

ANNOTATED MINUTES

Tuesday, May 23, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BUDGET SESSION

Chair Beverly Stein convened the meeting at 9:33 a.m., with Vice-Chair Sharron Kelley, Commissioners Gary Hansen, Tanya Collier and Dan Saltzman present.

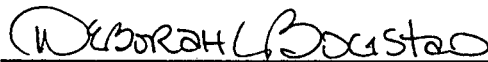
WS-1 Multnomah County Sheriff's Office Budget Overview, Highlights and Action Plans. MCSO Citizen Budget Advisory Committee Presentation. Opportunity for Public Testimony on the Proposed 1995-96 Multnomah County Budget. Issues and Opportunities. Board Questions and Answers.

TOM SLYTER AND LARRY AAB AGENCY OVERVIEW AND BUDGET HIGHLIGHTS PRESENTATION. BOB WILEY PRESENTATION IN SUPPORT OF CBAC RECOMMENDATIONS. RON MURRAY TESTIMONY CONCERNING SAUVIE ISLAND FIRE DISTRICT 30 DISPATCH FEES AND RADIO SYSTEM EXPENSES AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. PHIL DEARIXON TESTIMONY CONCERNING CORBETT FIRE DISTRICT 14 DISPATCH FEES AND RADIO SYSTEM EXPENSES AND RESPONSE TO BOARD QUESTIONS. LARRY AAB, TOM SLYTER AND BILL WOOD PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION REGARDING ACTION PLANS FOCUS, TRANSITION OF STATE CORRECTIONS FUNDS TO LOCAL GOVERNMENTS, MANAGEMENT OF UNSUPERVISED PRE-TRIAL OFFENDER POPULATIONS AND JAIL COSTS, FEDERAL MARSHAL BEDS, PRE-TRIAL RELEASE PROGRAM, SENATE BILL 1145 AND VIDEO APPEARANCE NETWORK ISSUES. SHERIFF ELECT DAN NOELLE COMMENTS AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. SHERIFF ELECT NOELLE TO JOIN IN WRITING TO CONGRESSIONAL DELEGATION URGING INCLUSION OF JAIL BEDS IN NEW FEDERAL COURTHOUSE. MR. AAB, MR. SLYTER, GARY WALKER, MEL HEDGPETH AND SHERIFF ELECT NOELLE PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION CONCERNING HOSPITAL SUPERVISION OF

PRISONERS, EAST COUNTY BOOKING, FAMILY SERVICE CENTERS, COURT GUARDS, RIVER PATROL ISSUES AND PLANS FOR IMPLEMENTING RECOMMENDATIONS OF OVERTIME STUDY AND OPERATIONAL ANALYSIS CONDUCTED BY INTERNATIONAL ASSOCIATION OF CHIEF'S OF POLICE. BOARD IDENTIFIED FOLLOW UP ISSUES FOR FURTHER STAFF ELABORATION DURING BUDGET DELIBERATIONS. COMMISSIONER SALTZMAN PROPOSED BUDGET AMENDMENT TO SUPPORT SAUVIE ISLAND AND CORBETT FIRE DISTRICTS RADIO CONVERSION. BOARD CONSENSUS PROPOSED BUDGET AMENDMENT TO LOOK INTO ALTERNATIVE USING CERTIFICATES OF PARTICIPATION FOR FIRE DISTRICTS RADIO CONVERSION PURCHASE. COMMISSIONER KELLEY PROPOSED BUDGET AMENDMENTS TO ENHANCE TARGET CITIES PROGRAM AND TO ADD A DATA COLLECTION AND ANALYSIS POSITION FOR JAIL POPULATIONS AND OPTIONS RELATED TO MEASURE 11. COMMISSIONER SALTZMAN PROPOSED BUDGET AMENDMENT TO ADD TEMPORARY RESTRAINING ORDER STAFF TO RESPOND TO DOMESTIC VIOLENCE CALLS WITHIN 24 HOURS. COMMISSIONER COLLIER PROPOSED BUDGET AMENDMENT FOR FUNDING STAFF TO ADDRESS CRIMINAL WARRANTS BACKLOG. COMMISSIONER HANSEN PROPOSED BUDGET AMENDMENT TO ADD FUNDING TO STAFF RESTITUTION CENTER AT 120 BEDS. CHAIR STEIN PROPOSED BUDGET AMENDMENT ADDING ANNUALIZED FUNDING FOR WAREHOUSE JAIL.

There being no further business, the meeting was adjourned at 11:45 a.m.

OFFICE OF THE BOARD CLERK
MULTNOMAH COUNTY, OREGON



Deborah L. Bogstad

Tuesday, May 23, 1995 - 1:30 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PLANNING ITEM

Vice-Chair Sharron Kelley convened the meeting at 1:35 p.m., with Commissioners Gary Hansen and Tanya Collier present, and Commissioner Dan Saltzman and Chair Beverly Stein excused.

P-1 SEC 8-94 DE NOVO HEARING, with Testimony Limited to 20 Minutes Per Side, Including Rebuttal, in the Matter of an Appeal of the April 3, 1995 Hearings Officer Decision AFFIRMING, AND MODIFYING the Planning Director Decision and DENYING an Appeal in the Matter of APPROVING, Subject to Conditions, a Requested Significant Environmental Concern (SEC) Permit for an Addition to an Existing Single Family Dwelling, for Property Located at 5830 NW CORNELL ROAD.

AT THE REQUEST OF VICE-CHAIR KELLEY AND FOLLOWING EXPLANATION FROM COUNTY COUNSEL LARRY KRESSEL AND PLANNER MARK HESS, COMMISSIONER COLLIER MOVED AND COMMISSIONER HANSEN SECONDED, TO CONTINUE P-1 TO TUESDAY, JUNE 27, 1995. ARNOLD ROCHLIN, ON BEHALF OF APPLICANT, ADVISED APPLICANT ROSEN LUND WAIVES THE 120 DAY PERIOD. APPELLANT DAN MCKENZIE COMMENTED IN SUPPORT OF EXPEDITING THE HEARING. HEARING UNANIMOUSLY CONTINUED TO 1:30 PM, TUESDAY, JUNE 27, 1995.

There being no further business, the meeting was adjourned at 1:41 p.m.

Tuesday, May 23, 1995
(IMMEDIATELY FOLLOWING PLANNING ITEM)
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BUDGET SESSION

Chair Beverly Stein convened the meeting at 3:35 p.m., with Vice-Chair Sharron Kelley and Commissioners Gary Hansen and Tanya Collier present, and Commissioner Dan Saltzman excused.

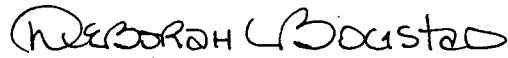
WS-2 District Attorney's Office Budget Overview, Highlights and Action Plans. DA Citizen Budget Advisory Committee Presentation. Opportunity for Public Testimony on the Proposed 1995-96 Multnomah County Budget. Issues and Opportunities. Board Questions and Answers.

MICHAEL SCHRUNK INTRODUCED KELLY BACON AND TOM SIMPSON AND PRESENTED BUDGET HIGHLIGHTS, ACTIONS PLANS, CBAC

RECOMMENDATIONS AND ISSUES AND OPPORTUNITIES. NO ONE WISHED TO TESTIFY. MR. SCHRUNK, DAVE WARREN AND MR. BACON RESPONSE TO BOARD QUESTIONS AND DISCUSSION. BOARD IDENTIFIED FOLLOW UP ISSUES FOR FURTHER STAFF ELABORATION. COMMISSIONER SALTZMAN PROPOSED BUDGET AMENDMENT FOR TEEN PATERNITY RIGHTS EDUCATION PROGRAM.

There being no further business, the meeting was adjourned at 4:33 p.m.

OFFICE OF THE BOARD CLERK
MULTNOMAH COUNTY, OREGON



Deborah L. Bogstad

Wednesday, May 24, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BUDGET SESSION

Chair Beverly Stein convened the meeting at 9:34 a.m., with Commissioners Gary Hansen and Tanya Collier present, and Vice-Chair Sharron Kelley and Commissioner Dan Saltzman excused.

WS-3 Juvenile Justice Division Budget Overview, Highlights and Action Plans. Citizen Budget Advisory Committee Presentation. Opportunity for Public Testimony on the Proposed 1995-96 Multnomah County Budget. Issues and Opportunities. Board Questions and Answers.

ELYSE CLAWSON STAFF INTRODUCTIONS AND PRESENTATION OF DIVISION OVERVIEW. RICK JENSEN PRESENTATION ON DETENTION REFORM INITIATIVE AND DAY REPORTING CENTER UPDATE AND RESPONSE TO BOARD QUESTIONS. JUDGE MICHAEL MARCUS TESTIMONY IN SUPPORT OF VICTIM OFFENDER RECONCILIATION PROGRAM (VORP) FUNDING. STEVE FULMER TESTIMONY IN SUPPORT OF FUNDING COMMUNITY TREATMENT PROGRAMS, EXPANSION OF DETENTION FACILITY AND DAY REPORTING CENTER, AND RESPONSE TO BOARD QUESTIONS.

Vice-Chair Sharron Kelley arrived at 10:00 a.m.

DIXIE STEVENS ON BEHALF OF MORRISON CENTER, TESTIMONY IN SUPPORT OF SEX OFFENDER TREATMENT PROGRAM FUNDING. BETSY CODDINGTON ON BEHALF OF VORP, EXPLANATION IN RESPONSE TO QUESTIONS OF CHAIR STEIN.

Commissioner Collier left at 10:07 a.m. and returned at 10:15 a.m.

MS. CODDINGTON TESTIMONY IN SUPPORT OF VORP FUNDING. JAMIE TILLMAN ON BEHALF OF COURT APPOINTED SPECIAL ADVOCATES (CASA), TESTIMONY ON BEHALF OF CASA FUNDING. ELYSE CLAWSON ISSUES AND OPPORTUNITIES PRESENTATION. BILL MORRIS EFFECTIVE PROGRAMMING AND CONTRACTS PRESENTATION AND RESPONSE TO PUBLIC TESTIMONY AND BOARD QUESTIONS.

Commissioner Dan Saltzman arrived at 10:37 a.m.

MS. CODDINGTON RESPONSE TO BOARD QUESTIONS. MS. CLAWSON RESPONSE TO BOARD QUESTIONS AND DISCUSSION. JOANNE FULLER PRESENTATION REGARDING NEW AND CONTINUED POSITIONS AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. JIM ANDERSON AND MS. CLAWSON RESPONSE TO BOARD QUESTIONS AND DISCUSSION. MR. JENSEN, MS. CLAWSON AND MS. FULLER RESPONSE TO BOARD QUESTIONS.

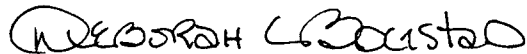
Commissioner Tanya Collier was excused at 11:44 a.m.

JANN BROWN PRESENTATION ON NEW DEVELOPMENT PROGRAM CARRYOVER AND INFORMATION SYSTEMS DATA COLLECTION. JIM ANDERSON MEASURE 11 UPDATE PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. MS. CLAWSON AND RICHARD SCOTT RESPONSE TO BOARD QUESTIONS AND DISCUSSION. VICE-CHAIR KELLEY REQUESTED AN UPDATE ON CONSTRUCTION COSTS. BOARD IDENTIFIED FOLLOW UP ISSUES FOR FURTHER STAFF ELABORATION. VICE-CHAIR KELLEY

PROPOSED BUDGET AMENDMENTS OF \$30,000 FOR PRIVATE INDUSTRY COUNCIL (PIC) SUMMER PROGRAMS AND \$50,000 FOR VORP. COMMISSIONER COLLIER PROPOSED BUDGET AMENDMENT TO RESTORE CASA FUNDING. COMMISSIONER HANSEN PROPOSED BUDGET AMENDMENT FOR ANNUALIZATION COST OF THE MORRISON CENTER.

There being no further business, the meeting was adjourned at 11:52 a.m.

OFFICE OF THE BOARD CLERK
MULTNOMAH COUNTY, OREGON



Deborah L. Bogstad

Thursday, May 25, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

REGULAR MEETING

Chair Beverly Stein convened the meeting at 9:32 a.m., with Vice-Chair Sharron Kelley and Commissioners Gary Hansen, Tanya Collier and Dan Saltzman present.

CONSENT CALENDAR

UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, THE CONSENT CALENDAR (ITEMS C-1 THROUGH C-8) WAS UNANIMOUSLY APPROVED.

SHERIFF'S OFFICE

- C-1 Package Store OLCC License Change of Ownership Application Submitted by Sheriff's Office with Recommendation for Approval, for PLEASANT VALLEY MARKET, 16880 SE FOSTER ROAD, PORTLAND
- C-2 Ratification of Intergovernmental Agreement Contract 800156 Between Multnomah County and Mt. Hood Community College, Providing ABE/GED Instruction for Inmates within the Multnomah County Correctional Facility and the Multnomah County Inverness Jail, for the Period July 1, 1995 through June 30, 1996

AGING SERVICES DIVISION

- C-3 Ratification of Intergovernmental Revenue Agreement Contract 104645 Between Oregon Senior and Disabled Services Division and Multnomah County, Providing One-Time-Only Title XIX Funds for Personnel and Related Services to Provide Information and Assistance to Medicaid Eligible Clients for Enrollment in the Oregon Health Plan, for the Period November 1, 1994 through June 30, 1995.
- C-4 Budget Modification ASD 8 Requesting Authorization to Add One-Time-Only Title XIX (Medicaid) Funds from the State of Oregon, Senior and Disabled Services Division, to Provide Enrollment of Medicaid Eligible Seniors into the Oregon Health Plan
- C-5 Ratification of Intergovernmental Revenue Agreement Contract 104655 Between the Oregon Department of Consumer and Business Services and Multnomah County, Providing Funds to Implement the Senior Health Insurance Benefits Assistance Program to Assist Seniors in Obtaining Health Insurance, Including Medicare, Medicaid and Long Term Care Insurance, for the Period Upon Execution through June 30, 1997

DEPARTMENT OF ENVIRONMENTAL SERVICES

- C-6 ORDER in the Matter of the Execution of Deed D951194 for Repurchase of Tax Acquired Property to Former Owner Robert David Meyer, Personal Representative of the Estate of Gerard J. Meyer, Deceased

ORDER 95-114.

- C-7 ORDER in the Matter of the Execution of Deed D951197 for Repurchase of Tax Acquired Property to Former Owner John Keller

ORDER 95-115.

COMMUNITY AND FAMILY SERVICES DIVISION

- C-8 Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 105054 Between Clackamas, Multnomah and Washington Counties, Defining the Funding Levels Contributed by Each County and Adding Language Regarding a Regional Acute Care Contracts System, for the Period July 1, 1994 through June 30, 1995

REGULAR AGENDA

PUBLIC COMMENT

- R-1 Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited

to Three Minutes Per Person.

NO ONE WISHED TO COMMENT.

SHERIFF'S OFFICE

- R-2 Budget Modification MCSO 16a in the Matter of Approval of a Supplemental Budget to Record Increased Revenue in the Concealed Weapons Program

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-2. LARRY AAB EXPLANATION. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

- R-3 Ratification of Intergovernmental Agreement Contract 800146 Between Multnomah County and Portland Community College, Providing ABE/GED Instruction for Inmates within the Multnomah County Detention Center, Courthouse Jail and the Multnomah County Restitution Center, for the Period July 1, 1995 through June 30, 1996

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-3. COMMISSIONER SALTZMAN ADVISED HE WOULD ABSTAIN FROM VOTING DUE TO HIS POSITION ON THE PORTLAND COMMUNITY COLLEGE BOARD. AGREEMENT APPROVED, WITH COMMISSIONERS KELLEY, HANSEN, COLLIER AND STEIN VOTING AYE, AND COMMISSIONER SALTZMAN ABSTAINING.

COMMUNITY AND FAMILY SERVICES DIVISION

- R-4 PUBLIC HEARING and Consideration of a RESOLUTION in the Matter of Approving the 1995-99 Multnomah County Community Development Plan as a Required Part of the Consolidated Plan, as Well as the 1995-96 Annual Action Plan for the Community Development Block Grant Program and HOME Investment Partnership Program to be Submitted to the Department of Housing and Urban Development

COMMISSIONER KELLEY MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF R-4. REY ESPAÑA AND KAREN WHITTLE EXPLANATION. MARGE JOZSA TESTIMONY IN SUPPORT OF NEIGHBORHOOD HEALTH CLINICS. DEBORAH ROSS TESTIMONY IN SUPPORT OF FRIENDSHIP HOMES FAMILY CONSORTIUM. LESLIE HAINES TESTIMONY IN SUPPORT OF

EDGEFIELD CHILDREN'S CENTER. DEBORAH WRIGHT TESTIMONY IN SUPPORT OF ADAPT-A-HOME PROJECT. MS. WHITTLE AND CATHY KIYOMURA EXPLANATION IN RESPONSE TO QUESTIONS OF CHAIR STEIN. RESOLUTION 95-116 UNANIMOUSLY APPROVED.

AGING SERVICES DIVISION

- R-5 Budget Modification ASD 5 Requesting Authorization to Transfer Funds from ISD Budget, Granted through the Data Processing Management Committee Project Award, to ASD Budget, to Provide Local Match for Medicaid Funds for the Purchase of Computers and Software

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-5. KATHY GILLETTE EXPLANATION. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

- R-6 Budget Modification ASD 6 Requesting Authorization to Add Title XIX (Medicaid) Funds from the Oregon Senior and Disabled Services Division to the ASD Budget, for the Purchase of Computers and Software

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF R-6. MS. GILLETTE EXPLANATION. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

- R-7 Budget Modification ASD 7 Requesting Authorization to Add City of Portland Funds to ASD Budget for the Southeast Multi-Cultural Senior Center and the Gatekeeper Program, and Adjusting ASD Budget to Reflect Actual Funds Received

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF R-7. MS. GILLETTE EXPLANATION. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-8 Ratification of Intergovernmental Agreement Contract 202025 Between Multnomah County and the City of Wood Village, Providing for Engineering, Contracting and Project Management Services to Construct a City Reservoir Access Road

COMMISSIONER COLLIER MOVED AND

**COMMISSIONER KELLEY SECONDED, APPROVAL
OF R-8. CHUCK HENLEY EXPLANATION.
AGREEMENT UNANIMOUSLY APPROVED.**

- R-9 Ratification of Intergovernmental Agreement Contract 302115 Between Metro and Multnomah County, Providing Mapping Services Using Department of Land Conservation and Development Grants for Farm, Forest and Columbia River Gorge National Scenic Areas, for the Period March 17, 1995 through June 30, 1995

**COMMISSIONER COLLIER MOVED AND
COMMISSIONER KELLEY SECONDED, APPROVAL
OF R-9. GORDON HOWARD EXPLANATION AND
RESPONSE TO BOARD QUESTIONS. AGREEMENT
UNANIMOUSLY APPROVED.**

- R-10 ORDER in the Matter of the Grant of a Right-of-Way and Easement on County Tax Title Land in Section 17, T1N, R3E, W.M., Multnomah County, Oregon

**COMMISSIONER COLLIER MOVED AND
COMMISSIONER HANSEN SECONDED, APPROVAL
OF R-10. BOB OBERST EXPLANATION. ORDER 95-
117 UNANIMOUSLY APPROVED.**

EMPLOYEE SERVICES DIVISION

- R-11 First Reading of a Proposed ORDINANCE Relating to County Organization; Abolishing the Department of Social Services, Giving Departmental Status to Certain Existing Divisions within that Department, and Updating an Outdated Code Provision Relating to County Organization

**PROPOSED ORDINANCE READ BY TITLE ONLY.
COPIES AVAILABLE. COMMISSIONER KELLEY
MOVED AND COMMISSIONER HANSEN SECONDED,
APPROVAL OF THE FIRST READING OF R-11.
CURTIS HANSEN EXPLANATION AND RESPONSE TO
BOARD QUESTIONS. COMMISSIONER COLLIER
REQUESTED THAT FUTURE FISCAL IMPACT BE
IDENTIFIED IN THE EXPLANATION MATERIAL. NO
ONE WISHED TO TESTIFY. FIRST READING
UNANIMOUSLY APPROVED. SECOND READING
THURSDAY, JUNE 1, 1995.**

- R-12 First Reading of a Proposed ORDINANCE Amending Ordinance No. 792, in Order to Add and Delete Exempt Pay Ranges

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF THE FIRST READING OF R-12. MR. SMITH EXPLANATION. NO ONE WISHED TO TESTIFY. FIRST READING UNANIMOUSLY APPROVED. SECOND READING THURSDAY, JUNE 1, 1995.

DEPARTMENT OF HEALTH

- R-13 Request for Approval of a Notice of Intent to Apply for a \$30,000 Grant from the National Library of Medicine to Develop Access to the Internet for Medical Information Purposes

COMMISSIONER HANSEN MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF R-13. TOM FRONK EXPLANATION AND RESPONSE TO BOARD QUESTIONS. NOTICE OF INTENT UNANIMOUSLY APPROVED.

- R-14 RESOLUTION in the Matter of Accepting the Proposal Evaluation Report and Recommendation for Awarding an Exclusive Emergency Ambulance Service Contract

COMMISSIONER COLLIER ADVISED SHE OBTAINED AN OREGON ETHICS OPINION WHICH DETERMINED SHE HAS NO CONFLICT OF INTEREST DUE TO HER HUSBAND'S POSITION IN A LAW FIRM REPRESENTING UNION. EACH BOARD MEMBER DISCLOSED EX PARTE CONTACTS AND ADVISED THEIR DECISION TODAY WILL NOT BE BIASED. COMMISSIONER SALTZMAN MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF R-14. GARY OXMAN EXPLANATION AND ACKNOWLEDGEMENT OF THE EFFORTS OF BILL COLLINS, EMS STAFF, MIKE WILLIAMS AND EVALUATION COMMITTEE. JOE PARROTT OF GRESHAM FIRE DEPARTMENT TESTIMONY IN SUPPORT OF RECOMMENDATION. LORI HAMM OF CARE AMBULANCE TESTIMONY IN OPPOSITION OF SELECTION PROCESS AND ADVISING OF CARE'S INTENTION TO APPEAL SAME. LARRY KRESSEL RESPONSE TO QUESTION OF CHAIR STEIN, ADVISING A RESPONSE TO CARE'S APPEAL IS NOT APPROPRIATE AT THIS TIME. DAVID SMALLWOOD TESTIMONY IN SUPPORT OF EXPERT

PANEL, UNBIASED PROCESS AND RESOLUTION. TIM RAMIS TESTIMONY ADVISING IT IS HIS OPINION CARE AMBULANCE HAS NO STANDING FOR FILING AN APPEAL. TRACE SKEEN TESTIMONY IN SUPPORT OF RESOLUTION AND ACKNOWLEDGEMENT OF EFFORTS OF BOARD MEMBERS AND STAFF. COMMISSIONER SALTZMAN COMMENTS COMMENDING STAFF FOR UNBIASED, COMPETITIVE PROCESS. COMMISSIONER COLLIER COMMENTS ACKNOWLEDGING EFFORTS OF INDIVIDUALS AND PRIOR AND PRESENT BOARD MEMBERS RESULTING IN REDUCED COST OF AMBULANCE RIDES TO PUBLIC. VICE-CHAIR KELLEY ADVISED SHE CONCURS WITH HER COLLEAGUES AND HOPES HEALING WILL OCCUR NOW. RESOLUTION 95-118 UNANIMOUSLY APPROVED.

NON-DEPARTMENTAL

- R-15 Budget Modification NOND 12 Requesting Authorization to Increase Revenues and Expenditures by \$1,200 within the County Counsel Division Budget, for Participation in the Oregon State Bar Minority Clerkship Stipend Program

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-15. LARRY KRESSEL EXPLANATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. BUDGET MODIFICATION UNANIMOUSLY APPROVED.

- R-16 RESOLUTION in the Matter of Using Shared Funds to Assist in Developing Affordable Housing Projects

COMMISSIONER HANSEN MOVED AND COMMISSIONER COLLIER SECONDED, APPROVAL OF R-16. BILL FARVER AND DAVE WARREN EXPLANATION. JAN SAVIDGE TESTIMONY IN SUPPORT. REY ESPAÑA TESTIMONY IN SUPPORT AND RESPONSE TO BOARD QUESTIONS. CATHY BRIGGS TESTIMONY IN SUPPORT. MR. WARREN RESPONSE TO BOARD QUESTIONS. CHAIR STEIN COMMENTS IN SUPPORT. RESOLUTION 95-119 UNANIMOUSLY APPROVED.

- R-17 Ratification of Intergovernmental Agreement Contract 500016 Between the State of Oregon Office of State Fire Marshall, the City of Gresham and

Multnomah County, for Participation in Regional Hazardous Materials Emergency Response Team Services, for the Period Upon Execution through June 30, 1995

COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-17. PENNY MALMQUIST EXPLANATION. CHAIRSTEIN ACKNOWLEDGED MS. MALMQUIST'S WORK AND ADVISED MIKE GILSDORF HAS BEEN APPOINTED INTERIM EMERGENCY MANAGEMENT SERVICES DIRECTOR. AGREEMENT UNANIMOUSLY APPROVED.

- R-18 Ratification of Intergovernmental Agreement Contract 500026, Providing Regional Emergency Management Group Services Between Jurisdictions within Washington, Multnomah, Clackamas and Columbia Counties in Oregon, and Clark County Washington, and Approval of the 1995-1996 Proposed Workplan

COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-18. MS. MALMQUIST EXPLANATION. CHAIRSTEIN APPOINTED MICHAEL GILDORF AS MULTNOMAH COUNTY'S TECHNICAL REPRESENTATIVE TO THE REGIONAL EMERGENCY MANAGEMENT GROUP. AGREEMENT UNANIMOUSLY APPROVED.

- R-19 Ratification of Intergovernmental Agreement Contract 500036 Between the City of Portland, Multnomah County and Union Pacific Railroad, Providing 800 MHz, Simulcast and Trunking Radio Services

COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-19. MS. MALMQUIST EXPLANATION AND RESPONSE TO BOARD QUESTIONS. AGREEMENT UNANIMOUSLY APPROVED. COMMISSIONER COLLIER THANKED MS. MALMQUIST AND STAFF FOR THEIR WORK.

The regular meeting was adjourned at 10:55 a.m. and the briefing convened at 11:00 a.m.

Thursday, May 25, 1995
(IMMEDIATELY FOLLOWING REGULAR MEETING)
Multnomah County Courthouse, Room 602

BOARD BRIEFINGS

- B-1 Washington-Multnomah Counties Regional Strategies Board Presentation on the Strategic Plan Update and Recommended 1995-1997 Action Plan. Presented by Board Co-Chairs Patricia Scruggs and Jack Orchard.

PATRICIA SCRUGGS INTRODUCED MARSHA DOUGLAS, JOHN HALL AND MORGAN POPE. MS. SCRUGGS PRESENTATION. MS. DOUGLAS, MR. POPE AND MS. SCRUGGS RESPONSE TO BOARD QUESTIONS AND COMMENTS.

Commissioner Collier was excused at 11:15 a.m.

MR. HALL PRESENTATION AND RESPONSE TO BOARD QUESTIONS. MS. SCRUGGS ADVISED THE PLAN WILL BE ON THE REGULAR AGENDA FOR BOARD APPROVAL ON THURSDAY, JUNE 1, 1995.

- B-2 Community Action Placement Task Force Report. Presented by Katie Gaetjens, Jerralynn Ness, Jan Savidge, Lorenzo Poe and Rey España.

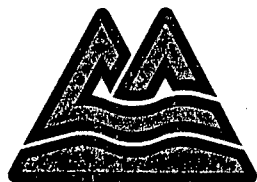
JAN SAVIDGE INTRODUCED COMMUNITY ACTION MEMBERS. JERRALYNN NESS AND MS. SAVIDGE PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. LOLENZO POE PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION. REY ESPAÑA COMMENTS AND RESPONSE TO BOARD QUESTIONS. TASK FORCE TO PUT TOGETHER RECOMMENDATION FOR FUTURE BOARD CONSIDERATION.

There being no further business, the meeting was adjourned at 12:30 p.m.

OFFICE OF THE BOARD CLERK
MULTNOMAH COUNTY, OREGON



Deborah L. Bogstad



MULTNOMAH COUNTY OREGON

OFFICE OF THE BOARD CLERK
SUITE 1510, PORTLAND BUILDING
1120 S.W. FIFTH AVENUE
PORTLAND, OREGON 97204

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR • 248-3308
DAN SALTZMAN • DISTRICT 1 • 248-5220
GARY HANSEN • DISTRICT 2 • 248-5219
TANYA COLLIER • DISTRICT 3 • 248-5217
SHARRON KELLEY • DISTRICT 4 • 248-5213
CLERK'S OFFICE • 248-3277 • 248-5222

AGENDA

MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS

FOR THE WEEK OF

MAY 22, 1995 - MAY 26, 1995

Tuesday, May 23, 1995 - 9:30 AM - Budget Session Page 2

Tuesday, May 23, 1995 - 1:30 PM - Planning Items Page 2

Tuesday, May 23, 1995 - 3:30 PM - Budget Session Page 2

(IMMEDIATELY FOLLOWING PLANNING ITEMS)

Wednesday, May 24, 1995 - 9:30 AM - Budget Session Page 2

Thursday, May 25, 1995 - 9:30 AM - Regular Meeting Page 3

Thursday, May 25, 1995 - Board Briefings Page 6

(IMMEDIATELY FOLLOWING REGULAR MEETING)

Thursday Meetings of the Multnomah County Board of Commissioners are
cablecast live and taped and can be seen by Cable subscribers in Multnomah County
at the following times:

Thursday, 9:30 AM, (LIVE) Channel 30
Friday, 10:00 PM, Channel 30
Sunday, 1:00 PM, Channel 30

Produced through Multnomah Community Television

**INDIVIDUALS WITH DISABILITIES MAY CALL THE OFFICE OF THE BOARD
CLERK AT 248-3277 OR 248-5222, OR MULTNOMAH COUNTY TDD PHONE 248-
5040, FOR INFORMATION ON AVAILABLE SERVICES AND ACCESSIBILITY.**

Tuesday, May 23, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BUDGET SESSION

WS-1 *Multnomah County Sheriff's Office Budget Overview, Highlights and Action Plans. MCSO Citizen Budget Advisory Committee Presentation. Opportunity for Public Testimony on the Proposed 1995-96 Multnomah County Budget. Issues and Opportunities. Board Questions and Answers. 2.5 HOURS REQUESTED.*

Tuesday, May 23, 1995 - 1:30 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PLANNING ITEMS

P-1 *SEC 8-94 DE NOVO HEARING, with Testimony Limited to 20 Minutes Per Side, Including Rebuttal, in the Matter of an Appeal of the April 3, 1995 Hearings Officer Decision AFFIRMING, AND MODIFYING the Planning Director Decision and DENYING an Appeal in the Matter of APPROVING, Subject to Conditions, a Requested Significant Environmental Concern (SEC) Permit for an Addition to an Existing Single Family Dwelling, for Property Located at 5830 NW CORNELL ROAD. 2 HOURS REQUESTED.*

Tuesday, May 23, 1995
(IMMEDIATELY FOLLOWING PLANNING ITEMS)
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BUDGET SESSION

WS-2 *District Attorney's Office Budget Overview, Highlights and Action Plans. DA Citizen Budget Advisory Committee Presentation. Opportunity for Public Testimony on the Proposed 1995-96 Multnomah County Budget. Issues and Opportunities. Board Questions and Answers. 1.5 HOURS REQUESTED.*

Wednesday, May 24, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BUDGET SESSION

WS-3 *Juvenile Justice Division Budget Overview, Highlights and Action Plans. JJD*

Citizen Budget Advisory Committee Presentation. Opportunity for Public Testimony on the Proposed 1995-96 Multnomah County Budget. Issues and Opportunities. Board Questions and Answers. 2.5 HOURS REQUESTED.

*Thursday, May 25, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

REGULAR MEETING

CONSENT CALENDAR

SHERIFF'S OFFICE

- C-1 *Package Store OLCC License Change of Ownership Application Submitted by Sheriff's Office with Recommendation for Approval, for PLEASANT VALLEY MARKET, 16880 SE FOSTER ROAD, PORTLAND*
- C-2 *Ratification of Intergovernmental Agreement Contract 800156 Between Multnomah County and Mt. Hood Community College, Providing ABE/GED Instruction for Inmates within the Multnomah County Correctional Facility and the Multnomah County Inverness Jail, for the Period July 1, 1995 through June 30, 1996*

AGING SERVICES DIVISION

- C-3 *Ratification of Intergovernmental Revenue Agreement Contract 104645 Between Oregon Senior and Disabled Services Division and Multnomah County, Providing One-Time-Only Title XIX Funds for Personnel and Related Services to Provide Information and Assistance to Medicaid Eligible Clients for Enrollment in the Oregon Health Plan, for the Period November 1, 1994 through June 30, 1995*
- C-4 *Budget Modification ASD 8 Requesting Authorization to Add One-Time-Only Title XIX (Medicaid) Funds from the State of Oregon, Senior and Disabled Services Division, to Provide Enrollment of Medicaid Eligible Seniors into the Oregon Health Plan*
- C-5 *Ratification of Intergovernmental Revenue Agreement Contract 104655 Between the Oregon Department of Consumer and Business Services and Multnomah County, Providing Funds to Implement the Senior Health Insurance Benefits Assistance Program to Assist Seniors in Obtaining Health Insurance, Including Medicare, Medicaid and Long Term Care Insurance, for the Period Upon Execution through June 30, 1997*

DEPARTMENT OF ENVIRONMENTAL SERVICES

C-6 *ORDER in the Matter of the Execution of Deed D951194 for Repurchase of Tax Acquired Property to Former Owner Robert David Meyer, Personal Representative of the Estate of Gerard J. Meyer, Deceased*

C-7 *ORDER in the Matter of the Execution of Deed D951197 for Repurchase of Tax Acquired Property to Former Owner John Keller*

COMMUNITY AND FAMILY SERVICES DIVISION

C-8 *Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 105054 Between Clackamas, Multnomah and Washington Counties, Defining the Funding Levels Contributed by Each County and Adding Language Regarding a Regional Acute Care Contracts System, for the Period July 1, 1994 through June 30, 1995*

REGULAR AGENDA

PUBLIC COMMENT

R-1 *Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.*

SHERIFF'S OFFICE

R-2 *Budget Modification MCSO 16a in the Matter of Approval of a Supplemental Budget to Record Increased Revenue in the Concealed Weapons Program*

R-3 *Ratification of Intergovernmental Agreement Contract 800146 Between Multnomah County and Portland Community College, Providing ABE/GED Instruction for Inmates within the Multnomah County Detention Center, Courthouse Jail and the Multnomah County Restitution Center, for the Period July 1, 1995 through June 30, 1996*

COMMUNITY AND FAMILY SERVICES DIVISION

R-4 *PUBLIC HEARING and Consideration of a RESOLUTION in the Matter of Approving the 1995-99 Multnomah County Community Development Plan as a Required Part of the Consolidated Plan, as Well as the 1995-96 Annual Action Plan for the Community Development Block Grant Program and HOME Investment Partnership Program to be Submitted to the Department of Housing and Urban Development*

AGING SERVICES DIVISION

R-5 *Budget Modification ASD 5 Requesting Authorization to Transfer Funds from ISD Budget, Granted through the Data Processing Management Committee Project Award, to ASD Budget, to Provide Local Match for Medicaid Funds for the Purchase of Computers and Software*

- R-6 *Budget Modification ASD 6 Requesting Authorization to Add Title XIX (Medicaid) Funds from the Oregon Senior and Disabled Services Division to the ASD Budget, for the Purchase of Computers and Software*
- R-7 *Budget Modification ASD 7 Requesting Authorization to Add City of Portland Funds to ASD Budget for the Southeast Multi-Cultural Senior Center and the Gatekeeper Program, and Adjusting ASD Budget to Reflect Actual Funds Received*

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-8 *Ratification of Intergovernmental Agreement Contract 202025 Between Multnomah County and the City of Wood Village, Providing for Engineering, Contracting and Project Management Services to Construct a City Reservoir Access Road*
- R-9 *Ratification of Intergovernmental Agreement Contract 302115 Between Metro and Multnomah County, Providing Mapping Services Using Department of Land Conservation and Development Grants for Farm, Forest and Columbia River Gorge National Scenic Areas, for the Period March 17, 1995 through June 30, 1995*
- R-10 *ORDER in the Matter of the Grant of a Right-of-Way and Easement on County Tax Title Land in Section 17, T1N, R3E, W.M., Multnomah County, Oregon*

EMPLOYEE SERVICES DIVISION

- R-11 *First Reading of a Proposed ORDINANCE Relating to County Organization; Abolishing the Department of Social Services, Giving Departmental Status to Certain Existing Divisions within that Department, and Updating an Outdated Code Provision Relating to County Organization*
- R-12 *First Reading of a Proposed ORDINANCE Amending Ordinance No. 792, in Order to Add and Delete Exempt Pay Ranges*

DEPARTMENT OF HEALTH

- R-13 *Request for Approval of a Notice of Intent to Apply for a \$30,000 Grant from the National Library of Medicine to Develop Access to the Internet for Medical Information Purposes*
- R-14 *RESOLUTION in the Matter of Accepting the Proposal Evaluation Report and Recommendation for Awarding an Exclusive Emergency Ambulance Service Contract*

NON-DEPARTMENTAL

- R-15 *Budget Modification NOND 12 Requesting Authorization to Increase Revenues*

and Expenditures by \$1,200 within the County Counsel Division Budget, for Participation in the Oregon State Bar Minority Clerkship Stipend Program

- R-16 *RESOLUTION in the Matter of Using Shared Funds to Assist in Developing Affordable Housing Projects*
- R-17 *Ratification of Intergovernmental Agreement Contract 500016 Between the State of Oregon Office of State Fire Marshall, the City of Gresham and Multnomah County, for Participation in Regional Hazardous Materials Emergency Response Team Services, for the Period Upon Execution through June 30, 1995*
- R-18 *Ratification of Intergovernmental Agreement Contract 500026, Providing Regional Emergency Management Group Services Between Jurisdictions within Washington, Multnomah, Clackamas and Columbia Counties in Oregon, and Clark County Washington, and Approval of the 1995-1996 Proposed Workplan*
- R-19 *Ratification of Intergovernmental Agreement Contract 500036 Between the City of Portland, Multnomah County and Union Pacific Railroad, Providing 800 MHz, Simulcast and Trunking Radio Services*
-

Thursday, May 25, 1995

(IMMEDIATELY FOLLOWING REGULAR MEETING)

*Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

BOARD BRIEFINGS

- B-1 *Washington-Multnomah Counties Regional Strategies Board Presentation on the Strategic Plan Update and Recommended 1995-1997 Action Plan. Presented by Board Co-Chairs Patricia Scruggs and Jack Orchard. 30 MINUTES REQUESTED.*
- B-2 *Community Action Placement Task Force Report. Presented by Katie Gaetjens, Jerralynn Ness, Jan Savidge, Lorenzo Poe and Rey España. 30 MINUTES REQUESTED.*

TANYA COLLIER
Multnomah County Commissioner
District 3



1120 SW Fifth St., Suite 1500
Portland, OR 97204
(503) 248-5217

M E M O R A N D U M

TO: Board Clerks
Chair, Beverly Stein
Commissioner Gary Hansen
Commissioner Sharron Kelley
Commissioner Dan Saltzman

FROM: Commissioner Tanya Collier

DATE: May 25, 1995

SUBJECT: Early Departure from May 25, 1995 Board Meeting

This is to inform you that I will be leaving immediately after the regular Board meeting and will not be present for the Regional Strategies Board presentation and the Community Action Placement Task Force Report.

I would request that I receive a copy of the tape from these briefings and that all materials distributed get forwarded to my office.

Thank you.

TC:sf

5:43 PM
COUNTY COMMISSIONER
1995 MAY 25 AM 8:43
MULTNOMAH COUNTY
OREGON

PDC
PORTLAND
DEVELOPMENT
COMMISSION

John L. Hall
Project Coordinator
Workforce and Target Industries

1120 S.W. Fifth Avenue, Suite 1100 • Portland, Oregon 97204
(503) 823-3199 • Fax (503) 823-3368 • TDD (503) 823-6868

Meeting Date: **MAY 25 1995**Agenda No.: **B-1**(Above Space for Board Clerk's Use *ONLY*)AGENDA PLACEMENT FORM

SUBJECT: Board Briefing on the Recommended Regional Strategies 1995-1997 Action Plan

BOARD BRIEFING: Date Requested: May 25, 1995
Amount of Time Needed: 30 minutesREGULAR MEETING: Date Requested:
Amount of Time Needed:

DEPARTMENT: Chair's Office

DIVISION:

CONTACT: Sharon Timko

TELEPHONE: 248-3960
BLDG/ROOM: 106/1515

PERSON(S) MAKING PRESENTATION: Patricia Scruggs and Jack Orchard

ACTION REQUESTED:☒ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☐ APPROVAL ☐ OTHER**SUMMARY** (Statement of rationale for action requested, personnel and fiscal/budgetary impacts, if available):

The Board will consider a resolution on June 1, 1995 adopting the Regional Strategies 1995-97 Action Plan.

SIGNATURES REQUIRED:

ELECTED OFFICIAL: Beverly Steing

OR

MANAGER: _____

*Any Questions? Call the Office of the Board Clerk at 248-3277 or 248-5222.*BOARD OF
COUNTY COMMISSIONERS
1995 MAY 17 PM 4:25
MULTNOMAH COUNTY
OREGON

DRAFT

**WASHINGTON AND MULTNOMAH COUNTIES REGIONAL STRATEGIES
STRATEGIC PLAN UPDATE AND RECOMMENDED 1995-1997 ACTION PLAN**

Submitted by the Washington-Multnomah Counties Regional Strategies Board
on behalf of Washington and Multnomah Counties

June 1, 1995

Washington-Multnomah Counties Regional Strategies Board

June 1, 1995

Ms. Joan Rutledge, Manager
Regional Economic Development Strategies Program
Regional Development Division
Oregon Economic Development Division
775 Summer St. N.E.
Salem, OR 97310

Dear Joan:

In accordance with ORS 285.640(7) and OAR 123-44-030 we are pleased to submit the attached Strategy Refinement and recommended 1995-1997 Action Plan for the Washington-Multnomah Counties Region.

The Washington-Multnomah Counties Regional Strategies Board, in association with industry and community participants, has made significant progress in meeting the goals of the region's long term strategy and implementing activities identified in the 1993-1995 Action Plan.

The refined Strategy and the recommended 1995-1997 Action Plan are built on the Strategy approved in 1994, the 1993-1995 Action Plan, the outcomes of the Strategy and Plan to-date, and input from participants in the regional strategies planning process.

We believe you will find review of our refined Strategy and recommended Action Plan to be relatively straightforward. However, should you have any questions or the need for additional information please do not hesitate to contact John Hall, Regional Strategies Coordinator, at 823-3199.

Sincerely,

Pat Scruggs, Co-chair

Jack Orchard, Co-chair

STRATEGIC PLAN UPDATE AND RECOMMENDED 1995-1997 ACTION PLAN

The purpose of this document is to provide a summary of the Metro Regional Strategies Board Strategic Plan Update and recommended 1995-1997 Action Plan. In most respects the Regional Strategies Board has developed an updated plan that builds on the strategy and projects completed or initiated in the 1993-1995 biennium. As a result this summary provides background information from the original plan that is still relevant and is part of the plan update.

Background:

The Regional Strategies Program was established by the Oregon Legislature in 1987 to provide lottery funding for projects that help strengthen and diversify Oregon's regional economies. The 1993 Legislature made significant modifications to the program that decentralized funding decisions and responsibility to local Regional Boards.

During 1994 Washington and Multnomah Counties joined to form the "Metro Region," appoint a Regional Board, and developed a six year strategic plan, and a two year action plan (Regional Strategies Application, May 24, 1995). Both the strategic plan and the 1993-1995 action plan were reviewed and approved by Washington and Multnomah Counties in May of 1994. In December of 1994 the Metro Region received approximately \$1.8 million to implement the activities identified in the plan.

Because the State has not providing a guideline funding amount for the 1995-1997 biennium the funding levels for activities identified in this plan are considered preliminary.

Regional Strategies Administration:

Washington and Multnomah Counties appointed a 10 member "Board" to administer the Metro Regional Strategies program.

Five Citizens were appointed by Multnomah County:

Jim Harper	Wacker Siltronic
Eva Parsons	Cellular One
Patricia Scruggs	Consultant
Darrell Simms	CH2M Hill
Paul Warr-King	Key Bank

Five Citizens were appointed by Washington County:

Betty Atteberry	Sunset Corridor Assn.
Lyle Chadwick	CPA
Joyce Frank	Kelly Temporary Services
Jack Orchard	Ball, Janik & Novack
Morgan Pope	MDP Associates

The Portland Development Commission (PDC) acts as the Board's fiscal agent, and John Hall at PDC acts as the Board's administrative staff.

Strategic Plan:

The six year strategic plan is based on the following vision:

"To Promote a Diverse and Sustainable Economy."

The plan identifies the following vision components:

Jobs/Employment

Equitable Distribution-Geographical/Socio-Economic
Value-Added
Economically Self-Sufficient (Family Wage)
Tied to Business Needs/Opportunities
Attract/Expand/Maintain Jobs

Training/Retraining/Education

Sustainable/Self Perpetuating
Available to All People
Improve K-Career, Community College & Higher Ed
Impact Existing Residents
Balance Between Availability & Jobs

Livability

Environmental Quality Maintained
Widespread Prosperity
Support Social & Physical Infrastructure

Economy

Diverse Based on Knowledge & Skills
Global
Attract/Expand/Maintain Business Investment
Stable and Predictable Taxes & Regulatory Environment

The plan also identifies the following specific regional goals:

- Create and retain jobs that lead to economic self-sufficiency
- Continuously develop, educate, and train workforce
- Link jobs to all region residents
- Build regional public and private wealth and economic capacity
- Positively affect low income communities
- Enhance quality of life
- Provide full-range of job opportunities
- Link business needs with educational system
- Create entrepreneurial opportunities
- Link private, education, general government sectors to economic agenda
- Attract, expand, retain companies and jobs within key industries
- Equitable distribution of jobs (geographic and socio-economic)

Based on the regional vision and goals, the following key industries were selected for Regional Board focus:

- Biotechnology
- High Technology
- Metals

Action Plan Update and Budgeting:

In order to facilitate the mandated June 1 submission to the State of Oregon, broad based activities and funding estimates have been identified. The new action plan is built directly from the regional goals and in many cases builds on specific projects initiated or completed in 1994.

Throughout this summer, sub-committees will work with partners from each industry to develop final funding allocations and selection of specific projects. The updated action plan and will be approved by the Governor in October 1995 just prior to the first quarterly disbursement of funds for the 1995-1997 biennium.

The existing and proposed action plans are built around, and identify specific projects that are grouped into, four general areas (Also see the attached project financial status report):

Education and Training:

A key concept in the region's strategy for economic development is the need to focus on workforce education, training and development in all selected industries. While this is one of several strategic components, it is considered to be the critical success factor toward sustainable economic development for the region. A core concept is that change needs to occur in workforce education from K-12 through community colleges and four-year colleges and universities.

From the Metro Regional Strategies Board's discussions with key industries, there are serious concerns regarding skill levels within the available workforce at all levels of employment. Required entry level skills are much higher than they have ever been. While specific needs are required by different key industry sectors, much of the required skills are similar across the region's selected key industries.

Business Infrastructure Development:

Infrastructure requirements for industry development include business facilities, laboratories and resource/development centers. During the early stages of commercialization, shared facilities can provide business expertise, access to expensive equipment, and networks of managerial and technical resources often otherwise unobtainable by small start-up companies.

Regional Marketing and Recruitment:

Marketing and recruitment are components of the region's economic development plan for the biotechnology and high technology industry sectors. Recruitment of out-of-state firms by

advancing the Metro Region's reputation as a biotechnology and high technology center strengthens the employment base, builds economic capacity and grows recognized clusters within these industry sectors which create additional growth opportunities.

Management and Technical Assistance:

Management and technical assistance requirements vary by industry sector. For example, the environmental biotechnology industry segment needs assistance developing a contract procurement center. The high technology industry needs funding for an industry benchmarking program and performance measurement system to evaluate competitiveness for long-term growth and development.

**Metro Regional Strategies Board
Financial Status Report (March 31, 1995)**

Activity/Project	Contractor	Committed to Date	Contract Amount	Expenditures To Date	Remaining Balance
Metals					
Metals Information	Dotten & Associates	\$84,400	\$84,400	\$30,000	\$54,400
Metals Placement Coord.	Portland Devl. Comm.	\$40,000	\$40,000	\$0	\$40,000
Metals Phase II		\$43,725			
Electronic Equip. Repair	Oregon Adv. Tech. Ctr.	\$100,000	\$25,000	\$12,000	\$13,000
Biotech					
Biotech Center (OBIC)	OBIC	\$423,054	\$423,054	\$223,054	\$200,000
High Tech					
High-Tech Benchmarking	Amer. Electronics Assoc.	\$35,000	\$35,000	\$0	\$35,000
Software Testing Lab	Portland State Univ.	\$135,000	\$135,000	\$0	\$135,000
Education & Training					
Biotech Education		\$0	\$0	\$0	\$0
High-Tech Work Practices	Sequent	\$53,000	\$53,000	\$0	\$53,000
Semiconductor Wkfc.		\$56,200	\$0	\$0	\$0
E. County High-Tech Training	Mt. Hood Comm. College	\$54,000			
Business/Educ Metals	Business Ed. Compact	\$153,100	\$153,100	\$40,000	\$113,100
Business Development					
Emissions Trading	Portland Devl. Comm.	\$150,000	\$150,000	\$0	\$150,000
Emissions Trading Outreach	Dotten & Associates	\$24,990			
Regional Marketing	Portland Devl. Comm.	\$200,000	\$55,000	\$0	\$55,000
Multi-Regional					
Software High Tech	BL3 Region	\$100,000	\$0	\$0	\$0
Oregon Telcom	BL3 Region	\$20,000	\$0	\$0	\$0
Electronic Commerce	BL3 Region	\$10,000	\$0	\$0	\$0
Oregon Tech Outreach	BL3 Region	\$10,000	\$0	\$0	\$0
Business Journal Sponsorship		\$12,000			
Subtotal		\$1,704,469	\$1,153,554	\$305,054	\$848,500
Reserve		\$40,943			\$55,197
Administration		\$141,520		\$59,776	\$81,744
Total Committed		\$1,886,932			
Total Uncommitted		\$0			
1993-1995 Grant Award		\$1,886,932			

1995-1997 Two Year Action Plan

A. Biotechnology Industry Activities

Activity #1 Link educational system curriculum to industry requirements. Provide biotechnology, environmental biotechnology training and education programs for students, educators, and workforce participants. Increase the information flow about biotechnology and environmental biotechnology industry opportunities to schools and industry.

Timeframe:

7/95-9/95	Solicit industry involvement in program development
10/95-9/96	Develop specific training and education programs
9/96-6/97	Implement programs with schools and industry

Estimated Cost: \$80,000

Potential Funding Partners:

Oregon Biotechnology Association
Oregon Biotechnology Association member companies
Oregon Environmental Technology Association
Region 2 Workforce Quality Committee
The Private Industry Council
Public education systems

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #2, #5, #7, #8, #10

Performance Measure (by 6/97):

- Involve a minimum of two biotechnology companies and two environmental services companies in the creation of training and education programs for students, educators, and workforce participants
- Employ teachers in biotechnology and environmental biotechnology industry summer internships.

Activity #2 Create biotechnology facilities and environmental biotechnology resource and development capacity within the Metro Region.

Timeframe:

Ongoing Solicit industry involvement

Ongoing	Solicit industry involvement in providing additional funding
4/95-12/95	Identify and evaluate potential locations
12/95-4/96	Facilities start-up

Estimated Investment: \$350,000

Potential Funding Partners:

Oregon Biotechnology Association
Oregon Biotechnology Association member companies
Portland Community College
Portland Development Commission
Conventional Lenders
Non-profit Foundations

Link To Oregon Benchmarks:

Public Infrastructure Investment
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1,#2, #4, #7,#8, #9,#10, #11

Performance Measure:

- Start-up facilities on time and within budget
- Attract at least two start-up businesses by 4/96 opening date
- 20 jobs for will be created by companies in facilities by 9/96

Activity #3 Develop effective industry marketing and recruitment capabilities.

Timeframe:

7/95-3/96	Develop marketing and recruitment tools (i.e., trade show booth, literature, brochures, etc.).
7/96-9/97	Attend industry trade shows and deliver marketing materials.

Estimated Cost: \$20,000 (Also a potential Cross Industry Activity)

Potential Funding Partners:

Oregon Biotechnology Association and member companies.
Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #11

Performance Measure (by 9/96):

- Attend one national or regional trade show
- Obtain at least four leads on biotechnology/environmental biotechnology companies interested in locating in the Metro Region

B. High Technology Industry Activities

Activity #1 Link educational system curriculum to high technology industry requirements. Provide high technology training and education programs for students, educators, and workforce participants. Include strategies which address the secondary through the higher education system.

Potential projects:

- Implementation of the Semiconductor Workforce Consortium's recommendations for program development/enhancement at area high schools and community colleges.
- Assessment of the higher education needs of area technology firms and the available services/capacities of the higher education institutions in the state.

Timeframe: Projects under this activity will be implemented starting in the second/third quarter of FY 1995-96 with measurable results by Spring 1997.

Estimated Cost: \$250,000 (all potential projects under this activity offer multi-regional opportunities for additional funding)

Potential Funding Partners:

American Electronics Association
American Electronics Association member companies
Region 2 Workforce Quality Committee
The Private Industry Council
Public secondary education systems
Public and Private higher education institutions

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #2, #3, #5, #6, #8, #10, #12

Performance Measures (by 5/97):

- Performance measures will be determined as project specifics are developed in the first/second quarters of FY 95-96.

Activity #2

Support industry development and growth through industry specific market and performance measurement and analysis.

Potential projects:

- Continued funding of an industry benchmarking program and performance measurement system developed by AEA
- Continued funding of a software laboratory to provide initial product testing and analysis.
- Fund a Multimedia market study for industry development within the Metro Region.

Timeframe: Projects under this activity will be implemented starting in the second/third quarter of FY 1995-96 with measurable results by Spring 1997.

Estimated Cost: \$100,000 (all potential projects under this activity offer multi-regional opportunities for additional funding)

Potential Funding Partners:

American Electronics Association
American Electronics Association member companies
Software Association of Oregon
Oregon Multimedia Alliance
Oregon Film & Video Office
Public secondary education systems
Public and Private higher education institutions

Link To Oregon Benchmarks:

Public Infrastructure Investment
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #7, #9, #10, #11

Performance Measure (by 5/97):

- Performance measures will be determined as project specifics are developed in the first/second quarters of FY 95-96.

Activity #3

Develop effective marketing and recruitment capabilities to attract viable out-of-state firms.

Timeframe: Projects under this activity will be completed by July 1996 with measurable results by September 1997.

10/95-6/96 Develop marketing and recruitment tools (i.e., trade show

booth, literature, brochures, etc.).
7/96-9/97 Attend industry trade shows, deliver marketing materials to well regarded out-of-state companies.

Estimated Cost: \$200,000

Potential Funding Partners:
Metro Region High Technology Companies
American Electronics Association
Software Association of Oregon
Public education systems

Link To Oregon Benchmarks:
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #11

Performance Measure (by 9/97):
• Attend one national or regional trade show
• Obtain at least two bona fide leads on well regarded high technology companies interested in locating in the Metro Region

Activity #4 Create business development and growth programs for emerging or expanding high technology companies which include technical assistance resources and management/financial counseling.

