

NORTHWEST ECONOMIC ADJUSTMENT INITIATIVE

- *Assistance to Workers and Families*
- *Assistance to Business and Industry*
- *Assistance to Community and Infrastructure*
- *Assistance for Ecosystem Investment*

cooperating agencies:

State of Oregon
State of Washington
State of California
U.S. Department of Agriculture
Forest Service
Rural Development
Extension Service
U.S. Department of the Interior
Bureau of Land Management
Fish and Wildlife Service
Bureau of Indian Affairs

U.S. Department of Housing and Urban Development
U.S. Department of Labor
U.S. Department of Commerce
Economic Development Administration
Environmental Protection Agency
U.S. Army Corps of Engineers
U.S. Small Business Administration

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The Pacific Northwest Economic Adjustment Initiative for Oregon, Washington and Northern California resulted from the April 2, 1993 forest summit held by President Clinton. The Economic Adjustment Initiative accompanies the Forest Management Plan to establish a framework for cooperative planning, improved decision making, and coordinated implementation of the Forest Plan.

The Initiative establishes a framework to assist workers, businesses and communities that rely on a forest-product based economy to adjust to changing economic conditions. Under the Initiative, additional federal funds will be distributed over the next five years to the region. The impacted, timber-dependent communities will receive the money through 18 existing federal loan and grant programs.

In November of 1993 the Regional Community Economic Revitalization Team (Regional CERT) was created, along with a CERT in each of the three states and the Multi-Agency Command (MAC) - located in Washington, D.C. - to implement the Economic Adjustment Initiative. The CERTs have representation from eleven federal agencies as well as local, state, and tribal representatives.

The state CERTs are the recipients of project proposals and supply a forum for the exchange of information. The community members of the state CERTs provide the federal members with vital information on such things as community structure, local goals and strategies for development of a diverse economic base. More than 1,200 project proposals have been submitted to the state CERTs.

The primary purpose of the Regional CERT is to seek equitable interstate distribution of the total sum of Federal monies made available through cooperation with communities in each state. The additional task of the Regional CERT is to identify and implement process improvements for increased efficiency in the distribution of federal funds, as well as seek the removal of impediments to overall program application.

General Information on the Northwest Economic Adjustment Initiative

Economic Adjustment Initiative

**Washington
CERT**

**Oregon
CERT**

**California
CERT**

**Community Economic
Revitalization Team
(CERT)**

**Multi-agency
Command**

Region

DC

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- Federal spending on the Initiative in fiscal year 1997 came in at 115 percent, or \$234.24 million, of the \$203.83 million that was available to the region.
 - The amount awarded or obligated in the region was higher than the amount that was originally proposed because of changes in congressional appropriations, congressional earmarks, and individual agency initiatives, especially with USDA Rural Development, that adjusted funding during the fiscal year and obligated additional new program dollars in the affected timber area.
 - During four years of the Northwest Economic Adjustment Initiative, federal agencies named in the Memorandum of Understanding that established the framework for the Initiative under President Clinton's Forest Plan have awarded \$795.46 million in grants, loans and loan guarantees.
 - The U.S. Department of Labor under the NWEAI is committed to provide, at a minimum, \$12 million per year to assist timber impacted workers prepare for and obtain new jobs. During FY 97, the Department funded \$14,651,728 in grants in Washington and Oregon (California did not apply for a job training grant). These funds provided training opportunities for 2,973 workers.
 - The fourth year of The Jobs In The Woods program at the Bureau of Land Management saw some change in emphasis and as a result additional opportunities. The Oregon Governors' Coastal Salmon Restoration Initiative and a ten party (federal) MOU with the State of Oregon committing to support and participate in watershed councils as well as the Wyden Amendment, which allows BLM to spend money on private lands for restoration work which also benefits BLM lands, has provided opportunities to work closer with those who have common goals and priorities to better address restoration needs across whole watershed systems.
 - Fiscal Year 1997 was a major transitional year for the Watershed Restoration/Jobs in the Woods program at USDA Forest Service. While many of the past strategies and management practices were employed, FY 97 included many significant changes in the vision and direction of the program. Working in conjunction with the Bureau of Land Management, the Forest Service took many steps to

Summary of federal participation during FY 1997 in the Northwest Economic Adjustment Initiative of President Clinton's Forest Plan

institutionalize the lessons learned from the jobs in the woods effort into a new management philosophy that includes creating quality jobs as a way of doing business.

