

1. 9:30 A.M. Agenda

Documents:

[2021-10-07 Council Agenda.pdf](#)

2. Meeting Materials

Documents:

[WS1Sept 22 From Lauritzen On Finance Committee.pdf](#)

[WS2 Attachment To Lauritzen Letter\(Master Plan Implementation 1\).Pdf](#)

[WS3 Resolution 2007-10-137.Pdf](#)

[WS4 Ord 330.Pdf](#)

[WS5 ORD 355.Pdf](#)

[IIIb Paul Schuytema Request For Letter Of Support For Oregon Ocean Initiative Hub.pdf](#)

[LIIb Draft O2IH EDA BBB Narrative.pdf](#)



**CITY OF YACHATS
CITY COUNCIL WORK SESSION & COUNCIL MEETING**

Yachats OR

Thursday, October 7, 2021 at 9:30am

To Be Held Via Zoom

AGENDA

Join Zoom Meeting

<https://us02web.zoom.us/j/88376972670>

Meeting ID: 883 7697 2670

One tap mobile

+12532158782,,88376972670# US (Tacoma)

+13462487799,,88376972670# US (Houston)

Dial by your location

+1 253 215 8782 US (Tacoma)

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Meeting ID: 883 7697 2670

Find your local number: <https://us02web.zoom.us/u/kdMACOYuOQ>

Work Session

- I. Discussion of possible restructuring of the Finance Commission including, but not limited to, recommendation from Thomas Lauritzen

The Yachats City Council meetings are open to the public and interested citizens are invited to attend. These are open meetings under Oregon law, but a work session is not a community forum; audience participation is at the discretion of the Council. Meetings are audio-recorded. Public meeting minutes are available for review at City Hall. The meeting place is accessible to persons with disabilities. For accommodations, please call (541) 547-3565, or Oregon Relay 1-800-735-2900 TDD) two days in advance. City of Yachats does not discriminate on the basis of race, color, religion, creed, gender, national origin, age, disability, marital or veteran status, sexual orientation, or any other legally protected status.

In accordance with ORS 192.630, City of Yachats will make a good faith effort to provide accommodations for any person desiring to attend a public meeting, if the request is made at least 48 hours in advance of the meeting time. The meeting room is physically accessible to persons with mobility devices; a sign language or foreign language interpreter may be available, with advance notice. Call City Hall at 541-547-3565 or Oregon Relay 1-800-735-2900 (TDD) two days in advance.

Posted Revised 09/30/2021

Regular Council Meeting

- I. Announcements, Correspondence, Proclamation
- II. Public Comment: **Topics not listed on the agenda**
5-minute limitation per person
- III. New Business
 - a. Protocol for a citizen request for a short-term code exemption in response to an emergency
 - b. Request for a letter of support for an application to Phase One US Economic Development Administration “Build Back Better Regional Challenge”
 - c. Cascade Rising Exercise Planning participation
- IV. Old Business
 - a. Drought update
 - b. City Manager recruitment
- V. City Manager Report
- VI. Other Business
 - a. From Mayor
 - b. From Council
 - c. From Staff

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Finance Committee changes

Thomas Lauritzen <tlauritzen@Peak.org>

Wed 9/22/2021 10:08 AM

To: Leslie Vaaler <Leslie@YachatsMail.org>

 1 attachments (19 KB)

Master Plan Implementation 1.docx;

September 22, 2021

To: Mayor Leslie Vaaler
City of Yachats, Oregon

Dear Leslie –

This letter builds on a discussion that we had early in your term as mayor, before all the turmoil surrounding the departure of the City Manager and two of the three office staff. The topic is the Finance Committee, its ineffectiveness for the last few years, and what we could do to get back on track.

During the previous CM's tenure, with the help of the City's legal counsel, the Finance Committee was formalized, with assigned participants from a few of the City's Commissions. Almost immediately, the effectiveness of the Finance Committee was diminished, and the City's Capital Improvement Planning (CIP) dissolved into a grant-driven process that may or may not have been aligned with the City's needs. We witnessed the culmination of the grant-driven focus during the budget preparation for fiscal 21-22. The CIP process, executed by the Finance Committee, had completely broken down, no projects and priorities were identified, and the Budget Committee had to create the CIP list on the fly.

