### **ECONOMIC & COMMUNITY DEVELOPMENT COMMISSION**



2003 Annual Report

July 1, 2002-June 30, 2003

December 5, 2003

Members of the 72nd Legislative Assembly

Oregon State Legislature

State Capitol

Salem, Oregon 97301

Honorable Legislators:

It is with great pleasure that I present the 2002–2003 Annual Report for the Oregon Economic and

Community Development Commission. The report describes the performance of the Oregon

Economic and Community Development Department during the past fiscal year and the direction

that this commission has given the department for future success.

Because I was confirmed to the position of Chair of this Commission in September, I was not

involved in most of the decisions and activities described in this report. From what I have seen in

my limited tenure, however, I am very pleased with efforts the department has made in these diffi-

cult economic times to both keep businesses in Oregon and convince new businesses to locate here.

You can be confident we have an outstanding group of people at the department who are working

hard to provide good jobs for all Oregonians. We all know that there is more to accomplish, but I

believe we are headed in the right direction. I also believe the changes outlined in this report will go

a long way toward strengthening our economy, diversifying our economic base and creating the

kind of quality, sustainable jobs that all Oregonians deserve.

Sincerely,

E. Walter Van Valkenburg

### Message from the Director

"The one unchangeable certainty is that nothing is unchangeable or certain."

### John F. Kennedy

### **Economy**

Three years ago Oregon's economy was growing and thriving—we created new jobs and better wages. We became a magnet for talent seeking both economic opportunity and quality of life, and we innovated, creating new high-demand products and services.

But the last three years have been more challenging. The recession has caused severe job loss in Oregon, through lay-offs, relocations, acquisitions or as a result of firms simply going out of business. The public and non-profit sectors also have seen negative job growth as a result of declining tax revenues and philanthropic contributions.

The lesson here is not about our failure to predict the recession but our inability to adjust—and to communicate those adjustments—once economic conditions began to sour. The Oregon Economic and Community Development Department was unclear about its mission, priorities and course of action at a time when Oregonians demanded action on Oregon's economy.

Governor Kulongoski made economic development a key priority even before his inauguration in January 2003. Since then, the department, the Economic and Community Development Commission and countless public and private sector organizations and agencies have been working to reinvent Oregon's approach to economic and community development, ensuring that our state's economic assets deliver competitive advantage.

### New priorities and ways to work

Today, the Oregon Economic and Community Development Department is organized around a single mission: creating high-quality and sustainable jobs. We have identified four strategic objectives—sustainable economic success, quality jobs, economic opportunity and accountability—and are aligning our operational infrastructure around them.

We also are finding new ways to work across public and private sectors as well through government organizations and agencies at both the state and local levels. Twenty–first century economic and community development requires such collaboration—government cannot tackle this important agenda alone because government does not create jobs, it only helps to create the positive economic and social conditions that spur private sector job growth.

### **New future**

There are signs of recovery—unemployment is declining and new businesses have been founded, and R&D is sparking bold innovations. Oregon is (again) changing—presenting us with new challenges, new opportunities and demanding our very best.

### We're readv.

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### **Executive Summary**

### **Economy**

Oregon's economy fundamentally changed during the 1990s. A decade of tremendous economic and population growth, accompanied by a shift from resource-based industries to knowledge-based industries and increased national and global trade generated jobs, wage gains, as well as a range of innovative projects and services for which the state became known nationally and globally. The state prospered—and gains were not limited to the urban areas.

2001 brought an unexpectedly deep and lengthy recession, resulting in dramatic job loss and a severe economic slowdown. While Oregon's economic trends were consistent with the national economy, the state's dependence on the manufacturing of durable goods and semiconductors for a range of technology devices magnified the recession's negative impact. Oregon's economic and community development infrastructure had difficulty responding to this shift, as did families, firms and communities. Nationally,

signs of improvement became evident in early 2003, but they have been slower to appear in Oregon.

The volatile economy caused a dramatic decline in state revenue—largely dependent on personal income tax—and spiraled quickly into a budget crisis that required a record five special legislative sessions to address. A barrage of crises erupted—K-12 funding, the Public Employees Retirement System (PERS) deficit, and corrections funding among them.

### **Economic and Community Development refocus**

By January 2003, when Governor Ted Kulongoski was inaugurated, it was clear that the state needed a more focused approach to the economy and a plan for accelerating its recovery. The Oregon Economic and Community Development Department(OECDD), as the lead state agency, with the support of the Governor, the Economic and Community Development Commission, key partner agencies,

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and businesses and communities all over the state began to reinvent itself—inside and out.

The department embarked on a "re-focusing project" intended to align its operations around the department's new mission—sustainable, quality jobs—and four strategic goals:

- Economic success
- · Quality jobs
- Economic opportunity; and
- · Accountability

OECDD is in the midst of this shift.

As of December 1, 2003, the department's work and \$350M budget is allocated across four divisions: Business Development, Community Development, Capital Projects and Central Operations.

An amended (2004) performance measurement framework will reflect these strategic and organizational changes.

#### **Performance**

Despite poor economic conditions and significant internal reorganization, the department performed well on its intended (2003) benchmarks and targets, including:

- Jobs—OECDD created or retained 4,710
  jobs, 83 percent of which paid above the
  average wage for the county in which they
  were located, and 67 percent of which
  were in distressed areas.
- International trade—The department assisted over 400 firms in generating \$25 million in new international sales.
- Small business assistance—The department targeted small business for assistance—92 percent of the firms served during the year were small;
   27 percent were owned by women and 11 percent were minority-owned.
- Infrastructure—The department assisted
   127 communities in diverse ways.
- 136 communities have realized vastly improved telecommunications capacity.
- A statewide inventory of available industrial sites, particularly "project-ready" sites, is under development.
- Return on investment—The department returned \$1.90 to the General Fund for every dollar invested, exceeding the target of \$1.17.

### Legislation

A number of key bills passed by the state legislature also will vastly improve Oregon's ability to meet the needs of its 21st century economy, and help the department do its work, successfully.

- HB 2011 codifies the department's (refocused) mission and HB 5013 establishes its budget allocation, including \$10 million in Strategic Reserve (Oregon Laws, Chapters 800 and 722).
- HB 2011 also emphasizes the preservation of industrial land, directing OECDD to identify 25 "opportunity" sites incorporating efforts to maintain a ready supply of such sites into state and local land-use planning efforts on a continual basis. A separate report on statewide opportunity sites is being prepared by the Industrial Lands Advisory Committee appointed by director Brantley pursuant to HB 2011 (Oregon Laws, Chapter 800).
- A collection of new laws including SB 711, 713, 714, 715 and HB 2564, 2717 and 3120, will advance the Governor's efforts to streamline Oregon's permitting process and introduce regulatory reform (Oregon Laws, Chapters 749, 136, 299, 367, 336, 368 and 369).
- HB 2041 allows the state to raise \$112.6 million for transportation infrastructure each year by increasing vehicle registration fees, increasing the weight-mile tax

for freight trucks, and generating up to \$2 billion in bond borrowing over the next 10 years and another \$800 million without borrowing. This package comprises the largest construction package in the state since the 1950s and promises up to 5,000 family-wage jobs with \$100M from the Opportunity Fund for job creation (Oregon Laws, Chapter 618).

- HB 2267 creates a statewide 1 percent lodging tax intended to raise \$7–\$9 million per year for statewide marketing to promote tourism (Chapter 818).
- HB 2001, 2003, 2004, 2005 and 2020 enable PERS reform, saving Oregon billions of dollars over the coming decade (Oregon Laws, Chapters 3, 67, 68, 69 and 733).
- Oregon will invest in signature research facilities intended to re-position the state as a hub of innovative technologies pursuant to HB 5028 (Oregon Laws, Chapter 725).

### **Complementary initiatives**

A range of successful initiatives that complement the OECDD's work also promise to generate new opportunities for Oregon firms, workers and communities.

 Lufthansa Airlines began offering nonstop air service from Portland International Airport to Europe with connections to over 200 additional locations world-wide, and in May 2003, Mexicana Airlines began nonstop service from Portland to Guadalajara, Mexico,—other international air-links are under negotiations.

- The Oregon Board of Forestry is currently working on a new strategic vision for Oregon's forests that integrates economic, environmental, and social values and objectives.
- A new statewide strategy that focuses workforce training in key sectors and streamlines the workforce education and training systems is under development.
- The state's first phase of the "Brand Oregon" marketing strategy was recently unveiled and further work is being developed.

### **Conclusion**

We are creating a compelling and balanced economic and community development strategy that will deliver results and reflect our collective spirit, strength, wisdom and difference—a strategy that's uniquely Oregon.



E. Walter Van Valkenburg Chair Portland Appointed September 2003 Term expires 2005



Pamela Hulse Andrews
Bend
Appointed September 2003
Term expires 2005



Nancy L. Tait

Medford

Appointed September 2001

Term expires 2003

### E. Walter Van Valkenburg, Chair

Wally Van Valkenburg is a partner at Stoel Rives LLP, where he chairs the firm's Technology and Intellectual Property Practice Group. He acts as principal outside counsel to a number of clients and has represented clients in a wide variety of transactions, disputes and other maters. Wally's industry experience includes health care, electric utilities, wood products, retail, sports and entertainment, as well as technology.

Van Valkenburg is a board member for the Oregon Sports Authority and for Legal Aid Services of Oregon. He is past chair of Multnomah County Legal Aid Services; past chair of the Oregon State Bar Section on Antitrust, Trade Regulation and Unfair Business Practices; and past president of the American Civil Liberties Union of Oregon. He also served as General Counsel for the 1998 NIKE World Masters Games. Wally received his B.A. cum laude from University of Washington; J.D. summa cum laude from Willamette University College of Law; and LL.M. from Columbia University School of Law.

#### **Pamela Hulse Andrews**

Pamela Hulse Andrews is the CEO of Cascade Publications in Bend, Oregon. The of the Cascade Business News, Cascade Arts and Entertainment, and the Cascade Discovery. Her expertise includes nearly 25 years of hands-on experience of designing, marketing, writing and publishing from numerous aspects of the business community. She is on the board of directors of the Deschutes United Way, the Redmond Chamber of Commerce, the Boys & Girls Club of Bend, the Tower Theatre Foundation and the city of Bend's Arts, Beautification and Cultural Commission.

### Nancy L. Tait

Nancy L. Tait was named President and CEO of Bear Creek Corporation in 2000. Her previous position with Harry and David was as Vice President of Marketing and Merchandising. Tait also has experience with the Eddie Bauer Company and Bon Marche department stores.

Tait is a member of the Oregon Shakespeare Festival Board of Directors. She is a member of the Direct Marketing Association and on its Catalog Council and was previously a member of the Oregon Internet Commission and Southern Oregon Public Television Board of Directors.

