

# WASHINGTON COUNTY OREGON

DATE: February 17, 2022

TO: Washington County Board of County Commissioners FROM: Matt Craigie, Economic Development Manager

SUBJECT: Washington County Economic Development Work Plan

This document is a work plan for Washington County's Economic Development program. With this document, the intention is to identify the County's short-term economic development priorities and tasks.

This document should not be confused with an economic development strategy. The newness of the County's economic development program means that groundwork and engagement methods with County stakeholders must be better established before a longer-term strategy can be established.

Lastly, this is a working document. The reader should note that the contents of this document will change as engagement with stakeholders helps to refine the County's economic development priorities and tasks.

### **Background and Purpose**

In 2019, the Washington County Board of County Commissioners (BCC) identified economic development as a priority and directed the inclusion of professional consultant services and a new fulltime economic development manager position in the County's FY2020-21 budget. In 2020, the COVID-19 global pandemic struck and led to a cascading economic situation the world over. Washington County, in cooperation with local and regional partners responded vigorously. With the aid of multiple funding sources, including donations from local private businesses, and State and Federal funds, the County mounted an all-hands-on-deck effort to respond to the twin public health and economic crises.

In early 2021, Washington County hired its first Economic Development Manager (EDM). The position was a first for the County; previously economic development work had not had a formal home within the County's organizational structure. The position's creation arose in recognition from the BCC that the County could play a larger role in supporting economic development across its jurisdiction. To be clear, the County's specific economic development role will take more time and engagement with stakeholders to establish and is likely to evolve as new priorities emerge. At the time of the creation of the EDM position, the BCC's discussion focused on the dual need for more focused support for the county's smaller cities and unincorporated areas while also helping to facilitate and elevate countywide conversations about shared economic challenges. This balance, between focusing on areas with less capacity and resources than others, and the need to support communities across the county's entire area, will be an important policy discussion for the BCC as the economic development priorities are refined.

With the newness of the EDM position, this work plan is intentionally short-term and focused on groundwork that is needed to set a strong organizational foundation for a longer-term economic development strategy. In addition, the continuation of the global COVID-19 pandemic and its associated economic impacts will require focused economic development staff time and capacity.

The purpose of this work plan is to identify and describe the priorities of the Washington County economic development work and define the tasks that align with those priorities and can be undertaken in near-term.

## **Building an Equitable Economy**

Washington County's mission is to provide excellent and cost-effective services that support healthy, peaceful, safe, and sustainable communities; and encourage meaningful participation in community activities and County governance. In recent years, the County has launched a series of efforts aimed at integrating equity, diversity, and inclusion (EDI) practices throughout County policies and programs. Starting with the <a href="BCC-led Diversity">BCC-led Diversity</a>, Equity, and Inclusion efforts, the County has been working on a multiyear commitment to deliver equitable outcomes throughout the County's programs, budgets, decision-making and service delivery.

The County's focus on EDI provides guidance for how economic development programs should be advanced and integrated alongside other County services, programs, and initiatives. It also helps to clarify expectations about collaborative community engagement with communities across the county. Several recent actions on equity specifically inform this economic development work plan:

- Leading with Race report (2018). Led by the Coalition of Communities of Color, the County and other local stakeholders worked together on a multiyear research project aimed at communicating the lived experiences of communities of color and ethnic groups in Washington County. The report features full sections on economic justice that detail the disparate economic realities of communities of color in contrast to the county's white population. The final section provides a call to action to bring about racial justice in Washington County. Included in the call to action is a focus on "Equitable Economic Empowerment" that calls for pay equity, opportunities for career advancement, and workforce development for employees of color. The call to action section also seeks a dismantling of discriminatory practices, a promotion of entrepreneurship, ensuring of affordable housing, and a recognition of talents and aspirations of all communities of color across Washington County.
- DEI Resolution (2020). In the winter of 2019/2020, the BCC, working in close collaboration with community stakeholders, developed the County's first Diversity, Equity, and Inclusion Resolution. The final version of the resolution was adopted by the BCC in February of 2020. The Resolution acknowledges the long history or racial discrimination in Oregon and the unequal economic situation of the county's residents of color—including higher rates of poverty and unemployment, and lower median incomes. The Resolution commits the County to fostering and strengthening the integration of equitable and inclusive practices throughout the County's work. In addition, the Resolution specifically mentions ensuring that public dollars are spent in a way that maximizes the benefit for the community, the development of workforce training programs to provide economic empowerment and career advancement, and structuring the organization to model services, practices, and engagement to equitably meet the needs of all residents.
- COVID-19 Economic Response and Recovery (2020-present). In 2020, in response to the COVID-19 pandemic, Washington County developed equity principles for reopening of the economy. These four principles are:

