (eg Sebo Stadium, SCC, KSU) and their events to gain exposure for Saleme Revisit restrictions on Bed & Breakfast operations to encourage visitors and to provide income to assist in the maintenance of historic homes |

Theme IX

Economic Development Sustainability

Goal

Ensure the future of full-time dedicated economic development services in Salem

- | | | |
|----------------------------|----------|--|
| Strategy Initiative | 1 | Put SOD Center on a firm financial footing |
| | | <ul style="list-style-type: none">a Identify additional revenue sourcesb Grow membershipc Sustain the Training Center when grant monies run out with training fee revenued Enter into 5 year services contract between SODC and City to oversee completion of this plan |

Resources

Report Cover Photo source: Hickey Metal
Page 4, Photo. Salem Community Center
Page 5, Photo, Salem Studio G
Page 5, “Economic Development is the cultivation of Activities that create a net gain of money into the community” Source: <https://www.useful-community-development.org/definition-of-economic-development.html>)
Page 6, Photo, source Greg Petrachkoff
Page 7, Photo, Hospital workers
Page 11, Figure 2-A, Metropolitan areas within 150 miles of Salem, OH. Source: U.S. Census Bureau.
Page 13, Photo, Salem Community Center
Page 19, Photo, Salem’s Water Plant
Page 21, Photo, Lib’s Coffee Shop, Downtown East State St.
Page 21, Figure 3-A, Population of Salem 1970-2018. Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates
Page 22, Figure 3-B, City of Salem Population by age group 2000/2017. Source: U.S. Census Bureau
Page 23, Chart: Salem’s Largest Employers in 2019. Source: Salem Area Chamber of Commerce, March 2019
Page 24, Figure 3-D, 2017 Worker Inflow and Outflow. Source: U.S. Census Bureau
Page 26, Pie Chart: 2017 Poverty Levels of Families in the City of Salem. Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates; accessed March 2019 <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>
Page 27, Pie Chart: Who responded to the survey? Source: SOD Community survey responses
Page 28, Chart: Top Response by Age Group. Source: SOD Community survey responses
Page 29, Salem’s Challenges. Source: SOD Community survey responses
Page 30, What Elements are Missing? Source: SOD Community survey responses
Page 30, What are Opportunities for Growth? Source: SOD Community survey responses
Page 31, What Businesses Should Salem Attract? Source: SOD Community survey responses
Page 33, Photo, Hickey Metal
Page 33, Figure 5-A, Jobs in the City of Salem by Industry. Source: U.S. Census Bureau onthemap.ces.census.gov/

Page 35 See: www.siteselection.com/issues/2012/may/sas-shovel-ready-sites.cfm for a discussion of these considerations

Page 40, Photo, Salem Regional Medical Center

Page 41, Photo, Salem's Studio G

Page 42, Map, (Fill in source once we choose the final map)

Page 43, Figure 7-A, City of Salem Downtown Occupancy Comparison, 2019.
Source: Downtown properties.net report for September 2019 through Town Center Associates

Page 44, Photo, Salem Business

Page 45, Photo, Lib's Coffee Shop, Downtown East State St.

Page 46, Photo, Salem Fire Department

Page 48, Photo, Fireman's Jacket

Page 51, Photo, Salem's Studio G (replace this photo if possible)

Page 51, Figure 8-A, Salem Housing by Date of Construction (as of 2017). Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates; accessed March 2019 <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

Page 52, Figure 8-B City of Salem Estimated Owner vs Renter Occupancy (As of 2017). Source: U.S. Census Bureau, 2013-2017 American Community Survey

Page 52, Figure 8-C, Gross Rent as a Percent of Household Income (As of 2017). Source: U.S. Census Bureau, 2013-2017 American Community Survey

Page 54, Chart: Jobs in Salem, OH by Worker Home County. Source: U.S. Census Bureau <http://onthemap.ces.census.gov/>

Page 55, Figure 9-B, 2017 Worker Inflow and Outflow from within Salem plus a 5-mile radius. Source: U.S. Census Bureau

Page 56, Figure 9-C, Jobs in the Salem Plus 5-miles by Age Group. Source: U.S. Census Bureau

Page 56, Chart: Breakdown of Education levels of Salem's residence vs. county and state (as of 2017)

Page 57, Chart: School Enrollment

Page 59, Photo, Hickey Metal

Page 61, Photo, Salem's Studio G

Page 63, Photo, Salem's Fire Department

Page 66, Photo, Salem Community

Page 67, Chart: Economic benefits by business type

Page 68, Graph: Economic Development Priority and SOD's role

Page 76, Photo, Hickey Metal

Acknowledgements

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Thank you for your hard work and countless hours spent writing and editing the report, Howard Rohleder and Julie Needs

Appendix Contents

- A Group meetings and Interviews held to solicit input to Economic Development Plan
- B Organizations contacted to distribute survey
- C Survey instrument: results
- D City of Salem Zoning Map
- E City of Salem Map of Community Reinvestment Act eligibility
- F Incentives for Business Attraction or Expansion
- G Jobs in City of Salem by NAISC Sector
- H Select Ohio Cities Worker Inflow and Outflow
- I Survey of Site Selectors
- J Targeted Properties for Industrial Development

