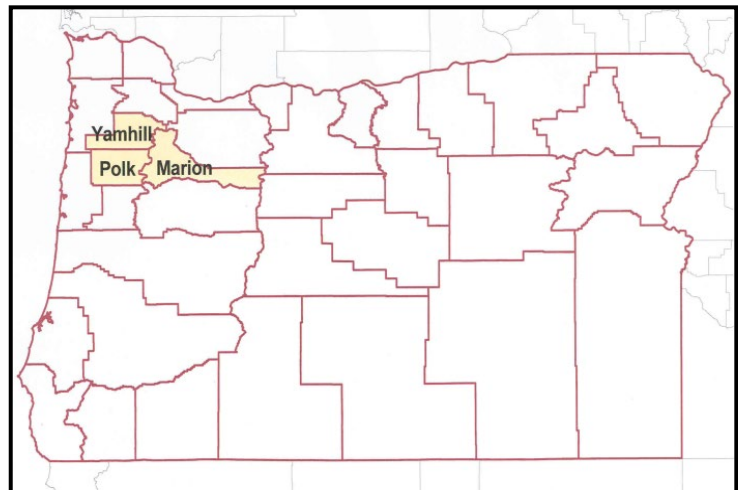


ANNUAL REPORT FY 2013



7/31/2013

Mid-Willamette Community Development Partnership

The Mid-Willamette Community Development Partnership Annual Report includes an overview of the community and economic development activities for Fiscal Year 2012-13. The Mid-Willamette Community Development Partnership serves as the Economic Development District for Marion, Polk and Yamhill Counties, OR.

Annual Report FY 2013

MID-WILLAMETTE VALLEY COMMUNITY PARTNERSHIP

FY 2012-2013 IN REVIEW

The Mid-Willamette Valley economy continued to show signs of economic growth and employment gains in Fiscal Year 2012-2013. The largest employment gains were experienced in the private sector, specifically educational and health services, leisure and hospitality and manufacturing.

As shown in Table 1 and Figure 1 below, the 24-month average unemployment rate for the Mid-Willamette Valley dropped in all three Mid-Valley counties in FY 2013. The overall regional unemployment rate for the region fell from 9.8 percent in FY 2012 to 9.3 percent in FY 2013. Per capita income levels in the Mid-Willamette Valley continue to trail the state and national per capita income levels as seen in Table 1 and Figure 2 below. The average Mid-Willamette Valley per capita income level declined slightly from 82.7 percent of the national average to 80.61 percent in 2011.

Table 1: Mid-Willamette Valley Economic Health Indicators

	Marion	Polk	Yamhill	Mid-Willamette Valley	Oregon	U.S.
Unemployment (24 month average)	9.7%	8.55%	8.64%	9.3%	8.91%	8.27%
Per Capita Income (2010 U.S. Census)	\$33,841	\$31,437	\$33,980	\$33,500	\$37,527	\$41,560

Source: StatsAmerica (BLS and BEA), April 2013. Online at: <http://www.statsamerica.org/>

