

AGENDA
VENETA ECONOMIC DEVELOPMENT COMMITTEE
WEDNESDAY, JULY 13 2016 – 2:00 P.M.
Veneta Administrative Center, 88184 8th Street, Veneta, Oregon

- 2:00 **I. CALL TO ORDER**
- 2:05 **II. PUBLIC COMMENT**
a. Speakers will be limited to 3 minutes each.
- 2:10 **III. ADMINISTRATIVE**
a. Approval of Minutes for June 8th, 2016 (pgs. 3-6)
- 2:15 **IV. IMPLEMENTATION OF ACTION PLAN**
a. City-wide Economic Incentives Packet (pgs. 7-13)
- 2:20 **V. PROGRAM/PROJECT UPDATES**
a. Veneta Business Connect
i. Business Follow-up Timeline (pgs. 15-16)
ii. Review Final Report (pgs. 17-35)
iii. Community Presentation Overview
iv. Prioritization of Veneta Business Connect Key Issues (pgs. 37-38)
- 3:05 **VI. SUBCOMMITTEES**
a. Establish Subcommittees
b. Desired Outcomes and Process for Forming
- 3:20 **VII. OTHER**
a. State Joint Transportation Committee: July 20th 5 p.m. Prince Lucien Campbell Hall, Room 180, University of Oregon, 1415 Kincaid St. Eugene (pgs. 39-40)
- 3:25 **VIII. NEXT MEETING**
a. August 10th 2:00 p.m. and the Second Wednesday of Every Month
- 3:30 **IX. ADJOURN**

Times are approximate. This meeting will be digitally recorded. Location is wheelchair accessible (WCA). Communication interpreter, including American Sign Language (ASL) interpretation, is available if notice is given at least 48 hours prior to the start of the meeting. Contact the Economic Development Specialist, Claudia Denton, via phone (541) 935-2191, email cdenton@ci.veneta.or.us, or TTY Telecommunications Relay Service 1-800-735-1232.

To access Veneta Economic Development Committee meeting materials please go to
<http://www.venetaoregon.gov/meetings>

MINUTES
Veneta Economic Development Committee
Wednesday, June 8, 2016 – 2:00 p.m.
Veneta Administrative Center, 88184 8th Street, Veneta, Oregon

Present: Jason Alansky, Linda Boothe, Thomas Cotter, Dave D'Avanzo, Gina Haley-Morrell, Charles Ruff, Herb Vloedman (Vice Chair).

Absent: Len Goodwin (Chair), Ryan Frome; Ric Ingham, City Administrator.

Others: Claudia Denton, Economic Development Specialist; Kay Bork, Community Development Director; Mayor Sandra Larson; Jay Bozievich, Lane County Commissioner.

1. Call to Order

- a. Vice Chair Herb Vloedman called the meeting to order at 2:05 p.m.

2. Public Comment

- a. No public comment.

3. Administrative

- a. Approval of Minutes:

Motion: Tom Cotter made a motion to approve the minutes from May 11, 2016. Linda Boothe seconded the motion which passed with a vote of 7-0.

4. Implementation of Action Plan

- a. System Development Charges, Commercial Scenarios

Claudia Denton said that during the last meeting the Committee had expressed interest in seeing some commercial scenarios for System Development Charges (SDCs). She said Kay Bork was already working on a similar project and had put together four different commercial development scenarios for Veneta and three additional cities: Eugene, Junction City, and Creswell for comparison.

Kay Bork said she was already working on this for City Council and she learned a lot doing it, and was glad the Committee asked for it. She gave a brief background on System Development Charges in Oregon. She said she picked Eugene due to its proximity to Veneta, and Junction City and Creswell due to their smaller size and fast growth which are similar to Veneta. She said the scenarios are for four different development types: retail, which includes a 5,000 sq. ft. building with a 1" water meter and 10,000 sq. ft. of impervious surface; an office building, which includes a 3,000 sq. ft. building with a 1" water meter and 6,000 sq. ft. of impervious surface; light manufacturing, with a 10,000 sq. ft. building on a five-acre site with a 2" meter and 18,000 sq. ft. of impervious surface; and a high quality restaurant (not fast food), with a 2,000 sq. ft. building with a ¾" water meter and 5,000 sq. ft. of impervious surface. She said that each city calculates their SDCs a little differently and has different anticipations for growth and infrastructure needs. She said this is why there is so much variability and there may be reasons that they are so different.

Herb Vloedman asked if the Junction City Transportation SDC 50% reductions

were expiring. Bork said no because it is written into ordinance, and they would need to make a new ordinance removing the reduction. She said Junction City has a variety of reductions.

Herb Vloedman asked about the Veneta Transportation SDC reduction. Bork said Veneta's reduction is for non-residential, and it is a resolution which is up for renewal every year in September. Herb Vloedman said the Transportation SDC is really high without the reduction. Bork said the Transportation SDC methodology was calculated a long time ago when the population projections were about half of what the population is now, which spreads the same cost over a smaller number of people, which is one reason it is high. The 50% reduction actually brings it to about what it would be if the population projection was more accurate. Herb Vloedman asked if the 50% reduction was therefore intentional to the population projection or a coincidence. Bork said she didn't know, as it was before she started working for the City. Mayor Larson said she was under the impression that the reduction was for economic incentive purposes. Bork also said that Junction City and Creswell both expect less growth and subsequent needed improvements than Veneta, which is another reason their SDC charges may be lower.

Dave D'Avanzo asked if the costs were negotiable or firmly set. Bork said the charges are set by ordinance and are not negotiable, except through city incentive programs such as the Redevelopment Tool Kit and Business Assistance Fund as those funds can be used to pay for SDC costs. Claudia Denton said the charges have to be paid somehow, but can be paid through these other ways.

Kay Bork said the city is currently looking at the long-range plans, and there may be opportunity to recalculate the SDC methodology. Additionally, Oregon Department of Transportation is funding an update of the Transportation System Plan and the City is requesting a review to the transportation SDC methodology. She said Veneta recently completed a water study which amended the water SDC rates. She said the Parks Plan and methodology is outdated and can probably be updated in the next few years. She said that these are suggestions that the Committee can make to City Council.

Mayor Larson asked if the relocated Veterinary Hospital did an additional transportation study which lowered their Transportation SDC expenses. Bork said yes, and the study showed a reduced number of calculated trips which lowered the total amount to be paid, but did not negotiate the methodology (charge per trip).

In response to a question, Bork said staff is pretty well aware of local incentive programs and grants available to applicants.

Claudia Denton said the League of Oregon Cities is in the process of updating their research of SDC costs in cities across the state, which should be ready within one year.

b. Business Assistance Fund Final Review

Claudia Denton said this is the final Committee review of the Business Assistance Fund before going to City Council on June 27th. She said she incorporated all the recommendations from the previous meeting, and was looking for final questions, suggestions, and comments.

Claudia Denton reviewed the main changes that were recommended during the last meeting. The Committee had no comments and was in consensus that it was ready to move to City Council for final approval. Denton said she could receive comments via email through the following Wednesday, June 15th.

