

SECTION 8

Regional Vision and Goals

Our Vision

This vision is based on input from private and public sector participants in regional planning activities from 1995 to 2005.

Clarifications (e.g., that the guidance of growth would respect local goals and capacities) and incorporation of several current business issues and opportunities were recommended by the members of the Cascades West Council of Government's Community and Economic Development Committee, the Lane Economic Committee, and the BL3 Regional Investment Board Planning Committee.

The Benton-Lane-Lincoln-Linn region will guide its growth to create a sustainable demonstrably superior place to live and do business that respects the goals and capacities of each community. The region will nurture and support existing and new businesses to establish a multi-dimensional economy that provides a wide range of job opportunities to allow people to enjoy the quality of life they desire.

The high quality of life that we envision will be found in all areas of the region, including rural communities. A high quality of life means quality job, educational, and housing opportunities; health care, human services cultural and recreational offerings; and, open space and a healthy natural environment. Our rural communities will have strong institutions, strong local leadership, and strong local identities. The economies of our rural communities will be vital and diversified, including non-traditional businesses, value-added businesses, home-based businesses, and professional service firms. Linkages between communities, especially connections between rural and urban areas, will be improved through telecommunication linkages, improved highways, and other transportation options.

Key elements of the regional vision include:

- ♦ **A diversified economy affording a wide range of employment opportunities providing stable, family wage jobs**, including support for:
 - A strong private sector
 - A focus on traded-sector employment
 - Value-added employment in natural resource sectors, such as agriculture, fisheries, and forest products
 - Industries such as knowledge-based, software, metals, biotechnology, and emerging industries
 - Outstanding tourism products, including facilities and attractions
 - Economic revitalization of distressed and/or rural communities
 - Successful small businesses and cottage industries

- An adequate level of technical assistance and support to entrepreneurs and emerging businesses
 - Establishing networked business clusters
 - Accessible e-commerce technology for small business
 - Vibrant port and special districts as economic partners
 - Improved linkages from the coast to the Willamette Valley
 - An increase in higher education's capacity to develop emerging businesses and industries
 - A public-private model that successfully transfers university-based research to the private sector
 - Business and labor adjusting to changes in the economy
 - Outreach to special populations, such as the disabled, seniors, youth, minorities, unemployed and underemployed
 - Development of an appropriate inventory of industrial parks, sites and facilities
 - State certification of shovel-ready industrial sites
 - Manufacturing spaces such as business incubators, flexible buildings and commercial kitchens that meet the needs of start-up and emerging businesses
 - Revitalized downtown business districts, including redevelopment and reuse of properties
- ♦ **Lifelong education and workforce training opportunities, including:**
 - Quality K-12 public education
 - An outstanding higher education system
 - Accessible and superior community college facilities and programs
 - Strong, active partnerships between educational providers, businesses, and non-profits
 - Stable, adequate funding across the continuum of education and training systems
 - Multi-lingual delivery of education and training
 - Improved opportunities for the working poor and dislocated workers to access education and training services
 - Enhanced school-to-work programs
 - Training that addresses workforce needs
- ♦ **Sustainable natural resources, including:**
 - Balancing the multiple, sometimes conflicting, demands on natural resources
 - High-quality water
 - High-quality air
 - Appropriate use of limited land and protection for resource lands and soils
 - Restoration of anadromous fisheries for commercial and recreational use based on proven science
 - Complying with Section 4D Rules of the Endangered Species Act
 - Value-added agriculture, fisheries, and forest products
 - Recycling and use of alternative fibers
 - Preserving our natural resource industries
 - Coordination of university initiatives to promote sustainable natural resource programs

- Encouraging sustainable alternative fuels and energy sources, especially those that generate new employment
 - Addressing wetlands and brownfield issues on industrial properties
 - Preparedness for natural disasters
- ♦ **An integrated infrastructure** that includes:
- Well maintained, up-to-date water, sewer and storm water drain infrastructure systems, particularly to meet new regulations
 - Available, affordable telecommunications systems offering connectivity via television, cable, telephone, satellite, computer data line, wireless, and fiber optics for business and residential needs
 - Adequate and stable energy supplies
 - Coordination and advocacy among regional entities, such as the RIB, CWEDD, Area Commissions on Transportation, Fiber Optic Consortia and other entities to improve infrastructure networks and affordability, especially in rural areas
 - Well-maintained State and county highways and roads
 - Multi-modal and public transportation options, including air service, short-line rail, and water transportation, especially in rural areas
 - Assistance to smaller cities in addressing regulatory changes
 - Technical assistance for capital improvement planning and construction
 - Ongoing training for individuals involved in infrastructure maintenance, planning, construction, etc.
 - Regional coordination in the planning and construction of infrastructure
 - Adequate drinking water storage and supply
 - Coordinated regional telecommunications infrastructure planning and integration with other community needs and initiatives

Coordinated efforts that provide an integrated approach to problem solving and that focus the efforts of a variety of individuals, communities, and agencies will be needed to move the region toward this vision. This coordination will entail:

