

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Sitting/Acting as (if applicable)

Policy Session Worksheet

Presentation Date: September 13, 2023 **Approx. Start Time:** 10:00am **Approx. Length:** 60 minutes

Presentation Title: Office of Economic Development Strategic Priorities

Department: Transportation and Development / Office of Economic Development

Presenters: Dan Johnson, Director of Transportation and Development

Laura Edmonds, Manager, Office of Economic Development

Other Invitees: Cindy Moore, Coordinator, Office of Economic Development

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Seek Board feedback on the Office of Economic Development (OED) Strategic Priorities and an informational update on the results of the Business Friendly Survey.

EXECUTIVE SUMMARY:

One of the Clackamas County Board of Commissioners Performance Clackamas strategic priorities is to “Grow a Vibrant Economy”. The Board identified “by 2024, 75% of businesses working in Clackamas County report a business-friendly environment that supports stability and growth.” In 2023, the Office of Economic Development sent out a survey to County businesses to develop a baseline estimate of the proportion of businesses operating in Clackamas County that report a business-friendly environment, as well as asking for areas of improvement that will support business stability and growth.

Distributed County-wide through numerous means of communication, we received 123 respondents and 92 completed surveys. The results of the survey are attached though some key findings include:

- 63% of respondents believe Clackamas County is a great place to do business,
- Access to transportation routes and quality of life were the primary were identified as positive aspects of doing business in Clackamas County and
- Only 13% of those surveyed felt Clackamas County was NOT business friendly,

Results also provides supportive responses that tell us what the County does well and provides input for areas that we can improve upon, such as the limited awareness of incentives and services.

Survey data collected and partner engagement have been helpful in developing the strategies and goals of the Office of Economic Development. These Strategic Priorities and Goals will help to improve our business friendly rating and enhance economic vitality in Clackamas County.

The Office of Economic Development is actively advancing analysis, such as the Economic Landscape Assessment, to gain a better understanding of the economic strengths and weaknesses of the County. This information will assist in enhancing our Economic Development plan to achieve the Board’s Strategic Priorities. Staff is requesting feedback on the following strategic priorities (See Attachment C):

- Business Retention,
- Business Expansion,
- Business Recruitment and
- Workforce Development.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO (Informational Only)

What is the cost? \$ None

What is the funding source? Lottery funds allocated to Clackamas County

STRATEGIC PLAN ALIGNMENT:

- These items align with the Board’s strategic priority to “Grow a Vibrant Economy” by supporting the Boards goal “By 2024, 75% of businesses working in Clackamas County report a business friendly environment that supports stability and growth” and “By 2026, 15% increase in jobs that meet the self-sufficiency standard wages in Clackamas County”.

LEGAL/POLICY REQUIREMENTS:

None

PUBLIC/GOVERNMENTAL PARTICIPATION:

None

OPTIONS:

None. This is an informational update and seeking Board input.

RECOMMENDATION:

N/A

ATTACHMENTS:

Attachment A: OED Policy Session PowerPoint

Attachment B: SOU – Clackamas County Business Friendly Survey Results

Attachment C: OED Strategic Priorities

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval *Dan Johnson*

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Laura Edmonds 503-319-2456



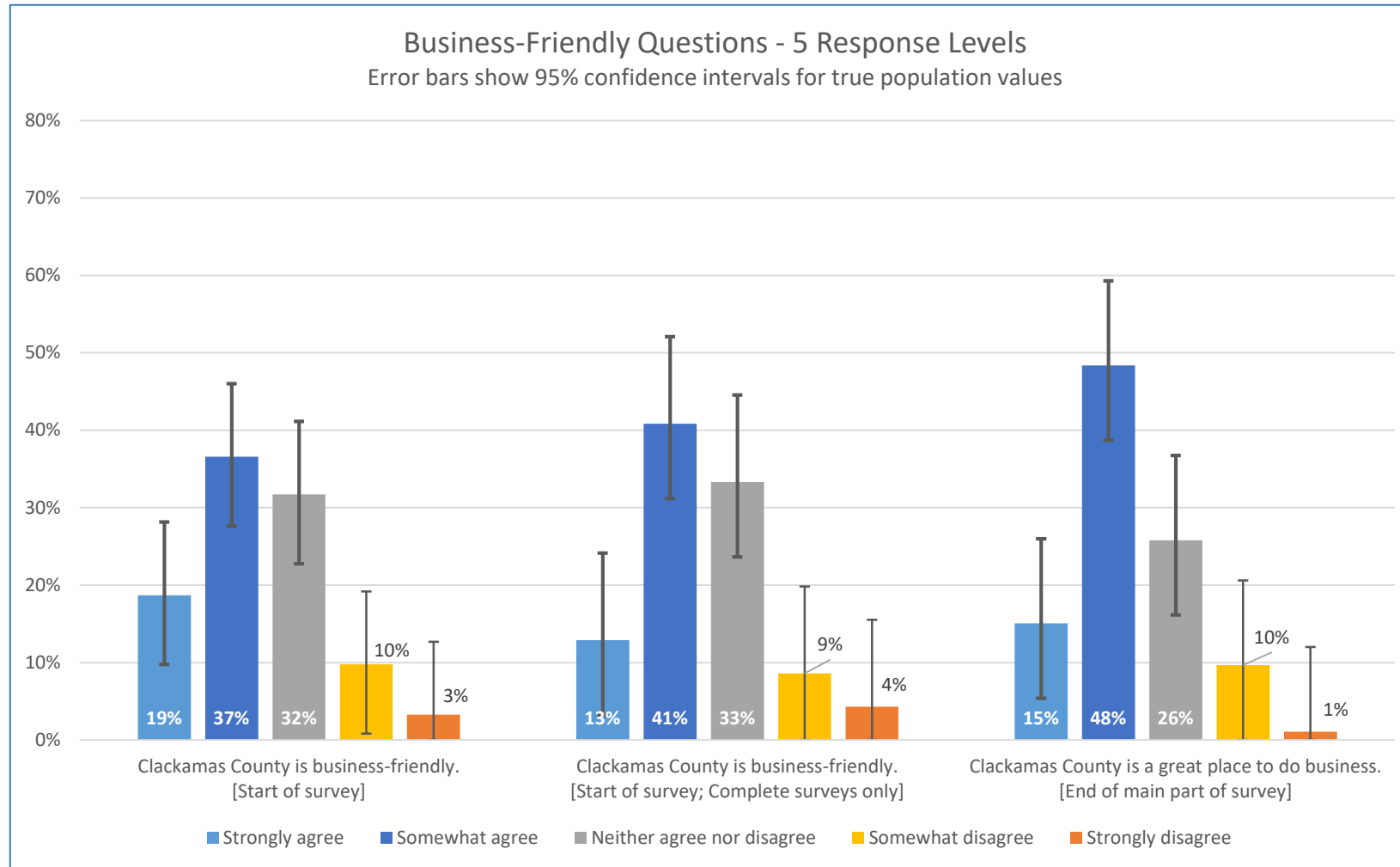
CLACKAMAS COUNTY

Office of Economic Development

September 13, 2023



Business Friendly Survey Results



Industry Clusters



Metals & Machinery

County jobs: 6,870



High-Tech

(Computers & Electronics)

