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AGENDA COVER MEMORANDUM

AGENDA DATE: 5/18/05  
TO: LANE COUNTY BOARD OF COMMISSIONERS  
FROM: Economic Development Standing Committee, Bill Dwyer Chair  
PRESENTED BY: Peter Thurston, Community and Economic Development Coordinator  
and Wes Bigelow Lane Economic Development Intern

AGENDA ITEM: DISCUSSION IN THE MATTER OF DETERMINING LANE COUNTY POLICY ON SUSTAINABLE BUSINESS PRACTICES

I. MOTION-THIS IS A DISCUSSION ITEM

II. ISSUE OR PROBLEM

- Shall Lane County work with all partners to promote sustainable economic development? For example, shall the County work with the City of Eugene on its recently announced initiative, described in Attachment E?
- Shall Lane County add language to the evaluation criteria of the Economic Development RFP for 2005-06, giving some weight to proposals with respect to sustainable development? (see Attachment A)
- Shall the Lane County SAVE program take on a new initiative to promote more sustainable practices?
- Shall Lane County request that the Lane Economic Committee (LEC) evaluate sustainable business practices and recommend actions?
- Shall Lane County appoint a task force to evaluate sustainable practices and opportunities?

III. DISCUSSION

A. Background

The EDSC discussed sustainable business development in early 2004 and determined that there is potential economic development advantage to the business community and Lane County government may also benefit through the promotion of sustainable business development.

**Defining sustainability**

The term sustainability means different things to different people. The Oregon Legislature established a state sustainability policy in 2003 by adopting ORS 184.423. The Act defines sustainability as "using developing and protecting resources in a manner that enables people to meet current needs and provides that future generations can also meet future needs, from the joint perspective of environmental, economic and community objectives." The state agency guidance document for implementing the Sustainability Act defines the goal of sustainability as "to simultaneously improve environmental, economic, and community health for today and for future generations."

Two other definitions of sustainability are provided in Attachment D.

## **Sustainability symposium**

Early in 2004 the EDSC directed staff to work with Bob Doppelt of the University of Oregon to explore policies to promote sustainable practices in Lane County. A one-day sustainability symposium was held in Eugene with presenters from Washington, Colorado, Vermont, Montana, and Ohio. The symposium focused on two key areas where government can influence and support sustainable economic development practices.

1. Internal operations within governmental entities can be made more sustainable by promoting efficiency programs. Improving energy efficiency, adoption of green building practices (*see Attachment C*), and purchases of fuel efficient vehicles are examples of this strategy.
2. Business sector-
  - a. Key business clusters involving sustainable resources (such as timber and agriculture) can be supported in a variety of ways.
  - b. Other businesses can be encouraged and educated on resource conservation practices such as energy efficiency, environmentally supportive “green” building practices, and recycling.

For an easy way to see what adopting best practices around sustainability might look like *see Attachment B*.

On January 27, 2005, the EDSC recommended that the Board add sustainable development practices criterion to the Economic Development RFP for FY 2005-06 (*see Attachment A*). The EDSC also recommended that the Board *authorize* Lane County agencies to work with all partners to support sustainable economic development. Some alternatives for how Lane County could promote such practices are presented in Section D of this memorandum.

## **Recent developments**

On April 13<sup>th</sup> a Sustainable Development Initiative was launched by the city of Eugene. In a letter sent out to the community on April 13, 2005, Mayor Piercy announced her intention to hold a series of meetings, develop a Sustainable Development Task Force, and initiate a variety of other steps culminating in the development of a Sustainable Development Framework, (*see Attachment E*). Mayor Piercy invited all community individuals and organizations to participate in the process.

## **B. Analysis**

The Lane County Strategic Plan 2001-2005 (*see Attachment F*), includes the following goals which could be fulfilled in part by supporting sustainable practices in Lane County:

- Work for a strong regional economy to expand the number of family-wage jobs available in Lane County.
- Contribute to appropriate community development in the areas of transportation and telecommunications infrastructure, housing, growth management and land development.
- Maintain a healthy environment with regard to air quality, water quality, waste management, and use and parks.

- Provide efficient and effective financial and administrative support and systems to direct service departments.

