

BEFORE THE BOARD OF COUNTY COMMISSIONERS

FOR MULTNOMAH COUNTY, OREGON

Adopting a Rural Action Plan and)
Recommending the Plan be Submitted)
to the Oregon Economic Development)
Commission for Consideration Under)
the Rural Investment Fund Program)

RESOLUTION
96-150

WHEREAS, the Rural Investment Fund Program was established by the Governor and the Legislature to provide a flexible source of funding to help rural areas finance locally-determined Economic and Community Development Projects and to provide a vehicle by which Regional Boards can leverage other funding sources to the maximum extent possible in order to improve the economies of rural areas; and

WHEREAS, the Rural Investment Fund Program requires the Regional Board to develop an action plan which describes how the Regional Board will use the Rural Investment Fund to meet the needs of rural areas in the Region; and

WHEREAS, the Regional Board has reviewed its membership to ensure adequate representation of rural interests and has made recommendations to Multnomah County of any expansions or substitutions needed in membership; and

WHEREAS, Multnomah County has made appointments or substitutions to the Regional Board to ensure adequate representation of rural interests; and

WHEREAS, the Regional Board has held a public hearing on the Rural Action Plan in each county in the Region, including public meetings soliciting input for the Rural Action Plan in the Corbett/Springdale area on June 12 and June 18, 1996 and at the Sauvie Island Grange on July 8, 1996; and

WHEREAS, the Regional Board has developed a Rural Action Plan for the Multnomah-Washington Counties Region; and

WHEREAS, the Rural Action Plan meets the requirements of the Rural Investment Fund Program; now therefore

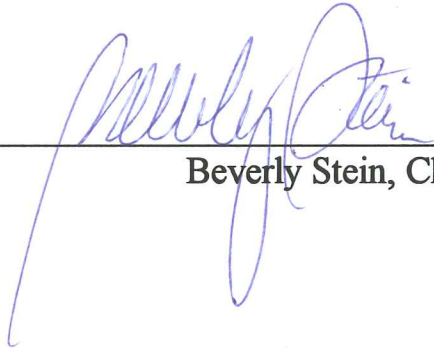
IT IS HEREBY RESOLVED that the Multnomah County Board of Commissioners hereby adopt the Rural Action Plan and recommend that the Rural Action Plan be submitted to the Oregon Economic Development Commission for consideration under the Rural Investment Fund Program; and

IT IS FURTHER RESOLVED that the Multnomah County Board of Commissioners hereby commit to assisting in the pursuit of the objectives set forth in the Rural Action Plan.

DATED this 29th day of August, 1996.



**BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**



Beverly Stein, Chair

REVIEWED:

**LAURENCE KRESSEL, COUNTY COUNSEL
MULTNOMAH COUNTY, OREGON**



Sandra N. Duffy, Chief Assistant

REGIONAL STRATEGIES FOR
MULTNOMAH/WASHINGTON COUNTIES

1995-1997

~Rural Investment Fund~
Rural Action Plan

An Amendment to the 1994-99 Six-Year Strategic
Plan and 1995-97 Action Plan

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I. Introduction.

A. The Rural Investment Fund.

The Rural Investment Fund was established by the 1995 Oregon Legislature as a component of the Regional Strategies Program to make available to rural areas flexible funds needed to facilitate business development projects, provide gap financing for infrastructure, capacity building activities, and assist grass-roots economic and community development efforts in rural areas.

Administrative Rules for the Rural Investment Fund reflect this mission: "The objective of the Rural Investment Fund is to provide a flexible source of funding to help rural areas finance locally-determined economic and community development projects. It is intended to provide a vehicle by which Regional Boards can leverage other funding sources to the maximum extent possible to improve the economies of rural areas."

The Rules provided examples of activity categories which can improve the economy of rural areas: telecommunications and transportation infrastructure, project feasibility studies, community infrastructure and facilities, workforce development activities and technical assistance for project development and implementation.

