

**General Discussion: February 16, 2016**

**9:00 a.m. – BCC Conference Room**

Commissioners Cheryl Walker, Keith Heck, and Simon G. Hare; Terri Wharton, Recorder

*Chair Cheryl Walker called the meeting to order at 9:00 a.m.*

**1. SOREDI's Annual Report**

Ron Fox, Executive Director of Southern Oregon Regional Economic Development Inc., distributed **Exhibit A – Josephine County Report 2015** and reviewed it with the Board. He discussed the need of industrial property in Josephine and Jackson Counties and said it is a critical factor. He shared a new program called the Virtual Building Program where they create a building on paper that can be built on one or more sites in the region. He mentioned the four top areas that are concerns/questions from companies coming into the area:

- Skilled workforce
- Collaboration among businesses
- Ready and available parcels of land for expansion
- Transportation, highway, rail, aviation, freight, etc.

Mr. Fox explained that SOREDI is now inviting teaching staff and administrators from the high schools to help educate the students to prepare for the upcoming workforce. He thanked the Board for their support of the Edge Program.

**2. Referring to Josephine County Voters at the May 17, 2016, Primary Election an Advisory Question on Public Safety Agreement**

Commissioner Walker advised she took the latest redline version of the Advisory Question to Wally Hicks, County Legal Counsel, to clarify some of the "government language" and will bring it to the Board at the next Administration Workshop. Commissioner Hare distributed **Exhibit B – Explanatory Statement for Voters' Pamphlet** for the Board's review.

**3. Other (ORS 192.640(1) ". . . notice shall include a list of the principal subjects anticipated to be considered at the meeting, but this requirement shall not limit the ability of a governing body to consider additional subjects.")**

The Board discussed having a presentation at a Weekly Business Session from Guy Tauer, Economist; Ron Fox, SOREDI Executive Director; and Peter Angstadt, RCC President to discuss Economic Development as it relates to the workforce. The Board agreed and directed staff to schedule it when there is a short WBS agenda giving each person 10 minutes to speak and present.

The meeting adjourned at 9:57 a.m.

**EXHIBITS**

**Exhibit A – Josephine County Report 2015**

**Exhibit B – Explanatory Statement for Voters' Pamphlet**



# Josephine County Report 2015

EXHIBIT A  
General  
2/16/16

Economic Development Activity	2015	Two yr. Totals
<b>Existing Business Support - PROSPER!</b>		
Outreach visits to existing businesses	40	82
Technical Assistance provided to existing businesses	9	17
Expansions/startups projects completed (these represent companies SOREDI assisted with enterprise zone, loan, or technical assistance, ie, Krauss Craft and Allcare Health)	2	4
<b>Recruitment Activity – RELOCATE!</b>		
• New prospective projects generated	17	27
• Projects which located in Josephine County	0	0
• Projects considering Josephine County	5	15
• Site visits made to Josephine County – Project MKN	2	3
• Jobs related to location projects	0	0
<b>Enterprise Zone-Rogue Enterprise Zone covers Grants Pass &amp; Josephine County</b>		
• Consultations	3	9
• Applications processed	2	5
• Private investments related to Enterprise Zones	\$17,700,00	\$23,815,000
• Jobs related to private Enterprise Zone investments	26	221
• Per job private investment related to E-Zone	\$6,807,000	\$3,419,180
<b>SORED Business Loan Program</b>		
• Loan consultations	10	30
• Loans made (90 total since inception)	3	5
• Amount Lent (\$7,088,503 in Josephine County since inception)	\$161,439	\$332,939
• Jobs created/retained (824 created/ 1008 retained since inception)	34 / 36	64/36
• Per job investment, SOREDI loans	\$4,748	\$5,233
• Private investment associated with SOREDI loans made	\$692,621	\$170,201
• Per new job private investment associated with SOREDI Loans	\$19,784	\$26,715
<b>SORED Entrepreneurial Development – LAUNCH!</b>		
Sounding Board entrepreneurs	15	N/A
Entrepreneurs referred for mentor or coach consulting	5	N/A
Entrepreneurs receiving capital investment	0	
<b>Overall Impacts of SOREDI Activities in Josephine County</b>		
Average wage per year, Josephine County	\$33,216	\$31,831 ('14)
Overall regional private investment with relationship to SOREDI	\$18,554,060	\$34,240,140
Total jobs created (expansions, loan clients, E-Zone)	60	435
Wage impact (jobs x avg. yearly wage)	\$1,992,960	\$14,147,940

December 2015

#1

San Jose

2015

# Best-Performing Cities

Where America's jobs are  
created and sustained

#2

San Francisco

*California's tech titans top the charts*

Ross DeVol, Minoli Ratnatunga, and Armen Bedroussian

 MILKEN INSTITUTE

December 2015

2015

# **Best-Performing Cities**

Where America's jobs are  
created and sustained

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Ross DeVol, Minoli Ratnatunga, and Armen Bedroussian



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## RANKINGS BY COMPONENT

City	2015 Rank	2014 Rank	City	2015 Rank	2014 Rank	2015 Rank						
43	78	35	Coeur d'Alene, ID	37	12	161	16	4	140	193	79	80
-6	30	36	Barnstable Town, MA	61	85	97	54	78	57	89	32	26
-12	25	37	Fond du Lac, WI	63	93	114	66	103	8	14	48	9
41	79	38	Kokomo, IN	9	48	189	34	96	32	109	31	48
53	92	39	El Centro, CA	17	9	77	40	28	120	160	185	177
27	66	39	Grand Forks, ND-MN	40	115	15	84	49	85	21	147	125
-24	17	41	San Angelo, TX	28	72	20	51	51	147	190	86	125
56	98	42	Flagstaff, AZ	112	107	78	30	54	5	58	43	125
39	82	43	Rapid City, SD	72	87	30	85	84	43	32	125	80
6	50	44	Billings, MT	108	140	31	89	18	56	3	91	80
-23	22	45	Longview, TX	32	80	21	65	82	113	102	111	125
-28	18	46	Houma-Thibodaux, LA	33	61	13	2	198	40	104	179	80
-1	46	47	Tyler, TX	73	49	103	95	63	35	123	54	48
15	63	48	Yakima, WA	136	102	43	50	15	17	55	138	125
90	139	49	Macon, GA	84	40	124	46	138	52	9	70	48
N/A	New	50	Gettysburg, PA	78	90	101	28	125	15	40	107	48
-14	37	51	State College, PA	109	125	25	74	79	67	140	16	9
-39	13	52	Dubuque, IA	34	122	18	155	87	7	159	63	9
-46	7	53	Morgantown, WV	35	126	7	53	174	94	67	72	48
21	75	54	Lewiston, ID-WA	79	66	99	20	129	14	94	99	80
44	99	55	Lawrence, KS	120	45	112	70	115	4	1	65	80
N/A	New	56	Grants Pass, OR	86	10	180	142	52	91	11	8	26
10	67	57	Mount Vernon-Anacortes, WA	54	31	111	19	171	63	70	136	48
25	83	58	Sherman-Denison, TX	71	96	42	21	137	102	76	58	125
50	109	59	Longview, WA	64	7	74	32	143	134	64	142	125
-37	23	60	Sumter, SC	62	70	23	144	105	110	27	88	80
47	107	60	Hot Springs, AR	153	118	76	111	35	2	4	41	80
-22	40	62	Crestview-Fort Walton Beach-Destin, FL	66	77	45	62	102	188	179	20	26
-54	9	63	Greenville, NC	81	104	32	102	122	64	88	5	80
60	124	64	Idaho Falls, ID	95	35	146	112	6	171	111	4	48
-6	59	65	Battle Creek, MI	55	50	113	63	42	122	16	173	177
N/A	New	66	Manhattan, KS	42	117	98	189	7	34	8	116	80
N/A	New	67	Walla Walla, WA	143	44	62	92	97	98	74	29	80
22	90	68	Sheboygan, WI	133	43	141	41	68	41	45	139	80
-16	53	69	Lafayette-West Lafayette, IN	38	73	58	151	55	173	153	62	26
-44	26	70	St. Cloud, MN	47	69	46	64	167	50	161	120	48
67	138	71	Redding, CA	83	30	187	122	37	99	18	96	48
32	104	72	Sioux City, IA-NE-SD	107	88	85	35	25	109	119	164	125
42	115	73	Prescott, AZ	92	14	190	42	27	123	188	143	26
-14	60	74	Bowling Green, KY	19	75	89	56	113	133	79	170	125
N/A	New	75	California-Lexington Park, MD	90	144	6	175	80	87	108	3	26
40	116	76	Pittsfield, MA	110	105	156	78	46	96	81	24	26

