Oregon's Economic Development Districts:

CREATING OPPORTUNITIES FOR REGIONAL PROSPERITY

MARCH 2009

She flies with

Oregon's state motto aptly says it all for a state where innovation, individuality and independence are the norm. Oregon's thriving entrepreneurial spirit, strong and evolving educational systems and institutions, commitment to the preservation of our natural ecology and appreciation of cultural diversity are essential ingredients to our strong and vibrant communities.

As we celebrate 150 years of statehood, Oregonians will continue to work hard to meet the barrage of challenges the state and the nation will face as we embrace and shape our future. A central ingredient of Oregon's enduring success has been the presence of its 11 Economic Development Districts (EDDs). Our EDDs partner with or provide services to the state's 36 counties, local and tribal governments to assure that the many needs of Oregon's residents, businesses and local governments are met.

Like our counterparts nationwide, EDDs in Oregon manage and deliver an abundance of federal and state programs. Based on local needs and priorities, programs may include aging, entrepreneurial development, energy and environmental stewardship, community and economic development, emergency management and homeland security preparedness, geographic information systems (GIS), housing, small business development finance, transportation and workforce development.

OUR APPROACH IS TO TACKLE LOCAL PROBLEMS THROUGH REGIONAL APPROACHES.

Oregon's EDDs are part of a nationwide network of 520 Regional Development Organizations, including the 382 multi-county Economic Development Districts (EDDs) designated and funded by the U.S. Economic Development Administration (EDA). Our EDDs are focused on strengthening local governments, communities and economies through regional collaboration, comprehensive development strategies and program implementation. A policy board of local elected officials, along with business, education and citizen representatives, typically governs and sets the priorities for each of our regional organizations.

n her own wings.

Serving the day-to-day realities of Oregon's residents, businesses and local governments is the core function of our 11 EDDs. While each EDD has a defined region within its service area, we have been able to successfully achieve our collective goal of promoting sustainable economic growth and local prosperity across Oregon. We believe that local governments, along with business and community leaders, can accomplish more by working together than individually.

Our EDDs forge statewide and regional strategies, solutions and partnerships that achieve clear, quantifiable and tangible results, most of which would not have been feasible for a single local jurisdiction to implement—or even attempt—alone.

Most importantly, Oregon's EDDs take a long-term, holistic view of regional community and economic development opportunities and challenges. We recognize the interdependence and cross-cutting relationships between economic development, environmental stewardship, infrastructure upgrades, intermodal transportation systems, affordable and quality housing, a skilled and reliable workforce and many other factors essential to our state's economic competitiveness and strong quality of life.

We realize our work is far from complete. Our commitment to helping Oregon prosper and progress through regional comprehensive strategies, first-class technical assistance and locally based decision making remains steadfast. Building upon our frontline experience and proven results, our EDDs are ready to make additional community and economic development gains for our state, regions and local communities.

Oregon EDDs Respond to Diverse Needs

A rural rancher sought EDD assistance to reduce his electric bills and use renewable energy, leading to energy and monetary savings.

When a reservation-based, Native business owner wanted to expand and relocate her business, the EDD's loan fund assisted with financing.

An elderly couple in a suburban town now has reliable access to their doctor and physical therapy appointments because the local EDD helped the community develop a public transportation program.

After major floods and wind decimated a small town in the northwest corner of the state, the EDD helped the town rebuild and is working with local leaders to develop mitigation plans for the future.

Another sort of disaster – business failures – is being addressed by EDDs not willing to let their regions take the enormous toll that can result when a major employer shuts its doors and leaves workers unemployed.

Oregon's EDDs Have Statewide Impact

The impact our EDDs have throughout Oregon is tremendous. From financial investments to new and expanding businesses, to laying the groundwork for energy efficient homes and businesses, to assuring local governments are at the statewide transportation planning table, to recruiting businesses to the state and increasing job and income opportunities for our citizens, to bridging the digital divide, to helping our communities mitigate or recover from disasters, to bringing new life to a business on the brink of failure…we are able to mobilize our resources, roll up our sleeves and perform the hard work needed to help keep Oregon sustainable and competitive.

Significant facts:

- Since 2003, our EDDs have invested nearly $14 million from the Regional Strategy Lottery Funds in just over 300 investments, generating over 3,000 new jobs throughout the state.
- During 2007 and 2008, our EDDs managed or implemented 285 federal grants and contracts for our local governments. These investments totaled $55.3 million and yielded an additional $25 million in other public and private investments.
- Investments from the U.S. Economic Development Administration (EDA) to our EDDs total nearly $24 million for job creation and retention initiatives.
- Through various loan funds managed by our EDDs and capitalized by EDA, the U.S. Small Business Administration and the U.S. Department of Agriculture, we have made 873 loans that have helped create or retain over 5,600 jobs since 2003. These loans exceed $308 million and have leveraged an additional $281 million in private sector investments.

Oregon EDDs Have Strength in Numbers

While we respond to the special and unique needs and goals of our individual regions, we are a team with a statewide presence:

- Our 11 EDDs serve Oregon's 36 counties, 297 municipalities (which include cities, towns and tribes) and 3.7 million residents.
- Our EDDs are governed primarily by policy boards of locally elected and appointed officials, along with representatives of business, education and nonprofit sector leaders. Collectively, we benefit from the input of more than 200 board members and nearly 300 advisory committee participants covering each county of the state.
- With combined staffing of only 66 employees, our EDDs managed and implemented more than 285 projects with over $55.3 million in federal investments and $25 million in leveraged state, local and private resources during the past two years.
- All 11 EDDs assist with EDA planning and project implementation. Several of us run business loan funds with support from EDA, U.S. Department of Agriculture (USDA) and the Small Business Administration (SBA). We are involved in workforce investment enhancement programs and regional transportation planning. Some of us are involved in regional housing rehab programs. We also all foster regional collaboration and the exchange of information among public officials in both urban and rural areas, as well as provide strategy, coordination and management assistance to local governments.