Prior to distributing its Rural Investment Fund allocation, Regional Boards are required to develop a Rural Action Plan which "describes how the Region will use the Rural Investment Fund to meet the needs of rural areas consistent with the objectives of the Rural Investment Fund and in cooperation with local development and planning efforts...."

This document is the Rural Action Plan for the Multnomah and Washington County Region. It has been developed in accordance with the Administrative Rules for the Rural Investment Fund and guidelines established by the Regional Strategies Board. Applications for Rural Investment Funds will be selected for funding based on the degree to which they carry out the objectives and meet the selection criteria described in the Rural Action Plan.

B. The Rural Area in Multnomah and Washington Counties.

The geographic area in Multnomah and Washington Counties eligible for Rural Investment Fund expenditures is the area in both counties outside the Metro Urban Growth Boundary and including the incorporated cities of Forest Grove and Cornelius.

The population of Oregon increased by 10.2% between 1990 and 1995. Thirty-four of the 36 counties in the State have gained population. The combined Multnomah and Washington Counties population also increased by 10% between 1990 and 1995. Washington County increased by 58,446 and Multnomah County increased by 42,613 people. The 1995 population estimate for the two county region is 996,500, an increase from 895,441 in 1990.

The population in the two counties outside the Metro UGB has been estimated for the 1994 population. The 1994 population estimate for the two county region residing outside the Metro UGB and including Forest Grove and Cornelius was 68,582. The population in Multnomah County outside the UGB is 12,032. In Washington County that population is 56,550.

The population in Multnomah County outside the Metro UGB resides in unincorporated areas and includes the communities of Corbett, Springdale, and Sauvie Island.

In Washington County, the population outside the Metro UGB resides in five incorporated areas as well as unincorporated areas. The rural population in Washington County incorporated areas increased by almost 12% between 1990 and 1995, from 21,805 to 24,420. Washington County's rural communities function as farm service communities but increasingly absorb growth attributable to growth in the non-farm economy.

The five incorporated areas in Washington County in the Rural Action Plan area include:

<u>City</u>	<u>1995 population</u>	<u>increase from '90</u>
Forest Grove	14,755	8.8%
Cornelius	7,220	17.0%
Banks	575	2.0%
North Plains	1,245	28.0%
Gaston	625	11.0%

The Multnomah/Washington County Region has the most diverse economy in the State. All thirteen of Oregon's key industries are represented in the region's economy.

The Oregon Employment Department predicts that employment in the Portland Metropolitan Statistical Area (PMSA) will continue to grow faster than both Oregon and the U.S. through the year 2005. Growth in manufacturing employment will be considerably faster than the national rate of growth of manufacturing jobs. Factory jobs are expected to rise by 13 percent over the next ten years. Construction growth in the Portland PMSA will also continue to outpace the nation. Nearly half the total number of jobs created over the next ten years are expected in the service industry. In today's economy the service industries actually contain many more professional and technical occupations than service occupations.

The rural areas of the region include two of the most significant tourism attractions in the state, The Columbia Gorge National Scenic Area and Multnomah Falls in Multnomah County, and one of the state's top five agricultural counties. Agriculture is a leading Oregon industry and a leading export industry, generating \$3 billion in gross farm sales in 1995. In 1995, Washington County ranked 5th in the state in gross farm sales with sales of \$183.5 million and 4th in gross crop sales with sales of \$164.6 million. Although considered primarily an urban county, Multnomah County is 17th out of 36 counties in the state in total gross farm sales. Both counties are significant contributors to the nursery industry. Washington County ranked second in the state in 1994 in gross nursery sales and 3rd in number of nursery operation. Multnomah County is 5th in the state in gross sales and 4th in the number of nursery operations. The top five counties account for 87% of the total nursery production in Oregon.