- ♦ Public-private partnerships
- ♦ Linkages between academic research and the private sector
- ♦ Local, regional, state, and federal collaborations

Also important are:

- ♦ Fostering the participation and contribution of the region's diverse citizenry
- ♦ Supporting a balanced and fair tax structure
- ♦ Encouraging well-managed economic growth
- ♦ Increasing accessibility of government programs and initiatives to all of the region's residents
- ♦ Removing barriers to the growth of business
- ♦ Revitalizing traditional downtown commercial core areas

Our Goals

The following six goals refine the regional vision and provide a framework for shaping the distinct work plans and long-term investment strategies of the:

- ♦ BL3 Regional Investment Board
- ♦ Cascades West Economic Development District
 - Cascades West Community and Economic Development Committee
 - Lane Economic Committee

Policy-level explanations of why the goal is considered important and examples of how the goal could be addressed follow each goal statement.

Goal: Advance economic activities that provide a range of employment opportunities.

Considerations: The region must both support existing businesses and industries and be prepared to take advantage of new opportunities. Individuals must be supported in their efforts to improve their skills, to have access to a variety of job opportunities, and to start their own businesses.

Examples of activities that support this goal:

- ♦ Enhance access to capital, both private and public
- ♦ Training for professional and technical primary jobs
- ♦ Enhance value-added production and niche marketing
- ♦ Support for ports and special districts
- ♦ Support for the activities of business incubation centers, entrepreneurs, small business development centers, and economic development partnerships, that help local businesses meet their needs, resolve issues, and expand job opportunities
- ♦ Create new models to commercialize research
- ♦ Reach out to special populations including the disabled, seniors, minorities, unemployed, under-employed and youth
- ♦ Address barriers to business location and expansion

Goal: Build on the region's entrepreneurial culture and assets.

Considerations: Entrepreneurs continue to be a significant economic generator in the region as their efforts expand existing sectors, create new sectors that diversify the economy and generate most of the region's job growth. With macro-level economic changes that range from globalization to shifting market structures, our regional economy will require a continued in-flux of fresh energy from new and existing businesses. To make an economic impact our approaches to supporting entrepreneurs will need to be pro-active, responsive, flexible and innovative – in a word, entrepreneurial.

Examples of activities that support this goal:

- ♦ Establish networks of business clusters

- ♦ Create new models to transfer university research to entrepreneurs
- ♦ Develop facilities that support the needs of emerging businesses such as incubators, commercial kitchens and flexible manufacturing buildings
- ♦ Expand the availability of business development assistance
- ♦ Form start-up capital, micro-enterprise financing and venture capital funds
- ♦ Identify and promote emerging business sectors
- ♦ Implement enterprise development efforts targeted at start-up businesses
- ♦ Support potential entrepreneurs as they are displaced in workforce reductions

Goal: Support infrastructure assistance to communities.

Considerations: There is an ongoing shortage of industrial and business park space in our region, especially larger sites. Some communities must address compliance issues that require improvements to water and sewer facilities. While the State has funding available for some types of infrastructure projects, there are still funding gaps. In addition, some rural communities lack full-service infrastructure (water, sewer, telecommunications, streets, natural gas) to residential, commercial and industrial sites.

Examples of activities that support this goal:

- ♦ Provide leverage to access other funding sources
- ♦ Support for the development of advanced telecommunications and access to existing fiber optic infrastructure
- ♦ Development of fully-served industrial sites and business parks, including redevelopment of underutilized sites
- ♦ Development of transportation options, including rail and air service

Goal: Provide technical assistance to communities and support capacity building efforts.

Considerations: Communities often lack the facilitation resources needed to build consensus for their community development agenda and to identify how to move components of that agenda forward. Smaller communities also often need technical assistance to access State and private funding sources for infrastructure improvements and other community development priorities.

Examples of activities that support this goal:

- ♦ Technical assistance to develop community projects
- ♦ Technical assistance to smaller communities for accessing funding sources
- ♦ Creation of and updates to community development plans
- ♦ Development of project-specific action plans
- ♦ Support in determining how to address new governmental regulations

- ♦ Assist communities in identifying and addressing community facility needs such as health clinics, housing, and tribal facilities
- ♦ Planning and implementing downtown revitalization efforts

Goal: Partner to improve workforce training and education.

Considerations: There is an ongoing need to increase the access to and the capacity of workforce training efforts. Career planning that links specific training to a range of job opportunities is necessary to show people that there are more opportunities available than just obtaining an initial job. Access to training opportunities in rural areas is limited and there are additional issues surrounding access (transportation, available child care, etc.). A lack of trained health care workers is a growing problem, especially in rural areas.

Examples of activities that support this goal:

- ♦ Expand training opportunities to rural areas
- ♦ Initiate new training programs
- ♦ Increase linkages between new and expanding businesses and workforce training entities and educational institutions
- ♦ Meet the needs of displaced workers with entrepreneurial interests

Goal: Support the needs of rural areas.