County jobs: 3,171



Agriculture/Nursery

County jobs: 6,009



Renewable Energy

County jobs: 1,151



Healthcare

County jobs: 24,063



Food & Beverage

County jobs: 2,582



Forestry

County jobs: 498

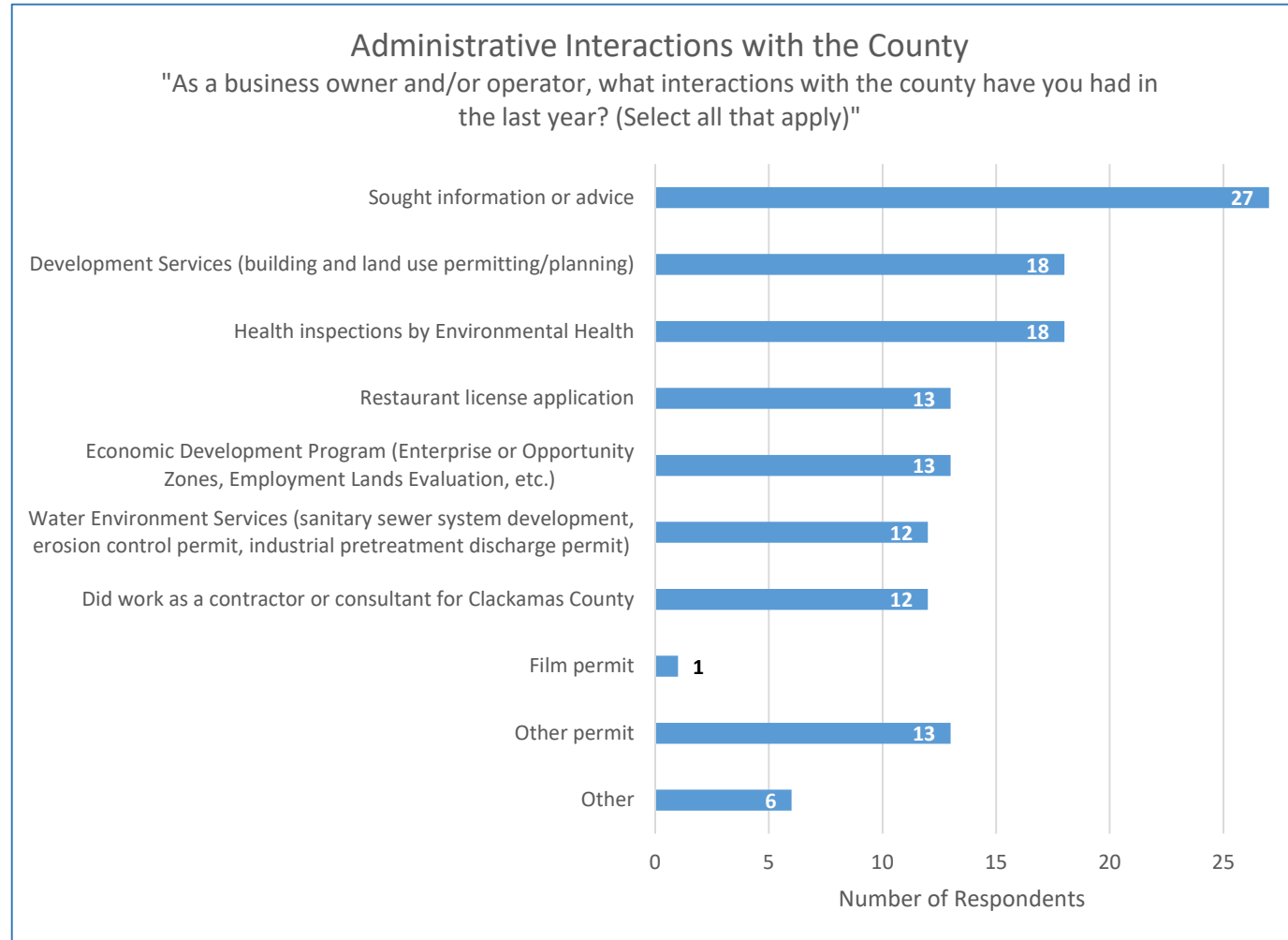


Software

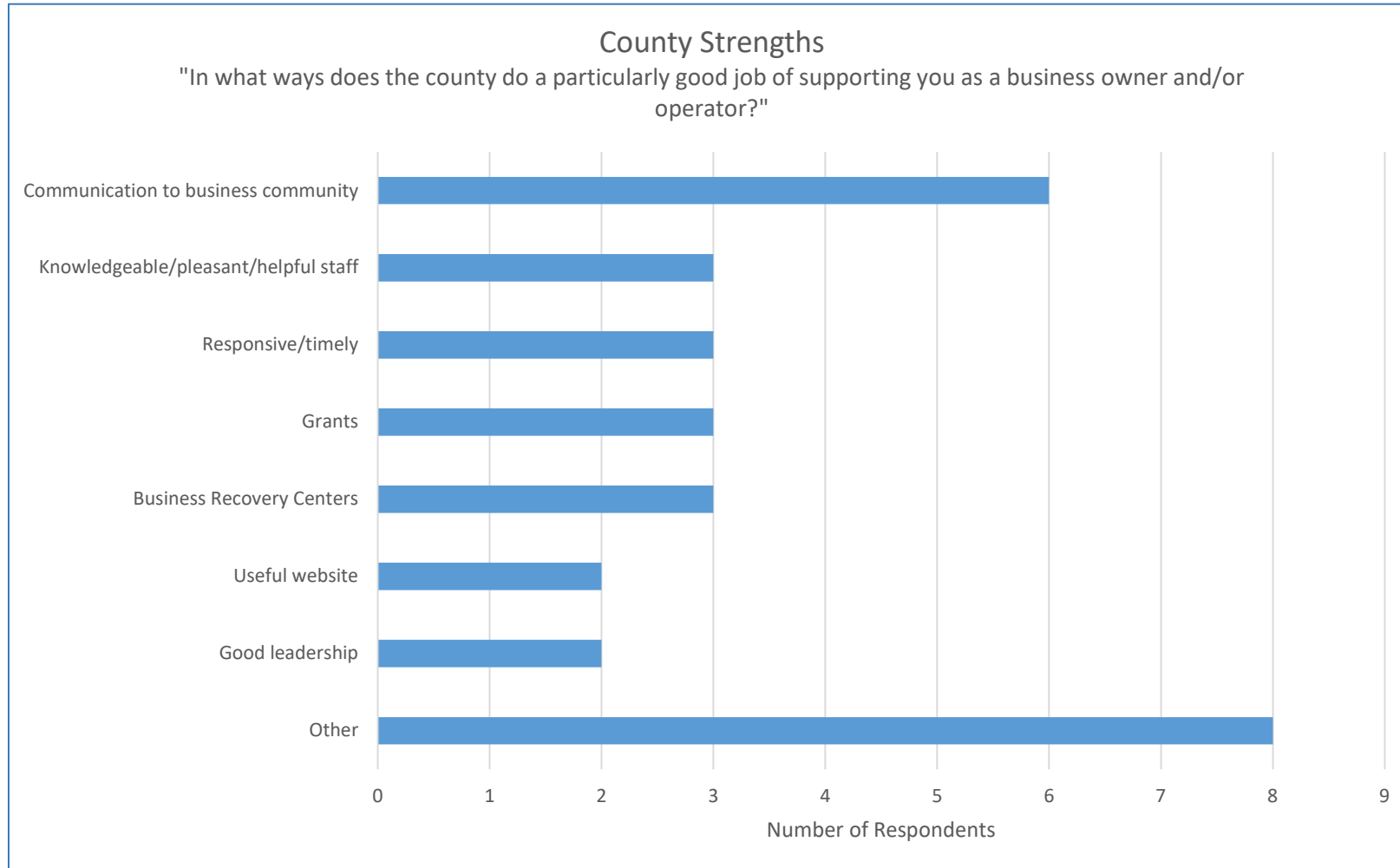
County jobs: 1,955



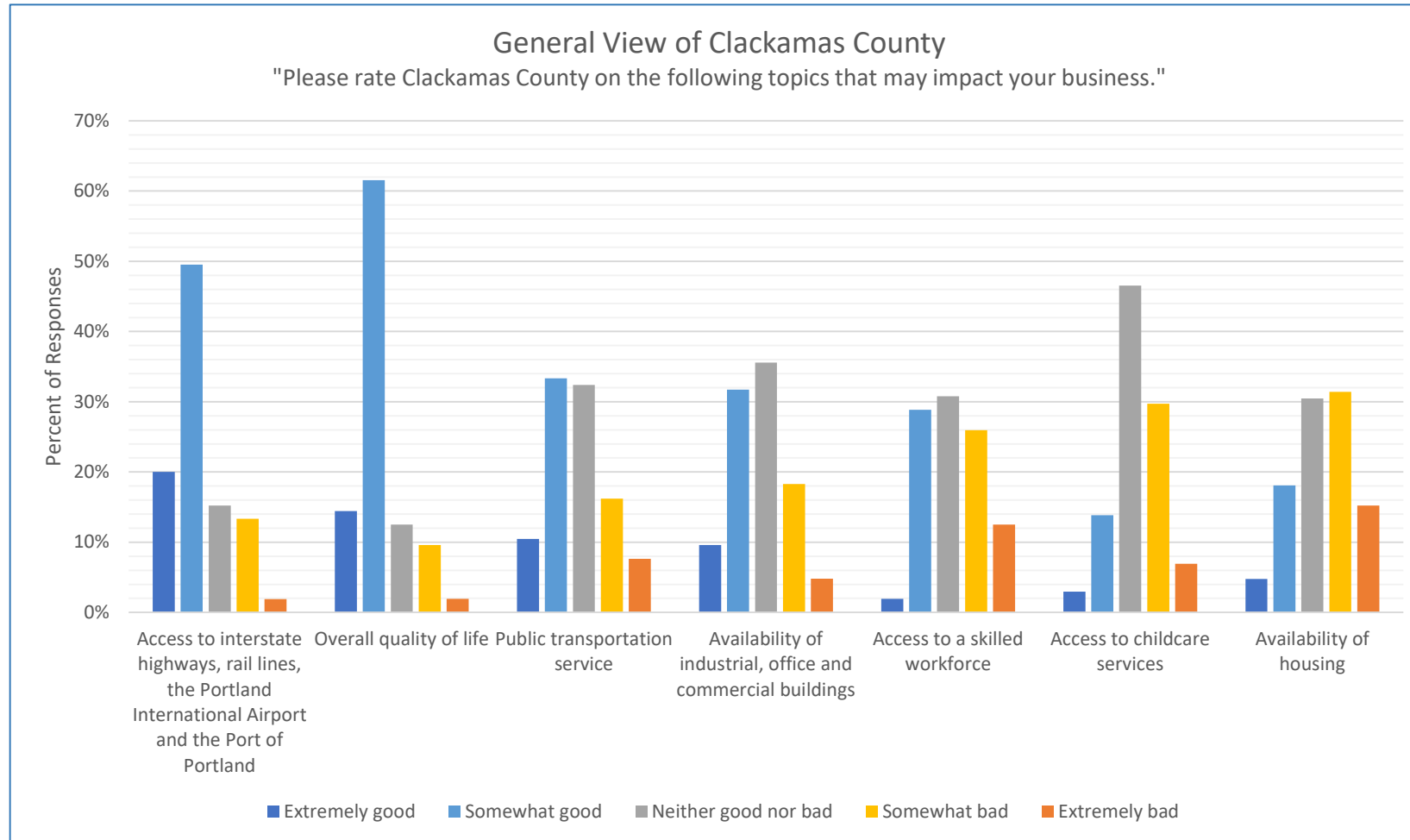
Services



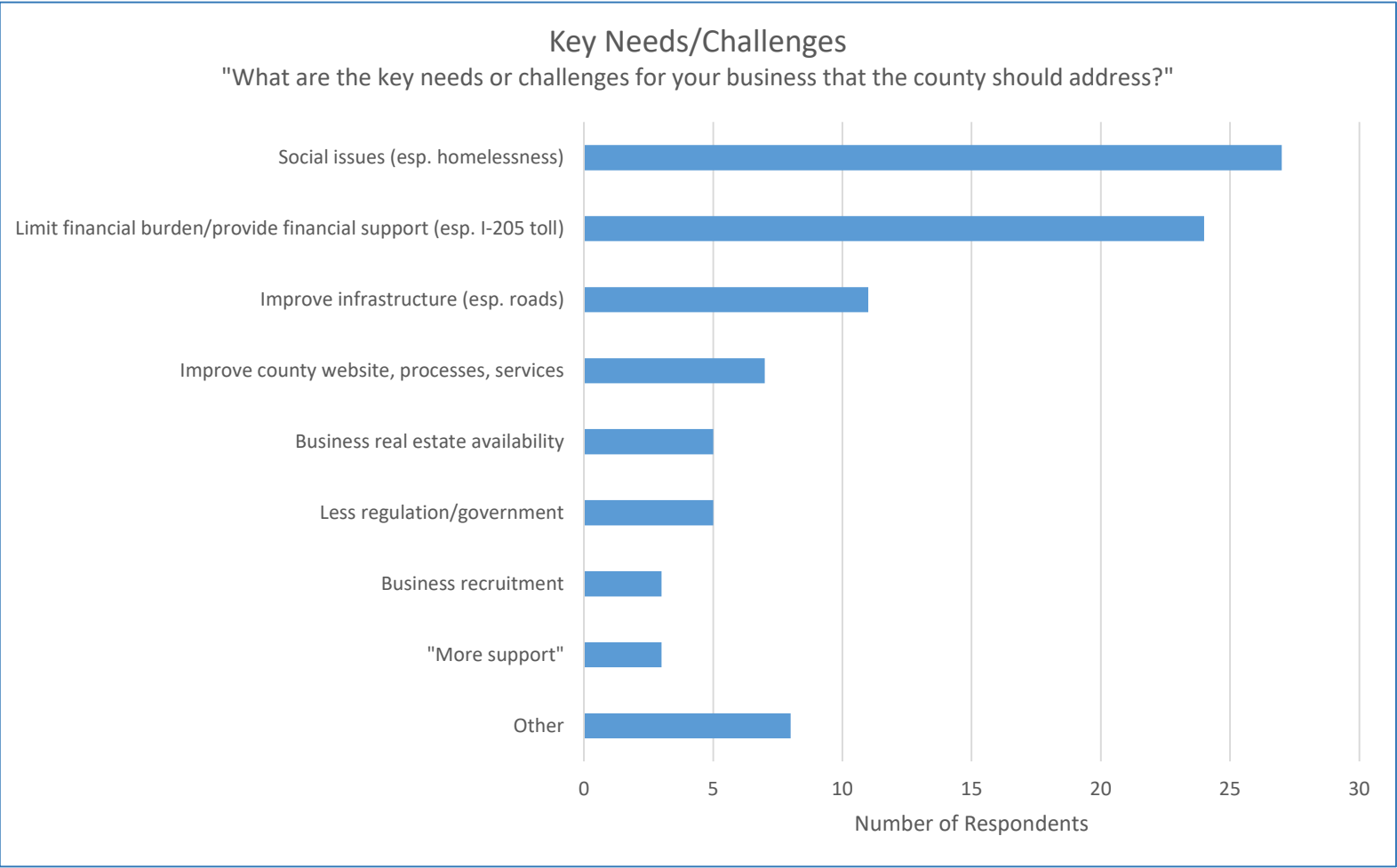
Strengths



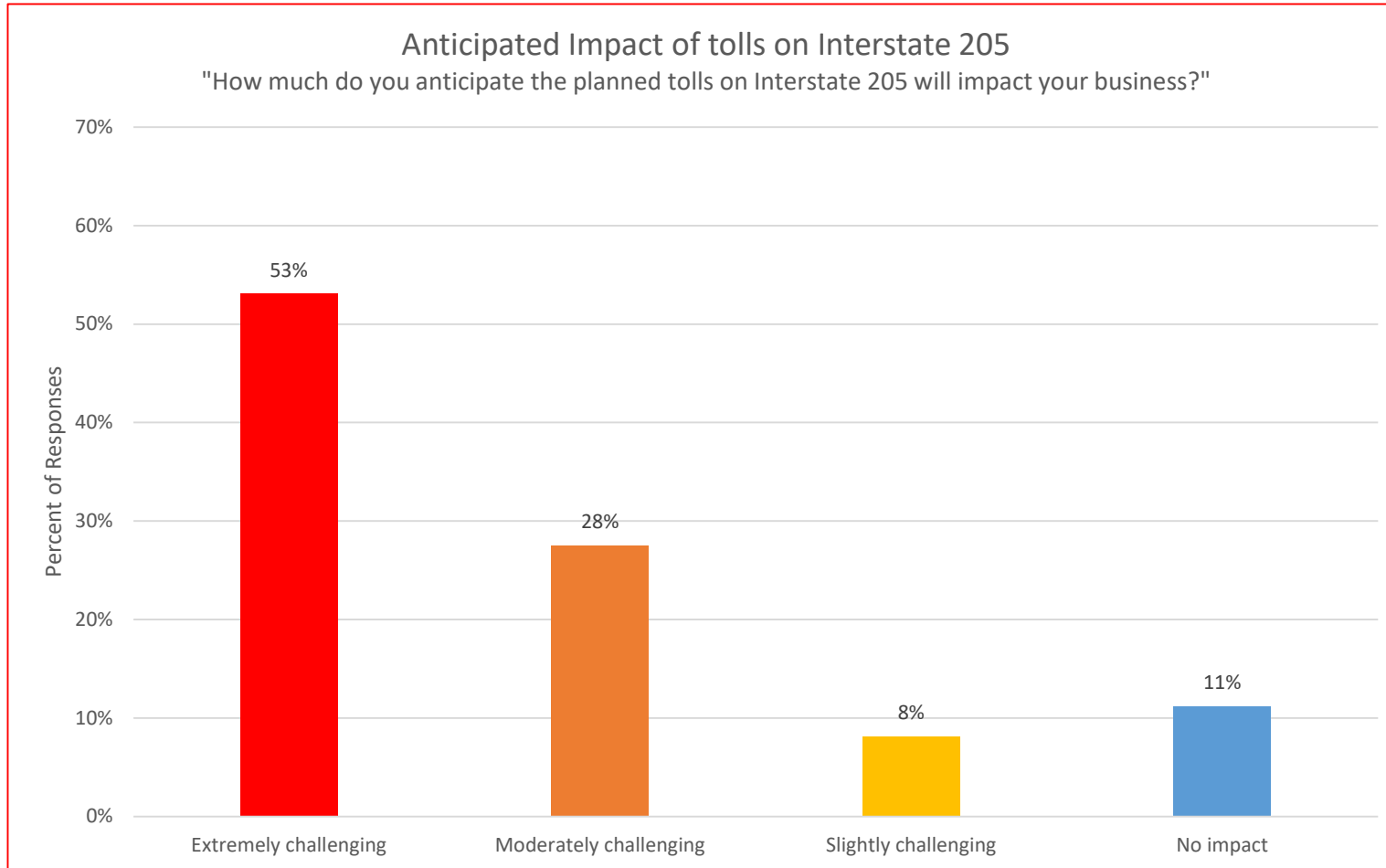
General View



Challenges / Obstacles



Challenges / Obstacles cont...



