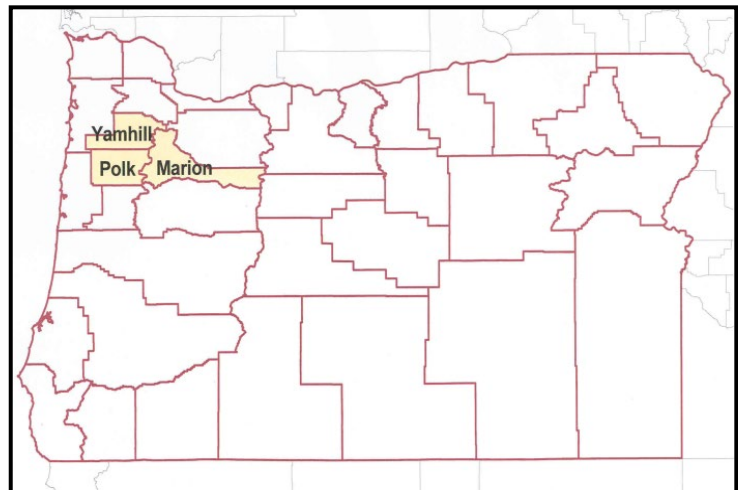


ANNUAL REPORT FY 2015



7/31/2015

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 2014-15. The Mid-Willamette Community Development Partnership serves as the Economic Development District for Marion, Polk and Yamhill Counties, OR.

Annual Report

FY 2015

MID-WILLAMETTE VALLEY COMMUNITY PARTNERSHIP

FY 2015 IN REVIEW

The Mid-Willamette Valley economy continued to show signs of economic growth and employment gains in FY 2015. The largest employment gains were experienced in the private sector, specifically manufacturing, professional and business services, and leisure and hospitality.

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 2015. The overall regional unemployment rate for the region fell from 9.3 percent in FY 2013 to 7.1 percent in FY 2015.

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. Per capita income in the Mid-Willamette Valley improved from \$33,500 in 2011 to \$35,210 in 2013, a 5.1 percent increase. Over that same period, the state realized a 6.2 percent increase and national per capita income increased 7.7 percent.

Table 1: Mid-Willamette Valley Economic Health Indicators

	Marion	Polk	Yamhill	Mid-Willamette Valley	Oregon	U.S.
Unemployment (24 month avg ending May 2015)	7.4%	6.8%	6.5%	7.1%	6.8%	6.3%
Per Capita Income (2013)	\$35,489	\$33,421	\$35,677	\$35,210	\$39,848	\$44,765

Source: StatsAmerica (BLS and BEA), July 2015. Online at: <http://www.statsamerica.org/>

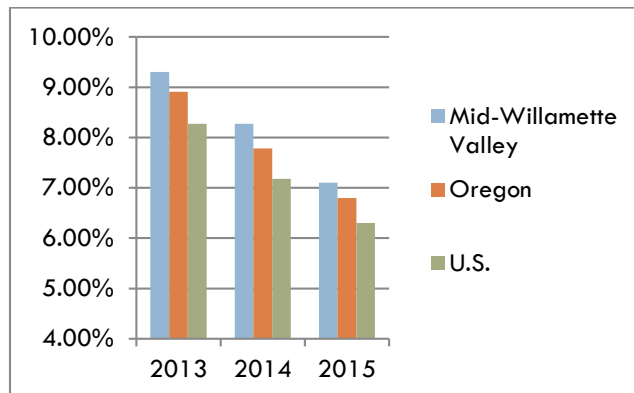


Figure 1: Unemployment (24 month avg) 2013-2015

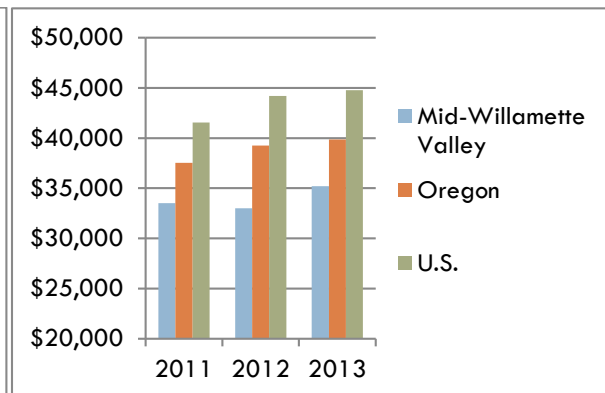


Figure 2: Per capita income 2011-2013

FY 2015 MWVCOG Community and Economic Development Services Program Highlights

In FY 2015 the Mid-Willamette Valley Council of Governments (MWVCOG) assisted with approximately \$224,380 worth of planning projects; \$5,511,970 in community development services; and \$3,760,750 in small business lending services, for an overall total of \$9,497,100.