Considerations: All of the Goals above are applicable in rural areas and communities. Small communities may lack the local capacity and funding resources necessary to undertake large projects, such as infrastructure upgrades. Local access to training and education opportunities is important, but often limited. Lack of transportation options can hinder access to education, work, and services for individuals in rural communities. Often, a lack of serviced industrial sites reduces any opportunity for development, redevelopment, or expansion of local industries.

Examples of activities that support this goal:

- ♦ Provide technical assistance to develop and administer projects
- ♦ Development of infrastructure
- ♦ Support for business development and management programs
- ♦ Collaboration and coordination among communities to address needs
- ♦ Enhance health care facilities and services
- ♦ Increase transportation options
- ♦ Provide outreach to existing and emerging entrepreneurs in smaller communities
- ♦ Identify and assist in developing business niches that would be attracted to the environment of smaller communities
- ♦ Identify and assist in developing desired community facilities, such as libraries, community meeting space, tribal facilities and recreational amenities

Economic Development Partners

The following outline of those involved in regional economic development efforts is not exhaustive. However, it does provide an indication of the multiple facets and many players involved in economic development in the region. Active input, communication, collaboration, and cooperation among these entities is a cornerstone of developing and implementing the regional economic development strategy.

Comprehensive Economic Development Planning

- ♦ BL3 Regional and Rural Investment Strategy
- ♦ Cascades West Economic Development District, U.S. Department of Commerce Economic Development Administration
 - Lane Council of Governments
 - Lane Economic Committee
 - Oregon Cascade West Council of Governments
 - OCWCOG Community and Economic Development Committee
- ♦ Oregon Economic and Community Development Department
- ♦ *Each county, city, tribe, and port (identified in Section 2) must address economic development goals in their localized comprehensive planning efforts.*

Jurisdictions

- ♦ Counties: Benton, Lane, Lincoln, Linn
- ♦ Cities: 36 jurisdictions (see Section 2 for full list)
- ♦ Ports: Alsea, Newport, Siuslaw, Toledo
- ♦ Tribes: Confederated Tribes of Coos, Lower Umpqua and Siuslaw; Grand Ronde; Siletz
- ♦ *The region also includes multiple water districts, Soil and Water Conservation Districts, and watershed councils.*

Lead Economic Development Contacts

- ♦ Albany-Millersburg Economic Development Corporation
- ♦ Corvallis-Benton County Economic Development Partnership
- ♦ Economic Development Alliance of Lincoln County
- ♦ Lane Metro Partnership
- ♦ North Santiam Economic Development Corporation
- ♦ Oregon Community and Economic Development Department
- ♦ Sweet Home Economic Development Group
- ♦ *County, city, tribe, port, and chambers of commerce may have staff that serve as a lead local contact.*

Business Development Funds

- ♦ BL3 Regional Investment Board
- ♦ Cascades West Financial Services
- ♦ Linn County Business Development
- ♦ Oregon Community and Economic Development Department
- ♦ *Some county, city, urban renewal, and port authorities provide local business development loan pools.*

Business Start-up Counseling

- ♦ Lane Community College Business Development Center
- ♦ Linn-Benton Community College Business Development Center
- ♦ Oregon Coast Community College Business Development Center
- ♦ Senior Corps of Retired Executives (SCORE)

Tourism

- ♦ Albany Visitors Association
- ♦ Central Oregon Coast Association
- ♦ Convention and Visitors Association of Lane County
- ♦ Corvallis Visitors Bureau
- ♦ Oregon Tourism Commission
- ♦ *Community visitor programs, chambers of commerce, and multiple other non-profit groups oversee local tourism development efforts.*

Workforce Training

- ♦ Community Services Consortium Business Employment Training Associates
- ♦ Lane Workforce Partnership
- ♦ Lane Community College
- ♦ Linn-Benton Community College
- ♦ Oregon Coast Community College
- ♦ Oregon Employment Department
- ♦ Workforce Investment Boards
 - Workforce Response Teams

Other Entities Involved in Economic Development

- ♦ Chambers of Commerce typically play multiple roles in supporting business development in their communities.
- ♦ Cities provide infrastructure systems, development review, obtain site development funds, and play multiple other roles in implementing local economic development goals.
- ♦ Community colleges have worked in partnership on regional and local economic development strategies and projects in addition to their business development center and training work.
- ♦ Oregon State University and the University of Oregon have served as economic development partners, created technology transfer programs, and supporting regional business development and recruitment efforts.
- ♦ Community Response Teams in some communities shape and implement local community and economic development priorities.
- ♦ Metropolitan Planning Organizations in the Eugene / Springfield and Corvallis MPAs provides planning and project coordination.
- ♦ Cascades West Area Commission on Transportation advises the Oregon Transportation Commission on regional issues and priorities.
- ♦ Local governments and the Oregon Department of Transportation provide and maintain critical transportation connections.
- ♦ Rail providers, including short line operators, provide an important part of community and economic infrastructure.

