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AGENDA COVER MEMORANDUM

TO: Lane County Board of Commissioners
PRESENTED BY: Milo Mecham, Lane Council of Governments
PRESENTED ON: December 3, 2003
Agenda Item Title: Order/ In the Matter of Approving the Benton, Lane, Lincoln, Linn Regional Investment Strategy

I. MOTION

IT IS MOVED THAT THE ORDER BE APPROVED APPROVING THE BENTON, LANE, LINCOLN, LINN REGIONAL INVESTMENT STRATEGY

II. ISSUE

The *BENTON, LANE, LINCOLN AND LINN REGIONAL INVESTMENT STRATEGY* represents the combined and integrated efforts of the Benton-Lane-Lincoln-Linn Regional Investment Board (BL3 RIB) and the Cascades West Economic Development District (CWEDD). The BL3 RIB is the four county board appointed jointly by the County Boards of Commissioners, which oversees the State's Regional and Rural Investment Programs in the BL3 region. The Cascades West Economic Development District is a partnership between Cascades West Council of Governments and the Lane Council of Governments.

The BL3 Regional Investment Strategy is a guide for the Regional Investment Board which determines the vision, goals and approaches of the RIB and gives the RIB direction in recommending projects for funding. The Regional Investment Strategy must be approved by the four County Boards of Commissioners. It must also be approved by the Oregon Economic and Community Development Department and the Governor.

The BL3 RIB is required every two years to update its Regional Strategy before the state will release the biennium's Regional and Rural Investment Funds for the RIB to use for economic development in the four county region. This year the RIB will have just under \$867,000 to spend.

III. DISCUSSION

It was well into this fiscal year before the State made its expectations clear for this biennium's Regional Investment Program. This delayed the RIB in its process of making changes to the Regional Investment Strategy. The RIB determined that it wanted to make the fewest number of changes necessary to accomplish the changes it felt necessary, and to complete the process as quickly as possible.

Ideally the BL3 RIB Regional Investment Strategy can be approved this year, so that the funds can be available as soon as possible. To accomplish this the Strategy is being prepared for presentation to the Commissioners while it is still going through the public comment process. The RIB will integrate the public comments and make any changes it feels necessary to the Strategy prior to its review by the Commissioners. Immediately thereafter the Strategy will be presented to the State for review.

There are few changes in the previous Strategy. The two most important changes are in the RIB's goals or criteria for use of its funds and the means that the RIB proposes to disburse the funds. Both of these are discussed in Section 1, Chapter 1. The Strategy can be reviewed electronically by going to www.bl3rib.org/invstr.html.

1. Goals or spending criteria.

The RIB wants to emphasize immediate job creation and the leveraged use of its funds. The RIB's overall goal is to spend its funds so that it creates one job for every \$3000 spent by the RIB. This will result in around 289 jobs created. The RIB also proposes to require \$5 of outside funds for each \$1 of RIB money committed to a project.

These goals are in response to the legislative direction given to the OECD and the expectations that it is passing down to entities such as the RIB. Entities that do not achieve goals in the same range as the BL3 RIB's are unlikely to receive funding by the next legislature.

2. Opportunity Fund.

This year the RIB proposes that it not send out any formal invitations to local governments or non-profits to apply for funding. Instead the RIB proposes to put all of the funds into an Opportunity Fund. As opportunities appear to the region's cities, counties or economic development focused entities, these entities will be able to apply for, or assist businesses to apply for, RIB funds to fulfill the opportunity. While the RIB will not refuse to review applications that do not meet the threshold of one job for \$3000 and a leverage of 5 to 1, the RIB indicated that it is unlikely to approve applications that do not rise above this initial threshold, at least until the overall goal is met. The other important criteria that the RIB wants to include is readiness to proceed. Because the RIB wants to start producing jobs right away, they expect to award their funds for projects that will have all the funding necessary to proceed within six months.

IV. OPTIONS

The Board may approve the BL3 RIB Regional Investment Strategy.

The Board may modify the BL3 RIB Regional Investment Strategy.

The Board may reject the BL3 RIB Regional Investment Strategy and request changes be made by the RIB. This would delay the approval by the State and the release of funds. The

consequences would be that the RIB funds will not be available as soon as possible to support economic development projects.

Staff recommends approval of the BL3 RIB Regional Investment Strategy. While the amount of funds is not large, the Board's disapproval would mean that if an opportunity appears where the funds might make a difference, the opportunity might be lost.

V. IMPLEMENTATION / FOLLOW UP

Once the Regional Investment Strategy is approved by the Counties and by the State, funds will be available. Staff will develop the appropriate preapplication and application forms for review and approval by the RIB. The RIB plans to have preapplication submissions reviewed by the Projects Committee. Pre-applications meeting the Projects Committee's standards will be invited to submit an application to the RIB. If project proposals are approved by the RIB board, they will be sent to the County Commissioners for final review. If approved by the Boards of Commissioners, the projects will be approved for funding.

ATTACHMENTS

Draft Lane County Commissioners Order In The Matter of Approving the Benton, Lane, Lincoln, Linn Regional Investment Board Regional Investment Strategy for FY 2003-2005 Biennium

Draft Benton, Lane, Lincoln, and Linn Regional Investment Strategy

IN THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY OREGON

ORDER No.) **IN THE MATTER OF APPROVING**
) **THE BENTON, LANE,**
) **LINCOLN, AND LINN REGIONAL**
) **INVESTMENT BOARD REGIONAL**
) **INVESTMENT STRATEGY**
) **FOR THE FY 2003-2005 BIENNIUM**
)

WHEREAS, the Lane County Board of Commissioners has formed a Regional Investment Board as a partnership between Lane County and Benton, Lincoln and Linn Counties, and

WHEREAS, the Regional Investment Board has developed a revised Regional Investment Strategy for the current biennium, covering fiscal years 2003-2004 and 2004-2005, and

WHEREAS, the Regional Investment Board has solicited public comments, including holding a public comment session in each of the four counties and has responded to those comments; and

WHEREAS the proposed revisions to the Regional Investment Strategy will help the Benton, Lane, Lincoln, Linn Regional Investment Board achieve its goals of improving long term and short term job creation and retention activities and leveraging investments in the region's economic development; and

WHEREAS, Lane County shares in and supports the stated goals of the Benton, Lane, Lincoln, Linn Regional Investment Board

NOW THEREFORE IT IS HEREBY RESOLVED that the Lane County Board of Commissioners does hereby approve of the Regional Investment Strategy of the Regional Investment Board as set forth in Attachment 1.

DATED this 3rd day of December 2003.

Chair, Lane County Board of Commissioners

APPROVED AS TO FORM
Date 11/25/03 Lane County
Juanita Adell
OFFICE OF LEGAL COUNSEL

Benton, Lane, Lincoln, and Linn Regional Investment Strategy

**“PRELIMINARY DRAFT”
October 2003**

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INTRODUCTION

This document represents the combined and integrated efforts of the Benton-Lane-Lincoln-Linn Regional Investment Board (BL³ RIB), and the Cascades West Economic Development District (CWEDD). The BL³ RIB is a four-county board appointed jointly by the County Boards of Commissioners of Benton, Lane, Lincoln, and Linn Counties, which oversees the State's Regional and Rural Investment Programs in their four counties. The Cascades West Economic Development District is a partnership between Oregon Cascades West Council of Governments and Lane Council of Governments. The Regional Investment Strategy represents the two-year implementation period of 2003-2005. The strategy, as presented, integrates the Regional Investment Plan (ORS 285B.242) and the Rural Action Plan (ORS 285B.257) in all areas of the strategy. The document acts as a long-term strategy for both the BL³ RIB and the CWEDD.

ORGANIZATION OF THE DOCUMENT

This Regional Investment Strategy is presented in six sections. Section One details the Two-Year Implementation Strategy of the Regional Investment Board and delineates how the BL³ RIB will focus its efforts on achieving the specific outcomes of job creation/retention and leverage designated by the 2003 Legislature. Section Two describes the regional vision and the regional goals that delineate the long-term vision and goals of both the Region and the District. Section Three portrays the region and discusses the factors affecting development including population trends, natural features, institutions and infrastructure, and communities and the economy. Section Four presents the organization of the Regional Investment Board, the organization and accomplishments of the Economic Development District, and a plan for involving minorities and disadvantaged persons in this economic improvement strategy. Section Five defines the regional benchmarks, intermediate outcomes, and performance outputs that will be applied to evaluate the work of the Regional Investment Board. Section Six reveals the Work Program of the Economic Development District.

This publication is made possible through funds from the Oregon State Lottery - Regional Investment and Rural Investment Funds - administered by the Oregon Economic and Community Development Department and a grant from the Economic Development Administration, U.S. Department of Commerce, and is intended to fulfill the requirements of both programs. It serves as the Regional Investment Strategy required by the State and the Comprehensive Economic Development Strategy required by the Economic Development Administration (EDA).

Section 1

Regional/Rural Investment Two Year Implementation Strategy

This section fulfills the requirements of ORS 285B.236(2) and .239(5) & (7).

CHAPTER 1
2003-2005
REGIONAL AND RURAL
INVESTMENT PROGRAMS

**IMPLEMENTATION
STRATEGY**

This section of the Regional Investment Strategy delineates a two-year strategy to invest the Regional and Rural Investment Funds made available to the Benton-Lane-Lincoln-Linn (BL³) Region. The BL³ RIB (Regional Investment Board) has designed an investment strategy to focus on the performance measures of "long-term and short-term job creation and retention activities," "leveraging long-term investments," and "maximizing moneys leveraged with short-term investments," as described in ORS (Oregon Revised Statutes) 285B.239(5) and (7).

The Regional Investment Board is a partner in implementing the Regional Investment Strategy. The RIB sets the stage by developing the Strategy with its vision, goals, and approaches that help define the types of activities that the RIB will support. The primary partners in implementing the Strategy are local governments, special districts, ports, non-profit agencies, community colleges, and local economic development organizations. These entities undertake activities and implement projects that support the Strategy. The State and Federal government, private industry and individuals, private foundations, and local governments and agencies act as partners by providing additional funding sources. In the 2003-2005 biennium, the RIB will focus on projects and programs that create and/or retain jobs in the Region.

In the following pages, the BL³ RIB first defines the types of activities that the strategy will support. Next, it presents a project funding process. Finally, it delineates the evaluation criteria and other considerations to be used in project review.

**ACTIVITIES
ELIGIBLE FOR
FUNDING**

The BL³ RIB will consider four categories of activities for funding in the 2003-2005 biennium.

- **Business Development**-opportunities that encourage business growth and investment such as business marketing, retention and expansion, and support for start-up and attraction of businesses;
- **Site Development** - opportunities that include industrial/business parks, speculative buildings, and public/private partnerships that have a direct role in helping create jobs;
- **Workforce Development** - opportunities that build the skills of local workforce through partnerships between business, education and government; and

**PERFORMANCE
MEASURES AND
TARGETS**

- **Capacity Development** – opportunities that address the economic development needs of a community. This would include technical assistance to various partners who can demonstrate specific and definable needs.

The BL³ RIB has set performance measures for the two primary criteria of job creation/retention and leverage:

- Create or retain 289 jobs (1 job for every \$3,000 invested).
- For every \$1 of Regional/Rural Investment funds committed, the program will leverage \$5 of other funds-cash or in-kind (\$4,335,000 match for the \$866,904 in Regional/Rural Investment Funds).

The program activities will consider funding projects in any of the four categories listed above. However, the RIB is looking for projects that meet the Legislature's focus on job creation/retention and leverage, with a strong initial focus on short-term job creation/retention. For this program, short-term is defined as in place by the end of the 2003-2005 biennium. Over the course of the biennium, the RIB will monitor progress toward these targets and, if the targets are reached before all funds are expended, may shift the focus to projects that have potential for substantial longer-term results.

**PROJECT
FUNDING
PROCESS**

The Regional Investment Board will hold all funds in an Opportunity Fund, in order to be able to respond quickly with funding commitments to projects that will provide short-term job creation/retention. Generally, only proposals of up to \$100,000 will be considered for funding. Proposals over \$100,000 may be considered at the discretion of the Projects Committee. The RIB will rely on economic development partners within the Region to identify projects and refer project proponents to the program. The partners include existing business lending entities in the public, not-for-profit sector, county commissioners, business development centers, port districts, and state and local economic development entities.

A one-page pre-application will be available on the RIB's website (www.bl3rib.org). A copy of this pre-application may be put forward by any of the economic development partners mentioned above. RIB staff will review the pre-application for completeness and forward it to the Projects Committee of the RIB.

If after initial review of the pre-application, the Projects Committee believes that the project substantially meets the Evaluation Criteria, they will recommend that the project receive a review by the full Regional Investment Board. Projects receiving a Projects Committee recommendation will be asked to submit a complete application for review by the RIB. The Regional Investment Board will decide which projects will then be sent to each of the four counties for final approval by the Boards of Commissioners.

The RIB will use this Project Funding process until at least June 30, 2004. At that time, the RIB will review the process to ascertain that a sufficient number of projects are being received and that funding is being committed in an expeditious manner. After this review, the RIB maintains the right to make changes to the program in order to meet the performance targets. If the review shows that the funding process has been successful in achieving the targets, the RIB may implement an amended funding process that would attempt to seek projects with a more long-term focus on job creation/retention.

Within six months of award decisions by the Counties, all projects will be reviewed to determine whether they have met all contracting requirements and are moving forward. Any projects that have not met all contracting requirements could be liable for loss of funding.

The Board reserves the right to propose partial funding for any project or to propose their own challenge grants for a project. The Board retains the right to request projects that support a specific outcome or outcomes.

PROJECT REVIEW

The Board will review projects based on the following limitations, criteria, and considerations.

No project may fund ineligible activities (ORS 285B.260(3)). Those ineligible activities include:

- Retire any debt;
- Reimburse any person or municipality for expenditures or expenses incurred prior to the approval of this plan by the Oregon Economic and Community Development Commission;
- Substitution for available budgeted resources supporting ongoing public services or infrastructure that already exist;
- Maintain existing staff of public or private entities, except to administer this Strategy, or for new or augmented efforts consistent with this Strategy;
- Assist in the relocation of a business from one labor market area to another within the state;
- Award a grant or loan to a private business, unless the award is consistent with an activity specified in this Strategy.

