

CITY OF HARRISBURG
BUREAU OF ECONOMIC DEVELOPMENT
FIVE-YEAR FINANCIAL PLAN

The City of Harrisburg’s Bureau of Economic Development is committed to growing the City’s economy in a diverse and inclusive manner by retaining, expanding and attracting businesses, promoting investments, and increasing career opportunities for residents. The Bureau will accomplish these goals by providing a holistic approach that includes, innovation and equity, place and infrastructure, and governance and financial stewardship.

On March 19, 2020, Governor Wolf ordered a statewide closure of all "non-life sustaining businesses, operations and services," due to the coronavirus pandemic. This turn of events required the Bureau to respond quickly, to ensure the needs of the business community were met, as well as to secure the local economy.

We shifted our focus from business as usual, and strategically transitioned to survival mode. The Bureau provided technical assistance and created programs to help our local small businesses, our lifeline, to survive during this difficult time. The Bureau plans to continue to provide this much-needed assistance, for as long as the pandemic and/or the threats persist. With that said, we have not lost sight of our commitment to economic development and growth; instead, we are taking aggressive and necessary steps to achieve our goals.

As part of our Five-Year Plan, we have created community and economic development initiatives that will help to grow our economy, revitalize neighborhoods, and provide opportunities for individuals and families to live, work, and play, right here in Harrisburg.

In addition, the Bureau is in the process of preparing an Economic Development Strategic Plan. A strategic plan is integral in achieving measurable, sustainable economic development, growth and quality of place. This Plan, long-term in scope, will serve as a framework for setting clear and attainable economic development objectives, and design policies and programs to achieve them.

(Approach to Economic Development Strategic Plan – See Below)

FIVE-YEAR PLAN (INITIATIVES)

Staffing: The Bureau of Economic Development is currently comprised of two employees: Director of Economic Development and Director of Business Development. We are planning to execute quite a few initiatives, and will need two additional employees to assist: (1) administrative and (1) community outreach.

1. Small Business Incubator

The City will develop a Small Business Incubator program to help encourage, develop, and retain small businesses in Harrisburg. With a focus on the retail industry, the Small Business Incubator will employ a marketplace concept that will allow startups and early-stage businesses to collaborate and network. The City will provide staff, counseling and education to help small businesses become sustainable. Businesses will receive assistance identifying space in Harrisburg when they are ready to transition out of the Incubator.

2. Affordable Housing Initiative

The Bureau will continue to work with the real estate development community, City departments, residents, nonprofits and various stakeholders to encourage and incentivize affordable housing development for all income levels, and to promote mixed-income and mixed-use development throughout the City of Harrisburg. This initiative is designed to enhance the quality of life for our residents, and to also grow the City's property tax base.

3. City of Harrisburg Business Investment Grant (BIG)

Business recruitment and expansion are important to Harrisburg's economic growth. Attracting companies with high sales volumes and employment generation are key to accomplishing our goals. The City will work in collaboration with our economic development partners in the region to encourage companies to locate to Harrisburg or expand their Harrisburg operations by providing a healthy economic environment that includes, but is not limited to, a skilled workforce, a low cost of doing business, commitment to maintaining and building quality infrastructure, and targeted incentives. All of our partners will play a unique role in helping businesses relocate and grow in Harrisburg.

Businesses seeking to relocate to Harrisburg or expand their existing operations may be eligible for a grant through the City's Business Investment Grant (BIG) program. Our BIG program, which aligns with other local initiatives, provides grant to eligible businesses based upon the amount of property tax generated by the private business investment and the number of jobs created when the company moves or expands here.

Grant recipients will be encouraged to hire residents of Harrisburg and to use local small, minority and women-owned businesses as vendors when available at competitive prices.

4. Business Development Workshop Series

The Bureau of Economic Development/Business Development will continue to provide quarterly workshops to attract, retain, and grow businesses in Harrisburg. The series is designed to provide information, resources and support to members of Harrisburg's small and diverse business community. In addition, the sessions create professional networking opportunities where attendees can develop relationships that will help further their business endeavors. The workshops averaged about 30 participants per session and have served culturally diverse audiences representing various business industries.

