



To: Board of Commissioners
From: Judith Ure, Management Analyst
Date: April 14, 2016
Subject: Video Lottery Fund Allocation Discussion

The Board of Commissioners will discuss the status of the Video Lottery Fund and determine allocations for the 2017 fiscal year during the April 18, 2016 work session. As in previous years, we will work with a self-calculating worksheet to assign values to the various categories and items. Please find attached, the following documents in reference to the discussion:

- The State's most recent economic forecast projecting lottery fund revenue.
- The approved worksheet from FY 2016 which shows current Deschutes County allocations within the Video Lottery Fund.
- A summary of Economic Development for Central Oregon's (EDCO) 2016-18 Strategic Plan and a description of the 2016-17 Investment Initiative and request for funding.
- Status reports provided by the County's Service Partners working under contract with the Health Services Department. Each of these one-page reports includes the amount of the existing commitment, a request for 2017, a description of the projected need in 2017, the outcomes resulting from the 2016 investment, and comments offered by the agency.

Please let me know if you have questions concerning these materials or other issues in advance of the Video Lottery Fund discussion.

Lottery Earnings

Revenues and available resources from Lottery games and programs are projected to total \$1,1214.5 million for 2015-17 BN, an increase of \$24.8 million from the December outlook and \$58.6 million above the Close of Session forecast (5%.) The most recent upward revision is primarily due to better-than-expected sales. Over the past three months, actual sales have been above forecast by \$16.3 million, in transfers or net proceeds. Approximately \$9 million of this is due to the record setting Powerball jackpot of \$1.5 billion, which brought along with it record sales in the state. The remaining \$8.4 million increase in the outlook is due to strong sales expectations moving forward.

Overall, video lottery dominates total lottery earnings, accounting for approximately 85 percent of all lottery transfers in the past three years. Over the past decade, video lottery has underwent three distinct phases and in the past year and a half entered into a fourth.

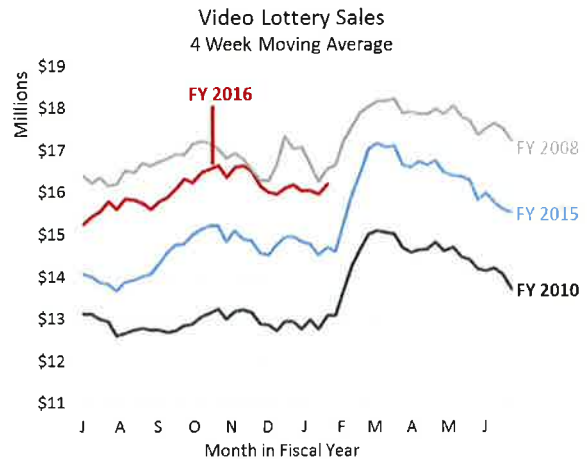
The first, during the housing boom era, followed the implementation of line games back in 2005. Not only was video lottery new to the marketplace and experienced somewhat of a novelty factor intrigue from consumers, it also coincided with an economic expansion. Growth in the early years of line games was in the double digits and spending as a share of statewide income increased by 40 percent.

The second phase followed the onset of the Great Recession and enactment of the smoking ban in Oregon. During this time, video lottery sales plummeted 23 percent from pre-recession highs to the depths of the recession; the same magnitude of losses seen in slot machines in Clark County, Nevada, home of Las Vegas.

The third phase covered the initial years of recovery, fiscal years 2010 to 2014. Even as Oregon video lottery sales rebounded at approximately three times the rate seen in Clark County, Nevada, growth still averaged just 1.2 percent per year. Similar sales trends were seen nationwide across the gaming industry, although Oregon's slow growth was better than most where sales were flat to down.