- The U.S. Fish and Wildlife Service received \$2,376,000 in Fiscal Year 1997 for the Jobs in-the-Woods (JITW) Program. Service funded projects provided employment opportunities for 247 displaced workers. Workers received family wages, benefits and training. JITW funding was leveraged many times over by other federal funding and funding from non- federal entities. More than 29 projects improved watershed health and benefitted many species of fish and wildlife including several listed and proposed species.
- This fourth year was a year of firsts for the Washington Community Economic Revitalization Team (WA-CERT). The organization set formal goals. It was the first time that WA-CERT was looked at as a model for service delivery by other states, most notably Alaska. It was also the first year WA-CERT was accused of not serving communities most impacted by the timber crisis.
- While continuing to work on the delivery of funds to the impacted communities in California, the California Community Economic Revitalization Team (CERT) has been exploring avenues to continue the successful collaboration between federal agencies, tribal governments, State agencies and local communities once the CERT concludes in December of 1998.
- In 1997 the Oregon State Community Economic Revitalization Team (SCERT) project notification process was extended statewide. The annual “Analysis of Timber Impacts on Oregon Communities” evaluated eastern Oregon timber dependent communities using the methodology developed for western Oregon. The results clearly indicate that eastern Oregon communities are impacted by declines in timber harvest, mill closures, and worker layoffs
- The Forest Service invested the energies of Rural Community Assistance staffing and funding in three key areas in 1997: 1. Working in partnership with other federal and state agencies to maximize service to rural communities. 2. Supporting the efforts of communities to complete strategic planning and implement associated

projects (providing both technical and financial assistance); and , 3. Reaching out to highly impacted and previously under served communities.

- The President's Northwest Forest Plan Economic Adjustment Initiative, Tribal Governments, Federal Agencies, State CERTS, Oregon Native American Business Entrepreneurial Network (ONABEN) and Karuk Community Development Corporation (KCDC) have developed and evolved regional and national partnerships
- As part of President Clinton's Northwest Economic Adjustment Initiative, the EDA, in partnership with PacifiCorp, the electric utility serving much of rural Oregon, and Rural Development Initiatives, Inc., a statewide non-profit organization, developed an approach to preparing mill sites for adaptive re-use.
- The Small Business Administration continued its strong support for businesses in timber dependant communities during FY 97. The agency guaranteed a total of \$169,299,369 in loans.
- The Corps of Engineers, as part of its FY 97 support , provided \$450,000. Numerous federal, tribal, state, and local agencies partnered with the Corps to restore the environment.

The distribution of funds in fiscal year 1997 for the Initiative by department, agency, and program
(in million of dollars)

Program	Funding Target	Funds spent in the region	Percentage of available dollars spent in the region
U.S. Department of Agriculture			
Forest Service - Rural Community Assistance	\$12.99	\$12.99	100%
Forest Service - Old Growth Diversification	\$3.00	\$2.90	97%
Forest Service - Watershed Restoration/Jobs in the woods	\$14.40	\$14.40	100%
USDA Rural Development			
Rural Business Enterprise Grants	\$4.10	\$4.68	114%
Business and Industry Loan Guarantees	\$50.00	\$37.30	75%
Intermediary Relending	\$8.00	\$3.60	45%
Water and Waste Disposal Loans	\$31.01	\$43.03	139%
Water and Waste Disposal Grants	\$22.20	\$23.32	105%
Community Facilities loans	\$9.39	\$9.86	105%
Community Facility Guaranteed Loans	\$11.70	\$0.00	0%
EZ/EC set-aside/WW loans RCERT covered areas		\$0.79	
EZ/EC set-aside/ WW grants RCERT covered areas		\$0.20	
Water 2000/ WW loans RCERT covered areas		\$6.78	
Water 2000/ WW grants RCERT covered areas		\$5.87	
Department of Housing and Urban Development			
Community Development Block Grants	\$1.90	\$32.13	1691%
Department of Labor			
Job Training Partnership Act — Secretary's Reserve	\$12.00	\$14.65	122%
Department of Commerce			
Economic Development Administration	\$5.00	\$7.37	147%
Department of Interior			
Bureau of Land Management			
Watershed Restoration/Jobs in the Woods	\$7.77	\$6.90	89%
Fish and Wildlife Service			
Watershed Restoration/Jobs in the Woods	\$2.37	\$2.20	93%
Bureau of Indian Affairs			
Watershed Restoration/Jobs in the Woods	\$3.00	\$2.60	87%
Environmental Protection Agency			
Clean Water Act Section 319, Research Grants	\$5.00	\$1.00	20%
Non-Point Sources	both	\$3.26	65%
Total for the Initiative	\$203.83	\$234.19	115%

Washington State Community Economic Revitalization Team

State of Washington

September 30, 1997, marks the conclusion of the fourth year of the Economic Adjustment Initiative (EAI). This fourth year was a year of firsts. It was the first year that WA-CERT set formal goals. It was the first time that WA-CERT was looked at as a model for service delivery by other states, most notably Alaska. It was also the first year WA-CERT was accused of not serving communities most impacted by the timber crisis. WA-CERT responses to these challenges are described below:

Setting goals for FY 1997

WA-CERT, is the only EAI administrative entity that set goals for FY97. WA-CERT did this because it recognized the need to demonstrate accountability. Evaluating whether goals are met is also a good performance measurement tool. How well WA-CERT did in attaining its stated objectives are described in the following table.