Originally created to provide economic development planning services to our regions, EDDs today are leveraging our EDA planning funds to provide services and manage programs never imagined decades ago. Today's EDDs have complex budgets, provide comprehensive services throughout our regions and serve as a valued resource for the local governments we serve – we have the staff, skills and technology resources vital to getting the job done.

Across the state, our EDDs have forged partnerships that are yielding results. We are helping new and expanding businesses by offering technical assistance in marketing, inventory control and management, personnel and human relations. We are also helping businesses secure capital and equity financing.

Many local governments in our regions lack the capacity – staff, technical and financial – to successfully pursue and manage many federal and state programs. Our EDDs make efficient use of limited staffing resources to provide valuable assistance, such as packaging proposals and applications, acting as liaisons with funding entities and ensuring grantee compliance with federal and state rules after funds are awarded.

Many of our EDDs serve as Area Commissions on Transportation (ACTs). In this capacity, we work with local governments and the Oregon Department of Transportation to develop long range transportation plans, identify projects, coordinate transportation programs, monitor program use, collect data, research financing options and assess regional transportation needs.

Our EDDs typically apply multi-faceted approaches as we work with local governments on infrastructure and development projects. Many of us provide land use, strategic and capital improvements, and planning services to municipalities throughout our regions. We also prepare grant and loan applications to help finance projects such as water and wastewater systems, sewer upgrades, community buildings, housing rehab and downtown beautification projects. And, after the funding is received, we often work with our partners to make sure projects are completed.

Multiple EDDs are working tirelessly to create renewable energy zones in their regions by promoting renewable and alternative energy use by residences and businesses. We are working with communities to increase awareness about the financial and environmental benefits of solar, wind, biofuels and hydro power.

Finally, we work with various partners in our regions to attract new businesses and to help existing ones expand. And, as industries change and leave behind a workforce that needs training in new skills, our EDDs are involved in a variety of workforce training and skills enhancement programs.

The 11 Economic Development Districts in Oregon are critical partners with the EDA Seattle Region as we work to help distressed communities address problems associated with long-term economic distress and sudden and severe economic disruptions. We rely extensively on the EDDs to help us stay informed about pressing local needs, emerging trends in specific regions and across the state, and to help us identify potential investments that can help Oregon's economy. Oregon's EDDs share our focus on performance-driven results, crafting locally driven strategies and fostering regional collaborations that improve economic conditions locally and statewide.

– A. Leonard Smith, Regional Director, EDA

Implementing Regional Strategies for Local Investments

Balancing Economic Development and Environmental Stewardship

Cascades West Economic Development District

When the state helped attract a major employer to rural Linn County, the company's preferred site had potential barriers caused by wetlands that could prevent development within their time-frame. Cascades West Council of Governments (CWCOG) was called in to help meet the needs of this invaluable prospect while also assuring wetlands preservation.

Recognizing that the economic growth of a region directly relates to its inventory of available industrial lands, CWCOG is helping cities in Linn and Benton Counties develop a balanced approach to protecting wetland natural resources while providing an adequate supply of ready-to-go industrial sites.

CWCOG and eight cities have partnered with the Oregon Departments of Land Conservation and Development, Employment, State Lands, Economic and Community Development and the Governor's Office to address the impact wetlands have on siting industry in the mid-Willamette Valley. This effort is significant to the region's future, as most of its vacant industrially zoned land exhibits wetland characteristics. This requires at least a review, if not a delineation, and clearance from wetland regulations.

Photo by Scott Sparling, Gard Communications

The partners explored ways that wetlands impact industrial location decisions and found that the biggest wetland-related impediments to industrial siting concerned the time investment needed to identify the environmentally sensitive areas, matched with the unknown of how much land would require on-site mitigation. Recent experience indicates that it can take up to one year before development may be allowed on part of a site. "This study is extremely important in understanding the cost of industrial development on a wetland site," says John Pascone, President of the Albany-Millersburg Economic Development Corporation.

Current work on the Regional Industrial Lands/Wetlands Mitigation Project includes developing one of Oregon's first regional analyses of industrial land use requirements. The projection of regional industrial land demand for the 20-year planning period will estimate how much vacant industrially-zoned land will be required in the region. The information will help local governments look at local and regional solutions, such as identifying non-wetland areas for future industrial development, establishing a regional wetlands mitigation bank[1] and other mechanisms that address wetland areas on industrial lands. The current collaborative effort is funded primarily through a grant from the Oregon Department of Land Conservation and Development. Funding provided through the Benton, Linn, Lincoln and Lane Regional Investment Board, PacifiCorp and local contributions round out the Phase II budget of $80,000.

In addition to addressing industrial siting barriers, the effort will offer Comprehensive Plan updates for the participating cities. Further, it is anticipated that this unique approach will provide the State of Oregon with a model that illustrates the effectiveness and efficiency of regional land use planning.