Agriculture is not included in most employment data series because substantial portions of agricultural employment is not covered by unemployment insurance. Because employment statistics generated from covered employment records are a primary measure of the economy the importance of agriculture can be overlooked even though it is a major goods producing sector of the economy. Agriculture is a well-established industry and does not exhibit the rapid growth seen in some emerging industries. The importance of agriculture to the state economy is clear. The 1996 Regional Economic Profile prepared by the Oregon Employment Department provides another measure of its importance to the regional economy. The publication projects that the "agriculture, forest, and fishing" occupational group will grow by close to 30% between 1995 and 2005 in the three county area including Clackamas, Multnomah, and Washington Counties. The occupational grouping includes occupations which may not be covered by unemployment insurance and is more reflective of the farm and nursery jobs which the regional economy can be expected to generate.

II. The Plan Framework

A. Methodology

The Administrative Rules for the Rural Investment Fund require that Regional Boards solicit input and participation of rural areas and rural interests. Boards are also required to consider the interests of community planning efforts, special districts, Indian tribes, Regional Workforce Quality committees and other workforce development groups.

The Multnomah/Washington County Regional Board held four public meetings in the Rural Action Plan area to solicit input from rural interests; one in Forest Grove, two in Corbett and one on Sauvie Island. The meetings were publicized in The Oregonian and community newspapers and invitations were sent to local governing bodies and a broad spectrum of agencies and organizations involved in rural issues.

The public meeting discussions are the foundation for the objectives statements in the Rural Action Plan. The citizens of Multnomah and Washington counties presented a broad spectrum of well thought out and articulated needs and issues. Their scope was far beyond the funding capacity of the the Rural Investment Fund allocation for the Region. Recognizing the merit of each presentation and funding limitations, investment decisions will be strategic, attempting to strike the balance between short term need and long term benefit.

The Multnomah/Washington County Regional Board established two additional guidelines for the Rural Action Plan.

The Board continued with the policy it established during the development of its Six-Year Regional Strategic Plan. To assure consistency and coordination of strategic direction and avoid duplication of efforts, a review of regional planning documents directed to aspects of the rural economy was conducted by the Board and staff.

The Board considered consistency between the Rural Action Plan and the Regional Six-Year Strategic Plan an important aspect of the Regional Strategies Program. The Strategic Plan was reviewed along with the findings of the public meetings and regional planning documents. Consistent themes and goals were identified. Linkages between the Six-Year Strategic Plan and the Oregon Benchmarks targeted in the Strategic Plan are noted in the Rural Action Plan objectives statements.

B. The Six-Year Regional Strategic Plan

The Regional Board believes that the vision statement developed during the Six-Year Strategic Plan process reflects the vision of the rural interests in the region as well . The vision is reiterated as the guiding principal of the Rural Action Plan.

TO PROMOTE A DIVERSE AND SUSTAINABLE ECONOMY

The Regional Strategic Plan vision statement includes several components and a series of goal statements. These will be linked to the Rural Action Plan objectives.

C. Regional Documents Relating to the Rural Economy

The following documents have been reviewed in conjunction with the public meeting findings to assure consistency and avoid duplication.

On August 10, 1995, the Board of County Commissioners for Multnomah County adopted the East Sandy River Rural Area Plan Scoping Report. The Report is a foundation document for the East of Sandy River Rural Area Plan now in preparation, one of a series of land use plans for the rural areas of Multnomah County. The Plan area includes the Rural Action Plan area.

The Sauvie Island/Multnomah Channel Rural Area Plan Scoping Report dated August, 1995 is also one of the series of land use plans for the rural areas of Multnomah County and includes the Rural Action Plan area.

The Columbia-Pacific Economic Development District of Oregon, Inc. includes an area in Western Washington County which is also part of the Rural Action Plan area. The District prepared an Overall Economic Development Program (OEDP) which was published in July, 1995.

The Washington County Comprehensive Plan Rural/Natural Resource Plan Element published in November, 1990 was also reviewed in conjunction with the public meeting findings.

