

Cowlitz-Lewis Economic Development District

2009 Annual Report

1. Adjustments to the Comprehensive Economic Development Strategy

Adjustments to the CEDS to take advantage of unforeseen opportunities or to address unexpected problems

In 2009, the EDD completely overhauled the 2008 CEDS Report due to the economic conditions within the region. Through an abbreviated meeting schedule, the CEDS committees met and discussed the need for the addition of projects that were or may be seeking EDA funding. The CEDS adjusted many of the 2008 projects regarding timelines and budgets, eliminating a few projects either completed or deleted by the jurisdiction, and added approximately 25 new projects to the list.

The need to revise the 2008 CEDS report was requested by the EDD when unemployment doubled in 2009 from the previous year, increased layoffs, bankruptcies and the American Recovery and Reinvestment Act was implemented due to national economic conditions. Cowlitz and Lewis counties still have approximately twice as high unemployment than the state of Washington and the national average. The EDD board felt these conditions needed to be reflected in the 2009 CEDS revision.

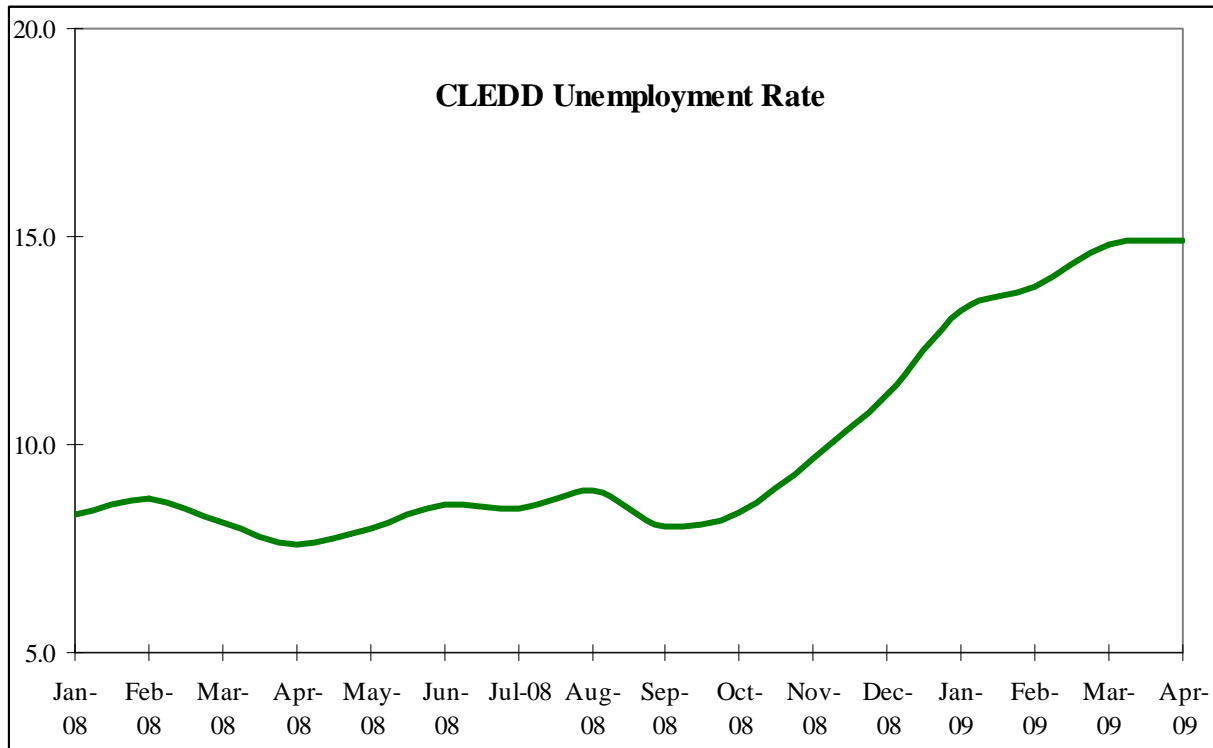
Additionally, the 2009 CEDS projects are correlated to specific goals and objectives in the revision. Also, the goals and objectives portion provides a count of the total number of projects that are allocated to serving that specific goal and/or objective. This will provide, during annual reviews and updates, an opportunity for the EDD board to focus on projects that are underserved in specific goals and/or objectives.