Timeframe: Projects under this activity will be implemented by December 1996 with measurable results by September 1997.
10/95-12/95 Solicit industry involvement in program development
1/96-12/96 Develop specific development and growth programs
12/96-9/97 Implement programs

Estimated Cost: \$100,000 (potential projects under this activity offer multi-regional opportunities for additional funding)

Potential Funding Partners:
Metro Region High Technology Companies
American Electronics Association
Software Association of Oregon
Public education systems

Link To Oregon Benchmarks:
Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #9, #10, #11

Performance Measure:

- Involve a minimum of two high technology companies in the creation of business development and growth programs.
- Survey of five companies in this industry will be made to evaluate program by 9/97

C. Metals Industry Activities

- Activity #1** Link educational system curriculum to metals industry requirements. Provide metals industry-related training and education programs for students, educators and workforce participants:
- Expand on the school-to-work partnerships begun in 1995-97, with increased involvement at elementary and middle school levels and increased linkages with community colleges;
 - Emphasize equitable distribution of opportunities for youth and adults throughout the region through transportation and outreach strategies;
 - Increase connections with existing programs such as the industry-sponsored OATC Technology Summer Camp/summer jobs for students and expand student internship opportunities in metals;
 - Support skill training at work sites and at training centers.

Timeframe: This activity will be phased in beginning 7/1/95, with some components beginning 10/96 as First Biennium projects move to their next phase.

7/95 - 12/95 Gain industry involvement in program development and develop specific training and education programs.

1/96 - 6/97 Implement programs with schools and industry.

Estimated Cost: \$270,000

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Oregon Advanced Technology Consortium
Region 2 Workforce Quality Committee
CAPITAL Center
Industry employers and associations
Business Education Compact
The Private Industry Council
Public education systems

Community colleges
Private foundations
Federal and State School-to-Work grants

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#2,5,6,7,8,10,12

Performance Measures:

1993-95:

- A minimum of two metals companies are involved in the creation of training and education programs for students, educators and workforce. **Status: At least four companies are actively involved to date, with four more indicating interest in serving on curriculum development teams.**
- Teachers are employed in metals industry summer internships to link curriculum development to industry needs/opportunities. **Status: At least 16 teachers and three counselors will be engaged in Summer '95 internships within metals companies to develop integrated curriculum; curriculum will be pilot tested in four schools during 1995-96 school year.**

For 1995-97:

- At least 20 additional teachers and counselors integrate metals-related skills and knowledge into their ongoing work with students.
- An increasing number of students, and an increasing number of women and minorities, indicate their intent to be involved in the metals industry, either through employment or postsecondary training.
- The number of individuals successfully completing the OATC Precision Metals Fabrication Program increases by 10%.
- The number of students participating in metals internship programs increases by 10%.
- An increasing number of people from the region's lowest income neighborhoods successfully complete skills training programs for the metals industry and are hired by companies within the region.

- Activity #2** Increase the information flow about opportunities in the metals industry to students in the region's schools, parents, counselors and teachers.
- Emphasize innovative communications techniques and marketing strategies.
 - Develop updated workforce projections and job skill standards to reflect the changing high technology nature of the metals industry.

Timeframe: This activity will be phased in beginning 7/1/95, with some components beginning 10/96 as First Biennium projects move to their next

phase.

- 7/95 - 12/95 Gain industry involvement in identifying workforce projections and skills standards.
- 1/96 - 6/97 Design and implement marketing campaign.
- 10/96 - 6/97 Continue Metals Information Project begun in First Biennium (resources on industry developed for schools; educator liaisons to link industry associations with school consortia; development of Metals Coordinating Council).

Estimated Cost: \$130,000

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Oregon Advanced Technology Consortium
PAVTEC
Mt. Hood Regional Consortium
C-TEC
Region 2 Workforce Quality Committee
Employers within the industry
Oregon Economic Development Department
Education Service Districts
Public education systems
State Employment Department

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#1,2,3,4,5,6,7,8,9,10,11,12

Performance Measures:

1993-95:

- A minimum of two metals companies are involved in creation of information programs for students, educators and workforce. **Status: Four companies to date have hosted work site tours for educators.**
- A coalition of metals industry associations is developed to provide input into educational needs and program development. **Status: Development is underway.**
- Information is disseminated to 12 area schools by 12/96. **Status: Staff from four schools toured metals companies; career fair held at a fifth school; additional information activities are planned for 1995-96.**
- Increase the availability of a sufficiently skilled and interested workforce pool from which to hire. **Status: Performance on the current Metals Information Project will be measured by pre and post-tests of student**

awareness of and interest in the metals industry. Performance on the current Metals Education Project will be measured by increased numbers of students in the four participating schools selecting metals-related coursework.

1995-97:

- Increased number of metals industry associations participate in a Metals Coordinating Council.
- Increased number of students, and increased number of women and minorities, indicate their intent to be involved in the metals industry, either through employment or postsecondary training.
- Increased diversity of students enrolled in metals-related courses.
- Increased enrollment in metals-related professional-technical coursework.
- Metals-related professional-technical programs are added or expanded in at least two high schools in the region.

Activity #3 Assist metals industry in providing permanent placement of workers within industry companies in the Metro Wash-Mult Region.

- Implement training activities recommended from focus groups in Phase One.
- Implement support service strategies recommended from focus groups in Phase One.
- Resolve transportation issues (as part of the cross-industry transportation activity recommended elsewhere in this plan).
- Refine and continue JobNet placement procedures to fill job openings in metals industry.

Timeframe: 1/96 - 6/97 Implement training activities and support service strategies.

3/96 - 6/97 Continue JobNet placement services with metals companies.

Estimated Cost: \$40,000 (funding for training is included in Activity #1 above).

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Employers within the industry
Region 2 Workforce Quality Committee
The Private Industry Council
JobNet
Public education systems
NE Business Development Fund
Tri-Met
CAPITAL Center
Community colleges

Multnomah and Washington Counties human services systems
United Way

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#1,2,3,4,5,6,7,10,12

Performance Measures:

1993-95:

- Backlog of unfilled jobs in metals industry in this region is reduced. **Status: The Metals Placement Project is working with metals companies to post at least 100 jobs through JobNet by Spring 1996, and to fill at least 50% of those 100 jobs through the JobNet process.**
- Minorities and economically disadvantaged workers will be hired to fill existing and new positions within the metals industry. **Status: The Metals Placement Project will track hiring results to determine the number of people hired by the end of 1996 who came through the Placement Project and were previously low-income, unemployed or from neighborhoods targeted for workforce development.**

1995-97:

- Metals companies in Region 2 annually post at least 100 job openings through JobNet.
- In 1996, 50% of those 100 jobs are filled through the JobNet process.
- In 1997, 60% of those 100 jobs are filled through the JobNet process.
- At least 50% of the people hired by metals employers through JobNet in 1996 are still employed in the metals industry by 6/97.
- Over the period of the activity (1995-1997), the JobNet hires show an increasing number of people from the region's lowest income neighborhoods being hired into the metals industry.

- Activity #4** Create business development and growth programs for emerging metals companies which include information resources and management/financial counseling at critical stages of development.
- Focus this activity on dynamic business practices (managing change) and employee empowerment.
 - Offer training to small and large businesses.
 - Explore the possibility of using software management tools developed in the Metro Region's first biennium (the "Managing Change" and "Improving Performance" project from Sequent). Also relate this activity to the cross-industry marketing project conducted in the first biennium.

Timeframe:

- 7/95 - 12/95 Familiarize metals coalition companies with available business development tools and programs; involve coalition companies in determining which tools will be most appropriate to meet metals industry goals.
- 1/96 - 12/96 Conduct training on pilot basis.
- 1/97 - 6/97 Expand training to other companies.

Estimated Cost: \$10,000 (utilize Change Management and Performance Management tools from Sequent project, which concludes 12/95)

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Oregon Advanced Technology Consortium
Community colleges
Employers and associations in the industry
Region 2 Workforce Quality Committee
Professional associations
Oregon Economic Development Department
Oregon Quality Initiative

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#1,2,4,9,10,11

Performance Measures (by 6/97):

- At least five companies participate in the management training.
- At least 70% of companies receiving management training report positive application of the training results in their workplaces.

D. Cross-Industry Opportunities

Activity #1 Education and Training Initiatives

The education and training activities underway for each targeted industry will utilize common strategies to engage students, develop skills and knowledge and deliver measurable workforce development outcomes. In addition, a cross-industry activity will provide safety training in home languages for limited English speaking people who are hired into the three targeted industries. Safety training in home languages is essential for full understanding of American and Oregon safety practices.

Timeframe:

7/95 - 10/95	Research available training materials (state, region, national, international).
11/95 - 4/96	Involve industry representatives in designing training.
5/96 - 8/96	Develop training program.
9/96 - 6/97	Pilot test training program with various limited English speaking employees.

Estimated Cost: \$50,000

Potential Funding Partners:

Industry Associations
Employers in the industries
Federal grants
Oregon Economic Development Department

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business

Link to Long-Term Regional Strategies Goals:

#1,2,5,6,10,12

Performance Measures:

1993-95:

- A minimum of two companies from each industry (biotechnology, high technology, metals) are involved in creation of training and education programs for students, educators and workforce. **Status: Four metals companies and two biotechnology companies are involved in education projects; nine high technology companies are involved in the development of change management and performance management tools for the workplace; nine semiconductor companies are involved in the Semiconductor Workforce Action Plans Project, funded in part from the Multnomah-Washington Regional Strategies Board.**
- Teachers are employed in each industry (biotechnology, high technology, metals) using summer internships to link curriculum development with

industry needs/opportunities. **Status: The Metals Education Project is placing at least 16 teachers and 3 counselors in Summer '95 internships. Biotechnology teacher internships are on hold until companies are more firmly established in the region. High technology internships will be developed in the second biennium.**

1995-97:

- Demonstrated understanding of safety rules, regulations and procedures by trainees.
- At least two companies from each targeted industry sponsor ESL Safety Training in their workplaces.

Activity #2

Business Development and Growth Initiatives

Create business development and growth programs for emerging or expanding biotechnology, high technology, and metals companies which include technical assistance resources and management/financial counseling.

Resolve transportation issues to increase access of available workforce to available jobs across the three targeted industries and across the region of Washington and Multnomah Counties. Link jobs to all region residents, with particular emphasis on linking residents of low-income communities with training and jobs.

Timeframe:

- | | |
|--------------|--|
| 7/95 - 9/95 | Document issues and challenges from experiences of the Metals Placement Project. |
| 10/95 - 1/96 | Gain industry involvement in working with transit authorities on the issue. |
| 1/96 - 4/96 | Develop solutions. |
| 4/96 - 6/97 | Implement programs with Tri-Met, employers and public agencies. |

Estimated Cost: \$250,000

Potential Funding Partners:

American Electronics Association
Oregon Biotechnology Association
Oregon Environmental Technology Association
Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Oregon Advanced Technology Consortium
Region 2 Workforce Quality Committee
Software Association of Oregon
Industry Partners (companies within industries)
Public education systems
Tri-Met
Oregon Economic Development Department

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1,#3, #4,#5, #6, #7, #9, #10, #11,#12

Performance Measure:

- Involve at least two companies from each of the three key industries selected by the Metro Region Board to participate in the development of resources and programs to be included in this project.
- Survey five companies from each key industry once the program is operational for six months to determine usage characteristics and program effectiveness.
- An increasing number of people from the region's lowest income neighborhoods are hired by companies within the region.

XI. Multi-Regional Opportunities

Activity #1 Education and Training Initiatives

Pursue multi-regional funding to adapt the electronically controlled manufacturing equipment technician training program begun for the metals industry to other targeted industries.

Timeframe:

- | | |
|--------------|--|
| 7/95 - 10/95 | Gain involvement of high tech and biotech industry representatives in program development. |
| 11/95 - 8/96 | Develop specific training and education programs (include high school-community college linkages). |
| 9/96 - 6/97 | Implement programs. |

Estimated Cost: \$30,000

Potential Funding Partners:

Industry associations
Employers within industries
Public education systems
Oregon Economic Development Department
Other Regional Strategies Boards (Multi-Region)

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#1,2,4,7,8,9,10,11

Performance Measures:

1995-97:

- Involve a minimum of two companies from each industry (high technology, biotechnology) in technician training design to ensure that training modules include transferable, across-industry skills.
- Involve a minimum of two high schools and two community colleges in the design of high school and community college components in a training continuum that develops skills in electronically controlled manufacturing equipment maintenance.

Certification of Process
Accompanying Submission of the Metro Region's Strategy to the
Oregon Economic Development Department

The Regional Board of the Metro Region, hereby certifies that:

1. a majority of its members primarily represent the private economic sector;
2. the Region's Strategy addresses the major elements of a regional strategic plan;
3. a public hearing was held in each county in the Metro Region prior to the submission of the Strategy to the county governing bodies for adoption; and
4. a majority of the counties in the Metro Region have adopted the Strategy being submitted to the State of Oregon.

On behalf of the Regional Board of the Metro Region, I hereby certify and affirm that all statements and information contained herein are true and complete to the best of my knowledge.

Co-Chair
Regional Board of the Metro Region

Date

Co-Chair
Regional Board of the Metro Region

Date

**Before the Boards of Commissioners for the Counties of
Washington and Multnomah
State of Oregon**

**RESOLUTION IN THE MATTER OF ADOPTING AN UPDATED STRATEGIC
PLAN AND 1995-97 ACTION PLAN AND RECOMMENDING
THE STRATEGIC PLAN BE SUBMITTED TO THE OREGON
ECONOMIC DEVELOPMENT COMMISSION AND THE
GOVERNOR OF THE STATE OF OREGON FOR
CONSIDERATION UNDER THE REGIONAL STRATEGIES
PROGRAM.**

Whereas, the Counties of Washington and Multnomah joined together to for the Metro Region for the duration of the 1993-99 economic development Strategic Plan, which was developed by the Region's appointed Regional Board members and was approved by the Governor of the State of Oregon on _____, 1995 in accordance with the requirements of the Regional Strategies Program; and

Whereas, the Regional Board has evaluated its performance to date in implementing the Strategic Plan and, as a result, has updated and made modifications to the Strategic Plan; and

Whereas, the Region's Updated Strategic Plan and the 1995-97 Action Plan meet the requirements of the Regional Strategies Program; and

Whereas, the Regional Board members have held a public hearing on the Region's Updated Strategic Plan and 1995-97 Action Plan in each county of the Region;

NOW, THEREFORE, BE IT RESOLVED that the governing bodies of Washington and Multnomah Counties hereby adopt the Region's Updated Strategic Plan and 1995-97 Action Plan and recommend that they be submitted to the Oregon Economic Development Commission and the Governor of the State of Oregon for consideration under the Regional Strategies Program; and

BE IT FURTHER RESOLVED that the governing bodies of Washington and Multnomah Counties hereby commit to taking any action necessary to ensure that the Region achieves its goals as set forth in the Region's Strategic Plan.

BOARD OF MULTNOMAH COUNTY COMMISSIONERS

Chair

Date

Commissioner

Date

Commissioner

Date

REGIONAL STRATEGIES PLAN UPDATE AMENDMENTS

1. Pages 4 and 9, Activity #1, amend last sentence of activity description to read "Include strategies which address secondary education through post secondary education issues."
2. Page 8, Activity #2, under "Potential Funding Partners" add the " Oregon Environmental Technology Center".
3. Page 8, Activity #2, under "Timeframe" amend item 3 for the 4/95 to 12/95 time period to read "Complete improvements at existing location(s)".
4. Pages 5 and 11, High Tech Industry Strategy, Activity #3, amend activity description to read "Develop effective marketing and recruitment capabilities to attract viable out-of-state, and expand in-state, firms."
5. Page 20, add Activity #3 as follows:

Activity #3 Develop effective marketing and recruitment capabilities to attract viable out-of-state, and expand in-state, firms.

Timeframe: Projects under this activity will be completed by July 1996 with measurable results by September 1997.

10/95-6/96 Develop marketing and recruitment tools (i.e., trade show booth, literature, brochures, etc.).

7/96-9/97 Attend industry trade shows, deliver marketing materials to well regarded out-of-state companies.

Estimated Cost: (Covered as part of individual industry activities)

Potential Funding Partners:

Metro Region High Technology Companies

American Electronics Association

Software Association of Oregon

Public education systems

Oregon Biotechnology Association and member companies

Oregon Metals Industry Council

Oregon Precision Metal Fabricators Association

Link To Oregon Benchmarks:

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #11

Performance Measure (by 9/97):

- Attend one national or regional trade show
- Obtain at least two bona fide leads on well regarded companies in each industry interested in locating in the Metro Region

6. Page 23, Activity #4, under "Estimated Cost" amend to read "\$20,000 from the Wash./Mult. Region (Total project costs are \$176,000)

**WASHINGTON AND MULTNOMAH COUNTIES REGIONAL STRATEGIES
STRATEGIC PLAN UPDATE AND RECOMMENDED 1995-1997 ACTION PLAN**

Submitted by the Washington-Multnomah Counties Regional Strategies Board
on behalf of Washington and Multnomah Counties

June 1, 1995

5/25/95

STRATEGIC PLAN UPDATE

The purpose of this section of the plan update is to identify changes that have been made to the six-year Strategic Plan for Washington and Multnomah Counties. Both the Strategic Plan update and the recommended 1995-1997 Action Plan are built primarily on the exiting strategy and previous plan. As a result, this section identifies changes to the existing strategy by referencing the relevant section of the existing plan and providing new language. The existing strategy is attached as Appendix 1. The recommended 1995-1997 Action Plan is included as a separate section within this document.

I. Process Overview and Future Action Plan

In developing the plan update and the recommended action plan the board conducted public meetings during April and May of 1995 at which industry presentations on existing and recommended strategies/activities were discussed with the Board. Public hearings on the draft plan update and draft recommended plan were held in May. The plan update and recommended plan were then considered and acted on by the Washington and Multnomah County Commissions in May 1995.

II. Executive Summary

No Change.

III. Strategy Context

A. Regional Organization

Board member Darrell Simms is now employed by CH2M Hill, 2020 S.W. 4th Avenue, Portland, Oregon, (503) 235-5000, fax (503) 235-2445.

B. Link to the State Strategic Plan and Benchmarks

No Change.

C. Integration of Other Planning Efforts

The Portland-Multnomah Progress Board completed the Portland-Multnomah Benchmarks in January 1995. Board staff reviewed this document in order to assure consistency with the updated strategy and avoid duplication of efforts.

IV. Regional Economic Assessment

A. Analysis of Key Industries

The existing analysis of key industries is augmented by the Target Industry Discovery Program, Phase One, completed by Eiland Research in May 1995, for the Regional Strategies Board and the Portland Development Commission. The report is attached as Appendix 2.

The report provides the results of an economic analysis of the three key industries. It also provides an analysis of interviews among regional business leaders in the key industries.

B. Inventory of Resources

No Change.

C. Identification of Resource Gaps and Opportunities

Under "Growing Population and Labor Force", the third point is amended to read:

-The supply of labor in some economic sectors is growing faster than new jobs are being created.

Under "Educated and Productive Workforce", add:

-Job creation in the High-Tech industry is occurring faster than existing education and training programs can provide skilled workers.

V. Industry Selection

A. Selection Rationale

No Change.

B. Barriers to Industry Development

The existing discussion of barriers to industry development is augmented by the Target Industry Discovery Program, Phase One, completed by Eiland Research in May 1995, for the Regional Strategies Board and the Portland Development Commission. The report is attached as Appendix 2.

The report provides the results of an economic analysis of the three key industries. It also provides an analysis of interviews among regional business leaders in the key industries.

C. Link to Regional Vision and Long-Term Goals

No Change.

D. Industry, Public and Educational Partnerships

The Portland Development Commission/City of Portland are added to each of the partnership groups identified.

The Business Education Compact (BEC) is added as an education partner.

E. Analysis of the foundation of Industry Resources

High Technology Industry Resources

The second paragraph is amended to recognize:

Large regional high technology industry base is growing rapidly, and is expected to experience strong growth through the end of the decade.

VI. Biotechnology Industry Strategy

A. Industry Analysis (SWOT)

The existing industry analysis is augmented by the Target Industry Discovery Program, Phase One, completed by Eiland Research in May 1995, for the Regional Strategies Board and the Portland Development Commission. The report is attached as Appendix 2.

The report provides the results of an economic analysis of the three key industries. It also provides an analysis of interviews among regional business leaders in the key industries.

B. Long-Term Industry Benchmarks and Indicators

No Change.

C. Prioritized list of activities to be addressed

- Activity #1** Link educational system curriculum to industry requirements. Provide biotechnology, environmental biotechnology training and education programs for students, educators, and workforce participants. Increase the information flow about biotechnology and environmental biotechnology industry opportunities to schools and industry.
- Activity #2** Create biotechnology facilities and environmental biotechnology resource and development capacity within the Metro Region.
- Activity #3** Develop effective industry marketing and recruitment capabilities.

VII. High Technology Industry Strategy

A. Industry Analysis (SWOT)

The existing industry analysis is augmented by the Target Industry Discovery Program, Phase One, completed by Eiland Research in May 1995, for the Regional Strategies Board and the Portland Development Commission. The report is attached as Appendix 2.

The report provides the results of an economic analysis of the three key industries. It also provides an analysis of interviews among regional business leaders in the key industries.

B. Long-Term Industry Benchmarks and Indicators

No Change.

C. Prioritized list of activities to be addressed

- Activity #1** Link educational system curriculum to high technology industry requirements. Provide high technology training and education programs for students, educators, and workforce participants. Include strategies which address secondary and post secondary education issues.
- Activity #2** Support industry development and growth through industry specific market and performance measurement and analysis.

- | | |
|--------------------|---|
| Activity #3 | Develop effective marketing and recruitment capabilities to attract viable out-of-state, and expand in-state, firms. |
| Activity #4 | Create business development and growth programs for emerging or expanding high technology companies which include technical assistance resources and management/financial counseling. |

VIII. Metals Industry Strategy

A. Industry Analysis (SWOT)

The existing industry analysis is augmented by the Target Industry Discovery Program, Phase One, completed by Eiland Research in May 1995, for the Regional Strategies Board and the Portland Development Commission. The report is attached as Appendix 2.

The report provides the results of an economic analysis of the three key industries. It also provides an analysis of interviews among regional business leaders in the key industries.

B. Long-Term Industry Benchmarks and Indicators

No Change.

C. Prioritized list of activities to be addressed

- | | |
|--------------------|---|
| Activity #1 | Link educational system curriculum to metals industry requirements. Provide metals industry-related training and education programs for students, educators and workforce participants. |
| Activity #2 | Increase the information flow about opportunities in the metals industry to students in the region's schools, parents, counselors and teachers. |
| Activity #3 | Assist metals industry in providing permanent placement of workers within industry companies in the Metro Wash-Mult Region. |

Activity #4 Create business development and growth programs for emerging metals companies which include information resources and management/financial counseling at critical stages of development.

IX. Link to Regional Vision, Goals and Industry Barriers

No Change.

X. 1995-1997 Two Year Action Plan

A. Biotechnology Industry Activities

Activity #1 Link educational system curriculum to industry requirements. Provide biotechnology, environmental biotechnology training and education programs for students, educators, and workforce participants. Increase the information flow about biotechnology and environmental biotechnology industry opportunities to schools and industry.

Timeframe:

7/95-9/95	Solicit industry involvement in program development
10/95-9/96	Develop specific training and education programs
9/96-6/97	Implement programs with schools and industry

Estimated Cost: \$80,000

Potential Funding Partners:

Oregon Biotechnology Association
Oregon Biotechnology Association member companies
Oregon Environmental Technology Association
Region 2 Workforce Quality Committee
The Private Industry Council
Public education systems

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #2, #5, #7, #8, #10

Performance Measure (by 6/97):

- Involve a minimum of two biotechnology companies and two environmental services companies in the creation of training and education programs for students, educators, and workforce participants
- Employ teachers in biotechnology and environmental biotechnology industry summer internships.

Activity #2 Create biotechnology facilities and environmental biotechnology resource and development capacity within the Metro Region.

Timeframe:

Ongoing	Solicit industry involvement
Ongoing	Solicit industry involvement in providing additional funding
4/95-12/95	Complete improvements at existing location(s)
12/95-4/96	Facilities start-up

Estimated Investment: \$350,000

Potential Funding Partners:

Oregon Biotechnology Association
Oregon Biotechnology Association member companies
Portland Community College
Portland Development Commission
Conventional Lenders
Non-profit Foundations
Oregon Environmental Biotechnology Association (OETA)

Link To Oregon Benchmarks:

Public Infrastructure Investment
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1,#2, #4, #7,#8, #9,#10, #11

Performance Measure:

- Start-up facilities on time and within budget
- Attract at least two start-up businesses by 4/96 opening date
- 20 jobs for will be created by companies in facilities by 9/96

Activity #3 Develop effective industry marketing and recruitment capabilities.

Timeframe:

7/95-3/96	Develop marketing and recruitment tools (i.e., trade show booth, literature, brochures, etc.).
7/96-9/97	Attend industry trade shows and deliver marketing materials.

Estimated Cost: \$20,000 (Also a potential Cross Industry Activity)

Potential Funding Partners:

Oregon Biotechnology Association and member companies.

Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #11

Performance Measure (by 9/96):

- Attend one national or regional trade show
- Obtain at least four leads on biotechnology/environmental biotechnology companies interested in locating in the Metro Region

B. High Technology Industry Activities

Activity #1 Link educational system curriculum to high technology industry requirements. Provide high technology training and education programs for students, educators, and workforce participants. Include strategies which address secondary and post secondary education issues.

Potential projects:

- Implementation of the Semiconductor Workforce Consortium's recommendations for program development/enhancement at area high schools and community colleges.
- Assessment of the higher education needs of area technology firms and the available services/capacities of the higher education institutions in the state.

Timeframe: Projects under this activity will be implemented starting in the second/third quarter of FY 1995-96 with measurable results by Spring 1997.

Estimated Cost: \$250,000 (all potential projects under this activity offer multi-regional opportunities for additional funding)

Potential Funding Partners:

American Electronics Association
American Electronics Association member companies
Region 2 Workforce Quality Committee
The Private Industry Council
Public secondary education systems
Public and Private higher education institutions

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #2, #3, #5, #6, #8, #10, #12

Performance Measures (by 5/97):

- Performance measures will be determined as project specifics are developed in the first/second quarters of FY 95-96.

Activity #2

Support industry development and growth through industry specific market and performance measurement and analysis.

Potential projects:

- Continued funding of an industry benchmarking program and performance measurement system developed by AEA
- Continued funding of a software laboratory to provide initial product testing and analysis.
- Fund a Multimedia market study for industry development within the Metro Region.

Timeframe: Projects under this activity will be implemented starting in the second/third quarter of FY 1995-96 with measurable results by Spring 1997.

Estimated Cost: \$100,000 (all potential projects under this activity offer multi-regional opportunities for additional funding)

Potential Funding Partners:

American Electronics Association
American Electronics Association member companies
Software Association of Oregon
Oregon Multimedia Alliance
Oregon Film & Video Office
Public secondary education systems
Public and Private higher education institutions

Link To Oregon Benchmarks:

Public Infrastructure Investment
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #7, #9, #10, #11

Performance Measure (by 5/97):

- Performance measures will be determined as project specifics are developed in the first/second quarters of FY 95-96.

Activity #3

Develop effective marketing and recruitment capabilities to attract viable out-of-state, and expand in-state, firms.

Timeframe: Projects under this activity will be completed by July 1996 with measurable results by September 1997.

10/95-6/96 Develop marketing and recruitment tools (i.e., trade show booth, literature, brochures, etc.).

7/96-9/97 Attend industry trade shows, deliver marketing materials to well regarded out-of-state companies.

Estimated Cost: \$200,000

Potential Funding Partners:

Metro Region High Technology Companies

American Electronics Association

Software Association of Oregon

Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #11

Performance Measure (by 9/97):

- Attend one national or regional trade show
- Obtain at least two bona fide leads on well regarded high technology companies interested in locating in the Metro Region

Activity #4

Create business development and growth programs for emerging or expanding high technology companies which include technical assistance resources and management/financial counseling.

Timeframe: Projects under this activity will be implemented by December 1996 with measurable results by September 1997.

10/95-12/95 Solicit industry involvement in program development

1/96-12/96 Develop specific development and growth programs

12/96-9/97 Implement programs

Estimated Cost: \$100,000 (potential projects under this activity offer multi-regional opportunities for additional funding)

Potential Funding Partners:

Metro Region High Technology Companies
American Electronics Association
Software Association of Oregon
Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #9, #10, #11

Performance Measure:

- Involve a minimum of two high technology companies in the creation of business development and growth programs.
- Survey of five companies in this industry will be made to evaluate program by 9/97

C. Metals Industry Activities

Activity #1 Link educational system curriculum to metals industry requirements. Provide metals industry-related training and education programs for students, educators and workforce participants:

- Expand on the school-to-work partnerships begun in 1995-97, with increased involvement at elementary and middle school levels and increased linkages with community colleges;
- Emphasize equitable distribution of opportunities for youth and adults throughout the region through transportation and outreach strategies;
- Increase connections with existing programs such as the industry-sponsored OATC Technology Summer Camp/summer jobs for students and expand student internship opportunities in metals;
- Support skill training at work sites and at training centers.

Timeframe: This activity will be phased in beginning 7/1/95, with some components beginning 10/96 as First Biennium projects move to their next phase.

7/95 - 12/95 Gain industry involvement in program development and develop specific training and education programs.

1/96 - 6/97 Implement programs with schools and industry.

Estimated Cost: \$270,000

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Oregon Advanced Technology Consortium
Region 2 Workforce Quality Committee
CAPITAL Center
Industry employers and associations
Business Education Compact
The Private Industry Council
Public education systems
Community colleges
Private foundations
Federal and State School-to-Work grants

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#2,5,6,7,8,10,12

Performance Measures:**1993-95:**

- A minimum of two metals companies are involved in the creation of training and education programs for students, educators and workforce. **Status: At least four companies are actively involved to date, with four more indicating interest in serving on curriculum development teams.**
- Teachers are employed in metals industry summer internships to link curriculum development to industry needs/opportunities. **Status: At least 16 teachers and three counselors will be engaged in Summer '95 internships within metals companies to develop integrated curriculum; curriculum will be pilot tested in four schools during 1995-96 school year.**

For 1995-97:

- At least 20 additional teachers and counselors integrate metals-related skills and knowledge into their ongoing work with students.
- An increasing number of students, and an increasing number of women and minorities, indicate their intent to be involved in the metals industry, either through employment or post secondary training.
- The number of individuals successfully completing the OATC Precision Metals Fabrication Program increases by 10%.
- The number of students participating in metals internship programs increases by 10%.

- An increasing number of people from the region's lowest income neighborhoods successfully complete skills training programs for the metals industry and are hired by companies within the region.

- Activity #2** Increase the information flow about opportunities in the metals industry to students in the region's schools, parents, counselors and teachers.
- Emphasize innovative communications techniques and marketing strategies.
 - Develop updated workforce projections and job skill standards to reflect the changing high technology nature of the metals industry.

Timeframe: This activity will be phased in beginning 7/1/95, with some components beginning 10/96 as First Biennium projects move to their next phase.

7/95 - 12/95	Gain industry involvement in identifying workforce projections and skills standards.
1/96 - 6/97	Design and implement marketing campaign.
10/96 - 6/97	Continue Metals Information Project begun in First Biennium (resources on industry developed for schools; educator liaisons to link industry associations with school consortia; development of Metals Coordinating Council).

Estimated Cost: \$130,000

Potential Funding Partners:

Oregon Metals Industry Council
 Oregon Precision Metal Fabricators Association
 Oregon Advanced Technology Consortium
 PAVTEC
 Mt. Hood Regional Consortium
 C-TEC
 Region 2 Workforce Quality Committee
 Employers within the industry
 Oregon Economic Development Department
 Education Service Districts
 Public education systems
 State Employment Department

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
 Value-Added Products, Global Business
 Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#1,2,3,4,5,6,7,8,9,10,11,12

Performance Measures:

1993-95:

- A minimum of two metals companies are involved in creation of information programs for students, educators and workforce. **Status: Four companies to date have hosted work site tours for educators.**
- A coalition of metals industry associations is developed to provide input into educational needs and program development. **Status: Development is underway.**
- Information is disseminated to 12 area schools by 12/96. **Status: Staff from four schools toured metals companies; career fair held at a fifth school; additional information activities are planned for 1995-96.**
- Increase the availability of a sufficiently skilled and interested workforce pool from which to hire. **Status: Performance on the current Metals Information Project will be measured by pre and post-tests of student awareness of and interest in the metals industry. Performance on the current Metals Education Project will be measured by increased numbers of students in the four participating schools selecting metals-related coursework.**

1995-97:

- Increased number of metals industry associations participate in a Metals Coordinating Council.
- Increased number of students, and increased number of women and minorities, indicate their intent to be involved in the metals industry, either through employment or post secondary training.
- Increased diversity of students enrolled in metals-related courses.
- Increased enrollment in metals-related professional-technical coursework.
- Metals-related professional-technical programs are added or expanded in at least two high schools in the region.

- Activity #3** Assist metals industry in providing permanent placement of workers within industry companies in the Metro Wash-Mult Region.
- Implement training activities recommended from focus groups in Phase One.
 - Implement support service strategies recommended from focus groups in Phase One.
 - Resolve transportation issues (as part of the cross-industry transportation activity recommended elsewhere in this plan).
 - Refine and continue JobNet placement procedures to fill job openings in metals industry.

Timeframe: 1/96 - 6/97 Implement training activities and support service strategies.

3/96 - 6/97 Continue JobNet placement services with metals companies.

Estimated Cost: \$40,000 (funding for training is included in Activity #1 above).

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Employers within the industry
Region 2 Workforce Quality Committee
The Private Industry Council
JobNet
Public education systems
NE Business Development Fund
Tri-Met
CAPITAL Center
Community colleges
Multnomah and Washington Counties human services systems
United Way

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#1,2,3,4,5,6,7,10,12

Performance Measures:

1993-95:

- Backlog of unfilled jobs in metals industry in this region is reduced.
Status: The Metals Placement Project is working with metals companies to post at least 100 jobs through JobNet by Spring 1996, and to fill at least 50% of those 100 jobs through the JobNet process.
- Minorities and economically disadvantaged workers will be hired to fill existing and new positions within the metals industry. **Status: The Metals Placement Project will track hiring results to determine the number of people hired by the end of 1996 who came through the Placement Project and were previously low-income, unemployed or from neighborhoods targeted for workforce development.**

1995-97:

- Metals companies in Region 2 annually post at least 100 job openings through JobNet.
- In 1996, 50% of those 100 jobs are filled through the JobNet process.
- In 1997, 60% of those 100 jobs are filled through the JobNet process.
- At least 50% of the people hired by metals employers through JobNet in 1996 are still employed in the metals industry by 6/97.

- Over the period of the activity (1995-1997), the JobNet hires show an increasing number of people from the region's lowest income neighborhoods being hired into the metals industry.

- Activity #4** Create business development and growth programs for emerging metals companies which include information resources and management/financial counseling at critical stages of development.
- Focus this activity on dynamic business practices (managing change) and employee empowerment.
 - Offer training to small and large businesses.
 - Explore the possibility of using software management tools developed in the Metro Region's first biennium (the "Managing Change" and "Improving Performance" project from Sequent). Also relate this activity to the cross-industry marketing project conducted in the first biennium.

Timeframe:

- | | |
|--------------|---|
| 7/95 - 12/95 | Familiarize metals coalition companies with available business development tools and programs; involve coalition companies in determining which tools will be most appropriate to meet metals industry goals. |
| 1/96 - 12/96 | Conduct training on pilot basis. |
| 1/97 - 6/97 | Expand training to other companies. |

Estimated Cost: \$10,000 (utilize Change Management and Performance Management tools from Sequent project, which concludes 12/95)

Potential Funding Partners:

Oregon Metals Industry Council
 Oregon Precision Metal Fabricators Association
 Oregon Advanced Technology Consortium
 Community colleges
 Employers and associations in the industry
 Region 2 Workforce Quality Committee
 Professional associations
 Oregon Economic Development Department
 Oregon Quality Initiative

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
 Value-Added Products, Global Business
 Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#1,2,4,9,10,11

Performance Measures (by 6/97):

- At least five companies participate in the management training.

- At least 70% of companies receiving management training report positive application of the training results in their workplaces.

D. Cross-Industry Opportunities

Activity #1 Education and Training Initiatives

The education and training activities underway for each targeted industry will utilize common strategies to engage students, develop skills and knowledge and deliver measurable workforce development outcomes. In addition, a cross-industry activity will provide safety training in home languages for limited English speaking people who are hired into the three targeted industries. Safety training in home languages is essential for full understanding of American and Oregon safety practices.

Timeframe:

7/95 - 10/95	Research available training materials (state, region, national, international).
11/95 - 4/96	Involve industry representatives in designing training.
5/96 - 8/96	Develop training program.
9/96 - 6/97	Pilot test training program with various limited English speaking employees.

Estimated Cost: \$50,000

Potential Funding Partners:

Industry Associations
Employers in the industries
Federal grants
Oregon Economic Development Department

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business

Link to Long-Term Regional Strategies Goals:

#1,2,5,6,10,12

Performance Measures:

1993-95:

- A minimum of two companies from each industry (biotechnology, high technology, metals) are involved in creation of training and education programs for students, educators and workforce. **Status:** Four metals companies and two biotechnology companies are involved in education projects; nine high technology companies are involved in the development of change management and performance management tools for the workplace; nine semiconductor companies are involved in

the Semiconductor Workforce Action Plans Project, funded in part from the Multnomah-Washington Regional Strategies Board.

- Teachers are employed in each industry (biotechnology, high technology, metals) using summer internships to link curriculum development with industry needs/opportunities. **Status: The Metals Education Project is placing at least 16 teachers and 3 counselors in Summer '95 internships. Biotechnology teacher internships are on hold until companies are more firmly established in the region. High technology internships will be developed in the second biennium.**

1995-97:

- Demonstrated understanding of safety rules, regulations and procedures by trainees.
- At least two companies from each targeted industry sponsor ESL Safety Training in their workplaces.

Activity #2 Business Development and Growth Initiatives

Create business development and growth programs for emerging or expanding biotechnology, high technology, and metals companies which include technical assistance resources and management/financial counseling.

Resolve transportation issues to increase access of available workforce to available jobs across the three targeted industries and across the region of Washington and Multnomah Counties. Link jobs to all region residents, with particular emphasis on linking residents of low-income communities with training and jobs.

Timeframe:

7/95 - 9/95	Document issues and challenges from experiences of the Metals Placement Project.
10/95-1/96	Gain industry involvement in working with transit authorities on the issue.
1/96 - 4/96	Develop solutions.
4/96 - 6/97	Implement programs with Tri-Met, employers and public agencies.

Estimated Cost: \$250,000

Potential Funding Partners:

American Electronics Association
Oregon Biotechnology Association
Oregon Environmental Technology Association
Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Oregon Advanced Technology Consortium
Region 2 Workforce Quality Committee
Software Association of Oregon
Industry Partners (companies within industries)

Public education systems
Tri-Met
Oregon Economic Development Department

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1,#3, #4,#5, #6, #7, #9, #10, #11,#12

Performance Measure:

- Involve at least two companies from each of the three key industries selected by the Metro Region Board to participate in the development of resources and programs to be included in this project.
- Survey five companies from each key industry once the program is operational for six months to determine usage characteristics and program effectiveness.
- An increasing number of people from the region's lowest income neighborhoods are hired by companies within the region.

Activity #3

Develop effective marketing and recruitment capabilities to attract viable out-of-state, and expand in-state, firms.

Timeframe: Projects under this activity will be completed by July 1996 with measurable results by September 1997.

10/95-6/96 Develop marketing and recruitment tools (i.e., trade show booth, literature, brochures, etc.).

7/96-9/97 Attend industry trade shows, deliver marketing materials to well regarded out-of-state companies.

Estimated Cost: (Covered as part of individual industry activities)

Potential Funding Partners:

Metro Region High Technology Companies
American Electronics Association
Software Association of Oregon
Public education systems
Oregon Biotechnology Association and member companies
Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association

Link To Oregon Benchmarks:

Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #11

Performance Measure (by 9/97):

- Attend one national or regional trade show
- Obtain at least two bona fide leads on well regarded companies in each industry interested in locating in the Metro Region

E. Statutory Requirements

On page 39, the first point under the subsection beginning "Overall strategy implementation includes:" is amended to read:

-An administration fee not to exceed 10% for contract administration and oversight.

XI. Multi-Regional Opportunities

Activity #1 Education and Training Initiatives

Pursue multi-regional funding to adapt the electronically controlled manufacturing equipment technician training program begun for the metals industry to other targeted industries.

Timeframe:

- | | |
|--------------|--|
| 7/95 - 10/95 | Gain involvement of high tech and biotech industry representatives in program development. |
| 11/95 - 8/96 | Develop specific training and education programs (include high school-community college linkages). |
| 9/96 - 6/97 | Implement programs. |

Estimated Cost: \$30,000

Potential Funding Partners:

Industry associations
Employers within industries
Public education systems
Oregon Economic Development Department
Other Regional Strategies Boards (Multi-Region)

Link to Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-Term Regional Strategies Goals:

#1,2,4,7,8,9,10,11

Performance Measures:

1995-97:

- Involve a minimum of two companies from each industry (high technology, biotechnology) in technician training design to ensure that training modules include transferable, across-industry skills.
- Involve a minimum of two high schools and two community colleges in the design of high school and community college components in a training continuum that develops skills in electronically controlled manufacturing equipment maintenance.

Activity #2

Support industry development and growth through industry specific market and performance measurement and analysis.

Potential projects:

- Continued funding of an industry benchmarking program and performance measurement system developed by AEA
- Continued funding of a software laboratory to provide initial product testing and analysis.
- Fund a Multimedia market study for industry development within the Metro Region.

Timeframe: Projects under this activity will be implemented starting in the second/third quarter of FY 1995-96 with measurable results by Spring 1997.

Estimated Cost: \$100,000 (Also included as High-Technology priority #2. Wash./Mult. County Board could be sole funding source if not approved for multi-regional funding.)

Potential Funding Partners:

American Electronics Association
American Electronics Association member companies
Software Association of Oregon
Oregon Multimedia Alliance
Oregon Film & Video Office
Public secondary education systems
Public and Private higher education institutions

Link To Oregon Benchmarks:

Public Infrastructure Investment
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #7, #9, #10, #11

Performance Measure (by 5/97):

- Performance measures will be determined as project specifics are developed in the first/second quarters of FY 95-96.

Activity #3

Create business development and growth programs for emerging or expanding high technology companies which include technical assistance resources and management/financial counseling.

Timeframe: Projects under this activity will be implemented by December 1996 with measurable results by September 1997.

10/95-12/95	Solicit industry involvement in program development
1/96-12/96	Develop specific development and growth programs
12/96-9/97	Implement programs

Estimated Cost: \$100,000 (potential projects under this activity offer multi-regional opportunities for additional funding)

Potential Funding Partners:

Metro Region High Technology Companies
American Electronics Association
Software Association of Oregon
Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #9, #10, #11

Performance Measure:

- Involve a minimum of two high technology companies in the creation of business development and growth programs.
- Survey of five companies in this industry will be made to evaluate program by 9/97

Activity #4 Create development and growth programs for emerging or expanding biotechnology or environmental biotechnology companies which include technical assistance resources and management/financial counseling.

Timeframe: Projects under this activity will be implemented beginning in July 1995 with measurable results as significant mileposts through June 1997.

Estimated Cost: \$20,000 from the Wash./Mult. Region (Total project costs are \$176,000)

Potential Funding Partners:

Northwest Environmental & Energy Resources Group (Industry)
OEDD Flexible Networks Program
Baker-Malheur Region
North-Central Region
Northwest Oregon Economic Alliance

Link to Oregon Benchmarks:

Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #8, #9, #11

Performance Measure:

- Ratio of gross income prior to and after network start-up

- Number, type, and location of new clients due to network marketing efforts
- Change in the number of employees of member firms
- Change in the number of outside contractor arrangements

APPENDIX 1

Regional Strategies Application

Multnomah and Washington Counties

(5/24/94 - Approved by County Commissions)

(8/19/94 - Revisions Adopted by Regional Strategies Board)

**Regional Strategies Application
Multnomah and Washington Counties**

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Regional Strategies Application Multnomah and Washington Counties

I. Process Overview and Future Action Plan

In February 1994, a Board of 10 private citizens from Multnomah and Washington Counties was selected by the Metro Region to participate in the Regional Strategies Program as defined by the State of Oregon. This Board conducted the following meetings to facilitate the process of arriving at the regional strategy included in this application:

Date	Time	Meeting Purpose
2/4/94	3:00pm-5:00pm	Board Orientation, State Vision, Legal Issues, Workplan Development.
2/18/94	12:00pm-5:00pm	Metro Region Overview, Review of Existing Regional Visions/Activities, Regional Vision & Goals Development, Industry Selection Criteria Development, Selection of Industries to Make Presentations to Board.
2/25/94	2:00pm -5:00pm	Presentations by Biotechnology and Software Industry Associations and interested parties.
3/4/94	2:00pm -5:00pm	Presentations by High Technology, Metals, Agriculture, and Aerospace Industries and interested parties.
3/10/94	2:00pm -5:00pm	Presentations by Environmental Services, Film & Video, and Tourism Industry Associations and interested parties.
3/18/94	2:00pm -5:00pm	Overview of OEDD Benchmarking/Performance Measurement Information, Board Selection of Biotechnology, High Technology and Metals Industries, Process Discussion to Develop Initial Strategies and Action Plans with Partners.
3/28/94	6:00pm -9:00pm	Biotechnology Strategy Development with Oregon Biotechnology Association, Industry Firms, Educational Partners and Interested Parties
3/30/94	2:00pm -5:00pm	High Technology Strategy Development with American Electronic Association, Industry Firms, Educational Partners and Interested Parties
4/4/94	6:00pm -9:00pm	Metals Industry Strategy Development with Metals Industry Associations, Industry Firms, Educational Partners and Interested Parties
4/8/94	2:00pm -5:00pm	Board Review of Strategy Development Process, Refinement of Strategic Direction and Funding Allocations for Selected Industries.
4/26/94	2:00pm -5:00pm	Board Review of Draft Strategy Document, Further Refinement of Strategic Direction and Funding Allocations for Selected Industries.

The following Regional Strategies Application is the result of these activities to date. Meeting minutes and source documentation for statistics used in this application reside at the Portland Development Commission. Public review and adoption by the county commissioners took place during May. It is important to note that the timing of this process has been compressed during this biennium and has resulted in significant time constraints on all parties involved in the development of strategies and action plans identified in the following document.

In order to facilitate the mandated June 1 submission to the State of Oregon, broad based strategies and action plans have been identified and estimated funding levels were allocated.

These funding levels are subject to change as projects within the identified action plans are finalized. Throughout this summer, sub-committees will work with partners from each industry to develop final funding allocations and selection of projects targeted for October, when the Strategic Plan is approved.

The long-term action plan for the strategy will be based on anticipated cooperative work between the Board and appropriate private/public sector organizations (including but not limited to local government, state government, federal government and the private sector) to continually overcome the barriers for development of the key industries selected for the region. Each year, the barriers identified in this initial strategy document will be reexamined by the Board in collaboration with the industries. Following this strategy review, the Board will adopt an annual action plan that identifies activities which should be undertaken by other public/private organizations to compliment the activities conducted by the Board. At the minimum, the plan will be presented to the other organizations by Board members/staff and industries with a Board request for action. Ideally, the Board will be able to work effectively with these external organizations to effect the changes desired.

The barriers to industry development in the Region have been generally identified in section V.B. of the Strategy "Barriers to Industry Development." The barriers by specific key industry are identified in the specific industry strategies under the respective sections VI.A., VII.A. and VIII.A. "Industry Analysis." These are the industry barriers which the Board will review annually and work to reduce as barriers as a long-term strategy.

II. Executive Summary

Three key industries were selected by the Metro Regional Strategies Board to participate in the Regional Strategies Program as defined by the State of Oregon. Selected industries are Biotechnology, High Technology and Metals. A Board of 10 private citizens from Multnomah and Washington Counties developed a vision statement and identified program goals and industry selection criteria. The Metro Region's vision is: *To Promote A Diverse and Sustainable Economy*. Strategies for industry development over a six year planning horizon were identified and two year action plans were developed in cooperation with representatives of private industry, educational institutions, industry associations, local government and economic development institutions.

III. Strategy Context

A. Regional Organization

The Metro Region strategy was developed and is being submitted to the State of Oregon as a required exercise of the Regional Strategies Program. Our planning process has been led by a Board comprised of 10 private citizens.

Five Citizens were appointed by Multnomah County:

Name	Telephone	Title/Position	Company
Jim Harper	241-7506	Human Resource Director	Wacker Siltronic
Eva Parsons	274-6175	Director of People Development	Cellular One
Patricia Scruggs	246-6148	Consultant	
Darrell Simms	823-7203	Bureau of Environmental Services	City of Portland
Paul Warr-King	762-3018	Vice President	Key Bank

Five Citizens were appointed by Washington County:

Name	Telephone	Title/Position	Company
Betty Atteberry	645-4410	Executive Director	Sunset Corridor Assn.
Lyle Chadwick	643-5953	Certified Public Accountant	
Joyce Frank	648-2757	Branch Manager	Kelly Temporary Services
Jack Orchard	228-2525	Attorney	Ball, Janik & Novak
Morgan Pope	628-3562	Consultant	MDP Associates

Assisting the Board were individuals from various local governments, economic development agencies and industry associations. These participants have been identified in Appendix A. Considerable time and energy has been invested in making the Metro Regional strategy a dynamic and useful tool for regional economic development. The Board thanks each participant for their valuable contributions to the regional community.

B. Link to the State Strategic Plan and Benchmarks

The Metro Region supports the State's vision, Oregon Benchmarks, by targeting the following:

1. **Value-Added Products, Global Business:** Economic opportunities are critical for the Metro Region's unemployed, under employed and underrepresented workers. Value added products in biotechnology, high technology and metals production/fabrication offer regional economic growth and development opportunities. Education and training is necessary for regional workforce participants to achieve international standards and

achieve global competitiveness in all industry sectors.

2. **Diverse and Productive Industry:** The Metro Region will concentrate on boosting total payroll, per worker payroll, per worker value-added manufacturing, and percentage employment in value-added manufacturing in selected industries.
3. **Build a Superior, World Class Workforce:** Workforce development activities will receive particular emphasis in the form of education and training in addition to awareness programs for workforce opportunities in identified industries.
4. **Public Infrastructure Investment:** Real per capita outlays for facilities.

C. Integration of Other Planning Efforts

A thorough review of all state and regional planning efforts was conducted by the Board and staff in order to assure consistency of strategic direction and avoid duplication of efforts. This review included: Oregon Shines, Oregon Benchmarks, Oregon Values & Beliefs, Portland Future Focus Strategic Plan, Prosperous Portland, Metro 2040, Washington County Economic Development, State and Regional Workforce Quality Committees, and other local government planning efforts.

IV. Regional Economic Assessment

A. Analysis of the Key Industries

The Metro Region has the most diverse economy in the state. All Oregon State key industries participate to some extent in the region's economy:

- | | | |
|-------------------------|------------------|--------------------|
| •Aerospace | •Fisheries | •Plastics |
| •Agriculture | •Forest Products | •Producer Services |
| •Biotechnology | •High Technology | •Software |
| •Environmental Services | •Metals | •Tourism |
| •Film & Video | | |

Employment statistics have been assembled by the State of Oregon Employment Department for 1992 covered employment in the Metro Region :

Metro Region Industry Employment

- 1.3% Agriculture
- 4.0% Construction
- 7.4% Finance, Insurance, Real Estate
- 13.2% Government
- 15.9% Manufacturing
- 26.5% Services
- 25.5% Trade
- 6.3% Transportation

The services industry group accounts for the most jobs in the Metro Region:

Metro Region Employment in Service Industries

- 24.0% Business Services
- 4.6% Education Services
- 26.3% Health Services
- 8.1% Hotel/Amusements/Museums
- 9.0% Personal/Repair
- 12.7% Professional/Legal
- 8.4% Social Services
- 6.9% Other Services

Employment in the trade sector is dominated by restaurants/bars and wholesaling:

Metro Region Employment in Trade Industries

7.1%	Auto Sales and Service
4.4%	Apparel and Accessories
24.1%	Eating/Drinking
9.2%	Food Stores
8.5%	General Merchandise
13.6%	Miscellaneous & Other Retail
33.0%	Wholesale

The manufacturing sector is the third largest employment group, accounting for approximately 16% of total employment:

Metro Region Manufacturing Employment

8.5%	Food Products
23.8%	Instruments/Electronics
10.5%	Machinery
14.0%	Metals
9.6%	Printing/Publishing
10.7%	Transportation Equipment
11.3%	Other Durables
11.7%	Other Non-Durables

Primary industries employment is different for Multnomah and Washington Counties. Of the top ten industries in Multnomah County, five are service industries and only one is in manufacturing. In Washington County, three of the top ten industries are service; while three are in manufacturing. Multnomah County has a much higher concentration of employment in finance, insurance, real estate, transportation, communication and utilities industries. Additionally, Multnomah County has almost twice the concentration of government employment than Washington County given the presence of several federal governmental agencies.

Washington County has a higher concentration of employment in "goods producing" industries - agriculture, construction, and manufacturing in addition to employment in wholesale firms. Manufacturing related employment accounts for over one-fourth of total Washington County employment as compared to 13% for Multnomah County and 17% for the state. Of particular importance to Washington County is high-technology manufacturing employment. In terms of recent industry growth, Washington County has surpassed both Multnomah County and the state in every sector of the economy.

The Metro Region's employment base has a high proportion of white collar jobs - executive, administrative, managerial, professional and specialty occupations, technicians, sales and administrative support. When compared to state employment statistics, the region is under-

represented in its proportion of what has traditionally been considered blue collar employment - operators/fabricators, transportation/material movers, laborers, precision product, craftsman and repair.

Given the region's industrial mix, generally larger sized firms, relatively higher cost of living and concentration of white collar employment, a higher proportion of the work force is employed in more skilled, higher paying industries than the state as a whole:

Metro Region Average Annual Payroll by Business Sector

Business Sector	Average Annual Payroll	Average as a % of Oregon's
Total (all ownership & industry types)	\$26,762	114%
Wholesale Trade	\$33,892	111%
Manufacturing	\$33,595	113%
Transp./Comm./Utilities	\$32,417	107%
Construction	\$31,619	113%
Finance/Insurance/Real Estate	\$30,037	111%
Government	\$29,934	112%
Services	\$23,732	114%
Agriculture	\$20,353	142%
Retail Sales	\$15,200	109%

Within the region, Washington County has higher average salaries in manufacturing, wholesale & retail trade and the service sector. Multnomah County has higher average payrolls in finance, insurance, real estate, government, transportation, communication, utilities and construction.