Last year (FY2015) marked a new phase in Oregon video lottery history with the capital replacement plan. During the past year and throughout this biennium, Lottery will replace the 12,000 existing video lottery terminals throughout the state, some of which will be nine years old when they are replaced. Due to advancements in technology, like a lot of industries, the current machines are becoming obsolete in the marketplace. This replacement plan is expected to cost approximately \$215 million over four years, of which Lottery will self-fund \$85 million. The remaining \$130 million will be deducted from Lottery earnings prior to being transferred for general revenue purposes. The biennial impact of the replacement plan was \$71.2 million in 2013-15, and \$59.2 million in 2015-17, or about 5 percent of revenues available to transfer.

In terms of the new video lottery terminals, the baseline outlook has assumed that older machines would be replaced on a regular basis, given the wear and tear on the machines over time and as technology improves. Clearly this has not been the case, and may be one contributing factor to slow sales growth in recent years. As such, the baseline forecast had been taking more of a wait and see approach to the new machines in terms of



the longer-run sales outlook. However, as the first wave of these new video lottery terminals has been deployed across Oregon – essentially two new terminals in each retailer – there has been a sizable initial sales bump. The second wave – one more new terminal in each retailer – is partially complete today.

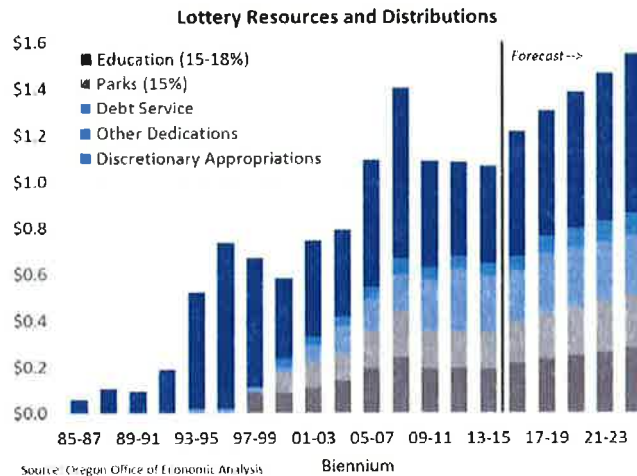
Not only are these trends and impacts seen in the statewide sales figures, they are nearly uniform across the state by region, albeit with different timing as the new terminals were installed at different times depending upon the location. Even in some of Oregon’s hardest hit counties, those that have yet to full partake in the economic recovery, growth in video lottery sales was roughly 10 percent over the year following the roll-out of the new terminals.

While sales remain strong, expectations are not for double digit growth forever. Growth will slow moving forward. Exactly how strong and how long the initial sales bump lasts are still open ended questions at this time.

Another issue to watch is the fact that nearly all other gaming markets are seeing gains over the past year as well. Given this near-universal increase, albeit to varying degrees, it suggests a broader factor influencing sales, such as low gasoline prices. While consumers have saved much of their gas price savings in the past year, it appears one place they are spending more is on a very discretionary item: gaming.

Given that for much of the past 6 years consumers have remained cautious with their disposable income, the broader gaming industry has seen relatively flat sales (see our report *Betting the Minimum*¹²), the industry is extremely competitive and the uptick in sales recently is the first real signs of life in years, the current forecast builds in a largely one-time novelty factor increase in Oregon video lottery sales.

Such an outlook does leave room for both upside and downside risks. Should the combination of a stronger economy and the new terminals unlock permanently higher sales over a longer period, instead of one-time novelty factor bump, then the forecast will need to be revised up. Possibly considerably so. However, sales growth has been lackluster to disappointing across the country until just the past 6-12 months.



The full extended outlook for lottery earnings can be found in Table B.9 in Appendix B.