Appendix A

Group meetings and Interviews held to solicit input to Economic Development Plan

Focus Group Discussions

Residential Realtors (6 realtors from 4 agencies), October 29, 2019

Kiwanis Club (about 30 participants including Key Club members), October 17, 2019

IGNITE group (13 participants), November 13, 2019

SOD Center Board of Directors (12 participants), November 15, 2019

Aspire & Eastern Gateway CC English as a Second Language Program (8 participants), November 19, 2019

R-CAP Advisory Group (14 participants), November 20, 2019

Salem Manufacturers (5 manufacturers from 4 businesses), December 11, 2019

Downtown Salem Partnership Executive Committee (4 members), December 20, 2019

Interviews Conducted

From the City of Salem:

John Berlin, Mayor, City of Salem

Roy Paparodis, Councilman and Chair, Economic Development Committee

Betty Brothers, Salem City Auditor

Chief Scott Mason, Salem City Fire Department

Chip Hanks, Zoning Officer, City of Salem

Chief JT Panezott, Salem City Police Department

Don Weingart, Superintendent, Salem Utilities Department

Dan Rice, Housing Inspector, City of Salem

From Community Institutions:

Anita Hackstedde, MD, President/CEO, Salem Regional Medical Center

David Dees, PhD, Dean, Kent State University-Salem

Sean Kirkland, Superintendent, Salem City Schools

From City Consultants:

Mark Peluso, Town Center Associates

Roberta Streiffert, Rural Community Action Partnership

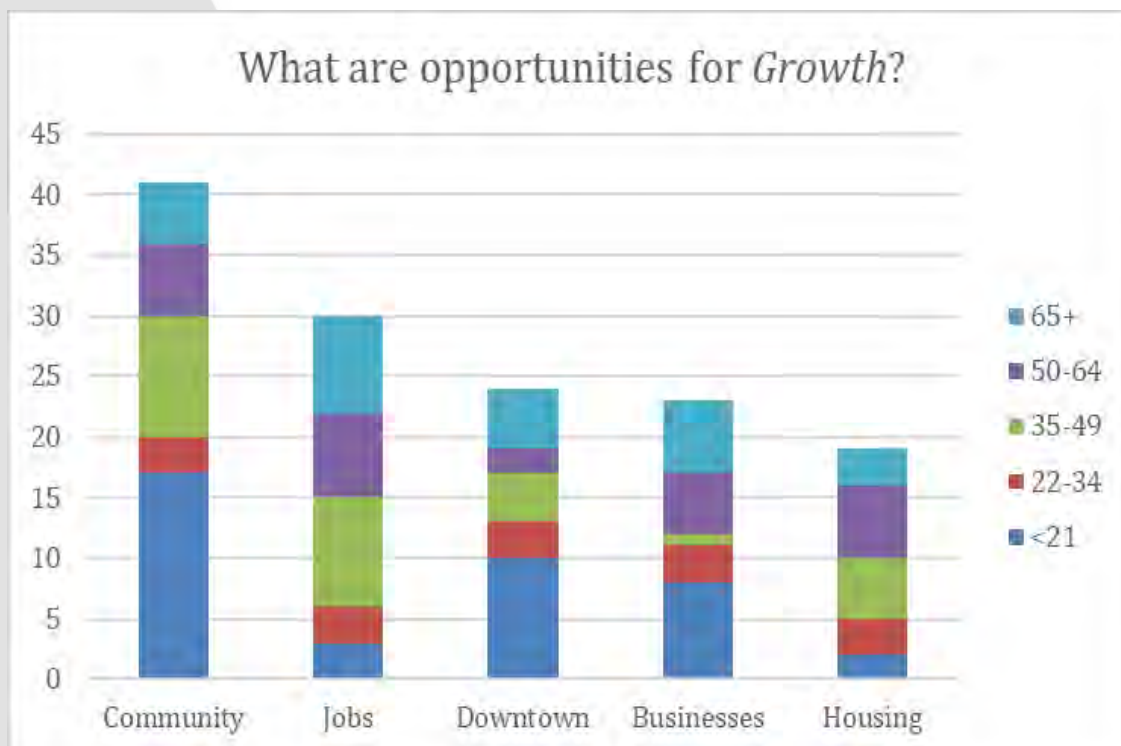
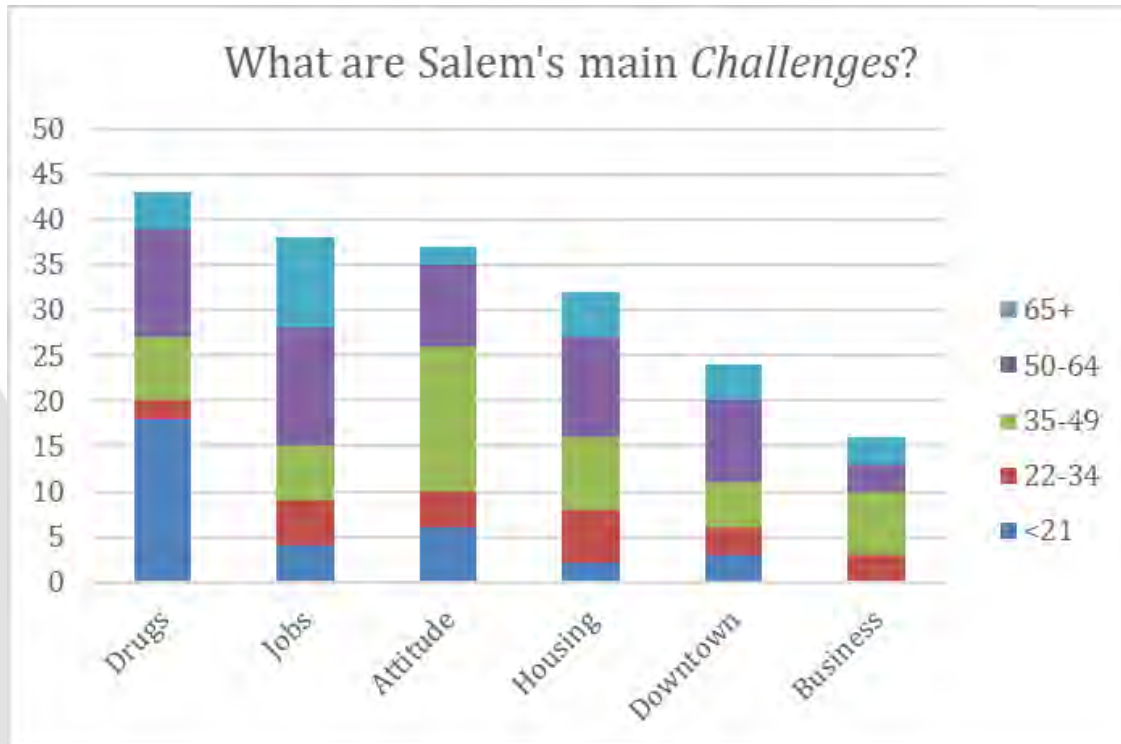
Appendix B