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#### **Carl Talton**

In 2003, Carl Talton retired as the Vice President of Government Affairs and Economic Development for Portland General Electric. Prior to joining Portland General Electric, Carl served as General Business Director for PacifiCorp's electrical operations in Montana, Washington and northern Oregon.

Talton served as a board member of the Portland Development Commission from 1987–2002, and was board chair from 1995–1999. He now is a board member for several community organizations including Northeast Community Development Corporation, Oregon Association of Minority Entrepreneurs, United Way of Columbia-Willamette and the Mayor's Roundtable.

### **Dale White**

Dale White served as Harney County Judge for 24 years, in addition to service as both councilman and mayor for the city of Burns. A graduate of the University of Oregon, Judge White served on the boards of the Association of Oregon Counties (AOC) for more than 20 years, the Western Interstate Region for 18 years and the National Association of Counties (NACo) for 14 years.

In 1990, White received recognition as the nation's top elected county official who worked with public lands from Western Interstate Region of the National Association of Counties and the Dr. Robert K. Wood Award for Outstanding Devotion to Economic Development from the Ida-Ore Planning and Development Association. In 1993, Governor Barbara Roberts presented him with the Governor's Award of Recognition for Exceptional Contribution to State and Local Economic Development.



Portland
Appointed September 2000
Reappointed July 2001
Term Expires 2005



Dale White
Burns
Appointed November 1993
Reappointed
November 1995 and 1999
Term expires 2003

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### Introduction

#### Growth

Technology. Globalization. Competition. These interrelated drivers of change helped generate Oregon's explosive growth in the 1990s. Between 1990 and 2000, Oregon created 30,000 new businesses and over 400,000 jobs—many in new industries—reflecting a massive shift in the economic and employment landscape of a state comprising just 3 million people.

### During this decade, Oregon's economy diversified

The state's traditional industries changed. Salmon harvesting declined—the fishing industry lost jobs and shifted its focus away from salmon to other groundfish. The agricultural industry contracted, expanded and then contracted again, while experimenting with organic produce, niche products for export and innovative information management practices—by 2002, Oregon ranked 2nd among states in the use of technology among farmers and growers. And private

sector forestry grew. In 2000, the industry exceeded employment and revenue levels from a decade earlier.

The state's technology sector boomed. By the year 2000, Oregon was producing 10 percent of all the semiconductors manufactured in the United States (US) and was identified as only one of four "Cyber-States" by the American Electronics Association (AEA), a key technology industry association. The industry's share of employment in Oregon grew from 16 percent to 22 percent in less than a decade.

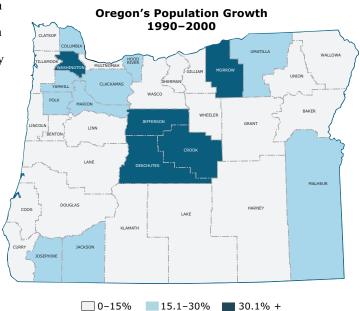
Oregon also witnessed the tremendous growth of a number of unique industry clusters—athletic footwear and apparel, microbrew and sustainable architecture and design—that helped seed Oregon's emerging "brand." Non-Oregonians in the US and abroad began to recognize Oregon as a place where smart people deliver high-quality goods and services at a reasonable cost.

Private sector research and development investments and returns increased. Oregon firms ranked 13th in the number

of patents issued in 2001. Oregon ranked in the top 50 percent of states on venture capital investment, Initial Public Offerings (IPOs) and percentage of jobs in high-growth firms.

And Oregon attracted new talent. The state's population increased 24 percent between 1990 and 2002, resulting in over 600,000 new Oregonians. The state's minority population grew even faster, doubling in a decade. Latinos, particularly those of Mexican descent, increased their numbers by 51 percent and now comprise 8 percent of the state's population.

Importantly, a large percentage of Oregon's newest residents are highly skilled. Nearly one–third of new Oregon residents hold four–year degrees, and Oregon has one of the highest influx of 18–34 year–olds in the nation. The overall percentage of the Oregon's workforce



holding four-year degrees mirrors the US average at about 30 percent.

In 2002, Oregon ranked 11th overall in the *New Economy Index*, and *first* among all 50 states on e-commerce preparedness and infrastructure.

#### Recession

Four key factors led to Oregon's severe and protracted economic downturn: the Asian economic crisis in 1999, the West Coast energy crisis of 2001, the aftermath of September 11 and the US recession. Together, these events wreaked economic

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havoc on the US economy, and the Western states, including Oregon, were among the hardest hit.

Since January 2001, the US has lost nearly 3 million jobs, two-thirds of them in manufacturing. A full year after the end of the recession, 8.8 million people remain unemployed, one in four of them for more than seven months.

Oregon lost 2.3 percent of its total employment base in a single year, causing drastic reductions in state revenues since

Oregon is highly dependent on the personal income tax as its source of public revenue. The impact was exacerbated by the concentration of job-loss in the Portland metro area which shouldered 54 percent of the state's tax burden in 2000.

Oregon's unemployment skyrocketed not because the state's economy was less diversified than other states, or because of the "dot-com bust," but because it had

> grown so much, so fast in previous years—the same sectors that propelled job creation in the late 1990s were those contracting by 2001. In addition. Oregon's large manufacturing base is concentrated in the sectors that tend to be most negatively impacted recessionary during periods—durable goods, electronic equipment, machinery,

instruments and transportation equipment. Finally, Oregon continues to attract new residents from other states who come to Oregon without a job offer in hand.

The value of Oregon exports fell 34 percent between 2000 and 2001—a loss of over 300 million in revenue for Oregon firms. By October 2002, exports had increased, nearly reaching previous levels. But 2003 has again witnessed declining export revenues.

### Recovery

We may have weathered the worst of the storm. October 2003 saw the first month of US job growth in over two years. Even Oregon's stubborn unemployment rate dropped nearly .5 percent. The economic crises of the last two years have forced a focused analysis of Oregon's economic and community assets and liabilities, and provided opportunities for Oregon firms and Oregon citizens to engage in a dialogue about investing in the state's future success. Important lessons have emerged as a result.

First, as Oregon's economy grows more diverse and complex every day—old paradigms of rural vs. urban are less accurate and less useful. Some economists have suggested that the state maintains distinct regions. Others focus on the state's metro regions and the role they play in providing access to market for rural

### Introduction

Oregon's products and services. Discovering new ways to cross these geographic, political, social and cultural boundaries to promote sustainable jobs and economic success throughout the state is more important now than ever before.

Second, the roles of government, business, citizens and interest groups are shifting nationally, as well as in Oregon. The challenges that emerge in our increasingly complex, interdependent, networked economy will require diverse partnerships and collaborative approaches—no one entity, public or private, can "fix" Oregon's economy in the short-term or plant the seeds of success for future generations alone. Oregon's history of broad-based government—business collaboration, together with its track record of effective citizen involvement, bode well for the state's economic recovery and prosperous future.

Third, Oregon maintains a rich collection of economic assets—primary among them natural resources and entrepreneurial talent—that demand appropriate investment, smart management and an enabling infrastructure.

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The state of Oregon is prepared to do its

part to meet these demands. Over the coming year, strategic investments in Oregon firms, people and infrastructure will increase Oregon's ability to compete effectively in the global economy, and lay

"By 2000, Oregon was producing 10 percent of all the semiconductors manufactured in the United States (US) and was identified as only one of four "Cyber-States" by the American Electronics Association."

the foundation for a full economic recovery.

### **Investing in Oregon's success**

### Re-focusing economic development

When Governor Kulongoski took office in January 2003, his primary focus—and challenge—was Oregon's economy. The state's high unemployment rate and declining revenues posed a daunting challenge for Oregon—where a deficit nearly one–tenth the size of the budget loomed large.

Though confident in the state's ability to bounce back, the Governor and his transition team recognized that changes were needed in the way public resources were managed and administered to promote economic development. As the agency bearing administrative responsibility for economic development, the Oregon Economic and Community Development Department began to re-invent itself—redefining its mission and objectives, re-engineering its approach and re-structuring administrative and management infrastructure.

The department's agency-wide "Re-focusing Project" focused on three key needs:

- Establishing clarity of purpose;
- Aligning the work of all units and divisions behind the department's stated purpose and better coordinating work shared among different units or among different government departments; and
- Increasing efficiency, effectiveness and accountability throughout the department.

Under the leadership of Marty Brantley, and with the support of the Governor's Office, the Economic and Community Development Commission, the Oregon Legislative Assembly and a number of invaluable public-private partnerships, we have made significant progress.

The Oregon Economic and Community Development Department's new—and explicit—focus is *quality jobs for Oregonians*, today, tomorrow and into the future. Of equal importance is our emphasis on *effective fiscal stewardship*. Both are reflected in the department's mission statement:

"Sustained quality jobs for all Oregonians at least cost"

While a formal strategic plan is under development, this primary objective—quality jobs—has begun to drive decision—making about all programs and services managed by the department.

### **New strategic objectives**

Key strategic goals reflected in the forthcoming strategic plan will include the following.

### **#1: Promoting sustainable** economic success

We will advance this strategic objective by:

- Growing Oregon's traded sector industry clusters, including products and services for business and consumer markets, to generate revenue from outside the state and provide opportunities for Oregon businesses to supply leading firms in these clusters.
- Diversifying Oregon's industrial base and export markets to reduce dependence on both the US business cycle and a small number of industries and firms.
- Reducing the cost of doing business in Oregon to increase the state's competitive advantage.
- "Looking long" to build a strong economic foundation over time, resisting short-term fads or shifts in policy or investment strategy.

### #2: Investing in the creation of quality jobs

We will advance this strategic objective by:

- Concentrating efforts on identified industry clusters that enable us to identify the most promising opportunities to encourage further innovation, develop particular worker skills and address issues that affect productivity.
- Expanding university-based science and engineering programs to ensure a pipeline of skilled employees for Oregon industries and to develop the talent that will create new Oregon firms and industries.
- Promoting the growth of firms and industries that offer high wages to maintain opportunities for advancement among Oregonians and insure that highly skilled graduates can find employment in the state.
- Support the Governor's post-secondary education initiative to reverse the decade—long trend of disinvestment in Oregon's higher education system.
- Investing in today's talent to insure that
   Oregon workers can access good jobs,
   start quality companies and increase
   productivity in-state.
- Increasing the quality of Oregon's industrial infrastructure—including the quantity of project-ready industrial sites as well as accompanying roads, bridges, public schools and other critical

components of public infrastructure—
to attract firms seeking to move to or
expand in the state.

- Increasing available capital for Oregon firms to generate higher numbers of start-ups and quicker expansions.
- Improving the state's ability to manage economic and business

Benefit

for all

Oregonians

Sustainable

Economic

Success

Quality

Jobs



ments in programs and services.

• Investing in Oregon's "brand" to ensure that we capitalize on its existing strength, and make it more relevant to the 21st century economy.