¹² <http://oregoneconomicanalysis.com/2014/10/09/betting-the-minimum-gaming-in-the-u-s-and-state-revenues/>

| Deschutes County | | | | | |
|---------------------------------------|--|--|-----------------|----------------------|---|
| Approved 4/20/2015 | | FY 2015-16 Video Lottery Fund Priorities | | Approved 4/20/2015 | |
| Projected Amount Available: \$560,555 | | | | | |
| CATEGORY | PROGRAM | | FY 2015-16 | BALANCE REMAINING | NOTES |
| RESOURCES | | | | | |
| | Beginning Net Working Capital | | 540 | 540 | |
| | General Fund Transfer (EDCO) | | 0 | 540 | |
| | State Video Lottery Revenue | | 568,000 | 568,540 | |
| | Interest Revenue | | 575 | 569,115 | |
| TOTAL RESOURCES | | | 569,115 | 569,115 | |
| REQUIREMENTS | | | | | |
| Administration | Personnel | | 0 | 569,115 | |
| | Internal Services | | -8,560 | 560,555 | BOCC, Administration, Finance, Finance/HR Project |
| Sub-Total | | | -8,560 | 560,555 | |
| Contingency | Contingency | | 0 | 560,555 | Optional to allow for unexpected revenue variations |
| Sub-Total | | | 0 | 560,555 | |
| Economic Development (59-21) | EDCO Regional Capacity / Operational Support | | -122,200 | 438,355 | Requesting \$122,200 for FY 2015-16 (monthly) |
| | Local Capacity: Bend | | -10,000 | 428,355 | Requesting \$10,000 for FY 2015-16 (in full) |
| | Local Capacity: La Pine | | -20,000 | 408,355 | Requesting \$20,000 for FY 2015-16 (in full) |
| | Local Capacity: Redmond | | -10,000 | 398,355 | Requesting \$10,000 for FY 2015-16 (in full) |
| | Local Capacity: Sisters | | -20,000 | 378,355 | Requesting \$20,000 for FY 2015-16 (in full) |
| | Venture Catalyst Program | | -30,000 | 348,355 | Requesting \$30,000 for FY 2015-16 (monthly) |
| | FoundersPad | | 0 | 348,355 | Requesting \$0 for FY 2015-16 |
| | Business Loan Fund Recapitalization (Fund 105) | | 0 | 348,355 | Current balance = \$130,384.66 |
| Sub-Total | | | -212,200 | 348,355 | |
| Other Economic Development | Sunriver Chamber of Commerce | | 0 | 348,355 | \$30,000 from TRT / organizational development |
| Sub-Total | | | 0 | 348,355 | |
| Project Support (59-16 & 59-20) | Shop-with-a-Cop Program | | -3,000 | 345,355 | |
| | Public Transit: Rural Services | | -5,000 | 340,355 | Grant match committed for FY 2015-16 & FY 2016-17 |
| | Volunteer Connect / Project Connect | | 0 | 340,355 | |
| | Other: | | 0 | 340,355 | |
| | Other: | | 0 | 340,355 | |
| | Other: | | 0 | 340,355 | |
| Sub-Total | | | -8,000 | 340,355 | |