Sustainable development practices are being adopted across the United States by a variety of organizations including states, counties, cities, and businesses. The upfront costs of these practices can be recovered through energy savings, recycling, and other efficiencies. These practices can provide significant benefits by saving energy, reducing pollution, and promoting local employment using renewable resources. The following are examples of the kinds of benefits that can be achieved:

- Supporting the construction energy efficient buildings is one way resources and energy can be conserved. Resulting savings are available to be spent on other goods and services thereby helping sustain the local economy while improving the environment and increasing profits. The LEED (Leadership in Energy and Environmental Design) Green Building Rating System<sup>®</sup> has been developed to promote sustainable building practices. At least 25 states now have LEED certified buildings (*see Attachment C* for a partial list of organizations and buildings supporting and incorporating these standards).
- Royal Caribbean will be building Lane County's first, (and Oregon's 7<sup>th</sup>), LEED certified building next year. This \$60 million facility will house up to 1,000 employees. It will consume 15-25% less energy and less building materials than a conventional equivalent. It will also use biofuels for part of its heating, promote recycling, reduce pollution, and create a healthier work environment through the use of environmentally friendly building materials.
- A major focus of municipalities at the symposium was to lead by example. Fort Collins, Colorado invested \$300,000 to replace traditional traffic lights with LED lights. This saves \$100,000 each year in energy costs, and will recover the cost of the investment in three years. Fort Collins also built a LEED certified library that uses 40% less energy thereby making public resources available for other purposes.
- Presentations from Vermont and Appalachian Ohio presented significant successes in promoting economic development in the sustainable resource sectors of timber and agriculture thereby promoting job security through vibrant local businesses using renewable resources.

### **Summary**

The subject of sustainable economic development practices has gained attention and credibility in recent years. Last fall's conference stressed the importance of leading by example and quantifying monetary savings as key strategies for the long-term promotion of sustainable economic development. Fort Collins and Boulder, Colorado have committed to sustainable development practices as have Olympia, Washington, Missoula, Montana, and Burlington, Vermont. Each pursues sustainable practices, with broad community support. These programs save money, conserve resources, improve the environment, and promote development.

For each, making a public commitment was an important step in the development of strategies to conserve economic resources and make them available to promote growth in other sectors while improving the environment. In addition, as described in Attachment E, the City of Eugene is initiating a process to examine and implement sustainable practices. This offers an opportunity to expand the public discussion of sustainable business practices with other public agency partners.

### **C. Alternatives/Options**

The Board may:

- 1) Provide direction to staff for implementation of sustainable economic development practices including any or all of the following sustainable practices:
  - Work with all partners to promote sustainable economic development, such as with the City of Eugene on its recently announced initiative.
  - Incorporate a sustainable business practices rating criterion in the economic development RFP in FY 2005-06.
  - Request SAVE Committee take on a new initiative to promote sustainable county government business practices and describe efficiencies already achieved.
  - Request that the Lane Economic Committee (LEC) evaluate sustainable business practices and recommend actions to the Lane County Economic Development Standing Committee, for referral to the Board of County Commissioners.
  - Appoint a task force to evaluate sustainable practices and opportunities.
- 2) Decide not to take further action at this time to promote sustainable practices.

### **D. Recommendations**

The EDSC recommends that:

- The Board add sustainable development practices criterion to the Economic Development RFP for FY 2005-06 (*see Attachment A*).
- The Board authorize Lane County agencies to work with all partners to support sustainable economic development.

IV. IMPLEMENTATION/FOLLOW-UP: Upon direction by the Board, selected initiatives will be initiated through the EDSC, including some or all of the following, and others the Board may choose.

- Work with all partners to promote sustainable economic development
- Incorporate a sustainable business practices rating criterion in the economic development RFP in FY 2005-06
- Request SAVE Committee take on a new initiative to promote sustainable county government business practices and describe efficiencies already achieved
- Request that the Lane Economic Committee evaluate sustainable business practices and recommend actions
- Appoint a task force to evaluate sustainable practices and opportunities

#### Attachments

- A – Draft FY 05-06 economic development selection criteria
  - B – Examples of sustainable development practices
  - C – List of organizations that have constructed green buildings
  - D – Two additional definitions of sustainable development
  - E – Letter from Mayor Kitty Piercy regarding Eugene’s sustainability initiative (4/13/05)
  - F – Lane County Strategic Plan Goals
- \BCC Sustainability discussion memo 5-05.doc

## Attachment A

Note: The following text is from page 7 of the Lane County 2004-05 Economic Development Request For Proposals (RFP), with the evaluation criterion for sustainability approved by the EDSC on January 27, 2005 inserted as item #4 (in bold).