Target goals

1. Continue improving the project scoping process through: a) standardizing project scoping and reporting requirements; b) decreasing scoping agent response times to applicants; c) providing a flowchart of the process to scoping agents and pre-applicants, and d) increasing the number of scoping agents from state and federal agencies.

- 1a. a standard form for reporting scoping information with reporting time lines was provided to all participating agencies. Some agency staff report information on a timely basis, others do not. This area needs more work.
- 1b. some scoping agents contact pre-applicants within two weeks of accepting the assignment, others take longer because of heavy work load and other issues.

1c) A project flow chart was created and provided to all agencies and pre-applicants

1d) There was a marginal increase in the number of scoping agents between FY 97.

2. Implement a three-faceted outreach effort: a) a marketing effort targeted to those under served through the EAI, specifically tribal governments and unincorporated rural areas; b) develop a WA-CERT Home Page, and c) general communications, including presentations to targeted communities and interested organizations, pre-applicants, interested parties and congressional offices.

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- 2a. Staff have marketed WA-CERT to areas under served through the EAI. This is a continued focus for FY 98.
 - 2b. The WA-CERT Home Page goes on-line at the end of FY 97
 - 2c) WA-CERT communications continued as prescribed. This effort will continue through FY 98.

3. Encourage use of the WA-CERT process by other state and federal programs, at a minimum adding two programs by the end of the federal fiscal year, specifically EPA 319 program dollars administered by the Washington Department of Ecology (WA DOE) and the Washington Community Revitalization Board, Rural Natural Resources Program (CERB RNR.)

- i WA DOE has a seat on the WA-CERT. Individual WA DOE staff members are very committed to the principles behind WA-CERT and the WA-CERT process. To date, the 319 program is not aligned with the WA-CERT process. CERB RNR participation in the WA-CERT process increased during FY 97 as illustrated by the number of projects scoped and funded through the program.

4. Develop relationship with the ecosystem side of the Forest Plan through WA-CERT liaisons attending province team meetings, and by holding WA-CERT meetings in conjunction with province team or Adaptive Management Area (AMA) events.

- This goal confronts the most troublesome aspects of the Forest Plan and the EAI. The Administration envisioned creation of a new industry and job classification through the EAI for riparian work, thinning and forest reconstruction, and even value-added manufacturing. These activities represent economic opportunities. The task is figuring out environmentally responsible ways of getting the work done. Can JIW create and provide long-term employment? Another hurdle is getting the private sector engaged and excited about the vision for a new industry. The Forestry Training Center in Forks represents one aspect of a new industry. While WA-CERT held one meeting at the site of an AMA and heard presentations from other AMA's throughout the year, it cannot assert that the relationship with the ecosystem side of the Forest Plan is developed. This goal requires continued diligence during FY 98.

5. Demonstrate accountability through utilization of the GRCAT Performance Measurement System.

- Federal agencies agreed to utilize the system. Implementation will begin in FY 98.

Were the goals achieved

WA-CERT is pleased with progress made towards achieving some of the goals outlined above. Others, clearly require more work. The majority will be carried over into FY 98.

WA-CERT as a model

The EAI is the laboratory for fundamental and permanent changes to the way government conducts itself. Once the EAI concludes, agencies should not revert to business as usual. Transferring the WA-CERT process to other initiatives and other states is one way to demonstrate that fundamental and permanent changes to government operations can be effected for the long-term.

During FY 97, the state of Alaska became very interested in the EAI as a vehicle for mitigating the effects of mill closures in the southeast portion of the state. The model for that mitigation was WA-CERT. We provided training in project scoping, advise in how partnerships can be accomplished to state and federal officials in Alaska.

WA-CERT is also looking to be the model for delivery of economic assistance to communities and businesses affected by the Interior Columbia Basin Ecosystem Project. County officials from eastern Washington are very interested in applying the process in their jurisdictions.

WA-CERT helping those in greatest need

WA-CERT was accused by the city of Forks of not helping those communities most impacted by the timber crisis. It's analysis gained the attention of local media in Clallam County and even drew a response from the Clinton Administration.