# #3: Ensuring that all Oregonians can access economic opportunities

We will advance this strategic objective by:

- Increasing efforts to retain and grow Oregon firms in rural and/or distressed communities to make effective use of Oregon's many and diverse assets.
- Increasing the economic potential of aspiring women and minority entrepreneurs and of women- and

minority-owned firms to ensure that the benefits of economic growth and success are accessible to all Oregonians, including traditionally disadvantaged business owners.

### #4: Guarantee accountability

We will advance this strategic objective by:

- Promoting effectiveness and efficiency in all departmental programs and services, and across state government.
- Enabling transparency throughout the department to ensure that information about investments, outcomes and the processes used to manage the department's work is open and accessible.

While this is an ambitious and futurefocused set of objectives, the Governor, the commission and the department are pursuing a course of action designed to both generate impact in the short term and build the foundation than will help realize longer term objectives, consistent with the emerging strategic plan.

In the coming year, and with the support of key departments and the Oregon Legislative Assembly, the commission has directed the department to focus on:

Jobs—focusing on retention, recruitment, expansion of firms in identified industry clusters;

- Industrial Lands—identifying and cataloging new project-ready industrial lands and increasing the amount of lands available throughout the state;
- Transportation leading to direct economic benefit in the form of both quality jobs and improved economic infrastructure;
- Workforce training to improve the productivity of firms, and help workers transition to new jobs or new industries;
- Support the Governor's innovationeconomy efforts through technology transfer initiatives, increased postsecondary access and success, and support for efforts such as the multiscale materials and devices signature research effort in coordination with the institutions of the Oregon university system;
- Cross-program coordination among economic development, education, workforce development agencies on economic development issues; and
- Administrative efficiency and regulatory reform to insure that the business of economic development moves at the speed of business.

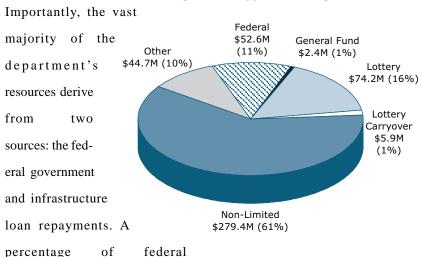
#### Resources

The department advances its agenda directly in two ways: first through investing the resources available toward internal and external operations; and second, through its programs and services, which may or may not involve an external allocation of resources. In addition, the department administers a variety of state and federal funds over which it exercises limited direct control, but can wield influence—focusing these resources in distressed areas for example.

# The Oregon Economic and Community Development Department's budget

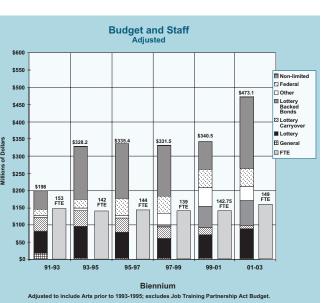
Every two years, the Oregon Legislative Assembly approves the department's budget for the biennium. The department's budget for the current biennium (2001–2003) stands at \$448.8 million; and its budget for the next (2003–2005) biennium stands at \$350.5 million.

### 2001-2003 Legislative Approved Budget



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dollars—58.6 percent on average—is earmarked for specific infrastructure projects or programs. In addition, the loan



funds are frequently used as required match to bring additional federal resources into the state. Typically, the loan funds are restricted to infrastructure development,

repayment

but can attract federal dollars that can be allocated across a broader array of programs and services.

Other sources of departmental funding include lottery funds (18 percent) and the state general fund (1 percent).

The department's budget has more than doubled over the past decade—from \$186.9 million in 1991–93. However, because such a large percentage of these new dollars were either "pass-through," where the department acted as a fiscal agent but did not manage dollars or programs directly, or were narrowly targeted for allocation outside the

department, the number of staff employed by the department has hardly changed—increasing to 132 people (full-time equivalents or FTEs) in 2002 from 130 ten years ago. Today we have 108 people.

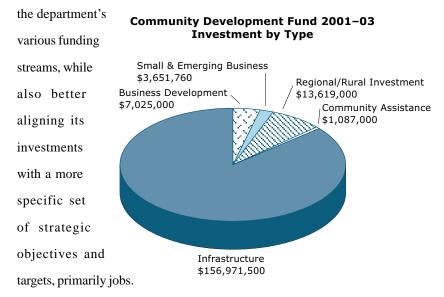
The composition of the department's budget—the share of revenue derived from different sources—has shifted some during the same timeframe. In 1991–93, for example, about 7 percent of the department's budget comprised general funds. This percentage has declined over time, and, in some of the intervening years, disappeared altogether. The percentage of lottery fund dollars in the department's budget has increased and declined at different times, but remained between \$50 and \$100 million throughout the decade—lottery carry-over has changed more as a percentage, but represents a smaller share (and far fewer dollars) overall. Lottery bonds and federal dollars also have varied some from year to year. The largest shift has been an increase in resources derived from loan repayments accrued through revolving funds—which totaled nearly \$200 million in 01–03, or 45 percent of the department's total budget.

During the 2001–03 biennium, the department's Community Development Fund resources were allocated in ways consistent with the requirements of the various funds the department manages and with the intention of promoting economic opportunities and investing in quality communities. Major debt service categories in which investments were made include:

- · Infrastructure
  - · Special Public Works Fund
  - · Water/Wastewater Fund
  - · Safe Drinking Water Fund
  - · Port Revolving Loan Fund
  - · Brownfields Revolving Loan Fund
- Community Development Block Grants
  - · Business Development
  - · Strategic Reserve Fund
  - Industry Sector Outreach
  - · Business Retention Services
  - Business Finance Programs
  - International Trade Assistance
- Small & Emerging Business Assistance
  - Small Business Development Centers
  - Women- and Minority-owned Business Services

- Community Assistance
  - Rural Development Initiatives
  - Oregon Downtown Development Associations
  - Community Facilities (CDBG & SPWF-funded)
  - Old Growth Diversification Fund
- · Regional/Rural Investment
- Other
  - Marine Navigation Improvement Fund
  - Columbia River Gorge National Scenic Area
  - · Arts grants
  - Tourism Marketing Grants

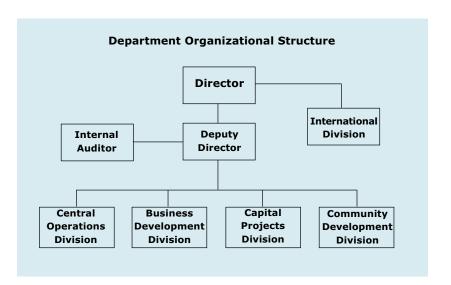
Planned OECDD investment in 2003–05, will continue to adhere to the requirements associated with



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# Programs and services offered by the Oregon Economic and Community Development Department

The department maintains four divisions responsible for the many programs and



services it offers to employers, local jurisdictions and communities. These include:

• Business retention and expansion offers a variety of programs and services intended to keep existing firms in Oregon and relocate or expand those firms seeking to grow. Business retention, including direct assistance with financing, restructuring, marketing and other business functions, and expansion and recruitment assistance ranging from comprehensive site location assistance to incentive programs is available. Workforce development and training

- assistance, in coordination with regional and local project managers and training experts also is available to ensure that skilled workers are available for new jobs or to improve the productivity of existing workers in firms seeking to grow.
- Marketing, business recruiting occurs at every point of contact between the department and potential firms, but the department coordinates specific marketing efforts with a number of partners including the state's required partners, the Oregon Economic Development Association and the state's tourist and visitor associations. This year, the department is working with Weiden+Kennedy on a branding campaign for Oregon intended both to counter some of the negative press generated by the state's economic woes, and, more importantly, to update key messages to better reflect the diversity that is Oregon in the 21st Century.
- Small business services focuses on assisting Oregon's small business community through close coordination with the Small Business Development Centers, the US Small Business Administration and the state's 25 community colleges and public colleges and universities. The department also collaborates with a variety of other providers of small business services and support throughout the state, such as the

- chambers of commerce, small business associations and minority business associations and networks on programs, projects, training and technical assistance on specific issues—such as government contracting.
- Business finance manages a number of funds intended to promote new business development and growth in Oregon's key sectors, and expand access to credit for Oregon firms. The Oregon Business Development Fund, Oregon Capital Access Program, Oregon Credit Enhancement Fund, Oregon Entrepreneurial Development Loan Fund and the Oregon Industrial Development Bond Program are among the programs and services offered by the department to assist firms in financing their existing, expanding or new operations.
- International trade information and assistance is available through the department to Oregon firms seeking to grow their international presence or reach new target markets. The Oregon International Trade Commission serves in an advisory capacity to the Economic and Community Development Commission and department, providing relevant information and intelligence and helping to link programs and services to experts and potential customers throughout the state.

- Infrastructure investment, targeting water, sewers, the ports and public works, comprises the majority of the department's budget, and generates enormous impact in communities throughout the state. A variety of funds—including the federal U.S. Department of Housing and Community Development's Block Grant, the Oregon Port Revolving Loan Fund, the Safe Drinking Water Revolving Loan Fund, the Special Public Works Fund, and the Water/Wastewater Fund—can be packaged and leveraged to meet critical infrastructure needs in Oregon.
- Community assistance is supported by three departmental programs: the Old Growth Diversification Fund, targeting areas moving from dependence on a single industry or natural resource to investment in a more diverse economic base; a partnership with the Oregon Downtown Development Association to facilitate development efforts in towns and cities throughout the states; and a partnership with Rural Development Initiatives, Inc., that delivers economic and community development assistance to rural communities throughout the state—from community organizing to strategic planning to leadership development.

• The Regional and Rural Investment Fund programs have been made competitive to increase accountability. Regional/Rural investments historically were "pass-through" funds for regional economic and community development activities. Funds were allocated to regions statewide based on established guidelines and formulas. Multi-county boards and regional partnerships received these funds each biennium, administering the money locally. Boards partnered with one another to pursue multi-region projects that support the needs of their combined area. We have changed this process and have set up a more competitive basis for awards. No longer will the agency simply act as a conduit. Local communities are expected to deliver job creation targets and compete for funds. This new approach adds more accountability and forces local communities to be creative and more focused with their local economic development efforts.

### Baker City's Colorado Avenue sprinkler system

The department awarded a \$10,000 grant to the city of Baker City to create a fire line and implement sprinkler system improvements in an industrial facility. These upgrades were necessary to accommodate a small manufacturer seeking to occupy the building. Blue Mountain Workshops, a manufacturer of old-world style residential and commercial cabinets, will move its operations from Livermore, California, to Baker City in late 2003. Sales projections are slated to reach \$1 million in 2004. The total cost of the project was nearly \$28,000 and was jointly financed by the department, the Baker/ Morrow Regional Partnerships, Baker City and Blue Mountain Workshops.

