



REGIONAL SOLUTIONS OFFICE
GOVERNOR KATE BROWN

Central Oregon Regional Solutions Advisory Committee

Representing Crook, Deschutes, and Jefferson Counties

AGENDA

Monday April 24, 2017

9:00 am – noon

Redmond City Hall
446 SW 7th Street
Redmond, Oregon 97756

Call in: 1-888-557-8511

Participant code: 9470233

- I. Introductions, Welcome New Members - Mike Hollern, Governor's Convener
- II. 2015 Priority Project Updates
 - A. Transformative Transportation Project – Jackson Lester, Central Oregon Intergovernmental Council
 - B. Innovation Center for Entrepreneurship – Becky Johnson, OSU Cascades
- III. Arts and Culture Alliance Strategic Plan – Kevin Barclay, ACA President
- IV. Review of Regional Priorities
 - A. Overview of Current Regional Solutions Priorities – Annette Liebe, Regional Solutions Coordinator (attachment)
 - B. Economic Development for Central Oregon Strategic Plan – Roger Lee, EDCO (attachment)
 - B. Comprehensive Economic Development Strategy - Scott Aycock, COIC (attachment)
- V. Discussion
- VI. Public Comment
- VII. Next Steps
- VIII. 2017 meeting schedule: August 10, 10:00 am – noon, October 19, 10:00 am - noon

Adjourn

The meeting location is accessible to persons with disabilities. To request an interpreter for the hearing impaired or for other accommodations for persons with disabilities, please make requests at least 48 hours before the meeting to Lisa Howard at 503-378-6502; at Lisa.Howard@Oregon.gov; or by TTY: Oregon Relay Services at 1-800-735-2900

UPDATED April, 2017

Central Oregon Regional Solutions:

PURPOSE: Engage all resources in the community (public, private, and civic) to shape the region's future by accelerating and completing on the ground economic and community development projects.

ROLES:

- 1. Regional Solutions Advisory Committee:**
 - a. Help coordinator and team identify high level priorities for the region.
 - b. Help connect resources from the community to expand collective capacity to solve problems and seize opportunities.
 - c. Review and recommend high priority projects for legislative funding.
- 2. Regional Solutions Team Members:**
 - a. Work in collaboration with other state agencies, local, county and federal governments, as well as the private and civic sectors on priorities and projects.
 - b. Lead, track and report on projects that are related to their agency's mission.
 - c. Review priority project proposals for consideration by the Committee.
- 3. Regional Coordinator:**
 - a. Serve as a catalyst for action
 - b. Staff the advisory committee
 - c. Bring government and other sectors together to undertake projects
 - d. Develop work plan for each priority including agency involvement, expected outcomes, targets and milestones.
 - e. Connect resources from the Oregon Solutions Network as needed.

HIGH FOCUS PRIORITIES:

For High Focus Priorities, the committee, coordinator and team will actively engage in seeking solutions and projects that contribute to successful outcomes for the priority.

Priority: Establish a four year university (OSU Cascades)

Expected outcomes:

- 1) Jobs: 143 direct; 215 indirect or induced
- 2) 70,000 – 90,000 sq. ft. space available for freshman class fall 2015
- 3) Approx. 50 acres selected for near term campus development; evaluating whether site will expend to include former demolition land fill.
- 4) Land use entitlement, transportation and other infrastructure provided; potential for remediation of part or all of landfill site.

Agency Involvement: Implementation of the vision

- 1) Department of Land Conservation and Development (DLCD) will: identify grant opportunities to support planning for the campus, serve as the state's land use expert and work with city and county planning departments in planning the campus.
- 2) Department of Transportation (ODOT): will identify grant opportunities to support planning for the campus, participate in planning process for new campus.
- 3) Business Oregon (OBDD) will: include OSU representatives in business recruitment meetings; explore federal and state funding for any environmental clean up needed at prospective sites.

- 4) Department of Environmental Quality (DEQ) will: provide technical assistance on clean up, stormwater, air quality and waste water issues related to design and construction of the campus. Explore federal and state funding for any environmental clean up needed at prospective sites.
- 5) Oregon Department of Energy will: provide technical and financial support for facility planning related to energy efficiency and renewable energy.

RST projects:

- 1) Transportation and Growth Management grant awarded to support west side Bend planning (\$257,500)
- 2) Business Oregon and DEQ are working with OSU Cascades and Deschutes County on clean up needs and funding resources for former county landfill site.
- 3) DEQ and ODOE providing technical assistance on potential biomass project.
- 4) Pre-certified for a \$30,347 tax credit through the Oregon Department of Energy Commercial Buildings Energy Incentive Program.
- 5) Advisory Committee 2015-17 priority project: recommended state funding for OSU's Innovation Center for Entrepreneurship (\$360k program start up; \$640k capital construction). \$524,000 for capital construction received.
- 6) Advisory Committee 2015-17 priority project: recommended state funding to support the Transformational Transportation system (\$100k for transportation management; \$900k for capital construction). \$738,000k received.

Priority: Retain and Grow Jobs

Expected outcomes:

- 1) Employers in Central Oregon are supported by the Regional Solutions Team in addressing state regulatory requirements.
- 2) Regional Solutions Center serves as "one stop" for existing and new businesses to access and understand state programs.
- 3) State business retention and expansion programs are leveraged to support most promising sectors targeted by Economic Development for Central Oregon (EDCO).
- 4) Workforce training dollars are leveraged to support most promising sectors targeted by EDCO.

Agency Involvement:

- 1) Department of Land Conservation and Development (DLCD) will: provide land use planning guidance.
- 2) Department of Transportation (ODOT) will: work with Business Oregon and local partners to develop funding packages for projects, including those eligible for the Immediate Opportunity Fund.
- 3) Business Oregon (OBDD) will: will partner with EDCO and local government to leverage state and local incentives for business retention and recruitment.
- 4) Oregon Housing and Community Services (OHCS) will: N/A
- 5) Department of Environmental Quality (DEQ) will: Prioritize environmental reviews and permit applications needed to support business retention/recruitment; work to reduce barriers to business expansion.
- 6) Oregon Employment Department will: convene the business resource partnership and identify opportunities to leverage work force training with EDCO recruiting sectors.
- 7) OWRD will provide information and guidance on water right transactions and opportunities.