# Complete Results

## 2018 Best-Performing School List

### RANKINGS BY COMPONENT

Change	2018 Rank	2017 Rank	School	Math	Reading	Science	Writing	History	Art	Physical Education	Music	Foreign Language	
	0	1	1	Fargo, ND-MN	8	20	5	27	67	26	52	50	26
	2	4	2	Bismarck, ND	10	58	4	8	12	33	26	89	80
	11	14	3	Ames, IA	24	19	48	45	10	11	53	103	48
	37	41	4	Janesville-Beloit, WI	58	56	63	3	22	1	6	55	48
	7	12	5	Odessa, TX	2	2	3	15	19	54	17	196	177
N/A	New	6	The Villages, FL	4	8	2	1	57	76	22	175	125	
-5	2	7	Columbus, IN	5	23	14	178	2	10	23	47	26	
38	46	8	Bend-Redmond, OR	15	3	160	6	3	12	163	12	4	
26	35	9	Logan, UT-ID	23	28	52	36	77	69	82	10	4	
0	10	10	Auburn-Opelika, AL	11	25	61	44	16	13	80	140	80	
-5	6	11	Midland, TX	1	1	1	4	26	62	191	188	125	
32	44	12	Elkhart-Goshen, IN	3	15	53	12	1	198	92	133	48	
11	24	13	Sioux Falls, SD	20	46	19	49	33	74	86	71	125	
29	43	14	Wenatchee, WA	77	24	50	18	20	18	10	109	177	
-12	3	15	Victoria, TX	13	33	9	7	34	58	100	166	177	
13	29	16	Napa, CA	12	13	83	17	23	83	187	64	80	
3	20	17	Jonesboro, AR	22	52	24	75	9	16	133	74	125	
18	36	18	Bellingham, WA	57	59	36	37	30	92	180	9	4	
-8	11	19	Columbia, MO	25	153	10	39	62	6	91	38	26	
31	51	20	St. George, UT	7	4	116	14	65	48	12	97	177	
60	81	21	Chico, CA	46	41	80	25	38	29	43	100	125	
-14	8	22	College Station-Bryan, TX	30	37	12	31	165	24	29	60	125	
N/A	New	23	Daphne-Fairhope-Foley, AL	39	18	118	26	53	23	33	148	80	
-19	5	24	Iowa City, IA	31	92	22	38	40	112	173	49	26	
20	45	25	Winchester, VA-WV	16	74	49	47	17	97	78	145	80	
42	68	26	Yuba City, CA	127	34	72	33	47	30	46	85	26	
62	89	27	Gainesville, GA	14	22	107	22	31	150	71	121	80	
63	91	28	Medford, OR	85	53	134	24	13	66	151	23	9	
10	39	29	Burlington-South Burlington, VT	60	145	34	58	21	84	141	7	26	
63	93	30	Monroe, MI	27	63	126	13	41	22	66	146	125	
11	42	31	Charlottesville, VA	56	26	51	81	83	124	113	46	26	
37	69	32	Madera, CA	49	16	55	9	178	65	38	110	80	
-14	19	33	Cheyenne, WY	52	79	26	61	101	71	37	113	80	
36	70	34	Lake Charles, LA	44	6	127	60	8	103	54	171	125	

## ABOUT THE MILKEN INSTITUTE

A nonprofit, nonpartisan economic think tank, the Milken Institute works to improve lives around the world by advancing innovative economic and policy solutions that create jobs, widen access to capital, and enhance health. We produce rigorous, independent economic research—and maximize its impact by convening global leaders from the worlds of business, finance, government, and philanthropy. By fostering collaboration between the public and private sectors, we transform great ideas into action.

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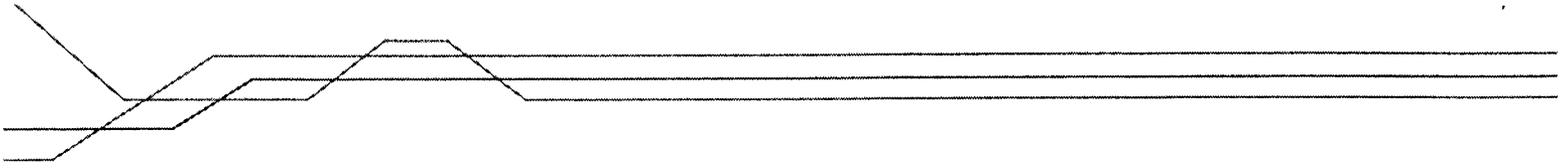
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## ON THE WEB

For data on each city, go to [www.best-cities.org](http://www.best-cities.org)





# Executive Summary

What drives the economic momentum of the most dynamic metros in the United States? Each year, the Milken Institute's Best-Performing Cities report identifies the latest trends and most relevant factors powering regional growth. Our index uses a comprehensive, fact-based set of criteria to rank the nation's metropolitan areas. Among them are job creation, wage gains, and technology trends that shape current and potential patterns of growth. For metros looking to craft cohesive economic strategies, the report provides valuable data and insight.

Here are highlights of the 2015 rankings:

- » San Jose-Sunnyvale-Santa Clara, CA, reclaimed the No. 1 spot among large metros after having placed No. 4 for two years in a row (2013 and 2014). Research, patenting, and commercial application aided by early-stage risk capital are key elements of this metro's thriving ecosystem for entrepreneurship.
- » California secured six of the Top 25 slots among large metros, the most in any one state. Four of them are in the tech-driven San Francisco Bay Area.
- » Colorado captured four spots in the Top 25 large metros, while Texas has three (compared with seven in 2014). Several Texas metros fell in the rankings because of the slowdown in shale-oil exploration. Nevertheless, the state still posted a strong showing, with two metros in the Top 5: Austin-Round Rock and Dallas-Plano-Irving.
- » Southern states (excluding Texas) held six Top 25 slots, with Raleigh, NC, leading them at No. 6. Madison, WI, and Grand Rapids-Wyoming, MI, are the only two Midwestern metros in the Top 25.
- » Fargo, ND-MN, retained its No. 1 position among small metros for a second year. Its well-diversified economy with strength in finance, insurance, health care, and higher education helped offset declines in shale-oil exploration.
- » Eight of the 25 biggest gainers were Florida metros, with Port St. Lucie climbing 98 spots from last year, the most of any metro. It placed No. 80 among large metros, aided by an influx of retirees and an increase in tourism.

