

City of Florence Economic Development Annual Report 2021 - 2022



City of Florence
A City in Motion

Table of Contents:

Letter from Mayor Joe Henry	3
A Year in Review	4
Housing Efforts	5
Travel and Tourism	7
Business Attraction & Development	9
Communication & Coordination	11
Innovative Projects	12
Connect with Us!	14



A Letter from Mayor Joe Henry:

Friends and Business Leaders,

As we reflect on 2021, we are reminded of the resilience of our business community through continuously changing environments. Through resilience, adaptability and dedication to the Florence community and our visitors, our business community overcame obstacles related to the Pandemic, while also expanding to new heights. In turn, the City of Florence has responded to the needs of the business community, while also focusing on the future of the Florence economy.

Though there were hardships, there were bright spots in the last year, which are highlighted in this report, including grants, innovative projects, and coordination between local and regional community partners to support our Florence businesses.

A healthy economy cannot not rely on one person or business,



but must be part of a whole ecosystem of community partners, business leaders, and supportive agencies. City leadership have worked hard to build relationships with supportive agency partners who help grow our business community step by step.

As we begin a new year, the City of Florence is committed to remaining your resource and growing the business landscape in Florence. I am confident that the next year will bring new opportunities for success, that together we will achieve.

Sincerely,

Joe Henry, Mayor

A Year in Review:

In celebration of Economic Development Week, the City of Florence publishes an Annual Report that celebrates the economic development initiatives and investments that the City of Florence has made in the economy and the business community in 2021 and 2022. When reviewing the projects, there were five clear themes in the projects undertaken by the City since May 2021:

- Housing Efforts**
- Travel & Tourism**
- Business Attraction & Development**
- Communication & Coordination**
- Innovative Projects**

The projects completed took a team of dedicated staff, volunteers and partner organizations. Throughout the last two years, communities across the world changed as a result of the COVID-19 pandemic, creating widespread negative economic effects to supply changes, workforce availability, and regulatory disruptions. Businesses had to pivot and get creative with not only how they were going to handle hard times, but also how they plan for the future. The City of Florence pivoted with businesses in order to support them and meet them where they were at.



Economic Development Week is a week sponsored by the International Economic Development Council to increase awareness of local programs that create jobs, advance career development opportunities, and improve the quality of life in communities everywhere.

Housing Efforts:

Housing Rehabilitation Program:

The City of Florence, in coordination with St. Vincent de Paul of Lane County, received a \$400,000 grant from Business Oregon through the Community Development Block Grant (CDBG) Program to support locals make necessary rehabilitation to their homes. Homeowners who make less than 80% of the area median income may be able to receive a loan to make important repairs including roof and foundation repairs, plumbing and electrical updates and accessibility changes, to make bathrooms upgrades or fix mobility issues. Loans are offered at 3% interest with no monthly payment until the home is sold or transfers ownerships.

More information is on the City of Florence website:

<https://www.ci.florence.or.us/economicdevelopment/housing-rehabilitation-program>



Building Better Neighborhoods



Household Size:	Max. Income:
1	\$39,900
2	\$45,600
3	\$51,300
4	\$56,950
5	\$61,550
6	\$66,100
7	\$70,650
8	\$75,200

Spruce Street Property Sale:

In April 2022, the City of Florence City Council voted unanimously to sell a City-owned property to a private housing developer, Coastal Development Partners. The property is 7.61 acres and at the north end of the developed Spruce Street, off of Munsel Lake Road. The Developers plan is to develop 30 two-story townhomes and 20 single family residences throughout five phases. Additionally, they are planning to include green spaces, play structures and sport courts to encourage community and foster relationships among neighbors.

The City of Florence has set out milestone rebates based upon development milestones during construction. These are intended to incentivize the buyer to develop the property quickly.



Housing Efforts:

Multi-Unit Property Tax Exemption (MUPTe) Program:

In December 2021, the City of Florence City Council approved a Multi-Unit Property Tax Exemption program. The MUPTe program is a state-enabled housing incentive program that allows for Cities across Oregon to exempt property tax on residential improvements of approved multi-unit properties for up to ten years. Although the State of Oregon enables this program, each municipality has the opportunity to shape the program to meet its own goal by controlling program requirements, criteria and program caps. Additionally, the City is required to receive a resolution of support from over 51% of the local taxing rate in order to implement the program.

The overview of Florence's MUPTe program eligibility:

- *Project must be fiscally infeasible without the MUPTe*
- *Project must be within one-quarter (¼) of a mile of a fixed-transit route*
- *Minimum of three (3) or More Units*
- *No Short-Term Housing or Transient Housing*
- *New Construction Only*
- *Public Good Benefits: To receive a MUPTe, a developer must show that their development meets three or more designated "public benefits."*



In addition to adopting the MUPTe program, the City Council received resolutions of support from over 94% of the taxing district rate to implement the program, which the City was grateful for and showed the overall need for housing in all levels of our city.

