

Economic
Development
Possibilities and
Concerns for Oregon's
Rural Communities



STEVE FORRESTER, CITY MANAGER

Current Reality in Prineville/Crook County

Economic Transformation of Our Rural Community

2009

ECONOMIC HARDSHIP

 **20% UNEMPLOYMENT**

-  Timber-Dependent Economy
-  Population Decline
-  Low Wages
-  Industry Contraction

TODAY

GROWTH AND OPPORTUNITY

 **6% UNEMPLOYMENT**

-  Timber → Tech Transition
-  One of the Fastest Growing Communities in Oregon
-  Significant Wage Growth
-  2nd Highest Average Annual Wage in Oregon
(Behind Washington County)

-  14-Point Drop in Unemployment
-  Major Wage Acceleration
-  Shift to Innovation Economy
-  Statewide Wage Leader

Current Reality: Positive Impact of Data Center Development



**73% RESIDENTS**

**130%+ AVERAGE WAGE**

**TOP 5 EMPLOYER**



Est. \$25 million in Infrastructure

- ASR
- Water Resiliency



City Financial Stability

Capital Investment

Ideal Future - Continued Data Center Development



Gaps and Barriers / How the State Can Assist

Gaps and Barriers

Power Supply & Availability

Grid limitations and infrastructure upgrades lagging behind growth

Land Constraints

Limited availability of large, suitably zoned parcels

Tax Unfriendliness

High property and business taxes compared to competing states

Overall Business Climate in Oregon

Perception of Oregon as less business-friendly compared to other locations

How the State Can Assist

1. Address Power & Land Constraints

Objective: Address power constraints and enable industrial growth

2. Reduce Tax Burden

Objective: Improve business profitability and attract investment

3. Increase Business Friendliness

Objective: Create a supportive and predictable operating environment