The Benton-Lane-Lincoln-Linn RIB may support loan programs to private businesses. Any and all loan programs would have to meet the following parameters (ORS 285B.264(4)):

- Job creation or retention;
- Private sector participation;
- Correlation between the nature of the project and the collateral required and the terms of the loan (length of loan and interest rate);
- Collateral is required for all loans (except for a venture capital/equity purchase loan program).

The Benton-Lane-Lincoln-Linn RIB may support tourism and industrial marketing programs. If any tourism or industrial marketing projects are funded, they will compliment and will not conflict with statewide marketing campaigns and efforts aimed at traveler/tourists or at industrial investors as they exist at the time the project is funded.

There are three basic **Evaluation Criteria** applicable to both the Regional and Rural Investment Funds.

- **Job Creation/Retention**-The project creates or retains one job for every \$3,000 of Regional/Rural Investment Funds committed.
- **Leverage**-The project leverages \$5 in matching funds for every \$1 of Regional/Rural Investment Funds committed.
- **Readiness to Proceed**-The project will have all matching fund resources in place within six (6) months of commitment of Regional/Rural Investment Funds from the BL³ Region.

In addition to the criteria and limitations listed above, the following factors will be considered during the selection of projects to be funded:

- Wage level of jobs created retained, taking into consideration:
- County Average Wage
- Amount above minimum wage
- Benefit packages
- Growth potential of business and industry
- Diversification of local economy
- Project start and completion dates
- Other funding sources contacted and their response
- Funding gap which the Regional/Rural Investment Funds will address
- Partnerships and/or collaborations that support the project
- Extent to which this project serves the needs of minorities and the disadvantaged
- Capability of organization (ability of the organization to undertake a project of this type and administer the grant)
- Geographic dispersion of Regional/Rural Investment funding; location of the project and its sphere of influence

These considerations are not meant to act as a limitation to project proponents. A project does not have to meet all these considerations. These considerations are all reviewed equally and as a whole, no weight is given to any particular consideration.

Section 2

Vision and Goals

CHAPTER 1

VISION

The Benton-Lane-Lincoln-Linn Region will manage its growth to create a demonstrably superior place to live and do business. The region will support a multi-dimensional economy designed to provide a wide range of job opportunities, which allows people to enjoy the quality of life they desire.

The high quality of life that we envision will be found in all areas of the region, including rural communities. A high quality of life means quality job, educational, and housing opportunities, health care, human services, cultural and recreational offerings, and open space and a healthy natural environment. Our rural communities will have strong institutions, strong local leadership, and strong local identities. The economies of our rural communities will be vital and diversified, including non-traditional businesses, value-added businesses, home-based businesses, and professional service firms. Linkages between communities, especially connections between rural and urban areas will be improved through telecommunications linkages, improved highways, and other transportation options.

Key elements of the regional vision include:

- A **diversified economy** affording a wide range of employment opportunities providing stable, family wage jobs, including support for:
 - A strong private sector
 - Value-added employment in natural resource sectors, such as agriculture, fisheries and forest products
 - Industries such as high technology, software, metals, and biotechnology and emerging industries
 - Outstanding tourism products, including facilities and attractions
 - Economic revitalization of distressed and/or rural communities
 - Successful small businesses and cottage industries
 - Accessible e-commerce technology for small business
 - Vibrant port and special districts as economic partners
 - Improved linkages from the coast to the Willamette Valley
 - An increase in higher education's capacity to develop emerging businesses and industries

- **Lifelong education and workforce training opportunities, including:**
 - Quality K-12 public education
 - Outstanding higher education system
 - Accessible and superior community college facilities and programs
 - Strong, active partnerships between educational providers, businesses and non-profits
 - Stable, adequate funding across the continuum of education and training systems
 - Multi-lingual delivery of education and training
 - Improved opportunities for the working poor and dislocated workers to access education and training services
 - Enhanced school-to-work programs
 - Training that addresses workforce needs

- **Sustainable natural resources, including:**
 - Good water and air quality
 - Appropriate use of limited land and protection for resource lands and soils
 - Restoration of anadromous fisheries for commercial and recreational use based on proven science
 - Coordinating and implementing the Section 4D Rules of the Endangered Species Act
 - Value-added agriculture, fisheries and forest products
 - Recycling and use of alternative fibers
 - Preserving our natural resource industries
 - Coordination of university initiatives to promote sustainable natural resource programs

- **An integrated infrastructure that includes telecommunications* systems offering state-of-the-art connectivity, and supports:**
 - Well maintained, up-to-date water, sewer and storm drain infrastructure systems, particularly to meet new regulations
 - Coordination and advocacy among regional entities, such as the RIB, CWEDD, Area Commissions on Transportation, Fiber Optic Consortia and Southern Willamette Research Corridor to improve infrastructure networks
 - Well-maintained state and county highways and roads
 - Available and affordable telecommunications technology for residential and business needs
 - Multi-modal and public transportation options, including air service, short-line rail, and water transportation especially in rural areas
 - Development of industrial parks and facilities
 - Revitalized downtown business districts

- Technical assistance for capital improvement planning and construction
- Ongoing training for individuals involved in infrastructure maintenance, planning, construction, etc.
- Regional coordination in the planning and construction of infrastructure
- Adequate water storage and supply
- Coordinated regional telecommunications infrastructure planning and integration with other community needs and initiatives
- Technical assistance to support telecommunications consortia initiatives
- Educational outreach for information and understanding of telecommunication technology
- Public/private partnerships to create affordable telecommunication service
- Developing communities of interest to access telecommunications infrastructure

*includes TV, cable, telephone, computer data lines, wireless, fiber optics, etc.

Coordinated efforts that provide an integrated approach to problem solving and that focus the efforts of a variety of individuals, communities, and agencies will be needed to move the region toward this vision. This coordination will entail public/private partnerships, linkages between academic research, and the private sector, and local/regional/state/federal collaborations.*

Also important are fostering the participation and contribution of the region's diverse citizenry, supporting a balanced and fair tax structure, encouraging well-managed economic growth, and increasing accessibility of government programs and initiatives to all of the region's residents.

* This fulfills ORS 285B.239 (4).

CHAPTER 2
**CHALLENGES
AND ISSUES**

**IDENTIFYING
CHALLENGES
AND ISSUES**

The Benton-Lane-Lincoln-Linn Regional Investment Board (BL³ RIB) has always attempted to build on earlier efforts. At the start of the Regional/Rural Investment program (1999-2001 biennium), the BL³ RIB used the work done by the earlier Regional Strategy Board as a basis for establishing the new Regional/Rural Investment program. They reviewed and expanded upon the existing vision as a starting point to the development of a new Regional Investment Strategy. The BL³ RIB used separate processes (described in the next two paragraphs) to elicit input on issues, challenges, and opportunities from a wide range of groups and individuals.

At the start of a new biennium, the BL³ RIB finds that this earlier work remains applicable in the present context. The discussion of issues below and the short-term Goals with accompanying Activities in the following chapter are still relevant and remain the focus of the BL³ RIB.

While the BL³ RIB agrees with the Legislature that in these uncertain economic times, an even stronger focus on job creation/retention and leveraging other funds is a necessity, they feel that these two concerns have always been the base upon which the BL³ Regional Investment Strategy has been built. The BL³ RIB has consistently funded all viable projects with a job creation/retention facet, both short-term and long-term, first among all projects reviewed. Leverage has been a primary component of project review criteria. The following two paragraphs contain a short history of the BL³ RIB's outreach efforts.

In May 2000, the Regional Investment Board and Cascades West Economic Development District (CWEDD) held a Regional Forum with stakeholders from throughout the four counties (See Appendix B). Stakeholders provided information and discussed community and economic development challenges. This section fulfills ORS 285B.239 (2), (3), (4).

In August 2001, this information was updated with the help of focus groups (this information is presented in the following "Issues" section). Those participating in the focus groups represented a variety of rural and regional groups and interests. (See Appendix A for a list of focus group participants.) The focus groups undertook a two-step review of issues.

Each group was asked to rate the importance of the vision elements (long-range goals) of the 2000 Regional Investment Strategy on a scale of 1 to 4 (4 being of critical importance). Next, each group discussed how the Regional Investment Board might prioritize the expenditure of funds that the region will receive in the 2001-2003 biennium. The Lane Economic Committee and the Cascades West Community and Economic Development Committee also discussed these two questions and provided input to the Regional Investment Board.

ISSUES

The tragedy of the September 11th, 2001 terrorist attack on our country has had economic and societal impacts that even after two years, we have only barely begun to contemplate and understand. The fallout from this attack has brought changes that affect the national and the global economies and these changes have had an affect on our state and in our region to a larger extent than was ever imagined. As our local, regional, and state economies attempt to respond to these changes, the BL³ RIB feels that the challenges, issues, and goals presented in the remainder of this section still represent the areas where the efforts of the Regional Investment Strategy must focus.

■ Economy

A diversified economy was supported by the focus groups as one of the two most important goals (averaging 3.7 on the scale of 1 to 4). This element also received support for the greatest investment of Regional and Rural Investment funds. However, there was general agreement that improvement in the economy, especially in diversity, requires action in all the goal areas. Below are specific issues and needs identified as affecting our region's efforts toward a diversified economy.

- Lack of ready to go sites, especially in rural areas
- Limited training resources
- Lack of a trained workforce
- Zoning issues, especially in rural areas
- Small businesses have a hard time competing for workers
- Volatility and mobility of software and high tech industries
- Need for business management resources
- Lack of public awareness of career opportunities in service industries and vocational positions
- Need for business assistance programs, including incubators
- Need to support value-added activity in the natural resource arena
- Importance of public facilities for local revitalization
- Importance of support services for existing local businesses, especially public loan programs

- Regional and local economic development groups need for ongoing funding support

■ Education and Workforce Training

Education and workforce training was rated as the third most important element of the vision (averaging 3.2 on the scale of 1 to 4) after economy and infrastructure. Funding support for education and workforce training rated the fourth highest percentage of dollars. There was general agreement that other resources are available for training and that this area might not be a critical area for RIB funding. Below are a number of specific issues and needs affecting our region's efforts to impact workforce training and education.

- Lack of coordination among agencies
- Cost of technologies and training programs
- Declining interest in technology training
- Scarcity of trainers in some technology areas
- Need for short-term, intensive, customized training programs
- Need to improve access to training in rural areas, both distance learning opportunities and support for travel needs, etc. for rural residents
- Need to connect training to jobs
- Specific needs for training new health care workers

■ Infrastructure

Infrastructure received the second highest overall ratings in both importance (averaging 3.4 on the scale of 1 to 4) and funding support. Infrastructure was actually the highest rated funding need in three of the groups. The group with the lowest rating felt that there were sufficient other resources available and that the RIB funding was not large enough to have any impact. While telecommunications and transportation were considered separate topic areas at the 2000 Regional Forum, they are integrated with infrastructure for the discussion in this chapter. It was also noted that telecommunications and transportation infrastructure do not generate user fees in the same fashion as more traditional water/sewer/wastewater projects. Below are a number of specific issues affecting our region's infrastructure needs.

- Need to seek regional solutions to problems
- Need by small communities for technical assistance and capacity building to address their infrastructure needs
- Lack of funding, especially for planning
- Need for infrastructure for industrial areas, especially in rural communities
- Storm-water is a growing concern for communities
- Need for maintenance of existing systems

- New regulatory issues bring new mandates with little or no funding
- Infrastructure investment is a necessary step in creating jobs

Telecommunications

- Lack of statewide coordination in telecommunications
- Need for timely response by communities to private initiatives
- Limited funding for up-front staff costs
- Growing "Digital Divide" between haves and have-nots
- Utility deregulation will bring new opportunities and threats
- Rural areas may be affected by "cream skimming" - providers targeting the most profitable areas
- Rural communities need broadband access to be competitive

Transportation

- Lack of sufficient funding for all modes, including water, rail, air, highways, public transit, bicycles, and pedestrian
- Need for better cooperation and coordination, especially between government agencies
- Need for maintenance of existing systems
- Need for transportation alternatives, especially in rural areas and for disadvantaged individuals

■ Rural Communities

Support for the unique needs of rural communities rated fourth in importance (averaging 3.1 on the scale of 1 to 4) and third in needed dollar investment. However, these ratings reflect the perception of the focus group members that investment in the other elements of the vision will address many of the needs of rural communities. In addition, the groups recognized that rural areas have some specific and unique needs that require investment by the Regional Investment Board. Below are a number of specific issues affecting our region's rural communities.

- Need for assistance to understand connections and consequences of local decisions
- Inability to afford loans and very limited leverage for grants
- Need for resources to implement strategic plans
- Need for technical assistance and expertise
- Lack of industrial space/sites limits communities' ability to create jobs
- Need help to obtain the full range of development tools
- Range of needs from community to community varies greatly
- Investment in social infrastructure can have the greatest long-term impact
- Need for additional funding for some projects in rural areas, especially unincorporated areas

■ **Natural Resources**

The need for sustainable natural resources is part of the ongoing vision for our region. Despite the importance of natural resources, it ranks only above coordination and other services and is well behind all the other goals (importance averaged 2.6 on the scale of 1 to 4). It ranked similarly in percentage of funding. There is general agreement about the importance of this element of the vision to the overall quality of life in the region. However, it is not seen as a priority for the work of the RIB. Below are a number of specific issues concerning natural resources.

- Need to support value-added activity in the natural resource arena (also reported above in economy goal)
- Storm drains (stormwater) and input into rivers will become a major issue for all communities, especially small, rural communities
- RIB funds could match restoration activities that develop jobs
- Need for funding for studies, especially for meeting compliance issues

■ **Health Care, Housing, Other Services**

The overall sense of those that provided input through the focus groups is that a high "quality of life" in the region entails adequate health care, housing, human services, cultural and recreational opportunities, but that these issues are best addressed by entities other than the Regional Investment Board. To reflect this perspective, the regional vision has been reorganized and "quality of life" is now an overarching principle rather than a discrete element of the vision. Below are some comments concerning health care, housing, and other services.