The recent completion of the City's Master Plans for Water and Wastewater present an opportunity to get the long-term financial planning process back on track. The two plans cover the next twenty years and will require some creativity in order to raise the funds for the projects without driving the water and wastewater monthly rates into the unaffordable for our residents. Attached is a document that memorializes the initial effort at planning that was created by Rick McClung, Dave Buckwald, Linn West and myself. The project list is extensive, the conclusions reached by our Engineer's are a little skeptical and raising the funds will be difficult. The four of us do not believe that the current structure of the Finance Committee will provide the recommendations to Council that will be needed to allocate the funds needed to pay for the infrastructure identified in the Plans.

Our recommendation is that the Finance Committee be restructured. The participants could include the City Manager, the Chair of the PWC, the current Budget Committee Chair and a Council Representative. A fifth member of the community, with financial background and skills, could also be included. Consideration could be given to making Rick and Dave Committee members, rather than attendees. After all, the \$21 Million in Master Plan Projects dwarfs all other capital spending.

Thank you for considering the recommendation to restructure the Finance Committee and we look forward to any questions that you may have.

Tom Lauritzen

Sent from [Mail](#) for Windows

To: Linn West, Chair, PWC
Rick McClung, Water Lead
Dave Buckwald, Wastewater Lead

This memo will document the initial discussion that we held Tuesday, September 7th, via Zoom, to identify how the City of Yachats could fund the project costs of approximately \$21 Million identified in the recently completed master plans for Water and Wastewater.

To recap, the Master Plans identify spending as follows:

<u>Water -</u>	Priority 1 -	\$4,829,000
	Priority 2 -	\$8,262,000
	Priority 3 -	\$1,313,000
	Total Water -	<u>\$14,404,000</u>

<u>Wastewater -</u>		
	Priority 1 -	\$2,228,000
	Priority 2 -	\$4,592,000
	Total Wastewater -	<u>\$6,820,000</u>

<u>Grand Total of both plans -</u>		<u>\$21,224,000</u>
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The Water Master Plan contains three headlines. The first is construction of a new raw water intake, the second calls for seismic retrofits of existing storage tanks on Horizon Hill and the third is a conclusion that our existing storage is adequate for the next 20 years.

The Wastewater Master Plan's headlines are rebuilding existing facilities (new Public Works Building), new manholes and a 3rd SBR.

We first discussed the conclusion that our existing storage was adequate for the next 20 years. It is fair to say that this conclusion by our Engineers is viewed somewhat skeptically. Faced with rising population and diminishing annual rainfall, a conclusion that we are fine for 20 years seems optimistic. The seismic retrofit strategy was discussed and viewed with similar skepticism. We would still have a years old rectangular storage tank after expending a sizeable sum of dollars to stabilize it. This tank has been problematic since its initial construction. We agreed that the assessment should be done to give us a baseline for moving forward.

Our discussion headed towards other alternatives that we could utilize on the site of the existing tank, possibly including several tanks similar to the one we recently added to the system south of the river. We discussed the connection with Southwest Lincoln and regional water source solutions, but these need further study by their operators before being considered as potential solutions for Yachats.

Our discussions turned towards how we find \$21 Million over 20 years for Master Plan implementation. A few ideas were identified and discussed. First, we currently have approximately \$2.5 Million in Enterprise Fund reserves. Next, our rate structures can be managed to generate \$200,000 in each fund for the next 20 years. Reserve generation would total \$8 Million. Next, after the DEQ Loan on the Wastewater Plant is retired in 2029, the Food & Beverage Tax, approximately \$400,000 annually for 13 years would generate about \$5,200,000 and could be specified as Infrastructure Reserves. Finally, an additional \$5,400,000 of Transient Rental Tax could be directed at Infrastructure through a legislative solution specific to Yachats, sponsored by our local legislators. Yachats is likely unique in that our hotels consume 44+ percent of our water supply while paying about 25% of the revenue. Rate management techniques to close the gap would be prohibitively expensive for the hotel properties and asking residents to subsidize the dollars is unfair. We could seek a Yachats specific legislative solution that allows us to direct a portion of the tax revenue to Water Master Plan Projects to ensure that the hotels are supplied with sufficient water to service their guests.