5. Program/Project Updates

a. Veneta Business Connect

i. Program Update: Business Themes

Claudia Denton reviewed the five businesses themes from the draft Veneta Business Connect report. She said the themes were not in any particular order of priority, recurrence, or importance. The themes were:

1. Infrastructure Needs (2 types)
 - a. Overall Public Infrastructure
 - b. Business Specific
2. Relationship Building (2 types)
 - a. Business-to-business
 - b. Business-to-community
3. Cash Flow/Capital
4. Business Tools
5. Workforce

Denton said there was also a secondary issue of “Lack of understanding or connections to regulatory agencies”, and that seemed to mostly relate to state agencies.

Herb Vloedman said this is useful information for the Committee to refer to in general when making decisions and plans.

ii. Community Presentation, Thursday June 23rd 5:30 pm, Domaine Meriwether

Claudia Denton briefly described the upcoming Veneta Business Connect Community Presentation. She said she was currently working on outreach and promotion of the event. In response to a question by Herb Vloedman, Claudia said she would contact the business owners from the interview process as soon as the event flier was ready. Gina Haley-Morrell said she could advertise the event on social media.

Denton said there would be a Market Analysis presentation by Tom Hogue from the Department of Land Conservation and Development as well as some time for networking.

6. Other

- a. Mayor Larson said she is really excited about this committee and the work being done. She said she thinks it's been great for Veneta and is looking forward to the

accumulated objective, non-governmental views of what's going on.

- b. Commissioner Bozievich said the County is still making presentations in both cities and unincorporated areas for the Rural Prosperity Initiative and it is being well received. Claudia Denton said that one of the Lane County Hatfield Fellows who led the development of the program, Steve Dobrinich, had been very involved in Veneta Business Connect behind the scenes. She said he regularly attended team meetings, conducted business interviews, and assists in the follow-up phase of the program.

7. Next Meeting

- a. The next meeting was confirmed for Wednesday July 13th, 2016 at 2 p.m. with a regular meeting schedule of the second Wednesday of the month.

8. Adjourn

- a. Vice Chair Herb Vloedman adjourned the meeting at 2:40 p.m.

City of Veneta Economic Incentive Programs Guide



This guide includes:

- Information on Grants, Loans, and Tax Incentives Available in Veneta
- General Eligibility and Application Information



Created June, 2016

City of Veneta Economic Incentive Programs Guide

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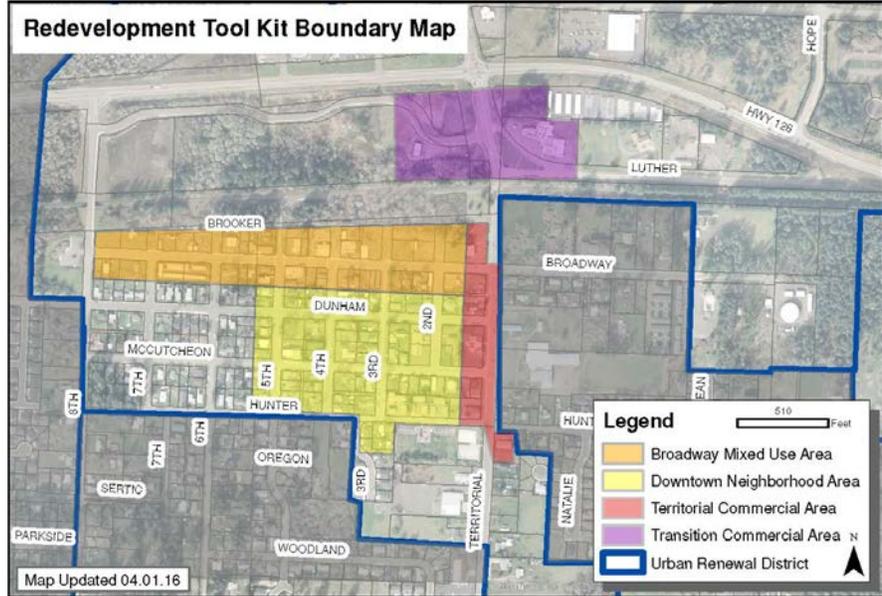
Summary

The purpose of this Guide is to give businesses and organizations a brief overview of the economic incentive programs available in the City of Veneta. The incentive programs described in this Guide are available to businesses, organizations, and/or projects located within the City of Veneta. Each program has a different source of funding, with different incentive types, amounts, eligibility requirements, and deciding authorities. The four programs currently available are the Redevelopment Tool Kit, the Business Assistance Fund, the Rural Tourism Marketing Program, and the Veneta Enterprise Zone.

Application packets for the Redevelopment Tool Kit and Business Assistance Fund are available on the City of Veneta website at www.venetaoregon.gov/ed/page/incentive-programs.



Figure 1: This graphic gives a brief overview of the four economic incentive programs available in the City of Veneta.



Program

Redevelopment Tool Kit

Funding organization

Veneta Urban Renewal Agency



Description

The Urban Renewal Agency has funds allocated to promote commercial and retail development in line with the Agency’s and City’s vision for the downtown area, to assist projects that provide a service that is underserved or does not exist, and for the removal of urban blight. Different grants allow for new signage, façade improvements, streetscape improvements, fee reductions, and more.

Amount

Grants \$500-\$105,000.

Eligibility

Projects looking to improve or develop a site must be located in one of the four designated areas within the Urban Renewal District. Different grant programs have different requirements.

Application Process

The application packet is available on the [City Website](#) or by contacting the City of Veneta. The application will be reviewed by staff and brought to the Urban Renewal Agency for a decision.

Contact info/website

City of Veneta
Ric Ingham, City Administrator
Kay Bork, Community Development Director

541-935-2191
ringham@ci.veneta.or.us
kbork@ci.veneta.or.us
www.venetaoregon.gov/ed/page/incentive-programs



Program **Business Assistance Fund**

Funding organization City of Veneta



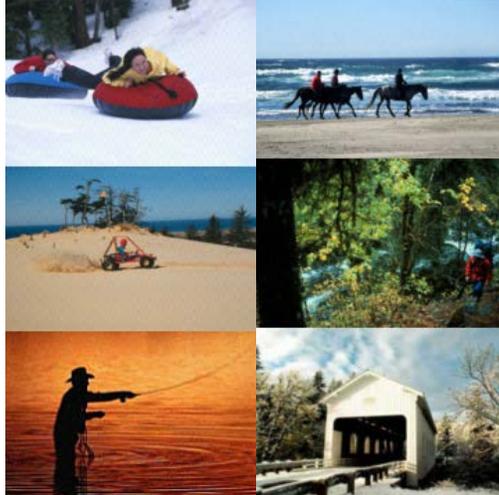
Description The City of Veneta Business Assistance Fund (BAF) is a toolkit of loan and grant programs available to businesses and nonprofit organizations within Veneta city limits at the discretion of the Veneta City Council. The overall goals of the City of Veneta Business Assistance Fund are to encourage business expansions and startups which create or retain job opportunities in Veneta, and add to a vibrant business climate. Preference is given to manufacturing or industrial projects, but other projects may be eligible.