- Quality of life starts with a job
- With limited funds, focus should be on economy, infrastructure, and rural communities
- Health, safety, housing are critical, but other groups are addressing these issues and costs are high
- Support is needed for recreation, culture, and other quality of life issues
- Income has not kept pace with the cost of housing
- Need for subsidies for low-cost housing; rural areas have a hard time approving tax incentives
- Need for outreach to minority communities to address housing needs
- Low-cost housing needs public transportation linkages
- Need to improve coordination among agencies to increase housing affordability

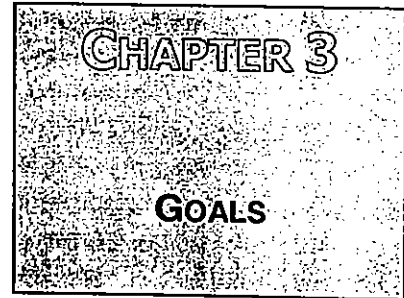
**PARTNERSHIPS
AND
COLLABORATION**

ORS 285B.239 (4)

In order to have the strongest impact on these challenges facing our Region, the Regional Investment Board must act as a partner and catalyst with other agencies, entities, and individuals. The need to leverage the Rural and Regional Investment Funds requires significant participation from industry, private foundations and non-profits, and all levels of government - local, state, and federal. Federal and state agencies must make resources easy to access and available in a timely manner. Local governments and non-profit agencies will be the primary resource in developing the specific projects that support the more general goals and vision of the Board.

While the Regional Investment Board will be an active partner in soliciting and supporting projects focused on the short-term goals found in the next chapter. Of the issues presented above, other partners will be expected to provide direction and take the lead in developing funding resources. In the education and training arena, the regional Workforce Investment Boards will help provide direction and focus, although the RIB does have a history of supporting this area with funding. The state agencies, through OECDD with their new bonding authority, and federal agencies, through the Economic Development Administration, Rural Development, and the US Forest Service, will be the primary partners in funding major infrastructure projects. Again, the RIB will be a partner in filling gaps in funding for these projects.

In transportation, the Oregon Department of Transportation will be the lead funding agency for most, if not all projects. The state has taken the lead in most natural resource issues, through the Oregon Plan for Salmon, the Oregon Watershed Enhancement Board, and regulatory agencies. It is our expectation that they will retain that leadership role in both planning and funding. In most of the "quality of life" issues, such as health care, housing, safety, and law enforcement, local agencies and commissions provide the leadership, planning, and a significant amount of the funding. The state and federal agencies provide some support with funding resources.



REGIONAL GOALS

The Goals of the Benton-Lane-Lincoln-Linn Regional Investment Board will support the four priorities established for the Regional and Rural Investment programs by the Oregon Legislature (ORS 285B.230(3)). These priorities are:

1. Support communities and populations that have been left out of Oregon's economic expansion and diversification;
2. Help companies that are starting up or are already doing business in Oregon to compete globally;
3. Ensure that economic strategies reinforce Oregon's long-term prosperity and livability and/or
4. Coordinate efforts of economic and community development, education, and workforce development.

The planning process undertaken by the Regional Investment Board and Cascades West Economic Development District advisory committees continue to integrate the Regional Investment Strategy and the Rural Investment Strategy required by the Oregon Economic and Community Development Department with the Comprehensive Economic Development Strategy required by the Economic Development Administration. The goals presented below are applicable to both the Regional Investment and Rural Investment Programs. The work program for the Economic Development District will also support these same goals.

The Region's vision is centered on four elements. Each of these elements is important to achieving the vision, but in any biennium, efforts will be focused on specific short-term goals. These are the goals that will best support the communities and economy of our Region over the next two years. The discussion of the short-term goals contains specific reasons that the Region's efforts will focus on each short-term goal. Examples of the types of activities that support each goal are provided.

GOAL – Foster economic activities that provide a range of employment opportunities.

The Region must both support existing businesses and industries and be prepared to take advantage of new opportunities. Small businesses, especially those in rural communities, find it difficult to offer competitive salary and benefits packages. Employers seeking to expand or relocate in our communities sometimes find it difficult to obtain information about the area workforce. Individuals must be supported in their efforts to improve their skills and to have access to a variety of job opportunities.

Examples of activities that support this goal:

- Enhancing access to capital, both private and public
- Training for professional and technical primary jobs
- Enhancing value-added production and niche marketing
- Support for ports and special districts
- Support for the activities of business incubation centers, small business development centers, and economic development partnerships, that help local businesses meet their needs, resolve issues, and expand job opportunities

GOAL – Support infrastructure and technical assistance to communities.

There is an ongoing shortage of commercial and industrial space in our Region, especially larger sites. Some communities must address compliance issues that require improvements to water and sewer facilities. While the State has funding available for some types of infrastructure projects, there are still gaps the RIB can help fill. Smaller communities need technical assistance in order to access both state and private funding sources. In addition, some rural communities lack full-service (water, sewer, streets, and telecommunications) to commercial and industrial sites. Finally, telecommunications is a new facet of infrastructure need, and the opportunities and issues raised are only beginning to be understood.

Examples of activities that support this goal:

- Technical assistance to smaller communities for planning and for accessing funding sources
- Providing leverage to access other funding sources
- Support for the development of advanced telecommunications and access to existing fiber optic infrastructure
- Development of fully-served commercial and industrial sites

GOAL - Partnering to improve workforce training and education.

There is an ongoing need to increase the access to and the capacity of workforce training efforts. Career planning that links specific training to a range of job opportunities is necessary to show people that there are more opportunities available than just obtaining an initial job. Access to training opportunities in rural areas is limited and there are additional issues surrounding access (transportation, available child care, etc.). A lack of trained health care workers is a growing problem, especially in rural areas.

Examples of activities that support this goal:

- Expand distance learning and training opportunities to rural areas
- Initiation of new training programs
- Increased coordination and linkages between the private sector and education/training/research agencies and institutions
- Expansion of existing programs to reach more people
- Linking training resources at universities and community colleges to businesses and business needs

GOAL - Support the unique needs of rural areas.

All of the Goals above are applicable in rural areas and communities. In addition, there are unique rural needs, often connected with distance from resources that require action. Small communities may lack the local capacity and funding resources necessary to undertake large projects, such as infrastructure upgrades. Some communities need basic community facilities such as meeting, recreation, and library space. Local access to training and education opportunities is important, but often limited. Lack of transportation options can hinder access to education, work, and services for individuals in rural communities. Often, a lack of serviced commercial and industrial sites reduces any opportunity for development or expansion of local business.

Examples of activities that support this goal:

- Assistance for community strategic planning and capacity building for local leadership
- Provide technical assistance to develop and administer projects
- Development of community facilities and infrastructure
- Support for business development and management programs
- Collaboration and coordination with other communities to address needs
- Enhancing health care facilities and services
- Increasing transportation options

Section 3

The Region – Its Communities and Economy

This section fulfills the requirements of ORS 285B.236 and .239(2), (3).

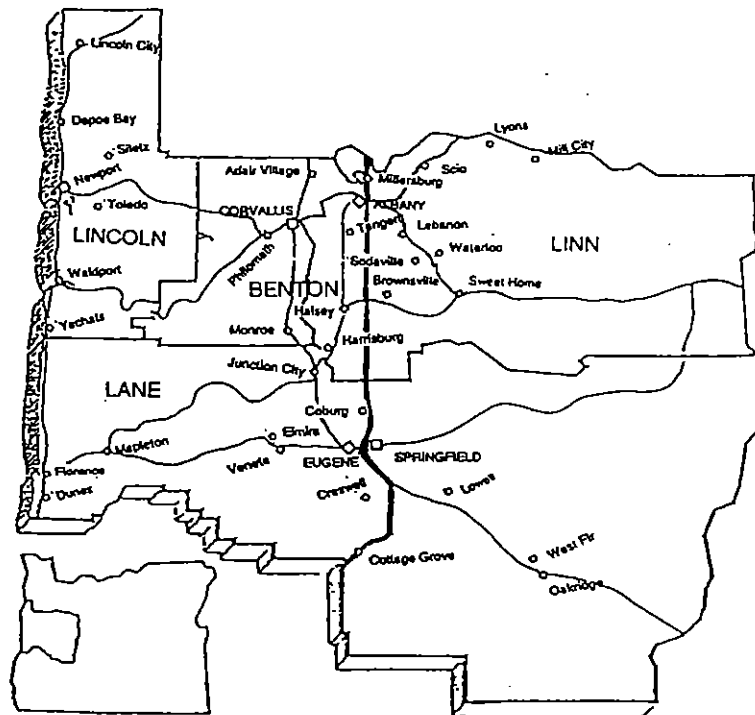
CHAPTER 1

Area Overview

Benton, Lane, Lincoln, and Linn Counties are located in the center of western Oregon, stretching from the Pacific Coast to the crest of the Cascade Mountain Range. These four counties comprise the region for both the Regional Investment Board and the Cascades West Economic Development District

The region has a temperate climate with moderate differences between high temperatures in the summer and winter-time low temperatures. The region receives more than 40 inches of rainfall per year, which promotes timber growth, a large agricultural sector, and, except in coastal areas, a plentiful fresh water supply.

Figure 1
Cascades West Region Map



POPULATION

Since 1970, the population of the district has grown by 168,304 or 45 percent. The decade of the 1970s saw an average annual growth rate of 2.6 percent, while growth during the 1980s slowed to only .32 percent per year. Since 1990, the rate population growth has averaged 1.1 percent each year.

**Figure 2
Population**

| Year | Benton | Lane | Lincoln | Linn | Region |
|------|--------|---------|---------|---------|---------|
| 1970 | 53,766 | 215,401 | 29,755 | 71,914 | 370,836 |
| 1980 | 68,211 | 275,226 | 35,264 | 89,945 | 468,646 |
| 1990 | 70,811 | 282,912 | 38,899 | 91,227 | 483,849 |
| 1991 | 72,900 | 290,900 | 39,500 | 93,200 | 496,500 |
| 1992 | 72,900 | 293,700 | 39,600 | 95,000 | 501,200 |
| 1993 | 73,300 | 298,000 | 40,000 | 96,100 | 507,400 |
| 1994 | 75,400 | 300,000 | 41,000 | 96,300 | 512,700 |
| 1995 | 75,500 | 301,900 | 41,800 | 98,100 | 517,300 |
| 1996 | 76,000 | 305,800 | 42,200 | 100,000 | 524,000 |
| 1997 | 76,700 | 308,500 | 42,500 | 100,700 | 528,400 |
| 1998 | 76,600 | 313,000 | 43,200 | 102,200 | 535,000 |
| 1999 | 77,100 | 315,700 | 43,350 | 103,000 | 539,150 |
| 2000 | 78,153 | 322,959 | 44,479 | 103,069 | 548,660 |
| 2001 | 79,000 | 325,900 | 44,650 | 103,500 | 553,050 |
| 2002 | 79,900 | 328,150 | 44,700 | 104,000 | 556,750 |

Source: Oregon Employment Division

Between 1990 and 2000, the population in the Region grew by 64,811. Growth rates between the two Census years varied from 11.6 percent in Benton County to 14.8 percent in Lincoln County, 15.2 percent in Lane County, and 13.5 percent in Linn County. Sixty-eight percent (37,694) of the population growth in the Region is due to in-migration. Variation by county is even greater for migration rates. Lincoln County would have actually lost population without in-migration (one percent population loss from births to deaths and a 12.5 percent growth from in-migration). Linn County grew by 8.5 percent due to in-migration. Lane County grew by 7.9 percent and Benton County by only 3.8 percent.

Minorities (defined as Black, American Indian, Asian/Pacific Islander, Hispanic) account for 11.0 percent of the population in the Region in 2000. This grew from 7.1 percent counted at the 1990 Census. At the state level, the figures for the same period are 19.1 percent (2000 Census) and 11.2 percent (1990 Census).

The Hispanic population is the largest (8.3%) and fastest growing (144% growth from 1990 to 2000) in the Region and in the individual counties, followed by Asian/Pacific Islander (2.6%), American Indian (1.1%), and Black (0.7%). Over this period, the Hispanic population has grown faster in the Region (60%), than at the state (52%).

As with many issues, our four counties differ in the makeup of our minority population. Benton County's diversity is the highest in the Region (13.3% minority population in 2000), though in Benton County Asian/Pacific Islanders make up 37 percent of the minority population, compared to 25 percent at the state level. In Lane County, minorities make up 8.0 percent of the population, with Hispanics accounting for almost half. Lincoln and Linn both have a minority population of approximately 6.1 percent. Lincoln County, home to the Confederated Tribes of Siletz Indians, has the highest percentage of American Indians (2.3%) and the same percentage of Hispanics. In Linn County, Hispanics make up 60 percent of the minority population

JURISDICTIONS

There are 36 incorporated cities in the four-county district. The largest metropolitan areas in each of the four counties are Lane-Eugene/Springfield (189,435), Benton-Corvallis (50,880), Linn-Albany (40,010) and Lincoln-Newport (10,290). Nineteen of the jurisdictions have populations under 2,000 persons in 1997 and ten of those have populations of less than 1,000 persons.

Twenty-four percent of the district residents live in unincorporated areas. At the 1990 Census, 36 percent lived in unincorporated areas. This is a significant decrease with only Lincoln (+160) and Linn (+1,380) showing an actual increase of population in unincorporated areas, though the overall percentage dropped in both of those counties, too. In Benton, Lane, and Linn Counties, ninety percent of the population growth has occurred in the largest jurisdiction, though all of the incorporated jurisdictions have seen some growth.

CHAPTER 2

NATURAL FEATURES

LAND RESOURCES AND ISSUES

■ Agricultural and Forest Lands

As identified through U.S. Department of Agriculture Soil Surveys, there is a total of 465,594 acres of land considered to be prime farmland within the District. Of that total, 75,844 acres are in Benton County, 220,750 acres are in Linn County and 160,000 acres are in Lane County. Lincoln County has no acreage that is designated as prime farmland.

The majority of the region's prime farmlands are located along the Willamette River. Development pressures, impacts from recent flood events, and other challenges are reviewed in the Industry Profiles section of this OEDP.

Over half of the District's 8,601 square miles (5,433,000 acres) are covered by forestland. Two national forests, Siuslaw and Willamette, comprise the largest portion of federal land in the four counties with a total of 1,921,501 acres. Bureau of Land Management holdings account for 455,497 acres. State-owned lands, primarily forestlands, total 99,515 acres. The Confederated Tribes of Siletz Indians of Oregon have 3,660 acres of forestland in trust in Lincoln County. Federal and state lands comprise 45 percent of the total area of the region. (See Chapter 2, Section 4 for more information on the agriculture and forest products industries.)