In addition to the department's core programs and services, there are a number of important programs and initiatives the department supports or facilitates, but does not directly manage or administer. These include:

- Local Partnerships. These local and regional teams comprise professionals from the field offices of five state agencies-the Economic and Community Development Department, Environmental Quality, Housing and Community Services, Land Conversation and Development Department and the Department of Transportation—as well as local governments, economic development professionals and business leaders. They collaborate on marketing, recruitment and business assistance, leveraging each others' talents and resources to achieve the best possible economic and community outcome with the limited resources.
- Strategic Investment Program allows local areas to exempt a portion of capital investment over \$100 million from property taxes for 15 years. To offset the community impact of such investment, the investor pays a community service fee equal to 25 percent of the abated taxes, up to \$2 million annually.

- Enterprise Zones are state-designated areas—generally economically distressed—that can offer property tax incentives for the private construction of new buildings, additions, expansion of existing facilities or for the purchase of new equipment or machinery. The department works with the Oregon Department of Revenue to provide technical assistance, training and support to jurisdictions seeking to implement Enterprise Zone projects.
- The Oregon Tourism Commission
  markets Oregon as a tourist destination,
  and works to improve the
  economic impact of the industry.
  http://www.traveloregon.com/
- The Oregon Arts Commission, which recently merged with the Oregon Cultural Trust, administers state and federal (National Endowment for the Arts) investments in the arts and culture, including information for citizens, businesses and tourists seeking arts programs and activities and grants for local artists and arts organizations. The commission works in partnerships with local Arts Commissions and arts and culture organizations. http://www.oregonartscommission.org/

 The Oregon Film and Video Office promotes Oregon's film industry, recruits and facilitates both local and out-of-state productions and markets Oregon as a location and Oregon talent to great film work. http://www.oregonfilm.org/

### **Hood River welcomes Cardinal Glass**

The department is working with Hood River planners to secure water and sewer services, relevant permits and an Enterprise Zone designation for a planned \$20 million Cardinal Glass insulated glass assembly facility that promises up to 200 quality jobs for local residents.

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### **Achievements**

### **Benchmarks**

The current agency-wide reorganization will shift the performance management framework the department currently uses—some measures will be added, removed or changed to better reflect current department priorities, while in other cases the levels of performance on existing measures will be altered. This recalibration process has begun.

The department's performance on existing measures, even in the midst of an extended recession, has been solid—nearly 80 percent of primary performance targets were achieved in fiscal year 2002–03. Performance on six measures—jobs, wages, exports, community infrastructure, productivity and return on investment—exceeded targets by 20 percent. Two small business targets and performance on one customer satisfaction measure were barely missed. Performance on an industrial capacity measure fell quite short of its target but has become a key priority this year.

A summary of the department's performance on key measures follows. A complete description of performance measures, targets and definitions, together with a brief analysis, is included as an appendix to this report (see Appendix A).

- **Jobs**—OECDD programs created or retained 4,710 jobs, 83 percent of which paid above the average wage for the county in which they were located, and 67 percent of which were in distressed areas. The department's target of 3,750 jobs was exceeded by nearly 1,000.
- International trade—The department assisted over 400 firms in generating \$25 million in new international sales, nearly tripling the target of \$9 million in new export sales.
- Small business assistance—The department targeted small
  business for assistance, anticipating that small firms would
  comprise 95 percent of the total number of firms assisted
  in the state, and that 35 percent of these would be womanowned and 10 percent minority-owned. While falling
  slightly short on the first and second measure—92 percent

- of the firms served were small and 27 percent owned by women—the number of minority-owned firms was 11 percent, exceeding the third planned target.
- Investments—Economically distressed and rural areas are a key focus of the department's programs as it seeks to generate wealth and economic opportunities in communities lacking them. OECDD programs sought to allocate 60 percent of their total investment resource in distressed areas and 65 percent in rural areas (there is some overlap). Both targets were exceeded, with 68 percent invested in distressed areas and 71 percent in rural areas.
- Infrastructure—The department's main statewide accomplishment was the completion of a fiber optic ring that makes Oregon the most "wired" state. This project provides reliable high-capacity telecommunications connectivity to 63 urban and rural communities throughout Oregon. It was completed as a joint project between the agency and Qwest as part of Senate Bill 622 from the 1999 Legislative Assembly. In addition, the department assisted 127 communities in a variety of ways.
  - Eighty-eight communities this year, and 68 in 2002, were to implement improved electronic connectivity through Electronic Commerce Zones

- established during the prior legislative session. While the project ran slower than anticipated, by December 2003, 136 communities, one of which is an unincorporated area, will have realized vastly improved electronic capacity.
- While no target was in place to assess performance on insuring available industrial land, identifying such available sites has proven a challenge, with over 3/4 of the state seeking such plots and far too few plots available to satisfy current demand. This has emerged as a clear priority for the department. A statewide inventory of available sites, particularly "project-ready" sites, is under development.
- Customer satisfaction—The department conducts regular customer satisfaction surveys to help assess its performance on service and meeting business and community needs. This year, the target level was an overall score of 4.2 out of 5 and the department fell just short, receiving a score of 4.1.
- **Return on investment**—The department returned \$1.90 to the General Fund for every dollar invested, exceeding the target of \$1.17.

### Legislative

Oregon's prospects for economic revitalization were dramatically improved with the passing of several key bills during the 2002 legislative sessions.

### **Economic Development**

HB 2011codifies the department's refocused mission and HB 5013 establishes its overall budget allocation, including \$10 million in Strategic Reserve to be allocated by the Governor to retain, expand or recruit business in Oregon. HB 2011 also establishes the Governor's Council on Oregon's Economy, directs the department to craft an economic development strategy for the state and makes the Community Solutions Team-which will be renamed the Economic Revitalization Team-statutory. The team will be specifically focused on job creation, in line with the agency's mission, playing a key role in bridging Oregon's rural and urban communities.

### Newport's wastewater improvement project

The city of Newport entered into partnership with the Department of Environmental Quality (DEQ) to build a new wastewater treatment plant. The plant was needed for two reasons: first, the existing plant could not handle the volume and still comply with existing safety regulations; and second, even if incremental changes would have been made, the plants insufficient capacity was limiting Newport's growth and development. The total cost of the project was \$41 million, comprising \$20 million in DEQ funding, \$14.1 million in city of Newport resources and approximately \$6 million in OECDD funds—split between the department's Special Public Works Fund and Water/ Wastewater Fund. The new state-of-the-art facility was dedicated in June 2003.

Another key provision in HB 2011 emphasizes the preservation of industrial land. It directs OECDD, working with its partner agencies at the state and local levels, to identify 25 project-ready commercial industrial sites now, incorporating efforts to maintain a ready supply of such sites into state and local land-use planning efforts on a continual basis. The Public Works Revolving Loan Fund (\$27.6 million) will support this effort (Oregon Laws, Chapters 722 and 800).

HB 3613 calls for investing directly in Oregon's most innovative firms. The State Treasurer and Oregon Investment Council will, by January 1, 2008, invest no less than \$100 million of state trust funds in emerging Oregon businesses (Oregon Laws, Chapter 606).

A collection of new laws including SB 711, 713,714,715 and HB 2564, 2717 and 3120, will advance the Governor's efforts to streamline Oregon's permitting process. This legislation adopts immediate reforms in key areas, such a removing regulatory redundancy and consolidating the building codes licensing process. It also establishes a short–term mechanism for assessing the impact of administrative rule changes, particularly on businesses in the state key

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sectors. Finally, it establishes a permanent review board comprising public- and private-sector stakeholders tasked with conducting a comprehensive assessment of Oregon's regulatory statutes and investigating the potential of one-stop permitting, time-certain permit approval and appeals limitations (Oregon Laws, Chapters 749, 136, 299, 367, 336, 368 and 369).

#### **Transportation**

HB 2041 allows the state to raise \$112.6 million each year by increasing vehicle registration fees, increasing the weight-mile tax for freight trucks, and generating up to \$2 billion in bond borrowing over the next 10 years and another \$800 million without borrowing. Together, these resources will cover Oregon's most pressing infrastructure needs, including bridge enhancements, repairs and construction and road repair and expansion. While only a down payment on Oregon's overall transport infrastructure needs, this package comprises the largest construction package in the state since the 1950s and promises up to 5,000 family-wage jobs (Oregon Laws, Chapter 618).

### Arts, tourism and international trade

SB 931 and HB 2747 promote arts, culture and the creative industries in the state. SB 931 merges the Oregon Arts Commission and the Oregon Cultural Trust to ensure continued investment in the arts, culture and creativity in the state. In an effort to support Oregon's film industry talent, comprising a major part of the state's thriving creative service industry, HB 2747 establishes the first incentive plan to lure major film productions to Oregon (Oregon Laws, Chapters 713 and 736).

A statewide 1 percent lodging tax is created pursuant to HB 2267 and will raise \$7–\$9 million per year for statewide marketing to promote tourism, one of the state's leading industries generating over \$6 billion in revenue for Oregon firms (Oregon Laws, Chapter 818).

HB 2252 targets Oregon's export economy. In an effort to grow Oregon's \$8.9 billion export market and take advantage of expanded international transport links, the law elevates the role and diversifies the representation of the International Trade Commission. The commission is now better poised to provide direct assistance to firms looking to access new markets and

make sound policy and program decisions that improve the overall position of Oregon products and services to current and potential trade partners (Oregon Laws, Chapter 114).

The department's International Division (ID) helps Oregon firms access overseas markets. In fiscal year (FY) 2002–03, the ID team worked with over 400 small– and mid–sized Oregon companies to generate \$24 million in sales overseas. Assistance can take the form of providing information about overseas markets and specific business opportunities, facilitating access to import and export licenses and permits, providing training in international marketing, trade, transport and finance, and subsidizing the cost of participating in trade missions, attending international trade shows or linking Oregon firms to the expertise they need to be successful in doing business internationally.

### Public Employee Retirement System (PERS)

HB 2001, 2003, 2004, 2005 and 2020 enable PERS reform. At the beginning of 2003, it was clear the Oregon Public Employee Retirement System, in the absence of fundamental reform, would endanger the state's fiscal health. The Governor, Legislative Assembly and key commissions representing a broad swath of public-sector and finance industry professionals collaborated in developing a solution that provides fair and sustainable pensions to retiring public sector employees at a reasonable and predictable cost. These reforms, together with the successor pension plan currently under development, will save Oregon billions of dollars over the coming decade (Oregon Laws, Chapters 3, 67, 68, 69 and 733).

### Complementary reforms and initiatives

## Enhanced international transport and trade links for Oregon business

In March 2003, aided by a Port of Portland-approved one—year waiver of \$2 million in landing fees and terminal rents, Lufthansa Airlines began offering nonstop air service from Portland International Airport (PDX) to Europe with connections to over 200 additional locations world-wide.

In May 2003, Mexicana Airlines began thrice weekly nonstop service from PDX to Guadalajara, Mexico. Mexicana Airlines, part of the Star Alliance, received a one—year waiver of \$400,000 in landing fees and terminal rents.