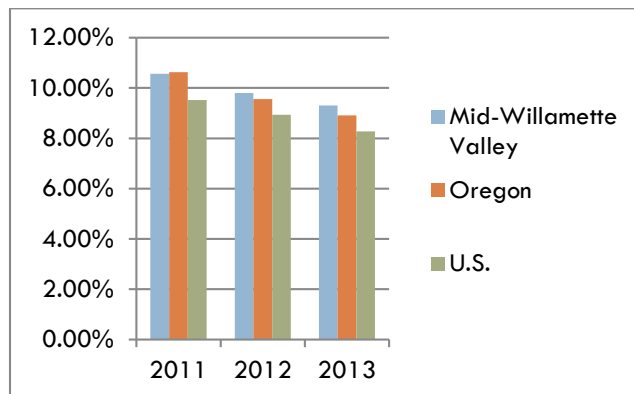


Figure 1: Unemployment levels 2011-2013

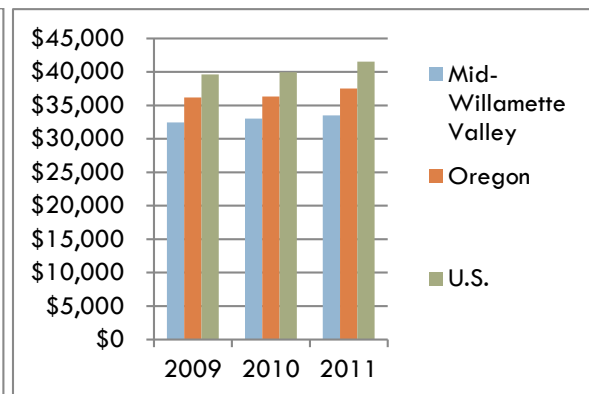


Figure 2: Per capita income levels 2009-2011

FY 2013 MWVCOG Community and Economic Development Services Program Highlights

In Fiscal Year 2012-2013 the Mid-Willamette Valley Council of Governments (MWVCOG) assisted with approximately \$340,315 worth of planning projects; \$6,966,660 in community development services; and \$3,577,250 in small business lending services, for an overall total of \$10,884,225.

Program highlights for each of the community and economic development programs are provided as follows.

The fiscal impact of MWVCOG Community and Economic Development Services totaled \$10.8 million in FY 2013.

Community Planning

In FY 12-13 MWVCOG provided professional land use planning services to 18 communities in the Mid-Willamette Valley region: Aurora, Carlton, Dayton, Detroit, Donald, Falls City, Gates, Gervais, Hubbard, Idanha, Independence, Jefferson, Lafayette, Mt. Angel, Scotts Mills, Sheridan, Turner, and Willamina.

An overview of community planning activities completed in FY 2013 is provided as follows.

- **Falls City Transportation System Plan –** MWVCOG helped the City of Falls City complete a year and a half long planning process to develop its first Transportation System Plan (TSP) in June 2013. The plan identifies needed transportation planning improvements and recommendations for bicycle and pedestrian facilities. The Mayor of Falls City was recognized by the Oregon Chapter of the American Planning Association (APA) for her outstanding leadership on public involvement during the project planning process.
- **City of Hubbard Public Facilities Finance Plan (PFFP) –** MWVCOG helped the City of Hubbard completed a public facilities finance plan in 2013 that identifies the public utilities (water, sewer, and stormwater) needed to serve areas recently included in the city's