While WA-CERT did not concur with the city's position or their analysis, useful things did come from the debate. Specifically, WA-CERT designated seven areas of special emphasis. These areas are high impact regions that need extra attention to recognize and realize their economic diversification strategies. Working with jurisdictions in these areas is a top priority for WA-CERT in the coming year.

WA-CERT FY '98 activities

Eligible timber impacted counties for FY 98 are: Clallam; Columbia; Cowlitz; Ferry; Grays Harbor; Jefferson; Mason; Lewis; Kittitas; Klickitat; Okanogan; Pacific; Pend Orielle; Pierce (eastern rural); Skagit; Skamania; Snohomish (eastern rural); Stevens; Wahkiakum, and Whatcom. The Yakama Indian Nation is eligible for assistance through the EAI by virtue of the fact that a portion of tribal lands fall in Klickitat County.

Certain high impact areas require extra technical assistance to bring projects to readiness for funding and implementation. WA-CERT encourages partner agencies to seek out projects from these areas. WA-CERT encourages county and tribal governments from those areas to submit project proposal that represent priorities for economic diversification from these areas.

Areas of special emphasis are: east Lewis and east Pierce counties; west Clallam county; the Town of Darrington and east Snohomish county; the communities of Quilcene, Queets and Clearwater in Jefferson county; Skamania County; the tri-county region (Ferry, Stevens and Pend Orielle counties); the Ilwaco Peninsula in Pacific County.

FY '98 goals

Goal 1--Continue the marketing effort targeted to those underserved through the EAI, specifically tribal governments and unincorporated rural areas. WA-CERT will create and distribute guidelines for soliciting and prioritizing projects for county and tribal leaders. WA-CERT and GRCAT will look at the possibility of determining eligibility for assistance at the sub-regional level. WA-CERT will make presentations to county commissions and tribal councils on the EAI and the WA-CERT process. The WA-CERT will continue general communications: county-by-county project updates, monthly Congressional updates, monthly mailings to WA-CERT members and interested parties, and WA-CERT Annual Reports.

Goal 2--Continue improving the project scoping process by: 1) decreasing scoping agent response times to pre-applicants; 2) increasing the number of scoping agents from federal and state agencies, and 3) providing training for current and potential scoping agents.

Goal 3-- Encourage use of the WA-CERT process by other state and federal programs, at a minimum adding two programs by the end of the federal fiscal year.

Goal 4-- Demonstrate accountability through utilization of the GRCAT Performance Measurement System.

Goal 5-- Develop and implement an evaluation of WA-CERT implementation of the EAI.

Goal 6--Continue attempts to develop a relationship with the ecosystem side of the Forest Plan: 1) by ensuring that WA-CERT liaisons attend and report on province team meetings, 2) by holding WA-CERT meetings in conjunction with AMA activities, and 3) by promoting utilization of the WA-CERT process by federal and state environmental jobs programs.

Goal 7-- Create a strategy and action plan for institutionalizing the WA-CERT process past the current sunset date of December 30, 1998.

Goal 8-- Formulate a strategy and action plan for transferring the WA-CERT process to the Eastside Interior Columbia Basin Ecosystem project.

These goals illustrate the fact that there is more to the EAI than money. These goals point to an ideal, a vision for a better and more responsive government. Through partnerships this vision will become the reality. WA-CERT is building a lasting legacy.

Oregon State Community Economic Revitalization Team

State of Oregon

The following items reflect activities and actions initiated during federal fiscal year 1997 through the Oregon State Community Economic Revitalization Team (SCERT). Many of these items, as is the Northwest Economic Adjustment Initiative (NEAI), are works in process. We have attempted to highlight those activities that represent modifications or changes in process to improve outreach, inter-agency coordination, and collaboration within the guiding principles of the Initiative.

- In 1997 the SCERT project notification process was extended statewide. The annual “Analysis of Timber Impacts on Oregon Communities” evaluated eastern Oregon timber dependent communities using the methodology developed for western Oregon. The results clearly indicate that eastern Oregon communities are impacted by declines in timber harvest, mill closures, and worker layoffs. Most eastern Oregon communities are in the upper percent of the index. The SCERT is continuing the statewide process in fiscal year 1998.
- The SCERT is participating and working with the Regional CERT and Association of Oregon Counties’ representatives on the Interior Columbia Basin Ecosystem Management Project. The RCERT has recommended extending a SCERT-like process into eastern Oregon and the Columbia Basin, but without targeted resources. The SCERT will continue to participate in this process in 1998.
- The SCERT has worked with a variety of service providers to align and extend collaborative efforts for community, business, and ecosystem assistance. The Small Business Development Center Network First Stop Shop process is being extended statewide with a focus on service to under-served areas, coordinated minority outreach, and development of rural development strategies and training. The Oregon Economic Development Department participated in a coordinated rural capacity project through collaborative funding with federal partners in the Resource Assistance to Rural Environments (RARE) program through the University of Oregon. A total of 29 RARE participants were placed in participating rural communities in 1997. A variety of ecosystem projects have been coordinated linking service providers; The Labor Education and Research Center (LERC/UofO), the Government Contracts Acquisition Program (GCAP), and the Rogue Valley Institute for Ecology and Economy.