### **Part 12. What are the evaluation criteria for the proposal and budget narratives?**

After considering the requirements in Part 11, the proposals will be evaluated on the information presented in all sections of the proposal. Answers will be evaluated, rated and ranked by the Economic Development Standing Committee (as described in Part 10) on how well they meet the program scoring criteria, below. Additionally, other factors, as set forth in the proposal description beginning on page 10, will be considered within this evaluation.

1. Addresses Lane County Strategic Plan economic development goals and Oregon economy benchmark(s) (20 points) – Measures the degree to which the project will improve Lane County's net job growth, per capita income, wages, and employment factors.
2. Increases work readiness (15 points) – Measures the degree to which the capacities of workers will be enhanced and improved to work in the changing economy.
3. Readiness to proceed (25 points) – Will the project begin immediately upon funding award.
4. **Promotes sustainable use of resources (10 points) – Recognizes employment in industries using locally renewable resources, and/or emphasizes more efficient use of resources through energy conservation, recycling, green building, or other programs that produce measurable results.**
5. Opportunities for future development (15 points) – Evaluates the degree to which the results of the program will promote future development of industrial, commercial, and residential facilities, expands global economic opportunities, produces local products, increases the tax base and reduces future responsibilities of government.
6. Leverage of other funds (15 points) – Measures the commitment of other agencies and organizations to work toward the project goals by the degree to which they are willing to commit funds and other resources to the project.
7. Partnerships (10 points) – Evaluates how many public or private sector organizations are working in partnership to develop new and innovative ways of accomplishing economic development goals, and the relevance of the proposal to a strategic plan or regional economic development goal to create or retain jobs.
8. Budget presentation (10 points) – The budget, and budget narrative, thoroughly discuss the project costs and the budget is reasonable and consistent with the proposal as a whole.
9. Audit and accounting adequacy (10 points) – Measures the extent to which the applicant accounts for project funds separately from other programs, minimizes overhead costs, and provides a clear method of reporting project expenses and related results.

## Sustainable Development Practices

This matrix highlights some common practices and strategies used to promote sustainable development.

	<b>Practices</b>	<b>Examples</b>	<b>Primary benefits</b>
1	Government policies promoting sustainability	<ul style="list-style-type: none"> <li>-Economic assistance to sustainable sectors</li> <li>-Educational programs</li> <li>-Internal policies to improve sustainability</li> <li>-Green building incentives</li> <li>-Land use planning practices</li> </ul>	Opportunity to support sustainable development and practices in a broad range of areas
2	Development of economic sectors using renewable resources	<ul style="list-style-type: none"> <li>-recycling</li> <li>-energy:biofuels, wind power, hydropower</li> <li>-agriculture</li> <li>-timber sectors</li> </ul>	Uses renewables which are both local and continually replenished while promoting sector diversification
4	Reduction of use of resources	<ul style="list-style-type: none"> <li>-Alternative transportation</li> <li>-Efficient lighting</li> <li>-Improved insulation</li> <li>-Green building</li> </ul>	Keeps money in community thereby increasing local investment and spending in other areas
5	Local economy support	<ul style="list-style-type: none"> <li>-Schools buy local produce</li> <li>-Local biofuels</li> <li>-Encourage buying from local businesses</li> </ul>	Keeps money in community increasing local investment and spending
6	Educational programs	<ul style="list-style-type: none"> <li>-Outreach on buying local, green building, recycling etc.</li> <li>-Supporting networking of local businesses</li> </ul>	Promotes other categories

## Green Buildings (LEED Certified)

The following are examples of organizations that have had building constructed in accordance to the "Leadership in Energy and Environment Design" (LEED) Green Building Rating System®. LEED certified buildings use a minimum of 15-25% less energy, conserve building materials, use less water, less materials, and have higher quality indoor environments than conventionally constructed buildings.

