



**YAMHILL COUNTY
ECONOMIC DEVELOPMENT PLAN**

**Prepared for:
Yamhill County Board of Commissioners**

**Prepared by:
Project Masters**

2013

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FOREWORD

This plan was developed through a county-wide collaboration of City Managers, College Deans and Presidents, Agency Executives, General Managers, and Small Business Owners—a collaboration known as the GROW Workgroup. This group was brought together to envision and chart a sustainable economic future for this generation and beyond. This plan was developed by the people of Yamhill County for the people of Yamhill County. It is Authentic, Thoughtful, Collaborative and Powerful.

Our work has opened doors for partnerships to form, defined opportunities, and changed perspectives. We explored challenges, and shed light on the similar issues we all face in our communities, and discovered new and effective ways to work to achieve a stronger economic future in our County. This plan truly represents the whole. It is a dynamic document that harnesses the opportunity and possibility in the County and is responsive to the current needs. It is meant to be a living document that will grow and continue to be enriched by innovative partners and stakeholders to create thriving, vibrant communities where people and business prosper in sustainable ways. Implementation of this plan can achieve real results.

Together we have volunteered more than 600 hours to develop this plan. The commitment of our time, experience and community resources resulted in a community investment in this plan valued at almost \$50,000. Support and implementation of this plan at the County level is critical to our economic development future, and assures that our time has been well-spent. We are dedicated to continuing to contribute to this plan as it is implemented and we are motivated to continue to educate our communities about its value and importance.

GROW Workgroup Members

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EXECUTIVE SUMMARY

Introduction

Yamhill County has worked to establish a county-wide economic development strategy for many years. In 1980, the County went through a strategic planning process. In 1996, the County updated goals and policies to support its Comprehensive Land Use Plan, including the development of many goals and policy updates focused on economic development. Yamhill County has many organic economic development efforts occurring at the city/local level, but has not had a strategic county-wide approach in quite some time.

This strategy serves as the five-year strategic plan for economic development efforts in Yamhill County. It was developed through efforts of the GROW Yamhill County Project in 2012-13, overseen by the Yamhill County Board of Commissioners. The GROW Yamhill County project was managed by the McMinnville Economic Development Partnership, in consultation with Project Masters, and informed by the Yamhill County GROW Workgroup that consisted of more than 60 community leaders representing every major sector in the County's economy. The GROW Yamhill County project consisted of six deliverables. They included: formation of a county-wide workgroup to inform a strategic plan, development an economic development plan, development of a phase one website, review and recommendations for process changes to the Yamhill County Revolving Loan Fund, submission of site selector recruitment proposals, and presentation of two pilot projects to the Board of Commissioners for consideration.

One deliverable of the GROW project was to provide a Yamhill County Economic Development Plan (YCEDP) to the Board of Commissioners which included:

- The Mission;
- The Vision;
- Values to serve as guiding principles;
- Action Plan;
- A recommended organizational structure for implementation of the plan at the end of the project; and
- A recommended process for equitable access to economic development dollars from the County (such as Video Lottery Funds).

The purpose of the plan is to direct and prioritize the actions and resource allocations necessary to realize business growth, job retention and creation, and enhanced well-being for all individuals and communities.

Research

All of the components of this plan are research based. Appendix A lists all literature reviewed to inform the current state of economic development in the county. This research and an analysis of the County's strengths, weaknesses, opportunities and threats, resulted in the following key findings and conclusions:

- 1) Manufacturing is critical to the economy;
- 2) Infrastructure issues limit economic development throughout the county;
- 3) There are zoning challenges in most communities;
- 4) Workforce skills do not meet the needs for business growth;
- 5) Wages are lower than surrounding areas; and
- 6) There is a potential saturation of communities focused on wine-centered tourism.

(See Page 9)

Mission, Vision and Values

The above-referenced observations and conclusions informed the major elements of the YCEDP, including its mission, vision, values and strategies.

The mission: The YCEDP will direct and prioritize the actions and resource allocations necessary to realize business growth, job retention and creation, and enhanced well-being for all individuals and communities.

The vision: The YCEDP will contribute to the development of thriving, vibrant communities where people live, learn, work, shop and play; and will foster sustainability of a dynamic environment in which business and industry prosper.

The Values: Collaboration and Inclusiveness, Entrepreneurship and Innovation, Ethics and Integrity, Accountability and Stewardship, and Commitment to our Communities. The values of the YCEDP define how the people involved in implementing the strategy are expected to behave and reflect the culture. These values should be exhibited by everyone involved in

economic development in Yamhill County, especially those directly involved with the work of the YCEDP. (See Page 21)

Strategies

The GROW workgroup identified four key strategies for the YCEDP: 1) Create Communities Ready to Receive Business; 2) Retain, Expand and Recruit Business; 3) Identify and Commit Resources that Will Invest in Yamhill County Economic Development; and 4) Develop and Support Vibrant Communities. These strategies are the broadly defined statements that guide the elements of the action plan including the outcomes, goals, and objectives. Each strategy has associated outcomes that clearly define when a strategy is successful. The goals and objectives for each strategy are outlined in the action plan and define what needs to be done to accomplish the strategy and how the work will be accomplished. Work plans will be developed to provide more tactical detail for those performing the work.

(See Page 24)

Organizational Structure

In order for work plans to be developed, executed and managed, an organizational structure must be identified to move the plan forward past its planning phase and into implementation. The GROW Workgroup developed a phased approach for this organizational structure to ensure that it starts small, has involvement from all communities in the county, focuses on the action plan, and builds organizational capacity over time. In order to move the action plan of the YCEDP forward and set the foundation for the organizational structure to do that work, funding assistance from the County—like that provided for the development of the YCEDP through the GROW Yamhill County Project—will be needed for a few additional years. (See Page 28)

Economic Development Funds

It is anticipated that funding to implement the YCEDP will come from Yamhill County's economic development fund which is supported by video lottery dollars received from the State. However, sustaining implementation of the GROW efforts and the YCEDP will not require use of all economic development funds, nor will it be dependent on these funds over time. Another deliverable of the GROW project was to develop a recommended process for equitable access to the County economic development funds for discrete economic development projects. A recommended process for this grant program, as well as for the development of a strategic

reserve fund to support business development efforts are also outlined in the YCEDP. (See Page 36)

Work Group Acknowledgements

It is important to acknowledge that this project was a community effort. Each member of the GROW Workgroup, as well as the YCEDP's other contributors deserve full recognition of their commitment of time, effort, perspective and expertise that has resulted in a vision and a plan that is completely representative of this unique county and its communities. It was clear that these members care very deeply about their communities, and are committed to maintaining and continuing to add value to the quality of life within those communities.

RESEARCH SUMMARY

Purpose and Methods

The purpose of conducting research for the Yamhill County economic development strategic planning effort was to gather information that could be used to establish a current-state description of the economic landscape of the County. This helps to identify why an economic development strategic plan is needed in Yamhill County, who should be involved in the planning, and what gaps need to be closed to achieve the desired results.

Preliminary research and assessment for the Yamhill County economic development strategic plan have included six meetings with a cross section of local stakeholders and members of various community committees and taskforces. It also included review of more than 20 economic development planning documents and reports completed over the past few years, including comprehensive plans and Goal 9 Economy statements for each community in the County (these specific reports were not readily available for the cities of Amity and Dundee) and the Regional Economic Development Strategy from the Mid-Willamette Valley Community Development Partnership Board. Additional internet-based information and literature was also reviewed. A comprehensive list of all literature is provided in Appendix A.

From these resources, a county-wide SWOT analysis was conducted to define the strengths, weaknesses, opportunities and threats that exist in the County related to economic development efforts.

Demographics and Economic Trends

Demographic information includes population, age, race/ethnicity, and education. Economic trends include topics such as employment, payroll, employment sectors, and commuting. Primary sources of information were the US Census (2010), Oregon Employment Department (OED), Portland State University Population Research Center (2011), and data from reports referenced in Appendix A.

Population

As of 2012, Yamhill County has a total population of 100,550. According to the Population Research Center, Yamhill County represents 2.6% of the state's population and the projected population growth rate for the county is 1.8 percent annually through 2040. Since at least 2000, over half of Yamhill County's population has resided in one of its two largest cities, McMinnville and Newberg. Of Yamhill County's ten cities, Lafayette, Carlton, Yamhill, and McMinnville experienced the highest average annual growth rates from 2000—2011 (at least 2.0 percent).

Age

From 2000 to 2011 the median age in Yamhill County increased from 34.1 to 38.6., similar to the statewide median age of 38.7. According to the Regional Economic Development Strategy for the Mid-Willamette Valley, this demographic trend can result in a slower growing labor force, the need to replace retired workers, and increased demand for healthcare services.

Ethnicity/Race

According to US Census data, this area of the state—the Mid-Willamette Valley—has more diversity in terms of race and ethnicity when compared to the entire state. According to the Population Research Center, ethnic minorities (not white or non-Hispanic) accounted for 21 percent of the County's population in 2010. In Yamhill County, 14.7 percent of the population is Hispanic, representing the largest share of the ethnic minority populations. Table 1 below shows the race distribution of communities in Yamhill County.