Amount Loans up to \$50,000; grants up to \$25,000.

Eligibility Projects that focus on job creation or retention are given priority. Both for-profit businesses and nonprofit organizations are eligible to apply. See application packet for details.

Application Process The application packet is available on the City Website or by contacting the City of Veneta. The application will be reviewed by staff and brought to the Business Assistance Fund Loan/Grant Committee for a decision.

Contact info/website City of Veneta
Ric Ingham, City Administrator
541-935-2191 ext. 306
ringham@ci.veneta.or.us
www.venetaoregon.gov/ed/page/incentive-programs



Program **Rural Tourism Marketing Program**

Funding organization Lane County, distributed by the City of Veneta



Description Lane County’s Rural Tourism Marketing Plan process allocates funds to rural communities for tourism related projects. The funds that are allotted for the Rural Tourism Marketing Program are from room taxes collected in rural areas of the county and are distributed by Lane Code to encourage more tourism. The City of Veneta uses these funds to support the Veneta/Fern Ridge Chamber of Commerce Visitor Center and efforts that support the marketing of tourism in the greater Fern Ridge area.

Amount Grants up to \$500.

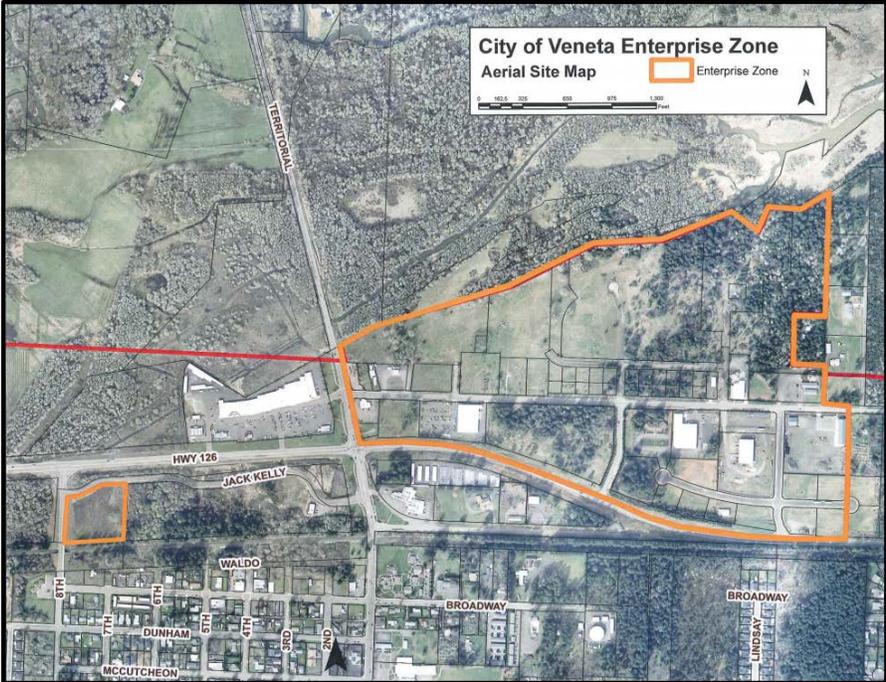
Eligibility Must be a tourism marketing related project or program. The purpose of the request should:

- Support marketing efforts
- Increase transient room tax revenues
- Improve attractiveness of rural communities
- Develop, advertise, and package rural Lane County attractions and group tour businesses that encourage extended overnight visits
- Assist with rural area tourism staffing needs

Application Process Contact the City of Veneta to submit a formal request. The City of Veneta distributes the funds at the City Council’s discretion under guidelines from Lane County.

Contact info/website City of Veneta
Ric Ingham, City Administrator
541-935-2191 ext. 306
ringham@ci.veneta.or.us

State



Program Veneta Enterprise Zone

Funding organization State of Oregon (Business Oregon)



Description In exchange for locating or expanding into an enterprise zone, eligible businesses receive exemptions from the property taxes normally assessed on new plant and equipment (not including land) for a set period of time.

Amount Varies (property tax exemption).

Eligibility Must locate in the Enterprise Zone. Eligible businesses include manufacturers, processors, shippers and a variety of operations that serve other organizations, as well as call centers and headquarter-type facilities. Hotel/resort businesses are also eligible in the Veneta Enterprise Zone. Otherwise, retail, construction, financial and certain other defined activities are ineligible.

Application Process Before construction/installation activities begin on-site, the local zone manager must receive an application for authorization. Please contact the City Administrator with questions.

Contact info/website City of Veneta
 Ric Ingham, City Administrator
 541-935-2191 ext. 306
ringham@ci.veneta.or.us
www.oregon4biz.com/Oregon-Business/Tax-Incentives/Enterprise-Zones

2016 QUARTER 3 KEY DATES AND ACTIVITIES

Below are several key dates to organize Veneta Business Connect efforts moving forward and toward implementation of specific projects

7/8/16 – Report finalized

7/13/16 – EDC finalizes priorities

7/13/16 – Subcommittees formed

- Co-chairs/champions identified
- First subcommittee meetings scheduled ASAP
 - Projects identified
 - Project implementation begins

7/14/16 – Business Infrastructure Subcommittee Focusing Meeting

7/14/16 – 2016/2017 Internal Planning (RDI/City of Veneta)

8/1/16 – Short-term business follow-up needs addressed

8/8/16 – Present Veneta Business Connect Final Report to Veneta City Council

9/12/16 – New RARE participant joins City of Veneta

9/15/16 – New RARE supports advancement of EDC and subcommittee projects

9/15/16 – Veneta Business Connect Review and Evaluation conducted by RDI

9/22/16 – Incorporate Year 1 Lessons into Year 2 plan

Business Follow-Up Update - 7.7.16

- Total number of calls and contacts with businesses placed: 12
- Total number of calls and contacts with businesses made: 5
- Total Number of service referrals:
 - Number of business referrals for capital: 3
 - Number of business referrals to technical assistance: 2
- Number of businesses connected to mentors or outside experts: 1



- Number of City Resources Connected (Signage, city incentives, redevelopment toolkit, etc): 5
- Number of follow-ups completed: 1
- Number of businesses with future scheduled check-ins from VBC Team: 4





**City of Veneta
Business Retention and Expansion Program**

**Summary Report
July 8, 2016**

This project and report is made possible with the generous support of the following sponsors:



Additional partners include the following:



The following provides technical support for the Business Retention and Expansion Program:



Michael Held, Chris Lyman, and Anne Mitchell of Rural Development Initiatives author this report.

Executive Summary

The City of Veneta recognizes that the key to business vitality is having a strong, thriving business base that has the capacity to endure and grow in today's rapidly changing economy. In order to help local businesses succeed, community leaders, including private and public representatives, came together to form *Veneta Business Connect* (VBC) which is a collaborative of organizations, community leaders, and businesses working together to better understand local business needs and issues while connecting resources and support when opportunities surfaced through coordinated business outreach.