This year's findings reveal how technology and oil again played significant roles in regional economies but in vastly different ways as those industries moved in opposite directions. The nation's tech centers are prominent among the index's top performers, as are cities that have experienced high technology growth rates. Conversely, the slashing of oil prices has undercut the economic performance of several metros whose fortunes are tied to shale-oil extraction.

In the United States overall, business and consumer spending on technology products and services is a powerful force in economic growth. Metros involved in designing and creating these products and services are growing most rapidly. Specifically, the composition of growth has shifted toward software and social media, and away from information and communication technology (ICT) equipment. In fact, businesses now spend more on software than on ICT equipment. This softer, creative side of high tech is spurring a renewal of many urban cores. Look to San Francisco, Seattle, Denver, and even New York City to see the extent

of this phenomenon. Witness, too, the contributions of science-based industries such as biotechnology, medical devices, and diagnostic and semiconductor equipment manufacturing.

These thriving sectors are in contrast to the shale-oil exploration industry. The decline in oil prices from roughly \$100 per barrel in September 2015 to around \$45 currently has rubbed the economic sheen off communities that benefited from the surge in hydraulic fracturing-driven oil exploration. Oil production has remained at elevated levels, but new exploration has dropped by more than 50 percent. The economics of U.S. shale-oil exploration are such that, for most projects to cover capital costs, prices needed to be around \$70 per barrel. Some oil deposits could be economically developed at oil prices substantially below \$70 and remain active areas of exploration. On the other hand, the lower price regime reveals the value of diversification: Several metros that branched out to other industries even when they were formally dependent on oil now continue to thrive. Here, think of Dallas, Denver, and San Antonio, among others.

Changes in the sources of national economic growth are affecting the relative performance of metropolitan areas of the nation. The macroeconomic story for 2015 has been stronger consumer spending and an acceleration in housing market activity largely offsetting the drag exerted by exports and energy-related capital spending. In the second quarter, consumers began to exercise the additional discretionary purchasing power afforded by lower gasoline prices. Consumer spending advanced at an annual rate of 3.6 percent in this period, followed by 3.2 percent in the third quarter. Housing market activity has experienced the most pronounced improvement thus far in 2015. Stronger job and wage gains, continued low mortgage rates, and slower home price appreciation are aiding affordability. Housing starts in September hit their second-highest level since October 2007, just prior to the financial crisis, at an annual rate of 1.206 million.

Despite some signs of slowing job gains over the past several months, labor markets are strengthening. Manufacturing employment has stalled in reaction to the rising dollar and the moderating growth overseas. However, professional and business services, construction, transportation and utilities, and leisure and hospitality services all have experienced more rapid employment gains. Professional and business services include scientific research, engineering, accounting, and legal services. In September, jobs in professional and business services were 3.8 percent above September 2014. These are high-skilled positions that command higher compensation and aid gains in wages. With new-home construction and commercial building recovering, construction employment rose 3.7 percent year-over-year in September. Consumers are purchasing more travel and tourism services, and leisure and hospitality witnessed year-over-year job gains of 2.9 percent. These influences are evident in the best-performing cities and biggest gainers.

## 2015 BEST-PERFORMING LARGE CITY

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San Jose-Sunnyvale-Santa Clara, CA, reclaims the top spot, which it last held in 2012. The economy of the San Jose metro division has been red-hot, demonstrating how an innovation-fueled ecosystem can overcome high costs of doing business and a restrictive regulatory environment. San Jose had the highest job growth rate in the nation in 2014 (4.6 percent) among metro areas with a population exceeding 1 million. Its relative job growth has accelerated in 2015. In the 12 months ending August 2015, San Jose's job growth was the second-highest among the nation's 200 largest metropolitan economies.

High-tech hardware continues to play a prominent role in the metro's success, contributing to the rise in manufacturing employment of 25 percent since the recovery from the Great Recession began. However, it is the high-tech service sector that has been the primary source of job growth in the region. Professional, scientific, and technical services added 8,700 jobs (7.0 percent growth) in 2014. Recent data suggests that

the pace of growth accelerated in 2015. Other information services had a job gain of 6,400 (23.6 percent) in 2014 and saw employment double in the five-year period measured. Data processing, hosting, and related services recorded job growth of 5.1 percent in 2014. Patent registrations hit 17,000 in 2014—reaching a new record. Venture capital investments increased to \$9.8 billion—the highest total since 2000. Average annual earnings were \$116,000 versus just \$61,500 for the nation overall. The metro also had 23 initial public offerings and 8,600 startups in 2014.

**TABLE 1. TOP 25 BEST-PERFORMING LARGE CITIES**

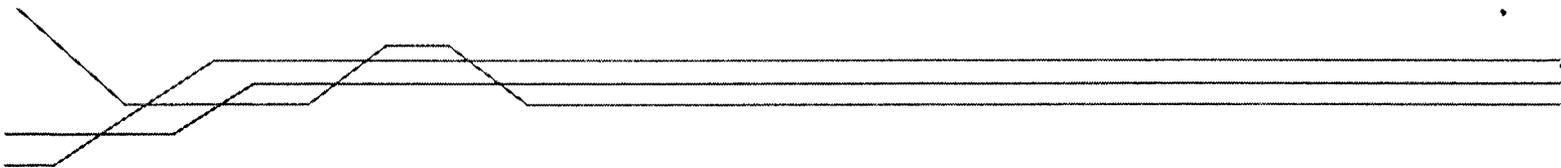
*Rank according to 2015 index*

Metropolitan statistical area (MSA)	2015 rank	2014 rank	Change
San Jose-Sunnyvale-Santa Clara, CA	1	4	+3
San Francisco-Redwood City-South San Francisco, CA	2	1	-1
Provo-Orem, UT	3	3	0
Austin-Round Rock, TX	4	2	-2
Dallas-Plano-Irving, TX	5	9	+4
Raleigh, NC	6	5	-1
Seattle-Bellevue-Everett, WA	7	11	+4
Portland-Vancouver-Hillsboro, OR-WA	8	16	+8
Greeley, CO	9	14	+5
San Luis Obispo-Paso Robles-Arroyo Grande, CA	10	24	+14
Salt Lake City, UT	11	6	-5
San Antonio-New Braunfels, TX	12	10	-2
Charlotte-Concord-Gastonia, NC-SC	13	23	+10
Fort Collins, CO	14	17	+3
Naples-Immokalee-Marco Island, FL	15	60	+45
Denver-Aurora-Lakewood, CO	16	12	-4
Charleston-North Charleston, SC	17	39	+22
Nashville-Davidson—Murfreesboro—Franklin, TN	18	15	-3
San Diego-Carlsbad, CA	19	22	+3
Madison, WI	20	30	+10
Grand Rapids-Wyoming, MI	21	25	+4
Boulder, CO	22	13	-9
San Rafael, CA	23	(new)	N/A
Fayetteville-Springdale-Rogers, AR-MO	24	49	+25
Santa Rosa, CA	25	121	+96

Note: List includes metropolitan divisions, the smaller geographic areas within the largest MSAs.  
Source: Milken Institute

## BIGGEST GAINERS

For the second year in a row, Florida and California have the highest number of metros that jumped the most in rankings. The single-largest factor for the improvement continues to be the recovery from the Great Recession's housing collapse, especially because the 2015 index's five-year performance measure now begins in 2009, dropping the 2008-2009 housing crisis period. Eight of the 25 biggest gainers this year are Florida metros, with Port St. Lucie climbing 98 spots from last year, the most of any metro.