Table 1: Percentage of the Population by Race and Ethnicity in Yamhill County

	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic
Yamhill County	85.4%	0.9%	1.5%	1.5%	0.2%	7.2%	3.3%	14.7%
Amity	83.9%	0.7%	2.5%	0.4%	0.2%	8.6%	3.7%	15.5%
Carlton	90.6%	0.2%	0.9%	0.8%	0.4%	2.5%	4.5%	5.8%
Dayton	79.2%	0.5%	1.0%	0.9%	0.0%	14.7%	3.7%	29.9%
Dundee	91.2%	0.4%	1.2%	1.4%	0.2%	3.1%	2.6%	10.4%
Grande Ronde CDP	57.6%	0.1%	28.4%	0.4%	0.0%	1.5%	12.2%	6.7%
Lafayette	84.6%	0.3%	0.9%	0.7%	0.0%	9.8%	3.6%	22.0%
McMinnville	82.2%	0.7%	1.2%	1.5%	0.2%	10.7%	3.5%	20.6%
Newberg	85.9%	0.8%	0.8%	2.2%	0.2%	7.0%	3.1%	13.5%
Sheridan	74.9%	5.5%	4.8%	2.1%	0.7%	7.6%	4.4%	16.6%
Willamina	82.1%	0.3%	8.8%	0.1%	0.4%	2.3%	5.9%	6.0%
Yamhill	91.2%	0.1%	1.3%	1.1%	0.0%	2.6%	3.7%	5.5%

Source: U.S. Census Bureau, 2010 Census.

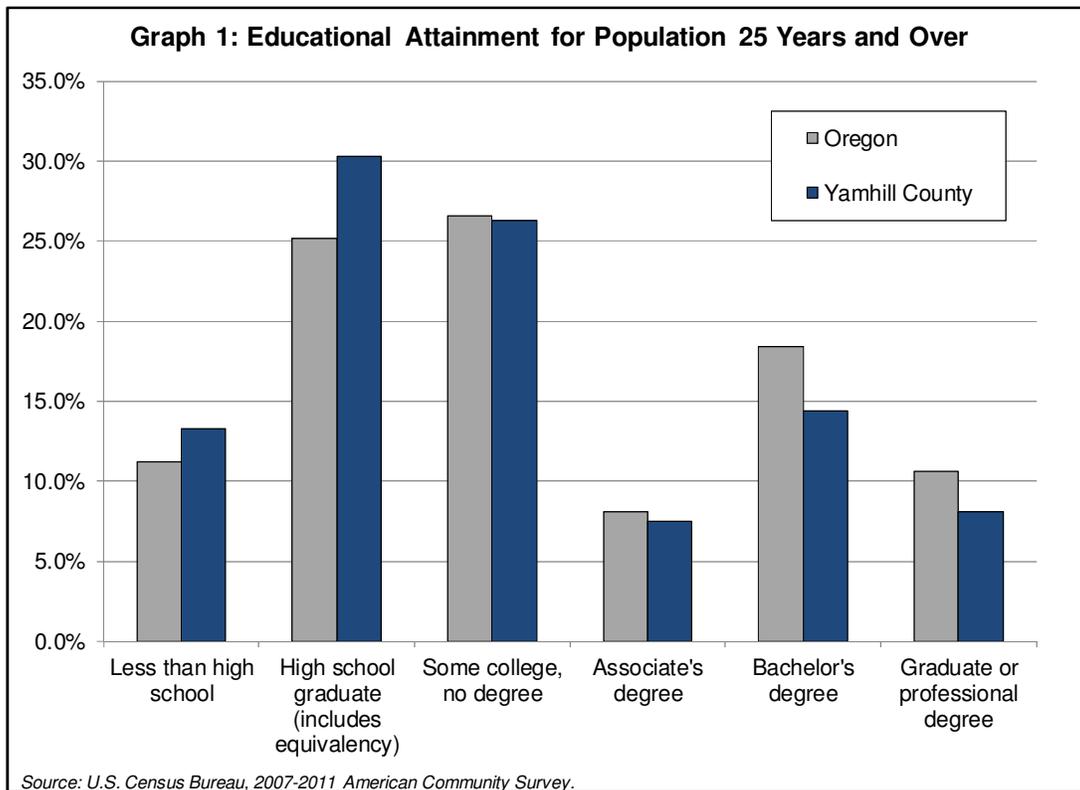
The percentage of those from Hispanic origin in the County has steadily increased over the past 10 years to represent an estimated 15 percent of the total population in Yamhill County. In 2010, McMinnville and Newberg had the largest Hispanic populations. However, two other cities had a higher percentage of Hispanics in their populations: Dayton (30 percent) and Lafayette (22 percent).

Poverty

The poverty rate in Yamhill County has increased over the past ten years, rising from 9.2 percent in 2000 to 12.9 percent in 2010.

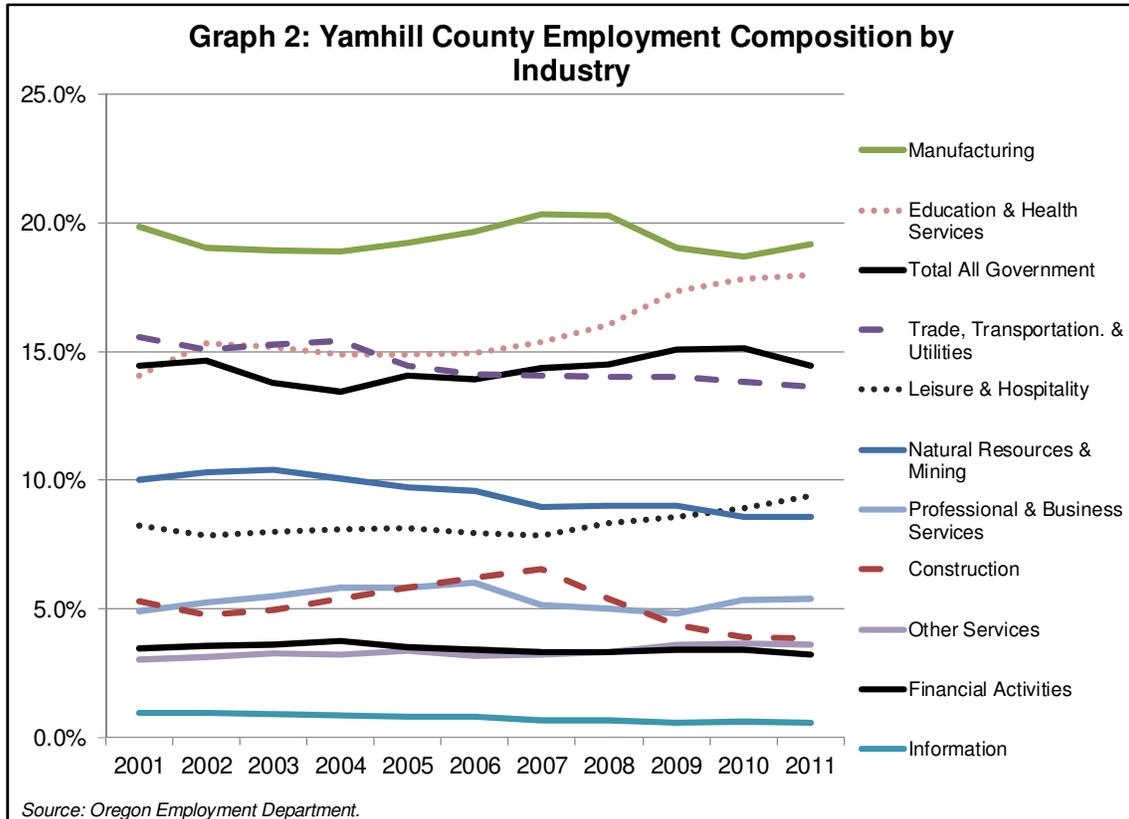
Education

Based on estimates from the 2007-2011 American Community Survey the percentage of the population of Yamhill County residents that completed high school was higher than the average for the State of Oregon. Fewer Yamhill County residents attend college, complete college, or receive professional and graduate degrees when compared with the state as a whole.