The Port of Portland, supported by OECDD and state and local elected officials, is currently negotiating with Northwest Airlines for a direct flight from PDX to Tokyo Narita. Ongoing conversations also are occurring with ANA (Singapore) and Korean Airlines.

As a complement to increased international air links, improved connections between PDX and Oregon's non-metro communities

is a key area of focus for the Aviation Board, while Oregon's Congressional delegation is hard at work to secure funding for radar and infrastructure improvements for smaller airports in the state.

Finally, building trade relationships with Europe and with the business and trade community throughout Oregon and Southwest Washington is important work, supported by both the increased prominence of the Oregon International Trade Commission and the improved air links. A recent trade mission to Europe, together with a new focus on inbound business development and improved public-private sector collaboration, demonstrates the state's commitment to bolster Oregon's international standing.

### **Oregon's Forests**

In affirmation of the economic, social, environmental and community importance of Oregon's forests, the Oregon Board of Forestry is currently working on a new strategic vision for Oregon's forests. The goal is a sustainable approach to forestry that integrates economic, environmental and social values and objectives. Public hearings and extensive dialogue about the new Forestry Program for Oregon are

building consensus around sustainable forestry principles and goals. An Oregon Forest Resources Institute study will document actual and potential economic contributions of forestry within the context of sustainable practices.

### **Oregon's Talent**

Supporting technology transfer, or the commercial application of university-based research and development, is a key component of investing in Oregon's prosperous future. Planning is under way to inventory and track research and technology transfer activities and assets across the state. This will provide valuable information for developing policy and enable the Oregon Investment Council to better target its investment in emerging Oregon firms.

Supported by a legislatively-approved \$20 million bond initiative and a \$1 million General Fund allocation, the state will invest in signature research facilities intended to re-position the state as a hub of innovative technologies. The first of these is a Multi-scale Materials and Device (MMD) Laboratory. A collaborative venture between Oregon State University, University of Oregon, Portland State University, Oregon Health Sciences

University, backed by the venture community in Oregon and key private-sector technology firms. The new lab will be housed in a donated Hewlett-Packard facility in Corvallis.

Finally, the Governor is committed to integrating programs and services intended to support training for firms and workers in Oregon. A new statewide strategy that focuses workforce training in key sectors and streamlines the workforce education and training systems is under development. This effort was launched with an executive order announcing the creation of a \$6 million Employer Training Fund and new web site intended to promote rapid responses to employer and worker employment and training needs.

### Oregon's Brand

Oregon's brand is strong—and recognized worldwide—but it has received scant investment or attention in recent years, and been compromised by national media coverage of Oregon's high unemployment rate and troubled K-12 school system, both of which are already the focus of current policy and budgetary reforms. The newly released Brand Campaign includes the tag line, "Oregon—we love dreamers." The concept is to capture the unique feelings of innovation, hope and success that weave their way into the lives of Oregonians and that make up the essence of the state. This unifying message will initially be used to attract tourists, entrepreneurs, future workforce and business investments, and to help market Oregon products.

### Minority enterprise development

The department co-sponsored a training institute for current and aspiring minority business owners. The program convened in October 2003, and featured networking, professional development, and an awards luncheon during which some of Oregon's key minority business owners were recognized including:

- Manuel Castaneda—President, Pro Landscape, Inc.
- Stephanie Harnden—President, Industrial Maintenance Solutions, Inc.
- Reyes Garcia—President, Garcia Reforestation, Inc.
- Bill Hart—President, Carleton Hart Architecture, PC
- Rhonda Herschell—President, Cherokee General Corporation

### **Achievements**

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### **Moving forward**

There is nothing "usual" about business at the Oregon Economic and Community Development Department today. Major changes are underway that enable us to focus on the issues that are important to Oregonians and that place us in a unique position to impact Oregon's economy. We are increasingly focused on quality jobs in emerging industry clusters, and effective stewardship of limited public resources. And we plan to deliver.

The newly organized staff, key additions to our management team and an altered resource allocation will help us deliver; yet there is more we need. The doubling of the Strategic Reserve Fund this past legislative session is a step in the right direction, but we are still impeded by the restrictive nature of the majority of our funds. Our competition is steep: Texas recently announced the formation of their new \$295 million Texas Enterprise Fund. This fund is similar in use to our Strategic Reserve Fund, but its size gives Texas an immense advantage over Oregon.

We can compete with these states and the rest of the globe if we are smart about developing our own opportunities and are given the necessary flexibility with what resources we are allocated. The Industry Cluster Strategy development and implementation is key to our success. We must recognize and foster our competitive advantages and work closely with the private sector to achieve economic vitality.

As we more fully develop our industry clusters, embrace the knowledge economy and support the governor's efforts to improve our competitiveness across the board, we will be asking for our partners to work with us and help move Oregon forward.

We expect our partners and the citizens of Oregon to hold us accountable for our work, we expect the best and you should not expect anything less.

### **Staff contacts**



### L. Martin 'Marty' Brantley

Martin Brantley began serving as director of the Oregon Economic and Community Development Department in January 2003. Brantley was a long—time Portland-area television executive and recognized community

leader for nearly 30 years. He was president of KPTV-TV in Portland, Oregon, from 1983 until his retirement in 2000. During the last two years of his tenure, KPTV won 28 national and international awards including the prestigious Peabody Award.

### **Jack Isselmann**

Jack Isselmann became deputy director of the Oregon Economic and Community Development Department in November 2003. Previously Isselmann served as chairman of the Oregon Economic Development Commission and as General Counsel at Electro Scientific Industries, a high-technology equipment manufacturer based in Washington County, Oregon. The *Business Journal* selected Jack as a 2002 recipient of its "Forty Under 40" Award that recognizes forty businesspeople under age 40 for professional accomplishment and community involvement.

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### **Lynn Beaton**

Lynn Beaton manages OECDD's Central Operations Division. She previously served as the department's Regulatory and Natural Resource Advisor, assisting businesses to comply with state and federal regulations. Beaton has broad experience in Oregon state government, having worked for its Division of State Lands, Department of Land Conservation and Development, Water Resources Department and Office of Legislative Counsel.

#### **Michael Burton**

Mike Burton is the Community Development Division manager of the Oregon Economic and Community Development Department. As such he is part of the senior management team. He was promoted to Salem, in part, to bring his regional perspective to headquarters. That perspective is the result of five years as a liaison between the department and its business and community customers and 10 years before that as a customer of the department doing economic development work in central and eastern Oregon.

#### **Ron Fox**

Ron Fox, Business Development Division manager for the Oregon Economic and Community Development Department, joined the agency in 2000. Fox has more than 20 years of experience in economic development work in Oregon. He worked 28 years at PacifiCorp, serving 10 years as manager of operations and customer service, and eight years as director of community and economic development, overseeing economic development issues across the United States.

#### **Sarah Garrison**

Sarah Garrison, Capital Projects Division manager at the Oregon Economic and Community Development Department, joined the agency in 1998. Her private and public sector experience in research, public policy analysis, planning and project management gives her a unique skill set perfectly matched to manage the large capital improvement and development projects of the agency.

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# **Appendices**

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### **Appendices**

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### 2002-2003 PERFORMANCE MEASURE DATA & LINKS TO OREGON BENCHMARKS

### APPENDIX A

### Related Oregon Benchmarks (with numbers) or other high-level outcomes:

Goal "Create Economic Opportunities" links to Oregon Benchmarks numbers 1,2,3,4,5,6,7,8,11,12,14,15,16,29,53

Goal "Build Quality Communities" links to Oregon Benchmarks numbers 1,11, 28, 30, 36, 53, 69

Goal "Manage for Results" links to Oregon Benchmarks numbers 4, 37

Agency Goal	Key Performance Measure	PM #	PM since	02-03 Value	02–03 Target	Lead Teams
Create Economic Opportunities	JOBS—Total jobs created/retained	1	6/2000	4710	3750	Regional, Finance, Business & Industry
	JOBS—% of jobs created/retained above county average wage	2	6/2000	83%	50%	Regional, Finance, Business & Industry
	TRADE—New sales of assisted exporters	3	6/2000	\$25 million	\$9 million	International
	SMALL BUSINESS ASSISTANCE—% business assisted that are small business	25	6/2000	92%	95%	Business & Industry, Regional, Finance
	SMALL BUSINESS ASSISTANCE—% businesses assisted that are owned by women and minority	26	6/2000	27% women; 11% minority	35% women; 10% minority	Business & Industry, Regional, Finance
	OREGON COMPANY ASSISTANCE—% businesses assisted that are Oregon companies	27	6/2000	95%	90%	Regional, Finance, Business & Industry
	INDUSTRY CAPACITY—Number/% of industry capacity projects meeting objective	5	6/2000	66%	90%	Business & Industry
	INVESTMENT IN DISTRESSED AREAS—% of department investment in distressed areas	22	6/2000	Grants – 68%	Grants—60%	Regional, Finance
	INVESTMENT IN RURAL AREAS—% of department investment in rural areas	24	6/2000	Grants – 71%	Grants – 65%	Regional, Finance

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Build Quality Communities	INFRASTRUCTURE—Number of communities aided	6	6/2000	127	80	Regional, Finance
	INFRASTRUCTURE—Number of water/wastewater systems achieving goal	7	6/2000	Construct –23; Non – con–24	C – 37; Non–22	Regional
	INFRASTRUCTURE—Number of communities improving their telecommunications connectivity	8	6/2000	Direct – 61; Indirect – 62	Direct – 35; Indirect – 33	Telecommunications
	INFRASTRUCTURE—% of cities desiring industrial development that have marketable industrial sites	9	6/2000	74.6% wants development; 48.8% have marketable land	No target	Business & Industry, Regional
	COMMUNITY FACILITIES—Investment in community facilities	10	6/2000	39	33	Regional, Finance
	LEADERSHIP CAPACITY—Number/% of funded leadership & organizational capacity projects meeting objectives	11	6/2000	48/100%	90%	Regional
Manage for Results	CUSTOMER SATASFACTION—Customer survey on performance	14	6/2000	4.1	4.2	Management
	PRODUCTIVITY – Jobs created/retained per FTE	15	6/2000	43.2	27.8	Management
	PRODUCTIVITY – Number of commitments by FTE	16	6/2000	5.35	4.75	Management
	CYCLE TIME – Average number of days from application to commitment	17	6/2000	Infrastructure – 88 days; Non-infrastruc - 15 days	Infrastructure - 80 days; Non-infrastruc - 36 days	Management
	RETURN ON INVESTMENT – Return to General Fund	19	6/2000	\$1.90 per \$1 state funds	\$1.17 per \$1 state funds	Management
	RETURN ON INVESTMENT – Public dollars saved through Oregon Bond Bank	20	6/2000	\$0.11 saved per \$1 bond sale	\$0.60 saved per \$1 bond sale	Finance, Regional
	RETURN ON INVESTMENT – Partner investment	21	6/2000	\$20.67 per \$1 state funds	\$1.80 per \$1 state funds	Regional, Finance