Industry Client Pipeline

- Number of current active clients: **35+**
- Industry types – manufacturing, food processing, professional services, construction, transportation, healthcare, high-tech
- Capital investment estimates documented from January 2020 to present: **\$61,746,872**
- Number of new jobs created with Enterprise Zone projects: **117**

Office of Economic Development (OED)

Strategic Priorities

KEY PRIORITIES

- 1) Business Retention
- 2) Business Expansion
- 3) Business Recruitment
- 4) Workforce Development

GOALS

1. Build upon the County's economic asset base, expand existing industry and business sectors.
2. Identify existing facilities that are suited to specific industries; targeting those industries for relocation and/or relocation.
3. Identify buildable land & target industry providing self-sufficiency wage jobs.
4. Identify new targeted industries; sub-clusters that support supply chains for existing companies in the County.
5. Identify barriers to business success and collaborate to remedy.
6. Attract businesses that pay self-sufficiency wage jobs.
7. Support workforce training and development to attract and retain business.
8. Provide services, tools and incentives that attract business to the County.
9. Promote business advocacy to alleviate undue pressures on business that might impact their growth and success.
10. Building economic prosperity and improve livability.
11. Create a collaborative environment with both internal and external partners to achieve County goals.
12. Build organizational capacity to improve OED deliverables.
13. Create a strong marketing and promotion plan.



Clackamas County Business-Friendly Environment Survey Final Report

Southern Oregon University
Market Research Institute

July 14, 2023



Contents

- Background 3
 - Clackamas County Business Population Demographics 3
- Study Goals 6
- Methodology..... 6
- Survey Sample Business Demographics..... 8
- Results..... 12
 - Results Summary..... 12
 - Business-Friendly Environment 14
 - General View of Clackamas County 16
 - Administrative Interactions with the County..... 17
 - Clackamas County Business Support Services 21
 - Open-Ended Feedback..... 23
- References 26

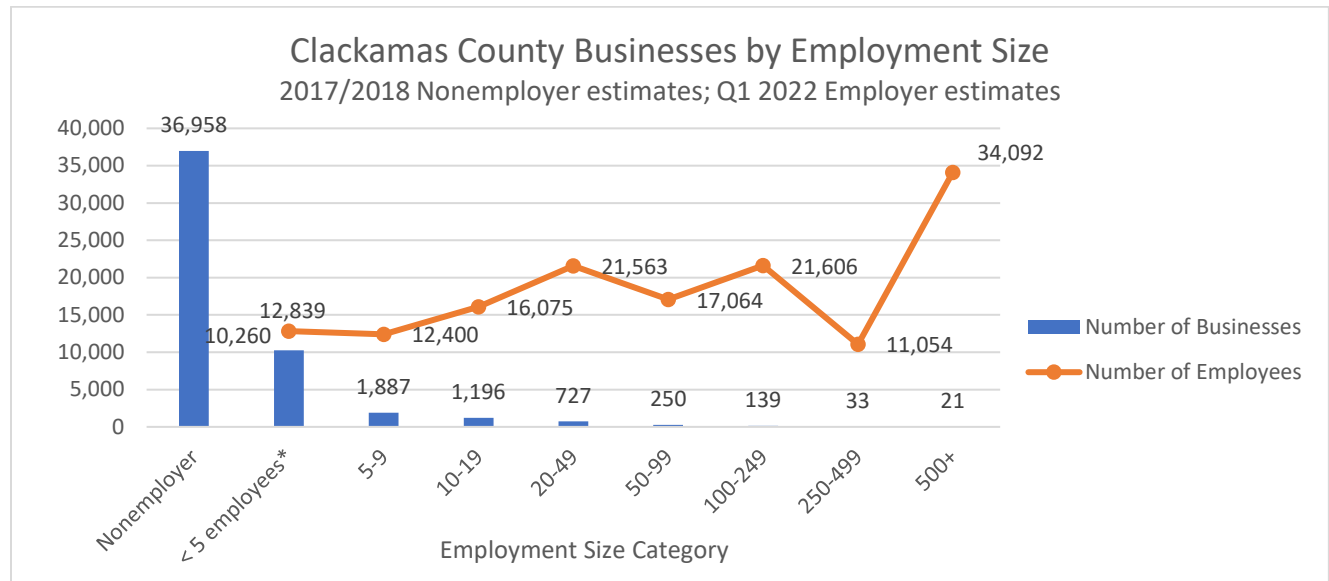
Background

The Clackamas County Board of Commissioners has developed a set of strategic goals for the five-year period from 2021 to 2025. As part of a strategic priority to grow a vibrant economy, they would like to demonstrate that by 2024, 75% of businesses working in Clackamas County will report a business-friendly environment that supports stability and growth.

Clackamas County Business Population Demographics

Clackamas County business demographics are provided in order to understand the overall business landscape and to allow evaluation of the survey sample compared to the total business population. Business demographics data come from a variety of sources. Data for the agricultural industry come from the US Department of Agriculture’s 2017 Census of Agriculture, data for nonemployer businesses from the US Census Bureau’s 2018 Nonemployer Statistics, and data for employer businesses from the Oregon Employment Department for first and second quarter 2022. Since the COVID-19 pandemic has had a major impact on businesses, it will be important to review changes in the agriculture and nonemployer landscapes when that information becomes available.

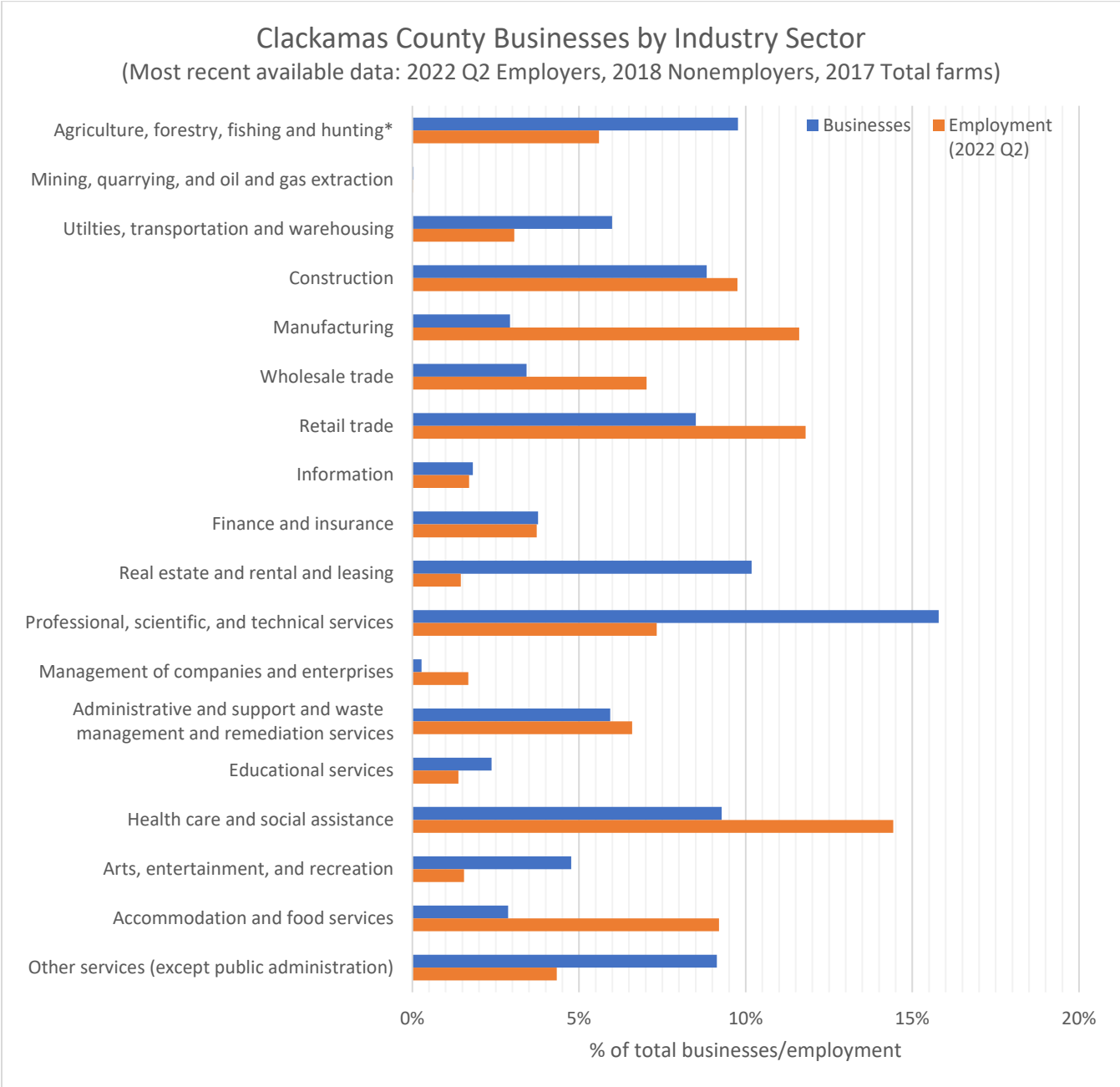
The majority (72%) of Clackamas County businesses are nonemployers (businesses with no payroll employees). However, employer businesses have a major impact on the economy, providing 146,693 jobs in the first quarter 2022. In fact, businesses with 500+ employees make up only 0.04% of Clackamas County businesses, but account for 23% of jobs generated by businesses located in Clackamas County.



Sources: Oregon Employment Department, QCEW, 2022 Q1; United States Census Bureau, NES, 2018; United States Department of Agriculture, Census of Agriculture, 2017
 *Includes businesses with payroll that did not have any employees in Q1 2022.

In terms of number of businesses, the largest sectors in Clackamas County are professional, scientific, and technical services; real estate and rental and leasing; agriculture, forestry, fishing and hunting; health care and social services; and other services (including personal services, repair and maintenance).

However, some of these sectors have many nonemployer or small employer businesses¹. Major employment sectors are health care and social services, retail, manufacturing, construction, and accommodation and food services.



Sources: Oregon Employment Department, QCEW, 2022 Q2; United States Census Bureau, NES, 2018; United States Department of Agriculture, Census of Agriculture, 2017

¹ in this study, to understand differences between smaller and larger businesses, we compare small businesses with less than 10 employees (0 to 9) – including nonemployers – to businesses with 10 or more employees.

Compared to Oregon as a whole, Clackamas County has a high proportion of finance and insurance businesses (location quotient² 1.36) and wholesale trade businesses (location quotient 1.22). Compared to Oregon, a high proportion of employees work in the wholesale sector (location quotient 1.54) and construction sector (location quotient 1.43).

We also report selected demographic characteristics of business owners in Clackamas County to understand how well minority groups are represented in business ownership locally and to evaluate the survey sample for representation of minority-owned businesses. Business owner demographics in the United States still do not reflect population demographics: individuals from minority groups are less likely to be business owners. In general, representation of minority groups is better in nonemployer business ownership than in employer business ownership. The exception is veterans, who are better represented in employer business ownership than nonemployer business ownership.

In Clackamas County in 2017 (most recent county level data), approximately 38.2% of classifiable³ businesses were woman-owned and another 8.2% were equally male- and female-owned. Racial and ethnic minority individuals (non-white and/or Latino/a/x) made up 19.0% of the population but had ownership 14.7% of classifiable businesses, with another 1.3% being equally minority- and nonminority-owned. Veterans made up 7.8% of the population and owned 5.6% classifiable businesses, with another 1.3% being equally veteran- and nonveteran-owned.

² Location quotients measure the concentration of an industry in one region compared to another region. Location quotients based on the number of businesses are calculated as

$$\text{Location Quotient} = \frac{\# \text{ industry businesses in Clackamas County}}{\text{total \# businesses in Clackamas County}} / \frac{\# \text{ industry businesses in Oregon}}{\text{total \# businesses in Oregon}}$$

Location quotients based on employment use a similar formula, replacing the number of businesses by the number of employees. A location quotient of 1.00 indicates that the industry is equally concentrated in Clackamas County and Oregon. A location quotient above 1.00 indicates a higher concentration of the industry in Clackamas County compared to Oregon.

³ Excludes businesses that cannot be classified by owner demographics, such as government, non-profit organizations, publicly traded companies, and businesses with 10+ owners.

Study Goals

The purpose of this study is to develop a baseline estimate of the proportion of businesses operating in Clackamas County that report a business-friendly environment in 2022, as well as to suggest areas for improvement that will support business stability and growth.

Methodology

The research was conducted via an online survey of private businesses with a physical location in Clackamas County. Survey development was supported by a pre-survey focus group session to ensure the survey covered aspects of the business environment that are important to local businesses. Analysis of the survey sample was supported by background research on Clackamas County's business population size and characteristics.

Focus Group

A small group of Clackamas County community partners and business leaders met for a 1-hour virtual focus group session during survey development. Feedback from the focus group session was used to improve the survey design by including topics relevant to local businesses and avoiding jargon that might make questions difficult to interpret. The focus group helped to identify advantages and disadvantages of operating in Clackamas County, as well as additional programs and support services available to businesses through the county and county partnerships. In addition to improving the survey design and question response options, the focus group also led to the idea of using the survey as an opportunity to share additional resources with business owners and operators. At the end of the survey, respondents were provided a link to a [list of resources](#) available to businesses and employees through Clackamas County and partner organizations.