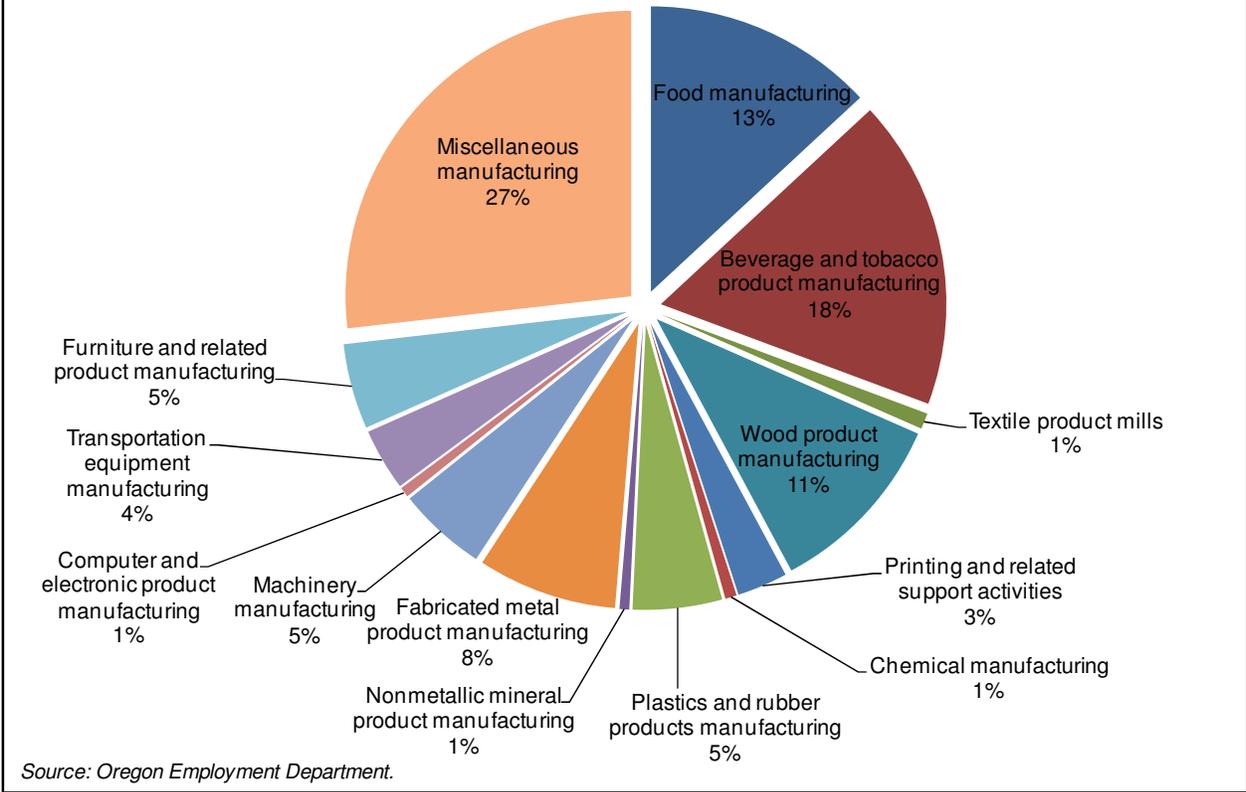
Employment Sectors

Though the percentage of workers employed in the manufacturing sector has declined over the past few decades, manufacturing still represents the single largest sector in the county (Graph 2). According to OED data, manufacturing lost the largest number of jobs in the private sector during the recent recession. From 2007 to 2011, manufacturing employment declined by 1,090 jobs, or 16.3 percent, but is on the rise.



Manufacturing employment in Yamhill County is relatively diverse when compared to other top manufacturing counties in Oregon. Manufacturing employment includes, but is not limited to: primary and fabricated metals, wood products, plastics and rubber, food processing and production, wineries/beverages, textiles, and electrical equipment and components (Graph 3).

Graph 3: Yamhill County Manufacturing Employment by Type, 2011



Other key sectors in the county include education and health services; government; trade, transportation, and utilities; and leisure and hospitality. Agriculture is also a key sector in the county with gross farm sales of \$259,013,000 in 2011.

Table 2: Top 5 Commodities in Yamhill County (2011)

Rank	Commodity	Sales
1	Nursery Crops	\$82,158,000
2	Wine Grapes	\$30,160,000
3	Dairy Products	\$22,540,000
4	Tall Fescue	\$15,679,440
5	Wheat	\$10,996,875

Source: [Oregon State University's Oregon Agriculture Information Network \(OAIN\)](#).

Employment Growth

Overall, Yamhill County has shown greater economic growth over the past decade than the state and neighboring Mid-Valley counties. According to data from the Oregon Employment Department, the 2011 unemployment rate in Yamhill County was around 9.2 percent, which was slightly lower than the Oregon average of 9.5 percent. However, the county experienced the highest unemployment rate of Mid-Valley counties, 12.1 percent, at the peak of the recession in June 2009. This is due in large part to the high concentration of manufacturers in the county.

While there are no County-specific employment projections available at the time of this report, employment growth in Marion, Polk, and Yamhill counties as a region is expected to be slightly slower than the statewide growth, 16 percent versus 18 percent, respectively. The private sector is expected to grow significantly faster than the public sector. Education and health services and professional and business services are projected to be the faster-growing industries in the region. Leisure and hospitality and construction are two other major industries expected to grow faster than the regional average. Manufacturing employment is projected to grow 15 percent over the 10-year period. However, even if manufacturing does achieve 15 percent growth over the decade, it will still be 500 jobs below the sector's employment level in 2008.

Wages

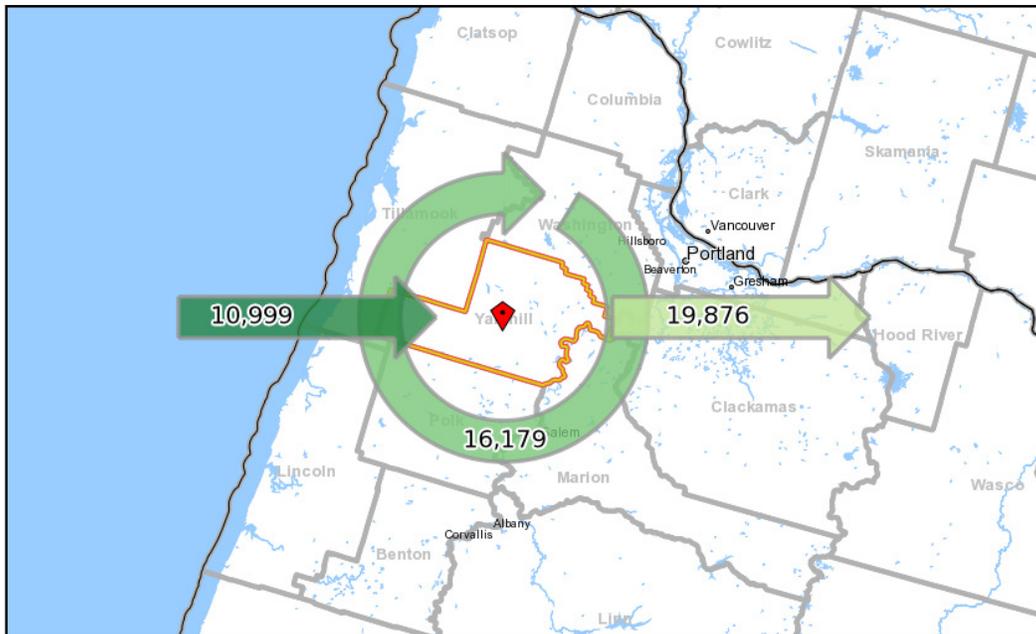
The average wage in Yamhill County is only 82% of the comparable statewide average. In 2011 the all-industry average annual wage in Yamhill County was \$35,187 per person whereas the statewide average pay was \$43,077. Wages in the county have been lower than surrounding areas (including Clackamas, Marion, Multnomah, and Washington Counties) for three decades. According to the U.S. Bureau of Economic Analysis (BEA), the 2010 Per Capita Money Income in Yamhill County was \$32,768, which represented approximately 82.7 percent of the U.S. average.

Commuting

There is a low jobs-to-population ratio based on the high commuting rate in the County. According to US Census data and data from comprehensive plan research from individual communities, Of those workers living in the County, approximately 55 percent commute to another county for work. Some individual communities experience an even higher commuter rate of 63 – 70 percent. There are an estimated 0.3 jobs for every resident in the county. About 8 percent of all workers residing in Yamhill County commute to Portland, and 5 percent to

Salem. Cities with the smallest percentage of workers commuting are Dayton and McMinnville, and the largest percentage of workers commuting to jobs are in Newberg, Lafayette, and Dundee. The number of people commuting into and out of the County for work, as well as the number who live and work in the County are depicted in Figure 1 below.

Figure 1: Commuting in Yamhill County



Source: U.S. Census Bureau. 2012. OnTheMap Application. Longitudinal-Employer Household Dynamics Program. <http://onthemap.ces.census.gov/>.

Land

An important component of economic development is land. Employment lands are defined as industrial, commercial and other properties on which employment is located. All communities must address short and long-term land needs based on projected employment growth as well as projected population.

Availability

Pursuant to Oregon's land use laws, all communities must conduct an analysis of needs for commercial and industrial land as part of their comprehensive planning processes. Review of those plans for Yamhill County communities indicates that most cities have a projected shortage of some type. Where communities have sufficient land to support projected population growth,

there are issues with the land being unsuitable for development or inappropriately zoned to accommodate business expansion or recruitment.

Market Conditions

Yamhill County trends toward having lower average land prices when compared to neighboring counties in the metropolitan areas. Additionally, there are infrastructure issues that prevent available land from being marketable in many communities. Some communities need to expand their urban growth boundaries in order to accommodate business expansion, but have been unsuccessful.

SWOT

Strengths reflect existing assets of the county that can be capitalized upon further.

Weaknesses are liabilities that must be addressed to achieve economic development goals. These two together illustrate the current state.

Opportunities are what can happen if local strengths become further supported by additional resources and identified as local priorities.

Threats are conditions, primarily external, that can jeopardize opportunities in the future.

The Yamhill County economic development plan will be used to accomplish goals that will allow opportunities to come to fruition. They are dependent upon the actions of community stakeholders.