III. The Rural Action Plan - Objectives, Linkage to Oregon Benchmarks, The Regional Vision and Regional Goals. Project examples for objectives.

The purpose of the 1993-1999 Six-Year Regional Strategic Plan was to link the region's vision and long term goals to the means to overcome barriers to development. Development in terms of the Six-Year Plan meant development in the three selected key industries.

Development in the Rural Action Plan means community and economic development generally. The Legislation and the Administrative Rules do not limit the program to an industry focus.

The Rural Action Plan is also intended to provide the linkage between the regional vision and goals and the means to overcome barriers to development. The objectives statements below address those barriers.

Examples from the public meeting discussions of projects that could implement objectives are included with each objective statement. The examples are not inclusive and all projects submitted for funding will be considered.

OBJECTIVE 1. IMPROVE THE ABILITY OF RURAL COMMUNITIES
TO MEET GROWING NEEDS FOR SOCIAL AND
PHYSICAL INFRASTRUCTURE

Linkage

Oregon Benchmarks

Support outlays for public infrastructure

Strategic Plan Vision

Livability - environmental quality maintained, widespread
prosperity, support social and
physical infrastructure

Strategic Plan Goals

Goal 4 - Build regional public economic capacity

Goal 5 - Positively affect low income communities

Goal 6 - Enhance quality of life

Goal 12 - Equitable distribution of jobs

Examples

*City Halls, libraries, and community centers. Recreation and
athletic facilities for schools, small area sewerage systems,
emergency facilities, water storage.*

OBJECTIVE 2: IMPROVE THE CAPACITY OF RURAL COMMUNITIES
TO PLAN FOR CHANGE

Linkage

Oregon Benchmarks

Support outlays for public infrastructure

Strategic Plan Vision

Livability - environmental quality maintained, widespread
prosperity, support social and
physical infrastructure

Strategic Plan Goals

Goal 4 - Build regional public economic capacity

Goal 5 - Positively affect low income population

Goal 6 - Enhance quality of life

Goal 12 - Equitable distribution of jobs

Examples

*Planning for transportation systems, traffic safety
and infrastructure, growth boundary changes.
Property and building rehabilitation. Project
development to address complicated issues.*

OBJECTIVE 3.	IMPROVE THE ENVIRONMENT FOR BUSINESS OPPORTUNITIES IN RURAL COMMUNITIES
<i>Linkage</i>	<p><i>Oregon Benchmarks</i> Improve economic opportunities, a diverse and productive industrial base</p> <p><i>Regional Vision</i> Jobs - Equitable distribution of jobs, attract/expand/maintain jobs Livability - Widespread prosperity</p> <p><i>Regional Goals</i> Goal 3 - Link jobs to all region residents Goal 4 - Build regional private economic capacity Goal 5 - Positively affect low income communities Goal 6 - Enhance quality of life Goal 7 - Provide full range of job opportunities Goal 9 - Create entrepreneurial opportunities Goal 12 - Equitable distribution of jobs</p>
<i>Examples</i>	<i>Property rehabilitation, revolving loan programs, workforce training in agriculture industries. Efficient, coordinated permitting processes.</i>
OBJECTIVE 4.	SUSTAIN THE AGRICULTURAL ECONOMY
<i>Linkage</i>	<p><i>Oregon Benchmarks</i> Develop diverse and productive industry, competitiveness in global business</p> <p><i>Regional Vision</i> Jobs/Employment - equitable distribution, tied to business opportunities Economy - global economy, attract/maintain business</p> <p><i>Regional Goals</i> Goal 4 - Build regional private economic capacity Goal 7 - Provide full range of job opportunities Goal 10 - Link government sector to economic agenda</p>
<i>Examples</i>	<i>Articulate values of farming and forestry to economy, develop mechanisms to insure integrity of farm and forestry lands, change way we value agriculture land for tax purposes to account for long term benefit.</i>