In March 2022, the City of Florence approved two MUPTe Applications, approving over 92 units of housing to be build without the financial burden of residential property tax for the first ten years. These units of housing are expected to be completed before the end of 2023.



More information is on the City of Florence website:

<https://www.ci.florence.or.us/economicdevelopment/multi-unit-property-tax-exemption-mupte-program>

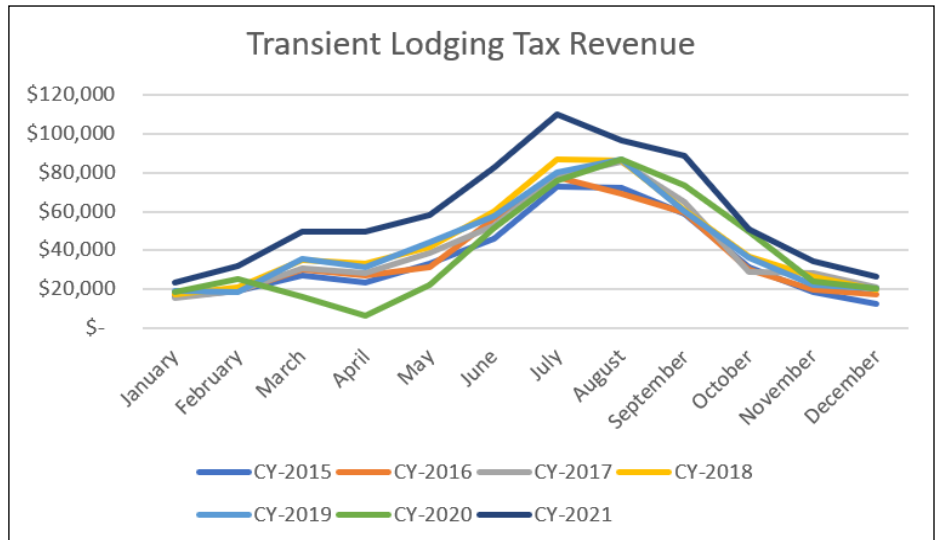
Travel & Tourism

Transient Lodging Tax (TLT) on the Rise:

The City of Florence collects a 4% tax on all short-term lodging accommodations. This money goes to directly support the Florence Events Center, the Florence Visitors Center and annual events like the Rhododendron Festival, the Florence Wine & Chowder Festival, and the Fourth of July celebrations.

Over the last two years, the City has seen an increase in collection rate, which has been used to

support or local businesses and community during the COVID Pandemic. The TLT numbers were back to a normal year, by June 2020. By September 2020, we were seeing unprecedented growth in our TRT numbers, which can be directly correlated with the growth in the number of visitors in the Florence area in 2020 through 2021. Because of this growth in visitors, many of the City's outreach program were focused in supporting our Tourism economy through the ups and downs of COVID.



Outdoor Furniture Upgrades on Bay Street:



In 2021, the City of Florence received a \$44,000 grant from Travel Oregon, the State's Tourism Commission through their Destination Ready Phase One grant program. This program was designed to support shovel ready projects that were COVID-19 appropriate, aid in economic recovery, enhance local livability and provide access to a diversity of explorers. The City applied for funding to purchase Outdoor Furniture to upgrade old furniture on the Siuslaw River boardwalk as well as along Bay Street.

By May 2021, new picnic tables, benches and bike racks had been installed in Old Town, as well as more secure garbage containers to keep out the elements and wildlife. Community members and visitors alike have raved about the upgraded area to enjoy the scenery of the Siuslaw River and Old Town.

Travel & Tourism

Destination Ready Grant Program:

The Florence Area Chamber of Commerce was the recipient of a grant from Travel Oregon through the Destination Ready, Phase Two program. This program allowed members of the Florence area that are involved in the tourism industry to work together to develop a destination assessment that identified key visitor experiences and projects that bolster assets central to that experience. Travel Oregon also produced a high-level baseline report to support the process, while also providing a consultant who created funding proposals to support the completion of the destination projects based on the assessment results.



Oregon22 - Getting Prepared for the World Athletics Championships:

In July 2022, Lane County will host the World Athletics Championships (more commonly known as Oregon22). This 10-Day Event will bring the world competition to the United States for the very first time. It is the second largest sporting event being held in 2022, after the World Cup and before the Winter Olympics.