**Figure 3
Area Profile**

| County Seat | Area in Sq. Miles | Forest Land* | Non-Forest Land* | Federal & State Forest | Total Area* | Population 1995 |
|-------------------|----------------------|-----------------|---------------------|---------------------------|----------------|--------------------|
| Benton, Corvallis | 679 | 268 | 160 | 85 | 428 | 75,500 |
| Lane, Eugene | 4,620 | 2,477 | 436 | 1,582 | 2,913 | 301,900 |
| Lincoln, Newport | 992 | 555 | 76 | 234 | 631 | 41,800 |
| Linn, Albany | 2,310 | 1,017 | 444 | 575 | 1,461 | 98,100 |
| TOTAL | 8,601 | 4,317 | 1,116 | 2,476 | 5,433 | 517,300 |

* Area shown in thousands of acres

The majority of the region's prime farmlands are located along the Willamette River.

Over half of the District's area is covered by Forest land.

■ Superfund Sites

The District has two Superfund Sites. The former United Chrome Products site near Corvallis, and areas of the Wah Chang properties in Millersburg have been designated Superfund Sites.

Between 1960 and 1977, a small company known as United Chrome Products discharged unknown quantities of chrome plating waste liquids and sludge into a fifteen-foot dry well near the Corvallis Airport. After the City of Corvallis detected the contamination, the Environmental Protection Agency (EPA) presented a \$6.8 million cleanup bill to United Chrome Products. The owners subsequently abandoned the site and the business. In 1982, some accumulated sludge at the site was removed and disposed of under the guidance of Oregon's Department of Environmental Quality. Since that time, the EPA and the City of Corvallis have worked together to clean the site.

A total of twenty wells have been drilled near the original United Chrome site. The groundwater extraction and treatment systems have removed more than 31,200 pounds of chromium from the groundwater. As a result, chromium levels have dropped significantly and the contamination has been contained. A total of 58 million gallons of contaminated groundwater from the upper and deep zones have been extracted to date and average chromium concentrations have been reduced by 99 percent (from approximately 2,000 parts per million to 18 parts per million). Three more extraction wells began a phased shutdown in May 1996 to allow groundwater extraction to focus on the sole remaining well, which exceeds the cleanup goal. The goal of returning the deep ground water to national drinking water standards, and the shallow ground water to a level protective of the deeper water, should be met in 1998.

Wah Chang, in Linn County, employs approximately 1,100 at its Millersburg plant where it has several manufacturing processes producing precious metals. Since 1956, Wah Chang has had waste treatment and storage facilities and several on-site ponds used for the storage of liquid and solid wastes from the plant's production facilities.

In 1983, the EPA included Wah Chang on its Superfund National Priorities List because several hazardous substances were detected in the groundwater on Wah Chang property. Contaminants of concern include radionuclides, metals, PCBs and chlorinated organic solvents. Removal of wastewater treatment system sludges at the site was completed in 1991, but cleanup efforts continue. The company completed a four-year, \$5.4 million environmental investigation of the plant site in 1993. In June 1994, the EPA issued a Record of Decision, which documents a cleanup remedy for groundwater and sediments based on the proposed plan as modified by public comments received in late 1993. This Record of Decision was followed in 1995 by another Record of Decision covering

soils. In 1997, the company entered into a Consent Decree with the EPA that allows the company to perform the required cleanup. The majority of the sediment and soils cleanup work was completed during the summer of 1997. Groundwater cleanup is underway but will take several years.

WATER RESOURCES AND ISSUES

■ Water Supply

The region contains various major and minor rivers, most notably the Willamette River Drainage Basin, which covers approximately twelve percent of the State of Oregon. The river system within the basin consists of the Willamette and thirteen major tributaries. At its mouth, the Willamette is the tenth largest river in the continental U.S. in terms of total discharge. The coastal region has various minor rivers and drainage basins.

Valley water sources usually provide a reliable supply of water.

The abundance of rivers in the Willamette Valley allows many jurisdictions to use surface water as a source for domestic and industrial use. Some jurisdictions do rely exclusively on ground water sources and others use both ground and surface waters. Regional water sources usually provide a reliable supply of water when appropriate public facilities are planned and developed. However, the 1996 flood caused contamination of domestic water supplies in some areas. Some communities are developing Drinking Water Protection Plans to identify potential sources of contaminants and to establish action plans to protect their water supply.

Analysis of watersheds is expected to identify social, environmental, and land use patterns contribution to the Willamette River's water quality problems.

The Safe Drinking Water Act has required many communities to invest heavily in additional treatment systems and/or development of alternative sources. These required improvements sometimes limit the ability to fund expansions needed to keep pace with growth.

Recent surveys of the Willamette River indicate that concentrations of several pollutants (e.g. metals, pesticides, PCBs, dioxin, and bacteria) in water, sediments, or fish tissue exceed regulatory or guidance criteria for the protection of aquatic and human health. The Willamette River Basin Water Quality Study, conducted by the Oregon Department of Environmental Quality, was completed in 1994 and provides further information. Additionally, Oregon State University's Department of Fisheries and Wildlife is currently conducting a major analysis of the primary Northwest watersheds which is expected to identify several social, environmental, and land use patterns contributing to water quality problems. A recent report for the American Water Works Association on the Willamette River recommends significant new effort to maintain the river at its current quality level and that an even larger effort is needed to begin necessary improvements to the river's health in light of the expanding population of the river basin.

Communities along the Pacific Coast are experiencing water shortages.

Unlike the communities within the Willamette Valley, those along the Pacific Coast are experiencing water shortages during periods of low flow. Due to the geology of the coastal area, communities must rely upon surface water. Several projects have been completed or are underway to remedy short-term water supply problems.

■Watersheds

In 1995, the Oregon Legislature passed House Bill 3441 to encourage enhancement of the state's watersheds and to establish an organizational structure to carry out that task recognizing that, "It is in the best interest of the state to restore and maintain and enhance its watersheds in order to protect the economic and social well-being of the state and its citizens." Thus, the law tied the economic and social health of the state to the environment of specific geographic units.

Watershed Councils were identified as the groups to take the lead in planning and implementing watershed conservation, restoration or enhancement. According to the legislation, councils are meant to be, "...a voluntary local organization designated by a local government group convened by a county governing body to address the goal of sustaining natural resource and watershed protection and enhancement within a watershed." The bill stated that the composition of the councils should include a majority of local residents. The typical representation on watershed councils includes elected officials, private landowners, tribal representatives, industry representatives, members of the academic/scientific community, environmental interest groups, neighborhood groups, and representatives from local, state and federal agencies. There should also be a high level of citizen involvement in developing and implementing the watershed action program.

Within the CWEDD region, the formally recognized watershed councils include the Mid-Coast, the South Santiam, the Siuslaw, the Marys and the McKenzie. Groups are in the process of forming councils on the Mid-Willamette, North Santiam and the Long Tom.

The Mid-Coast Watershed Council is an umbrella organization that actively coordinates work in five coastal watersheds: the Salmon, the Siletz, the Yaquina, the Alsea, and the Yachats. Those combined basins lie in Lane, Tillamook, Lincoln, Benton and Polk counties. With the exception of Polk County, the Council is formally recognized by all of the county governments.

The Mid-Coast Council has obtained grant funding, allowing the group to carry out restoration/enhancement projects, habitat assessments, and water temperature monitoring. The Council is also providing assistance to sub-basin groups that are forming.

Watershed Councils were identified as the groups to take the lead in planning and implementing watershed conservation, restoration or enhancement.

The Marys River Watershed Council was formally recognized by the Benton County Commission in February 1998. The Council "serves as a hub for sub-basin groups throughout the watershed for identifying issues, concerns and projects." Activities to date include a water temperature monitoring project and a water quality monitoring. Funding was recently obtained to conduct a watershed-wide assessment.

In Linn County, the South Santiam Watershed Council is in the process of developing a work program to guide its future work. In general the group's effort has focused on educational programs, water quality monitoring and water quality projects.

The South Santiam group's focus in the future may be influenced by two factors. One factor is the results of a major watershed assessment for which the council recently received a grant. The second factor is the potential federal listing of Willamette steelhead as a threatened species. The state may provide additional funding to watershed councils, such as the South Santiam Council, to focus on steelhead habitat restoration/enhancement.

The Lane County Board of Commissioners has opened the door to recognize councils for three other watersheds, beside the McKenzie and the Siuslaw. Those watersheds are the Middle Fork of the Willamette, Coast Fork of the Willamette, and Long Tom.

The McKenzie Watershed Council formed in 1993 and primarily relies on federal funding, along with some state/local cash and non-cash resources for its activities. Those activities include developing a work program, action planning, establishing a watershed-wide geographic information system, water quality monitoring, educational programs, and water quality protection and enhancement projects on private land.

The Siuslaw Watershed Council was recognized by the Lane County Commission in 1997. The group's current focus is on watershed assessment and education activities. The group is also attempting to develop a watershed-wide geographic information system.

In theory, it is valid for the councils to assess and include in their planning process any natural resource located in a watershed or any activity that may have an impact on the watershed. Also, residential or industrial development, road building, recreational activities, fishing, livestock grazing and waste disposal could be included among the activities for which the councils plan.

However, limited funding for watershed councils makes it difficult to undertake extensive activities. Although finding stable funding is a concern for all of the councils, in those watersheds that have viable salmon runs, the councils have generally received more financial support in order to implement the Oregon Coastal Salmon Restoration Initiative. The Initiative is the state's effort to avoid a federal listing of several

populations of Coho salmon as threatened species. Watershed councils were identified in the Initiative as playing a key role in the effort to preserve and restore the watersheds. Thus, some funding has been directed to councils in those critical watersheds to improve water quality and habitat for the wild Coho populations.

Without secure long-term funding for staffing, coordination and administration, the impact of watershed councils on natural resource planning and protection will be diminished.

Without secure long-term funding for staffing, coordination and administration, the impact of watershed councils on natural resource planning and protection will be diminished. Currently, there is a great deal of time and effort required to obtain funding rather than actually working on the watershed issues. Also, as more watershed councils form, there will be increased competition for the available funds.

Also, the councils face difficult organizational issues as they try to blend a diverse group of people with widely varied knowledge levels, concerns, and time to commit to council work. It is a challenge for most of the councils to develop organizational structures and methods that maintain the involvement of important participants. The watershed councils need skilled coordination and facilitation to maintain a viable group. The effectiveness of the councils is hindered by this situation.

■ Flood Hazards

An extensive upstream reservoir containment network in the Willamette River Drainage Basin helps to prevent flooding as well as control summertime low flows. Potential hazards associated with development in flood plain areas have been mitigated to some degree due to federal, state, and local land use regulations, but as the flood of February 1996 showed, many areas in the region are vulnerable to flooding.

The Flood of February 1996 showed many areas in the region are vulnerable to flooding.

In February of 1996, a major flood event impacted the four counties (Benton, Lane, Lincoln, and Linn) of the Oregon Cascades West Region, as well as many other areas of Oregon. All four counties were included in the Presidential Disaster Declaration. This qualified them for various federal programs and assistance with response, recovery, and mitigation.

Economic impacts upon businesses, private citizens, the public sector, and infrastructure were quite significant in all four counties. More than \$34,000,000 in damages to the region were identified. Unfortunately, this number does not accurately catalogue the total economic impact to the region. Many businesses throughout the Region were forced to close, or curtail, their operations during the flood. Some of them were unable to resume normal operations for several weeks. All of these businesses lost sales and profits. Many employees were unable to work and lost wages. A number of businesses also had equipment and inventory damaged by the flood. Yet, over and above monetary assessment stands the fact that five deaths in the region were caused by the flood.

also provides accurate location (eventually down to tax lot numbers) of areas exposed to high and frequent risks from flooding, winter storms, high winds, and slides. Such precise mapping will enable counties and communities to more wisely plan economic and community development to avoid loss of property and better protect public safety. Eventually these GIS tools can be used for land use, and economic and community development planning and for emergency response, recovery, mitigation, and preparedness planning.

Phase I of the Regional All Hazard Mitigation Master Plan should be completed in August of 1998. Phase II is now in the planning stage. It will build on the data, analyses, and GIS hazard mapping from Phase I and will include the risks from a much broader range of hazards such as: earthquakes, wildfires, major dam failures, and man-made disasters like toxic waste spills.

The Cascades West Council of Governments conducted strategic planning in 1998-1999 for the leadership of the REMCC to help the group in its planning to secure funding for and implement Phase II.

**ENDANGERED
AND
THREATENED
SPECIES**

As population growth and development in Oregon continue, the potential for conflict with native species sensitive to habitat loss also grows.

Northwest efforts to save salmon runs could affect the Cascades West region.

As population growth and development in Oregon continue, the potential for conflict with native species sensitive to habitat loss also grows. The most obvious example is the conflict between human activities and the **Northern Spotted Owl**. Logging in old-growth forests has been reduced to prevent continued loss of the owl's habitat.

The **Marbled Murrelet**, like the Northern Spotted Owl, is listed as a threatened species under the Federal Endangered Species Act and nests in old growth forests. As more becomes known about the bird, logging activity in the Pacific Northwest could be further restricted.

Four species of **salmon** have been federally listed as threatened or endangered and several others, including the Coho in the Cascades West region, are under consideration for listing. Experts have blamed the salmon's decline on hydroelectric dams, degraded habitat and logging, poor ocean conditions, and over fishing. The Governor's Coastal Salmon Recovery Plan is an effort to avoid the Federal Endangered Species Act listing of these species. Other Northwest efforts to save salmon runs could affect the Cascades West region as well. For instance, if the dams on the Columbia River produce less power to allow the passage of Snake River salmon, there may be less power available throughout the Northwest.

The National Marine Fisheries Service added steelhead trout in rivers and streams running through metropolitan Portland to the Federal Endangered Species Act list in 1998, an action likely to bring strict new controls on everything from home construction to summertime water use in the Metro area. This federal listing of steelhead does not directly affect portions of the Willamette River in the Cascades West District. Citing the Governor's Salmon Recovery Plan as a model for protecting threatened anadromous species, the federal government decided not to list steelhead along the Oregon coast, which would have had direct effect on the Cascades West region.

The **Umpqua Cutthroat Trout** was listed as an endangered species last year. The Umpqua Cutthroat habitat primarily includes mountain streams south of the Cascades West region.