OBJECTIVE 5. DEVELOP QUALITY JOB OPPORTUNITIES IN THE AGRICULTURAL INDUSTRY

Linkage

Oregon Benchmarks

Competitiveness in global business, build a superior, world class workforce

Regional Vision

Jobs/Employment - tied to business needs/opportunities, attract/expand/maintain jobs

Training/Education - sustainable, impacts existing residents

Livability - widespread prosperity

Economy - diverse based on knowledge and skills, global,

Regional Goals

Goal 1 - Create and retain jobs that lead to economic self sufficiency

Goal 2 - Continuously develop, educate and train workforce

Goal 3 - Link jobs to all region residents

Goal 5 - Positively affect low income communities

Goal 6 - Enhance quality of life

Goal 7 - Provide full range of job opportunities

Goal 12 - Equitable distribution of jobs

Examples

Community infrastructure, workforce training for agriculture industries, property rehabilitation, revolving loan programs.

IV. Selection Criteria for Rural Investment Fund Projects

The Administrative Rules for the Rural Investment Fund establish criteria for evaluating projects for funding. The Multnomah/Washington County Regional Board has added two criteria (E and F).

- A. Priorities in rural areas that have the greatest economic challenges.
- B. Whether monies from the Rural Investment Fund will fill a gap in financing for the proposed project.
- C. The extent to which monies from the Rural Investment Fund will leverage other resources through public or private partnerships.
- D. The degree to which the applicants for funding have established measurable economic outcomes that can demonstrate, through specific performance measurements, progress towards achievement of goals and objectives of the Rural Investment Fund.
- E. The capacity of the application to successfully carry out the proposed Rural Investment Fund project.
- F. The degree to which the proposed project is ready to proceed and can demonstrate timely results.

V. Selection Process

The Regional Board will develop application materials and solicit applications during August/September, 1996. Complete application will be reviewed. Project awards are expected to be made by October, 1996.

Projects will be evaluated on the degree to which they meet the six criteria. In addition to these criteria projects will be evaluated on how well the project carries out an objective(s) established for the Rural Investment Fund.

Managers of projects receiving funding can expect to complete annual or semi-annual reports detailing accomplishments, challenges and overall progress of the project.

Regional Strategies for Multnomah and Washington County
Rural Action Plan

APPENDIX - PUBLIC MEETING SUMMARIES

The comments from the public meetings are grouped in the activity categories described in the Administrative Rules. Business development is included with workforce development.

1. FOREST GROVE, TUESDAY, JUNE 11, 1996

Community Facilities and Infrastructure

BANKS - The community is expecting a lot of residential growth as a result primarily of growth of high tech employers around Hillsboro. An 89 home subdivision has just been approved. The community has no capacity to plan an internal transportation system which is safe and integrated with the external system.

The community has no capacity to plan for infrastructure that growth will demand. Anticipates a critical need for water. The community will also need to expand its Urban Growth Boundary soon and needs assistance evaluating how and where to do this.

GASTON - The community was described as an agricultural service community and in a critical financial situation due to Measure 5 compression. The City Hall is in very bad shape. There are no recreation facilities in the community, no sites or equipment. The community has an "alternative school" for at-risk youth which badly needs a more appropriate location. There is a great need for a community library. The community has passed a school bond issue and is trying to address its needs.

Workforce and Business Development

The Oregon Association of Nurserymen (OAN) expressed a need to improve job retention in the industry. OAN believes that training is critical to keeping workers on the job and can also make a substantial contribution to job safety, productivity, and the quality of life of the workers. The OAN believes that targeting the permanent employees can impact the wider work force. They expressed support for the Monrovia Project as a model program. The OAN has contacted and has the support of 156 nurseries.