5. Microenterprise Business Startup Program (MBSP)

Microenterprises are the smallest, least visible portion of the business world, but are one of the major job generators in our economy. They include a range of service providers and retail businesses. In an effort to grow microenterprise businesses and the city's tax base, the Bureau will offer the Microenterprise Business Startup Program (MBSP). This program will provide technical and financial support for the establishment of microenterprises (10 or fewer employees) in the City of Harrisburg. The City expects to assist annually in the creation of 15-20 new microenterprises (to include M/WBEs), through this startup program.

6. ChooseHBG Local Spending Campaign

ChooseHBG is designed to encourage people, businesses, and local government to think, and more importantly, spend locally first. This Campaign was originally created in response to the COVID-19 public health crisis; however, the Bureau of Economic Development/Business

Development will continue to provide this support to our local businesses to help them sustain and to “boost” the local economy. The campaign focuses on shifting more dining, purchasing, contracting, and investing to local entrepreneurs.

7. Marketing & Workforce Development

As part of the City of Harrisburg’s Economic Development strategy, the department will target areas of growth in regional employment as a means of attracting businesses to the City. Data provided by the High Priority Occupation List (HPO) for the South-Central WDA shows the occupations that project significant growth from 2016 – 2026. The City will prepare specialized marketing to attract businesses in these industries. Businesses will benefit from coming to South Central PA, and specifically Harrisburg, where there is a growing workforce to meet their staffing needs for years to come. The City will leverage existing partnerships with Harrisburg University to help attract Software and App Development companies. Similar partnerships exist with UPMC that the City can use to help leverage companies in the healthcare industry.

		WAGES (2019)			EMPLOYMENT		
	Ed.	Entry Level	Annual Avg	Exper. Level	Est. 2016	Proj. 2026	% Chg
Physical Therapist Assistants	AD	\$40,890	\$56,940	\$64,960	590	750	27.1%
Massage Therapists	PS	\$22,810	\$44,580	\$55,470	460	570	23.9%
Phlebotomists	PS	\$30,150	\$36,210	\$39,240	640	740	15.6%
Plumbers, Pipefitters & Steamfitters	LT OJT	\$36,270	\$52,280	\$60,280	1,870	2,160	15.5%
Software Developers, Applications	BD	\$61,560	\$86,220	\$98,550	2,420	3,050	26.0%

In addition, the City will continue to explore opportunities for workforce development partnerships, in an effort to meet all educational, training, and skill needs.

8. Shop Black Business Friday

The City of Harrisburg is committed to supporting all local small businesses; however, we realize that since the pandemic, Black and Brown businesses across the nation, have been closing at approximately twice the rate of others. Harrisburg will address this concern by encouraging the community to support Shop Black Business Friday; an initiative that has recently been launch in the City of Philadelphia. This effort is designed to increase sales, support job stability and highlight Black and Brown businesses recognized as community anchors. One month will be designated for this initiative.

9. Public-Private Partnerships, Outreach and Community Engagement

The Bureau develops internal and external partnerships and performs customized community outreach in an effort to achieve community goals, to leverage funding and other opportunities for economic development (local, regional, state and federal), to help businesses and non-profits meet their goals, and to inform the citizens of Harrisburg about major development and redevelopment projects in the City.

10. Minority Business Certification Program

To help local business owners position themselves for growth and success, the department of Economic Development will offer a Minority Business Certification program. Interested businesses will apply to become part of a cohort that will participate in business development workshops and receive mentoring from currently certified minority business owners. Finally, these businesses owners will qualify for financial assistance to apply for their own minority business certification. This certification is nationally recognized and can be a valuable tool for businesses that want to advance in their respective industries.