We concluded that Yachats needs to reform and restructure the Finance Committee to begin the process of finding and prioritizing the dollars and projects to meet these 20-year needs. The PWC, under Linn's leadership, will begin the project prioritization and Council will be asked to tackle the Finance Committee changes needed to deliver the dollars at the right time.

I hope this captures our discussions. Please let me know if I missed anything major that changes the ideas that we discussed.

Tom Lauritzen – Chair, Budget Committee

CITY OF YACHATS
RESOLUTION NO. 2007-10-01

WHEREAS, small cities lack staff resources to provide comprehensive financial analysis. Existing staff that could do this work are assigned other duties and don't have the time studies and analysis often require; and

WHEREAS, there tends to be a reliance on financial consultants who are expensive; and

WHEREAS, the City Recorder would benefit from the opportunity to discuss financial issues with other professionals; and

WHEREAS, Yachats has retired volunteers with financial and analytical skills;

NOW THEREFORE, the City of Yachats resolves to authorize the creation of the Yachats advisory finance committee to provide financial expertise in recommendation to the City Council and Commissions.

Duties:

- Provide financial expertise in recommendations to the City Council and commissions for utility rates studies, property taxes decisions, changes in other taxes, other sources of revenue and financial agreements.
- Provide a long term horizon for fund balance projections (3-5 years)
- Provide a "state of the City" financial report to the City Council – This would be a snapshot of how the financial long term picture looks given certain assumptions.
- Provide a financial framework for a Drainage utility fund
- Assist the City Recorder on special projects like:
 - Review and recommend changes to the City budget document
 - Review and comment on the CIP document and process
 - Is development paying their fair share of the infrastructure and operational costs?
 - How can the City organize / present information to improve decision making?
- Other projects assigned by the City Council

The committee's role is advisory.

Membership:

- Members should have skills in finance, analysis, budgets, and taxes.
- Experience with Excel and an e-mail account are desirable.
- Members will include one individual from Public Works, Planning, Parks & Commons, Budget Committee, Council, and the City Recorder

This Resolution is memorializing an action taken by City Council at the October 11, 2007 meeting and was effective as of that date.

Attest:

Susanne Smith, Mayor

Nancy Batchelder, City Recorder

2007-10-01 - Finance Committee

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**CITY OF YACHATS
ORDINANCE NO. 330**

**AN ORDINANCE AMENDING THE YACHATS MUNICIPAL CODE CHAPTER 3.10 –
CAPITAL IMPROVEMENT PLANNING AND PLANNING SUB-COMMITTEE**

WHEREAS, the procedure used to develop the Capital Improvement Plan has become a function of the Finance Committee; and

NOW THEREFORE, the City of Yachats ordains that Chapter 3.10 – Capital Improvement Planning and Planning Sub-Committee shall be amended to read as follows:

Chapter 3.10 - Capital Improvement Planning And Planning Sub-Committee

Sections:

- 3.10.010 Membership
- 3.10.020 Powers and Duties
- 3.10.030 Capital Improvement Program - Annual Report to City Council
- 3.10.040 Capital Improvement Program - Adoption and Appropriations
- 3.10.050 Capital Improvement Program - Public Report

Section 3.10.010 Membership

The City Council shall establish and appoint a Finance Committee which shall also serve as the Capital Improvement Planning Committee (CIP Committee). The Chair of the Finance Committee shall also serve as the Chair of the CIP Sup-Committee.