As stated above, a county-wide SWOT analysis was developed based on the research conducted. Each community was examined separately in the SWOT analysis and then trends and commonalities were drawn from those to develop the following county-wide assessment.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Stability of population & economic growth • Proximity to Portland, Salem & the Oregon coast • Increased recognition of regional destinations –Yamhill wineries, Evergreen Museum, The Allison Resort and Spa, and Spirit Mountain • Small-town residential charm, walkable downtowns and historic main streets, attractive to retail/tourism • Local business entrepreneurship • Opportunities for collaborative approaches to economic development • A relatively young & diverse population with increased Latino presence • Established Community Development and Downtown Associations • Highway 18 Access • Newberg-Dundee bypass project • Many commercially successful artist residents • Available property at low cost • Strong manufacturing sector with great diversity—high percent of jobs are in manufacturing • Significant agriculture and natural resources employment opportunities • Established business clusters: manufacturing, higher education and social services, retail trade, wine/tourism, and healthcare • Access to training and education: Linfield, George Fox, Portland Community College, Chemeketa Community College • Collaborative high school administrators across county • Full service airport in the County • Waterfront features in some communities 	<ul style="list-style-type: none"> • Lack of access/linkages to I-5 & interstate corridors plus distant international air service • Lack of commercial railroad and spur access • Lack of major employers and industrial activity • Lack of job seekers with high-tech skills, post high school education, or high school completion • Limited retail that suffers where there is low consumer traffic • Lack of vital services such as gas, grocery, medical facilities, recycling/solid waste disposal, bank, or pharmacy in some towns—resulting in heavy reliance on larger cities for commercial and service needs • Limited employment opportunities • High commuter rate • Insufficient water distribution systems to accommodate provide adequate fire flows for business expansion or development in some communities • Infrastructure challenges in most communities making it difficult to support or attract business growth. • Heavy truck traffic in small downtowns • Insufficient commercial or industrial land • Available land not meeting requirements for companies to locate/not suitable for development • Lack of integration of diverse populations • Urban Growth Boundary limitations

Opportunities

- Potential manufacturing resurgence
- Center for wine tourism industry with continued opportunity for growth of urban dining and winery centers
- Potential to grow regional tourism linkages— Evergreen Museum, Spirit Mountain Casino, The Allison Resort & Spa, area wineries & downtown appeal
- Small towns with authentic marketplaces, town squares, and downtown areas
- Potential to attract long-term healthcare facilities to develop/locate due to available land in forecasted need for more facilities.
- Upgrades to commercial areas and downtowns to develop for wine/tourism and retail—downtown improvement projects
- Potential to capitalize on commuter/tourism traffic and capture visitor business
- Continue to diversify opportunities in primary jobs and attract other companies
- Capitalize on artists in residence and build programs and spaces to accommodate learning, showing and selling art.
- Proposed wastewater treatment and other infrastructure updates
- Great community support for local business
- Lower land costs than surrounding areas
- Increased demand for convenience shopping as population grows
- Positioned for growth in small scale mfg. (wineries, etc.) and visitor commercial services (retail, restaurant, lodging)
- Land available for potential rezoning
- Newberg-Dundee bypass will assist accessibility by 2016
- Focus on light industrial parks
- Capitalize on alternative energies market
- Agri-business growth
- Could accommodate expansion of higher education
- Largest concentration of high performing manufacturers in the Mid-Valley.

Threats

- Trends toward domestic outsourcing
- Higher than average manufacturing base with projected decline in manufacturing
- Winery market saturation coupled with lack of in-town destination attractions
- Challenge to maximize combined Anglo and Latino business opportunity
- Potential challenges recruiting healthcare facilities due to lack of essential services such as grocery, gas, pharmacy, or medical in towns.
- Forestry/lumber jobs and wages are declining along with reduced timber supply
- Lack of ready-to-build industrial and commercial sites to diversify employer base
- Close proximity to larger metro areas and big box stores/regional malls affect retail opportunities.
- Lack of major highway or interstate access
- Lack of resources to address multitude of infrastructure issues
- Lack of resources for development
- Projected deficit of available industrial and residential land to accommodate anticipated population growth in some communities
- Reactive, not proactive, business retention strategy

Key Findings

- Manufacturing is critical to the economy. The County has a great strength in the diversity of its manufacturing companies. There are external threats related to the sustainability of a strong manufacturing cluster, but there are also local supports that can be promoted to ensure that the companies located in the County are diverse and focused on high-demand or niche markets.
- Infrastructure issues play a major role in limiting economic development in Yamhill County. Infrastructure includes roads, bridges, railways, access to interstates, highways, and air service, inadequate water systems, available public services, etc. The Mid-Willamette Regional Economic Development Strategy identifies technical and community assistance projects for Yamhill County—most of which are infrastructure related. These issues can be prioritized and resources sought to address them in order to create more accessibility to business growth.
- Almost all communities in the County have identified a current or projected lack of available industrial-zoned land. Communities need to identify their needs and work to rezone or enhance available land to make it attractive to business relocation, expansion, or recruitment.
- There are a limited number of skilled workers in Yamhill County. There are also limited vocational training opportunities to further develop skilled workers. This can be a challenge in attracting high-wage companies, and a challenge for existing companies to maintain an adequate workforce. Stakeholders can work together to identify skill gaps, and develop or enhance skills training opportunities to address those gaps. There must be a collaborative effort among business, workforce development, economic development and education entities to ensure a viable workforce exists in the County.
- Wages in Yamhill County are less than surrounding areas, and have been for three decades. This makes it more difficult to attract higher-skilled workers and, therefore, high-wage and high-growth companies.

- Wine and tourism are strong and many communities have mentioned the potential to capitalize on that to grow their economic bases. However, there is a potential saturation point for communities centered on wine-related tourism. Determining what the county can realistically accommodate needs to be considered.
- There are historical towns with a small-town quality of life in most communities. The County is rural with the exception of McMinnville, which is still smaller than neighboring metropolitan areas. Proximity to metro areas is a convenience, but can also limit growth opportunities. The small-town qualities could be capitalized upon to attract new growth.
- Considerations must be made to ensure all populations in the county are integrated into long-term planning.

Research Conclusions

The last time Yamhill County developed its own strategic plan was 1980—before growth of the local wine industry, before the Internet. Although great things are happening organically in Yamhill County they are happening community by community and association by association. The collective power of these efforts needs to be leveraged to strengthen the local economy county-wide. Having a strategic plan in place can eliminate duplication of efforts, increase the return on investments and ensure coordination of the county’s valuable resources and assets.

This research has guided the development of the Yamhill County Economic Development Plan. To ensure it represents the economic needs of the entire county, the plan was developed through an inclusive and collaborative process. The strategies identified in the plan address the key research findings and are action-oriented and achievable. Implementation of the plan should result in an all-encompassing tool box for communities to tap into when economic development opportunities and needs arise.

The economic development gaps described in the findings above must be closed. These gaps include:

- Infrastructure issues
- Lack of available industrial-zoned land
- Ongoing support of primary jobs and manufacturing
- Unemployment

- Limited skilled workers
- Lower wages than surrounding areas
- Alternatives to reliance on wine-centered tourism

Once these critical gaps are addressed, and other key strategies and goals are implemented, Yamhill County will have the fuel to foster and sustain great economic growth in each of its communities.

MISSION, VISION AND VALUES

To set the stage for the development of the economic development plan, it is critical to identify some other elements, including the mission, vision and value statements.

The mission statement is concise and direct, and specifies the reason for the economic development strategic plan. It is meant to express the scope and function of the County's economic development efforts.

The vision statement describes how the County's economic future is imagined. It tends to be more idealistic and inspirational than a mission statement.

Value statements describe the traits, behaviors or qualities that typify the actions. Values support the vision and mission and define how the people involved in implementing the strategy are expected to behave and reflect the culture. These values should be exhibited by everyone involved in economic development in Yamhill County.

Mission

Implementation of the Yamhill County Economic Development Plan will direct and prioritize the actions and resource allocations necessary to realize business growth, job retention and creation, and enhanced well-being for all individuals and communities.

Vision

The Yamhill County Economic Development Plan will contribute to the development of thriving, vibrant communities where people live, learn, work, shop and play; and will foster sustainability of a dynamic environment in which business and industry prosper.

Values

Collaboration and Inclusiveness: We believe that we cannot resolve economic development challenges by ourselves. We value sharing, inclusiveness, and equity. We are accessible, and will reinforce this through active engagement of those we serve and support. We promote diversity, open communication, ongoing collaboration and the free exchange of ideas.

Entrepreneurship and Innovation: We believe a resilient and pioneering spirit is essential to positive economic change. We value proactivity and creativity—we will try new ideas to achieve better outcomes. We must be visionary, progressive, and flexible in the setting of goals and implementation of our plans. We are committed to entrepreneurship and encourage innovative thinking to achieve and sustain our desired outcomes.

Ethics and Integrity: We will foster a civil and ethical environment by encouraging trust, cooperation and respect. We value hard work, passion, and a strong work ethic. We will be positive in our approach to issue resolution and committed to developing effective economic development solutions with integrity and excellence.

Accountability and Stewardship: We believe that fiscal responsibility and prudent stewardship of funds and resources are essential. We will foster long-term prosperity and sustainability. We value social responsibility and hold ourselves accountable for the efficient use and conservation of our financial resources, environmental assets, and human potential.

Commitment to our Communities: We value the differences and commonalities of our unique communities, urban and rural alike. We are committed to cultivating what is already working to ensure our communities remain authentic, welcoming, engaging, and intimate. We will represent the essence of our communities by being open, humble, fair, friendly, outgoing, warm and generous. We believe successful economic development requires matching the unique qualities of each community with growth opportunities to ensure a good fit. We will foster the growth of social capital, and the interconnectivity that make this county remarkable.