[1] A mitigation bank is a wetland, stream or other aquatic resource area that has been restored, established, enhanced or (in certain circumstances) pre-served for the purpose of providing compensation for unavoidable impacts to aquatic resources permitted under applicable wetlands regulations.

The 2005 fire destroyed the Murphy Plywood facility. Source: The News-Review, Roseburg, OR.

The new Murphy Plywood facility, re-opened in 2005.

The City of Roseburg appreciates the valuable support CCD provides to encourage business development in the Roseburg area. CCD is a major player, proactively facilitating regional economic development strategies for central Douglas County."

- Eric Swanson, City of Roseburg

Rebuilding Businesses to Bring New Jobs to the Region

CCD Business Development Corporation

Murphy Plywood, a key economic driver in Sutherlin, was completely destroyed by a fire in July 2005. Built in the 1940s, the plant employed 290 local people at the time of the disaster.

One year later, the owners announced plans to build a 215,000-square-foot facility for producing laminated veneer lumber on the same site. The decision to start over was not easy for owner John Murphy. "It's been a long time since a new wood products plant has been built anywhere in the Northwest," said Murphy. "I couldn't have even considered rebuilding without the support and encouragement that came from local and state economic development officials, including CCD Business Development Corporation. There were simply no hurdles that these folks would not help us tackle."

The new plant opened in January 2008, with 60 employees and a possibility for 25 new jobs. These jobs are extremely important to an area that has suffered from severe unemployment due to the declining timber industry. The new building and equipment are significantly advanced in comparison to the old machinery. At the plant reopening in March 2008, Sutherlin Mayor Bud Schmidt said of Murphy, his employees and suppliers, "We know you never really left Sutherlin. And, if I may – welcome home."

The entire project came with a $60.2 million budget. A funding requirement included training for the local employment pool because the new jobs required higher math, English and computer skills.

The CCD Business Development Corporation (CCD) worked with Murphy and the team involved with re-building the mill by convening various partners, including funders. CCD later helped the mill begin a 15-year Enterprise Zone Tax Abatement process. CCD serves as the Fiscal Agent for the Regional Workforce Investment Board and as the Enterprise Zone Manager for the Sutherlin/Oakland Enterprise Zone in which the Murphy Plywood facility is located. The Regional Investment Board granted Murphy $50,000 for workforce training. In order to receive the Enterprise Zone benefits, CCD organized consultations, resolutions, hearings and also prepared all of the documents submitted to the state.

Providing Regional Public Transportation Services

Central Oregon Intergovernmental Council

An elderly man leaves his home for a routine check-up at the hospital. A mother takes her child to school in the morning. A local mill worker commutes each day to work. A recent high school graduate attends classes at the community college. What do all of these people have in common? Thanks to the Central Oregon Intergovernmental Council (COIC) and its partners, they all access the Cascades East Transit system to reach their destination.

To meet a new requirement from the state and the Federal Transit Administration, COIC created coordinated human services public transportation plans for three counties in Central Oregon and the Confederated Tribes of Warm Springs in 2008. The plans ensure any projects funded from a variety of federal public transportation grant programs complement each other and are coordinated in a way to improve and increase service efficiency and effectiveness.

The planning participants seized the opportunity to make rural transportation more effective for workers, improve access to social services for clients and meet basic transportation needs for seniors, the disabled and low income persons. Barriers stemmed from geographic isolation from financial markets, deficient public transportation within and between communities and a shortage of funds for public transportation operations. As the fastest-growing region in Oregon, the need for an effective public transportation system became extremely important.

COIC conducted a needs assessment for each county and tribe and developed priority strategies to increase coordination among local service transportation and human services providers to reduce costs. While working with the independent county planning committees, COIC looked for needs and priorities that transcended county and tribal boundaries, forming the basis for a regionally-based public transportation system.

Just six months after local governing bodies approved the plan, COIC created Cascades East Transit (CET), a regional public transportation system providing local demand-response service, as well as a network of community connector shuttles providing daily inter-community service. CET also provided a secure basis for local public transportation investments from various public, private and nonprofit partners, which are then pooled and used to leverage additional state and federal investments. During CET's inaugural year, total local public transportation investments increased nearly three-fold to about $900,000 by pooling resources and merging public-private services. As of January 2009, CET provided approximately 9,000 rides per month, up from 3,500 the previous January.

PROMOTING RENEWABLE ENERGY THROUGHOUT THE REGION

A desire to create jobs, reduce regional dependence on imported fossil fuels and curb climate change prompted COIC to help small-scale biofuels, biomass, solar and wind enterprises find start-up funds as well as secure state and federal grants and incentives to cover capital costs. COIC has also helped them with feasibility analyses, project development and connecting them to local technical expertise.

Since 2003, COIC has supported renewable energy companies and projects ranging from biomass heat and power, biofuel production, densified wood fuel and on-farm solar and wind. COIC's partners in this work include EDA, Forest Service, Bureau of Land Management, USDA Rural Development, Oregon Department of Energy, private sector and the conservation community.

Development of local renewable energy resources has strengthened the region's economy while also providing social and environmental benefits, including generating new business and employment opportunities, reducing energy costs for local businesses and public agencies and helping convert waste products into valuable renewable energy inputs. It also helps increase energy security and energy independence for the region, state and nation by reducing emissions of greenhouse gases that contribute to climate change.