B. Inventory of Resources

Multnomah and Washington Counties have many resources as a major metropolitan area including:

- **Growing Population and Labor Force**
 - Metro Region population: 963,500 (15% growth by the year 2000)
 - Metro Region civilian labor force: 525,700 (20% growth by the year 2000)
 - The rate of unemployment is lower than in most of the state
- **Diversified and Stable Economy**
 - Broad manufacturing and service sector base
 - Excellent location for worldwide manufacturing
 - The largest economic region in the state

- **Superior Transportation Connections**
 - Integrated highway, rail and marine facilities
 - Terminus of three transcontinental railroads
 - World class seaport - 110 miles inland from Pacific Ocean
 - Expanding national and international air service
- **Regional Financial and Service Center**
 - Portland metro area is the nation's 27th largest metropolitan area
 - The service sector is the fastest growing segment
 - Developed urban area 30 miles in diameter
- **Educated and Productive Workforce**
 - Region's workforce is the largest in the state
 - There are significant training institutions in the region
 - The workforce is the most diverse in Oregon
 - Education levels are higher than the state average
 - Comprehensive training programs
- **Abundant Energy and Water Resources**
 - Diversified supply/stable rates
 - Rates are among the lowest in the nation
 - Resources adequate to meet long-term future needs
 - Quality service providers
- **Excellent Living Environment**
 - Quality of education
 - Affordable living
 - Natural beauty
 - Cultural excellence
 - Superior quality of life

C. Identification of Resource Gaps and Opportunities

The Metro region also has resource gaps and opportunities:

- **Growing Population and Labor Force**
 - From 1980 to 1990, the population of Multnomah County grew 8.4% (adjusted for annexations) while Washington County grew 27%
 - The numbers and pockets of unemployed are the largest in the state
 - The supply of labor is growing faster than new jobs are being created
 - Unemployment and discouragement is greater in some minority groups and neighborhoods than in the general population
 - Wages continue to decline
 - 85% of workers needed for the new technologies and sophisticated jobs are already working: limited number of skilled workers in unemployment pool

- **Educated and Productive Workforce**

- Employers are concerned about the skill levels of existing workers
- Training is not widely available for current entry level workers (SCANS report)
- New workforce entrants have skill levels below what employers need and expect

- **Unsettled Tax Environment**

- Current Oregon State tax structure viewed as not stable or predictable
- Employers concerned about future tax burden on business
- Impact of Measure 5 on infrastructure and education viewed negatively

- **Disparate Economic Development**

- Between 1980 and 1990, the region's per capita income increased by 49% while Portland's per capita income increased by only 27%
- In 1980, Portland's wages were 9%-22% higher than those of the region. By 1990, Portland's wages were 2% higher in manufacturing and 5% lower in the service sector. Higher paying jobs continue to locate outside the city
- In 1980, Portland's unemployment rate was 17% higher than the region's. By 1990, the gap had widened to 32%
- In 1980, Northeast Portland's unemployment rate was 29% higher than the region's. By 1990, the gap had increased to 113%
- The ethnic minority population in North/Northeast Portland is 42.3% as compared to 8% for the Portland/Vancouver metro area
- Unemployment rates are higher for ethnic minority groups:

Unemployment Rates in Metro Region
(Region Total: 5.4% March 1993)

	Multnomah County	Washington County
African Americans	12.7%	8.0%
Native Americans	12.2%	11.1%
Hispanics	7.7%	6.5%
Asians/Pacific Islanders	5.8%	3.7%

- Measure 5 impact on public education concerns employers expectations
- The 27% drop-out rate for youth in North/Northeast Portland and high crime rate for the area demand a specific planned approach to stimulate economic development for the area.

V. Industry Selection

A. Selection Rationale

The vision statement selected by Metro Region's Board is: *To Promote A Diverse and Sustainable Economy*. Components of this vision are as follows:

Jobs/Employment

- Equitable Distribution - Geographical/Socio-Economic
- Value Added
- Economically Self-Sufficient (Family Wage)
- Tied to Business Needs/Opportunities
- Attract/Expand/Maintain Jobs

Training/Retraining/Education

- Sustainable/Self Perpetuating
- Available to All People
- Improve K-Career, Community College & Higher Ed
- Impact Existing Residents
- Balance Between Availability & Jobs

Livability

- Environmental Quality Maintained
- Widespread Prosperity
- Support Social & Physical Infrastructure

Economy

- Diverse Based on Knowledge & Skills
- Global
- Attract/Expand/Maintain Business
- Investment
- Stable and Predictable Taxes & Regulatory Environment

Consistent with the region's vision, the Board developed the following list of long-term goals which also served as selection criteria for the Metro Region's three key industries:

- GOAL #1: Create and retains jobs that lead to economic self-sufficiency
- GOAL #2: Continuously develop, educate and train workforce
- GOAL #3: Link jobs to all region residents
- GOAL #4: Build regional public and private wealth and economic capacity
- GOAL #5: Positively affect low income communities
- GOAL #6: Enhance quality of life
- GOAL #7: Provide full-range of job opportunities
- GOAL #8: Link business needs with educational system
- GOAL #9: Create entrepreneurial opportunities

- **GOAL #10:** Link private, educational, general governmental sector to economic agenda
- **GOAL #11:** Attract, expand, retain companies and jobs within key industries
- **GOAL #12:** Equitable distribution of jobs (geographic and socio-economic)

All 13 of Oregon State's key industries were invited to make presentations to the Metro Regional Strategies Board. These presentations were to be made in person and were to address the previously stated selection criteria. The following nine industry groups responded by making presentations to the Board:

- | | |
|--------------------------|-------------------|
| • Aerospace | • High Technology |
| • Agriculture | • Metals |
| • Biotechnology | • Software |
| • Environmental Services | • Tourism |
| • Film & Video | |

Independent evaluation of each of these industry groups led the Board to select **Biotechnology, High Technology and Metals** as the targeted industries for this strategy. This assessment was based upon a review of the Board's long-range goals and an evaluation by the Board of the opportunities each industry has to accomplish these stated goals.

The Metro Region has determined that the following economic components are critical to the success of all industries in the region:

- Education and Training
- Business Infrastructure Development
- Marketing and Recruitment
- Management and Technical Assistance

B. Barriers to Industry Development

Group discussions with industry businesses, industry associations and regional community representatives revealed the following barriers to industry development within the Metro Region:

- Availability of properly educated and skilled workers
- Improvement in new labor force work habits
- Infrastructure needs: wet labs, new business facilities
- Accessibility of management and technical assistance
- Effective marketing and recruitment programs

C. Link to Regional Vision and Long-Term Goals

Linkage to the Metro Region's vision and long-term goals is accomplished by providing the means to overcome stated barriers to development in the biotechnology, high technology and metals industries. Job creation, workforce education, training and development, economic self-sufficiency, regional wealth and economic capacity, and other regional goals are linked directly to the vision of a diverse and sustainable economy.

From the Metro Regional Strategies Board's discussions with key industries, there are serious concerns regarding skill levels within the available workforce at all levels of employment from entry level to postgraduate scientists and technicians. Required entry level skills are much higher than they have ever been. The linkage between available workforce skills, job creation and economic development is clear. While specific needs are required by different key industry sectors, much of the required skills are similar across the region's selected key industries.

A key concept in the region's strategy for economic development is the need to focus on workforce education, training and development in all selected industries. While this is one of several strategic components, it is considered to be the critical success factor toward sustainable economic development for the region. A core concept is that change needs to occur in workforce education from K-12 through community colleges and four-year colleges and universities. This change has to be driven by the educators themselves and therefore, the education workforce needs to be developed in order to enact change in the preparation of the labor force.

Work-based learning experiences will be developed through partnerships between education and private industry to introduce a real, functional school-to-work component into the educational system. Work-based learning will tie directly to education reform in the state of Oregon by connecting with CAM (Certificate of Advanced Mastery) development. Standards will be developed and used by education and industry to define what it takes to be successful in school and in the world of work.

Initiatives in this area of workforce education, training and development tie directly to the \$335,000 in Workforce Quality Committee funds dedicated to school-to-work in the Metro Region (Region 2), strengthens the region in its efforts to receive a significant portion of the \$8 million which Oregon may receive from the School To Work Opportunities Act, and strengthens the proposed application to the Federal Government for \$5-800,000 in additional direct funding.

Additionally, the need for change will require the key industries to become more knowledgeable of the education process, the educational delivery systems, and how they can assist that process both in the schools and in the work place. Linking the key industries to schools, work-based learning, skills development and adult retraining are all components of education, training and workforce development embraced by the Metro Region Board for all three selected industries.

Additional linkage to the region's vision and goals is provided by infrastructure development, marketing and recruitment, and management/technical assistance in the biotechnology and high technology industry sectors. These initiatives are industry specific and will be addressed in the biotechnology and high technology industry strategies.

Infrastructure requirements for industry development include business facilities, laboratories and resource/development centers. During the early stages of commercialization, biotechnology facilities and other shared facilities can provide business expertise, access to expensive equipment, and networks of managerial and technical resources often otherwise unobtainable by small start-up companies. Infrastructure needed to support the high technology industry can also assist software development through accessibility to various hardware formats and operating system platforms in a high technology resource/development center.

Marketing and recruitment are components of the region's economic development plan for the biotechnology and high technology industry sectors. Recruitment of out-of-state firms by advancing the Metro Region's reputation as a biotechnology and high technology center strengthens the employment base, builds economic capacity and grows recognized clusters within these industry sectors which create additional growth opportunities.

Management and technical assistance requirements vary by industry sector. The environmental biotechnology industry segment needs assistance developing a contract procurement center. The high technology industry needs funding for an industry benchmarking program and performance measurement system to evaluate competitiveness for long-term growth and development.

D. Industry, Public and Educational Partnerships

Biotechnology Industry Partnerships

Oregon Biotechnology Association
Oregon Biotechnology Foundation
Oregon Environmental Technology Association
Oregon Health Sciences University
Oregon Graduate Institute
Industry Partners (companies within industry)
Portland State University

High Technology Industry Partnerships

American Electronics Association
Lintner Center for Advanced Education
Oregon Graduate Institute
Oregon Center for Advanced Technology Education
Software Association of Oregon

Industry Partners (companies within industry)
Portland State University
Oregon Joint Graduate

Metals Industry Partnerships

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Oregon Advanced Technology Consortium
Industry Partners (companies within industry)

Educational Partnerships

Mt. Hood Community College
Mt. Hood Regional Consortium (Vocational/Technical Education)
National School to Work Opportunities Act
Oregon Business Council - Education Subcommittee
Portland State University
Portland Community College
Portland Area Vocational Technical Education Consortium
Region 2 Workforce Quality Committee
The Private Industry Council
Portland State University
Oregon Joint Graduate Schools of Engineering

E. Analysis of the Foundation of Industry Resources

Biotechnology Industry Resources

Industry is highly dependent on access to high-level research facilities and programs. Companies usually emerge as an outgrowth of scientific discoveries in academic research labs around the country.

- Technology Transfer Opportunities:

Advanced Science & Technology Institute
Oregon Health Sciences University
Oregon Graduate Institute
Oregon Regional Primate Research Center
Good Samaritan Hospital's Dow Neurological Sciences Institute
Emanuel Hospital
Portland State University
Veteran's Administration Hospital

Industry requires highly skilled and technically trained employees

- Community College/university and specialized training of lab technicians

Biotechnology Industry is in its infancy but substantial growth is expected

- The world market for biotechnology derived products is expected to grow at an annual compound rate of 25%, from \$6 billion in 1992 to around \$60 billion by the year 2000.

Emerging cluster of biotechnology companies in the region aids industry recognition as a center for future industry growth.

Biotechnology applications are well suited for Oregon:

- Forest products, agriculture, aquaculture, bioremediation, and environmental services are areas where existing Oregon industries can develop and utilize biotechnology applications. Applying biotechnology to established Oregon industries can provide those industries with a competitive edge in the market.

High Technology Industry Resources

Industry requires highly skilled and technically trained employees

- Education from K-12, community college, and four year colleges and universities is critical success factor for sustainable high technology industry growth. Additional specialized/technical training needed.
- Trend is away from positions performing tedious jobs and moving toward positions involving higher level tasks that require greater training.

Large regional high technology industry base is expected to enjoy moderate growth over the next decade.

- Growth opportunities exist in electronic design automation, parallel computing, pen-based and notebook computers, multi-media, networking, color printers/plotters and other output devices, optical scanning, compact disc-read only memory (CD-ROM), and flat panel displays.

Regional industry success due to geographic location, proximity and penetration of international markets.

- The greater Portland metropolitan area has the second largest concentration of Japanese semiconductor-related companies in the U.S. (after the San Francisco Bay area).

Existing regional cluster of high technology companies is large and sustainable. A critical mass of companies (industry food chain):

- 1,700+ high-technology firms statewide (85% in Portland Metro area)
- World class companies in many sectors (computers, semiconductors, software, instruments)
- Enabling the high technology industry, the software industry in Oregon is mostly technical and applications oriented, not consumer-based.

Metals Industry Resources

Oregon has a critical mass of specialty metals firms with unique technology.

- Precision Castparts (structural investment castings), ESCO (steel castings, plate, bar and coil), TiLine and ORMET (titanium), VARICAST and Teledyne Wah Chang (primary zirconium and hafnium mill products). The Metro Region has a significant share of these firms. Segments of the metals industry producing value-added products are experiencing growth.

A strong metals industry is essential to other industries (i.e., transportation equipment, aerospace and high technology). The industry outlook for firms that can enter niche markets and add value to its products is excellent.

Increased skill requirements in the metals industry are due to greater use of computerized and electronic equipment but jobs are readily available to high school graduates who have basic skills in reading, writing, math and comprehension.

- Metal industry participants in the region are beginning to develop effective education and training programs in partnership with local community colleges to meet the need for skill upgrades and entry level training.

Potential growth in the metals industry requires a skilled and educated work force, ability to comply with tightening environmental laws, low-cost electric power availability, transportation access with favorable rates, and considerable capital investment in modern equipment and facilities.

Oregon metals firms generate over 90% of sales revenue from outside markets, but are predominantly locally owned.

VI. Biotechnology Industry Strategy

A. Industry Analysis (SWOT)

In conjunction with representatives of private industry, educational institutions, industry associations, local government and economic development institutions, the Board has determined that the following elements are "missing-links" or areas in need of improvement for the biotechnology industry in the Metro Region:

1. Education, training and workforce development initiatives must be supported.
2. Business infrastructure requirements within industry need to be addressed.
3. Marketing and recruitment efforts need to be assisted.
4. Managerial and technical assistance needs to be provided.

B. Long-Term Industry Benchmarks and Indicators

1. An increase in the number of biotechnology companies and jobs within the Metro Region.
2. Strong linkages between the biotechnology and environmental service industries (i.e., environmental biotechnology).
3. Focused educational initiatives in biotechnology and environmental biotechnology.
4. Availability of adequate business infrastructure resources within biotechnology industry to assist start-up companies and growing biotechnology businesses.
5. Managerial and technical assistance programs available to facilitate industry growth and development.
6. Industry recognition of the Metro Region's reputation as a biotechnology center.

C. Prioritized list of activities to be addressed

- Activity #1** Advance biotechnology/environmental biotechnology training and education programs for students, educators, and workforce participants. Increase the information flow about biotechnology and environmental biotechnology to schools and industry.
- Activity #2** Create a biotechnology business facility and environmental biotechnology resource and development center within the Metro Region. Provide linkage to available contract procurement resources.
- Activity #3** Develop effective marketing and recruitment capabilities to attract well regarded out-of-state firms.
- Activity #4** Create business development and growth programs for emerging biotechnology companies which include information resources and management/financial counseling at critical stages of development.

VII. High Technology Industry Strategy

A. Industry Analysis (SWOT)

In conjunction with representatives of private industry, educational institutions, industry associations, local government and economic development institutions, the Board has determined that the following elements are "missing-links" or areas in need of improvement for the high technology industry in the Metro Region:

1. Education, training and workforce development initiatives must be supported.
2. Business infrastructure requirements within industry need to be addressed.
3. Marketing and recruitment efforts need to be assisted.
4. Managerial assistance needs to be provided to smaller firms and developing segments within the industry.

B. Long-Term Industry Benchmarks and Indicators

1. Strong linkages between the high technology industry and educational system providing integration of industry needs into educational curriculum in K-12, community colleges and four year college and universities.
2. Availability of adequate business infrastructure resources within high technology industry to assist start-up companies and growing high technology businesses.
3. Continued industry recognition of the Metro Region's reputation as a leading high technology center.
4. Management and technical assistance programs available for start-up companies, smaller businesses and industry support initiatives.
5. Sustain existing industry employment levels in the region and attract new job growth through industry development.

C. Prioritized list of activities to be addressed

- Activity #1** Link educational system curriculum to high technology industry requirements. Provide high technology training and education programs for students, educators, and workforce participants.
- Activity #2** Fund the development of an industry benchmarking program and performance measurement system.
- Activity #3** Create a software/hardware laboratory for testing compatibility of software applications with various hardware/operating systems.
- Activity #4** Fund a Multimedia market study for industry development within the Metro Region.
- Activity #5** Improve and develop effective marketing and recruitment capabilities to attract well regarded out-of-state firms.

Activity #6 Create business development and growth programs for emerging high technology companies which include information resources and management/financial counseling at critical stages of development.

VIII. Metals Industry Strategy

A. Industry Analysis (SWOT)

In conjunction with representatives of private industry, educational institutions, industry associations, local government and economic development institutions, the Board has determined that the following elements are "missing-links" or areas in need of improvement for the metals industry in the Metro Region:

1. Education, training and workforce development initiatives must be supported.
2. Managerial and technical assistance needs to be provided.

B. Long-Term Industry Benchmarks and Indicators

1. Strong linkages between the metals industry and educational system to provide integration of industry needs into educational curriculum in K-12, community colleges and four year college and universities.
2. Increase jobs in the metals industry and attract qualified and motivated workforce participation.
3. Availability of technical and management assistance programs for smaller businesses within the industry.

C. Prioritized list of activities to be addressed

- Activity #1** Link educational system curriculum to metals industry requirements. Provide metals industry training and education programs for students, educators, and workforce participants.
- Activity #2** Increase the information flow about opportunities in the metals industry to students in the region's schools.
- Activity #3** Create business development and growth programs for emerging metals companies which include information resources and management/financial counseling at critical stages of development.
- Activity #4** Assist metals industry in providing permanent placement of workers within industry companies in the Metro Region.

IX. Link to Regional Vision, Goals and Industry Barriers

Linkages of specific activities to identified industry barriers are made as follows:

Industry Barriers Linkage	Biotechnology Industry Activities*	High Technology Industry Activities*	Metals Industry Activities*
Availability of properly educated and skilled workers	#1	#1	#1, #2, #3
Improvement in labor force work behavior expectations	#1	#1	#1, #2
Infrastructure needs: wet labs, new business facilities	#2	#3	-
Accessibility of management and technical assistance	#4	#2, #4, #6	#3
Effective marketing and recruitment programs	#3	#5	-

* Activities indicated by number - see industry strategies for specific details for each activity.

Linkages of activities to long term economic development goals developed by the Metro Region Board are made in each industry by varying degree as follows:

Regional Strategies Goals Linkage		Biotechnology Industry	High Technology Industry	Metals Industry
Goal #1	Create and retain jobs that lead to economic self-sufficiency.	<i>High Degree</i>	<i>High Degree</i>	<i>High Degree</i>
Goal #2	Continuously develop, educate and train workforce.	<i>High Degree</i>	<i>High Degree</i>	<i>High Degree</i>
Goal #3	Link jobs to all region residents	<i>Moderate Degree</i>	<i>Moderate Degree</i>	<i>High Degree</i>
Goal #4	Build regional public and private wealth and economic capacity.	<i>High Degree</i>	<i>High Degree</i>	<i>High Degree</i>
Goal #5	Positively affect low income communities.	<i>Moderate Degree</i>	<i>Moderate Degree</i>	<i>High Degree</i>
Goal #6	Enhance quality of life.	<i>High Degree</i>	<i>High Degree</i>	<i>High Degree</i>
Goal #7	Provide full-range of job opportunities.	<i>Moderate Degree</i>	<i>Moderate Degree</i>	<i>High Degree</i>
Goal #8	Link business needs with educational system.	<i>High Degree</i>	<i>High Degree</i>	<i>High Degree</i>
Goal #9	Create entrepreneurial opportunities.	<i>High Degree</i>	<i>High Degree</i>	<i>High Degree</i>
Goal #10	Link private, education, government sectors to economic agenda.	<i>High Degree</i>	<i>High Degree</i>	<i>High Degree</i>
Goal #11	Attract, expand, retain companies and jobs within key industries.	<i>High Degree</i>	<i>High Degree</i>	<i>High Degree</i>
Goal #12	Equitable distribution of jobs (geographic and socio-economic).	<i>Moderate Degree</i>	<i>Moderate Degree</i>	<i>High Degree</i>

X. Two Year Action Plan

A. Biotechnology Industry Activities

Activity #1 Link educational system curriculum to industry requirements. Provide biotechnology, environmental biotechnology training and education programs for students, educators, and workforce participants. Increase the information flow about biotechnology and environmental biotechnology industry opportunities to schools and industry.

Timeframe: This project will be implemented starting in December 1995 with measurable results by September 1996.

10/94-12/94 Solicit industry involvement in program development

1/95-12/95 Develop specific training and education programs

12/95-9/96 Implement programs with schools and industry

Estimated Cost: Included in Cross-Industry Strategy Funding

Potential Funding Partners:

Oregon Biotechnology Association

Oregon Biotechnology Association member companies

Oregon Environmental Technology Association

Region 2 Workforce Quality Committee

The Private Industry Council

Public education systems

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #2, #3, #5, #6, #8, #10, #12

Performance Measure (by 9/96):

- Involve a minimum of two biotechnology companies and two environmental services companies in the creation of training and education programs for students, educators, and workforce participants
- Employ teachers in biotechnology and environmental biotechnology industry summer internships.

Activity #2 Create a biotechnology business facility and environmental biotechnology resource and development center within the Metro Region. Provide linkage to available contract procurement resources.

Timeframe: This project will be completed by April 1996.

10/94-3/95 Solicit industry involvement in facility design

10/94-3/95 Solicit industry involvement in providing additional funding

4/95-7/95 Identify site location

8/95-3/96 Prepare site for facility start-up

4/96 Facility start-up

Estimated Investment: \$250,000

Potential Funding Partners:

Oregon Biotechnology Association

Oregon Biotechnology Association member companies

Link To Oregon Benchmarks:

Public Infrastructure Investment

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #7, #9, #11

Performance Measure:

- Start-up facility on time and within budget
- Attract at least two start-up businesses by 4/96 opening date
- 20 jobs for will be created by companies in facility by 9/96

Activity #3 Develop effective marketing and recruitment capabilities to attract well regarded out-of-state firms.

Timeframe: This project will be completed by July 1995 with measurable results by September 1996.

10/94-6/95 Develop marketing and recruitment tools (i.e., trade show booth, literature, brochures, etc.).

7/95-9/96 Attend industry trade shows, deliver marketing materials to well regarded out-of-state companies.

Estimated Cost: Included in Cross-Industry Strategy Funding

Potential Funding Partners:

Oregon Biotechnology Association and member companies.

Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #11

Performance Measure (by 9/96):

- Attend one national or regional trade show
- Obtain at least two bona fide leads on well regarded biotechnology companies interested in locating in the Metro Region

Activity #4 Create business development and growth programs for emerging biotechnology companies which include information resources and management/financial counseling at critical stages of development.

Timeframe: This project will be implemented by December 1995 with measurable results by September 1996.

10/94-12/95 Solicit industry involvement in program development

1/95-12/95 Develop specific development and growth programs

12/95-9/96 Implement programs

Estimated Cost: Included in Cross-Industry Strategy Funding Public education systems

Potential Funding Partners:

Oregon Biotechnology Association and member companies.

Link To Oregon Benchmarks:

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #9, #10, #11

Performance Measure:

- Involve a minimum of two biotechnology companies in the creation of business development and growth programs.
- Survey of five companies in this industry will be made to evaluate program by 9/96

B. High Technology Industry Activities

Activity #1 Link educational system curriculum to industry requirements. Provide training and education programs for students, educators, and workforce. Increase the information flow about high technology industry opportunities to schools and industry.

Timeframe: This project will be implemented starting in December 1995 with measurable results by September 1996.

10/94-12/94 Solicit industry involvement in program development
1/95-12/95 Develop specific training and education programs
12/95-9/96 Implement programs with schools and industry

Estimated Cost: Included in Cross-Industry Strategy Funding

Potential Funding Partners:

American Electronics Association
American Electronics Association member companies
Region 2 Workforce Quality Committee
The Private Industry Council
Public education systems

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #2, #3, #5, #6, #8, #10, #12

Performance Measure (by 9/96):

- Involve a minimum of two high technology companies in the creation of training and education programs for students, educators, and workforce.
- Employ teachers in high technology industry summer internships.

Activity #2 Fund the development of an industry benchmarking program and performance measurement system.

Timeframe: This is a project in the formative stages. The development of high technology industry benchmarks and performance measurement is a continual process over the two-year action plan period.

Estimated Cost: \$25,000 (see Multi-Regional Opportunities for additional funding)

Potential Funding Partners:

American Electronics Association
American Electronics Association member companies
Software Association of Oregon
Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #10, #11

Performance Measure (by 9/96):

- Benchmarking to include participating industry companies
- Survey of ten companies will be made to evaluate program

Activity #3 Create software/hardware laboratory for testing compatibility of different software applications with various hardware/operating system platforms.

Timeframe: This project will be completed by April 1996.

10/94-3/95	Solicit industry involvement in design of laboratory
4/95-7/95	Identify site location
8/95-3/96	Prepare site for start-up
4/96	Start-up

Estimated Cost: \$135,000

Potential Funding Partners:

American Electronics Association
American Electronics Association member companies
Software Association of Oregon
Public education systems

Link To Oregon Benchmarks:

Public Infrastructure Investment
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #7, #9, #11

Performance Measure:

- Start-up laboratory on time and within budget
- Laboratory to be used by at least ten area companies by 9/96

Activity #4 Fund a Multimedia market study for industry development within the Metro Region.

Timeframe: This project will be completed by September 1996.

10/94-3/95	Solicit industry involvement in design market study
4/95-5/95	Identify research firm to conduct study
6/95-8/96	Conduct market study
9/96	Publish study results and recommend future action

Estimated Cost: \$50,000

Potential Funding Partners:

American Electronics Association
American Electronics Association member companies
Software Association of Oregon
Oregon Film & Video Office
Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #7, #9, #11

Performance Measure:

- Include representation from high technology, software and film & video industries in the design, implementation, and evaluation of study results.
- Complete market study on time and within budget.

Activity #5 Develop effective marketing and recruitment capabilities to attract viable out-of-state firms.

Timeframe: This project will be completed by July 1995 with measurable results by September 1996.

10/94-6/95 Develop marketing and recruitment tools (i.e., trade show booth, literature, brochures, etc.).

7/95-9/96 Attend industry trade shows, deliver marketing materials to well regarded out-of-state companies.

Estimated Cost: Included in Cross-Industry Strategy Funding

Potential Funding Partners:

Metro Region High Technology Companies
American Electronics Association
Software Association of Oregon
Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #11

Performance Measure (by 9/96):

- Attend one national or regional trade show
- Obtain at least two bona fide leads on well regarded high technology companies interested in locating in the Metro Region

Activity #6 Create business development and growth programs for emerging high technology companies which include information resources and management/financial counseling at critical stages of development.

Timeframe: This project will be implemented by December 1995 with measurable results by September 1996.

10/94-12/95 Solicit industry involvement in program development

1/95-12/95 Develop specific development and growth programs

12/95-9/96 Implement programs

Estimated Cost: Included in Cross-Industry Strategy Funding

Potential Funding Partners:

Metro Region High Technology Companies

American Electronics Association

Software Association of Oregon

Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #9, #10, #11

Performance Measure:

- Involve a minimum of two high technology companies in the creation of business development and growth programs.
- Survey of five companies in this industry will be made to evaluate program by 9/96

C. Metals Industry Activities

Activity #1 Link educational system curriculum to metals industry requirements. Provide metals industry training and education programs for students, educators, and workforce participants.

Timeframe: This project will be implemented starting in December 1995 with measurable results by September 1996.

10/94-12/94 Solicit industry involvement in program development
1/95-12/95 Develop specific training and education programs
12/95-9/96 Implement programs with schools and industry

Estimated Cost: Included in Cross-Industry Strategy Funding

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Oregon Advanced Technology Consortium
Region 2 Workforce Quality Committee
Industry Partners (companies within industry)
The Private Industry Council
Public education systems

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #2, #3, #5, #6, #8, #10, #12

Performance Measure (by 9/96):

- Involve a minimum of two metals industry companies in the creation of training and education programs for students, educators, and workforce.
- Employ teachers in metals industry summer internships to link curriculum development to industry needs/opportunities, create industry understanding, and bring the message of availability of family wage jobs to students as an acceptable career choice.

Activity #2 Increase the information flow about opportunities in the metals industry to students in the region's schools.

Timeframe: This project will be implemented starting in December 1995 with measurable results by September 1996.

10/94-12/94 Solicit industry involvement in program development
1/95-12/95 Develop specific training and education programs
12/95-9/96 Implement programs with schools and industry

Estimated Cost: \$100,000

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Oregon Advanced Technology Consortium
Region 2 Workforce Quality Committee
Industry Partners (companies within industry)
The Private Industry Council
Education Service Districts
Public education systems

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #2, #3, #5, #6, #7, #8, #10, #11, #12

Performance Measure:

- Involve a minimum of two metals industry companies in the creation of information programs for students, educators, and workforce.
- Develop coalition of metals industry associations to provide input into educational needs and program development.
- Disseminate information to twelve area schools by 12/96.
- Increase the availability of a sufficiently skilled and interested work force pool from which to hire.

Activity #3 Create business development and growth programs for emerging metals companies which include information resources and management/financial counseling at critical stages of development.

Timeframe: This project will be implemented by December 1995 with measurable results by September 1996.

10/94-12/95 Solicit industry involvement in program development
1/95-12/95 Develop development and growth programs
12/95-9/96 Implement programs

Estimated Cost: Included in Cross-Industry Strategy Funding

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Industry Partners (companies within industry)
Public education systems

Link To Oregon Benchmarks:
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #9, #10, #11

Performance Measure:

- Involve a minimum of two metals companies in the creation of business development and growth programs.
- Survey of five companies in this industry will be made to evaluate program by 9/96

Activity #4 Assist metals industry in providing permanent placement of workers within industry companies in the Metro Region.

Timeframe: This project will be implemented by January 1995 with measurable results by June 1995.

10/94-12/94 Solicit industry involvement in program development
1/95 - Implement programs

Estimated Cost: \$30,000

Potential Funding Partners:

Oregon Metals Industry Council
Oregon Precision Metal Fabricators Association
Industry Partners (companies within industry)
Region 2 Workforce Quality Committee
The Private Industry Council
Public education systems

Link To Oregon Benchmarks:
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #2, #3, #5, #6, #7, #11, #12

Performance Measure:

- Currently, there are several hundred metals related jobs in the region. Successful implementation of this program should eliminate this large backlog of unfilled jobs.
- Hire minorities and economically disadvantaged workers to fill existing and new positions within the metals industry.

D. Cross-Industry Opportunities

Activity #1 Education and Training Initiatives

Link educational system curriculum to biotechnology, high technology and metals industry requirements. Provide training and education programs, including skill upgrading and retraining, for students, educators, and existing workers. Increase the information flow about biotechnology, high technology, and metals industry opportunities to schools and industry.

Timeframe: This project will be implemented starting in December 1995 with measurable results by September 1996.

10/94-12/94 Solicit industry involvement in program development

1/95-12/95 Develop specific training and education programs

12/95-9/96 Implement programs with schools and industry

Estimated Cost: \$325,000

Potential Funding Partners:

American Electronics Association

Oregon Biotechnology Association

Oregon Environmental Technology Association

Oregon Metals Industry Council

Oregon Precision Metal Fabricators Association

Oregon Advanced Technology Consortium

Region 2 Workforce Quality Committee

The Private Industry Council

Software Association of Oregon

Industry Partners (companies within industries)

Public education systems

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #2, #3, #5, #6, #8, #10, #12

Performance Measure (by 9/96):

- Involve a minimum of two industry companies from each industry segment (biotechnology, high technology, metals) in the creation of training and education programs for students, educators, and workforce.
- Employ teachers in each industry (biotechnology, high technology, metals) using summer internships to link curriculum development to industry needs/opportunities, and create industry understanding.

Activity #2 Business Development and Growth Initiatives

Create business development and growth programs for emerging biotechnology, high technology, and metals companies which include information resources and management/financial counseling at critical stages of development.

10/94-12/94 Solicit industry involvement in program development

1/95-12/95 Develop specific development and growth programs

12/95-9/96 Implement programs

Estimated Cost: \$200,000

Potential Funding Partners:

American Electronics Association

Oregon Biotechnology Association

Oregon Environmental Technology Association

Oregon Metals Industry Council

Oregon Precision Metal Fabricators Association

Oregon Advanced Technology Consortium

Region 2 Workforce Quality Committee

Software Association of Oregon

Industry Partners (companies within industries)

Public education systems

Link To Oregon Benchmarks:

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #9, #10, #11

Performance Measure:

- Involve at least two companies from each of the three key industries selected by the Metro Region Board to participate in the development of resources and programs to be included in this project.
- Survey five companies from each key industry once the program is operational for six months to determine usage characteristics and program effectiveness.

Activity #3 Marketing and Recruitment Initiatives

Improve and develop effective marketing and recruitment capabilities to attract well regarded out-of-state firms.

Timeframe: This project will be completed by July 1995 with measurable results by September 1996.

10/94-6/95 Develop marketing and recruitment tools (i.e., trade show booth, literature, brochures, etc.).

7/95-9/96 Attend industry trade shows, deliver marketing materials to well regarded out-of-state companies.

Estimated Cost: \$200,000

Potential Funding Partners:

Local Industry Partners

Industry Associations

Portland State University

Link To Oregon Benchmarks:

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #6, #7, #11

Performance Measure (by 9/96):

- Attend at least one national or regional biotechnology trade show and at least one national or regional high technology trade show
- Obtain at least two bona fide leads on well regarded biotechnology and high technology companies interested in locating in the Metro Region

Activity #4 Electronic Equipment Repair Training Initiative

Biotechnology, high technology and metals industry firms are increasingly reliant on electronic equipment. This initiative will provide training programs for the development of local repair technicians to facilitate the continued operation of this critical equipment on a timely basis.

Timeframe: This project will be completed by December 1995 with measurable results by September 1996.

10/94-12/94 Solicit industry involvement in program development

1/95-12/95 Develop specific training and education programs

12/95-9/96 Implement programs

Estimated Cost: \$70,000

Potential Funding Partners:

Local Industry Partners
Industry Associations
Public education systems

Link To Oregon Benchmarks:

Build a Superior, World Class Workforce
Value-Added Products, Global Business
Diverse and Productive Industry

Link to Long-term Goals: #1, #2, #4, #7, #8, #10, #11**Performance Measure (by 9/96):**

- Involve a minimum of two industry companies from each industry segment (biotechnology, high technology, metals) in the creation of these programs.

E. Statutory Requirements

At this time, no private business loans are anticipated. The Board anticipates providing funds to support development of a Biotechnology Center for biotechnology/environmental technology firms. The funds may be used as a grant to the Center budget to provide tenant improvements which will be utilized by and benefit individual companies. The funds may be paid back to the Center by the tenants.

In the formation of its strategy, the Board included representatives of minority economic development concerns in its mailings and utilized PDC's JobNet program, a program specifically designed to link minority and economically disadvantaged people to quality jobs in the region, as the lead staff to the strategy development effort. The strategy has also included extensive input from economic development professionals in Gresham and Hillsboro who are responsible for extending the benefits of economic development to all members of their communities. In addition, Metro Board membership reflects numerous connections with other Metro efforts affecting minority and economically disadvantaged people including the Private Industry Council.

As a result, the strategy for this biennium reflects a strong emphasis on education/training support for quality entry-level jobs in the region. The cross-industry strategies for workforce and business development will have specific actions that target the outreach, information, and program involvement to disadvantaged and minority areas. These programs will reach across all three selected key industries to maximize the impact to the region. Educational efforts will work with alternative schools and other work training programs in these areas.

In addition, the Board will continue to stay in close contact with the minority and economically disadvantaged groups and individuals of the area through the following plan:

1. All mailings will continue to include representatives of groups involved with economic development for minority and economically disadvantaged people; the mailing list will be examined on a regular basis to insure that all appropriate groups are informed of Board activities.
2. As part of its strategy evaluation process, the Board will examine updated demographic and socio-economic information regarding the economic condition of minority and economically disadvantaged people and the areas in which they live throughout the region. The evaluation process will also include specific requests for comments by minority and economically disadvantaged economic development groups or experts regarding the statistics and qualitative trends in the economic progress of these populations. These groups/experts will be invited to make presentations to the Board during development of strategies for future bienniums.

Following adoption of the Multnomah County/City of Portland Benchmarks, these benchmarks for progress will be integrated into the strategy evaluation process as compliments to the Board's long-term goals. The Benchmarks include a number of specific measures of economic progress for minority and economically disadvantaged people.

3. Groups that serve minority and economically disadvantaged populations will be specifically notified about contracting opportunities for Regional Strategy funds through utilization of PDC's existing contracting notification system. The PDC, Metro contract administrator, has adopted aggressive goals for utilization of minority-owned, women-owned and emerging small businesses in contracts which Metro contracts will be included in.
4. At least two Board meetings per year will occur in or near minority and/or economically disadvantaged communities in the Region including N/NE Portland, Outer SE Portland, or appropriate rural areas.
5. The criteria for evaluation of Board activities will reflect the Board's concern for access to jobs affected by Regional Strategies efforts by the minority and economically disadvantaged population of the Region, including but not limited to: (1) public transit access; (2) synergy with other efforts to help minority and economically disadvantaged people; (3) use of minority or emerging small business contractors and/or administrators of activities.

The PDC will manage the administration and financial operations of the plan and serve as staff to the Board. PDC was chosen for the administrative task for the following reasons:

- PDC has successfully worked as a regional economic development agency for business recruitment for the past decade and conducts its business retention operations in close cooperation with similar operations throughout the region.
- PDC has existing administrative systems and staff appropriate for the task of successfully distributing and monitoring Regional Strategies funds with a minimum of administrative cost to the program and a professional approach to accounting, contracting and fiscal management.
- PDC's economic development management team brings over fifty years of diverse economic development experience to the Board's operations, including extensive experience in redevelopment of blighted areas and economic assistance for economically disadvantaged people.

PDC's administrative role will be reviewed annually to insure cost-effective performance, professional management of any potential conflicts of interest between administration and execution of contracts, and appropriate cooperation with representatives of economic development efforts throughout the region and state.

Overall strategy implementation includes:

- An administration fee of no more than 7% for contract administration and oversight.
- Contract administration will include annual reports to the Counties, the Metro Board and the State outlining the progress of the activities; conduct of the Evaluation Plan described elsewhere in the Strategy, solicitation of contractors for activities and monitoring of contracts; updates on projects as requested by the Board, the media, the State or others; public relations coordination for the Board including development of media presentations, issuance of press releases, mailings of the Board's communications, etc.
- Coordination of Board activities including meetings, communications, subcommittee staffing, liaison to OEDD, etc.

At this time, no funding of individual businesses or local revolving loan funds is included in the Region's strategy.

XI. Multi-Regional Opportunities

In partnership with the Benton, Lane, Lincoln, Linn Region and the Mid-Valley Region, the Metro Region would like to pursue multi-regional funding for continued development of the high technology industry benchmarking program and performance measurement system. Initial seed money for this project is included in High Technology Activity #3.

Timeframe: This is a project in the formative stages. The development of high technology industry benchmarks and performance measurement is a continual process over the two-year action plan period.

Estimated Cost: \$75,000 (see High Technology Industry Activity #2 for additional Metro Region funding for this project)

Potential Funding Partners:

American Electronics Association (and member companies)

Software Association of Oregon (and member companies)

Link To Oregon Benchmarks:

Value-Added Products, Global Business

Diverse and Productive Industry

Link to Long-term Goals: #1, #4, #10, #11

Performance Measure (by 9/96):

- Benchmarking to include participating industry companies
- Survey of ten companies will be made to evaluate program

XII. Strategy Evaluation Plan

This is the evaluation plan for measuring and monitoring strategy performance as part of the proposed regional strategy, as required by OEDD. It is designed to provide an efficient self-feedback mechanism for the Board and the Implementors of the Key Industry activities. Evaluation activities will include both ongoing and formalized involvement of the Key Industries. It is also designed to provide OEDD/Economic Development Commission with appropriate reports and information regarding the cost-effectiveness of the Region's strategies and activities.

The intent of the Board is to require individualized evaluations of activities which provide quality information with as little administrative expense as possible. To minimize evaluation costs, outside audits of activities are not proposed; instead the Board expects accurate pictures of the results of the activity from each contractor with appropriate verification performed by the strategy staff. Evaluation procedures and criteria will be outlined in the contract for each project. In cases where the staff (PDC) is the project implementor, an appropriate evaluation oversight process involving the Key Industry, the Board or an outside oversight group will be utilized, as approved by the Board.

Regarding timeliness of evaluations, this plan contemplates an evaluation of activities undertaken with Regional Strategy funds at the end of each biennium (process evaluation) and an evaluation of the results of the project on the biennial anniversary of the project's funding or the end of the project, whichever is most appropriate (product evaluation). Additionally, the board will conduct less formal progress reviews with the industry associations at least one or two times each year.

In place of "regional benchmarks" the Metro Board selected a regional vision and key components and twelve long-term goals (see Section V - Industry Selection). The draft performance measures identified for the draft activities are linked with the long-term goals identified by the Board; finalized performance measures will be analyzed by the staff to insure appropriate linkage to the Board's long-term goals and the goals of the Oregon Legislature regarding Regional Strategies funding (e.g., family-wage job development/retention and key industry strengthening/diversification.)

At the end of each biennium, PDC will submit a detailed evaluation report of the previous two-year plan and its projects and the cumulative effects of that two-year plan and any previous two-year cycles of regional strategies funding as regards the Board's long-term goals. The report will include description of the regional, state and global trends impacting the achievement of the Board's long-term goals.

The Board concludes that measuring the effect of the strategies and projects in terms of long-term benchmarks is impractical; factors including global market forces, entrepreneurial competence, luck, federal and state regulations, governmental business climate decisions and other factors will have far greater effect on the macroeconomic statistics than the resources of the regional strategies program. Therefore, the Board will not attempt to measure the effect of

the strategy in broad benchmark measures.

Direct and indirect family-wage job impacts of Strategy activities will be estimated in the evaluation of activities and reviewed by the Board. For projects which have a reasonably measurable direct job impact (such as the jobs created/retained by businesses receive technical assistance through the Business Development/Recruitment activities) the contractors will monitor and report on direct job creation/retention of those activities and provide indirect job creation/retention estimates for review by the Board.

For projects which have an indirect job impact (those that lead to the increase in the number of family wage jobs), estimates of indirect job impacts will be provided by contractors in close consultation with the key industries and will be reviewed by the administrator and the Board for reasonableness. Total direct and indirect family-wage job impacts will be included in the cost-effectiveness measures to be devised by Board staff (see below).

Furthermore, long-term benchmarks are not yet established for the Metro region. Multnomah County is presently establishing economic prosperity benchmarks with conclusion of the process expected towards the end of 1994. Washington County has not begun a benchmarking process. As long-term benchmarks are established for the Metro region through official actions, the Board will consider the benchmarks in future strategy work.

The Board will require, through funding contracts with contractors, prudent and professional management of activities. This will include the ability and commitment by the contractor to react quickly to situations when activities are not progressing as expected. Evaluations of the process will likely include simple customer satisfaction surveys when the activity is meeting expectations; if the activity is having difficulty a more stringent evaluation of the process will be required, including focus groups (conducted by outside facilitators if necessary).

To assist contractors in assessing the product and particularly the cost-effectiveness of their products from the various activities undertaken, the staff and board will work with academic and/or private-sector resources over the summer of 1994 to devise a cost-effectiveness analysis template. The goal of the template will be to provide a tool for self-analysis of activity "product" by contractors of activities while providing some uniformity in product evaluation methodology for the staff and the Board. The cost-effectiveness tool will help the contractors, staff, and Board evaluate the individual activity and the overall industry strategy in both quantitative and qualitative aspects (including unintended consequences). It is expected to include return on investment considerations and an examination of alternatives for achieving the desired results.

CALENDAR OF EVALUATION PLANNING AND IMPLEMENTATION:

June 1, 1994	Strategy application completion.
June 2 - Sept.	Strategy refinement including individual performance measures and evaluation plans finalized for each activity. Staff and board develop cost-effectiveness analysis tool.
April 1, 1995	Preliminary evaluations of activity process prepared for Board review.
May 1, 1995	Evaluations of activity process completed by contractors.
May 15, 1995	Review of process evaluations by staff and Board.
May 1, 1996	Mid-course evaluations of activity process completed by contractors.
May 15, 1996	Review of process evaluations by staff and Board in consultation with industry associations.
October, 1996	Evaluations of product completed by contractors.
November, 1996	Review of product evaluations by staff and Board in consultation with industry associations. Detailed evaluation report of previous biennium projects regarding the Board's long-term goals and/or Regional Benchmarks.
May 1, 1997	Evaluations of activity process completed by contractors.
May 15, 1997	Review of process evaluations by staff and Board in consultation with industry associations.
....etc.	

Reporting to assist OEDD with legislative reports and other requirements will be provided by the staff in consultation with contractors.

Appendix A - Participants in Metro Region Process

Aerospace Industry Participants

Paul Meyerhoff Aerospace Industry Association of Oregon

Agriculture Industry Participants

Eric Azariah Oregon Department of Agriculture
Cathi McLain Oregon Department of Agriculture
Ray Steinfeld Steinfeld Pickles Company

Biotechnology Industry Participants

Barbara Anderman Oregon Biotechnology Association
David Clark Perkins Coie
Dean Kruse Portland Community College
Dr. Nanette Newell Oregon Biotechnology Association
Richard Polley Klarquist, Sparkman - Attorneys at Law
Richard Sessions Vollum Institute, OHSU
Dr. George Weber Wesman Foods, Inc.

Environmental Services Industry Participants

Bill Snyder Oregon Environmental Technology Association
Andy Sloop Metro Regional Services

Film & Video Industry Participants

David Woolson Oregon Film & Video Office

High Technology Industry Participants

Mike Bosworth OrCad, Inc.
Jim Craven American Electronics Association
Charmagne Ehrenhaus Lintner Center
Bob French Intel
Jim Hurd Planar Systems, Inc.
Ken Maddox Software Association of Oregon
Bruce Schafer PC-Kwik, Inc.

Metals Industry Participants

Kathleen Curtis Dotten	Oregon Metals Industry Council
Dan Ten Eyck	Reynolds Metals
Warren Rosenfeld	Calbag Metals
John Seaver	Oregon Precision Metal Fabricators Association
Vicki Tagliafico	Oregon Steel
Howard Werth	Gunderson

Software Industry Participants

Ken Maddox	Software Association of Oregon
Bruce Schafer	PC-Kwik, Inc.

Tourism Industry Participants

Court Carrier	Mt. Hood Community College
Carol Clark	Washington County Visitors Association
Gene Leo	Portland Oregon Visitors Association
Cletus Moore	Urban League

Other Participants

Robert Alexander	Forest Grove/Cornelius
Mark Clemons	Portland Development Commission
Elaine Cogan	Cogan, Owens, Cogan Consultants
Marcia Douglas	Portland City Schools
Jerry Gillham	City of Gresham
Elizabeth Goebel	City of Portland
Steven Goebel	City of Portland
Marcy Jacobs	Oregon Economic Development Department
Christopher Juniper	Portland Development Commission
David Lawrence	City of Hillsboro
Anne Mulroney	City of Beaverton
Betty Mills	Gresham Chamber of Commerce
Lisa Nisenfeld	Portland Development Commission
Janet Young	Tualatin

APPENDIX 2

Eiland Research

PUBLIC OPINION & MARKET RESEARCH

Portland Development Commission Target Industry Discovery Program

Phase One

A report for

The Portland Development Commission

By

Eiland Research

May, 1995

The preparation of this report was funded in part with a grant from the Oregon State Lottery through the Regional Strategies Fund administered by the State of Oregon Economic Development Department.

3205 NW 132nd Place • Portland, Oregon 97229 • (503) 629-5297

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INTRODUCTION

This report presents the results of an economic analysis of the three industries targeted for economic development by the Portland Development Commission: biotechnology, high technology and metals. It also presents an analysis of interviews among Portland/Vancouver business leaders in the three industries. The report and analysis was prepared by Eiland Research, a market research company located in Portland, Oregon, with input from Business Economic Environmental Resources, an economic consulting firm also located in Portland, Oregon.

The economic analysis was based on secondary research using on-line services, academic journals, publicly available financial documents, industry association literature, and government resources. It is important to note that industry figures frequently differ because there is no standard definitions for the biotechnology and high-technology industries by SIC codes.

A total of thirty-eight business leaders were interviewed either face-to-face or by telephone between April 30 and March 25, 1995. Potential participants were identified by Eiland Research and approved by the Portland Development Commission staff. Approximately twelve senior managers from each industry segment participated. Potential participants were notified by letter about the

project. Interviews were scheduled in advance to accommodate the itinerary of each manager. All interviews were conducted using the same discussion outline. Tom Eiland and Dana Tierney of Eiland Research conducted the interviews.

SUMMARY

Economic Overview

A healthy domestic economy is expected to continue. Growth is forecasted for most economic sectors in 1995, but at a slower pace than 1994. There are signs that foreign economies are beginning to recover. Exports will help domestic firms continue financial gains experienced during the past four years.

In the metals and high-technology sectors, domestic and international demand should continue for the next three to five years.

The metals industry is in a good financial and operational position because of restructuring, consolidation, reduced production capacity, and improved manufacturing technologies.

Expanded use of technology in commercial and consumer markets will fuel growth in the high-tech industry. Demand in the semiconductor and computer/peripheral segments are expected to be strong. Expanded use of CD ROM and multimedia technologies should stimulate significant growth in the software segment.

There appear to be many opportunities in biotechnology. Generally speaking, however, successful products have been slow to develop and get to market and only a few firms are profitable.

Despite optimistic forecasts, employment in metals and high-technology industries are expected to remain stable at best. Employment opportunities in these sectors will probably not increase due to improved manufacturing techniques, better technology, and improved productivity.

Oregon's economic outlook continues to be robust. During the past 12 months, more than 55,000 jobs were created statewide, including roughly 17,000 in the greater Portland area. Increased employment opportunities plus a slower population growth have resulted in low unemployment. In addition, business diversification has enabled the area to become less dependent on jobs related to a single industry, like forest products.

Interview Assessment

Leaders from the three targeted industries, biotechnology, high-technology and metals, had different opinions regarding business trends.

For biotech managers, the lack of sufficient capital to start up and sustain business operations was the most important trend.

Trends in the high-tech industry included smaller, faster, cheaper products, formation of strategic partnerships, new market penetration, short produce life cycles, and increased competition.

Total Quality Management, increased competition, environmental policies, and work force availability are recent trends in the metals industry.

Oregon's quality of life is perceived to be the greatest asset in recruiting and sustaining business growth. Among the things managers like about Oregon are the environment, public education, affordable housing, and access to mountains and the ocean. Other local economic development attributes include a good work force, a solid infrastructure, and a good transpiration system for commuting and market access.

On the other hand, the quality of primary and secondary education and its ability to produce qualified graduates to meet employment requirements is a dominant concern among high-tech and metals executives. Many think Portland needs a first class university. Biotech managers are especially concerned about the lack of research facilities. Other business development issues include personal and business taxes, land use policies, availability of a qualified work force, and local government's poor understanding of business issues.

Potential opportunities for business expansion differ by industry. Oregon's high-tech industry is reaching a critical mass. A solid infrastructure already exists to support new high-tech businesses in a variety of segments, making the area attractive for continued high-tech expansion. Managers in the metals industry think growth will occur by recruiting more potential customers to the area or opening new markets, either domestically or internationally. Biotech managers say the area needs more research facilities and a higher profile in the

marketplace, including attracting a large biotech customer. Managers think these activities will help generate more investment capital for Oregon biotech firms.

ECONOMIC ANALYSIS

Overview

The U.S. economy has entered the fourth year of the tenth post World War II upturn. This expansion has been marked by employment and production growth and continued modest inflation. Since March, 1991, the economy has gathered strength in residential construction, consumer durable goods spending, and business spending on equipment. The average Gross Domestic Product (GDP) grew over four percent during the past 18 months.

In 1994 over 250,000 jobs per month were created nationwide. This has caused some labor shortage in all regions. Overtime, plant capacity, and production have been at a three year high.

During the early part of 1994 the Federal Reserve (Fed) began responding to inflation indicators. At the end of the first quarter of 1995, the Fed raised the discount rate seven times, basically doubling it.

Oregon's Economy

Oregon's economy outpaced national trends. In 1994, over 55,000 jobs were created, including 17,000 jobs in the Portland area. The major 1994 growth sectors were construction, services, and finance/insurance/real estate (FIRE). Gains in employment were highest in high-tech, which increased by nearly 5.0%. Oregon's two largest non-manufacturing sectors -- trade/services and government -- increased, 4% and 2.7% respectively.

Looking to 1995, the number of jobs is expected to increase by about 3% statewide.

Population of the Pacific Northwest continues to grow above the national average. During the early 1990's the majority of new residents to Oregon, Idaho, and Washington came from other states. Recently population growth has slowed, however. During 1994, Oregon had its smallest population increase since 1987.

In the Portland Metropolitan area, the highest percentage of jobs are found in services (26.5%) and trade (25.5%) followed by manufacturing (15.9%) and government (13.2%). Employment in other sectors includes transportation (6.3%), FIRE (4.7%), construction (4%), and agriculture (1.3%).

During the 12 month period ending January, 1995, Oregon's wage and salary income was up roughly 8.5%. Wages and salaries in the non-farm sectors increased 5.15%. Manufacturing wages increased 5.29%, trade wages were up 6.44%, and construction increased by 16.27%.

In 1993 the high-tech industry had the highest average wages (\$39,300) followed by metals (\$31,600) and biotechnology (\$29,600). (Oregon Department of Employment)

The state's seasonally adjusted unemployment rate dropped from 6.1% in January, 1994, to 5.0% in January, 1995.

Economic Fast Facts

- 55,600 jobs were created in Oregon in 1994
 - Portland's economy expanded by 11,291 jobs (largest job growth in five years)
- Portland's 1994 per capita income increased 4% over 1993
- Oregon's population growth was above the nation's for past three years but growth has slowed. 1993-94 slowest population growth since 1987.
- Slow growth + more jobs = low unemployment
 - Unemployment at 5% or less
- Oregon's 1994 wage and salary income up 8.5% over 1993

Target Industry Definitions

Biotechnology Industry: Technology that uses living organisms or parts of organisms to produce or modify plants or animals or to develop micro-organisms for specific uses. Biotechnology involves the use of biological, mechanical, or electronic processes to make a wide range of pharmaceutical, agricultural, diagnostic, chemical and other products. It is a marriage of biology and technology.

Metals Industry: Primary activities such as smelting, refining, rolling, drawing, alloying, and manufacturing of castings and other basic products of ferrous and non-ferrous metals. Also includes the production of fabricated metal products, structural components, sheet metal products, general hardware and tools, and non-electric heating apparatus as well as forging, stampings, ordnance, and metal cans and containers.

High-Technology Industry: Development and production of machines controlled in part by software or of new materials with unusual and commercial valuable properties. Includes silicon crystal growth and fabrication and the manufacturing of electronic equipment. Also includes precision instruments such as measuring, controlling, and analyzing instruments, photographic equipment and supplies, medical and optical goods, and time-keeping and communications equipment.

Biotechnology

Overview

The biotechnology industry represents organizations that are developing or producing new products and processes employing biotechniques. However, biotechnology is not an industry in itself, and there is no systematic government data collection of production, employment, or trade statistics based upon a specific standard industrial classification (SIC) code.

Ernst & Young separate the biotech industry into five segments: diagnostic, therapeutic, agbio, environmental and services. These descriptions were designed for financial purposes. Other organizations, like the Oregon Biotechnology Association (OBA), uses product specialization to define industry segments. According to the OBA, Oregon has established a foothold in five areas: neuroscience, environmental, agriculture/forestry, clinical service, and bioelectronics/biosensors. Definitions for these areas are:

Neuroscience explores the nervous system and the brain.

Environmental is the use of biological systems to prevent and clean up environmental contamination.

Agriculture and forestry biotechnology focuses on problems related to chemical use, harvesting techniques, and waste disposal.

Clinical services deal with diagnostics and therapeutics for the health care industry.

Bioelectronics and biosensors investigates biomolecules for memory and information processing.

Geographic Distribution

Geographic concentration of biotech firms is based on several economic development factors, including:

- Internationally recognized universities with strong connections to the biotech industry
- Strong information, communications, and research environment
- Quality living environment
- Special facilities and infrastructure designed to accommodate biotech companies
- Favorable local regulatory environment
- Quality professional services
- Proactive efforts by cities and communities

Academic research has verified the importance of several factors that encourage growth and development in the biotech industry. These factors include R&D spending, venture capital, education focused on biotechnology, and availability of scientists.

Geographically, biotech companies are concentrated in seven major areas. (It is important to note that geographic and financial data are based on publicly held companies.) Almost one half of the companies are located in the San Francisco Bay Area, the New England Region, and the San Diego area. Large concentrations are also found in Los Angeles, the Mid-Atlantic region, and the Philadelphia/southern New Jersey region. According to biotechnology industry financial experts, an area needs five to ten public companies to gain visibility and attract capital investment. Oregon currently has three publicly held biotech firms.