The GROW workgroup identified four key strategies for the YCEDP. For this work, strategies were described as the broadly defined approaches identified from research conclusions and recommendations that are used to accomplish the mission and drive toward the vision.

The four strategies identified are:

Strategy 1:

Create Communities Ready to Receive Business

Strategy 2:

Retain, Expand and Recruit Business

Strategy 3:

Identify and Commit Resources that Will Invest in Yamhill County Economic Development

Strategy 4:

Develop and Support Vibrant Communities

From here, goals were identified for the action plan. Goals were defined as subsets of strategies that should be specific, measureable, achievable, realistic, and time-based. Goals support the strategies, and state *what* you aim to accomplish.

Underneath each goal, the group fleshed out *how* the work of each goal could be accomplished at a high level. These components of the action plan are titled Objectives.

Last, the group identified outcomes for each strategy. The end results identified for each strategy—what specifically will be accomplished. The outcomes will identify strategic success.

All of these elements are reflected in the action plan below.

The action plan will ultimately be translated to work plans which will list actions to be taken at a tactical level as well as who is responsible for the action and by when. Some examples of potential work plan elements are included in Appendix B.

ACTION PLAN

Strategy 1: Create Communities Ready to Receive Business

Outcomes:

1. Yamhill County is a leader in creating education and training opportunities that support local business needs.
2. Yamhill County’s community assets and resources are packaged and marketed in a way that is business friendly.
3. Yamhill County communities are collaboratively solving infrastructure issues.
4. There is a county-wide economic development partnership that acts as a one-stop for existing and potential business.

Goals (The “What”)	Objectives (The “How”)
1.1 Understand the infrastructure issues and other economic development obstacles facing our communities.	1.1.1 Catalogue infrastructure and other obstacles and issues creating economic development challenges. 1.1.2 Identify current infrastructure and other projects that will remove barriers to economic development. 1.1.3 Package the information in 1.1.1 and 1.1.2.
1.2 Inform our communities about solutions and resources to overcome infrastructure and other economic development obstacles.	1.2.1 Identify resources to address economic development obstacles. 1.2.2 Determine the best method(s) to communicate the knowledge gained in Goal 1.1 to key stakeholders. 1.2.3 Communicate the information to key stakeholders. 1.2.4 Support communities in making improvements that will better attract business.
1.3 Advocate for regional solutions to infrastructure issues and other economic development obstacles facing our communities.	1.3.1 Advocate and testify to groups prioritizing resources and issues. 1.3.2 Offer letters of support for infrastructure development and advocacy for removing other economic development obstacles. 1.3.3 Advocate for a regional project around Internet service challenges. 1.3.4 Advocate for improving obstacles to land zoning and permitting.

Strategy 2: Retain, Expand and Recruit Business

Outcomes:

1. Small businesses and entrepreneurs know where to go for assistance and programs are in place to help them.
2. The business community is nurtured, mentored and recognized.
3. Available space is occupied and existing businesses are retained or expanded.
4. Business start-ups in traded sector companies are on the rise.

Goals (The "What")	Objectives (The "How")
2.1 Educate and support growth in target business sectors.	2.1.1 Communicate business sector information to communities. 2.1.2 Provide research, intel, education and mentoring to communities to assist and support growth in sectors.
2.2 Develop and market Work Ready Community initiative	2.2.1 Research best practices for initiative. 2.2.2 Align with Region 3 pilot. 2.2.3 Educate and identify stakeholders for initiative plan development and execution. 2.2.4 Execute plan. 2.2.5 Market to existing and new businesses.
2.3 Grow, maintain and recruit business in target sectors.	2.3.1 Establish relationships with businesses in targeted sectors. 2.3.2 Connect businesses to resources. 2.3.3 Nurture existing businesses. 2.3.4 Partner to attract/pursue business recruitment.
2.4 Market strengths and assets of businesses and the County.	2.4.1 Participate and monitor community groups and networks. 2.4.2 Build portfolio of assets. 2.4.3 Push portfolio of assets through stakeholder groups, website and social media.
2.5 Support entrepreneurship.	2.5.1 Support mentored activities for entrepreneurs. 2.5.2 Assist entrepreneurs in connecting to available resources. 2.5.3 Convene stakeholders to develop incubator models.

Strategy 3: Identify and Commit Resources that Will Invest in Yamhill County Economic Development

Outcomes:

1. There is a detailed, up-to-date inventory of resources readily accessible.
2. One hundred percent of communities invest in economic development.
3. Communities are supported, mentored and know how to access resource information.
4. Strong partner relationships are developed and sustained.

Goals (The "What")	Objectives (The "How")
<p>3.1 Identify and build a Toolbox of available business and community resources.</p>	<p>3.1.1 Coordinate with resource partners (local, regional, state partners; workforce development, economic development, community action groups)</p> <p>3.1.2 Identify potential financial assistance (grants, foundations, loans, community growth programs, government assistance, partner agencies, private funding)</p> <p>3.1.3 Identify potential resources for human development (low-cost/no-cost training, development opportunities, education and skills development, high performance)</p> <p>3.1.4 Develop process for investing Video Lottery Fund.</p>
<p>3.2 Assist and support businesses and communities in seeking resources.</p>	<p>3.2.1 Create easy access to the toolkit.</p> <p>3.2.2 Push toolkit to users including training on how to use it.</p> <p>3.2.3 Connect businesses to the resources.</p>
<p>3.3 Support the development of trusted relationships among partners.</p>	<p>3.3.1 Identify new opportunities to create collaborative, diverse groups in support of economic development efforts.</p> <p>3.3.2 Support development of partnership projects among business, education, and communities (internships, work study).</p> <p>3.3.3 Identify resources that can be provided by peers and facilitate the development of relationships to share those resources.</p>

Strategy 4: Develop and Support Vibrant Communities

Outcomes:

1. Yamhill County is a known destination for visitors and business relocation.
2. Yamhill County demographic statistics show positive growth.
3. Communities achieve sufficient infrastructure and land supply to support planned growth.
4. There is collaborative problem solving and leveraging of economic development resources.

Goals (The "What")	Objectives (The "How")
4.1 Support sustainable community collaboration.	4.1.1 Develop trusted relationships among community leaders. 4.1.2 Support ongoing collaboration among community leaders and communities within the county. 4.1.3 Develop community business sharing (consortia, education, etc.). 4.1.4 Continue to convene and facilitate county-level groups (such as the GROW workgroup)
4.2 Support valuable community development.	4.2.1 Educate communities about how to identify and address development opportunities (seminars, best practices research, etc.). 4.2.2 Promote the importance of skills and education to help develop a culture engaged in learning. 4.2.3 Provide communities with knowledge and tools to develop their own strategies and goals around economic development. 4.2.4 Provide a forum for communities to have a voice in prioritizing the direction of their growth at a county level.

ORGANIZATIONAL STRUCTURE FOR IMPLEMENTING THE PLAN

As with other components of the YCEDP, the recommendations for what is necessary to move the plan forward, begin implementation of the work and ultimately achieve the plan's vision were also based on research. The project team conducted research of best practices identified through a study from Sarasota County, Florida and also studied the various organizational structures of county-level economic development agencies throughout the state of Oregon. A summary of that research resulted in the following information being shared with the GROW workgroup.

Best Practice Research

As part of its five-year economic development plan, Sarasota County did a study on best practices for economic development organizational structures. The consulting team was charged with developing a set of recommendations for effectively implementing economic development efforts and linking these efforts to other related plans. All communities examined have strong tourism and arts/cultural aspects to their economy, similar to Yamhill County.

Following are some key findings from that study:

- Organizational Home: There is no single model across the nation that is the standard structure for where an economic development organization (EDO) exists. The home for EDOs appears to be a reflection of existing business structures, government support and attitude, and relationships among workforce, tourism and related economic efforts.

Over half of the EDOs examined were stand-alone 501-C-6 organizations and the other half were a division or program of a Chamber of Commerce. All but one of the stand-alone organizations broke away from their Chamber during the last decade primarily based on a need for economic efforts to focus more on traded-sector and industry cluster development, as well as promote business climate issues within the community that reflected the needs of value-added industries. Often, friction between chambers within a county or region inhibited the EDO from effectively performing its duties.

- Funding: The majority of funding for EDOs comes from a mix of private sector contributions and government funding (county and municipal). The majority of effective EDOs

use an “investor” or “Return on Investment” (ROI) model of private sector funding. These ROI models are based on meeting a specific set of measurable objectives related to the economic needs of the community. Businesses invest in outcomes that have a direct benefit to their industry or region, rather than a traditional membership model.