2. Report on Economic Development Activities

Report on previous year's activities and significant economic changes within the region.

The 2008-2009 economic year has provided the region some of the most difficult economic conditions in the last decade. Cowlitz and Lewis counties have topped the highest unemployment rates, hit by another natural disaster in December 2008-January 2009, had increased layoffs within the natural resource production, construction and manufacturing industries, and have had increased budgetary difficulties for the governmental entities, school districts, service providers and non-profit agencies.

Figure 1: Unemployment Rates for CLEDD



The CLEDD launched a website prototype in 2008 (www.cwcog.org/cledd) to provide information to prospective businesses; data for our members and communities including demographics and socio-economics; materials, minutes, agendas and reports for committee and board members; links to our members web pages; and the CEDS draft report to solicit comments electronically. We have begun publishing via the web, a semiannual market index analysis of the region. The market index analyzes leading, coincident and lagging indicators each month. The market index will be an addition to the CLEDD website soon with the update of the CLEDD website in the summer of 2009.

The CLEDD continues to examine options to assist in workforce development with its regional partners. As identified in the 2009 CEDS, workforce development, training, entrepreneurship, and apprenticeships are goals for assisting businesses and residents to find family wage, higher skilled jobs in the region. Other efforts continue regarding transportation, trails, community development, and infrastructure projects.

The following are the items provided in the 2008-2009 scope of work in the EDA grant and the projects and actions that have been committed to completing these work items.

1. Analyze and communicate around the region the characteristics, trends and resources of regional and community economies through elements of a Community Economic Development Strategy, at general and special meetings, and in newsletters and publications of the Council of Governments and the Cowlitz and Lewis Economic Development Councils.

COG staff provided data and information updates through the CLEDD website and the CWCOG newsletter regarding EDA news, meeting and information release pertaining to the CEDS

process and significant regional statistics from census, unemployment, labor, housing, transportation sources. In addition, staff has provided the CLEDD Board and CEDS committees with biannual market index analysis in January and June 2009. Staff has also arranged Funding Forums, due to the ARRA stimulus funding, available to all the jurisdictions, service providers and non-profits to meet with the U.S Department of Agriculture and Washington State Community, Trade and Economic Development (now the Department of Commerce) regarding new and on-going funding availability, answer questions and provide updates. Also, EDA representative, Jacob Macias, met with jurisdictions to review potential projects regarding the stimulus funding and reviewing requirements of projects or plans with jurisdictional staff for project submission. This meeting led to two projects being submitted to EDA for consideration.

2. Thoroughly update the Cowlitz-Lewis Comprehensive Economic Development Strategy (CEDS), including the data base and regional economic indicators to create the most accurate, timely profile of the region and the strategies needed to address its economic improvement.

Due to the unprecedented events in 2008 regionally and nationally, the CLEDD board and staff felt that the 2008-2013 CEDS report did not well reflect the current state of the region's economy. The 2008 CEDS report showed, for example, unemployment rates at 7% yet, the region has experienced unemployment rates close to 15%. The national housing crisis and plummeting construction rates produced a regional demise in natural resource production, with wood mills and production plants laying off many employees, having rolling production stops for weeks at a time, and a storing surplus of wood products.

In February, CLEDD board members met to review the 2008 CEDS report to revise and update the report. Due to these economic developments and the additional twenty-five new projects, the CLEDD board recommended a complete revision. Though the region, illustrated in the market index, shows some improvements, the recession will potentially linger until housing and construction jobs and sales begin to show a more impressive improvement. Updates may be required as the markets improve over the next five year life cycle of the CEDS report.

3. Review and implement changes to the EDD board structure and other features and procedures of the EDD to comply with EDA's Interim Final Rules.

Currently, the CLEDD Board has a three-member committee reviewing CLEDD bylaws that will be reviewed and voted on at the fall meeting. Within the bylaws, changes in the board and the committees may be required to meet the EDA standards. In addition, more private business owners are being sought to sit on the CLEDD board. Changes to the board should be completed in 2009.

4. Respond to changes in the regional, state, national and international economies by collaborating and coordinating with local, state, federal and non-profit agencies and individuals to derive, enhance and implement effective economic development strategies.