Survey distribution

The survey was implemented in Qualtrics and was available to Clackamas County business leaders as an online form, accessible via web link or QR code from April 18, 2023 to May 15, 2023 (four weeks). Clackamas County staff were responsible for distributing the survey via email and by posting paper flyers with a QR code. The survey email was sent to a county mailing list of a little over 1,000 businesses and paper flyers were posted in the Clackamas County Public Services Building and Development Services Building. County partners (Chambers of Commerce, Business Recovery Centers, Clackamas Small Business Development Center, Clackamas Community College, Clackamas Workforce Partnership, City partners, Micro Enterprise Services of Oregon, and Oregon Economic Development Association) were also invited to email the survey to their business lists and post copies of the paper flyers in their buildings.

Limitations of sampling method

The survey was distributed via existing business mailing lists and paper flyers in county and partner buildings as a convenient and economical way to reach businesses. This approach does not produce a random sample of all county businesses. Businesses that interact more frequently with the County

and/or county partners will be more likely to be represented in survey findings. The survey findings will not describe the opinions of business communities excluded from the sample due to the distribution method (e.g., businesses not on any Clackamas County or partner e-mail lists who did not pass by any of the flyers).

However, focusing primarily on businesses that engage directly with the county or county partners will highlight areas where Clackamas County can make direct, impactful changes to support business stability and growth. The business population size and characteristics are used to describe the extent to which the survey sample reflects the business population as a whole.

Survey completion

After blank surveys were removed, a total of 127 survey responses were collected. An additional 3 survey respondents that reported being in government were removed because the population for this study was private businesses only. Finally, two responses had the same IP address – one complete survey and one with only the first question answered. The response to the first question was the same for both the complete and incomplete surveys, so the incomplete response was assumed to be a duplicate and removed. Therefore, after cleaning, there were a total of 123 survey responses analyzed.

Respondents were not required to answer all questions. All respondents answered at least the first question about whether Clackamas County is business-friendly or not.

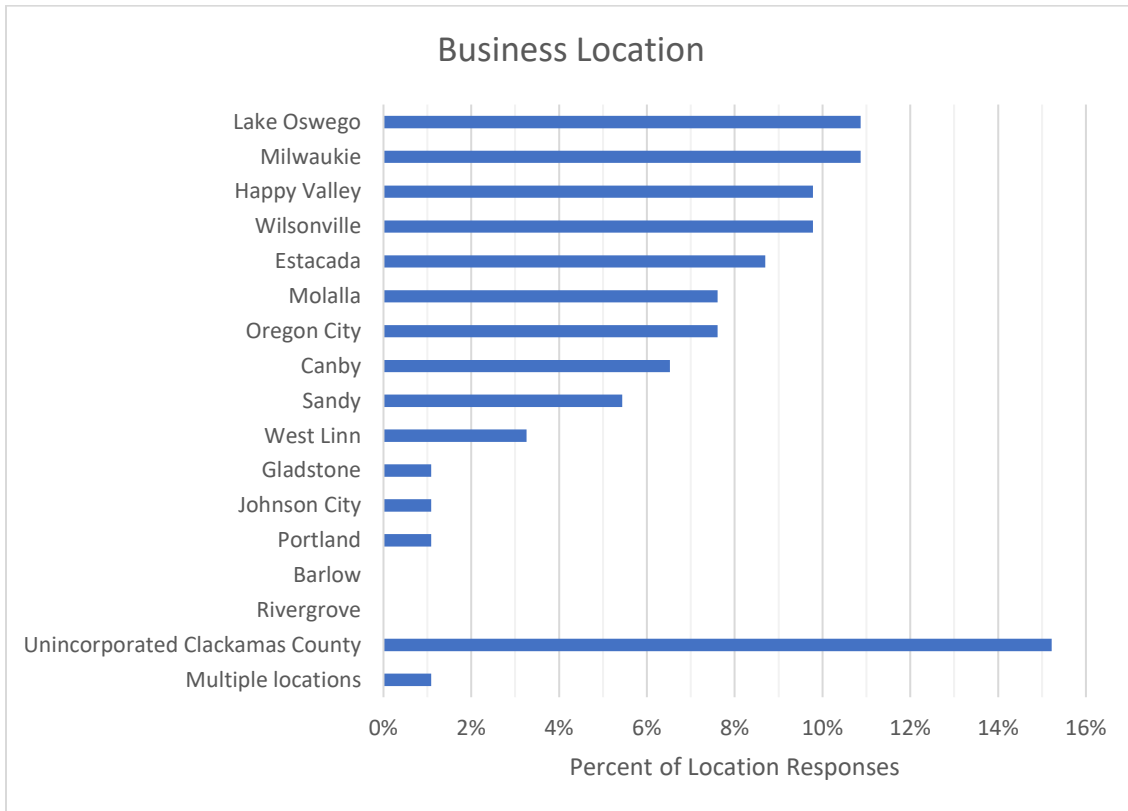
- The majority of respondents (92 respondents; 75%) answered multiple questions and clicked through to the end of the survey.
- 14 respondents (11%) answered multiple questions but did not click through to the end of the survey.
- 17 respondents (14%) completed the first question only.

The complete, ordered list of survey questions and tables of responses are included in Appendix A – Survey Response Tables.

Survey Sample Business Demographics

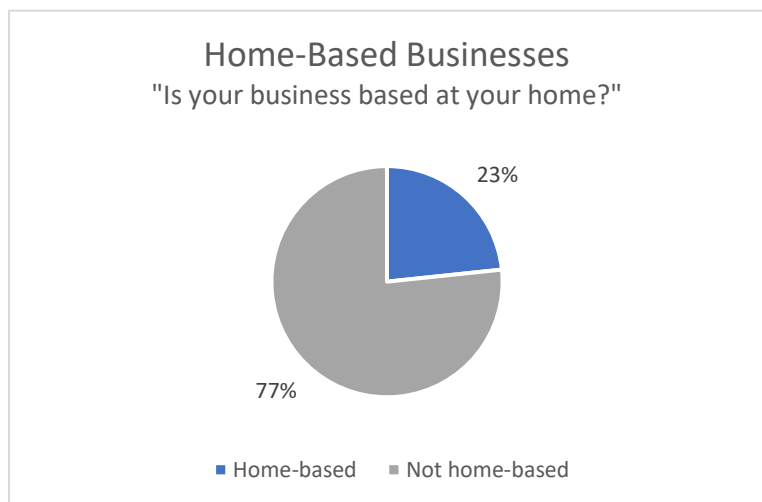
Location

Three quarters of respondents provided their business location (92 respondents or 75%). The most common response was unincorporated Clackamas County (14 responses or 15% of location responses). The remaining 85% came from incorporated cities, with Lake Oswego and Milwaukie being the most common incorporated cities.



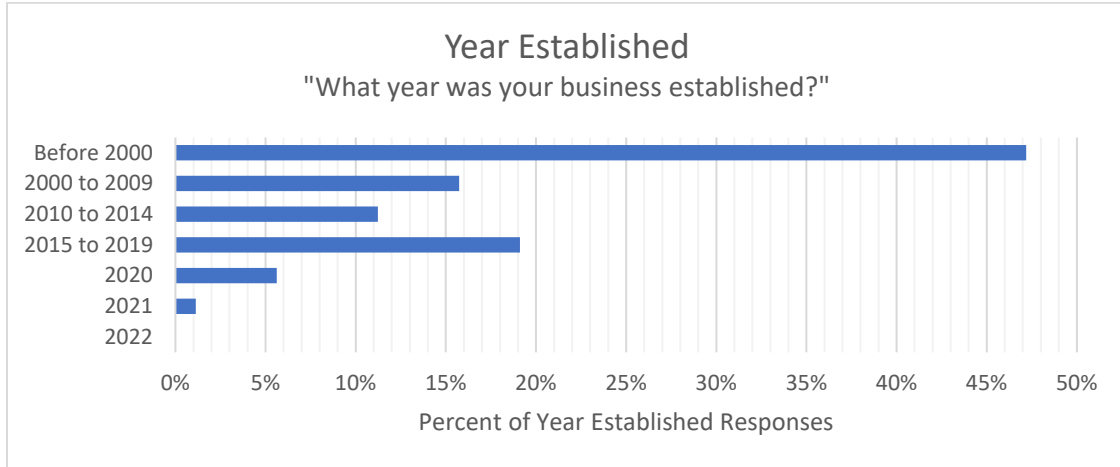
Home-Based Businesses

Of the 90 respondents who answered the question (73% of all respondents), just under one quarter (23%) were home-based businesses.



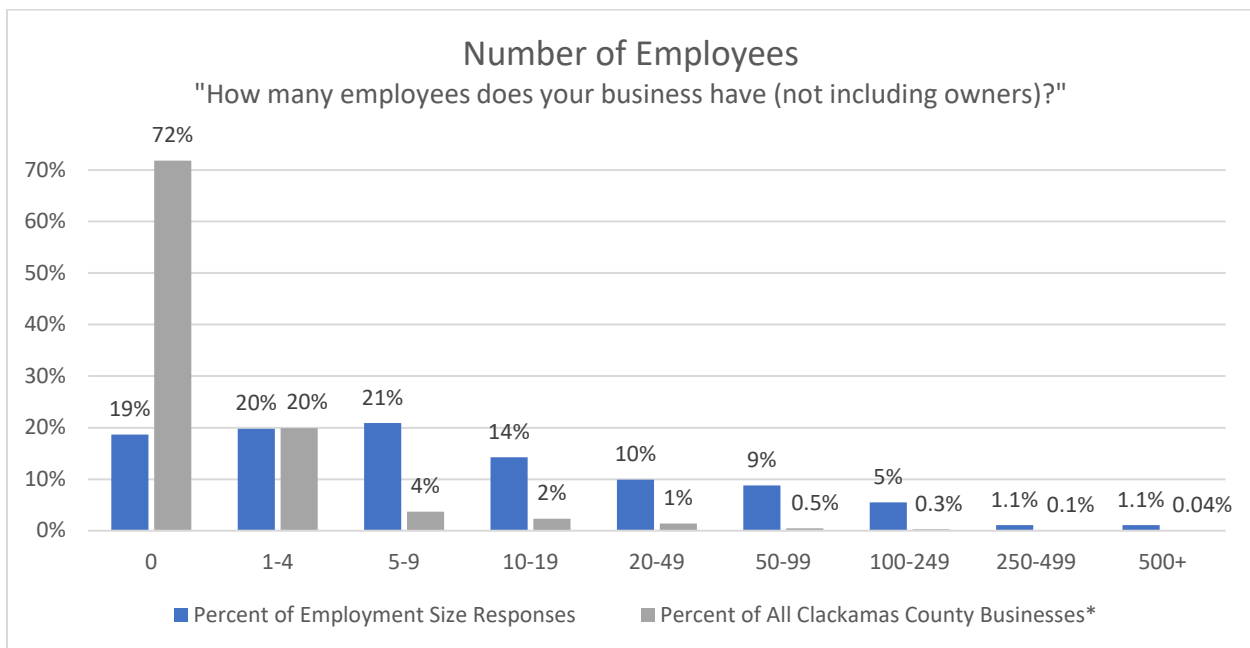
Year Established

A little less than three quarters of respondents provided the year their business was established (89 respondents or 72%). Of those who provided establishment date information, about half were established before 2000.



Employment Size

Just under three quarters of respondents provided their business employment size (91 respondents or 74%). According to the Census Bureau, 72% of all Clackamas County businesses are nonemployers. Nonemployer businesses were underrepresented in the survey sample (21%), while businesses with 5+ employees were overrepresented. This is not surprising as larger businesses are more likely to have interactions with the county and/or county partners. Employer businesses also have an important economic impact on the county, providing 146,693 jobs in the first quarter of 2022.