- Governance Structure: Despite differences in where EDOs are housed, most regions have one organization that serves as the primary governance structure responsible for both planning and implementation (this is usually the EDO itself).
- Government Involvement: In most regions, local government (county and cities) plays a support role in economic development, rather than a leadership role. Many regions had a dedicated staff person at the city or county level that was the primary interface between the EDO and government agency to help the EDO navigate government and raise awareness about economic development at the government level. In very few does the government position lead or implement economic efforts.
- Primary Linkages: Economic development organizations in successful economies have focused their coordination efforts on workforce, industry clusters, and entrepreneurial development efforts.
- Connections to Tourism: None of the comparative regions studied have merged tourism entities with economic development organizations. Most regions have working partnerships separate operations, planning and decision-making among tourism and economic development agencies due to their differing strategic and tactical functions. While both contribute to the economy, the primary purpose of EDOs is to diversify and strengthen the traded sector or value-added industries that pay family wages. The needs of value-added industries and their operating/profit model are fundamentally different than a tourism or real estate development model.
- Connections to Workforce: Workforce development is a critical aspect of economic development. Most workforce development activity is funneled through the Workforce Investment Act and government appointed workforce development boards (such as Job Growers Incorporated and Work Systems, Inc. locally). In many cases, economic coordination with workforce development is viewed as more critical than coordination with tourism efforts.

- **Entrepreneurship:** Entrepreneurial development is a key to economic growth. Unlike small business development, it is focused on people who wish to start high-value companies with the potential for rapid growth. The businesses are typically in knowledge-based industries, and have a significant innovation or research component. Entrepreneurial development tends to require different funding models (angel and venture funding compared to credit-based loans). Increasingly, EDOs are assisting entrepreneurial development by supporting technology-based business incubators, venture funding groups and events, and networking activities.

Organizational Structures in Oregon

Southern Oregon Economic Development (SOREDI)		
MISSION: It is the mission of SOREDI to be the leader in developing and nurturing economic partnerships among private, community, and public entities to: collectively build employment opportunities; diversify the economy; and promote the creation of jobs with wages and benefits higher than the regional average, compatible with community values.		
REPRESENTATION: As a private non-profit organization serving Jackson and Josephine Counties since 1987, we represent more than 100 private companies, public utilities, and local governments. SOREDI exists to help business create and sustain good jobs and diversify the economy of Southern Oregon.		
Funding	Structure	Services/Projects
Members Counties (Jackson and Josephine) Cities	-6FTE -21 board members -Co-located with Workforce Investment Board	Business counselors, industrial and commercial property agents, builders, and city and county planning staffs; business counsel and referral services; a business-to-business network of members; coordination among agencies that provide training, employment, financial planning and technical services; and help with site selection, permit applications, and expansion projects.
Strategic Economic Development Corporation (SEDCOR)		
MISSION: Our mission is to enhance and diversify the economy of the Mid-Willamette Valley.		
Representation		
REPRESENTATION: SEDCOR, the lead economic development agency for Marion and Polk Counties is a private, non-profit membership organization , composed of over 500 business and community leaders.		
Funding	Structure	Services/Projects
Members Counties (Marion and Polk) Cities	4 FTE 43 members Co-located with WIB and community college customized training dept.	Information on business resources; relocation and expansion services, such as site selection; workforce development; coordination of business alliances; regional data, demographics and community profiles; and events such as astours, business forums, and galas.

Economic Development Alliance of Lincoln County

MISSION:
 The Economic Development Alliance of Lincoln County is a **nonprofit, public-private partnership** dedicated to diversifying the Central Coast's economy, and facilitating the creation of quality jobs locally.

REPRESENTATION:
 The Alliance also serves Lincoln County by providing coordination for economic development with local economic development efforts and agencies, regional groups, public-private partnerships, and the Oregon Business Development Department.

Funding	Structure	Services/Projects
County (Lincoln) Grants	-1 FTE -16 members	Services offered at no charge to businesses. Relocation Services: A "one stop shop" for businesses wishing to locate in the County—site locators, referral services for utilities, business permits, rental property rates, employee training programs; site tours; and statistical information. Fiber Optic Connectivity: A major project is the cooperative connectivity of CoastNet, a high-speed data network, owned by the Central Lincoln P.U.D., that provides high bandwidth leased telecommunications lines plus data and videoconferencing networking up and down Oregon's Central Coast.

Greater Portland Inc.

MISSION:
 In collaboration with local and state partners, Greater Portland Inc. will position the region as one of the nation's most competitive and vibrant metropolitan economies.

REPRESENTATION:
 As a public/private partnership, GPI unites forward-thinking leaders in shaping the economic future of our region. Our work positions the region as a global center for high-quality economic growth. We help companies expand and locate in the Portland-Vancouver metro area.

Funding	Structure	Services/Projects
Investors Counties (Clackamas, Washington, Multnomah) Cities	5 FTE 36 board members	GPI is the region's convener. We lead the execution of the Greater Portland Export Initiative and the annual update to the Comprehensive Economic Development Strategy (CEDS) for the Economic Development District in partnership with the U.S. Department of Commerce's Economic Development Administration; help coordinate regional responses to U.S. federal government economic development grant opportunities, such as the Jobs and Innovation Challenge (JIAC) Clean Tech Initiative; site selection; market/economic data; tailored research on land/buildings, site visits; referral services; marketing and branding for the four targeted traded-sector clusters and high-growth industries.

McMinnville Economic Development Partnership (MEDP)		
<p>MISSION: MEDP's mission is to develop long-term sustainable economic vitality for the McMinnville Community.</p> <p>REPRESENTATION: MEDP is a public-private partnership serving businesses in the McMinnville area and Yamhill County.</p>		
Funding	Structure	Services/Projects
Private Investors County (Yamhill) City	2 FTE 5 investor board members Co-located with McMinnville Chamber of Commerce	Retention and expansion of local area business; new business recruitment; startup resources; workforce & training program connections; business consultations and technical expertise; high performance company support; strategic marketing services; market/economic data research; advocacy; local, regional and state referral services; professional project and program administration including management of prospect leads, certified sites, and grants.
Economic Development for Central Oregon (EDCO)		
<p>MISSION: Our mission is to lead the region's economic and business development through effective marketing, recruitment, retention/expansion, formation of public/private partnerships and fostering entrepreneurship.</p> <p>REPRESENTATION: EDCO is a private non-profit organization dedicated to diversifying the regional economy by recruiting new companies and helping traded-sector firms already in Central Oregon expand.</p>		
Funding	Structure	Services/Projects
Members Counties (Crook, Deschutes, Jefferson) Cities	4 FTE 36 members	Providing business intelligence, networking events for businesses, entrepreneurs and investors. EDCO strives to lead marketing and recruitment efforts of traded-sector companies; diversify the regional economy by building strength and critical mass in eight broadly defined targeted industry sectors; provide substantive assistance to retain and expand existing traded-sector employers and local entrepreneurs; champion strategic projects that improve Central Oregon's business climate and competitiveness; and be the "one-stop" resource for economic, demographic, and other statistical data used by companies, site selectors, commercial real estate professionals, municipalities and other organizations to make strategic decisions.

Recommendation for Organizational Structure

The strategies, goals and objectives identified in the YCEDP define the work necessary to achieve the plan's vision and economic vitality in Yamhill County. The GROW Workgroup is committed to moving the plan forward into implementation rather than having it become another document on a shelf. Moving this plan forward will require a community-based approach where it becomes embedded in stakeholder enterprises, agencies, organizations, and projects.

Based on recommendations by the GROW Workgroup at their December 2012 meeting, the action plan and the research conducted regarding economic development structures and best practices, the following phased approach was developed by the project team and is recommended for moving the YCEDP forward after June 30, 2013.

Implementation Phase I: GROW 2013—14

- A person under contract would staff the plan and established committees. The contract would be funded from County economic development funds (currently Video Lottery Funds). The contract would specify which goals and objectives from the action plan would be executed during the year in the form of contract deliverables.

The organizational capacities needed for Implementation Phase I include: program and project management, research and developmental support, facilitation of group efforts, steering and continuity and capacity building.

- An existing organization, such as the McMinnville Economic Development Partnership would act as fiscal agent for the executive committee and oversee the contract to ensure deliverables are being met and provide mentorship to contractor, as needed.
- A GROW Executive Committee (with county-wide participation from each community and of a manageable size of 10-12) would be established and meet monthly. The committee would work with the contractor, and provide oversight as a steering committee or board, to move the plan forward. This committee would be a subset of the existing GROW Workgroup, if adequate representation of all communities exists on that group currently.

- The current GROW Workgroup would continue to meet, twice in Phase I of implementation.
- A county-wide Business Development Team would be formed with representation from existing economic development agencies and associations in the county. It would act as the “host” to interested businesses looking to relocate or move into the area. It would also lead business expansion and retention services in the County. The team would meet as-needed and no less than quarterly.
- Additional funds would begin to be solicited to increase capacity for GROW in future phases. The contractor would work with cities and communities, as well as work with the Business Development Team members to identify potential for member or investor contributions.

Implementation Phase II: GROW 2014—15

- A person under contract would staff the plan and work to increase the organizational capacity. The contract would be funded from County economic development funds (currently Video Lottery Funds). The contract would specify which goals and objectives from the Action Plan would be executed during the year in the form of contract deliverables.
- The GROW Executive Committee would continue to meet monthly.
- The GROW Workgroup would continue to meet bi-annually.
- Regional Strategy Committees would be developed based on geographic regions and specific strategies or goals reflected in the action plan. Examples of regions could be: 1) Central County (McMinnville, Amity, Dayton, Lafayette); 2) North County -Yamhill-Carlton; 3) West County (Sheridan, Willamina, Grand Ronde); and 4) East County - Newberg-Dundee. A fifth area could potentially be created by separating out Dayton and Lafayette. Having four or five regionalized economic development focus areas would enforce community collaboration.