| CATEGORY | PROGRAM | | FY 2015-16 | BALANCE REMAINING | NOTES |
|--|---|-------|-----------------|----------------------|--|
| CATEGORY | PROGRAM | | FY 2015-16 | BALANCE REMAINING | NOTES |
| Service Partners (59-20) | Central Oregon Council on Aging (COCOA) | | -28,500 | 311,855 | Mandated or Sole Source Provider |
| | MountainStar Family Relief Nursery | | -12,000 | 299,855 | County Initiative |
| | J-Bar-J / Cascade Youth and Family Services | | -13,000 | 286,855 | Mandated or Sole Source Provider & County Service Impact |
| | Redmond Senior Center | | -2,000 | 284,855 | Mandated or Sole Source Provider & County Service Impact |
| | KIDS Center | | -20,000 | 264,855 | County Initiative |
| | Latino Community Association | | -11,000 | 253,855 | Mandated or Sole Source Provider |
| | Bethlehem Inn | | -15,000 | 238,855 | County Service Impact |
| | Family Access Network (FAN) | | -10,000 | 228,855 | Mandated or Sole Source Provider & County Involvement |
| | Saving Grace / Mary's Place | | -10,000 | 218,855 | County Initiative and County Service Impact |
| | Central Oregon Veterans' Outreach (COVO) | | -10,000 | 208,855 | County Service Impact |
| | Court Appointed Special Advocates (CASA) | | -20,000 | 188,855 | Mandated or Sole Source Provider |
| | Central Oregon 2-1-1 | | -10,000 | 178,855 | County Initiative |
| | Upper Deschutes Watershed Council | | -20,000 | 158,855 | County Initiative |
| | New: Healthy Beginnings | | -10,000 | 148,855 | Mandated or Sole Source Provider |
| | Other: | | 0 | 148,855 | |
| | Other: | | 0 | 148,855 | |
| Sub-Total | | | -191,500 | 148,855 | |
| Discretionary Grant Program (59-20) | Discretionary Grants | | -45,000 | 103,855 | Divided equally between Commissioners |
| | Fundraising Grants | | -15,000 | 88,855 | |
| | Other: | | 0 | 88,855 | |
| | Other: | | 0 | 88,855 | |
| Sub-Total | | | -60,000 | 88,855 | |
| Community Grant Program (59-20) | Emergency Food, Clothing and Shelter | | -65,000 | 23,855 | Administered by United Way |
| | Health, Mental Health, and Addictions Treatment | 0.00% | 0 | 23,855 | |
| | Arts & Culture | 0.00% | 0 | 23,855 | |
| | Other Essential Services | 0.00% | 0 | 23,855 | Youth/vulnerable populations/animal welfare/environment |
| | Other: | 0.00% | 0 | 23,855 | |
| | Other: | 0.00% | 0 | 23,855 | |
| Sub-Total | | | -65,000 | 23,855 | |
| TOTAL REQUIREMENTS | | | -545,260 | -545,260 | |
| OVER/SHORT | | | 23,855 | 23,855 | |

The logo for EDCO (Economic Development for Central Oregon) is displayed in large, white, outlined letters. The background of the top half of the cover is a scenic landscape featuring a snow-capped mountain peak, a clear blue sky with a bright sun, and a body of water reflecting the scene.

Economic Development for Central Oregon

Economic Development for Central Oregon

MOVE **START** **GROW**

2016-18

STRATEGIC PLAN

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EDCO's Vision

Prosperous communities and quality jobs for Central Oregonians.

EDCO's Mission

Move, start and grow traded-sector businesses (companies that export a good or service to customers outside the region) to purposefully create a thriving and diverse economy.

Organization's Make or Break for 2016-18

EDCO must effectively communicate the impact of its work, secure consistent operational funding and attract/retain top professional talent required to achieve its mission and meet the expectations of the region's communities and residents. It involves three components:

1. Continued effective communication & education (business, public leaders)
2. Successful fundraising including membership growth, event net profit and funding of strategic initiatives
3. Development and retention of current staff

GOALS for 2016-18

| | |
|----------|--|
| 1 | Move 30 new companies to the region that will create 750 new, well-paying jobs and invest \$150 million in new capital investment by the end of 2018. Target marketing and recruitment efforts geographically and by industry for greatest effectiveness. |
| 2 | Catalyze the Start of at least 36 local, scaleable, early-stage companies to establish the next generation of employers and jobs. Create entrepreneurial ecosystem to generate at least 250 jobs from those startups, and help them raise \$35 million in growth capital by 2018. |
| 3 | Grow local traded-sector employers with a robust Business Retention & Expansion (BRE) Program that catalyzes \$300 million in new capital investment; 1,000 new, well-paying jobs; and at least 39 "done deals" by the end of 2018. |
| 4 | Champion improvements to the region's business climate and competitiveness. Quarterback or support industry development initiatives, strategic projects and other efforts that will pave the way for private sector employment growth. |

On pages 6-11 of this plan, 23 objectives are outlined under the four goals that are the "tip of the spear," so to speak, of EDCO's execution strategies. While detailed and specific, nearly all objectives have yet another level of detailed actions and efforts (78+) required to successfully achieve both the objectives and goals. These have been included as bulleted items.