(Insert map graph here)

Companies in the San Francisco Bay Area clearly dominate the industry in terms of total assets (\$4.6 billion out of a total of \$14.1 billion). During the last year, assets have increased in most geographical areas. Riding the success of Amgen, Los Angeles/Orange County now ranks first in biotech product sales. The San Francisco Bay Area has the highest total revenue for biotech firms.

The San Francisco Bay Area and Los Angeles/Orange County continue to have the highest levels of biotech product sales. Recently biotech sales have grown faster in New England and Seattle than in other areas.

While biotech sales have increased, Los Angeles/Orange County is the only area where biotech firms are generally profitable. Most recent data indicates that the Mid-Atlantic region is close to break-even.¹

In Oregon, biotech employment has increased from 5,356 to 11,180 during the period from 1976 to 1993. This represents a 108% increase over 17 years, or a 4.42% compounded annual grow rate. Direct dollars injected into Oregon's economy from payroll (not including capital investments), has grown from over \$60 million in 1976 to nearly \$304 million in 1993. This is a 400% increase over 17 years, or a 10% compounded annual grow rate.

Financial Needs

During the 24 month period ending June, 1994, an estimated \$5.3 billion was invested in biotech companies, including private placements, initial public offerings, follow-up investments, and venture capital. During that period venture capital investments averaged roughly \$75 million per month, or one third of the funds available to biotech companies.

¹ BIOTECH 94 Long-term Value Short-term Hurdles. Ernst & Young's The Industry Annual Report, San Francisco, CA, p. 77-78.

Biotech companies require large amounts of capital to develop marketable products. As a result, analysts have recently cooled to biotech securities, making less capital available to create and sustain companies. From a cash flow perspective, the industry's burn rate is high.

Biotech's burn rate and survival index differ by company size and market segment. The very large companies have the longest index at 73 months, whereas mid-sized companies are at 31 months for survival. As companies grow, their overall cash requirements and net burn rates rapidly increase.

To attract venture capital and research talent to the state, there must be a critical mass of successful publicly traded companies. According to biotechnology industry financial experts, areas need 5 to 10 public companies to gain visibility and momentum. Oregon has only three publicly held biotech firms.

High-Technology

Overview

The high-technology (high-tech) industry is a dynamic and constantly changing environment. The Bureau of Labor Statistics broadly defines high-tech companies based on their research and development investment compared to all industries. Typically all high-tech firms have a significantly higher investment in R & D than companies in other industries. There are a wide range of companies that qualify for high-tech classification. Industry subgroups include computer equipment (SIC's 3571, 3572, 3575, 3577), industrial and analytical instruments (3821, 3822, 3823, 3824, 3825, 3826, 3827, 3829), computer software and networking (7371, 7773, 7373), and electronic components and equipment and superconductors (3671, 3672, 3674, 3675, 3676, 3677, 3678, 3679). The communications and aerospace/defense sectors are also frequently considered to be subgroups of the high-tech industry. Unfortunately, some of the industry segments are sometimes not considered in published data, including software network classifications. Ironically, these are areas in which market analysts predict significant growth over the next five years.

Over the past five years the general focus of the high-tech industry has begun to shift from engineering to market driven strategies. In 1988, industry managers considered the most important factors for success to be product performance, customer service, and attracting and retaining key people. Most recently management has shifted its attention to product quality, customer service and new product development. This shift suggests the industry is maturing.

In addition, high-tech firms have shifted from a "not invented here" (NIH) attitude to one of partnering and forming strategic alliances with each other. Management has found that strategic alliances permit companies to access new markets and technologies and enhance distribution channels.

Financial Trends

Historically, the high-tech industry has been cyclical with periods of high sales and profits shifting to declining sales and layoffs. During the past five years, the industry in general has experienced healthy growth domestically. Several factors have contributed to that growth, including the recent four year economic upturn in the United States, increased demand for better technology in manufacturing and consumer and durable goods, and shifts from large mainframe units to smaller but still powerful personal computers (PC's).

As a sign of strong demand for high-tech products, sales for all but one of the industry segments experienced double digit growth from 1992 to 1993. Software experienced the greatest increase (58%), followed by communications (49%), semiconductors (28%), industrial electronics (21%), and computers and peripherals (20%). The smallest gain was in aerospace (3%).

High-Tech Sales Trends

<u>Industry Segment</u>	<u>Total Sales</u> <u>1993</u> (\$ in Billions)	<u>% change</u> <u>From 1992</u>
Software	\$65	58%
Communications	\$221	49%
Semiconductors	\$115	28%
Industrial electronics	\$54	21%
Computers/peripherals	\$82	20%
Aerospace/defense	\$308	3%

Analysts are optimistic about the projected three to five year trends for the high-tech industry in general and specific segments in particular. Optimistic forecasts are based on a continued healthy domestic economy and a predicted recovery in foreign markets.

Strong demand is expected for computers and peripherals. Companies in this category are expected to show increased sales from domestic and international markets and achieve consistent profits. Pricing pressures will encourage management to push for greater productivity. As a result, employment will remain unchanged at best.

Estimated Computers and Peripherals Statistics
(\$ in millions)

	1991	1992	1993	1994	1995 est.
Sales	\$138,000	\$146,000	\$157,000	\$168,000	\$179,000
Operating margin	14%	12%	10%	13%	13%
Net profit	\$4,700	\$3,650	\$2,650	\$6,300	\$7,100
Working capital	\$25,900	\$21,600	\$27,000	\$28,900	\$28,900
Long-term debt	\$19,400	\$19,200	\$22,400	\$22,400	\$22,400
Net worth	\$70,000	\$60,000	\$540,000	\$58,000	\$64,400

Source: Value Line

Favorable economic conditions, increased demand for hardware, changes to operating systems, and planned obsolescence for processors are among the factors that will favorably impact the software segment. In addition, CD ROM and multimedia products will encourage sales. The financial outlook for software should continue strong through the end of the decade.

Estimated Software Statistics
(\$ in millions)

	1991	1992	1993	1994	1995 est.
Sales	\$23,400	\$26,800	\$30,500	\$35,000	\$41,000
Operating margin	20%	22%	23%	23%	23%
Net profit	\$2,050	\$2,800	\$3,400	\$4,000	\$4,775
Working capital	\$3,800	\$5,660	\$7,020	\$9,100	\$12,000
Long-term debt	\$1,415	\$2,000	\$1,900	\$1,900	\$2,400
Net worth	\$11,000	\$13,000	\$16,000	\$19,800	\$24,100

Source: Value Line

Expanded uses of integrated circuits suggest that the semiconductor segment will be less cyclical than in the past. Demand for products has grown consistently for the past five years resulting in a doubling of sales from 1991 to 1994. Performance of individual segments of the semiconductor subgroup has also been good, including circuit board and wafer manufacturers.

Estimated Semiconductor Statistics
(\$ in millions)

	1991	1992	1993	1994	1995 est.
Sales	\$30,100	\$34,500	\$42,500	\$60,000	\$70,000
Operating margin	15%	16%	22%	21%	22%
Net profit	\$2,500	\$2,900	\$3,300	\$4,100	\$4,700
Working capital	\$6,300	\$7,700	\$9,900	\$13,000	\$15,600
Long-term debt	\$2,600	\$3,200	\$3,000	\$4,000	\$4,600
Net worth	\$15,000	\$17,000	\$22,000	\$27,000	\$32,000

Source: Value Line

As high-tech companies push for sustained profits in the face of declining prices, facilities have been closed and employees laid off. In fact, total high-tech employment declined by 79,000 jobs from 1992 to 1993. Employment declined in all sectors except software. Computers and peripherals lost the most employees (38,000), followed by aerospace/defense (36,000), semiconductors (17,000), industrial electronics (17,000), and communications (7,000).

During the same period, Oregon's high-tech employment bucked national trends.

Total industry jobs increased to 36,700 from 34,600.

High-Tech Employment Trends			
<u>Industry Segments</u>	<u>-----Total Jobs-----</u>		<u>Difference</u>
	<u>1993</u>	<u>1992</u>	
Computers/peripherals	414,000	452,000	(38,000)
Aerospace/defense	237,000	273,000	(36,000)
Semiconductors	589,000	606,000	(17,000)
Industrial electronics	316,000	333,000	(17,000)
Communications	262,000	269,000	(7,000)
Software	369,000	333,000	36,000

Geographically, high-tech industry is concentrated in a few states. The largest share of the nation's high-tech work force is in California, followed by New York, Texas, Michigan, and Ohio.

High-tech wages are higher than in other industries. In companies with significant research and development budgets (50% higher than all industry averages), the average worker earned roughly \$36,000 annually. In high-tech firms with moderate R&D budgets, the average wage was about \$28,000. The average annual pay for all industries during the same period was roughly \$22,000. In Oregon the average high-tech wage was \$39,300.

Educational standards for employment in high-tech have increased. For fabrication and new product development facilities, workers are frequently required to achieve administrative or technical degrees from community colleges or receive a four year college diploma. For manufacturing lines, minimum skills of fifth grade reading and ninth grade math are typically required. The large high-tech firms attempt to recruit graduates from the country's "Big Ten" engineering universities, like Stanford, MIT and the University of California-Berkeley.

Competition in the high-tech industry has been intense, both domestically and internationally. At one time the United States dominated the industry, but during the late 1980's and early 1990's manufacturing went off-shore, primarily to Asian Pacific Rim countries. Recently the United States has begun to regain its edge. Foreign companies, especially those from Japan, Korea, Germany, and other European Common Market countries, are establishing manufacturing and product development facilities in the U.S. Despite this trend, the U.S. remains a net importer of high-tech products.

Metals

Overview

Government statistics are maintained on a wide range of subgroups within the metals industry. This report primarily focuses on the metals fabrication and non-integrated steel segments, although other segments are mentioned.

Though widely diversified in form and function, the metals industry is enjoying its best financial health since the early 1980's. Over the past eight years, the metals industry has made a dramatic economic recovery. Pressured by declining demand, increased foreign competition, environmental regulations, and manufacturing inefficiencies, the industry experienced a shake-down in the 1980's. Marginal companies were either acquired or shut down. Companies with good management and skilled planning survived. This consolidation reduced United States manufacturing capacity by more than 33%.

An industry recovery began in 1986 as demand rose and prices increased. The recovery lasted until 1990 when demand declined. However, since 1991 the metals industry has benefited from the domestic economic upturn with strong demand for manufacturing products and consumer and durable goods. Today the industry is stronger operationally and financially than at any time during the past ten years.

Financial Trends

Historically, metals has been among the most volatile of all industries because it is a capital intensive business. Attractive profits are earned during even modest economic upswings. On the other hand, recessions, no matter how slight, severely impact the industry. Now the cyclical nature of the business may be changing due to improved productivity, financial strength, and a more specialized product line.

While some analysts think demand may have peaked, most believe the metals industry as a whole can weather a moderate economic downturn. Some expansion is expected from existing companies that focus on specialized products. Analysts predict that *Oregon Steel* and *Schnitzer Steel* will increase capacity during the next five years.

Sales of non-integrated steel are expected to continue to increase over the next three to five years. Because of the well positioned nature of the surviving companies, important financial indicators are positive for the industry.

Estimated Financial Outlook for Non-Integrated Steel
(\$ in millions)

	1991	1992	1993	1994	1995 est.
Sales	\$3,600	\$3,700	\$4,800	\$5,900	\$6,700
Operating margin	12%	12%	12%	14%	15%
Net profit	\$160	\$165	\$215	\$345	\$460
Working capital	\$515	\$570	\$660	\$820	\$950
Long-term debt	\$320	\$460	\$615	\$525	\$650
Net worth	\$1,580	\$1,760	\$1,900	\$2,250	\$2,600

Source: Value Line

Like other metals subgroups, metals fabrication experienced its own downsizing and consolidation. However, the recession driven shake-down left the survivors in good financial condition. Sales in this category have been stable for the past four years but are expected to increase steadily for the next three to five years.

Estimated Financial Outlook for Metals Fabrication
(\$ in millions)

	1991	1992	1993	1994	1995 est.
Sales	\$9,800	\$10,000	\$8,400	\$10,800	\$13,900
Operating margin	11%	12%	13%	12%	13%
Net profit	\$300	\$370	\$300	\$450	\$500
Working capital	\$1,650	\$1,800	\$1,400	\$2,100	\$2,500
Long-term debt	\$1,300	\$1,300	\$1,300	\$1,425	\$1,400
Net worth	\$4,000	\$4,200	\$4,200	\$4,300	\$4,500

Source: Value Line

Employment Trends

Total employment in the metals industry has declined 6% during the past five years. Considering the push for improved productivity through retooled manufacturing lines and high-technology, employment in the industry should remain stable.

National Employment Trends Steel Products					
<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
240,000	261,000	256,000	254,000	241,000	234,000

Metals employment in Oregon has followed national trends. Since 1991, 700 jobs were lost. During that period, wages were stable.

Oregon Job/Wage Trends Metals Industry		
	<u>Jobs</u>	<u>Wages</u>
1991	23,000	\$30,900
1992	22,400	\$31,200
1993	22,300	\$31,100

Because the manufacturing process has become more efficient and more technical, work force requirements for the metals industry have increased. Production workers are typically required to have minimum fifth grade reading and ninth grade math skills. The ability to read blueprints, operate computers, understand basic geometry and work as a team are among the skills the industry is seeking.

Ironically, as the skills for metals employment increases, the available work force is shrinking. Industry officials and government leaders are concerned that young people are not even considering the metals industry. Industry and government programs are being established to attract and develop future employees through public school efforts and private education projects.

BUSINESS LEADER INTERVIEWS

A total of 36 business leaders in the biotechnology, high-technology and metals industries in the greater Portland metropolitan area were interviewed to assess opinions about economic development issues.

Biotechnology

Recent Industry Trends

Business leaders in the biotechnology industry describe trends in terms of business opportunities or concerns. Problems finding working capital, consolidation of small companies, and rapid entry of new biotech companies were among those "trends" most frequently identified.

Lack of capital was a frequently recurring theme among business leaders. While start-up capital has been available from public investment funds, like the Oregon Resource and Technology Development Fund, many managers were concerned about the lack of private venture capital. "Local venture capital is critical," one manager stated, while another said the "consistent lack of capital" in Oregon is impeding the growth potential for Oregon biotechnology firms. One local industry leader explained that "a lot of venture capital firms are reluctant to give

money to early stage biotech companies because of the high up-front costs and the long lead time from product concept to marketability."

Consolidation is occurring in two forms: small companies partnering with large, established firms and mergers between small companies. "A lot of biotech firms form relationships with large pharmaceutical companies rather than go it alone," observed one executive. A scientist explained that biotech companies are often looking to develop relationships with the drug companies in order to use their clinical testing facilities, get an infusion of capital, and get help with marketing. Leaders did not elaborate on the mergers between small companies.

Start-up companies in the biotech industry have been stimulated by new applications of technology. Traditionally thought of as medical, biotechnology now includes other uses like environment, agriculture, industrial processing, and metal separations.

Reasons for Locating in Portland

The quality of life is the primary reason biotech firms located in Oregon. "I recently had no trouble recruiting several employees from the Bay Area," claimed one manager. "Once they saw Oregon, the recruits and their spouses wanted to move here."

Oregon Health Sciences University (OHSU) and Oregon State University (OSU) were also important factors for locating in Oregon. Biotech firms depend on primary research conducted at universities to develop technology. In addition, their clinical research facilities are frequently used for testing and evaluation. "Having a good university like OSU nearby is critical," explained one established firm. Another stated, "OHSU provides good scientific strength and OSU provides good agricultural strength. We just need to let people know about their programs."

For many companies, OHSU is the only reason they are in Portland. "We are a research and development company, and we are here because the work was done at OHSU," stated one manager.

Other local attributes which helped attract or spawn biotech firms in Portland included an acceptable regulatory environment and a well-educated work force.

Concerns about Portland

Limited investment capital was the biggest concern about locating biotech firms in the Portland area. "Everything is in place in Portland for the biotech industry except the money, but without the money there is nothing," said one frustrated biotech executive. Another claimed that "since 1988 I've been saying we're on

the verge of a biotech explosion. We have the talent and interest. The biggest stumbling block is lack of capital."

It is interesting to note that not everyone agreed local investment is a critical issue. "Capital is global. We don't need to be a big financial center to succeed," one manager stated. Another claimed it is a "myth that there has to be venture capital here in order for a biotech company to establish operations in the area. It doesn't matter where the capital comes from. The best companies will get funded."

The local tax structure was cited by a couple of biotech managers. "It is too expensive to operate in Multnomah County," one said. "We have operations in Corvallis, Beaverton and Tigard, but none in Multnomah County." Another said the "high tax structure in Multnomah County, permit hassles, personal and corporate income taxes, and the lack of attention by local officials to business development" are major concerns. "They (government) never met a tax they didn't like."

A leading economist in the area said that Oregon's capital gains tax structure is a major impediment to developing a biotech industry. "We really blew it in 1986 when the legislature raised taxes on high incomes and capital gains. I would go to Washington State in a second if I were a biotech firm."

Other frequently mentioned problems of the Portland area included the lack of a major research university, lack of a "critical mass" of biotech firms, limited laboratory space, and the need for more trained scientists.

Rating Portland for Economic Development

Managers were asked to rate the Portland area on six economic development factors as they related to the biotech industry.

Regarding **labor**, the Portland area was mostly rated good to fair for the biotech industry. Good programs at local universities, an established base of Ph.D.'s and research assistants, and the migration of well-trained people to the area were some of the positive comments about the local work force. Managers who rated the area only fair said they need to recruit people from outside the area, but "it is not usually a problem getting them to come to Oregon."

Transportation for products and business travel was generally rated fair. Business managers were concerned about the early deadlines for air shipments and poor airline service from Portland to major East Coast cities.

Portland's **overall business climate** was rated good to fair. A booming economy and a favorable regulatory environment were considered assets. Lack of venture capital was the most frequently mentioned concern.

The area's **financial and tax environment** was mostly rated fair to poor. Concerns about lack of venture capital and complaints about state and local taxes dominated the comments.

Community acceptance was mostly rated good. A "well-educated populace" and reasonable "government regulations" were cited as examples of receptiveness to the biotech industry.

Education received the highest marks of the six factors with ratings of good to very good. Programs at OSU, OHSU and other schools were mentioned as attributes. OSU and OHSU in particular were complimented for producing excellent graduates in biotech fields. On the other hand, several managers said Portland needs more academic research facilities.

Ways to Help Biotech Grow

Development of the Oregon Biotechnology Innovation Center was mentioned as the most important contribution to nurturing the biotech industry in Oregon. Business leaders recognized that providing a center for the industry will encourage better communication, increase awareness of the industry, increase laboratory space, and foster new ideas for products and business.

Other ways the area can assist the biotech industry is to change capital gains taxes, recruit more biotech firms to the area in order to develop a "critical mass," and improve communication among higher education, business and government.

Economic Development Opportunities

As the president of one Oregon's most successful biotech firms said, "the biotech industry is in such an infant stage that opportunities are wide open." The belief that the industry is limitless is probably the reason business leaders had a difficult time reaching a consensus about specific economic development opportunities in the industry.

In general terms, managers thought Oregon has an opportunity to develop biotech companies in the areas of medicine, agriculture, neuroscience, and environmental science. Some thought recruiting a major pharmaceutical company, like Genentech, SmithKline or Merrick, to Portland would help establish an anchor for the state's biotech industry, increase awareness of research in Oregon, and provide additional research capacity. Encouraging scientific research programs would also be helpful because Oregon doesn't "compare to the Bay Area, Seattle or San Diego" in terms of research.

Local business leaders mentioned several specific biotech companies as industry leaders, including domestic firms Amgen, Kiron, Genentech, Biogen, Chiron, Genzyme and Immunix, and Lonza in Switzerland. These companies may be targets for potential expansion to the Portland area.

High-Technology

Recent Industry Trends

Business leaders in the high-technology (high-tech) industry didn't describe trends but talked about change. As one executive said, "Change is a fact of life" in the industry. Among the constant changes mentioned were products getting smaller, faster and cheaper, partnerships with other companies, technology penetrating new markets, shortened product life cycles, and increased competition.

Size, speed and cost are factors that have caused some of Portland's high-tech leaders to rethink their business strategies. "More and more of the computer circuitry is being integrated onto the chip," explained one manager. "As a result, chip manufacturers are taking over the design of the mother board." This reduces the number of circuit board components and encourages hardware and software companies to cooperate in new product design.

In order to be more efficient, high-tech companies are "partnering" with suppliers and customers to improve product development, reduce design time, and reduce costs.

"There is a continuing integration of vendors into the strategy and infrastructure of the companies they supply. Not too many years ago, companies tended to be vertically integrated. Now, an increasing amount of work is specialized," explained a high-tech manager.

The partnering and specialization has encouraged significant business growth in Portland. Companies are locating facilities here to be closer to business partners and customers. Divisions of existing firms have also "spun-off" to create their own companies. In some cases, that independence has allowed a new company to expand to new markets and increase employment.

High-technology is penetrating new markets because a wider range of applications are being developed. "Our manufacturing systems are now computer driven," said a facilities manager. "That means we produce more and better quality product. But it also means that our employees who are high school graduates have to be better educated and understand computers." Examples of new market penetration include the medical device and telecommunications industries.

High-tech market penetration includes not only business but also consumer goods. In 1994, personal computer sales "surpassed television sales" for the first time, noted a Vancouver-based manager. Many managers expect this trend

to continue and that it will have a big impact on the peripheral market. "We used to see one printer to support three to five PC's. That ratio is now one to one," a manager stated.

New market penetration has also spawned new ideas. In the software industry, a trend is "the emergence of multimedia, such as CD ROM and on-line media," a software consultant said. As an example of what the market may expect, a chip manufacturer demonstrated a new product which allow audio/video conferencing over standard telephone lines between two PC's. The product enables the PC to record the conference and simultaneously exchange documents between connected computers.

Technological changes have shortened the life cycles of high-tech products. This impacts consumer choices in the marketplace and manufacturing facility planning. "Business and consumer products generally have a life cycle of 36 months," explained a manager. In order to keep up, manufacturing lines must retool "every 18 to 48 months." In some cases, that retooling requires an investment exceeding \$75 million for new equipment and labor training.

Competition has increased in all sectors of the industry. The Portland area has benefited by expansion of existing firms and relocation of foreign companies to obtain competitive advantages in costs, labor, and geographic locations. In

addition to providing opportunities, increased competition has also challenged some local mid-sized companies who once competed only with smaller firms. "We now find our competitors are Hewlett Packard, Digital and IBM rather than another start-up," explained an executive. Competition also encourages domestic companies to think globally. "Our products are shipped throughout the world," explained a manager. "Software companies must now think about designing products in various languages," a consultant added.

Reasons for Locating in Portland

All of the high-tech executives interviewed cited quality of life as a major factor for locating in Portland. Also mentioned were an available work force, supportive public policies, and an existing infrastructure for the industry.

"The quality of life is a big plus for the area," explained a high-tech executive. "The overall environment makes it easy to recruit and retain technicians, engineers and managers to the area," he continued. Access to outdoor recreation, a relatively clean environment, the mountains and the ocean all contribute to the area's quality of life. "Once people come here, they don't want to move away, so the work force is stable," an executive explained. Another executive noted it is easy to recruit talent to Oregon because "people want to live here."

The work force was also important. In Oregon, wages are more competitive and "more reasonable" than in the Bay Area, noted one manager. Other local work force assets include "a good availability of talent," the ability to "attract people" to the state, and the education system's ability to "produce good talent."

Firms located in Clark County, Washington, were impressed by its "political structure and favorable attitudes about growth management" and Washington's "tax structure." Oregon's executives were also impressed by public policies. Oregon taxes were considered "reasonable" and the relationship between industry and government was termed as "cooperative."

The "existing high-tech infrastructure" is also a plus for the area when competing for new business opportunities. The infrastructure includes patent attorneys, public relations and advertising agencies, and freelance writers.

Other reasons for locating to the area included reliable and inexpensive supplies of electricity, available building sites, and access to markets through Portland International Airport.

Concerns about Portland

Virtually all the high-tech executives were concerned about education. "Public education sucks" in this area, one manager bluntly stated. Concerns about education ranged from kindergarten through graduate school.

Attitudes about primary and secondary schools were based on the quality of high school graduates seeking employment. "We require minimum skills of fifth grade reading and ninth grade math," a manager explained. "We recently advertised for employment and had about 900 applicants. When we told them the reading and math requirements, half walked out. Of the remainder, half didn't pass the proficiency test. We could eventually hire another 1,500 employees at this plant, but there aren't 1,500 qualified people in the area." This same story was repeated by other executives.

"A good public and private education system is important to the high-tech industry," a manager said. "Improving K-12 education is a major issue for the area," another declared.

Regarding higher education, one manager felt it is a problem that there is "no major research university here other than OHSU." Another executive commented, "Improving access to higher education is a problem. It will help that

Washington State University is moving a campus to the area, but not having a good school here currently is a barrier to attracting managers."

Not everyone agreed that a major university is necessary. "We only recruit engineers from the top schools, primarily MIT, Stanford, and Berkeley," a manager explained. "It is not an issue for us that there is no engineering school here."

Oregon income and Washington state business and operation taxes were issues for some high-tech managers. Some claimed that Oregon's 9% income tax "scares away" prospective employees. In Washington, the business and operation tax is making some Clark County high-tech firms "less competitive" in the marketplace.

It is perceived that the "transportation infrastructure is falling apart. The Westside by-pass is not a priority in the legislature, Tri-Met doesn't service our area well, and light rail, which we support, won't ship our products," noted a manager. Another manager said, "Commuting is a problem and we can't get local government to support other options, like bike trails." Yet another manager noted that major roads are so busy that "we have to send our trucks to the airport by 3:00 p.m. for a 6:00 p.m. flight. In most cases it takes them one and a

half hours to get to the airport." Managers also noted airline connections from Portland International Airport could be better.

Rating Portland for Economic Development

Managers were asked to rate the Portland area on six economic development factors as they relate to the high-tech industry.

The Portland area was rated good to fair for **labor**. The work ethic was considered good, but the availability of skilled labor was a concern. Producing local engineering talent was also an issue. Many companies have to recruit engineers from outside the area because there are not enough graduating from local schools.

Opinions about **transportation** ranged from good to poor. Managers were impressed with commercial transportation, but congestion along local commuting routes was a concern. **Market access** was not an issue for most high-tech managers.

The **overall business climate** was considered very good to good. Managers thought local and state governments are generally working to support high-tech business development.

The **financial environment** was rated good to fair. Most companies have no problem getting capital for retooling. In addition, managers said the number of local high-tech venture capital firms is increasing. Managers rated the **tax environment** good to poor. Although taxes are considered high, managers noted taxes are high everywhere.

High-tech managers were impressed with **community acceptance**, which they rated very good to good. It was noted that local business leaders work to support the high-tech industry. The only complaints focused on local government. Some managers did not think public officials understand their industry or business needs.

Education was rated the lowest of the six factors, earning fair to poor ratings. Managers reiterated their concerns about K-12 public education and the need for a top tier university.

Helping the High-Tech Industry Grow

Improving the education and transportation systems would be the most help in terms of encouraging growth in the high-tech industry.

Regarding education, one executive said, "If Oregon is serious about wanting high-tech industries, it has to invest in education." Another pointed out that the only weakness is the fact "there is no major university in the Portland area."

Other managers said Portland has reached a "critical mass" in the high-tech industry. "There isn't much that can be done to help industry expansion in the area," a manager claimed. The area has a "good source of local suppliers that have built up over time." Others noted that local industry is already growing at a fast rate and that suppliers are voluntarily moving here to support their customers and protect marketshare.

Economic Development Opportunities

When asked what type of companies should be recruited to the area, high-tech managers suggested a wide range of choices. Among the types of companies mentioned were:

- Contract manufacturing
- Power supply manufacturer for PC's and network based systems
- Major computer manufacturer
- Disk drive and modem manufacturer
- High quality plastic molding operation
- Memory supplier
- Suppliers of high purity chemicals or specialty gases
- Manufacturer of crystal pulling devices for the wafer industry
- Additional circuit board suppliers
- Telecommunications, financial services and health care firms

Specific companies mentioned which may be targeted for economic development potential included:

Telecommunications: AT&T, Siemens, Alcatel, Northern Telecom, Motorola, Omni Point Systems

Automotive electronics: Nipon Denso, Delco, Bosch, Ford

Electronics: Siemens, Erickson, Nokia

Semiconductors: Samsung, IDT, Micron, Hitachi, Fujitsu, Lattice, Altera, Xilinx, AMD, Motorola

Computer peripherals: Canon, Epson, Sharp

Medical Instruments: Hewlett Packard, SpaceLabs, Physio Control, Nelcor

Medical Imaging: ATL, Acuson, GE, Toshiba

Circuit Boards: Photo Circuits, Hadco, Zycon

It is important to note two things about this list:

1. Some of the companies are in direct competition to Portland area firms and may not be welcomed by local management.
2. While some companies mentioned are already located here, they should not be overlooked as potential opportunities for economic development and business expansion.

Metals

Recent Industry Trends

Portland area business leaders in the metals industry, specifically the metals fabrication and non-integrated metals segments, were asked about industry trends. Improving business performance, including product quality and operational efficiency, was most frequently mentioned as the major trend. Also mentioned were increased competition, environmental policies, and availability of employees.

Total Quality Management (TQM) is more than a buzzword for metals companies in the Portland area. "The trend is that our customers are requiring their suppliers to meet ISO 9000 standards," a metals manager explained. According to local managers, three Portland/Vancouver area metals fabricators have met the standards. "There is greater emphasis on performance, including on-time delivery, product quality, more responsive service and shorter lead times. The industry is becoming more sophisticated, and the customer's level of expectation is increasing." "Perfect quality and service are becoming the norm rather than the exception," another manager noted.

A focus on TQM may help companies in the industry. According to one manager, "Many medium sized companies like ours are moving to 'world class' organizations. We are trying to become better organized and managed." Another manager explained that better management and quality has encouraged suppliers and customers to "partner" on projects. This teamwork approach to product development and production means vendors are "actively involved in planning and designing products." This reduces lead times and gets products to market faster. The "partnering process has made us all more effective."

Portland area firms are competing with domestic and international companies for a piece of the metals industry pie. "The first major trend is global competition," claimed one executive. "While our major market is here, we ship product throughout the U.S., to Asia and Europe," another manager explained. While competition has increased opportunities for local firms, it has also presented threats. Price competition and basic company survival have been the by-products of global marketing. As an executive explained, "Our industry has been going through a consolidation period. Over the past few years, the number of companies has declined by 65%. Today only the strongest and best run companies survive. The key factors to surviving are strong management and excellent worker development."

Other trends included meeting environmental regulations like clean air and water standards, finding qualified employees, and using technology in manufacturing. We are having trouble finding qualified people," noted a manager. "It is hard to get students interested in metals." A good, well-educated work force will be necessary as high-technology is introduced to the metals industry. A manager explained, "If anything, education requirements for our work force are going to get tougher in the future because of technology."

Reasons for Locating in Portland

Proximity to the customer base, the quality of life, and a well-educated work force were the most frequently cited reasons companies in the metals industry have located in the Portland area. Other reasons included transportation and electric power sources.

"We are here because our customer base is here," many managers explained. That customer base includes communications, electronics, aerospace and automotive industries. One manager noted that after doing a thorough market analysis, "Portland had the best opportunities because of the high-tech industry." Portland is also considered to be centrally located. "We are in a good location for our customers," a manager explained. "Most of our products go to Japan and the Middle East and to Seattle and California."

The area's quality of life is important. "I have lived in 15 different states, and we chose to live in Oregon because of the climate, social environment, the arts and the geographical diversity," a manager explained. Another manager said he would encourage other metals companies to locate here because of the "outstanding living conditions."

Metals managers are also impressed with the work force in the area. Workers are considered "well-educated and qualified." Consistent employment is "a key factor for a strong business foundation," a manager explained. "Portland Community College provides excellent job training and does a great job of screening students for vocational aptitude and interest."

The metals industry has benefited from the local transportation systems. "The Portland area is accessible to our markets because we have shipping and rail," a manager noted. Another pointed out that "transportation is the biggest asset. Few people appreciate how big and important the rail industry is to our state."

The low cost of electrical power also encouraged some metals companies to locate here.

Concerns about Portland

Public policies dominated as the major hesitation that business leaders have about the Portland area. Taxes, environmental regulation, and land use designations were among the specific policies which concern managers.

Oregon's "tax structure is not conducive" to the metals industry, claimed one manager. "It is easier to do business in Washington." Another manager said, "Oregon's high income and business taxes, environmental regulations, and overall business climate are not conducive to business operations." A third manager noted, "the cost of environmental compliance, taxation, and zoning and land use issues are concerns."

Other issues included the shrinking employment base due to competition for employees, transportation, especially commuting, and the threat of higher electrical power rates.

Rating Portland for Economic Development

Managers were asked to rate the Portland area on six economic development factors as they relate to the metals industry.

Ratings for **labor** ranged from good to not good at all. Those managers who gave good ratings said the labor force is well educated and reliable. Labor shortages were attributed to a strong economy and were thought to be only a short-term problem. Those who gave fair to not good at all ratings were concerned that "education has not kept up with business challenges." Managers explained that the minimum education requirements for many jobs are fifth grade reading and ninth grade math. "We can't find enough people to meet the requirements. The problem is only going to get worse because the skills we require are going to be more complicated," explained a manager from the metals fabricating industry.

Managers were generally impressed with the area's **transportation** system. Most ratings were very good to good. Transportation assets included a good infrastructure of sea, air and rail with all three continuing to improve. Commuting to work was the primary concern managers had about transportation.

The **overall business climate** was mostly rated good. A strong economy and a growing base of local companies were mentioned. A couple of managers thought local government was trying to help promote business and metals related issues.

Not everyone was impressed with local government, however. In both Portland and Vancouver, a few managers thought government required too much paperwork and asked more from the business than they returned. Several managers accused local officials of adding conditions for permit approvals. Others complained local officials never visited their facilities in order to understand issues. One manager said a Portland area metals company has plans to build a new manufacturing facility to employ 500 people. "They are specifically not looking at the Portland area because of the political climate."

Tax policies generally received low ratings. Complaints about high taxes were frequent, but specific complaints differed by state. Oregon companies thought the state's income tax is too high. In addition, the traditional property tax structure does not recognize changes in the manufacturing industry. "Political leaders don't understand finance. At one time companies built a facility and amortized the cost over 15 to 20 years. Now those same costs are amortized over 5 years. It is not uncommon for a company to relocate after a few years, leaving local government with a nice building but no tax base." Managers in Washington said the state business and operations tax makes them less competitive. The overall **financial environment** ranged from very good to poor and probably depended on the company's most recent experience. Some managers said getting capital is not a problem while others accused lending institutions of being fickle.

Community acceptance got high marks. Business leaders thought they had good relations with local businesses and the general population primarily due to the low profile of the metals industry and its outreach programs. The only complaints were reserved for the industry's relationship with government.

Education capacity was rated from very good to not good at all. Managers impressed with education mentioned efforts to improve trade programs in local schools, including specialized programs in high schools, the Oregon Advanced Technology Center, and activities at Portland Community College. Those less impressed with education cited the need for more trade programs and the poor math and reading skills of recent high school graduates.

Ways to Help Metals Grow

Changes to public policies were identified as the best ways to help the Portland area metals industry. Those changes include providing tax incentives for expansion, protecting the designated industrial areas, regulating non-industrial sources of pollution, and eliminating Washington's business and operation tax.

Another way to assist the industry is to attract some non high-tech manufacturers to the area. One manager said that the Regional Strategies Program will help in that regard.

Economic Development Opportunities

Opinions about growth opportunities differed among managers from the metals fabrication and non-integrated metals industries.

Business leaders from the fabrication segment wanted the area to attract more manufacturing businesses, including computer assembly and automotive facilities. "The companies that use (metals) in casting fabrication and manufacturing would be our markets. We would love to see them located here." Other managers wanted existing businesses to be more "committed to purchasing products locally."

Producers of non-integrated metal products saw exports to other domestic and international markets as the best business opportunity. In general their opinion was, "We are a mature industry. Individual company growth is to simply take business away from our competitors." Rather than recruit businesses to Portland, these managers wanted help in opening new markets at home and overseas. When pressed, a manager said there may be opportunity in the structural metals segments, like Z-bars and I-beams. Another mentioned the need for a good tool and die manufacturer in the area. "Most of the West Coast companies go to Wisconsin or the Far East for that type of equipment."

One metals manager thought the best growth opportunities are in the biotech industry, not metals. "Biotechnology is a good opportunity which we are just beginning to recognize," he said.

Several companies were mentioned as metals industry leaders, including Northwest Manufacturing, Maryville Engineering, Citation Corporation, Aerofab, Coastal Manufacturing, Nucor Steel, Birmingham Steel, and Trinity Industries. Since all are direct competitors to existing Portland area metals companies, local business managers were not eager to see other industry leaders locate facilities in the area.

STRATEGIC PLAN UPDATE AND RECOMMENDED 1995-1997 ACTION PLAN

The purpose of this document is to provide a summary of the Metro Regional Strategies Board Strategic Plan Update and recommended 1995-1997 Action Plan. In most respects the Regional Strategies Board has developed an updated plan that builds on the strategy and projects completed or initiated in the 1993-1995 biennium. As a result this summary provides background information from the original plan that is still relevant and is part of the plan update.

Background:

The Regional Strategies Program was established by the Oregon Legislature in 1987 to provide lottery funding for projects that help strengthen and diversify Oregon's regional economies. The 1993 Legislature made significant modifications to the program that decentralized funding decisions and responsibility to local Regional Boards.

During 1994 Washington and Multnomah Counties joined to form the "Metro Region," appoint a Regional Board, and developed a six year strategic plan, and a two year action plan (Regional Strategies Application, May 24, 1995). Both the strategic plan and the 1993-1995 action plan were reviewed and approved by Washington and Multnomah Counties in May of 1994. In December of 1994 the Metro Region received approximately \$1.8 million to implement the activities identified in the plan.

Because the State has not providing a guideline funding amount for the 1995-1997 biennium the funding levels for activities identified in this plan are considered preliminary.

Regional Strategies Administration:

Washington and Multnomah Counties appointed a 10 member "Board" to administer the Metro Regional Strategies program.

Five Citizens were appointed by Multnomah County:

Jim Harper	Wacker Siltronic
Eva Parsons	Cellular One
Patricia Scruggs	Consultant
Darrell Simms	CH2M Hill
Paul Warr-King	Key Bank

Five Citizens were appointed by Washington County:

Betty Atteberry	Sunset Corridor Assn.
Lyle Chadwick	CPA
Joyce Frank	Kelly Temporary Services
Jack Orchard	Ball, Janik & Novack
Morgan Pope	MDP Associates

The Portland Development Commission (PDC) acts as the Board's fiscal agent, and John Hall at PDC acts as the Board's administrative staff.

Strategic Plan:

The six year strategic plan is based on the following vision:

"To Promote a Diverse and Sustainable Economy."

The plan identifies the following vision components:

Jobs/Employment

Equitable Distribution-Geographical/Socio-Economic
Value-Added
Economically Self-Sufficient (Family Wage)
Tied to Business Needs/Opportunities
Attract/Expand/Maintain Jobs

Training/Retraining/Education

Sustainable/Self Perpetuating
Available to All People
Improve K-Career, Community College & Higher Ed
Impact Existing Residents
Balance Between Availability & Jobs

Livability

Environmental Quality Maintained
Widespread Prosperity
Support Social & Physical Infrastructure

Economy

Diverse Based on Knowledge & Skills
Global
Attract/Expand/Maintain Business Investment
Stable and Predictable Taxes & Regulatory Environment

The plan also identifies the following specific regional goals:

- Create and retain jobs that lead to economic self-sufficiency
- Continuously develop, educate, and train workforce
- Link jobs to all region residents
- Build regional public and private wealth and economic capacity
- Positively affect low income communities
- Enhance quality of life
- Provide full-range of job opportunities
- Link business needs with educational system
- Create entrepreneurial opportunities
- Link private, education, general government sectors to economic agenda
- Attract, expand, retain companies and jobs within key industries
- Equitable distribution of jobs (geographic and socio-economic)

Based on the regional vision and goals, the following key industries were selected for Regional Board focus:

- Biotechnology
- High Technology
- Metals

Action Plan Update and Budgeting:

In order to facilitate the mandated June 1 submission to the State of Oregon, broad based activities and funding estimates have been identified. The new action plan is built directly from the regional goals and in many cases builds on specific projects initiated or completed in 1994.

Throughout this summer, sub-committees will work with partners from each industry to develop final funding allocations and selection of specific projects. The updated action plan and will be approved by the Governor in October 1995 just prior to the first quarterly disbursement of funds for the 1995-1997 biennium.

The existing and proposed action plans are built around, and identify specific projects that are grouped into, four general areas (Also see the attached project financial status report):

Education and Training:

A key concept in the region's strategy for economic development is the need to focus on workforce education, training and development in all selected industries. While this is one of several strategic components, it is considered to be the critical success factor toward sustainable economic development for the region. A core concept is that change needs to occur in workforce education from K-12 through community colleges and four-year colleges and universities.

From the Metro Regional Strategies Board's discussions with key industries, there are serious concerns regarding skill levels within the available workforce at all levels of employment. Required entry level skills are much higher than they have ever been. While specific needs are required by different key industry sectors, much of the required skills are similar across the region's selected key industries.

Business Infrastructure Development:

Infrastructure requirements for industry development include business facilities, laboratories and resource/development centers. During the early stages of commercialization, shared facilities can provide business expertise, access to expensive equipment, and networks of managerial and technical resources often otherwise unobtainable by small start-up companies.

Regional Marketing and Recruitment:

Marketing and recruitment are components of the region's economic development plan for the biotechnology and high technology industry sectors. Recruitment of out-of-state firms by

advancing the Metro Region's reputation as a biotechnology and high technology center strengthens the employment base, builds economic capacity and grows recognized clusters within these industry sectors which create additional growth opportunities.

Management and Technical Assistance:

Management and technical assistance requirements vary by industry sector. For example, the environmental biotechnology industry segment needs assistance developing a contract procurement center. The high technology industry needs funding for an industry benchmarking program and performance measurement system to evaluate competitiveness for long-term growth and development.

**Metro Regional Strategies Board
Financial Status Report (May 15, 1995)**

Activity/Project	Action Item	Contractor	Committed to Date	Contract Amount	Expenditures To Date	Remaining Balance
Metals						
Metals Information	5.2	Dotten & Assoc./BEC	\$114,500	\$84,400	\$60,000	\$24,400
Metals Placement Coord.	5.4(1)	PDC	\$40,000	\$40,000	\$0	\$40,000
Business Journal Sponsorship	5.4(2)	Business Journal	\$12,000	\$12,000	\$12,000	\$0
Electronic Equip. Repair	6.4(1),7(4)	Oregon Adv. Tech. Center	\$100,000	\$25,000	\$12,000	\$13,000
Biotech						
Biotech Center (OBIC)	3.2	OBIC	\$423,054	\$423,054	\$223,054	\$200,000
Environmental Biotech	6.1(1)	Portland State Univ.	\$21,000	\$21,000	\$0	\$21,000
Environmental Biotech	6.1(1)	NW Environmental Group	\$20,000			
High Tech						
High-Tech Benchmarking	4.2,7(1)	Amer. Electronics Assoc.	\$35,000	\$35,000	\$0	\$35,000
Software Testing Lab	4.3	Portland State Univ.	\$135,000	\$135,000	\$0	\$135,000
Education & Training						
Biotech Education	6.1(1)	(On Hold)				
High-Tech Work Practices	6.1(3)	Sequent	\$53,000	\$53,000	\$35,500	\$17,500
Semiconductor Wkfc. Coordinator	4.1	PDC	\$56,200			
E. County High-Tech Training	4.2	Mt. Hood Comm. College	\$54,000			
Business/Educ Metals	5.1,6.1(2)	Business Ed. Compact	\$166,725	\$153,100	\$40,000	\$113,100
Business Development						
Emissions Trading	6.2	PDC	\$150,000	\$150,000	\$0	\$150,000
Emissions Trading Outreach	6.2	PDC	\$24,990	\$24,990	\$0	\$24,990
Regional Marketing	6.3	PDC	\$200,000	\$55,000	\$0	\$55,000
Multi-Regional						
Software High Tech	7(3)	BL3 Region	\$100,000	\$0	\$0	\$0
Oregon Telcom	7(9)	BL3 Region	\$20,000	\$0	\$0	\$0
Electronic Commerce	7(6)	BL3 Region	\$10,000	\$0	\$0	\$0
Oregon Tech Outreach	7(2)	BL3 Region	\$10,000	\$0	\$0	\$0
Subtotal			\$1,745,469	\$1,211,544	\$382,554	\$828,990
Reserve Administration			\$0 \$141,520		\$59,776	\$0 \$81,744
Total Committed			\$1,886,989			
Total Uncommitted			(\$57)			
1993-1995 Grant Award			\$1,886,932			

*Through third quarter 1995

Regional Strategies Fourth Quarter Financial Report

April - June 1994

		Total
Resources		
OEDD Facilitation Contract	\$10,000.00	
Interest Earned	\$0.83	
Total Resources		\$10,000.83
Expenditures		
Contractor Expenses	\$5,162.51	
Regional Strategies Plan Admin Expen	\$10,337.66	
Total Expenditures		\$15,500.17
Balance Returned to OEDD		\$4,838.32
Balance Remaining for Plan Admin		(\$10,337.66)

Regional Strategies First Quarter Financial Report

July - September 1994

		Total
Resources		
Preparation of Regional Strategy	\$20,000.00	
Interest Earned	\$0.00	
Total Resources		\$20,000.00
Expenditures		
Administrative Expenses	\$9,662.34	
Fourth Quarter Admin Expense	\$10,337.66	
Total Expenditures		\$20,000.00
Balance		\$0.00

Regional Strategies Second Quarter Financial Report

October - December 1994

	Total
Resources	
OEDD Grant Award	\$1,159,332.50
Interest Earned	\$1,083.23
Total Resources	\$1,160,415.73
Expenditures	
Administrative Expenses	\$13,475.83
Project Grant Awards	\$0.00
Total Expenditures	\$13,475.83
Balance	\$1,146,939.90

Regional Strategies Third Quarter Financial Report

January - March 1995

Resources

	Third Quarter	Year to Date
Preparation of Regional Strategies Plan		\$20,000.00
OEDD Grant Award	\$235,866.50	\$1,395,199.00
Interest Earned	\$17,383.01	\$18,466.24
Total Resources	\$253,249.51	\$1,433,665.24

Expenditures

Admin Expenses for Plan Preparation	\$0.00	\$20,000.00
Administrative Expenses	\$26,300.35	\$39,776.18
Project Grant Awards	\$305,054.00	\$305,054.00
Total Expenditures	\$331,354.35	\$364,830.18
Balance		\$1,068,835.06

October -December Administrative Expenses

Personnel		\$12,929.07
Staff		\$11,910.16
Technical Services		\$74.79
Financial		\$258.04
Public Affairs		\$288.21
Human Resources		\$397.88
M&S		\$546.75
Total		\$13,475.83

January - March Administrative Expenses

Personnel		\$25,933.29
Staff		\$22,581.91
Technical Services		\$558.71
Public Affairs		\$1,226.49
Human Resources		\$353.13
Legal		\$1,218.05
M&S		\$362.06
Total		\$26,300.35

**Metro Regional Strategies Board
Financial Status Report (March 31, 1995)**

Activity/Project	Contractor	Committed to Date	Contract Amount	Expenditures To Date	Remaining Balance
Metals					
Metals Information	Dotten & Associates	\$84,400	\$84,400	\$30,000	\$54,400
Metals Placement Coord.	Portland Devl. Comm.	\$40,000	\$40,000	\$0	\$40,000
Metals Phase II		\$43,725			
Electronic Equip. Repair	Oregon Adv. Tech. Ctr.	\$100,000	\$25,000	\$12,000	\$13,000
Biotech					
Biotech Center (OBIC)	OBIC	\$423,054	\$423,054	\$223,054	\$200,000
High Tech					
High-Tech Benchmarking	Amer. Electronics Assoc.	\$35,000	\$35,000	\$0	\$35,000
Software Testing Lab	Portland State Univ.	\$135,000	\$135,000	\$0	\$135,000
Education & Training					
Biotech Education		\$0	\$0	\$0	\$0
High-Tech Work Practices	Sequent	\$53,000	\$53,000	\$0	\$53,000
Semiconductor Wkfc.		\$56,200	\$0	\$0	\$0
E. County High-Tech Training	Mt. Hood Comm. College	\$54,000			
Business/Educ Metals	Business Ed. Compact	\$153,100	\$153,100	\$40,000	\$113,100
Business Development					
Emissions Trading	Portland Devl. Comm.	\$150,000	\$150,000	\$0	\$150,000
Emissions Trading Outreach	Dotten & Associates	\$24,990			
Regional Marketing	Portland Devl. Comm.	\$200,000	\$55,000	\$0	\$55,000
Multi-Regional					
Software High Tech	BL3 Region	\$100,000	\$0	\$0	\$0
Oregon Telcom	BL3 Region	\$20,000	\$0	\$0	\$0
Electronic Commerce	BL3 Region	\$10,000	\$0	\$0	\$0
Oregon Tech Outreach	BL3 Region	\$10,000	\$0	\$0	\$0
Business Journal Sponsorship		\$12,000			
Subtotal		\$1,704,469	\$1,153,554	\$305,054	\$848,500
Reserve		\$40,943			\$55,197
Administration		\$141,520		\$59,776	\$81,744
Total Committed		\$1,886,932			
Total Uncommitted		\$0			
1993-1995 Grant Award		\$1,886,932			

WASHINGTON-MULTNOMAH COUNTIES REGIONAL STRATEGIES 1993-1995 PROJECT STATUS SUMMARY

Metals Information Project

Contractor: Dotten & Associates

Outreach to form a metals coalition from various associations; establish an ongoing education resource service, including teacher liaisons; market the industry to students, educators and parents; and establish baseline against which to measure success in increasing awareness of the industry.

Goals: 2,3,5,6,7,8,10,11

Status: Contract executed; project began 1/95. Baseline survey completed; outreach activities underway.

Costs, including match: \$114,500 with \$33,625 industry match.

Estimated direct and indirect job creation: Companies need workforce; estimate 100 jobs per year filled with skilled local workers when project succeeds in increasing number of youth choosing careers in metals and gaining required skills.

Metals Placement Project

Contractor: JobNet through PDC

JobNet metals placement coordinator works with companies to identify job openings, post and fill those jobs through JobNet affiliate agencies including the Employment Department, identify training, transportation and support barriers, and work with multi-agency/industry focus groups to develop solutions to barriers.

Goals: 1,2,3,4,5,6,7,8,10,12

Status: Coordinator hired 3/95. Contact with employers and affiliates underway.

Costs, including match: \$40,000 with \$10,000 industry match and \$10,000 match from PDC.

Estimated direct and indirect job creation: 100 jobs posted by 9/96, with 50% of those jobs filled through the JobNet affiliate agencies.

Metals School-Business Partnerships and Educator Internships Project

Contractor: Business Education Compact

Industry partnerships with four high schools (two in Multnomah, two in Washington County) for educator internships in companies during Summers 95 and 96, developing curriculum that

integrates metals skills and knowledge into academic and prof.-technical courses, developing student work-based learning activities at companies, and implementing metals components of the Industrial and Engineering Certificate of Advanced Mastery.

Goals: 2,5,6,7,8,10,12

Status: Contract executed. Project began 12/94. To date, at least 16 teachers and 3 counselors will do Summer 95 internships in four companies, with goal of producing curriculum that is tested in classrooms during 1995-96.

Costs, including match: \$166,725 with \$50,000 industry match and \$33,227 match from Business Education Compact.

Estimated direct and indirect job creation: Companies need workforce; estimate 100 jobs per year filled with skilled local workers when project succeeds in increasing number of youth choosing careers in metals and gaining required skills.

Technician Training Program for Electronically Controlled Manufacturing Equipment

Contractor: Oregon Advanced Technology Consortium (OATC)

Phase I - Survey the need for maintenance technicians for computer-numeric and other electronically controlled manufacturing (ECM) equipment, focusing on needs in metals industry but also collecting data from high tech, equipment suppliers and other manufacturing sectors. Develop training plan to fill the needs. Phase II - Design training and implement initial components. Phase III - Multi-Regional Project; full scale implementation on self-sustaining basis, with purchase of old equipment, rebuilding and retrofitting as part of training, and resale of upgraded ECM equipment to pay for program operations.

Goals: 1,2,4,6,7,8,9,10,11

Status: Contract for Phase I executed. Survey completed 5/95. Training plan due by 6/95.

Costs, including match: \$100,000 plus \$10,000 from Mt. Hood Alliance Region, \$50,000 industry match, and \$190,000 from OEDD.

Estimated direct and indirect job creation: Companies project need to add 40 new ECM maintenance tech positions over the next 12 months, and 113 new positions over the next five years. Wages for ECM maintenance technicians range from starting \$10.50 - \$18.00/hour up to \$20 - \$26/hour with experience.

High Performance Work Practices Project

Contractor: Sequent

Creation of support tools (including software, manuals, training texts and related materials) for managers to develop high performance work practices and increase competitive edge of companies. Includes performance management tools and tools for managing change. Project includes development and pilot testing, manager and employee training, and evaluation process and materials so organizations can measure the effectiveness of using the tools.

Goals: 2,4,8,9,10

Status: Contract executed. Performance management prototype ready for pilot testing. Research underway on change management tools.

Costs, including match: \$53,000 with \$105,500 industry match and \$50,000 from Regional Workforce Quality Committee (Region 2 - Mult-Wash).

Estimated direct and indirect job creation: None.

Semiconductor Workforce Development Project

Contractor: PDC on behalf of the Semiconductor Workforce Consortium

Cooperative project of the Mult-Wash, Mid-Valley and BL3 Regions and OEDD to provide full-time coordinator and clerical support for maximum 12 months to work with Semiconductor Consortium companies and community colleges in all three regions to develop action plans that result in skilled Oregonians to fill jobs in this growing industry. This project is in direct response to recently published industry report on workforce needs of the semiconductor industry.

Goals: 1,2,3,4,5,6,7,8,10,11

Status: Funded by Mult-Wash, Mid-Valley and OEDD; positions are being advertised and will be filled by end of June 1995.

Costs, including match: \$114,976 (\$56,200 Mult-Wash; \$28,776 Mid-Valley; \$30,000 OEDD) with corporate match of \$29,000.

Estimated direct and indirect job creation: 1995-1999 - 1,152 Technician jobs in Washington County; 204 Technician jobs in Multnomah County. 746 Operator jobs in Washington County; 842 Operator jobs in Multnomah County. (These are projected new jobs and replacement hires from current semiconductor companies in Mult-Wash, as of April 1995, from existing expansion projects. This is considered a conservative estimate.)

East County High Technology Training Project

Contractor: Mt. Hood Community College

Analysis of need for a high technology training program in East Multnomah County (completed 8/31/95), development of a business plan and implementation of one aspect of training -- a software-based skills program in basic electronics, applied mathematics and applied chemistry at high school and community college levels.

Goals: 1,2,3,4,5,6,7,8,10,11,12

Status: Contract executed. Analysis underway.

Costs, including match: \$54,000 (\$9,000 analysis; \$45,000 implementation) with \$2,250 industry match for analysis and industry match for implementation to be negotiated.

Estimated direct and indirect job creation: Approx. 500 jobs.

Business Journal PARTNERS Sponsorship

Payment to The Business Journal for 4 quarterly ads

Sponsorship of four full-page ads in the quarterly PARTNERS: Business and Education Together insert in The Business Journal. To communicate directly to employers in the three targeted industries about the value of getting involved in school-to-work activities with schools to develop a skilled workforce. Contributes to a result emphasized by all three industries -- increasing student awareness of the industry and career opportunities within it.

Goals: 2,3,6,8,10

Status: Sponsorship agreement signed with The Business Journal. Invoice paid.