- ♦ State of Oregon: The Governor's office and multiple State agencies work to address various issues and needs, provide funding assistance, and implement statewide programs.
- ♦ Utility providers (electric, natural gas, communications) often provide staff support and partner in regional and local economic development efforts.
- ♦ Watershed councils provide a forum for the multiple resource interests in their shed and undertake projects to improve natural systems.
- ♦ Lane Micro Business implements a focused business development strategy
- ♦ St. Vincent DePaul, a non-profit organization, works to address a variety of community and social concerns while, often concurrently, implementing job creation and business development efforts.



SECTION 9

Cascades West Economic Development District Work Program

Organizational Structure

Overview

Cascades West Economic Development District (CWEDD) brings together local elected officials, community improvement organizations, business community members, and State and federal resource providers to address community and economic development issues. Its mission is to create jobs and to enhance the livability of the communities in Linn, Benton, Lincoln and Lane Counties. The CWEDD:

- ♦ Advocates the economic development interests of the region;
- ♦ Promotes coordination, cooperation, and communication among economic development groups and organizations;
- ♦ Provides access to financial incentives for business and industry in the region;
- ♦ Imports outside capital into the region for economic development and public works projects;
- ♦ Conducts research and development to identify new economic opportunities in the region; and
- ♦ Provides supporting services to others focused on business and industrial expansion.

The CWEDD is a cooperative partnership between the Oregon Cascades West Council of Governments (CWCOG) and the Lane Council of Governments (LCOG). The U.S. Department of Commerce Economic Development Administration (EDA) designated CWEDD as the Economic Development District for the BL3 region in 1983. Both COGs provided community and economic development assistance in their respective areas prior to the establishment of the CWEDD, with CWCOG serving Linn, Benton, and Lincoln County communities as a designated Economic Development District since 1977.

CWEDD Board and Committees

A twenty-member Board oversees the activities of the CWEDD. CWEDD Board members include the executive committees of Lane and Cascades West Council of Governments and others appointed by the COG Boards that represent public, private, and non-profit stakeholders.

Two committees are appointed by their respective Council of Governments' Board of Directors to guide development and implementation of the regional economic development strategy and work program in their respective areas:

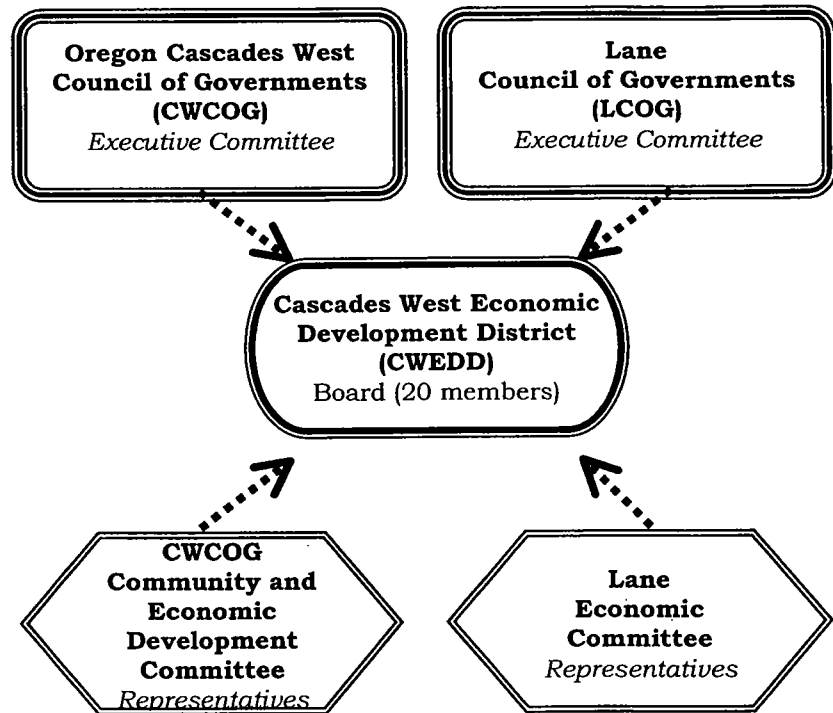
- ♦ CWCOG Community and Economic Development Committee
- ♦ Lane Economic Committee

These committees identify issues and opportunities, assist in framing the regional vision and goals, provide policy recommendations to the COG Boards and the CWEDD Board, and assist the staff of the Cascades West and Lane Council of Governments in work plan implementation.

The activities of the CWEDD are carried out through the professional staff of:

- ♦ Oregon Cascades West Council of Governments (CWCOG) and
- ♦ Lane Council of Government (LCOG).

Representatives of member county, city, port, and tribal governments comprise the Boards of Directors of the two COGs.



Comprehensive Economic Development Strategy / Regional Investment Strategy

The Cascades West Economic Development District (CWEDD) develops the Comprehensive Economic Development Strategy for the Benton, Lane, Lincoln and Linn Counties region (BL3). The CWEDD then implements community and economic development priorities based on the strategy and community needs. For the last five years, the development of the Strategy has been coordinated with the planning efforts of the Benton-Lane-Lincoln-Linn Regional Investment Board (BL3 RIB).