RST projects:

- 1) Daimler, Madras (2015) (31 new jobs)
- 2) Pronghorn Golf Course Water Supply (2017) (150 new jobs)
- 3) Project Titus, Prineville. Applicant seeking initial agency input on a potential site for his business to relocate and expand. Includes issues related to transportation (road and rail), environmental contamination assessment and potential funding and liability limitation opportunities, energy efficiency opportunities, and potential wetlands.

Priority: Ensure the region has land and infrastructure available to retain/attract employers

Expected outcomes:

- 1) Communities in the region have an adequate supply of readily developable employment/industrial land.
- 2) Land that is developed is replenished.
- 3) Communities understand what's required by the state's land use laws.
- 4) State funds are leveraged to provide critical infrastructure to high priority sites.
- 5) Partnership between land use and economic development professionals.

Agency Involvement:

- 1) Department of Land Conservation and Development (DLCD) will: provide assistance to jurisdictions replenishing/revising/expanding UGBs.
- 2) Department of Transportation (ODOT) will: partner to provide critical transportation infrastructure needed to serve industrial lands; work with DLCD to provide technical assistance on regulatory issues; support TRIP97 partnership in developing alternative mobility targets and innovative funding mechanisms; work with Business Oregon and local partners to develop funding packages for projects eligible for the Immediate Opportunity Fund.
- 3) Business Oregon (OBDD) will: partner with land owners wishing to certify their land as shovel ready in 180 days; identify state funding programs to support infrastructure.
- 4) Department of Environmental Quality (DEQ) will: Review certification requests for environmental issues; provide technical assistance and coordinate funding opportunities for infrastructure.

RST planning priority projects:

- 4) Regional industrial lands inventory (completed).
- 5) Bend UGB expansion (completed).
- 6) Redmond DSL large lot site - planning and infrastructure needs; including sewer, water and transportation needed to serve all or a portion of the site.
- 7) Madras industrial land is under the management/taxation authority of the city (this can happen through annexation or UGB amendment).

RST infrastructure priority projects:

- 1) Juniper Ridge - Bend
Getting the entirety of the nearly 500 acres of light-industrially-zoned land at Juniper Ridge fully served with transportation, water, and sewer infrastructure is one of the fastest ways to establish a competitive and diverse land base to attract traded sector and other large employers to Bend and the region. There are planning efforts such as Trip 97 and the North Highway 97 DEIS that address planning and funding transportation infrastructure to serve economic lands

including Juniper Ridge. RST has met with the City of Bend but no progress has been made on this project.

- 2) Roundabout at Tom McCall Way - Prineville
- 3) South East Redmond sewer, water and transportation
- 4) Prineville Airport (?)

Priority: Enhance Transit in Central Oregon (COIC led priority)

Expected outcomes:

- 1) System and funding plan that serves the needs of communities in the region as well as, connections between communities.
- 2) Regional mobility is enhanced.
- 3) Increased access to employment; increased attractiveness of the region by firms considering locating in Central Oregon.
- 4) Maintain and improve system performance in core development areas such as, Bend Westside.

Agency Involvement:

- 1) Department of Land Conservation and Development (DLCD) will: identify grant opportunities to support planning and public outreach.
- 2) Department of Transportation (ODOT): will identify grant opportunities to support planning and public outreach.
- 3) Business Oregon (OBDD) will: support transit as critical economic development infrastructure.
- 4) Oregon Housing and Community Services (OHCS) will: explore opportunities to provide mobility to those who are homeless. Identify opportunities to provide outreach through funding partners.
- 5) Department of Environmental Quality (DEQ) will: provide information about key environmental indicators. (e.g. air quality).

RST projects:

- 1) Participate in Association of Oregon Counties led transit integration project.
- 2) Advisory Committee 2015-17 priority project: recommended state funding to support the Transformational Transportation system (\$100k for transportation management; \$900k for capital construction). \$738,000k received.

Priority: Support the Regional Creative Economy

Expected Outcomes:

- 1) Better integration of state resources in supporting regional arts and culture related events and projects.
- 2) Development of a regional creative economy action plan.

Agency Involvement:

- 1) Oregon Housing and Community Services will: work with affordable housing developers to include art in the design of low income housing projects.
- 2) Oregon Department of Transportation will:
 - a. Make otherwise-unusable property available for art installations; (Revere Ave interchange in Bend, proposal for Yew Ave interchange in Redmond). ODOT requested

and received Federal Lands Access Program (FLAP) funds to install art in the US20/Barclay roundabout in Sisters.

- b. Work with communities to develop, fund, and construct streetscape projects (La Pine).
 - c. Install interpretive kiosks for tourist locations.
 - d. Support the Scenic Byways/Highways, and bikeways programs.
 - e. Incorporate architectural components into projects (bridge railings and sound walls). Including historic preservation.
 - f. Support informational signing along highways for historic, cultural, and recreational attractions.
- 3) Department of Land Conservation will:
 - a. Support downtown revitalization. Ex: Main Street workshop that identifies street furniture, signage, gateways, lighting and landscaping (La Pine).
 - b. Mobilize funds to support transportation planning/design for imminent economic development projects.
 - 4) Oregon Arts Commission and Cultural Trust will provide information about their grant programs.

RST projects:

- 1) Creative Economy Action Plan (completed)
- 2) ODOT funding for Cultural Byways brochure printing (\$2k).

Priority: Increase Work Force Housing:

Expected outcomes:

- 1) More housing for all income levels
- 2) Upgrade existing housing stock

Agency Involvement:

- 1) Oregon Housing and Community Services administers state and federal funds for affordable housing.
- 2) ODOT will seek opportunities to transfer surplus property that is zoned residential.
- 3) Department of State Lands will assess how best to develop their property that is zoned for residential development.
- 4) DLCD participates in and oversees local planning process that determine residential land supply.
- 5) Business Oregon and DEQ will provide information about funding programs that support infrastructure.

RST projects:

- 1) Transfer of ODOT property on Greenwood to Habitat for Humanity (Dec. 2016).
- 2) Transfer of ODOT property on Larkwood to Central Oregon Veterans Outreach (in progress).
- 3) Work with DSL to support development of the Stevens Road parcel.