The **Bald Eagle** is a federally listed threatened species in the State of Oregon. More than 250 nesting pairs are monitored across the state each year. Oregon is also host to around 600 wintering eagles, most of which come south from Canada and Alaska.

With approximately 30 breeding pairs remaining, the **Western Snowy Plover** is listed as an endangered species. The bird lays and incubates its eggs directly on the sand along the Oregon coast. Human activity and pets may disturb nesting birds and further threaten their survival. The U.S. Fish and Wildlife Service is developing a recovery plan for the species, which may have implications for coastal development.

Bradshaw's Lomatium, a member of the parsley family, is a federally listed endangered plant. This lomatium is an endemic that was once widespread in the wet, open areas of the Willamette Valley, but is now limited to a few sites in Lane, Marion, and Benton Counties. Most of its habitat has been destroyed by land development.

Nelson's Checker-Mallow, also called **Nelson's Wild-Hollyhock**, is listed as a threatened species and is considered very rare. It is a member of the mallow family, and is endemic to the Willamette Valley and the adjacent Coast Range. Historically, it grew in the lowlands of Benton, Lane, Linn, Marion, Multnomah, Polk, Tillamook, and Yamhill counties. It prefers gravelly, well-drained soil and is primarily found where remnant patches of native grasslands species still occur, as along fencerows, roadsides, and old cemeteries. It is very susceptible to herbicide spraying.

The **Oregon Chub** is listed as an endangered fish species. It formerly was found throughout the Willamette River drainage. Its current known distribution is centered on about fifteen miles of the Middle Fork of the Willamette River in eastern Lane County. Alteration of its habitat appears to be the primary reason for its sensitive status.

The **Western Pond Turtle** is on the Oregon Department of Fish and Wildlife critical sensitive register, and may be soon listed federally as threatened. Once inhabiting suitable habitat, mainly to the west of the Cascades, this turtle is now isolated in small pockets of populations along the Columbia River, in Klamath County, and in the Willamette Valley. Expanding urban growth boundaries and other land use activities further threaten its habitat.

The ultimate impact of the listing of these and other species (over 100 species are now recorded as sensitive in Oregon) is unknown at this time. However, development plans and natural resource extraction in the region will need to include consideration of effects on species.

Development plans and natural resource extraction in the region will need to include consideration of effects on species.

the Oregon Transportation Plan that provides an outline for the development of a multi-modal transportation system in the state. Local, county, and MPO plans must be compatible with the Oregon Transportation Plan.

TransPlan is the Eugene-Springfield area's regional transportation system plan. The draft TransPlan was released for public review in February 1998 and it is scheduled for adoption by local agencies in the fall of 1998. TransPlan will include an integrated approach to land use and transportation planning. A toolbox of strategies will address three fundamental components of transportation policy: land use, demand management, and system improvements.

LCOG is developing Transportation System Plans (TSPs) for the cities of Coburg, Cottage Grove, Creswell, Junction City, and Veneta. A TSP for Oakridge also is planned. The primary goal of the process is to develop a transportation system that will ensure a safe, efficient, and conveniently located network of transportation facilities for the movement of people and goods within those cities. TSPs for communities in Linn, Benton, and Lincoln counties are being undertaken or are underway by those jurisdictions.

The existing highway system includes a network of primary and secondary roads that is adequate in most respects and provides linkages between major urban areas. However, U.S. Highway 20, US Highway 101, Oregon Highway 34, Oregon Highway 18, Oregon Highway 126, and Oregon Highway 58 are prominent examples of routes in need of selected major improvements. These improvements are needed to facilitate traffic flow of all types and support economic growth in the region. The need for upgrades to these highways was recognized by the Oregon Department of Transportation in its decision to include parts of Highways U.S. 20, OR 34, OR 58, and OR 126 in the Access Oregon Highways Program. Other important heavily traveled highways within the region include Interstate 5, OR 99W and OR 99E.

Corridor planning for the Highway 20/34 corridor was coordinated by OCWCOG and it was completed in 1998. Corridor plans for Highway 126 and Highway 58 are being prepared by LCOG. The Highway 126 effort is divided into two projects, Highway 126 East (Springfield to Santiam Pass) and Highway 126 West (Florence to Eugene). Draft Strategy documents were released in spring 1997 for each of these corridors. The second phase of corridor planning on Highway 126 East and West is scheduled to begin in the spring of 1998. The Highway 58 corridor study is also scheduled to begin in the spring of 1998.

In the late summer of 1997, ODOT and the Coastal Policy Advisory Committee completed a U.S. 101 Scenic Management Plan for the entire Oregon segment of the highway. The plan was used as the basis for the state's application to have the highway designated as a National Scenic

Highway improvements are needed to facilitate traffic flow and to support economic growth in the region.

Byway by the federal government. OCWCOG staff participated on the project management team for the Lincoln County portion of the project.

Planning for alternate modes of transportation was the focus of the Linn-Benton Regional Public Transportation Plan, completed in 1999. With funding from the Transportation Growth Management Program, the OCWCOG facilitated this process to develop a strategy for providing transit service among the major communities in Linn and Benton Counties. The plan included recommendations for improving and expanding existing transit service in the short-term. The long-term strategy included the formation of a transportation district.

Vehicle Miles Traveled (VMT) is increasing on the region's highway system. That means that there is more traffic on the streets, roads, and highways, which means more congestion. The increase is largely attributed to patterns of population growth and commercial/industrial development in the region that encourage greater use of the automobile. Rapid job growth in the region is mainly concentrated in the larger population centers while residential development is more dispersed. As a result, a growing number of workers are commuting out of their cities of residence to their work sites.

The rate of job growth is outpacing the region's population growth. This has resulted in large numbers of workers commuting into the region and contributing to the traffic burden. Traffic counts for portions of the Highway 20/34 corridor provide evidence of the higher levels of usage. In general, traffic counts at sites in the corridor showed that annual traffic volumes between 1975 and 1995 increased at a rate greater than the statewide average of two percent per year. Forty-three percent of the roadway in the corridor carries Average Daily Traffic (ADT) of 10,000 to 20,000 vehicles. This is seven times higher than the statewide average. Based upon calculations by the Oregon Department of Transportation, more than 50 percent of the highway between I-5 and Newport is either moderately or highly congested.

Based upon historical traffic growth trends, traffic volumes in portions of the Highway 126 corridor are expected to increase substantially by 2017. Depending upon the location, twenty-year projections for the corridor between Springfield and Santiam Pass indicate an increase of from 26 percent to 75 percent. Between Florence and Eugene, the projected increase ranges from 23 percent to 94 percent.

In the coastal portion of the region, population growth and tourism/gambling development are generating higher levels of traffic in the U.S. Highway 101 corridor. In most of the coastal cities, the highway serves as the community's main street as well as its connecting link to the rest of the coast. These two uses are becoming increasingly problematic as local residents find it difficult to make short trips within town and through-traffic is slowed by city congestion.

A growing number of workers are commuting out of their cities of residence to their work sites.

At present, alternative modes are limited in the CWEDD region and it will be difficult to achieve major reductions of VMT.

■ Transportation Alternatives

Oregon land use planning laws address the issue of congestion by mandating that counties and cities plan to decrease the vehicle miles traveled. The most logical methods of decreasing the VMT are to develop and promote alternative transportation modes along with encouraging ride sharing of automobiles. At present, alternative modes are limited in the CWEDD region and it will be difficult to achieve major reductions of VMT. Within Linn, Benton, and Lincoln Counties, city bus systems exist in Albany and Corvallis. The Linn-Benton Loop and Linn County Shuttle provide a regional transportation network between cities in Linn and Benton Counties. The Valley Retriever provides a link between Lincoln Counties coastal communities and Benton, Linn, and Deschutes Counties. In addition, the Lincoln County transit system operates three buses that make four round-trip loops to cities in the county on weekdays.

In general, ridership of the public transit systems increased since 1998. The Linn-Benton Loop, the Albany Transit System, Corvallis Transit System, the Linn Shuttle, and the Lincoln County transit system increased service, and the City of Philomath contracted with the Corvallis Transit System to provide service between the two cities.

However, commuting by transit from most of the smaller bedroom communities in the region to the major employment centers is impossible. Weekend, nighttime, and holiday service is generally either non-existent or highly restricted in those communities that do have transit service.

Lane Transit District provides bus service to the Eugene/Springfield area as well as Veneta, Coburg, Junction City, Lowell, and McKenzie Bridge. In 1997, LTD initiated a pilot project to provide bus service between Cottage Grove, Creswell, and Eugene. In April 1998, LTD opened its new, \$10 million, main station in downtown Eugene. The new station will allow all buses that service the Eugene downtown area to leave from a central location.

County and local governments in the region are attempting to improve transportation alternatives. The Lincoln County Transit District was formed in 1996, and there have been preliminary discussions about forming a transportation district to serve portions of Linn and Benton Counties.

The OCWCOG, with funding from ODOT, provides transportation demand management services in Linn and Benton Counties. The program includes promoting ridesharing and assisting with the formation of carpools and vanpools.

■ Transportation Funding

While demands on the transportation system are increasing, resources to meet the demands are not increasing at a comparable rate. The combined, automobile-related taxes in Oregon are among the lowest for all western states. The state gas tax, which is the major source of transportation funding, is currently .24 cents/gallon. Due to inflation and more fuel-efficient vehicles, the purchasing power of the tax is less than in 1971 when the tax was only .07 cents/gallon.

Cities and counties in the region have identified system deficiencies that will require huge investments.

Deterioration of the existing transportation system is a major concern as usage increases and the ability to fund system maintenance decreases. Cities and counties in the region have identified system deficiencies that will require huge investments. For example, the estimated cost of needed street overlay and reconstruction work in the City of Albany is \$36 to \$40 million. The twenty-year transportation need in the Eugene area is approximately \$1.6 billion. Anticipated revenues from existing sources are approximately \$1.1 billion, leaving a \$500 million shortfall.

Fifty-seven percent of the 32 miles of Benton County roads in the Corvallis/Philomath urban growth boundaries are in very poor, poor, or only fair condition. These roads do not meet full urban standards and the County finds it difficult to maintain them at current design standards.

Beside the general wear and tear on the roadways, the transportation system is facing damage due to natural disasters. Mudslides and flooding have significantly damaged the region's highways and bridges during the past several years. In the winter of 1999-2000 there were two major slides on US 101 that caused extensive damage to the highway and disrupted the economies of coastal communities. According to climatological predictions, the state is entering a twenty to thirty-year period of colder and wetter weather. Additionally, there is a high potential for seismic activity of a magnitude that would seriously damage the transportation system.

In 1999, the legislature passed a transportation-funding bill that would have increased the fuel tax by \$0.5 per gallon, increased the vehicle registration fees, and replaced the weight-mile system of taxing trucks with a diesel fuel tax. However, Oregon voters overthrew the law through the initiative process.

Rail, air and marine elements of the region's transportation system require resources to complete good linkages.

Rail, Air, and Marine Transportation The rail, air, and marine elements of the region's transportation system provide the potential for developing an integrated system with good alternative modes. However, the full integration of the system will require resources to complete good linkages, such as intermodal shipping facilities and transit routes that connect population centers to air and rail passenger service.

Two rail freight carriers, Union Pacific (UP) and Burlington Northern Santa Fe (BNSF), provide direct freight service to industrial sites in Linn and Lane Counties, and adjoining counties north and south. Willamette Valley Railway (WVR), a short line headquartered in Independence, Oregon, runs from Albany to Mill City on trackage leased from UP. Willamette & Pacific Railroad, Inc. (W&P), a subsidiary of Genesee & Wyoming, Inc., leases Southern Pacific's (SP) western Willamette Valley branches serving Linn, Benton, and Lincoln counties and counties north. Portland & Western Railroad, a new carrier, was formed in 1995 and serves the western Portland metropolitan area. Headquartered in Albany, Portland & Western (P&W) is a sister to W&P. Both WVR and W&P coordinate services closely with UP. P&W coordinates closely with W&P, UP and BNSF. The Central Oregon and Pacific Railroad provides rail service from Coos Bay to Eugene.

The National Railroad Passenger Corporation, better known as Amtrak, provides frequent bus and train service, stopping at Eugene, Albany, Salem, and Portland. As part of the Oregon Transportation Plan, the state is seeking local and federal funding for additional and faster trains in the Willamette Valley which anchors the southern end of the rail corridor between Vancouver, B.C., Canada, and Eugene. The route, officially named the Cascadia Corridor, is one of five such corridors in the U.S. to be federally designated as high speed and thus eligible for federal funding. Plans call for steadily improving passenger service over the next fifteen years. Funding was recently made available to add another daily run of the Cascadia train in September 2000. Consideration is being given to extending Cascadia rail service to Corvallis.

There are several publicly owned airports in the region. The Eugene Airport, located between Eugene and Junction City, averages more than 725,000 air travelers annually. Four air carriers are located in the main terminal building, which was completed in 1990. The carriers offer daily service. Since 1994, the airport has completed a runway rehabilitation project on the airport's 8,000-foot main runway, the CATII lighting project, an air cargo parking facility to help meet expanding aviation needs for commercial, corporate, and leisure aviation.

The Corvallis Municipal Airport was the busiest non-towered general aviation airport in Oregon during 1997. With improvements completed in 1995 it has a 5,900-foot runway with an Instrument Landing System that can serve the increasing corporate aircraft traffic. During the last several years, the number of individual T-hangers has grown from 54 to 100 as a result of in-based aircraft. Further improvements in 1997 included rehabilitation of runway 9-27 with the installation of a medium intensity runway lighting system, construction of a new taxiway, and installation of a six-foot security fence. The airport has Federal Aviation Regulation 139 certification that allows it to provide service to commercial airline service flights of up to 30 passengers. Currently,

Federal Clean Water Act has resulted in the issuance of Stipulations and Final Orders for many communities by the DEQ. There are currently projects underway in many communities to upgrade facilities to comply with the law. In addition, inadequate sewage facilities have resulted in building moratoriums in some communities in the region.