Groups Approached to Distribute Vision Cast Survey Link

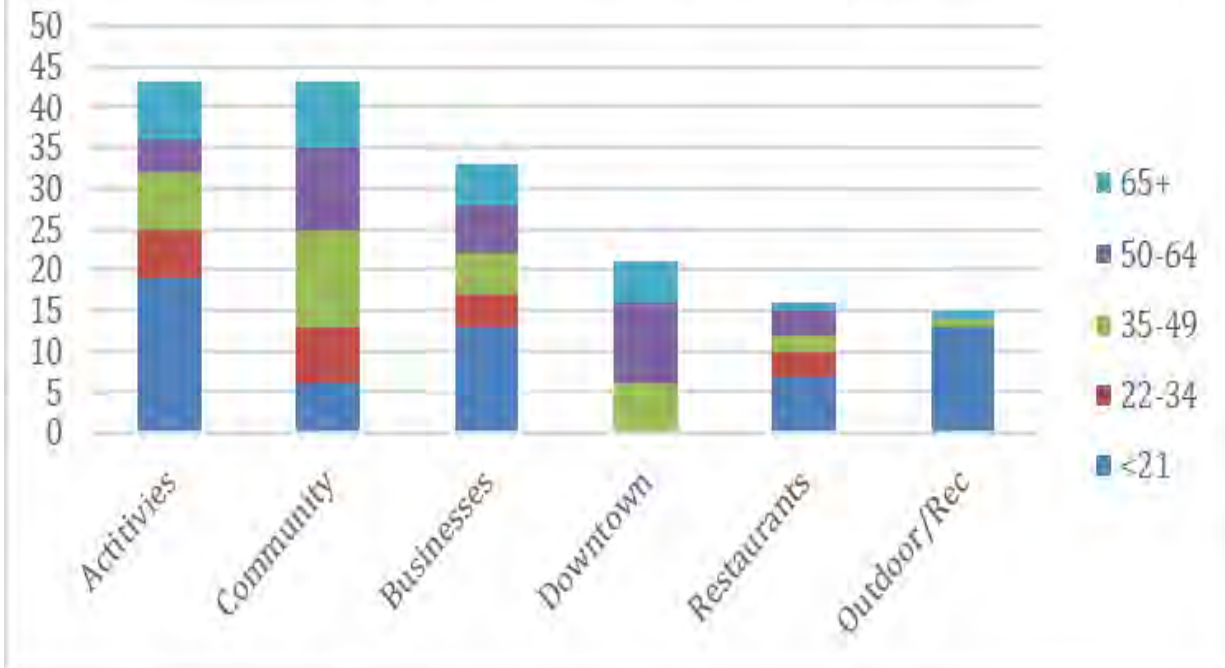
City of Salem Employees
Kiwanis Club of Salem Ohio
Rotary Club of Salem Ohio
Salem Area Chamber of Commerce
Salem City Council
Salem City Health Department Board
Salem Community Foundation Board
Salem Historical Society
Salem Senior High School Government Classes
United Way of Northern Columbiana County

