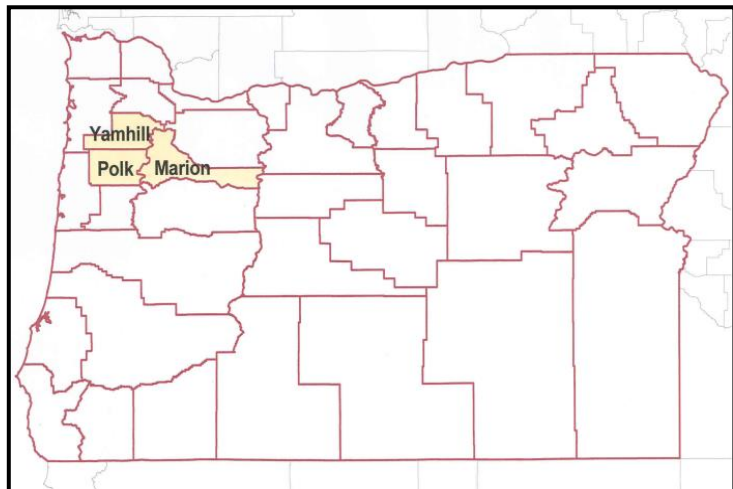


ANNUAL REPORT FY 2017



6/30/2017

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 2016-17. The Mid-Willamette Community Development Partnership serves as the Economic Development District for Marion, Polk and Yamhill Counties, OR.

Annual Report FY 2017

MID-WILLAMETTE VALLEY COMMUNITY PARTNERSHIP

FY 2017 IN REVIEW

The Mid-Willamette Valley economy continued to show signs of economic growth and employment gains in FY 2017. The largest employment gains were experienced in the private sector, specifically trade, transportation, and utilities in Marion and Polk Counties, and professional and business services in Yamhill County.

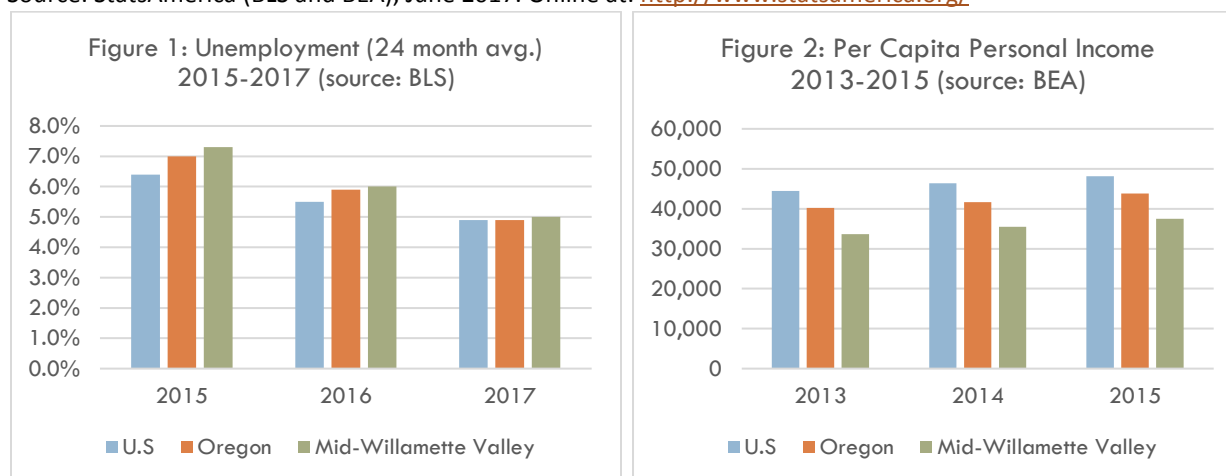
As shown in Table 1 and Figure 1 below, the 24-month average unemployment rate for the Mid-Willamette Valley dropped in all three Mid-Valley counties in FY 2017. The overall regional unemployment rate for the region fell from 6.0 percent in FY 2016 to 5.0 percent in FY 2017.

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 \$35,587 in 2014 to \$37,481 in 2015, a 5.3 percent increase. Over that same period, the state realized a 6.2 percent increase and national per capita income increased 4.5 percent.

Table 1: Mid-Willamette Valley Economic Health Indicators

	Marion	Polk	Yamhill	Mid-Willamette Valley	Oregon	U.S.
Unemployment (2016)	5.1%	5.1%	4.7%	5.0%	4.9%	4.9%
Per Capita Income (2015)	\$37,199	\$36,797	\$38,920	\$37,481	\$43,783	\$48,112

Source: StatsAmerica (BLS and BEA), June 2017. Online at: <http://www.statsamerica.org/>



FY 2017 MWVCOG Community and Economic Development Services Program Highlights

In FY 2017, the Mid-Willamette Valley Council of Governments (MWVCOG) assisted with approximately \$138,500 worth of planning work; \$8,992,942 in community development services; and \$12,321,985 in small business lending services, for an overall total of \$21,453,427.

The fiscal impact of MWVCOG Community and Economic Development Services totaled \$21.5 million in FY 2017.

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

Community Planning

In FY 2017 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 2017 is provided as follows.

- **Floodplain Amendments** – MWVCOG 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 Dallas Competitive Analysis** – MWVCOG staff assisted the City of Dallas in the development and completion of a competitive analysis and report, the first we have developed in our region. The report includes a comparison of the community against 17 other jurisdictions of similar size in our area with an intent of gathering comparable data on employment and vacancy rates, economic development resources, commuting patterns and available lands. The 2017 snapshot will allow Dallas to identify goals and strategies based upon the current data and will allow them to track changes to these economic measures moving forward.
- **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.