This Comprehensive Economic Development Strategy is reviewed by the CWEDD Committees, and approved by the CWEDD Board, CWCOG and LCOG Boards of Directors, and the Boards of Commissioners of the four counties.

Accomplishments

Five-year Overview

Between 2000 and 2005, Cascades West Economic Development District lent \$51.9 million dollars to businesses within the region. These loans supported the retention or creation of over 1,700 jobs. The District assisted communities within the four counties with sixteen (16) public works and community facility development projects and was involved in eighteen (18) other planning and problem-solving projects.

The Last Year in Review

Significant efforts for the one-year period ending March 31, 2005 include:

- Completion of an Economic Development Strategic Plan for a fifth Lane County community (Creswell).
- Initiation of a project to double the properties in Lane County certified by the State of Oregon as development ready.
- Completion of the Lebanon Industrial Park Wetlands project.
- Completion of an inter-agency process to establish a regional partnership to assist low and moderate-income households to become homeowners.
- Completion of the Toledo to Sweet Home Rail Corridor Study and initial steps to obtain funding for the top priority rail improvement project.
- Assistance to the BL3 Regional Investment Board to fund business development projects consistent with the BL3 Regional/Rural Investment Programs for the 2003-2005 biennium.

Further details on these projects and on the other accomplishments for the April 1, 2004 through March 31, 2005 timeframe are provided in Appendix C.

Work Program

Background

As a part of the update of this Regional Investment Strategy, an assessment of the region's strengths, weaknesses, opportunities and threats was undertaken. The major findings of that effort are presented in Section 7 and augmented by the background information found in Sections 3 through 6.

This needs assessment indicates that the core services provided by the District continue to be of valued and needed. However, due to funding limitations, the demand in many cases exceeds the capacity of the District to provide these services. In order to attempt to better meet the challenges faced by the communities within the region, over the next five years the District will attempt to further leverage its resources and will approach its community and economic development mission of community investment and reinvestment through the following multi-pronged approach.

Work Program Focus

- A. **Continuation of core service**, e.g. business lending, technical assistance for infrastructure development and other community needs, convening of parties to regionally address issues of broad concern.
- B. Through the delivery of core services, **seek ways to address multiple needs with a single "solution."** Seek to identify new partners – including those whose mission is not primarily economic development – and new approaches to addressing economic issues while also addressing the needs of those partners. Examples of this approach include the successes of entities such as St. Vincent de Paul in Lane County that works to simultaneously address job training and employment skills, housing, recycling, and personal asset development through its projects.
- C. Find ways to **strengthen both business and civic entrepreneurship**, including strengthening the culture that supports creativity and risk-taking and that build upon the assets of the University of Oregon and Oregon State University.
- D. While continuing to address immediate problems, **maintain a longer-term view**. In the current economic climate, where the State of Oregon is just recovering from an economic downturn, there is a great deal of emphasis placed by other programs and service providers on immediate job creation, resolving issues to create shovel-ready industrial sites, etc. These efforts are vital. However, it is through asset building and systems changes that we can better prepare ourselves to weather future period of limited economic growth.
- E. **Design service delivery systems that are user-centered**. First, we need to consider the needs, limitations and capacity of the end user of the services in determining how services will

be provided. Second, we need to ensure that our services are accessible to all segments of the community to avoid trapping an underclass that might miss education, employment, and other opportunities.

- F. Put more emphasis on **convening economic development advocates and activists to a) look for ways to leverage individual results and b) examine from a systems viewpoint** the barriers that limit the effectiveness of our joint community and economic development work.

Approach

Consistent with the vision and goals for the region (see Section 7), and considering the approach described above, the District will undertake the following activities for the April 1, 2005 through March 31, 2006 period:

1. Support the communities within the District to develop and implement economic development strategies and initiatives and conduct studies and analyses. This will include assistance to jurisdictions and local groups with grant applications and management, as well as project management; monitoring of legislation and regulations and advocacy for local needs; and participation in coordination efforts with partners from throughout the region and state.
2. Provide governmental, public and private sector users with assistance in efforts to attract new business and industry through the provision of information and the conduct of studies.
3. Assist local jurisdictions in planning and developing public works and community facilities projects, including preparation of applications for State and federal assistance and administration of funds obtained by local governments.
4. Support regional committees addressing transportation and community development issues and needs.
5. Develop, administer and market governmental finance programs and assist businesses in accessing capital. Business finance programs will continue to serve as “one stop” centers for businesses seeking public financing for start-up and expansion projects.

Implementation Planning

The Cascades West Community and Economic Development Committee and the Lane Economic Committee provide direction to staff on work program priorities and implementation approaches. Their respective work programs for the upcoming year are included in Appendix C. These work plans are provided as illustrations of how this Strategy will be implemented, and are expected to evolve and be revised as the tasks identified move toward implementation.

Program Evaluation

The District will undertake on a biennial basis a review and evaluation of its activities. The evaluation will address the extent to which the District's efforts have incorporated the elements of the multi-pronged approach, described above, in its delivery of services and the extent to which these efforts are addressing the systemic barriers to community and economic vitality.