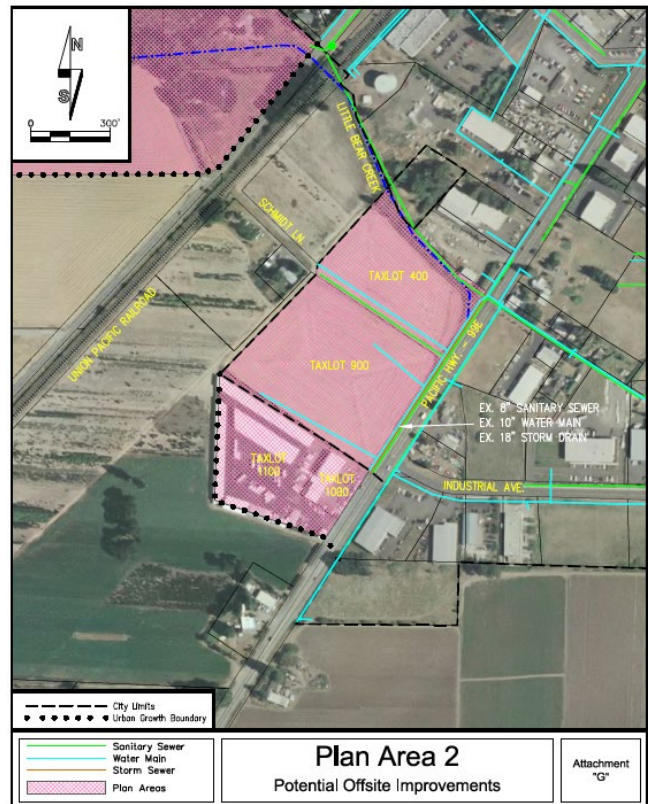


FIGURE 3: MAP FROM THE 2013 HUBBARD PUBLIC FACILITIES FINANCE PLAN ILLUSTRATING INFRASTRUCTURE NEEDED FOR INDUSTRIAL LAND LOCATED ON PACIFIC HIGHWAY 99E.

Urban Growth Boundary (UGB) for future urban growth.

- *City of Lafayette UGB Expansion* – MWVCOG began assisting the City of Lafayette with an UGB expansion. The proposed expansion will ensure the City has an adequate supply of land available to meet the City's projected 20 year residential land needs.
- *City of Sheridan Parks Master Plan* – MWVCOG began assisting the City of Sheridan with a Parks Master Plan update in 2012-2013 and helped the city identify potential funding resources to help complete the plan update.
- *Small City Buildable Land Inventories* – In Winter and Spring 2013, MWVCOG partnered with the Department of Land Conservation and Development (DLCD) and planning graduate students from Portland State University enrolled in a Geographic Information Systems (GIS) class to produce buildable land inventories for six (6) small cities in the Mid-Willamette Valley, including Dayton, Donald, Detroit, Mt. Angel, Jefferson, and Willamina. Buildable land inventories are used to determine whether cities have an adequate supply of land available for future growth.

Map 3 - Vacant, Buildable Taxlots in Dayton

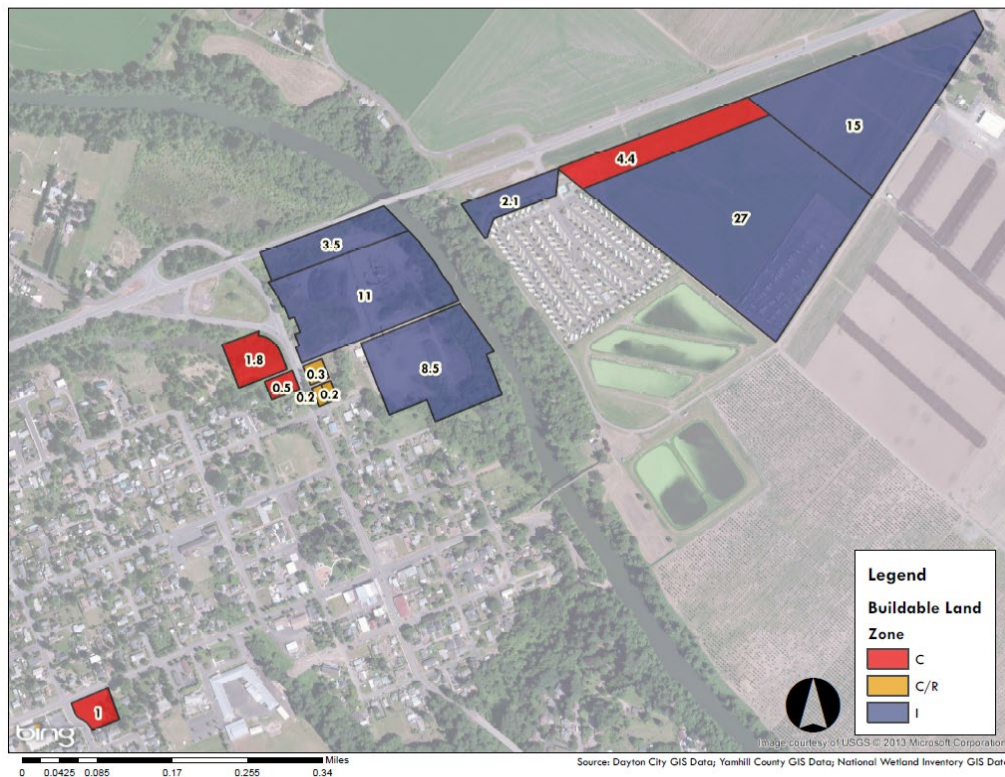


FIGURE 4: MAP FROM THE 2013 PSU GIS CLASS COMMERCIAL/INDUSTRIAL BUILDABLE LAND INVENTORY FOR THE CITY OF DAYTON.