Priority: Encourage Water conservation and restoration. Improve Water Availability

Expected outcomes:

- 1) Prioritize conservation and efficiency opportunities through all means including the BOR basin study.
- 2) Identify opportunities to create mitigation credits. Crooked River, Little Deschutes and the Metolius Basins have little to no credits available.

- 3) Evaluate opportunities to re-use water.

Agency Involvement:

- 1) Water Resources Department will: provide guidance on water rights issues, participate in basin planning to provide policy advice and technical assistance re: state and federal funding requests.
- 2) Department of Environmental Quality will: provide policy and technical advice on water quality and water re-use.
- 3) Oregon Department of Fish and Wildlife will: identify in-stream flows necessary to ensure sustainability of fish resources.
- 4) Oregon Watershed Enhancement Board: identify opportunities to partner with other entities to fund conservation, efficiency and other beneficial watershed projects.
- 5) Department of Energy will evaluate renewable energy opportunities within Central Oregon Irrigation Districts (in collaboration with USDA RD).

RST projects:

- 1) Identify and partner on water projects; may involve the creation of renewable energy through in conduit hydro power.
- 2) Bowman Dam Hydro project – RST to provide info on funding opportunities and technical assistance on state requirements, i.e. fish passage mitigation and waiver, water rights, etc.
- 3) Pronghorn Golf Course Irrigation

SUPPORT PRIORITIES

For Support Priorities, the committee, coordinator and team will monitor, engage and support as needed and requested. The coordinator/team will continue working with communities opportunistically to address these priorities and to serve as a catalyst for their successful accomplishment.

Priority: Improve Sewer Infrastructure

Expected outcomes:

- 1) South Deschutes County has a workable approach to resolving nitrate issues.
- 2) Madras has prioritized underground injection sites for hook up and has extended sewer service to its highest priority area.
- 3) Applicants looking to use innovative sewage treatment technologies receive accurate and timely engineering reviews and policy direction jointly from DEQ and DLCD.
- 4) State loan and grant funds are leveraged to provide critical wastewater infrastructure.

Agency Involvement:

- 1) Department of Land Conservation and Development (DLCD) will: work with land owners and communities needing a goal 11 exception (either provide sewer service outside of UGBs or use innovative systems within UGBs) to provide timely assistance and support.
- 2) Department of Transportation (ODOT): works with local jurisdictions to upgrade sewer lines concurrently with road rehabilitation projects.
- 3) Business Oregon (OBDD) will: leverage state grant and loan funds to assist local/county governments with high priority projects.
- 4) Oregon Housing and Community Services (OHCS) will: partner to resolve issues when a publicly funded project seeks to utilize innovative treatment technologies.
- 5) Department of Environmental Quality (DEQ) will: provide technical assistance; leverage state grant and loan funds to assist local/county governments with high priority projects.

RST projects:

- 1) South Deschutes County – DLCD and DEQ working together with Deschutes County on LUBA remand of the land use goal exception to allow sewer service outside the UGB; this is needed to implement local committee recommendations.
- 2) La Pine – IFA and DEQ provided technical assistance and funding for updated facilities plan and Community Development Block Grant for preliminary engineering to serve the Cagel subdivision. SHPO and the Governor’s Office working to ensure agreement on approach to cultural resources so that grant funds can be obligated.
- 3) City of Prineville waste water project – funds are grants and/or forgivable loans: USDA (\$5 M), Pelton Fund (\$750k), Oregon Watershed Enhancement Board (\$750k), Oregon State Parks (\$913k), IFA (\$1.5 M; 750K is grant and \$750k is loan). DEQ providing technical assistance and permitting.

Priority: Support Regional Agriculture (COIC led priority)

Expected outcomes:

- 1) Increase direct markets for farmers
- 2) Increase access to fresh food for low income populations, consumers, businesses and institutions
- 3) Increase # of jobs and dollars in the “local food economy”
- 4) Reduce barriers for large agricultural producers in the region.

Agency Involvement:

- 1) Regional Coordinator to work with ODA and USDA to align state and federal funding opportunities to meet specific local needs (i.e., transportation to market, storage capacity).
- 2) Regional Solutions/ ODA/ IFA will work to identify programs where capital equipment could be purchased (cold storage, kitchen equipment).
- 3) Oregon Department of Agriculture will provide training for moving products to market, export opportunities, food handling, etc.
- 4) Business Oregon, DEQ and WRD will provide information about state funding opportunities to increase on system and/or farm efficiency.

RST projects:

- 1) Letters of support for grant applications
- 2) Looking for surplus property/equipment to host the food hub
- 3) Connecting state and federal resources

Priority: Improve forest health

Expected outcomes:

- 1) Fuel and wildfire risk is reduced.
- 2) Forest Restoration projects are identified and planned through collaborative processes; litigation over projects minimized.
- 3) Biomass resources are used to create thermal energy and/or electricity
- 4) Markets for new wood sources (e.g., juniper) are expanded and supported.
- 5) Timber is accessed to support local mills and timber products businesses.

Agency Involvement:

- 1) Oregon Department of Energy will: coordinate market development activities to create demand for small diameter logs and biomass materials primarily resulting from forest restoration activities. ODOE will also provide technical assistance and grant/incentive opportunities.

- 2) Oregon Watershed Enhancement Board will: administer grant funds for collaborative support and provide technical assistance.
- 3) Oregon Department of Forestry will: provide technical assistance and support collaborative efforts to increase the pace and scale of restoration.
- 4) Oregon Department of Environmental Quality will: assist collaborative efforts in implementing prescribed burning/ restoration efforts.
- 5) Business Oregon will: meet with timber products businesses to identify state opportunities/barriers to retention/expansion.
- 6) Business Oregon /IFA will: identify opportunities to fund infrastructure needs at local mills and manufacturing facilities.
- 7) Oregon Department of Transportation and State Parks will : Support ongoing efforts to certify juniper and other Oregon wood sources for use as guardrails, highways signs, and playground equipment/ furniture statewide.

RST projects:

Help identify funding support as it becomes available; support ongoing COIC led projects and collaborative work.