(Ord. 248, Add, 12/10/2004)

Section 3.10.020 Powers and Duties

The Sub-committee, at public meetings, shall study proposed capital projects and improvements involving major non-recurring tangible assets and projects which: 1) are purchased or undertaken at intervals of not less than five years; 2) have a useful life of at least five years; and 3) cost over \$5,000. Each year, commission chairs, boards, and department heads, shall submit capital project requests to the Sub-committee including information for all anticipated projects requiring Council action during the ensuing five to ten years. Submissions shall be on the proscribed forms provided by the City's budget officer. The Sub-committee shall consider the relative need, impact, timing and cost of these expenditures and the effect each will have on the financial position of the city. No appropriation shall be voted for a capital improvement requested by a department, board or commission unless the proposed capital improvement is considered in the Sub-committee's report or the Sub-committee shall first have submitted a report to the City council explaining the omission.

(Ord. 248, Add, 12/10/2004)

Section 3.10.030 Capital Improvement Program - Annual Report to City Council

The Sub-committee shall prepare an annual report recommending a Capital Improvement Budget for the next fiscal year, and a Capital Improvement Program including recommended capital improvements for the following five fiscal years. The report shall be submitted to the City Council for its consideration and approval. The first year amounts shall be included in the proposed budget for the next year.

(Ord. 248, Add, 12/10/2004)

Section 3.10.040 Capital Improvement Program - Adoption and Appropriations

Such Capital Improvement Program, after its adoption, shall permit the expenditure on projects included therein of sums from departmental budgets for surveys, architectural or engineering advice, options or appraisals and the like;

but no such expenditure shall be incurred on projects which have not been so approved by the city through the appropriation of sums in the current year or in prior years, or for preliminary planning for projects to be undertaken more than five years in the future.

(Ord. 248, Add, 12/10/2004)

Section 3.10.050 Capital Improvement Program - Public Report

The Sub-committee's report and the Council's recommended Capital Budget shall be published and made available to the public. The Sub-committee shall deposit its original report with the City Recorder.

(Ord. 248, Add, 12/10/2004)

PASSED AND ADOPTED by the City Council of the City of Yachats on this _____ day of _____.

Ayes:_____ Nays:_____ Abstentions:_____ Absent:_____

APPROVED by the Mayor this ____ day of _____.

Attest:

Ronald L Brean, Mayor

Nancy Batchelder, City Recorder

**CITY OF YACHATS
ORDINANCE NO. 355**

AN ORDINANCE AMENDING THE YACHATS MUNICIPAL CODE CHAPTER 3.10

WHEREAS, the procedure used to develop the Capital Improvement Plan has become a function of the Finance Committee; and

NOW THEREFORE, the City of Yachats ordains that Chapter 3.10 – Capital Improvement Planning shall be amended to read as follows:

Chapter 3.10 – Finance Committee and Capital Improvement Planning

Sections:

- 3.10.010 Membership
- 3.10.020 Powers and Duties
- 3.10.030 Capital Improvement Program - Annual Report to City Council
- 3.10.040 Capital Improvement Program - Adoption and Appropriations
- 3.10.050 Capital Improvement Program - Public Report

Section 3.10.010 Membership

The City Council shall establish and appoint a Finance Committee which shall also serve as the Capital Improvement Planning Committee (CIP Committee). The Finance Committee shall include, at least seven (7) members, one representative from the Public Works & Streets Commission, Planning Commission, Parks & Commons Commission, Library Commission, Budget Committee, City Council, and the City Manager’s Office.

The City Manager’s Office Finance Committee Representative shall serve as the Chair of the committee and will be a voting member. The representatives shall be appointed from their respective Commissions. Citizen membership is strongly encouraged. The Finance Committee shall appoint citizen members. Members can be removed from the Committee by City Council for cause.