- Centering racial equity
- Supporting people impacted by inequities
- Building an equitable economy
- Protecting and expanding on community voice

These four principles, set out by the BCC and advanced by the County's Department of Health and Human Services, sought to implement race-conscious approaches within pandemic response activities as a counter to persistent racial inequities. The principles have guided the County's work to deploy CARES Act dollars in 2020, including advancing programs and services tailored to vulnerable and underserved communities. In 2021, the County developed a new framework for the deployment of American Rescue Plan Act (ARPA) dollars. This framework features the values of Equity, Resilience, Collaboration, and Good Governance. It also features a principle focused on centering racial equity.

These recent actions illustrate Washington County's commitment to fully integrating racial equity and inclusion approaches and practices throughout the County's work. Specifically, for economic development, this work highlights the County's interest in recognizing and acting to address economic disparities impacting the county's communities of color, promoting economic mobility of workers, and dismantling racist economic systems.

Washington County's priority for centering racial equity means that economic development efforts and actions carried out by the County should be thoroughly informed by, and integrated with, the County's EDI initiatives. As a meaningful step toward building an equitable economy, this year's Economic Development Work Plan includes an effort to identify and move forward the process of establishing preliminary equitable practices and methods to inform the County's economic development work over the long-term. This process would seek to address inclusive stakeholder engagement and decision-making, and would help to prioritize the use of the County's limited economic development capacity. It would intentionally be a preliminary effort as a recognition that equitable practices require reevaluation and modification as more stakeholders are able to fully engage with the process and priorities are refined.

## **Equitable Economic Development - Framework**

"Economic development promotes economic well-being and improves the quality of life in communities by creating and retaining jobs, enhancing wealth and providing a stable tax base. Equitable economic development is achieved when every member of the community is able to share in and benefit from economic growth."—International Economic Development Council

While a traditional approach to economic development can focus almost exclusively on economic growth, an equitable approach to economic development places emphasis not just on growth but the distribution of that growth. For example, a region can experience massive increases in income as measured by Gross Domestic Product (GDP), however GDP only provides a top-level view; it does not recognize whether that growth is flowing to those with already high wealth or whether it's more evenly distributed across income brackets. Moreover, an equitable approach to economic development would seek to improve upward economic mobility, offer pathways for all communities to build wealth, and provide enhanced opportunities for underserved communities—especially those in communities of color who have faced generations of discrimination and disinvestment.

Washington County has prioritized its focus on building an equitable economy—one that recognizes and seeks to rectify the historic and current inequities of our economic system. Although the County, as with all public agencies, has limited resources to dedicate to economic development, it is well-positioned to lead efforts that could make substantial and lasting change:

- Foster Collaboration among Local Partners. The County's scale and position as a natural convener of local partners means that it has a systems-level perspective of the local economy. The County can work across jurisdictional boundaries and with multiple communities to take action against shared challenges and advocate for common interests.
- Problem Solve with Multidisciplinary Expertise. The scope of the County's services and the integration of those services means that challenges can be addressed with a multi-disciplinary lens. Whether it's housing, transportation, and economic development or public health and workforce development, the County can bring together leaders and stakeholders to address complex economic development challenges.