Additionally, the evaluation will include reporting on the following outcomes:

- ◆ Number of jobs retained or created,
- ◆ Program dollars invested in business expansion,
- ◆ Other public and private dollars leveraged for business expansion,
- ◆ Number of priority infrastructure and community facility projects assisted, and
- ◆ Dollars mobilized for public infrastructure development.



SECTION 10

Regional Investment Board 2005-2007 Implementation Plan

Legal Framework

The Regional, and Rural, Investment program was initiated by the 1999 Oregon State Legislature, as an update to the previously existing Regional Strategy program. The Regional Investment program was made into law through Oregon Revised Statutes 285B.230-.269 and its implementing rules are found and formalized in Oregon Administrative Rules (OAR) Chapter 123. All references to specific requirements of the law are listed by ORS number.

This section of the Regional Investment Strategy meets State Program requirements for the Regional and Rural Investment Funds made available to the Benton-Lane-Lincoln-Linn (BL³) Region:

- ♦ ORS 285B.239(4): “A long-term plan to implement the regional investment strategy,”
- ♦ ORS 285B.239(5): “A two-year investment strategy that describes projects and activities to be undertaken...”
- ♦ ORS 285B.257(2): Including the “... rural action plan consistent with the purpose and objectives of the Rural Investment Fund.”

As described in ORS 285B.239(5) and (7), the BL3 Regional Investment Board (RIB) has designed an investment strategy to focus on the performance measures of “long-term and short-term job creation and retention activities,” “leveraging long-term investments,” and “maximizing moneys leveraged with short-term investments.”

An outline of where ORS requirements are met in this Regional Investment Strategy document is provided in Appendix D.

Organizational Structure and Board Membership

Benton, Lane, Lincoln, and Linn Counties have entered into an Intergovernmental Agreement (IGA) establishing the BL3 Regional Investment Board to oversee the State’s Regional Investment and Rural Investment Programs in the four counties. The

responsibilities of the Board, its membership, and operational guidelines are specified in the IGA and the RIB Bylaws.

The Board consists of 21 members with each county appointing five members plus a representative from the Confederated Tribes of Siletz Indians. These members represent the broad community and economic development interests of the region, and include representatives from cities, counties, ports, special districts and Native American tribes and significant representation from the private economic sector and rural interests. See Appendix D for a list of Board members.

Committees of the Board

The Board established three on-going committees: an Executive Committee, a Projects Committee to review project applications, and a Planning Committee to recommend updates to the Regional Investment Strategy. The Regional Investment Board appoints committee members and all committees have members from each county. Each committee meets as often as necessary and reviews, refines, and recommends appropriate action to the Regional Investment Board. Other ad hoc committees may be appointed as necessary to assist with specific tasks such as budget development. All Board and committee meetings are open to the public, although closed Executive Sessions may be required on occasion.

The Regional Investment Board's Executive Committee has the responsibility to guide the policy and process for the Strategy, and provide oversight of the counties' contract with the Cascades West Economic Development District for the Regional Investment Program.

The Projects Committee reviews and recommends projects to be funded with Regional Investment and Rural Investment funding. The Projects Committee project review includes a determination of whether a project provides any possibility for coordination of efforts with other regions. The chair and vice-chair of the Regional Investment Board act as the BL³ representative on the required approval body for any projects from the BL³ Region attempting to access State Strategic Reserve Fund assistance.

The Planning Committee will review the existing document and recommends changes to the Strategy necessary to meet new statutes and rules developed by the Legislature.

Fiscal Administration

Benton, Lane, Lincoln, and Linn Counties entered into an Intergovernmental Agreement with Cascades West Economic Development District (CWEDD) for administrative and fiscal management of the four-county Regional Investment and Rural Investment Programs. The responsibilities of the District are described in detail in the Intergovernmental Agreement.

CWEDD was the fiscal agent for the BL³ Regional Strategies Board, the predecessor of the RIB that served the four counties from 1993 through 1999 and has been the fiscal agent for the

Regional Investment Board since the initiation of this program in 1999.

Both of the Councils of Governments will provide staff to work with the Regional Investment Board, their partners, and their projects. The Community Development Director for Cascades West Council of Governments will coordinate the services provided to the counties. Primary staffing will be provided by Drew Foster, CWCOG Community Development Planner; Brenda Mainord, CWCOG Business Officer; and Milo Mecham, Lane COG Senior Planner.

2003-05 Accomplishments

The 2003 Oregon Legislature provided new guidelines for the 2003-05 Regional/Rural Investment program. The new guidelines specified job creation, both long-term and short-term, and leverage as the primary evaluation criteria for the program (ORS 285B.264). This allowed the BL³ Board to target the Regional Investment Strategy's efforts and funds (\$870,000) on job creation, to an even greater degree than they had previously.

The Board established targets of one job created or retained (one job equals one FTE) for each \$3,000 of RIB investment (289 jobs for the biennium) and \$5 of matching funds for each \$1 of RIB investment (\$4.5 million in matching funds). They also set a target that 25 percent of the jobs created or retained would be above Average County Wage (ACW) for the county in which the job is located.

