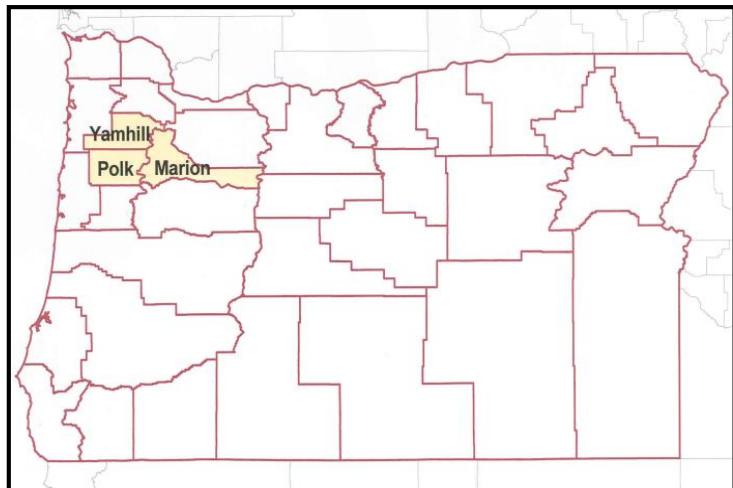


ANNUAL REPORT FY 2016



6/30/2016

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 2015-16. The Mid-Willamette Community Development Partnership serves as the Economic Development District for Marion, Polk and Yamhill Counties, OR.

Annual Report

FY 2016

MID-WILLAMETTE VALLEY COMMUNITY PARTNERSHIP

FY 2016 IN REVIEW

The Mid-Willamette Valley economy continued to show signs of economic growth and employment gains in FY 2016. 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 2016. The overall regional unemployment rate for the region fell from 7.2 percent in FY 2015 to 6.0 percent in FY 2016.

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 \$33,262 in 2012 to \$35,587 in 2014, a 7.0 percent increase. Over that same period, the state realized a 5.5 percent increase and national per capita income increased 4.0 percent.

Table 1: Mid-Willamette Valley Economic Health Indicators

	Marion	Polk	Yamhill	Mid-Willamette Valley	Oregon	U.S.
Unemployment (24-month average ending May 2016)	6.2%	5.9%	5.5%	6.0%	5.8%	5.5%
Per Capita Income (2014)	\$35,614	\$34,296	\$36,488	\$35,587	\$41,220	\$46,049

Source: StatsAmerica (BLS and BEA), June 2016. Online at: <http://www.statsamerica.org/>

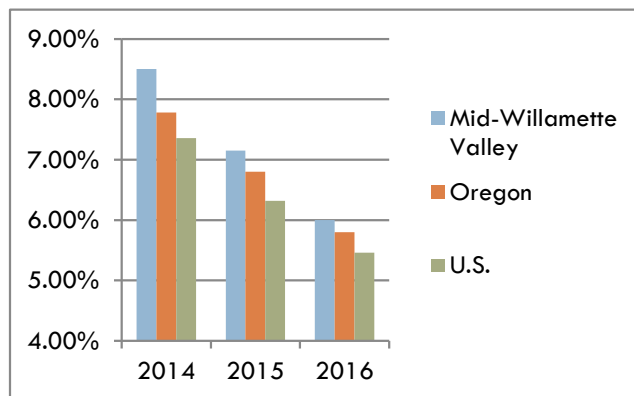


Figure 1: Unemployment (24 month avg.) 2014-2016

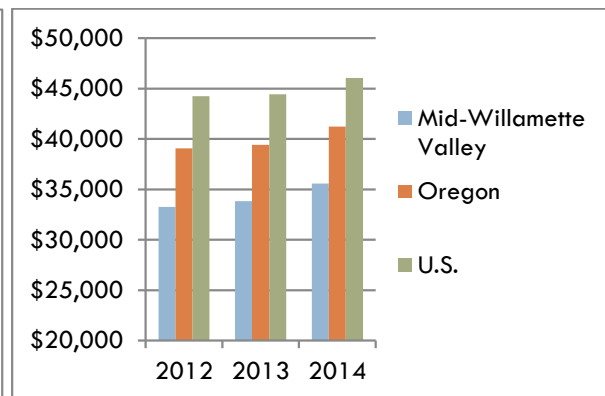


Figure 2: Per capita income 2012-2014

FY 2016 MWVCOG Community and Economic Development Services Program Highlights

In FY 2016 the Mid-Willamette Valley Council of Governments (MWVCOG) assisted with approximately \$261,641 worth of planning work; \$8,178,242 in community development services; and \$4,132,976 in small business lending services, for an overall total of \$12,572,859.

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 \$12.5 million in FY 2016.

Community Planning

In FY 2016 MWVCOG provided professional land use planning services to 21 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, St. Paul, Sublimity, Turner, and Willamina.

An overview of Community Planning activities completed in FY 2016 is provided as follows.

- **Floodplain Amendments** – COG staff continues to participate in discussions with local governments and state agencies on the recent biological opinion (BiOp) related to the National Flood Insurance Program and requirements for reducing floodplain development. Within the next two years, we anticipate state recommendations on code amendments for all local governments that COG staff will assist in rolling out in the Willamette Valley.
- **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 is in the final stages of adoption and will result in an expansion of approximately 50 acres to the UGB, as well as changes to the zoning codes to allow higher residential density within the City. The work will help Lafayette accommodate current and future residential land needs.
- **Walking Maps** – Recognizing that community engagement and tourism can be important economic drivers, COG staff has provided technical assistance, such as GIS mapping services, to three communities in the development of walking maps and brochures to encourage residents toward a more active lifestyle and get to know their community better. Residents also see the maps and brochures as opportunities to attract visitors and provide educational, cultural, and historical information on their communities and the Willamette Valley.
- **City of Woodburn Target Industry Analysis (TIA)** – MWVCOG staff served on the technical advisory committee for this TIA, aimed at analyzing local and regional employment data and

assessing the City's competitive advantages in order to identify target industries and growth opportunities for the City of Woodburn.