Costs, including match: \$12,000. At least 7 other sponsors have each paid \$12,000 to support this publication, which goes not only to companies but also to every school (K-12, community college, higher education) in the metropolitan area.

Estimated direct and indirect job creation: None.

Environmental Technology Education Project

Contractor: Portland State University

Purpose is to summarize educational programs, opportunities, and needs in professional environmental biotechnology education in Oregon. Work scope includes an inventory of college level educational programs and a survey of members of the Oregon Environmental Technology Association (OETA).

Goals: 1,2,6,7,8,10.

Status: Contract recently executed. No funds dispersed to date. Project just underway.

Costs, including match: \$21,000 grant, \$3,500 match from OETA and in-kind match from PSU.

Estimated direct and indirect job creation: Long-term capacity building in indirect job creation for residents of region and state.

Environmental Training Network

Contractor: Northwest Environmental & Energy Resources Group

Purpose to develop in-house training in regulatory compliance procedures and waste minimization techniques for firms whose processes may create environmental degradation.

Work scope includes development of a flexible network of Oregon environmental consulting firms.

Goals: 1,2,6,7,9,10,11.

Status: Contract in negotiation. Anticipated start date for project 7/95.

Costs, including match: Phase I; \$20,000 grant, \$10,000 from OEDD Flexible Network Program and \$21,000 industry match.

Estimated direct and indirect job creation: Long-term capacity building in direct job creation for residents of region and state.

Oregon Biotechnology Innovation Center (OBIC)

Contractor: OBIC Board

Development of common lab and office space for start-up biotechnology companies.

Goals: 1,2,4,7,8,9,10,11

Status: Contract executed and construction in progress.

Costs, including match: \$423,054 grant, \$350,000 in federal funds, \$175,000 from PDC and \$300,000 from industry.

Estimated direct and indirect job creation: 30 jobs by 9/95.

High-Technology Benchmarking and Survey Project

Contractor: American Electronics Association

Purpose to establish benchmarks and measures of competitive position for critical industry sectors including, workforce, market share, finance and technology. Methodology includes survey of AEA member firms in Oregon.

Goals: 1,2,4,7,9,11.

Status: Survey completed. Analysis and draft report in review.

Costs, including match: \$35,000 grant. \$50,000 in state multi-regional funds, \$15,000 from the Benton, Linn, Lane Lincoln Region, and \$5,000 from the Mid-Valley Region.

Direct and indirect job creation: Provides information for long-term direct job creation and position upgrades within industry.

Software Testing Lab

Contractor: Portland State University

Creation of a software testing lab for regional firms engaged in software design. Provides single regional location for proprietary software testing during late stages of development.

Goals: 1,2,4,7,8,9,10,11.

Status: Contract executed and lab in development.

Costs, including match: \$135,000 grant. \$17,500 from PSU.

Direct and indirect job creation: 2 direct positions. Provides long-term in-state capacity for industry need.

Emissions Trading Project

Contractor: Dames and Moore & Dotten and Associates

Development and administration of an Emissions Trading Consortium (ERC) for the Portland Metro Region. Work components include education campaign, consortium formation, demand/supply analysis, evaluation of emissions trading rules, ERC options, acquisition, and transfer analysis.

Goals: 1,3,4,5,6,7,10,11,12.

Status: Contract executed, work in progress.

Costs, including match: \$174,990 grant. PDC in-kind match.

Estimated direct and indirect job creation: Provides the region with the ability to facilitate expansion of existing firms and recruitment, and associated direct and indirect job creation and retention.

Regional Marketing Project

Contractor: PDC/Eiland Consulting

Multi-phase project designed to develop and execute a multi-year strategic business recruitment and expansion marketing campaign for the Multnomah-Washington County Region. Key industry analysis of opportunities and barriers.

Goals: 1,3,4,5,6,7,8,9,10,11,12

Status: Phase I contract and report completed.

Costs, including match: \$200,000 total grant. \$9,450 for Phase I. PDC in-kind match.

Estimated direct and indirect job creation: Provides sector specific analysis and implementation program to insure long-term direct job retention and creation.

Multi-Region Projects Approved by the State which the Washington-Multnomah County Region is participating in but is not the Lead Region

1. **Oregon Technology Outreach** - Dissemination of software engineering information from University research programs to industry via seminars, workshops and video libraries. \$10,000 grant. Total project cost \$50,000.
2. **Business Consulting** - Intensive small business consulting help, particularly with marketing plans, for emerging companies in High-Technology and Software. \$100,000 grant Total project cost \$200,000.
3. **Oregon Electronic Commerce** - Connects regional software companies to the information highway through a pilot study which brings high band with width connections through University of Oregon's NERO network of companies. \$10,000 grant. Total project costs \$120,000.
4. **Oregon Telcom** - Statewide implementation of project which provides e-mail access, conferencing, threaded forums, gateways to Internet and database access to Oregon users. \$20,000 grant. Total project cost \$250,000.

METRO 1993-1999 STRATEGIC PLAN

INTERIM PROGRESS REPORT FOR THE 1993-1995 ACTION PLAN

June 1, 1995

OUR VISION FOR THE REGION: *"To Promote a Diverse and Sustainable Economy."*

Components of this vision are as follows:

Jobs/Employment

*Equitable Distribution-Geographical/Socio-Economic
Value-Added*

Economically Self-Sufficient (Family Wage)

Tied to Business Needs/Opportunities

Attract/Expand/Maintain Jobs

Training/Retraining/Education

Sustainable/Self Perpetuating

Available to All People

Improve K-Career, Community College & Higher Ed

Impact Existing Residents

Balance Between Availability & Jobs

Livability

Environmental Quality Maintained

Widespread Prosperity

Support Social & Physical Infrastructure

Economy

Diverse Based on Knowledge & Skills

Global

Attract/Expand/Maintain Business Investment

Stable and Predictable Taxes & Regulatory Environment

PREPARED FOR THE
COUNTIES OF MULTNOMAH AND WASHINGTON,
THEIR CITIZENS,
AND THE STATE OF OREGON

Regional Board Members (Names and Affiliation):

Washington County Members

Betty Atteberry, Executive Director
Sunset Corridor Association

Lyle Chadwick, CPA

Joyce Frank, Branch Manager
Kelly Temporary Services

Jack Orchard (**Board Co-Chair**)
Ball, Janik & Novack

Morgan Pope
MDP Associates

Multnomah County Members

Jim Harper, HR Director
Wacker Siltronic

Eva Parsons, Director of People Dev.
Cellular One

Patricia Scruggs (**Board Co-Chair**)
Consultant

Darrell Simms
CH2M Hill

Paul Warr-King, V.P.
Key Bank of Oregon

Fiscal Agent/Administrative Staff:

Portland Development Commission
1120 SW Fifth Avenue, Suite 1100
Portland, OR 97204

Administrative Staff: John L. Hall, Project Coordinator
503-823-3199

Regional Board Chair's
Signature: _____

Printed Name: _____

Jack Orchard

Date: _____

Regional Board Chair's
Signature: _____

Printed Name: _____

Pat Scruggs

Date: _____

Preparer's Signature: _____

Printed Name: _____

John L. Hall

Date: _____

SECTION 1

A. Regional Goals:

- Create and retain jobs that lead to economic self-sufficiency
- Continuously develop, educate, and train workforce
- Link jobs to all region residents
- Build regional public and private wealth and economic capacity
- Positively affect low income communities
- Enhance quality of life
- Provide full-range of job opportunities
- Link business needs with educational system
- Create entrepreneurial opportunities
- Link private, education, general government sectors to economic agenda
- Attract, expand, retain companies and jobs within key industries
- Equitable distribution of jobs (geographic and socio-economic)

B. Targeted Key Industries:

- Biotechnology
- High Technology
- Metals

C. 1993-95 Guideline Amount: \$1,886,932

D. How the Strategic Plan focuses on Oregon Benchmarks and Key Industry Benchmarks:

I. LINK TO OREGON BENCHMARKS

The Metro Region supports the State's vision, Oregon Benchmarks, by targeting the following:

- A. Value-Added Products, Global Business:** Economic opportunities are critical for the Metro Region's unemployed, under employed and underrepresented workers. Value added products in biotechnology, high technology and metals production/fabrication offer regional economic growth and development opportunities. Education and training is necessary for regional workforce participants to achieve international standards and achieve global competitiveness in all industry sectors.
- B. Diverse and Productive Industry:** The Metro Region will concentrate on boosting total payroll, per worker payroll, per worker value-added manufacturing, and percentage employment in value-added manufacturing in selected industries.
- C. Build a Superior, World Class Workforce:** Workforce development activities

will receive particular emphasis in the form of education and training in addition to awareness programs for workforce opportunities in identified industries.

D. Public Infrastructure Investment: Real per capita outlays for facilities.

II. Link to Regional Vision and Long-Term Goals

Linkage to the Metro Region's vision and long-term goals is accomplished by providing the means to overcome identified barriers to development in the biotechnology, high technology and metals industries. Job creation, workforce education, training and development, economic self-sufficiency, regional wealth and economic capacity, and other regional goals are linked directly to the vision of a diverse and sustainable economy. Group discussions with industry businesses, industry associations and regional community representatives revealed the following barriers to industry development within the Metro Region:

- Availability of properly educated and skilled workers
- Improvement in new labor force work habits
- Infrastructure needs: wet labs, new business facilities
- Effective marketing and recruitment programs
- Accessibility of management and technical assistance

The Metro Region has determined that the following economic components are critical to overcoming the barriers identified above, and to the success of all industries in the region:

- Education and Training
- Business Infrastructure Development
- Regional Marketing and Recruitment
- Management and Technical Assistance

Education and Training:

A key concept in the region's strategy for economic development is the need to focus on workforce education, training and development in all selected industries. While this is one of several strategic components, it is considered to be the critical success factor toward sustainable economic development for the region. A core concept is that change needs to occur in workforce education from K-12 through community colleges and four-year colleges and universities.

From the Metro Regional Strategies Board's discussions with key industries, there are serious concerns regarding skill levels within the available workforce at all levels of employment. Required entry level skills are much higher than they have ever been. While specific needs are required by different key industry sectors, much of the required skills are similar across the region's selected key industries.

Business Infrastructure Development:

Infrastructure requirements for industry development include business facilities, laboratories and resource/development centers. During the early stages of commercialization, shared facilities can provide business expertise, access to expensive equipment, and networks of managerial and technical resources often otherwise unobtainable by small start-up companies.

Regional Marketing and Recruitment:

Marketing and recruitment are components of the region's economic development plan for the biotechnology and high technology industry sectors. Recruitment of out-of-state firms by advancing the Metro Region's reputation as a biotechnology and high technology center strengthens the employment base, builds economic capacity and grows recognized clusters within these industry sectors which create additional growth opportunities.

Management and Technical Assistance:

Management and technical assistance requirements vary by industry sector. For example, the environmental biotechnology industry segment needs assistance developing a contract procurement center. The high technology industry needs funding for an industry benchmarking program and performance measurement system to evaluate competitiveness for long-term growth and development.

SECTION 2

Briefly describe the Regional Board's process in developing and then in implementing the Strategic Plan to date, including the involvement of private industry, local governments, and other groups.

I. Process Overview and Implementation

In February 1994, a Board of 10 private citizens from Multnomah and Washington Counties was selected by the Metro Region to participate in the Regional Strategies Program as defined by the State of Oregon.

Regional Organization

The Metro Region strategy was developed and submitted to the State of Oregon as a required under the Regional Strategies Program. Our planning process was led by a Board comprised of 10 private citizens.

Five Citizens were appointed by Multnomah County:

Name	Telephone	Title/Position	Company
Jim Harper	241-7506	Human Resource Director	Wacker Siltronic
Eva Parsons	274-6175	Director of People Development	AT&T Wireless Services, Cell. Division
Patricia Scruggs	246-6148	Consultant	
Darrell Simms	235-5000		CH2M Hill
Paul Warr-King	762-3018	Vice President	Key Bank

Five Citizens were appointed by Washington County:

Name	Telephone	Title/Position	Company
Betty Atteberry	645-4410	Executive Director	Sunset Corridor Assn.
Lyle Chadwick	643-5953	Certified Public Accountant	
Joyce Frank	648-2757	Branch Manager	Kelly Temporary Services
Jack Orchard	228-2525	Attorney	Ball, Janik & Novack
Morgan Pope	628-3562	Consultant	MDP Associates

The Metro Regional Strategies Strategic Plan is the result of these activities. Meeting minutes and source documentation for statistics used in this application reside at the Portland Development Commission. Public review and adoption by the county commissioners took place during May of 1994. It is important to note that the timing of this process was compressed during the 1993-95 biennium and resulted in significant time constraints on all parties involved in the development and implementation of strategies and action plans.

In order to facilitate the mandated June 1, 1994 submission to the State of Oregon, broad based strategies and action plans were identified and estimated funding levels

were allocated. These funding levels changed in some cases as projects within the identified action plans were implemented. The projects and action plan items are now underway. Throughout 1994, sub-committees of the Regional Board worked with partners from each industry to develop final funding allocations and selection of projects.

In developing the 1995-1997 Plan Update and the Recommended Action Plan the board conducted public meetings during April and May of 1995 at which industry presentations on existing and recommended strategies/activities were discussed with the Board. Public hearings on the draft plan update and draft recommended plan were held in May. The plan update and recommended plan were then considered and acted on by the Washington and Multnomah County Commissions in May 1995.

The long-term strategy and action plans are and will continue to be based on cooperative work between the Board and appropriate private/public sector organizations (including but not limited to local government, state government, federal government and the private sector) to continually overcome the barriers for development of the key industries selected for the region. Each year, the barriers identified in the strategic plan will be reexamined by the Board in collaboration with the industries.

II. Participants in Metro Region Process

Assisting the Board were individuals from various local governments, economic development agencies and industry associations. These participants are identified below. Considerable time and energy has been invested in making the Metro Regional strategy a dynamic and useful tool for regional economic development. The Board thanks each participant for their valuable contributions to the regional community. Strategies for industry development over a six year planning horizon were identified and two year action plans were developed in cooperation with representatives of private industry, educational institutions, industry associations, local government and economic development institutions.

Aerospace Industry Participants

Aerospace Industry Association of Oregon

Agriculture Industry Participants

Oregon Department of Agriculture
Oregon Department of Agriculture
Steinfeld Pickles Company

Biotechnology Industry Participants

Oregon Biotechnology Association
Oregon Biotechnology Foundation
Oregon Graduate Institute
Perkins Coie
Portland Community College

Portland State University
Oregon Biotechnology Association
Klarquist, Sparkman - Attorneys at Law
Vollum Institute, OHSU
Wesman Foods, Inc.

Environmental Services Industry Participants

Oregon Environmental Technology Association
Metro Regional Services

Film & Video Industry Participants

Oregon Film & Video Office

High Technology Industry Participants

OrCad, Inc.
Oregon Advanced Technology Consortium
Portland State University
Oregon Graduate Institute
Oregon Joint Graduate
American Electronics Association
Lintner Center
Intel
Planar Systems, Inc.
Software Association of Oregon
PC-Kwik, Inc.

Metals Industry Participants

Oregon Metals Industry Council
Reynolds Metals
Calbag Metals
Oregon Precision Metal Fabricators Association
Oregon Steel
Gunderson
Oregon Advanced Technology Consortium

Software Industry Participants

Software Association of Oregon
PC-Kwik, Inc.

Tourism Industry Participants

Mt. Hood Community College
Washington County Visitors Association
Portland Oregon Visitors Association
Urban League

Other Participants

Forest Grove/Cornelius
Portland Development Commission
Cogan, Owens, Cogan Consultants
Portland Public Schools
City of Gresham
City of Portland
Oregon Economic Development Department
City of Hillsboro
City of Beaverton
Gresham Chamber of Commerce
Tualatin
Mt. Hood Regional Consortium
National School to Work
Oregon Business Council
Business Education Compact
PAVTEC
Regional Workforce Quality Committee
The Private Industry Council

III. Industry Selection and Selection Rationale

The vision statement selected by Metro Region's Board is: ***To Promote A Diverse and Sustainable Economy.*** Components of this vision are as follows:

Jobs/Employment

- Equitable Distribution - Geographical/Socio-Economic
- Value Added
- Economically Self-Sufficient (Family Wage)
- Tied to Business Needs/Opportunities
- Attract/Expand/Maintain Jobs

Training/Retraining/Education

- Sustainable/Self Perpetuating
- Available to All People
- Improve K-Career, Community College & Higher Ed
- Impact Existing Residents
- Balance Between Availability & Jobs

Livability

- Environmental Quality Maintained
- Widespread Prosperity
- Support Social & Physical Infrastructure

Economy

- Diverse Based on Knowledge & Skills
- Global
- Attract/Expand/Maintain Business
- Investment
- Stable and Predictable Taxes & Regulatory Environment

Consistent with the region's vision, the Board developed the following list of long-term goals which also served as selection criteria for the Metro Region's three key industries:

- GOAL #1: Create and retains jobs that lead to economic self-sufficiency
- GOAL #2: Continuously develop, educate and train workforce
- GOAL #3: Link jobs to all region residents
- GOAL #4: Build regional public and private wealth and economic capacity
- GOAL #5: Positively affect low income communities
- GOAL #6: Enhance quality of life
- GOAL #7: Provide full-range of job opportunities
- GOAL #8: Link business needs with educational system
- GOAL #9: Create entrepreneurial opportunities
- GOAL #10: Link private, educational, general governmental sector to economic agenda
- GOAL #11: Attract, expand, retain companies and jobs within key industries
- GOAL #12: Equitable distribution of jobs (geographic and socio-economic)

SECTION 3 - STATUS OF 1993-95 ACTION PLAN FOR BIOTECHNOLOGY INDUSTRY

ACTION PLAN ITEM #1 -Link educational system curriculum to industry requirements. Provide biotechnology, environmental biotechnology training and education programs for students, educators and workforce participants.

1. Action Plan Item supports the Key Industry/Regional Benchmark of:

2. Performance Measure:

Achieved to date: _____

3. Performance Measure:

Achieved to date: _____

4. Target Date for completion:

5. Action Plan Item Been Completed? Yes_____No_____

6. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1.				Federal Other State Local Private				Education project underway through other funding sources.
Status: SEE SECTION 6, ACTION PLAN ITEM #1 FUNDING FOR THIS PROJECT SHIFTED TO FACILITY DEVELOPMENT BY INDUSTRY REQUEST.								
TOTALS - ACTION PLAN ITEM #1								

SECTION 3- CONTINUED

ACTION PLAN ITEM #2 - Create a biotechnology business facility and environmental biotechnology resource and development center. Provide link to available contract procurement resources.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Public Infrastructure Investment, Value-Added Products, Global Business, Diverse and Productive Industry.

2. Performance Measure: Attract at least 8 start-up companies by April 1996
Achieved to date: 2

3. Performance Measure: Companies will create 30 jobs by September 1995
Achieved to date: 0

4. Target Date for completion: May 1995

5. Action Plan Item Been Completed? Yes No X

6. Activities/projects funded to accomplish Action Plan
Item: Construction of facility in progress.

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. Oregon Biotechnology Innovation Center. Create a biotechnology resource and development center.	Metro	Ø	\$423,054	Federal ✓ \$350,000 Other State Local ✓(PDC) \$175,000 Private ✓ \$300,000	\$223,054	Ø	Attract 8 companies by 4/96 Create 30 jobs by 9/95	Construction in progress. 2 companies have preleased space to date.
Status: All first phase funding in place.								
TOTALS - ACTION PLAN ITEM #2			\$423,054	\$825,000	\$223,054	\$0		

SECTION 3 CONTINUED

ACTION PLAN ITEM #3 - Develop effective marketing and recruitment capabilities to attract well regarded out-of-state firms.

1. Action Plan Item supports the Key Industry/Regional Benchmark of:

2. Performance Measure:

Achieved to date: _____

3. Performance Measure:

Achieved to date: _____

4. Target Date for completion:

5. Action Plan Item Been Completed? Yes____No____

6. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1.				Federal Other State Local Private				
Status: SEE SECTION 6, ACTION PLAN ITEM #3								
TOTALS - ACTION PLAN ITEM #3								

SECTION 3- CONTINUED

ACTION PLAN ITEM #4 - Create business development and growth programs for emerging biotechnology companies which include information resources and management/financial counseling at critical stages of development.

1. Action Plan Item supports the Key Industry/Regional Benchmark of:

2. Performance Measure:

Achieved to date: _____

3. Performance Measure:

Achieved to date: _____

4. Target Date for completion:

5. Action Plan Item Been Completed? Yes_____No_____

6. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1.				Federal Other State Local Private				
Status: SEE SECTION 6, ACTION PLAN ITEM #2								
TOTALS - ACTION PLAN ITEM #4								

SECTION 4 - STATUS OF 1993-95 ACTION PLAN FOR HIGH TECHNOLOGY INDUSTRY

ACTION PLAN ITEM #1 - Link educational system curriculum to industry requirements and provide training and education programs for students, educators, and workforce.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Build a Superior, World Class Workforce; Diverse and Productive Industry.

2. Performance Measure: Action plans developed to achieve increased student enrollment and enhanced curriculum, K-12 and community college.

Achieved to date: Ø

3. Performance Measure:

Achieved to date: _____

4. Target Date for completion: September 1996

5. Action Plan Item Been Completed? Yes ____ No X

6. Activities/projects funded to accomplish Action Plan

Item # 1: Semiconductor Workforce Action Plans

Item # 2: E. Multnomah Co. High Tech Training Ctr.

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMPLETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. Semiconductor Workforce Action Plans	Metro Mid-Valley BL3	Ø	\$56,200	Federal Other State \$58,776 (Mid-Valley and OEDD) Local Private \$25,000 (in-kind)	Ø	Ø	Action Plans-9/95 Increased enrollments 9/96	Ø
Status: New Project. Begins June 1, 1995. Cooperative project with Mid-Valley and BL3. Funding approved from Metro (\$56,200) and Mid-Valley (\$28,776); pending from BL# or OEDD.								
2. Analysis and start-up of East Multnomah County High Tech Training Center.	Metro	25% (Phase I)	\$54,000 (\$9,000 Phase I; \$45,000 Phase II)	Federal Other State Local Private \$2,250 Phase I	Ø	\$2,250	Analysis of need-8/95 Business Plan-12/95 Implementation (software/basic skills) 9/96	25% completed Ø Ø
Status: SEE SECTION 6, ACTION PLAN ITEM #1								
TOTALS - ACTION PLAN ITEM #1			\$110,200	\$86,026	Ø	\$2,250		

SECTION 4 - CONTINUED

ACTION PLAN ITEM #2- Fund the development of an industry benchmarking program and performance measurement process.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Value Added Products; Global Business; Diverse and Productive Industry companies surveyed, Analysis completed and reports prepared by 9/96.

2. Performance Measure:

Achieved to date: Number of companies surveyed exceeds performance measures established in the Section Plan.

3. Target Date for completion: September 1996

4. Action Plan Item Been Completed?

Yes____ No_X__

5. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. This project is a multi-region effort- involving the Metro, Mid-Valley and BL3 regions. Financial contributions are \$35,000, \$5,000, and \$10,000 respectively) state multi-regional funds are providing and additional \$50,000.	Multi-Region -Metro -Mid Valley -BL3		\$35,000	Federal Other State ✓ \$50,000 Local ✓ \$15,000 Private	Ø	\$65,000	Company surveys completed, Analysis and reports prepared by 5/96.	Surveys completed. Initial analysis and Draft findings and Report completed.
Status: All funding has been approved by the regional boards and State Economic Development Commission. The contract for the project is in process. Anticipated contract execution 6/95. ALSO SEE SECTION 7, PROJECT 1								
TOTALS - ACTION PLAN ITEM #2			\$35,000	\$65,000	\$Ø	\$65,000		

SECTION 4 - CONTINUED

ACTION PLAN ITEM #3 - Create software laboratory for testing compatibility of different software applications with various hardware/operating system platforms.

1. Action Plan Item supports the Key Industry/Regional Benchmark of:
Public Infrastructure Investment; Value Added Products; Global Business; Diverse and Productive Industry.

2. Performance Measure: 10 companies used laboratory by September 1996
Achieved to date: 0

3. Target Date for completion: Sept. 1996

4. Action Plan Item Been Completed?
Yes ___ No X

5. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. Establish a Software testing lab at PSU to provide local companies with quality and affordable product testing services.	Metro Region	0	\$135,000	Federal Other State <input checked="" type="checkbox"/> PSU \$17,500 Local Private	0	0		
Status: Contract executed. Lab in development.								
TOTALS - ACTION PLAN ITEM #3			\$135,000	\$17,500	\$0	\$0		

SECTION 4 - CONTINUED

ACTION PLAN ITEM #4 - Fund a multi-media market study for industry development with the region.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Value-Added Products, Global Business, Diverse and Productive Industry.

2. Performance Measure: Include representation from high-tech, software and film and video industries in study design and implementation.

Achieved to date: Ø

3. Target Date for completion: September 1996

4. Action Plan Item Been Completed? Yes ___ No X

5. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. Multi-media market study and strategic analysis.	Metro Region	Ø	Ø	Federal Other State Local Private	Ø	Ø		Ø
Status: ON HOLD PENDING FURTHER DISCUSSION. BOARD DID NOT APPROVE NOR FUND ANY SPECIFIC PROJECT(S) UNDER THIS ACTIVITY FOR THIS BIENNium,								
TOTALS - ACTION PLAN ITEM #4			\$	\$	\$	\$		

SECTION 4 - CONTINUED

ACTION PLAN ITEM #5 - Develop effective marketing and recruitment capabilities to attract viable out-of-state firms

1. Action Plan Item supports the Key Industry/Regional Benchmark of:

2. Performance Measure:

Achieved to date: _____

3. Performance Measure:

Achieved to date: _____

4. Target Date for completion:

5. Action Plan Item Been Completed? Yes____No____

6. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1.				Federal Other State Local Private				
Status: SEE SECTION 6, ACTION PLAN ITEM #3								
TOTALS - ACTION PLAN ITEM #5								

SECTION 4 - CONTINUED

ACTION PLAN ITEM #6- Create business development and growth programs for emerging high technology companies which include information resources and management/financial counseling at critical stages of development.

1. Action Plan Item supports the Key Industry/Regional Benchmark of:

2. Performance Measure:

Achieved to date: _____

3. Performance Measure:

Achieved to date: _____

4. Target Date for completion:

5. Action Plan Item Been Completed? Yes____No____

6. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1.				Federal Other State Local Private				
Status: SEE SECTION 6, ACTION PLAN ITEM # 2								
TOTALS - ACTION PLAN ITEM #6								

SECTION 5 - STATUS OF 1993-95 ACTION PLAN FOR METALS INDUSTRY

ACTION PLAN ITEM #1 - Link educational system curriculum to metals industry requirements. Provide metals industry training and education programs for students, educators, and workforce participants.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Build a Superior, World Class Workforce, Value-Added Products, Global Business, Diverse and Productive Industry.

2. Performance Measure: Involve 2 companies in the creation of the programs by September 1996.

Achieved to date: Contract with Business-Education Compact (BEC) stipulates that a minimum of 4 metals companies will actively participate in Summer '95 teacher internships.

3. Performance Measure: Employ teachers in metals industry summer internships to develop curriculum linked to industry needs/opportunities.

Achieved to date: Contract signed with Business-Education Compact. Four schools selected and committed to participate. At least 16 teachers and 3 counselors will be Summer '95 interns.

4. Target Date for completion: September 1996

5. Action Plan Item Been Completed? Yes ___ No X

6. Activities/projects funded to accomplish Action Plan Regional Strategies contract with Business - Education Compact executed.

Item: #1

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMPLETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. School-to-Work Partnerships and Educator Internships Project. Teacher internships in teams, Summer '95 and '96; curriculum development; CAM implementation.	Reg. 2 (Mult-Wash)	25%	\$153,100 + 13,625 \$166,725	Federal Other State Local ✓ \$33,227 from BEC for project management Private ✓ 25% of grant (\$49,988), which can be in-kind time of company reps.	40,000	\$5,555 BEC Industry Match Unknown	Involve at least 2 companies in creation of program by Sept. 1996. Employ up to 16 educators in internships Summers'95 and 96.	8 companies involved At least 16 teachers and 3 counselors, Summer '95.
Status: Contract executed. Project began December 1994. 4 schools selected (2 Wash. Co., 2 Mult. Co.) teacher teams underway. Company tours conducted. Contract amendment adds \$13,625 for transportation to companies (access problem in region) and shifts responsibility for organizing tours and speakers from Dotten & Associates to BEC.								
ALSO SEE SECTION 6, ACTION PLAN ITEM # 1-2								
TOTALS - ACTION PLAN ITEM #1			\$166,725	\$83,215	\$40,000	\$5,555		

SECTION 5 - CONTINUED

ACTION PLAN ITEM #2 - Increase the information flow about opportunities in the industry to students in the region's schools.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Build a Superior World Class Workforce, Value-Added Products, Global Business, Diverse and Productive Industry.

2. Performance Measure: Involve 2 companies in the creation of the programs by December 1995 **Achieved to date:** Contract with Dotten & Associates stipulates involvement of Oregon Metals Industry Council and Oregon Precision Metal Fabricators Association member companies. Kick-off event- 3/9/95 (15 companies). 4 companies committed to hosting summer internships.

3. Performance Measure: Disseminate information to 12 schools by December 1996. **Achieved to date:** Tours for 4 schools to 4 companies- 4/95.

4. Target Date for completion: September 1996

5. Action Plan Item Been Completed? Yes ___ No X

6. Activities/projects funded to accomplish Action Plan Regional Strategies contract with Dotten & Associates.
Item: #2

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
<p>1. Metals Information Project: Develop coalition of metals companies; establish Education Resource Service and teacher liaisons with metals industry; market the industry to students, educators and parents; establish baseline against which to measure increased awareness of the industry.</p> <p>Status: Contract executed. Project began 1/1/95. Contract amended to extend metals coalition development through 9/96 (had been budgeted only through 10/95) and add funding for post-test and counselor internships as part of information outreach.</p>	Reg. 2 (Mult-Wash Co.)	25%	\$114,500	<p>Federal Other State Local Private ✓ 25% of grant (\$28,625) in cash and in-kind, including company time hosting tours, field trips, classroom speaking, etc.</p> <p>+5,000 for counselor internships</p>	\$60,000	Unknown	<p>Involve 2 companies in creation of program by December 1995.</p> <p>Disseminate info. to 12 schools by December 1996.</p>	<p>8 companies involved.</p> <p>Tours for 4 schools; career fair; baseline survey completed.</p>
TOTALS - ACTION PLAN ITEM #2			\$114,500	\$33,625	\$60,000	\$0		

SECTION 5 - CONTINUED

ACTION PLAN ITEM #3 - Create business development and growth programs for emerging metals companies, including information resources and management/financial counseling.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Value-Added Products, Global Business, Diverse and Productive Industry.

2. Performance Measure: Involve 2 metals companies in the creation of business development and growth programs.

Achieved to date: _____

3. Performance Measure: Survey 5 metals companies to evaluate programs by September 1996.

Achieved to date: _____

3. Target Date for completion: September 1996

4. Action Plan Item Been Completed? Yes____No **X**

5. Activities/projects funded to accomplish Action Plan

Item: None funded at this time. Industry placed priority on Items 1, 2, and 4.

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. NONE FUNDED AT THIS TIME. INDUSTRY PLACED PRIORITY ON WORKFORCE DEVELOPMENT AND HIRING (ITEMS 1, 2, AND 4).				Federal Other State Local Private				
Status:								
TOTALS - ACTION PLAN ITEM #3			\$	\$	\$	\$		

SECTION 5 - CONTINUED

ACTION PLAN ITEM #4 - Assist industry in providing permanent placement of workers with companies in the region.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Value-Added Products, Global Business, Diverse and Production Industry.

2. Performance Measure: Metals companies post 100 jobs with JobNet by 4/96. First job posted as of 5/95.

3. Performance Measure: By 9/96, 50% of the posted jobs will be filled through JobNet.
Achieved to date:

3. Target Date for completion: September 1996

4. Action Plan Item Been Completed? Yes____No **X**

5. Activities/projects funded to accomplish Action Plan JobNet Coordinator Hired.
Item: #4

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. Metals Placement Project: Portland's JobNet Program establishes Multi-agency steering committee, identifies job openings with industry, develops training strategies, posts and fills job orders through JobNet affiliate agencies, including Employment Department.	Region 2 (Mult-Wash Co.)	16%	\$40,000	Federal Other State Local ✓ PDC \$10,000 Private ✓ 25% of grant (10,000) from industry for training.		Ø	100 jobs posted by September 1996. 50% of posted jobs filled through JobNet by 9/96	1 Ø
Status: Coordinator hired 3/95. Contact with employers underway. 1 company posting job as of 5/95. Working with 8 companies to fill Technology Summer Camp positions by 6/95. Changed strategy from steering committee to focus groups.								
TOTALS - ACTION PLAN ITEM #4			\$40,000	\$20,000	\$0	\$0		

ACTION PLAN ITEM #4 - Assist industry in providing permanent placement of workers with companies in the region.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Value-Added Products, Global Business, Diverse and Production Industry.

2. Performance Measure: Increase Industry awareness regarding industry/education partnerships.

3. Performance Measure:
Achieved to date: 2nd Quarter 1995 ad placed.

3. Target Date for completion: September 1996

4. Action Plan Item Been Completed? Yes___No X

5. Activities/projects funded to accomplish Action Plan Place four ads in an industry/regional publication
Item: #4

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
2. Business Journal Industry Education and Training Information Advertisement.	Washington/ Multnomah Counties	25%	12,000	Federal Other State Local Private	\$12,000		Quarterly Ads placed.	2nd Quarter '95 Ad placed.
Status:								
TOTALS - ACTION PLAN ITEM #4			\$12,000		\$12,000	\$		

SECTION 6 - STATUS OF 1993-95 ACTION PLAN FOR CROSS-INDUSTRY ACTIVITIES

ACTION PLAN ITEM #1 - Link educational system curriculum to industry requirements. Provide training and education programs for students, educators, and workforce participants. Increase the information flow about industry opportunities to schools and industry.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Build a Superior, World Class Workforce, Value-Added Products, Global Business, Diverse and Productive Industry.

2. Performance Measure: Involve 2 biotechnology companies in the creation of programs by December 1995 **Achieved to date:** Ø, not presently funded by Regional Strategies.

3. Performance Measure: Involve 2 high technology companies in the creation of the programs by December 1995 **Achieved to date:** Sequent contract involves 9 companies.

4. Performance Measure: Involve 2 metals companies in the creation of the programs by December 1995 **Achieved to date:** OMIC and OPMFA developed Metals Action Plan #1,2,4 and Cross-Industry #4. 4 companies hosted teacher tours 4/95.

5. Performance Measure: Employ, through Summer internships, at least 3 teachers in each industry by September 1996. **Achieved to date:** Metals- 16 teachers, Summer 95.

6. Target Date for completion: September 1996

7. Action Plan Item Been Completed? Yes ___ No **X**

8. Activities/projects funded to accomplish Action Plan

Item: #1, 2, 3 and 4.

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. Biotech Interactive Program for Oregon High Schools: seminars, Summer '95 and 96 institutes, Summer 95 teacher internships and curriculum dev.	Reg. 2 Mult. - Wash. Co.	Ø	Ø	Federal Other State Local Private	Ø		Involve 2 biotech., companies by December 1995. At least 3 teachers employed in Summer internships by Sept. 1996.	N/A (Not Regional Strategies Project) N/A (Not Regional Strategies project)
Status: Project funded through other sources for 93-95.								

2. Metals School-to-Work Partnerships and Educator Internships: teacher internships, curriculum development, CAM implementation. SEE SECTION 5, ACTION PLAN #1 FOR DETAIL	Reg. 2 Mult.-Wash Co.	25%	\$153,100	Federal Other State Local \$49,988 from BEC for project management Private 25% of grant (\$38,275) which can be in-kind times of company reps.	\$40,000		Involve at least 2 companies in creation of program by 9/96. Employ up to 16 educators in internships Summers '95 and '96.	8 companies involved. At least 16 teachers and 3 counselors, Summer '95.
Status: Underway.								
3. Sequent- High technology, high performance work practices. Creation of support tools for managers that will leverage high performance work practices for workers.	Mult-Wash Counties	30%	\$53,000	Federal Other State ✓ \$50,000 Local Private ✓ \$105,500	\$35,500		12 to 15 tools will be sourced or developed. Up to 350 managers and 5,000 workers will receive training.	Pilot testing begins 6/95.
Status: Contract executed. Performance management prototype module in development. Change management tools under review,								
4. Portland State University Environmental Biotechnology/OETA Education Needs Assessment.	Mult-Wash Counties	0%	\$21,000	Federal Other State \$3,500 Local Private	Ø	Ø	Inventory existing education programs by 4/96. Survey environ/bio firms to forecast personnel needs by 4/96.	Project not yet started.
Status: Contract executed.								

5. Environmental Biotechnology Training Program (Phase I)	Mult-Wash Counties		\$20,000	Federal Other State ✓ 10,000 Local Private ✓ \$21,000	Ø	Ø	Involve 8 environmental biotech firms by 9/95.	Project begins 7/95.
Status: Contract negotiation in process.								
TOTALS - ACTION PLAN ITEM #1			\$94,000	\$190,000	\$35,500	\$		

SECTION 6 - CONTINUED

ACTION PLAN ITEM #2 - Create business development and growth programs for emerging biotechnology, high technology, and metals companies, which include information resources and management/financial counseling at critical stages of development.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Clean Air, enhanced quality of environment; increase companies, jobs and payroll.

2. Performance Measure: Kick-off event and "core" meetings with businesses and stakeholders.
Achieved to date: 1 of 3 done.

3. Performance Measure: Organize and establish a legal entity by July 1995.
Achieved to date: Ø

4. Performance Measures A Bank of emission reduction credits and/or options.

Achieved to date: Ø

5. Target Date for completion: Establ. by Sept. 1995

6. Action Plan Item Been Completed? Yes No X

7. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. Emissions Trading Consortium- Establish an Emissions Trading Consortium.	Metro Region	7%	\$150,000 + 24,990 \$174,990	Federal Other State Local Private	\$0	PDC staff time.	ETC to be established in June 1995.	Contracts done 4/18/95. Public opinion survey underway.
Status: Teams have been contracted; Kick-off event done. New name: "Portland Air Quality Project"								
TOTALS - ACTION PLAN ITEM #2			\$174,990	\$	\$Ø	\$ In-Kind		

SECTION 6 - CONTINUED

ACTION PLAN ITEM #3 - Identify best key industry opportunities for local expansion/attraction; Establish industry executive view of Portland area and key factors for expansion/relocation here; Develop and execute a national/international regional Key industry attraction and expansion marketing campaign.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Value-Added Products, Global Business, Diverse and Productive Industry, increased numbers of companies, jobs and payroll.

2. Performance Measure: Conduct local industry interviews, combine with industry economic data to discover best "niche" opportunities in biotech, high-tech and metals industries.

1996 **Achieved to date:** Phase completed.

3. Target Date for completion: July 1995 (Phases I, II; Campaign through 1995-1996).

4. Action Plan Item Been Completed? Yes ___ No ☒ X

5. Activities/projects funded to accomplish Action Plan Item:

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMP- LETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. Regional Marketing Project- identify best industry opportunities in biotech, high-tech, metals-Phase I 2. National/International Business Survey- Phase II.	Region 2 Mult. - Wash. Co.	100%	\$55,000- first two phases	Federal Other State Local Private (Specific funding amounts still being determined).	\$9,450	PDC staff time.	Data Survey completed. Final Report -	Phase I complete.
		1%						
Status: Contract done 3/7/95. Phase I complete 5/19/95; Phase II RFP in preparation 5/95.								
3. Design and execute a regional marketing campaign based on #'s 1 and 2.	Region 2 Mult. - Wash. Co.	1%	\$145,000 Phase III.	Federal Other State Local ✓ PDC Private ✓ Partners (specific funding amounts still being determined).	Ø	PDC staff time	Involve -- biotech, -- high tech., and -- metals companies in campaign.	
Status:								
TOTALS - ACTION PLAN ITEM #3			\$200,000	\$ Unspecified	\$Ø	\$ In-kind		

SECTION 6 - CONTINUED

ACTION PLAN ITEM #4 - Provide training programs for the development of local repair technicians to facilitate the continued operation of electronic equipment on a timely basis.

1. Action Plan Item supports the Key Industry/Regional Benchmark of: Build a Superior, World Class Workforce, Value-Added Products, Global Business, Diverse and Productive Industry.

2. Performance Measure: Involve 2 biotechnology companies in the creation of programs by September 1996. **Achieved to date:** This performance measure was tabled by the Regional Strategies Board. The Action Item focuses on Metals and High Tech.

3. Performance Measure: Involve 2 metals companies in the creation of programs by September 1996.

Achieved to date: 40 Metals companies have been surveyed. Timeline on survey analysis and report extended to 6/95.

4. Performance Measure: Involve 2 high technology companies in the creation of programs by September 1996. **Achieved to date:** 6 high-tech companies have been surveyed.

5. Target Date for completion: September 1996
Phase I completion 3/31/95. Phase II- 9/96. Phase I extended to 6/31/95.

6. Action Plan Item Been Completed? Yes____No **X**

7. Activities/projects funded to accomplish Action Plan OATC Contract for Phase I.
Item: #4

ACTIVITY/PROJECT NAME & SHORT DESCRIPTION	LOCATION (City, County, or Region)	% COMPLETE	GRANT FUNDS COMMITTED	MATCHING FUNDS REQUIRED	GRANT FUNDS DISBURSED	MATCHING FUNDS SPENT TO DATE	REQUIRED PERFORMANCE MEASURE & DUE DATE	ACHIEVED TO DATE
1. Electronic Manufacturing Equipment Maintenance Technician Training: Phase I survey of needs, existing training and recommended training strategy.	Reg. 2 (Mult.-Wash. Co.)	50%	\$0 Phase I- \$25,000 Phase II \$45,000 (see Multi-Regional for Phase III)	Federal Other State Local Private \$17,500 in donated equipment and supplies, Phase II.	\$12,000		Involve at least 10 Metals and 6 high tech. companies by march 31, 1995.	Survey responses received from 19 Metals companies and 6 high tech companies by 5/12/95. 79% response rate.
Status: Contract for Phase I study executed with Oregon Advanced Technology Center (OATC). Survey completed 5/12/95. Preliminary report done 5/15/95. Training design deadline extended to 6/31/95. ALSO SEE SECTION 7, PROJECT 4								
TOTALS - ACTION PLAN ITEM #4			\$25,000-Phase I \$45,000 - Phase II	\$ 17,500	\$12,000	\$		

SECTION 7 - MULTI-REGION PROJECTS

MULTI-REGION PROJECT NAME & SHORT DESCRIPTION	KEY INDUSTRY FOCUS	NAME OF LEAD REGION	NAMES OF PARTICIPATING REGIONS	GRANT FUNDS COMMITTED
1. AEA benchmarking project- fund the development of an industry benchmarking program and performance. (Approved by the State).	High Technology	Metro	Metro: \$35,000 Mid-Valley: \$5,000 BL3: \$10,000 State: \$50,000	\$35,000
2. Oregon Technology Outreach- would disseminate software engineering information from University research programs to industry via seminars, workshops and video libraries. (Approved by the State).	High Technology/Software	BL3	BL3	\$10,000
3. Business Consulting- intensive small business consulting help, particularly with marketing plans, for emerging companies in Software and High Technology.	High Technology/Software	BL3	BL3 Mid-Valley	\$100,000
4. Electronic Equipment Maintenance Technician Training- Phase III- provides equipment for training program available throughout the state. Equipment is dismantled by students, rebuilt and retrofitted to current standards and is then sold to pay for continuation of the program.	Metals/ High Technology	Metro	Mt. Hood Alliance - \$10,000	\$30,000 Phase III

5. CD-Rom Development, Production & Testing Facility- this would equip OATC with the latest interactive multi-media equipment for the production and testing of CD-Rom and users would reserve workstation time and would pay a small fee for training.	High Technology/Software	Mt. Hood Alliance	Mt. Hood Alliance	Ø
6. Oregon Electronic Commerce- connects regional software companies to the info highway through a pilot study which brings high band width connections through the U of O's NERO network of companies.	High Technology/Software	BL3	BL3	\$10,000
7. Tourism/Transportation Plan	Tourism	Baker-Mal.	Baker-Mal.	Ø
8. Marketing Oregon to Oregon- Radio/TV marketing campaign designed to attract Oregonians to explore other areas of the state during off-season.	Tourism	CCD	CCD	Ø
9. Oregon Telcom- Statewide implementation of project which provides e-mail, conferencing, threaded forums, gateways to Internet and database access to Oregon users. This makes Oregon Telcom a permanent feature for Oregon and not just a pilot project with limited users.	High Technology/Software	BL3	BL3 Central	\$20,000
TOTALS - MULTI-REGION PROJECTS				\$ XXX

BUILDING AND STRENGTHENING THE WORKFORCE

**SEMICONDUCTOR INDUSTRY WORKFORCE
AND TRAINING ASSESSMENT: PHASE ONE**

**Semiconductor Workforce Consortium
April 1995**

BUILDING AND STRENGTHENING THE WORKFORCE

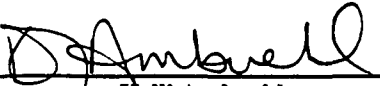
**SEMICONDUCTOR INDUSTRY WORKFORCE
AND TRAINING ASSESSMENT: PHASE ONE**


**Semiconductor Workforce Consortium
April 1995**

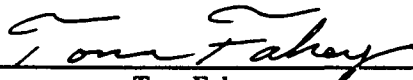
BUILDING AND STRENGTHENING THE WORKFORCE


SEMICONDUCTOR INDUSTRY WORKFORCE AND TRAINING ASSESSMENT: PHASE ONE
Semiconductor Workforce Consortium (SWC)
April 1995

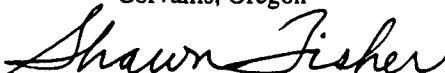
CORPORATE MEMBERS:

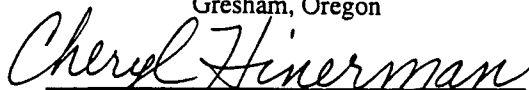

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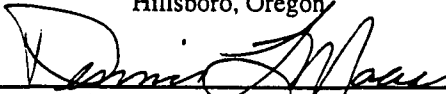

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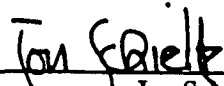

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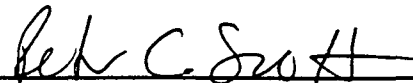

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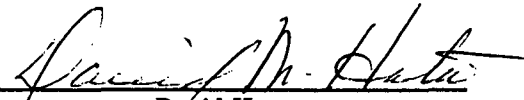

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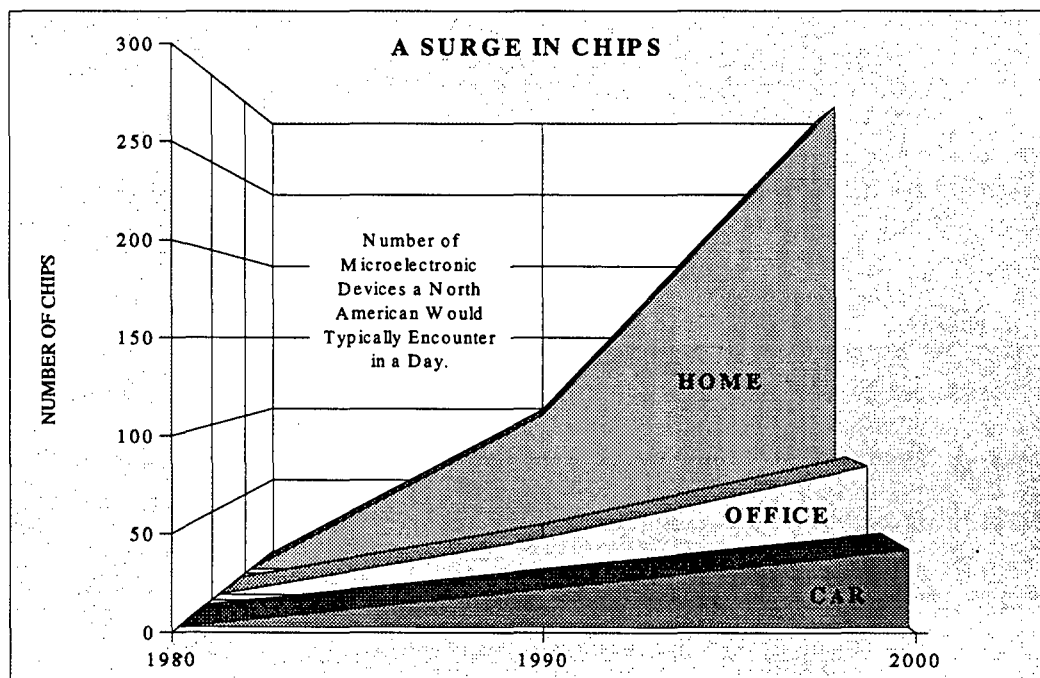
Composite Position Briefs for Operators, Technicians and Engineers

EXECUTIVE SUMMARY

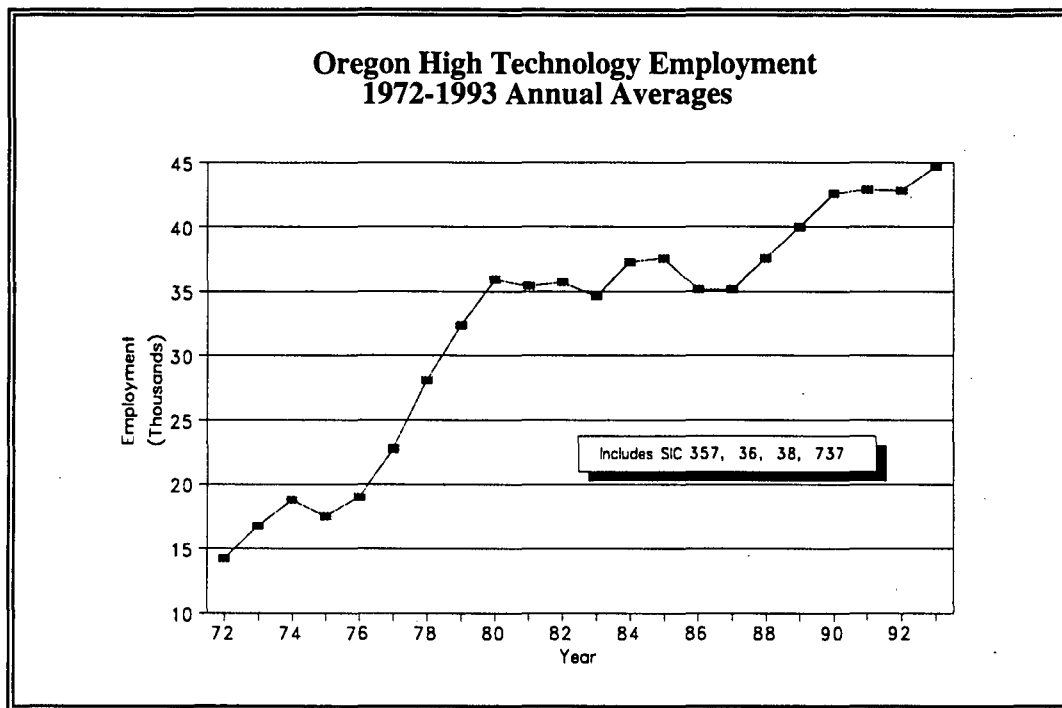
This report provides the foundation for a strategic workforce development plan for the semiconductor industry in Oregon and Southwest Washington. Member companies of the Semiconductor Workforce Consortium, representing 80 percent of the semiconductor industry in Oregon, have pooled their hiring projections to produce the preliminary findings presented in this report. These findings are the beginning. The next step is to prepare workers for the thousands of new jobs that are projected for the semiconductor industry in Oregon and Southwest Washington over the next five years.

The Semiconductor Workforce Consortium's projections forecast the hiring of 6,882 engineers, technicians and operators over the next five years. There are many other jobs in the industry that are also expected to increase in number. For the purposes of this report, efforts were concentrated on three technical job groups and therefore do not represent the full growth potential of the industry.

This dramatic industry growth can be attributed to the speed with which technological changes are taking place in the use of microelectronic devices in everyday lives. Chips are no longer relegated only to computers. Today, chips are critical components in a multitude of products for the home, office and car.



Source: NY Times 1-2-94



Source: Oregon Employment Department, 2-15-94

Oregon's high technology industry, which includes the semiconductor sector, has experienced rapid growth to keep pace with this surge in the uses of microelectronic devices:

- In 1995, high technology will become the largest manufacturing employer in Oregon, exceeding timber jobs for the first time.¹
- Employment in Oregon's high technology sectors grew by more than 25 percent between 1988 and 1993.²
- Employment in the Portland metropolitan area's electronic equipment sector has risen by more than 80 percent since 1988.³
- The semiconductor industry's projected hiring needs and recent announcements about company expansions or new locations in Oregon indicate the state will continue to be a center for industry expansion.

These trends and the anticipated increase in demand for skilled workers prompted the Semiconductor Workforce Consortium to undertake a Preliminary Hiring Projections Survey during winter 1994-95. Results of the survey are summarized on page 17 of this report.

¹Oregon Economic and Revenue Forecast, September 1994.

²Portland Trends, January 1995, Oregon Employment Department.

³Ibid.

The purpose of this assessment is to guide development of a workforce strategy which will maximize the number of Oregonians hired into these jobs. The report does the following:

- 1) Describes the industry outlook and quantifies hiring projections in three composite job categories which are central to the industry -- engineer, technician and operator.
- 2) Provides composite profiles of these three positions, including educational qualifications.
- 3) Provides a preliminary assessment of current semiconductor-related training programs offered by postsecondary institutions in Oregon.
- 4) Describes some known challenges to meeting the industry's workforce needs.
- 5) Makes initial recommendations on issues to be studied further in the next phase of this effort.

Although the survey responses provide only a snapshot of the semiconductor industry's workforce needs, the information affords an initial look at future trends. The results are expected to stimulate dialogue and additional research and analysis. The next phase will chart a detailed course of action to develop the semiconductor workforce in Oregon and Southwest Washington.

INITIAL WORKFORCE DEVELOPMENT RECOMMENDATIONS: CHALLENGES FOR IMPLEMENTATION

The next phase of this study should begin immediately. The semiconductor industry in Oregon has identified workforce needs and begun the development of a unified strategy to fill those needs. It is now time for local community, government, education, training and workforce leaders to meet with industry experts to develop strategic implementation plans that complement their regions. The following challenges should guide development of those action plans:

- **Increase public awareness of the semiconductor industry. Increase public interest in current and future training programs.** A joint industry effort should be made to increase the number of people interested in entering semiconductor-related training, both now and in the future. The industry should be presented to all populations and schools, with a priority on briefing young people, parents and teachers at all grade levels.
- **Establish connections between high school and community college education programs.** Begin the first year of two-year community college programs in the 12th grade. Integrate microelectronics fundamentals into core academic subjects and into professional-technical course work. Offer educator internships in companies to increase teachers' understanding of the industry and to increase their ability to establish student work-based learning activities. Develop microelectronic-related courses at the high school level.
- **Provide information on industry skills and standards to guide curriculum development at all levels.** Implement needed skill upgrades for the current workforce. Upgrade high school electronics teachers' skills and knowledge of the industry, based on industry-established standards. Move learning into workplace settings.
- **Develop training alternatives for adult entry into the industry.** Build on the experience of the Advanced Research Projects Agency (ARPA) grant currently being implemented in Oregon by several semiconductor companies and community colleges. Include displaced workers, the unemployed and underemployed as target populations for these programs. Connect students from alternative schools and adults from employment programs into training opportunities in the industry.