Many teams that are participating are hosting pre-event training camps in cities and towns across the State in order for their athletes to do some last minute training, adjust to the time difference, and enjoy the Oregon experience. The City of Florence has hosted two teams who are looking to stay in Florence for their pre-event training camp. These teams would stay in local hotels, eat at local restaurants, and spend money at local shops, while also training at Siuslaw High School.



Business Attraction & Development

Enterprise Zone Renewal:



In 2021, the City of Florence renewed their Enterprise Zone designation with Business Oregon, the Economic Development Agency for the State of Oregon. Enterprise Zones allow qualifying businesses to receive 3-5 years of property tax exemption on sites and building improvements. The Enterprise Zone freezes businesses tax rate at the level it was before the property's value was increased with improvements. Both new and existing businesses can qualify for Enterprise Zone benefits. In exchange for tax exemption, qualified businesses are expected to increase employment and, for a five year exemption, compensate new hires at a higher wage than the County average rate.

More information is on the City of Florence website:

<https://www.ci.florence.or.us/economicdevelopment/florence-enterprise-zone>

Pacific View Business Park Sales:

The City of Florence successfully sold two lots in the Pacific View Business Park in 2021. The Pacific View Business Park provides space for offices, service businesses, light manufacturing, research and development facilities, assembly, packaging, warehousing, and supportive uses. The goal of the Business Park is by selling the high-quality land with utilities in and ready for development, the City will attract family-wage jobs that will serve the families of the community.

More information is on the City of Florence website:

<https://www.ci.florence.or.us/economicdevelopment/pacific-view-business-park>



Business Attraction & Development

Quince Street Site Redevelopment Project

Since September 2021, the Florence Urban Renewal Agency (FURA) has been working with a Hotel Developer, Braun Development to develop a 81-Room, 4 Story Microtel Moda by Wyndham on the south side of the property.



In 2018, the Florence Urban Renewal Agency purchased the property as an opportunity to gain control of the property and its future development opportunities. The goal of the ownership and eventual development of the site has always been to support the City-owned, Florence Events Center and the needs of the Events Center to host larger, more regional events and conferences.

In addition to the Hotel development, the City has recently received a Recreational Trails Grant from the State of Oregon for \$115,000 to develop a portion of the Siuslaw Estuary Trail and a Parking area off of Highway 126. This project is part of a larger plan to create a Siuslaw Estuary Trail throughout the whole Estuary, starting at the Quince Street property and making its way throughout Old Town ending at the Exploding Whale Memorial Park on Rhododendron Way.

More Information on the

Florence Urban Renewal Agency's website:

<https://www.ci.florence.or.us/urbanrenewal/quince-street-property-development>



Communication & Coordination:

Florence Four: Business License Newsletter

The City of Florence has published an email newsletter since the beginning of the COVID 19 pandemic, which includes four resources, pieces of important information, or events for local businesses to grow their business, support their employees, and learn more about our community. The newsletter has always had an avid readership but readership has been up since Spring of 2021.

Over 62%

Percentage of subscribers that are **moderately** or **highly** engaged with weekly editions (up 10% since 2020)

*More Information on the
City of Florence's website:*

<https://www.ci.florence.or.us/economicdevelopment/subscribe-florence-four-weekly-business-newsletter>

330+

Resources Shared

83

Issues

950

Subscribers

Florence Economic Development Task Force:

Since March 2020, economic development partners from across the region have met on a bi-weekly basis to coordinate economic efforts and work towards mutual goals. The Task Force is comprised of twelve different agencies that are involved in different aspects of Florence's economic success.

In 2020, with assistance from Rural Development Initiatives' Business Retention and Expansion program, the Task Force was able to identify three main concerns in the business community that the Task Force will continue to collaborate on solutions for. These three concerns are; business financial literacy and tech challenges, business communication and outreach, and workforce development & education.

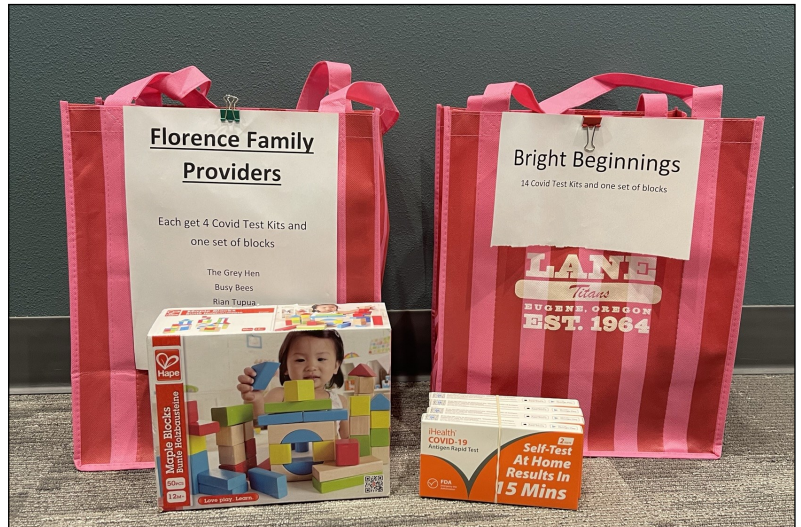


Innovative Projects:

Rapid COVID Test Distribution for Childcare Providers:

In February 2022, City of Florence staff coordinated with Lane Community College and Lane Quality Care Connections to provide childcare providers in Florence access to Rapid COVID tests provided to them by the State of Oregon. These tests allowed Childcare providers to stay open while also following safety protocols if children or staff became sick.

These tests were provided to the State through the Federal government's testing program that was launched in December 2021.



Childcare Equipment & Supplies Grant Program

The City of Florence partnered with the City of Florence to grant \$10,000 in funds from Cascades West Economic Development District (CWEDD) to childcare providers in the Florence Area. Awards were granted to assist providers with purchases of equipment, materials, and supplies necessary to serve more children, as COVID-19 requirements loosened and allowable group sizes were returning to pre-pandemic levels.

“We cannot thank the donors enough for choosing our school. This not only benefited the students but also the staff during these difficult times. Reopening during a pandemic was stressful to say the least. We did not want the circumstances of the world to have a negative impact on the learning of our students. With the purchase of new material and playground equipment we are able to help provide a safe, fun, positive and nurturing environment that any family would feel confident and comfortable sending their child to.”

- Childcare Provider

Grants of \$1,400 to \$2,500 were awarded to five childcare providers within the City of Florence boundaries. Grant funds were used for a myriad of materials to update, expand or enhance their programming including classroom supplies, furniture, outdoor play equipment, gardening supplies, bark chips, contactless thermal scanners, and rapid COVID test kits for staff and children.

Grants served over 180 children, two providers accepted Employment Related Day Care (ERDC) to support 6 children, and overall 50% of the children in the providers' care were from families that are low-income or navigating poverty.

Innovative Projects:

PPE Distribution to Local Businesses:



The City of Florence, in partnership with Business Oregon and Lane County, distributed PPE to Florence-area small businesses in June and September 2021, and January 2022. Businesses signed up on the City’s website and received an allotment at every distribution date.

Over 250 small businesses received PPE in the Florence-area. Overall, over 1,600 employees benefited from these rounds of PPE distribution, with the average company having 8.9 employees. The City also supported local non-profits, which was able to benefit over 450 routine volunteers.

The distributions included over 45,000 masks, over 150 boxes of gloves, over 250 containers of aerosol spray, and over 100 gallons of hand sanitizer.

Outdoor Restaurant Café Seating:

Since Spring 2020, the City of Florence has allowed restaurants to expand their outdoor seating into the parking right-of-way, as well as restaurants allocated parking spaces to accommodate for COVID-19 seating restrictions. This program was free and open to all Florence restaurants with an up-to-date business license. This program was well received by restauranteurs and members of the public.

The City Council has approved the parking café program for the 2022 season, running between May to October. City Council also directed City Staff to work on a long term program for café seating in the right-of-way for restaurants to partake in in future years.

***More Information on the
City of Florence’s website:***

[https://www.ci.florence.or.us/economicdevelopment/
restaurant-cafe-seating-program](https://www.ci.florence.or.us/economicdevelopment/restaurant-cafe-seating-program)



Connect with Us!



EconomicDevelopment@ci.florence.or.us



www.ci.Florence.or.us/economicdevelopment



Subscribe to the Florence Four:

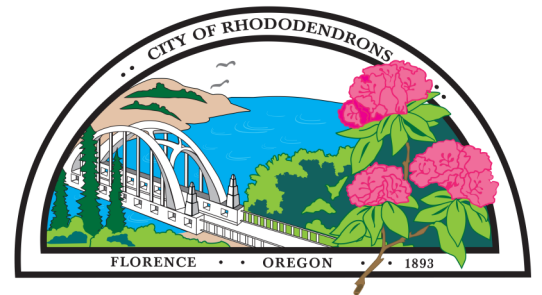
www.ci.florence.or.us/economicdevelopment/subscribe-florence-four-weekly-business-newsletter



www.facebook.com/CityofFlorenceOregon



[@CityOfFlorenceOregon](https://www.instagram.com/CityOfFlorenceOregon)



City of Florence
A City in Motion