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- The SCERT continued its alignment with the Oregon Rural Development Council (ORDC) and initiated work with the Governor's Community Solutions Team. The Team is comprised of five state agencies deemed essential to establishing a healthy communities and growth management program. A series of regional forums were convened in the state with a focus on locally identified needs and issues. The SCERT and ORDC worked with the Community Solutions Team to develop a process to convene regional forums on a quarterly basis to provide a broader focus upon the continuation of cooperative and collaborative problem solving. The Oregon Rural Development Council with its work history in eastern Oregon will provide a valuable point of contact to develop needs and issues based upon a relationship of trust and understanding in those rural communities.
 - The Ecosystem Investment subcommittee has continued efforts to coordinate habitat restoration projects with the Governor's Watershed Enhancement Board (GWEB) through interactive participation and discussion. A major feature of 1997 was the provision of 1994 Federal Emergency Management Act (FEMA) funds for the 1994 declared fish disaster. Resources were applied to coastal coho habitat restoration projects through a coordinated effort with GWEB, Oregon Department of Fish & Wildlife, and The Oregon Wildlife Heritage Foundation. A total of 26 habitat restoration projects were funded; freeing state resources for investments in watershed coordinators.
 - Inter-agency collaborations were continued for the Commercialization of Western Juniper project and a new effort resulted in a focused regional approach to identify and develop forest products business expansion opportunities through the use of a Forest Products Coordinator. This project has identified a number of projects for funding, and provided a working model to identify business opportunities within the regional strategy key industries. Nine regions in the state have forest products, the initial effort focused in the northwest region with additional regions currently under consideration. Discussion is in progress to continue this collaborative effort in 1998.
 - The Community & Infrastructure subcommittee has established a funding list totaling over \$500 million in needed capital improvements. The subcommittee has asked for additional projects from eastern Oregon

communities, while indicating the need to work from the composite list of projects developed over the previous four years of the Initiative. Infrastructure funding is very challenging, given the magnitude of investment. The Oregon Economic Development Department is working to bring the Environmental Protection Agencies Safe Drinking Water Revolving Loan Fund on-line in the spring of 1998. The One-Stop project development process will be continued by participating programs in 1998.

- The SCERT, through subcommittee's and direct local interest, will be conducting or participating in a number of Initiative evaluation efforts. An ecosystem investment evaluation will be conducted in the north coast, Tillamook County, examining both biological outcomes of the collaborative effort as well as socio-economic impacts in impacted communities. A coordinated effort in Jackson and Josephine counties will evaluate socio-economic impacts upon timber distressed communities.

California Community Economic Revitalization Team

While continuing to work on the delivery of funds to the impacted communities in California, the California CERT has been exploring avenues to continue the successful collaboration between federal agencies, tribal governments, State agencies and local communities once the CERT concludes in December of 1998. While changes have occurred in staffing, our goals remain constant. Terry Gorton retired from State service. Her replacement, Jim Branham, Undersecretary for the California Resources Agency, brings a great deal of knowledge and insight of Option Nine, the Northwest Economic Adjustment Initiative, and rural issues.

Barrier removal and open dialogue have been keys to the success of the CA CERT in the past year. The Community Coordinator positions in the nine affected counties have assumed growing responsibilities and are emerging as indispensable assets for the counties. They are the first line of communication for project applicants, the State, the federal government, and tribes. In the effort to further build local capacity we have conducted working meetings in the past year specifically for funding agencies and Community Coordinators. This has provided the Coordinators with additional information and familiarity with funding programs which they in turn are able to share with community leaders and project applicants. Local communities are no longer looking to the CERT office for direction on funding programs that would match a specific project. This is a great achievement for the communities and illustrates a government program that has provided short term assistance without creating dependence.

This year we have also implemented use of the electronic communication network, Team California Online (TCO). TCO is a product of the California Trade and Commerce Agency and provides a bulletin board forum for individuals associated with economic development throughout the state of California. TCO also provides bulletin boards to specific organizations for the sharing of information distinct to that group. The CA CERT has a forum on TCO for this purpose. We are able to post meeting notices, agendas, available funding program information, etc. in a cost effective and timely fashion. Because TCO is not part of the CERT and will continue when the CERT officially ends, TCO provides a means of continued communication for the CERT membership.