Oregon Solutions projects:

Western Juniper Utilization Workgroup
Federal Forest Advisory Committee



Central Oregon Regional Solutions Center

Representing Crook, Deschutes, and Jefferson Counties

TO: Central Oregon Regional Solutions Advisory Committee

FROM: Annette Liebe, Regional Solutions Coordinator
Central Oregon Regional Solutions Team

DATE: April 10, 2017

RE: Background Summary on Regional Priorities

Below is a summary of the priorities that are described in further detail in the attachments. During the Central Oregon Regional Solutions Committee meeting on April 24th, the Committee will discuss whether they would like to revise their priorities. We will hear from Roger Lee (EDCO) and Scott Aycock (COIC) about the priorities for their organizations.

A. Regional Solutions Priorities (established September 2015):

High Focus Priorities:

For High Focus Priorities, the committee, coordinator and team will actively engage in seeking solutions and projects that contribute to successful outcomes for the priority.

1. Establish a four year university (OSU Cascades)
2. Retain and Grow Jobs
3. Ensure the region has land and infrastructure available to retain/attract employers
4. Enhance Transit in Central Oregon (COIC led priority)
5. Support the Regional Creative Economy
6. Increase Work Force Housing:
7. Encourage Water conservation and restoration. Improve Water Availability

Support Priorities

For Support Priorities, the committee, coordinator and team will monitor, engage and support as needed and requested. The coordinator/team will continue working with communities opportunistically to address these priorities and to serve as a catalyst for their successful accomplishment.

1. Improve Sewer Infrastructure
2. Support Regional Agriculture (COIC led priority)
3. Improve forest health

B. Economic Development for Central Oregon Goals and Priority Sectors

Goals:

1. Move 30 new companies to the region that will create 750 new, well paying jobs and invest \$150M in new capital investment by Dec. 2018.
2. Catalyze the start of at least 36 local, scalable, early stage companies. Create entrepreneurial ecosystem to generate at least 250 jobs from those start ups
3. Grow local traded sector employers with a robust business Retention & Expansion (BRE) Program that catalyzes \$300M in new capital investment; 1,000 new well paying jobs and at least 39 done deals by Dec. 2018.
4. Champion improvement to the region's business climate and competitiveness.

Sectors with the most promise for Central Oregon:

1. Administrative Centers
2. Advanced Manufacturing
3. Brewing, distilling, wine making
4. IT & Computing (High Tech subsector)
5. Outdoor Gear and Apparel
6. Biosciences (pharmaceuticals, medical devices)
7. Software/information
8. Solar Power production (subsector of Alt/renewable energy)
9. Specialty Food products
10. Unmanned Aerial Aircraft & UA systems (subsector Aviation /Aerospace)

C. Comprehensive Econ Dev Strategy Priorities (COIC; April 2017):

Top Three Issues:

1. Housing Affordability and Availability
2. Emerging Workforce
3. Regional Transportation: Movement of People

Other Regional Priorities:

1. Economic Development-Related Public Infrastructure
2. Move-In Ready Commercial and Industrial Buildings; Incubator and Shared Work Spaces
3. Regional Transportation: Movement of Goods
4. Broadband Capacity
5. Rural Community Amenities
6. Natural Resources: Environmental Assets and Resource Utilization
7. Regional Coordination and Cooperation

The logo for EDCO (Economic Development for Central Oregon) is displayed in large, white, outlined letters. The background of the top half of the cover is a scenic landscape featuring a snow-capped mountain peak, a clear blue sky with a bright sun in the upper left corner, and a body of water reflecting the scene.

Economic Development for Central Oregon

Economic Development for Central Oregon

The slogan "MOVE START GROW" is presented in a semi-transparent white banner across the middle of the cover. The word "MOVE" is in blue, "START" is in orange, and "GROW" is in green. The background behind the banner shows a gravel path leading through a grassy field towards a body of water.

2016-18

STRATEGIC PLAN

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EDCO's Vision

Prosperous communities and quality jobs for Central Oregonians.

EDCO's Mission

Move, start and grow traded-sector businesses (companies that export a good or service to customers outside the region) to purposefully create a thriving and diverse economy.

Organization's Make or Break for 2016-18

EDCO must effectively communicate the impact of its work, secure consistent operational funding and attract/retain top professional talent required to achieve its mission and meet the expectations of the region's communities and residents. It involves three components:

1. Continued effective communication & education (business, public leaders)
2. Successful fundraising including membership growth, event net profit and funding of strategic initiatives
3. Development and retention of current staff

GOALS for 2016-18

1	Move 30 new companies to the region that will create 750 new, well-paying jobs and invest \$150 million in new capital investment by the end of 2018. Target marketing and recruitment efforts geographically and by industry for greatest effectiveness.
2	Catalyze the Start of at least 36 local, scaleable, early-stage companies to establish the next generation of employers and jobs. Create entrepreneurial ecosystem to generate at least 250 jobs from those startups, and help them raise \$35 million in growth capital by 2018.
3	Grow local traded-sector employers with a robust Business Retention & Expansion (BRE) Program that catalyzes \$300 million in new capital investment; 1,000 new, well-paying jobs; and at least 39 "done deals" by the end of 2018.
4	Champion improvements to the region's business climate and competitiveness. Quarterback or support industry development initiatives, strategic projects and other efforts that will pave the way for private sector employment growth.

On pages 6-11 of this plan, 23 objectives are outlined under the four goals that are the "tip of the spear," so to speak, of EDCO's execution strategies. While detailed and specific, nearly all objectives have yet another level of detailed actions and efforts (78+) required to successfully achieve both the objectives and goals. These have been included as bulleted items.

Values

EDCO has developed its own internal culture that helps team members clearly understand what is important not only in the work we do, but how we go about doing it. Condensed, our core values are:

EDCO'S CORE VALUES		
<p>We're a non-profit run like a BUSINESS</p>	<p>We pride ourselves on being RESPONSIVE</p>	<p>This is what drives us A UNIQUE TEAM</p>
<p>ACCOUNTABLE To our board, client companies, and communities</p> <p>EFFICIENT We manage limited resources like our own</p> <p>ENTREPRENEURIAL We look for opportunities and take calculated risks</p>	<p>BIAS FOR ACTION Economists study the economy, we improve it</p> <p>FACTUAL Trusted, objective resource</p> <p>INITIATIVE Self-motivated individuals</p> <p>TAKE THE HIGH ROAD Our work demands the highest ethics and professionalism</p>	<p>EMPOWERED We own our work and are nimble, creative and resourceful</p> <p>ALL HANDS ON DECK Teamwork trumps job descriptions</p> <p>ACCOMMODATING Ridiculously. We constantly look to add value.</p> <p>FUN! Goofy people, serious work</p>

To be clear, these are not necessarily a set of formalized policies and procedures but rather “the way we do things” as a team and individually.