Specific strategies or goals from the action plan may be assigned to these regional committees as well. Or, they may be utilized to identify groups within some of the counties to be responsible for a particular strategy or goal—utilizing city planning departments, existing initiatives or associations, or creating a new group—to develop work plans and oversee implementation of a certain aspect of the action plan. These groups could also be the first stop in economic development grant funds process. Potentially, the committees could receive grant/fund applications related to their strategy or geographic area. These requests could then be sent through the Executive Committee which will make recommendations to the Yamhill County Board of Commissioners for approval and funding. This process is outlined in more detail in the following section.

Implementation Phase III: GROW 2015—beyond

- A contract would be in place to continue to move the plan forward and increase organizational capacity. County funding support would still be needed in Phase III.
- The Executive Committee would continue to meet at least quarterly.
- The GROW Workgroup would continue to have an annual meeting, at a minimum.
- The regional strategy groups would be solidified and begin to meet monthly.
- As funds are available, the committee structure would be used to recommend economic development projects for funding consideration.
- Necessary enhancements to the website could be identified and potentially implemented to further market the assets of the County.
- The contractor would work closely with the Business Development Team and assist in connecting businesses and organizations to resources and information.
- Training materials and tool boxes of information would be developed and provided to communities to learn to grow economic development locally. This would occur through mentorship programs, forums, etc.

RECOMMENDATION FOR ECONOMIC DEVELOPMENT FUNDS PROCESS

The County receives Video Lottery Fund allocations that are required to be used for economic development purposes. Historically, these funds have been available on a first-come, first-served basis to those who have known about the funds and sought them out. There has been no standardized process for equitable access to and distribution of these funds, nor have the allocations been prioritized toward projects that are proven to have an economic impact based on data-driven criteria.

A fundamental element of the GROW project was to develop recommendations for use of these funds. For purposes of this report Video Lottery Funds have been referred to as economic development funds. This way, the County can use this process for any economic development projects, regardless of the fund source from which the money is allocated.

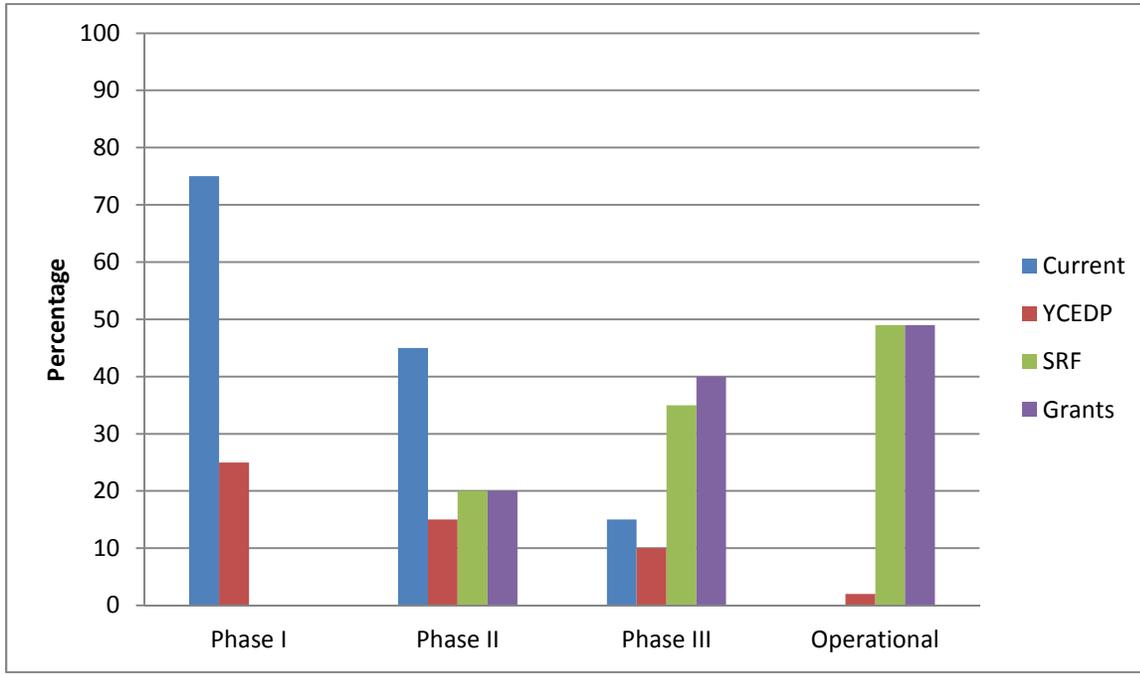
The recommendation for use of these funds is categorized, and phased—in alignment with the recommended phases for YCEDP implementation. The reliance on county funding to implement the plan and continue to move it forward will decrease annually while investment from other sources annually, ultimately become the standard process for allocation of these funds.

There are three categories recommended for the economic development funds, and each has its own set of recommended criteria and uses. The categories are:

- 1. YCEDP Implementation and Support**
- 2. Strategic Reserve Fund (SRF)**
- 3. Economic Development Grant Program**

The funds would be available for various categories depending on the implementation phase of the plan. The funding for YCEDP implementation and support would be greater in the first phases of implementation and then taper off (illustrated in red below). Alternately, the funds available in the Economic Development Grant Program and Strategic Reserve Fund would increase beginning in phase 2. The blue bar in Graph 3 represents the current process used for allocation of funds. It is recommended that this process lessen over time and that the recommended processes are used entirely by the time the plan is operational. This entire phased approach to funding is depicted in Graph 3 below.

Graph 3: Phased Economic Development Funding



The graph does not assume or recommend percentages of economic development funds available for each category, but rather illustrates the phased support of the YCEDP implementation, and phased growth of the economic development grant program over time.

Category 1: YCEDP Implementation and Support

Recommended use of economic development funds is that they be prioritized to support the services and work necessary to move the plan forward into its implementation. This would include support of staff, fiscal management of the contract, the meetings of the GROW committees, as well as to support deliverable-based projects outlined in the Action Plan for the various implementation phases of the YCEDP. While a very detailed grant process is outlined for category three, it is recommended that funds be granted for economic development projects only after ensuring that the GROW effort and YCEDP implementation are fully supported and the foundation to support the recommended grant process is in place and operational. For YCEDP Implementation Phase I, it is anticipated that approximately \$55,700 will be necessary to support Phase I of implementation to get the plan off the ground. It is also anticipated that the funds necessary to support ongoing implementation of the plan over the

course of three years will diminish annually as capacity is increased to bring in funds from other sources and contributors.

Category 2: Strategic Reserve Fund (SRF)

It is recommended that a strategic reserve fund be established in Phase II of implementation as part of the YCEDP. The purpose of the SRF is to support business retention, expansion and recruitment efforts by the Business Development Team (described in the organizational structure section of the plan). Many factors come into play when working with a company in this capacity: 1) confidentiality—often nothing can be publicly said regarding the project and all details must be held in the strictest confidence; 2) agility—often resources are needed in a matter of days in order for the project to move forward; 3) flexibility—no business development project is alike and the funding resources must be flexible enough to meet the needs of the company to grow or relocate. With these factors in mind, it does not make sense for business development projects to go through the competitive grant process recommended for category three. It makes more sense to establish the SRF category and apply standard criteria for access to those funds as described below. It is recommended that the SRF be established in Phase II and that the amount of money set aside in that fund increase annually over time.

CRITERIA

1. The request comes from the Yamhill County Business Development Team.
2. The project is for retention, expansion, or recruitment of a traded-sector business.

PROCESS

The recommended process to access SRF funds is that a written proposal be provided to the Board of Commissioners and County Administrator that:

- a. Identifies whether it is a business retention, expansion or recruitment project.
- b. Describes the current situation and why funds are needed.
- c. States the amount of funds needed.
- d. Outlines the number of jobs that will be created or retained as a result of the project.
- e. Requests the funds as matching funds to access the Governor's Strategic Reserve Fund, if applicable to the project.
- f. Outlines a general timeline for the project and potential milestones.

It is recommended that by the time the plan is operational in 2016, \$100,000 or not less than half of economic development funds be retained in the SRF annually. The other funds would be allocated to funding for economic development grant program in accordance with the phased approach described for Category 3.

Category 3: Economic Development Grant Program

As stated earlier, it is recommended that economic development funds not be allocated via this grant program until YCEDP implementation Phase II, at the earliest. This will give the GROW committees and contracted support staff time to establish the foundation of the organizational structure to support the grant program, as well as develop all of the grant program documents. Once the regional strategy committees are established in Phase II of implementation of the YCEDP, the grant program process recommended below could begin to be implemented.

It is strongly recommended by the GROW Workgroup that grant funds are offered only after implementation Phases I-III for YCEDP implementation are fully funded. As the capacity of the GROW committees increase, the reliance on support from the economic development funds will diminish and that would result in an increase in the amount of funds available through the grant process. Once implementation phases are complete and the plan is fully “operational,” it is reasonable to project that the majority of funding would be allocated to the SRF and grant program categories.

PROGRAM ELEMENTS

For the purposes of developing a competitive grant process, it is necessary to address various grant program elements. In a competitive grant program, a grant solicitation is available for **eligible** persons/organizations to apply to for funding. The types of projects allowed under the grant program are defined, if more than one exists. **Criteria** are typically outlined so the applicant knows what project elements are required in order to be considered. These criteria are generally **weighted** or a scoring matrix described so that the applicant knows which of these criteria are the most important to the funder.

