

2008-09 Comprehensive Economic Development Strategy (CEDS)

For counties
Klickitat and Skamania, Washington
Hood River, Wasco, and Sherman, Oregon

Prepared by

Mid-Columbia



ECONOMIC DEVELOPMENT DISTRICT

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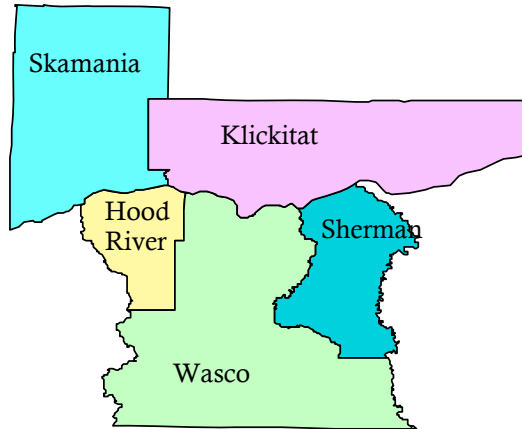
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I. ABOUT MCEDD

The Mid-Columbia Economic Development District (MCEDD) is made up of five counties bordering the Columbia River—Hood River, Wasco and Sherman counties in Oregon and Skamania and Klickitat counties in Washington.



MCEDD was established in 1969 by its five member counties who realized by sharing a common workforce, a common geography, and common demographics, their economic fates were tied together. They realized by joining together they would benefit from better access to economic development loans and grants, and pooled technical assistance, marketing, and administrative resources. Most importantly, they would be able to bring a regional approach to their economic development efforts. Over the years MCEDD's membership has grown to include cities, ports and chambers of commerce within the region.

Today we retain the distinction of being the only regionally focused economic development agency in the Mid-Columbia and therefore the agency most appropriate to serve as lead agency for the Economic Development Administration (EDA). MCEDD is organized as a government non-profit in Oregon as an ORS-190 and in Washington as an RCW 39.34.010.

MCEDD is governed by a twenty-member Board of Directors with a representative from each of the five counties of the district, a representative of the cities of each county, representatives of the Ports and Chambers of Commerce in the region, as well as five private sector representatives from any of these areas: agriculture, business, industry, labor, finance, utilities, healthcare, telecommunications, or minorities and a representative from higher education. A complete listing of board members, who doubled as the CEDS committee, is included in Appendix C.

MCEDD staff is comprised of an executive director, finance and operations manager, one full time project manager, an assistant project manager and an office administrator. MCEDD currently has a contracted loan officer and is seeking to fill that position with a full time person.

MCEDD's mission –

“To promote the creation of family-wage jobs, the diversification of the economic base, and the growth, development and retention of business and industry within the five-county district.”

What we do –

The strategic activities MCEDD uses to accomplish this mission are:

- *Coordination*
- *Technical Assistance*
- *Business Assistance*

• **Coordination**

Coordination activities emphasize MCEDD's leadership role in the regional economy. This is important because our economic region is split between two states, five counties and numerous funding districts. More can be accomplished by working together to fulfill goals. In many cases, the counties and cities of the region cooperate and compete as one. The CEDS process gives MCEDD an opportunity to coordinate with these entities across the region to establish a strong, widely held set of regional goals and objectives and an action plan for achieving them. See section IX for the regional goals and objectives updated for 2008, and Appendix B for this year's regional priority project list.

Coordination activities led by MCEDD in the region this year include the following:

Gorge Translink



The public transportation providers of the region's five counties invited MCEDD as a bi-state agency to join them in working to increase inter-city connectivity in 2001. That relationship has continued and Translink is currently seeking sources to increase MCEDD's involvement as their mobility manager. MCEDD has helped the group receive grants from both Oregon and Washington Departments of Transportation as well as the Community Transit Association of America. The first major project created a regional needs assessment study and a marketing plan. This past year, MCEDD assisted the group in completing a project providing the technical support of CTAA and a consultant. The project helped the group move forward with regional, bi-state intercity transportation goals and identified both mobility management and vanpooling as key focus areas. One of the tangible outcomes from this coordination has been the purchase of radios that all five providers can utilize to communicate with one another. It is a step forward in having the tools to collectively facilitate rides throughout the region.

Columbia Gorge Economic Development Association (CGEDA)



MCEDD provides staff support and financial management for the CGEDA. Port districts, counties, Embarq, Northwest Natural and regional economic development groups created this cooperative organization to promote the Columbia River Gorge region as a cost-effective location for business development. With the quickly diminishing amount of available industrial land in the region, CGEDA is now beginning to focus on how to provide additional assistance to existing businesses to promote growth and retention. In redefining its vision and goals for 2008, the group noted that a major value to CGEDA is

the regional coordination that occurs at CGEDA meetings. They allow the members to attend fewer meetings while remaining connected to the region, provide members with the ability to understand impacts of their actions and how it will affect the region, help develop an understanding of what is occurring regionally and identify potential means for coordination. CGEDA meetings involve the staff for the member organizations to ensure that coordination goes beyond the top level.

Oregon Investment Board(OIB)



Since 1988, MCEDD has coordinated Oregon Investment Board's grant and loan program for Oregon counties lying in the Columbia River Gorge National Scenic Area: Multnomah, Hood River, and Wasco. Project funding awarded through OIB helps to strengthen and diversify the economy of the region. A seven-member board approves projects and the Gorge Commission certifies that OIB projects are consistent with the National Scenic Act, the management plan, and land-use ordinances. MCEDD also hosts and maintains OIB's Web site (<http://www.mcedd.org/oib.htm>). Awards in 2007 and 2008 include \$96,000 in grants and \$384,000 in loans. A sampling of projects funded in that timeframe includes support to develop Gorge Artists Open Studios, leveraging funds to complete the Hood River Waterfront Park, providing equipment for a pre-engineering program, providing start-up costs for a new child care center, and offering funds for infrastructure assistance for the cities of Mosier and Cascade Locks. OIB funding available for grants and loans is approximately \$780,000. In addition, MCEDD works with the Washington Investment Board (WIB) staff to coordinate bi-state advisory council meetings between the OIB and WIB. This year, the OIB and WIB jointly funded a regional project, the Gorge Grown Food Network's Mobile Farmer's Market, which will provide fresh produce to rural communities and an opportunity for local farmers to sell produce on consignment.

Gorge Technology Alliance



MCEDD continues to support the Columbia River Gorge Technology Alliance (GTA) by providing project management coordination for this emerging association. Members of the alliance include technology business entrepreneurs and businesses and organizations providing support services to high tech businesses. The group works to jointly market the Gorge region for high tech, provide networking opportunities, and offer educational growth. GTA formed in 2005 with only a handful of members. Now over 50 members and 200 participants make up the alliance, which continues to grow. During the past year, the GTA partnered with the Software Association of Oregon to cooperate on educational programming and connect to larger statewide networks.

MCEDD has worked with the association over the past year to compile aggregate information about the Gorge high-tech sector, host monthly membership meetings and produce monthly newsletters, create opportunities for connecting employers

and employees through the website and “Connect To Your Career,” and distribute GTA videos and marketing materials. MCEDD has also engaged in a speaker’s bureau to outreach to civic, educational, business and public figures, improved the GTA website <http://www.crgta.org>, and participated with Columbia Gorge Community College in the development of a FACT (fundamentals of applied core technologies) course of study to respond to the workforce needs of the growing technology cluster.

Oregon Association of Economic Development Districts

MCEDD staff facilitated communication of this informal association in 2007. It is a way for the Oregon federally designated economic development districts’ staff to keep in touch with each other and tap into resources from across the state. In 2008 we continued to actively participate in the association.

Industry Cluster Development

In spring 2005, MCEDD met in a series of meetings, with leaders in wine, renewable energy, natural healthcare, art, and high technology industries to create five Mid-Columbia industry clusters. Economic Development Administration (EDA) funding support allowed MCEDD, along with fellow economic development districts in Oregon, to support these emerging clusters. During MCEDD’s three-meeting series, each cluster created a five-year work plan which outlines goals and initiatives the cluster believes imperative to improve their business environment in the region. In 2006, MCEDD received another EDA grant to support Clusters Phase II to provide implementation of those cluster plans. Cluster activities were designed to:

- Provide education and training opportunities to guide the clusters on using marketing tools, utilizing local support services, and communicating within the industry.
- Conduct research and develop databases to expand knowledge of industry markets and gain better understanding of fellow entrepreneurs in the region and target audience.
- Create marketing tools the clusters can use to carry their messages to the public and raise visibility of industry efforts throughout the region and beyond.
- Host an Entrepreneurship Workshop

Sherman County Economic Development

Since July 2005, Sherman County has contracted with MCEDD to provide economic development services to the county. Project managers provide business recruitment and relocation, support and training to businesses, long-range planning, grant writing and grant administration assistance. MCEDD’s project manager, Link Shadley, works closely with county employees and community members on projects ranging from the development of a race track in Grass Valley to the county’s new investment strategy for revenue from wind farms. To date, MCEDD has written two grants for Sherman County: an application to the Ford Family Foundation for \$6,600, and a \$20,000 USDA Rural Development grant to fund a feasibility study for a kill facility for Sherman County producers. The latter is currently being reworked into a research study to be managed by Oregon State University.

MCEDD has provided assistance for a unique Value Added Producer Grant to begin a wool and meat production business that focuses on local sustainable and environmentally healthy production methods. This business will contract with farmers, spinners and weavers in the area to provide products that adhere to strict environmental, quality and conservation practices. Customers of the products include Norm Thompson, Nordstrom and other 'high end' retailers. This has great potential to rejuvenate 'tired' wheat land, spawn numerous small businesses, create a 'local' label and preserve family farming.

Other projects in 2007 and 2008 include assisting new owners to restore and open the only market in the small town of Grass Valley (75 households), removal of a collapsed building in Moro (133 households) to allow repair of Moro's only market, wastewater system planning in Grass Valley and Moro, motorcycle rally to expand utilization of Fair Grounds, and assistance to the Sherman County Historical Museum.

Housing, or lack thereof, has been a major concern in Sherman County as over 150 new jobs have been created with little or no housing to accommodate new families. MCEDD has put substantial effort in helping two developments, a 30 unit plan in Moro and a 13 unit plan in Wasco, and is working on other landowners and contractors to create new housing.

In 2007 the Wyss Foundation began an initiative through the National Policy Consensus Center who contracted with MCEDD to bring landowners together with conservation organizations in an attempt to defuse the hostility and focus on conservation projects that work for both interests and utilize resources in a more efficient way to put money toward conservation. Over 60 people from Wheeler, Gilliam and Sherman Counties gathered in May of 2008 in Condon for a historic meeting with conservation organizations, foundations and agencies to begin this new era of cooperation.

• **Technical Assistance**

MCEDD's technical assistance services emphasize its role as the "go to" organization in the region to get projects moving. MCEDD's specialization in grant writing and grant administration allows our stakeholders to outsource that duty to us and allows them to keep focused on what they do best. MCEDD is also the central compiler for economic and demographic information in the Gorge. Because the Mid-Columbia region spans two states, providing this regional data is especially important since it's not available elsewhere. This data helps our members and stakeholders move their projects forward. Some important projects made possible this year through MCEDD's provision of technical assistance include:

Community Development Block Grant (CDBG) Administration

MCEDD administers two CDBG grant projects: an emergency services building in Cascade Locks, Oregon and a fire hall/community center in the High Prairie community outside of Lyle, Washington. Both projects require a large amount of community

involvement as well as record keeping and accountability to insure all state and federal requirements are being met. The Cascade Locks Fire Station has been successfully bid and is currently under construction. The High Prairie Fire Hall and Community Center was put out to bid in May 2008, but all bids came in over-budget. As a result, the project is currently going through a rebidding process.

Coordinated Human Services Transportation Planning

MCEDD completed Special Transportation Fund plans for Hood River, Wasco and Sherman counties. The aim of the coordinated plans is to improve transportation services for individuals with disabilities, individuals who are senior, and individuals with lower incomes by providing a strategy to guide the investment of available funds and guide the acquisition of future grants. The project work involved creating an inventory of current resources and comparing them to the forecasted demographics to create a prioritized project list to meet future needs effectively and efficiently. The work involved holding public meetings to gather information as well as quantitative study and report writing.

As a result of the plan prioritization, Hood River Transportation District was able to secure funding to begin regular daily bus service between The Dalles (in Wasco County) and Hood River (in Hood River County). In addition, a monthly route is now available between Hood River and Portland.

Lower John Day Regional Partnership and Investment Board

This partnership between Sherman, Wheeler, and Gilliam Counties operates the Regional and Rural Investment Fund programs in this region. Until 2004, Wasco County was a member of this Partnership. MCEDD Staff works closely with this organization, attending meetings and coordinating with county capacity builders on development activities and activities under the state contract with OECDD. MCEDD also provides assistance to applicants for grants and loans under their programs. The Oregon Legislature did not fund the Regional Partnerships during their 2007 special session but the Partnership continues to provide economic development assistance and is actively working on a strategy to ensure funding from the 2008 regular legislative session.

MCEDD completed a six year strategic plan for Wheeler, Gilliam and Sherman Counties. Although Wheeler and Gilliam Counties are outside of MCEDD's formal district, the two counties are closely aligned with the Columbia Gorge and frequently seek assistance from MCEDD.

Infrastructure Plans

MCEDD completed the Infrastructure Inventory for Wheeler and Wasco counties, a formal process in Oregon for cataloging infrastructure needs and issues of local government.

· **Business Assistance**

This is a major area of our economic development strategy where MCEDD is out in the region directly helping businesses to retain and create the jobs that expand our economy. This is done primarily through the operation of several Revolving Loan Funds (RLFs) that provide long-term, low interest financing for business expansion or start-up needs. Specializing in gap financing, our loans are added to other financing and often provide the critical missing piece in the total financing package that makes these deals possible. MCEDD also provides loan packaging assistance to help businesses access other State, Regional and/or Federal finance programs, as well financing from banks and other commercial lenders.

The total loans and grants obtained by MCEDD to capitalize our loan funds since beginning the programs has been over \$4,482,500

This year we have been busy loaning out the balance of these funds along with repaid funds from existing loans. Since last year's CEDS report MCEDD has made 4 loans totaling \$524,430. Those loans made projects possible which added \$1,6720,000 additional investment into the economy of the district and resulted in 27 new or saved jobs. In addition, MCEDD staff worked on and obtained approval for 3 other loans, of which 1 was eventually withdrawn due to client circumstances. Staff is currently following 6 leads with businesses that are seeking financing.

A couple recent examples of MCEDD's job-creating business assistance loans include:

Gorge Analytical

A new start-up business in Hood River, Gorge Analytical provides consulting and analytical services to biodiesel fuel producers, distributors, and end-users. The quality of biodiesel fuel is critical to performance and acceptance in the market. By establishing a reputation for fast analytical turnaround and client-based assessments for the American Society for Testing and Materials (ASTM) certification of biodiesel fuel, Gorge Analytical will grow to acquire preferred status of new and existing biodiesel fuel producing companies, distributors and end-users.

In the first year of business, Gorge Analytical will strive to acquire "preferred status" endorsements from at least seven (7) biodiesel producing companies with an initial focus towards companies in the Pacific Northwest. The first six (6) months of analytical services will focus predominantly on test methods supported by Gas Chromatography. This capability requires a laboratory facility with highly trained personnel and the maintenance of sophisticated instrumentation; these capabilities are currently in short supply, particularly in the Pacific Northwest region. Gorge Analytical currently possesses these attributes. The Gorge Analytical staff consists of the former Analytical Laboratory Department Manager (Jeff Fetkenhour), Analytical Operations Support Group Supervisor (Michelle Fetkenhour), and Lead Chemist (Paul Butkus). This team has worked together for more than six years to meet the high standards and expectations set forth by the US Army Chemical Demilitarization industry.

In June 2007 MCEDD loaned Gorge Analytical \$150,000 from the Intermediary Relending Program (IRP) to fund the purchase of the analytical instrumentation and bench-top equipment necessary to conduct the ASTM test methods that are required to certify biodiesel fuel and evaluate process specifications. They will create 3 FTE jobs in the first year and are going to hire 4 more in the following 3 years. These will be scientific jobs with much higher than average salaries. (\$40,000 - \$70,000) They are unable to get bank financing because they are a start-up.

Van Kessel, Inc - Crown Prints

Crown Prints, located in The Dalles, Oregon, is a wall decor design and manufacturing business specializing in mid- to high-end framed print art. Crown Prints' vision is to bring elegance, simplicity and harmony in to the home. Stan and Jenny Peickert founded the company in 1997 initially as a retail custom art framing service. In 1998 they launched their manufacturing and distribution venture. Growth forced a move in 2003 to their larger current 4600 sq ft manufacturing facility. In 2003, Jenny Peickert established a 'Factory Outlet' for their products, located at the factory site. This business flourished and during 1st quarter 2007 was relocated to a separate retail outlet in downtown The Dalles, OR. Sales increased 25% with this move, encouraging a long-term marketing strategy of opening other Factory Outlets for their products in high density Outlet Mall complexes. Crown Prints' unique sale approach has representatives calling on customers throughout their territories with inventory-laden trucks. Customer buyers select inventory for purchase with the guarantee that they may, on a later Rep visit, trade limited amounts of unsold inventory for new, reducing buyer concern for lock-in to aging, unsold inventory. The quality of work and attention to customer service gives this business a solid and shining reputation.

In January 2008 MCEDD loaned Dorothy Van Kessel \$147,740 towards the purchase of Crown Prints, Inc from Stan and Jenny Peickert. The Peickerts had another potential buyer in the Spokane, Washington area. Crown Prints currently employs 10 people in the manufacturing facility. Dorothy is predicting she will add an additional 4 people within two years. This loan helped retain those 10 jobs in our region.

MCEDD Outlook for the Future – In the future, MCEDD looks to build more relationships with entrepreneurs in the region; to take advantage of the businesses already present in the region and work with them to improve their ability to prosper here. After severe economic downturns from the loss of timber industry and other natural resource-based jobs, MCEDD has concentrated on working with local governments and entrepreneurs to benefit our region's economy together. The result: lower unemployment rates region wide, more jobs, and an improved quality of life.

II. EDA IN THE GORGE

The Economic Development Administration (EDA) is the most important federal-level economic development organization at work in the Mid-Columbia region. MCEDD takes great pride in being its primary representative in the Gorge community.

In over 35 years of working together, EDA and MCEDD have partnered with counties and communities in our region to create numerous exciting and important projects. This past year has been no exception. Highlights of MCEDD EDA-funded projects this year are listed below.