(Ord. 248, Add, 12/10/2004, Add 1/16/2019)

Section 3.10.020 Powers and Duties

The Finance Committee, at public meetings, shall:

- 1) Provide financial expertise in recommendations to the City Council and Commissions for utility rate studies, property tax decisions, changes in other taxes, and studies or recommendations for other sources of revenue and financial agreements;
- 2) Provide a long term horizon for fund balance projections (3-5 years);
- 3) Provide a “state of the City” financial report to the City Council – This would be a snapshot of how the financial long term picture looks given certain assumptions.
- 4) Assist the City Manager on special projects like:
 - a. Review and recommend changes to the City budget document
 - b. Review and comment on the CIP document and process
 - c. Advise if development paying their fair share of the infrastructure and operational costs
 - d. Advise how can the City organize / present information to improve decision making
- 5) Study proposed capital projects and improvements involving major non-recurring tangible assets and projects which:
 - a. are purchased or undertaken at intervals of not less than five years;

- b. have a useful life of at least five years; and 3) cost over \$5,000. and
- 6) Other projects assigned by the City Council

Each year, commission chairs, boards, and department heads, shall submit capital project requests to the Finance Committee including information for all anticipated projects requiring Council action during the ensuing five to ten years. Submissions shall be on the proscribed forms provided by the City’s budget officer. The Finance Committee shall consider the relative need, impact, timing and cost of these expenditures and the effect each will have on the financial position of the city.

(Ord. 248, Add, 12/10/2004 Add 1/16/2019)

Section 3.10.030 Capital Improvement Program - Annual Report to City Council

The Finance Committee shall prepare an annual report recommending a Capital Improvement Budget for the next fiscal year, and a Capital Improvement Program including recommended capital improvements for the following five fiscal years. The report shall be submitted to the City Council for its consideration and approval. The first year amounts shall be included in the proposed budget for the next year for consideration by the Budget Committee.

(Ord. 248, Add, 12/10/2004 Add 1/16/2019)

Section 3.10.040 Capital Improvement Program - Adoption and Appropriations

Adoption of the City’s budget, shall permit the expenditure on Capital Improvement Projects included therein of sums from departmental budgets for surveys, architectural or engineering advice, options or appraisals and the like; but no such expenditure shall be incurred on projects which have not been so approved by the city through the appropriation of sums in the current year or in prior years, or for preliminary planning for projects to be undertaken more than five years in the future.

(Ord. 248, Add, 12/10/2004 Add 1/16/2019)

Section 3.10.050 Capital Improvement Program - Public Report

The Finance Committee’s report and the City Council's recommended Capital Budget shall be published and made available to the public. The Finance Committee shall deposit its original report with the City Manager’s Office.

(Ord. 248, Add, 12/10/2004 Add 1/16/2019)

PASSED AND ADOPTED by the City Council of the City of Yachats on this _____ day of _____.

Ayes: _____ Nays: _____ Abstentions: _____ Absent: _____

APPROVED by the Mayor this ____ day of _____.

Attest:

W. John Moore, Mayor

Shannon Beaucaire, City Manager

Request for a letter of support from Yachats (O2IH)

Paul Schuytema <paul@businesslincolncounty.com>

Fri 9/17/2021 2:44 PM

To: Leslie Vaaler <Leslie@YachatsMail.org>

Mayor Vaaler:

I would like to respectfully ask the City of Yachats for a letter of support for an application to Phase One of the EDA's Build Back Better Regional Challenge funding opportunity. OSU is going to be the lead applicant, but with a TON of supporting partners (EDALC is one of those) and forming the coalition that will (hopefully) become the Oregon Ocean Innovation Hub (O2IH).

This grant application is the culmination of over 14 months of work with local and regional partners to energize our existing Blue Economy assets into an engine of workforce development, innovation, entrepreneurship and business growth - all aimed at creating more high paying jobs along the entire Oregon coast.

This is a two phase application process - phase one is a small planning and feasibility grant to allow a coalition to prepare the much larger phase two application, which could be as much as \$100 million, region-wide.

Here is a link to the EDA's web page on this funding opportunity:

<https://eda.gov/arpa/build-back-better/>

If you are up to speed on all things O2IH, then awesome. If not, I could either walk you through a *short* presentation and/or do the same for your City Council. I also have a draft letter prepared, if you'd like to take a look.