Metrics & Measures of Success

A great deal is expected of EDCO in terms of measurably impacting and diversifying the region's \$7 billion (2015 GDP) economy. To quantify both inputs (effort) and outputs (results), the organization has developed a comprehensive group of indicators that are tracked on a quarterly basis throughout the planning horizon. We call this collective set of measures, currently about 60 data points, our Key Performance Indicators (KPIs).

Not all 60 can be “key” so they are distilled to:

- **Successful projects** (done deals)
- **New jobs and payroll** (linked to our efforts)
- **Capital Investment** (that add to the property tax base)
- **Net New Fundraising** (membership + event net profit – membership attrition)
- **Communications** (press releases, website visits, event attendance and business outreach)

The image shows a detailed dashboard of Key Performance Indicators (KPIs) for EDCO. The dashboard is organized into several sections, each with a title and a corresponding table of data. The sections include:

- Economic Development:** Metrics such as Total Jobs, Total Payroll, and Total Investment.
- Job Creation:** Metrics like New Jobs, Total Jobs, and Total Payroll.
- Fundraising:** Metrics including Total Fundraising, Total Membership, and Total Event Net Profit.
- Communications:** Metrics such as Total Press Releases, Total Website Visits, Total Event Attendance, and Total Business Outreach.

The dashboard uses various visual elements like bar charts, line graphs, and progress bars to represent the data. It also includes a legend and a summary of the overall performance.

These are both used as a yardstick for success (or needed improvement) and as a barometer for future activity.

Industry and Business Development

EDCO is both strategic in targeting specific industry sectors for development and opportunistic to further diversify the regional economy outside those targets when provided the chance. Regarding the former, we have tended to concentrate on sectors that have or are looking for one or more of the following elements:

- some current concentration of companies, employment or economic activity;
- an existing or transferrable workforce with skills within the region;
- a geographic advantage (access to markets, local raw materials, specific talent base);
- assets valuable to their business (in-migration of professionals, robust utilities, employment land base, outdoor recreation amenities/lifestyle, suppliers, etc.
- a trend of overall growth and above-average wages within our region;

For this last bullet, the table below summarizes internal research and trend data by EDCO staff for specific industries. For business development activities, those sectors in green will be pursued before and with greater focus than those in yellow and red.

Industry Sector Evaluation for 2016-18 <i>(see Appendix 4 for detailed descriptions of sectors)</i>
Sectors or subsectors with the most promise for Central Oregon Administrative Centers Advanced Manufacturing Brewing, Distilling and Wine Making IT & Computing <i>(subsector of High Technology)</i> Outdoor Gear & Apparel Bioscience <i>(pharmaceuticals development & production, medical device subsectors)</i> Software/Information Technology <i>(subsector of High Technology)</i> Solar Power Production <i>(subsector of Alternative/Renewable Energy)</i> Specialty Food Products Unmanned Aerial Aircraft & Unmanned Aerial Systems <i>(subsector of Aviation/Aerospace)</i>
Sectors or subsectors with moderate to low growth opportunity Agriculture Commercial & General Aviation Aircraft & Parts <i>(subsector of Aviation/Aerospace)</i> Geothermal <i>(subsector of Alternative/Renewable Energy)</i> Energy Storage <i>(subsector of Alternative/Renewable Energy)</i> Professional Services Recreational Vehicles <i>(subsector of Outdoor Equipment & Apparel)</i> Building Products
Sectors or subsectors with the least promise Hydro <i>(subsector of Alternative/Renewable Energy)</i> Defense-Related Aerospace <i>(subsector of Aviation/Aerospace)</i> Wind <i>(subsector of Alternative/Renewable Energy)</i> Biomass Energy Development <i>(subsector of Alternative/Renewable Energy)</i>

Additionally, EDCO has concentrated our outbound lead generation activities geographically – aiming efforts at larger, high-cost, high-hassle-factor metros on the West Coast. Generally, the organization has had limited outbound lead generation success even in specific industries that may meet many of the bulleted criteria above, but which are located in the Midwest, South or East Coast.

3. Regional Priority Issues, Strategies, and Action Plan

3.1. Regional Vision

The CEDS Strategy Committee desired a Vision Statement that reflects the fact that the economy is an extraordinarily complex system with thousands of variables, many of which are outside the control of COIC and our partners. Therefore, the selected vision statement focuses on how partners will work together to implement the Priority Strategies:

Central Oregon’s economic, workforce development, and related partners are working collaboratively to implement a broad array of shared CEDS Regional Prosperity Strategies in order to build a better future for all Central Oregon communities and citizens.

3.2. Priority Issues, Strategies, and Action Plan

The following Regional Priority Issues and Strategies were developed by COIC Staff and the CEDS Strategy Committee through Strategy Committee deliberations, data analysis, public meetings and focus groups, and the regional SWOT analysis. The draft Strategies were reviewed by the COIC Board at their November 3, 2016 meeting, and then formally adopted at their December 1, 2016 meeting.