# Introduction

The Best-Performing Cities index was designed to measure objectively which U.S. metropolitan areas are promoting economic vitality based on job creation and retention, the quality of new jobs, and other criteria. The index shows where employment is stable and expanding, wages and salaries are increasing, and economies and businesses are thriving.

Its goal is to help businesses, investors, industry associations, development agencies, government officials, academics, and public-policy groups monitor and evaluate the performance of metros where they work and do business relative to the rest of the country. The index also provides benchmarking data that can inform approaches to improving a region's performance. In addition, the index serves as a tool for understanding consumer markets and business opportunities.

With a shared understanding of their region's competitiveness, communities may create a strategic economic vision focused on industries with the capacity to stimulate sustained economic growth and prosperity. By targeting sectors where they have a robust competitive advantage, communities can seek to reduce the impact of future dips in the business cycle on local employment and economic activity. Regions that better link education and training programs to the workforce needs of employers can attract businesses and create more opportunities for residents. Developing new industries and companies will also require fostering entrepreneurship and innovation, through research institutions, incubators, and funding programs.

This 2015 edition applies the methodology used previously. We employ the geographic terms and definitions used by the Office of Management and Budget (OMB), updated to reflect changes made after the 2010 U.S. Census. The OMB defines a metropolitan statistical area (MSA) as a region generally consisting of a large population nucleus and adjacent territory with a high degree of economic and social integration, as measured by community ties. With these parameters, the agency identifies 381 metropolitan statistical areas. County population growth accounts for the creation of new MSAs. If specific criteria are met, an MSA with a single nucleus and a population of 2.5 million or more is further divided into geographic areas called metropolitan divisions (MD), of which there are currently 31 in the country. For example, three metropolitan divisions (Camden, NJ; Philadelphia, PA; and Wilmington, DE-MD-NJ) comprise the Philadelphia-Camden-Wilmington MSA. We include the smaller MDs in the index to reflect more detailed geographic growth patterns.

## AN EMPHASIS ON OUTCOMES

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Table 2 shows the components used to calculate the Best-Performing Cities rankings. The index measures growth in jobs, wages, salaries, and technology output over five years (2009-2014 for jobs and technology output, and 2008-2013 for wages and salaries) to adjust for extreme variations in business cycles. It also incorporates the latest available year's performance in these areas (2013-2014 for jobs and technology output, and 2012-2013 for wages and salaries). In addition, it includes a measure of 12-month job growth (August 2014-August 2015) to capture recent momentum among metropolitan economies.<sup>1</sup>

These metros all had experienced high home foreclosure rates, severe declines in home values, and a halt to new construction. Plus, as the economy began to recover, many retirees who had deferred moving to Florida have chosen to do so over the past couple of years. An expansion in travel and tourism spending also boosted the Florida metros. Las Vegas-Henderson-Paradise and Reno, NV, both also among the 25 biggest gainers, fit this pattern as well. Seven of the 25 biggest gainers are in California, with four in the Central Valley. Among them is Modesto, which had the highest foreclosure rate in the nation and was the epicenter of the sub-prime mortgage crisis.

## 2015 BEST-PERFORMING SMALL CITY

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Fargo, ND-MN, maintained its first-place ranking among best-performing small cities. While more recent job growth moderated in the metro, Fargo outpaced the national average in both job and income gains, most notably in the five years ending in 2014. The metro, which had benefited tremendously from North Dakota's decade-long oil boom, has relied on its diverse industry mix to help sustain growth in the region.

While the oil boom may have come to an end, it left behind abundant spillover in industries such as manufacturing and business services. Investors that had flocked to the metro to tap into the state's oil boom have engaged in startup opportunities across tech-related fields. Additionally, increased collaboration between universities in Minnesota and North Dakota has supported startup investment and new business partnerships. Even larger firms such as Microsoft are taking advantage of lower business costs in the state. Recently, the company announced plans to expand its existing facility in Fargo to promote its cloud-based services.

**TABLE 2. COMPONENTS OF THE BEST-PERFORMING CITIES INDEX**

Component	Weight
Job growth (I=2009)	0.143
Job growth (I=2013)	0.143
Wage and salary growth (I=2008)	0.143
Wage and salary growth (I=2012)	0.143
Short-term job growth (Aug 2014-Aug 2015)	0.143
High-tech GDP growth (I=2009)	[REDACTED]
High-tech GDP growth (I=2013)	[REDACTED]
High-tech GDP location quotient (2014)	[REDACTED]
Number of high-tech industries with GDP LQ>1 (2014)	[REDACTED]

Note: I refers to the beginning year of index. Weights do not add up to 1 due to rounding.  
Source: Milken Institute

Employment growth is weighted more heavily because of its critical importance to community vitality, as is growth in wages and salaries because it signals the quality of the jobs being created and retained. Other measures reflect the concentration and diversity of technology industries within the MSAs and MDs. High-tech location quotients (LQs), which measure the industry's concentration in a particular metro relative to the national average, are included to gauge an area's participation in the knowledge-based economy. We also measure the number of specific high-tech fields (out of a possible 19) whose concentrations in an MSA or MD are higher than the national average. Best-Performing Cities is solely an outcomes-based index. It does not incorporate input measures (business costs, cost-of-living components, and quality-of-life conditions such as commute times and crime rates). These measures, although important, are prone to wide variations and can be highly subjective.

## NATIONAL ECONOMIC CONDITIONS

In the second half of 2014, the U.S. economy appeared ready to break out of the lethargic growth range (2.0 percent to 2.5 percent) that had been plaguing it since the recovery began in late 2009. Subsequent revisions to the national income and product accounts revealed the U.S. economy hadn't grown as previously estimated at an annual rate exceeding 4 percent during the second half of 2014. Further, GDP growth fell to just 2.3 percent in the fourth quarter.