# What does this mean for Washington County's role in equitable economic development?

Staff recommend the following three focal areas for Board of County Commissioners (BCC) consideration:

1. Resilient Business Support Systems. Economies are always changing. This dynamic nature is what creates growth and opportunity. It is also what leads to economic disparities and inequality. To achieve an equitable economy, we must recognize that businesses in underserved communities are less likely to have access to any of the services and capital tools available to dominant-culture communities. Fostering a resilient and inclusive business support system means that all businesses in the County have access to support that can help them prosper. This support is needed not just to buoy businesses during the tumult of economic cycles and catastrophic downturns, but also during the normal lifecycle of a firm. Start-ups and

entrepreneurs need setup assistance and access to seed capital. Scaling businesses need technical services to jump to the next marketplace and capital to hire workers and lease an expanded footprint. Businesses of all scales need predictable and transparent regulatory systems to adequately prepare their work for success.

Resilience starts with building strong relationships and Washington County is in a good position to support and convene the entire network of business support organizations to foster an overall resilient system. County actions could include identifying issues faced by area businesses, convening county-wide discussions about shared challenges, developing programs, capital tools, or studies to address challenges or reach for opportunities, providing a clearinghouse of business services available across the county, and tracking progress of shared goals.

### Sample Action: Resilient Business Support Systems.

Example: Construct a Resilient Business Support Network

In Washington County, there are many community-based organizations, non-profits, and others that provide support for small businesses and entrepreneurs. However, the ecosystem of organizations is fragmented, and it is not always clear where businesses should turn to get help. The County could strengthen local support for small businesses and entrepreneurs by bringing together all these organizations. A resilient business support network could offer an inclusive forum for business support organizations to learn from each other, build partnerships, address shared challenges, and pursue opportunities.

2. Upward Economic Mobility of Workers. Equitable economic development advances the idea that everyone in the community can share the benefits of economic growth. However, access to the fundamental elements that allow for meaningful participation in the economy is unequal across communities. These elements, like adequate and affordable housing, healthy food, efficient transportation, healthcare, childcare, and education and job training, are less accessible and in many cases inaccessible to underserved communities—especially communities of color. Striving for a more equitable economy means that all communities have access to these elements. The County already plays a strong role supporting public health and affordable housing. The County also has several workforce development and childcare programs. By adding additional focus on upward mobility of workers, the County would complement existing programs to strengthen the full package of elements needed for people to enjoy healthy and productive lives.

This meaningful work would include an increased focus on workforce development and related efforts, especially for marginalized communities and others with the least access to career opportunities. Building from previous and ongoing programs, and with an eye to developing an integrated workforce development strategy, County staff would work with internal and external partners to promote worker pipeline programs and initiatives like strong partnerships with K-12 education partners, pre-apprenticeships, job exposure opportunities, and basic job skills

training; and reskilling programs to help under-employed workers pivot to more meaningful occupations.

As with business resilience, this work would require capacity to nurture strong relationships with local and regional partners. The County's actions could include enhanced support for successful partner programs, convening of workforce stakeholders, advancing new policies that support workers, leadership for a countywide workforce strategy, and the creation or consolidation of workforce development programs.

### Sample Action: Upward Economic Mobility of Workers

Example: Developing a Workforce Development Strategy

Washington County already supports several efforts aimed at upward mobility of workers. These efforts include funding for pre-apprenticeship programs, youth career exposure camps, and job coaches, among others. The County works closely with partners on these efforts including Worksystems, Inc., Portland Community College, school districts, local cities, and a range of community-based organizations. An additional step towards supporting workers would be to focus internal capacity on aligning existing programs and developing—with partners—a county-wide workforce development strategy that clearly articulates the County's workforce goals and desired outcomes. This strategy would provide more clarity about the County's current workforce efforts, provide a foundation for future coordination with partners, and assist with acquiring outside funding.

3. Place-Based Strategies for Economic Growth. The management of land assets and the development of efficient infrastructure systems are fundamental to a well-functioning economy. The County manages many of these assets, from County-owned transportation infrastructure to land use regulations in unincorporated areas. Through its relationship with special districts and local cities, it also convenes and coordinates with stakeholders that manage land and infrastructure systems countywide. The County can promote equitable economic growth by addressing how land and infrastructure systems are aligned with the realities of the private market and the needs of communities. This work can be hyperlocal, like with a public/private partnership that supports a catalytic new mixed-use development or construction of bikeways, sidewalks, and safe intersections between underserved communities and schools and job centers. It can also be broad and countywide, such as land use policies designed to support the development of affordable housing, improved transit service, and/or business growth nearby underserved neighborhoods.