The Forest Grove/Cornelius Economic Development Council representative expressed the need to improve the capital availability for business in the area. He described a need for both working capital and capital for buildings and equipment. The lower property valuations in Forest Grove are creating a gap between commercial property pricing and the lending limit of local financial institutions, sending viable businesses away from Forest Grove and Cornelius. The U.S. Farmers Home Administration has a relending program well suited for rural needs that requires a locally funded reserve fund to get started.

Technical Assistance

The representative from the Soil and Water Conservation District recommended implementation of a program for landowners adjacent to Tualatin River to help prevent erosion and contaminated run-off to the Tualatin River. There is a demonstration program now. This recommendation is for a matching fund program to assist broader implementation.

2. CORBETT/SPRINGDALE AREA, JUNE 12 AND JUNE 18, 1996

Community Facilities and Infrastructure

There was discussion of the affect of no sewerage system and inadequate drainfield capacity on expansion of existing businesses and conversion of usable buildings. The Chinook Inn was cited as an example of a viable business which could expand if it could access a drainfield site owned by the State. A feasibility study of a small area treatment plant for Springdale was discussed.

Chronic water shortage in the summer was discussed and the need for a new reservoir.

Several traffic safety issues were discussed including the need for a flashing light at the Corbett fire station and better lighting in front of and between the school buildings.

Several representatives from Corbett School described the facility as the heart of the Corbett community. A new school has been completed but there were not sufficient funds to include a play area or athletic field. The community has developed plans which includes an athletic field, a playground, a jogging path around the school perimeter, and a natural resource education area. The Corbett Fun Festival has been organized as a fund raising effort for the project and other matching fund sources have been investigated.

A concession stand with restrooms at the school site was also mentioned to enhance the usefulness of the facility.

Business Development

Capturing opportunities from proximity to the Gorge and tourist traffic was discussed. The discussion included a combination of tourism related projects such as a rehabilitated Vista House, a rest stop with public restrooms and visual improvements. The group felt that an improved retail area was badly needed in the Corbett area for the residents as well as to attract tourists. A "Corbett Center" retail/service project has been proposed by a local developer and would need to comply with Gorge Commission design requirements. There was discussion about assisting with this additional cost.

There was discussion about the impact of the cumbersome permitting process on tourism projects. Opportunities which could take advantage of the National Scenic Area designation are often stymied. Multiple jurisdictions have permitting authority. Reuse of buildings vacant because employers have moved from the area is more difficult because of the regulatory and permitting processes. New ideas such as construction of a cruise dock at Multnomah Falls are also more difficult to develop.

The difficulty of accessing longer term capital for small agricultural projects was discussed. Seeding programs and irrigation equipment were cited as examples of projects which need longer term payback. Rehabilitating fallow agriculture land was discussed. There was a suggestion that perhaps a job development program could be targeted to land rehabilitation.

Technical Assistance

The group expressed frustration with trying to develop feasible projects to address complicated issues. There was interest in providing technical assistance to volunteer community groups for project development.

Project Feasibility

The group believed that the old school building was a valuable community asset. There was interest in evaluating the feasibility of converting the building to a community center.

Other

There was discussion about how to support a community newspaper. The community has depended on the high school newspaper for community news but is concerned that Measure 5 funding constraints will eliminate that resource.

3. SAUVIE ISLAND GRANGE MEETING, JULY 8, 1996

Community Facilities and Infrastructure

The group discussed the opportunity to develop a community center for the island. A bond issue for a new fire department facility has been approved and the property and old building has reverted to the Grange. Community organizations have long needed a place to get together. The recent flood episode also made evident the need for an emergency center and emergency equipment on the island. A Safety Action Team has recently been organized to evaluate how to deal with safety issues and improve communication on the island in emergencies. The group believed that the old fire facility could be the nucleus of a community center which could function as an emergency center, a senior center, and a general community gathering place. Safety is an issue on the island. The group discussed the need also for improvements to the dike around the island, which sustained damage during the flood.