Appendix C

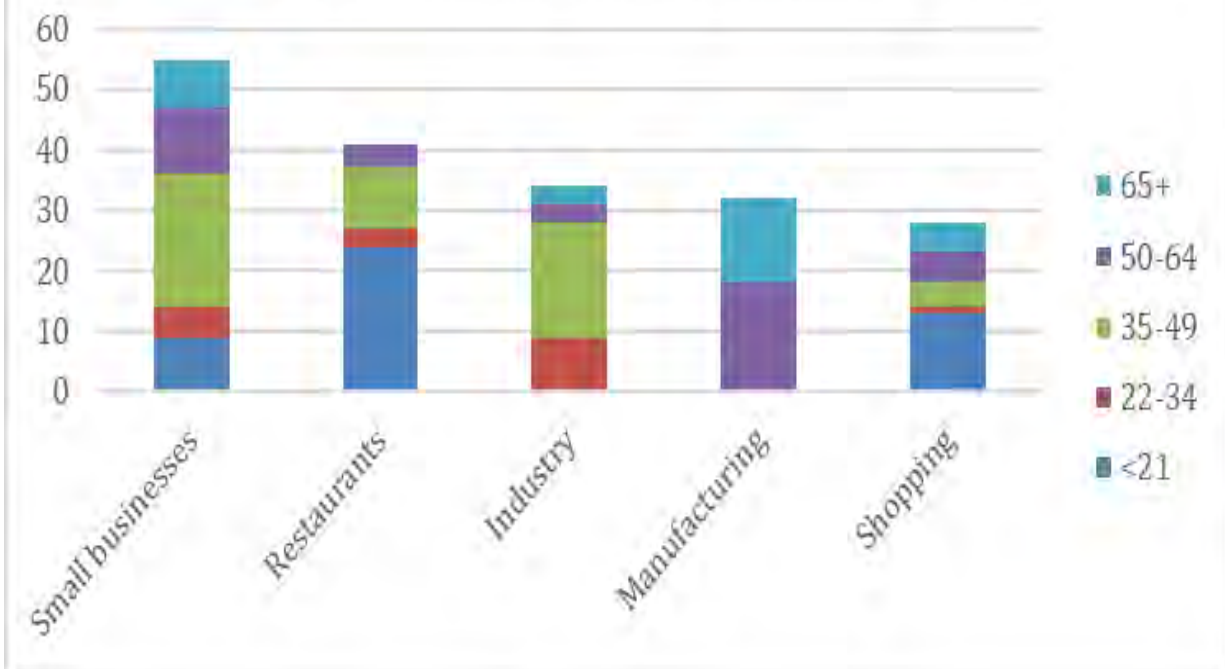
Community Survey Summary of Results from the 245 respondents



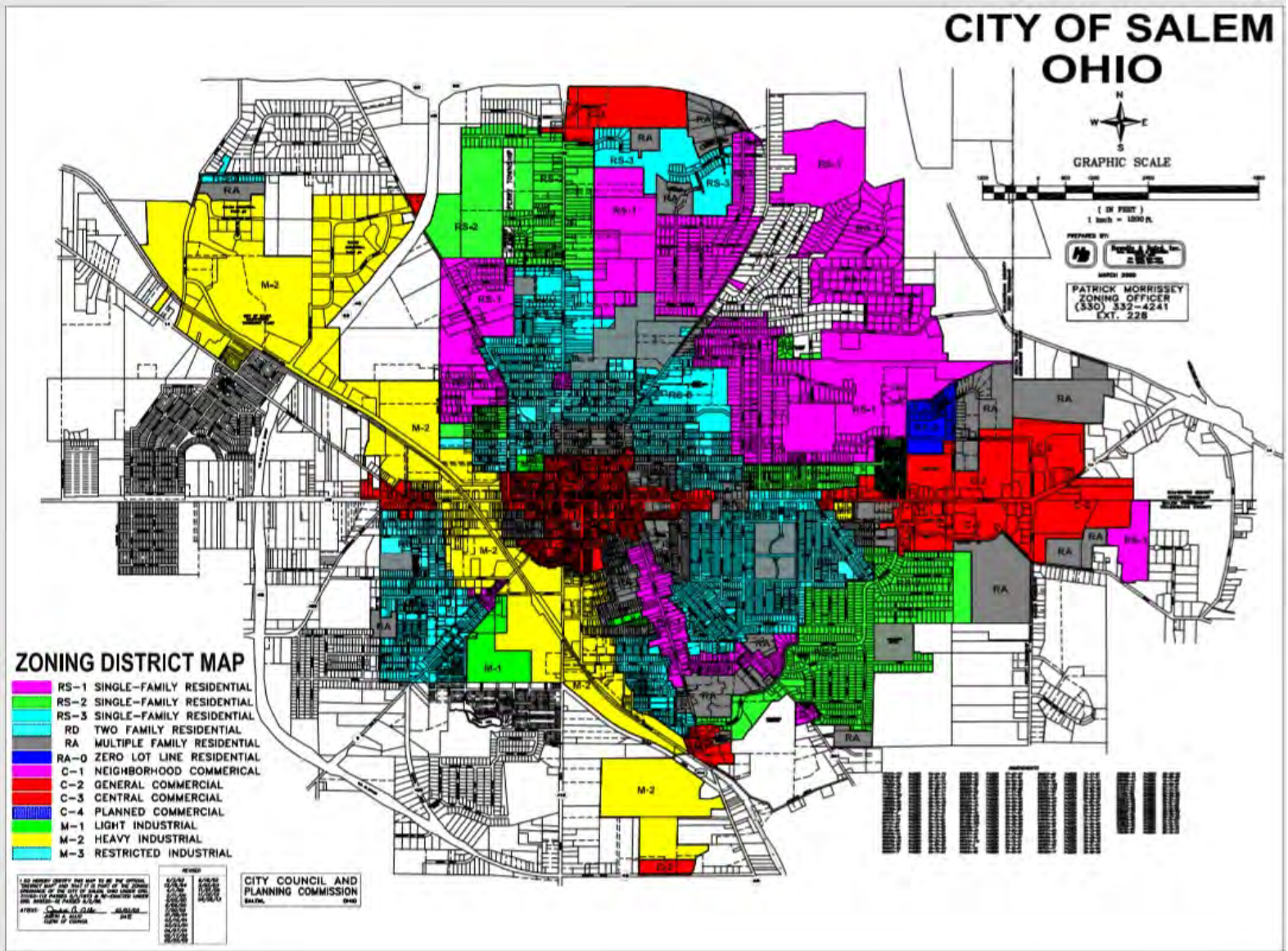
What elements are *Missing*?