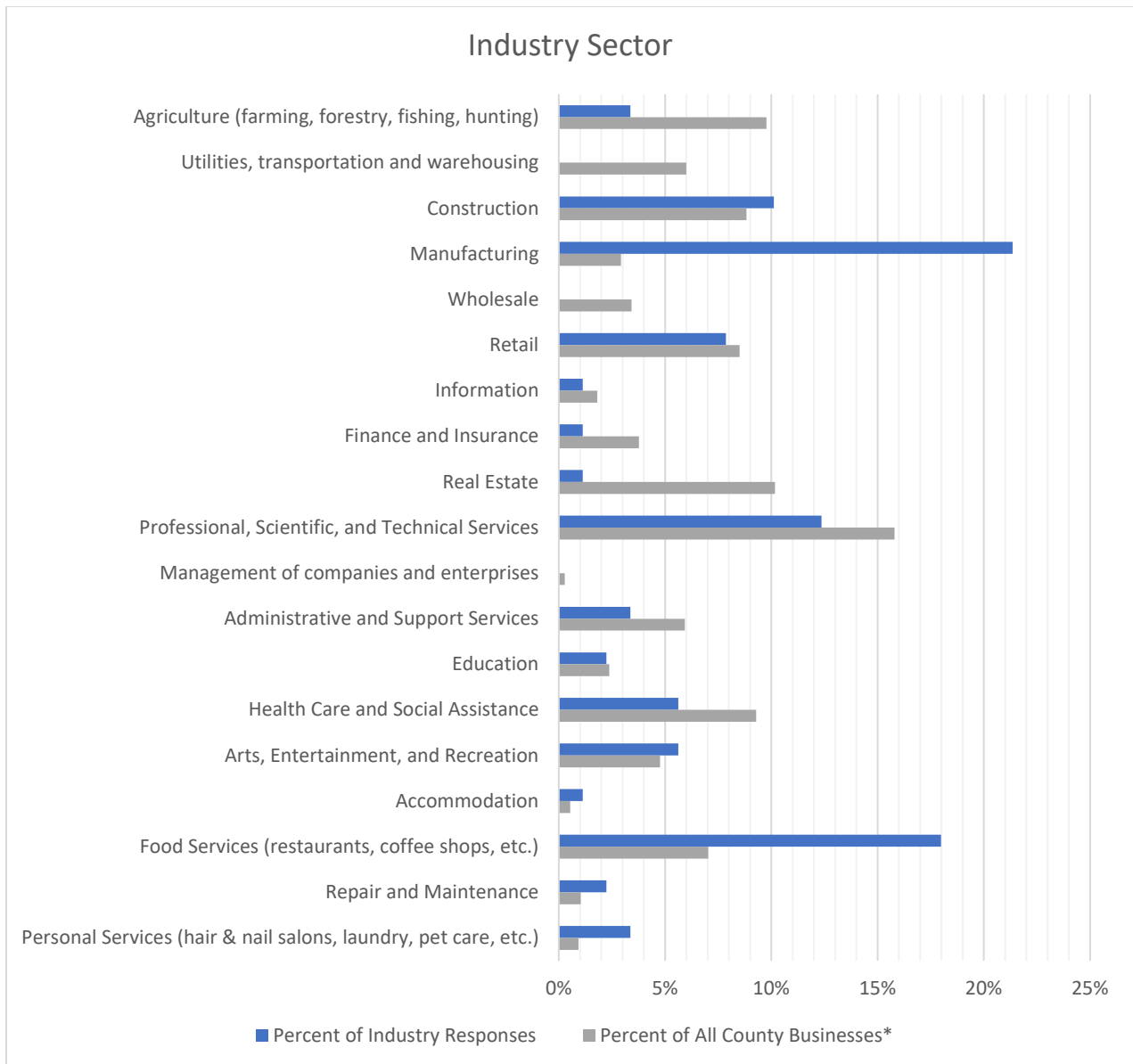


*2018 Nonemployer data (US Census Bureau) and 2022 Employer data (Oregon Employment Department); 2017 Agriculture data (US Department of Agriculture)

Industry

A little less than three quarters of respondents provided their industry (89 respondents or 72%). Respondents came from a wide range of industries, with the most common being manufacturing (21% of industry responses); food services (18%); professional, scientific, and technical services (12.4%); and construction (10%).

Compared to actual Clackamas County business demographics, manufacturers and food service businesses were overrepresented in the survey sample. However, these industries have relatively high economic impact because they have high employment. A number of industries were underrepresented, including agriculture; utilities, transportation and warehousing; wholesale; finance and insurance; and real estate.



*2018 Nonemployer data (US Census Bureau) and 2022 Employer data (Oregon Employment Department); 2017 Agriculture data (US Department of Agriculture)

Minority Ownership

As the last question of the survey, respondents were invited to share information about minority ownership (Woman-owned, Veteran-owned, BIPOC-owned, Latino/a/x-owned, Other, Prefer not to answer). The categories were chosen based on categories for minority-owned businesses used by Business Oregon's [business certification](#) and the U.S. Census Bureau's [Annual Business Survey](#).

The question was included to determine whether minority business owners were fairly represented in the sample and to find out about the experiences of minority business owners compared to non-minority owners. Although the intention was to allow participants to select multiple responses, only one answer per survey respondent was collected. While we are not able to do a full analysis of minority ownership due to this issue, this data still enables us to answer several questions.

Since participants were only able to select one response, the actual number of surveyed businesses in each separate minority category could be higher than reported. (For example, a business owned by a woman veteran would only be counted in one of those categories instead of both.) Nonetheless, it is clear that minority-owned businesses were well-represented in the survey responses. In particular, woman-owned businesses were very strongly represented. Veterans and race/ethnicity-based minorities were represented roughly in line with overall minority business ownership rates for Clackamas County.

- 42% of completed surveys represented woman-owned businesses. Women own approximately 38% of classifiable businesses in Clackamas County, with another 8.2% being equally male- and female-owned.
- 8% of completed surveys represented veteran-owned businesses. Veterans own approximately 5.6% of classifiable businesses in Clackamas County, with another 1.3% being equally veteran- and nonveteran-owned.
- 10% of completed surveys represented either Latino/a/x- or BIPOC-owned (Black, Indigenous, and People of Color) businesses. By comparison, approximately 14.7% of all classifiable county businesses are owned by a racial/ethnic minority (this includes all races and ethnicities except non-Hispanic White), with another 0.8% being equally minority- and nonminority-owned. Some races that would be included as a racial/ethnic minority, such as Asian, may include people who would not identify as BIPOC, so we would expect the overall county percentage (14.7%) to be higher than the survey percentage (10%) which asked about BIPOC ownership rather than non-White ownership.

Results

Results Summary

The primary purpose of this study was to find out what proportion of business leaders view Clackamas County as business-friendly. At the beginning of the survey, 55% of respondents agreed that Clackamas County is business-friendly. At the end of the survey, 63% of respondents agreed that Clackamas County is a great place to do business.

One explanation for the increased positivity from start to the end of the survey is that as business leaders reflect on specific experiences interacting with the county and learn or are reminded about business support services offered by the county, they feel more positive. This positive change suggests that Clackamas County is doing many things well. That being the case, engaging with and informing business leaders about county services could help increase satisfaction with the overall business environment.

The original motivation for this study was to show that by 2024, 75% of businesses working in Clackamas County would report a business-friendly environment that supports stability and growth. Many areas for potential improvement that are under direct county control, such as friendliness and knowledgeability of staff, received strong positive feedback in the survey. Given these already high standards and the challenging broader economic climate, the current overall agreement that Clackamas County is business-friendly (55% at start of survey and 63% at end of survey) should be viewed as a positive result. Consequently, attaining 75% agreement by 2024 may not be realistic.

The additional insights gained through this survey identify areas of strength and areas for improvement to help improve business leader satisfaction. Repeating this survey towards the end of the strategic goal period may allow the county to demonstrate increased satisfaction driven by specific county actions.

General View of Clackamas County

Business leaders generally view access to transportation routes and overall quality of life as particularly positive aspects of doing business in Clackamas County. Business leaders tended to express satisfaction with public transportation services and availability of business real estate. However, elsewhere in the survey, business leaders reported challenges with availability of business real estate, making it difficult to draw a simple conclusion. Many business leaders, especially those with 10 or more employees, reported dissatisfaction with access to a skilled workforce and childcare services. Availability of housing was a common area of dissatisfaction. Finally, more than 80% of respondents anticipated that the proposed toll on Interstate 205 would be moderately or extremely challenging for their business.

Many of the issues highlighted by business leaders throughout the survey are challenges being faced in many parts of the United States and are not necessarily possible to fully address at the county level. Other concerns, like the toll on Interstate 205, are outside of the county's control. Nonetheless, understanding the key concerns of business leaders can help the county to prioritize focus areas and mitigate some of these challenges when addressing the problem directly is not possible.

Administrative Interactions with the County

Three quarters of respondents who completed the main section of the survey reported at least one kind of interaction with the county in the previous year. Since the survey was sent out primarily to businesses already on a county email list, this is not surprising and is unlikely to reflect the amount of interaction typical of Clackamas County businesses. A wide range of interactions were reported, from seeking information or advice, to working with Development Services, having a health inspection done by Environmental Health, or working as a contractor or consultant for the county.

Email, in-person, website, and phone were all frequently used contact methods. Business leaders were generally very positive about county staff, finding them both friendly and knowledgeable. Respondents had mixed views on ease of use of the county website and license and permit application processes but were overall more positive than negative. In this section of the survey, business leaders tended to report a need for more land zoned appropriately for business expansion.

Clackamas County Business Support Services

Of the 93 business leaders who completed the main section of the survey:

- 39% were aware of the Business Recovery Centers set up in response to the COVID-19 pandemic and 20% had used these centers (primarily businesses with less than 10 employees). Businesses of all sizes generally reported satisfaction with the Business Recovery Centers, and many reported that they were extremely satisfied.
- 30% were aware of economic development incentives available through the county but only 8% had used them (primarily businesses with 10 or more employees). No businesses reported being dissatisfied with these incentives, suggesting they are effective for businesses that are able to make use of them.
- 17% were aware of the employment recruitment services available through the county and 8% had made use of these services. Several of the business leaders who had used these services expressed dissatisfaction. Given the concerns about the availability of a skilled workforce, strengthening the employment recruitment support services offered by the county could be one way to make a meaningful impact on local businesses.
- 11% were aware of the sustainability regulations guidance and support available through the county and only 4% had made use of these services (none of these businesses were food service businesses). One explanation is that a more explicit reference to guidance on composting for restaurants should have been included in the survey. It is nonetheless possible that more outreach to local restaurants would help increase awareness of this resource.

Open-Ended Feedback

When asked in what ways the county does a particularly good job of supporting them as business owners and/or operators, there were a wide range of responses but the most common was that the county does a good job of communicating with and providing information to the business community. Specific topics included the newsletter, announcement of support available during the pandemic, and running surveys like this one. Other areas of strength included county staff, availability of grants, and the Business Recovery Centers. See p. 21 for additional comments.

The most frequently expressed key needs or challenges that businesses want the county to address mostly fell into three key areas: social issues, financial burden, and infrastructure. Within these three categories, the top concerns were homelessness, the proposed toll on I-205, and the need for road improvements and maintenance. In addition to direct references to homelessness, several respondents mentioned the need to address crime and for affordable housing. See p. 22 for additional comments.

Business-Friendly Environment

The survey included two questions that measured belief that Clackamas County is business-friendly, the primary goal of the study. “Clackamas County is business-friendly” was the first survey question, while “Clackamas County is a great place to do business” was asked at the end of the main part of the survey, before the business demographics questions.

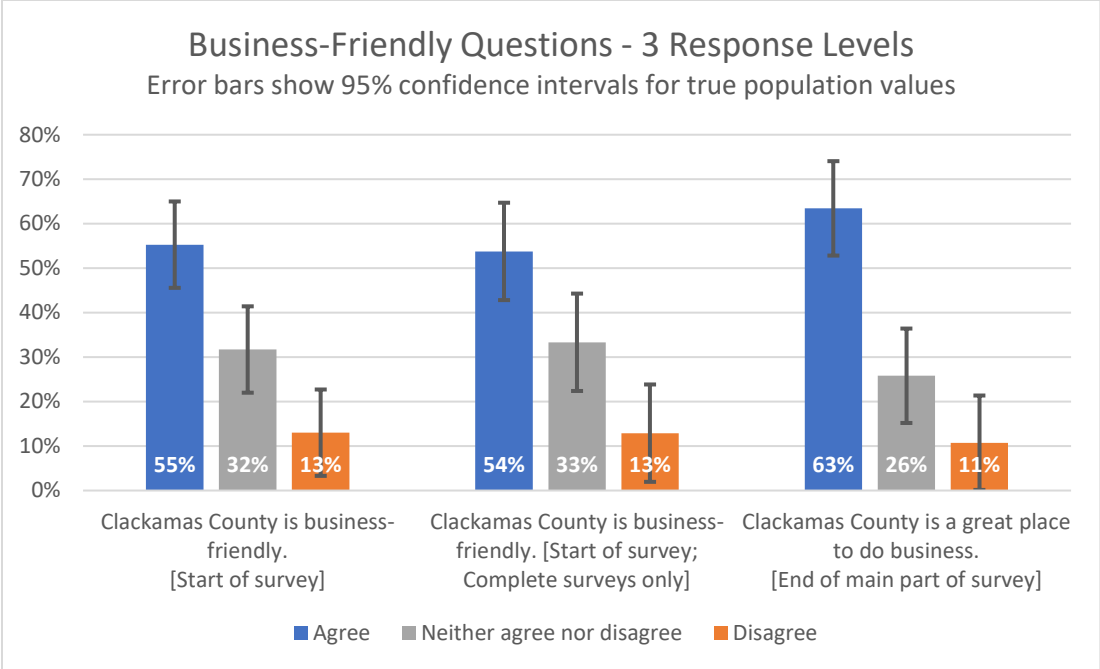
Respondents were asked to rank their agreement on a 5-point scale from Strongly agree to Strongly disagree. To analyze overall agreement, a net agreement summary (Agree, Neither agree nor disagree, Disagree) was created by combining Strongly agree and Somewhat agree and combining Strongly Disagree and Somewhat disagree.

At the beginning of the survey, 55% (95% confidence interval⁴: 47%-65%) of respondents agreed that Clackamas County is business-friendly, while 13% (95% confidence interval: 5%-23%) disagreed.