- *Development Code and Zoning Map Updates* – MWVCOG assisted the cities of Donald, Dayton and Aurora with updates to local zoning and **development ordinances** in 2012-2013. MWVCOG GIS services also assisted the cities of Donald, Jefferson, and Dayton, and Scotts Mills with **zoning map** updates.

Community Development Services

In FY 2012-2013, MWVCOG assisted member governments with financing for a number of community development projects related to expanding public infrastructure, building new community facilities, completing engineering studies, and other important community investment projects. MWVCOG assists member governments in all phases of project development, from grant application preparation and contract procurement services to grant management and administration. MWVCOG staff work with a variety of state, federal, local and private funding sources and are able to navigate complex regulatory requirements to comply with funding requirements. Table 2 includes a list of community investment projects MWVCOG provided assistance with in FY 2013.

Table 2: Community Development Services Activity FY 2012-2013

Community	Project	Development Program Used	Current Status
Amity	Wastewater system improvements	CDBG: \$1,524,000; State funds: \$406,160	Under construction.
Amity	Water Master Plan Update	CDBG: \$150,000	Engineering work underway.
Carlton	Water Master Plan Update	CDBG: \$115,000	Engineering work underway.
Dayton	Grant administration for a water improvement project.	Safe Drinking Water Revolving Loan Fund: \$910,000	Under construction.
Detroit	Wastewater Feasibility Study	IFA Water/Wastewater Fund: \$20,000	Application under review.
Falls City	Wastewater Plan Update	CDBG: \$106,500	Under DEQ review.
Gates	Water system improvements	CDBG: \$1,600,000	Engineering underway.
Idanha	Water Master Plan Update	CDBG: \$60,000	Completed 2013.
Jefferson	Water Master Plan	CDBG: \$150,000	Engineering work underway.
Mt. Angel	Wastewater Plan update	CDBG: \$150,000	Engineering work underway.
Sheridan	Wastewater Master Plan Update	CDBG: \$150,000	Engineering work underway.
Turner	Flood map update	US ACOE: \$75,000	Awarded funding June 2013.

Willamina	Water Master Plan	CDBG: \$150,000	Under contract negotiation.
Yamhill County	Yamhelas Westsider Rail to Trail Project	ODOT: \$1,400,000	Awarded funding in Spring 2013.

TOTAL FEDERAL/STATE PROJECT FUNDING: \$6,966,660

Small Business Finance

In FY 2013, MWVCOG lending staff received approval for nine (9) loans that totaled approximately \$3.6 million. These loans leveraged nearly \$6 million in private investment and created 45 new jobs. Additional loan program highlights from FY 2013, include:

- In Summer 2012, Valley Development Initiatives (VDI), a small business lending non-profit staffed by MWVCOG, was awarded \$1,000,000 in new business loan funds through the U.S. Small Business Administration's (SBA) Intermediary Lending Program (ILP). These funds may be used to make small business loans up to \$200,000 for land/building acquisition, new construction, equipment purchases and working capital in Marion, Polk, Yamhill and Clackamas counties.



FIGURE 5: PICTURED ABOVE IS THE PHYSICIANS MEDICAL CENTER (PMC) IN MCMINNVILLE, OR. MWVCOG PACKAGED AN SBA 504 LOAN THROUGH CASCADES WEST FINANCIAL SERVICES, INC. FOR THE BUILDING PURCHASE AND RENOVATION. PMC PROVIDES COMPLETE HEALTH CARE FOR THEIR PATIENTS, INCLUDING FAMILY PRACTICE, PEDIATRIC AND INTERNAL MEDICINE.