What Businesses should Salem *Attract*?



Appendix D



Appendix E



COMMUNITY REINVESTMENT TAX ABATEMENT MAP

Community Reinvestment Area #1	• Resolution 810303-16 Original Area	
	• Resolution 850319-25 1st Revision	
	• Resolution 920519-57 (Revised)	
	• Resolution 980721-84 (Revised)	
	• Resolution 170117- (Revised)	
	• Excluded Areas (For New Structures On Vacant Land)	



Prepared By:



February 1, 2017

**GOOD
AREAS
TO
BUILD
& GROW**

IN THE CITY OF SALEM

THIS IS A PROPERTY TAX
ABATEMENT PROGRAM

To encourage property owners to invest their property, the City of Salem will grant Tax Abatement, to qualified applicants. Property taxes could be abated on the increased property valuation resulting from new construction, or remodeling of existing structures.

In other words, if you undertake new construction or remodeling of existing structures in these areas, you will not have to pay property taxes on the increased value of the real property for a specified number of years.

By participating in this program, your property taxes will not be reduced. However, your property taxes cannot be increased as a result of your approved project, for a number of years specified.....

BUILD A new residence/business/industrial structure 15 year Tax Abatement
GROW through remodeling Existing 1 and 2 family dwellings ...\$2500 minimum remodeling for 10 year abatement
 Multi family dwellings....\$5000 minimum remodeling for 12 year abatement
 Commercial/Industrial Structures....\$5000 minimum remodeling for 12 year abatement

To qualify...1) Work must be done in the abatement area. 2) Obtain a Salem City Zoning Permit. 3) Complete the Tax Abatement Application and file it with the Zoning Office before December 15th of the year your project is completed.

CITY OF SALEM ZONING231 S. BROADWAY AVE. SALEM, OHIO 44460..... 330-332-4241 EXT. 228

Appendix F

City of Salem Incentives, Growing Salem:

In 1981 the City of Salem established a Community Reinvestment Area to assist in encouraging Economic and Community Development and housing maintenance. Over the years Salem has made updates to the original “CRA”, most recently in 2017, to include the entire City of Salem boundary lines, with exception to specific excluded residential areas.

CRA is a tax abatement program for new construction, expansion, and remodeling. As a participant in the program you are eligible to receive up to a 15 year Tax Abatement on the “increased or improved value” of your real property.

To Qualify for CRA work must be completed in eligible abatement areas, obtain a City of Salem Zoning Permit, complete the Tax Abatement Application and file it with the Zoning Department before December 15th of the year the project is completed.

Additional Business Incentives:

In 2008 the City of Salem established 3 additional incentives to encourage Economic Growth in the City of Salem. These incentives are for enterprises expanding, starting or relocating within the City of Salem.

Job Creation Incentive:

ADD NEW JOBS— Get back up to 55% of City withholding Tax!

The intent of the Job Creation Incentive Program is to create jobs and increase the City’s competitiveness within the region.

The program can provide a yearly incentive for relocating jobs or creating net new jobs in the City. The term of the incentive can extend up to 5 years and can

pay up to 55% of the annual City Withholding Tax back to the Employer. New Downtown jobs relocated or created in the City can pay back up to 100% in the first year!

Net Profit Tax Incentive:

Bring in a NEW company or RELOCATE a company in the city — Get back up to 55% of City Net Profit Tax!

The intent of the Net Profit Tax Incentive is to attract new start up business and encourage outside business to relocate within the City.

This program can provide a yearly incentive for starting or relocating a business in the city by incenting up to 55% of the annual City Net Profit Tax based on the number of new employees added to the City. This incentive program can be extended for up to 5 years. New Downtown Businesses can receive up to 100% incentive in the first year!