- *City of Sublimity UGB Expansion* – MWVCOG staff is working with the City of Sublimity on a UGB expansion and update to the Comprehensive Plan to bring approximately ten acres into the city limits for needed water rights, park land, and maintenance facilities.
- *Walking Maps* – Recognizing that community engagement and tourism can be important economic drivers, MWVCOG staff continues to provide assistance to member 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.
- *Development Code Amendments* – MWVCOG helped the cities of Aurora, Dayton, Donald, Detroit, Hubbard, Lafayette, and Mt. Angel prepare amendments to local development codes to address a variety of development issues, including higher housing densities, permitting of tiny homes, expanding permitted uses in the commercial and industrial zones, and sign codes.
- *Buildable Land Inventories* -- MWVCOG staff provided buildable lands inventories and housing needs analysis to the cities of Aumsville and Turner to assist with determinations regarding potential urban growth boundary (UGB) expansions.

Community Development Services

In FY 2017, 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 2017.

Table 2: Community Development Services Activity FY 2017

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 II of construction underway.
Dallas	Water System Improvements Project	Safe Drinking Water Program: \$1,530,000	Construction completed.
Gervais	Reservoir Rehabilitation Project	Safe Drinking Water Program: \$471,700	Construction underway.

Idanha	Water System Improvements Project	CDBG: \$1,727,000	Procurement of project engineer underway.
Independence	Wastewater Plan Update	CDBG: \$60,000	Plan adopted in September 2016 and COG is assisting with funding applications for the construction phase.

TOTAL FEDERAL/STATE/LOCAL PROJECT FUNDING: \$8,992,942

Small Business Finance

In FY 2017, MWVCOG lending staff received approvals for \$12.3 million of loans with private investment totaling \$22.9 million. 174 projected jobs are anticipated to be created and/or retained.

Additional loan program highlights for FY2017 include:

- Paying off two of the Rural Development Notes Payable and using the unrestricted remaining cash and borrower notes receivable to use for a SBA Community Advantage loan program application.
- Upgrading the loan administration software and payment tracking software.
- Participating in the Small Business Development Center's update to their strategic plan, including Mission, Vision, Value Statements and best practices.

Table 3: Small Business Lending Activity FY2016-2017

Type of Business	Location	Program*	Amount	Added Private Investment	Jobs Created/Retained
Physician's Office	Salem	SBA-ILP	\$200,000	\$0	6
Restaurant	Colton	RD/VDI	\$120,000	\$397,500	6
Electrical Contractor	Silverton	RD/VDI	\$250,000	\$513,000	6
Retail	Salem	SBA/ILP	\$200,000	\$1,000,000	10
Car Repair	Salem	SBA/ILP	\$87,250	\$273,390	6
Manufacturing	Salem	EDA/RLF	\$271,000	\$530,200	6
Manufacturing	Albany	SBA 504	\$1,831,000	\$2,976,187	26
Retirement Facility	Portland	SBA 504	\$3,130,000	\$7,303,382	50
Information Services	McMinnville	SBA 504	\$1,712,000	\$2,148,769	30
Hotel	McMinnville	SBA 504	\$2,850,871	\$5,294,475	16
Event Center	Portland	SBA 504	\$1,450,000	\$2,310,000	12

TOTALS: \$12,321,985 \$22,947,874 174

*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 2017 Economic Development Activities

Additional economic development highlights for FY 2017 include:

- *Agora Investment Platform* – The AGORA Platform provides an online marketplace to advance community and economic development priorities by matching community needs with relevant funding sources across public, private and philanthropic sectors. MWVCOG provides in-kind and cash match to be one of five Economic Development Districts (EDDs) in Oregon to pilot the program over a two-year period. Although we have yet to identify a funded project that resulted from placement on the Platform, we continue to upload projects on behalf of our members and engage funders on the benefits of the Platform and projects that they have been “matched” with (i.e. projects that appears to align with their program priorities or mission statements).
- *Economic Development Partnerships* – MWVCOG continues 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. Last 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 partnered with the Strategic Economic Development Corporation (SEDCOR); Incite, Inc.; and the Oregon Manufacturing Extensions Partnership (OMEP). FY2017 finds the conclusion of the three-year program and grant. Work completed included: creation of a Supply and Target Industry Recommendations Report by Thomas P. Miller and Associates, and development of marketing materials for each of our member governments and creation of a regional Economic Development Resource Map and brochure.
- *Pacific Northwest Manufacturing Partnership (PNMP)* – The PNMP is an alliance of urban and rural communities working to deepen integration of the 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. In 2015, 12 U.S. communities/regions with winning strategies received the designation of "Manufacturing Community" that gives them elevated consideration for federal dollars and assistance from 13 different federal cabinet departments and agencies. COG is a proud partner of the PNMP and serves as the regional representative 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 meetings and workshops in the Santiam River Canyon to help support development, economic opportunities, and jobs in this distressed area. Staff also assisted Marion County and Yamhill County in organizing economic development summits/conferences in late 2016/early 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. This year, the COG participated in two regional site visits to area communities with the Governor and Mid-Valley RST.
- **Urban Renewal** – MWVCOG staff provided informational workshops to communities on Urban Renewal, completed an Urban Renewal Feasibility Study and Urban Renewal Plan for the city of Dundee, and has entered into a contract with the city of Stayton for completion of Urban Renewal Plans for FY17-18.

Program Staff

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 Laura LaRoque, Associate Planner
 John Safstrom, Small Business Lending Manager
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 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.