Organization type	Name	State	Building's purpose
City of	Austin	TX	Transportation Emergency and Communication Center
City of	Chicago	IL	Dept. of Environment
City of	Cotati	CA	Police Facility
City of	Ft. Collins	CO	Public Library
City of	Olathe	KS	Municipal Service Center
City of	Sacramento	CA	EPA building
City of	San Jose	CA	Library
City of	Santa Monica	CA	Public Safety
City of	Seattle	WA	Parks and Recreation Dept.
City of	Seattle	WA	Parks and Recreation Dept.
City of	Surrey	BC, Canada	City building
County of	Harrisburg	PA	Municipal Authority, New Morgan
County of	Salem	OR	Marion County and Salem office building
County of	Seattle	WA	King County office building
Higher Education	Atlanta	GA	Georgia Institute Of Technology
Higher Education	Durham	NC	Duke University
Higher Education	Fayetteville	AR	University of Arkansas
Higher Education	Gainesville	FL	University of Florida
Higher Education	Greenville	SC	Furman University
Higher Education	Norfolk	VA	Old Dominion University
Higher Education	Pella	IA	Central College
Higher Education	Pittsburg	PA	Carnegie Mellon University
Higher Education	Richmond	VA	University of Richmond
Higher Education	Seattle	WA	University of Washington
Higher Education	South Hadey	MA	Mt. Holyoke College
Higher Education	Tuscon	AZ	Community College Pima
Hospital	Boulder	CO	Boulder Community Foothills Hospital
School District	Ada	MI	Ada school district building
School District	Arlington	VA	Arlington County school district building
School District	Clackamas	OR	Clackamas school district building
School District	Gladstone	NJ	Gladstone school district building
School District	Statesville	NC	Statesville school district building
State of	Middletown	PA	Pennsylvania Turnpike Commission
State of	Scaramento	CA	St. of California Dept. of General Services
US Federal	Arlington	VA	Pentagon
US Federal	Baltimore	MD	Social Security Administration
US Federal	Baltimore	MD	Social Security Child Care Center
US Federal	Barksdale AFB	LA	Air Combat Command
US Federal	Burien	WA	Federal Aviation Administration
US Federal	Caribou	ME	National Weather Service
US Federal	Chelmsford	MA	EPA New England Laboratory
US Federal	Grand Canyon	AZ	National Park Service
US Federal	Great Lakes	IL	Dept. of Navy
US Federal	Kansas City	KS	EPA Science Center
US Federal	Palmer	AK	National Weather Service
US Federal	Pensacola	FL	Navy Federal Credit Union
US Federal	Vancouver	WA	Bonneville Power
US Federal	Youngstown	OH	Federal Courthouse

## Attachment D

### **Alternative Definitions of Sustainability**

**1.** First defined by the U.N. World Commission on Environment and Development (the so-called Brundtland Commission) in *Our Common Future* (1987), sustainable development was defined as:

Development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs.

This is the most common definition used internationally.

**2.** The following definition is more business oriented and was first created by environmental author John Elkington and later refined by the World Resources Institute. This definition takes a more local economic development perspective and was supplied by Professor Bob Doppelt of the University of Oregon:

Sustainable development is that which achieves the 'Triple Bottom Line'

**Financial Bottom Line-**

Considering the potential costs and benefits of existing and emerging products, processes, and services on financial capital: The most common bottom line of all organizations includes today's cash flows, profits, shareholder value and tomorrow's economic viability.

**Social Bottom Line-**

Considering the potential costs and benefits of existing and emerging products, processes, and services on social capital: employees, local community, people in other regions/counties where raw materials are produced or are disposed of, and future generations.

**Environmental Bottom Line-**

Considering the potential costs and benefits of existing and emerging products, processes, and services on natural capital (energy, natural resources, plants and animals, and basic ecological services).

To summarize definition #2: Sustainable development involves the simultaneous pursuit of economic prosperity, environmental quality and social equity. Companies aiming for sustainability need to perform not against a single, financial bottom line but against the triple bottom line.





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April 13, 2005

**RE: City of Eugene Sustainable Development Initiative**

Dear Eugene Community:

Many of you have heard that I am initiating a process to establish a sustainable development strategy for our community. This memo explains what I want to accomplish and how I hope the process will proceed.

For many years, numerous private businesses, non-profit organizations, educational institutions, EWEB, the City of Eugene, as well as other government organizations, have worked to create more and better paying jobs, assist those with less capacity, and ensure a clean healthy environment for our community. The focus on achieving economic, social, and environmental wellbeing is often called the 'Triple Bottom Line.' I believe we have an opportunity in Eugene to expand these activities and establish broad understanding of how the many individual activities can be linked and enhanced to create a future that is embraced by our entire community.

For this reason, I am initiating a process to create a sustainable development strategy for our community. I want the process to bring all sectors of our community together to develop a common vision for how Eugene would look and function in the year 2020 if at that time it were considered a sustainable community, and to engage the community in thinking about how everyone's efforts can be leveraged to create that future. This will be very inclusive process. It is my intent to involve every individual and organization in Eugene that wants to participate.