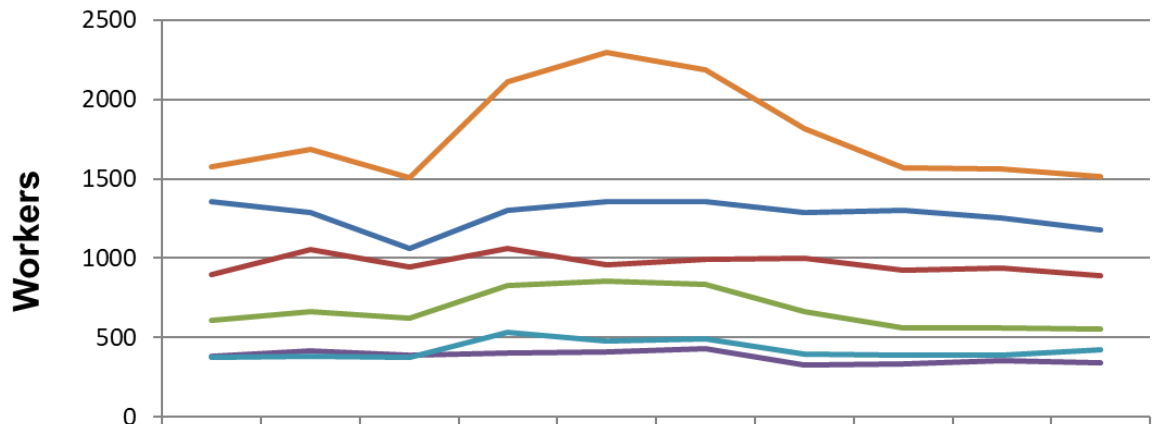
Appendix G

Jobs by NAICS Industry Sector (2017)

Job Counts by NAICS Industry Sector	Salem Plus 5 Miles		City of Salem		Outside Salem	
	Count	Share	Count	Share	Count	Share
Total Jobs	10633	100.0%	7956	100.0%	2677	100.0%
Manufacturing	3542	33.3%	2739	34.4%	803	30.0%
Health Care and Social Assistance	2164	20.4%	1866	23.5%	298	11.1%
Retail Trade	1233	11.6%	1096	13.8%	137	5.1%
Accommodation and Food Services	689	6.5%	599	7.5%	90	3.4%
Educational Services	537	5.1%	319	4.0%	218	8.1%
Wholesale Trade	380	3.6%	173	2.2%	207	7.7%
Administration & Support	328	3.1%	205	2.6%	123	4.6%
Construction	273	2.6%	109	1.4%	164	6.1%
Public Administration	163	1.5%	70	0.9%	93	3.5%
Transportation and Warehousing	156	1.5%	37	0.5%	119	4.4%
Professional, Scientific, Technical Services	152	1.4%	127	1.6%	25	0.9%
Finance and Insurance	147	1.4%	133	1.7%	14	0.5%
Arts, Entertainment, and Recreation	146	1.4%	87	1.1%	59	2.2%
Information	135	1.3%	130	1.6%	5	0.2%
Other	588	5.5%	266	3.3%	322	12.0%

Source: <http://onthemap.ces.census.gov/>

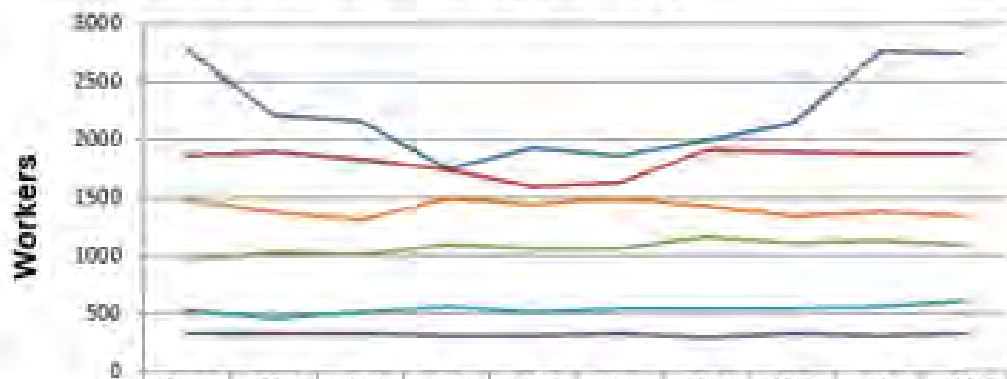
City of Salem Residents: Employment by Industry



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Manufacturing	1359	1285	1060	1300	1358	1357	1287	1304	1256	1176
Health Care / Social Assistance	895	1058	947	1062	957	996	998	924	937	888
Retail Trade	610	663	623	831	856	838	665	562	562	557
Educational Services	385	420	387	401	413	434	328	332	355	339
Accommodation / Food Services	377	385	374	536	478	495	399	390	389	425
All Other	1573	1686	1507	2114	2295	2184	1815	1571	1564	1513

The manufacturing industry remains the largest employer in the City of Salem, representing 34% of all jobs

Jobs in the City of Salem by Industry



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Manufacturing	2771	2213	2164	1735	1917	1850	1993	2135	2752	2719
Health Care / Social Assistance	1853	1885	1824	1735	1594	1629	1901	1894	1872	1866
Retail Trade	963	1027	1009	1093	1060	1053	1162	1112	1120	1096
Educational Services	316	314	324	309	296	313	291	319	312	319
Accommodation / Food Services	521	460	501	546	511	543	538	500	547	599
All Other	1480	1371	1304	1490	1441	1487	1430	1338	1369	1317
Total Jobs in the City of Salem	7904	7270	7126	6908	6819	6875	7815	7328	7972	7850

