

## Agenda Item #9

### MEMORANDUM

To: Lane Economic Committee  
From: Milo Mecham  
Date: November 10, 2003  
Re: Update on Regional Investment Board

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The Regional Investment Board has updated the Regional Investment Strategy for 2003-2005 for the four county region (Benton, Lane, Linn, and Lincoln Counties [BL3]). The revised strategy reflects changes to the statewide program in light of the legislative discussions of the Regional and Rural Investment Funds. The state reduced total funding for the program by more than half. This biennium BL3 gets approximately \$867,000, down from over \$1.8 million last biennium. The state is focusing its efforts on job creation/retention and in leveraging all Investment Fund dollars.

The BL3 RIB funds are all derived from Oregon State Lottery support, under the authority of the Oregon Economic and Community Development Department (OECDD) and the state's expectations apply to this and future biennium. In the past, following the Legislature's earlier mandate for the programs, the BL3 RIB has used its funds to support projects focused on job creation, but it has also funded a wide variety of community development projects. These investments were made out of a conviction that such investments in infrastructure and other community assets create the conditions that help communities support existing businesses and attract new businesses to the Region.

The BL3 RIB believes that its proposed new strategy will allow the Region to meet the state's expectations, by creating an anticipated 300 new jobs in the four county area, and leveraging at least \$5 of match to each \$1 of RIB investment. For the new Strategy, the RIB will establish an opportunity fund, with a focus that will:

- Invite applications from local governments and established economic development and business support agencies.
- Not send a general solicitation to project applicants as has been done in the past.
- Focus on immediate job creation projects with the appropriate amount of leverage first, before considering project proposals that would require a longer-term investment before creating jobs.

The BL3 RIB is interested in project proposals that achieve the following specific goals:

- Create or retain 1 job for \$3000 RIB funds awarded
- Bring \$5 of non OECDD funds for each \$1 of RIB funds awarded
- Commit all matching funds within six months of the RIB award

The BL3 RIB prefers proposals that

- Provide wages and benefits above the county average
- Support businesses and industries with growth potential

- Promote a diversified local economy
- Meet the need for projects throughout the BL3 area
- Meet other listed evaluative measures

The changes proposed by the BL3 RIB are available on the BL3 web site [www.bl3rib.org](http://www.bl3rib.org). A copy of the first section, the Implementation Strategy, is attached.

The Strategy also serves as the guiding document for the Economic Development District. The LEC is the entity charged with directing the Lane County implementation of the District's strategy.

While they support the choices and the direction taken by the BL3 RIB, some members of the RIB board have expressed concern that the state pressure to create jobs quickly may mean that the RIB will not be able to support the long term infrastructure improvements that many communities need if they are going to be able to attract their share of employers. The BL3 RIB hopes that they will have some initial successes that will allow them to later use their leftover funds for these long term investment programs, but these projects have necessarily taken second place in the BL3 RIB priority.

The LEC and the other policy boards for the Economic Development District can play some role in keeping the issue of the long term investments in community infrastructure on the list of important topics. As I said, the Strategy, which is now being reviewed for the BL3 RIB portion, is also a strategy for the district. In the structure, the District has its own Section 6 of the Strategy.

The LEC can give policy guidance to staff in how much they feel the question of balancing short term investments verses long term investments needs addressed, and what emphasis the LEC thinks the District's portion of the Strategy should give to each.