Cluster Development Phase II: Moving Cluster Projects into Action

MCEDD continues its relationships with the Mid-Columbia industry clusters, the regional groups of small businesses and entrepreneurs, which MCEDD organized in spring 2005. MCEDD received EDA support in summer 2006 to fund Cluster Development Phase II: moving cluster projects into action. MCEDD is working with each cluster – high technology, art, wine, renewable energy, and natural healthcare – to move initiatives on that cluster’s five-year work plan forward. All of these projects create education, marketing, and market research opportunities for the clusters. They improve the business atmosphere for each industry cluster in the region and move each cluster closer towards accomplishing the goals it outlined in its work plan.

Port of Hood River

On April 21 U.S. Assistant Secretary of Commerce for Economic Development Sandy K. Baruah and U.S. Representative Greg Walden presented a \$500,000 Economic Development Administration investment check to the City of Hood River and the Port of Hood River, Oregon. The investment will help build roadway improvements to the Port of Hood River that will improve the flow of commercial traffic, allowing existing businesses to expand and attract new businesses and jobs to the region. The investment is expected to create 62 jobs and spur \$13.5 million in private investment.

III. RECENT EVENTS IN ECONOMIC DEVELOPMENT

Washington Counties

· Klickitat County — Klickitat County has at least three distinct economic regions. The western third of the county is dependent upon orchards, fruit packing, and wood products. The central third includes the county seat, the closed aluminum smelter, Maryhill Museum and windsurfing and kite boarding beaches. The eastern third includes vegetable farming and a growing number of wineries, along with the regional landfill, Rabanco.

County Commissioners continue to aggressively fund efforts designed to reduce the long-standing unemployment created by reductions in forest products and aluminum smelter employment as well as the general downturn in agriculture. Growth in existing businesses and new enterprises such as wind power projects in the county have begun to decrease past unemployment levels to its current 6.8 percent.



Central to Klickitat County’s economic development strategy is strengthening the financial base of the county, including the agricultural sector. As one of the top wind resource areas in the Pacific Northwest, and with the adoption of a first-in-the-nation Energy Overlay Zone for wind and solar facilities, the county is working to become a recognized center for renewable energy projects, which will help the county’s ranching families and school and fire districts. Klickitat County Economic Development Agency unveiled the “Blue Sky Ahead” campaign to attract companies interested in sustainable projects, including renewable energy.

Klickitat County is open for business, especially renewable energy businesses. Iberdrola (previously PPM energy) recently developed the Big Horn wind project, an expansive project near Bickleton in Eastern Klickitat County. The Klickitat County Economic Development Agency has been actively participating in marketing efforts to attract renewable energy companies, including publications in Xpansion magazine and attendance at the American Wind Energy Association conference, one of the largest trade shows in the United States. With more than 8,000 components going into each wind turbine and international business involvement, Klickitat County has focused on this area as a potential for significant new economic development and growth.

In addition to support for renewable energy projects, the county continues to actively support the growing wine industry in the county and throughout the Gorge. This year, the county actively supported the efforts of the Columbia Gorge Winegrowers to promote the grapes and wines of the area and produced an additional wine map covering the entire county, including parts of the Columbia Gorge AVA and Horse Heaven Hills AVA.

Paralleling support for agriculture, the county, the Port of Klickitat, and the City of Goldendale have been partners in numerous industrial park infrastructure projects and related marketing efforts designed to expand the number of light manufacturing jobs available. City of Goldendale's industrial area has been a major focus and with the help of a realtor, is moving forward to attract new development. The Dallesport industrial site meanwhile has attracted Columbia Phytotechnology which has expanded beyond research and development operations to engage in production.

As Klickitat County works to restructure and strengthen its economy, it continues to support efforts to utilize the Goldendale Aluminum facility in new and innovative ways (including options for wind and solar manufacturing). While it is not anticipated that this facility will reopen for aluminum production, the county's economic development team seeks to identify other sources that can utilize the existing infrastructure.

Rabanco, the regional waste facility, opened in 1991. It recently began methane gas production. Leachate and methane gases are collected throughout the landfill by a system of pipes. The leachate is re-circulated through the landfill prompting rapid decomposition of waste and accelerating methane production. The methane gas is used to create electrical power. Current methane production supports the generation of 10 megawatts of electrical power. The landfill may eventually generate 52 megawatts of electricity; enough power for roughly 30,000 homes.

Closure of the Biggs Bridge affected the region, particularly impacting the central part of Klickitat County. ODOT and WSDOT cooperated to minimize the affect of the closure, breaking maintenance into two parts to allow bridge reopening for summer travel months. The closure affects residents travelling across the river for work.

City of Goldendale – The City of Goldendale City Council has, in cooperation with the Greater Goldendale Chamber of Commerce and Klickitat County Economic Development Department, embarked upon a multi-faceted effort to expand existing and recruit new small industrial manufacturing businesses. The City recently hired a realtor to assist in marketing the site. The Washington State University Learning Center-Klickitat County in Goldendale continues spreading education about opportunities in renewable energy in Klickitat County, working in conjunction with a local company, Seraphim Electric, experienced in solar and wind project installation.

Cities of Bingen and White Salmon— The neighboring cities of Bingen and White Salmon are attracting more residents as housing prices soar across the river and new companies move into and expand in the cities. The result has been a squeeze on

affordable and workforce housing options for both areas. Klickitat County is in the process of conducting a housing study to assess options for alleviating and defining the issue, particularly in these two cities.

Both cities suffer from a lack of water to service growing needs. Expansion of local companies and housing has begun to strain the existing supply, which has led the cities to look for creative solutions. The City of White Salmon submitted a grant to the Department of Ecology for nearly \$1 million to fund proposed improvements for Buck Creek. If received, the grant would fund a project to take the excess Buck Creek water filtered in the winter (which will be in the range of 500 gallons per minute) and put it back into the aquifer. No electrical power would be used as the Buck Creek water will be received by gravity flow.

Bingen and White Salmon have again welcomed expansion by Insitu, the local creator and producer of ScanEagle Unmanned Aerial Vehicles (UAVs). The company has created numerous spin-off businesses and recently created a small spin-off called American Engineering.

Port of Klickitat— The Port's primary purpose is to create economic opportunities and enhance the quality of life for local residents. Businesses leasing or purchasing Port property range from heavy industrial to high technology and range in number of employees from one to more than 250. Two tenants that the Port has focused on retaining this year at Bingen Point include two high tech companies, Innovative Composite Engineering and Insitu. The Port has completed an application for CERB funding in the amount of \$1.5 million in grant and loan assistance for the completion of the Bingen Point Infrastructure and Grading Project.

In addition to retention, the Port was also able to attract a major new tenant this year to the previous Oregon Cherry Growers Building: Columbia Phytotechnology. Columbia Phytotechnology specializes in antioxidant testing, radiant zone drying and powdered products.

Finally, the Port will be entering into a 50 year lease with Underwood Fruit and adding overhead power lines to parcels serving the company.

Columbia Gorge Regional Airport, Dallesport—Managers of the Columbia Gorge Regional Airport in Dallesport, Wash. are ready for major growth in the coming five to ten years. Plans include Sundoon, a 300-acre championship golf course, a 50-acre mix of retail and industrial development, business offices, a hotel, an airplane distributor, aviation research and development, additional hangars and an on-site fire station. Sundoon was recently stalled due to concerns expressed by the Riverkeepers, but economic developers anticipate that the project will be able to cooperatively move forward.

The airport anticipates a new aircraft maintenance person in July 2008. Following the loss of the previous mechanic, the airport has been seeking to fill the void over the past year.

This year Life Flight moved into the facility, creating additional jobs and opportunities. The emergency medical helicopter's 24-7 staff includes a critical care nurse, paramedic and pilot. The helicopter can be off the ground in as little as 5-minutes. The new helicopter can respond to emergencies from Bend to Portland and to Yakima, the Tri-Cities and Seattle in Washington. Previously, Life Flight helicopters from the Portland area could take more than 30 minutes to travel to the Gorge.

• **Skamania County**

Skamania County— With a majority of its land owned and managed by the U.S. Forest Service or in the Columbia Gorge National Scenic Area, economic development in Skamania County requires cognizant planning. Foreseeing a loss of timber revenues from County payments, Skamania County commissioners have been active in attempting to get the payments renewed. The Skamania Economic Development Commission has been simultaneously working to utilize available sites.

One such site, the Broughton Landing project, has taken one more step forward this year. On April 8, the Gorge Commission voted in favor of an amendment to the Management Plan. This amendment would allow the Broughton Lumber Company to redevelop the former Broughton lumber mill site into the Broughton Landing resort. With Gorge Commission approval, the Secretary of Agriculture must now review the Plan Amendment and determine that the Management Plan is consistent with the National Scenic Area Act. The project's proponents project that at full build-out, Broughton Landing will contain approximately 570 bedrooms plus 36 campsites. Average annual occupancy will fluctuate seasonally between about 150 occupants in the winter to 490 resort guests and 50-75 campers during the summer. At maximum peak occupancy which will likely be limited to summer holiday weekends, the resort could be occupied by up to 855 resort guests plus an additional 90 campers. The economic impact analysis estimated that average annual occupancy would be approximately 270 guests staying at Broughton Landing.

Another site Skamania County has targeted is the Wind River Nursery. Previously owned by the Forest Service, this federal nursery employed 350 people. It closed in 1997. Pieces of the nursery have been transferred to Skamania County for redevelopment by the Wind River Redevelopment Team. The site includes a 3,500 square foot processing center and lacks some infrastructure. Currently, the redevelopment team is working on finalizing water rights. The site currently houses four residences, Sherman tech industries, and a fireworks distributor among others.

Port of Skamania County—The Port of Skamania County is currently developing industrial and commercial zoned properties in the Cities of North Bonneville and Stevenson. As with the rest of the county, however, the port is constrained by the taxable land base in its ability to borrow and access funding for infrastructure development. Less than 2% of the county is on taxable land, which the Port draws from. Without capacity for additional debt, though, the Port cannot borrow to construct the

infrastructure needed to build that tax base. A few of the Port's current projects designed to attract economic development opportunities include the following.

Update of the comprehensive plan, including economic and a capital improvement components and market analysis.

New Industrial Park Infrastructure. The Port is working to develop infrastructure for a 35-acre industrial park located in the City of North Bonneville. The scope of work for this project includes: the design and construction of sewer, water, roads, storm-water facilities; performing site grading; and installation of utilities such as electrical, telephone, and natural gas. Currently, the Port is assessing the costs of development and means for accomplishing the scope of work.

New Industrial Building Development. The Port is working to build a 20,000 square-foot industrial building in the existing industrial area of North Bonneville. This project is in response to existing business development demands requiring new industrial space with industrial zoning. The Port plans to complete construction by the end of 2008.



Waterfront Development. The Port is in the planning stages of developing a city block of Port-owned property along Columbia River waterfront in downtown Stevenson. The development will most likely offer store-front retail space on the street level and office space

for professional service type businesses on the secondary levels. Infrastructure to the Waterfront Park already exists, which allows the Port some leverage to potentially work with private developers for completion.

Oregon Counties

· Hood River County

Hood River County—

All portions of Hood River County are adding housing, the majority of which remains unaffordable to many area workers. And the mix of new housing, which is comprised almost entirely of single-family units, fails to address the needs of one-in-three households. Median home prices vary widely across the Mid-Columbia, with the least affordable markets concentrated in Hood River County. The affordable markets for the vast majority of first-time buyers are located in the Mid-Columbia's eastern-end.

Hood River County began a movement to generate income for the county through renewable energy projects last year. In an effort to create sustainable revenue sources to offset the county's operating expenses, the county is exploring the potential to develop micro-hydro, biomass, and community-scale (10 megawatts or less) wind projects. An initial wind analysis has been conducted and a final feasibility study will be conducted as grant funding becomes available. The County is also conducting a biofuels analysis focusing on its forest holdings but also looking at area orchards and other regional

resources. The county has also taken the lead in an effort to conduct an initial feasibility analysis of 12 small hydro projects in the county. Results of these studies will be available in late 2007 and any recommendations will be implemented as resources become available.

Columbia Gorge Community College has expanded with a new campus in Hood River. Programs anticipated for the Hood River campus include a Fundamentals of Applied Core Technologies (FACT) course to meet the needs of local high tech employers. The college will host a grand opening in September 2008 for this campus. In addition to the new campus, CGCC is also seeking accreditation.

City of Hood River—The City celebrated its 100th anniversary this year. It continues to receive a variety of positive rankings noting the quality of life and outdoor lifestyle characteristics of the community. The quality of life in Hood River is attracting many of its new residents. With innumerable recreation opportunities, the Pacific Northwest's climatic and visual attributes, multi-modal transportation options, and proximity to a major metropolitan area, more companies and families want to move to Hood River. However, the city and the county are in need of more affordable, available housing and employment lands. Housing prices in the City of Hood River are about equal with those in Portland. The typical house within Hood River now sells for well over \$300,000. Yet, the area wages continue to stagnate and fall well below the statewide averages. In response, City leaders continue to work on potential solutions. Columbia Cascade Housing is looking at construction of affordable housing at the Cascade Ave property. The City is also looking at the potential for an Urban Growth Boundary expansion.



Photo from Hood River WCPA

The City has begun development of their waterfront park to provide the needed facilities to support the wind sport community and provide necessary amenities for families to enjoy the river. Phase 1 Development will be completed in Summer 2008 and will provide access for all age groups to connect with the Columbia River.

Providence Memorial Hospital expanded this year to support growing needs. With construction costs exceeding \$50 million, the expansion will enhance patient care and provide new services and state of the art equipment. This project has created other smaller business opportunities in the area that support the hospital. In addition to the physical expansion, the hospital also developed a new outreach tool: the Mobile Health Unit. The mobile unit brings health care to residents who are otherwise unable to access these services. It makes stops in Parkdale, Odell, Cascade Locks and Pine Grove.

The City engaged in the final phase of its Urban Renewal Plan which called for the total reconstruction of Oak Street (Historic Columbia Highway) from 3rd Street to 5th Street. This project completes the Urban Renewal Plan that started in 1987 for the revitalization of downtown Hood River. Due to the success of the Urban Renewal Project, downtown

Hood River is a vibrant retail and professional business area which is evidenced by continued investment by property owners in their buildings to create more space.

A number of changes are occurring with large properties including the Expo Center and Embarq (previously Sprint) building.

Port of Hood River - The Port of Hood River recently replaced its tollhouse facility, upgraded approaches, and added BreezeBy- a new electronic tolling collection system- for frequent commuters. These modifications improve traffic flow, decrease congestion, and allow the Port to handle additional traffic across the bridge.

In addition to alleviation of transportation concerns across the Bridge, the Port also received SAFETEA-LU funding in 2005 to connect Exit #63 and Exit #64. This project would link the waterfront properties, enhance development, and reduce traffic congestion on I-84. A Project Engineer (W&H Pacific) was selected and a contract awarded in Fall 2007. Phase 1 will determine the feasibility and cost estimate of a new crossing. Depending upon the outcome of the initial assessment of Phase 1, the Port will either proceed to Phase 2 of designing a bridge or look for alternative solutions to the traffic congestion. The Phase 1 study is on schedule for completion in September, 2008.

The Port will be implementing its Marina Expansion Project in the summer of 2008. It will be proceeding with extension of C-Dock south, upgrading the gate entrance and key system, and replacing old electrical connections. Meanwhile, renovation of the Hood River Expo Center has led to new opportunities as Full Sail Brewing expanded to occupy space in the center.

City of Cascade Locks - The City of Cascade Locks has seen some substantial changes over the last few years. Renewed interest in the housing market led to the construction of the Sahalla development. This flurry of activity and new investment is positive news for the community and has been reflected in home values.

The South Bank project moved forward with undergrounding utility lines from Cascade Locks to Multnomah Falls. This effort lowers maintenance costs for the municipal utility and provides enhanced reliability for the electric users along the route. The above ground lines have been difficult to maintain and service in the National Scenic Area, especially in wetlands areas.

The Leap (Listen, Envision, Act, Prosper) Action Planning group was instrumental in getting services to Cascade Locks, including a mobile health unit from Providence Hood River Hospital to provide care for residents.

A new Fire Station to serve the community is under construction. This major community goal has taken more than 20 years to reach this point, but is finally becoming a reality with the assistance of a Community Development Block Grant, the City of Cascade Locks and citizen groups, the Ford Family Foundation, and the Oregon

Investment Board. The new facility will house the fire department in a quality and modern facility, replacing a structure that was structurally unsound.

Port of Cascade Locks - The Port has been working in conjunction with the Confederated Tribes of the Warm Springs to build a world class resort and casino in an industrial park in Cascade Locks. The project would provide economic self sufficiency to tribal members, supply 1,400 full-time jobs and provide revenue sharing of 17% of casino profits. The tribe has been working on this proposal since 1998 when a tribal referendum supported moving gaming operations from Kah- Nee-Ta to tribal lands in Hood River County. In 2004, Warm Springs agreed to protect/convey their Hood River Lands and formally requested that new compact negotiations begin with Governor Kulongoski and the State negotiating team for a Cascade Locks site. On April 6, 2005 the tribe and Governor Kulongoski signed a new compact for Cascade Locks casino. In February 2008, the draft EIS was released for the project. A final EIS and Record of Decision are tentatively planned for fall/winter of 2008.

Pacific Crest Park: The Port of Cascade Locks is currently working on plans to develop 40 acres of property located near the Bridge of the Gods. The new development will offer mixed income living, and stunning views. In addition, the Port is working with the US Forest Service to swap land around the Pacific Crest Trail with USFS owned property within the Urban Growth Boundary, but outside the National Scenic Area Boundary.

There are currently many things going on in Marine Park. The Port is looking to make improvements to one of the Historic Lock Tender Homes. This rehabilitation will include replacing siding that has been destroyed due to the strong Gorge wind and rain and other minor improvements as the money will allow. The Marine Park Campground will also look a little different in the near future as the Port finalizes plans for new restrooms, made possible with the help of a Land and Water Conservation Fund grant. The restrooms will include shower facilities to better accommodate campers.

The Port is also working with Oregon Department of Transportation on completing the engineering and permitting stage of the new Marine Park Entrance. The new entrance will offer separate vehicle and pedestrian access, creating a safe entry into the park. Basalt rock and other materials will be used to create an entrance that will be reminiscent of the Historic Columbia River Highway, which runs through Cascade Locks.

To better accommodate the Columbia Gorge Racing Association and the desirable sailing climate, the Port is also working on improvements to the beach and surrounding areas. With further development of the Marine Park, sailboat racing in Cascade Locks will be able to expand and grow tourism in the community.

· **Sherman County**

Sherman County— Sherman County is frequently referred to as the "Land Between the Rivers." Located in north central Oregon, the Columbia River forms the northern

border, while the east and west boundaries are marked by the steep, deep canyons of the John Day River on the east and the Deschutes River on the west. The rugged canyons of Buck Hollow, a tributary of the Deschutes, mark the southwest border.¹

The twentieth century saw Sherman County's population decline from over 5000 in 1900 to about 1700 in 2000 and the closing of many local businesses, consolidation of farms and out-migration of the younger generations. This is beginning to reverse! People are moving back into the county, building new homes and opening new businesses.