Please let me know what works best for you and how I can best inform you and the Yachats powers that be.

Thanks so much!

Have a great weekend!

-Paul

--



Paul Schuytema, Executive Director
Economic Development Alliance of Lincoln County

He/Him/His

W: businesslincolncounty.com

E: paul@businesslincolncounty.com

C: (541) 961-8800

O: (541) 265-4544

Oregon's Blue Economy Initiative - DRAFT

Vision: Oregon's Blue Economy Initiative (OBEI) was created in mid-2020 to respond to the economic damages caused by COVID-19, with the goal of speeding recovery through economic diversification to help create thriving and more resilient rural communities on the Oregon Coast. OBEI envisions a vibrant Blue sector¹ that is driven by innovation and entrepreneurship, and supported by a Blue workforce that has the skills and experience to fill family-wage jobs created through this initiative. OBEI leverages existing assets along the Oregon coast, broadens and strengthens networks between public, private and nonprofit entities, and provides a unified Blue economy vision for rural, coastal communities in Oregon.

The Blue Economy sits at the nexus of people, the environment, and the economy. Two core values that will be integrated into OBEI strategy, programming and implementation include: Diversity, Equity and Inclusion (DEI); and Climate Resiliency.

OBEI will focus on four component projects:

Workforce development: leveraging the assets of community colleges, workforce investment boards, and the Oregon Coast STEM Hub's training infrastructure across the region to build the capacity of the next generation of workers through training, internships, and practicums with industry partners.

Innovation and Entrepreneurship: Sourcing existing programming from OSU's Advantage Accelerator and Washington Maritime Blue's Accelerator, to launch Oregon's Blue Accelerator based within coastal community colleges. The focus of programming will be on traded-sector industries, with a theme of new technologies based on AI, Advanced Materials, Robotics and Advanced Manufacturing coming from new forms of marine transport, fishing fleet, ocean monitoring, and ocean energy equipment and systems.

Blue Business Support: Leveraging existing economic development districts, small business development centers and economic development office expertise across the coast to provide strategic and technical assistance for Blue business retention, expansion and creation, and increasing access to new and existing capital.

Integration and Administration: Using Oregon State University's expertise in grants management and administration, financial oversight, and leadership to ensure coordination across coalition members and cluster partners and provide technical assistance for successful implementation.

Economic Opportunity presented by the regional growth cluster

Measuring Opportunity and Distress

Despite the state's coastal assets, Oregon's "Ocean Sector" GDP is only \$2.5B, compared with Washington State (\$14B;³) and California (\$45B). More than 80 percent of trade takes place by sea, and the global ocean economy is expected to double in value to \$3 trillion by 2030,

¹ The Blue Economy encompasses all economic sectors that use and affect water-related resources. This includes, but is not limited to: the traditional maritime sector; tourism; science and technology; climate change; waste management; maritime transportation; fisheries and aquaculture; and ocean energy and maritime fuels.

outpacing the growth of the global economy as a whole². The economic opportunity presented by the Blue Economy for Oregon is staggering. However, there has been no coordinated vision and implementation strategy for the Blue Economy sector in Oregon, resulting in fragmentation and low-investment: only 3% of the State's accelerators and incubators are located on the coast. In 2016, of the Small Business Innovation Research and Small Business Tech Transfer grants, only 1/142 grants were made to the coast, totaling just \$650k out of \$61M invested in Oregon. Between 2014-2017, the Coastal region received .003% of total equity investments in Oregon³. According to Stats America, most of the coastal region⁴ scores low on Innovation Capacity, very low to normal on the Economic-Well being index, and low to normal on Business Dynamics, indicating a significant opportunity for investment. Historically, Oregon's rural, coastal communities experience higher unemployment than most other regions of Oregon and Washington. The Hospitality Establishments and Hospitality and Tourism industry clusters are two of the top three industries by population employed⁵, with average wages of \$21,676 and \$28,794, way below the state's average of \$51,117. Consequently COVID-19's impact to these coastal communities was disproportionately harsh. Lincoln County suffered the highest unemployment rate in the state at 26% in April 2020 and remains at the highest unemployment rate as of August 2021, with Curry county second-highest⁶. As of August 2021, Lincoln County's "Jobs 2 Year Change - 2021 Q1" is -9.1% compared to US -4.5%; Clatsop is -6.8%; and Tillamook is -5%⁷; . The region's BEA remains 16-19% lower than the US average, and the ACS 5-Year PCMI is 12-19% lower⁸. The lack of economic diversification has contributed to a slow recovery and puts the coast at a risk of future shocks. The Blue Economy provides both pathways to economic diversity, with a focus on traded-sectors, and high-wage jobs.