These conditions and criteria are developed in a grant program so that the funder gets the desired outcomes or impact with the funds. In other words, they are designed to ensure a positive return on investment for the funder.

The GROW Workgroup had a discussion at the February 2013 meeting about return on investment. The group developed a list of what factors would imply a positive return on investment for economic development funds. From that list, the group voted to determine which factors were most important. This information is reflected in the grant criteria included in the recommended process. Based on the input of the group, the ideas were refined and developed into the recommended process below. The recommended process would ensure broad accessibility, equitable distribution of funds, and funded projects that are in alignment with the YCEDP vision, strategies and goals.

CRITERIA

Eligibility: Eligible applications must come from private or non-profit businesses, associations, industries, educational institutions, or government entities operating in Yamhill County.

The applicant must explain how their project will address the criteria listed in the project criteria activities section below.

Project Criteria Activities: Applicants must describe the current circumstance and identify strategies in their project that may include:

- A highly collaborative effort among multiple organizations, associations, or groups that leverages funds and contributions from other sources.
- How the proposed project will support the retention or expansion of a business.
- How the proposed project will support the retention of jobs or addition of new jobs.
- Addressing an infrastructure issue or other obstacle to economic development.
- How the skills of current workers or potential workers will be increased or adapted to meet the needs of business and industry; and/or the development of career pathways.
- Alignment with strategies and goals in the YCEDP.
- Support of targeted industry sectors.
- How the project will market and promote community assets for the purpose of increasing visitor traffic or recruiting a business opportunity.
- How the project supports a new business start, innovative entrepreneurial idea, or business incubation (include an attachment of business plan if operational less than one year).

- Will result in the reduction of vacant buildings or the renovation of vacant buildings, storefronts, or downtown areas.

Grants can range from \$2,500 to \$50,000. A minimum of a dollar-for-dollar cash and/or in-kind match is required.

For Example:

A proposed project has a total cost of \$10,000 or more, the applicant would like to request \$5,000 in grant funding. Documentation of \$5,000 cash or in-kind match is required. Leverage in any amount exceeding that is allowable and desirable.

Criteria will be weighed and scored as follows:

1. 20% of total score will be awarded to projects that result in job retention or creation
2. 20% of total score will be awarded to a project that clearly describes a collaborative effort among multiple partners and/or includes leveraged funds and contributions above the required dollar-for-dollar match.
3. 15% of total score will be awarded to a project that results in the retention or expansion of a local business.
4. 15% of total score will be awarded to applicants who describe how the project will result in a more highly skilled workforce.
5. 10% of the total score will be awarded to projects that align with YCEDP strategies and goals.
6. 10% of the total score will be awarded to projects that support targeted industry clusters.
7. 5% of the total score will be awarded to projects that support new business start-up, entrepreneurial or incubator efforts.
8. 5% of total score will be awarded to projects that result in the reduction of vacant buildings or the renovation of vacant buildings, storefronts, or downtown areas.

In addition to applying the criteria rating described above, the evaluation committee will use its discretion to encourage the geographically equitable distribution of funds.

PROCESS

Funds would be awarded two times per year, or more frequently at the discretion of the Board of Commissioners. Projects would be considered for scoring based on recommendations from the regional strategy committees. The GROW Executive Committee would score all applications and recommend projects for funding to the Yamhill County Board of Commissioners, which would give final approval for funding of recommended projects.

Proposal Review Process and Specifications

- Applications will be submitted to the appropriate regional strategy committee to confirm that it is aligned with priorities of that local area.
- If approved for submission, the regional strategy committee representative will submit the proposal to the GROW contractor by the due date for that period (according to an established grant program calendar). The GROW contractor will review proposals to ensure they meet the conditions of the RFP, all mandatory requirements, and include signed copies of all the required documents; then forward to the Executive Committee for scoring.
- The Executive Committee will review and score all applications for that quarter based on the criteria and weights described above.
- The geographic distribution of proposed projects will be considered by the Committee.
- An Executive Committee representative or GROW contractor will present the Executive Committee recommendations for funded projects to the Board of Commissioners for approval at the appropriate quarterly meeting.
- All applicants will be advised whether or not their application has been approved.
- Grant contracts would be developed that include project completion dates, deliverables, funded amounts, payment and reporting schedules, and other details necessary to carry out the agreed upon scope of work.

ECONOMIC DEVELOPMENT STRATEGIC PLAN

APPENDICES

Appendix A: Literature Reviewed

- Bureau of Economic Analysis Per Capita Personal Income for Yamhill County (2011)
- City of Carlton Economy of the City (2007)
- City of Dayton Comprehensive Plan and Planning Atlas (2008)
- City of Lafayette Comprehensive Plan (2010)
- City of McMinnville Advantage Plan (2012)
- City of Newberg Comprehensive Plan (adopted 2011)
- City of Newberg Economic Opportunity Analysis (2012)
- City of Sheridan Comprehensive Plan (2012)
- City of Willamina Economic Elements (2011)
- City of Yamhill Industrial Land Survey (adopted 2008)
- Corvallis Economic Development Survey and Results (2010)
- Full Glass Report – Wine Industry (2011)
- Hillsboro Economic Development Strategy (2012)
- Job Growers Incorporated Strategic Plan (2012)
- McMinnville Economic Development Partnership Current Economic Analysis (2007)
- McMinnville Economic Development Partnership Strategic Plan (2007)
- Mid-Valley Solutions Team: Regionally Significant Projects (2012)
- Mid-Willamette Valley Economic Development Regional Economic Development Strategy (2012)
- Newberg Graphic Article *College Courses: Let Training Fit the Need* (2012)
- Oregon Business Plan (2013)
- Oregon Downtown Development Association 360° Community Assessment (2007)
- Oregon Employment Department Yamhill County Economic Indicators—Various Reports (2012 & 2013)
- Oregon Workforce Development System Innovation (2012)
- Oregon Workforce Investment Board Strategic Plan (2012)
- Pacific Power “Economic Development in Wine Country” Presentation (2012)
- Population Research Center: Population Forecasts for Yamhill County and its Cities and Unincorporated Areas 2011-2035 (2012)
- Port of Walla Walla “Economic Development in Wine Country” Report (2012)
- Portland-Vancouver Metropolitan Region Comprehensive Economic Development Strategic Plan (2011)

- Public-Private Economic Development Structure Comparison (2008)
- Regional Solutions Center: Regional Priorities (2012)
- Sarasota County Economic Development Structure Best Practices (2003)
- Sector Strategies (2012)
- State of Oregon Executive Order No. 12-17 (2012)
- The Suitability and Opportunity for an Economic Gardening Program for Rural Lane County Report (2012)
- Triple Bottom Line Tool – Design, Measures and Scoring (not dated. www.tbltool.org)
- US Department of Commerce Economic Development Administration Incubating Success Report (2012)
- Washington Post Article *American Manufacturing is coming back. Manufacturing jobs aren't* (2012)
- Work Ready Communities Initiative (2012)
- Yamhill County Comprehensive Land Use Plan (adopted 1996)
- Yamhill County Demographic Data (www.city-data.com)
- Yamhill County Economic Development Committee Documents (2012)
- Yamhill County Overall Economic Development Plan (1980)
- Yamhill County Top Employers Report (2012)
- Yamhill County Video Lottery Funding Report for 2009-2011 Biennium (2012)

Appendix B: Potential Implementation Phase I Work Plan Elements

EXECUTIVE COMMITTEE

- Establish Executive Committee (identify members, establish operating principles, set meeting schedule).
- Convene Executive Committee (develop agendas according to YCEDP goals, facilitate meetings, author and publish meeting notes, coordinate meeting logistics, manage attendance).
- Report Executive Committee Activities to Stakeholders.

MAINTAIN GROW GROUP AND WEBSITE

- Convene the GROW Workgroup (manage attendance, coordinate logistics, establish agenda, facilitate meetings, author and publish notes).
- Maintaining the GROW Website (field technical assistance issues, work with vendor (as necessary) to solve issues, make required content changes and updates, post information).

INVENTORY OF PROJECTS

- Review existing community projects/needs as well as regional projects from regional solutions team information and COG reports.
- Package findings of existing projects/needs, potentially categorized (infrastructure, service areas, etc.).
- Determine method to communicate information and Publish information to stakeholders (will need an action plan to prioritize/address these at some point).

INVENTORY OF CHALLENGES AND RESOURCES

- Identify challenges to economic growth.
- Research best practices for addressing issues in other areas.
- Identify resources to assist in addressing economic development issues, opportunities and challenges.
- Package findings and publish on website or through other avenues.

BUSINESS DEVELOPMENT TEAM

- Identify characteristics of primary business sectors and strong secondary service sectors.
- Research infrastructure demands of primary sectors and crosswalk with availability.
- Identify and document who is serving primary sectors across the county.
- Convene these partners to develop Business Development Team.
- Connect inquiries to the Business Development Team, as necessary.
- Educate communities about Business Development Team.

REGIONAL STRATEGY COMMITTEE RESEARCH AND PLANNING

- Research Best Practices for community collaboration.
- Begin to identify community groups and associations that have potential to act as Regional Strategy Committees.
- Where they do not exist, begin to identify stakeholders and partners that could contribute to regional strategy committees.