Appendix H

Comparison of Select Ohio Cities - 2017

Worker Inflow

Ohio City	Total Employed in the City	Number Employed in City, Living outside	% Commuting in
Ravenna	6836	6044	88%
New Philadelphia	8932	7479	84%
Dover	8226	6868	83%
Cambridge	8338	6891	83%
Marietta	11590	9534	82%
Salem	7956	6519	82%
Wooster	19131	15125	79%
Alliance	9518	7400	78%
East Liverpool	2799	2110	75%
Ashland	11227	8320	74%
Ashtabula	6054	4456	74%

Worker Outflow

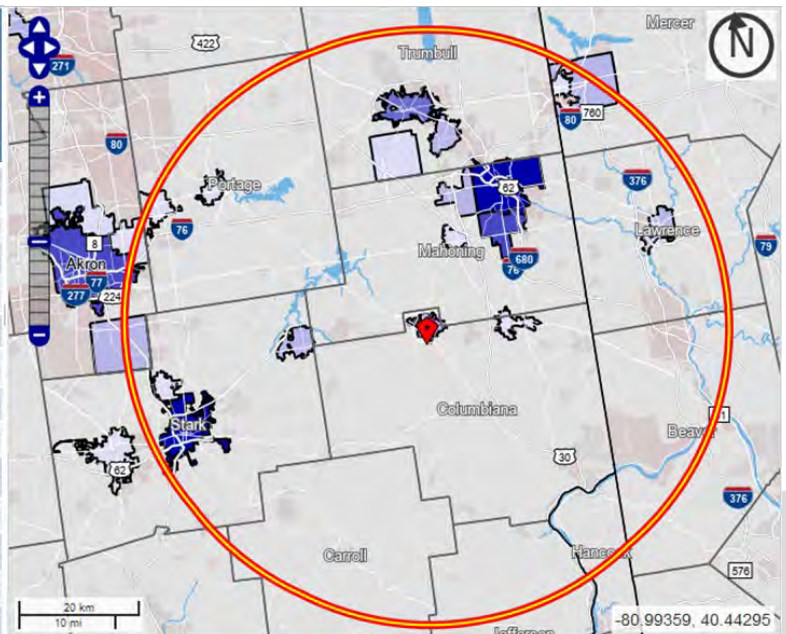
Ohio City	Total Living in City	Number Living in City, employed outside	% Commuting out
Marietta	5192	3136	60%
Wooster	10684	6678	63%
Cambridge	3898	2451	63%
Ashland	7866	4959	63%
Salem	4898	3461	71%
Dover	5581	4223	76%
Alliance	8717	6599	76%
Ashtabula	6911	5313	77%
New Philadelphia	7340	5887	80%
East Liverpool	4287	3598	84%
Ravenna	5083	4291	84%

Source: <http://onthemap.ces.census.gov/>

City of Salem Labor Market

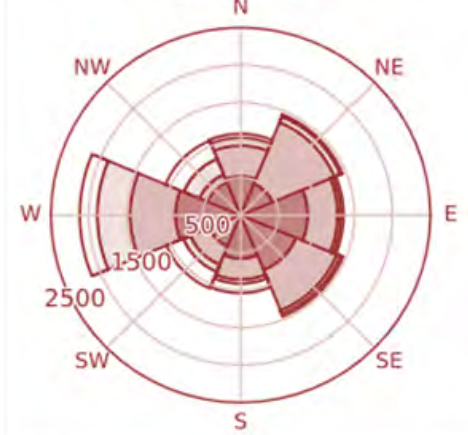
Salem Ohio

Counties in a 30 mile radius around Salem OH	2018 Population	2018 Labor Force	2018 Unemployment
Carroll County	27,578	13100	700
Columbiana County	104,003	47100	2400
Jefferson County	66,886	27500	1700
Mahoning County	231,064	103400	6100
Portage County	162,644	86500	4000
Stark County	373,475	186200	9100
Summit County	541,810	270700	12600
Trumbull County	201,794	87700	5500
Hancock County	29,680	12660	760
Beaver	166,896	84200	3800
Lawrence	87,382	40100	2100
Mercer	112,630	49900	2400
TOTAL	2,105,842	1009060	51160

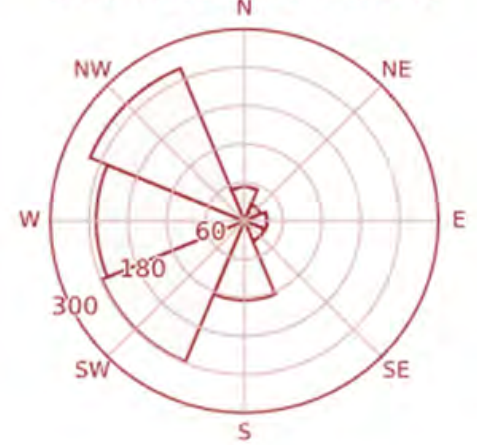


Jobs in Salem OH by Worker Home County	2017 Count	Share
Total Jobs in Salem Ohio	10633	100.0%
Columbiana County, OH	4,099	51.5%
Mahoning County, OH	1,532	19.3%
Stark County, OH	663	8.3%
Trumbull County, OH	269	3.4%
Summit County, OH	188	2.4%
Cuyahoga County, OH	142	1.8%
Portage County, OH	93	1.2%
Carroll County, OH	78	1.0%
Mercer County, PA	48	0.6%
Tuscarawas County, OH	45	0.6%
All Other Locations	799	10.0%