While the CERT is looking towards its closure in December of 1998, we are exploring existing State programs as a mode in which the participants of the CERT can continue to meet and share information with one another. The membership of the State CERT is very proud of the open dialogue and visible changes in their communities as a result of the CERT process. Instead of extending or creating a new level of bureaucracy the CERT is focusing on different existing State programs that would provide a like forum to continue the discussions unique to rural social and economic development. Several State programs exist in different agencies that address these issues to varying degrees. We hope that through the use of TCO and linkage with an existing program, our membership will continue to share ideas and information for the betterment of their communities and the region as a whole. No definitive plans have been made but discussion and interest along this venue continues.

The California CERT still provides a leadership and coordination role for implementation of the Northwest Economic Adjustment Initiative. The move from monthly to quarterly meetings has been successful due to the development of local capacity. The communities are continuing to build local infrastructure as they broaden their economic and social base. The following is a quarterly report prepared by the CA CERT for the California State Senate. It reflects the amount of funding by agency in the most recent quarter, as well as to date totals.

U.S. Department of Labor

Employment and Training Administration

The Department's commitment under the NWEAI is to provide, at a minimum, \$12 million per year to assist timber impacted workers prepare for and obtain new jobs. During FY '97, the Department funded a total of \$14,651,728 worth of grants in Washington and Oregon (California did not apply for a job training grant). These funds are providing training opportunities for a total of 2973 workers.

At the request of the States, funds are being provided to retrain primary, secondary and tertiary workers impacted by the decline in timber jobs. This broaden eligibility criterion allows for comprehensive services to a wide range of workers from communities impacted by the loss of timber related employment.

Workers enrolled in the Department's grants are provided a broad array of reemployment services. These services include career assessment and planning, job search assistance, classroom training, on the job training and supportive services, such as transportation, child care, emergency medical care, and needed tools and supplies. Finally workers are provided job development and placement services, as well as, follow-up assistance for a 90 day period after placement to maximize job retention.

The goal of this reemployment effort, and the grants that support it, is to reemployment, at a minimum, 70 percent of all enrolled participants in demand occupations at 90 percent of their layoff wage. To date the cumulative efforts of the three states operating these grants have been in accord with this goal.

In FY 1997, the fourth year for the Jobs in the Woods (JITW) program, BLM was allocated \$7.8 million to continue the program of watershed restoration and job creation for displaced workers in the timber impacted region. Approximately 90% of the funds have been spent for projects and the remaining dollars will carry over and be spent in FY 1998 to complete ongoing projects.

The Jobs in the Woods program saw some change in emphasis, and as a result additional opportunities for BLM. The Oregon Plan to restore salmon and steelhead and a ten party (federal) Memorandum of Understanding (MOU) with the State of Oregon to support and participate in watershed councils will provide opportunities for JITW funding. Additionally, the Wyden Amendment to the FY 1997 appropriations process that allows BLM to spend money on private lands for restoration work which also benefits BLM lands, has provided opportunities to work closer with those who have common goals and priorities to better address restoration needs across whole watershed systems. All of the above have strengthened our commitment to partnerships and working with our neighbors.

Quality jobs and training for displaced workers remain a priority as BLM works to restore watersheds to healthy working systems. We have continued to support workforce development projects that provide training and longer term higher skill family wage jobs. We also continue to limit award of JITW contracts to those contractors within the timber impacted areas.

***U.S.
Department
of the
Interior
Bureau of
Land
Management***

**Jobs In The
Woods
Fiscal Year
1997**

U.S. Department Of The Interior, Fish And Wildlife Service

Jobs In The Woods Fiscal Year 1997

The FY1997 projects included the construction of a fish ladder at Hult Pond in the Coast Range, west of Eugene; the creation of thousands of snag trees to provide habitat for cavity dwelling wildlife species; the collection of native seed for threatened and endangered plant species; the planting of native seeds on meadow and wetland restoration projects; and the removal of noxious weeds from several areas. Other projects included road repair and renovation and culvert replacement to improve fish-bearing streams.

Through BLM's efforts many miles and acres of fish and wildlife habitat have been revitalized or created. We are working closely with individuals, grassroots organizations, communities, state and federal agencies and others to achieve healthy ecosystems across all ownerships. During FY 1997, the BLM JITW program created 362 job opportunities through 215 ecosystem restoration projects.