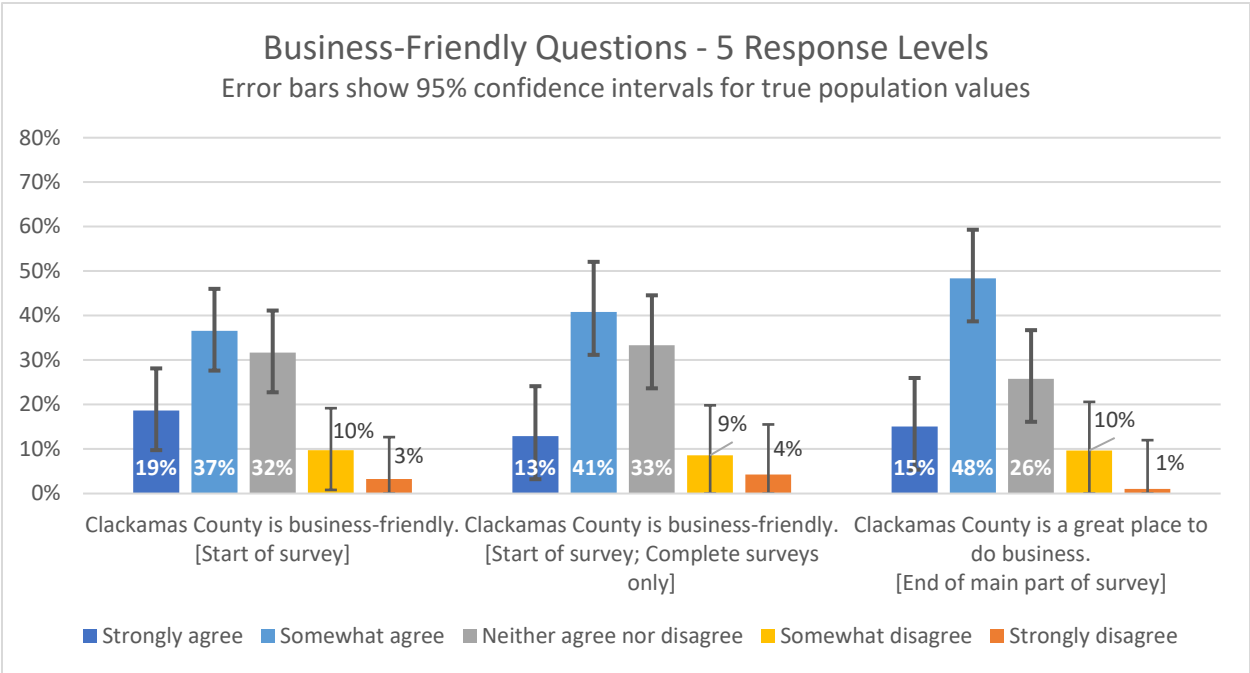
At the end of the survey, 63% (95% confidence interval: 55%-74%) of respondents agreed that Clackamas County is a great place to do business, while 11% (95% confidence interval: 2%-21%) disagreed.

This change in opinion during the survey was not due to differences of opinion between those that completed the survey and those that only partially completed the survey (see graph below). One explanation for the increased positivity from start to the end of the survey is that as business leaders reflected on the specific ways they interact with the county and learned or were reminded about business support services offered by the county, they felt more positive. This change in attitude suggests that engaging with business leaders and informing them about business services available through Clackamas County could help increase satisfaction with the overall business environment. These findings also suggest that business leaders are generally happy with the business administration and support services offered by the county, since reflecting on those experiences did not lead to a decrease in satisfaction.

⁴ Confidence intervals are used to help understand the uncertainty associated with an estimate based on sampling variability. In this case, 55% is the estimate of business-friendly environment agreement based on the sample of businesses who responded to the survey. However, the true population value is unlikely to be exactly 55%. The confidence interval helps us to understand how confident we are in that estimate. A 95% confidence interval tells us that, if we repeated the survey 100 times, we would expect 95% of the estimates to fall between 47% and 65%. Confidence intervals assume a representative sample from the population: they do not reflect any additional uncertainty caused by sampling businesses already on county and partner email lists rather than a properly representative sample.



The full 5-point data (Strongly agree, Somewhat agree, Neither agree nor disagree, Somewhat disagree, Strongly disagree) are reported in the graph below. A significant proportion of those who agreed that Clackamas County is business-friendly/a great place to do business strongly agreed with those statements (19% at start of survey and 15% at end of survey), while few strongly disagreed (3% at start of survey and 1% at end of survey). Responses were more moderate by the end of the survey, with fewer Strongly agree and Strongly disagree responses and an overall shift towards “Somewhat agree” (48% of responses).

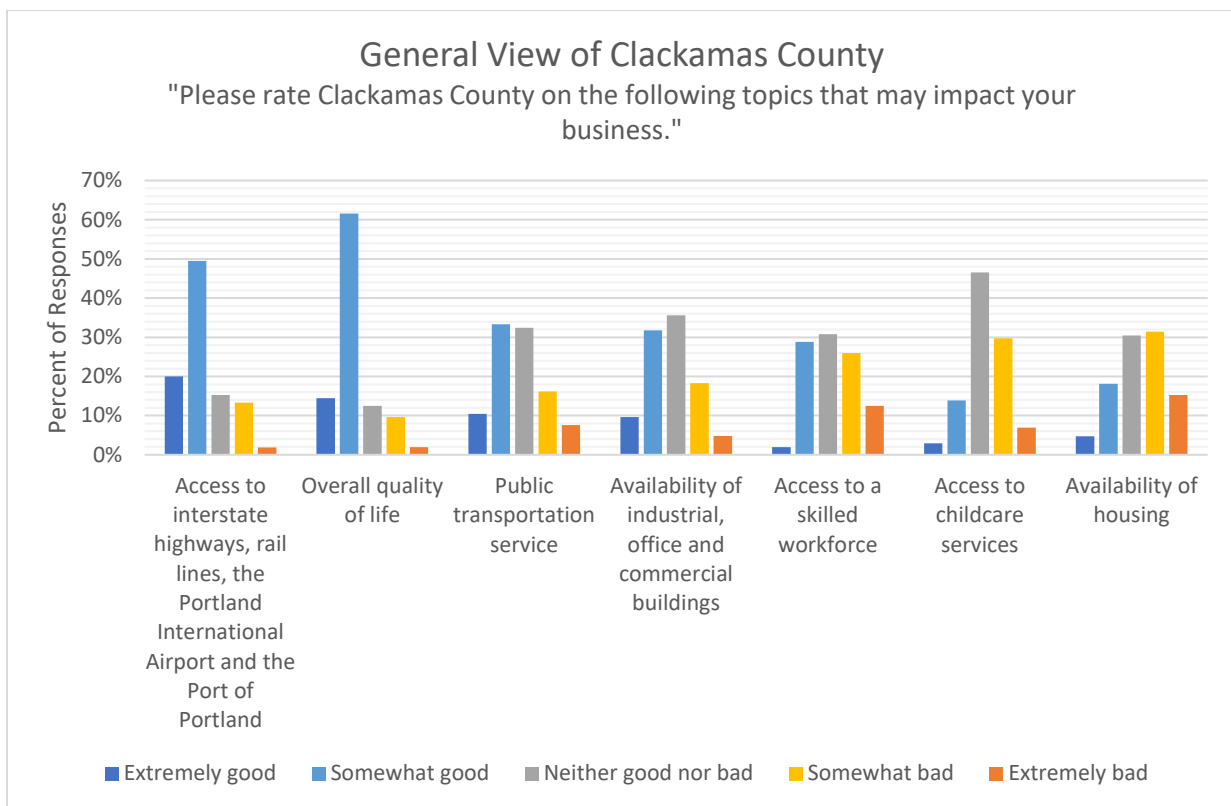


General View of Clackamas County

In addition to questions about direct interactions between businesses and Clackamas County, the survey included several questions aimed at understanding business owners' views of broader aspects of living and working in Clackamas County, including:

- Access to interstate highways, rail lines, the Portland International Airport, and the Port of Portland
- Public transportation service
- Availability of industrial, office and commercial buildings
- Availability of housing
- Access to a skilled workforce
- Access to childcare services
- Overall quality of life
- Anticipated impacts of the planned tolls on Interstate 205

Participants were asked to rate Clackamas County on these topics on a 5-point scale ranging from Extremely good to Extremely bad.



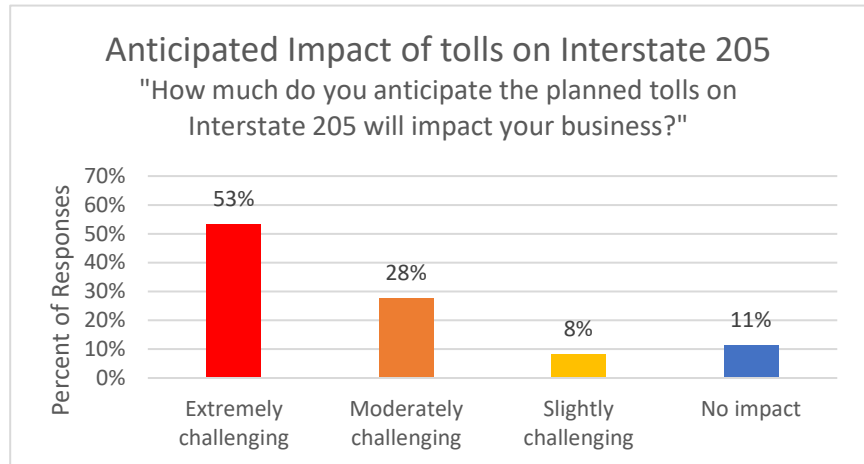
The most positive responses were for overall quality of life and access to transportation routes, which were generally viewed as good (Extremely good or Somewhat good) and rarely viewed as Extremely bad. In fact, just over three quarters of respondents (76%) said that the overall quality of life in Clackamas County is good.

Attitudes about public transportation and availability of industrial, office and commercial buildings were mixed but more positive than negative.

The three areas that business leaders were most likely to view as problematic were access to a skilled workforce, access to childcare services, and availability of housing. For each of these topics, respondents were more likely to view them as negative rather than positive aspects of being in Clackamas County. Availability of housing was the biggest issue, with 47% saying availability of housing was bad and only 23% saying it was good.

Small businesses with less than 10 employees tended to be slightly less negative than the average, while businesses with 10 or more employees tended to be somewhat more negative, particularly with respect to access to a skilled workforce and access to childcare services. While 75% of respondents with less than 10 employees said that access to childcare was good, only 17% respondents with 10 or more employees agreed. Similarly, 38% of respondents with less than 10 employees said that access to a skilled workforce was good, compared to only 19% of respondents with 10 or more employees. These patterns make sense given that larger employees would typically face more challenges related to finding and retaining employees.

The [proposed toll on Interstate 205](#) was generally viewed by respondents as likely to be challenging for their business. More than 80% of respondents anticipated that the toll would have a moderately or extremely challenging impact on their business. Only 11% anticipated no impact.



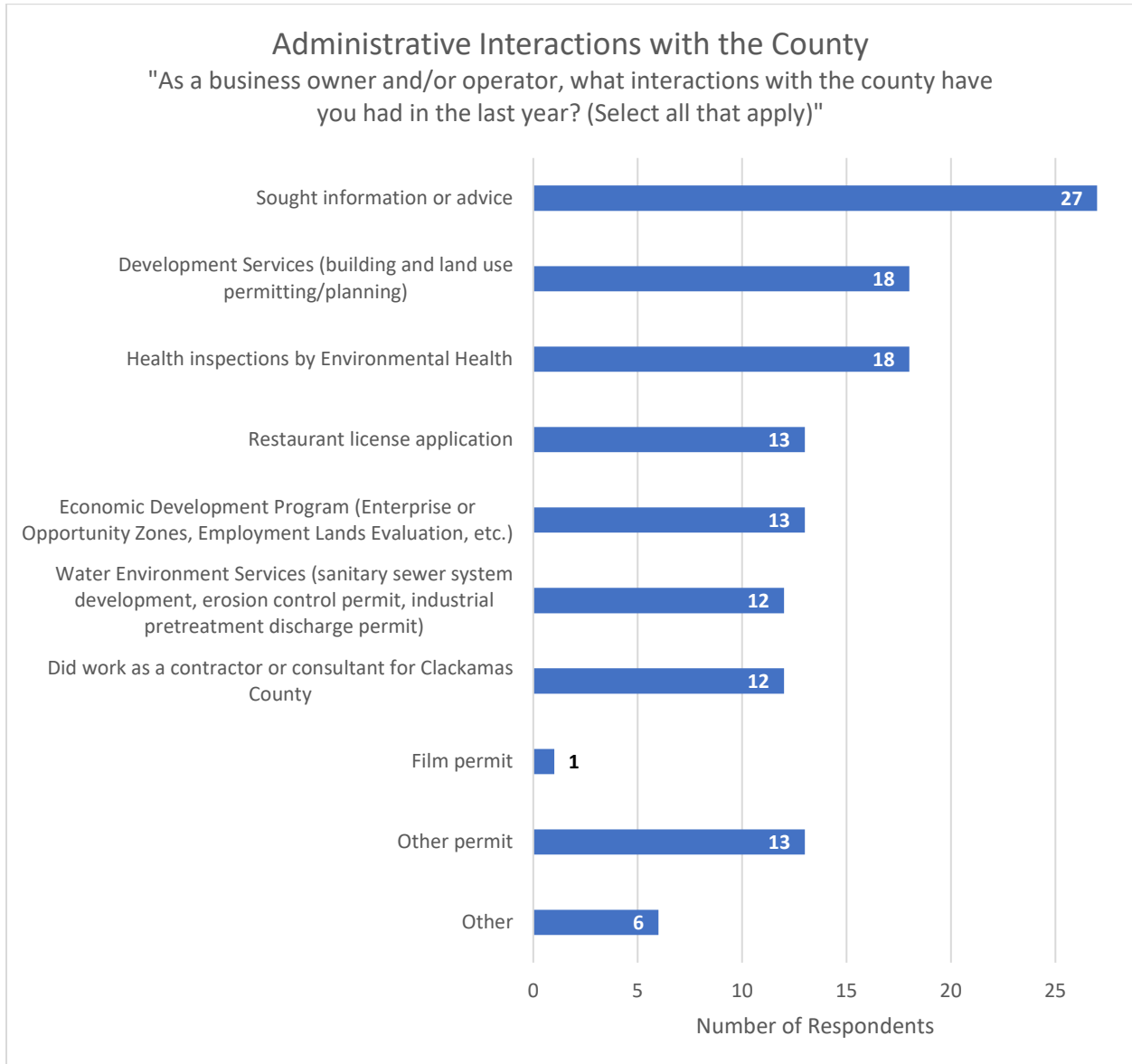
Although the toll is an Oregon Department of Transportation project and outside the control of the Clackamas County government, the county can demonstrate support for the local business community by taking steps to acknowledge the concerns of business owners and advocate for ways to mitigate the impact to local businesses.