Helping Businesses Recover after Natural Disasters

Columbia-Pacific Economic Development District

2007 continued the tradition of challenging climate conditions for Northwest Oregon. In December, sustained hurricane winds and rains resulted in $133 million in damage throughout the region. In the town of Vernonia, over 100 homes and businesses were devastated by floods, including the elementary, middle and high schools. The severe windstorm blew away thousands of pounds of Tillamook Bay Boathouse fish and crab bait in Garibaldi. With insurance covering only seven percent of the damage, the business was left in a dire economic situation.

The unpredictable climate of Northwest Oregon has led the Columbia-Pacific Economic Development District (Col-Pac) to make impressive strides in disaster preparedness. Within 30 days of the December storm, Col-Pac partnered with EDA to hire a Flood Relief Coordinator/Economic Recovery Manager. Located in Vernonia, the EDA-funded position works with service agency staff at all levels of government to coordinate flood recovery efforts. With funding from USDA, Col-Pac was able to offer technical assistance and loans for small businesses affected by storm events.

Col-Pac's efforts have proven fruitful for Northwest Oregon. In one year, the EDD worked with over 700 households and businesses to provide disaster and and long-term recovery assistance. Col-Pac's Business Development Officer worked with over 60 businesses to bring more than 100 employees back to work. In addition, Col-Pac was able to leverage from USDA disaster recovery programs an additional $199,000 for technical assistance and $499,000 for loans to businesses.

Tillamook Bay Boathouse received a loan from Col-Pac. As owner Darus Peake states, "Emergency funding was critical for us. Col-Pac's loan officer packaged loan financing with our local bank, Tillamook County's Economic Development Council and Col-Pac funds. One year later, we are still in business and back to our original level of employment."

Col-Pac is working with Vernonia as the town plans an education campus to be built on higher ground. The campus, which may become a statewide model, will host their public schools, community college classes and private workforce training events.

Lessons learned from Northwest Oregon's weather challenges are resulting in increased business resiliency. While not initially part of Northwest Oregon's economic strategy, Col-Pac's efforts in developing business resiliency to natural disasters is proving to be an effective strategy as the region weathers the economic downturn.

Tillamook Boathouse Owner Darus Peake.

From left: Rich Cook, Col-Pac Loan Officer; Mary McArthur, Col-Pac Executive Director; Jeff Deiss, USDA's Oregon Business and Cooperative Program Director; and Karen Kent, Col-Pac Administrative Manager.

Collaborations Help Native Businesses Soar

Greater Eastern Oregon Development Corporation

The Business Service Center of the Confederated Tribes of the Umatilla Indian Reservation has provided business training, including business plans, to over 200 tribal members and others in the community since 1998.

In 2002 the Center realized that once the business plans were written and training was complete, the aspiring entrepreneurs needed further assistance in seeking funding for their ventures. The Greater Eastern Oregon Development Corporation (GEODC) was ready to partner with the Center and the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) to develop a framework for a Revolving Loan Fund (RLF) that would help Native Americans start their businesses.

GEODC received $99,000 from USDA Rural Development's Rural Business Enterprise Grant Program, and $20,000 in matching funds from the Wildhorse Foundation. Since GEODC administered the first RLF in 2005, five loans have been made, four businesses have been funded and 21 jobs have been created in Umatilla County, a rural county of about 71,000 residents.

In addition to economic benefits, GEODC's RLF and the Business Service Center's programs have made tribal members more open to starting their own businesses, according to GEODC Executive Director Melisa Drugge. As Drugge explained, "This has given Native American entrepreneurs a program they feel comfortable in approaching. They know that this was something created especially to help them."

GEODC also participates in the Center's business planning class by offering information about the RLF's loan programs and opportunities. The 10 - 12 week course, offered three times a year, features numerous guest speakers, including attorneys, accountants and bankers. Upon completion of the class, students leave with a finished business plan. To date, 75 people have completed the class. RLF applicants are required to complete a business class in order to be considered for a loan.

Cayuse Country Flowers & Gifts, a loan recipient and Business Service Center client.

Drugge credits the RLF program's success to GEODC's partnership with CTUIR and the Center. "The partners have been instrumental in making this program something that our clients trust and want to utilize," Drugge adds. "It is important to write policies and procedures that can be modified to best fit the clientele you want to serve." She adds that the training provided by the Business Center substantially impacts the quality of the business plans and loan applications.

In addition to GEODC's partnership with the Tribes, they serve a seven-county region through seven other RLFs. GEODC's loan portfolio exceeds $16 million and includes additional capital from the SBA.

Creating Opportunities for Local Businesses

Mid-Columbia Economic Development District

From high-tech entrepreneurs to local farmers, the Mid-Columbia Economic Development District (MCEDD) has helped a variety of businesses thrive throughout the five-county region. Since 2002, MCEDD has coordinated the Oregon Investment Board (OIB) grant and loan program for communities in the Oregon geographic boundary of the Columbia River Gorge National Scenic Area. Under the Columbia River Gorge National Scenic Act, projects receiving funding must exhibit the ability to provide economic development opportunities to the region and also protect and enhance natural and cultural resources. Two such projects are the Gorge Technology Alliance (GTA) and Gorge Grown Food Network.

With funding from the OIB, MCEDD has helped high-tech entrepreneurs network with their peers and seek employment and educational opportunities through GTA. In 2005, EDA awarded MCEDD $40,000 to identify clusters, and an additional $70,000 grant in 2006 was used to develop the clusters and implement the plan. GTA was identified as one of the clusters, and emphasis was placed on developing businesses through networking, educational and high-tech opportunities. The OIB then provided $15,000 to GTA for Web site development. With more than 50 dues-paying members and 200 participants, GTA has become an avenue for newcomers to the area to connect with established businesses and for those seeking employment to access helpful resources. MCEDD provides GTA with project management assistance and assists with hosting numerous business and technology workshops.