Values

EDCO has developed its own internal culture that helps team members clearly understand what is important not only in the work we do, but how we go about doing it. Condensed, our core values are:

| EDCO'S CORE VALUES | | |
|--|--|--|
| <p>We're a non-profit run like a BUSINESS</p> | <p>We pride ourselves on being RESPONSIVE</p> | <p>This is what drives us A UNIQUE TEAM</p> |
| <p>ACCOUNTABLE To our board, client companies, and communities</p> <p>EFFICIENT We manage limited resources like our own</p> <p>ENTREPRENEURIAL We look for opportunities and take calculated risks</p> | <p>BIAS FOR ACTION Economists study the economy, we improve it</p> <p>FACTUAL Trusted, objective resource</p> <p>INITIATIVE Self-motivated individuals</p> <p>TAKE THE HIGH ROAD Our work demands the highest ethics and professionalism</p> | <p>EMPOWERED We own our work and are nimble, creative and resourceful</p> <p>ALL HANDS ON DECK Teamwork trumps job descriptions</p> <p>ACCOMMODATING Ridiculously. We constantly look to add value.</p> <p>FUN! Goofy people, serious work</p> |

To be clear, these are not necessarily a set of formalized policies and procedures but rather “the way we do things” as a team and individually.

Metrics & Measures of Success

A great deal is expected of EDCO in terms of measurably impacting and diversifying the region's \$7 billion (2015 GDP) economy. To quantify both inputs (effort) and outputs (results), the organization has developed a comprehensive group of indicators that are tracked on a quarterly basis throughout the planning horizon. We call this collective set of measures, currently about 60 data points, our Key Performance Indicators (KPIs).

Not all 60 can be “key” so they are distilled to:

- **Successful projects** (done deals)
- **New jobs and payroll** (linked to our efforts)
- **Capital Investment** (that add to the property tax base)
- **Net New Fundraising** (membership + event net profit – membership attrition)
- **Communications** (press releases, website visits, event attendance and business outreach)

The image shows a detailed KPI dashboard with multiple sections. Key sections include:

- Financial Performance:** Metrics like Revenue, Expenses, and Net Income.
- Operational Performance:** Metrics related to project completion, resource utilization, and efficiency.
- Community & Fundraising:** Metrics for membership growth, event attendance, and fundraising totals.
- Communication & Outreach:** Metrics for website visits, press releases, and business outreach.

Each section contains a table of data points with color-coded indicators (green for positive, red for negative) and brief explanatory text.

These are both used as a yardstick for success (or needed improvement) and as a barometer for future activity.

Industry and Business Development

EDCO is both strategic in targeting specific industry sectors for development and opportunistic to further diversify the regional economy outside those targets when provided the chance. Regarding the former, we have tended to concentrate on sectors that have or are looking for one or more of the following elements:

- some current concentration of companies, employment or economic activity;
- an existing or transferrable workforce with skills within the region;
- a geographic advantage (access to markets, local raw materials, specific talent base);
- assets valuable to their business (in-migration of professionals, robust utilities, employment land base, outdoor recreation amenities/lifestyle, suppliers, etc.
- a trend of overall growth and above-average wages within our region;

For this last bullet, the table below summarizes internal research and trend data by EDCO staff for specific industries. For business development activities, those sectors in green will be pursued before and with greater focus than those in yellow and red.