Sherman County has the highest percentage of tilled farmland out of any county in Oregon, even though the Soil & Water Conservation District indicates Sherman County has zero acres of prime farmland due to the lack of precipitation and irrigation. Dry-land wheat has proven a reliable crop for decades in Sherman County.

However, some of those acres in the community of Grass Valley may soon cater to racing fans. In February 2005, Sherman County approved zoning for 436 acres of wheat fields to be converted into a motorcourse. Pacific Motorsports Management, Inc (PMMI), out of Portland, will develop the land into a road course of approximately 4.5 miles in length. PMMI currently seeks investors for Phase I of this \$2 million project, which includes 2.5 mile road race track, operations facility, restroom and shower facility, and a sewage treatment plant. This project will bring the second racetrack for sports cars in the state of Oregon to a county in great need of economic diversification. County officials and the one nearby neighbor are in support of the project, which could bring 10 to 20 seasonal jobs to the area. The 2.3-mile road track will be constructed first, with future plans for a clay oval, kart track, drag strip, and banquet facilities.



Photo from PMMI website

In 2005, Sherman County decided to get its citizens actively involved in shaping its future. With financial assistance from the Ford Family Foundation, a series of leadership courses and community forums were held. Participants rolled out in the hundreds for two county-wide gatherings and in between small volunteer groups met to discuss ideas and projects. This hard work and dedication resulted in the creation of a vision and mission statement for Sherman County's future. In addition, the community identified goals with regard to economy and business; infrastructure and communication; community development; and recreation/tourism. This 'pull yourself up by your own bootstraps' attitude has continued and three Ford Leadership

¹ From Sherman County Extension website: <http://extension.oregonstate.edu/sherman/index.php>

Community Building programs have been successfully completed with graduates prepared to mobilize existing resources, obtain new support and rebuild their communities.

Wind energy continues to be a great source of economic development for Sherman County. A study by the Renewable Northwest Project (www.rnp.org), in December of 2004, quotes former County Judge Mike McArthur, “It [wind] has helped to diversify the economy. It’s another crop we can harvest, [and] it helps fill gaps in the county budget.”



Photo from CGCC

Currently, Klondike I & II wind farms produce 99 MW of renewable energy—enough to power 24,000 homes. Klondike III and Biglow Canyon are complete.

Klondike III is a 272.25 megawatt (MW) wind farm that consists of 165 wind turbines, a new substation and operations and maintenance building. This facility is located on private land subject to long-term wind energy leases that KIII has negotiated with the landowners. PPM has contacted the county about applying for an enterprise zone. Anticipated

employment from this project is about 10 people.

Biglow Canyon is a 450-megawatt wind farm that consists of 225 turbines, a new substation and operations and maintenance building sited on private land previously owned by Orion Energy and just recently acquired by PGE. Anticipated employment is 10-12 people.

Privately owned, Oregon Trail Wind farm received a permit from Sherman County to operate a 10 MW, 4 turbine wind farm. They are also looking to apply for the enterprise zone. All three wind farms plan to expand in the future.

To provide interconnection for the expanded wind energy generation, BPA has built a 12-mile, double circuit 230-kilovolt (kV) transmission line to connect to BPA's existing John Day Substation. BPA has expanded the John Day Substation and built a 230-kV substation next to it.

Three additional major wind farm projects have been issued permits. The uncertainty about investment and energy tax credit legislation has held up construction. One of these wind farms is going ahead with or without the tax credits, the other two are awaiting favorable outcomes from Washington, DC.

Meteorological towers springing up in the central and south county areas indicate there is continued strong interest in further developing Sherman County’s wind resources.

Additional Sherman County projects include improvements and upgrades to historic DeMoss Park on Highway 97, an Owner-Occupied Housing Rehabilitation program, an engineering study for cell phone tower siting, and an upgrade for the county Web site. Conditional use permits have been issued for 5 cell phone sites along US 97 which will provide the first reliable cell service in Sherman County south of the Columbia River.

In total, Sherman County expects 155 new jobs created by projects that are well underway or completed and include Azure Standard in Moro, three wind farms in Bigelow and Klondike, Auscrete in Rufus and Pacific Motorsports in Grass Valley. There are plans for another three wind farms that could create fifty additional jobs. Sherman County is encouraging employees to locate in the County by putting resources together that include financing, construction, realtors, schools, additional infrastructure and local amenities, and working through the employers to deliver this message.



More than thirty residents and businesses have participated in a tourism planning project to develop specific activities for tourists, marketing material and quality of life improvements to deliver this message to prospective new employees.

Sherman County is on the verge of an economic turn-around and substantial energy and resources must be invested to ensure the full benefits of this opportunity are captured for the residents and businesses of Sherman County and the region.

• **Wasco County**

Wasco County— Agriculture plays a significant role in Wasco County from cherries to wheat to cattle. Orchardists in Wasco County suffered from a late and cool spring that led to a high rate of mortality for buds. The result will be a smaller crop of local cherries. Harvest for 2008 will not overlap with the California market this year, however, which should assist orchardists in selling their fruit. In addition to a later harvest, new varieties of cherries are extending harvest times.

Many brine cherry trees are being pulled from production as they provide a lesser return to the grower. According to a study conducting by the OSU extension service, brine cherries return about \$0.43 per pound to the grower while fresh cherries return double that amount. The combination of these factors has led to the following estimates:

Oregon Cherry Crop (in tons)			
Type	Est. 2008	2007	2006
Fresh	16,688	18,577	29,346
Brine	10,000	8,344	17,963
Canned	2,000	1,033	2,109
Frozen	2,000	1,323	4,797
Total	30,688	29,277	54,215

Oregon Cherry Growers fruit drying facility has been a profitable venture and has included drying of both cherries and blueberries. It will be negatively affected, however, by some of the brine cherries being pulled from production.

Wheat hit record prices in 2007 due to a number of factors including failure of crops worldwide from drought and adverse weather conditions. Inputs also dramatically rose during this period, mainly due to the rising cost of fuel, fertilizers and chemicals. For 2008 there are much larger plantings of all classes of soft wheat worldwide. According to the USDA, they report soft red winter acres are up 21% to 10.5 million acres and estimate soft white winter acres to be up 7% from the prior year.

The scenic beauty of agriculture areas combined with the National Scenic Area and varied geography have increased recreational opportunities, especially for cyclists. In 2008 the Mt Hood Cycling Classic, an Olympic qualifying event, once again was hosted in Wasco County. The Dalles Area Chamber of Commerce and local cycling groups are developing tour guides for cyclists to take advantage of the multitude of potential rides.

The county is looking forward to additional opportunities including seeking to complete a resort destination overlay. They also engaged the public this year in the 10th Street property redevelopment planning- an area that could include commercial facilities in addition to community facilities such as ball fields, a youth center, and a health center. The National Guard Armory is located currently in one of these buildings and a priority for the County has been to move them up to the college facilities in conjunction with a 911 and Emergency Operations Center.

The Discovery Center, serving the entire National Scenic Area has struggled with its debt service and introduced a raptor program this year which they hope will draw additional tourists to the area. New businesses catering to tourists including transportation companies and a potential cruise ship dock would also assist the Discovery Center. Currently they serve approximately 50,000 visitors per year.

Energy issues affecting the entire region will hit hard in Wasco County, especially foreseeing the planned regulations for 2011 that will cut new load growth. Like most other counties in the region, Wasco County is seeking to benefit from renewable energy projects. One of the more controversial is the 7 mile hill/UPC project. Wasco County actively participates in the Bi-state Renewable Energy Zone development and works with Mid-Columbia Council of Governments and the Community Renewable Energy Association on community renewable projects.

City of Dufur— The City of Dufur has experienced new business development recently including redevelopment of the historic Balch hotel. The hotel has the potential to spur new tourism for the community and has become a central location for event hosting. Complimenting this redevelopment is a change to the local Kramer's Market which services the City and nearby residents. Business expansion in the community has been

especially apparent in 2007 and 2008. As a rural community with strong ties to agriculture and a gateway to Mount Hood, Dufur has become a desirable location in the county to reside, as evidenced by rising housing prices. As with other rural communities, however, rising fuel costs will hit these residents especially hard.

City of Maupin— Maupin began a cooperative effort with the Sirolli Institute to begin a microenterprise program in support of start-up entrepreneurs through an Enterprise Facilitation Project. In addition to other funding, the City received an Oregon Community Development Block Grant.

Public transportation in the area was improved with increased coordination between the Wamic senior bus and the public transportation provider, Transportation Network. Wamic Senior Bus has been providing services to South Wasco County and recently began discussions with Canyon Rim Manor, the assisted living facility.

Maupin is a popular destination for white water rafting with convenient access to the Deschutes River. An upcoming priority project for the city is a food distribution center.

City of Mosier— The Mosier Groundwater Study has moved into its second phase. The study is designed to investigate the hydrology of the Mosier Creek Basin and use the knowledge gained to develop a set of tools that can be used to evaluate the sustainable yield of the ground-water resource. Ground water levels in this area have been dropping by as much as 4 feet per year since the 1970's. In this phase of the study, input parameters are being modified to view the anticipated outcome and determine what will be the end result if water use does not change. It is anticipated that the techniques developed during this study will be widely applicable in similar studies of Columbia River Basalt aquifers.

The City of Mosier is also facing wastewater improvement needs. In 2008 the City began upgrades to the wastewater facility. Recently, the project hit a patch of diesel requiring mitigation. Seeking additional funding, the City plans to complete the upgrades to this facility which will support current residents and planned future development.

Responding to changes in the community, the group MainStreet Mosier formed to ensure consideration of the growth of Mosier for those living in Mosier and those who call Mosier their home. With a mission of enabling citizen participation in planning, they intend to look at a comprehensive plan update, create a downtown development plan, and apply to the Oregon Mainstreet program this year.

City of The Dalles—

Sunshine Mill/East Gateway. The City of The Dalles continues to push forward on this urban renewal project and has made significant progress in the last year. A new intersection with Brewery Grade will need to be engineered and constructed and three models have been designed with a preferred option including a roundabout.

Cruise Ship Dock. The City continues to actively pursue development of a cruise ship dock at the foot of Union Street. A central part of the City's Downtown Renaissance Project is to reconnect the Downtown to its historic Columbia River frontage. The primary project in this effort is construction of a Cruise Ship Dock and Pier that will allow the expanding Columbia River cruise ship industry to make The Dalles one of its primary stops. The continued viability of the downtown area relies heavily on the possibility of additional customers from the cruise ship industry. Recently, the historic Granada Theatre in downtown The Dalles was purchased by a promotional group hosting conventions and group tours who sees the cruise ship dock as a cornerstone for their business model. The Discovery Center rejuvenation also relies on the completion of this project.

In addition, the city makes progress toward redevelopment of the historic First Street corridor, with a Washington Street pedestrian undercrossing beneath the railroad tracks, linking to the Union Street portal, and development of an adjacent events site.

Columbia Gorge Community College (CGCC) campus. The college became the first public institution on the West Coast of the United States to offer a renewable energy program incorporating wind turbine technician training. It is hosting a Summer Institute June 24-26, 2008 for 18 colleges throughout the nation that either have renewable energy programs or are interested in starting them. To support the growing program, the college has been seeking funding for a workforce training building.

Lone Pine. Construction began on the Lone Pine development on the east end of The Dalles. Lone Pine Village will comprise 60 acres of mixed-use residential and commercial space with 248 homes – single-family, townhomes, and condominiums with an additional 175,000 square feet of commercial spaces. The project also helps to accelerate completion of the 10-mile Riverfront trail and pieces of the trail have already been constructed in 2008.

Downtown Assistance. The Small Business Development Center at Columbia Gorge Community College embarked upon a new downtown assistance program this year with support from the Oregon Investment Board. The SBDC has brought counseling services to the downtown business owners at their place of work. The SBDC director has encouraged the city to apply for the Oregon Mainstreet program.

Port of The Dalles –

Northwest Aluminum. University of Munich students partnered with University of Oregon students this year to work on redesign plans for the Northwest Aluminum smelter facility. Considerations from this session included options for retaining parts of the smelter in any redesign. While privately owned, the Port continues to work with potential options for the site. The Port continues to actively work on a number of leads and respond to state inquiries.

Confederated Tribes of the Warm Springs— The Warm Springs, with support from the City of Cascade Locks, continue their pursuit to build a 500,000-ft² casino/resort on 25

acres within the City's industrial park and lease an additional 35 acres to provide parking for an expected three-million visitors each year. The casino-resort project must still pass an Environmental Impact Study and receive approval from the Bureau of Indian Affairs and the Secretary of the Interior before any further development.

Celilo Village development. Recent village improvements include a new longhouse built in 2005, a new well, a 250,000 gallon reservoir and sewer systems. New homes are the latest addition and residents began moving in this year. A BIA administrative office and classroom are also planned for construction. Celilo Village is unique in that it belongs to the U.S. government and is held in trust by the Bureau of Indian Affairs for the Nez Perce, Umatilla, Warm Springs and Yakama tribal groups along with the Columbia River Indians.

Shaniko – The City of Shaniko proposes renovations to city parks and city hall, and is reviewing a potential strategy to resolve its longstanding challenge of providing appropriate wastewater treatment. Several other projects are also under way. The city hopes to renovate its fire station, and is exploring the possibility of establishing an historical documents resource center. Resolution of the city's wastewater system, however, is the single biggest challenge toward continued expansion. Shallow soil conditions now typically require double lots for each residence in order to allow individual septic systems. A community system would allow greater building density.

Antelope – The city identifies a need for cellular telephone service, along with upgrades to city hall and possible restoration as an historic site of the city's former jailhouse.

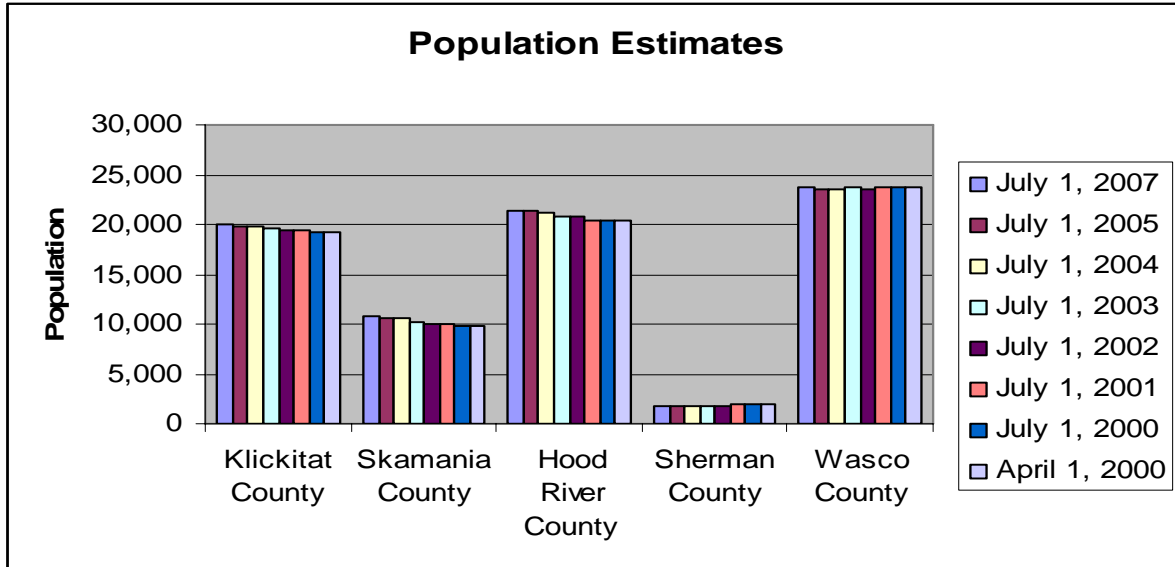
IV. DEMOGRAPHIC INFORMATION AND ANALYSIS

Population

POPULATION DISTRIBUTION AND DENSITY IN THE MID-COLUMBIA, 2007			
<i>Source: U.S. Census</i>			
	Land Area (mi ²)	Population Estimates, 2007	Persons per square mile
Hood River	522	21,296	40.80
Wasco	2,381	23,762	9.98
Sherman	823	1,677	2.04
Skamania	1,656	10,723	6.48
Klickitat	1,872	20,097	10.73
MCEDD Region	7,254	77,555	10.69

Much of the Mid-Columbia region's population is located in three of its Counties, Hood River, Wasco, and Klickitat. Hood River is by far the most densely populated in region. It is also the smallest county in terms of land area in the region and in the State of Oregon.

COUNTY POPULATION ESTIMATES, CENSUS, APRIL 1, JULY 1, 2000 - JULY 1, 2007								
<i>Source: U.S. Census</i>								
Geographic Area	Population Estimates							Census 2000
	July 1, 2007	July 1, 2005	July 1, 2004	July 1, 2003	July 1, 2002	July 1, 2001	July 1, 2000	April 1, 2000
Klickitat County	20,097	19,839	19,771	19,683	19,402	19,338	19,242	19,161
Skamania County	10,723	10,664	10,556	10,286	10,066	9,974	9,901	9,872
Hood River County	21,296	21,284	21,084	20,806	20,706	20,465	20,480	20,411
Sherman County	1,677	1,749	1,724	1,788	1,788	1,863	1,925	1,934
Wasco County	23,762	23,593	23,553	23,661	23,563	23,730	23,815	23,791
MCEDD Region	77,555	77,129	76,688	76,224	75,525	75,370	75,363	75,169
Oregon	3,747,455	3,641,056	3,591,363	3,562,681	3,522,342	3,473,484	3,431,070	3,421,399
Washington	6,468,424	6,287,759	6,207,046	6,131,131	6,066,319	5,992,412	5,911,212	5,894,121



POPULATION CHANGE BY RACE 1990-2000						
<i>Source: U.S. Census</i>						
1990	Total	White	Hispanic	Black	American Indian	Asian & Pacific Islander
Hood River County	16,903	16,315	2,670	52	222	314
Sherman County	1,918	1,880	27	0	24	14
Wasco County	21,683	20,447	967	69	924	243
Klickitat County	16,616	15,851	880	30	596	139
Skamania County	8,289	8,031	162	5	200	53
MCEDD Region	65,409	62,524	4,706	156	1,966	763
Oregon	2,842,337	2,684,559	103,288	47,017	40,522	70,239
Washington	4,866,669	4,411,387	186,092	152,569	87,259	215,454
2000	Total	White	Hispanic	Black	American Indian	Asian & Pacific Islander
Hood River County	20,411	16,099	5,107	117	229	326
Sherman County	1,934	1,810	94	4	27	9
Wasco County	23,791	20,599	2,214	71	906	310
Klickitat County	19,161	16,778	1,496	51	665	180
Skamania County	9,872	9,093	398	30	217	70
MCEDD Region	75,169	64,379	9,309	273	2,044	895
Oregon	3,421,399	2,961,623	275,314	55,662	45,211	109,326
Washington	5,894,121	4,821,823	441,509	190,267	93,301	346,288
1990-2000 Percent Change	Total	White	Hispanic	Black	American Indian	Asian & Pacific Islander

Hood River County	20.80%	-1.3%	91.3%	125.0%	3.2%	3.8%
Sherman County	0.80%	-3.7%	248.1%	n/a	12.5%	-35.7%
Wasco County	9.70%	0.7%	129.0%	2.9%	-1.9%	27.6%
Klickitat County	15.30%	5.8%	70.0%	70.0%	11.6%	29.5%
Skamania County	19.10%	13.2%	145.7%	500.0%	8.5%	32.1%
MCEDD Region	14.90%	3.0%	97.8%	75.0%	4.0%	17.3%
Oregon	20.40%	10.3%	166.5%	18.4%	11.6%	55.6%
Washington	21.10%	9.3%	137.3%	24.7%	6.9%	60.7%

While the MCEDD region underwent many demographic changes during the 1990s, perhaps the most significant is the relative increase in races that have not traditionally been a significant part of the population. The biggest increase was in persons of Hispanic or Latino descent. Their population almost doubled. Even with this increase in diversity, the region remains largely white.