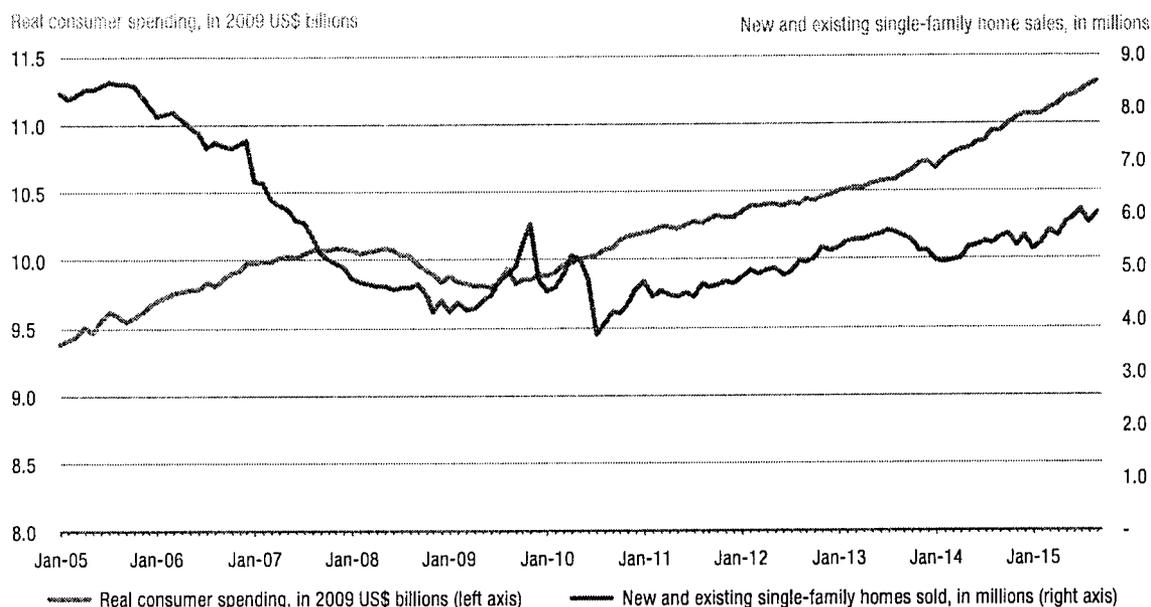
Many signs pointed to growth moving above 3 percent for a sustained period: recovering house prices resulting in fewer households upside-down on their mortgages, falling oil prices, lower household debt burdens (the lowest level since the American Bankers Association began keeping records), and higher business investment supported by healthy balance sheets. Consider the stronger labor market and lower mortgage rates, and conditions were highly favorable.

Nevertheless, real GDP rose just 0.6 percent, given several factors: Severe winter weather harmed economic performance in the first quarter of 2015, combined with the immediate decline in investment in shale oil-related exploration from plunging oil prices and the initial impact of the rising dollar that hurt export gains and depressed dollar-denominated profits as earnings were repatriated from abroad. Many of the shale projects required oil prices above \$70 per barrel to cover their cost of capital.<sup>2</sup> This slashed active operating rigs by 50 percent in a period of just several months. Investment in oil-exploration equipment and

structures declined at annual rates of almost 50 percent during the first half of 2015, knocking about 0.5 percent off of real GDP growth. Non-energy investment was impaired by weaker exports related to slowing global growth and the appreciation of the dollar.

In a nutshell, the macroeconomic story for 2015 has been how consumer spending and an acceleration in housing-market activity have largely offset the drag exerted by exports and energy-related capital spending (see Figure 1). Consumers began to exercise the additional discretionary purchasing power afforded by lower gasoline prices in the second quarter of 2015. It usually takes six months or so of lower prices before consumers believe that they aren't transitory. Consumer spending advanced at an annual rate of 3.6 percent in the second quarter. Consumer durable spending rose at an annual rate of 8.0 percent. Much of that growth was attributable to light-vehicle sales hitting the highest levels since before the Great Recession as pent-up demand from postponed purchases was realized.<sup>3</sup>

**FIGURE 1. REAL CONSUMER SPENDING AND SINGLE-FAMILY HOME SALES**



Sources: Milken Institute, National Association of Realtors, Federal Reserve Bank of St. Louis.

Housing market activity has experienced the most pronounced improvement thus far in 2015. Stronger job and wage gains, continued low mortgage rates, and slower home-price appreciation are aiding affordability. Housing starts in September hit their second-highest level since October 2007, just prior to the financial crisis, at an annual rate of 1.206 million, falling just below July's figure.<sup>4</sup> Nevertheless, recent data confirms that the underlying trend is improving. Single-family starts jumped to an annual rate of 740,000, a 17.5 percent gain from the previous September. The multi-family market has experienced a stronger rate of recovery during this cycle overall, but doesn't add as much economic growth as the single-family market.

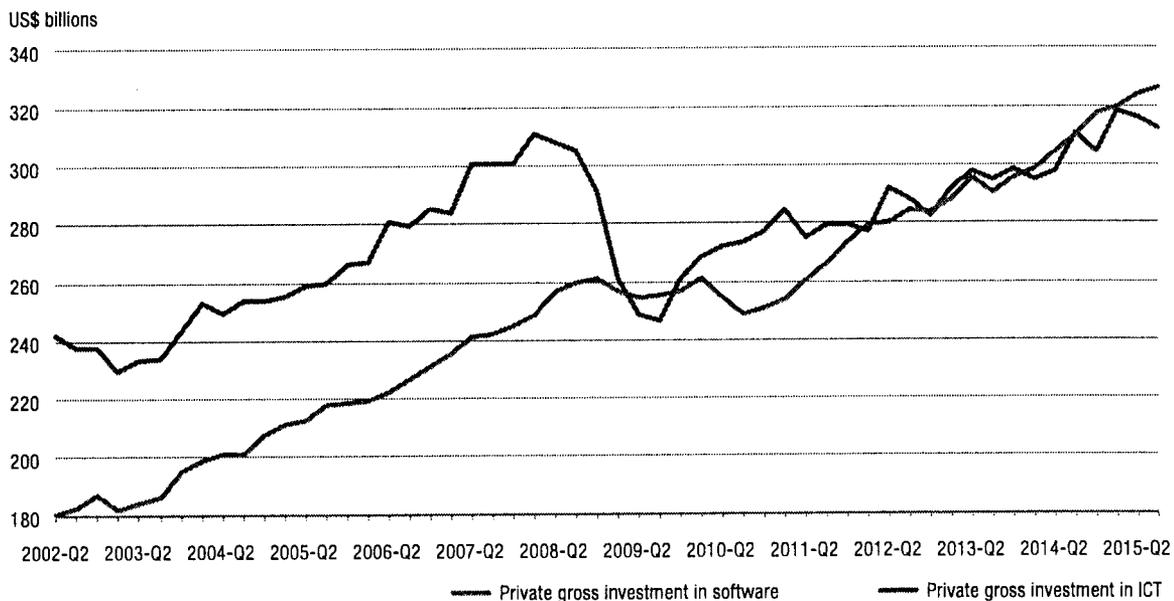
Despite some signs that job gains have been slowing over the past several months, labor markets are strengthening. The economy added 142,000 jobs in September, but year-to-date monthly gains have averaged 198,000. While manufacturing employment has stalled in reaction to the rising dollar and the moderating growth outside the U.S., several other sectors have made rapid gains in employment.

These include professional and business services, construction, transportation and utility, and leisure and hospitality services. The professional and business services sector includes scientific research, engineering, accounting, and legal services. In September, jobs in this sector were up 3.8 percent over September 2014. These high-skill positions command greater compensation, aiding gains in wages. In addition, with new-home construction and commercial building recovering, construction employment rose 3.7 percent year-over-year in September. Consumers are also buying more travel and tourism services, and the leisure and hospitality sector witnessed year-over-year job gains of 2.9 percent.

The first estimate of real GDP growth for the third quarter of 2015 came in at 1.5 percent.<sup>5</sup> This topline reading was held back by a deceleration in the rate of inventory investment by U.S. businesses. A slowdown in inventory replenishment cut 1.4 percent off real GDP growth. Final sales to private domestic purchases rose at a healthy 3.2 percent, supported by a solid consumer spending gain of 3.2 percent. Another substantial decline in energy exploration investment harmed growth as well. However, the inventory correction should prove transitory, indicating that overall economic growth should settle in a range between 2.5 to 2.9 percent.