In 2008, MCEDD and OIB partnered with the Washington Investment Board (WIB) to jointly fund the Gorge Grown Food Network's Mobile Farmer's Market. The market provides fresh produce to rural communities and an opportunity for local farmers to sell produce on consignment. Created in 2006, the Gorge Grown Food Network also serves as a central source to inform and connect local farmers, food producers and consumers. The initial $3,000 from OIB helped Gorge Grown serve 19 farmers in the first year, and resulted in sales revenues of $6,000 for the farmers. The investment also served four markets in Oregon, reaching more than 1,000 customers over a seven-week period. And local residents can now eat fresh fruits and vegetables, grown locally by farmers who have connected with fellow farmers to sell more produce through the Gorge Grown Food Network.

Through the OIB, MCEDD has provided more than $1 million in grants and $4 million in loans to businesses throughout Oregon since 1990. As a result, 298 jobs have been created or retained and $21 million in public and private investments have been leveraged.

Four years ago I attended a meeting sponsored by Mid-Columbia Economic Development District, which resulted in the formation of the Gorge Technology Alliance. We envisioned a vibrant technology cluster in the Mid-Columbia made up of entrepreneurs who want to work and play in this beautiful part of the world. By promoting business to business networking and advocating for education and training programs for the local population, GTA members are now spending between $60 to $80 million annually delivering goods and services to each other and have provided new jobs to over 150 residents. GTA continues to expand the positive effect it has on our communities by offering programs of interest such as the latest developments in the field of robotics, green technology and business efficiency improvement tools. We are understandably proud of our accomplishments and grateful for the support we received from MCEDD.

- Nancy White, President, Custom Interface, Inc., Bingen, WA

Finding New Ways to Finance Businesses

Mid-Willamette Valley Council of Governments

When a doctor from rural Mid-Willamette Valley needed a larger building for his practice, his credit and student loan debt prevented him from obtaining funds from a traditional lender. With scant options, the doctor turned to Mid-Willamette Valley Council of Governments (MWVCOG) for assistance.

With guidance from MWVCOG, he learned he could combine personal equity with a local real estate and construction bank loan and also obtain a New Market Tax Credit (NMTC) loan from the Community Reinvestment Fund (CRF), administered by MWVCOG. The NMTC loan committed long-term, permanent financing to the doctor that allowed him to expand his practice while maintaining cash in his business.

The doctor's story represents one of many similar occurrences since MWVCOG's partnership with CRF began in 2002. Based in Minneapolis, CRF offers capital to nonprofit community development lenders through its secondary loan market. By partnering with CRF to offer federal NMTC loans, MWVCOG helps revitalize targeted urban and rural geographic areas through job creation and retention. NMTC loans can be used for renovating and expanding business properties or community facilities, and for purchasing major business expansion equipment.

MWVCOG's relationship with CRF brings vital funds to businesses that banks are unable or unwilling to finance. Nonprofit organizations that fail to qualify for other small business loans receiving assistance through the NMTC program include the Shangri-La Corporation, a nonprofit that provides homes, jobs and support services to individuals with developmental disabilities and economic disadvantages. Shangri-La borrowed $1.56 million from MWVCOG and CRF, enabling the corporation to purchase the property it leased and stabilize its occupancy costs.

Since MWVCOG's first CRF loan in 2003, 14 additional loans have been approved for a total of more than $10 million. By offering NMTC loans, MWVCOG sustains community business development. "Overall, MWVCOG's partnership with CRF brings a unique economic opportunity to the state of Oregon that nurtures the health and vitality of the Mid-Willamette region," reports MWVCOG Director of Community Development Ray Teasley.

Nurturing an Entrepreneurial Environment

Northeast Oregon Economic Development District

Business and financial training, youth entrepreneurship training and activities, marketing workshops, networking, business finance, Individual Development Accounts and marketing development assistance are a few of the services that the Northeast Oregon Economic Development District (NEOEDD) offers in partnership with the Connecting Oregon for Rural Entrepreneurship (CORE) collaborative. As a result, there are more business start-ups in the region, more businesses realizing a profit, active entrepreneurial networks, enhanced knowledge of business concepts and an emerging awareness of entrepreneurship as a career goal.

CORE, a wide-ranging effort with 20 partners (including service delivery organizations, regional foundations and statewide organizations) and five target areas, was conceived as a systemic approach to support rural entrepreneurs as an economic development strategy. The ultimate goal is to support entrepreneurs statewide.

An investment from the W.K. Kellogg Foundation made CORE possible. Kellogg's $2 million investment has resulted in nearly $3 million in leveraged investments for stronger support of rural entrepreneurs throughout Oregon since the initiative began in 2005. With $151,500 of the initial investment, NEOEDD launched various entrepreneurship-related programs and has provided training to more than 273 people, assisted 390 businesses and provided technical assistance to more than 55 clients since 2005.

"CORE enters Phase 2 with plans to provide accessible training, technical assistance, networking, business financing and communication tools to more entrepreneurs in more regions, hone the skills of network partners in raising funds to sustain CORE into the future and assist CORE partners to build the case for increased entrepreneurship support at the state level," reports NEOEDD Executive Director Lisa Dawson.