This work can be advanced by looking for opportunities to integrate economic development with existing land use, transportation, and housing programs. These efforts could take the form of shared policy initiatives, joint projects, grant application support, and studies that identify land use and infrastructure system investments that leverage each other to achieve equitable economic outcomes.

# Sample Action: Place-Based Strategies for Economic Growth *Example: A Brownfields-focused Redevelopment Program.*

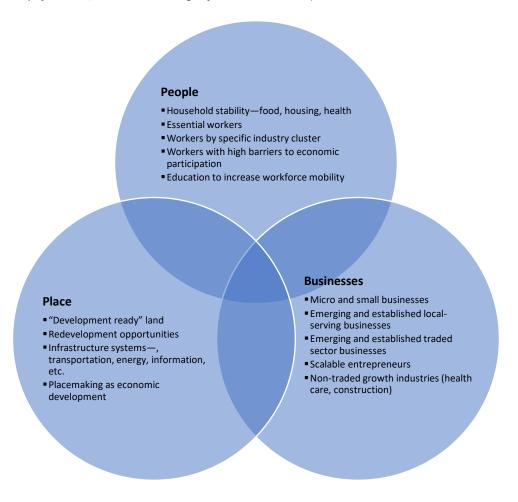
Investments in land and infrastructure are fundamental elements of economic development. Turning unproductive land, such as an abandoned mill site, into new development can provide a location for a new business and everything that comes with it—jobs, spending, and tax revenues. Local governments, including counties, can play a strong role in ensuring that land assets are used efficiently and to the benefit of the community. Local tools and programs such as tax-increment financing, improvement districts, and programs that help to finance the redevelopment of "brownfield1" sites can transform underserved areas to better meet the needs of the community. Washington County could undertake a more focused look at incentivizing the redevelopment of underinvested and unproductive lands in the county. This work could include a brownfield redevelopment effort coordinated with partner agencies that have existing programs, such as <u>Business Oregon</u>, <u>Metro</u>, and the <u>State Department of Environmental Quality</u>.

<sup>&</sup>lt;sup>1</sup> The term "brownfield" refers to real property (land) that contains or potentially contains hazardous substances, pollutants, or contamination. The presence or suspected presence of these materials inhibits the redevelopment of the property.

### Intertwined Economic Development Focal Areas

Simplifying these three focal areas results in a discussion of people (upward mobility of workers), business (resilient business systems), and place (place-based growth strategies). Each of these three focal areas would contain distinct and focused actions but will rely on the interconnected system of actions present in the other areas. For example, workforce development falls well into the People dimension, but successful workforce projects are also tied to the needs of private enterprise (Business) and require coordination with place-based investments, such as business incubators and training centers (Place). As the economic development program moves forward, Washington County will look for opportunities whereby focused projects intertwine and, in doing so, enhance the broader ecosystem that is the local economy.

Exhibit 1. Intertwined Economic Development Focal Areas - Simplified Example (Resilient Business Support Systems, Upward Economic Mobility of Workers, Asset-Based Strategies for Economic Growth)



### Work Plan

The following pages contain the list of tasks that economic development staff propose to advance in the coming year.

#### Guide to the Work Plan Matrix

There are seven columns in the work plan matrix. Here is a summary that describes the information in each column.

- Action. A summary of the Action.
- Action Category. This column has three options: Foundational, on-going, and Deliverable. The idea is to convey the multiple types of work to be carried out. <u>Foundational</u> refers to work that is focused on setting up the Washington County economic development program. <u>On-going</u> refers to work that is cyclical in nature and will be on-going. <u>Deliverable</u> refers to discrete and time-bound tasks.
- Desired Outcomes. A summary of the task's primary goals.
- People, Business, Place. This categorization shows how the action aligns with the focal areas of the economic development framework.
- How can this task address equity? Equity is central to the framing of this work plan. It is a starting point that should inform the focus on the work and the process and methods used to carry out the work. This column asks the question about how the action can address equity as a basic way to re-center equity in the work. In this way, the intent is to promote discussion about how the action aligns with the County's equity goals.
- What resources and partnerships are required? This section describes the known resources needed to successfully undertake the action.
- **Timing**. A description of the time limitations of the action.