| Industry Sector Evaluation for 2016-18 <i>(see Appendix 4 for detailed descriptions of sectors)</i> |
|---|
| Sectors or subsectors with the most promise for Central Oregon Administrative Centers Advanced Manufacturing Brewing, Distilling and Wine Making IT & Computing <i>(subsector of High Technology)</i> Outdoor Gear & Apparel Bioscience <i>(pharmaceuticals development & production, medical device subsectors)</i> Software/Information Technology <i>(subsector of High Technology)</i> Solar Power Production <i>(subsector of Alternative/Renewable Energy)</i> Specialty Food Products Unmanned Aerial Aircraft & Unmanned Aerial Systems <i>(subsector of Aviation/Aerospace)</i> |
| Sectors or subsectors with moderate to low growth opportunity Agriculture Commercial & General Aviation Aircraft & Parts <i>(subsector of Aviation/Aerospace)</i> Geothermal <i>(subsector of Alternative/Renewable Energy)</i> Energy Storage <i>(subsector of Alternative/Renewable Energy)</i> Professional Services Recreational Vehicles <i>(subsector of Outdoor Equipment & Apparel)</i> Building Products |
| Sectors or subsectors with the least promise Hydro <i>(subsector of Alternative/Renewable Energy)</i> Defense-Related Aerospace <i>(subsector of Aviation/Aerospace)</i> Wind <i>(subsector of Alternative/Renewable Energy)</i> Biomass Energy Development <i>(subsector of Alternative/Renewable Energy)</i> |

Additionally, EDCO has concentrated our outbound lead generation activities geographically – aiming efforts at larger, high-cost, high-hassle-factor metros on the West Coast. Generally, the organization has had limited outbound lead generation success even in specific industries that may meet many of the bulleted criteria above, but which are located in the Midwest, South or East Coast.



Deschutes County Economic Development Investment Initiative

Revised for 2016-17 Fiscal Year

EXECUTIVE SUMMARY

The following proposal is a revised and updated document that closely mirrors the program funded in the current fiscal year by Deschutes County. Per direction provided by staff and commissioners last year, the matrix and supporting narrative below represents a one year investment for comprehensive economic development services within Deschutes County, including the operation of programs and offices in all incorporated cities within the County’s political borders.

| Community/ Program | Deschutes County FY2015-16 Investment (current) | Deschutes County Funding for FY 2016-17 (proposed) | Local City and other Public Funding (proposed) | Private Sector Members & Other Earned Revenue (proposed) | Total FY15-16 Program Budget (inside Deschutes County borders)** |
|--|---|--|--|--|---|
| LOCAL ECONOMIC DEVELOPMENT CAPACITY | | | | | |
| Sunriver/La Pine | \$20,000 | \$25,000 | \$25,000 | \$5,000 | \$55,000 |
| Sisters | \$20,000 | \$20,000 | \$60,000 | \$5,000 | \$85,000 |
| Redmond (REDI) | \$10,000 | \$10,000 | \$90,000 | \$62,200 | \$162,200 |
| Bend | \$10,000 | \$10,000 | \$100,000 | \$50,000 | \$160,000 |
| SUPPORTING ENTREPRENEURSHIP & EARLY STAGE COMPANIES | | | | | |
| Venture Catalyst Program | \$30,000 | \$30,000 | \$10,000 | \$70,000 | \$110,000 |
| REGIONAL ECONOMIC DEVELOPMENT CAPACITY | | | | | |
| EDCO Regional Office | \$122,200* | \$122,200 | \$50,000 | \$365,000 | \$534,250 |
| TOTAL: | \$212,200 | \$217,200 | \$335,000 | \$557,200 | \$1,071,450 |

Funding from Deschutes County leverages (roughly 5:1 or \$5 of outside funding for every \$1 from the county) substantial investment from cities and other public entities (school districts, college, university) as well as from the private sector. In this way, public dollars are combined to achieve better results and measurably improve the local, county, and regional economy.

It is our understanding that through three quarters of the current fiscal year that disbursement of video-poker lottery proceeds to Deschutes County are flat for the coming year. In an attempt to be consistent with lottery funding dedicated to economic development, EDCO’s proposal for the coming fiscal year similarly reflects just over a two percent increase of \$5,000, compared to a roughly one percent decrease (-\$2,500) last year from the 2014-15 fiscal year.

Strong Local Economic Development Capacity

A strong regional organization with equally capable economic development professional capacity at the local level is a model unique to EDCO in the Pacific Northwest. EDCO contracts to deliver comprehensive local economic development programs that are financially underwritten by the communities and Deschutes County. Local managers are assisted by local economic development advisory boards. In La Pine, that group is LED (La Pine Economic Development), an active, 12-member board comprised of city, county and local business leaders that meets monthly. In Sisters, a seven member advisory board with a similar structure meets bi-monthly to provide feedback on critical issues, projects and program activities. Sisters made a bold move this spring to invest further in their local economic development program by moving the position from a three-quarter time manager to full time for the final quarter of the fiscal year.

