

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: 12/08/2020 **Approx. Start Time:** 2:30pm **Approx. Length:** 30min.

Presentation Title: 2020 Economic Development Commission (EDC) Annual Report

Department: Business and Community Services (BCS) - Economic Development Division

Presenters:

Staff: Sarah Eckman, Deputy Director, Business and Community Services
Jon Legarza, Economic Development Coordinator, Business & Community Services

EDC: John LaMotte, Chair, EDC Executive Committee
Vance Tong, Vice Chair, EDC Executive Committee
Charles Gallia, Immediate Past Chair, Economic Development Commission
Alyssa Mahar EDC Executive Committee

Other Invitees:

2020 Economic Development Commission Members
Laura Zentner, CPA, BCS Director

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

The purpose of this study session is to present the 2020 Economic Development Commission (EDC) Annual Report to the Board of County Commissioners.

EXECUTIVE SUMMARY:

The mission of the EDC is to advise and make recommendations to the BCC on matters pertaining to the support and growth of a balanced, sustainable economy within the county and cities within Clackamas County.

The EDC also works to promote the vision of the Clackamas County Economic Development Plan, which is to create prosperity by fostering balanced economic development in Clackamas County through a close partnership with government and the private sector.

Each year, the EDC plans the year's meeting agendas to ensure the commission closely tracks, learns about and makes recommendations on the current economic development issues facing the County. Based on the EDC meetings throughout the calendar year, the EDC provides an annual presentation to the BCC. The presentation summarizes topics covered over the course of the year and provides economic development recommendations for the BCC to consider.

Topics the EDC studied this year:

- ▶ Child Care Needs for the Local Workforce
- ▶ Business Resource Map
- ▶ GPI Community Economic Development Strategy (CEDS)
- ▶ Small Business Emergency Grants
- ▶ COVID19 Commercial Vacancy Impacts
- ▶ Clackamas Community College Scholarship
- ▶ Business Recovery Centers

The attached PowerPoint is the final report which outlines what topics were studied, what was learned, actions taken, and recommendations to the BCC.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO

What is the cost? Staff time and program costs (minimal program costs for meetings)

What is the funding source? BCS Fiscal Year 19/20 Budget

STRATEGIC PLAN ALIGNMENT:

- **How does this item align with your Department's Strategic Business Plan goals?**
By facilitating the work of the EDC, BCS Economic Development provides consultation and economic analysis services to policymakers.
- **How does this item align with the County's Performance Clackamas goals?**
The work of the EDC and BCS Economic Development directly contributes to the County's strategic priority of growing a vibrant economy.

LEGAL/POLICY REQUIREMENTS:

No legal/policy requirements at this time. Policy recommendations in the report are made by the EDC for consideration by the BCC in future programming.

PUBLIC/GOVERNMENTAL PARTICIPATION:

PGA provides updates on the BCC Legislative Agenda to the EDC.

OPTIONS:

1. Accept the 2020 Economic Development Commission (EDC) Annual Report
2. Do not accept the 2020 Economic Development Commission (EDC) Annual Report

RECOMMENDATION:

Staff respectfully recommends that the BCC accept option 1: Accept the 2020 Economic Development Commission (EDC) Annual Report.

ATTACHMENTS:

- 2020 Economic Development Commission (EDC) Annual Report (PowerPoint presentation)

SUBMITTED BY:

Division Director/Head Approval _____
Department Director/Head Approval Laura Zentner 12/2/2020
County Administrator Approval _____

ECONOMIC DEVELOPMENT COMMISSION ANNUAL REPORT

2020

Presented to the Board of County Commissioners
December, 2020

TOPICS & ISSUES STUDIED

- Child Care Needs for the Local Workforce
- Business Resource Map
- GPI (CEDS)Community Economic Development Strategy
- Small Business Emergency Grants with MESO
- Commercial Vacancy Impacts from COVID-19
- Clackamas Community College Scholarship
- Business Recovery Centers