CHANGE IN POPULATION AND DEPENDENCY RATIO, 1990-2000

The Dependency Ratio measures the relative size of the working age population to the non-working age of the population. The higher the ratio, the better because it means there are more people working to support those that are not.

1990	0 to 19 years	20 to 64 years	65 years and more	Total	Dependency Ratio
United States	71,321,886	146,146,156	31,241,831	248,709,873	1.42
Oregon	802,516	1,648,481	391,324	2,842,321	1.38
Washington	1,398,246	2,893,158	575,288	4,866,692	1.47
MCEDD Region	19,802	35,978	9,629	65,409	1.22
Hood River County	5,016	9,522	2,365	16,903	1.29
Sherman County	564	1,031	323	1,918	1.16
Wasco County	6,321	11,576	3,786	21,683	1.15
Klickitat County	5,230	9,119	2,267	16,616	1.22
Skamania County	2,671	4,730	888	8,289	1.33
2000	0 to 19 years	20 to 64 years	65 years and more	Total	Dependency Ratio
United States	80,473,265	165,956,888	34,991,753	281,421,906	1.44
Oregon	944,004	2,039,218	438,177	3,421,399	1.48
Washington	1,683,019	3,548,954	662,148	5,894,121	1.51
MCEDD Region	21,915	42,583	10,671	75,169	1.31
Hood River County	6,219	11,569	2,623	20,411	1.31
Sherman County	555	1,026	353	1,934	1.13
Wasco County	6,609	13,217	3,965	23,791	1.25
Klickitat County	5,649	10,868	2,644	19,161	1.31
Skamania County	2,883	5,903	1,086	9,872	1.49
Change 1990 - 2000	0 to 19 years	20 to 64 years	65 years and more	Total	Dependency Ratio

United States	12.8%	13.6%	12.0%	13.2%	1.2%
Oregon	17.6%	23.7%	12.0%	20.4%	9.5%
Washington	20.4%	22.7%	15.1%	21.1%	4.7%
MCEDD Region	10.7%	18.4%	10.8%	14.9%	8.4%
Hood River County	24.0%	21.5%	10.9%	20.8%	1.8%
Sherman County	-1.6%	-0.5%	9.3%	0.8%	-3.2%
Wasco County	4.6%	14.2%	4.7%	9.7%	10.5%
Klickitat County	8.0%	19.2%	16.6%	15.3%	9.4%
Skamania County	7.9%	24.8%	22.3%	19.1%	15.8%

Between 1990 and 2000 the Dependency Ratio for the MCEDD region improved, although overall the rate remains lower than the state or national averages. Within the region, it is important to note that in only one county, Sherman, was the elderly population the fastest growing segment. In Hood River, the under 10 segment grew the fastest. However, relatively robust growth in the 20-64 year-old segment led to an improvement in the county's dependency ratio.

Employment and Income

AVERAGE WAGE AND PER CAPITA INCOME, 2000, 2002, 2004, 2006

Source: Bureau of Economic Analysis

2000	Average Wage Per Job	Percent of National Average	Per Capita Personal Income	Percent of National Average
Klickitat County	27,885	80%	22,246	75%
Skamania County	25,485	73%	30,393	75%
Hood River County	22,771	66%	22,818	76%
Wasco County	26,632	77%	23,663	79%
Sherman County	21,714	63%	19,055	80%
MCEDD Region	24,897	72%	23,635	79%
Washington	37,423	108%	31,779	106%
Oregon	32,215	93%	28,097	94%
United States	34,718		29,845	
2002	Average Wage Per Job	Percent of National Average	Per Capita Personal Income	Percent of National Average
Klickitat County	26,866	74%	23,265	78%
Skamania County	25,514	71%	31,495	73%
Hood River County	23,757	66%	23,791	77%
Wasco County	27,323	76%	23,477	76%
Sherman County	23,483	65%	17,741	82%
MCEDD Region	25,389	70%	23,954	78%
Washington	38,381	106%	32,549	106%
Oregon	32,987	91%	28,924	94%
United States	36,150		30,810	
2004	Average Wage Per Job	Percent of National Average	Per Capita Personal Income	Percent of National Average
Klickitat County	28,223	73%	24,479	75%
Skamania County	28,005	72%	32,591	74%
Hood River County	24,797	64%	25,237	76%
Wasco County	28,588	74%	24,958	76%

Sherman County	26,520	68%	23,599	82%
MCEDD Region	27,227	70%	26,173	79%
Washington	40,299	104%	35,041	106%
Oregon	35,005	90%	30,561	92%
United States	38,798		33,050	
2006	Average Wage Per Job	Percent of National Average	Per Capita Personal Income	Percent of National Average
Klickitat County	31,850	76%	27,827	76%
Skamania County	28,959	69%	28,265	77%
Hood River County	26,939	64%	29,333	80%
Wasco County	31,430	75%	27,720	76%
Sherman County	29,595	70%	19,550	53%
MCEDD Region	29,755	71%	26,539	72%
Washington	43,727	104%	38,212	104%
Oregon	37,251	89%	33,299	91%
United States	41,991		36,714	

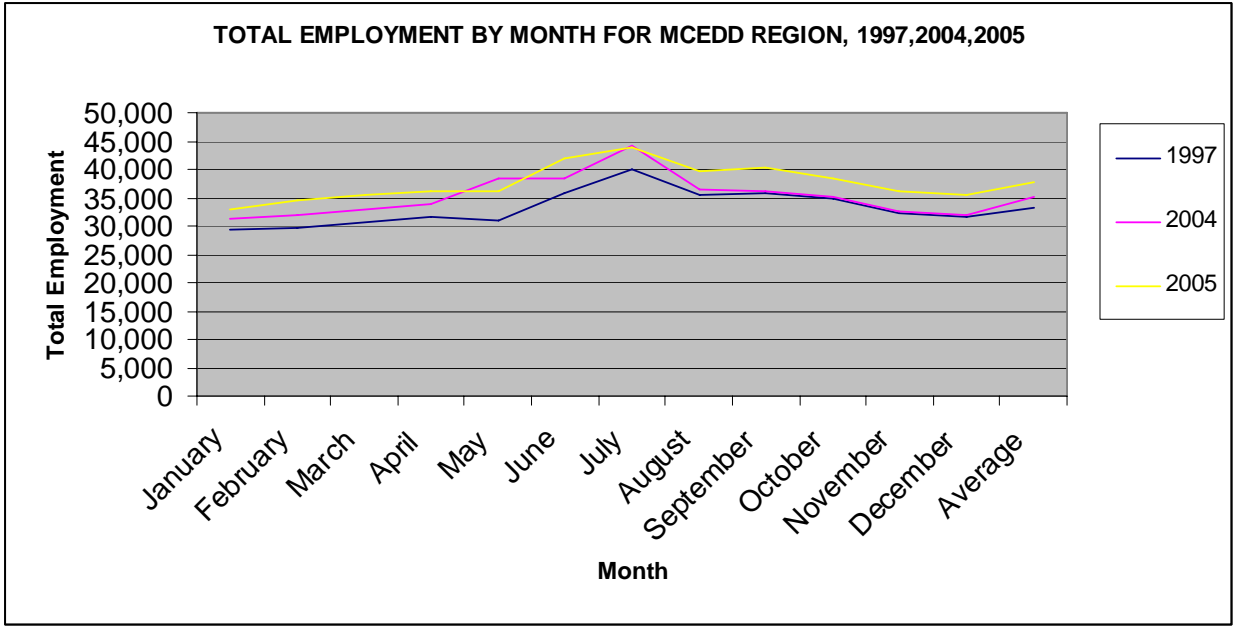
Per capita personal income is calculated as the personal income of the residents of a given area divided by the resident population of the area. Average wage per job is wage and salary disbursements divided by the number of wage and salary jobs.

TOTAL EMPLOYMENT BY MONTH FOR MCEDD REGION, 1997, 2004 & 2005

Source: Oregon Employment Department and Washington Employment Security Department

Time Period	1997	2004	2005
January	29,310	31,296	33,064
February	29,813	31,912	34,457
March	30,527	32,762	35,502
April	31,519	33,921	36,234
May	30,963	38,297	36,279
June	35,685	38,297	42,074
July	39,941	44,185	43,902
August	35,343	36,523	39,781
September	35,895	36,168	40,186
October	34,957	35,171	38,547
November	32,223	32,571	36,076
December	31,686	31,906	35,503
Average	33,155	35,251	37,634

Although employment continues to increase in the MCEDD region, it continues to be quite seasonal. Agriculture and tourism are most responsible for seasonal employment fluctuations. Employment increases during summer months strain local housing markets and unemployment services. Economic development strategies must continue to address this issue and support opportunities to provide year-round or counter-cyclical employment.



TOTAL EMPLOYMENT AND UNEMPLOYMENT RATES FOR MCEEDD REGION, APRIL 2006, 2007				
	April 2007		April 2006	
	Total Employment	Unemployment Rate	Total Employment	Unemployment Rate
Oregon		5.1	1,765,432	5.5
Washington		4.3	3,169,800	4.7
United States		4.5	143,405,000	4.7
MCEEDD Region	37,773	5.4	36,391	6.5
Hood River County	11,870	4.6	11,196	6.3
Sherman County	817	4.9	843	6.0
Wasco County	11,606	4.9	11,072	6.1
Klickitat County	8,670	6.8	8,500	7.7
Skamania County	4,810	5.8	4,780	5.9

MCEEDD region and county unemployment rates continue to improve. Yet, all individual county rates and the region average remain higher than both state and national unemployment rates. In addition, wage rates are significantly below the national average.

NONFARM WAGE AND SALARY EMPLOYMENT (BY PLACE OF WORK) MCEEDD REGION, APRIL 2007						
	Hood River County	Sherman County	Wasco County	Klickitat County	Skamania County	MCEEDD Region
	Apr-07	Apr-07	Apr-07	Apr-07	Apr-07	Apr-07
Total nonfarm employment	10,180	690	9,430	5,170	2,110	27,580
Total private	8,710	395	7,060	3,370	1,300	20,835
Natural Resources, Mining, and Construction	500		450	540	100	1,590
Manufacturing	1,230		690	480	170	2,570
Trade, transportation, and utilities	2,040	175	2,050	690	170	5,125
Wholesale Trade	540		230	170		
Retail trade	1,340	90	1,610	340		
Transportation, warehousing, and utilities	160		210	180		
Information	140		240			
Financial activities	330		350			
Professional and business services	730		450			
Admin. & Support and Waste Mgmt.				270		
Health Care and Social Assistance				230		
Educational and health services	1,630		1,520			3,380
Ambulatory health care services			360			
Nursing and residential care facilities			410			
Leisure and hospitality		125	990			3,875
Arts, entertainment, and recreation	590					
Accommodation and food services	1,270		900	300	600	
Accommodation	350					
Food services and drinking places	920					
Other services	250		320	860	260	4,295
Government	1,470	295	2,370	1,800	810	6,745
Federal government	100	100	310	100	150	760
State government	160	35	330	170	40	735
Local government	1,210	160	1,730	1,530	620	5,250
Local education	700		830		240	
Local government excluding educational services	510		610	830	380	
Indian Tribal			290			

NONFARM WAGE AND SALARY EMPLOYMENT (BY PLACE OF WORK) MCEEDD REGION, APRIL 2006						
	Hood River County	Sherman County	Wasco County	Klickitat County	Skamania County	MCEEDD Region
	Apr-06	Apr-06	Apr-06	Apr-06	Apr-06	Apr-06
Total nonfarm employment	9,820	675	9,070	4,960	2,130	26,655
Total private	8,360	370	6,670	3,240	1,330	19,970
Natural Resources, Mining, and Construction and Logging	400		370	590	110	1,470
Manufacturing	1,190		700	420	220	2,530
Trade, transportation, and utilities	2,010	175	1,920	690	170	4,965
Wholesale Trade	520		220	160		
Retail trade	1,350	95	1,530	350		
Transportation, warehousing, and utilities	140		170	180		
Information	140		110			
Financial activities	310		330			
Professional and business services	610		430			
Admin. & Support and Waste Mgmt.				270		
Health Care and Social Assistance				240		
Educational and health services	1,590		1,510			3,340
Ambulatory health care services			330			
Nursing and residential care facilities			410			
Leisure and hospitality	1,870	120	970			3,870
Arts, entertainment, and recreation	650					
Accommodation and food services	1,220		890	290	620	
Accommodation	350					
Food services and drinking places	870					
Other services	240		330	740	210	3,795
Government	1,460	305	2,400	1,720	800	6,685
Federal government	110	100	340	90	160	800
State government	180	45	330	170	40	765
Local government	1,170	160	1,730	1,460	600	5,120
Local education	660		830	660	250	
Local government excluding educational services	510		610	800	350	
Indian Tribal			280			

Education

Educational Attainment for Persons 25 Years and Older, 2000				
<i>Source: U.S. Census</i>				
	United States	Oregon	Washington	MCEDD
Less than 9th grade	7.5%	5.0%	4.3%	7.3%
9th to 12th grade, no diploma	12.1%	9.9%	8.6%	11.1%
High school graduate (includes equivalency)	28.6%	26.3%	24.9%	32.1%
Some college, no degree	21.0%	27.1%	26.4%	25.5%
Associate degree	6.3%	6.6%	8.0%	5.9%
Bachelor's degree	15.5%	16.4%	18.4%	12.2%
Graduate or professional degree	8.9%	8.7%	9.3%	5.9%
Total	100%	100%	100%	100%

	MCEDD	Hood River County	Sherman County	Wasco County	Klickitat County	Skamania County
Less than 9th grade	7.3%	11.5%	3.5%	6.1%	6.7%	4.1%
9th to 12th grade, no diploma	11.1%	10.4%	12.2%	11.8%	11.6%	10.1%
High school graduate (includes equivalency)	32.1%	26.6%	32.9%	34.0%	34.3%	33.4%
Some college, no degree	25.5%	23.8%	25.8%	26.0%	24.8%	29.1%
Associate degree	5.9%	4.6%	6.5%	6.5%	6.2%	6.5%
Bachelor's degree	12.2%	15.2%	15.0%	10.5%	11.1%	11.7%
Graduate or professional degree	5.9%	7.8%	4.0%	5.2%	5.3%	5.1%
Total	100%	100%	100%	100%	100%	100%

Source: EDUCATIONAL ATTAINMENT FOR THE POPULATION 25 YEARS AND OVER [35] - Universe: Population 25 years and over, for comparison to 1990 Data. Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data

While educational attainment in the Mid-Columbia region for those above 25 doesn't vary drastically from state and national averages, there are however, a few items worth pointing out. As the highlighted areas above show, while the MCEDD region as a whole has fewer individuals with graduate or professional degrees than state and national averages, it does have a higher percentage of individuals with a High School diploma. This is an indication of a capable blue collar workforce.

Educational attainment is not evenly spread throughout the five MCEDD region counties. Hood River County, for example, has both the highest rate of individuals with less than a 9th grade education, a result of a large, immigrant workforce, but it also has the highest rate for individuals with graduate or professional degrees. From these findings one can infer that the region has appeal to high-level workers, but also relies on agriculture for a large portion of its rural economy.

Housing

HOUSING GROWTH AND VACANCY, 1990-2000

Source: U.S. Census

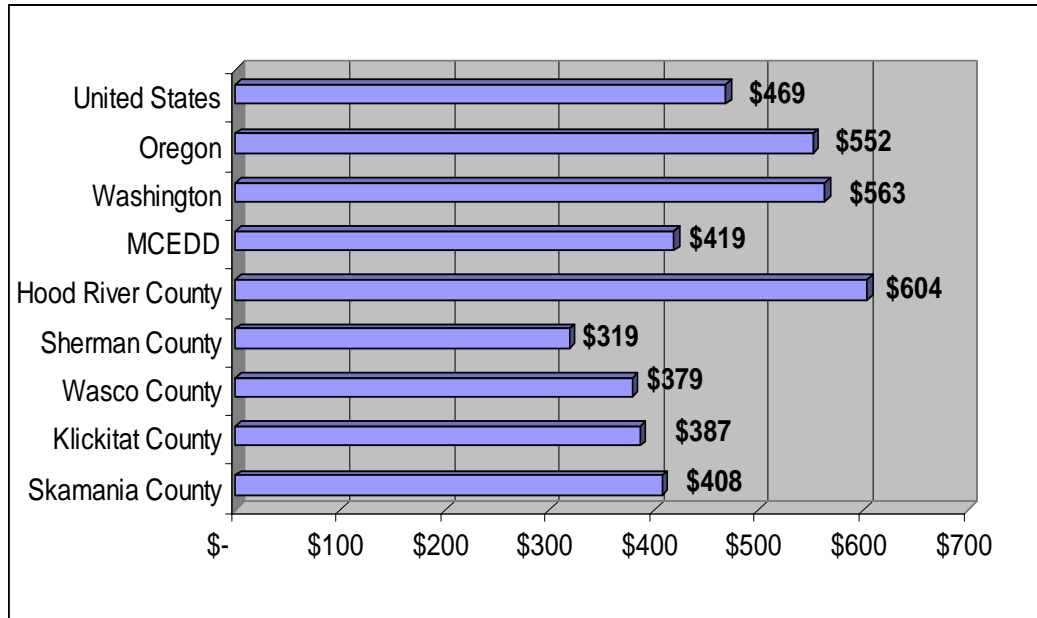
1990	Total Housing Units	Occupied Housing Units	Vacant Housing Units	Homeowner Vacancy Rate%	Rental Vacancy Rate %
Hood River County	7,569	6,425	1,144	1.5%	9.7%
Sherman County	900	784	116	1.9%	11.0%
Wasco County	10,476	8,607	1,869	1.9%	9.3%
Klickitat County	7,213	6,210	1,003	2.1%	6.5%
Skamania County	3,922	3,066	856	1.7%	7.9%
MCEDD Region	30,080	25,092	4,988		
Oregon	1,193,567	1,103,313	90,254	1.4%	5.3%
Washington	2,032,378	1,872,431	159,947	1.3%	5.8%
United States	102,263,678	91,947,410	10,316,268	2.1%	8.5%
2000	Total Housing Units	Occupied Housing Units	Vacant Housing Units	Homeowner Vacancy Rate%	Rental Vacancy Rate %
Hood River County	7,818	7,248	570	1.4%	3.7%
Sherman County	935	797	138	1.7%	8.6%
Wasco County	10,651	9,401	1,250	2.6%	7.2%
Klickitat County	8,633	7,473	1,160	2.6%	8.1%
Skamania County	4,576	3,755	821	2.2%	6.8%
MCEDD Region	32,613	28,674	3,939		
Oregon	1,452,709	1,333,723	118,986	2.3%	7.3%
Washington	2,451,075	2,271,398	179,677	1.8%	5.9%
United States	115,904,641	105,480,101	10,424,540	1.7%	6.8%
1990-2000 Percent Change	Total Housing Units	Occupied Housing Units	Vacant Housing Units	Vacancy Rate% Change	Vacancy Rate % Change
Hood River County	3.3%	12.8%	-50.2%	0.1%	6.0%
Sherman County	3.9%	1.7%	19.0%	0.2%	2.4%
Wasco County	1.7%	9.2%	-33.1%	-0.7%	2.1%
Klickitat County	19.7%	20.3%	15.7%	-0.5%	-1.6%
Skamania County	16.7%	22.5%	-4.1%	-0.5%	1.1%
MCEDD Region	8.4%	14.3%	-21.0%		
Oregon	21.7%	20.9%	31.8%	-0.9%	-2.0%
Washington	20.6%	21.3%	12.3%	-0.5%	-0.1%
United States	13.3%	14.7%	1.0%	0.4%	1.7%

While the MCEDD region experienced less growth in total housing units between 1990 and 2000, the number of vacant units declined. This can be partly attributed to the impact of the Scenic Act restricting housing growth and to the upturn in the economy during the 90s; these effects were most pronounced in Hood River County. Klickitat and Sherman counties experienced the biggest jump in vacancy rates from '90 to 2000. This can be attributed to growth in housing units over the decade and the economic downturn experienced during the late 90's.