Most importantly, these local programs are producing results in the form of completed business development projects, new capital investment for the property tax base, and new, well-paying jobs.

The 2016-17 fiscal year budget request to Deschutes County is unchanged in all program areas except for an additional request of \$5,000 over the current fiscal year for La Pine/Sunriver. The plan is for these dollars to be matched one-for-one by the City of La Pine (\$5,000) and private fundraising conducted by the LED Advisory Board (\$5,000) to convert this half-time program to three-quarter time. This additional combined \$15,000 will make this possible. The other changes to the budget for matching funds are all positive – increased matching funds being provided by Bend, Redmond (and REDI) and EDCO without additional requested funding from Deschutes County.

Supporting Entrepreneurship & Early Stage Companies

Fostering entrepreneurship is an important component of the region's economic development strategy. The two critical components for establishing Deschutes County as a premier place to start and grow new companies are 1) a robust mentoring network and 2) access to equity/growth capital. Continued development of these key infrastructure assets will not happen without focused and sustained effort. EDCO's funding priorities for the coming fiscal year are to continue support for important work happening under the Venture Catalyst Program (VCP). Overseeing this program is our Venture Catalyst, Brian Vierra, whose leadership continues to set the bar high for both the quality and variety of assets available to young companies and entrepreneurs.

Deschutes County Funding has been critical to allowing time to develop funding necessary to support the Venture Catalyst program, which has grown to be a critical business development function within the region.

In the current fiscal year, EDCO was successful in obtaining outside funding through the Oregon Entrepreneur's Network (OEN) to support the 2015-16 and 2016-17 fiscal years. This combined with strong net revenues from monthly PubTalks (9-10 annually) and Bend Venture Conference, have put the program on a stronger, long-term funding foundation.

Regional Economic Development Capacity

Deschutes County has been a statewide leader in funding economic development using video poker lottery proceeds distributed by the State of Oregon. Over the years, this investment has been a foundation for everything the organization does and everything it accomplishes. Without a strong regional organization at the Bend Office, local offices would enjoy little support for their efforts to measurably improve the

economy in their community. The regional office provides support in the areas of media relations and PR, marketing, event production, professional mentoring, professional recruitment, incentive administration, website presence, lead generation and financial management and audit services.

Return on Investment – Key Performance Indicators

Funding provided by Deschutes County, other cities and counties, and about 300 private sector members has yielded a solid return on its investment. Results in the past two calendar years compared to region-wide goals (derived from EDCO’s 3-year Strategic Plan) include:

Three-year Planning Horizon Results: Calendar year 2013-2015 (Tri-county Region)



In addition to these results, EDCO met one-on-one with a majority of the region’s 700+ traded-sector companies (roughly 80% of which are in Deschutes County) to proactively identify needs and opportunities. By nearly every measure, EDCO is achieving record outcomes which are “moving the needle” in a positive direction for the region’s economy.

A copy of the Executive Summary of EDCO’s 2016-18 Strategic Plan has been attached for your review. Should the Budget Committee want the full, unabridged plan, we can certainly make that available as well.

Summary

EDCO’s board and staff applaud the Commission and the Deschutes County management team for your vision to sustain support for economic development services. We believe this proposal, which follows closely last year’s proposal, represents a well-planned and cost effective strategy that is broadly supported by the communities within Deschutes County and leverages greater investment in economic development at the local level – both private and public.