Major issues that affect sewage treatment and collection in the region include:

- **Geography:** Much of the region, particularly in the valley areas, has a high water table. This particularly affects communities that are unsewered, since septic systems are ineffective when flooded. In addition, many unsewered areas also have small lot sizes that make it impossible to install adequate drain fields.
- **Land Use Laws:** Oregon land use laws limit the provision of community sewer service in areas that are not zoned for development activities, e.g. agricultural lands. There are some pockets of residential development that are in need of services but cannot be economically serviced due to their location in restricted areas.
- **Economic factors:** Because sewage facilities are expensive to install, maintain, and expand, it is especially difficult for some of the small communities to finance a new system or improve an existing system. Some communities have deferred needed maintenance, resulting in facilities that are not capable of meeting required standards. Additionally, there is not enough capacity in many existing systems to accommodate economic expansion and growth. In 1996 and 1997, voters in Oregon approved property tax-limitation Ballot Measures 47 and 50. The resulting loss of tax revenue may further exacerbate the difficulty of funding sewer improvements.
- **Infiltration and Inflow (I&I):** Many systems in the region experience high rates of I&I during the winter season when rainfall is high. I&I is expensive and difficult to fully correct. It can seriously limit the potential for economic development in a community by eliminating excess treatment capacity. The problems occur due to aging collection systems that have deteriorated, improper connections that allow storm drainage into the system, and, in some cases, outdated designs that actually encourage infiltration to flush out the systems. High levels of I & I force some communities in the region to bypass raw or partially treated sewage into receiving streams during periods of heavy rain. The City of Corvallis is experiencing this problem, resulting in the overflow of a mixture of untreated wastewater and storm water, Combined Sewer Overflows (CSOs), into the Willamette River. Resolution of this problem is expected to cost \$30 million.

Addressing the need to collect and treat sewage is becoming increasingly complex as other environmental concerns are becoming important.

- **Conflicting Environmental Uses/Values:** Addressing the need to collect and treat sewage is becoming increasingly complex as other environmental concerns are becoming important in the region. Collection and treatment systems necessarily require land for the facilities and places to release effluent and dispose of sludge. As concern for the environment increases, these requirements often conflict with other uses or environmental values. For instance, siting of sewage lagoons may be difficult due to restrictions on the use of wetlands or the location of a sensitive species.

Considerable activity to improve sewage facilities has taken place in the region during the past decade. Existing facilities have been upgraded and the communities of Mill City, Siletz, and Tangent have installed new systems to replace on-site septic systems. The Cities of Newport, Corvallis, Veneta, Florence, and Westfir are currently in the process of upgrading their existing systems.

OCWCOG, LCOG, and their counties recognize the need for improving collection and treatment of sewage in the region. A significant amount of staff time is devoted to providing assistance to communities to identify wastewater problems, obtain funding for projects and planning, and administer grants for construction projects.

SOLID WASTE

There are currently two landfills for municipal solid waste in the CWEDD region. The Agate Beach landfill near Newport was closed in June of 1993. The two remaining facilities are the Short Mountain Landfill in Lane County and the Coffin Butte Landfill located in northern Benton County. The estimated useful life of Short Mountain is twenty-two to twenty-four years, while Coffin Butte has an estimated useful life of 240 years.

After the recent closure of the Agate Beach landfill, solid waste from Lincoln County was transported out of the County to Coffin Butte. In accepting this solid waste from Lincoln County, Coffin Butte's estimated useful life will be reduced by ten percent. The new solid waste transportation and transfer fees to the Coffin Butte landfill have resulted in high garbage rates in Lincoln County.

Closure of small landfills and transporting solid waste to large central facilities ties the solid waste issue closely to transportation issues.

The trend toward closure of small landfills and transporting solid waste to large central facilities, ties the solid waste issue closely to transportation issues for Benton and Linn Counties. The trucking of waste to central sites necessitates more large truck traffic on highways leading to the landfills. The 1993 closure of the Agate Beach facility in Lincoln County has brought more truck traffic onto Highway 20, as Coffin Butte was chosen as the site for Lincoln County's waste. Highway 20 was already in need of upgrading and the trucks hauling solid waste have further increased its traffic load. However, these issues are less

significant in Lane County, which maintains sixteen solid waste transfer stations throughout the County.

Record high rainfall amounts in 1996 resulted in near overflow of Coffin Butte's leachate ponds, prompting emergency discharge of three million gallons of untreated leachate into the Willamette River. The landfill owners (Valley Landfills) are working with the State DEQ. Together they have developed a plan to avoid this problem in the future. The plan involves raising the top of the leachate holding pond by three feet, arranging emergency backup services with the City of Corvallis water treatment plant, and two experimental onsite treatment methods. This plan is intended to avoid the need for future emergency discharges into the Willamette and allow for continued normal operation of the landfill. Lane County is required by DEQ to develop a long-range leachate plan and the Lane County Commissioners recently approved a plan to construct an on-site leachate treatment system at the Short Mountain Landfill. The current plan is for the treated effluent from the plant to be discharged to wetlands for bioremediation.

All hazardous waste in the region is transported to the Arlington landfill. That facility is the only site in the Northwest capable of accepting hazardous waste. Household hazardous waste is collected in Lane County twice a year at the County's main transfer station in Glenwood and at two other times annually outside the Eugene-Springfield area. Lane County has recently completed construction of a permanent household hazardous waste collection facility that will soon begin accepting household hazardous waste once each month. Household hazardous waste is collected once annually in Linn, Benton, and Lincoln Counties.

Figure 4
Waste Material Recycled

| COUNTY | 1992 | | 1998 | |
|---------|---------------------|----------------------|---------------------|----------------------|
| | RECOVERED (TONS) | PER CAPITA (LBS.) | RECOVERED (TONS) | PER CAPITA (LBS.) |
| BENTON | 21,480 | 622 | 31,957 | 889 |
| LANE | 72,072 | 491 | 171,708 | 1,057 |
| LINCOLN | 6,886 | 348 | 10,416 | 482 |
| LINN | 17,232 | 348 | 34,631 | 647 |

Source: Oregon Department of Environmental Quality

Recycling has received significant attention in the CWEDD region. State established resource recovery goals went into effect in 1995. Linn, Benton, and Lane Counties must each recover at least 30 percent of their waste streams. Lincoln County must meet a fifteen percent goal. In order to meet the recovery goals, every city between 4,000 and 10,000 population must undertake at least three recycling related activities.

Cities over 10,000 in population must undertake four or more activities. In nearly all cases, curbside recycling is one of the activities. For 1998, the most recent year of recorded data, all four counties were able to meet their recovery goals, with Lane recovering 40 percent, Linn 31 percent, Benton 41 percent and Lincoln 22 percent. Between 1992 and 1998, all four counties have significantly improved the amount of waste material recovered, both in overall tonnage and per capita.

ENERGY

Historically, the region has enjoyed an abundant supply of relatively low-cost electrical energy due to hydropower's large contribution to the regional power base. This trend is expected to continue in the near future unless high-growth conditions occur on a sustained basis or deregulation of electric utilities results in higher consumer electric rates. Increased economic activity has already cut into the regional energy surplus. In addition, there is a possibility that environmental restrictions on dam operation may be necessary in order to protect salmon runs. These restrictions could result in reduced energy production, higher energy prices, and a need for alternative sources.

LAND USE AND PLANNING

Oregon's statewide land use planning program, initiated in 1973, is recognized as one of the most effective and successful programs in the nation. The Oregon planning program is based upon 19 statewide planning goals that were developed in response to federal environmental and land development laws, rules, and requirements.

Oregon's land use program requires all local jurisdictions to develop and adopt Comprehensive Plans and implementation ordinances for land use and development.

The past twenty-five years have seen massive changes in Oregon and in land use planning. Local plans and ordinances are in place and farm and forestlands are largely protected with exclusive farm and forest zoning. The state now strives to see that urban development is done efficiently to minimize the expansion of urban land, to limit infrastructure costs, and to assure that affordable housing is provided.

However, the District's counties have suffered sharp cutbacks in timber taxes and revenues from O&C (Oregon and California) lands funds. At the same time, city and county budgets have been sharply cut back as a result of tax-cutting initiatives. These budget reductions have resulted in staff reductions and increasing workloads. Inevitably, immediate and pressing concerns take precedence over long-range planning. Often, the result is growing small towns that can only react to increased population and development pressure rather than plan for maintaining or improving the community's livability.

Small town and county planning staff are seeing increasingly complicated developments, while at the same time experiencing reductions in funding and staffing to keep up with even the day-to-day process of reviewing and issuing development permits.

Lincoln County, which has experienced eleven percent permanent population growth since 1990, and currently is experiencing very high vacation home development pressure, has recently lost two full-time planning positions. Both Benton and Linn Counties have each lost their one planner who was responsible for long-range efforts. The Lane County Planning Program was reduced by 30 percent.

Under Oregon's innovative land use planning system, long-range planning is critical. Communities must make sure their comprehensive plans reflect the growth and development pressures in their areas and are consistent with new laws passed by the legislature and with rules imposed by the Department of Land Conservation and Development (DLCD), Oregon Department of Transportation (ODOT), the Department of Environmental Quality (DEQ), and other agencies. Planning efforts often go well beyond land-use planning to encompass related issues such as transportation, the environment, urban design, and economic and social development issues.

Both LCOG and OCWCOG have played a key role in helping to fill this planning gap through regional planning efforts and by providing land use planning assistance to individual jurisdictions.

A unique collaboration began in the spring of 1998 to address housing and growth issues in Linn and Benton Counties. OCWCOG, the state departments of Land Use and Conservation, Housing and Community Services, and Economic Development, nine cities and the two counties developed a coordinated regional analysis of current and future housing needs. The Linn-Benton area is one of fast growth with an increasingly regional work force commuting from their hometowns to work. Job creation in one part of the region has an impact on housing in other parts of the region. The jobs-housing imbalance affects the quality of life in both communities that are employment centers and those that supply housing. It also affects the operation of transportation systems and the overall environmental quality in the region. This project identified specific strategies that each of the participating jurisdictions can use to address housing issues and the issue of housing-jobs imbalance.

EDUCATION AND WORKFORCE TRAINING

Workforce training and education is one of the primary issues to be addressed in developing a strong, diverse economy. This is true for both the State of Oregon and the District. The Workforce Quality Committee (WQC) legislation at the state level was allowed to sunset last year. In its place a new Education Cabinet in the Governor's office has been initiated. The Education Cabinet consists of an Education and Workforce Policy Advisor and the following state agencies:

- Department of Education
- Oregon University System
- Economic Development Department
- Office of Community College Services
- Employment Department
- Department of Human Resources
- Bureau of Labor and Industries
- Corrections Department
- Scholarship Commission
- Teacher's Standards and Practices Commission

While the legislation for the State WQC is being sunsetted, the Governor is committed to working closely with the Regional Workforce Committees (RWCs) and providing them the flexibility needed to develop a program specific to each region.

The RWC's role is to bring together industry and agency representatives to form public/ private partnerships to develop their program of work for the agencies that deliver workforce training. Both RWCs are focused on developing One-Stop Career Centers, the School-to-Work program, and assisting in implementing Oregon's 21st Century Schools education reform program.

Within the region covered by the Cascades West Economic Development District, there are two active Regional Workforce Committees. One encompasses all of Lane County, with the other serving the three northern counties (Lincoln, Benton, and Linn). The Lane Regional Workforce Quality Committee and the Southern Willamette Private Industry Council plan to consolidate by early summer 1998. This consolidation will help allow Lane County to develop quality workforce programs using the current expertise of both organizations under the umbrella of a single program.

The One-Stop Career Centers provide coordinated administration and single entry applications to all workforce/job training programs. In Lane County, the Lane Community College Learning Centers in Oakridge, Cottage Grove, and Florence provide the base for a countywide program for job training, distance learning, and Community Voice Mail for the homeless and phoneless poor. In the Linn-Benton-Lincoln area, existing sites in Corvallis and Newport were brought on line as One-Stops during

Planned One-Stop Career Centers will coordinate administration and single entry applications to all workforce / job training programs offered.

1999. In 1998, a new Lebanon site opened to serve east Linn County. Albany's One-Stop was put in place in 2000.

Education/ business partnerships will grow from the School-to-Work program. These will include teacher internships, work-based learning opportunities for students, development of work-based career clusters and skill sets, and private business input into the development of Certificate of Initial Mastery (CIM) and Certificate of Advanced Mastery (CAM) skills and competencies.

School districts statewide are in the midst of implementing the Oregon 21st Century Schools program. This program will replace traditional report cards with two levels of competency. The Certificate of Initial Mastery, which will test knowledge at third, fifth, eighth, and tenth grades, and the Certificate of Advanced Mastery to be earned by age eighteen, will focus on broad occupational areas and will include both college preparatory and professional technical training. Integration of the CIM/ CAM system is controversial in many areas and will require ongoing commitment from administration, teachers, and parents to be successfully implemented.

Funding issues in the area of training and education are becoming increasingly complex. Both Measure 5 and Measure 47 directly affect the ability of local jurisdictions to fund K-12 education and have a corollary, but lesser, affect on community college funding. Before the State Legislature had finished dealing with the issue of Equalization brought on by Measure 5, Measure 47 brought new limitations to local funding and control. Measure 50, developed by the Legislature, should clarify the local funding issues and allow the state to pick up some of the funding lost through these initiatives. The funding lost through these initiatives will be picked up by the state and directly affect the state's ability to deliver other economic development and human resource services. These two initiatives have had an extreme impact on the state funding of local schools, as Figure 4 will show.

Community colleges are experiencing an increase in enrollments, partly because of issues surrounding higher education funding and tuition described below. The community colleges in this region (Linn-Benton, Lane, and Oregon Coast Community Colleges) are taking the lead in many of the training issues being brought forward by the RWCs. The community colleges have been especially active in developing partnerships with the high tech industry and developing training programs for both the current and emerging workforces.

Cutbacks in funding for higher education (Oregon is now forty-fourth of the 50 states in per capita spending on higher education and forty-third in appropriations per \$1,000 income) have created a state higher education system where tuition has been raised from 90-107 percent for residents and 117-137 percent for non-residents. Presently, non-

Funding issues in the area of training and education are becoming increasingly complex.

residents make up 16.2 percent of the under-graduate population is and 14.1 percent of the graduate population. This is a significant drop in non-residents from two years ago (21 percent and 41 percent for non-resident undergraduates and graduates respectively). Oregon State University averages 108 percent for tuition and fees compared to peer universities nation-wide and University of Oregon averages 112 percent.