- **Address the support needs of those who are interested in semiconductor-related training.** Allow for part-time work paired with training. Investigate options for scholarships, tuition reimbursements, child care assistance and transportation assistance. Ensure that individuals who receive welfare or unemployment support can continue to receive this support while they are enrolled in job training programs and until they are hired.
- **Assist community colleges to gain the resources required to expand their offerings of microelectronics-related degree programs and operator training programs.**
- **Encourage creative and flexible approaches to training at all levels --** in degree programs, in short-term training and in skill upgrade courses for current semiconductor employees.
- **Form industry-education partnerships at all levels: K-through-12, community colleges and higher education.** Enlist the support of the Oregon Legislature and the State System of Higher Education for these partnerships.

DEVELOPMENT OF THE REPORT

The Semiconductor Workforce Consortium recognized the need for a strategic plan to develop its workforce. This need was underscored by the anticipated growth of the semiconductor industry in Oregon and the associated demand for more skilled workers. As a first step, the Consortium enlisted the assistance of the Portland Development Commission to do a preliminary survey of Consortium members' hiring projections and workforce-related challenges. Human resource professionals researched information within their companies and provided data for the report.

This undertaking supports Oregon's effort to establish the "best workforce in the world," one of the state goals set forth in the *Oregon Benchmarks*, adopted by the State Legislature in 1991.

INITIAL FINDINGS

- Virtually all local semiconductor manufacturing and wafer manufacturing companies are projecting expansions and/or increased workforce needs.
- Workforce development delivery systems, including training, education and support services, are not in place in all communities to support industry growth and expansion.
- Companies report the need to recruit out of state to fill many of the higher skilled jobs (technicians and engineers). Strategies are needed to prepare Oregon workers for these jobs.
- Curriculum and partnership models are in place for key industry-education partnerships to develop and upgrade the workforce. However, the number of students successfully finishing these programs is far below the numbers needed in the future workforce, according to industry experts.
- Community colleges lack adequate physical space for offerings and lack financial support to expand capacity. There is limited capacity for supporting classes and labs in math, science, chemistry and physics.

REPORT ORGANIZATION

Industry Trends, page 12, is a snapshot of the semiconductor industry in this region, including anticipated growth and job opportunities.

Preliminary Industry Survey and Results, page 16, describes the methodology used to collect hiring projections for the report and presents survey results by job category.

Challenges Ahead, page 19, focuses on concerns and challenges facing the industry and educational institutions.

Acknowledgments, page 21, includes information on how to obtain additional copies of the report.

Appendices contain supporting details, including background on the Semiconductor Workforce Consortium, workforce projections and composite profiles of jobs within the semiconductor industry.

SPONSORS OF THE REPORT

The Semiconductor Workforce Consortium was founded in 1989 to address workforce development in the semiconductor industry in Oregon and Southwest Washington. Through a unique public/private/industry partnership, the Consortium members have created innovative programs aimed at developing the region's workforce through education and training and qualifying local workers to pursue semiconductor employment.

The Consortium plays a leadership role for the industry. In 1993, the Consortium received the Workforce Partnerships Award from Oregon Governor Barbara Roberts for "exceptional contributions to improving the competitiveness of Oregon's economy through the pursuit of quality in business and the workforce." Two members of the Consortium -- Intel and Wacker Siltronic -- have received the Governor's Award for toxic use reduction, the only state award of its kind for environmental excellence.

INDUSTRY TRENDS

National data compiled on the semiconductor industry indicate continued future growth. The industry, comprised of semiconductor manufacturers, microelectronic assemblers and wafer manufacturers, is one of the fastest growing manufacturing industries in the country. From 1987 to 1994, the semiconductor sector grew twice as fast as the second ranked manufacturing industry, telecommunication equipment.⁴

LOCAL GROWTH

Oregon's semiconductor industry -- from wafer manufacturers to semiconductor fabricators -- is surging statewide. Between 1988 and 1993, employment in the state's high technology sectors -- which includes the semiconductor industry -- grew by more than 25 percent. Future expansions translate into **an estimated \$4 billion in new facilities planned in the Portland metropolitan area alone.**⁵

- Employment in the Portland metropolitan area's electronic equipment sector, which includes the semiconductor industry, has increased by more than 80 percent since 1988.⁶
- While Oregon's covered employment (jobs covered by unemployment insurance) was growing at a rate of about 3.2 percent from 1992 to 1993, it grew 14.6 percent in the semiconductor industry in the same time period.⁷
- Covered payroll in the semiconductor industry increased from \$100 million to \$500 million between 1983 and 1993. Employment in the semiconductor industry jumped almost three-fold during this same ten-year period, from an estimated 4,000 jobs in 1983 to well over 11,000 in 1993.⁸
- In 1993, total covered payroll (payroll covered by unemployment insurance) for semiconductors and related devices in Oregon topped \$557 million, with an average employment of more than 11,600 workers.⁹

⁴U.S. Industrial Outlook 1994.

⁵Portland Trends, January 1995, Oregon Employment Department.

⁶Ibid.

⁷Oregon Employment Department, 1993 statistics.

⁸Ibid.

⁹Ibid.

These numbers only begin to tell the story of the growing trends in this industry. The current and projected growth in the semiconductor industry is attracting the attention of suppliers and industry-related companies looking to expand or begin operations in Oregon.

OUTLOOK AND WORKFORCE DEMANDS

Recent company announcements of expansion or location to Oregon are an indication of a strong outlook for this growing industry. Examples of recently reported expansion plans include:

- Integrated Device Technology -- has begun building an \$800 million computer chip plant in Hillsboro's Dawson Creek Park, which will eventually add up to 975 jobs.
- Intel -- has initiated two new computer chip expansions, creating up to 1,755 new jobs and a \$2.5 billion investment for the Hillsboro area.
- Siltec Silicon -- has broken ground on its Phase I expansion in Salem, expected to create 400 new jobs with an investment of \$250 to \$300 million.
- Wacker Siltronic Corp -- has begun a \$230 million expansion of its Northwest Portland silicon wafer plant, which will add at least 300 jobs.

Integrated Device Technology and Intel's reported expansion plans alone are projected to add up to 2,730 jobs in the next decade. Hewlett-Packard in Corvallis forecasts an ongoing need to hire technicians and process operators. These expansions and others expected in the future will increase the demand for more skilled workers in the semiconductor industry. It is estimated by the Semiconductor Workforce Consortium that virtually all local semiconductor manufacturing and wafer manufacturing companies are projecting expansions and/or increased workforce needs over the next five years. Oregon's ability to attract and keep desirable firms such as those in the semiconductor industry will depend on maintaining the attributes that have attracted these companies in recent years.

ANTICIPATED TECHNOLOGICAL CHANGES

Technology changes in the industry are causing many companies to raise the skill level requirements for entry-level work. Some companies indicate they are already moving away from the lesser skilled positions -- the "operator model" -- to those fitting the higher skilled "technician model." Many other companies are raising the skill level requirements and compensation for their entry-level workers, according to survey participants.

How the region and the companies address these and other critical workforce issues will help determine whether the region can continue to meet existing employer needs while enhancing its ability to attract additional investment in the semiconductor business.

JOB OPPORTUNITIES AND WAGES

The semiconductor industry provides high wage and family wage jobs. The Oregon Employment Department estimates that for 1993 the average annual wage for all high technology industries was \$39,700.¹⁰ The average annual wage for the semiconductor and related devices sector was approximately \$47,400.¹¹

AVERAGE ANNUAL WAGE IN OREGON'S HIGH TECH SECTORS, 1993

SECTOR:	ANNUAL AVERAGE WAGES*
Computer and Office Equipment	\$44,000
Electronic and Electrical Equipment	\$39,300
Instruments and Related Products	\$37,300
Computer and Data Processing	\$41,000
Semiconductor and Related Devices	\$47,400
All High Tech Sectors	\$39,700

*Preliminary estimates. Source: Oregon Covered Employment & Payrolls, 1993, Oregon Employment Department. Note: Due to the highly competitive nature of this industry, specific wage ranges are not available for the companies that participated in this report. The salary figures referenced in this report are general industry standards and do not represent any specific company.

Although the base wage for entry-level semiconductor industry positions is generally lower than that of the more highly skilled positions, industry experts point out that base wage rates are not indicative of total employee compensation. In addition to base wage, many companies provide their entry-level employees with added pay for shift work, overtime pay, bonuses, tuition reimbursements and additional benefits. The dollar value of these additions should be factored in when considering the annual pay earned by an entry-level semiconductor industry employee.

OPPORTUNITIES FOR ADVANCEMENT:

Industry experts note that many entry-level operators experience rapid career progression within semiconductor companies. For example, an entry-level operator may spend only a few months at a trainee level before progressing to a higher level

¹⁰Preliminary estimate. Oregon Covered Employment & Payrolls, 1993.

¹¹Ibid.

operator position. It is not unusual for full-time operators to work their way up to technician positions and supervisory positions. Some even progress to the highly skilled engineer positions, with the assistance of company-reimbursed educational tuition. See Chart 5 in the Appendix for a diagram of career progressions within the industry.

BENEFITS:

Benefits offered in the semiconductor industry generally include employer-paid health care, dental coverage, life insurance, pension plans, 401K plans and employee bonuses. Several companies also have employee stock purchase plans and profit-sharing.

MULTIPLIER EFFECTS:

In addition to jobs in the industry, growth in the semiconductor industry creates other opportunities for Oregonians. The expansion of support industries and services provides jobs in other sectors of the state's economy. Expanding or building new semiconductor-related facilities directly affects the construction industry. For example, Intel's expansion in Hillsboro will not only add 1,400 full-time, family wage jobs, it will create 2,500 secondary jobs and generate more than \$400 million in added personal income, according to the state economist.¹² In addition, the company estimates an average of 300 to 500 construction jobs per day will be created during construction of the new Hillsboro site.

As semiconductor employees spend their incomes in local economies, additional jobs are added in the service and trade industries and to the state's tax base. Using Intel's Hillsboro expansion as an example, the state economist estimates that, when the project is complete in 2008, the additional employment and economic activity will have boosted Oregon personal income tax revenues by approximately \$97 million. The Hillsboro expansion is also estimated to increase wage and salary income in Oregon by more than \$2.4 billion over the life of the 10-year construction project.¹³

¹²Intel Public Affairs Office, March 1995.

¹³Ibid.

PRELIMINARY INDUSTRY SURVEY AND RESULTS

To get a clearer picture of future workforce pressures on the industry, the Consortium requested a preliminary industry survey of the hiring needs and workforce challenges for semiconductor and wafer manufacturing over a five-year period, from 1995 to 1999. The Portland Development Commission conducted the preliminary survey by researching the hiring projections of Consortium member companies. Information was also collected on training capacities from the community colleges serving the areas in which Consortium companies are located.

Methodology

Companies participating in the survey included Fujitsu Microelectronics, Inc., Hewlett-Packard, Intel Corporation, Maxim Integrated Products, Oki Semiconductor, Sharp Microelectronics, Siltec Silicon, and Wacker Siltronic Corporation. Hiring information was also provided by Integrated Device Technology, SEH America, Inc., and Triquint Semiconductor. Community college participants included Chemeketa Community College, Linn-Benton Community College, Mt. Hood Community College and Portland Community College.

JOB CATEGORIES

Companies were asked to provide estimates of hiring projections in these job categories. Composite position briefs are provided in the Appendix:

- | | |
|-------------------------------------|------------------------------|
| * Operator | * Process Engineer |
| * Process Technician | * Equipment Engineer |
| * Equipment Maintenance Technician | * Quality Assurance Engineer |
| * Quality Assurance/Test Technician | * Test Engineer |
-

Participants completed questionnaires and telephone interviews and participated in several extensive work sessions to provide information, check data for accuracy and assist in the analysis of workforce delivery needs. The results of these sessions provided the basis for this report. Information has also been provided by the Consortium from several recently implemented programs to build a skilled workforce. Other sources are referenced in footnotes. Information included in this report is fully supported by the study participants; consensus was required before the report and supporting data were released.

Each of the participating companies provided detailed job descriptions for engineer, technician and operator positions. The descriptions were then combined and summarized to produce composite profiles of the major job categories (see Appendix). These position briefs not only provide a common frame of reference for analysis but are intended to be a useful tool in helping educators, trainers and the general public understand the basic job duties, skill levels and educational requirements for key positions within the semiconductor industry.

The companies provided current employment totals for 1994 and projected hiring needs within the common job categories for the five-year period from 1995-1999. It is important to note that the final figures are conservative estimates since most companies did not have complete projections and in some cases expansion plans are still under review. Community college members of the Consortium provided data on the capacity of their current industry-related programs, current output of graduates per year, and the challenges ahead. These data are summarized in the Appendix.

SEMICONDUCTOR INDUSTRY MANUFACTURING-RELATED HIRING PROJECTIONS FOR SPECIFIC JOB CATEGORIES 1995-1999

Job TITLE	CUMULATIVE HIRES					5 YEAR
	1995	1996	1997	1998	1999	
ENGINEERS	169	106	168	243	124	810
Process/Manufacturing	9	9	17	22	8	65
Equipment	15	3	12	13	3	46
Quality Assurance/Test/ Measurement	16	8	11	11	6	52
(Unspecified)	129	86	128	197	107	647
TECHNICIANS	426	300	342	365	295	1,728
Process/Manufacturing	231	208	222	222	210	1,093
Equipment Maintenance	177	79	104	126	76	562
Quality Assurance/Test/ Measurement	18	13	16	17	9	73
OPERATORS	912	857	907	917	751	4,344
Regular	504	393	526	536	495	2,454
Temporary	408	464	381	381	256	1,890
ALL	1,507	1,263	1,417	1,525	1,170	6,882

Note: These projections include both new jobs resulting from company expansions and replacement hires to cover attrition.

PRELIMINARY SURVEY RESULTS

The 11 companies participating in the survey employed 12,267 workers at the close of 1994. Over the next five years, these companies project the hiring of at least 6,882 employees to fill semiconductor manufacturing-related positions. These projections include both expansions and replacement hires to cover attrition.

When the preliminary survey data are analyzed by position, the companies are projecting the hiring of at least:

- 810 engineers,
- 1,728 technicians and
- 4,344 regular and temporary operators.

This amounts to an annual projected hiring rate of from 1,100 to 1,500 across all positions over the five-year period, 1995 through 1999.

All survey participants indicate there is a growing need for trained workers at all levels within the semiconductor industry **but especially for process technicians, equipment maintenance technicians, engineers and entry-level operators.** All participants also agree that a training strategy for these occupations is needed to ensure the region's ability to meet existing employer needs, to ensure residents gain skills necessary to fill the jobs, and to enhance the ability to attract additional semiconductor industry investment in Oregon and Southwest Washington.

CHALLENGES AHEAD

In addition to providing hiring projections, survey participants were asked to assess the challenges ahead in recruiting local workers to fill semiconductor positions. The responses gathered thus far are mostly anecdotal, indicating a wide range of concerns among semiconductor businesses and education providers, with several recurring themes.

Although this report focuses on the industry in Oregon and Southwest Washington, industry experts say it mirrors concerns raised at various semiconductor locations throughout the United States:

The industry perceives a shortage of local workers willing or able to invest in necessary training and too few qualified instructors to teach them.

Education providers perceive a lack of support for semiconductor-related programs and a shortage of space to provide needed classes.

In general, responses indicate there is a perceived lack of awareness of what the industry is and the benefits it provides to the region.

Survey participants also shared the following insights:

ROADBLOCKS

The following roadblocks were identified from survey participants responses.

- Too few trained workers.
 - Too few people in training programs.
 - High school students and teachers lack exposure to the industry.
 - High school students lack appropriate levels of math and science.
 - Shortage of space for classes.
-

Many applicants for operator positions do not have the education and skill levels needed for these entry-level jobs. Companies participating in the survey expect entry-level operators to have a high school education or the equivalent and be able to read, write, communicate and comprehend at the 12th grade level. The companies indicate a preference for applicants with an understanding of high school algebra, although basic math skills including mastery of fractions, decimals and percentages are acceptable.

Many companies surveyed agree that operators who continue to improve their skills and learn on the job often progress to the technician level. At the technician level, survey participants expect successful applicants to have an Associate Degree or equivalent on-the-job experience. Companies indicate that, depending on the technician position, successful candidates must possess strong physics, chemistry, mechanics or computer skills.

INDUSTRY CONCERNS

Preliminary responses yielded the following industry concerns:

- Too few trained workers in the local area to fill the emerging jobs in the industry;
- Limited capacity in public education programs;
- Lack of interest in and public awareness of the industry;
- Lack of high school graduates with required math and science skills;
- Decreasing numbers of high school electronics courses and programs;
- Shortage of science labs and professional-technical electro-mechanical classroom space in the K-through-12 system;
- Lack of a chemical engineering degree program in Portland;
- Lack of support services for potential workers who need assistance such as continuation of welfare payments during training, continuation of unemployment benefits during training, tuition assistance, child care during training and transportation;
- Shortage of quality semiconductor instructors at the community college level;
- Minimal exposure of high school students to semiconductor-related subject matter;
- Limited class offerings relating to semiconductors or microelectronics; and
- Shortage of students interested in pursuing an educational path leading to careers in the semiconductor industry.

COMMUNITY COLLEGE CONCERNS

Community college participants expressed the following concerns:

- Lack of sufficient physical space to meet the capacity needed for student output;
- Lack of financial support to expand programs;
- Lack of understanding on the part of the public and educational leadership regarding this industry's potential growth;
- Difficulty recruiting and hiring qualified microelectronics/electronics and operator training instructors; and
- Lack of expertise and funding for recruiting activities that effectively attract students to these programs.

Suggested actions to address these concerns from the community college perspective are summarized in the Appendix.

ACKNOWLEDGMENTS

This report was commissioned by the Semiconductor Workforce Consortium. Lynne St. Jean, project manager, Workforce and Target Industries Department, Portland Development Commission (PDC), coordinated development of the report and worked with industry representatives to compile all statistics, position descriptions and support data. Under her direction, Brian Anderson translated statistics into the charts and graphs presented in the Appendix. Marcia Douglas, education liaison in the Workforce and Target Industries Department, PDC, assisted with report content and findings relating to K-12 and community colleges. The Oregon Economic Development Department provided writing assistance.

Shawn Fisher of Fujitsu Microelectronics, Inc. provided countless hours of advice and guidance in the development of the report. All Consortium members whose signatures appear at the front of the report contributed invaluable information and endured lengthy meetings to reach consensus on the contents and recommendations.

Funding for development of this report was provided by:

- City of Portland

 - Bureau of Housing and Community Development

 - City-School Liaison

 - Portland Development Commission Regional Business Development Program

- Washington County

- State of Oregon

 - Oregon Economic Development Department

For copies of this report, contact the Workforce and Target Industries Department, Portland Development Commission, 1120 S.W. Fifth Avenue, Suite 1100, Portland, Oregon 97204; (503) 823-4132.

APPENDIX

SEMICONDUCTOR INDUSTRY WORKFORCE AND TRAINING ASSESSMENT: PHASE ONE

THE SEMICONDUCTOR WORKFORCE CONSORTIUM

GOALS AND HISTORY OF THE CONSORTIUM

The Consortium was founded in 1989 under the leadership of the Governor's Office, the Oregon Economic Development Department, the Portland Development Commission, and the corporate members. The group operates under the auspices of the Oregon Council of the American Electronics Association.

The goal of the public/private/industry partnership is to develop education and training for the region's workforce, so local workers are qualified to pursue semiconductor employment opportunities. The strategy has been to work with colleges, high schools and grade schools to develop state-of-the-art training and development programs for all educational levels. Member companies in the Consortium represent 80 percent of the semiconductor industry in Oregon. Southwest Washington semiconductor companies are also represented in the group.

The Consortium's ongoing functions include: Assisting in the creation of a high school technology curriculum; developing a seamless semiconductor industry educational continuum; enhancing ongoing technical training for current industry employees and for employees retraining from other industries; and functioning as a resource for development of the region's workforce through knowledgeable guidance and support to the Oregon Economic Development Department, Portland Development Commission and other government agencies.

SEMICONDUCTOR WORKFORCE CONSORTIUM GOALS

- To develop, implement and promote training and development programs needed to meet current and future local semiconductor workforce needs.
- To encourage and support the efforts of other private, governmental, and school entities seeking to develop and enhance a local, high quality semiconductor workforce.
- To create a distinct identity and visibility for the semiconductor industry locally, nationally and internationally.
- To promote the industry's importance to the business climate and economic growth of Oregon and Southwest Washington.

CONSORTIUM IMPACTS TO DATE

The first project completed by the Consortium, creation of a pre-employment Semiconductor Manufacturing Curriculum to train potential workers for semiconductor industry job opportunities, was recognized both nationally and internationally. The project brought together American, Japanese and German companies, working cooperatively for the first time to develop a common workforce in the United States. The 300-page curriculum was published, implemented and eventually integrated into orientation programs by companies in the Consortium.

Other impacts of the Semiconductor Workforce Consortium to date include:

- **Expanding the training vision to create an educational continuum, beginning at the high school level moving through an Associate Degree and on to a Bachelor's Degree.** To this end, the Consortium companies have become partners with Oregon Institute of Technology in the implementation of a \$1.3 million Advanced Research Projects Agency grant from the federal government for the retraining of displaced Oregon defense workers - assistance that will benefit high school students, laid-off Oregon defense workers and others interested in pursuing semiconductor job opportunities through a microelectronics education.
- **Playing a key role in attracting new businesses to Oregon and growing existing business,** including working closely with state, local and regional economic development agencies.
- **Working with area high schools to prepare students for future semiconductor industry careers.** These efforts are designed to provide information on the industry and position students for full-time study after graduation or other entry into the industry.
- **Providing employees at several Consortium semiconductor manufacturers with the opportunity to earn a Microelectronics Technology Associate Degree while working full time.** Full-time employees may also be able to earn Bachelor's and Master's Degrees, thanks to the cooperation of leading community colleges and state colleges and universities.
- **Supporting the development of a National Science Foundation Grant to develop curriculum for two-year colleges, with an emphasis on technical training** and the possibility of providing school-to-work links to K-through-12 schools. (Appendix contains an illustration of the school-to-work continuum.)

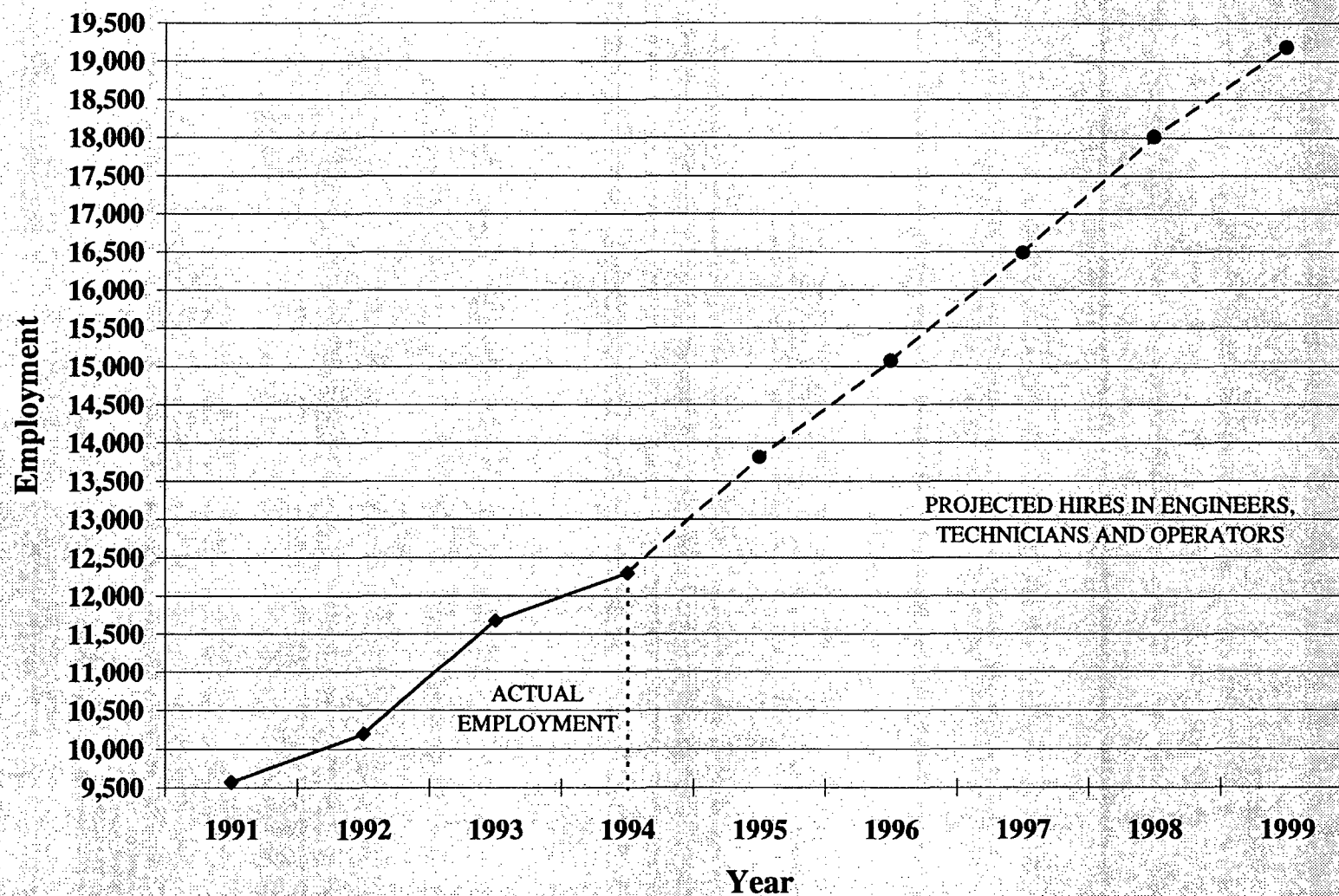
INDUSTRY EMPLOYMENT TRENDS

CHARTS 1 - 4

OREGON AND SOUTHWEST WASHINGTON

Employment Trends in Semiconductor Industry & Related Devices (SIC 3674)

Past, Current & Projected



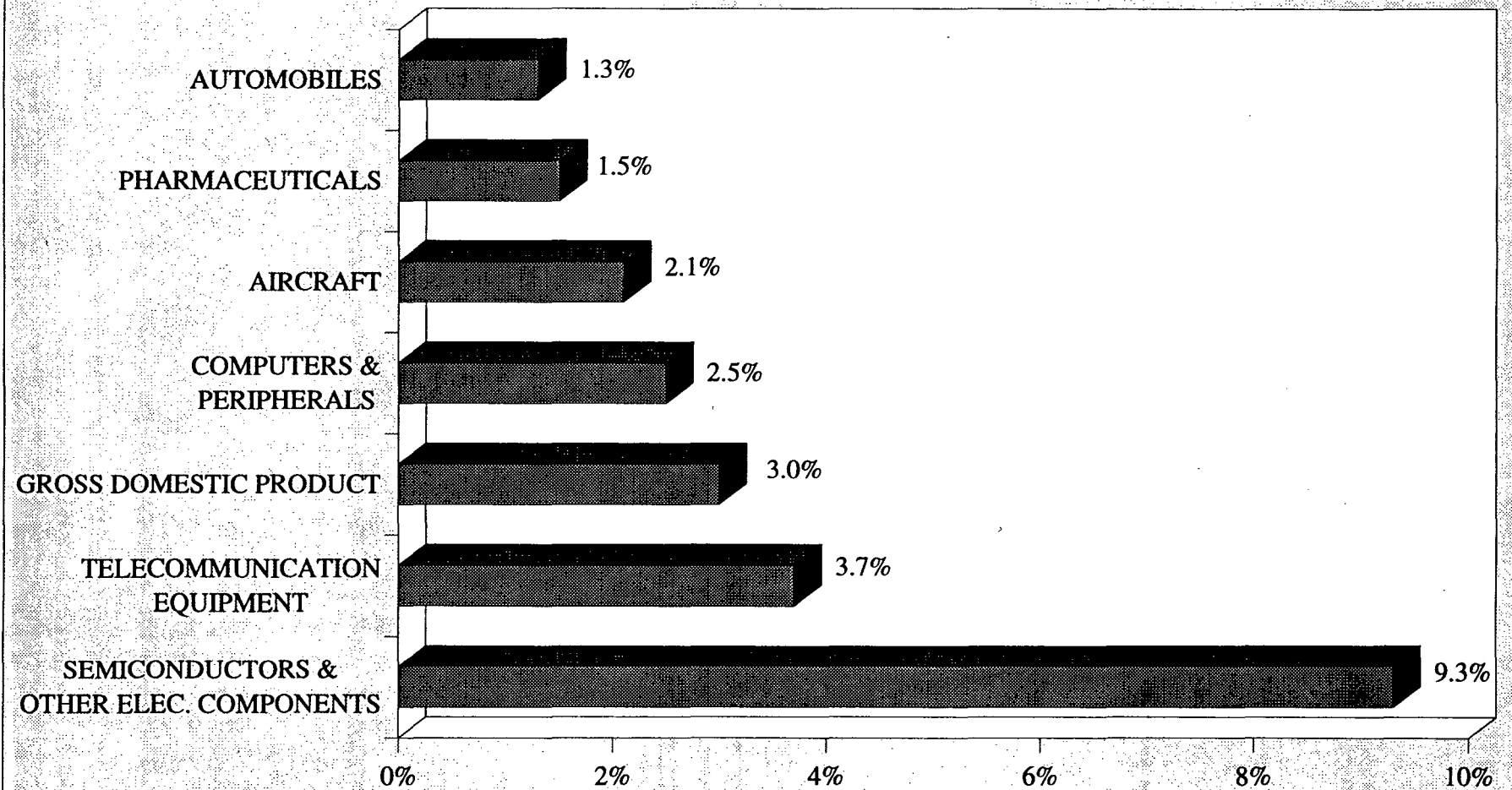
SIC = Standard Industrial Classification.

Sources: Semiconductor Workforce Consortium Hiring Survey 1995 (Oregon and Southwest Washington); data as of 12/94.

Oregon Employment Department; data from 1991 - 1993.

CHART 1

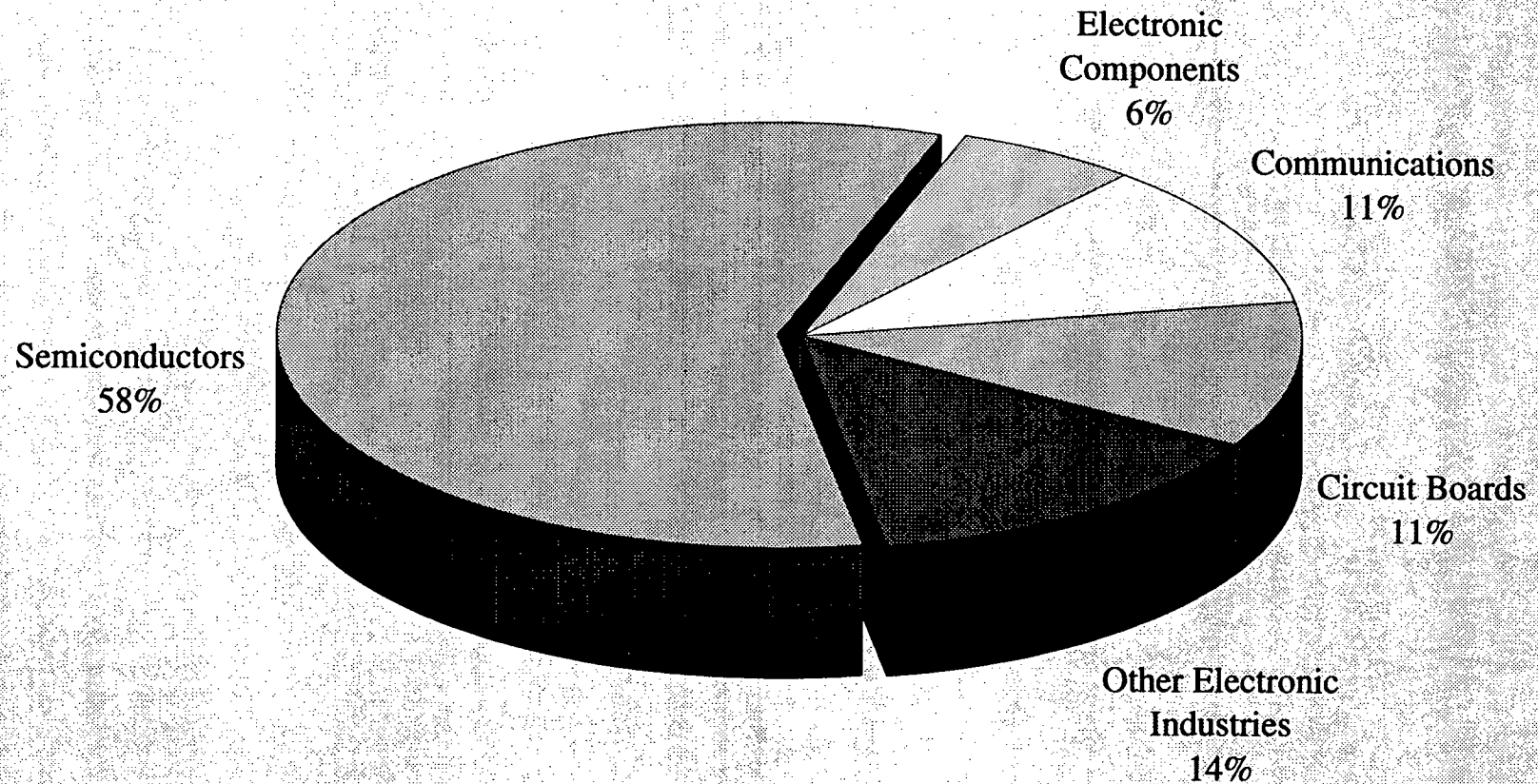
**KEY U.S. MANUFACTURING INDUSTRIES
COMPOUND ANNUAL GROWTH RATES 1987 - 1994**



Source: U.S. Industrial Outlook 1994.

CHART 2

Oregon Employment in the Electronics Grouping (SIC 36) - 1993



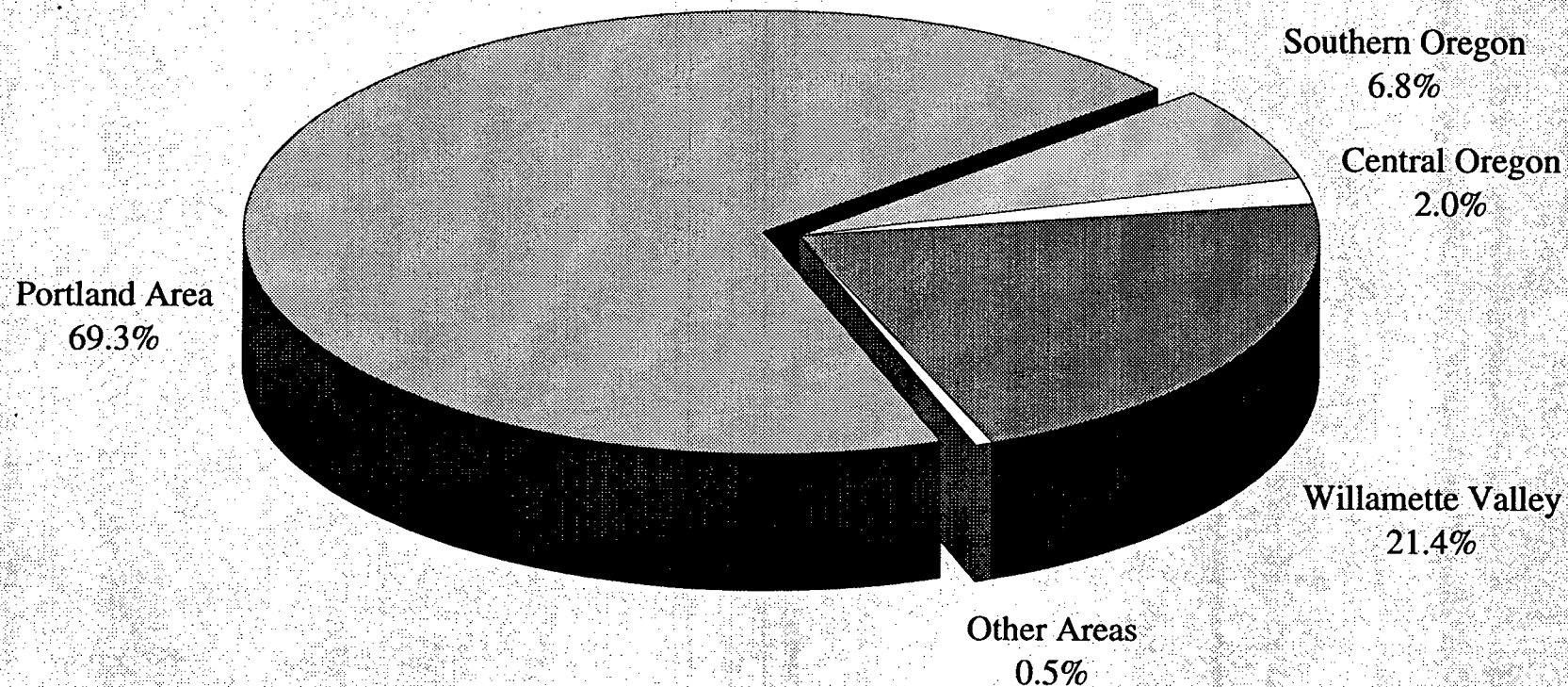
Employment in SIC 36 (Electronic and Electrical Equipment) totals 20,029 in Oregon. Other key high tech sectors include SIC 357 (Computer and Office Equipment) at 5,033 jobs; SIC 38 (Instruments) at 10,696 jobs; and SIC 737 (Software and Computer Services) at 9,064 jobs for a total high tech employment of 44,822.

SIC = Standard Industrial Classification.

Source: Oregon Employment Department 1993.

CHART 3

Oregon Regional Employment within the Electronics Grouping (SIC 36) - 1993



Employment in SIC 36 (Electronic and Electrical Equipment) totals 20,029 in Oregon. Other key high tech sectors include SIC 357 (Computer and Office Equipment) at 5,033 jobs; SIC 38 (Instruments) at 10,696 jobs; and SIC 737 (Software and Computer Services) at 9,064 jobs for a total high tech employment of 44,822.

SIC = Standard Industrial Classification.

Source: Oregon Employment Department 1993.

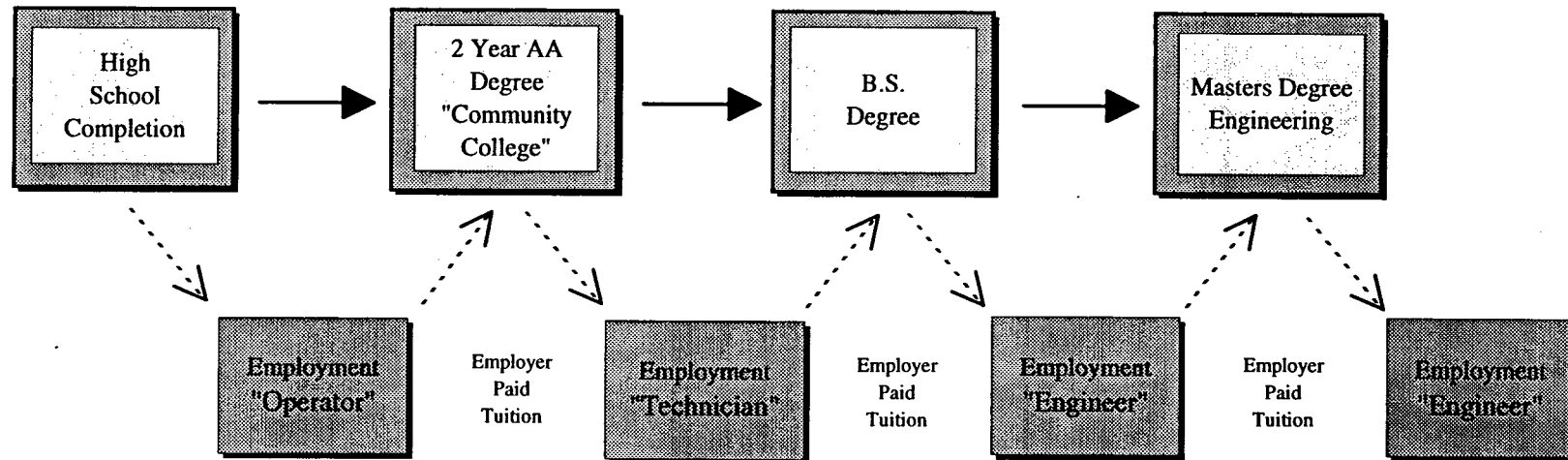
CHART 4

TRAINING AND EDUCATION

CHARTS 5 - 8

CAREER PROGRESSION IN THE SEMICONDUCTOR INDUSTRY

EDUCATION ROUTE



EMPLOYMENT/ON-THE-JOB TRAINING ROUTE

Current Semiconductor-Related Education and Training at Postsecondary Level -- April 1995

PROGRAM*	TARGET OCCUPATIONS	LENGTH OF PROGRAM	TOTAL NUMBER OF GRADUATES POSSIBLE (Per Year)	OUTPUT OF GRADUATES (Per Year)	PLACEMENT OF GRADUATES	NUMBERS IN CUSTOMIZED TRAINING
CHEMEKETA COMMUNITY COLLEGE						
Electronic Assembly & Manufacturing	Operator	6 weeks	15	(as needed)	Depends on industry	
Electronic Engineering Technology	General Electronics	2 years	30	20	Depends on industry	
Industrial Electronics Technician	Equipment Repair	2 years	24	6	Depends on industry	
LINN-BENTON COMMUNITY COLLEGE						
General Electronics Manufacturing Skills	Operator	7 weeks	90	15 every 7 weeks	Hewlett-Packard & other companies	
Electronic Engineering Technology	Equipment Repair Technician	2 years	60 (20)	45 (15 funded thru grant)	Depends on industry	
Process Development Assistant for Hewlett-Packard	Operator	1 year	10	varies (10 per year, at present)	Hewlett-Packard - Operators	
MT. HOOD COMMUNITY COLLEGE						
Microelectronics Technology	Semiconductor Manufacturing Equipment Technician	2 years	Dependent on enrollment (on-site training)	0 as yet (in 1st yr. of pgm.)	Depends on company	120
Electronic Systems	General Equipment Technician	2 years	48 - 50	20	Depends on industry	
OREGON INSTITUTE OF TECHNOLOGY						
Manufacturing Engineering Technology	Manufacturing Engineers	2 yrs. after 2 - year Assoc. Degree or 4 years	100	0 as yet	Depends on industry	
PORTLAND COMMUNITY COLLEGE						
Electronic Assembly & Manufacturing	Operator	2 weeks (80 hours)	15	(as needed)	Depends on industry	
Microelectronics Technology	Semiconductor Manufacturing Technician	2 years	100	4 to date (currently 80 declared majors attending part-time)	INTEL - Technicians	200
Electronic Engineering Technology	General Electronics	2 years	50	15	Depends on industry	
Semiconductor Operator	Operator	2 weeks (80 hours)	20	(as needed)	Depends on industry	

* Not included on this chart are the numbers of Associate Degree candidates in chemistry, physics and other related courses who would also be viable applicants.

CHART 6

ACTION ITEMS

FOR COMMUNITY COLLEGES

PRIORITY CHALLENGES	SHORT-TERM SOLUTIONS	LONG-TERM SOLUTIONS
1. MARKETING	Create a marketing plan. Obtain funding for marketing. Hire marketing expertise. Involve industry in the recruitment of students.	Work with elementary, middle and high schools: * Teachers/Counselors * Parents * Students
2. QUALIFIED, INTERESTED STUDENTS	Bridging programs: * School to work * Welfare to work * Literacy training * Workplace basics Work with programs serving targeted populations.	Work with secondary schools: * Professional-technical * School to work Work with programs serving targeted populations.
3. SOCIAL SERVICES AND FINANCIAL AID	Continue to advocate for services from: State/Local Agencies A. Public sector B. Private sector Utilize Cooperative Education programs. Ask industry to create innovative approaches for trainees. Work with State and local agencies to provide social services for trainees.	Continue to advocate for services from: State/Local Agencies A. Public sector B. Private sector Utilize Cooperative Education programs. Ask industry to create innovative approaches for trainees. Work with State and local agencies to provide social services for trainees.
4. FACULTY Part-time Full-time Faculty Compensation	Recruit adjunct faculty. Professional Development: Increase industry-related expertise of faculty. Adequately compensate part-time faculty. Use industry people as instructors.	Replace full-time faculty as they retire: * Recruit * Provide professional development * Provide mentors * Summer internships in companies Adequately compensate part-time faculty. Use industry people as instructors.
5. LENGTH OF DEGREE / CERTIFICATE APPROVAL PROCESS	Work with State Education Department to change audit process. Shorten approval process to certify new programs.	Provide various paths into training including pre-technical options. ——> continues long term
6. GEOGRAPHIC LOCATIONS	Provide mobility in education programs. Coordinate among educational institutions. Provide transferability of coursework and credits.	——> continues long term ——> continues long term
7. MIDDLE SCHOOL AND HIGH SCHOOL PROGRAMS	Skill standards for math, science. Preserve electronics programs.	——> continues long term
8. PHYSICAL SPACE/EQUIP. (Classrooms and Labs)	Resources for more labs and supporting classes -- math, physics, chemistry.	——> continues long term

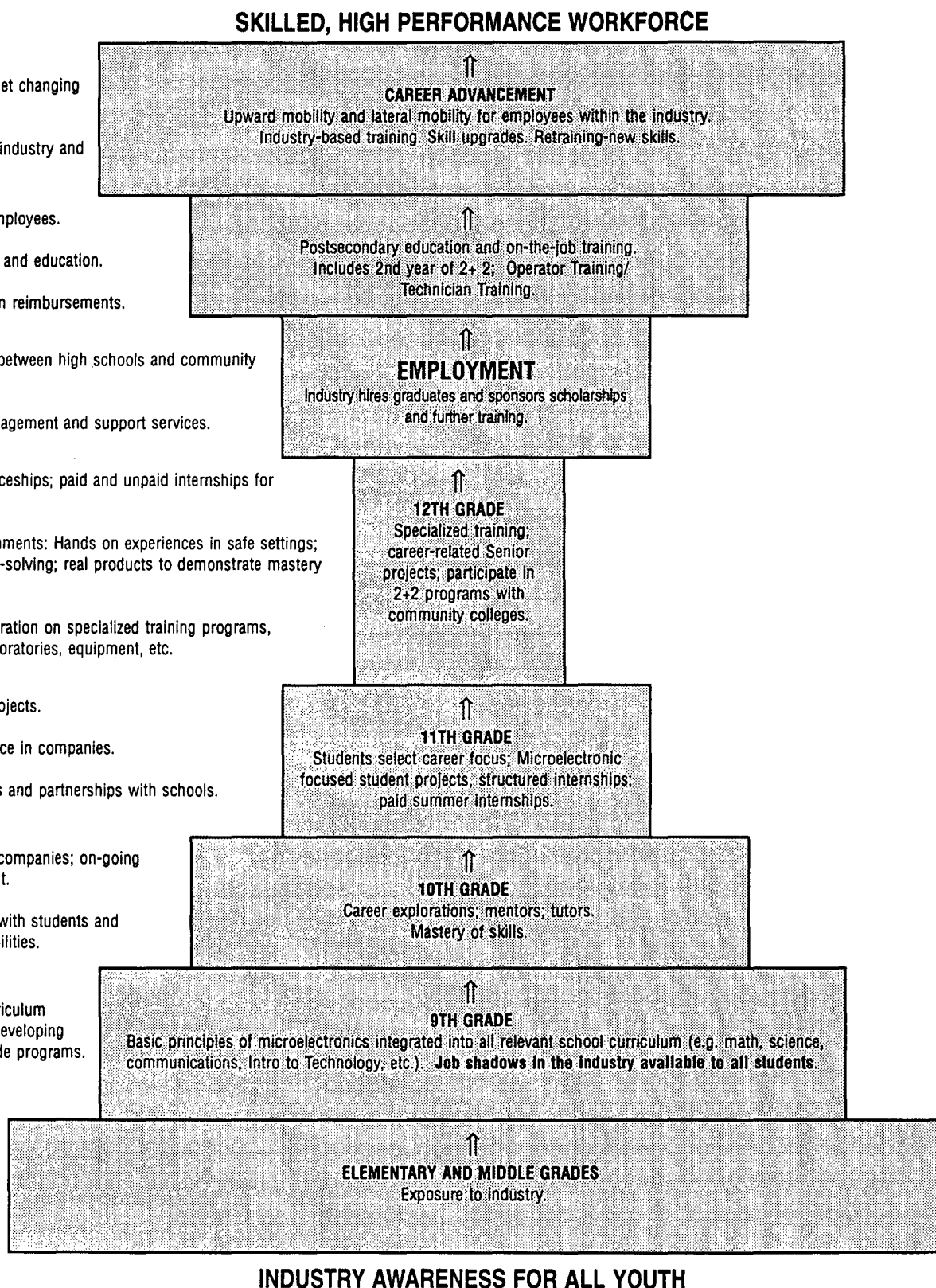
Source: Semiconductor Workforce Consortium.

CHART 7

SCHOOL-TO-WORK BUILDING BLOCKS FOR THE SEMICONDUCTOR INDUSTRY

Suggested Implementation Strategies:

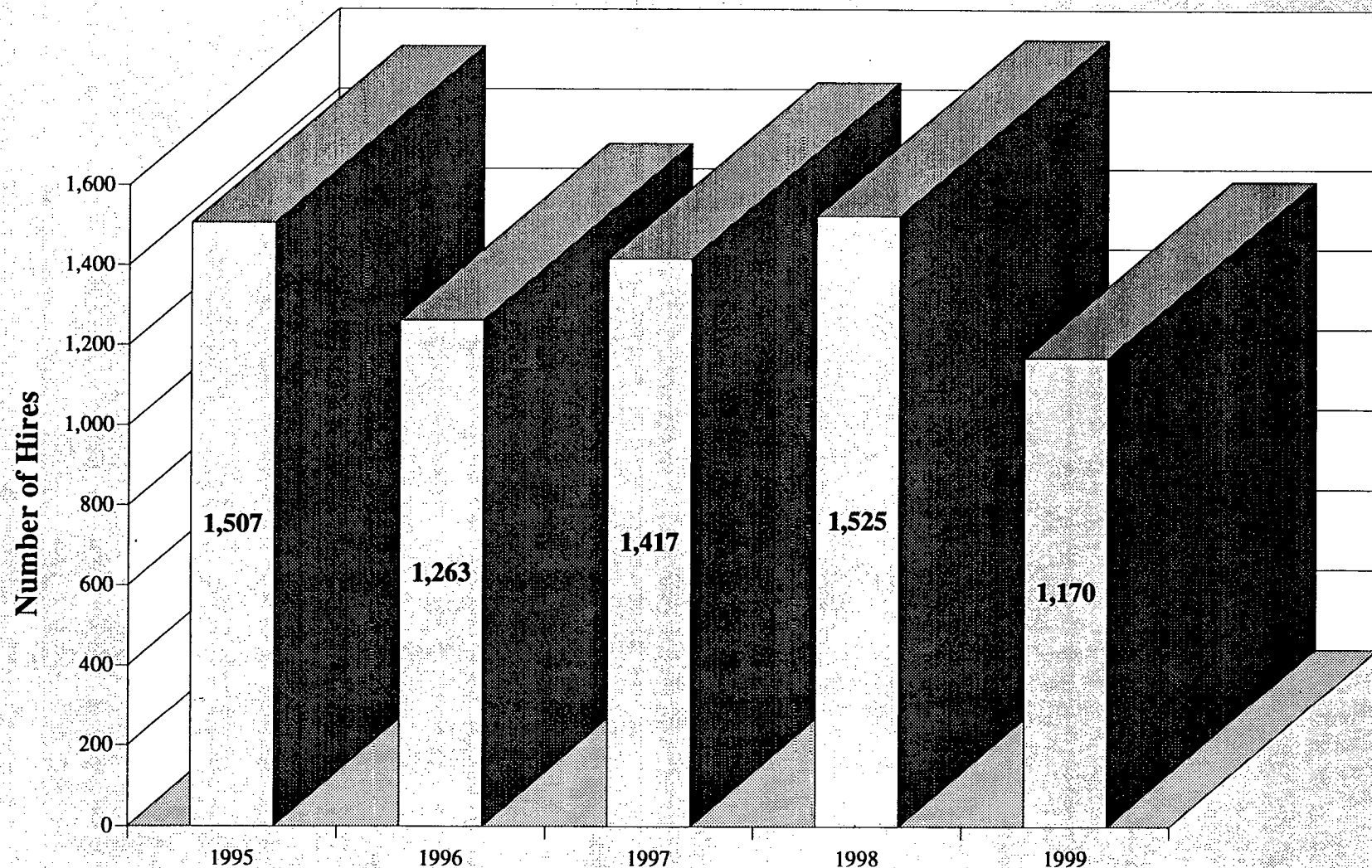
- Targeted training to meet changing workforce needs.
- Ongoing evaluation by industry and educators.
- Ongoing training for employees.
- Non-traditional training and education.
- Scholarships and tuition reimbursements.
- Articulated curriculum between high schools and community colleges.
- Job retention/case management and support services.
- Company-paid apprenticeships; paid and unpaid internships for students.
- Simulated work environments: Hands on experiences in safe settings; real tools; real problem-solving; real products to demonstrate mastery of skills.
- Industry/school collaboration on specialized training programs, curriculum options, laboratories, equipment, etc.
- Work-based student projects.
- Summer work experience in companies.
- Employer commitments and partnerships with schools.
- Teacher internships in companies; on-going curriculum development.
- Company connections with students and teachers: Many possibilities.
- Industry/education curriculum development teams: Developing 9th,10th,11th,12th grade programs.
- Marketing industry concepts: Field trips, classroom projects, etc.



**HIRING PROJECTIONS FOR THE
SEMICONDUCTOR INDUSTRY**

CHARTS 9 - 13

Semiconductor Industry Hiring Projections in Three Job Categories, 1995 - 1999*



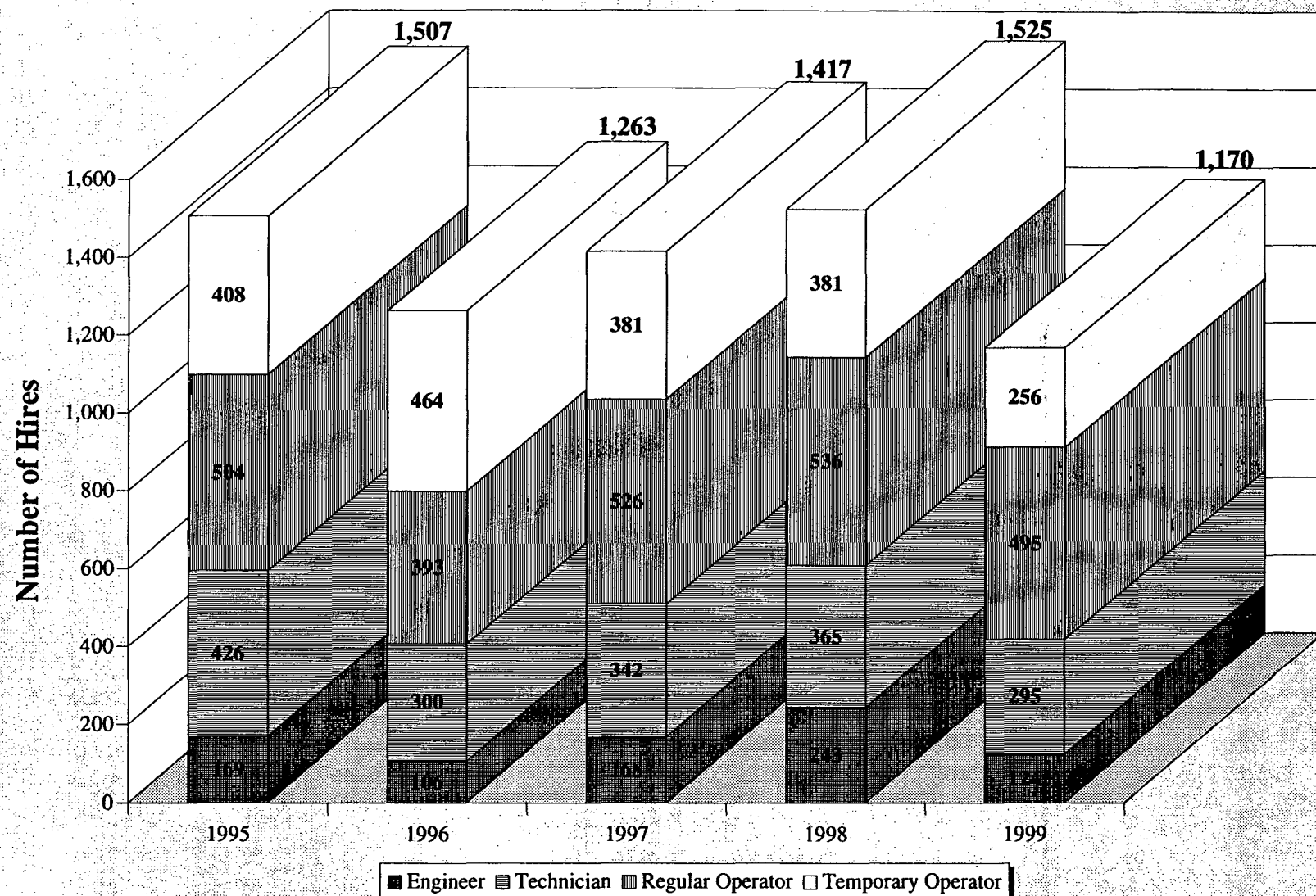
* Engineers, Technicians and Operators

Source: Semiconductor Workforce Consortium* Hiring Survey 1995 (Oregon and S.W. Washington).