#### Washington County Economic Development – 2022 Priorities

The advancement of Economic Development at Washington County presents a unique opportunity to initiate original and innovative work to support people, businesses, and places across the county. Done responsibly, this important work will require the input, cooperation, and buy-in from a full range of stakeholders. To that aim, this year's work plan is intently focused on building relationships and strengthening forums for collaboration.

In addition, the unique challenges of the COVID-19 pandemic and its associated economic impacts call for immediate and vigilant attention. A core focus of this year's work will be to address pandemic-related challenges, helping businesses and workers emerge in a better position than they started.

Presented here are the priorities for 2022:

- Promote an Equitable Economic Recovery. The County has an important role to play in supporting the equitable economic recovery of the local economy. Federal stimulus dollars, allocated to the County and to local cities, can be used with some flexibility to stabilize businesses, reinforce business support systems, strengthen the local workforce, and develop resilient infrastructure. A large portion of staff capacity this coming year will be dedicated to coordinating economic recovery efforts.
- Build a Strong Organizational Foundation. During this year, staff will work with stakeholders, both internal and external to the County, to identify and establish policies, protocols, and methods that align with the expectations of the BCC and the capacity and resources available. Included in this work will be a focused look at engagement with County partners that helps to advance equitable economic development. Ongoing and meaningful engagement is essential for understanding the broad and diverse community needs, desires, and potential solutions.
- Build Relationships and Seek Partnership Opportunities. The EDM position at Washington County was created, in part, to address the needs of the county's smaller cities and urban unincorporated areas, and also to lend capacity and an equitable economic development lens to ongoing multi-partner projects. To that end, capacity will be dedicated in service of these needs in the coming year. Examples of this type of work include coordination with the County's Land Use and Transportation (LUT) group, participating in advisory committee meetings for small city projects, and outreach to urban unincorporated area stakeholders.

## Work Plan

Action	Action Category (Foundational, On-going, Deliverable)	Desired Outcomes	People, Business, Place	How can this action address equity?	What resources and partnerships are required?	Timing
Deploy and Manage COVID Economic Recovery Activities < <priority action="">&gt;  The County and cities within the county will be receiving American Rescue Plan (ARPA) funds specifically set-aside for business relief, workforce development, and other economic recovery efforts. Other economic recovery funding may also be available from the state and federal government. Working in collaboration with internal and external stakeholders, staff will manage economic recovery efforts.</priority>	On-going (through 2024)	<ul> <li>Local businesses and entrepreneurs have access to support and capital needed to manage and thrive through the pandemic.</li> <li>One-time investments are leveraged to support transformational changes for the local economy.</li> <li>COVID-impacted workers are able to access better opportunities.</li> </ul>	People, business, and place	The County developed an equity-focused framework to guide economic recovery efforts.	Primarily ARPA funded. Multiple partnerships are fundamental to the success of this work.  Additional staff capacity brought on via ARPA will be essential for carrying out this work.	2021 through 2024
Economic Data and Business Connections Study < <priority action="">&gt;  During the COVID economic recovery work of 2020, the County found that it needed better data systems to track businesses within the county, especially those in urban unincorporated areas. This proposed study will consider how the County might leverage existing data systems or create a new system to track and understand local business and economic trends.</priority>	Foundational, Deliverable	<ul> <li>Clarity regarding current data collection methods and knowledge gaps.</li> <li>Defined options for economic and business data systems that the County might consider implementing.</li> </ul>	Business	The study could use an equity framework aimed at understanding the disparities present with businesses in underserved communities.	Current staff capacity and economic development funds should be sufficient.	Winter/Spring 2022
Explore Community Engagement Options < <priority action="">&gt;  With a strong focus on equity, staff will explore options to stand up ongoing economic development focused engagement opportunities with stakeholders.</priority>	Foundational	Identification of authentic methods to better engage with local community members and businesses.	People and business	Working with the Office of Equity, Inclusion, and Community Engagement (OEICE) this task will identify ongoing methods for collaborative work with community partners.	Current staff capacity and economic development funds should be sufficient.	Winter/Spring 2022
Workforce Development  Coordinate with partners, both internal and external to the County, on consolidation and alignment of existing and upcoming workforce investments.  Address COVID economic impacts to workforce through County's ARPA allocation.  Consider advancement of a workforce strategy for county residents and businesses.	Foundational, on- going	<ul> <li>Increased focus on career development and pipeline systems.</li> <li>Partnership development to leverage existing resources and pursue new opportunities.</li> <li>Increased investments in local workforce system by and with partners to provide more accessible options for local workers.</li> </ul>	People	Working with OEICE and others, staff is seeking ways to center equity with the County's workforce development investments. Further work is needed to maintain and enhance equity-focused outcomes.	Resources, both staff capacity and funding, will be needed.  Additional staff capacity brought on via ARPA will be essential for carrying out this work.	On-going