GROWING LOCAL ENTREPRENEURS

A four-credit elective course in entrepreneurship is available at Joseph High School in Wallowa County, made possible through CORE and with financial support from local banks and other sources. Launched in 2008, it teaches students various skills needed to start their own businesses. It has generated enthusiasm in entrepreneurship among local youth and enabled students to create business opportunities for themselves. Parents have taken great interest in classroom activities. Local civic organizations and business leaders have become more involved by volunteering their time and expertise. The success of the course has been so overwhelming that the school is considering offering it without support from NEOEDD, forging new partnerships.

NEOEDD was approached by several young entrepreneurs from established ranches for help with market research and product development of specialty meat products. Targeting Portland food cooperatives and local residents, the group worked with NEOEDD to launch the "Meat Project" in 2008 to determine the potential market and processing options for value-added, USDA-inspected beef and lamb. Funded by NEOEDD, local meat producers, USDA and nonprofit organizations, initial research found there is fast-growing market for grass-fed meat products, and some producers have already accessed these new markets. With many of the producers being young adults, opportunities provided through value-added products might help decrease out-migration among younger farmers and ranchers. And, two local meat processing entrepreneurs have expressed interest in developing USDA inspected slaughtering and processing facilities–providing opportunities for more local jobs.

Growing Businesses to Grow the Economy

Portland Regional Partners/Portland-Vancouver Economic Development District

Everyone likes a "win-win" situation. And the Portland Regional Partners/Portland–Vancouver Economic Development District's (Regional Partners) Economic Gardening Project is working hard to help local businesses and the regional economy both win. By helping existing businesses grow so they can better compete in the global economy, Regional Partners is also promoting economic growth for the region.

The Regional Partners Economic Gardening project focuses on helping local small businesses rather than attracting larger businesses to the area. The economic gardening concept is simple: small businesses gain access to many services including assistance with developing new products, growing leadership teams, expanding customer bases, and access to the latest research on cutting-edge technology. Based on a successful model from Littleton, Colorado, economic gardening acknowledges that many small businesses lack access to information on markets and competitors, negatively impacting their growth. Further, the model demonstrates that smaller businesses are often challenged when attempting to upgrade or expand their operations.

Comprising 27 economic development and business entities in six counties, Regional Partners studied economic gardening as a regional approach to growing the local economy and surmised it could provide numerous economic growth opportunities for the Portland-Vancouver region. A $15,000 grant from EDA allowed Regional Partners to develop a strategic plan to launch a pilot economic gardening project in 2009.

The Portland pilot project will focus on providing information and services to local, fast-growing, second stage businesses (businesses that are past the start-up phase and ready to expand) looking to compete on a global scale. It is estimated that 20 – 40 businesses will be assisted in the first year.

While the Portland project is still in the strategic planning phase, the City of Beaverton has experienced success with its economic gardening endeavor launched in 2007 with assistance from Regional Partners. Targeting second-stage businesses, Beaverton has provided free services including access to high-powered demographic information through GIS modeling, industry-specific research, targeted mailing lists, site location services, financing options, community information, demographic and expenditure data and custom business research. With two full-time employees, the program has assisted more than 130 businesses with sound results. Businesses that have received services through the program were recently surveyed; 90 percent reported satisfaction with the services received and would use them again, and 20 percent reported an increase in sales within the first six months.

www.Portlandregionalpartners.com serves as a clearinghouse for Regional Partners' members and those outside of the area looking to conduct business in the region. Launched in January 2008, the Web site promotes the benefits doing business locally and of being a member of Regional Partners, provides contact information of the organization's partners, links to various county services and access to a newsletter. "Before the creation of the site, there were no communication tools that we could use to reach out to our partners and business community. This has been very positive for us," says Pamela Treece, Executive Director of the Portland Regional Partners/Portland-Vancouver Economic Development District.

Liskey Farms hothouse, powered by geothermal energy.

Oregon's Economic Development Districts are invaluable, proven partners for USDA Rural Development in advancing our mission to support business development in rural communities. As locally based, solution-oriented regional organizations, EDDs are perfectly suited to leverage our federal grants and loans to maximum advantage, with over 20 years of experience in RD programs. Between them, EDDs serve all of rural Oregon, delivering business financing and technical assistance projects that catalyze economic opportunity.

- Jeff Deiss, Business and Cooperative Program Director, USDA Rural Development, Oregon State Office

Renewable Energy Platform for a Region

South Central Oregon Economic Development District

Lake County calls itself the "most renewable energy county in Oregon," a theme adopted by its county and city governments and its Chamber of Commerce. The Klamath County Economic Development Association (KCEDA) and TEAM Klamath (a partnership that includes representatives from local governments, civic organizations, businesses and schools) have adopted "sustainability" as their economic development niche. These themes have evolved into a growing renewable energy initiative as both counties utilize their abundance of energy potential in geothermal, wind, solar, biofuels and biomass resources.

Since 2002, the South Central Oregon Economic Development District (SCOEDD) has worked in Lake and Klamath counties to establish a sustainable energy base that reduces the region's dependence on external energy sources and creates economic development opportunities. The implementation of a renewable energy agenda has resulted in economic diversification and job creation.

With funding from EDA in 2006, SCOEDD hired a part-time rural renewable energy specialist from the Oregon Renewable Energy Center (OREC) to help identify and plan for an economic cluster in renewable energy and to leverage additional public and private investment in energy efficiency. In addition to the OREC energy specialist, a Lake County renewable energy working group, composed of public and private representatives, was formed to coordinate renewable energy activities and prioritize activities including grant applications for funding. Currently, this group is working on using geothermal water to heat the Lake District Hospital, Lakeview school buildings and the Lake County Industrial Park.