* Member companies represent 80% of the semiconductor industry in Oregon. Projections represent expansion and replacement hires for most companies.

CHART 9

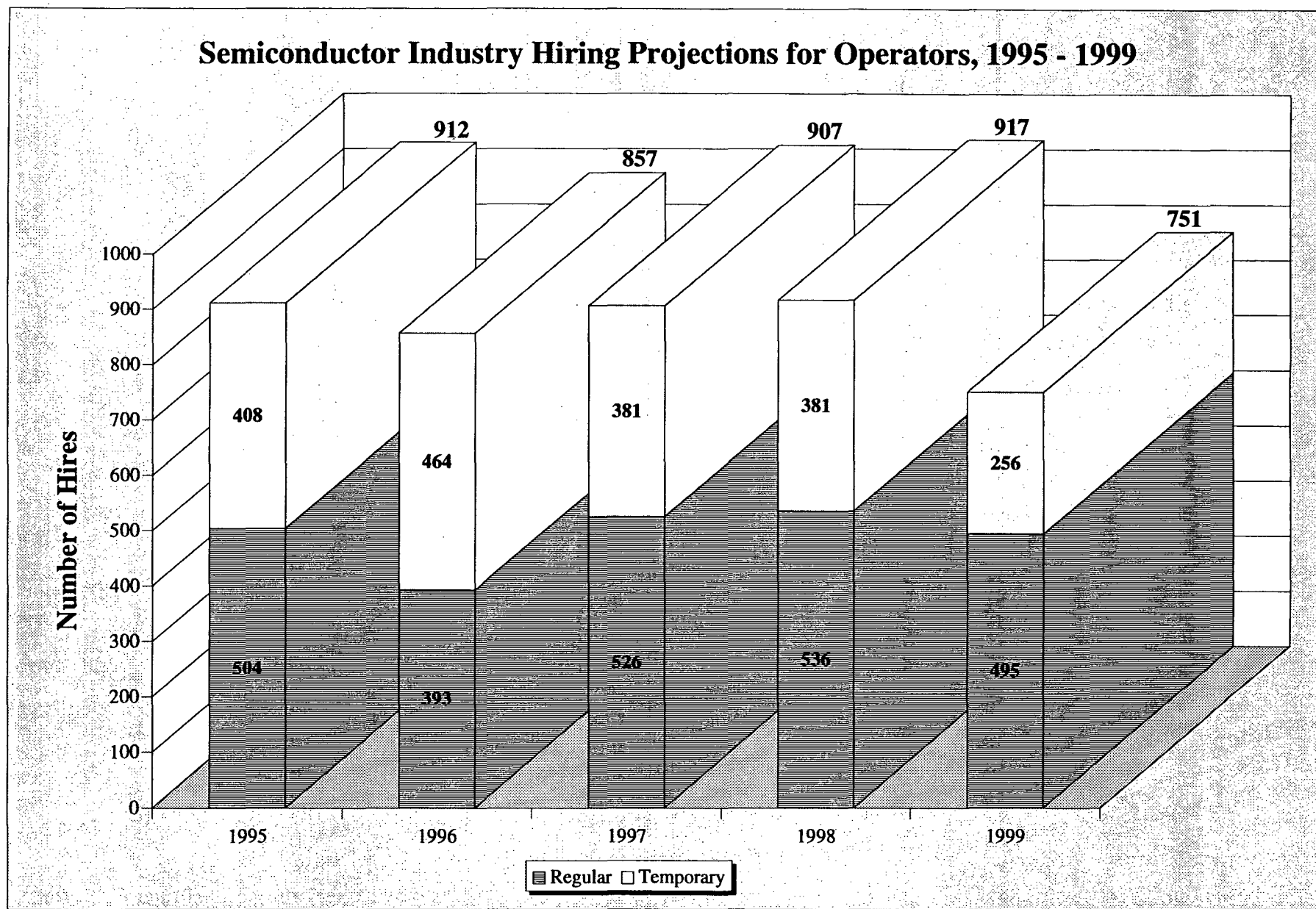
Semiconductor Industry Hiring Projections by Specific Job Categories, 1995 - 1999



Source: Semiconductor Workforce Consortium* Hiring Survey 1995 (Oregon and S.W. Washington).

* Member companies represent 80% of the semiconductor industry in Oregon. Projections represent expansion and replacement hires for most companies.

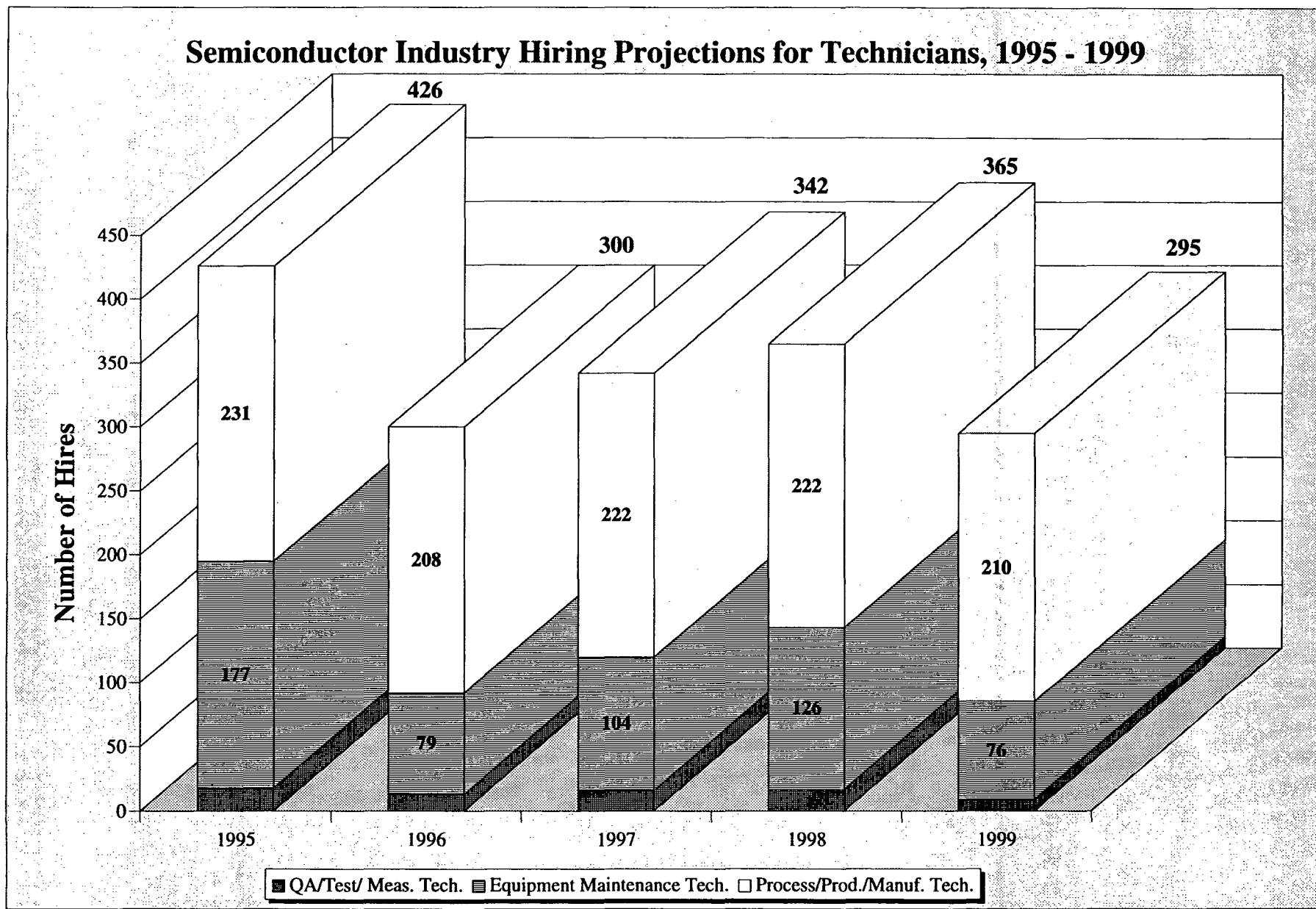
CHART 10



Source: Semiconductor Workforce Consortium Hiring Survey 1995 (Oregon and S.W. Washington).

Projections represent expansion and replacement hires for most companies. Most temporary operators become regular hires.

CHART 11

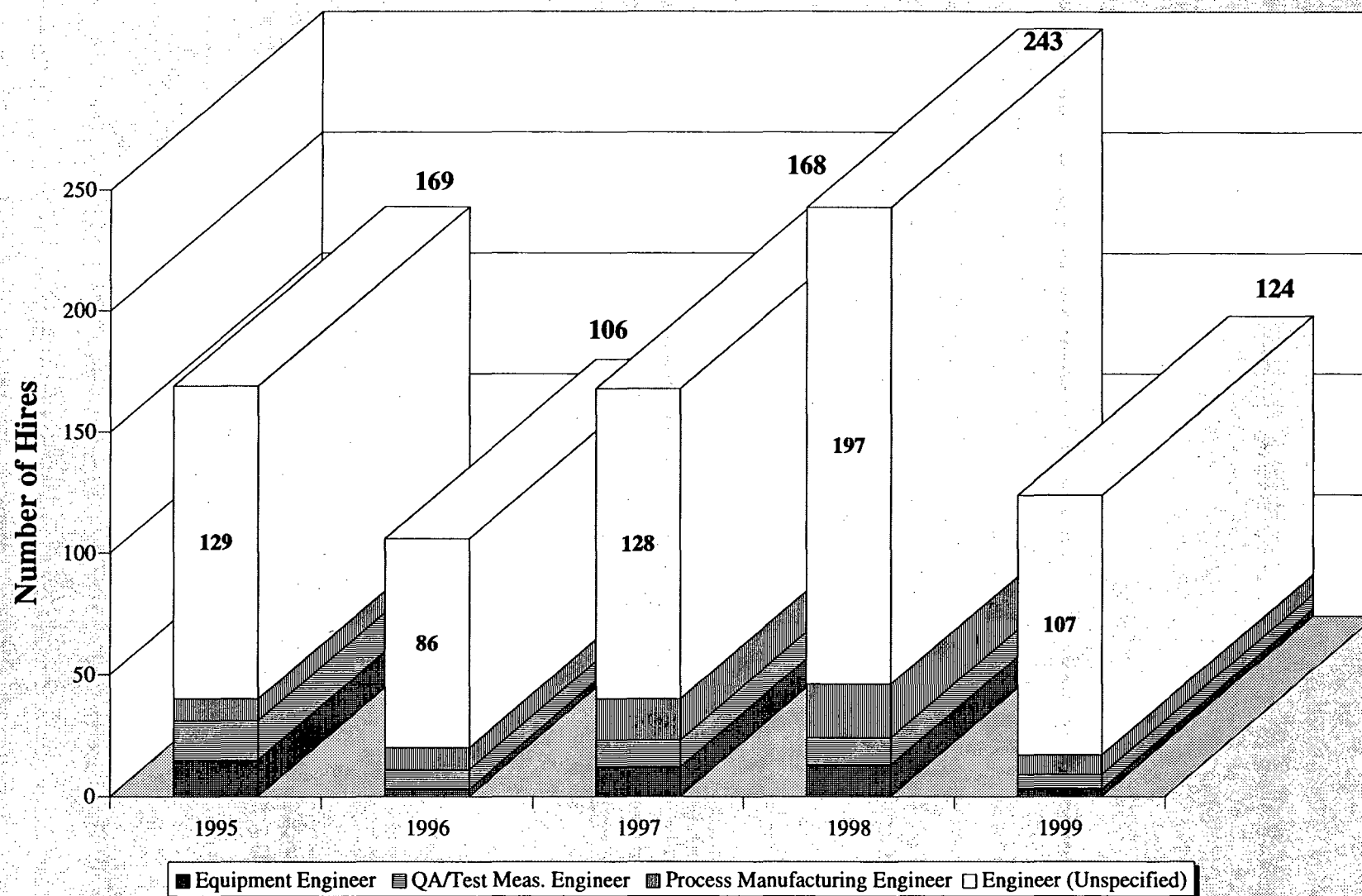


Source: Semiconductor Workforce Consortium* Hiring Survey 1995 (Oregon and S.W. Washington).

* Member companies represent 80% of the semiconductor industry in Oregon. Projections represent expansion and replacement hires for most companies.

CHART 12

Semiconductor Industry Hiring Projections for Engineers, 1995 - 1999



Source: Semiconductor Workforce Consortium* Hiring Survey 1995 (Oregon and S.W. Washington).

* Member companies represent 80% of the semiconductor industry in Oregon. Projections represent expansion and replacement hires for most companies.

CHART 13

COMPOSITE POSITION BRIEFS

**SEMICONDUCTOR INDUSTRY WORKFORCE
AND TRAINING ASSESSMENT: PHASE ONE**

**SEMICONDUCTOR WORKFORCE MATRIX - COMPOSITE POSITION BRIEF
FOR JOBS IN WAFER AND SEMICONDUCTOR MANUFACTURING COMPANIES**

GENERAL JOB CLASSIFICATION: OPERATOR

GENERAL JOB DUTIES	KNOWLEDGE, SKILLS & ABILITIES	REQUIRED EDUCATION AND EXPERIENCE
<p>Performs a wide variety of complex, non-repetitive or semi-repetitive tasks involved in wafer and semiconductor fabrication. Work is usually performed in teams and under limited supervision.</p> <p>May perform production duties such as: coating or developing wafers; inspecting for defects; assisting in chemical handling and other housekeeping; loading and unloading product at each stage of processing; cleaning and replacing supply items on equipment as needed; recording process data such as flow rates and parts changes; controlling equipment through continuous monitoring; and troubleshooting.</p> <p>Inspection duties may involve visual, dimensional and mechanical/electrical inspection of raw incoming, in process or completed semiconductor devices; recording results; and determining appropriate disposition. May operate automated machinery and utilize hand tools to test integrated circuits.</p> <p>Specialized tasks may include: crystal growing, grinding, slicing, chemical etching, wafer inspection or operating other processing equipment.</p> <p>Equipment used may include test systems, handlers, scanners, probers, burn ovens, microscopes, bar-code equipment, moveable carts and hand tools (such as tweezers and vacuum wands).</p>	<ul style="list-style-type: none"> • Ability to read, understand and consistently apply process specifications and other technical direction with careful attention to detail for set-up/selection of proper tooling and processing. • Ability to communicate process data to engineers, technicians and supervisors verbally and in writing. • Numerical aptitude and basic math through decimals and fractions. Ability to use percentages, averages and math formulas. • Ability to use calculator, terminal and prescribed computer programs. Computer keyboarding/data entry skills. • Ability to use flowcharts and process control charts. • Good hand/eye coordination. • High awareness of safety issues. • Ability to operate multiple work stations and perform multiple tasks. • Desire to be cross-trained in various duties. 	<p>High school diploma or GED.</p> <p>One year experience in production environment preferred.</p> <p>Some employers may require college level course work or previous semiconductor experience. This is especially true for higher level Operators.</p>

SEMICONDUCTOR WORKFORCE MATRIX - COMPOSITE POSITION BRIEF

GENERAL JOB CLASSIFICATION: PROCESS TECHNICIAN

GENERAL JOB DUTIES	KNOWLEDGE, SKILLS & ABILITIES	REQUIRED EDUCATION AND EXPERIENCE
<p>Provides technical support for a variety of complex, semi-routine fabrication activities requiring technical knowledge of processing standards. Performs technical engineering tasks within an area which includes monitoring process output parameters. Tasks include analyzing and troubleshooting process-related problems. Performs troubleshooting and debugging of assemblies, subsystems and systems to determine cause and remedy for malfunctions. Makes decisions on material disposition after processing errors. May participate in product experiments or design of experiments to find the source of process problems to optimize process limits. May assist in routine low volume processing of product.</p> <p>Assists in calibration, set-up, trouble-shooting and repair of standard laboratory and production test equipment and devices. May be assigned in areas such as production, test, system checkout, quality control or the like. Assists in the development of new processes or products by fabricating and testing prototypes. Performs adjustments on processing equipment. Includes setup, re-calculations, clearing machine difficulties and preventive maintenance. Reviews corrective action taken by operators.</p> <p>Uses standard electronic test equipment such as scopes, scanning electron microscopes, digital multi-function volt meters, etc., or metrology tools.</p> <p>Works closely with process engineers.</p>	<ul style="list-style-type: none">• Demonstrated verbal, written communication and analytical skills.• Ability to calculate figures and amounts such as proportions, percentages, area and volume and apply basic concepts of algebra.• Basic electronics, device fabrication or digital circuits familiarity highly desirable.• Requires a basic knowledge of related integrated circuit device characterization or device failure analysis, scanning electron microscope operation and sample preparation techniques.• Must be able to assume responsibility and exercise initiative to accomplish objectives.• Ability to work with diagrams, schematics, technical manuals and specifications plus written and verbal instructions.• Working knowledge of Statistical Process Control.• Working knowledge of microcomputer operations and related software.• Utilize a working knowledge of hydraulics, pneumatics, optics, fluid-logic vacuum and gases to analyze and repair.• Help provide direction for peer technicians as well as contribute to and participate with on-the-job training.	<p>Associate Degree in Electronic Engineering Technology, Microelectronics Technology, Manufacturing Technology, Chemistry, Physics, or similar technology degree. Some employers will accept equivalent combination of education and experience.</p>

SEMICONDUCTOR WORKFORCE MATRIX - COMPOSITE POSITION BRIEF

GENERAL JOB CLASSIFICATION: EQUIPMENT MAINTENANCE TECHNICIAN

GENERAL JOB DUTIES	KNOWLEDGE, SKILLS & ABILITIES	REQUIRED EDUCATION AND EXPERIENCE
<p>Monitors, maintains and performs a variety of complex repairs on wafer and semiconductor fabrication equipment to ensure uninterrupted production flow. Also performs periodic preventive maintenance procedures as defined by specifications.</p> <p>Provides technical support in the form of troubleshooting, installation, diagnostics, adjustment, repair, modification, assembly and calibration of equipment according to layout plans, blueprints, manuals, drawings and verbal or written instructions. Performs electrical, mechanical, software troubleshooting and maintenance for related equipment, tools, cable assemblies and fixtures. Checks and calibrates tools, equipment and fixtures using test and diagnostic equipment as required. Cleans and lubricates shafts, bearings, gears and other parts of machinery. Assists in the layout, assembly, installation and maintenance of pipe systems and related hydraulic and pneumatic equipment, and assists in the repair and replacement of gauges, valves, pressure regulators and related equipment. Maintains and monitors maintenance parts stock. Maintains accurate records and logs of modifications, calibrations, adjustments and parts inventory.</p> <p>May perform equipment and fixture modifications as directed by manufacturing engineers. Equipment used includes office equipment, power supplies, oscilloscopes, logic analyzers, volt meters, soldering irons, hand tools, power tools and personal computers or other hand/power tools and test equipment. Maintains a limited degree of proficiency in programmable controllers, microprocessors, control circuits, analog/digital circuits, motors and basic troubleshooting skills.</p> <p>Works closely with equipment engineers.</p>	<ul style="list-style-type: none">• Working knowledge of chemicals and gases used in the semiconductor fab process.• Demonstrated technical, verbal and written communication skills.• Requires a basic understanding of equipment maintenance practices, preferably in a high volume, wafer or semiconductor operation.• Requires experience with standard precision measuring devices such as oscilloscopes.• Related equipment experience.• Ability to read, analyze and interpret schematics, maintenance manuals and engineering sketches.• Ability to write reports, specifications and other documents and effectively present or interpret information.• Ability to calculate figures and amounts such as averages, proportions, percentages, area, circumference and volume, and apply concepts of algebra.	<p>Associate Degree in Electronics Technology or related field.</p>

SEMICONDUCTOR WORKFORCE MATRIX - COMPOSITE POSITION BRIEF

GENERAL JOB CLASSIFICATION: TEST/MEASUREMENT TECHNICIAN

GENERAL JOB DUTIES	KNOWLEDGE, SKILLS & ABILITIES	REQUIRED EDUCATION AND EXPERIENCE
<p>Monitors, maintains and repairs test equipment to ensure uninterrupted flow of wafer sort. Tasks include setting up test equipment, troubleshooting and diagnostics, and making repairs to the board level. Performs moderately complex tests and experiments to characterize semiconductor devices, such as wafer probing, transistor and other electronic elements, physical and electrical failure analysis, etc.</p> <p>Responsible for controlling the performance of all measuring and test equipment including building and repairing test fixtures. Performs calibration, preventive maintenance and basic electro-mechanical troubleshooting or repairs on complex instruments and systems per written instructions. May assemble, dis-assemble and test microcomputer system performance and install and test software on various microcomputer systems. Collects and reports on experimental data and prepares written calibration and preventive maintenance instructions. Prepares purchase requests, work requests, reports and any other necessary paperwork.</p> <p>May assist in the development of test software or support a variety of complex quality assurance/control or reliability activities where judgment is required in resolving problems and making routine recommendations. May build jigs and fixtures, calibrate equipment and perform light wiring using logic and schematic diagrams.</p> <p>Uses general office equipment, personal computers, automated test equipment, burn ovens, measuring tools such as wafer probers, oscilloscopes, failure analysis equipment such as scanning electron microscopes and various hand tools. Works closely with test engineers.</p>	<ul style="list-style-type: none">• A high level of understanding of processing and electrical characteristics is required.• Requires a basic knowledge of semiconductor test and analysis, calibration and metrology fundamentals.• Requires a strong understanding of electrical theory and circuitry.• Exposure to the following equipment is required: personal computers, workstations, oscilloscopes and computer controlled test equipment.• Must have good spreadsheet and word processing software skills.• Ability to read and understand documents such as schematics, safety rules, operating and maintenance manuals, engineering sketches, technical journals and procedure manuals.• Ability to work with mathematical concepts such as probability and statistical interference, and fundamentals of trigonometry.• Ability to apply concepts such as fractions, percentages, ratios, proportions and Statistical Process Control to practical situations.• Knowledge of microcomputer hardware and software.	<p>Associate Degree in Electronic Engineering Technology or equivalent.</p>

SEMICONDUCTOR WORKFORCE MATRIX - COMPOSITE POSITION BRIEF

GENERAL JOB CLASSIFICATION: OTHER TECHNICIANS

POSITION TITLE	JOB BRIEF
MASK DESIGN TECHNICIAN	Prepares layout drawings and designs of integrated circuits from schematics using computer-aided design equipment. Tasks include converting logic schematic drawings to cell drawings in accordance with design rules. Performs design rule checks and prepares databases for pattern generation. Works closely with design engineers.

POSITION TITLE	JOB BRIEF
FACILITIES TECHNICIAN	Monitors, maintains and performs a variety of complex repairs on environmental support equipment to ensure uninterrupted production flow. Typical environmental support equipment includes: RODI, air handlers, humidity and temperature controllers, chemical supply systems and environment monitoring systems. Also performs periodic preventive maintenance procedures as defined by specifications. Tasks include installations, removal, repair and troubleshooting/diagnostics. Operates hand/power tools and test equipment. Works closely with equipment and facilities engineers.

POSITION TITLE	JOB BRIEF
SELF SUSTAINING TECHNICIAN	Combines production, engineering and maintenance knowledge and skills. Operates equipment; makes process engineering decisions; controls process parameters using Statistical Process Control; manages inventories; makes production decisions; performs regular preventive maintenance (PMs); and repairs own equipment.

SEMICONDUCTOR WORKFORCE MATRIX - COMPOSITE POSITION BRIEF

GENERAL JOB CLASSIFICATION: PROCESS ENGINEER

GENERAL JOB DUTIES	KNOWLEDGE, SKILLS & ABILITIES	REQUIRED EDUCATION AND EXPERIENCE
<p>Provides in-depth technical support for complex semiconductor fabrication activities, processes, products and equipment. Responsible for coordinating and performing adjustment on processing equipment to optimize processes. Uses statistical techniques to evaluate processes and test performances. Develops, reviews and modifies process specifications.</p> <p>Monitors production technician and operator performance, cleanroom procedures and equipment operation.</p>	<ul style="list-style-type: none">• A high level of mathematics and a working knowledge of Statistical Process Control techniques and methods.• The ability to recognize deviations from accepted parameters and provide countermeasures to correct the non-conformance.• Strong teamwork, communication and formal presentation skills are required.• Ability to coordinate and perform all activities required for initial justification and successful implementation of new processes or processing equipment.• Computer keyboarding and word processing are required. Able to use databases or Statistical Process Control programs to monitor processes or equipment parameters.	<p>Bachelor's Degree in a physical science or the equivalent experience/training in a technical or scientific area of study.</p>

SEMICONDUCTOR WORKFORCE MATRIX - COMPOSITE POSITION BRIEF

GENERAL JOB CLASSIFICATION: EQUIPMENT ENGINEER

GENERAL JOB DUTIES	KNOWLEDGE, SKILLS & ABILITIES	REQUIRED EDUCATION AND EXPERIENCE
<p>Maximizes the availability and productivity of the equipment in an assigned area by designing and implementing corrective and preventive maintenance procedures.</p> <p>Responsible for projects related to replacement, repairs and improvements in manufacturing equipment. Provides technical and analytical support to the operation and maintenance of manufacturing processes and products. Acts as a resource to assist equipment maintenance technicians in the completion of complex equipment repairs.</p> <p>Provides training to equipment maintenance technicians. Implements equipment modifications to maximize equipment availability.</p>	<ul style="list-style-type: none">• Ability to recognize deviations from accepted parameters and provide countermeasures to correct the non-conformance.• Ability to develop, review and modify equipment, preventive maintenance procedures and specifications.• Strong teamwork, communication and formal presentation skills are required.• Ability to troubleshoot assigned equipment to component level.• Ability to monitor equipment parameters and make recommendations to correct non-conformance.• Working knowledge of wafer or semiconductor manufacturing methods and theory.	<p>Bachelor's Degree in Electrical or Mechanical Engineering, Physics or related science, or the equivalent in training and experience.</p>

SEMICONDUCTOR WORKFORCE MATRIX - COMPOSITE POSITION BRIEF

GENERAL JOB CLASSIFICATION: QUALITY ASSURANCE ENGINEER

GENERAL JOB DUTIES	KNOWLEDGE, SKILLS & ABILITIES	REQUIRED EDUCATION AND EXPERIENCE
<p>Develops, implements and administers quality programs to ensure compliance with established company and customer standards and specifications. Provides guidance and support to Quality and Reliability support groups, manufacturing areas and vendors in making quality-related decisions or recommendations.</p> <p>Collects and analyzes process data to ensure conformance to manufacturing specifications.</p>	<ul style="list-style-type: none">• A high level of mathematics and a working knowledge of Statistical Process Control techniques and methods.• Ability to recognize deviations from accepted parameters and provide countermeasures to correct the non-conformance.• Strong teamwork, communication and formal presentation skills are required.• Computer keyboarding and word processing are required.• Ability to use databases or Statistical Process Control programs to monitor processes or equipment parameters.• Demonstrated quality assurance practices and techniques.	<p>Bachelor's Degree in Semiconductor Processing, Statistics, Chemistry, Physics or Electrical Engineering or related area or the equivalent in training and experience.</p>

SEMICONDUCTOR WORKFORCE MATRIX - COMPOSITE POSITION BRIEF

GENERAL JOB CLASSIFICATION: TEST ENGINEER

GENERAL JOB DUTIES	KNOWLEDGE, SKILLS & ABILITIES	REQUIRED EDUCATION AND EXPERIENCE
<p>Provides technical support for a variety of complex, semi-routine wafer or semiconductor testing activities requiring a knowledge of testing standards and the ability to recognize deviations from accepted parameters.</p> <p>Provides engineering support on wafer or semiconductor testing equipment to include setups, recalculations of settings and clearing of machine or process problems.</p> <p>Processes test runs and documents results to meet product specifications and quality standards.</p> <p>Performs tests for new processes and products.</p>	<ul style="list-style-type: none">• Ability to recognize deviations from accepted parameters and provide countermeasures to correct the non-conformance.• Ability to develop, review and modify test equipment, procedures and specifications.• Strong teamwork, communication and formal presentation skills are required.• Ability to monitor equipment parameters and make recommendations to correct non-conformances.• Working knowledge of wafer or semiconductor manufacturing methods and theory.• Working knowledge of processing specifications and requirements.	<p>Associate Degree in Microelectronics, Chemistry, Physics, Electronics or other related area or the equivalent in training and experience.</p>

Meeting Date: MAY 25 1995

Agenda No.: B-2

(Above Space for Board Clerk's Use *ONLY*)

AGENDA PLACEMENT FORM

SUBJECT: Board Briefing - Community Action Placement Task Force Report

BOARD BRIEFING: Date Requested: 5/25/95
Amount of Time Needed: ~~1 Hour~~ Requested 30 mins

REGULAR MEETING: Date Requested:
Amount of Time Needed:

DEPARTMENT: Community & Family Services DIVISION:

CONTACT: Jo Ann Allen TELEPHONE: X-3963
BLDG/ROOM: 106/1515

PERSON(S) MAKING PRESENTATION: Katie Gaetjens, County Counsel, Jerralynn Ness, Community Action Directors of Oregon, Jan Savidge, Community Action Agency, Lorenzo Poe, Rey Espana

ACTION REQUESTED:

☐ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☒ APPROVAL ☐ OTHER

SUMMARY (Statement of rationale for action requested, personnel and fiscal/budgetary impacts, if available):

Briefing on Community Action Placement Task Force Report

SIGNATURES REQUIRED:

ELECTED OFFICIAL: Beverly Stein

OR

MANAGER: _____

Any Questions? Call the Office of the Board Clerk at 248-3277 or 248-5222.

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CLERK
UNIT COMMUNICATIONS
1995 MAY 18 PM 2:14
MULTNOMAH COUNTY
OREGON

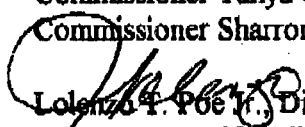
**MULTNOMAH COUNTY OREGON**

COMMUNITY AND FAMILY SERVICES DIVISION
ADMINISTRATIVE OFFICES
421 S.W. FIFTH AVENUE, 2ND FLOOR
PORTLAND, OREGON 97204
(503) 248-3691 / FAX (503) 248-3379
TDD (503) 248-3598

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR OF THE BOARD
DAN SALTZMAN • DISTRICT 1 COMMISSIONER
GARY HANSEN • DISTRICT 2 COMMISSIONER
TANYA COLLIER • DISTRICT 3 COMMISSIONER
SHARRON KELLEY • DISTRICT 4 COMMISSIONER

MEMORANDUM

TO: Chair Beverly Stein
Commissioner Dan Saltzman
Commissioner Gary Hansen
Commissioner Tanya Collier
Commissioner Sharron Kelley

FROM:  Lorenzo T. Poe Jr., Director
Community and Family Services Division

DATE: January 24, 1995

SUBJECT: Community Action Commission Placement Task Force Report Analysis

This memorandum is to present CFSD's analysis of the Community Action Placement Task Force Report submitted to you this month. This document will address the implications of establishing a Community Action program organizationally separate from CFSD and operationally independent of the County Chair in the areas of budget, and integrated services policy. Consolidation of contract and evaluation operations within CFSD will also be addressed. I am particularly concerned with the budget information and analysis presented to the Placement Task Force, as it is significantly inconsistent with CFSD budget office documentation nor does it provide an accurate picture of program and staff costs.

Our areas of concern can be outlined as follows:

I. **BUDGET IMPLICATIONS**

The Community Action Program Office (CAPO) budget of \$11,417,959 is funded by a variety of different revenues, including County General Fund (CGF), federal grants, State agreements and local grants and contracts. The largest share of these revenues comes in the form of the State Community Services Intergovernmental Agreement (IGA). For FY 1994/95, the revised total for this IGA is \$7,274,162, which represents 64% of the CAPO budget.

CAC Placement Task Force Report Analysis
January 24, 1995
Page 2

County General Funds within the CAPO budget total \$1,268,049. This represents 11% of the total budget. The balance of the funding comes in grants and contracts, with the major share coming from the City of Portland in several different agreements. As with most Federal/State programs, much of the funding is pooled or combined to provide such services as emergency shelter and housing.

Program Staffing: There are twenty two staff working in the Community Action Program. Of the those, nine are fully funded with CGF (includes the Program Administrator, four planners and four clerical staff), two are partially funded by CGF, seven are funded exclusively by weatherization funds while another four are funded by other grants. It is my recommendation that in a transfer of CAPO out of CFSD, only the IGA services and staff would be transferred, leaving the CGF and local grant funded staff and programs within the Division/County structure.

Administration Staffing and Funding: With the merger of the former Housing and Community Services Division and the Mental Health Youth and Family Services Division, a central administration was implemented for the Community and Family Services Division. Individuals from the former Housing & Community Services Division who provided administrative services were merged with the former Mental Health Youth and Family Services Division Administration Unit, along with some of their funding. Funding received from the Housing & Community Services budget for the merged positions was \$520,222 - of which \$129,784 is from the IGA and \$262,746 is CGF. We have not completed a detailed cost analysis of all administrative functions, but we do know that CAPO is one of six programs in the Division, that approximately 20% of CFSD contracts are in CAPO, that CAPO has approximately 8% of Division personnel, and that CAPO receives support services from all areas of Division Management. A conservative estimate of the value of these support services is based on 15% of the total, or approximately \$520,000.

Impact of Transfer

A) Staff and Program: The budget and staffing detail may be used to consider the implications if CAPO were to leave the CFSD. For instance, if option B or C of the CAC Task Force's placement options were to be implemented, what funding/staffing/services would be transferred? It is my recommendation that only the official State funded Community Action services and staff be identified and the remaining services and staff would stay with the CFSD. This might well mean that the transferred services would not have all the support or skills they need to operate a program.

CAC Placement Task Force Report Analysis

January 24, 1995

Page Three

B) Space Planning: You recently signed a 5 year lease with American Property Management for approximately 60,000 square feet of space in the Commonwealth Building. If some or all of CAPO does not move to the Commonwealth Building, the Division/County will still be responsible to pay for the space they would have occupied. This was a long awaited lease arrangement and we certainly do not want it jeopardized by the potential loss of some of the anticipated staff or additional costs for unoccupied space.

II. CFSD CONSOLIDATION OF CONTRACTS AND EVALUATION SERVICES

As part of the implementation of the Contracts Task Force Report, CFSD is in the process of centralizing contracts and evaluation administration for CFSD, JJD, and the Health Department. An implementation document has been developed that identifies the number of staff within CFSD programs and the other agencies required to carry out centralized contract and evaluation functions. It is anticipated that staff transfers will take place over the next few months and the Contracts and Evaluation Unit (CEU) will be formally constituted by July 1, 1995.

CAPO currently contracts with 41 organizations. Eight of these are Class 1 contracts, primarily with individuals. Of the remainder, eight are large contracts (over \$250,000 each and several service elements), nine are moderate in size (\$100,00 to 250,000), and six are small contracts, generally for a single service. CAPO also maintains an additional 23 weatherization contracts. Funds for these contracts come from a variety of sources (see budget analysis on previous page).

To successfully implement the recommendations of the Contracts Task Force, it is recommended that, if CAPO is organizationally separated from CFSD, CFSD retain adequate staff to complete centralization of contract and evaluation functions.

III. INTEGRATED SERVICES POLICY AND OPERATIONS

Multnomah County has been developing and implementing integrated services policy and program models for the past three years. The initiative has been undertaken in partnership with community organizations, state agencies, schools and non profit agencies throughout the county. Specific service integration efforts underway include long range cross systems planning involving county agency directors, restructuring of programs within CFSD, and community based policy and program development led by District Coordinating Teams. At the heart of this initiative is a policy that states collaborative cross systems planning, communications, and program development involving services providers, government agencies, and consumers of services, will improve client access, service availability, expand community capacity, and empower the community.

CAC Placement Task Force Report Analysis
January 24, 1995
Page Four

In this context the key question is: Will the establishment of a Community Action Program organizationally separate from CFSD, and operationally independent from the County Chair be consistent with established integrated service objectives, and in the best interest of low income citizens in Multnomah County?

The Community and Family Services Division was created to consolidate administration, planning, program and policy development for programs serving children, families, and adult client populations. The long range policy and operation goals of this consolidation are consistent with those outlined above. Moving CAPO outside of CFSD:

- is inconsistent with established service integration goals that are in the process of being implemented;
- will create expensive, duplicative operational systems in the areas of budget, contracts management, management information systems and personnel;
- erects potential barriers to cross systems planning, program development and benchmark achievement by establishing multiple and unnecessary management structures;
- creates an organizational structure that weakens program accountability to the County Chair and BCC.

If you have any questions or need further information please do not hesitate to contact me.

#####

LTP/mas

[CAPO12495]



Sent to all County Commissioners

MULTNOMAH COUNTY COMMUNITY ACTION COMMISSION

421 S.W. Fifth, Suite 200
Portland, OR 97204-2221



TEL: 503-248-5464
FAX: 503-248-3332

January 20, 1995

Commissioner Dan Saltzman
Board of County Commissioners
106/1500

Dear Commissioner Saltzman:

The work of the Community Action Commission's Placement Task Force has been completed. The Task Force has made the recommendation to the Board of County Commissioners that the Community Action agency be "located within the County, but structurally and budgetarily autonomous from any Division or Department." The Board will be asked to act formally on this recommendation.

In the accompanying notebook, you have been provided with the background information with which the Placement Task Force worked as well as the documents created during the time the Task Force was meeting. You will find all these listed in the table of contents.

The recommendation itself is described in the document "Review of Placement Options" as Option #2: Semi-Independent Model.

The Task Force requested that County Counsel provide advice on any actions that must be taken to make this option viable within County rules and regulations. You will be provided with this information once it becomes available.

The members of the Placement Task Force were very generous with their time and conducted their discussions in a thoughtful manner. The Community Action Commission has extended its thanks to them for this contribution to Multnomah County. In addition, we are grateful to the City of Gresham for the involvement of one of its staff as facilitator.

Thank you for your time and attention to this matter.

Sincerely,

Jan Savidge, Chair
Multnomah County Community Action Commission

Notebook attached

MULTNOMAH COUNTY COMMUNITY ACTION COMMISSION
PLACEMENT TASK FORCE

Board of County Commissioners Notebook
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Community Action Commission Placement Task Force Members

Community Action Commission:	Brittany Lewis (Low-Income Sector) Carole Murdock (Private Sector) Jan Savidge (Public Sector)
Community Action Service Providers: (one vote)	Carolyn Piper Susan Hunter
Community Action Agency Staff: (one vote)	Nancy Culver John Pearson
Oregon Dept of Housing and Community Services:	Dan Van Otten
Community Action Directors of Oregon:	Jerralynn Ness
Anti-Poverty Advocate:	Ellen Lowe
Board of County Commissioners:	Dan Saltzman
County Chair's Office:	Jo Ann Allen
Community and Family Services Division:	Howard Klink

REVIEW OF PLACEMENT OPTIONS

Multnomah County Community Action Commission Placement Task Force

	Option #1: Division Model (Current)	Option #2: Semi-Independent Model	Option #3: Private Non-Profit Model	Option #4: Council of Governments (Option draft)
1. Location	A program office located within a County Division	An agency located within the County, but structurally and budgetarily autonomous from any Division or Department.	A non-profit agency located outside of any governmental structures	A structurally and budgetarily autonomous unit of government
2. Final authority	Board of County Commissioners as the Governing Board	Board of County Commissioners as the Governing Board	Board of Directors (operates within by laws and has fiscal liability)	Board of Directors (or as set forth in the IGA)
3. Administrative layers between CAA staff and the Governing Board (not all required for each transaction)	1. Community Svc Program Administrator 2. Commission 3. Division Director 4. Chair of the Board of Co Commissioners 5. Board of County Commissioners	1. CAA Director 2. Commission 3. Board of County Commissioners	1. CAA Director 2. Board of Directors	Same as Private Non-Profit (or a governing board could be identified in the IGA)
4. Communication layers between the Administering Board and the Governing Board	1. Division Director 2. Chair of the Board of Co Commissioners 3. Board of County Commissioners -or- 1. Via a County Commissioner	1. Board of County Commissioners	None (final authority rests with the Board of Directors)	Same as Private Non-Profit (or a governing board could be identified by the IGA)
5. Budget authority	The Division has the authority to create the budget, is responsible for how the money is spent, and maintains budget records. The Division follows County budget preparation procedures and implementation standards. Final authority to approve the budget rests with the Board of County Commissioners.	The agency Director is responsible for creating a proposed budget and for maintaining budget records. The Commission approves the budget and is responsible for how the money is spent. The agency follows County budget preparation procedures and implementation standards. Final authority to approve the budget rests with the Board of County Commissioners.	The agency Director is responsible for creating a proposed budget and for maintaining budget records. The Board of Directors approves the budget and is responsible for how the money is spent.	Same as Private Non-Profit
6. Fiscal transactions	Fiscal functions are services purchased from the Division. There is a 10-14 day turnaround.	Fiscal functions are done within the agency. The turnaround time is likely somewhere between options #1 and #3.	Fiscal functions are done within the agency. There is a 24-48 hour turnaround.	Same as Private Non-Profit

2

	Option #1: Division Model (Current)	Option #2: Semi-Independent Model	Option #3: Private Non-Profit Model	Option #4: Council of Governments (Option draft)
7. Policy authority and implementation	CAPO staff (working with the Commission and using appropriate community processes) recommend program policies related to the expenditure of all CAPO funds and the coordination of the emergency basic needs service system. The Commission reviews and approves program policies. These policies include the allocation of funds for specific purposes, services, populations and outcomes (but not allocation by contractor). CAPO staff, upon request, provide information to the Commission describing policy implementation.	CAA staff... (same as Option #1)	CAA staff (working with the Board of Directors... (same as Option #1)	CAA staff (working with the Board of Directors... (same as Option #1) (or as set forth in the IGA)
8. Program and system planning and evaluation	CAPO staff working with the Commission and community partners does limited program and system planning using the skills of its contract management and resource development staff. The Commission and CAPO staff assure the input of the low-income community and the community at-large. The Commission approves program and system plans. The approval of the Governing Board and community funders is sought for broad plans. Currently, CAPO has limited staff capacity to do program and system evaluation regarding human outcomes. CAPO staff do monitoring of services and housing contractors.	CAA staff working with the Commission and community partners does program and system planning. The Commission and CAA staff assure the input of the low-income community and the community at-large. The Commission approves program and system plans. The approval of the Governing Board and community funders is sought for broad plans. CAA staff do program and system evaluation regarding human outcomes and monitoring of services and housing contractors.	CAA staff working with the Board of Directors and community partners does program and system planning. The Board of Directors and CAA staff assure the input of the low-income community and the community at-large. The Board of Directors approves program and system plans. The approval of community funders is sought for broad plans. CAA staff do program and system evaluation regarding human outcomes and monitoring of services and housing contractors.	Same as Private Non-Profit with attention to the inclusion of parties to the agreement in broad plans
9. Community Action Director/Program accountability for effectiveness	Simultaneously accountable to the Division Director/Chair of the Board and the Commission (ultimately accountable to the Board of County Commissioners)	To the Commission (ultimately to the Board of County Commissioners)	To the Board of Directors	Same as Private Non-Profit (or as set forth in the IGA)

	Option #1: Division Model (Current)	Option #2: Semi-Independent Model	Option #3: Private Non-Profit Model	Option #4: Council of Governments (Option draft)
10. Current Community Action functions	<p>1. Service Delivery - contract allocations and conditions, data collection and evaluation, program monitoring, technical assistance to contractors, service coordination and integration, resource coordination (Note: services, except weatherization, are contracted out)</p> <p>2. Anti-Poverty Strategies - research and social analysis, policy and strategy development, program and system planning, resource development, program development</p> <p>3. Community Organization - citizen involvement, advocacy and oversight, inter-agency and jurisdictional coordination, public education and training, system change and development</p> <p>**There is diminished CAPO capacity to fulfill planning and evaluation functions.</p>	Same, with planning and evaluation capacity	Same, with planning and evaluation capacity	Same, with planning and evaluation capacity
11. Organizational planning and modifications	The CSP Administrator working with CAPO staff develops a program office workplan. This workplan is reviewed and approved by the Commission and the Division. Modifications in CAPO organizational structure are made by the Division.	The CAA Director working with CAA staff develops an agency workplan. This workplan is reviewed and approved by the Commission. Modifications in CAA organizational structure are made by the Commission in consultation with the CAA Director.	The CAA Director working with CAA staff develops an agency workplan. This workplan is reviewed and approved by the Board of Directors. Modifications in CAA organizational structure are made by the Board of Directors in consultation with the CAA Director.	Same as Private Non-Profit
12. Agency staff	Full County employee benefits for permanent employees. Union representation. The Division Director has final hiring authority (as delegated by the County Chair) and must follow County personnel policies.	Full County employee benefits for permanent employees. Union representation. The CAA Director has final hiring authority (as delegated by the County Chair) and must follow County personnel policies.	Benefit and salary levels are established by the Board of Directors and could be equal to those received through the County. Oregon law allows for public employees whose organization is privatized to continue under PERS. (New employees are disallowed from joining PERS.) Union representation is an option.	Same as Private Non-Profit with the exception that employees are public employees and eligible for PERS.
13. Agency management	The Division Director has authority to hire and fire the Community Services Program Administrator (as delegated by the County Chair). The Commission participates on a hiring panel. The Administrator has duties in addition to those at CAPO.	The Community Action Agency Director is hired and fired through joint action by the Governing Board and Commission (as delegated by the County Chair).	The Community Action Agency Director is hired and fired by the Board of Directors.	Same as Private Non-Profit

(4)

CRITERIA FOR CAA PLACEMENT

Set by CAC Placement Task Force

Criteria determined to be requirements in state statute:

- R1. Is led by citizens
- R2. Has a clear, visible, organizational identity
- R3. Celebrates diversity and fights "isms" (inclusive)
- R4. Assures low-income voices are heard
- R5. Involves the community, particularly low-income people, in identifying needs, planning and evaluating service delivery
- R6. Has direct access of the CAC to the BCC (public)

Criteria identified as "preferred" through selection by task force members (numbers at end are number of dots received):

- P1. Has an Administering Board with authority (efficient and effective) 6
- P2. Creates linkages outside Community Action that serve people in poverty 6
- P3. Attracts funding from a broad base of support (able to leverage resources) 5
- P4. Can take action and respond in a timely manner 4
- P5. Is focused in its goals and objectives (not all over the map) 3
- P6. Is stable in structure (does not change with political moods) 3
- P7. Is accountable to one clearly identifiable place 2

Additional criteria:

- 1. Does advocacy
- 2. Is administratively efficient (funds get to those needing them)
- 3. Looked to by the community for leadership against poverty (a focal point)
- 4. Is a part of the Community Action network
- 5. Has a strategic vision
- 6. Is flexible
- 7. The Administering Board has unimpeded access to information about Community Action
- 8. Assures implementation of decisions by the CAC and the low-income community

Language of State Statute:

- A. CAA shall be an office, division or agency of the designating political subdivision or a not for profit organization.
- B. CAA shall have a CAA board (stipulates number of members, sectors and democratic selection of low-income sector)
- C. If public: CAA shall be administered by a board which shall provide for the operation of the agency and be directly responsible to the governing board.

D. If public - The administering board at a minimum shall:

1. Review and approve program policy
2. Be involved in and consulted on the hiring and firing of the agency director
3. Monitor and evaluate program effectiveness
4. Insure the effectiveness of community involvement in the planning process
5. Assume all duties delegated to it by the governing board

Language of additional federal requirement: Assure low-income citizen participation in the planning, administration and evaluation of projects for which such organization has been funded.

FISCAL INFORMATION ACROSS OPTIONS

Prepared for CAC Placement Task Force

Assumptions:

1) The personnel, materials and services, and capital expenditures for the CAA are the same across options (using the FY 94-95 CAPO adopted budget with December 94 budget modification as the standard) with these exceptions:

- a) Contracts and RFP services staff (Does not include contracts management which stays the same across options)
- b) Budget and fiscal services staff (including payroll)
- c) Program services evaluation staff
- d) Attorney fees
- ① f) Financial audit fees
- g) Liability insurance
- h) Building rental

In reality, there will be variations of cost for particular line items. However, for example, the assumption need not be made that staff will be paid less in a non-profit model. For the purposes of this exercise, we will hold a standard of costs based on CAPO's current budget. The figures in the attached chart for Options #2-4 are only approximations based on proportion of current CAPO budget or on rates paid by local non-profits.

- 2) Revenue will remain the same across options (using the CAPO standard).
- 3) Equipment inventory remains with the CAA across options.
- 4) The potential for a physical move of CAA staff is constant in all options.

Expenditure Differences:

Expenditure	Option #1: Division Model (Current)	Option #2: Semi-Independent Model	Option #3: Private Non-Profit Model	Option #4: COG Model
Staff: Contracts and RFP, Budget and Fiscal, Planning and Evaluation	Cost: \$340,442 ¹ - \$536,272 ² Capacity: 7.5 FTE without materials and services - 11 FTE with materials and services	Cost: \$302,000-\$323,000 ³ Capacity: 6.5-7 FTE with materials and services --- Contracts and RFP - 1 FTE Budget and Fiscal - 2 FTE Planning and Eval - 2 FTE Support staff - 1.5-2 FTE	Same as Option #2 ⁴	Same as Option #2
Attorney fees, Financial audit fees, Liability insurance	Cost: A portion of the indirect paid to the County of \$119,296	Same as in Option #1	Cost: \$80,000 ⁵ Includes --- Attorney fees - \$15,000 (or pro bono) Financial audit fees - \$35,000 Liability insurance - \$30,000	Same as Option #1
Building rental	Cost: \$34,482	Cost: \$46,550 Larger space needed for 7 additional staff	Same as Option #2	Same as Option #2
Totals ⁶	\$454,924 - \$650,754	\$428,550 - \$449,550	Same as Option #2	Same as Option #2

¹Based on figures from Kathy Tinkle, Division Administration, 9/13/94

²Based on figures from Rey España, CAPO

³Based on costs for staff currently performing these functions in Division Administration

⁴There was no difference between County rate and that of WCCAO for health insurance

⁵Based on costs for WCCAO and Human Solutions, accounting for CAPO's larger budget

⁶Assumes \$80,000 for each option for attorney fees, etc.

Multnomah County Community Action Placement Task Force

January 5, 1995

Facilitator: Kay Foetisch

Present: JoAnn Allen, Nancy Culver/John Pearson, Howard Klink, Brit Lewis, Jerralynn Ness, Dan Saltzman, Jan Savidge, Dan Van Otten

Absent: Susan Hunter/Carolyn Piper, Ellen Lowe, Carole Murdock

There were introductions and review of the agenda.

Dana discussed the interviews of all Task Force members (with the exception of Carole Murdock who was unavailable) and noted similarities and differences in responses.

The fiscal budget analysis of all options were examined and discussed.

There was a go-around for each person to state their opinion on the best placement option and why. A vote was taken. Option One: 2 votes, JoAnn Allen, Howard Klink; Option Two: 4 votes, Nancy Culver/John Pearson, Jerralynn Ness, Commissioner Dan Saltzman, Jan Savidge; Option Three: 1 vote, Brit Lewis; Option Four: 0 votes. There was one abstention, by Dan Van Otten.

A second vote was taken on the two options with majority from the previous vote. Option One: 2 votes, JoAnn Allen, Howard Klink; Option Two: 4 votes, Nancy Culver/John Pearson, Jerralynn Ness, Commissioner Dan Saltzman, Jan Savidge; 2 abstentions, Brit Lewis, Dan Van Otten.

There was discussion on what the next steps will be.

Brit Lewis asked that the record show that she was the only low-income representative on this Task Force and her vote was cast for the non-profit option.

The recommendation for Community Action will go to the Community Action Commission for review. Jan invited any one who would like to make comment to attend the meeting.

There was suggestion that fiscal questions and clarifications be made before a recommendation goes forward to the Board, and to talk again with County Counsel to speak to questions regarding the specific option.

The recommendation will then go to the Board. All information received by the Task Force will go with the recommendation, including the memo from CAPO staff.

Questions were raised about the ramifications of this recommendation for the Community Development Program. The necessity of rebuilding trust and healing relationships was discussed.

Meeting closed at 8:00.

Multnomah County Community Action Placement Task Force

November 17, 1994

Present: Nancy Culver/John Pearson, Brit Lewis, Jerralynn Ness, Jan Savidge, Carole Murdock, JoAnn Allen, Carolyn Piper, Dan Van Otten, Howard Klink

Absent: Dan Saltzman, Ellen Lowe

Kay Foetisch, facilitator

Introductions.

Agenda review:

- Review and fine-tune latest draft of placement options
- Criteria review
- Report from Dan Van Otten about public CAPs
- Matching options to criteria

Dana Brown noted that Council of Governments (COGs) had been added to the Placement Options List, as requested. She referred to the copy of the statutes attached to the description and examples page.

Members reviewed and compared options. There was discussion about the Employee Benefits and Protection piece. Nancy said she felt it was important that the report to the Chair reflect the concerns of the staff and that the criteria and language about hiring and firing staff be looked at closely.

There was discussion on the interpretation of regulations particularly in regard to the authority for hiring and firing of the director of the CAP--what precedence has been versus the current situation.

Dan Van Otten noted that the Oregon Administrative Rules (OAR) regulations state that the administering board is to be involved in the hiring and firing of the executive director.

Discussion. It was determined that a description and definition of "involvement" needs to be clearer.

Members agreed that the final document, with recommendations to the Chair, should clearly note "requirements".

There was discussion on ways to stabilize Community Action. One suggested possibility was to approve a charter by ballot, which makes regulations unchangeable by ordinance.

Brit said there should be strongly stated criteria to lessen arbitrary political influence in order to attain greater organization stability over time, and a stronger administering board authority.

Dan Van Otten read from the OAR listed requirements for a public CAP and noted differences between the public and private non-profit CAPs. He said that the intent of requirements listed in the statutes is to have and encourage citizen involvement in policy development for directing the Community Action Agency.

Dan said that many of the public CAPd are experiencing similar difficulties as Multnomah County--a system where accountability is fragmented managerially. He suggested if Community Action chooses to stay with the County, there is an opportunity to form a public CAP that would be a model to structure all public CAPs in Oregon. He added that a recommendation could be made to the Board of County Commissioners that will address some issues--one being, the level of power and control by placing authority at a comfort level for both the county and the CAP.

JoAnn Allen asked to re-evaluate the term of "status quo" in Option I. She recommended changing it to read "current" because "status quo" assumes that this option is the way it has always been,--but there have been many changes.

Carole Murdock shared some history about Community Action in Multnomah County reflecting on when it was a private non-profit. She noted that the Emergency Basic Needs Committee (EBNC), which was made up of people within the community, did a study and report, in a community process, of placement based on certain criteria. She said that group found it very important and, she noted, that it was the long-term goal that Community Action be an independent organization.