Business investment and consumer purchases of technology products and services are a powerful force for U.S. economic growth. The composition of growth has shifted toward software and social media and away from information and communication technology (ICT) equipment. Businesses now spend more on software than ICT equipment (see Figure 2). Households are spending more of their time and budget on social media and other forms of digital content, yet this shift is not fully captured in the GDP statistics.<sup>6</sup>

**FIGURE 2. RISE IN BUSINESS SPENDING ON SOFTWARE AND INFORMATION AND COMMUNICATION TECHNOLOGY**



Sources: Milken Institute, IHS Global Insight.

More sophisticated software is offering advanced algorithms processing with greater ease of use. The U.S. Bureau of Economic Analysis (BEA) faces a challenge in correctly measuring the performance enhancements and improvements to quality. Additionally, many new social-media applications such as Instagram and Yik Yak are providing software services without a direct expense to consumers. The BEA measures services provided at market prices. Based on the BEA's price measures for software, it doesn't seem to be capturing this dynamic properly. In other words, nominal GDP might be measured appropriately, but price-adjusted real spending is being understated. This biases the reported productivity estimates downward as well.'

However, firms providing these software application services are hiring at a brisk pace, compensating their employees, and purchasing other inputs. The production side of the economy is witnessing these gains and the metropolitan areas that specialize in software, social media, and other digital content are experiencing the most rapid growth. It is quite likely that the BEA will find a way to account for this more fully in the future and real GDP will be corrected to show that the economy has been growing at a faster rate.

## **BIGGEST GAINERS**

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Until a couple of years ago, the effects of the sub-prime mortgage and housing bubble significantly affected the economic performance of many metros on our index, pushing down rankings particularly in Florida and California. The continued housing recovery has resulted in vast improvements in rankings. This year, the index's five-year performance period begins in 2009, dropping the 2008-2009 period that covered the most severe housing downturn. Eight of the 25 biggest gainers were Florida metros led by Port St. Lucie, which climbed 98 spots from last year, the most of any metro. These metros all had high home foreclosure rates, severe declines in home values, and a halt to new construction. Further aiding the Florida metros were an influx of retirees in the past couple of years and an expansion in travel and tourism spending. These factors apply to Las Vegas-Henderson-Paradise and Reno, NV, as well. Seven of the Top 25 biggest gainers are in California, with four in the Central Valley. Among them is Modesto, which had the highest foreclosure rate in the nation and was the epicenter of the sub-prime mortgage crisis. Housing markets are regaining some normalcy and new homes and multifamily units are being constructed.

Phase I - Initial Project Development

JOBS Investment

AK, December 2015 60 \$ 40,000,000

ALMOND, July 2015

CHAMPION, August 2015 50 \$ 5,000,000

EVEREST, November 2015 300 \$ 35,000,000

FAMILY, September 2015 30 \$ 2,000,000

FIBER, October 2015

FILM, July 2015 3 \$ 100,000

GLITTER, January 2016 160 \$ 50,000,000

PARTITION, December 2014 8 \$ 100,000

PNW, April 2014

POWER, July 2014

PUZZLE, November 2015 45 \$ 3,000,000

QUEST2, January 2015

SHELL, April 2014 10 \$ 450,000

STEAM, April 2003 18 \$ 500,000

Phase 2 - Outreach Call to Company's Location and/or additional follow up with costs, information

JOBS Investment

SCOTTY, August 2015 180 \$ 5,000,000

ZERO, November 2015 150 \$ 5,000,000

ARBOR, February 2016 (2-8-16 visit)

PROSPECTIVE Phase 1 624 \$ 136,150,000

PROSPECTIVE Phase 2 330 \$ 10,000,000

UNOFFICIAL: Jobs as reported by company; some investments are reported by client, some are strictly staff estimate based on intent to lease, purchase, etc.

Updated 2/3/16, C. Padilla

SORED1 Business Recruitment "Pipeline" Report

Phase 3 - Site Visit to Southern Oregon, Business Costs, Incentives Discussion Underway		JOB	Investment	Phase 4 - Second Site Visit, Due Diligence in Process			
		JOB	Investment	JOB	Investment		
AXIS, October 2015		50	\$ 500,000				
BUZZ, September 2015		8	\$ 600,000	BOTTLE, October 2015	60	\$6,000,000	
COMPRESS, July 2011		20	\$ 2,000,000	STAGECOACH, Sept. 2015	400	\$115,000,000	
CRESCENT, March 2012		12	\$ 100,000	TAYLOR, September 2014	500	\$150,000,000	
MAC, June 2015		60	\$ 8,000,000	SPIRIT, August 2014	25		
<b>PROSPECTIVE - Phase 3</b>		<b>150</b>	<b>\$ 11,200,000</b>	<b>PROSPECTIVE - Phase 4</b>		<b>985</b>	<b>\$271,000,000</b>

UNOFFICIAL: Jobs as reported by company; some investments are reported by client, some are strictly staff estimate based on intent to lease, purchase, etc.  
 Updated 2/3/16

SORED1 Business Recruitment "Pipeline" Report

Phase 5 - Leased property, property in Escrow

JOB'S Investment

GOGO, September 2010 150 \$ 11,000,000  
 PLAY, January 2015 10 \$ 1,500,000

Announcement

VERNAL, March 2014 - Amy's Kitchen 81 \$47,500,000  
 RIDE, October 2015 - JakeWilson.com 25 \$ 120,000  
 SERTA, March 2015 - Takit, Inc. 35 \$ 550,000  
 ALLRED, July 2014 - American Tire 15 \$ 7,000,000

JOB'S Investment

Actual 156 \$55,170,000

PROSPECTIVE Phases 160 \$ 12,500,000

Jobs Investment

Jobs Investment

TOTAL PROSPECTIVE & ACTIVE 2249 \$ 440,850,000  
 Potential Wages @ \$15.00/hour \$ 70,168,800  
 Potential non-mandatory benefits (35%) \$ 24,559,080  
 Potential wage & compensation \$ 94,727,880

UNOFFICIAL: Jobs as reported by company; some investments are reported by client, some are strictly staff estimate based on intent to lease, purchase, etc.  
 Updated 2/3/16

SORED1 Business Recruitment "Pipeline" Report

MORGUE - Can't win them al Phase Date

Why not Southern Oregon?

Company Name	Date	Count	Reason
456, July 2015		2	Did not feel we had adequate hi tech workforce to accommodate
ASTRO, May 2014		2	Staying in Northern California
BINSWANGER, Dec. 2014		1	Cannot accommodate workforce number at start
BOX, February 2014		1	Staying in California; needed larger property, also sited high property cost
CLARK, May 2014		1	Site Consultant Lead - has not disclosed
DUK, January 2015		2	Company was acquired, plans changed
NINJA, November 2014		2	Decided to expand at Orlando location, better employee prospects
SUMMIT, October 2014		2	Expanded in Portland to be near other critical operations
SYMMETRY, May 2014			
BOCA, June 2015		1	9/30/2015 Expanding at current location in Florida; lack of bio-science skill set in Southern Oregon
VENTURE, October 2015		1	310 Marketing lead; needed to be nearer to Salem - passed off to SEDCOR
PAPPAS, August 2014		1	Site Consultant Lead - has not disclosed
DEPENDABLE, September 2015		1	Company has changed their direction, now focusing on manufacturing in Mexico to be in closer proximity to primary facility.
MKN, October 2014		4	12/29/2015 Primary customer asked that they locate within 3 hours drive time. Chose to locate in Sacramento.
ROAR, July 2014		1	12/29/2015 Dead - company went into bankruptcy.