- In addition to providing executive director services to Cascades West Financial Services, Inc. (CWFS), MWVCOG began serving as the fiscal agent in FY 2012-2013. CWFS is certified by U.S. SBA as a Certified Development Company (CDC) for purposes of packaging and servicing SBA loans in Oregon and Skamania & Clark counties in Washington.
- MWVCOG helped Yamhill County update their Revolving Loan Fund (RLF) program review procedures and approval criteria to focus on providing assistance to manufacturing companies, including food processing companies.

Table 3: Small Business Lending Activity 2012-2013

Type of Business	Location	Program*	Amount	Added Private Investment	Jobs Created or Retained
Child day care services	Clackamas	SBA 504	\$302,000	\$485,480	6
Construction company	Tualatin	SBA 504	\$763,000	\$1,081,640	12
Physicians office	McMinnville	SBA 504	\$1,680,000	\$2,976,288	4
Limited service restaurant	Newberg	Newberg RLF	\$25,000	\$55,000	3
Manufacturing	Salem	RLF	\$140,800	\$211,200	2

Medical clinic	Canby	Rural Loan	\$92,200	\$210,000	7
Cleaning equipment company	Albany	SBA 504	\$302,000	\$419,000	5
Paper/stationary products company	Newberg	RLF	\$22,250	\$22,250	1
Medical office	Canby	Rural Loan	\$250,000	\$500,000	4
Totals:			\$3,577,250	\$5,960,858	45

*Loan Programs Used: *RLF*: The three-county Revolving Loan Fund; *SBA 504*: U.S. Small Business Administration 504 debenture program; *Rural Loan*: The Intermediary Relending Program for rural communities.

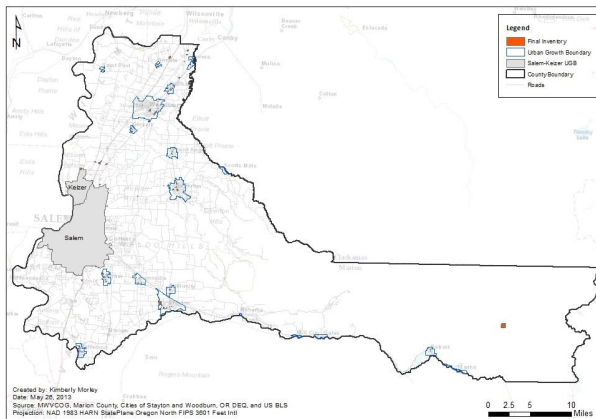
Additional FY 2013 Economic Development Activities

Additional economic development highlights for FY 2013 include:

- **Regional Economic Development Planning** – In November 2012, the Mid-Willamette Valley Community Development Partnership Board's Regional Economic Development Planning Committee adopted a new **Comprehensive Economic Development Strategy (CEDS)** for the Mid-Willamette Valley. MWVCOG also conducted an update of the list of **regional investment needs** in Spring 2013 to identify projects that may be eligible for state and federal funding.
- **Economic Development Partnerships** – In 2013, MWVCOG convened the first ever **Mid-Willamette Valley Economic Development Professionals Forum**. The forum, now held on a quarterly basis, provides an opportunity for staff within the region to network and discuss economic development issues and legislative initiatives, share best practices, and identify opportunities for collaboration.
- **Grant Writing** – In addition to grant writing activities described under community planning and development services above, MWVCOG staff worked with SEDCOR, OMEP, Job Growers (local workforce investment board), and Business Oregon to prepare and submit an application for the **Make It In America Challenge**. If awarded, the grant will help leverage local resources to encourage further investment in reshoring manufacturing activities within the region.