Administrative Interactions with the County

In total, 69 respondents (74% of the 93 respondents who completed the main section of the survey) reported at least one kind of interaction with the county in the previous year. Since the survey was sent out primarily to businesses already on a county email list, this is not surprising and is unlikely to reflect the amount of interaction typical of Clackamas County businesses as a whole.

The most common interaction was seeking information or advice; more than half of those who sought information or advice also had other interactions with the county. The next most common interactions were working with Development Services or having a health inspection by Environmental Health.

- Of the 18 respondents who worked with Development Services, 7 also worked with Water and Environment Services, and 6 with the Economic Development Program.
- Of the 18 respondents who had a health inspection, 13 also had a restaurant license application.
- 4 of the restaurants had worked with Development Services, Water and Environment Services, and/or the Economic Development Program.



Six respondents reported other interactions with the county, which included 2 grants, a workshop, Project Turnkey, and county road disrepair and homeless camp.

Respondents for businesses with less than 10 employees were about twice as likely as to seek information or advice as respondents from businesses with 10 or more employees; this was also by far the most common type of interaction for businesses with less than 10 employees.

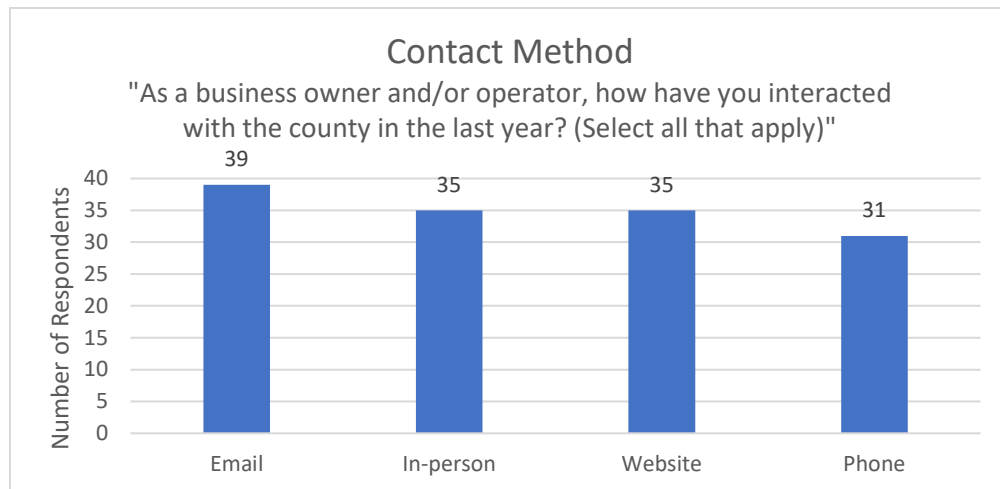
The most common interactions for businesses with 10 or more employees were working with Development Services or Water Environment Services (each were reported by 37% of businesses with 10 or more employees). By contrast, only 3% of businesses with less than 10 employees reported working with Water Environment Services. Businesses with 10 or more employees were also about 50% more likely to report a health inspection than businesses with less than 10 employees.

Contact Method

Participants who had had at least one interaction with the county in the previous year were asked how they interacted with the county (Email, In-person, Website, Phone, or Other). Since the survey did not explicitly ask about interactions via social media or physical mail, the responses do not provide information about how frequently business leaders interact with the county on social media or via physical mail.

Email was the most common contact method reported, though all four methods are regularly used by a wide range of business leaders. Of those who provided information about contact methods:

- 16% used all four contact methods
- 13% used the website only
- 22% did not use the website or email
- There were no major differences in contact method between businesses with less than 10 employees and businesses with 10 or more employees



Satisfaction with Interactions

Based on their responses to the previous county interaction questions, participants were asked to rate different aspects of their experience.

- Staff questions: Asked of participants who reported any interaction with the county in the previous year.
- Website: Participants who reported using the website
- License/permit: Participants who reported a restaurant license application, health inspection, worked with Development Services or Water Environment Services, or applied for a permit

- Land zoning: Participants who reported working with Development Services and/or Water Environment Services
- Water/sewer: Participants who reported working with Water Environment Services

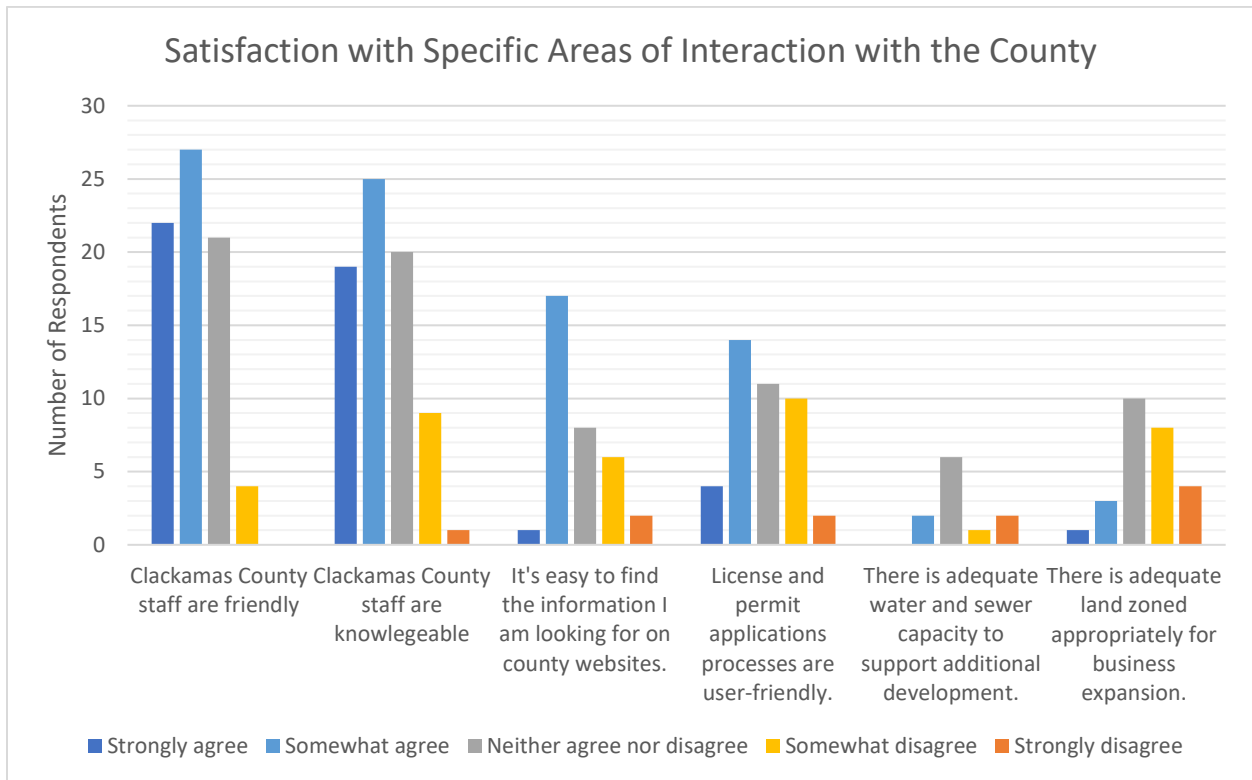
Since participants were only asked about questions relevant to their experience, some questions received more responses than others.

Business leaders were very positive about county staff:

- 66% of respondents said that county staff are friendly and only 5% disagreed
- 60% of respondents said that county staff are knowledgeable and 14% disagreed

Further, many of those respondents strongly agreed that staff are friendly (30%) and knowledgeable (26%).

Respondents had mixed views on ease of use of the county website and license and permit application processes but were overall more positive than negative. Very little information was available for water and sewer capacity, making interpretation of the data very unreliable. There were 26 responses to the question on land zoning. Overall, respondents tended to report that more land zoned for business expansion is needed in the county.



As with other questions in the survey, businesses with less than 10 employees were more positive about their interactions than businesses with 10 or more employees. The one exception was website ease of use: respondents from larger businesses were more likely to say that it was easy to find the information they were looking for on the county website. This could reflect greater use and more familiarity with the website.

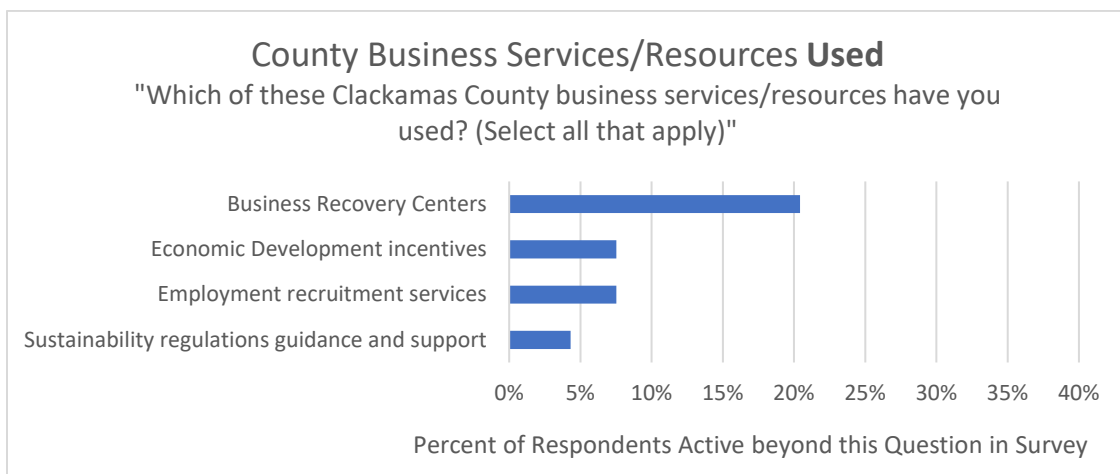
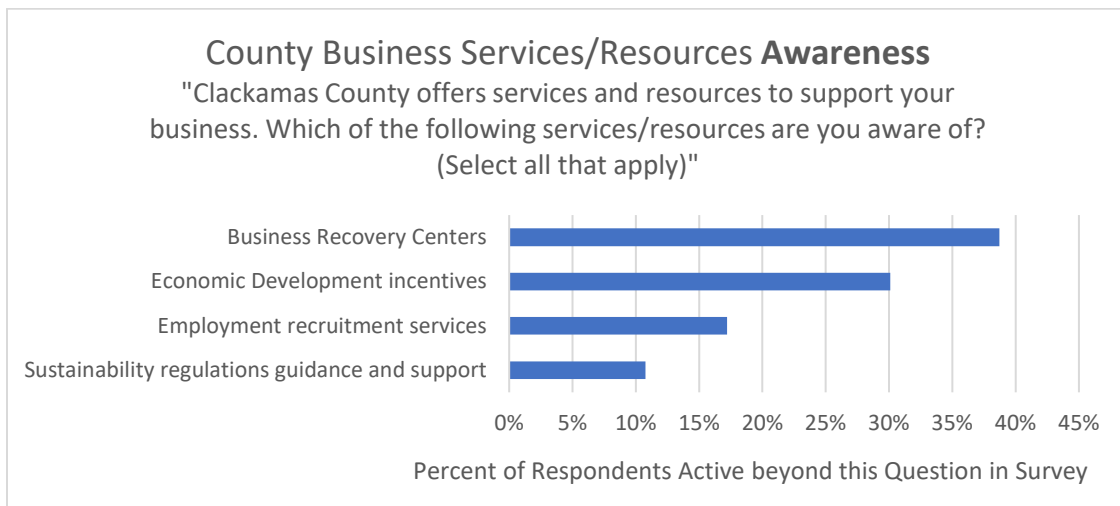
Clackamas County Business Support Services