BUILDING OUR FUTURE: Regional Prosperity in Central Oregon

<p style="font-size: 2em; margin: 0;">C E D S</p> <p style="font-size: 1.2em; margin: 0;">Comprehensive Economic Development Strategy</p>	<p style="font-size: 0.8em; margin: 0;">HOUSING AFFORDABILITY AND AVAILABILITY</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: 0.7em; margin: 0;">Build a regional housing coalition to improve housing for all</p>	<p style="font-size: 0.8em; margin: 0;">EMERGING WORKFORCE</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: 0.7em; margin: 0;">Increase the opportunities for 16-24 years olds to gain work experience and career exposure</p>	<p style="font-size: 0.8em; margin: 0;">REGIONAL TRANSPORTATION: MOVEMENT OF PEOPLE</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: 0.7em; margin: 0;">Expand tools for affordable, safe, convenient movement of people to work and school</p>
<p style="font-size: 0.7em; margin: 0;">ECONOMIC DEVELOPMENT: RELATED PUBLIC INFRASTRUCTURE</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: 0.7em; margin: 0;">Assist local governments in financing basic infrastructure for economic development</p>	<p style="font-size: 0.8em; margin: 0;">MOVE-IN READY COMMERCIAL & INDUSTRIAL BUILDINGS; INCUBATOR AND SHARED WORK SPACES</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: 0.7em; margin: 0;">Develop additional flex commercial and industrial buildings and facilities</p>	<p style="font-size: 0.8em; margin: 0;">REGIONAL TRANSPORTATION: MOVEMENT OF GOODS</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: 0.7em; margin: 0;">Encourage development of a State Transportation funding package and performance measures</p>	<p style="font-size: 0.8em; margin: 0;">BROADBAND CAPACITY</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: 0.7em; margin: 0;">ID broadband capacity gaps and develop public-private partnerships to fill them</p>
<p style="font-size: 0.8em; margin: 0;">RURAL COMMUNITY AMENITIES</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: 0.7em; margin: 0;">Fund and expand rural community readiness, redevelopment, and beautification initiatives</p>	<p style="font-size: 0.8em; margin: 0;">NATURAL RESOURCES: ENVIRONMENTAL ASSETS & RESOURCE UTILIZATION</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: 0.7em; margin: 0;">Strategic planning and collaboration to enhance and protect natural assets and allow for sustainable development</p>	<p style="font-size: 0.8em; margin: 0;">REGIONAL COORDINATION AND COOPERATION</p> <div style="text-align: center; margin: 10px 0;">  </div>	<p style="font-size: 1.2em; margin: 0;">FOR MORE INFORMATION VISIT COIC.ORG</p>

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The Issues and Strategies were prioritized by the CEDS Strategy Committee into the following categories:

Top Three Issues:

- Housing Affordability and Availability
- Emerging Workforce
- Regional Transportation: Movement of People

Other Regional Priorities:

- Economic Development-Related Public Infrastructure
- Move-In Ready Commercial and Industrial Buildings; Incubator and Shared Work Spaces
- Regional Transportation: Movement of Goods
- Broadband Capacity
- Rural Community Amenities
- Natural Resources: Environmental Assets and Resource Utilization
- Regional Coordination and Cooperation

Each of the Priority Issues is described in the next section, along with a brief description of each Strategy. The Priority Issues and Strategies are presented in their entirety in Appendix C, including all of the Strategies, Actions for each Strategy, desired outcomes, evaluation measures, and lead agencies.

3.2.1. Top 3 Issues and Strategies

Housing Affordability and Availability



Housing values in Central Oregon are approaching the pre-Great Recession levels of 2006-7, making it increasingly difficult for low and middle income families and individuals to find housing that they can afford. Housing availability is also a challenge, with rental vacancy rates in every community hovering near zero. The affordability and availability crisis is driving many workers to find housing at greater distances from employment centers, and businesses are increasingly challenged to find local workers to fill jobs or to entice desired workers to relocate to the region.

According to Economic Development for Central Oregon, a top 3 issue for new or expanding manufacturing and tech industry businesses is finding appropriate housing for their workforce.

Economic development stakeholders stressed that efforts to address housing affordability and availability should be focused on a spectrum of needs – from subsidized “affordable housing” for lower income earners as well as market-rate housing for low to middle income earners that will not be served by subsidized housing.

Most housing issues are typically addressed at the local community scale, within the UGB, and many Central Oregon communities are already developing their own strategies to address housing affordability issues. The CEDS Strategies focus on the regional dimension of the housing affordability crisis, and are additive to local efforts.

Strategies:

1. **Develop a Regional Housing Consortium.** This coalition will be focused on workforce housing research and analysis, policy advocacy, best practices, regional collaboration to leverage funding, and serving as a regional clearinghouse for housing policies and practices.
2. **Support Expansion of the Regional Transit System, Cascades East Transit.** *This Strategy is described in the Regional Transportation – Movement of People Issue area below.*

Emerging Workforce



Economic development professionals, businesses, and post-secondary institutions across the region have documented deficiencies in the readiness of high school graduates and other young adults for work and post-secondary education or training. The deficiencies include soft skills (showing up on time, courtesy/communication, work ethic), academic skills such as math and writing, and hard skills such as technical industry skills. This makes it difficult for local businesses to find prepared entry-level employees, is a barrier to recruiting businesses to the region,

drives enrollment in remedial classes at post-secondary institutions, and is a barrier for local residents in achieving their education, employment, and income goals. *Soft skills may be the most important of all the skills sets, since they are a prerequisite for success in any job or post-secondary academic setting. Therefore, this is a point of emphasis for the CEDS Strategy Committee.*

Some rural economic development stakeholders also stressed that the local culture of small towns has not caught up with the regional economic transition away from high-value natural resource extraction industries that used to offer well-paying jobs upon high school graduation. Young people in this circumstance can then find themselves ill-prepared for the education and skill development required to find meaningful, family-wage employment in the current economic environment.

Fortunately, Central Oregon has a number of existing assets that can be replicated and expanded to better prepare young adults for work.

Strategies:

1. **Increase the opportunities for 16-24 year olds to gain work experience and career exposure.** This is an endorsement of the Better Together Youth CareerConnect Work Plan, which includes a menu of work experience and work exposure activities, establishment of systematic programs at all Central Oregon school districts, and building “talent pipelines” for the key industries identified for the East Cascades workforce area (currently Outdoor Gear and Tech).
2. **Expand Higher Education Opportunities in Central Oregon.** This Strategy focuses on the need to ensure capital and program funding for OSU-Cascades, supports the ongoing development of the network of COCC campuses across the region (particularly in regards to providing pathways for rural students to access curriculum), and the development of the Innovation Center for Entrepreneurship at OSU-Cascades.

3. **Advocate for State Policy Changes to Better Reflect Student Realities, and Workforce and Business Needs.** This Strategy focuses on the need for the State to better value GED completion in meeting state education targets and to require high schools to provide HS completion services to young people through age 20.

Regional Transportation: Movement of People



Central Oregon is a very large region, spanning 87 miles from Warm Springs in the north to La Pine in the south, and 40 miles between Sisters in the west and Prineville in the east.

Communities are relatively isolated from each other, and many residents must travel long distances for employment, education, healthcare, social services, shopping, and other critical needs.