AGE OF HOUSING STOCK									
<i>Source: U.S. Census</i>									
	United States	Oregon	Wash	MCEDD	Hood River County	Sherman County	Wasco County	Klickitat County	Skamania County
Built 1999 to March 2000	2.4%	2.8%	2.6%	2.4%	2.0%	1.1%	1.6%	3.6%	2.5%
Built 1995 to 1998	7.3%	10.3%	9.1%	8.6%	7.5%	3.9%	7.3%	11.1%	9.9%
Built 1990 to 1994	7.3%	8.8%	10.0%	6.4%	8.1%	4.1%	5.0%	6.4%	7.3%
Built 1980 to 1989	15.8%	12.2%	16.2%	12.8%	13.6%	8.6%	10.8%	12.5%	17.7%
Built 1970 to 1979	18.5%	23.0%	20.2%	20.9%	21.0%	19.8%	18.7%	22.3%	23.1%
Built 1960 to 1969	13.7%	12.2%	12.5%	10.7%	8.6%	11.0%	12.4%	9.0%	13.4%
Built 1950 to 1959	12.7%	10.2%	10.1%	12.2%	11.3%	11.3%	16.2%	11.0%	6.9%
Built 1940 to 1949	7.3%	7.2%	6.9%	8.2%	7.7%	5.2%	9.3%	7.3%	8.6%
Built 1939 or earlier	15.0%	13.4%	12.5%	17.9%	20.2%	35.1%	18.8%	16.6%	10.7%
Total:	100%	100%	100%	100%	100%	100%	100%	100%	100%
<i>Source: H34. YEAR STRUCTURE BUILT [10] - Universe: Housing units Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data</i>									

PRESENCE OF COMPLETE PLUMBING FACILITIES, 2000									
<i>Source: U.S. Census</i>									
	United States	Oregon	Wash	MCEDD	Hood River County	Sherman County	Wasco County	Klickitat County	Skamania County
Complete plumbing facilities	98.8%	99.1%	99.0%	97.9%	98.9%	98.9%	98.9%	97.2%	94.9%
Lacking complete plumbing facilities	1.2%	0.9%	1.0%	2.1%	1.1%	1.1%	1.1%	2.8%	5.1%
<i>Source: H47. PLUMBING FACILITIES [3] - Universe: Housing units</i>									
<i>Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data</i>									
<p>Overall, the housing stock in the Mid-Columbia region was older than either that of the US or Oregon and Washington. This is common for most rural areas. The slow housing growth during the 1990s is an indication of the economic struggles this region faced. More troubling than slow housing growth, however, was the high number of homes that lack complete plumbing facilities. The MCEDD region is more than twice as likely to have a home that lacks these basic facilities. The situation is particularly acute in Skamania County, where the rate is over five-times that of the state average.</p>									

MEDIAN RENT ASKED, 2000



Overall, rent in the Mid-Columbia is relatively inexpensive compared to National, Oregon and Washington levels. Hood River is the great exception among Mid-Columbia counties. In Hood River County, rents are anywhere between 50% and 90% higher on average than the other counties. This high rent may be responsible for Hood River having the highest rate of renter-occupied housing of any county in the region.

RENTER VS. OWNER-OCCUPIED HOUSING, 2000

Source: U.S. Census

	United States	Oregon	Wash	MCEDD	Hood River County	Sherman County	Wasco County	Klickitat County	Skamania County
Owner occupied	66.2%	64.2%	64.6%	69.3%	64.9%	70.4%	68.4%	68.8%	73.9%
Renter occupied	33.8%	35.8%	35.4%	30.7%	35.1%	29.6%	31.6%	31.2%	26.1%

H7. TENURE [3] - Universe: Occupied housing units
Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data

COMMUTING IN THE MID-COLUMBIA BY PLACE OF WORK; 2000

Source: U.S. Census

	United States		Oregon		Washington		MCEDD	
Worked in state of residence:	123,643,704	96.4%	1,568,739	98.0%	2,693,574	96.7%	28,479	88.9%
<i>Worked in county of residence</i>	94,042,863	76.1%	1,240,563	79.1%	2,278,641	84.6%	24,195	85.0%
<i>Worked outside county of residence</i>	29,600,841	23.9%	328,176	20.9%	414,933	15.4%	4,284	15.0%
Worked outside state of residence	4,635,524	3.6%	32,639	2.0%	91,905	3.3%	3,568	11.1%
Total:	128,279,228	100%	1,601,378	100%	2,785,479	100%	32,047	100%

	MCEDD		Hood River County		Sherman County		Wasco County		Klickitat County		Skamania County	
Worked in state of residence:	28,479	88.9%	8,890	96.2%	767	94.8%	9,562	95.0%	6,064	79.1%	3,196	75.0%
<i>Worked in county of residence</i>	24,195	85.0%	7,743	87.1%	606	79.0%	8,182	85.6%	5,632	92.9%	2,032	63.6%
<i>Worked outside county of residence</i>	4,284	15.0%	1,147	12.9%	161	21.0%	1,380	14.4%	432	7.1%	1,164	36.4%
Worked outside state of residence	3,568	11.1%	355	3.8%	42	5.2%	506	5.0%	1,600	20.9%	1,065	25.0%
Total:	32,047	100%	9,245	100%	809	100%	10,068	100%	7,664	100%	4,261	100%

P26. PLACE OF WORK FOR WORKERS 16 YEARS AND OVER--STATE AND COUNTY LEVEL [5] - Universe: Workers 16 years and over
Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data

The tables above show how workers in the Mid-Columbia region are likely to travel outside their county and state of residence to work. This demonstrates that current and prospective employers should consider the entire region as a resource for workers.

V. ABOUT THE MID-COLUMBIA REGION

a. *Geology*

The region MCEDD serves spans the states of Washington and Oregon along the Columbia River from the slopes of the Cascade Range on the west to the John Day River and the Horse Heaven Hills on the east. It includes Skamania and Klickitat counties in Washington and Hood River, Wasco, and Sherman counties in Oregon. The region constitutes an area of 7,289 square miles and encompasses parts of the Columbia River Gorge National Scenic Area.

The topography and climate of the region vary greatly from east to west. Three distinct physiographic regions are in evidence: the Cascades, the high Columbia Plateaus, and the Mid-Columbia River Plain. The historical underpinnings of local economies within the region generally coincide with those physiographical differences, with the preponderance of lumber production in the Cascades, agriculture on the high plateaus, and transportation, trade, and river-oriented endeavors along the Mid-Columbia River Plain. The intermountain valleys of the Cascades are noted for orchard crops, as are irrigated areas to the east, immediately adjacent to the Mid-Columbia River Plain.

Geology of the Region:

The Cascades

Skamania and Hood River counties are located in the Cascade Range uplift, a region characterized by deeply dissected mountains. Between the two counties, running east to west, the Columbia River has cut through the Cascade Mountain Range to form the Columbia River Gorge, a deep canyon lined by precipitous slopes with outcrops of basalt and anisette.

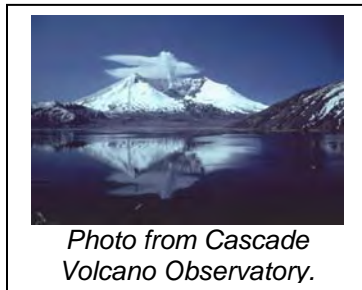
The physiographic features are rugged mountainous, river flood plains and low terraces. Elevations range from near sea level at the river's edge to towering peaks of over 4,000 feet which form the Gorge face, and mountains reaching over 12,000 feet abs. Eons of geologic history are reflected in the Gorge's walls. The history of volcanic eruptions, lava flows, and earth movements that tilted and uplifted the earth's surface, and the series of colossal and catastrophic floods that scoured cliffs and hillsides are evident.



Local landslides, some as recent as 200 years ago, have occurred in several areas along the Columbia River. The large Bonneville Landslide between the cities of Stevenson and North Bonneville, Washington, exposed the Red Bluffs. This landslide blocked the Columbia River for a short period.

Another landslide, still active, lies in Skamania County between Wind Mountain and Dog Mountain. It moves from 40 to 50 feet a year at its upper end, and five to ten feet a year at its lower end.

Geologically, the Cascade Range is the product of volcanic activities that took place until the early Pleistocene Era. This volcanic activity formed an effective transportation barrier separating the Pacific Coast from a large inland hinterland. Most passes through the mountains are above 4,000 feet, the one notable exception being the Columbia River Gorge. The river maintained its channel through the mountains during periods of uplifting, providing a water level route to the sea. Therefore, the Mid-Columbia region is located on a major east-west commerce route to Pacific Northwest population centers and beyond.



Elevations in the northern part of Skamania County vary from about 1,000 feet at Swift Creek Reservoir to approximately 8,000 feet at Mount St. Helens, an active volcano situated near the west margin of the Cascade Range. This year marked the 26th anniversary of the devastating eruption of 1980. And she did not disappoint! Geologists, the public and the media gathered to watch small eruptions and a new lava fin, which is growing daily. While none of the eruptions have amounted in any damage, earthquakes continue to shake the volcano and the lava dome inside continues to grow.

Mount Adams rises 12,276 ft. high in the Gifford Pinchot National Forest in Skamania County. Part of this volcano lies within the Yakama Indian Nation and is considered sacred by tribal custom; use by others is prohibited. Snow melt from Mount Adams feeds creeks that help supply water to the residents of Klickitat County and the City of Goldendale, Washington.

Mount Hood rises 11,235 feet in elevation in the Mt. Hood National Forest. Multnomah and Hood River county lines actually bisect this peak. Mt. Hood is an extremely popular destination for winter sports due to the development of several skiing resorts on its slopes. Like Mount Adams, this picturesque volcano can be seen from many places in the Mid-Columbia region, including the plateaus on either side of the Columbia.

The Columbia Plateau and River Plain

The portion of the region in which Klickitat, Wasco and Sherman Counties are situated begins on the eastern slopes of the Cascade Mountains and extends eastward over a narrow transition zone to an arid plateau bordered by the Blue Mountains, the Deschutes River, and the John Day River. The Columbia Plateau is a true lava plateau weathered and bisected by streams.

The Columbia River, through a continuous process of down-cutting, established a deep gorge in a large plateau. From an elevation of 3,000 feet around the edges, the plateau slopes—gently in some places, abruptly in others—toward the Columbia River Gorge. The plateau surface is flat to gently undulating, dissected by a network of steep-walled canyons cut by surface water systems, such as the Deschutes and Klickitat river systems.

Deep layers of basalt rock underlay the plateau and centuries-old river sediment lines its surface. Geographically, the most extensive stratigraphic unit occurring in the region is the basalt of the Columbia River group. These basalts form the high, dark brown-to-black cliffs along the sides of the Columbia River Gorge and other major canyons. Except in a few locations where the basalt flows have been deformed, the basalt underlies the area in horizontal flows. Near the town of Lyle, Wash., in Klickitat County, the Columbia River Basalt flows dip towards the southeast, deformed by the uplifting forces of the Cascade Mountains.

The Columbia River Basalts erupted from fissures or creeks, each many miles long. The flows spread almost like water for great distances. This is evident by the apparent uniformity of thickness of the flows. Overall thickness is several thousand feet and the age has been dated from early to middle Miocene.

The basalt north of the Columbia is covered with layers of sand, gravel and deposits of lacustrine silt deposited at the end of the Ice Ages when the area was a glacial outwash plain. To the south, sand and loess deposits are prevalent, seldom exceeding a thickness of 50 feet.

b. *Climate*

The Mid-Columbia Economic Development District has diverse climates within its region's borders that directly affect its agricultural economy, its forest products industry, the region's power generation system, tourism, recreational activities, and all other aspects of life. Where the growing season is short and the precipitation high, historically the region's forest products industry had been the economic foundation. Now this region is restructuring to better protect its natural resources and empower its entrepreneurs. Where the growing season is longer, with ample precipitation and good drainage, tree crops are produced. On the high, dry, plateau, grain is the major crop.

The Cascades

The Coast Range to the west shields Hood River and Skamania counties from severe winter storms moving inland from the Pacific Ocean. The Cascades also protect the area from the high summer and low winter temperatures of eastern Oregon and Washington. The Columbia River Gorge moderates the blocking effect somewhat by allowing air exchange between inland and coastal areas, creating strong winds through the Gorge.

Depending on the elevation, the winter temperature varies from a January average of 35 degrees Fahrenheit at 1,000-2,000 feet to 10 degrees F at 6,000 feet. Summer maximums are between 90 and 100 degrees F, with the normal range being 70 to 80 degrees F. Precipitation patterns are similar to the coastal areas of the Pacific Northwest. One to two inches of rain typically falls during the driest summer months. The wettest months are typically December or January. Annual totals range from 70 to 100 inches of precipitation.

The Columbia Plateau

The dominant distinction between the high plateaus and the Cascades is the much lower annual precipitation they receive. This part of the region is located within a rain shadow created by the Cascade Mountains. Most weather stations average between 10 and 20 inches of rainfall annually, increasing to 20 to 30 inches in some localized higher areas. Some eastern parts of the region receive less than six inches of precipitation a year, most falling as snow between November and February. Summers are hot and dry with July and August having little or no rainfall.

Temperatures vary according to elevation. Locations at moderate elevations have July averages of 70 to 75 degrees F. In midsummer, temperatures in the 80s and 90s are common during the daytime, dropping to the 50s at night. Extreme summer temperatures of more than 115 degrees F have occurred. Relative humidity is low, especially during summer. January mean temperatures vary between 25 and 30 degrees F, with occasional daytime high temperatures below 0 degrees Fahrenheit. Temperature extremes as low as -34 degrees F below zero have occurred. The growing season varies from 150 to 175 days.

The Mid-Columbia River Plain

The Mid-Columbia River Plain generates its own linear climatic system. Portions of the west end of the Columbia River Gorge are considered rain forest, while the east end of the region has an arid desert climate. Annual precipitation varies from over 80 inches at Cascade Locks in the west to 10 inches at its eastern edge. The length of the growing season ranges from 160 days in the Western Gorge to more than 200 days east of The Dalles. The prolonged growing season of the east end can be attributed to the protection the river plain receives from the Columbia Hills and Horse Heaven Hills to the north, and the moderating effect of the Columbia River.

Prevailing winds in the Columbia River Gorge are from west to east in the summer and from east to west in the winter. This phenomenon has helped boost the region's economy in recent years; the prevailing summer winds, which blow up river against the river current, provide ideal windsurfing conditions. Thousands of windsurfers a year come to what has become a "Mecca" of the sport—the Columbia River Gorge. This relatively new sport to the area has increased rapidly in popularity.

c. *Natural Resources-Political Geography*

Land Use and Zoning

All five counties in the Mid-Columbia region have zoning ordinances and land use comprehensive plans. Portions of four of the five counties (Wasco, Hood River, Skamania, and Klickitat) lie within the Columbia River Gorge National Scenic Area (NSA). Established to oversee the NSA, the Columbia Gorge Commission has assisted the counties in preparing plans and drafting ordinances complying with the NSA Management Plan and the requirements of the Scenic Act. The Gorge Commission continues to oversee land-use decisions in those portions of the NSA where the counties have not yet adopted ordinances complying with the Management Plan. The Gorge

Commission also formally approves ordinances proposed by the individual counties once they are determined to comply with the Management Plan.

State and federal forestry practices are in place in both the Oregon and Washington portions of the District's region. Overall, land-use regulation in Oregon is controlled by the Department of Land Conservation and Development (DLCD). Washington's Growth Management Act (GMA), which became law in 1990, governs land-use requirements in that state. The GMA was enacted in 1990 to slow urban sprawl and protect forest and farmlands from development. The act affects development and growth patterns throughout the state. Both Washington counties have taken the administrative steps to "opt out" of the GMA, an option available to counties with populations of less than 50,000 and growth rates of less than 20% over the past decade.

Other state and federal regulatory agencies also affect development activities in the region, including the U.S. Army Corps of Engineers (COE), the U.S. Bureau of Land Management (BLM), the U.S. Environmental Protection Agency (EPA), the Oregon Department of Environmental Quality (DEQ), and the Washington Department of Ecology (DOE).

Prime or Unique Farmland

As defined by the Farmland and Preservation Act, prime farmland is land that has the best combination of physical and chemical characteristics for producing food, feed, forage fiber, and oilseed crops, and is also available for these uses. In general, prime farmlands have an adequate and dependable water supply from precipitation or irrigation, a favorable temperature and growing season, acceptable acidity and few or no rocks. There is a total of approximately 130,000 acres of prime farmlands in the Mid-Columbia Economic Development District's region.