# THE SOUTHERN OREGON EDGE.

## Rollin' on the River



Photo by Shawn Adams | www.r-tp-head.com

**MERLIN, OR -** You can't whitewater raft down any American river that hasn't been already explored by an adventurer in their SOTAR. In fact, SOTAR inflatable boat owners are navigating rivers and bodies of water all over the world with their rafts, catarafts, and kayaks; built to withstand the roughest water. It's understandable why these world-class inflatables would be custom made by expert hands in a little town named Merlin, just outside of Grants Pass, Oregon. The area is known for sport fishing and whitewater rafting on the Klamath, Illinois, Umpqua, and the world renown Wild and Scenic Rogue River.

With all that opportunity, someone in Southern Oregon just had to build something for running the rivers – something that was durable and functional. And that same someone felt the need to build boats that were as impressive to look at as they were to handle. "We admit it. We are river enthusiasts who use technology to build and improve our boats. That's why they are the favorite of outfitters, river guides and whitewater enthusiasts everywhere," says SOTAR Lead Designer Chris Maitrejean. "We love to make custom products with unique color schemes and detailed specifications. That's what gives us the "edge" in our industry."

by *Make It Happen Marketing*

Hugh Griffiths, General Manager  
SOTAR  
724 2nd Ave  
Merlin, OR 97531  
503 278 1277  
503 467 6637

"We love to make custom products with unique color schemes and detailed specifications. That's what gives us the "edge" in our industry."

- *Chris Maitrejean, Lead Designer  
SOTAR*

# THE SOUTHERN OREGON EDGE.

## A River of Fun



Photo by Jim Craven | www.jimcravenphoto.com

**MERLIN, OR - Rogue Wilderness Adventures offers outdoor enthusiasts a wide choice of energizing excursions - from half-day rafting trips to a four-day raft-supported hike along the Rogue River with hearty meals and overnights at comfortable riverfront lodges.**

"Tourism is exploding in Southern Oregon," says Brad Niva, who purchased Rogue Wilderness Adventures 10 years ago. "There is a great thirst for adventure vacations—to many people outside the region, we are still like the Wild West."

The Wild West as far as recreational adventure and excitement—but the business community was friendly, resourceful, and interested in helping local companies succeed.

Despite Rogue Wilderness's rapid growth early on, Brad says he felt like the captain of a ship without a map or direction. It wasn't until he met Ron Fox, the director of Southern Oregon Regional Economic Development Inc. (SOREDI), that he found his business's edge—access to the local resources to assist in making the business financially viable.

*by Make It Happen Marketing*

Brad Niva  
Rogue Wilderness Adventures  
121 2nd St. E.  
Medford, OR 97504  
541.753.9111  
www.rwaadventures.com

"Tourism is exploding in Southern Oregon. There is a great thirst for adventure vacations—to many people outside the region, we are still like the Wild West."

- Brad Niva  
Rogue Wilderness Adventures

# THE SOUTHERN OREGON EDGE.

## Seriously Independent



Photo by Jim Craven | www.jimcravenphoto.com

GRANTS PASS, OR- Sparkling steel, aluminum and exotic copper screws and fasteners are displayed in precise rows around the reception room at Oregon Swiss Precision. As a busy manufacturer for the West Coast aerospace industry, their company greeter Sensei, a silly and gorgeous golden-lab-collie mutt, arrives out front quickly, wagging her tail to make sure everyone knows they are welcome. Her owner, Mike Andersen, is not far behind her. From his piercing gaze and rugged face it's obvious he is a man comfortable in the wild country of Southern Oregon, and his solid handshake suggests he's a reliable man in the shop. He and his brother started this company in 1989, and their story is a tale of career twists and turns across the modern west.

As rural ranch kids in Utah, Mike and three brothers, Daryl, Tracy and David, were raised on hard work. Mike started reading Forbes Magazine when he was just 16. His first job out of high school was welding at St. George Steel, making missile casings, railroad cars and a variety of large steelwork. He loved it and learned to weld well, but that business closed. In the early 1980s, Mike followed his oldest brother Daryl to the booming Silicon Valley in California. Then came Tracy. Finally, David followed the path to California a couple of years later.

by Heather McNeill

Mike Anderson, President  
Oregon Swiss Precision  
2143 NE Downing Avenue  
Grants Pass, OR  
www.oregonswiss.com  
541.476.1152

*"You move  
to Southern  
Oregon because  
you love it here.  
To raise a family here  
is phenomenal—all the  
lakes, rivers, mountains,  
snowboarding... it's magic."*

- Mike Anderson, President  
Oregon Swiss Precision

# THE SOUTHERN OREGON EDGE

## Adventures in Manufacturing



Photo by Sharon Adams | www.riverboard.com

GRANTS PASS, OR - Everyone who climbs aboard a Hellgate Jetboat in Grants Pass, Oregon, knows they're about to experience a once-in-a-lifetime adventure that includes magnificent scenery in hydro-jet powered boats skimming along the Wild and Scenic Rogue River down through Hellgate Canyon. But what's not quite as obvious is that the super sleek and highly technical jetboats are manufactured locally via the boat-making division of Hellgate Jetboat Excursions called Katanacraft.

Until recently, Hellgate owner and entrepreneur Robert Hamlyn, along with his son Travis Hamlyn – fellow entrepreneur and Hellgate Jetboat Excursion's president – used their lean manufacturing facility to make jetboats exclusively for their own water adventures. In doing so, their boat manufacturing expertise continued to excel. Finally, in 2014, the father-son team expanded operations to manufacture extreme shallow draft vessels and other water craft for clients such as the Department of Homeland Security and the State of Oregon.

by Make It Happen Marketing

Travis Hamlyn, President Hellgate Jetboat Excursions &  
COO Katanacraft  
954 222 0117  
Grants Pass, OR 97526  
1111 Hellgate Ln  
Grants Pass, OR 97526  
541 479 7104  
1988 957 5162

"We don't limit ourselves to what we're already doing and what we already know. We're open to ideas that will enhance the Southern Oregon experience and boost the economic vitality of the company and the region."

- Robert Hamlyn, owner  
Hellgate Jetboat Excursions

# THE SOUTHERN OREGON EDGE

## Pursuing Sweet Passions



Photo by Shawn Adams

GRANTS PASS, OR - Something sweet happens when the mind of a mechanical engineer mixes with his entrepreneurial spirit to stir up his passion for making the best English Toffee in the world. It's an award-winning, all-natural, gluten-free product meticulously made in Grants Pass, Oregon, and sold on store shelves and on the Internet nationwide.

It's Cary's in Southern Oregon, which uses a secret, delicately created recipe for making artisan candy that is as exact as the process by which it is manufactured. It's not too hard, nor is it too soft. It's just right, as thousands of Cary's Gourmet English Toffee fans are attesting.