Oregon's marine industry—a sub-sector within the Blue Economy--plays a key economic role in Oregon's rural, coastal communities. With average wages exceeding most other industries (\$60,853)—19% higher than Oregon's overall average wage \$51,117-- the maritime sector supports much needed family-wage jobs. By 2027, the maritime workforce is projected to expand by 5%, with 7,000 jobs created or needing replacement. But the workforce is ill-prepared for 21st century STEM skills required in the Blue Economy, and there are few training opportunities to grow this expertise.

OBEI's components also align with Oregon's 10-year Innovation plan as well as all regional CEDS 5yr strategies.

Coalition members: The coalition is made up of a diverse set of partners across the entire Oregon Coast. Oregon State University will lead the coalition as well as the Integration and

² Consortium for Ocean Leadership

³ NOAA Blue Economy Strategic Plan 2021-2025

³ (Oregon Capital Scan 2018)

⁴ Data available for Clatsop, Tillamook, Lincoln, Coos and Curry Counties. Disaggregated data for coastal Douglas and Lane not available

⁵ <https://www.statsamerica.org/reg/default.aspx>

⁶ State of Oregon Unemployment Data July 2021

⁷ <https://www.statsamerica.org/reg/default.aspx>

⁸ <https://www.statsamerica.org/distress/dist.aspx>

Administration Component. Workforce Component partners include: Oregon Coast STEM Hub, the community colleges of Tillamook, Oregon Coast, Southwestern and Clatsop. Core partners for the Innovation and Entrepreneurship Component include: Economic Development Alliance of Lincoln County, Oregon State University, Washington Maritime Blue, Small Business Development Centers, the Ports of Port Orford, Tillamook, and Toledo. Economic Development Districts and the Economic Development Alliance of Lincoln County will be core partners in the Blue Business Support Component. All partners' missions are aligned to support the economic growth of the region.

Project description: All components will be represented across the Oregon coast, with 3-4 coastal community colleges serving as Blue Hubs where workforce and innovation and entrepreneurship programming will be centered.

Workforce Development Component: The goal of this component is to create a pipeline of workers with a combination of traditional maritime and 21st century STEM skills that will help to attract existing businesses to the region, and fill positions within new and expanding businesses created through OBEI. This component will leverage existing infrastructure and programming within coastal community colleges and the Oregon Coast STEM Hub. Programs will be designed based on local workforce needs and identified gaps. Programming will include:

- Expanded Career Technical Education (dual credit);
- Career Connected Learning (summer bridge programs, diversifying the blue pipeline and high school career prep);
- Expanded degrees and certifications at community colleges and Oregon State University.
- Industry connections internship program
- Additional career technical training facilities (Capital Construction)

Innovation and Entrepreneurship Component: The Blue Economy will be driven by innovation and entrepreneurship (I&E) creating a resilient, futureproof economy. The focus will be to support the development of both high-growth/ traded-sector and local businesses. New industry clusters may develop around new technologies based on AI, Advanced Materials, Robotics and Advanced Manufacturing. Programming will include:

- Blue Advantage Accelerator programming based on successful models from OSU and Washington's Maritime Blue
- Small business management support (Via SBDC network)
- Establishment of at least two more innovation manufacturing labs based on OSU Hatfield's Innovation Lab model. Co-located within Community Colleges or other workforce training facilities.
- Establishment of Seafood Innovation Lab at Port Orford (Capital Construction)
- Expanded business space (manufacturing, welding, office) at Ports of Toledo and Tillamook
- Capacity and planning support for South Coast regional partners