There is a continuing need to train the local work force in the skills necessary for employment in higher-wage jobs. There is a need to recognize that many reliable workers currently working long hour/low wage jobs do not have the time or resources to train for better jobs. This factor poses a constraint to the expansion of businesses that offer higher wages. High employment also means that many industries are forced to hire people with lower job skills for entry-level jobs. In all four counties, workers need affordable housing, health care, job training, and job placement services, especially job training tailored to industry needs. Employers often need workers who can be trained immediately, but there is currently no funding stream to train workers for these better jobs. Much of the work of the RWCs is focused on developing programs that will more closely match workers skills with industry needs.

COUNTY PORTRAITS

Benton County is strongly influenced by the presence of Oregon State University and Hewlett Packard

■ Benton County

Benton County is strongly influenced by the presence of Oregon State University and Hewlett Packard in the City of Corvallis, which together provide teaching, research, and high technology-related job opportunities. While the County lacks diversity in employment opportunities, the University provides a consistent level of employment and a stable economic base. The electronics industry in Benton County provides an average payroll of over \$55,000 (compared to \$31,000 in the wood products industry) and this has been primary in providing the highest per capita income in the state outside of the Portland Metro area.

Corvallis drives the economy of Benton County, but not all the benefits of Corvallis' strong economy are found in the rural areas of the County. Most of the growth and the low unemployment rate within the County are based in Corvallis. The Monroe-Alpine area (in the southeast), the Alsea area (in the southwest) and the Blodgett-Kings Valley area (in the west) all lag behind Corvallis in economic growth and in lowered unemployment rates. While Philomath has seen significant population growth in the last five years, its economy is still closely tied to the wood products industry. Philomath is beginning to see some diversification in its economy as light industrial businesses show interest in locating in the city's industrial parks.

During the spring of 2002, employment decreased in Benton County, but showed signs of rebounding in the last months of 2002. Layoffs at Hewlett Packard (200 cut) and Oregon State University (34 cut) impacted the unemployment figures earlier in the year. Benton County lost 480 jobs (-1.29%) in 2002 and saw unemployment grow from 3.0 to 3.7 percent for the year. Manufacturing saw the biggest loss from 6,080 to 5,550 jobs (8.72%), followed by Financial Activities down to 960 jobs from 1,220 in 2001 (-8.57%). Professional and Business Services dropped 6.76 percent (from 2,810 to 2,620 jobs) Benton County achieved growth in the Educational and Health Services (from 4,360 to 4,700 jobs, or +7.80%) and Government sectors (from 11,630 to 11,890, or 2.24%). These two are the only employment sectors growing in the County.

■ Lane County

Lane County's economy is significantly larger and more diverse than the other three counties. Over 58% of the Region's residents live in Lane County with over half of those are clustered in the Eugene/Springfield area. Although wood products are still a major industry in Lane County, 1990 was notable as the first year wood products accounted for less than half of manufacturing employment. By 1998, wood products employment accounted for less than one-third of the jobs.

Lane County's economy is significantly larger and more diverse than the other three counties

From 1979 through 1991, the wood products industry lost 5,700 jobs, a decline of 40%. From 1991 to 1998, another 1,600 jobs were lost. Other manufacturing industries, principally high technology, machinery, transportation equipment, printing and publishing have been gaining steadily in Lane County, helping to partially offset the job losses in wood products. Employment in manufacturing actually grew by 7 percent between 1988 and 1998, despite losses in the wood products manufacturing. Steady growth in coach manufacturing employment (Country Coach in Junction City and Marathon and Monaco in Coburg) has contributed over 1000 jobs to the area.

Lane County's average unemployment remained steady at 6.8 percent over 2002. Hynix is back to nearly full capacity at approximately 900 jobs. The closure of the Sony plant and cutbacks at Seneca Sawmill and Monaco Motor Coach had a strong negative impact on manufacturing jobs, though the Seneca and Monaco cutbacks were cyclical and both those sectors are beginning to show some strength.

Wage and salary employment was up only 100 jobs (total county employment of 142,300) in Lane County in 2002. Losses were focused in the Durable (Goods) Manufacturing sector down 800 jobs (-5.16% loss to 14,700 in 2002) while the Non-Manufacturing sectors remained consistent, with only small (less than 2%) changes in any specific sector. Growth was seen in Construction (+1.33% to 7,600), Education and Health Services (+2.75% to 18,700), and Government (+3.05% to 27,000), for a total of 1,400 new jobs in those three sectors.

■ Lincoln County

Lincoln County, located on Oregon's central coast region, is economically dependent on tourism, government, fisheries, export shipping from the Port of Newport (principally logs), and to a decreasing extent on wood products and paper manufacturing. Between 1988 and 1998, overall covered employment increased by 30.0% in Lincoln County (population growth over the same period was 14.9%).

In 2002, Lincoln County experienced a loss of 140 jobs compared to 2001. The Manufacturing sector lost 60 jobs; partly due to losses in food processing because of newly imposed fishing regulations. Lincoln County shows a loss of 140 jobs between 2002 and 2001, lead by a loss of 370 jobs in the Government sector. Significant growth took place in the Educational and Health Services sector, which shows growth of 290 jobs for a total of 1,420 jobs in 2002, a growth of almost 38%. Unemployment increased from 6.9% to 7.7% between 2001 and 2002.

Tourism is the primary economic force in Lincoln County. It ranks first in the state in per capita tourism industry employment. Four of 10 jobs in the service and trade industries are either in eating/drinking

Lincoln County, located on Oregon's central coast region, is economically dependent on tourism, government, fisheries, and export shipping

establishments or hotels/motels. Additionally, many communities have developed tourism-based festivals that draw tourist from outside the state. Commercial fishing is still an important industry with over \$14 million in commercial fish and shellfish landed at the Port of Newport. Manufacturing employment continues to decline as the wood products and paper industries continue to undergo structural change.

Employment in Lincoln County reached a plateau in 2002, remaining virtually unchanged from the previous year. Tourism continued to be Lincoln County's primary sector of employment (4,160 jobs); though employment was down slightly in 2002. The fishing industry is in the midst of a reduction in the groundfish fleet, with a boat buyback program being contemplated. There will be a vote on the buyback on October 29th. There are presently 264 permitted boats and 110 have put in bids to buyback their boats. It is expected that the program would be able to buyback 30 percent of the 110 boats.

■ Linn County

Linn County continues to diversify from its heavy reliance on the wood products industry employment (45.0% of manufacturing jobs in 1988 to 33.1% in 1998). Linn County suffered from a seven-month layoff of 700 employees at Wah Chang, which sent a ripple affect through the local economy as people cut their spending while living off of unemployment. While Linn County was down 450 jobs over the 2001 yearly average, employment in October 2002 was actually at the same level as December 2001, meaning that employment was at stasis during 2002, but was not dropping further.

Linn County lost 790 jobs (2.00%) between 2001 and 2002. The County continued to experience higher unemployment than the other three counties in the region. In 2002, unemployment averaged 9.7 percent, which was 2.20 percentage points higher than the state's unemployment level. The highest losses were in the Manufacturing sector, which lost 670 jobs (from 6,290 to 5,620), primarily due to layoffs in durable goods manufacturing. The Trade, Transportation, and Utilities sector was the only sector to grow in 2002 with an increase of 440 jobs (from 8,230 to 8,670). This is also the largest employment sector in Linn County.

■ DISTRICT EMPLOYMENT

Overall employment in 2001 was down by 1,310 jobs over 2001 numbers. The most significant losses were in the Durable Goods Manufacturing sector (1,990 jobs, down 7.0%) for the second year (2,310 jobs last year) with job losses in all four counties. The Educational and Health Services sector grew by 1,210 new jobs District-wide (2.0% growth), with growth in all counties except Linn, which nearly stayed

Linn County continues to diversify from its heavy reliance on the wood products industry employment

INCOME AND EMPLOYMENT

even losing only 20 jobs. Table 1 presents percent employment change between 2001-2002 (the latest numbers available from OED). The arrows delineate the degree and direction of change (see legend at bottom of Table 1). The numbers under "Industry Sector" show total jobs within the District; the numbers under the arrow in the county and District columns display actual job numbers, lost or gained.

TABLE 1
PERCENT EMPLOYMENT CHANGE BY SECTOR FOR COUNTY AND DISTRICT

| INDUSTRY SECTOR | Benton | Lane | Lincoln | Linn | District |
|--|---------------|-------------|----------------|-------------|-----------------|
| Wage & Salary Employment | ↓ | ↑ | → | ↓ | → |
| 234,630 | -480 | +100 | -140 | -790 | -1,310 |
| Natural Resources, Mining, and Construction | ↓ | ↑ | ↑ | ↓ | → |
| 12,200 | -80 | +100 | +10 | -60 | -30 |
| Durable Manufacturing | ↓ | ↓ | ↑ | ↓ | ↓ |
| 26,120 | -530 | -800 | +10 | -670 | -1990 |
| Non-Durable Manufacturing | ↓ | ↓ | ↓ | ← | ↓ |
| 7,840 | -10 | -100 | -70 | +10 | -170 |
| Trade, Transportation, and Utilities | ↓ | → | ↓ | ↑ | - |
| 42,000 | -160 | -200 | -80 | +440 | 0 |
| Information | ↓ | - | - | ↓ | ↓ |
| 5,590 | -90 | 0 | 0 | -70 | -160 |
| Financial Activities | ← | ↓ | - | ↓ | ↓ |
| 10,450 | +10 | -100 | 0 | -70 | -160 |
| Professional and Business Services | ↓ | - | ↑ | ↓ | ↓ |
| 21,400 | -190 | 0 | +20 | -180 | -350 |
| Educational and Health Services | ↑ | ↑ | ↑ | → | ↑ |
| 28,630 | +340 | +500 | +390 | -20 | +1,210 |
| Leisure and Hospitality | ← | - | ↓ | ↓ | → |
| 23,040 | +10 | 0 | -50 | -90 | -130 |
| Other Services | ↓ | ↓ | - | ↓ | ↓ |
| 8,050 | -40 | -100 | 0 | -40 | -180 |
| Government | ↑ | ↑ | ↓ | → | ↑ |
| 49,310 | +260 | +800 | -370 | -40 | +650 |
| NO CHANGE | ← +0.1-1.0% | → | ↑ +1.0-6.0% | ↓ -1.0-6.0% | ↓ -6.0%+ |

■ DISTRICT POPULATION

Population grew 10.4 percent over the last ten years (1992 to 2001), wage and salary employment grew twice as fast at 20.3 percent. In 2001, population increased slightly from 548,660 to 553,050 (0.8%), while non-farm employment showed a loss of 1,800 jobs from 238,230 in 2000 to 236,330 in 2001 (-0.8%)

The slowdown in the Regional economy, over the last seven years, is driven by the downturn of the state, national, and international economies. It has a direct effect on the level of growth in population. It is important to note that even when the overall economic health of the region is strong, it can mask the fact that jobs have not been replaced in the formerly timber-dependent communities. Unemployment is still higher in these areas and those who have found jobs most often commute to larger communities. The economic slowdown has affected our rural communities more strongly than the more urban areas.

■ DISTRICT UNEMPLOYMENT

Figure 1 shows unemployment from 1990 to 2002 for all four counties, for Oregon, and for the U.S. In 2002, unemployment in Oregon increased to 6.4 percent from 4.9 percent in 2000. Unemployment in our Region followed roughly the same pattern with unemployment at 6.5 percent in 2001 compared to 5.2 percent in 2000. Layoffs in the Manufacturing (down 2,790 jobs) and Construction (down 570 jobs) sectors were the highest, but they were somewhat ameliorated by an increase in the Service sector of 1,210 jobs. However, counties in our District no longer have the highest unemployment rates, as some counties east of the Cascades are experiencing unemployment rates higher than 9 percent.

FIGURE 1
UNEMPLOYMENT BY COUNTY COMPARED WITH OREGON AND THE U.S.

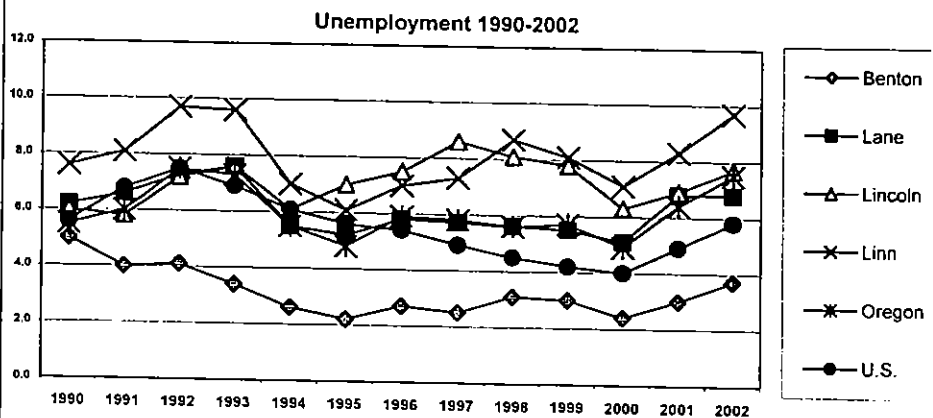
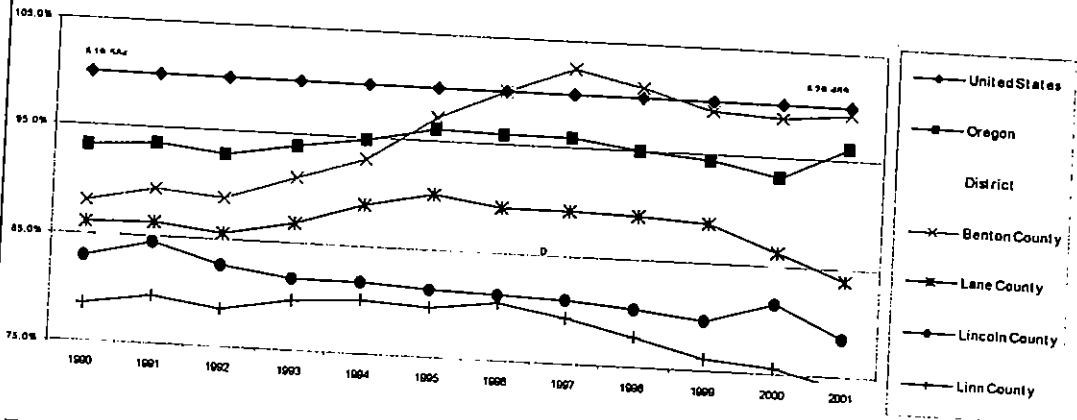


Figure 2 shows per capita income as a percentage of per capita income for the U.S., Oregon, the Cascade West Economic Development District, and for each of the individual counties. The chart uses U.S. per capita income as 100 percent for each year between 1990 and 2000 (latest Oregon Employment Department figures). The amount above the 100 percent line shows the actual estimated dollar amount of the U.S. per capita income for that period.