There is a significant jobs/housing imbalance in many communities, with more than 60% of the workforce leaving

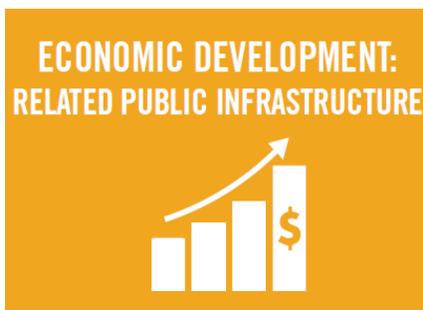
several of our communities every day for work. While important institutions such as COCC and St. Charles Health System have opened campuses across the region, centralization of services for efficiency reasons means that many specialized services are only offered in Redmond or Bend. The region’s only 4-year university is located in Bend. Fortunately, the region features a regionally-coordinated transit system, which facilitates access for particularly low income, disabled, and older residents, although service levels are insufficient to attract many “choice” riders at this time.

Strategies:

1. **Encourage Development of a State Transportation Funding Package and Project Allocation Performance Measures.** This Strategy includes the development of coordinated regional support for a state transportation funding package and reforms to develop performance measures in the 2017 state legislative session.
2. **Expand Tools for Non-Single Occupancy Vehicle Travel.** This strategy is focused on a) supporting the development of a new local funding mechanism for Cascades East Transit – an adjustment to ORS 190.083 that would allow COIC to request property tax funding from individual communities when they are ready to request it while maintaining one regionally-coordinated system; and b) creating more commuter-friendly local and regional routes through updates to the Bend and Regional Transit Master Plans.

3.2.2. Other Regional Priorities:

Economic Development-Related Public Infrastructure



Communities need basic economic infrastructure in order to provide for development and a growing workforce, and to grow local businesses and attract new firms. Communities cannot support business development or workforce housing without adequate public infrastructure such as water and sewer systems, adequate local transportation, and utilities. Due to the extraordinary growth experienced in Central Oregon, some

communities are finding it difficult to finance and implement needed public infrastructure in a timely fashion.

Strategies:

1. **Assist Local Governments in Financing Basic Infrastructure for Economic Development.** This relates to the CEDS Project Solicitation process, in which COIC solicited economic development-related projects from all Central OR cities and counties. The CEDS Project List is reviewed in Section **Error! Reference source not found.**, and provided in its entirety in Appendix D.

Move-In Ready Commercial and Industrial Buildings; Incubator and Shared Work Spaces



There is a shortage of available commercial and industrial buildings across Central Oregon. Companies from small tech to large manufacturing are increasingly opting to buy or lease existing buildings rather than build on their own, and the lack of suitable buildings is a barrier to business expansion and recruitment in the region.

Costs to construct are up, commercial and industrial building permits are 60% of pre-Recession figures, and the region has considerably fewer construction and associated businesses than before the Recession. Further, many other regions have cheaper industrial land than what is available in Central Oregon. Industrial lease rates are insufficient to justify private investment in new buildings, and financing is difficult for those actually willing to invest. Regional stakeholders also noted that some communities have limited industrial land availability or lack a diversity of industrial and commercial land choices.

There is also interest in expanding incubators and shared work space sin the region in order to support established and nascent entrepreneurial ecosystems and to reflect the fact that businesses and workers/labor are evolving from large, integrated firms to flexible, distributed networks of associated businesses and freelancers. Incubators and accelerators also provide an opportunity for “trailing spouses” and other newcomers to the region to pursue employment and business development opportunities.

Strategies:

1. **Increase Supply of Serviced Industrial Lands.** This Strategy focuses on the development and designation of shovel-ready industrial sites and the maintenance of Central Oregon’s Regional Large Lot Industrial program (see <https://coic2.org/community-development/large-lot-industrial/>).
2. **Develop Additional Flex Commercial and Industrial Buildings and Facilities** Create more opportunities to develop these facilities, including public/private partnerships, creation of pre-approved virtual building templates, and attraction of “patient capital” for investment.
3. **Develop a mix of incubator and shared workspace facilities across Central Oregon.** This involves a regionally-coordinated effort to study the effectiveness (and best practices) of incubators and shared workspaces, provide technical assistance and funding to develop more,

integrate more services into incubators, and develop two incubators: the Central Oregon Bioscience Incubator within the Innovation Center for Entrepreneurship at OSU-Cascades and the Warm Springs Community Action Team incubator.

Regional Transportation: Movement of Goods



The Central Oregon region is relatively isolated from markets and major transportation infrastructure. The region does not have a freeway, and weather and topography are barriers, particularly in the winter. BNSF operates a Class 1 railway providing freight access, but network tunnels to the north preclude double-stacking containers, which has been identified as a barrier for regional freight mobility and the development of manufacturing industries. The City of Prineville operates a short-line railway connected to the BNSF mainline at Prineville Junction near Redmond with a transload facility for bulk liquids, and a warehouse transload facility (in Prineville) for dry goods providing rail freight connectivity for the region. There are also private sidings on the BNSF line providing access. However, local facilities do not have inland port status for container shipping, and Class 1 railways do not have economic incentive to split container trains on the Columbia River mainline (to pick up containers from Central Oregon) due to a lack of volume from the region. This poses a chicken-and-egg situation for manufacturing development because a lack of sufficient rail access makes it difficult to generate the manufacturing investment to justify additional rail access. Another challenge is the termination of international container shipping at the Port of Portland, which increases shipping costs for regional exporters, primarily agricultural commodities sold to Asian markets.

Central Oregon has numerous short-haul and some long-haul trucking companies, so manufacturers have this option. However, trucking companies face congestion and safety issues due to the lack of a freeway serving Central Oregon, and a lack of safe, serviced pullover areas to meet federal “hours of service” regulations.

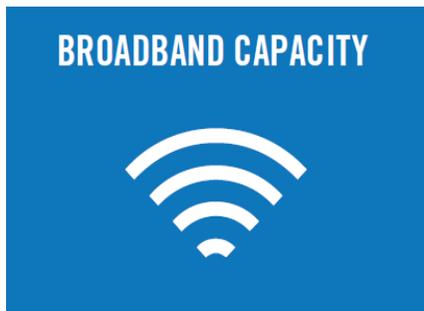
The region features a commercial airport, Roberts Field in Redmond, which continues to expand direct flights, as well as a network of smaller general aviation airports that are economic engines for the communities they serve, and for the region as a whole. Regional population growth and aviation industry growth have created significant challenges for the region’s airports to maintain and expand basic infrastructure and safety facilities, as well as to meet the demand for business facilities and hangars.