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### **Part I, Managing for Results**

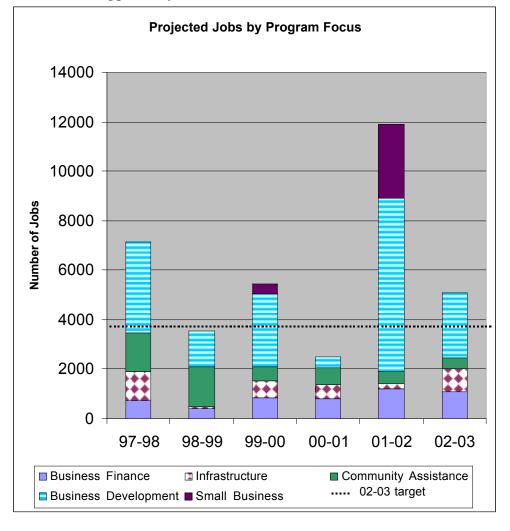
	<u> </u>	s shed light on how well performance measures and performance data are agency for process improvement and results-based management
1	How were staff and stakeholders involved in the development of the agency's performance measures?	An interim performance task force, composed of legislators and partners, developed twenty-seven performance measures that were adopted by the Economic and Community Development Commission in June 2000. Since then, staff has been involved in the collection and reporting of performance data.
2	How are performance measures used for management of the agency?	Director's office developed report templates for those measures for which data exist. Team managers use these reports to monitor team progress. The Leadership Team reviews performance data every quarter, discusses results and determines changes needed.
3	What training has staff had in the use of performance measurement?	Since June 2000, staff has received training in the department's performance measurement system, periodic training on how to improve data quality, the review and interpretation of performance data. New staff receives additional training on performance measurements as part of new employee orientation.
4	How does the agency communicate performance results and for what purpose?	Every three months, the Leadership Team reviews performance data and discusses changes needed. Every six months, the Economic and Community Development Commission reviews the department's performance report as part of a commission meeting. These reviews provide commissioners with the opportunity to provide direction.
5	What important changes have occurred in the past year?	Measurements and reporting has led to greater understanding of program outcome. Focused attention has resulted in improved data quality and data verification methods. The Leadership Team is more proficient with use of performance results to assess work priorities and to determine changes needed.

### **Part II, Primary Measures**

**Primary measures:** Jobs Created/Retained, % Jobs Above County Average Wage, New Sales of Assisted Exporters, # of Water/Wastewater Systems Completed, % Grants in Distressed Areas, % Grants in Rural Areas, Cycle Time, Return to General Fund.

#1—Jobs Created/Retained
To what goal is this performance measure linked?

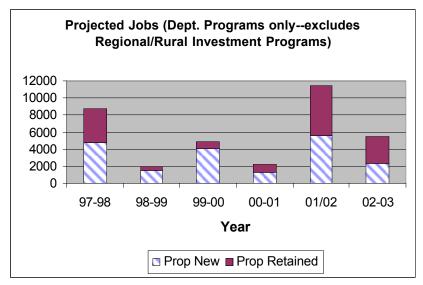
Goal: Create Economic Opportunity



### What can we tell from the data?

4710 projected jobs created/retained exceeded the 02–03 target of 3750. Analysis shows:

• During 2002–2003, the department's efforts continued to shift from job creation (41%) to job retention (59%). This was expected given the state of the economy. In contrast, job creation accounted for 55% of the total result during 1995–2002.



- Programs performing 20% or above than their 1995–2002 annual averages were: Credit Enhancement Fund, Entrepreneurial Development Loan Fund, Oregon Business Development Fund, Port Revolving Loan Fund and Special Public Works Fund.
- Programs performing 20% or below their 1995–2002 annual averages were: Expansion and Recruitment Technical Assistance, Special Public Works Community Facility, Industrial Development Revenue Bond and Strategic Reserve Fund.
- Programs contributing no job creation or retention during 2002–2003 included Community Development Block Grant, Safe Drinking Water Revolving Loan, Water/Wastewater Fund and Brownfield Redevelopment Fund.
- Job results from Small Business Services were not available.
- 67% of the projected job results were in distressed areas; 72% of the projected job results were in rural areas.

### What needs to be done as a result of your analysis?

Respective program managers need to include in 2003–2005 work plans actions to maintain strong results or to turn around weak performance. The Leadership Team will review overall performance every three months to assess if changes are needed.

64.5 % of projected job results came from 10 projects. To improve performance, the staff must step up efforts to increase the number of business deals. Calling on Oregon companies and recruiting out-of-state companies are two main avenues.

2002–2003 projects with 100+ jobs are listed below.

Project	Projected	County	Rural/	Distr./
	New/Retained Jobs		Urban/	Not/
			Mixed	Mixed
Pacific Chemical Corp	150/0	Morrow	R	D
Blue Mt. Lumber	100/570	Umatilla	R	D
American Bridge Co.	109/0	Douglas	R	D
Freightliner Mfg.	0/600	Multnomah	M	M
Coos Bay RR Bridge	0/405	Coos	R	D
Madras Airport Indus Park	10/170	Jefferson	R	D

Brentwood Corp.	70/200	Clackamas	R	D
Wauna Mill Expansion	100/0	Clatsop	R	D
Master Brand's Schrock Cabinet	350/0	Josephine	R	D
Microchip Tech. Inc.	204/0	Multnomah	M	M
Totals	1,093/1,945			

81.2% of the 1,093 projected new jobs were in rural areas, 63.6% of the 1,945 projected retained jobs were in distressed areas.

### What is the data source?

Business Development, Business Finance, Infrastructure programs: Data came from businesses receiving loans or grants from the department. They estimated job creation and retention as a result of the project. Upon completion of the project, businesses are required to report the actual results.

Community Assistance programs: Data come from Regional Boards, Regional Partnerships, and other entities receiving funds.

Small Business: Data come from independent survey of businesses using services contracted by the department.

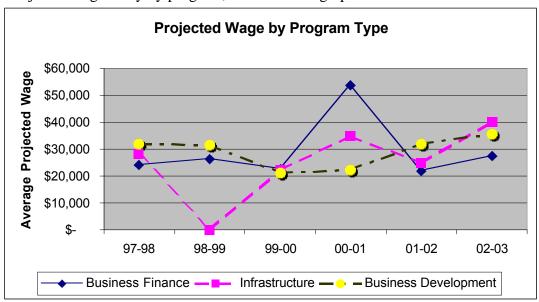
# #2—% of Jobs Created above County Average Wage To what goal is this performance measure linked?

Goal: Create Economic Opportunity

### What can we tell from the data?

Approximately 83% of the projected jobs created or retained in 2002–03 exceeded county average wage. Target is 50%.

• Projected wages vary by program, as seen in the graph below.



### What needs to be done as a result of your analysis?

We are improving due diligence for approval of grant funding toward projects that have 10 or more projected jobs with below county average wages.

### What is the data source?

Business Development, Business Finance, Infrastructure programs: Data came from businesses receiving loans or grants from the department. They estimated job creation and retention as a result of the project. Upon completion of the project, businesses are required to report the actual result and average wage for those jobs. 93% of projected jobs showed projected average wage.

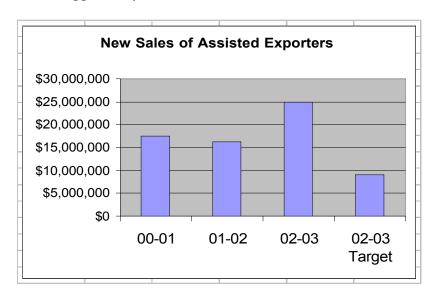
Community Assistance programs: Data come from Regional Boards, Regional Partnerships and other entities receiving funds.

Small Business: Data come from independent survey of businesses using services contracted by the department.

### #3 – New Sales of Assisted Exporters

### To what goal is this performance measure linked?

Goal: Create Economic Opportunity



### What can we tell from the data?

• Assisted sales of \$25 million exceeded 2002–2003 target of \$9 million. Below is a comparison of recent performance:

<u>Year</u>	# of Sales	\$ Value of Sales (million)
2000-2001	10	17.1
2001-2002	69	16.5
2002-2003	101	25.0

In addition to the consummated sales, client companies reported 129 additional sales under negotiation, valued at \$45.8 million, during the 2001–2003 biennium.

• Regional breakdowns for both sales and sales under negotiation are:

<u>Region</u>	<u>2001–2002</u>	<u>2002–2003</u>
Europe	\$15,066,100.	\$28,748,800
Asia	\$10,281,000.	\$28,170,600
The Americas	\$2,590,500.	\$1,866,700
Other	\$394,500.	\$182,100
Total	\$28,332,100.	\$58,968,200

- We saw significant growth over the last year as both the European and Asian (outside of Japan) markets continued to show slow, but stable, growth. Europe continued to be an across-the-board success, primarily for experienced exporters, not only in high tech, but also in a broad variety of other sectors. Most of these companies targeted Europe for near term emphasis as they continued to tread water in Asia. The Oregon Trade Promotion Program contributed greatly to company network establishment.
- In Asia, significant growth in the ASEAN coupled with greater spending in Taiwan seemed to be triggering the sales growth. USAEP grants for the ASEAN helped several companies expand their networks in the region. In Taiwan, government spending on infrastructure development aided several companies to consummate sales that were in a holding pattern. Programmatic activity in China continued at a high level, but sales were leveling off due to a relative slowing in the Chinese economy.
- Americas programs were slow as Mexico and Canada both struggled along with the U.S. economy. The financial and political uncertainty in MERCOSUR also slowed sales into the South American market. That being said, company interest in Mexico picked up in recent months.

### What needs to be done as a result of your analysis?

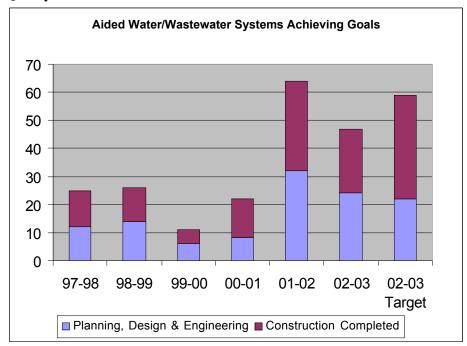
Continue to increase the number of companies receiving assistance from the division.

#### What is the data source?

Companies receiving division assistance report sales data in writing and in verbal communications with staff.

# #7 – Number of Aided Water/Wastewater Systems Achieving Completion To what goal is this performance measure linked?

Goal: Build Quality Communities



### What can we tell from the data?

The 2002–2003 results are on par with 2001–2002 performance. 24 planning/design/engineering projects were completed, beating the target of 22. 23 construction projects were completed, falling short of target of 37.