Named after its founder and president, Cary Cound, the English toffee enjoyed 30 seconds of fame as the official 'Snack of the Day' on Rachael Ray's show. "My daddy would love this and I'm going to send him some," announced the celebrity chef as she held a package of Cary's Dark Chocolate Almond English Toffee up to the camera. Meanwhile, believers of the brand are growing in numbers based on annual consumption of 86 tons of candy shipped to homes, grocery stores, and boutique specialty food stores around the country.

by Make It Happen Marketing

Cary Cound, President  
Cary's of Oregon  
413 Union Ave  
Grants Pass, Oregon 97527  
www.carysofOregon.com  
(541) 474-6030

"Our employees come to work refreshed because they have spent the weekend on the river – they have been out enjoying the beauty of Southern Oregon."

- Cary Cound  
Cary's of Oregon

## Pursuing Sweet Passions

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Photo by Shawn Adams



Cary's award winning, gluten-free, all-natural Gourmet English Toffee during the manufacturing process.

Cary's English Toffee even appeared in VIP goody bags at the Oscars and found its way onto Oprah.com. And though the product is packed and shipped daily, the Cary's Factory Store is also becoming a Southern Oregon visitor destination. "In the next five years, I see Cary's as a place on I-5 where you just have to stop and shop," says Cary. "Who knows, maybe visitors will find a Lucy and Ethel working on the line."

General Manager Neal Cournoyer enjoys promoting the company's high quality specialty product. He also sees that Cary's reputation as a strong regional brand is gaining momentum, and the candy-making facility is known as a place where employees enjoy a "lighthearted" workplace environment while earning decent wages. "The culture of Cary's is set by Cary himself," he explains. "The reason people want to work here is because he is inspiring and encouraging."

Cary says his company's culture is one that values people and promotes balance. "Our employees come to work refreshed because they have spent the weekend on the river – they have been out enjoying the beauty of Southern Oregon." And, Cary says, he sees a trend among corporate leaders who are leaving the "push" of the big city behind in order to pursue their passions and find peace. "I encourage those coming here to consider their culture very carefully. It's possible to relocate to Southern Oregon, but don't bring your old culture of 'rush' here, Southern Oregon is about business and balance."

Cary's enthusiasm for innovation and support of like-minded entrepreneurs becomes evident when he speaks on the subject. "An entrepreneur is a person of passion in pursuit of a way of expressing that passion," says Cary, adding that his expression of passion came in the form of delicious specialty toffee inspired by a family member. "It's important to be patient – to give passion the time it needs to be fully birthed."

Cary's 'obsession' with English toffee started when his grandfather-in-law gifted him with a marble slab and a recipe for making the family's traditional English toffee. It was good, but Cary began to engineer small recipe changes over time until the English toffee was so delicious that tasters began to declare that the rest of the world needed a bite.

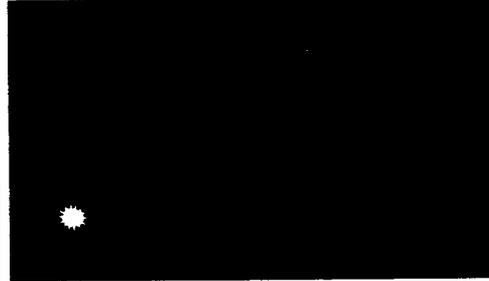
In 2001, Cary founded his name-sake business with the help of SOREDI. "They were there at the beginning when I had this crazy notion of creating a toffee company," he says. "We're here today because of the partnership we established. SOREDI was a true a partner when a partner was needed most."

**THE SOUTHERN OREGON  
EDGE**



Southern Oregon Regional  
Economic Development, Inc.

## WORKFORCE READINESS PROSPER TALK



**Are workforce concerns holding back your business growth?** We know there are some common problems that businesses in Southern Oregon face. Perhaps the most common constraint identified in recent years is the region's workforce readiness. SOREDI is coordinating quarterly **Prosper Talks** to bring interested parties together around key topics - like workforce readiness - so that through informed dialogue solutions can be created.

**Voice your concerns, provide feedback, and affect change** for the betterment of our regional's economy. Gain fresh perspective, learn of opportunities and engage with special guests:

- Scott Beverage, 549c Education Service District
- John Young, Grants Pass High School Career Center Coordinator
- Mike Donnelly, Carestream Health
- Bill Jiron, Rogue Community College Customized Training

In order to facilitate dialogue that ultimately helps every business prosper through **increased understanding, active participation, and improved workforce readiness**, seating at **Prosper Talks** is limited to those that have the desire and motivation to find the resources available to affect change.

### Workforce Readiness

Wednesday, February 24<sup>th</sup>

8:00-9:30am

Medford Airport (*parking will be validated*)

Complimentary - Limited to 30. RSVP to [soredi.org/events](http://soredi.org/events)

Next Prosper Talk

Airport / Transportation

May 20<sup>th</sup>

8:00-9:30am

**LAUNCH | RELOCATE | PROSPER**

EXHIBIT B  
General  
2/16/16

EXHIBIT B

EXPLANATORY STATEMENT FOR VOTERS' PAMPHLET

Ballot Title Caption Advisory Question on Public Safety Agreements

Measure No. \_\_\_\_\_ Word Total (500 max) 430

Previously in 2012, the Board of County Commissioners sent a non-binding question to the voters. The Commissioners asked at that time whether the current level of service provided by the county's criminal justice system meets the needs of the community. The voters responded: 25.56% "Yes" and 74.44% "No." Since that 2012 question, the voters have not supported ~~considered~~ 3 different levies for funding the county's criminal justice system. ~~None of these levies passed.~~

In July of 2013, Oregon's Legislature approved HB 3453. That bill, which became part of Chapter 753 Oregon Laws 2013, provides the governing body of a county to petition the Governor to allow the governor to proclaim ~~declare~~ a public safety fiscal emergency if the governor determines that a county is financially unable to provide an adequate level of public safety services. After making the proclamation, the Governor may enter into a written agreement for public safety services with the county's governing body. The Board of Josephine County Commissioners, which is the county's governing body, would then choose whether to approve the written agreement. If approved, the agreement would take effect upon adjournment of the next legislative session. The agreement would last for up to 18 months, and it could be renewed for an additional 18 months. A renewal may require additional state legislative action. Such an agreement can provide that the state would pay for half the cost of the agreed upon public safety services, and the county would be obligated to pay for the other half.

The county is required to ~~may~~ fund its half of the cost of public safety services and may use ~~through~~ existing sources of revenue. ~~A~~ A tax on services with access to 9-1-1 such as telephones, or through any assessment the governing body is lawfully capable of imposing. Property tax levies require voter approval and may not be imposed by the governor or the Board of County Commissioners. HB 3453 provides for funding through an income tax; however, because the Josephine County Charter prohibits establishing an income tax, one cannot be lawfully imposed here.

Without an extension of Secure Rural Schools (SRS/County Payments) the county will experience a significant shortfall in available resources to fund county public safety services such as the jail, District Attorney, Sheriff Office Patrols, Juvenile Justice Shelter & detention.

~~At this time, no agreement has been negotiated with the governor. Terms and conditions of any agreement would be made public if a decision is reached to enter into such an agreement. The Commissioners can use the results of this non-binding ballot question as they decide whether to pursue an agreement with the governor.~~

The answer to this advisory question would have no binding effect. This is a request from the Board of County Commissioners for information from the community. ~~The~~ This question is an opportunity for the community to express an opinion and the. ~~The~~ Board of County Commissioners may use the response to this question to formulate policy.

\_\_\_\_\_  
Board of County Commissioners