Studies from across the country continuously highlight the importance of supporting existing local businesses rather than attracting new businesses. Nearly 80% of job growth is the result of local businesses expanding. Through this recognition, the City of Veneta partnered with Rural Development Initiatives (RDI) to establish a Business Retention and Expansion (BR&E) Program or *Veneta Business Connect*.

Veneta conducted twenty-two interviews with a cross-section of local businesses asking a series of questions to determine important business development factors and keys to success. Over a six-week period, volunteers and practitioners gathered data and information through interviews which was then synthesized using a data spreadsheet and analyzed for key themes and immediate follow-up assistance opportunities. The following themes represent important insights for local leaders, economic development professionals, and the community:

1. Veneta has a diverse business base with needs equally diverse.
2. Most businesses are generally satisfied with conducting business in Veneta.
3. Most businesses recognize Veneta as a quality place to live, own, and operate a business.
4. Workforce quality and skilled, qualified labor is a top concern and a fundamental key to Veneta's business success.
5. Infrastructure, both public and business-specific, is important for success and an identified area for improvement.
6. Relationship building amongst businesses and between businesses and the community is a top priority.
7. Access to business development tools and resources delivered in the area is in high demand – particularly around business and financial planning and meeting technology and automation advances in both production and retail sectors.
8. Access to capital and increased cash flow is a commonly identified business need.
9. Communication between regulatory/governmental agencies and businesses, particularly more recently established businesses, is critical for success.



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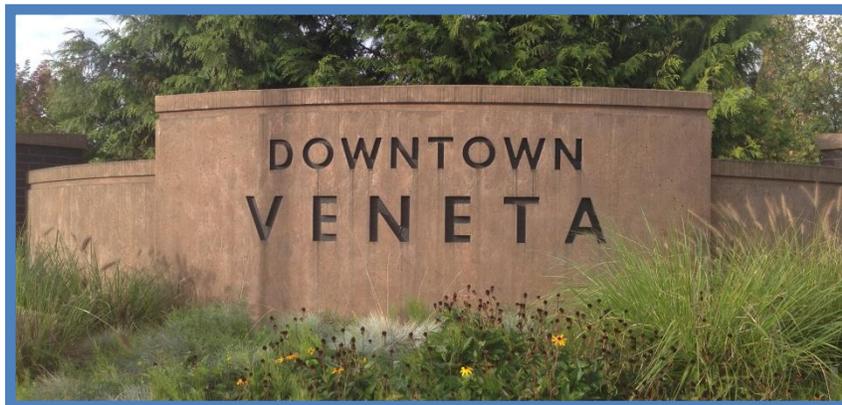
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Introduction

The City of Veneta has invested significant resources over the past several years to improve infrastructure including water and sewer, streetscape improvements, a transit center, and sidewalk and crosswalk improvements. In order to build upon the progress in the community's physical environment, City leaders determined simultaneous attention must be made toward supporting the success of local businesses so that they can take advantage of recent infrastructure improvements. Additionally, the connection between business needs and future development must be aligned to ensure that economic development efforts have the greatest impact.

Under the guidance of City's staff and the Veneta Economic Development Committee (EDC), a task force was formed to lead the formation and development of a Business Retention and Expansion program (BR&E), later named Veneta Business Connect (VBC). Per Committee bylaws a key component and purpose of the EDC is to support existing businesses. In addition to the City and EDC, the Veneta Business Connect task force is comprised of multiple organizations including Rural Development Initiatives (RDI) and Lane County Community and Economic Development. Additional support and guidance is provided by Business Oregon.

In 2015, the City of Veneta, with support from the University of Oregon Community Service Center, completed an Economic Opportunities Analysis and Five Year Economic Development Strategy to analyze opportunities for advancing economic development in the area. The purpose of this analysis was to assist the community in identifying and prioritizing projects of which the support and development of existing businesses was identified as a top priority which launched the development of a Business Retention and Expansion project, or, Veneta Business Connect. The following report summarizes research methodology, study findings, lessons learned, common themes, and various supportive addendums. This report is written as both a reflection on the existing business community and as a strategy forward for Veneta economic development efforts.



About Veneta Business Connect and BR&E

Business Retention and Expansion (BR&E) is a proven economic development strategy designed to address the three following primary objectives:

1. Retain or keep businesses in a community
2. Provide assistance for businesses to expand
3. Create a stronger pro-business climate

Additional project objectives include the following:

- Help existing businesses grow and create new jobs
- Stabilize jobs and retain businesses to provide economic security for local families
- Create a long-term outreach strategy that involves locally trained and skilled leaders
- Better connect local businesses with public and private resources to help them succeed
- Build capacity within Veneta to help its businesses respond to change and foster productive relationships

Veneta Business Connect Process

BR&E follows a common, yet adaptable, template. Veneta Business Connect tailored this project to reflect local community and economic conditions. The following steps were completed:

- 1. Plan and organize stakeholders and community to do the following:**
 - Identify businesses with potential to resolving issues that affect their long-term success
 - Assess the condition of local businesses and the type and extent of assistance needed by using a customized business outreach and visitation process
- 2. Develop business outreach and visitation process that includes the following:**
 - Organize and train a local task force or Visitation Team to conduct business visitations
 - Recruit and visit pre-determined businesses
 - Develop immediate follow-up assistance strategies
 - Review and synthesize gathered business information
- 3. Leverage and deliver existing local and regional resources to businesses and connect to outside expertise. This may include the following:**
 - Broker public and private sector resources to small businesses in a community
 - Help business owners obtain business planning assistance and other tools
 - Connect businesses to capital providers or other technical expertise
 - Help businesses apply for financing
 - Identify specific aspects of management or operations where business owners may be deficient and help them find appropriate assistance
- 4. Develop solutions and celebrate success:**
 - Develop short, medium, and long-term strategies to address common business strategies

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- Implement strategies to address common business needs and evaluate efforts
- Distribute project findings and celebrate successes

Through the implementation of Veneta Business Connect, the community is working to take the steps to create a sustained campaign to support the growth and success of local businesses. Additionally, the community has the opportunity to engage additional partners on an ongoing basis to assess local strengths, weaknesses, and opportunities while routinely adapting economic and business development strategies in a timely manner.

Methodology and Business Visitation Process

In consultation with RDI, the City of Veneta and the Veneta Economic Development Committee selected a cross-section of businesses to interview for the BR&E visitation process. The diversity of businesses selected represents the following recognition:

- Veneta businesses are diverse in size, scale, and industry type.
- The success of *all types* of businesses is paramount to a healthy business base.

Specific attention was also placed on the following targeted industry sectors as highlighted in the 2015 Economic Opportunities Analysis as key sectors for future growth:

- Food processing
- Professional, scientific, and technical services
- Secondary wood products
- Small-scale specialty agriculture
- Tourism and wine industry.