Klamath County is focused on agricultural activities that can assist the Klamath Basin in saving water, developing alternative crops, recruiting companies that want to make or utilize sustainable technologies and educating citizens on sustainability.

The region has realized the creation of various renewable energy-related programs, including geothermal agricultural industrial park development, renewable energy financing assistance, biomass-to-energy project, a biodiesel company called Green Fuels of Oregon, and a geothermal-supported brewing company.

SCOEDD Executive Director Betty Riley reports, "Since the inception of the renewable energy initiative, 23 jobs have been created, 78 have been retained, and 50 new jobs are projected in Lake County."

Entrepreneurial Networks Bring Resources to Locally Grown Businesses

Southern Oregon Regional Economic Development, Inc.

Southern Oregon Regional Economic Development, Inc. (SOREDI) understands that to sustain a strong, locally based economy, entrepreneurship must be promoted. To foster entrepreneurial development that results in jobs and income for the residents of the two-county region, SOREDI leadership conceived the Jefferson Grapevine Entrepreneurial and Angel Network in 2007, basing the entrepreneurial network on successful models in Portland and Bend.

Today, the network encompasses four key partners, 12 organizations and businesses and hundreds of community members. Bimonthly gatherings provide a forum where local experts educate attendees on entrepreneurial-related topics, successful entrepreneurs can share their winning strategies and aspiring entrepreneurs can present and receive feedback on business plans. Since 2007, education topics have included start-up fundamentals, profitability and sustainability challenges and protecting intellectual property. Hopeful entrepreneurs have proposed product ideas ranging from tools for stroke victims to multimedia resources.

The network has gone even further to help local businesses thrive. Executive Director Ron Fox says, "In addition to bimonthly gatherings, the Jefferson Grapevine Entrepreneurial and Angel Network developed a team of 10 - 12 local angel investors willing to invest equity in aspiring entrepreneurial businesses by financing startup costs. The network expects results of the 'angel investor network' by mid 2009."

A $2,500 grant from Bank of the Cascades assisted SOREDI in providing initial funding for the Jefferson Grapevine Entrepreneurial and Angel Network. While SOREDI remains the primary fiscal agent and administrative support for network efforts, the EDD has secured increased financial support from sponsorships from multiple local businesses. In addition, a partnership with Small Business Development Centers, Senior Core of Retired Executives, Rogue Community College and Southern Oregon University has created a diverse team that continually expands network outreach and communications.

The Jefferson Grapevine Entrepreneurial and Angel Network greatly impacts the 13 incorporated cities of Southern Oregon's Jackson and Josephine counties. Aspiring entrepreneurs benefit from increased access to business advisors and financial services. The region gains from energized business activity and strong community partnerships that enhance corporate and individual ties. To date, two local businesses have received funding for growth and expansion, and one business has received financing for startup operations. As Fox states, "A regional partnership focused on promoting, encouraging and assisting entrepreneurs will result in a strong, locally based economy." Thanks to SOREDI's initial efforts, Southern Oregon now boasts an entrepreneurial community that strives to fulfill the district's mission to help businesses create and sustain quality jobs while diversifying the region's economy.

"What started as a quandary over rotting potatoes in the Klamath Basin has resulted in Oregon's first organic micro-distillery to produce spirits, distilled in a small non-descript manufacturing space in Ashland," says distillery co-founder Diane Paulson. Paulson and her business partner David Eliasen worked with SOREDI to secure start-up funds. Today, Cascade Peak Spirits is one of two certified organic distilleries in Oregon and has plans for expansion and enhanced deployment of green technology.

Organic Nation founders Diane Paulsen and David Eliasen.

OREGON'S ECONOMIC DEVELOPMENT DISTRICTS

Cascades West Economic Development District

Pam Silbernagel, Community and Economic Development Planner
1400 Queen Avenue, SE
Suite 205A
Albany, Oregon 97322
541.924.8426
541.967.4651 (fax)
psilbern@ocwcog.org
www.ocwcog.org
Counties served: Benton, Lane, Lincoln and Linn

CCD Business Development Corporation

Eileen Ophus, Community Development Coordinator
744 Southeast Rose Street
Roseburg, Oregon 97470
800.452.6010
541.672.6728
541.672.7011 (fax)
eophus@ccdbusiness.com
www.ccdbusiness.com
Counties served: Coos, Curry and Douglas

Central Oregon Intergovernmental Council

Andrew Spreadborough, Community and Economic Development Program Administrator
2363 Southwest Glacier Place
Redmond, Oregon 97756
541.504.3306
541.548.9549 (fax)
aspreadborough@coic.org
www.coic.org
Counties served: Crook, Deschutes and Jefferson

Columbia-Pacific Economic Development District

Mary McArthur, Executive Director
100 E Street
Columbia City, Oregon 97051
503.397.3099
503.397.6924 (fax)
mbmcarthur@att.net
www.nworegon.org
Counties served: Clatsop, Columbia, Tillamook and the western part of Washington County

Greater Eastern Oregon Development Corporation

Melisa Jo Drugge, Executive Director
P. O. Box 1041
2016 Airport Road
Pendleton, Oregon 97801
541.276.6745
541.276.6071 (fax)
mdrugge@oregonvos.net
www.geodc.net
Counties served: Gilliam, Grant, Morrow, Umatilla, Wheeler, Harney and Malheur