ACTIONS TAKEN BY EDC

- Facilitated breakout discussions with the group around ways to improve childcare deserts in Clackamas County
- COVID-19 transition to Zoom EDC meetings for the remainder of 2020
- Review and comment on new Clackamas County Business Recovery map launched with the County's Business Community Services Economic Development and GIS teams
- Presentation on GPI CEDS and discussion on how to align with Clackamas County Economic Development Strategic Plan
- Small Businesses Emergency Grant Fund joint venture with Micro Enterprises Services of Oregon (MESO)
- COVID-19 impacts on the Commercial Rental markets
- Letters of Support for Broadband and Resiliency
- Impact Funding with Clackamas Community College Scholarship
- Business Recovery Centers to assist with COVID-19

Optimal Child Care & Workforce Systems

PRESENTATIONS

Childcare Deserts and Workforce

Dana Hepper, Director of Policy & Advocacy Children’s Institute

Beth A Unverzagt, Director, Oregon Ask

Bridget Dazey, Executive Director, Clackamas Workforce Partnership

- “Clackamas County 0-2 year olds, only 13% have access to childcare compared to Washington County at 15% and Multnomah County at 18%”
- “Median Annual price for toddler childcare center is \$14,400”

Clackamas County by the Numbers

Population Information from Blueprint Clackamas

- Age 0-4 (23,007 persons or 5.45% of population)
- Age 5-9 (24,109 persons or 5.72% of population)
- Total childcare eligible population 47,116
- Clackamas County Licensed Programs as of 2/20/2020
 - 282 Programs
 - Available slots: 9,280 slots (children from 6 weeks to 13th birthday)

How it Impacts Economic Development?

- Without adequate supply of childcare our workforce will lack the ability to attract talent for our companies now and in the future
- Migration of talent to communities that have the supply and companies that provide resources either onsite or thorough partners

Invest

- [When companies provide childcare, employee absences can decrease by 30% and job turnover can decline by 60%](#)
- [Since D.C. began offering universal preschool, maternal labor force participation has increased by 10 percentage attributable to preschool expansion](#)

Don't Invest

- [74% of Working Families say their jobs have been affected by child care problems](#)
- [Turnover as a result of child care costs businesses 20% of hourly employees salary and up to 150% of manager's salary](#)

Sources: US Chamber, Center for American Progress

Who's Open? - Business Resource Map

BUSINESS COMMUNITY SERVICES, WITH TECHNOLOGY SERVICES AND THE EMERGENCY OPERATIONS CENTER, LAUNCH OF WHO'S OPEN MAPPING TOOL:

- Due to the State Level Executive Orders on COVID-19, only certain essential businesses were allowed to be open. The County launched an interactive map created to raise awareness of local businesses that are open during the coronavirus pandemic, which helped connect customers and businesses. The Economic Development Commission reviewed the mapping tool and provided valuable feedback to staff to improve the platform.



PLATFORM HIGHLIGHTS

- Highlights if business has pick-up or delivery
- Contact business online or via phone
- Notes if business has special hours for seniors and essential employees
- Details if business has reduced or discounted services dedicated to helping people get back on their feet

Greater Portland Inc (GPI) Comprehensive Economic Development Strategy (CEDS) & Clackamas County Disaster Management

GPI AND CLACKAMAS COUNTY DISASTER MANAGEMENT PRESENTATION

- Greater Portland Inc presented the CEDS around the following clusters:
 - Computers + Electronics
 - Software
 - Athletic + Outdoor
 - Metals + Machinery
 - Health Sciences + Technology
 - Clean Tech
 - Design + Media
 - Food + Beverage
 - Distribution + Ecommerce
- Clackamas County Disaster Management then presented on resiliency and recovery
- Lastly, Clackamas County proposed an economic resiliency plan for future disasters

Pivoting outside of Economic Development Lanes: Small Business Emergency Grant Program

PRESENTATIONS

Micro Enterprises Services of Oregon (MESO)
Camren Madrid, Business Development Manager
Ben Durfee, Business Development Manager



1ST ROUND EMERGENCY GRANT DEMOGRAPHICS (\$45K)