The EDC also placed emphasis on interviewing anchor businesses, large employers, closed businesses, retail, new/emerging and home based businesses, and medical services.

Over the course of a seven-week period, the following 23 businesses were interviewed as part of the visitation process. All business information is held confidential; however, we would like to acknowledge the time each business took to speak with our visitation teams.

Broadway Grill

Holte Manufacturing

Countryside Pizza and Grill

L'Etolie Farm

Domaine Meriwether Winery

Our Daily Bread

Fern Ridge Review

Pet Paws Dog Wash

First Call Resolution

Plough Monday

Goaty Girls Milk Soaps

Ray's Food Place

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Robbie's Windowbox Cafe	Veneta Crossfit
Sweet Cheeks Childcare	Veneta Downtown Farmers' Market
Sweet Creek Foods	Veneta Family Dental
Taste	Veneta Rub Company
The Farm Store	Yurtel
Veneta Chiropractic Clinic	

A combination of nineteen local volunteers and community economic development practitioners comprised the Visitation Team. Teams were divided into pairs and interviewed between two and four businesses each. Every Visitation Team member participated in mandatory three hour training in preparation for conducting the business visits. Topics covered included an orientation to BR&E, interview best practices, and data reporting methodology. Members were required to sign confidentiality statements and all business information is securely held with Rural Development Initiatives. We would like to thank each team member for his/her involvement and dedication to the project. Without his/her support this project would not have been possible. Thank you to the following:

Jason Alansky	Marti Stevens Byers	Claudia Denton
Linda Boothe	Dave D'Avanzo	Steve Dobrinich
Len Goodwin	Heidi Khokar	Laura Ruff
Maia Hardy	Chris Lyman	Sean Stevens
Carolyn Heckler	Anne Mitchell	Herb Vloedman
Michael Held	Ron Osibov	
Ric Ingham	Charles Ruff	

Business Follow-up and Flag Warning Review

After all interviews were completed, data tabulated, and information synthesized, the Business Connect Leadership team, led by RDI and City staff, conducted follow-up outreach to businesses seeking support on a myriad of issues. Businesses were prioritized based on criteria such as potential for growth and other business needs using a “flag warning review” system. Businesses that needed immediate assistance were given a red flag and those that needed limited assistance a green flag. Follow-up is ongoing and will continue on a case-by-case basis. Service providers vary depending on business needs and other factors.

Business Characteristics and Climate

Twenty-two businesses participated and ranged in type, size, and sector to reflect Veneta's diverse business base. Types of businesses ranged from food and beverage production, hospitality, value added agricultural products, and general retail and medical services, to name a few. Approximately 64% of businesses are located within the City of Veneta and the remaining 36% within the immediately adjacent surrounding area- commonly referred to as the Fern Ridge area. Overall, 25 businesses were targeted with 23 agreeing to participate for a 92% participation rate. In typical BR&E programs, participation rates average between 65-70%. The higher than average rate represents an engaged and active business community and a testament to the volunteers who supported the project.

The higher than average business participation rate represents an engaged and active business community and a testament to the volunteers who supported the project.

Other notable business characteristics include the following:

- 9% of businesses operate seasonally
- 96% of businesses had a physical location
- 39% of businesses formed within the last three years
- 39% of businesses owned their own building/facility
- 96% of businesses had an online presence

Business Climate

As businesses range in type so too do perceptions of Veneta's business climate. Overall opinions ranged considerably. For instance, business owners expressed gratitude towards the city saying services are "excellent" while other businesses thought the community was "below average." Despite the paradoxical responses several themes emerged and are captured below:

- Veneta is a personable and friendly community.
- Veneta and the surrounding natural environment are key assets.
- Veneta is perceived to be a challenging place to start a business due to high building and land costs.
- Quality building space to own and rent is lacking.

- Many businesses are unsatisfied with "the number of hoops to jump through" at the local and state level.
- Interest in businesses being able to better connect to other businesses and to the broader community exists.

Although perceptions of Veneta's business climate vary greatly, the overall consensus is that the community is an average place to conduct business. As in most communities, there are areas in which Veneta thrives and areas where improvement is needed. Future strategy discussion should build upon the gathered information which serves as one piece to an overall puzzle on the path to creating an economically vibrant community.

Business Health and Key Competitive Advantages

Businesses overwhelmingly detailed an increase in annual sales and revenue while others were consistent or stable. The positive increases were attributed to several factors including an overall improving economy, strong housing and construction market, and more consumers "staying home" to shop. Several businesses attributed their strong and stable growth to maintaining consistent product lines and expansion into niche or specialty markets. Additionally, businesses frequently sighted that their most productive method of increasing sales is through word of mouth exchanges.

Businesses overwhelmingly detailed an increase in annual sales and revenue while others were consistent or stable.

Each business has its own unique set of attributes that makes it competitive in respective market places. While it is difficult to discern common themes from such diverse businesses, several noteworthy elements important for existing and future business success exist. They are the following:

- Limited competition from other businesses.
- Access to niche markets and the development of specialty services is a differentiating factor for several businesses.
- Quality customer care helps retain a loyal and growing customer base; however, it is increasingly difficult to attain with the quality of the local labor force.
- Personal relationships are foundational to success.
- Quality of product and service matters.

The above business health and competitive advantage indicator factors are important as economic development professionals, and the community, consider strategies to support the growth and sales of local businesses.

Business Expansions and Opportunities for Growth

Sixty-five percent of businesses have plans or are considering developing plans for future expansions. Several businesses expressed the need for new building space and technical services such as business planning and financial counseling in order to grow. While each business must ultimately pave its own path toward success, the opportunity for continued investment, support, and nurturing from local and

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regional economic development service providers present a tremendous opportunity for future business growth in Veneta. Additionally, with 39% of the interviewed businesses having formed in the last three years, the need for routine and ongoing support across the business maturation cycle is imperative to any future strategy.

Many of the Veneta businesses are planning to seize market opportunities for growth in the next few years. Business plans include increasing product lines to diversify revenue streams, upgrade of production systems, expanding capacity through acquisition or renovation of larger production facilities or retail spaces, and diversifying point of sale opportunities. Many expressed optimism in plans for increasing revenues through developing new and unique products, and identification and accessing new markets.

Sixty-five percent of businesses have plans or are considering developing plans for future expansions.

Business Challenges

With a diverse business mix, comes a fairly broad range of challenges. The most common challenges expressed were related to the availability of a local skilled labor force from which to draw. Many called out the lack of adequate basic job skills for entry-level positions. In addition, businesses that require a labor force with specialized education, training, or experience, are challenged by a complete lack of local candidates resulting in an inability to fill open positions in a timely manner or without a substantial investment in additional training.

Other common business challenges focused on the availability and ability to access working capital, to support adequate employment levels, business expansion, and acquisition or renovation of necessary facility space. The types of capital needed ranged in nature from capital investments and loans for infrastructure and equipment to supporting cash flow for more consistent product inventory and management and marketing.