Floodplains and Wetlands

There are several identified wetland sites in the five-county region. Maps of these locations are available at county planning and U.S. Forest Service offices, and at the offices of the Columbia Gorge Commission.

Both Oregon and Washington have delegated responsibility to local governments to adopt flood plain management ordinances requiring review of and permits for development on flood plains.

Political Geography

Oregon's Hood River County and Washington's Klickitat and Skamania counties operate with county commissions. Oregon's Sherman and Wasco counties have county courts.

Columbia River Gorge National Scenic Area

Environmental issues in the Columbia River Gorge have been a top item of discussion since the 1986 Congressional Act that designated it a National Scenic Area. The act places further land-use restrictions on large portions of four of the five counties in the region. The legislation created a National Scenic Area along both banks of the Columbia

River, including portions of Clark, Skamania, and Klickitat counties in Washington, and Multnomah, Hood River, and Wasco counties in Oregon. Except for small pieces of Clark and Multnomah counties, the Scenic Area lies within the confines of the Mid-Columbia Economic Development District.

The lower White Salmon and lower Klickitat Rivers were also added to the National Wild and Scenic River system through the Scenic Act. In 2005, the upper White Salmon River and one of its tributaries, Cascade Creek, were also added to the National Wild and Scenic River system. Management plans have been developed for these areas by the U.S. Forest Service.

The purposes of the National Scenic Act (NSA) are

1. To establish a national scenic area to protect and provide for the enhancement of the scenic, cultural, recreational, and natural resources of the Columbia River Gorge; and
2. To protect and support the economy of the Columbia River Gorge area by encouraging growth to occur in existing urban areas and by allowing future economic development in a manner that is consistent with paragraph (1).

The U.S. Forest Service managed the National Scenic Area initially. A 13-member Columbia Gorge Commission, with full-time staff, was established in 1987 and took over management responsibilities in early 1988. The Gorge Commission's offices are in downtown White Salmon on the west edge of Klickitat County.

The Commission's Management Plan, adopted in 1992, highlights the first objective and purpose of the act as "to establish a National Scenic Area to protect and provide for the enhancement of the scenic, cultural, recreational, and natural resources of the Columbia River Gorge."

Five of the six Scenic Area counties—Clark, Multnomah, Wasco, Hood River, and Skamania—have adopted ordinances approved by the Columbia Gorge Commission. Klickitat County has taken no steps toward preparing proposed ordinances for the Gorge Commission's approval.

The Management Plan created three land-use designations for the 292,615 acres of the National Scenic Area:

1. **Urban Areas:** The communities of Cascade Locks, Hood River, Mosier, and The Dalles in Oregon, and North Bonneville, Stevenson, Carson, Home Valley, Bingen, White Salmon, Lyle, Dallesport, and Wishram in Washington are identified as urban areas in the Management Plan. These areas, totaling 28,511 acres, are generally exempt from most of the land-use restrictions of the act, including any new county ordinances adopted to conform to the requirements of the Management Plan. The boundaries of the urban areas were established by the legislation. Urban growth boundary issues have become a primary concern for a number of these communities. In 2008, the Gorge Commission began a process of reviewing the intent of the legislation with respect to UGB's.

2. **General Management Areas:** More than half of the Scenic Area—149,004 acres—is designated General Management Area (GMA). It covers most of the eastern Gorge and is scattered in the central and west end of the Gorge. The GMA primarily includes the expansive grazing lands of the east, orchard and other intensive agricultural lands, and the Columbia River.
3. **Special Management Areas:** The Special Management Areas (SMA) designation was applied to 115,100 acres of area determined to have special scenic qualities, significant natural resources, or important archeological and historic sites. Those lands include portions of the Gifford Pinchot National Forest in Washington, and the Mount Hood National Forest in Oregon. These lands are concentrated in the western half of the Scenic Area. The SMA also includes the sheer cliffs and dense forests of the Gorge walls, the islands of the Columbia River, and the marshy bottom lands along its banks.

In spring 2005, the Gorge Commission completed the process of reviewing the Management Plan (a process begun in 2001). Plan Review is mandated by the National Scenic Act every five to ten years. After three public drafts and input from over 250 people, agencies, and organizations, major changes to the plan include the following.

- Allowing wine tasting rooms in residential zones to be up to 1,000 square feet rather than 500 square feet.
- Allowing commercial events in rural residential, agricultural, and forest-zoned areas.
- Allowing orchard fans used for frost control to be installed without a permit in the General Management Area and under a fast-track process in the Special Management Area.
- Increasing the size of “accessory” buildings that can be built through expedited review from 120 to 200 square feet.
- Eliminating provisions that would have allowed up to 1,500 square feet of activity inside a wetland or stream buffer.
- Increasing requirements for grading plans when a project involves more than 100 cubic yards of grading or fill.
- Clarifying that new development sites inside six “developed settings” does not have to be painted a dark, earth-tone color.
- Eliminating several redundant regulations.

Later in 2005, the Gorge Commission released the long-awaited “Scenic Resources Implementation Handbook” designed to offer clear-cut guidelines for the requirement that new construction in the National Scenic Area be “visually subordinate” to the landscape if capable of being seen from “key viewing areas.” The handbook does not eliminate the need to obtain necessary permits and reviews, but will help residents through the process more quickly.

Economic Development in the National Scenic Area

The National Scenic Area Act authorized \$5 million each for Washington and Oregon to provide grants and loans to stimulate economic development within the Scenic Area. Additional monies were provided to help construct Skamania Lodge near Stevenson, and allocated for construction of the Columbia Gorge Discovery Center at Crates Point west of The Dalles. Each of the six counties that make up the Scenic Area must adopt additional land-use provisions consistent with the legislation, and win approval of those measures from the Gorge Commission, to qualify for use of the promised economic development funds.

Because they have approved ordinances meeting the requirements of the Management Plan in place, Multnomah, Hood River, Wasco, Clark and Skamania counties qualify for use of the \$10 million in economic development funding promised by the Scenic Act to mitigate for the economic impacts of designating the region a National Scenic Area. Since Klickitat County has not yet met the requirements, projects in the county are not eligible for the funds.

Both Washington and Oregon have received economic development funds from the federal government as part of this act. A Bi-State Advisory Council was established to oversee investment of those monies, and separate Investment Boards for each state were charged with making the actual decisions. MCEDD's Executive Director is an Advisory Council member. These funds are managed by the Washington Investment Board (WIB) and the Oregon Investment Board (OIB). Each Board is responsible for overseeing a grant and loan program that supports economic development projects in the scenic area. All decisions made by each Board are reviewed by the Columbia River Gorge Commission to ensure that each grant or loan is consistent with the two purposes of the act. As of June, 2003, each State had received \$4,001,750 of a \$5,000,000 authorization. No further allocations from this authorization have been made as of April, 2008, despite numerous attempts to gain the additional funds.

Oregon and Washington were each authorized \$5 million to create an economic development program in the National Scenic Area. \$744,000 was appropriated in FY 1993, \$2.5 million was appropriated in FY 1996, \$3.0 million in FY 1997 and \$1,872,000 in the FY 2001 budget. Funds are granted through the Forest Service to Washington and Oregon to implement an already prepared economic development plan. The appropriated monies were split equally between Washington and Oregon for business loans and other projects within the confines of the Scenic Area.

Separate economic development plans were prepared by the two states for use of those funds as called for in the Scenic Act. Those plans were based on a 1988 Economic Opportunity Study. That study was based on 1980 U.S. Census data and predates the impacts of federal timber harvest restrictions, measures aimed at protecting endangered salmon species, rapid growth in the Gorge's windsurfing industry and the implications of the establishment of the National Scenic Area itself.

The 1988 Economic Opportunity Study was updated in 1997 by MCEDD. The "Columbia Gorge Bi-State Economic Opportunity Study & Action Agenda, July 1997," sponsored by the Bi-State Advisory Council and the Washington and Oregon Investment Boards, and funded through the U.S. Department of Commerce Economic Development Administration and the Washington State Department of Community, Trade and Economic Development, amends the 1992 Economic Development Plans for the Columbia River Gorge National Scenic Area of both states. The 1999 plan update for economic development was approved by both state governors.

Indian Tribes

Tribal Reservations are located in three of the region's five counties. A 387,912-acre portion of the Confederated Tribes of the Warm Springs Reservation is located in South Wasco County. Approximately 916 acres are located east of The Dalles in the northeast corner of Wasco County, in the community of Celilo. These two areas are home to members of the Umatilla, Nez Pearce, Warm Springs, and Yakama tribes. The community of Celilo is not a reservation, only federal lands exempt for their occupancy. Sherman County has 146 acres owned by the "Mud Head" Indian tribe. Indian tribes own 66,252 acres of land in Klickitat County – 57,452 acres make up part of the Confederated Tribes of the Yakima Nation Reservation; just 9.17 acres of the Yakima Reservation lie in Skamania County. Reservation and tribal lands comprise a total of 455,235 acres of Indian Reservation land in the Mid-Columbia Economic Development District's region.

VI. REGIONAL INDUSTRY CLUSTER DEVELOPMENT

In spring 2005 MCEDD met, in a series of three meetings, with leaders in wine, renewable energy, natural healthcare, art, and high technology industries to create five Mid-Columbia industry clusters. During the three-meeting series, each cluster created a five-year work plan, which outlines initiatives the cluster believes imperative to improve its business environment in the region. The meetings created opportunities for entrepreneurs to network with others in the region in their cluster. The networking strengthened communication and enthusiasm within the industries. The three-meeting series within each industry created groups to work towards accomplishing goals recorded in their five-year work plans.

Yet, MCEDD and cluster leaders realized many initiatives require additional funding to move forward. In winter 2005, MCEDD partnered with the five clusters to pursue EDA assistance to fund Cluster Development Phase II: moving cluster initiatives into action. MCEDD noticed all cluster work plans identified needs in education, marketing, and market research. Therefore, MCEDD submitted an application to EDA on behalf of the arts, high technology, natural healthcare, renewable energy, and wine clusters in spring 2006 for funding assistance to develop education, marketing, and market research projects.

With EDA support, MCEDD has strengthened its relationships with the entrepreneurs and small businesses that comprise each Mid-Columbia cluster. From 2006 through 2008, MCEDD worked with each cluster to move work plan initiatives forward. The Mid-Columbia region clusters are emerging as a new economic base in the region. As entrepreneurs throughout the region have connected with others who share their frustrations and their barriers to success, they have discovered a foundation for their industry and an organization committed to their success. The paragraphs below provide descriptions of each cluster's progress, current focus, and action.

Arts Cluster –



The arts cluster has improved region-wide communication, marketing, and education for artists and art tourists to further develop the local industry. With strong arts groups including Gorge Artists, Columbia Center for the Arts, White Salmon Arts, Skamania Performing Arts, and others, the arts cluster has a number of industry leaders to contribute to its recent successes:

- Gorge Artists Open Studios (GAOS) began in 2007 with support from MCEDD and a steering committee of local artists. Now in its second year, GAOS has held two region-wide open studios tours for more than 30 artists every year. Participating Gorge artists open their studios to the public, displaying their work for sale and providing educational demonstration. Event marketing promotes the tour to community members and art patrons from the Portland metro area and communities east of the Columbia Gorge in Washington and Oregon. The event brings art councils in many communities in the region together, along with

community members and businesses. It creates a new direct-marketing opportunity for the region's artists, with a built-in education component to improve the artists' business skills and marketing ability. As the event grows in future years, it will glue the arts cluster together, through communication, community building, and improved bottom lines.

- Columbia Center for the Arts (CCA) leveraged EDA funding with multiple other sources to create an artist development series: the "Artist2Artist Professional Development Fair." This free event provided a place for artists to congregate, learn and develop professional relationship in a cooperative, educational setting. CCA made additional technical assistance workshops available in response to the turn-out from this event.
- Development of a comprehensive database of local artists by Gorge Artists
- Creation of an online events calendar by Columbia Center for the Arts, including a focus on cultural events.
- Distribution of a regional *Arts in the Gorge* newsletter monthly. The newsletter highlights arts events for tourists and artist development opportunities for entrepreneurs.

Columbia Gorge Natural Healthcare Network –

Led by a massage therapist, the natural healthcare cluster hosted its first educational event for healthcare practitioners in March 2006. An acupuncturist, massage therapist, chiropractor, and naturopath participated in a panel diagnosis of shoulder and neck pain. Each panelist took turns diagnosing this common ailment for an audience of 30 natural healthcare practitioners in the region. This event offered an opportunity to network and build knowledge and contacts to refer patients to.

Due to a lack of continued industry leadership, however, this cluster did not continue to actively pursue its work plan items. However, in January 2008 a group of paid care providers expressed interest in developing a cluster and renewing the healthcare aspect. They are currently meeting regularly and developing new communications streams with the assistance of MCEDD. With a focus on training, attracting employees to the field, and offering opportunities for cooperative positions, the cluster has already seen success in networking to enhance training opportunities in conjunction with the local community college.

Columbia River Gorge Technology Alliance –

The high-technology cluster formed the Gorge Technology Alliance (GTA) in 2004. The CEO of Insitu acted as president of the GTA for 3 years. Recently, the owner of Custom Interface was elected president of the alliance. The GTA connects over 50 members and 200 individuals, who work to promote the Gorge as an emerging technology cluster, meet monthly to provide technology-related public education, and network and learn from speakers experienced in the industry. These monthly gatherings are used to support and promote local high tech companies and high tech education opportunities in the region. The GTA maintains a website, www.crgta.org, which has developed into a high-powered Web portal to attract more



high tech businesses and employees to the Gorge. The GTA leveraged EDA dollars and in kind support to receive a \$15,000 grant from the OIB as part of a \$50,000 project to support a project manager to pull together high-tech cluster volunteers to move a number of GTA projects forward, including a web portal, membership drive, and directory of high-tech businesses in the region.

Wine Cluster –

The wine cluster is growing through the Columbia Gorge Winegrowers Association (CGWA). This non-profit organization includes grape growers, vineyard managers, wine



makers, and associate members (businesses related to the wine industry in the region). CGWA had been staffed by MCEDD but in 2008 was able to gain enough funding and support from its membership to fund one part-time coordinator. As a result of the group's efforts, the Columbia Gorge region received recognition as American Viticulture Area (AVA). Between 2002 and 2006, the number of wineries in the region grew from eight to 26,

and will continue to increase in the coming years, along with the number of vineyards, tasting rooms, and partnerships with local restaurants.

Mid-Columbia Renewable Energy Cluster –

The renewable energy cluster has focused this year on the development of the nation's first renewable energy zone, the Columbia River Gorge Bi-State Renewable Energy Zone, or CGBREZ. Formed by the five counties in MCEDD's service district, the zone was created to reduce the region's dependency on federal subsidies, bring economic vitality to the region, establish a national model for energy self-sufficiency, and provide a model of self-reliance for other rural economies in the 21st century.



The intention of this group is to provide a forum for coordination on renewable energy project and to:

- Formalize the CG-BREZ Plan
 - Define areas of logical emphasis for each county
 - Launch economic development initiatives in each
- Support intensive Clean and Green Tech research in the region
 - Promote and establish our area as a thought and research leader in Renewable Energy
 - Explore application of R&D on new industries
- Leverage our strengths to position us as a national leader in Renewable Energy
 - Capitalize on our assets by utilizing our geographic advantage to attract and retain tomorrow's knowledge workers
- Support workforce development through educational initiatives, workforce housing, and public transit
 - Build on the very successful Wind Turbine Technician pilot

- program recently completed by the Columbia Gorge Community College
- Launch initiatives to create adequate workforce housing and accessible public transportation throughout the region
 - Support all areas of this initiative to provide assistance to public and private interests to develop renewable energy businesses including, but not limited to:
 - Loan guarantees
 - Revolving loan fund
 - Streamlining governmental permitting processes

MCEDD –

Renewable energy opportunities, rapid growth in the region's wine industry, development of opportunities for artists and expansion of the region's high-tech leaders, provide a new economic base for the Mid-Columbia region.

VII. EVALUATION OF MCEDD'S ACTION PLAN FOR 2007-08

MCEDD is in its third year of a reorganization project to be more responsive to client needs and has hired project managers to provide additional assistance to businesses, organizations, and governments. With the assistance of new staff, MCEDD accomplished the following items in relation to the four work items outlined by the MCEDD board for 2007-2008:

- 1) Market MCEDD and its services, especially in Washington-** One of the best marketing tools has been the continuation and expansion of a region-wide newsletter keeping people informed of economic development activities across the five-county area. This year, MCEDD reinforced its relationships with partners in Washington and offered assistance with projects. MCEDD's outreach efforts have been especially fruitful in the special projects area of our work plan.
- 2) Establish long-term funding strategies for MCEDD**
 - a. Increase private memberships-** MCEDD established a 501(c)4 for an Oregon MCEDD center and is working on establishing a similar organization for a Washington MCEDD center. At this time MCEDD does not offer private membership in the organization. However our board consists of multiple private business interests.
 - b. Find long-term special project revenues-** Long term special projects have included:
 - Project management services for the Gorge Technology Alliance continue on a long-term basis to support high tech entrepreneurs.
 - Sherman County economic development continues to be serviced by MCEDD project managers.
 - Wasco County economic development contract will begin July 1, 2008. Their current contractor, Columbia Gorge Community College, released the contract this year. Wasco County Court advertised for requests for proposals in conjunction with advice from the Wasco Economic Development Committee.
 - Oregon Investment Board staffing. MCEDD continues to provide staffing services for the OIB for grant and loan management.
 - Lower John Day Strategic plan. In developing this plan, MCEDD committed to a longer term relationship for implementation of issues surrounding the strategic plan.
 - c. Explore options in homeland security, fire protection, transportation, etc-** MCEDD continues its relationship with the providers in the Gorge TransLink network, exploring options for creating a mobility management position.
 - d. Provide additional member services- GIS, economic gardening, etc-** MCEDD engaged in discussions with planner, John Morgan, regarding the potential for regional GIS services for small communities.
 - e. Establish local match sources for grants/IRP loans-** MCEDD received match from the Mount Hood Economic Alliance and Oregon

Investment Board. These sources allowed MCEDD to receive a \$750,000 low-interest loan from the United States Department of Agriculture. MCEDD established a 501(c)4 for the Oregon MCEDD center to have the option for accessing Oregon Community Development Block Grant funds for additional revolving loan fund dollars.