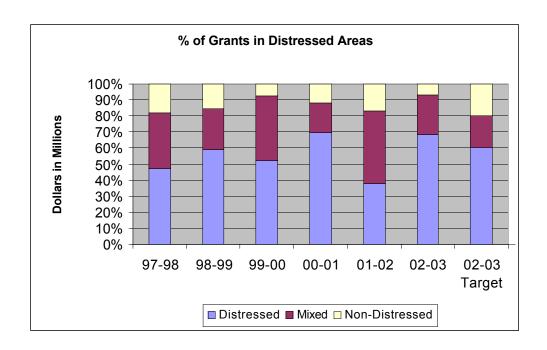
For 2001–2003, we projected completion of 75 construction projects and 45 planning/design/engineering projects. 54 construction projects and 56 planning/design/engineering projects actually were completed. Recent updates show 6 projects have been completed since July 1, 1993, and 13 projects are delayed due to problems with water quality or financing.

### What needs to be done as a result of your analysis?

- Review status of projects that are delayed and reasons for such delay; act on what the department can affect.
- Improve tracking system to capture project completion in a timely manner.
- Consider experience with delays in setting 2003–2005 targets.

### What is the data source?

Department project database. Projects enter the database upon funding commitment. Regional Coordinators conduct final monitoring when projects are complete and note so in the database.



# #22—% of Department Investment in Distressed Areas To what goal is this performance measure linked?

Goal: Create Economic Opportunity

### What can we tell from the data?

- 68% of grants were directed to distressed areas, exceeding the target of 60%.
- A more detailed analysis of the total grant of nearly \$23.8 million showed that 1) Community Development Block Grant directed 92% of total \$12.3 million grants to distressed areas;
  - 2) Infrastructure funds (Special Public Works and Water/Wastewater) directed 98% of total \$4.1 million of grants to distressed areas;
  - 3) Strategic Reserve Fund directed 19% of total of \$2 million to distressed areas; and
  - 4) \$3.1 million for statewide tourism marketing were counted as investment in mixed area; and
  - 5) \$1 million for arts commission programs were used mostly in non-distressed areas; distressed areas received 7% of total.

### What needs to be done as a result of your analysis?

Remain vigilant in monitoring the use of grants.

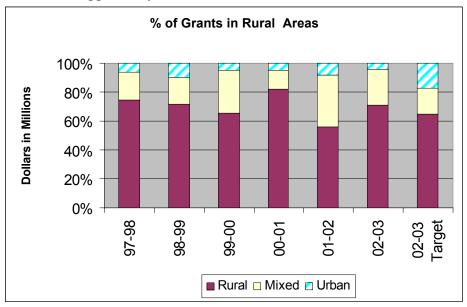
### What is the data source?

Department database of funded projects.

#24—% Investment in Rural Areas

### To what goal is this performance measure linked?

Goal: Create Economic Opportunity



### What can we tell from the data?

- 71% of grants were directed to rural areas, exceeding the 65% target.
- Analysis of programs with significant grant investments showed the following:
  - 1) Community Development Block Grant directed 95% of total of \$12.3 million grants to rural areas;
  - 2) Infrastructure programs (Special Public Works Fund and Water/Wastewater) directed 99% of a total of \$4.1 million of grants to rural areas;
  - 3) Strategic Reserve Funds directed 19% of a total of \$2 million to rural areas; and
  - 4) Tourism marketing directed all \$3.2 million toward mixed areas, with none dedicated for rural areas.
  - 5) Arts commission directed 25% of a total of \$1 million toward rural areas.

### What needs to be done as a result of your analysis?

- Continue to monitor distribution of resources.
- Consider basis for future targets.

### What is the data source?

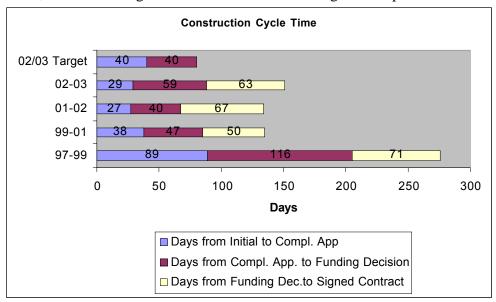
The department's database of funded projects.

# #17 – Average Days from Application to Commitment by Category of Projects To what goal is this performance measure linked?

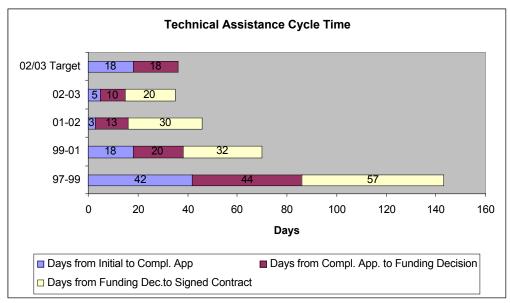
Goal: Manage for Results

### What does the performance measure demonstrate about the goal?

How quickly department staff reaches a funding decision on projects once applications are complete. Cycle time is tracked separately for construction projects including those funded with Community Development Block Grant, Special Public Works Fund, Water/Wastewater, Safe Drinking Water, Port Revolving Loan Fund and Marine Navigation Improvement Fund.



We also calculate cycle time for technical assistance projects funded through Industry Sector Outreach, Old Growth Diversification, Community Assistance, Business Retention, Port Planning and Marketing, Special Public Works technical assistance, Strategic Reserve Fund and Water/Wastewater technical assistance.



### What can we tell from the data?

- For construction projects, the cycle time was 88 days, longer than the target of 80 days.
- For non-construction projects, the cycle time was 15 days, beating the target of 36 days.

### What needs to be done as a result of your analysis?

- Continue to streamline processes.
- Get very good at handling routine applications so that they move through quickly and smoothly. Monitor those projects that require significantly longer time frame than target and seek ways to improve the cycle time for these types of projects.

### What is the data source?

Department project database which tracks milestones associated with each project. Cycle time data are calculated based on such data.

### #19 – Return to General Fund

### To what goal is this performance measure linked?

Goal: Manage for Results

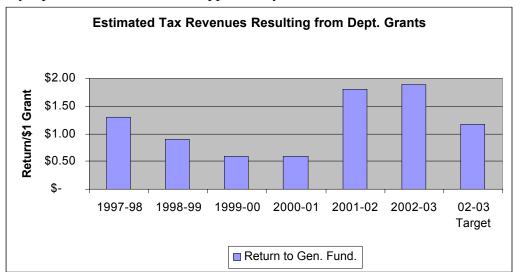
### What does the performance measure demonstrate about the goal?

The amount of personal and corporate income tax that comes back to the state as a result of department investment provides a way to understand the relative contribution of each program and the overall contribution of the department.

### What can we tell from the data?

For every dollar of state grant, an estimated \$1.90 will come back into the state General Fund in the form of personal and corporate income tax. This result exceeds the target of \$1.17.

The department economist uses a model to calculate return on investment. The model was reviewed by a panel of economists and approved by the commission.



### What needs to be done as a result of your analysis?

Please see discussions for jobs and wage because Return on Investment is calculated based on these values.

#### What is the data source?

At the onset of a project, businesses receiving grants or loans from the department forecast likely job and wage results. Upon project completion, the department requires the business to provide actual job and wage data.

### Part III – Other Measures

### #5 – Number/% of Industry Capacity Projects Meeting Objectives To what goal is this performance measure linked?

Goal: Create Economic Opportunity

### What can we tell from the data?

The department funded 59 projects, 39 were complete and all of them reached stated objectives. The remainder was expected to complete in the coming months.

### What needs to be done as a result of your analysis?

Continue to monitor funded projects to ensure timely completion. Review projects that did not meet stated objectives and assess if this affect criteria for future decisions.

#### What is the data source?

Funded projects are in the department's database of Industry Sector Outreach funds.

### #6 – Number of Communities Aided

### To what goal is this performance measure linked?

Goal: Build Quality Communities

### What can we tell from the data?

127 communities received assistance, exceeding the target of 80. This is comparable to numbers served in previous years. For the 01–03 biennium, 177 communities received services, exceeding target of 160.

### What needs to be done as a result of your analysis?

Stay the course.

### What is the data source?

Funded project are tracked in the department's database; recipient cities or businesses are recorded and tracked accordingly.

# #8 – Number of Aided Communities Improving Their Telecommunications Connectivity To what goal is this performance measure linked?

Goal: Build Quality Communities

### What does the performance measure demonstrate about the goal?

How the department helps communities improve telecommunications infrastructure and connectivity needed for business formation, location and expansion, especially those that use high capacity digital network services and the Internet for transactions or for e-commerce.

### What can we tell from the data?

- Commission-directed investments improved connectivity for 123 communities. 61 received direct benefit by being on new fiber routes or by getting broadband services. 62 additional communities indirectly benefited through improved route diversity in the backbone network.
- Target for the 2001–2003 biennium is for 136 communities to improve connectivity.
   Actual biennial result is 135 cities plus one unincorporated areas (Bly). We fell slightly behind targeted completion date for all projects. Based on current schedule, remaining projects are due to complete by December 2003.

### What needs to be done as a result of your analysis?

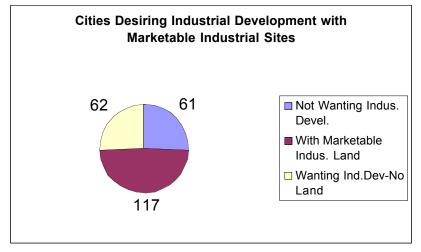
- Continue to update the database as new deployments take place.
- Shift focus to encouraging use of broadband assets now available across Oregon.

#### What is the data source?

The Telecommunications Team tracks progress of funded projects and notes the impact of each on communities.

# #9 - % of Cities Desiring Industrial Development that Have Marketable Industrial Land To what goal is this performance measure linked?

Goal: Build Quality Communities



### What does the performance measure demonstrate about the goal?

The capacity for cities to locate manufacturing and other industries as a means to create jobs.

### What can we tell from the data?

The pie chart shows that seventy-five percent of Oregon cities want industrial development, but fewer than half of Oregon's 240 cities have marketable industrial land.

This leaves 62 cities desiring industrial development but lacking marketable land. Some of the cities have contaminated land that require cleanup, some need to plan for rezoning.

### What needs to be done as a result of your analysis?

Inventory industrial sites;

Assess each site for readiness for development;

Invest in needed improvements such as wetland mitigation, water and sewer hookup, so that the site is ready for business siting.

Department 2003–2005 budget contains authority to issue lottery bonds to finance new industrial sites.

### What is the data source?

Survey of 240 cities in Oregon.

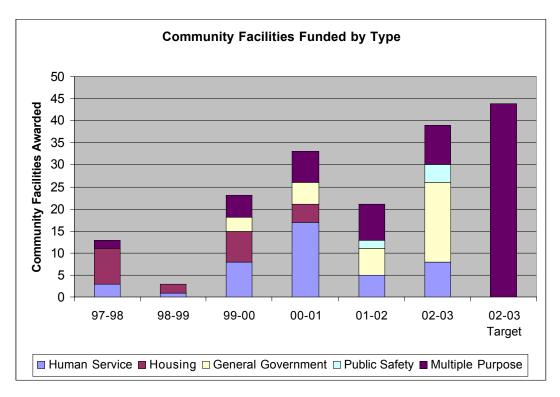
### #10 – Community Facilities Funded

To what goal is this performance measure linked?