The U.S. Fish and Wildlife Service (Service) received \$2,376,000 in Fiscal Year 1997 for the Jobs in-the-Woods (JITW) Program. Service funded projects provided employment opportunities for 247 displaced workers. Workers received family wages, benefits and training. JITW funding was leveraged many times over by other federal funding and funding from non-federal entities. The over 29 projects improved watershed health and benefitted many species of fish and wildlife including several listed and proposed species.

California

The JITW Program in the Klamath Central/Pacific Coast Ecoregion received \$791,000 in Fiscal Year 1997. A total of 10 projects were funded in 8 watersheds within 6 counties in California and Klamath County, Oregon. Projects funded included erosion control work on approximately 70 miles of roads, planting and slope stabilization work on 100 - 150 acres, and approximately 5 miles of fencing to exclude livestock from streams. Projects will employ nearly 100 people to implement and monitor restoration efforts.

Fish and wildlife biologists managing various restoration programs within the ecoregion worked together this year to create a joint Request For Proposals (RFP) that included four restoration programs. The RFP included the JITW program and allowed applicants to apply for more than one source of funding using one application. The process also provided those involved with the evaluation and the funding decisions to review proposals all at once. In addition, the process provided for better coordination among programs, improved

awareness of evaluators regarding projects ongoing or proposed within the same watershed, and provided an improved decision making process. The Service received 57 proposals. The RFP became available to the public in late February and decisions to fund were made in late June. Before funding decisions were made, the state CERT and the Provincial Advisory Committees received summaries of all proposals for their records and review. This action provided the opportunity for public input to the process and allowed the CERT to be aware of all proposals submitted.

Washington

In FY 1997, \$674,000 of Service JITW funds were directly obligated to cooperators for 4 watershed restoration project packages in the Western Washington Cascades and Olympic Peninsula Provinces. No combined federal-state program was used due to a disjunct in state and federal authorizations and timing.

Road obliteration and decommissioning, bioengineered midslope stabilization, and riparian fencing and planting on agricultural lands all decreased erosion, reduced sediment production, and improved water quality and aquatic habitats. Labor-intensive thinning and planting in upland and riparian areas resulted in diversified habitat and longterm increases in conifer growth and large woody debris supply. Culvert removal or replacement and dike setback resulted in improved hydraulic capacity, better fish passage, access to more fish habitat, and improved floodplain functioning. These project packages employed 14 displaced timber workers continuously for 12-18 months, and 1 other worker for 3 months. Family wages, benefits, and training were provided to displaced workers. Non-federal cost share varied by project, ranging from 25 percent to 46 percent.

Oregon

The Oregon State Office provided \$735,000 for 15 JITW projects in nine western Oregon counties in Fiscal Year 1997. These funds will be combined with \$816,000 of non-Service funds and/or in-kind services to implement 37 miles of instream anadromous fish habitat enhancement, 53 linear miles of streambank fencing, 770 acres of riparian and upland habitat improvements, 18 fish passage improvements, and 14 off-stream livestock watering facilities. Several species of anadromous fish as well as 18 listed species and 11 proposed species will be benefitted. Collectively, these projects will employ 133 workers for a total of 9,035 worker days at an average salary of \$11.00/hr. In addition, benefits and training will be provided to most workers.

USDA Forest Service

Makah Tribal Marina and Harbor Development Project

In March of 1995, the Forest Service provided \$100,000 for engineering / design specifications for the Makah Marina. This provided the seed money to move this complex project, which had been a dream of the tribe for over 35 years, from the planning stage to implementation. Over \$4 million dollars was raised by the Tribe from various federal, state, and local sources. Construction of the marina began in the summer of 1996, and the marina was formally opened in the summer of 1997.

Unemployment in the Tribe is in excess of 50 percent and median household income for tribal members is about \$7,000. The marina's total impact on the job market will result in the retention or creation of over 274 jobs. In a remotely located town of 1,800 residents, the impact of 274 jobs (approximately 53% of the workforce) has powerful, community-wide economic and social ramifications.

"The marina's impact will not be isolated to the fishing sector, but will serve to rejuvenate and expand the entire Neah Bay economy," said Andrea Alexander, Tribal General Manager. The economic sectors that will benefit the most are the retail, tourism, and fishing industries.

USDA Rural Development

The Rural Development mission area of USDA obligated \$135,462,333 in grants and loans in the Pacific Northwest region affected by reduced timber harvests. The funds were distributed through Rural Development programs administered by the Rural Utilities Service and the Rural Business and Cooperative Service, in partnership and consultation with the Community Economic Revitalization Teams in the states of Washington, Oregon and California.