3) Establish regional economic development resource center

- a. **Grant Administration** – MCEDD is in the process of administering two Community Development Block Grants. The City of Cascade Locks, Oregon received a CDBG for construction of a fire station which began in May 2008. The community of High Prairie, Washington was the sub-recipient for CDBG funds to construct a fire hall and community center. The project plans to re-bid in July 2008.
- b. **Grant writing** – MCEDD offers grant writing services and was recently approached by the Lone Pine development for assistance in writing grants for the completion of the Riverfront trail. The unincorporated community of Murdock, Washington approached MCEDD regarding grant writing services for a water system, but has yet to finalize their needs.
- c. **Communicate grant availability** – As the staffing organization for the Oregon Investment Board, MCEDD regularly works with agencies in the National Scenic Area to promote economic development by strategically using grant funds. This year we participated in a grant roundtable to assist local groups in understanding the multitude of grant opportunities.
- d. **Project management**- MCEDD's project managers actively pursued project management options to improve the region. These have included transportation initiatives, cluster initiatives, economic development services, strategic planning, and infrastructure assessments.
- e. **Business loans**- This year we grew our loan fund program and contracted for loan fund management. A priority for the organization in supporting our loan clients is to hire a full time loan fund manager.

4) Improve organizational efficiency

- a. **Utilize volunteers/interns as possible** – MCEDD chose not to apply for a RARE participant this year, but has been able to utilize the services of community volunteers to support the monthly newsletter and Gorge Technology Alliance.
- b. **Explore cost-reduction strategies** – MCEDD staff has reduced costs whenever possible. We committed to a 30-day trial of a new Voice over IP (VoIP) phone system to reduce phone bills. Following the trial, MCEDD determined that the quality of the service did not meet our standards and are looking at the option for utilizing cell phones for project managers on-the-road. In our new lease agreement we worked with the landlord to install new windows which will increase the energy efficiency of our building and reduce heating and cooling costs.

VIII. THE ECONOMIC VISION, GOALS, AND OBJECTIVES FOR 2008

These concepts will drive our efforts and those of our region partners, as we work to improve the Mid-Columbia economy.

Vision:

“To create a diversified economy that enhances the opportunity for employment for citizens of the region and increases the tax base for the counties and cities by working together in leadership, planning, and strategic investment while safeguarding the area’s rural qualities, values, and natural resources.”

Goals and Objectives

Goal 1: Retain and expand existing businesses in the region to enhance the region’s established economic base, seeking value-added opportunities.

Objective 1. Provide for adequate revolving loan funds to assist entrepreneurial efforts.

- Aggressively market all loan programs.
- Use prudent management practices, and assistance from state and federal partners, to administer existing programs for revolved funds to ensure maximum available for relending.

Objective 2. Help retain existing employers in the area by assisting in the removal of obstacles to growth and/or continued operation in the area.

- Encourage business counseling, networking, and permitting opportunities that will ensure traded sector opportunities and sustain local markets.

Objective 3. Encourage value-added segments to established industries

- Create an awareness of opportunities to reach new markets with innovative products/packaging.
- Create cross-marketing opportunities.
- Continue to develop renewable energy projects.

Goal 2: Attract new business and industry to the region that will provide opportunities for existing residents at family wages.

Objective 1. Promote the region as the best place to locate a business.

- Through state and regional marketing promote infrastructure, transportation, and quality of life in the Mid-Columbia region.

Objective 2. Provide opportunities for new employers and their families.

- Work to insure the availability of affordable housing.
- Connect regional industry clusters through projects to compound opportunities.

Goal 3: Create adequate infrastructure that will serve key industrial, commercial, and residential areas of the region contributing to increased opportunities for employment and expanded property tax base.

Objective 1. Create adequate water, wastewater, transportation, and telecommunications infrastructure.

- Work to identify needs and act cooperatively to ensure and initiate development.

Objective 2. Improve quality and understanding of regional data and information through geographic information systems (GIS) for businesses and government agencies.

- Work to pool existing GIS resources, identify what's lacking, and fulfill any missing information.

Goal 4: Work to improve quality of life in the Gorge by developing and supporting efforts that increase the number and quality of recreational opportunities and facilities.

Objective 1. Create attractive visitor facilities.

- Support downtown revitalization and beautification programs.

Objective 2. Attract new visitors to the area

- Promote region's recreational and cultural assets where appropriate; and in conjunction with economic development opportunities

Objective 3. Enhance existing facilities

- Work cooperatively to identify community needs and funding to fill their needs.
- Work to coordinate existing service offerings to maximize their effectiveness.

Goal 5: Provide high quality education and training opportunities for residents and workers that is flexible enough to rapidly meet changing training needs.

Objective 1. Increase educational and technical training opportunities

- Expand access to instructional programs, including distance learning
- Provide training opportunities for existing workforce to gain skills to meet emerging industry and local market needs.

Objective 2. Advocate for a vital and well-funded education system

- Support efforts to improve the quality of k–12 education and the quantity of higher education opportunities in the region.

Objective 3. Identify key regional industries and work to proactively meet their workforce needs

- Develop Mid-Columbia region industry clusters

Goal 6: Support locally and regionally defined community development and economic development plans, initiatives and projects.

Objective 1. Encourage, support, and advocate the development of locally and regionally defined economic and community development plans.

- 1) Incorporate locally defined community and economic development program initiatives into the Comprehensive Economic Development Strategy document.
- 2) Partner economic development organizations, counties, cities, and port districts in the region to achieve common goals.
- 3) Share knowledge to improve county and community efforts in the region to plan, coordinate, and write community action plans and county and city comprehensive plans.

IX. MCEDD ACTION PLAN FOR 2008-2009

- 1) Stabilize agency and hire key positions
 - a) Executive Director
 - b) Loan Fund Manager
 - c) Board and staff development
- 2) Market MCEDD and its services
 - a) Continue cooperative relationships and communication with partners
- 3) Identify regional issues and opportunities
 - a) Identify new clusters
 - b) Grow the revolving loan fund program
 - c) Engage in and establish regional planning initiatives
 - d) Seek and facilitate opportunities for economic development
- 4) Improve organizational efficiency
 - a) Identify cost sharing solutions

X. ECONOMIC DEVELOPMENT RESOURCES AND PARTNERS

As part of its responsibilities for regional planning and development, MCEDD coordinates with a variety of local, state and federal entities. It is essential to bring all of these talents and resources together in order to accomplish the economic development so critical to this area. The following is a brief description of these important organizations and some of the ways we have worked with them.

Economic Development Administration

As the agency responsible for economic development planning for the five-county district, MCEDD coordinates the process of gathering the information and building consensus for the development of the annual CEDS. This process is part of the requirement by EDA in our planning grant work plan. It is an essential part of our role as liaison between EDA and the local communities. It helps these communities to identify needs and to apply for funding for economic development projects. MCEDD can assist communities to pursue funding for projects. Some project examples include infrastructure, technical assistance, feasibility studies, business assistance and any other projects that will bring jobs and economic diversification to the area. These strategies seek to address both the long-term economic distress of the area as well as acute economic dislocations caused by downturns in specific economic sectors.

MCEDD has recognized that one of the major barriers to business growth and job creation within the district is access to capital. The strategy to address this has taken the form of a Revolving Loan Fund capitalized by grants from EDA. MCEDD utilizes these funds to assist businesses to secure adequate funding for expansion or start-up projects that will create or retain jobs.

In pursuing adequate infrastructure needed to allow for economic growth and diversification, MCEDD helps communities access EDA programs and other grant and loan sources, putting together funding packages that make these improvements possible.

U.S. Department of Agriculture (USDA)—Rural Development

Rural Development is another federal agency which has been a partner in economic development activities in the district. In past years this agency has been a major source of financing for infrastructure and community development projects, many times combining with funding from EDA and/or state dollars.

U.S. Small Business Administration (SBA)

The SBA is a resource that has been used to a large extent in the financing of small business expansion projects in our region. MCEDD business assistance/loan staff has packaged loans under the SBA-504 program and has had numerous SBA 7-A loans as part of financing packages in conjunction with our other loan resources.

U.S. Forest Service

Communities in our district have suffered economically due to decisions in public land-use policy. The Forest Service has provided grants for technical assistance and financing of projects in these affected areas. For example, the Port of Skamania received \$50,000 for a project to pay for design and engineering to build a 15,000-square-foot industrial building.

Columbia Gorge Economic Development Association (CGEDA)

This organization is a partnership among ports, cities, and counties in the MCEDD region. CGEDA heads business recruitment marketing efforts for the Mid-Columbia region. The organization has created and distributed marketing materials, maintained a website, and headed other marketing and recruitment efforts.

Columbia River Gorge National Scenic Area

As part of the legislation creating the National Scenic Area, each state was entrusted with funding for economic development within the Scenic Area boundaries. Each state created appointed Investment Boards to make decisions on use of those funds for grants and loans. In addition there is a Bi-state Advisory Committee, which works on general policy and strategy for economic development.

MCEDD has been a member of the Bi-state Advisory Committee since its inception. Additionally, under contract with the State of Oregon, MCEDD has been the administrator of the Oregon program and staff for the Oregon Investment Board. MCEDD administers all of the grants and loans for the OIB. MCEDD loan staff receives applications and analyzes and presents loans to the OIB. Staff review and present all of the grant requests, as well. Staff also coordinates with the Columbia River Gorge Commission to get certification that the projects are consistent with the National Scenic Act (NSA). MCEDD provides assistance to applicants in accessing the Washington Investment Board NSA programs, which are administered by the Washington State Office of Trade and Economic Development.

Oregon Economic and Community Development Department (OECDD)

MCEDD lending staff works to assist loan applicants to access OECDD loan programs. Many times these applications are in conjunction with MCEDD RLF loans as part of an overall package. MCEDD loan staff packages the loans for OECDD and receives a packaging fee from the State of Oregon.

Mt. Hood Economic Alliance (MHEA)

Hood River and Clackamas Counties formed a partnership to operate two lottery funded programs, Regional Investment Fund and Rural Investment Fund. As of 2004, Wasco County has joined this Alliance. Economic and community development projects located in these counties can apply for grants and loans. MCEDD staff consults with MHEA staff and attends meetings of MHEA to make sure we are aware of their vision, plans, and procedures. Due to legislative de-funding of regional rural investment boards, this organization must seek additional support.

Lower John Day Regional Partnership and Investment Board

This partnership between Sherman, Wheeler, and Gilliam Counties operates the Regional and Rural Investment Fund programs in this region. Until 2004, Wasco County was a member of this Partnership. MCEDD Staff works closely with this organization, attending meetings and coordinating with county capacity builders on development activities and activities under the state contract with OECDD. MCEDD also provides assistance to applicants for grants and loans under their programs. This year we also worked on the development of their strategic plan.

Washington State Office of Trade and Economic Development

MCEDD has a strong working relationship with staff in Olympia. Some of the businesses financed with our revolving loan funds also have financing with the Washington Investment Board. The Olympia staff provided support and information as we moved through the process of recapitalizing our EDA Revolving Loan fund to assist businesses in Klickitat County.

Skamania County Economic Development Council (EDC)

The Skamania EDC is an integral part of economic development activities in the County. The EDC is staff for the Washington Investment Board and consequently MCEDD works closely with that agency to coordinate NSA bi-state activities. The EDC is also active in the CGEDA, the regional marketing effort started by MCEDD.

Klickitat County Public Economic Development Authority

The Klickitat PEDA works to improve the economic conditions in the County. PEDA staff work to create or retain jobs, improve infrastructure, and coordinate federal and state funding. MCEDD works closely with the Klickitat PEDA on projects in Klickitat County.

Hood River and Wasco County Economic Development Committees

Both Hood River County and Wasco counties have active committees of government leaders and private citizens who make economic development related recommendations to the County Commission or County Court. Both work to improve the economic conditions within the County and work closely with MCEDD to coordinate efforts.

Port of Cascade Locks

The MCEDD staff has been working with the Port on both infrastructure and business development.

Port of Hood River

MCEDD has had a strong relationship with the Port of Hood River. We work closely on major projects and through CGEDA. This year the Port received funding from the EDA in the amount of \$500,000.

Port of The Dalles

The Port of The Dalles has seen a great deal of development in recent years. The Port has been working hard to attract sound businesses that create jobs. The Port frequently involves MCEDD from the beginning of these projects.

Port of Klickitat

Washington Ports work directly with the Washington State Office of Trade and Economic Development on financing projects.

Port of Skamania

The Port of Skamania works with the Skamania EDC and the Washington State Office of Trade and Economic Development to obtain financing for port projects.

Columbia Gorge Community College, BizCenter

The Small Business Development Center at the college provides assistance to small businesses in the region by offering counseling and training. Many of the small businesses that request loans for one of the MCEDD loan programs have received services from the SBDC.

City of The Dalles Urban Renewal Agency

The Columbia Gateway/Downtown Urban Renewal Plan and Report allows for a variety of projects and activities including Property Rehabilitation Grant and Loan Programs. The City contracted with MCEDD to develop and design this grant and loan program. MCEDD staff also provides ongoing administrative support to the agency for this program.

The program provides for grants to non-profit or civic organizations for civic improvements in the Urban Renewal district. There are also grants available for design service to applicants for loans under the Historic Restoration Program. Loan interest subsidies are available for projects to restore and improve facades and other qualified work on buildings in the district. Participating private commercial banks makes these loans and the Urban Renewal Agency pays the interest. Loan interest subsidies are also available for redevelopment of unused and underused properties. Direct loans are available for demolition of blighted property. These loans can be forgiven under certain conditions.

Commercial Banks

Most of the business financing packages in which MCEDD has been involved include a major part by private commercial banks. Without them business development would not happen. MCEDD does not attempt to supplant bank financing. Rather, it attempts to encourage their participation by making projects possible that require their loans. This year, a new bank was formed in the region: CenterPointe Community Bank with branches in Hood River, Oregon and The Dalles, Oregon.

Private Business

No economic development would take place with out the entrepreneurs and industries that invest and risk their time and money to the projects that are our economy. All of MCEDD's activities take this into consideration.

XI. APPENDICES A-D

Appendix A – Regional Project Priority List

OREGON TECHNICAL ASSISTANCE PROJECTS				
Regional Priority	County	Applicant	Project	Total Project Cost
1	Sherman	<i>Grass Valley</i>	Grass Valley Wastewater System	\$ 30,000
2	Sherman	<i>Sherman County</i>	Workforce Housing Study	\$ 50,000
3	Wasco	<i>Columbia Gorge Community College</i>	Workforce Center Design and Engineering	\$ 1,600,000
4	Hood River	<i>Hood River County</i>	Comprehensive Transportation Plan	\$ 360,000
5	Hood River	<i>Hood River County</i>	Employment Lands Planning and Development	\$ 200,000
OREGON PUBLIC WORKS PROJECTS				
Regional Priority	County	Applicant	Project	Total Project Cost
1	Hood River	<i>City of Hood River</i>	Water Transmission Line Replacement	\$ 22,000,000
2	Wasco	<i>City of The Dalles</i>	Cruise Ship Dock	\$ 2,525,000
3	Sherman	<i>City of Moro</i>	Wastewater System Upgrades	\$ 2,800,000
4	Wasco	<i>Wasco County</i>	National Guard/911/EOC	\$ 17,200,000
5	Sherman	<i>City of Rufus</i>	Development of Industrial Site	\$ 500,000
WASHINGTON TECHNICAL ASSISTANCE PROJECTS				
Regional Priority	County	Applicant	Project	Total Project Cost
1	Klickitat	<i>City of Goldendale</i>	Industrial Marketing Project	\$ 150,000
2	Skamania	<i>Skamania County</i>	Master Plan Update	\$ 25,000
3	Klickitat	<i>City of Goldendale</i>	Downtown Revitalization	\$ 200,000
4	Skamania	<i>Skamania County</i>	Multi-Use trail Feasibility study	\$ 50,000
5	Klickitat	<i>Lyle</i>	Lyle Revitalization	\$ 70,000
WASHINGTON PUBLIC WORKS PROJECTS				
Regional Priority	County	Applicant	Project	Total Project Cost
1	Klickitat	<i>City of White Salmon</i>	White Salmon Water Infrastructure Improvement Project	\$ 12,000,000
2	Skamania	<i>City of North Bonneville</i>	North Bonneville Sewer Upgrade	\$ 1,400,000
3	Skamania	<i>Port of Skamania</i>	Multi Use Facility at Lewis and Clark Business Park	\$ 1,600,000
4	Klickitat	<i>Dallesport</i>	Dallesport Water Improvement Project	\$ 4,715,958
5	Skamania	<i>City of Stevenson</i>	Sewer Plant Flood Protection	\$ 500,000

Oregon Technical Assistance Projects				
	<i>Applicant</i>	<i>Project</i>	<i>Federal/State Assistance Needed</i>	<i>Total Project Cost</i>
Hood River County				
1	<i>Hood River County</i>	<p>Comprehensive Transportation Plan for Hood River County Hood River and surrounding areas are experiencing accelerated growth in a County that is faced with significant land use constraints, substantial federal land holdings, and federal and state policy overlays that severely limit options to meet the transportation demands that are being created by this growth. Significant investment is needed to address current and projected transportation needs in the County, but no clear, comprehensive strategy for future transportation investments has ever been developed. The Regional Transportation Strategy will arm local jurisdictions, land managers, businesses, and ODOT with a road map for future local, state and federal investments in transportation infrastructure.</p>	360,000	360,000
2	<i>Hood River County</i>	<p>Employment Lands Planning and Development The County, excluding Cascade Locks, has a significant shortage of employment lands to meet the long-term needs of the community. The entire county including cascade Locks has significant infrastructure needs to develop any new lands added to the inventory and to bring currently zoned lands up to a level of readiness for timely development. This work will identify key areas for future employment lands and address the infrastructure planning issues bring all properties into a "certified" status.</p>	150,000	200,000
3	<i>Hood River</i>	<p>Comprehensive Economic Census and Business Evaluation</p>	80,000	160,000

	<i>County</i>	Conduct a comprehensive Economic Census to gather detailed current information on the changing economy and makeup of employers to better understand our current position and the recent changes to the economy. The information will be used to assist in development of economic goals and other public policy decisions. With the shift away from manufacturing employment with its high capital investment and tax revenue local government is facing new challenges that need to be understood.		
4	<i>Hood River County</i>	Odell Industrial Sewer Planning Hood River County has identified a major threat to economic development in the unincorporated community of Odell. The industrial base of the community is not served by sewer and is facing long-term challenges with discharges into area creeks. This project is intended to develop a plan to address the long-term needs of the commercial and industrial sector (including the fruit packers) of the community to address waste water requirements.	100,000	200,000
5	<i>Hood River County</i>	Renewable Energy Comprehensive Economic Development Plan This comprehensive plan would explore the County goal of encouraging new investment in the region for electrical generation as well as attraction of business and R&D directly involved in the renewable energy sector. The County has already spent \$150,000 on its renewable agenda and this comprehensive plan would continue to refine the focus of the County's efforts. The Columbia Gorge Community College has initiated a program to train turbine technicians in response the growing industry sector.	60,000	120,000
Wasco County				
1	Northern Wasco County	Swim Pool Replacement Design and Engineering Replace the aquatic center swimming pool; the system is failing; perhaps three years left in its present state. Wading pool needs to be on its own filtration system at the end of the 2009 season. (Timeline 2 to	1,400,000	1,400,000