The fiscal impact of MWVCOG Community and Economic Development Services totaled \$9.5 million in FY 2015.

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

Community Planning

In FY 2015 MWVCOG provided professional land use planning services to 20 communities in the Mid-Willamette Valley region: Aumsville, Aurora, Carlton, Dayton, Detroit, Donald, Falls City, Gates, Gervais, Hubbard, Idanha, Independence, Jefferson, Lafayette, Mt. Angel, Scotts Mills, Sheridan, Sublimity, Turner, and Willamina.

An overview of Community Planning activities completed in FY 2015 is provided as follows.

- City of Amity Economic Opportunity Analysis – MWVCOG staff conducted an employment lands inventory, drafted an Economic Opportunity Analysis, and facilitated an update to the Comprehensive Plan.
- Cities of Donald and Gervais Economic Opportunity Analysis – With MWVCOG support, a RARE participant conducted a buildable lands inventory and drafted a new Economic Opportunity Analysis for each city. The project culminated with updates to each city's development code and Comprehensive Plan.
- City of Jefferson Economic Opportunity Analysis – MWVCOG staff provided assistance with an update to an employment lands inventory and completion of an update to the Economic Opportunity Analysis.
- City of Lafayette UGB Expansion – MWVCOG staff continued work on updates to the Comprehensive Plan to ensure the City has an adequate supply of residential land within its Urban Growth Boundary (UGB) via a housing needs assessment. The work which will likely result in an expansion of approximately 50 acres to accommodate future residential land needs.
- City of Carlton Parks Plan – MWVCOG staff completed an inventory of existing parks and assessment of future needs to meet population growth. The report also suggest amenities to add to existing parks and provide preliminary cost estimates to assist in adoption of parks SDCs (System Development Charges).

- **Development Code Amendments** – MWVCOG helped the cities of Carlton, Dayton, Donald, and Gervais prepare amendments to local development codes to address a variety of development issues, including higher housing densities, expanding permitted uses in the commercial core, food carts, and sign codes.

Community Development Services

In FY 2015, 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 that MWVCOG provided assistance with in FY 2015.

Table 2: Community Development Services Activity FY 2015

Community	Project	Development Program Used	Current Status
Carlton	Water System Improvement Project	Oregon Regional Solutions: \$275,000 Safe Drinking Water Program: \$2,800,000	Project is out to bid for construction.
Detroit	Wastewater Feasibility Study	IFA Water/Wastewater Fund: \$22,000	Plan adopted and project closed out. Staff is assisting the City with an application for construction improvements at this time.
Gates	Water System Improvements	CDBG: \$1,600,000	Construction is underway.
Independence	Wastewater Plan Update	CDBG: \$60,000	Engineering underway.
Jefferson	Water Master Plan Update	CDBG: \$150,000	Engineering underway.
Mt. Angel	Wastewater Plan Update	CDBG: \$130,421 City: \$549	Plan adopted and project closed out.
Sheridan	Wastewater Master Plan Update	CDBG: \$150,000	Plan adopted and project closed out.
Willamina	Water Master Plan	CDBG: \$150,000	Plan adopted and project closed out.
Yamhill	Wastewater Plan Update	CDBG: \$150,000 City \$24,000	Engineering underway

TOTAL FEDERAL/STATE/LOCAL PROJECT FUNDING: \$5,511,970

Small Business Finance

In FY 2015, MWVCOG lending staff received approval for eleven (11) loans that totaled more than \$3.7 million. These loans leveraged over \$9.3 million in private investment and created 36 new jobs. Additional loan program highlights from FY 2015, include:

- In December 2014, loan program staff participated in the Council of Development Finance Agencies (CDFA) Oregon Financing Roundtable in Portland, meeting with economic development professional service providers that package and underwrite revenue bond financing. Also in attendance were other economic development loan programs managers, venture and early stage angel investors, and nonprofit community development loan program and community investment innovators.
- Staff provided presentations on economic development finance structuring and benefits to small business owners at the Yamhill County Association of Realtors in April 2015 and to business attendees at the McMinnville Corporate Coffee meeting in June 2015.

Table 3: Small Business Lending Activity 2014-2015

Type of Business	Location	Program*	Amount	Added Private Investment	Jobs Created/Retained
Child Care Services	Tualatin	SBA 504	\$537,000	\$646,775	22
Hotel	Salem	SBA 504	\$1,770,000	\$3,018,832	
Paving Contractor	Salem	SBA 504	\$262,000	\$312,500	5
Breweries/Ciders	Salem	RLF	\$88,750	\$155,000	4
Coffee and Bar Restaurant	Salem	SBA-ILP	\$90,000	\$297,425	9
Professional Services	Salem	RLF	\$100,000	\$206,000	4
Professional Services	Salem	SBA-ILP	\$168,000	\$227,000	1
Real Estate Brokerage	Salem	SBA-ILP	\$104,000	\$130,000	2
Specialty Grocery	Salem	SBA-ILP	\$200,000	\$260,000	5
Used Merchandise Stores	Salem	SBA-ILP	\$191,000	\$294,500	4
Volunteer Housing Services	Newberg	Rural Loan	\$250,000	\$690,040	2
Totals:			\$3,760,750	\$9,341,822	36

*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; *SBA-ILP*: U.S. Small Business Administration Intermediary Lending Program.