11. Neighborhood Business Stabilization Program (NBSP)

This program was launched in 2020 as a result of COVID-19, and the need to provide financial support to the City's local small businesses. This program provides much-needed cash flow to small businesses in emergency situations and will be initiated by the City when deemed necessary. This program also helps to provide goods and services to Harrisburg's residents and helps the City to maintain economically, especially during and after a time of difficulty or a major crisis.

12. Commercial Refuse Credit Program

This program was also launched in 2020 as a result of COVID-19, and will be used only if necessary. The Commercial Refuse Credit Program provides a one-time credit on future trash bills to commercial refuse account holders, negatively impacted by an emergency situation. It is intended to provide relief in the form of a credit, instead of a grant.

13. Harrisburg Gives (Name TBD)

The City of Harrisburg will partner with a nonprofit to develop and execute the Harrisburg Gives Campaign. The purpose of this 24-hour Campaign is to encourage participants to give locally; to raise funds and awareness about nonprofits located in Harrisburg/Dauphin County; to help individuals and families in need; and, to assist in the economic growth and development of the City/County.

14. Commercial Corridor Reinvestment Program

The Bureau will work to implement the Commercial Corridor Reinvestment Program. The purpose of this program is to foster economic development and urban revitalization in the City's corridors, and the neighborhoods where they exist. As stated in the City of Harrisburg 2020 Comprehensive Plan (Draft), there is a need to stimulate and revitalize Harrisburg's mixed-use corridors through "the use of targeted economic development programs, zoning, incentives, and good neighborhood planning." This program will focus on preparing corridors for reinvestment by promoting mixed-use redevelopment, and by "strengthening retail, commercial, and residential activities to encourage live, work, and play environments within Downtown."

Considering the pace of change and uncertainty in today's economy, the Bureau of Economic Development will partner with community stakeholders to develop the City of Harrisburg Economic Development Strategic Plan.

APPROACH TO ECONOMIC DEVELOPMENT STRATEGY

1. Team - Key Stakeholders

To approach the Plan from a number of different angles, and to ensure diversity, the Bureau will create a dynamic team of up to 12 key stakeholders who are committed to developing a strategic plan. Each member will have a distinct role not only within your community but on the team. Our list of potential representatives will include:

- Influential local elected officials
- Local economic development organization (LEDO) representatives
- Leaders within the business community
- Resident members
- Non-profit agencies
- Local churches or places of worship
- A member of a local or regional workforce development office

2. The Plan will include strategically built frameworks, but is not limited to:

- Population growth or decline
- Booming economy
- Job creation and retention
- Public and private partnerships and investment
- Human resource development, education and training
- Land use and sustainable housing growth
- Commercial and industry stock
- Social, recreational, arts and cultural development

3. About the Plan

The Economic Development Strategic Plan will be simple and straightforward as possible, to all stakeholders and City and economic development officials. It will include all initiatives, investments and programs we currently have in place to: increase employment and job quality, improve quality of life for today and in the long term, and boost the overall business climate, etc.

4. The Economic Development Plan Framework will also include:

The Economic Development Framework will include: values, vision, mission, strategies, objectives, processes (policies, programs and projects) and implementation and results. It will also include, methods, benchmarks, and budgeting and Finance.

5. Creating the Plan

The team will create a working plan with key milestones for tasks, deadlines and cost for completion and implementation. The milestones will include tasks, deadlines and costs for completion and implementation.

6. The Team will consider the following as we develop the Plan:

- Economic and demographic data from research, analysis and forecasting;
- Natural assets;
- Community information – (past, present and future);
- SWOT (Strengths, weaknesses, opportunities and potential threats);
- Market trends and industries;
- Public input;
- Current economic development initiatives; and,
- The City of Harrisburg 2020 Comprehensive Plan

7. Plan Implementation

Implementation will be based on short, medium, and long-term goals, upcoming key projects and programs, as well as costs associated with implementation.

8. Annual Updates

The Economic Development Strategic Plan will be monitored on a regular basis and updated annually, to ensure that both economic growth and the plan remain consistent with the vision, mission and goals we've established. Also, the Bureau will modify the plan on a regular basis to ensure all information, development, trends and technologies are considered.