	Parks and Rec	3 years) Preliminary approximate construction cost \$7 million. Estimated engineering cost \$1.4 million.		
2	Columbia Gorge Community College	Workforce Center Design and Engineering Total design cost estimated at \$1.6 million. Estimated \$16 million construction project with potential funding from State of Oregon (\$7.5 million in 11G bonding capacity, contingent on flow-through of construction funds for National Guard training center), US Department of Commerce, public agency one-stop partners, USDA Rural Development financing. Building will support instruction in Renewable Energy Technology, Information Technology, culinary arts and traditional skilled trades.	1,600,000	1,600,000
3	Wasco County	Destination Resort Overlay Zone Develop destination resort overlay zone for Wasco County, an economic development priority to expand tourism and related business development. Request is to hire contractor to organize and conduct public workshops, review preliminary mapping, draft additional maps, assist planning commission during public process, and prepare documents for Wasco County Court approval.	43,700	75,180
4	City of Mosier	Mosier Comprehensive Plan/downtown plan updates Comprehensive plan update/downtown development plan: Current plan was written in 1978, and some updates have occurred since then but is out of date. This is top priority for the city and for Main Street Mosier, which wants to assist the city. Focus is to update plans and regulations. (Main Street Mosier has a downtown focus but includes representative from outlying areas; successor to Mosier Alliance organization.) Potential assignment of responsibility would be for the city to act as lead in comprehensive plan revisions, with Main Street Mosier focusing on development of the downtown master plan. Local contribution is \$15,000.	55,300	70,300

5	Maupin	<p>Food Distribution Center Design Establish a central distribution point for the approximate 500 people in South Wasco County served by the Lions, St. Vincent's, and the American Legion Auxiliary. The families range in age from small children to senior citizens and are recipients of food and other goods to supplement extremely low incomes. Currently there is no secure storage facility within 40 miles of the area for the large amounts of goods, especially fresh or frozen food. It necessitates an 80-mile round trip each time from The Dalles to a temporary distribution and the assurance the food will be distributed before it spoils. This also leaves no "on-hand" capability close to the people who require that assistance. The "Closet", a clothing distribution operation for essentially the same clientele, currently operates out of the American Legion building on Deschutes Avenue. Co-location with the food distribution point will be a synergistic move.</p>	12,000	17,000
Sherman County				
1	<i>City of Grass Valley</i>	<p>City of Grass Valley Wastewater System Study The City of Grass Valley is seeking funds to do a feasibility study for a municipal wastewater system. The City currently does not have a municipal waste water system and all residences and businesses have individual septic systems. Anticipated growth is expected due to the race track being developed close to city limits and the need for work force housing.</p>	30,000	30,000
2	<i>Sherman County</i>	<p>Workforce Housing Study Sherman County is in need of work force housing to meet the growing demand of jobs that are being created due to the siting of an organic warehouse in Moro and the wind farms being built in the county. Current housing is severely limited and or substandard. As a result these employees choose to live in The Dalles or elsewhere in the Mid Columbia area. The county would like to do a study of available lands for housing to aid planners and developers in preparing for current and future housing needs.</p>	50,000	50,000

3	City of Wasco	Sewer Line Upgrades The City of Wasco is seeking funds to develop a feasibility study to upgrade the city's sewer lines. They are currently experiencing ongoing sewer problems with their system.	25,000	40,000
4	City of Wasco	City Well #2 Rehab The city is seeking funds for a study to determine what improvements are need for this well to operate efficiently.	10,000	10,000
5	Sherman County	Long Range Courthouse Study The county is exploring the possibility of expanding the courthouse to house all county departments. Currently several county departments are housed in other locations in Moro. The courthouse is not big enough to accommodate all departments. They wold like to see all of the departments located in one place to better serve the public. A study and or design of the current facility is needed to move ahead with this project.	30,000	30,000
Oregon Public Works Projects				
<i>County Priority</i>	<i>Applicant</i>	<i>Project</i>	<i>Federal/State Assistance Needed</i>	<i>Total Project Cost</i>
Hood River County				
1	Hood River County	Water Transmission Line Replacement City of Hood River The asset has reached the end of its useful life and needs to be replaced. The improvements are overdue. Leaks and Repairs are costly. The possibility of a major disruption to water services to the City due to seismic activity or natural disaster could be lengthy due to difficult terrain for repairs	19,700,000	22,000,000
2	Hood River County	Cascade Locks Southbank Underground Project	1,240,000	1,340,000

		The City of Cascade Locks has been attempting to underground its overhead power lines outside of the city for several years. This project undergrounds lines west of the city and is referred to as the South Bank Project. The project is approaching the final phase of eliminating the remaining overhead lines west of the City that are a fire hazard and in part because of the National Scenic Act a maintenance drain on the system users.		
3	<i>Hood River County</i>	Hood River Indian Creek Lift Station Project includes a new lift station for Windmaster area and construction of a new main line to replace the aging Indian Creek Line. Line is difficult to maintain and is environmentally sensitive. Impacts the County Windmaster project as the two are linked. The line is on the hill above the Hood River and is subject to failure from slides or flooding and includes environmental concerns.	1,372,000	1,700,000
4	<i>Hood River County</i>	Country Club Road Realignment and Employment Park Development The County along with the City of Hood River are experiencing a shortage of employment lands. There is a large parcel of commercially zoned land on the west end of the Hood River Urban Growth Boundary that is underserved by utilities and will require the realignment of Country Club Road when developed. This project includes funding to assist in infrastructure development including water, sewer and the road realignment.	5,000,000	5,000,000
5	<i>Hood River County</i>	Industrial Park Railroad Crossing Alternative Entrance Project is to build an alternative rail grade separated entrance to the Cascade Locks Industrial Park. The State Fire Marshall and Local Fire Chief require improvements prior to significant development. Port will be unable to develop employment lands it owns and controls until such time as alternative entrance is built.	1,000,000	1,100,000
Wasco County				
1	Wasco County	National Guard/ 911/ Emergency Operations Center	16,000,000	17,200,000

		Incorporate county and city 9-1-1 and emergency operations center within new National Guard training facility on campus of Columbia Gorge Community College as part of National Guard / workforce training complex. City is providing \$800,000 to construct 9-1-1/EOC components. National Guard federal funding leverages State of Oregon 11G bonding capacity to help build workforce center (TA #2).		
2	City of The Dalles	Cruise Ship Dock Construct new docking facility at Union Street to accommodate Columbia River cruise ships. This project will help reconnect the community to the river, and all of the resources along the river including the Lewis and Clark campsite, Rock fort. It will also provide a vital business link from the waterfront to the downtown business district.	2,000,000	2,525,000
3	City of Maupin	Maupin Downtown Streetscape/Sewer Line Upgrade The Streetscape project will replace the main sewer line on Deschutes Avenue between Burnham and 5th Streets. This project will connect to the main sewer at 5th and continue to 4th, down 4th for ½ a block, turn left down the alley to rejoin with a new section of sewer. The total system will connect to all users on Deschutes with the lines coming from Burnham Ave and 6th, 5th, and 4th Streets.	29,500	80,500
4	City of The Dalles	The Dalles East Gateway/ Sunshine Mill This project is to design and construct a design solution, for the many problems existing at the East entry into the downtown area, and a gateway facility in conjunction with renovation of the former Sunshine Mill.	1,900,000	3,900,000
5	The Dalles	Airport Water System Upgrade Construction of a water distribution system for the Columbia Gorge Regional Airport at Dallesport. Involves creation of a water facility and system in conjunction with a multi-jurisdictional water plan, re-drilling of the existing well, water distribution, utilities, grading and roads, sewer and storm drainage throughout the airport property. Water will have multiple uses for facilities, and for fire control. 50% to be completed in	3,050,000	3,500,000

		this first phase.		
Sherman County				
1	<i>City of Moro</i>	Waste Water System Upgrades Improvements are necessary to achieve compliance with the City's WPCFG permit. This would include improvement to the existing treatment lagoons, construction of new evaporative storage ponds and new irrigation area. The other improvements would consist of replacing a portion of the City's collection system to meet DEQ design guidelines for minimum pipe size and manhole locations.	2,800,000	2,800,000
2	<i>Sherman County</i>	Senior Center Paving The Senior Center was completed in 2005 but there were not enough funds to pave the parking lot. The parking lot is currently gravel. Many Seniors use the facility and it is unsafe with the potential for serious injury.	95,000	95,000
3	<i>Sherman County</i>	Library Space and Enhancement Program The current library located in the school is too small to accommodate the students and the public. Having an additional building adjacent to the school will allow for a separate entrance for the public to access the library without entering the school.	871,376	2,173,176
4	<i>City of Rufus</i>	Development of Industrial Site The City of Rufus has a certified Industrial Site that is in need of improvements for future development. They have secured funding for an entrance and road into the site. However they are only able to have a gravel road and not pavement because of the rising costs of asphalt. They are requesting additional funding to bring city infrastructure to the site to make it shovel ready for development.	500,000	500,000
5	<i>Grass Valley</i>	City Park Improvements and Restrooms	200,000	200,000

		The City would like to build new restrooms that are handicapped accessible and have the appropriate weatherized plumbing that is needed for this area. The current restrooms have outlived their usefulness and are for the most part unusable. To further enhance the park they would like to add playground equipment and picnic facilities. The park is situated on Hwy 97 going through Grass Valley and is a frequent stop for travelers.		
Washington Technical Assistance Projects				
<i>County Priority</i>	<i>Applicant</i>	<i>Project</i>	<i>Federal/State Assistance Needed</i>	<i>Total Project Cost</i>
Skamania County				
1	Skamania County	Master Plan Update	25,000	25,000
2	Skamania County	Feasibility Study- Multi-use trail Carson to Beacon Rock	50,000	50,000
3	City of Stevenson	City of Stevenson Comprehensive Plan	35,000	130,000
4	North Bonneville/ Skamania County	Hamilton Crk Bank Stabilization/Restoration Project-final eng.	30,000	100,000
5	Port of Skamania	Waterfront Bldg & AccessD/E/C	1,934,000	1,934,000
Klickitat County				

1	<i>Goldendale</i>	Industrial Marketing Project Develop a means and methodology to market Goldendale area industrial properties.	150,000	150,000
2	<i>Goldendale</i>	Downtown Revitalization Project to determine investments appropriate to restore downtown vitality.	200,000	200,000
3	<i>Lyle</i>	Lyle Revitalization Study to determine potential future uses	50,000	70,000
4	<i>Port of Klickitat</i>	Bingen Point RR Underpass study Feasibility study to determine potential new access	125,000	125,000
5	<i>Port of Klickitat</i>	Dallesport Industrial Water System Update Conduct system analysis including rate structure & update system plan.	170,000	170,000
Washington Public Works Projects				
<i>County Priority</i>	<i>Applicant</i>	<i>Project</i>	<i>Federal/State Assistance Needed</i>	<i>Total Project Cost</i>
Skamania County				
1	<i>City of North Bonneville</i>	City of North Bonneville Sewer Upgrade	1,200,000	1,400,000
2	<i>Port of Skamania</i>	Multi-use Facility @ Lewis & Clark Bus. Park, N.B.- 20,000 ft2 bldg	1,350,000	1,600,000
3	<i>City of Stevenson</i>	Sewer Plant Flood Protection- Alternative Analysis Design, Prelim, Planning, Construction	500,000	500,000
4	<i>Skamania County</i>	Fairgrounds Renovation	300,000	300,000
5	<i>Port/City of</i>	Columbia River shoreline Improvement/Mitigation	675,000	750,000

	<i>Stevenson</i>			
Klickitat County				
1	<i>White Salmon</i>	White Salmon Water Infrastructure Improvement Project With insufficient water rights and deteriorating systems of supply, treatment, storage and distribution, White Salmon is under a current new hook-up moratorium	10,000,000	12,000,000
2	<i>Dallesport</i>	Dallesport Water Infrastructure Improvement Project Dallesport is the site of much anticipated public and private commercial, industrial and residential development. A single, looped system is needed to meet current and future needs.	2,215,958	4,715,958
3	<i>Regional Airport</i>	Columbia Gorge Regional Airport Runway Extension In order to accommodate larger (potentially commuter airline) aircraft, the current runway must be both strengthened and lengthened.	4,500,000	8,000,000
4	<i>Port of Klickitat</i>	Bingen Point Looped Infrastructure and Grading Plan Phase II project integrate and loop water, fire flow system and related utilities and develop shovel ready sites, including road work	2,575,000	2,575,000
5	<i>Port of Klickitat</i>	Dallesport site excavation Bring Dallesport sites up to shovel ready status	2,700,000	2,700,000

Appendix C – MCEDD Board of Directors 2008 Roster/CEDS Committee

<p>Mr. Ken Bailey 3900 Orchard Rd. The Dalles, OR 97058 Economic Interest: Private business Constituency: Agriculture Representative Exec. Committee: No RLF Committee: No Sex: Male Disabled: No Over 40: Yes Minority: No</p>	<p>Mr. Howard Houston P. O. Box 757 City of Stevenson, WA 98648 Economic Interest: Private business Constituency: Skamania County Cities Exec. Committee: No RLF Committee: No Sex: Male Disabled: No Over 40: Yes Minority: No</p>
<p>Ms. Jan Brending P. O. Box 607 Bingen, WA 98605 Economic Interest: City of Bingen Councilor Constituency: Klickitat County Cities Exec. Committee: No RLF Committee: No Sex: Female Disabled: No Over 40: Yes Minority: No</p>	<p>Mr. Cliff Jett PO Box 846 Rufus, OR 97050 Economic Interest: Rufus City Mayor Constituency: Sherman County Cities Exec. Committee: No RLF Committee: No Sex: Male Disabled: No Over 40: Yes Minority: No</p>
<p>Mr. Steve Burnet 94699 Monkland Lane Moro, OR 97039 Economic Interest: Sherman County Commissioner Constituency: Sherman County Exec. Committee: Yes RLF Committee: Yes Sex: Male Disabled: No Over 40: Yes Minority: No</p>	<p>Ms. Lorena Lowell P. O. Box 2135 White Salmon, WA 98672 Economic Interest: Private business Constituency: Minority Exec. Committee: Yes RLF Committee: No Sex: Female Disabled: No Over 40: No Minority: Yes—Hispanic</p>
<p>Ms. Barbara Briggs, Vice-Chairperson 4475 Post Canyon Drive Hood River, OR 97031 Economic Interest: Hood River County Commissioner Constituency: Hood River County Exec. Committee: Yes RLF Committee: Yes Sex: Female Disabled: No Over 40: Yes Minority: No</p>	<p>Mr. Rodger Ford 495 Fisher Hill Road Lyle, WA 98635-9519 Economic Interest: Klickitat County Port District Constituency: Port District Exec. Committee: No RLF Committee: No Sex: Male Disabled: Yes Over 40: Yes Minority: No</p>
<p>Mr. Chuck Daughtry P. O. Box 307 Cascade Locks, OR 97014 Economic Interest: Port of Cascade Locks Constituency: Oregon Ports Exec. Committee: No RLF Committee: No Sex: Male Disabled: No Over 40: Yes Minority: No</p>	<p>Mr. Randy Holmstrom P.O. Box 308 Cascade Locks, OR 97014 Economic Interest: City of Cascade Locks Constituency: Hood River County Cities Exec. Committee: No RLF Committee: No Sex: Male Disabled: No Over 40: Yes Minority: No</p>

<p>Mr. Bruce Edwards P.O. Box 1328 Goldendale, WA 98620 Economic Interest: Goldendale Area Chamber of Commerce Constituency: Washington Chambers of Commerce Exec. Committee: No RLF Committee: No Sex: Male Disabled: No Over 40: Yes Minority: No</p>	<p>Dr. Susan J. Wolff 400 East Scenic Drive The Dalles, OR 97058 Economic Interest: Private Sector Representative Constituency: Columbia Gorge Community College Exec. Committee: Yes RLF Committee: No Sex: Female Disabled: No Over 40: Yes Minority: No</p>
<p>Mr. Dan Ericksen, Secretary/Treasurer 511 Washington Street The Dalles, OR 97058 Economic Interest: Wasco County Commissioner Constituency: Wasco County Exec. Committee: Yes RLF Committee: Yes Sex: Male Disabled: No Over 40: Yes Minority: No</p>	<p>Mr. Paul Pearce, Chairperson P. O. Box 790 Stevenson, WA 98648 Economic Interest: Skamania County Commissioner Constituency: Skamania County Exec. Committee: Yes RLF Committee: Yes Sex: Male Disabled: No Over 40: Yes Minority: No</p>
<p>Mr. Bill Dick 2520 E. 14th St. The Dalles, OR 97058 Economic Interest: The Dalles City Councilor Constituency: City of The Dalles Exec. Committee: No RLF Committee: No Sex: Male Disabled: No Over 40: Yes Minority: No</p>	<p>Ms. Doris Schmidt 1719 Cherry Heights Road The Dalles, OR 97058 Economic Interest: Private business Constituency: Oregon Chambers Exec. Committee: No RLF Committee: No Sex: Female Disabled: No Over 40: Yes Minority: No</p>
<p>Mr. Rex Johnston 205 S. Columbus, MS-CH-04 Goldendale, WA 98620 Economic Interest: Klickitat County Commissioner Constituency: Klickitat County Exec. Committee: Yes RLF Committee: Yes Sex: Male Disabled: No Over 40: Yes Minority: No</p>	<p>Ms. Nancy White P.O. Box 886 White Salmon, WA 98672 Economic Interest: Private business Constituency: Business Exec. Committee: No RLF Committee: No Sex: Female Disabled: No Over 40: Yes Minority: No</p>
<p>Mr. Harold Haake 2018 Steel Road The Dalles, OR 97058 Economic Interest: Private Sector Constituency: Utilities Representative Exec. Committee: No RLF Committee: No Sex: Male Disabled: No Over 40: Yes Minority: No</p>	<p>Ms. Dianne Storby Mid-Columbia Medical Center 1700 E. 19th St. The Dalles, OR 97058 Economic Interest: Private Non-profit Constituency: Healthcare Representative Exec. Committee: No RLF Committee: No Sex: Female Disabled: No Over 40: Yes Minority: No</p>

Appendix D – Composition of the MCEDD Board of Directors

		Percent
<u>Total Number of Board Members</u>	20	
Local Government Members	10	
Private Sector Members	11	55%
Public Sector Members	9	45%
Minority Members	1	
Members over the age of 40	19	
<u>Total Number of Executive Board Members</u>	7	
Minority Members	0	
Disabled Members	0	
<u>Minority Representation</u>		
Total MCEDD population	76,540	100%
Minority MCEDD population		
Black	273	0.5%
Spanish Surname	8,592	11.23%
Native American/American Indian	2,185	2.85%
Asian	1,086	1.42%
Total Minority population	12,136	16%