Additional FY 2015 Economic Development Activities

Additional economic development highlights for FY 2015 include:

- **Rural Development** – In July 2014, MWVCOG hosted a meeting with U.S. Secretary of Agriculture, Tom Vilsack. Secretary Vilsack emphasized the significance of rural development to the overall economy and he sought feedback from those in attendance on topics such as funding of broadband, the need for increased access to capital among community banks, immigration, alternative fuels, and the urban/rural divide. MWVCOG also attended the White House Rural Council "Made in Rural America" Regional Forum. The Forum was one of five such forums throughout the nation aimed at private sector banks and area manufacturers and providing support for economic growth and job creation in rural communities. Topics included investment opportunities in rural America, tools for breaking down barrier to exports, and case studies from Oregon businesses who took the step toward exporting.
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- Pictured above are U.S. Secretary of Agriculture, Tom Vilsack, and City of Salem Mayor, Anna Peterson
- **Regional Economic Development Planning** – Resulting from an award from Marion County, MWVCOG updated the North Santiam Canyon Economic Opportunity Study to identify priority investments needed to improve economic conditions within the economically distressed North Santiam Canyon region and identify potential funding sources that will be pursued to implement priority projects. Resulting from the study, MWVCOG has partnered with Marion County in co-hosting an April 2015 *Federal and State Opportunities for Distressed Communities Workshop*. COG staff will also participate in an April *Economic Vitality Summit*, co-hosted by Grow Santiam, the area economic development corporation, and Rural Development Initiatives, Inc.
 - **Regional Solutions Team** – The Mid-Willamette Valley Council of Governments continues to participate in the newly created Regional Solution Team meetings. The RST boundaries are aligned with the 11 federally designated Economic Development Districts (EDD's) in Oregon and include state agency representation along with representation from the Governor's office.
 - **Economic Development Partnerships** – MWVCOG continued to host and staff the newly formed 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. Staff also serve on County economic development boards, such as appointments to the Marion County Economic Development Advisory Board and the Yamhill County economic development staff meetings.
 - **Make It In the Willamette Valley** – This project is one of ten winners of the Make It in America Challenge, a federal initiative to accelerate job creation and encourage business investment in

the United States. Program activities are designed to encourage companies to keep, expand, or reshore their manufacturing operations and jobs in America, and to entice foreign companies to build facilities and make products here. With grant funding from the U.S. Department of Commerce Economic Development Administration (EDA), the MWVCOG has partnered with the Strategic Economic Development Corporation (SEDCOR), Job Growers, Inc., and the Oregon Manufacturing Extensions Partnership (OMEP). Work to date includes the creation of a Supply and Target Industry Recommendations Report by Thomas P. Miller and Associates.

- Workshops – MWVCOG staff helped organize several workshop opportunities in 2014-2015, including a grant writing training for local governments; Community Development Block Grant (CDBG) partners roundtable; meetings with employment land site-selectors with other economic development partners to learn about attracting new industry to the area; and . MWVCOG also co-hosted the April 2015 Marion County Economic Summit to support development, economic opportunities, and jobs in the North Santiam Canyon of Marion County and participated in the May 2015 Distressed Communities summit, hosted by Grow Santiam.
- Urban Renewal – MWVCOG staff provided an informational workshop to the City of Dundee on the urban renewal program as the City Council has expressed interest in contracting with MWVCOG in the completion of an Urban Renewal Feasibility Study. Two other jurisdictions have expressed interest in presentations and potential feasibility studies in the coming year.
- West Valley Enterprise Zone – The cities of Sheridan and Willamina contracted MWVCOG staff requesting assistance in the submission of an Enterprise Zone designation application from the State of Oregon. COG write the application and staffed public informational and outreach meetings required as part of the application process. Of the four available designations for 2015, COG is happy to report the Sheridan and Willamina designation was successfully awarded in a competitive application round.

Program Staff

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 Teresa Butler, Loan Servicing & Processing Specialist
 Jim Jacks, Senior Planner
 John Safstrom, Small Business Lending Manager
 Aneta Synan, Associate Planner
 Joseph Shearer, Associate Planner
 Denise VanDyke, Administrative Specialist II
 Renata Wakeley, Community Development Director

History of the Mid-Willamette Valley Community Development Partnership

In 1984, local governments in Marion, Polk and Yamhill counties created the Mid-Willamette Valley 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.