- 17 small businesses with less than 25 employees
- None of the 17 companies received PPP/EIDL or CARES Funds
- 10 Minority Owned Businesses
- 14 Woman Owned Businesses
- \$40,000 awarded to Minority Owned
- \$25,000 award to Woman Owned Business

HOW IT IMPACTS ECONOMIC DEVELOPMENT

- Outreach to historically disadvantaged businesses
- Outreach to Latinx and other minority-owned businesses
- Foster the creation of Individual Development Accounts
- Provides avenues for Technical Assistance which could include:
 - Bookkeeping
 - Tax Filing
 - Credit Knowledge

COVID-19 Impacts to Commercial Property Vacancy

PRESENTATIONS

Cushman Wakefield, Executive Director, Matt Johnson

Cushman Wakefield, Managing Director, Aaron Watt

Cushman Wakefield, Director, Keegan Clay

Commercial Buildings

CLACKAMAS/MILWAUKIE SUBMARKET

Inventory 1,343,246 SF	Vacancy Rate 4.9%
Q2 2020 Absorption -23,300 SF	Average Rent Overall \$25.97 FS

Industrial Buildings

CLACKAMAS/MILWAUKIE SUBMARKET

Inventory 24,869,216 SF	Vacancy Rate 3.1%
YTD Net Absorption -243,581 SF	Average Rent (w/) \$0.65/NNN
Average Rent (Overall) \$0.71/NNN	

Clackamas Community College Scholarships

Cross the Finish Line Seed Fund

Lisa Davidson, Executive Director, Dean of Connections in Business & Industry

John Chang, Executive Director, CCC Foundation

- CCC scholarship fund helps build the workforce pipeline and economic prosperity in Clackamas County
- The variety of options allows for customization and flexibility in the award amount—stretching the fund to serve more students and businesses
- The partnership catalyzes degree completion and quickly mobilizes skilled workforce
- Training impact can be reproducible each year



Grant Support & Business Recovery Centers

LETTER OF SUPPORT CLACKAMAS COUNTY BROADBAND

- Economic Development Commission provided a letter of support for the Clackamas County Technology Services Department application to the Economic Development Administration for a Broadband project.
- COVID-19 has highlighted the importance of internet connectivity and the lack of it within the County
 - Adapting to the future broadband needs will be critical for residents and businesses in the County
 - Creating a high-speed fiber internet with equitable access will create a vibrant economy

WASHINGTON COUNTY BUSINESS RECOVERY CENTERS (BRCs)

- The Commission learned how the County could contract with Chambers to provide BRCs to assist businesses as they navigate impacts from COVID-19
- Discussion of possible services to businesses, provided with CARES Act dollars, which included:
 - Legal assistance provided by Lewis & Clark Law School
 - Bookkeeping assistance
 - Web design to help market changes in operations
 - Staffing and outreach requirements for the BRCs

Recommendations to Board of County Commissioners

- Align the County's Economic Development Strategy with the GPI CEDS Comprehensive Economic Development Strategy
- Request feedback from Businesses on lessons learned from COVID-19
- Develop recovery strategies for Downtown Business corridors that are going vacant
- Increase diversity on the EDC. Encourage involvement from women-owned businesses, minorities, LatinX, and other historically disadvantaged business owners
- Create a marketing plan to promote development opportunities in our County for businesses that are looking to migrate out from the urban corridor
- Move forward (reduce delay) with the Land Bank Authority (LBA) due to the opportunity to recycle real estate, as it is more economical, climate friendly, uses available infrastructure, and looks inside the UGB for commercial/industrial opportunities

Topics to Consider for 2021

EDC Focus

- Understanding the migratory businesses leaving the urban core (who, what and why)
- How is technology disrupting the new norm in commercial and industrial areas?
- What programs are available for minority-owned businesses in the County? How can we expand those programs?
- Could we have the cities present on the COVID-19 impacts to their Downtown corridors?
- Housing Affordability for workforce. What are the needs for the living-wage jobs in the County? Does the County have the supply available to meet those needs and if not how is it going to achieve those needs?