Mid-Columbia Economic Development District

Amanda Remington, Executive Director
515 East Second Street
The Dalles, Oregon 97058
541.296.2266
541.296.3283 (fax)
Amanda@mcedd.org
www.mcedd.org
Counties served: Skamania and Klickitat in Washington state, and Hood River, Wasco and Sherman in Oregon

Mid-Willamette Valley Council of Governments

Ray Teasley, Director of Community Development
105 High Street, Southeast
Salem, Oregon 97301
503.588.6177
503.588.6094 (fax)
rteasley@mwvcog.org
www.mwvcog.org
Counties served: Marion, Polk and Yamhill

Northeast Oregon Economic Development District

Lisa Dawson, Executive Director
101 Northeast 1st Street, Suite 100
Enterprise, Oregon 97828
800.645.9454
541.426.3598
541.425.9058 (fax)
lisadawson@neoedd.org
www.neoedd.org
Counties served: Baker, Union and Wallowa

Portland Regional Partners/Portland-Vancouver Economic Development District

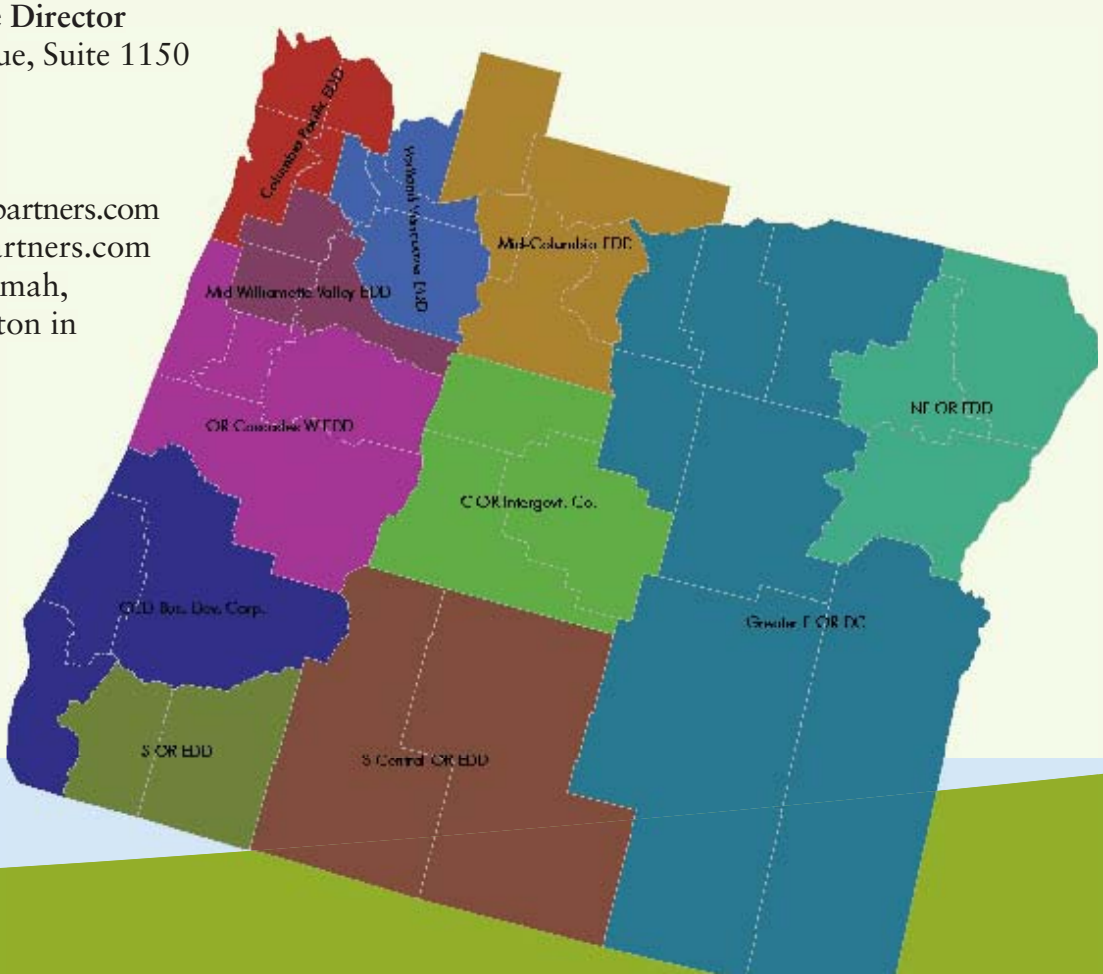
Pamela Treece, Executive Director
111 Southwest 5th Avenue, Suite 1150
Portland, Oregon 97204
503.913.8199
503.478.7457 (fax)
ptreece@portlandregionalpartners.com
www.portlandregionalpartners.com
Counties served: Multnomah, Clackamas and Washington in Oregon and Clark in Washington

South Central Oregon Economic Development District

Betty Riley, Executive Director
317 South 7th Street
Klamath Falls, Oregon 97601
541.884.5593
541.884.6738 (fax)
Betty@scoedd.org
www.scoedd.org
Counties served: Lake and Klamath

South Oregon Regional Economic Development, Inc.

Ron Fox, Executive Director
673 Market Street
Medford, Oregon 97504
800.805.8740
541.773.8946
541.779.0953 (fax)
ron@soredi.org
www.soredi.org
Counties served: Jackson and Josephine



Oregon Economic Development Districts
101 NE First Street, Suite 100
Enterprise, OR 97828
541.426.3598