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

Community Development Services

In FY 2016, 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 2016.

Table 2: Community Development Services Activity FY 2016

Community	Project	Development Program Used	Current Status
Amity	Water System Improvements Project	CDBG: \$2,129,242	Engineering and environmental review underway
Carlton	Water System Improvements Project	Oregon Regional Solutions: \$275,000 Safe Drinking Water Program: \$2,800,000	Phase I of construction complete. Phase II engineering underway
Dallas	Water System Improvements Project	Safe Drinking Water Program: \$1,530,000	Construction underway
Gates	Water System Improvements Project	CDBG: \$1,600,000	Construction complete and project closed out
Independence	Wastewater Plan Update	CDBG: \$60,000	Plan undergoing state agency review
Jefferson	Water Master Plan Update	CDBG: \$150,000	Plan adopted and project closed out
Yamhill	Wastewater Plan Update	CDBG: \$150,000 City: \$24,000	Plan adopted and project closed out

TOTAL FEDERAL/STATE/LOCAL PROJECT FUNDING: \$8,178,242

Small Business Finance

In FY 2016, MWVCOG lending staff received approval for seven loans that totaled more than \$4.1 million. These loans leveraged over \$5.3 million in private investment and created/retained 20.5 jobs. Additional loan program highlights from FY 2016, include:

- Staff was able to attend a two-day Loan Management System (LMS) training in Portland this year to keep current on software and reporting changes; a CFDA Financing Roundtable to discuss new development finance tools, resources and approaches; and an SBA Roundtable with various economic development financing experts, and COG's and CDC's.
- Staff met with several members to discuss potential financing partnership opportunities and programs.

Table 3: Small Business Lending Activity FY2015-2016

Type of Business	Location	Program*	Amount	Added Private Investment	Jobs Created/Retained
Music Therapist Offices	Salem	SBA-ILP	\$25,000	\$19,648	1
Interior Design/Contractor	Salem	EDA/RLF	\$332,750	\$415,937	4
Food Processing & Distribution	Salem	EDA/RLF	\$110,000	\$145,000	0
Food Processing	McMinnville	RD/VDI	\$71,167	\$43,130	4
Child Care/School Facility	Salem	EDA/RLF	\$200,000	\$250,000	4
Engineering Services	Salem	EDA/RLF	\$271,000	\$530,200	4
Wholesale Dist. Farm/Garden Machinery	Salem	SBA 504	\$3123,059	\$3,903,824	3.5
Totals:			\$4,132,976	\$5,307,739	20.5

*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 2016 Economic Development Activities

Additional economic development highlights for FY 2016 include:

- *Economic Development Partnerships* – MWVCOG continued to host and staff the 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 serves on the Marion County Economic Development Advisory Board, the Yamhill County economic development staff meetings, the Woodburn Target Industry Analysis Technical Advisory Committee, and the Dallas Economic Development Commission.
- *EPA Brownfields Grant*- MWVCOG serves on the Salem Site Reuse and Revitalization Program Advisory Committee and hosts meetings on behalf of the City of Salem. The project includes an EPA Brownfields Assessment award of \$200,000 to the City of Salem. This year, the City of Salem received a second EPA award of \$200,000 to focus on properties potentially contaminated with petroleum. MWVCOG also provided support to the City during the application and consultant procurement process.
- *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, development of marketing materials for each of our members, and initiation of an employment lands inventory and GIS mapping system (commercial and industrially zoned lands) to aid in marketing and recruitment of available land in the region.
- *Pacific Northwest Manufacturing Partnership (PNMP)* – The PNMP is an alliance of urban and rural communities working to deepen integration of Willamette Valley, Columbia River Gorge and Portland-Vancouver metropolitan economies. The Partnership was formed in response to a federal initiative: the Investing in Manufacturing Communities Partnership (IMCP), which aims to accelerate the resurgence of manufacturing in the United States and create a competitive climate for job creation and private investment. Last year, 12 qualified U.S. communities with winning strategies received the designation of "Manufacturing Community" that gives them elevated consideration for federal dollars and assistance from 13 cabinet departments and agencies. COG is a proud partner of the PNMP and serves to represent our region by serving as an Executive Committee member of the PNMP.
- *Regional Economic Development Planning* – MWVCOG continues to partner with Marion County and Grow Santiam in hosting summits and workshops in the Santiam River Canyon to help support development, economic opportunities, and jobs in this distressed area. We are also working with

Marion County and Yamhill County on organizing economic development summits/conferences in 2017.

- **Regional Solutions Team** – The MWVCOG continues to participate with the Oregon Regional Solution Team (RST) and Advisory Committee's, appointed by the Governor's Office. 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.
- **Urban Renewal** – MWVCOG staff provided informational workshops to communities on Urban Renewal, completed an Urban Renewal Feasibility Study for the city of Dundee, and has entered into contracts with the cities of Dundee and Sublimity for completion of Urban Renewal Plans for FY16-17.

Program Staff

Alison Boswell, Small Business Loan Officer
 Teresa Butler, Loan Servicing & Processing Specialist
 Jim Jacks, Senior Planner
 Garrett Jensen, Assistant Planner and Grant Administrator
 Laura LaRoque, Associate Planner
 John Safstrom, Small Business Lending Manager
 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.