- **Downtown Revitalization** – In 2013, MWVCOG partnered with a University of Oregon graduate student in the identification of commercial and industrial employment lands in Marion County that may be underutilized or vacant due to potential brownfield contamination, as determined from Oregon Department of Environmental Quality databases. The initial inventory of over 2,800 potential **brownfield sites** was winnowed down to approximately 287 contaminated or potentially contaminated sites having the high potential for redevelopment were



remediation to occur.

- Regional Food Hub Feasibility Study – In Winter/Spring 2013, MWVCOG and the City of Independence worked with a graduate planning student from the University of Oregon's Department of Planning, Public Policy, and Management to prepare a feasibility study for a **regional food hub**. The study included surveying local food producers and buyers to identify strengths and weaknesses of the regional food system, and reviewing case study research of food hubs located throughout the United States. The study found a food hub would help overcome many of the barriers to accessing local foods identified in the survey.
- Workshops – MWVCOG staff organized several workshop opportunities in 2012-2013, including a training on **flood hazard mapping** resources by the State Department of Land Conservation and Development, and a **grant writing** 101 webinar for local government. MWVCOG also assisted with the 2012 **Marion County Economic Summit**, and the University of Oregon's **Latino Small Business and Downtown Development** project.

The Mid-Willamette Valley Community Development Partnership Board

Agriculture:

Jerry Mullen, Mullen Farms

City of Dallas:

Councilor Jim Fairchild

City of Keizer:

Mayor Lore Christopher

City of McMinnville:

Councilor Kevin Jeffries

City of Monmouth:

Mayor John Oberst

City of Newberg:

Councilor Denise Bacon

City of Salem:

Mayor Anna Peterson

City of Silverton:

Councilor Laurie Armstrong Carter

City of Woodburn:

Mayor Kathryn Figley

Confederated Tribes of Grand Ronde:

Chris Mercier

Construction:

Bob Hill, LCG Pence Co.

Financial Institutions:

Steve Nass, Pioneer Trust Bank

Food Processing:

Bryan Brown, Oregon Fruit Products

Forestry & Wood Products:

Dennis Creel, Hampton Resources

History of the Mid-Willamette Valley Community Development Partnership

In 1984, local governments in Marion, Polk and Yamhill counties created the Mid-Willamette Economic Development District (EDD) in order to simplify regional coordination issues, help local governments identify development needs and priorities, and to work more effectively with state and federal agencies and programs. The Mid-Willamette Valley EDD, also known as the Mid-Willamette Valley Community Development Partnership, is one of twelve EDDs designated and funded by the U.S. Economic Development Administration (EDA) statewide.

Labor:

Jeff Anderson, UFCW Local

Manufacturing:

Pending New Appointment

Marion County:

Commissioner Patti Milne

Minority Entrepreneurs:

Shelley Sneed

Polk County:

Commissioner Craig Pope

Professions:

Richard Walsh, Walsh Law Firm

Small Business:

Rollin Soles, Argyle Winery

Small Cities of Marion County:

Mayor Shanti Platt

Small Cities of Polk County:

Mayor John McArdle, Chair

Small Cities of Yamhill County:

Mayor Kathie Oriet, City of Carlton

Spanish Speaking Persons:

Roberto Franco

Transportation:

Councilor Cathy Clark

Unemployed/Underemployed:

Liz Field, Job Growers

Utilities:

Alicia Bonesteele, Salem Electric

Yamhill County:

Commissioner Allen Springer

Program Staff

Charles Amberson, Housing Rehabilitation Specialist

David Dahlin, Small Business Loan Officer

Suzanne Dufner, Community Development Director

Jim Jacks, Senior Planner

Marjorie Mattson, Land Use Planner

Janiel Rae-Ryan, Loan Servicing & Processing Specialist

John Safstrom, Small Business Lending Manager

Denise VanDyke, Administrative Specialist II

Renata Wakeley, Community Development Specialist