Action	Action Category (Foundational, On-going, Deliverable)	Desired Outcomes	People, Business, Place	How can this action address equity?	What resources and partnerships are required?	Timing
Small Business and Entrepreneur Ecosystem Support Working closely with CBOs, staff will look for opportunities to foster a strong, interconnected, and resilient system of business and entrepreneur support organizations.	Foundational, on- going	Strengthen network of collaborative business support organizations.	Business	Expand and build relationships with underserved business communities both directly and through connects to community-trusted organizations.	Resources, both staff capacity and funding, will be needed.  Additional staff capacity brought on via ARPA will be essential for carrying out this work.	On-going
Explore Options for Place-Based Investment Opportunities  Working closely with partners, and considering the County's ARPA allocation, County staff will consider strategic place-based investments to promote economic growth.	Foundational, on- going	Varies by project.	Place	Consider options to integrate economic development with the work of culturally specific CBOs, affordable housing developers, and others with development expertise and equity-driven missions.	Resources, both staff capacity and funding, will be needed.  Additional staff capacity brought on via ARPA will be essential for carrying out this work.	On-going
Partner Collaboration  Seek to develop strong collaborative relationships with partners. Represent the County in economic development forums at the local, regional, and state level.	Foundational, on- going	Strong collaborative relationships with multiple scales of organizations.	People, business, place	Work in collaboration with community-based organizations and other equitable economy partners to build strong relationships with underserved communities, to understand and elevate community needs and desires in policy forums.	Current staff capacity and economic development funds should be sufficient.	On-going
Cross Department Collaboration  Develop methods to intertwine economic development with other county functions.  Seek collaborative approaches to projects and programs with other County departments such as Land Use and Transportation (LUT), Housing, and Community Development.	Foundational, on- going	<ul> <li>Better integration of County departments to leverage existing resources and capacity.</li> <li>Exploration of shared initiatives to meet multiple goals.</li> </ul>	People, business, and place	Work with County departments to identify, elevate, and advance equity best practices.	Varies depending on depth and scope of collaboration.	On-going
Small City and UUA Support  Provide on-going technical support to the County's smaller cities and unincorporated areas.  Support for smaller cities and UUAs will vary depending on the scope of each task. This work could include advice regarding select projects or program development, economic development committee or technical advisory committee participation, or coordination with the convening of stakeholders.	Foundational, on- going	Increased support and capacity for small cities and UUAs—areas with little or without economic development support.	People, business, and place	This task focuses on the smaller of the county's cities and urban unincorporated areas. Many of these areas have disproportionately higher rates of poverty than other parts of the county. County staff can work with city staff and/or other county departments to identify a suitable equity approach to this work.	Varies depending on depth and scope of collaboration.	On-going

### A Look Ahead

As described herein, there are many opportunities and needs for economic development in Washington County. Beginning in the Summer of 2022, economic development staff will begin to outline the work plan for the coming years. It is anticipated that additional work will be necessary to address issues that arise through our conversations with the BCC and economic development stakeholders. Ultimately, economic development staff recommends that the County consider a process to create a countywide economic development strategy. Through a strategy process, the County—and partners—can better define their roles in the local economy. And in doing so set a framework to align capacity and resources to strive for shared goals and a more prosperous and resilience future.