Fourteen projects were funded over the biennium, and when all projects are completed, they will far exceed the targets. From the commitments in the 14 project contracts, it is estimated that 773 jobs will be created or retained and that over \$28 million in matching funds will be invested and leveraged. To this point in time, 190 jobs have been created or retained and 76 of those jobs are above ACW for the appropriate county. Over \$26 million has already been invested from other sources, which means that leverage will ultimately exceed the \$28 million dollar estimate from the original contracts. The BL³ RIB had a very successful biennium.

Long Term Plan

The Regional Investment Board is a partner in implementing the Regional Investment Strategy. The RIB sets the stage by developing the Strategy with vision, goals, and approaches that help define the types of activities that the RIB will support. The primary partners in implementing the Strategy are local governments, special districts, ports, non-profit agencies, community colleges, and local economic development organizations. These entities undertake activities and implement projects that support the Strategy. The State and Federal government, private industry and individuals, private

foundations, and local governments and agencies act as partners by providing additional funding sources.

In the 2005-2007 biennium, the RIB will focus on projects and programs that create and/or retain short-term and long-term jobs in the Region. The BL³ Regional Investment Board also has a history of supporting loan programs, which provide an ongoing resource for business development. The Board recognizes that some loan programs are multi-regional and provide job creation in other regions.

Eligible Activities

The BL³ RIB will consider four categories of activities for funding in the 2005-2007 biennium:

- ♦ **Business Development** - opportunities that encourage business growth and investment such as business marketing, retention and expansion, and support for start-up and attraction of businesses through both grants and loans;
- ♦ **Site Development** – opportunities that include industrial/business parks, speculative buildings, and public/private partnerships that have a direct role in helping create jobs;
- ♦ **Workforce Development** – opportunities that build the skills of the local workforce through partnerships between business, education, and government; and
- ♦ **Capacity Development** – opportunities that address the economic development needs of a community, including technical assistance to various partners who can demonstrate specific and definable needs.

2005-2007 Two-Year Investment Strategy

Project Funding Process

The Regional Investment Board will hold all funds in an Opportunity Fund. This will enable the RIB to respond quickly with funding commitments to projects that will provide short-term job creation/retention.

Generally, only proposals of up to \$100,000 will be considered for funding. Proposals over \$100,000 may be considered at the discretion of the full Regional Investment Board.

The RIB will rely on economic development partners within the region to identify projects and refer project proponents to the program. The partners include existing business lending entities in the public and not-for-profit sectors, county commissioners, business development centers, port districts, and State and local economic development entities.

An application will be available on the RIB's website (www.bl3rib.org). A copy of this application may be put forward by any of the economic development partners mentioned above. RIB staff will review the application for completeness and obtain a

credit check. The application, staff review and credit check information will be forwarded to the Projects Committee of the RIB. The Projects Committee will review each project and make a recommendation to the full Regional Investment Board concerning project approval and a recommended funding level. The Regional Investment Board will review each project that it receives from the Projects Committee and will then send projects that the full RIB recommends to each of the four counties Boards of Commissioners for final approval.

At each quarterly meeting, the RIB will review the project funding process to ascertain that a sufficient number of projects are being received and that funding is being committed in an expeditious manner. After this review, the RIB maintains the right to make changes to the program in order to meet the performance targets. If the review shows that the funding process has been successful in achieving the targets, the RIB may implement an amended funding process that would attempt to seek projects with a more long-term focus on job creation/retention.

Within six months of award decisions by the Counties, all projects will be reviewed to determine whether they have met all contracting requirements and are moving forward. Any projects that have not met all contracting requirements could be liable for loss of funding.

The Board reserves the right to propose partial funding for any project or to propose their own challenge grants for a project. The Board retains the right to request projects that support a specific outcome or outcomes.

Project Review Considerations

The Board will review projects based on the following limitations, criteria, and considerations. These review considerations are based on and consistent with ORS requirements.

No project may fund ineligible activities (ORS 285B.260(3)). Those ineligible activities include:

- ◆ Retire any debt;
- ◆ Reimburse any person or municipality for expenditures or expenses incurred prior to the approval of this plan by the Oregon Economic and Community Development Commission;
- ◆ Substitution for available budgeted resources supporting ongoing public services or infrastructure that already exist;
- ◆ Maintain existing staff of public or private entities, except to administer this Strategy, or for new or augmented efforts consistent with this Strategy;
- ◆ Assist in the relocation of a business from one labor market area to another within the state;
- ◆ Award a grant or loan to a private business, unless the award is consistent with an activity specified in this Strategy.

The Benton-Lane-Lincoln-Linn RIB may support loan programs to private businesses. Any and all loan programs would have to meet the following parameters (ORS 285B.264(4)):

- ◆ Job creation or retention;

- ♦ Private sector participation;
- ♦ Correlation between the nature of the project and the collateral required and the terms of the loan (length of loan and interest rate);
- ♦ Collateral is required for all loans (except for a venture capital/equity purchase loan program).