One example of a town that has benefited from the involvement of USDA Rural Development is the City of Cave Junction in Oregon. In Fiscal Year 1997, the city received nearly \$5.3 million from USDA Rural Development, of which \$3.3 million was a grant made possible by the Northwest Economic Adjustment Initiative. The money was used to leverage other funds from state and local agencies to help finance repair and construction of a new \$7.3 million water project.

Once construction is finished, the city will have a new water treatment plant, a new water intake system from the Illinois River, additional water storage and miles of new pipe to

distribute the water to city residents. The system will supply enough additional water to end a building moratorium that has stifled additional economic development.

This project was part of a strategic plan written by local residents —Community Response Team—with the aim of improving the local economic and social conditions that have led to high unemployment and poverty in the area

In the past, several industries had contacted Junction City to discuss the possibility of locating their manufacturing facilities within the City’s urban growth boundary. They chose not to because of the City’s inability to provide water and sewer services. It was clear that in order for Junction City to diversify their economy, they needed to do some long-term thinking and planning to realize that goal. The Forest Service funded Junction City’s strategic plan, which led to an industrial corridor feasibility study for the City. The study assessed the cost to extend, expand, and upgrade the water/wastewater system in the industrial corridor within the urban growth boundary.

Typically, studies are not exciting, but this one had an unexpected result. The result was that, coincidentally, Oregon voters had just passed the prison expansion program, and the Oregon Department of Corrections was seeking buildable sites for a Men’s Medium Security Prison. The community overwhelmingly supported the proposal of a prison site at the south end of the industrial corridor, convinced that the 400+ jobs the prison could guarantee would go a long way in diversifying and stabilizing the local economy that had been hit hard by the loss of timber industry jobs.

Because the City had the foresight to apply for a feasibility study, the Department of Corrections had the essential information that they needed from the City to seriously consider the Lane County Industrial Corridor as a potential site for the new prison. In other words, because of the Forest Service grant, the City of Junction City had a competitive edge over other possible rural sites. As a result, Oregon Department of Corrections and Governor Kitzhaber decided that Junction City will be the site of the next medium security prison, beating out competitors as big as the City of Eugene.

*USDA
Forest
Service*

**Junction
City / Lane
County
Industrial
Corridor
Feasibility
Study**

USDA Extension Service

The USDA Extension Service operates out of the Land Grant universities in each of the three states. Faculty in the communities of Washington, Oregon and California support the NWEAI through targeted educational programs and also through their strong relationships with federal and state agencies, local residents and land owners, and other private collaborators.

The natural resource programs of the Extension Service (Agriculture, Forestry, Range, Marine) are all responding to the need by local land owners for help in dealing with the implications of the Initiative. New ways of learning how to manage ecosystems, rather than commodities, are being developed throughout the USDA Extension System.

Extension faculty in each state participate in the activities of their SCERT. Their roles range widely given the nature of their expertise. Local agents conduct demonstration projects, others review project proposals, some facilitate meetings and support the development of the organization. The Extension Service's greatest resource is helping people learn how to successfully adapt to changes in natural resource policy. Extension faculty frequently collaborate with other agencies and non-governmental partners. Extension's role is to add an educational component to management activities.

An excellent example of such a collaboration is the Ecosystem Workforce Project (EWP). This project enhances the skills of dislocated timber workers so they can pursue restoration work. (See abstract) The Northwest Area Foundation provided the funds for the project. OSU Extension and the UO Labor Education and Research Center are the primary partners in the project. Since 1995 the project has expanded from a pilot project in one community to five new sites in Oregon. Extension faculty have developed curriculum and taught courses in support of the project. A Spanish language version of the EWP curriculum is now available.

The U. S. Department of Housing and Urban Development, in cooperation with the respective state Community Development agencies and the state-CERT processes, contributed over \$32 million in Community Development Block Grant (CDBG) program funds during Fiscal Year 1997 to assist impacted communities and counties covered by the Initiative.

The assistance primarily took the form of grants and loans to assist low and moderate income communities and citizens for the construction of infrastructure and public facilities; planning and technical assistance; economic development for job creation; the provision of social and public services; and the expansion of affordable housing opportunities.

In summary, the state of California funded 33 projects in the timber-impacted counties with the state's CDBG funds for a total of \$5,618,083; the state of Oregon, 75 projects (also with holdover FY 1996 funds) for a total of \$20,892,310; and the state of Washington, 21 projects for a total of \$5,626,171. Although a majority of the projects are not funded through the states' CERT processes, they all contribute to coordinated efforts to assist the counties under the Initiative.

With the enactment of the FY 1998 HUD Appropriations, including the funding level for the CDBG program, assistance to the Initiative from HUD through the state agencies should be provided at a substantial level for the coming year.

U.S. Department of Housing and Urban Development

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