Goal: Build Quality Communities

### What does the performance measure demonstrate about the goal?

Community facilities such as senior centers, health clinics, libraries, reflect the quality of life in that community.



### What can we tell from the data?

- The department funded 39 community facilities during 2002–2003. Of these, 9 were multiple purpose buildings, 18 were general government facilities, 8 were human service facilities, and 4 were public safety buildings.
- About 47% of these projects were funded with Community Development Block Grant funds, a limited resource appropriated annually from the Federal Government. Remaining projects were financed with loans through the Special Public Works Fund.

### What needs to be done as a result of your analysis?

If a community has the ability to repay a loan, work with them on ways to finance their community facility through the Special Public Works funds. If a community wants to build a facility only with grants, there is little we can do except keeping the project in queue for future funding.

### What is the data source?

Funded project database.

# #11 – Number/% of Leadership or Organizational Capacity Projects Meeting Objectives To what goal is this performance measure linked?

Goal: Build Quality Communities

### What can we tell from the data?

The department contracts with the Rural Development Initiatives (RDI) and the Oregon Downtown Development Association (ODDA) to help build capacity in Oregon communities.

- During the 2002–2003 period, RDI completed 24 projects including leadership training, strategic planning and capacity readiness assessment.
- In the same period, ODDA completed 24 projects, including downtown planning and designs.
- All 48 projects met objectives.

### What needs to be done as a result of your analysis?

Continue to work closely with contractors to ensure that communities needing assistance receive the benefit.

### What is the data source?

Funded project database.

### #15 – Jobs per FTE

### To what goal is this performance measure linked?

Goal: Manage for Results

### What does the performance measure demonstrate about the goal?

Staff productivity and effectiveness of department programs

#### What can we tell from the data?

- The result for 2002–2003 was 43.2 projected jobs created or retained per FTE, exceeding target of 27.8. Performance for the period far exceeded the target due to higher numbers of jobs.
- Result for this measure mirrors the result for Measure #1. Please see discussion under #1.

### What needs to be done as a result of your analysis?

Please see discussion under #1.

### What is the data source?

Businesses receiving loans or grants estimate job creation and retention for the project. Upon completion of the project, businesses are required to report the actual result.

### #16 – Funding Commitments per FTE

### To what goal is this performance measure linked?

Goal: Manage for Results

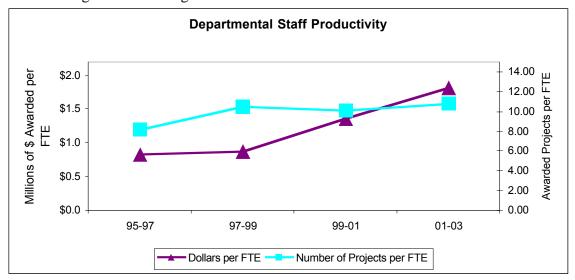
### What does the performance measure demonstrate about the goal?

This is a measure of staff productivity because much of the department's work is in providing communities with financing to improve infrastructure and in providing businesses with loans for job creation and retention.

Some staff work directly with businesses and communities to help with project development, applications, and analysis and funding decisions. Other staff support the project staff with financial records, loan servicing, program/rule interpretation.

### What can we tell from the data?

• Productivity was on track at 5.35 commitments and projects per FTE for 2002–2003, exceeding the annual target of 4.75.



### What needs to be done as a result of your analysis?

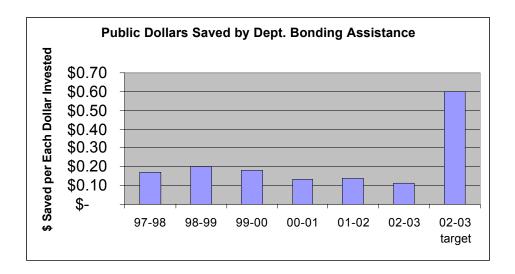
Continue to monitor project load to maintain and improve this level of productivity.

### What is the data source?

Funded project list in the department's database.

# #20 – Public Dollars Saved by Department Bonding Assistance To what goal is this performance measure linked?

Goal: Manage for Results



### What can we tell from the data?

- During the 2002–2003, the department conducted one Oregon Bond Bank sale. Total savings for participating jurisdictions was \$0.11 saved for every \$1 of bond sale.
- Bond bank target of \$0.60 was set using a different methodology to calculate savings. We need to revise future targets for this measure.

### What needs to be done as a result of your analysis?

Revise performance target for 2003–2005.

### What is the data source?

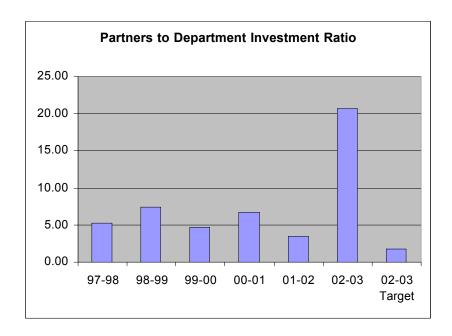
The department's database of funded projects.

### #21 – Partner Investment by Funding Source To what goal is this performance measure linked?

Goal: Manage for Results

### What does the performance measure demonstrate about the goal?

The department's effectiveness in leveraging state funds



### What can we tell from the data?

• Partners put \$20.67 into funded projects for every dollar of the department's grants. Target was \$1.80. Several capital projects funded with Strategic Reserve Fund and through the Industrial Development Revenue Bond significantly increased the result.

### What needs to be done as a result of your analysis?

• Continue to closely review each project so that the mixture of grant, loan and bond funds are appropriate to the financial capability of the applicant and effective leveraging of state resources.

### What is the data source?

The department's database of funded projects.

# #25 – % of Companies Assisted that are Small Businesses To what goal is this performance measure linked?

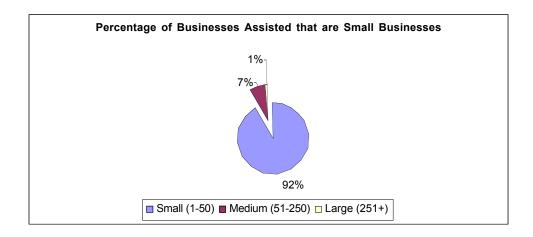
Goal: Create Economic Opportunities

### What does the performance measure demonstrate about the goal?

To what extent does the department focus its resources in assisting small businesses. For this measure, a small business is a company employing fewer than 50 people or manufacturers employing fewer than 200.

### What can we tell from the data?

- 92% of companies receiving service from the department were small businesses with 50 or fewer employees.
- 7% of the companies served were medium-sized (51–250 employees) and
- 1% of the companies served were large companies with 250 or more employees.



### What needs to be done as a result of your analysis?

On the surface, it appears that the result fell short of target of 95%. However, this is the result of changing definitions of small business. Under the old definition, more than 95% of the companies served were small businesses.

### What is the data source?

Department project database.

# #26 – % of Companies Assisted that are Owned by Women or Minorities To what goal is this performance measure linked?

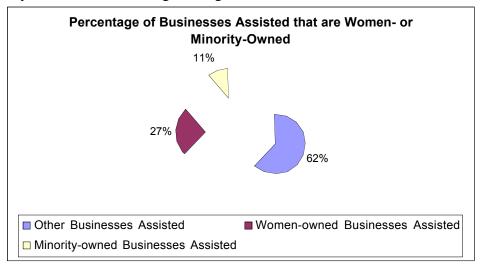
Goal: Create Economic Opportunities

### What does the performance measure demonstrate about the goal?

To what extent does the department focus its resources in assisting Oregon companies that are owned by women or minorities.

### What can we tell from the data?

- 27% of companies receiving assistance from the department are Oregon companies owned by women, falling short of the target of 35%.
- 11% of companies receiving assistance from the department are Oregon companies owned by minorities, exceeding the target of 10%.



### What needs to be done as a result of your analysis?

Contractors such as the Small Business Development Centers served the majority of companies. We need to work with these contractors to improve their targeting of service delivery.

### What is the data source?

Department project database.

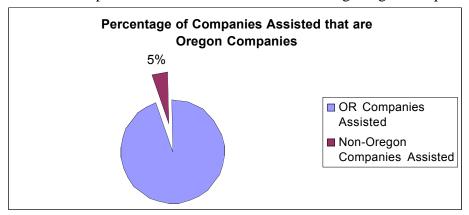
### #27 - % of Companies Assisted that are Oregon Companies

To what goal is this performance measure linked?

Goal: Create Economic Opportunities

### What does the performance measure demonstrate about the goal?

To what extent does the department focus its resources in assisting Oregon companies.



### What can we tell from the data?

- 95% of companies receiving assistance from the department were Oregon companies.
- The department did serve over 700 out—of—state companies, primarily in responding to inquiries about site location.

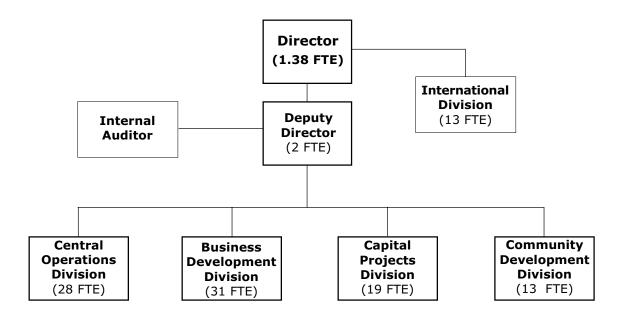
### What needs to be done as a result of your analysis?

Stay the course and continue to monitor result.

### What is the data source?

Department project database.

### **Department Organizational Structure**



FTE=Full Time Equivalent (1 full time staff person)

### **Appendices**

## Oregon Laws 2003

Bill Number	Oregon Law Ch	ıapter	<b>Effective Date</b>
SB 711	367		. January 1, 2004
SB 713	336		. January 1, 2004
SB 714	368		. January 1, 2004
SB 715	369		. January 1, 2004
SB 931	713		. August 29, 2003
HB 2001	3		. January 1, 2004
HB 2003	67		. July 1, 2003
HB 2004	68		. May 9, 2003
HB 2005	69		. May 9, 2003
HB 2011	800		. September 24, 2003
HB 2020	733		. August 29, 2003
HB 2041	618		. January 1, 2004
HB 2252	114		. January 1, 2004
HB 2267	818		. November 26, 2003
HB 2564	136		. January 1, 2004
HB 2717	299		. June 11, 2003
HB 2747	736		. November 26, 2003
HB 3120	749		. September 2, 2003
HB 3613	606		. July 23, 2003
HB 5013	722		. August 29, 2003
HB 5028	725		. August 29, 2003

### **Appendices**

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