Strategies:

- 1. Encourage Development of a State Transportation Funding Package and Performance Measures.** This Strategy is already explained above.
- 2. Support Statewide Efforts to Reopen Portland Port/Container Terminal to International Shipping.** Provide support from Central Oregon for any state efforts to reopen the Portland terminal for international container shipping.

3. **Continue to Expand Highway 97 to 4 lanes within the region and beyond.** Communicate to the Central Oregon Area Commission on Transportation regional support for projects that widen Highway 97.
4. **Enhance the Region’s Capacity to Ship Containers.** Work with COACT and rail representatives to address tunnel height limitations to allow for double-stacking and explore the development of a shuttle train service connecting Central Oregon to Portland.
5. **Support Regional Airport Development Efforts.** Work with the COACT Central Oregon Airport Group to identify and support funding for priority needs.

Broadband Capacity



Economic development stakeholders have stated that the region is underserved with broadband capacity to meet current and future demands. There is currently no assessment of the projected broadband needs for the region, and how current and planned future capacity does or does not meet that need. Furthermore, rural community economic development stakeholders have noted that broadband capacity is poor in some residential areas, which is a disincentive for skilled labor, urban transplants, or millennials to live in these communities. Insufficient service also limits home-based business development.

Strategies:

1. **Study the Needs for Broadband Capacity Improvements; Implement Priority Capacity Expansion Projects.** Study regional broadband capacity; identify current and future needs (e.g. to serve expected business trends and maintain regional competitiveness); and prioritize and implement improvements by leveraging public and private investment (e.g. federal low interest loan and grant programs).

Rural Community Amenities



All Central Oregon communities are striving to create complete, livable communities that are attractive to businesses and skilled workforce. While some local communities have made significant strides in this regard, representatives from some of Central Oregon’s rural communities state that they lack the amenities that modern businesses and workers value. These desired amenities will vary from business to business and community to community, but they include built form, such as attractive, walkable downtown areas; businesses such as coffee shops and boutiques; sufficient broadband and wireless capacity to meet Millennial and high-skilled business and professional employee expectations; and community infrastructure such as quality schools, parks and recreation, community centers, etc.

Strategies:

1. **Fund and Expand Rural Community Readiness, Redevelopment, and Beautification Initiatives.** This includes engaging leaders and residents in goal-setting and “visioning” efforts to assist

rural communities in building consensus on their economic futures, the implications of such for public amenities, and building a series of projects/steps to achieve their goals.

2. **Support the Regional Solutions Creative Economy Action Plan and Identify Opportunities to Benefit Rural Communities.**

Natural Resources: Environmental Assets and Resource Utilization



The Central Oregon region has long utilized its abundant natural resources and scenery as an economic development tool. Today, while the economy has shifted dramatically from its former base in natural resources extraction and processing, natural resources are perhaps still the most important component of the region's economic base. This is because much of the region relies on an extraordinary diversity of outdoor recreation opportunities, for tourism businesses and jobs as well as a means to market the region to entice business, entrepreneurs, and skilled labor to relocate to Central Oregon. Further, the region is still rich in forests that will continue to produce timber and biomass, and agricultural lands that produce crops and meat for export and to meet the growing local appetite for locally-grown farm produce.

The abundance and availability of water - for agricultural production, industrial processes, community drinking water, as well as in-stream for fish and tourism values – varies across the region and is becoming an increasingly concerning issue. The 2014 listing of the spotted frog has become a serious concern for agricultural producers and community developers, and there is a great deal of uncertainty about what the impact of the listing will be to businesses and communities.

Strategies:

1. **Strategic Planning for Outdoor Recreation.** Work with rural communities to identify their outdoor recreation niche and create an action plan to achieve it. This strategy also involves the development of a collaborative sustainable trails and recreation plan for the Deschutes and Ochoco National Forests.
2. **Regional Coordination on Environmental Issues that Impact Economic Development.** Develop a proactive approach to emerging Endangered Species Act issues, modeled on the Sage Grouse Conservation Partnership (<http://orsolutions.org/osproject/sagecon>). Also, support the work of the Basin Study Working Group to identify an approach to regional water allocation that is grounded in science and reflects regional values.
3. **Strengthen Forest Restoration and the Restoration Economy.** Encourage the development of firm economic goals for local forest restoration efforts.
4. **Grow Central Oregon's Local Food System.** Build a wholesale marketplace for locally-produced foods to meet demand for locally-produced foods and improve opportunities for value-added processing.

Regional Coordination and Cooperation



Central Oregon has a long history of regional collaboration toward common goals. Established examples of collaborative processes include the Central OR Area Commission on Transportation, Better Together, Central OR Fire Management Services, and regional forestry collaborative groups (DCFP and OFRC), among many. The success of these types of processes contributes to the collaborative and communicative culture in the region and a willingness among diverse partners to be open to the sometimes difficult process of achieving consensus and coordinating effort.

Central Oregon is a diverse collection of communities but operates together as a regionally coherent economic development unit. Most of the strategies and actions discussed in this document require coordination and collaboration – across the region as well as among multiple stakeholders – to achieve success. Regional economic development and associated (e.g. workforce, local government, etc.) partners currently do not have a venue to regularly communicate and coordinate towards a schedule of common priorities. The region could also improve its collaboration on policy objectives.

Strategies:

1. **Develop an Ongoing Forum for Economic Development Coordination and Monitoring through the CEDS Strategy Committee.** Work with the CEDS Strategy Committee to identify the appropriate role, participation, meeting schedule, and action agenda for regional coordination on economic development. Map out the roles and functions of public and non-profit economic development-related organizations in Central Oregon. Use the Strategy Committee as a forum to integrate regional economic development, community development, and workforce development priorities and actions.
2. **Increase regional capacity for coordination on policy advocacy.** Increase regional coordination on policy needs identification and joint efforts for advocacy in Salem.