It was suggested that the EBNC report recommendation that Community Action become a county-wide independent agency, was a result of a process--a conclusion based on criteria--and could still be a useful source for placement criteria now.

Nancy asked to add criteria to the P3 list to ensure that current funding stay secure--in regard to County General Funds.

There was discussion regarding the importance of having a stable funding base. There was consensus that having a stable funding base and job security should be "bottom line" issues in the report.

There was discussion on how to identify and be in agreement on the listed criteria. It was decided that Dana will call each member to interview and ask specific questions about how each criteria should be operationalized. She will bring back interview responses for all to review for the next meeting.

Meeting adjourned at 8:40.

Community Action Commission Placement Task Force

November 3, 1994

Meeting Notes

Facilitator: Kay Foetisch

Task Force Members present: Ellen Lowe, Susan Hunter for Carolyn Piper, Jan Savidge, Jerralynn Ness, Nancy Culver/John Pearson, JoAnn Allen, Dan Van Otten, Carole Murdock, Dan Saltzman, Howard Klink, Brit Lewis

Agenda

- I. Welcome/Introductions
- II. Where we came from:
Values
Criteria
- III. Where are we:
Options
- IV. How do they measure up?
- V. Discussion
- VI. Next meeting.

Agenda review. Introductions.

The group reviewed the objective of the Task Force. They looked at the values and criteria list and discussed ways to base decisions on the listed criteria.

Dana distributed documents which depicted the relationship between the criteria and placement options for CAA. The three options were listed as: Option #1: Division Model (status quo), Option #2: Semi-Independent Model, Option #3: Non-Profit Model. She asked for any suggestions or additions to the criteria or requirements to any of the options.

There was discussion to gain understanding of placement options. There was a general consensus that other options exist, and that there are several variations of the listed three options. It was decided to go through each of the numbered listings and to add modifications and notes to the form in order to clarify as discussion goes along.

Howard noted that there are no program agencies within the County structure that are budgetarily autonomous and administer programs and provide services. Additionally, it was noted that there are many varieties of Option #2. There was discussion about the Oregon Revised Structures (ORS) in regard to the options. Dana will do research for more information on that.

Ellen Lowe made comment in regard to the status quo model noting that changes that have recently occurred make it hard to determine what is status quo. She also questioned the role of the administering board in regard to the status quo model.

Dan VanOttten said that funds which come from the State are mandated to be spent in a specific direction.

Ellen asked if a copy of the budget for Community Action was accessible in order to see how funds are allocated and stated in the budget. Dana will get that information.

There was consensus that a sort of restructuring is possible within the three models to use what will work best.

Bill Thomas, from the audience, noted that six years ago the Emergency Basic Needs Committee, working within a community process, developed a model for a single, "independent" county-wide community action agency. He said that goal got lost, but it is still a critical part of community action.

Howard asked if a list of all public caps could be obtained. Dana and Dan Van Otten will work on getting a list together for the next meeting.

John Pearson submitted a statement from CAPO staff regarding some overall conclusions and concerns of the current situation in looking at the placement of Community Action. He said that staff doesn't think only three task force meetings allows sufficient time to critically analyze all options in order to make a recommendation by December 1.

There was discussion regarding scheduling another meeting. JoAnn agreed to check with the Chair's office to see if the December 1 deadline could be moved up to allow for another meeting. Staff will poll the group by phone for the most convenient meeting date.

The meeting adjourned at 7:30 pm.

MEETING NOTES

Community Action Commission Placement Task Force
October 20, 1994

Facilitator: Kay Foetisch

Task Force Members: Jan Savidge, Chair Multnomah County Community Action Commission; Howard Klink, Deputy Director, Community and Family Services Division; Jerralynn Ness, Executive Director, Washington County Community Action Agency and Community Action Directors representative; JoAnn Allen, Multnomah County Chair's Office; Carole Murdock, Member Community Action Commission; Nancy Culver, Staff Community Action Program Office; Dan Van Otten, Manager, State Housing and Community Service; Carolyn Piper, Executive Director, Human Solutions, Inc.; Brit Lewis, Member Community Action Commission; Dan Saltzman, Commissioner, Multnomah County

Absent: Ellen Lowe, Ecumenical Ministries of Oregon

There was discussion on ground rules for the meeting.

Agenda review. Suggested to add:

- goals and expected outcomes of meetings
- decision-making concepts

Introductions.

Jan Savidge explained that charge of the group is to sort out issues of authority for the Community Action Commission, and to make recommendations that will be forwarded to the governing board, the Board of County Commissioners (BCC), for consideration and approval for appropriate placement and structure of the Community Action Agency. The Chair the BCC has asked that all options be written up with a list of pros and cons and the fiscal implications.

The baseline will be to come up with recommendations that fit within the parameters of the state statutes.

Jerralynn Ness reported on the background and beginning of Community Action. She shared some differences between private-non profit agencies and public agencies. She stated that it is critical to keep a clear and strong identity for Community Action in order for it to be the lead agency in planning for the community and to elevate the issues and causes of poverty as a top priority at the state and federal levels.

There was a go-around to list what the group values in community action. This list will be used as a tool to help develop the criteria as different models are looked at.

VALUES

- Citizen leadership/partnership
- Advocacy
- Working from the bottom
- Services geared to those in poverty
- That low-income people have a voice in how and what services are delivered
- To acknowledge that low income doesn't mean irresponsible, they just have no money
- To acknowledge that involvement of low income increases self-worth and development
- To respond more directly by understanding diversity of community
- To respect low income persons by working on causes of poverty and on self-sufficiency holistically--Community Action shares power
- Citizen participation in changing institutions that oppress them
- Direct action for mobilizing resources

There was brainstorming for criteria for community action agency models. (see attached)

The Task Force went over the criteria listed to identify things that are "requirements". They are designated by underline.

Each member of the group then applied dots to their priority issues. They are designated with the number of asterisks per dot.

It was decided by consensus that the issues with the most dots will be the basis for criteria for a model. The other issues on the list will be evaluated to see if certain issues are consistent with a particular existing models.

The next meeting date will be Thursday, November 3, 5:30-7:30pm.

Meeting adjourned at 7:30.

CRITERIA

- Citizen leadership
- Advocacy
- Administrative efficiency (that funds get to those that need it)
- Clear identity--visible organizational community identity--a focal point
- Not all over the map***
- That the Community looks to Community Action
- To be part of the network--a common mission
- Something that is stable**
- Doesn't change with political mood*
- Ability to leverage resources**
- Responds quickly to community
- Attract funding from a broad base support***
- Ability to attract income
- Celebrates diversity and fights "isms"
Inclusiveness--to value all members of society
- Be a gatekeeper--clear goals and objectives
- Strategic vision
- To be flexible
- Creates linkage outside Community Action that serves people in poverty*****
- Accountable to one place clearly identify**
- A structure that has mechanisms in place to assure involvement by the community for planning and delivery
- Unimpeded access to information

- Assures low income voices will be heard***
- Involves community & particularly low-income people in identifying needs and evaluating delivery
- Direct access of CAC to BCC (public agencies)
- Assures implementation of decisions of the low income community and CAC
- Community Action responsive timely action to requests****
- Administering board that has authority, is not second guessed (efficient and effective)*****

Issues underlined indicates "requirements"
Asterisks indicates votes (by dots) for priority issues

PLACEMENT TASK FORCE INTERVIEWS (incomplete)

<p align="center"><u>QUESTION/CRITERIA</u></p> <p>I. CAA board A. Requirements for public CAAs: The four minimum duties of a CAA board are: 1. Review and approve program policy; 2. Be involved in and consulted on the hiring and firing of the agency director; 3. Monitor and evaluate program effectiveness; and 4. Insure the effectiveness of community involvement in the planning process. How would you judge whether or not the CAA board is carrying out its duty of ... (insert duty here) ... in an optimal way? <i>R1, R5</i></p>	<p align="center"><u>BRIT</u></p>	<p align="center"><u>CAROLE</u></p>	<p align="center"><u>CAROLYN</u></p> <p>*Hiring and firing: The CAA board should have at least 50% of the decision. *Policy: The CAA board should have at least 50% of the policy decisions affecting the CAA. *Monitor and evaluate: If the CAA is monitoring its own program effectiveness (before it monitors any others) and they come out smelling good - that is a good start. *Community involvement: There's no way to do effectively do this; all you can do is assure the opportunity and then you have to give evidence of having heard.</p>	<p align="center"><u>DAN S</u></p> <p>*The degree to which the CAA board carries out its duty of providing for the provision of emergency basic needs services in the community. *The degree to which the CAA is looked to as the forum for emergency basic needs services issues. *The degree to which the CAA board is considered a player by providers and the public.</p>	<p align="center"><u>DAN VO</u></p> <p>*The CAA board should not only review and approve policy, but it should have a hand in developing, not just program, but operational policy. This could be evaluated by the extent to which policy that was published by the board is actually implemented effectively; the extent to which the CAA is responsive to board direction. *The community should be involved not just on program issues, but on broader matters. The CAA board must have an ongoing partnership with the customer, not just in the area of planning, but in evaluation, monitoring.</p>
<p align="center"><u>ELLEN</u></p> <p>*Is the CAA board making a difference in terms of services delivered? Is there an identifiable difference that the CAA board is making in the community. *To what degree has the CAA board communicated with people in poor communities, addressed community needs, involved community groups? A review of those interactions. *It is crucial that a group that is given the responsibility that the CAA board is given be directly involved in the hiring and firing of the agency director, and the monitoring and evaluation of performance. There should be a paper trail to substantiate this involvement.</p>	<p align="center"><u>HOWARD</u></p>	<p align="center"><u>JAN</u></p> <p>*Re policy: The CAA Board adopts policy and revises as necessary to serve the best interests of low-income people. The CAA Board, working with the CAA director and staff, is the final authority. *Hiring and Firing: The CAA Board develops a hiring/firing process and is responsible for making a decision which would then be taken to the governing board for concurrence. No other concurrence is necessary. *Program effectiveness: The CAA Board selects and receives regular reports on outcome measurements by which program effectiveness would be judged. *Community involvement: A plan to ensure community involvement is developed and reviewed by the CAA Board. A follow-up report describing the involvement is written for review by the CAA Board.</p>	<p align="center"><u>JERRALYNN</u></p> <p>*The CAA Board needs final authority delegated to it (public). *The CAA Board needs access to accurate, timely and complete information. *The CAA Board needs to be supported by the governing board in the decisions it makes.</p>	<p align="center"><u>JOANN</u></p> <p>*I would judge this by the CAA board's ability to effectively engage low-income communities at all stages of program development, evaluation and monitoring. In addition, an effective CAA board would develop effective relationships with the business community and non profit service providers. The CAA board is effective when the constituents served see it as effectively articulating and acting on low-income community concerns.</p>	<p align="center"><u>JOHN/NANCY</u></p> <p>*There must be clearly defined expectations (in writing) of roles for CAA staff and CAA board which are then carried through. *There must be a clear workplan for the CAA and the CAA board. *There must be good communication between the CAA and the CAA board in order to reach consensus on roles and works. Disagreements have to be worked through by the two parties.</p>
<p align="center"><u>QUESTION/CRITERIA</u></p> <p>B. Requirement for public CAAs: Describe the optimal situation for direct access of the CAA board to the governing board. <i>R6</i></p>	<p align="center"><u>BRIT</u></p>	<p align="center"><u>CAROLE</u></p>	<p align="center"><u>CAROLYN</u></p> <p>*Regular meetings (on a quarterly basis, perhaps) with the full governing board and the opportunity to put things on the board agenda without screening.</p>	<p align="center"><u>DAN S</u></p>	<p align="center"><u>DAN VO</u></p> <p>*Direct access is direct access - the CAA Board does not have to move through a bureaucratic structure to get to the governing board.</p>

<p>ELLEN</p> <p>*A regular place on the agenda for the CAA board that could be used or not used. The CAA board can go to the governing board without being screened. It is helpful if a member of the governing board actually sits and represents him/herself on the CAA board.</p>	<p>HOWARD</p> <p>*Direct access is direct access. Issues that the CAA board believes should be brought before the governing board, should be brought before them.</p>	<p>JAN</p> <p>*The CAA Board Chair has the authority to place an item on the governing board agenda only with the approval of the CAA Board or Executive Committee.</p>	<p>JERRALYNN</p> <p>*The Chair of the CAA Board has direct access to the governing board and is able to be heard in a timely and appropriate manner.</p>	<p>JOANN</p> <p>*Pick up the phone.</p>	<p>JOHN/NANCY</p> <p>*The Chair of the CAA board or the designated CAA representative must have direct access to the governing board.</p>
<p>QUESTION/CRITERIA</p> <p>C. What are your standards by which you would judge whether or not a CAA board has the necessary authority to be both efficient and effective in its work? <i>P1, 7, 8</i></p>	<p>BRIT</p> <p>*Its connections with public entities can't be ones where the public entity has say over what it does. Shared authority reduces effectiveness.</p> <p>*True connection with the community necessary in order have true authority and to understand the needs.</p>	<p>CAROLE</p>	<p>CAROLYN</p> <p>*Authority should be carefully described in an official document accepted by all parties. The CAA board should act in an executive capacity (having at least 50% of decision-making) with veto power.</p> <p>*Evidence that decisions are implemented.</p> <p>*Authority to meet its membership criteria.</p>	<p>DAN S</p>	<p>DAN VO</p> <p>*Note responses to IA</p>
<p>ELLEN</p> <p>*The CAA board, to the extent that it is the accountable and responsible party, is the one who needs to have the authority.</p> <p>*The degree to which the CAA board can conduct its work and see its decisions implemented with minimal intrusion of government bureaucracy.</p>	<p>HOWARD</p>	<p>JAN</p> <p>*When the CAA Board gives a directive, it is carried out in a timely manner by staff. (CAA policies are compiled for easy reference and are reviewed annually by the CAA Board.)</p>	<p>JERRALYNN</p> <p>*The CAA Board needs to have full and final authority.</p>	<p>JOANN</p> <p>*Results. Has the CAA board achieved the goals that were set for the year? Did the board build relationships with other organizations working on poverty related issues? Are your constituents pleased with the results of your work? The term authority is subjective; only your stakeholders can judge whether you have real authority or not.</p>	<p>JOHN/NANCY</p> <p>*The levels and definitions of authority must be clearly defined (in writing), decided upon and agreed to by the CAA and the CAA board. The parties must hold each other accountable.</p>
<p>QUESTION/CRITERIA</p> <p>II. External relationships</p> <p>A. What do you believe are the necessary prerequisites to a CAA being able in an optimal way to create linkages outside the CAA which will serve people in poverty? <i>P2</i></p>	<p>BRIT</p> <p>*Visibility and credibility are required, with key community groups (eg. business, neighborhoods, low-income people)</p>	<p>CAROLE</p>	<p>CAROLYN</p> <p>*Contracting with non-profits to provide the services is a good linkage because you multiply many times the number of people all pulling in the same direction.</p> <p>*Freedom to make decisions on the part of the CAA board and staff. If they make a decision and someone else can countermand it, nobody is going to pay any attention to them, no one is going to want to link up with them.</p> <p>*Environment needs to be cooperative.</p>	<p>DAN S</p> <p>*The CAA must be looked to by the community as the focal point for leadership in anti-poverty work.</p>	<p>DAN VO</p> <p>*Being a think tank that is capable of identifying and developing new strategies for dealing with existing and emerging needs of the low-income community.</p> <p>*The CAA must be strongly rooted in the community, not just through a conventional planning process. The CAA needs to be an outreach agency at all levels.</p> <p>*It needs to provide multiple entry points to a continuum of services and to do community development in the broadest sense.</p>

<p>ELLEN</p> <p>*Real authority and capacity are crucial.</p> <p>*The CAA has a responsibility to identify and work with all the groups within the community that respond to people in poverty. The CAA shouldn't have to work through a bureaucratic structure in order to reach out.</p> <p>*Linkages have a relationship to advocacy, in addition to communication about mutual work - what needs to be done. Linking with governmental agencies, as well as non-profits.</p>	<p>HOWARD</p> <p>*See advocacy response (III. H.) - but in a community context.</p>	<p>JAN</p> <p>*The CAA analyzes who the key players are and has direct relationships with those players. The CAA asks the key players for input on their expectations of the CAA. All players define and agree upon roles and responsibilities.</p>	<p>JERRALYNN</p> <p>*The CAA is viewed as an entity that is not bureaucratic, but is receptive, responsive and inclusive.</p>	<p>JOANN</p> <p>*A CAA must be able to build bridges with diverse populations. A CAA must be willing to change how it operates if in the opinion of stakeholders, the CAA is not responding appropriately to constituency needs. This information can be obtained through focus groups, community meetings, natural networks, etc.</p>	<p>JOHN/NANCY</p> <p>*The direction of the CAA must be focused with a clearly defined and prioritized workplan.</p> <p>*There must be a diversity of people on the CAA board, with a blend of representation geographically and among special populations (eg. access, non-English, DD). The blend is important, so that the whole is able to speak for the individual parts.</p> <p>*The CAA board must have focus and be clear on its priorities.</p>
<p>QUESTION/CRITERIA</p> <p>B. What do you believe are the necessary prerequisites to a CAA being able in an optimal way to leverage resources and attract funding from a broad base of support? P3</p>	<p>BRIT</p> <p>*Visibility and credibility are required, with key community groups (eg. business, neighborhoods, low-income people).</p>	<p>CAROLE</p>	<p>CAROLYN</p> <p>*If the CAA is a contracting organization, there needs to be a cooperative relationship with the contractors in working to leverage resources. The most important role for the CAA (as a public CAA) is to focus on working to attract funding from governmental sources. If the CAA were to go to foundations and businesses and expect contractors to do the same thing, we end up tripping over each other.</p>	<p>DAN S</p> <p>*Note response to II.A.</p>	<p>DAN VO</p> <p>*Note response to II.A.</p>
<p>ELLEN</p> <p>*My hypothesis is that there is a greater capacity in being a non-public CAA to be able to attract partnerships. Partners want to be able to confine their partnership to the CAP and not extend it to the County.</p>	<p>HOWARD</p> <p>*See advocacy response (III. H.)</p>	<p>JAN</p> <p>*Leveraging resources is dependent upon having a successful track record - evidence that people are no longer living in poverty and low-income people are significantly involved.</p>	<p>JERRALYNN</p> <p>*The CAA needs to be viewed as an entity that is not bureaucratic, but is responsive, receptive and inclusive.</p> <p>*Generally, non-profits and government entities can leverage different types of resources. An optimal situation might be if the CAA looked like a blended animal.</p> <p>*To have the confidence of the community.</p> <p>*The CAA demonstrates efficiency with resources. It does not fund a huge bureaucracy and can get money to people in need without going through hoops.</p>	<p>JOANN</p> <p>*Reputation with stakeholders</p> <p>*Ability to build community collaborative partnerships</p> <p>*Ability to obtain results</p> <p>*Ability to show fiscal responsibility</p>	<p>JOHN/NANCY</p> <p>*The CAA needs to be a working partner in coalitions.</p> <p>*The CAA must show a strong track record of services.</p>

<p>QUESTION/CRITERIA</p> <p>C. What do you believe are the necessary prerequisites to a CAA being looked to by the community as the focal point for leadership against poverty? 3</p>	<p>BRIT</p> <p>*A strong connection with the community *Real and true representation of the community on the CAA board</p>	<p>CAROLE</p>	<p>CAROLYN</p> <p>*Authority *Recognition by the governing organization *The CAA needs to make decisions that are respected and responsible. *The CAA need to be free from political entanglements enough that it can address community-wide responsibility (eg. HCDC agreement with various governments). *It is very important that the members of the CAA board not consider themselves victims or be working from a victim mentality.</p>	<p>DAN S</p>	<p>DAN VO</p> <p>*Note response to II.A.</p>
<p>ELLEN</p> <p>*If the CAA has the independence to do the kinds of things we have talked about, the community will be able to develop a trust level and to look to them. *The governing board, the cities and United Way (for example) must show respect for the agency in terms of supporting it financially, as well as, looking to it for information and advice on programs that deal with the poor.</p>	<p>HOWARD</p> <p>*See advocacy response (III. H.). Plus broad-based representative membership on the CAA Board reflective of all segments of the community.</p>	<p>JAN</p> <p>*The broad community has awareness of the CAA's leadership role against poverty. *The media are informed; the agency has direct access to the media. *Agencies and non-profits both inside and outside of the CA system are aware of the CAA's role.</p>	<p>JERRALYNN</p> <p>*The CAA is client-driven and remains focused on client concerns. The CAA is not viewed by the public as being willing to compromise the needs or concerns of the poor because of political changes or for bureaucratic reasons. *The CAA can be consistent. take a stand with low-income people and not have that change because of forces outside of the CAA itself.</p>	<p>JOANN</p> <p>*The ability to build community collaborative partnerships *A community reputation of collaboration without regard to credit *Volunteering to work with community groups on unrelated projects *A reputation as an information source</p>	<p>JOHN/NANCY</p> <p>*The CAA board must know the issues of the people they're representing. *The CAA must be focused and proactive, rather than reactive to emerging issues. It must earn the respect. It must lead by example. *The CAA must have a good public information process.</p>
<p>QUESTION/CRITERIA</p> <p>III. Structure and workplan A. Requirement for public CAAs: Describe your standards by which you would judge whether the CAA has a clear, visible organizational identity. R2</p>	<p>BRIT</p>	<p>CAROLE</p>	<p>CAROLYN</p> <p>*The CAA needs an organizational chart, both internal and as it relates to the outside. *The CAA needs a mission statement, or a vision. *The CAA should have clearly identified tasks, areas of service, not just something mushy that says we're going to fix everything for everybody.</p>	<p>DAN S</p> <p>*The CAA board must take a definite interest in making the organization function well and become a focal point for anti-poverty work. *The organizational structure should convey to the public an understanding of the CAA as the focal point.</p>	<p>DAN VO</p> <p>*A single organism with all parts moving in the same direction and holding together effectively.</p>

<p>ELLEN</p> <ul style="list-style-type: none"> *The CAA needs the capacity to control their destiny. *The degree to which they control program through control of budget. 	<p>HOWARD</p> <ul style="list-style-type: none"> *Name and organizational standing. 	<p>JAN</p> <ul style="list-style-type: none"> *The CAA has a name that is independent of any other bureaucratic entity. *The CAA board and/or director interact directly with other players whether at federal, state or local levels. *The agency structure or placement could not be changed without CAA Board approval. The CAA budget is overseen by the CAA Board. 	<p>JERRALYNN</p> <ul style="list-style-type: none"> *The CAA has leadership via the CAA board and the director that is separate and clear. *The CAA isn't folded in and hidden within another organization. The CAA looks autonomous in the public's eye. *You can look in the phone book and be able to find it. There is someone clearly in charge that you can talk to who makes final decisions. 	<p>JOANN</p>	<p>JOHN/NANCY</p> <ul style="list-style-type: none"> *Planning and program implementation should be in one office (both organizationally and physically), not fragmented.
<p>QUESTION/CRITERIA</p> <p>B. New federal requirement for public CAAs: Describe the standards by which you would judge whether low-income citizens participated in an optimal way in planning, administration and evaluation? <i>R4, R5</i></p>	<p>BRIT</p> <ul style="list-style-type: none"> *Adequate education of low-income citizens concerning the issues and how the process works *Real effort to draw out low-income voices and reduce intimidation 	<p>CAROLE</p>	<p>CAROLYN</p> <ul style="list-style-type: none"> *Training for everyone who felt they needed it, whether low-income or not. The CAA board committees could involve other low-income people that are not on the CAA board to help them weigh in on the process. *Not include a participation in meetings requirement to maintain position on committee. 	<p>DAN S</p>	<p>DAN VO</p> <ul style="list-style-type: none"> *Note response to II.A.
<p>ELLEN</p> <ul style="list-style-type: none"> *The kinds of programs implemented by the CAA *The involvement of low-income citizens on the CAA board and the impact they have there *The involvement of other groups that work with low-income persons *The degree to which the CAA uses non-traditional public hearings. *The kind of outreach which isn't just an annual thing but a constant part of programming. *How evaluation is used to actually produce change. 	<p>HOWARD</p> <ul style="list-style-type: none"> *Level of involvement, including membership on the CAA board, should meet or exceed these requirements for participation in these areas in addition to advocacy and public education. 	<p>JAN</p> <ul style="list-style-type: none"> *Re administration - Low-income persons on the CAA Board hold responsible positions of leadership. *With respect to planning and evaluation, input from low-income persons is sought. After a program is planned, implemented and evaluated, follow-up is done to determine whether low-income persons are satisfied with their involvement in planning and evaluation. 	<p>JERRALYNN</p> <ul style="list-style-type: none"> *Having low-income people at the table, not just representatives that the poor didn't select themselves. *There is an effort to recruit and involve low-income people that goes beyond the obvious selections, bringing in people who aren't already there at the door. *The results of those plans, operations and evaluations reflect or align with concerns held by low-income representatives and issues raised by them. 	<p>JOANN</p> <ul style="list-style-type: none"> *Insuring that low-income people are involved in every step of the process: evaluation and developing program, having a vital say in how those programs are developed and what programs are available to them. *Membership on the CAA board and open forums, opportunities to have input at every a stage of the process. *Making sure that when meetings are held, they are in safe places so people are comfortable to share what they think and feel. 	<p>JOHN/NANCY</p> <ul style="list-style-type: none"> *The CAA needs to be proactive in eliciting low-income participation - participation on the CAA board, agency advisory groups, public at large. It is up to the CAA and the CAA board to make that involvement real.

<p>QUESTION/CRITERIA</p> <p>C. What do you believe are the necessary prerequisites to a CAA being able to take action and respond in a timely manner? P4</p>	<p>BRIT</p> <p>*Fewer points of accountability, of having to clear something</p>	<p>CAROLE</p>	<p>CAROLYN</p> <p>*Qualified staff used to working in an independent situation *Strong CAA board leadership *Timely information flow *Ability to decide when to act and when not to act *Mental environment needs to be one of a sense of can-do, ability to accomplish whatever take on.</p>	<p>DAN S</p> <p>*The extent to which the CAA board and staff have the ability and desire to exert authority over the control of funds, especially federal.</p>	<p>DAN VO</p> <p>*An ongoing community focus and involvement is necessary. Without that dynamic, the CAA won't be able to respond to emerging needs in an effective manner.</p>
<p>ELLEN</p> <p>*The CAA needs to be able to take action within its budget; it shouldn't have to go through any hoops. The strength of CA is that you aren't supposed to have bureaucratic barriers; independence was historically granted so that the CAA could have flexibility and appropriate response.</p>	<p>HOWARD</p> <p>*Access to information, organizational standing, positive relationships among CAA board members and key stakeholders and decision-makers.</p>	<p>JAN</p> <p>*Fewer layers of sign-off.</p>	<p>JERRALYNN</p> <p>*A minimum of layers to go through to make decisions. *A clear mission that is produced by the community involvement</p>	<p>JOANN</p> <p>*The conditions are different based on what the action is. *Clarity about what the issue is, where to obtain the information, and what the expectation is for the next step.</p>	<p>JOHN/NANCY</p> <p>*The CAA must have clear priorities and a focused workplan. There must be a consensus among the CAA and CAA board of what our priorities are so that we can focus our energies toward our mission. *The CAA needs sufficient staff and workload balance so staff can work ahead of schedule.</p>
<p>QUESTION/CRITERIA</p> <p>D. What do you believe are the necessary prerequisites to a CAA being able to be strategic in its vision and focused in its goals and objectives? P5</p>	<p>BRIT</p> <p>*Strong connection to the community in the creation of vision and goals; constant accountability to the community to maintain focus *Reduced input and interference from the public and political bureaucracy</p>	<p>CAROLE</p>	<p>CAROLYN</p> <p>*Part of it is deciding what it isn't going to do as well as what it is going to do. *The decisions need to be made about how it will relate to others doing similar work, including those not part of the CA system.</p>	<p>DAN S</p>	<p>DAN VO</p> <p>*Broad community involvement in planning and evaluation.</p>
<p>ELLEN</p> <p>*Part of it is if you know that you are in effect given the opportunity to control your destiny, creativity comes out of that kind of freedom. If you live in fear of being second-guessed and your decisions changed, you may not feel free to take risks. Vision emerges out of risk-taking; otherwise you become victims of the status quo and your role is custodial.</p>	<p>HOWARD</p> <p>*Leadership, clarity of mission, ability to prioritize.</p>	<p>JAN</p> <p>*The CAA is knowledgeable of the needs of all populations living in poverty and of the ways in which to move people out of poverty. *CAA staff and board have opportunities for training and education. There's strong leadership. *There are no other entities that can impose tasks on the CAA.</p>	<p>JERRALYNN</p> <p>*The CAA needs to be a strategic planning place that carries out the vision and mission. All planning is based on community needs, starts with vision and mission, deeply involves the community and directs the allocation of resources. The planning and its implementation isn't interfered with by outside forces (eg. people with greater power).</p>	<p>JOANN</p> <p>*It is necessary to develop a long-range plan. The vision has to be clear about what steps need to be taken to get to where we want to be. There should be a timeline. There should be a review process in place with checks and balances, evaluation.</p>	<p>JOHN/NANCY</p> <p>*The CAA needs a real workplan, updated annually through a planning process based on needs assessments. *The CAA must be tuned in and consult with other agencies, coalitions, systems. *The CAA must have a staffperson who can be dedicated to this area.</p>

<p>QUESTION/CRITERIA</p> <p>E. What do you believe are the necessary prerequisites to a CAA being able to be stable in its structure, withstanding changes in political moods? P6</p>	<p>BRIT</p> <p>*Remove the CAA from the political arena so that it can't be used to further political agendas</p>	<p>CAROLE</p>	<p>CAROLYN</p> <p>*Having a chance to choose among nominees for CAA board membership. *Having a sense that it is not a victim. *Getting information in advance. Having staff that support the CAA board getting full information. Having CAA board members who understand the information they are getting and can explain it to each other.</p>	<p>DAN S</p> <p>*Part of the challenge is to assure that Community Action remains relevant as times and attitudes change. *The CAA must be accountable to demonstrate how funds are being used to make a difference.</p>	<p>DAN VO</p> <p>*What's important isn't the ossification of structure, but a structure that adapts to changing conditions while maintaining its integrity and continuing on the mission of effective anti-poverty agenda items.</p>
<p>ELLEN</p> <p>*Independence and budget authority. *If the CAA board is representative, it will reflect community needs and desires and provide some balance in governance.</p>	<p>HOWARD</p> <p>*Same response as Ill. D.</p>	<p>JAN</p> <p>*No changes in CAA structure and functions can be made without approval of the CAA Board.</p>	<p>JERRALYNN</p> <p>*The CAA needs to have enough autonomy that political officials or appointees cannot change the direction of the organization, the members of the board, or the staffing. The CAA is not up for grabs every four years.</p>	<p>JOANN</p> <p>*Same answer as gave for Ill. D.</p>	<p>JOHN/NANCY</p> <p>*The CAA needs strong, internal leadership. *The CAA must have broad community support without being dependent on any one source. *The CAA must really be effective and doing a good job so it becomes indispensable. *The CAA must be recognized and focused.</p>
<p>QUESTION/CRITERIA</p> <p>F. What are the conditions necessary for the CAA to be accountable to one clearly identifiable place? P7</p>	<p>BRIT</p> <p>*Accountability should be to the community through the entity (a CAA board) which has strong community connections and real community representation *Belief that the people are "the boss", not the bureaucracy</p>	<p>CAROLE</p>	<p>CAROLYN</p> <p>*The place needs to be identified. There has to be agreement by the CAA as to what "accountable" means. *There needs to be some kind of legal structure (a contractual agreement) that defines the relationship. This agreement must be honored over time, but renewed periodically to keep pace with political changes.</p>	<p>DAN S</p>	<p>DAN VO</p> <p>*Accountability to the constituency that the agency serves is the bottom line. If the organization isn't structure so that is what is happening, then it's all hyperbole.</p>
<p>ELLEN</p> <p>*The CAA board needs to have the power to implement the plan for the CAA.</p>	<p>HOWARD</p> <p>*Clearly defined organization structure and channels of communication. Mutually and clearly understood decision-making process among the CAA board, the CAA, and the Division.</p>	<p>JAN</p> <p>*The CAA has no layers of bureaucracy between itself and the governing board (if public).</p>	<p>JERRALYNN</p> <p>*No hierarchical structure. The CAA Director reports to the CAA Board which has final authority.</p>	<p>JOANN</p> <p>*It should be clear what are the direct line of communication and the direct link for decision-making purposes (to a department, to the Chair's office, to the CAA board).</p>	<p>JOHN/NANCY</p> <p>*Clear lines of authority must be written, agreed upon and acted on by all parties.</p>

QUESTION/CRITERIA G. What are the conditions necessary for a CAA to be administratively efficient and flexible with the outcome of the maximum amount of funds going to services and assistance to people in poverty? 2, 6	BRIT *Reduce political whim as a factor in securing funds *Reduce bureaucratic layers to increase efficiency, cost-effectiveness and flexibility	CAROLE	CAROLYN *Highly qualified staff, particularly in fiscal management. *Dedication to the contractual mode of doing business with providers rather than providing services itself. *Clear headed executive director *An amount of money that is clearly defined and untouchable by anybody else *See responses to III. C.	DAN S	DAN VO *Need to have an organizational structure where all administrators have hands on responsibility for a part of program operations. Don't have people pulled off into the sorts of administrative tasks that you see happen in bureaucracies. The organization is team-directed, team-managed and team-operated.
ELLEN *The CAA must be able to directly negotiate with contractors. *Few bureaucratic layers. *The CAA board by its having responsibility and authority, being the place where the buck stops, adds to efficiency.	HOWARD *All responses III. A-F are applicable.	JAN *Having the least number of staff and administrators to get the job done. *Assuring that the highest quality service is received for the dollars expended both within and outside of the agency. *Eliminating expenditures for bureaucrats who are not assisting with getting people out of poverty. *Giving maximum authority to CAA staff to accomplish agreed upon goals and outcomes.	JERRALYNN *The CAA Board must make sure through its oversight of the budget that the CAA's actual costs of operating are supported but kept at a minimum. Any expansion is in order to leverage more resources to provide more services. *There aren't other administrative layers or bureaucracy that have to be needlessly paid for. *The CAA Board needs to be in control of the CAA budget and operating from clear budget principles. The CAA is not reporting to a lot of different bosses.	JOANN *Administrative costs have to be kept low. Fiscal accountability. Money is spent the way we said it would be spent.	JOHN/NANCY *To be efficient, flexible and effective, the CAA must have adequate and competent staff. A baseline amount of infrastructure must be funded to delivery quality services.
QUESTION/CRITERIA H. What are the necessary prerequisites for a CAA to be optimally effective in advocacy work? 7	BRIT *Have staff and CAA board committed to the importance of advocacy and doing it *Have a strong partnership with the community, including representation, gathering and using community input, respect for community's statements about their need *Absence of patronizing	CAROLE	CAROLYN *Well-organized. Have a clear mission, vision. Focused targets. *Needs to show good results for what it has done so that it has credibility. *Needs to have the support of public figures (not necessarily electeds) who understand what it is doing.	DAN S *Gaining recognition as the pre-eminent forum and agency for dealing with anti-poverty and emergency basic needs issues.	DAN VO *CAAs being responsible to and taking direction from the grassroots.

<p><u>ELLEN</u></p> <ul style="list-style-type: none"> *Ability to take risks. *Communication with partners about needs and the necessity to look for remedies. *If independence is compromised, your advocacy role is also limited. 	<p><u>HOWARD</u></p> <ul style="list-style-type: none"> *The most important thing the CAA does is advocacy. The conditions within which CAA exists within the bureaucracy and within the community need to be structured or designed to optimize the advocacy function. The most important conditions which need to exist within bureaucracies and communities: access to information, policy-makers and decision-makers; structured participation in decision-making at a variety of levels; and independent authority to conduct advocacy, education and public information activities. 	<p><u>JAN</u></p> <ul style="list-style-type: none"> *The CAA must be perceived as a credible source of information. The CAA must have direct access to the entity being "lobbied", i.e. no prior approval is necessary from outside the agency. 	<p><u>JERRALYNN</u></p> <ul style="list-style-type: none"> *The CAA needs to be viewed as not part of government because a lot of advocacy work is challenging government. The CAA must be viewed as being autonomous. 	<p><u>JOANN</u></p>	<p><u>JOHN/NANCY</u></p> <ul style="list-style-type: none"> *The CAA must have a real and strong grasp of the issues based on reliable data. *CAA and CAA board must be dedicated to being advocates. *The CAA must not tied to any special interests. *There must be a focused, long range plan.
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M E M O R A N D U M

TO: Jo Ann Allen, Staff Assistant

FROM: Laurence Kressel (106/1530) *LK*
County Counsel

DATE: November 15, 1994

SUBJECT: Options for Multnomah County Community
Action Commission

A Task Force is looking at the most appropriate placement and authority for the county community action agency. (The agency is currently placed in CFSD.) Last week you sent me a chart from the Task Force, showing three options: the Division Model, the Semi-Independent Model and the Private Non-Profit Model. You asked for comment on whether any legal constraints might apply to the second and third options.

Option 2

Option 2, the Semi-Independent Model presents two potential legal problems. One concerns Director accountability; the other concerns budget authority. (The latter may merely reflect my not understanding certain words in the chart.)

Option 2 in the chart you provided places "final authority" in the Board of County Commissioners "as the Governing Board." Another part of the chart states that the administering board (and ultimately the County Commission) would be in charge of assuring Director and program "accountability for effectiveness." The terms "final authority" and "accountability for effectiveness" are not defined in the chart. They can mean various things to different people. One implication in the chart seems to be that the power to

hire and fire the director would be vested in the administering board, and possibly the County Commission.

This would present a problem under the Home Rule Charter. Our advice has been sought on several occasions with respect to whether the community action agency, as a division or office of the county government, can independently hire and fire its Director, and whether the Board of Commissioners can perform that function. The most recent opinion we issued was in July, 1994. A copy is enclosed.

We pointed out that the Home Rule Charter vests exclusive power in the Chair to hire and fire county employees. Section 6.10 of the Charter gives the Chair

"sole authority to appoint, order, direct and discharge employees of the county, except for the personal staff, employees and agents of elective county offices. Appointment of Department Heads shall be subject to consent of a majority of the Board of County Commissioners." (emphasis added)

The Charter adds that the Chair can delegate administrative power, but "shall retain full responsibility for the acts of his or her subordinates." Id. I read the Charter to permit, but not to require, the Chair to delegate hiring/firing authority.

It's worth noting also that state law gives the community action agency's administering board authority only to "be involved in and consulted on the hiring and firing of the agency director." ORS 182.802(4)(d)(B). See also ORS 458.505. Similar language is in the county code.

The second concern under option 2 in the chart relates to the language describing the agency as "structurally and fiscally (budgetarily) autonomous." There are two potential problems. One relates to the previous discussion concerning Director accountability. The Chair has Charter authority (cited above) to require subordinates to comply with budget-preparation procedures and budget implementation standards. This authority could be negated if the community action agency is "structurally and fiscally (budgetarily) autonomous."

The second potential issue may only be a semantics problem. The chart says the agency is fiscally autonomous in one place, but adds that "final authority to approve the budget rests with the Board of County Commissioners." It is not clear what fiscal autonomy is intended to mean. Obviously, only the Board of Commissioners is authorized to approve the budget. And, as already noted, the Chair and her subordinates direct the manner in which the budget is prepared by employees for county programs.

Option 3

You also asked for comment on option 3, the Private Non-profit model. This approach to governance of a community action agency

is specifically allowable under state law. See ORS 182.802(4) and ORS 458.505(4)(a).

The statutes provide that if the agency is a private not for profit organization, the duties of its Board include, but are not limited to: selection, appointment and dismissal of the director, approval of all contracts, grant applications, budgets and operational policies, program evaluation, and securing an outside audit. ORS 182.802(4)(c). Of course, the nonprofit agency's power over its budget would still be subject to whatever processes and approvals apply to the portion of the budget (if any) consisting of county funds.

This model is not reflected in the current county ordinance (No. 665). However, that could be changed by Board action. I don't see any Charter or statutory problems with option 3 should the county wish to pursue it.

cc Lorenzo Poe



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TO: MULTNOMAH COUNTY COMMUNITY ACTION COMMISSION
PLACEMENT TASK FORCE

FROM: NANCY CULVER AND JOHN PEARSON
CAPO STAFF REPRESENTATIVES

DATE: NOVEMBER 3, 1994

SUBJECT: SUMMARY OF STAFF DISCUSSION NOVEMBER 3, 1994

On November 3, 1994 one-half (11 of 22) of the Community Action Program office (CAPO) staff, met to review and discuss the work to-date of the Placement Task Force. The following are the issues and concerns expressed by those in attendance. Staff expressed a range of concerns from employment issues to the achievement of the mission of the Community Action Program. While there was not 100% agreement on all issues, common concerns were noted. Those concerns are:

A. STRUCTURAL CONCERNS

- ◆ Wherever the community action program is placed there must be a commitment to a stable and secure funding stream. Placement outside the status quo must not jeopardize County funding.
- ◆ The CAP be recognized by the community as the lead agency and voice for anti-poverty programs.
- ◆ The CAP be positioned to foster effective participation of low income persons.
- ◆ The CAP be managed in a way that the mission of the organization is achieved.

B. EMPLOYMENT CONCERNS

- ◆ Current compensation (wages and benefits) policies and job stability must be maintained.
- ◆ There needs to be union representation at these meetings.

- ◆ If the CAP is moved from the current structure, staff insist there be a negotiated agreement which ensures the preservation of accrued sick, vacation, and personal holiday hours. Any negotiations must include management, union, and staff.

CONCLUSION: A number of staff expressed concerns about how we got to the point of this task force. These concerns include:

- A. The problem or placement issue is not clearly defined. How could we reach this point so quickly?;
- B. We question whether we are looking for the best place for Multnomah County's Community Action Program to be located. It appears to be a playing out of an ongoing power struggle between the MCCAC and the Community and Family Services Division director;
- C. The process is not an impartial one which fairly looks at **all** of the options for placement of the Community Action Program in Multnomah County; and
- D. Three task force meetings and a recommendation by December 1, 1994 does not allow sufficient time to critically analyze all options and come to a good conclusion best for community action in Multnomah County.

While staff at the meeting today had grave concerns about the process and the issues, there was also a feeling of some optimism that this task force will provide the opportunity to recommend a CAP placement that is most effective in this community.

Finally, there is the hope that this process will help all parties to understand the roles and responsibilities of each other, including: low income people, CAP staff, MCCAC members, the Board, and the Division management.

A PLACE FOR COMMUNITY ACTION

Prepared for Board of County Commissioners

May 25, 1995

The Placement Task Force was created in the Fall of 1994 to explore possible options for the location of the Community Action Agency in Multnomah County. The membership of this task force was agreed upon by County Chair Beverly Stein and Community Action Commission Chair Jan Savidge. The Placement Task Force recommended to the Board of County Commissioners a semi-independent placement within County government as the best location for this Community Action Agency. The Community Action Commission concurred with that recommendation.

The purpose of this document is to state the benefits of a semi-independent placement for Community Action within Multnomah County. In order to do so, we will describe the defining characteristics for Community Action agencies. We will also describe a possible model for a semi-independent placement. Finally, we will state the various benefits of this model.

I. What makes a Community Action Agency?

"Poverty is the inability to satisfy minimum needs. The poor are those whose resources--their income from all sources, together with their asset holdings--are inadequate....

"Poverty, as has been shown has many faces. It is found in the North and in the South; in the East and in the West; on the farm and in the city. It is found among the young and among the old, among the employed and the unemployed. Its roots are many and its causes complex. To defeat it requires a coordinated and comprehensive attack....

"This coordinated attack must be adapted to local circumstances. Coordinated programs of community action will play a critical role in the assault on poverty. Communities will be encouraged and helped to develop individual programs aimed at the special problems of their own poor families. Individual communities thus can participate in a nationwide action, research, and demonstration program, backed by the interest and resources of State and local governments and private organizations, and the coordinated effort of Federal agencies....

"Conquest of poverty is well within our power....The condition can be eradicated; and since it can be, it must be."

from "Economic Report of the President", transmitted to the Congress,
January 1964.

These words, written on the eve of the War on Poverty, point out three vital elements of Community Action agencies:

- The mission of Community Action is to "fight" poverty with the aim of eradicating it. The "battle plans" must be comprehensive and coordinated in order to triumph.
- The direction for Community Action is decidedly local and community-based. Community Action agencies are citizen-driven.
- Until success is achieved and poverty is eradicated, Community Action must be a laboratory for research and new methods.

The Conquest of Poverty

With the creation of the Economic Opportunity Act of 1964, nearly 1,000 Community Action agencies were established around the country; nearly 1,000 remain today. In Multnomah County, there is one Community Action agency providing a variety of programs and contracting with 23 non-profit agencies.

Community Action's mission is still all too relevant. Too many families were poor in 1964, and too many families remain poor today.

- In 1964, 19% of Americans had incomes below the poverty level. That percentage steadily declined to 11-12%. In 1980, the percentage of Americans considered poor began to climb dramatically.

- In 1993, 15.1% of Americans had incomes below the poverty level. Only in 1983 and before 1966 have such a large part of our country been poor.

In Multnomah County, the trend is significantly increasing poverty -- from 11% of the county in 1980 to 13% in 1990. (Currently, the poverty level for a family of three is \$12,590 or less per year.) The generally low-level of wages for new jobs and the alarming increase in housing costs portends for this trend to continue.

As envisioned in 1964, Community Action uses a mix of funding sources to carry out its mission against poverty. Multnomah County Community Action's current budget is: 65% federal sources (as grantee or sub-grantee), 15% State sources, 10% County sources, and 10% private sources.

Community Action agencies use a diversity of comprehensive and coordinated strategies in the continuing war against poverty. The National Association of Community Action Agencies notes the following:

- Institutional change: promotes changes in social, economic and political institutions
- Community organization and development: helps low-income people act on their own behalf
- Program coordination: coordinates community anti-poverty money
- Resource mobilization: expands anti-poverty money available
- Outreach: connects people with programs that can benefit them
- Case management: provides ongoing contact with households to promote self-sufficiency
- Direct social services: In the 1960's, the strategy of last resort, now it is the way the majority of CSBG money is spent.

Multnomah County Community Action carries out its mission largely through the last five means with an emphasis on the last two. Community Action staff and Commissioners will be training in community organizing beginning in May 1995.

Multnomah County Community Action's sole purpose is to seek the most effective local means to address the consequences of poverty while subverting the causes of poverty.

Maximum Feasible Participation

The Economic Opportunity Act of 1964 describes a Community Action agency as a "community based and operated program."

This is most clearly illustrated by the idea of "**maximum feasible participation of the poor**". To the greatest degree possible, low-income persons are involved in the development and implementation of all Community Action programs "so as to best stimulate and take full advantage of capabilities for self-advancement and assure that those programs and projects are otherwise meaningful to and widely utilized by their intended beneficiaries."

This original legislation intended that the tri-partite Community Action boards have a "**full opportunity**" to this participation.' It goes further than this to mandate that Community Action be so established and organized that the poor "will be enabled to influence the character of programs affecting their interests."

The spirit of citizen involvement in Community Action is captured by these phrases: "maximum feasible participation" and "full opportunity". It is a fundamental characteristic of Community Action that the authority for program direction lies with the low-income community. The function of the tri-partite board is to facilitate this authority by providing means of influence for the low-income community. Community Action should not be satisfied with meeting the letter of the law, demonstrating only that there was citizen involvement, but it should seek the most involvement possible, emphasizing citizen leadership.

The Community Action Commission is the focal point (though by no means the only point) for low-income participation in Community Action. The authority of Multnomah County's

Community Action board is described in the document "Roles Related to Commission Oversight" dated October 29, 1992. Both the Commission and Community Action staff are training in community organizing in order to bring to life "maximum feasible participation of the poor" in all areas of Community Action's work.

The Laboratory for Change

Sargent Shriver, the first director of the Office of Economic Opportunity stated that "The purpose of Community Action is to change the environment which keeps the poor 'in their place'." He felt that a battery of well-coordinated programs would be needed to make these changes. Community Action was the laboratory in which new programs were developed. There was an enormous amount of experimentation in ways to organize poor people to direct Community Action. How do you mobilize the poor into an effective political force which could reshape public institutions and services? How do you create and run programs to serve poor people based on this foundation of mobilization?

Headstarts, legal aid services, employment training for youth (Job Corps), and Foster Grandparents Programs had their beginnings in the Community Action laboratory.

Multnomah County Community Action continues to act as a laboratory for social change.

- Community organizing, once at the heart of Community Action nationally, largely takes a back seat to direct services. Multnomah County Community Action is training staff and citizen leaders in this methodology, as well as assessing our organization for the best ways to use community organizing.
- The Community Action Commission has set a new funding priority for the coming fiscal year -- innovative demonstration projects based on outcome performance. The innovation must demonstrate cost efficiency as well as potential to meet our goals for housing stabilization and economic self-sufficiency. Projects designed by groups comprised mostly by persons of low-income will be given preference.
- We are seeking better ways to be a truly quality organization, "Community Action style". Staff are taking evolutionary steps to the creation of self-directed work teams. Staff and citizen leaders are making revolutionary steps to the creation of a truly citizen-directed organization.

II. The Best Place for Community Action

The Placement Task Force and the Community Action Commission have recommended a semi-independent placement as the best place for Community Action in Multnomah County. The purpose of this section is to clearly describe this placement.

Location:

Multnomah County would retain the designation for Community Action. Community Action would remain a County program. Community Action would be located outside or independent of any Division or Department. The County now operates three independent programs. Multnomah County has committed itself to an urgent benchmark of citizen involvement. The County has also committed itself to creating "quality" improvements in the way in which we do our work. As a result, the County has decided against "business as usual" and thrown in its lot with those who do things differently in order to get real results.

County Expectations:

Community Action would meet all the expectations required of all County programs. We would follow all County budget preparation procedures. We would be accountable to performance on key results measures. We would follow all County administrative, fiscal and personnel procedures.

Fiscal and contract functions:

Whether or not it would be advantageous for Community Action to pull in fiscal and contract functions currently performed by Division management or to share those functions with other County programs would be a decision based on demonstrated economies of scale and satisfactory fiscal and contract service. We believe a rational approach to sharing of functions must analyze these two measures.

Relevant direction and real accountability for performance:

Community Action Commissioners have one focus: running a Community Action program that has real results for low-income people in our communities. Our goals are that low-income people experience a real economic difference in their lives. The Community Action Commission evaluates the performance of our director and of our program.

The Commission would recommend budget and budget modifications to the Chair and the Board. The Commission would set budget and allocation policies for all CAPO revenue and evaluate their implementation. The Commission would set program outcome goals and evaluate staff performance in planning, implementation and evaluation. The Commission would formally and annually evaluate the performance of the Community Action director.

All potential Commission members must meet clear member criteria in order to be recommended to serve. Most serve on sub-committees before being recommended for Commission membership. All members sign a contract which makes clear their roles and responsibilities. All new committee and Commission members are oriented to the goals of our common work. Trainings in information areas and in skill-building are regularly available to Commission members.

Two-thirds of the members of the Commission are appointed by the Board of County Commissioners.

III. What are the benefits of a semi-independent placement?

The benefits of a semi-independent placement include clarity of administration, focused organizational direction, freedom to integrate services, community recognition and involvement, and continuation of government's role.

Focused Organizational Direction

As Community Action receives training, engages in reflection and discussion, and experiments with new behaviors and activities, we continue to develop our ideas about Community Action as a quality organization. One thing we know for certain is that we aren't there yet. But then, the process of reflection and action means one never "arrives" because one is always revising the "destination".

One thing is clear: that if we are to meet our anti-poverty mission while our program resources may continue to decline, we need to do our work differently. The provision of services alone no longer cuts it in our view. Clearly, the Division's mission is wedded to the provision of crucial services. Three of the Division's programs are in discussion about managed care. We question whether the paths being trod by Community Action and by most of the Division's program are similar enough to warrant a common structural identity.

Community Action has not been a part of managed care discussions. We are not cognizant of whether Division management perceives Community Action as a participant in future managed care service delivery. Managed care is not an appropriate "destination" for Community Action.

Membership in the Division has not added value to Community Action in terms of carrying out our mission. Unfortunately, this relationship has provided for significant distractions - distractions which have been necessary in order for Community Action to maintain its integrity as a citizen-based organization. From the standpoint of effective anti-poverty work, there is no compelling argument to continue Community Action's placement in the Division.

A Corollary: Division management provides administrative support services for Community Action. Community Action staff and citizens are in agreement that fiscal, budget, contract and most administrative services must support and serve program direction and implementation, not

vice versa. We have experienced some differences on this point with the Division as an organization. There is no evidence that the Division provides these services more cost-effectively or efficiently than Community Action could itself.

Service Integration and Resource Coordination

There is no magic to service integration and resource coordination. Community Action practices these two concepts because they make sense for the people we serve. Service-wise, Community Action is in the business of providing emergency basic needs services and self-sufficiency services. Service integration and resource coordination happen both on the level of the Community Action Program Office and on the level of our contracting agencies. In fact, they must occur in order to meet many of the goals set for ourselves as an agency and for our contracting agencies.

The historical tradition of Community Action is one of coordination and integration. Community Action practices what is reasonable, practical and effective in these areas from planning to service delivery. A Division structure in which many service programs are lodged has not added value to our integration and coordination efforts. It is not structure, but relationship, that creates quality service integration and resource coordination.

Role of Government

Community Action has always viewed government as an equal partner with the private sector and low-income communities in working to eradicate poverty. The semi-independent placement would continue government's anti-poverty role. **Why shouldn't local government be the forum for experiments in "participatory democracy" such as Community Action?**

Community Recognition and Involvement

As presently conceived, Community Action is only in part a service delivery organization. Its other parts rely heavily on engaging the hopes and aspirations of low-income communities. Engagement, in turn, is dependent on the creation of a connection between the organization and people. As discussed, Community Action staff and citizens are embarking upon a path to learn ways to create such a connection.

Important is the ability of citizens to locate Community Action and to identify with it as an organization. The submersion of Community Action within another bureaucracy makes this more difficult. Government organization is very confusing to the average citizen. Existing Division protocol requires that Community Action staff identify themselves and their work in public forums as that of the Division first and Community Action second. Important as this is to developing a public identity for the Division, this is only one example of the difficulties faced in making a direct connection between citizens and Community Action.

Community Action is a uniquely conceived organization and requires a unique location in order to fulfill its tradition of "maximum participation of the poor".

Clarity of Administration

As things now stand, Community Action staff understand themselves as accountable to both Division administration and to the Community Action Commission. The demands of a bureaucratic structure such as a division make it difficult for citizens to co-administer a program. Community Action requires citizen administration. A semi-independent placement would clarify administration of the Community Action program by identifying one source of accountability.

IV. Why does a semi-independent placement make more sense for Community Action?

It is our analysis that power, or more precisely the lack of it, is the *raison d'être* for poverty. It is not the application of better services or the coordination of resources which will make a fundamental dent. Services and resources, of course, can make a real difference for individuals and families. Making a difference, household by household, that is, addressing the "consequences" of poverty is a part of Community Action's mission. Community Action must be the safety net for households that find themselves outside of society's economic mainstream.

If Community Action is to proceed with integrity, our methods must be congruent with our desired outcomes. If power is the primary issue of poverty, then our efforts or methods to conquer poverty must themselves deal correctly with this issue of power. Those whose lives are at stake, those for whom services are devised, those suffering the consequences of poverty in their bodies and homes, these persons must be equipped and connected to the helm of Community Action. Those individuals whose destinies are bound up with the mission of Community Action must steer us toward our ultimate destinations.

As we understand better how to connect people to power, we will understand better how to connect people to the power to administer Community Action programs. A Community Action Commission with its existing relationships between elected officials, the private sector and low-income persons is an elegant vehicle for experimenting with this connection.

A semi-independent placement clarifies the administering authority of the Community Action Commission and makes efforts at power-sharing more relevant because the power and authority is real.