Blue Business Component: Blue business retention, expansion and recruitment will form a core component supporting existing Oregon Blue businesses to expand, enticing new companies to

the coast, and supporting start-ups created via the Blue Advantage Accelerator . Programming will include:

- Build sector identify through strategic marketing and communications and sector-specific events
- Develop training and resources for blue businesses to increase access to existing County, Intergovernmental, State and Federal funding
- Build out BRE data for Oregon coast to facilitate planning for upcoming industry needs and alignment with opportunities and technical support.
- Develop Pacific Northwest Venture Fund and Portfolio in partnership with Washington Maritime Blue, other Blue Hub partners in California and Alaska, and the Investment Strategist, Oregon Growth Board

Integration and Administration Component: Ensure the success of OBEI across geographies and partners. Programming will include:

- Regional competitiveness officer: OBEI coordination
- Partner Technical Assistance (Contract and Finance Management, HR and Legal support)
- DEI programming/training (Communication, Transportation, Scholarships, Child Care)
- Grant management

Outcomes/Metrics of Success: OBEI anticipates creating approximately 250 Jobs through Phase 2 programming and filling 500 vacancies; expects to generate a 4:1 return on investment for workforce development⁹, a 5:1 return on investment for innovation and entrepreneurship¹⁰, a 19:1 return on investment for diversity, equity and inclusion¹¹. Phase 1 metrics of success will be to increase capacity for regional competitiveness to prepare for additional coalition funding opportunities. Phase 2 metrics of success include:

Workforce	<ol style="list-style-type: none"> 1. 250 students trained through Career Technical Education Programs 2. 250 people trained through workforce development programs and placed with industry partners 3. Rural/LMI/BIPOC students receive scholarships
I&E	<ol style="list-style-type: none"> 1. 30 companies complete accelerator program 2. 20 New businesses created 3. 100 new positions created by accelerator startups 4. 10 patents and/or provisional patents issued 5. 15 mentors assigned to accelerator graduates 6. 6 industry sponsors secured
Blue Business Support	<ol style="list-style-type: none"> 1. 7-10 established Blue Economy businesses relocated and/or expanded to Oregon

⁹ EMS Community College data

¹⁰ NEED SOURCE -- Futures Commission 'Innovation Report'?/ Maritime Workforce task force report?

¹¹ Sodexo case study

	<ol style="list-style-type: none"> 2. 7-10 existing OR businesses expand 3. Capital investment in coastal Blue businesses increases 4. 4 innovation and research awards given 5. Oregon coastal business applications for state and federal grants increases (and awards made)
Integration and Admin	<ol style="list-style-type: none"> 1. Oregon branded as Blue Hub 2. Oregon Ocean Innovation Hub launched 3. Administrative, financial and resource TA to partners provided 4. Sustainability planning and implementation on-going 5. DEI strategy implemented 6. Annual remote global Blue Economy conference held 7. Components stay on schedule

Cost-share: Coalition members and partners have significant funding and assets that will enable them to commit to the 20% cost-share required in Phase 2. This includes but is not limited to:

Barriers to implementation: Long-term workforce housing and construction housing is an issue on the coast. OBEI will Partner with government units to identify potential future housing developments and funding; negotiate group rates with hotels. In addition, COVID-19 has impacted supply chains. OBEI will ensure plenty of lead-time for projects, OSU/Contract to provide technical assistance. The geographic spread of partners across 360+ miles will be addressed through regular remote meetings with core partners and quarterly face to face meetings

Timeline

Months 1-3: Draft and submit Phase II application for Blue Economy Sector

Months 4-6:

Hire cluster coordinator

Complete design and environmental plans for Port Orford

Complete design and environmental plans for WERC

Months 7-8

Secure MOUS and contracts from all cluster and industry partners

Purchase necessary equipment for phase two implementation

Months 9-12

Curriculum development and approval