I am honored that Rusty Rexus, owner of Rexus and current chair of the board of the Eugene Chamber of Commerce, and David Funk of Funk/Levis and Associates, have agreed to co-chair the process. Bob Doppelt and student interns working with Resource Innovations at the University of Oregon have agreed to provide technical support.

**Steps**

**Brainstorming Meeting:** One of my first steps will be a brainstorming meeting planned for Tuesday, April 19 with individuals representing key constituencies or organizations. I want to hear their views on what should be included in a sustainable development plan, what the end goals should be, and how they believe it should be constructed. I recognize that not all groups or individuals interested in sustainable development will be at this meeting. However, a community outreach process will begin soon after I establish a Task Force. Therefore, this will be just the first of many meetings held on the topic and I look forward to hearing from everyone in the very near future.

Sustainable Development Task Force: I will use the ideas generated at the April 19 meeting to shape the roles of a Task Force I will appoint. The Task Force will be charged with developing a sustainability strategy for our community. To ensure that the task force is of manageable size, it will be composed of 12-16 people.

Community Outreach and Involvement: The first step of the Task Force will be to initiate an extensive outreach, idea, and information gathering process. The goal will be to hear from every interested individual on how they think the City would look and function in 20 years if at that time it was considered a sustainable community and what they would like to see included in the sustainability plan to achieve those ends. The outreach process will include meetings with neighborhood associations, civic, and business groups. It may also issue a written or electronic survey that seeks feedback from community members.

Sustainable Business and Jobs Summit: I will also ask the Task Force to host a sustainable business and job development "summit" of some type to identify economic development needs and opportunities in this field that can benefit all industries, businesses, and workers in our community.

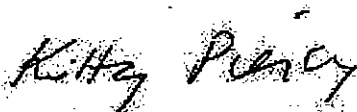
Sustainable Development Framework: After the community outreach and sustainable business summit are completed, the Task Force will be asked to develop the framework of a sustainable development strategy for our community. The framework may include, among other outcomes, the following components:

- The common themes voiced by community members about how they want Eugene to look and function in 20 years as a sustainable community.
- Specific strengths and attributes that can be leveraged to help the community achieve its vision of the future.
- Business and job retention and expansion options, including business clusters, that could help our community achieve its vision and provide Eugene with competitive advantage.
- Specific actions and measures that can help the private sector, non-profits, educational institutions, and households in Eugene achieve the desired future.
- Specific ways that sustainable development activities within city government and other public agencies can complement and leverage similar activities occurring within the community.
- Partnerships, advisory or standing committees, policies, and programs that will be vital to implementing the actions over the long term.
- Indicators and benchmarks to measure progress toward the desired ends.
- Options for funding sustainable development activities.

The Task Force will be asked to produce a draft framework by late fall, 2005 and release it for public comment. After obtaining and incorporating feedback from the public, the Task Force will deliver a final plan to the City Council and me.

Rest assured that it is imperative to me that the Task Force reach out and hear from all interested community members during this process. Everyone with an idea or concern

Sincerely,



Kitty Piercy  
Mayor

## GOALS

### Lane County's Goals

*Lane County Government exists to ensure the safety and well being of the people who live, work and visit our communities. That includes personal safety, security of property, preservation of infrastructure, health safety, and assisting in providing for our citizens' basic needs. Lane County places special emphasis on programs that serve youth, incorporated into and consistent with the following overall goals:*

- Work for a strong regional economy to expand the number of family-wage jobs available in Lane County.
- Provide opportunities for citizen participation in decision-making, voting, volunteerism and civic and community involvement.
- Ensure the provision of basic social support in the areas of health care, disease prevention, protection, poverty reduction and independent living.
- Ensure the public's safety with regard to adult and juvenile crime, emergency preparedness and regional cooperative policing through law enforcement, intervention, prosecution, incarceration, and parole and probation, while protecting individual's constitutional rights.
- Contribute to appropriate community development in the areas of transportation and telecommunications infrastructure, housing, growth management and land development.
- Maintain a healthy environment with regard to air quality, water quality, waste management, land use and parks.
- Protect the public's assets by maintaining, replacing or upgrading the County's investments in systems and capital infrastructure.
- Provide efficient and effective financial and administrative support and systems to direct service departments.

County departments will continue to develop specific and measurable objectives consistent with these over-arching goals. Departments will articulate measurable results that focus departmental objectives, plans, strategies and activities, and will evaluate department performance in achieving the planned results.



GOALS