Any grants or loans made by the Benton-Lane-Lincoln-Linn RIB to a private business will include a first-source hiring agreement. The first-source hiring agreement requires “a good faith effort to hire and retain as employees low-income individuals who have received job training assistance from publicly funded job training providers.” (OAR 461.740(1))

The Benton-Lane-Lincoln-Linn RIB may support direct grants to private businesses for asset acquisition. Any and all grants would have to address the following parameters (ORS 285B.263(4)):

- ♦ Create or retain one job for each \$3,000 of investment;
- ♦ Private sector participation of at least \$5 per \$1 of RIB funding;
- ♦ RIB Grant would be the final source of funding. A commitment for all other funding for the total project must be in place before RIB funds would be released.

The Benton-Lane-Lincoln-Linn RIB may support tourism and industrial marketing programs. If any tourism or industrial marketing projects are funded, they will complement and will not conflict with statewide marketing campaigns and efforts aimed at traveler/tourists or at industrial investors as they exist at the time the project is funded.

The Benton-Lane-Lincoln-Linn Regional Investment Board, in order to participate in the State’s Strategic Regional Investment Opportunity Fund (SRIOF), nominates the chair and vice-chair of the Projects Committee to act as the BL³ representative on the required approval body for any projects from the BL³ Region attempting to access SRIOF funding.

Project Evaluation Criteria

There are three basic evaluation criteria applicable to both the Regional and Rural Investment Funds.

- ♦ **Job Creation/Retention** - The project creates or retains one job for every \$3,000 of Regional/Rural Investment Funds committed.
- ♦ **Leverage** - The project leverages \$5 in matching funds for every \$1 of Regional/Rural Investment Funds committed.
- ♦ **Readiness to Proceed** - The project will have all matching fund resources in place within six (6) months of commitment of Regional/Rural Investment Funds from the BL³ Region.

In addition to the criteria and limitations listed above, the following factors will be considered during the selection of projects to be funded:

Wage level of jobs created retained, taking into consideration:

- ♦ County average wage
- ♦ Amount above minimum wage

- Benefit packages
- Growth potential of business and industry
- Diversification of local economy
- Project start and completion dates
- Other funding sources contacted and their response
- Funding gap which the Regional/Rural Investment Funds will address
- Partnerships and/or collaborations that support the project
- Extent to which this project serves the needs of minorities and the disadvantaged
- Capability of organization (ability of the organization to undertake a project of this type and administer the grant)
- Geographic dispersion of Regional/Rural Investment funding, location of the project and its sphere of influence

These considerations are not meant to act as a limitation to project proponents. A project does not have to meet all these considerations. These considerations are all reviewed equally and as a whole, no weight is given to any particular consideration.

Plan for Minorities and Economically Disadvantaged

The District and the Regional Investment Board recognize the importance of devising and implementing a Strategy that addresses the needs of minority and disadvantaged persons (This section fulfills ORS 285B.239(6)).

The Confederated Tribes of Siletz Indians and the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw were invited by the County Commissioners of Benton, Lane, Lincoln, and Linn Counties to appoint a member to serve on the Regional Investment Board. A member of the Siletz Tribal Council was appointed as a member in 2001.

The goals, developed as part of the Strategy, are all applicable to the needs of minority, disabled, and economically disadvantaged groups as members of our communities. The work of the Workforce Investment Boards of Region 4 (Benton-Lincoln-Linn Counties) and Lane County, in the areas of dislocated and disadvantaged workers, has been integrated into the Regional Plan.

The project application process requires all applicants to provide information regarding how minorities and economically disadvantaged will be served by the project. In addition, all project contracts will include a first-source hiring agreement, as delineated in the project review sub-section above.

Program Evaluation

The Benton-Lane-Lincoln-Linn Regional Investment program will focus its program evaluation and regional benchmarks on the basic criteria delineated in ORS 285B.239(7). The BL³ region will provide reports to OECDD, in the format required, that supplies information on the basic program measurements for both individual projects and the overall program.

The performance measures for the BL³ Region, along with the targets set by the Board (targets are based upon an expected, combined funding level of \$865,883 for the Regional and Rural Investment programs), include:

- Create or retain 1 short-term job for every \$3,000 invested (289 short-term jobs created or retained). Projects creating long-term jobs will be considered after the region has met its short-term job creation/retention goal.
- Leverage \$5 of other funds (cash or in-kind) for every \$1 of Regional/Rural Investment funds committed (\$4,329,415 match for \$865,883 in R/RI funds. This match amount is applicable for both short-term and long-term projects).
- 25 percent of all jobs created or retained will be at or above average county wage for the county where the project is focused (73 short-term jobs created will be at or above county average wage).

Two regional benchmarks will be used to track change within the region:

- Job growth by industrial sector
- Average wage by industrial sector

All benchmarks will be tracked as actual numbers and percentage change on a yearly basis. Percentage change will also be tracked in comparison to percentage change at the state level for the same industrial sectors.