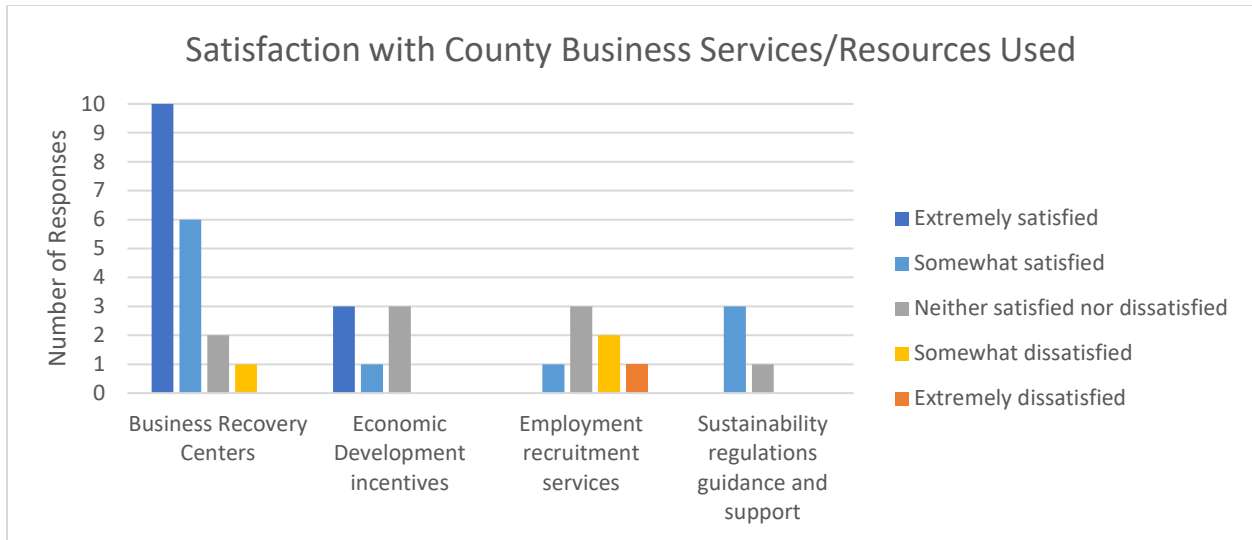
The survey provided an opportunity to find out about awareness of, use of, and satisfaction with business services and resources available to local businesses through the Clackamas County government. Like the administrative interactions with the county, rates of awareness and use of Clackamas County business support services are likely higher in the survey sample than in the overall business population, due to the survey distribution method primarily via existing email lists.

Business Recovery Centers

Of the 93 business leaders who completed the main section of the survey, about 2 in 5 (39%) knew of the Business Recovery Centers set up in response to the COVID-19 pandemic, and 1 in 5 (20%) had used these centers. In the survey sample, the Business Recovery Centers were primarily used by businesses with less than 10 employees. Businesses of all sizes generally reported satisfaction with the Business Recovery Centers, and many reported that they were extremely satisfied.

The Business Recovery Centers were one of the partners that distributed the survey, which may in part explain the very high awareness and use rates among survey respondents.





Economic development incentives

Of the 93 business leaders who completed the main section of the survey, 30% were aware of economic development incentives like Enterprise Zones, Opportunity Zones, and the Employment Lands Evaluation Program, but only 8% had actually used these incentives. In the survey sample, Economic Development incentives were more often used by businesses with 10 or more employees. Only 7 businesses had used these incentives, but none of these 7 businesses reported dissatisfaction, suggesting that the existing economic development incentives are effective for those who are able to make use of them.

Employment recruitment services

Of the 93 business leaders who completed the main section of the survey, 17% were aware of the employment recruitment services available through the county, and 8% had made use of these services. Only 7 businesses had used these services, but those who had generally expressed dissatisfaction with these services. Given the concerns expressed about the availability of a skilled workforce, strengthening the employment recruitment support services offered by the county could be one way to make a meaningful impact on local businesses.

Sustainability regulations guidance and support

Of the 93 business leaders who completed the main section of the survey, 11% were aware of the sustainability regulations guidance and support available through the county, and only 4% had made use of these services. None of the 4 businesses who used these services reported dissatisfaction, but the sample is very small, making inference to the larger business population unreliable.

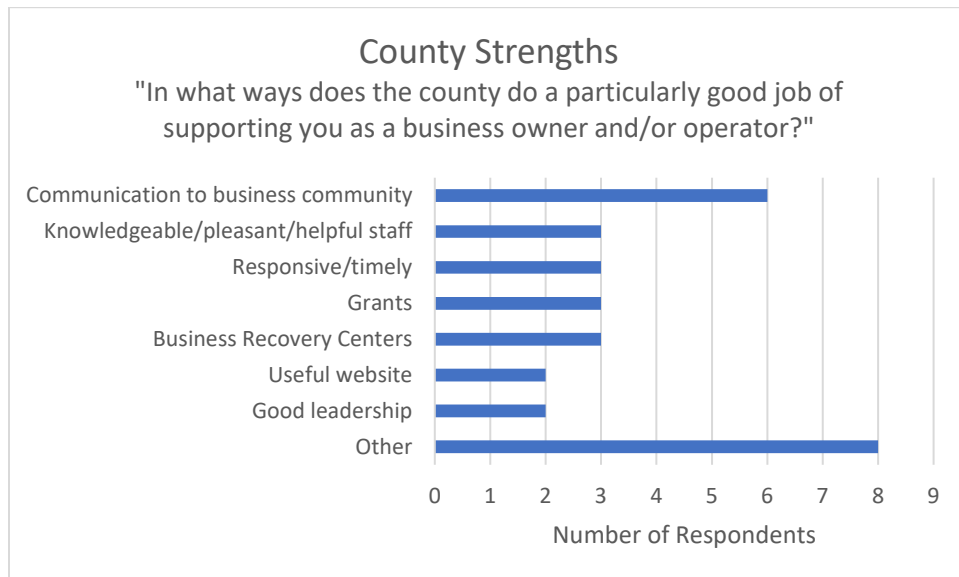
During the focus group discussion, the sustainability support services offered to local restaurants to help them with composting requirements was brought up as a valuable county support service. However, none of the food service business leaders who responded to the survey said that they were aware of the sustainability regulations guidance and support. One explanation is that a more explicit reference to guidance on composting for restaurants should have been included in the survey. It is nonetheless possible that more outreach to local restaurants would help increase awareness of this resource.

Open-Ended Feedback

The survey included two open-ended questions, providing participants with an opportunity to share topics of particular importance to their business.

County Strengths

When asked in what ways the county does a particularly good job of supporting them as business owners and/or operators, there were a wide range of responses, but the most common comment was that the county does a good job of communicating with and providing information to the business community. Specific areas of communication highlighted included the newsletter, announcement of support available during the pandemic, and running surveys like this one.



Other areas of strength mentioned:

- Staff, who were described as knowledgeable, pleasant, helpful, and responsive (Development Services staff were specifically mentioned twice)
- Grants
- Business Recovery Centers
- The website: informative, convenient for renewing licenses online
- Good leadership: results-oriented, progressive
- There were a range of additional strengths appreciated by business owners, including offering training and ways to connect with other local small businesses, providing connections to partner resources, being supportive of manufacturing, providing easy access to economic development opportunities, having lower taxes than Multnomah County, and pushing back against Portland and Metro policies.

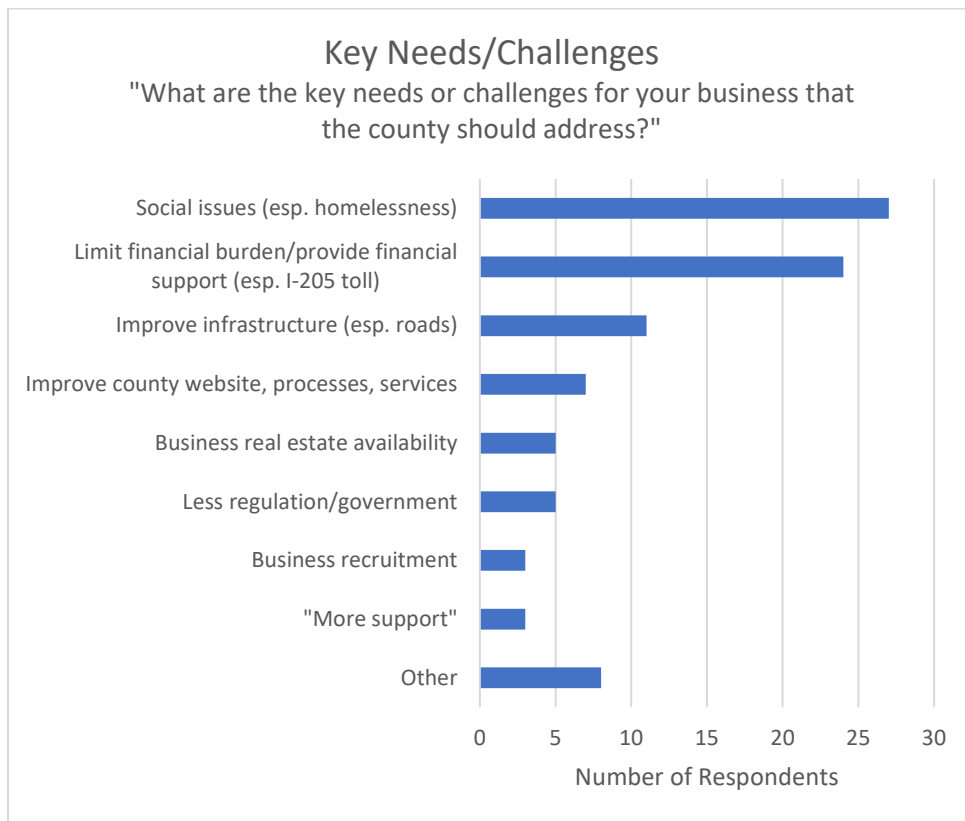
Some respondents used this question to list areas where they would appreciate more support. These comments included things like faster responses, lower fees, more grants, dealing with the homelessness crisis, and sticking to basic services like safety and infrastructure. These comments were generally in line with the following question which asked about key needs or challenges that the county should address.

Key Needs/Challenges

The most frequently expressed key needs or challenges that businesses want the county to address generally fell into three key areas: social issues, financial burden, and infrastructure. Within these three categories, the top concerns were homelessness, the proposed toll on I-205, and the need for road improvements and maintenance.

Of the 56 respondents who provided an answer, 10 mentioned homelessness as a key challenge, 4 cited addressing crime, and 3 cited affordable housing needs. Other social issues included public transportation (2 responses), affordable healthcare, childcare, curriculum policies, and promoting an inclusive community.

The most frequently cited financial concern was the proposed toll on I-205 (11 responses), followed by reduction or limiting of taxes (7). Other comments included general concerns about rising costs, the need for more grants, and the impact of licensing fees on small businesses. While many respondents cited concern about the proposed toll on I-205, a similar number of respondents (10) said that road improvements and maintenance were a key need for their business. An additional respondent mentioned infrastructure more generally.



Other Needs/Challenges:

- Improve county website, processes, services: These responses covered a range of topics specifically related to county administration, including making the website easier to navigate, more frequently updating the website, speeding up permit processing (2), improving communication to business community (2), and providing post-COVID support with OLCC and the outdoor seating program.
- Business real estate availability: Commercial real estate, industrial land and buildings, affordable space for small scale production and food warehousing, and more flexible land zoning.
- Less regulation/government: Comments were in the areas of reducing/no new regulations (3), less social support, limit government presence in private sector industries.
- Business recruitment: More proactively incentivizing businesses; keep existing businesses and attract strong clusters like tech, advanced manufacturing, and healthcare.
- Other needs included general requests for more support and advocacy for business needs, alignment of city codes and costs to county codes and costs, access to and training for skilled workers, and a commercial commissary.

References

Business Demographics (Industry and Employment) Sources

Oregon Employment Department, Employment and Wages by Industry (QCEW), Q1 and Q2 2022.

United States Census Bureau, Nonemployer Statistics, 2018.

United States Department of Agriculture, Census of Agriculture, 2017.

Business Owner Demographics Sources

United States Census Bureau, American Community Survey, 2020 5-year estimates.

United States Census Bureau, Annual Business Survey, 2017 (last year with county level data).

United States Census Bureau, Nonemployer Statistics by Demographics, 2018.

KEY PRIORITIES:

- 1) BUSINESS RETENTION**
- 2) BUSINESS EXPANSION**
- 3) BUSINESS RECRUITMENT**
- 4) WORKFORCE DEVELOPMENT**

GOALS:

- 1) Build upon the County's economic asset base, expand existing industry and business sectors.**
- 2) Identify existing facilities that are suited to specific industries; targeting those industries for relocation and/or relocation.**
- 3) Identify buildable land & target industry providing self-sufficiency wage jobs.**
- 4) Identify new targeted industries; sub-clusters that support supply chains for existing companies in the County.**
- 5) Identify barriers to business success and collaborate to remedy.**
- 6) Attract businesses that pay self-sufficiency wage jobs.**
- 7) Support workforce training and development to attract and retain business.**
- 8) Provide services, tools and incentives that attract business to the County.**
- 9) Promote business advocacy to alleviate undue pressures on business that might impact their growth and success.**
- 10) Building economic prosperity and improve livability.**
- 11) Create a collaborative environment with both internal and external partners to achieve County goals.**
- 12) Build organizational capacity to improve OED deliverables.**
- 13) Create a strong marketing and promotion plan.**