Per capita personal income for the state of Oregon in 2000 stood at 93.9 percent of the U.S. national average. This is down from 96.2% achieved in 1996. Within the Cascades West District, per capita income was 86.1 percent of the national per capita income; this is the lowest point since 1993. The fluctuation within individual counties has been much greater.

FIGURE 2
PER CAPITA INCOME BY YEAR AS A
PERCENTAGE OF U.S. PER CAPITA INCOME

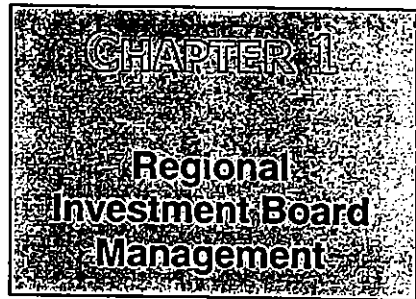


Benton County was at or above the national rate from 1996 through 1998 and was at 99.5 percent (\$29,318) in 2000. Lane County reached a high point of 90.1 percent of the national rate in 1995. It is down to 86.8 percent (\$25,584) in 2000, the lowest point since 1992. In 2000, Lincoln County reached its highest point - 82.0 percent (\$24,151) - since 1992, when the county stood at 82.6 percent of the U.S. per capita income. The county had experienced a steady decline since 1991 to 79.6 percent (\$22,728) in 1999. Linn County's rate remained the lowest in the region at 76.0 percent (\$22,395). This rate was the same as 1999, the lowest the county has seen since 1987.

Section 4

Management Plan

This section fulfills the requirements of ORS 285B.239(8).



Benton, Lane, Lincoln, and Linn Counties have entered into an Intergovernmental Agreement establishing the BL3 Regional Investment Board to oversee the State's Regional Investment and Rural Investment Programs in the four counties. The responsibilities of the Board, its membership, and operational guidelines are specified in the IGA (Appendix C) and the RIB Bylaws (Appendix D).

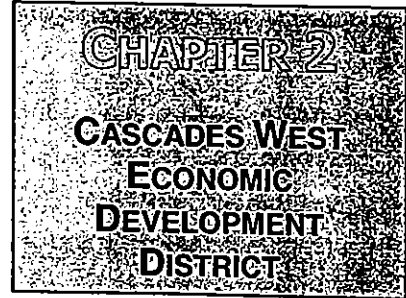
Board members represent the broad community and economic development interests of the region including cities, counties, ports, special districts and Native American tribes and significant representation from the private economic sector and rural interests. See Appendix E for a list of Board members.

COMMITTEES OF THE BOARD

The Board established three on-going committees: an Executive Committee, a Projects Committee to review project applications, and a Planning Committee to recommend updates to the Regional Investment Strategy. The Regional Investment Board appoints committee members and all committees have members from each county. Each committee meets as often as necessary and reviews, refines, and recommends appropriate action to the Regional Investment Board. Other ad hoc committees may be appointed as necessary to assist with specific tasks such as budget development. All Board and committee meetings are open to the public, although closed Executive Sessions may be required on occasion.

The Regional Investment Board's Executive Committee has the responsibility to guide the policy and process for the Strategy, and provide oversight of the counties' contract with the Cascades West Economic Development District for the Regional Investment Program.

The Projects Committee reviews and recommends projects to be funded with Regional Investment and Rural Investment funding. The Projects Committee will review proposals and recommend projects to the Regional Investment Board. The Projects Committee will review all projects to see if the projects provide any possibility for coordination of efforts with other regions.



OUR MISSION

The mission of the Cascades West Economic Development District program is to create new jobs in the Cascades West region and to enhance the livability of our communities. The District has six functions:

- Advocate the economic development interests of the region.
- Promote coordination, cooperation, and communication among economic development groups and organizations.
- Provide access to financial incentives for business and industry in the region.
- Import outside capital into the region for economic development and public works projects.
- Conduct research and development to identify new economic opportunities in the region.
- Provide supporting services to others focused on business and industrial expansion.

The Cascades West Economic Development District program recognizes that economic development is a vital component of broader community development. Our program emphasizes building the economy through assisting existing and new small businesses and through efforts aimed at maintaining and enhancing community livability.

ORGANIZATION

The activities of the Cascades West Economic Development District (CWEDD) are carried out through the staff and committees of Cascades West Council of Governments (CWCOG) and Lane Council of Governments (LCOG).

A twenty-member Board (see Appendix G) oversees the activities of the District and includes representatives from throughout the four counties and from the public, private, and not-for-profit sectors. The District has two committees that work with the staff of Lane and Cascades West Councils of Governments to identify development issues and opportunities and implement the District's work program. See Appendix G for a list of committee members and staff.

**DISTRICT
ACTIVITIES AND
ACCOMPLISHMENTS
THROUGH SEPTEMBER 201**

This section is being updated.

CHAPTER 3
**Plan for Minorities
and Economically
Disadvantaged**

**OUTREACH
EFFORTS**

The District and the Regional Investment Board recognize the importance of devising and implementing a Strategy that addresses the needs of minority and disadvantaged persons.*

The Confederated Tribes of Siletz Indians and the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw were invited by the County Commissioners of Benton, Lane, Lincoln, and Linn Counties to appoint a member to serve on the Regional Investment Board. A member of the Siletz Tribal Council was appointed as a member in 2001.

At the Regional Forum in May 2000 each of the panelists was asked to provide information on any issues specific to minorities and disadvantaged workers and issues specific to rural communities. The Executive Director of the Centro LatinoAmerica (a Hispanic organization in Eugene) participated in the Education/Workforce and Housing sessions of the Forum. Other organizations representing minority groups were invited to take part as participants in the Forum.

The goals, developed as part of the Strategy, are all applicable to the needs of minority, disabled, and economically disadvantaged groups as members of our communities. The work of the Workforce Investment Boards of Region 4 (Benton-Lincoln-Linn Counties) and Lane County, in the areas of dislocated and disadvantaged workers, has been integrated into the Regional Plan.

The project solicitation process will include outreach to minority and disadvantaged/dislocated worker organizations and groups. All applicants will be asked to include information regarding how minorities and economically disadvantaged will be served by the project. Especially in the area of workforce training, efforts will be made to market project opportunities to minorities, disabled, and the economically disadvantaged.

* This chapter fulfills ORS 285B.239(6).

Section 5

Evaluation Plan

This section fulfills the requirements of ORS 285B.236(2) and .239 (6), (7).

CHAPTER 1
**BENCHMARKS,
OUTCOMES, AND
OUTPUTS**

**EVALUATION
PROGRAM**

The Benton-Lane-Lincoln-Linn Regional Investment Board will use three data sets to evaluate its Regional Investment Strategy. First, the Board has selected **regional benchmarks** to track the changes in the quality of life of our region and the state of our regional economy. Second, the Board has identified **program outcomes**, also termed "Interim Indicators," in an attempt to measure more accurately the actual affects of the Regional and Rural Investment Fund programs. These are outcomes that the Board hopes to positively impact through its investment of Regional and Rural Investment Funds. However, these outcomes are not completely within the control of the Board; other factors and the actions of others will affect changes in these outcomes.

Finally, the Board has identified a number of specific **project outputs** that individual projects will use to report their performance. These output measures are directly tied to the investments that the Board will make in projects and activities. In turn, these outputs affect the intermediate outcomes that the Board desires to impact. Additional performance measures specific to individual projects may also be established in collaboration with project sponsors.

The figure on page 4-4 illustrates the relationships between the region's benchmarks, program outcomes, and project outputs.

The Board will report to the Oregon Economic and Community Development Department, the Governor and Legislature as required. The Region's intermediate outcomes and output measures were selected to tie in closely with the Department's performance measures.

In an effort to continually improve its efficiency and effectiveness in administering the Strategy, the Board plans to biannually evaluate the success of the Strategy. This assessment will incorporate reporting on the program outcomes, project outputs, and individual project performance measures. Targets for the intermediate outcomes and output measures will be developed as specific projects are selected and evaluation of the Strategy will compare actual outputs and outcomes with these targets.

REGIONAL BENCHMARKS

The Regional Investment Board and the Cascades West Economic Development District (CWEDD) have identified the following regional benchmarks.

- Improved quality of air and watersheds
- Increased public involvement in natural resource issues
- Increase in value-added manufacturing
- Increase in diversity of business categories
- Increase in acres of serviced industrial land
- Increase in communities with key facilities
- Increase in family-wage jobs

Monitoring these benchmarks will give indications of whether the Region is moving toward the vision that guides the Strategy. The Board will track information related to these benchmarks, report this information to the State, and incorporate the information in biennial updates of this Strategy.

The 2003-2005 Regional Investment Strategy will target investments that are related to the latter six (6) benchmarks. Future updates of the Strategy may target investments to a different mix of these benchmarks.

The Benton, Lane, Lincoln, and Linn Regional Investment Board will monitor and evaluate the performance of the Regional Investment Strategy using several intermediate outcomes and output measures. Projects funded through the Regional and Rural Investment Fund programs will report project outcomes in terms of the Region's intermediate outcomes and output measures. Additional performance measures may be developed for each project as part of the application and contracting process.

PROGRAM OUTCOMES

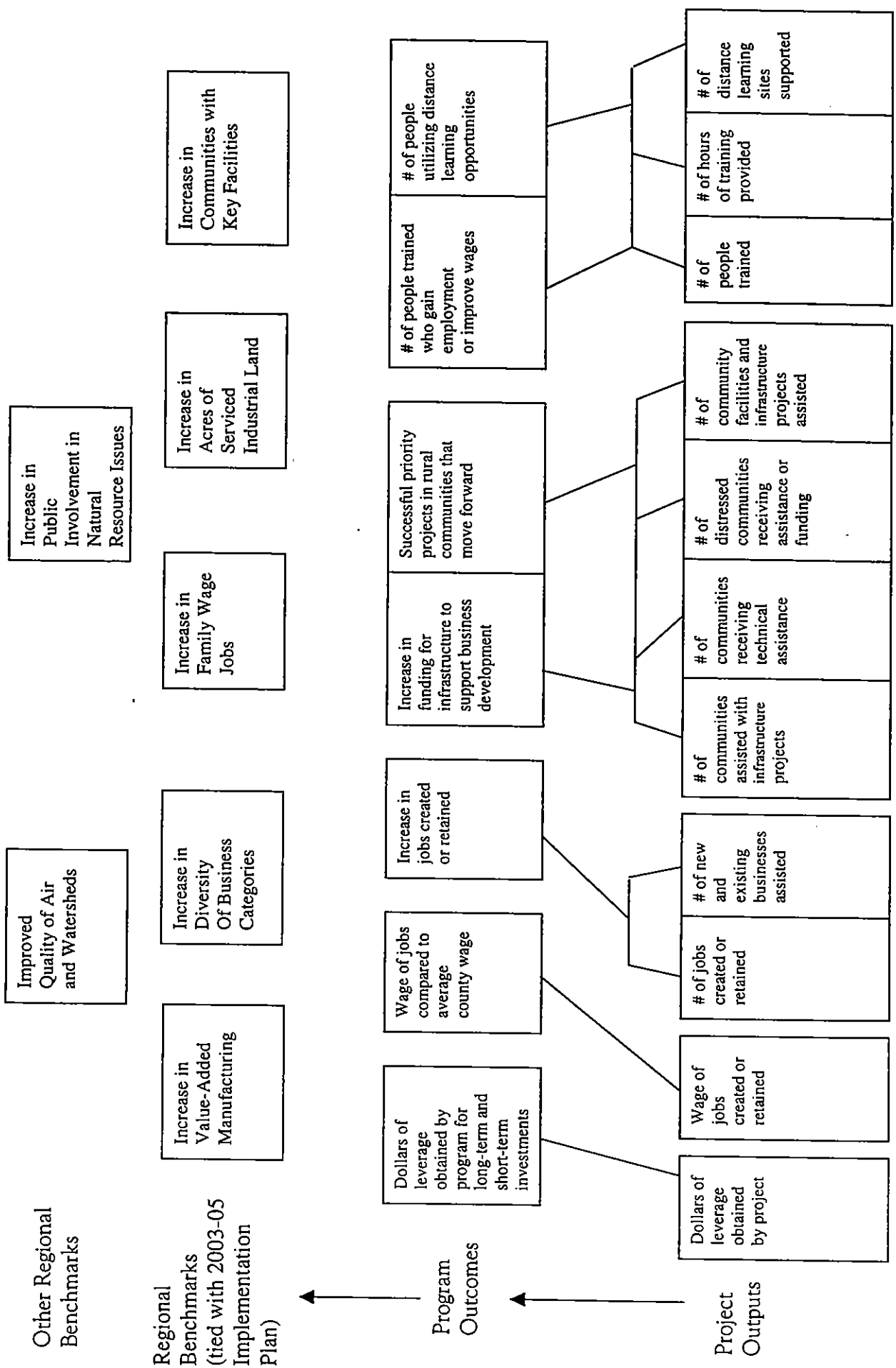
The Board has identified seven (7) program outcomes that will be used to evaluate the success of the Region's Strategy:

- Increase in jobs created or retained (will also be tracked specifically for rural areas)
- Wage of jobs created or retained compared to county average wage
- Leverage of other funding sources for both long-term and short-term investments
- Increase in funding for infrastructure to support business development
- The number of successful priority projects in rural communities
- The number of people trained who gain employment or improve wages
- The number of people utilizing distance-learning opportunities

**PROJECT
OUTPUTS**

The Board has identified eleven (11) project outputs that will be used in conjunction with the intermediate outcomes to evaluate the success of the Region's Strategy:

- Number of jobs created or retained
- Wage levels of jobs created or retained
- Dollars leveraged by each project
- Number of new or existing businesses assisted
- Number of communities assisted with infrastructure projects
- Number of communities receiving technical assistance
- Number of distressed communities receiving assistance or funding
- Number of community facilities and infrastructure projects assisted
- Number of people trained
- Number of hours of training provided
- Number of distance learning sites supported



Section 6

Economic Development District Work Program

This Section is under development.