Additional challenges expressed include the following:

- Access to assistance for business development or expansion, legal consultation, and business planning
- Difficulty in working with various agencies, ODOT, and local utilities to address safety and essential services for businesses located on Hwy 126
- Access to Broadband Internet service with adequate speed and bandwidth to conduct or expand online business
- Ability to connect with the general community and other businesses
- Automation and new efficiencies impact jobs and the skills required for production and retail jobs

Veneta Business Innovation and Technology Opportunities

As consumers are increasingly making decisions and purchases online and Internet sales expand, local retail businesses must invest in new hardware and software technology or web-based and merchant services to be successful. Several businesses expressed the need for learning about and developing systems to continue advancing online sales while meeting the rapidly changing consumer behaviors that require significant investments and upgrades. Additionally, access to education and tools in how to use available technologies is a common need across Veneta businesses. Specifically, assistance in developing web-based purchase ordering systems and improving product coding were listed as needs.

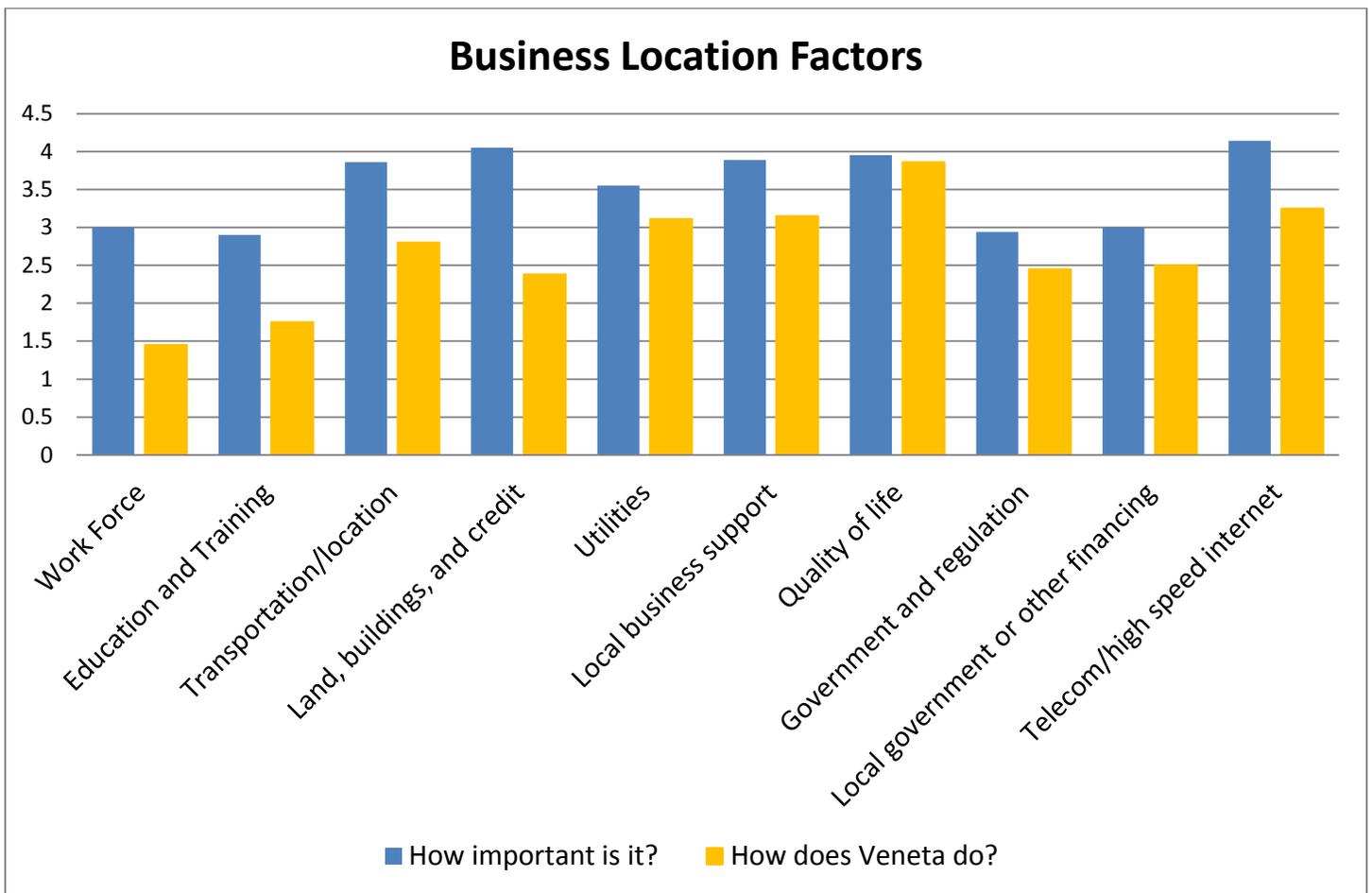
Across the range of Veneta businesses involved in production, direct services, and retail, they expressed the importance of being able to upgrade systems and processes to utilize technological innovation and change.

As technologies rapidly advance, the need for skilled labor also advances. Several local businesses offer employee trainings yet struggle to maintain a skilled workforce due to attrition and technology changes. Often, the return on investment is significant for retailers as they also must factor in new processes for packaging and distribution to on-line customers as well. Additionally, production equipment and processes are constantly upgraded, modernized, automated, and more efficient, which creates the need for investment in new equipment and employee training.

In addition, scale automation can mean that small, local businesses in Veneta cannot compete with larger volume automated production either in Eugene or elsewhere. In order to compete, businesses must reduce production and labor costs or develop strategies to market unique products or services, based on "local" attributes. Several employers have shifted business models by changing customers or accessed new markets to meet changing market needs. Businesses expressed the desire to have support in learning about strategies for reaching new markets.

Business Location Factors

Businesses were requested to describe the most important factors important for their success. Factors included transportation, access to capital, and utilities. Due to interview collection methods, the data below contains interviewer biases. Biases were attempted to be removed; but due to interview time constraints and other factors, several interviewers completed scoring based on qualitatively disclosed information rather than businesses answering the question on their own. Interviewers were instructed to validate scoring by confirming a given score with the respondent. NOTE: Scoring is on a scale of 1 to 5, with 5 representing “very important for success” and 1 representing “not important for success.”



Quality of Available Business Resources

Many businesses were unaware of available assistance and unsure about how providers could help their businesses. Those receiving and/or those who have received services are generally satisfied with the quality and availability of business resources; however, there are several opportunities for improvements. Specifically, the need for business planning, financial planning, and other business development services to be delivered in the community with some regularity were a top priority identified by interview teams based on the prevalence of such requests for support. Several businesses expressed a desire to connect with business coaches or mentors while others needed support in accessing capital. Based on the input received, several recommendations follow as long-term business development strategies are developed and implemented:

- Improve and increase education and awareness around availability of existing services and resources
- Continue to connect businesses to services on a regular and sustained basis
- Build upon and continue engaging partnerships to bring services to Veneta
- Continue identifying service gaps and increase in-community services where appropriate

Additionally, multiple businesses expressed the importance and value of having banking services in the community. Basic business amenities and services such as banking, bookkeeping, and insurance should be routinely evaluated. The departure of a key amenity, such as a bank, will negatively impact Veneta and, therefore, be monitored by community leaders.