Job Counts by Distance/Direction in 2017
All Workers



Job Counts by Distance/Direction in 2017
All Workers - Greater than 50 miles



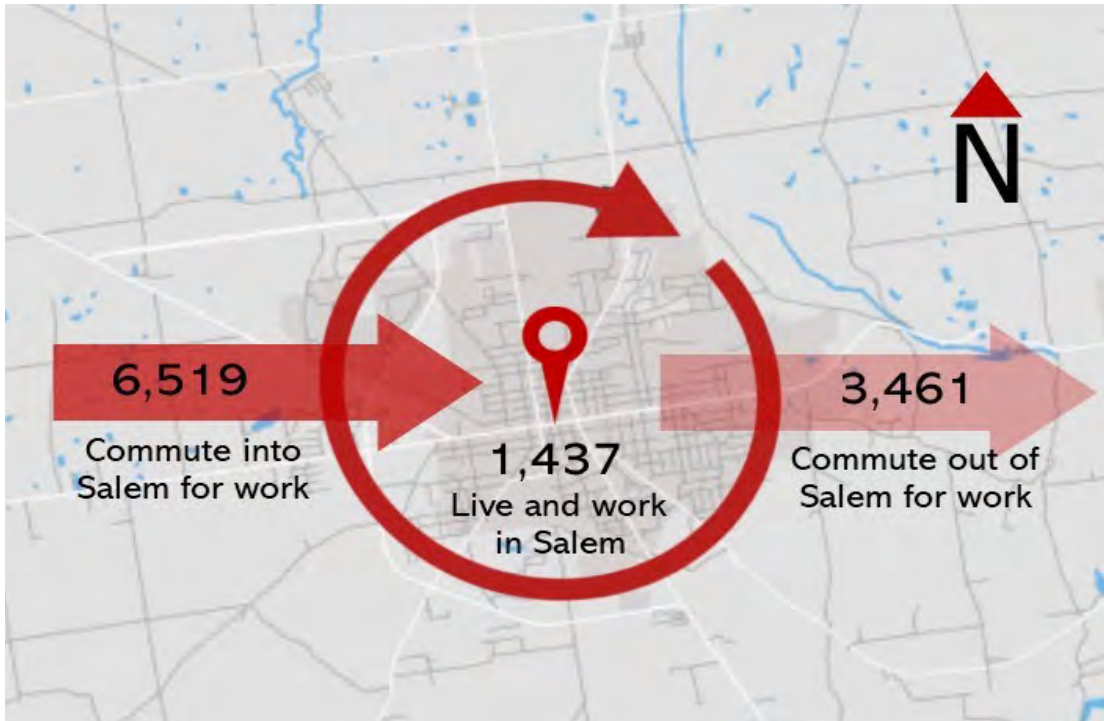


Figure 3-D, U.S. Census Bureau, 2017 Worker Inflow and Outflow



Figure 9-B, U.S. Census Bureau, 2017 Worker Inflow and Outflow from within Salem plus a 5 mile radius

Appendix I

Site Selectors Top 5 Priorities 2016-2019

FACTOR	2018 Rank	2017 Rank	2016 Rank
Availability of skilled labor	1	3	2
Labor costs	2	2	3
Highway accessibility	3	1	1
Corporate tax rate	4		
Tax exemptions	5	5	
Quality of Life		4	
Occupancy or construction costs			4
State or local incentives			5

Source: <http://www.areadevelopment.com/Corporate-Consultants-Survey-Results/Q1-2019/33nd-annual-corporate-survey-15th-annual-consultants-survey.shtml>

Appendix J

Top Potential Industrial Development Sites

Property	Site Size (acres)	Building size (sq ft)	Zoning	Location	Best Use
964 Benton Rd.	7.0	72,500	M-2	City of Salem	Industrial
450 W Pershing - 3 bldgs	2.855	20600, 3770, 83300	M-2	City of Salem	Demolition and redevelopment
631 W State St	5	40000	M-2	City of Salem	Industrial
[Location confidential] 2 parcels	~40 acres combined	Vacant	Agriculture	Perry Twp	Industrial
[Location confidential] 2 parcels	~28 acres combined	Vacant	Agriculture C-2	Perry Twp City of Salem	Industrial
[Location confidential]	~35 acres	Vacant	C-2	City of Salem	Industrial or Housing
Salem Parkway West	4.46	Vacant	M-2	City of Salem	Last lot in Industrial Park
921 S Ellsworth - six parcels	35	Needs demo	M-2	City of Salem	Brownfield redevelopment



**SOD**
Sustainable Opportunity
Development Center