COG planning staff maintains a data base of available programs to assist in the implementation of economic development projects. We respond to information requests with a customized list of agencies and other potential funders specific to their project needs. COG planning staff provides

information to the EDCs and other interested organizations regarding regulatory or program changes that may affect potential projects or economic incentives. COG staff attends regional economic development meetings including Washington Economic Development Association meetings and will be attending the Washington State Department of Commerce Economic Development 101 Conference in August 2009 as part of the International Economic Development Association workshops and trainings. Staff has also attended meetings regarding stimulus funding within economic development and energy. This year, staff attended the Washington State Main Street Conference for the rural cities in the region.

The COG director participates in multi-agency collaborations, such as those between the EDC, the Workforce Investment Board, the Work Source centers, Lower Columbia College, chambers of commerce, among others. The COG director attends regional EDA meetings, when accessible, and attends national conference events relating to economic development planning efforts and approaches through the National Association of Regional Councils and National Association of Development Organizations.

5. Enhance data gathering, analysis and dissemination using GIS-type applications, tabular data and regional economic indicator projections.

Provide assistance to improve economic opportunities in areas of the EDD region that are lagging behind regional and state growth activity, especially the smaller cities and timber and resource impacted communities in the region. COG staff has explored and identified potential program funding sources to assist smaller jurisdictions with implementation of economic recovery plans funded through the U.S. Forest Service. These plans are oriented towards reducing timber dependence and diversification of the local economy. Some hurdles remain with eligibility of unincorporated communities and the depleted status of Forest Service community assistance funds. Alternatives through various state programs and new legislation are being pursued due to limited federal resources. COG has explored alternative sources of local funds to expand economic development activities, particularly for small jurisdictions within the EDD. These contacts are continuing.

6. Improve economic opportunities in areas of the EDD region that are lagging behind regional and state growth activity, especially the smaller cities and timber and resource impacted communities in the region.

Projects and planning elements were sought from the smaller communities in the CLEDD region due to the dramatic impact of the national and regional economic trends. Due to the continued decrease in natural resource, manufacturing and construction jobs, the seeking of potential new industries has become a significant in the region. The EDC's continue to seek out new industries for siting at the ports and in industrial zones. The COG continues to meet with the smaller communities to map out economic development opportunities. Efforts continue for the siting of potential skills centers and workforce development opportunities. Also, we assist with infrastructure, planning and development grants and identifying industries that would prosper in these communities.

7. Improve public infrastructure development and conditions in support of economic development

in local communities.

Staff provides technical assistance to local governments who are seeking appropriate sources of funds for projects that will generate economic growth. The COG is part of GrantStation that provides grant seeking opportunities as well as assistance. Local governments, COG members and EDD representatives are kept up-to-date with proposals affecting programs that support economic development. Through the projects and planning elements in the 2008 CEDS, there are several large infrastructure plans identified. COG staff assists area jurisdictions in many ways to maximize infrastructure opportunities.

8. Improve opportunities for minority, female, the unemployed and others in economic development planning and strategy development activities.

Membership of the Economic Development District Board and the CEDS Committee is reviewed periodically to assure maximum participation by minorities, females, unemployed and other under-represented groups. This involves collaboration with groups such as the Lower Columbia Community Action Program, the Lower Columbia Ethnic Support Council, and other minority associations. This year, the CEDS Committees sought minority, female and under-represented members and will continue to seek out members in the region for additional representation.

9. Assist existing businesses so as to maintain and enhance their operating viability.

EDD staff, stationed in Lewis County, conducts research and provides services and resources to existing and potential new businesses and industries. The Lewis County EDC operates The Lending Network which provides direct assistance to businesses in Lewis and Cowlitz counties (excluding City of Longview), in need of resources for business start-up and expansion. The COG director and staff serve the review board for the City of Longview's revolving loan fund for economic development. COG staff provides census, economic and related data to assist businesses in developing business and expansion plans. The EDCs participate in trade shows, focusing on industries and businesses that fit the workforce and demographic profile and existing and potential economic clusters of the region.

10. Participate on local and regional transportation planning committees to promote improvements to area transportation facilities and systems.

EDD staff, board and committee members serve on and participate regularly at meetings and projects of several transportation policy and technical groups in the region. Emphasis continues to be with making improvements to existing roads, arterials, bridges, local airports and rail systems to improve flow and capacity for the movement of goods, customers and employees. Improvements to the region's national rail system are a high priority and is directly related to maintaining the region's competitiveness.