Business Priorities

The following table identifies business priorities that would support businesses the most:

Business Priority	Business (Percentage)
High-speed Internet improvements	44.44
Special events or promotions (Friday night movies, music events, sidewalk sales, etc.)	44.44
Business support services (business planning, financial advising, bookkeeping, etc.)	44.44
Increased security (lighting, security cameras, increased police presence, etc.)	38.89
Exterior atmosphere of the area (front and rear entrances, landscaping, street trees, store fronts, sidewalks, cleanliness, signage, etc.)	38.89
Finance packaging/capital access	38.89
Sales and marketing	38.89
Shared business advertising	33.33
Property development	27.78
Dealing with government regulation	22.22
Improved rental facilities	22.22

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Traffic flow or transportation	16.67
Customer service training	11.11
Parking	11.11
Public restrooms	5.56
Merchandising training	5.56

Businesses were also asked to share their “magic wand wish” for one thing that could be done tomorrow to most support their success. While such wands do not exist, the answers illuminated a variety of opportunities for future support and strategies to consider developing. Below are a few snapshot responses:

- Better able to connect with other businesses
- Less government regulation
- Business classes
- More square footage for expansion
- Support to access loans
- Improved advertising and marketing
- Grow the community bigger
- Business mentor and counselor
- Fix traffic on Hwy 126
- An educated workforce
- Capital

Overall Issues, Themes, and Conclusion

The City of Veneta and the immediately adjacent area contain over 100 active businesses and many more in the surrounding Fern Ridge area. Veneta Business Connect reached nearly a quarter of these established businesses. Of those interviewed, 70% anticipated needing assistance implementing their business plans over the next 1-3 years; therefore, it can reasonably be assumed that about 70 businesses have an identified challenge or opportunity, both negatively and/or positively impacting their business, which will require some sort of support over the next 1-3 years. Continued business outreach and relationship building with existing Veneta businesses is a sound economic development strategy worth pursuing. Furthermore, ongoing partnering with service providers is critical in meeting this demand.

Ultimately, each business paves its own success; yet, the opportunity to provide meaningful support and resources is overwhelmingly present.

It can reasonably be presumed that about 70 or more businesses have an identified challenge or opportunity that will need to be addressed in the next

In the meantime, several key themes and issues surfaced and merit further research, conversation, and action during the coming weeks. As the community, local leaders, and resource provider partners come to the table to discuss strategies for addressing “big ticket items,” the following several important factors should be considered during decision-making processes:

- Existing organizational capacities and bandwidth
- Availability of existing business services and resources
- Long-term investment and commitment of key partners to supporting existing businesses
- Desired outcomes and metrics
- Funding and sustainability of projects

- Utilization of local resources and capacities beyond the “ordinary suspects”

Key Issues and Themes

1. Public Infrastructure

- Continued improvements to Hwy 126 to improve safety and access- particularly for downtown and other high-incident areas
 - Potential action item to build upon from *Veneta Economic Development Strategy, 2015*: Collaborate with Oregon Department of Transportation to increase way-finding signage and direct traffic off of Highway 126 into downtown Veneta
- Improvement of and increased access to fiber/Internet availability
 - Potential action item to build upon from *Veneta Economic Development Strategy, 2015*: Pursue expansion and installation of a fiber optics line
- Continued improvements to the built infrastructure, particularly in the downtown area, to accommodate existing business growth potential
 - Potential action items to build upon from *Veneta Economic Development Strategy, 2015*: Create a vibrant downtown core area... and invest resources into infrastructure upgrades to existing... and potential businesses

2. Business Infrastructure

- Lack of available, quality, and affordable commercial rental spaces, particularly downtown, to allow businesses to grow and upgrade- Specific needs expressed included commercial kitchen space for production and storage, retail space for point-of-purchase sales and consignment space
- Business specific utility challenges such as adequate on-site power location, fiber access, and access issues - Specific needs vary in scale and scope

3. Business to Business Relationship Building

- Lack of coordination and availability of opportunities to connect with other businesses
- Lack of information and awareness of existing services and opportunities to connect with other businesses

4. Business to Community Relationship Building

- Businesses want better ways to bring their services and/or products to the local market place
- Businesses desire the community to be part of, and share with, their success

5. Business Tools and Resources

- Businesses are seeking business development tools and resources and need help in learning and accessing them
 - Primary services needed include, business planning, financial planning, mentorship and counseling, and adapting to changing technologies.

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6. Workforce

- Availability of qualified and skilled labor – both entry level and specialized education, training, and experience is lacking creating the inability to timely fill positions
 - Potential action item to build upon from *Veneta Economic Development Strategy, 2015*: Collaborate with Lane Workforce Partnership to support workforce development.
- Challenges in maintaining employee training systems to meet technological changes

7. Access to Capital

- Businesses express limited knowledge or awareness of existing loan/capital resources.
- Businesses lack necessary understanding and/or plans of how to access, qualify, and manage incoming capital.

Business Follow-up Process, Summary, and Outcomes

Perhaps the most important step in the BR&E process is connecting businesses to resources when opportunities and needs are surfaced. RDI, in coordination with the VBC Leadership Team and City of Veneta staff, have made strides in connecting identified needs to support. The VBC Team prioritized opportunities with outreach commencing on May 10, 2016. Follow-up duties and responsibilities were determined as a team and conducted on a case-by-case basis. Each conversation and subsequent support is tracked and confidentially held by RDI. While some businesses require immediate assistance, others require periodic or less frequent check-ins and, therefore, have yet to receive services. Additionally, other businesses have been contacted multiple times without successfully connecting with the follow-up team. Ultimately, businesses must take initiative to advance their success; but it is also important for the VBC Team, the EDC, and RDI to continuously monitor outreach strategies and adapt if necessary. To this end, more in depth follow-up is needed at the local level including the following: in-person visits to specific businesses, continued relationship building with service providers, and business roundtable discussions. Over the next several weeks, efforts will be made to adapt and adopt these changes.

While strides have been made in connecting businesses to support, significant work still needs to be done to ensure that help is appropriately provided. The business follow-up process is an inherently messy, long term activity that takes time and dedicated staff and attention. RDI will continue to provide support while the City of Veneta transitions RARE participants and engages additional support to move forward the Veneta Business Connect initiative. **Below is a snapshot in time (7/7/16) of the business follow-up work to date:**

- Total number of calls and contacts with businesses placed: 12
- Total number of calls and contacts with businesses made: 5
- Total Number of service referrals:
 - Number of business referrals for capital: 3

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- Number of business referrals to technical assistance: 2
- Number of businesses connected to mentors or outside experts: 1
- Number of Connected City Resources (Signage, incentives, redevelopment toolkit, etc.): 5
- Number of follow-ups completed: 1
- Number of businesses with future scheduled check-ins from VBC Team: 4

Community Celebration and Priorities Selected

On June 23, 2016, a community celebration was held at Domaine Meriwether Winery. The event's dual purpose was to educate the public and business community of the findings of the Veneta Business Connect effort and to begin prioritizing key themes and issues for later focusing. The City of Veneta partnered with Department of Land Conservation and Development to present market data findings to help the community better understand purchasing habits and consumer potential within the Veneta area. RDI facilitated the discussion and presented findings.

The audience was instructed to consider which themes or issues, if addressed, would have the greatest impact. Additionally, several factors were considered prior to prioritization including the following:

- Existing organizational capacities and bandwidth
- Availability of existing business services and resources
- Long-term investment and commitment of key partners to supporting existing businesses
- Desired outcomes and metrics
- Funding and sustainability of projects

The top three themes and issues selected in order are the following;

1. Workforce
2. Business Infrastructure
3. Business Tools and Resources

The audience then self-selected which of the three themes to spend the remaining time to discuss and begin generating possible strategies and projects. Input received at the community celebration is being used by the EDC to help inform their focus and prioritization. Further focusing and organizational structures will occur upon the draft of this document and added at a later date.

Prioritization of Veneta Business Connect Key Issues

See pages 33-34 for details on the seven key issues.

The key issues voting results from the Veneta Business Community Presentation on June 23rd were:

1. **Workforce (15 votes)**
2. **Business Infrastructure (7 votes)**
3. **Business Tools and Resources (7 votes)**
4. Public Infrastructure (5 votes)
5. Access to Capital (4 votes)
6. Business to Business Relationship Building (3 votes)
7. Business to Community Relationship Building (3 votes)

Economic Development Committee voting:

FIRST ROUND		
Issue:	Votes:	% of votes:
1. Workforce	4	50.00%
2. Public Infrastructure	3	37.50%
3. Business to Community Relationship Building	3	37.50%
4. Business Infrastructure	2	25.00%
5. Business Tools and Resources	1	12.50%
6. Business to Business Relationship Building	0	0.00%
7. Access to Capital	0	0.00%
	13	
SECOND ROUND		
Issue:	Votes:	% of votes
1. Workforce	5	38.46%
2. Public Infrastructure	5	38.46%
3. Business Infrastructure	5	38.46%
4. Business Tools and Resources	3	23.08%
5. Business to Community Relationship Building	3	23.08%
6. Business to Business Relationship Building	1	7.69%
7. Access to Capital	1	7.69%
	23	

Open House follow-up items: (January 14th 2016)

High priority:

- Need to address Highway 126 buildout/problems
- Shortage of quality, affordable commercial and office space
- Problematic downtown (away from Highway, undeveloped, not visible, etc.) and signage/visibility (of the City, downtown, Farmers Market, businesses, etc.)
- Research and make recommendations as necessary for perceived or actual high development/permit fees (both residential and commercial)

Medium priority:

- No City focus point/driver for business, visitors, activity (“brand”)
- Need for networking/collaboration opportunities
- Need for incubator spaces
- Ideas on what services/businesses would do well or are needed in the area

Low priority:

- Role of Farmers Market

Business Wish List priorities from Veneta Business Connect report:

Businesses were asked to share their “magic wand wish” for one thing that could be done tomorrow to most support their success. The answers illuminated a variety of opportunities for future support and strategies to consider developing. Below are a few snapshot responses:

- Better able to connect with other businesses
- Less government regulation
- Business classes
- More square footage for expansion
- Support to access loans
- Improved advertising and marketing
- Grow the community bigger
- Business mentor and counselor
- Fix traffic on Hwy 126
- An educated workforce
- Capital

City of Veneta and RDI staff recommendation for the three subcommittees:

- Workforce
- Business Infrastructure
- Business Tools, Resources, & Relationship Building



OREGON LEGISLATIVE ASSEMBLY

SENATE PRESIDENT PETER COURTNEY

HOUSE SPEAKER TINA KOTEK

NEWS RELEASE

May 18, 2016

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JOINT TRANSPORTATION COMMITTEE RELEASES SCHEDULE FOR STATEWIDE SUMMER TOUR

(SALEM) – The co-chairs of Legislature’s Joint Committee on Transportation Preservation and Modernization today announced the schedule for a series of nine meetings to discuss state and local transportation needs with community leaders and the public across Oregon.

The 14-member committee will hold its first meeting at 5:15 p.m. May 25th at the Oregon State Capitol in Salem before embarking a tour that will take it near the Idaho border and to key eastern Oregon ports, Southern and Central Oregon, the Portland Metro area, the Willamette Valley and the Central Coast.

“Oregon’s highways, bridges, ports, and rail connections need repair and modernization,” said committee co-chair Rep. Caddy McKeown (D – Coos Bay). “These meetings will give our committee members an opportunity to listen to Oregonians from across the state identify local transportation needs, and to build support for a comprehensive plan that will keep our economy moving and build a brighter future for Oregon.”

On their statewide trek, committee members will tour transportation trouble spots in each region and hear from Oregon Department of Transportation officials, members of the various Area Commissions on Transportation, members of the Oregon Transportation Commission, as well as community and business leaders and the public.

“We want to hear from Oregonians about their transportation priorities,” said Beyer (D-Springfield) “This tour will give us the chance to discuss shipping routes with business owners, traffic flow with community leaders; and congestion with commuters. It will provide the information we need to create the right statewide transportation for all of Oregon.”

House Speaker Tina Kotek and Senate President Peter Courtney created the special committee to develop a statewide transportation package for consideration during the 2017 session – a top priority for the presiding officers and legislators around the state. That process, Kotek and Courtney said, will begin by thoroughly examining transportation needs across the state.

The full schedule of meeting includes:

May 25, 5:15 p.m.

Hearing Room F
Oregon State Capitol
900 Court Street NE, Salem

August 18, 5:30 p.m.

Wille Hall, Coats Campus Center
Central Oregon Community College
2600 NW College Way, Bend

June 13, 5 p.m.

Great Hall, Mount Tabor Building
Portland Community College SE Campus
2305 SE 82nd Ave, Portland

August 31, 5 p.m.

Jackson County Library
Medford Branch
205 S. Central Avenue, Medford

June 28, 5 p.m.

Four Rivers Cultural Center Theater
Treasure Valley Community College
676 College Blvd, Ontario

September 15, 5 p.m.

Ballroom
Embarcadero Hotel
1000 SE Bay Blvd, Newport

June 29, 2 p.m.

Hermiston High School Auditorium
600 South First Street, Hermiston

September 19, 5 p.m.

Shirley Huffman Auditorium
Hillsboro Civic Center
150 E. Main Street, Hillsboro

July 20, 5 p.m.

Prince Lucien Campbell Hall Room 180
University of Oregon
1415 Kincaid Street, Eugene

September Legislative Days

To Be Determined
Oregon State Capitol
900 Court Street NE, Salem