GETTING RESULTS
Deschutes County Service Partner Grant Program
FY 15-16

| | |
|---------------------------------|----------|
| Central Oregon Council on Aging | |
| Current Award | \$28,500 |
| Amount Requested 2016-17 | \$29,640 |

Community Need

Requesting a 4% increase in funding to keep pace with:

- Higher food costs (\$3.85 to \$3.95/meal, a 2.6% increase)
- Increasing number of unduplicated clients (6.2%)
- Modest cost-of-living adjustment for 0.5FTE nutrition coordinator
- 41% increase in mileage reimbursement for volunteer drivers (from \$0.32/mile to \$0.45/mile)

Impact of Current Investment

- 0.5 FTE nutrition coordinator hired
- 10,216 volunteer hours (almost twice the 5,200 hours targeted)
- Increase in Meals on Wheels (MoW) seniors of 28 (6.2%) from FY14 to FY15. Number of seniors served in FY15 = 483
- 55,826 MoW served (982 – or 1.8% more – than in FY14)
- Deschutes County received 72.3% of MoW served agency-wide
- 22,993 congregate meals served
- Deschutes County received 50.5% of congregate meals served agency-wide
- Total 122,771 meals served agency-wide; 78,819 (64.2% of total) served in Deschutes County

Comments

Enhancements/expansions:

- Added fresh fruit to meal delivery using Hunger Prevention funding
- Hired bilingual case manager
- Received The Collins Foundation funding to hire a bilingual Outreach Coordinator
- Continued to improve nutrition education through Dietitian-led “Healthy Choices” program

Continuing challenges

Keeping pace with growing demand for service (e.g., Redmond has a waiting list).
Better serving seniors of color.



GETTING RESULTS
Deschutes County Service Partner Grant Program
FY 15-16

| | |
|---|----------|
| MountainStar Family Relief Nursery | |
| Current Award | \$12,000 |
| Amount Requested 2016-17 | \$16,000 |

Community Need

Oregon Data:

- 25% increase in child poverty since 2007
- 1.4% of babies enter foster care - 50% higher than nation
- 49th in graduation rate

Deschutes Data:

- 10% annual increase # of children in foster care

MountainStar Data:

- Average of 18 family “risk factors” for child abuse and neglect
- Parents have an average Adverse Childhood Experience (ACE) score of 6 (ACE score scale is 0-10). ACE score of 4 or more predicts adverse long-term health outcomes.

We are requesting an increase in funding to help us meet the need in our community. In Central Oregon, there are 5,000 children ages 0-3 considered at-risk. We are currently serving just 6% of this population.

Impact of Current Investment

Oregon Relief Nurseries have consistently documented a 70% reduction in the risk for abuse after 6 months of services in an independent evaluation by Portland State University. 95% of children enrolled at MountainStar remained free from abuse and neglect. BOCC funding supports 1.4% of program operations. MountainStar provided therapeutic early childhood classes, home visiting, parent support and transportation (an average of 300 hours annually of contact) for 65 children ages 6 weeks to 3 years old. In addition, 80 children and their families received Safety Net services (crisis intervention, home visits and basic needs support).

Comments

MountainStar raises \$1.2 in private investment for every \$1 of government funding for Relief Nursery services. Portland State University documented a 4:1 return on investment for the Salem Relief Nursery. Nationally, investments in early childhood are documented at a 12:1 ROI which exceeds most other economic development projects. MountainStar-Bend's early childhood classes are rated 5-stars by the State and accredited by the NAEYC. Sustainable funding continues to be our biggest challenge. We will begin limited “safety net” services in La Pine in the second half of 2016.



GETTING RESULTS Deschutes County Service Partner Grant Program FY 15-16

| | |
|-------------------------------------|----------|
| JBarJ Cascade Youth & Family Center | |
| Current Award | \$13,000 |
| Amount Requested 2016-17 | \$15,000 |

Community Need

Requesting a 15% increase in funding to keep pace with:

Cascade Youth & Family Center (CYFC) is the only service provider of runaway and homeless youth in Central and Eastern Oregon. We have been working in partnership with other social service agencies to address the growing number of homeless, unaccompanied and runaway youth for more than 20 years. Over the years the risks our youth face on the street have increased, as have the services we provide to address those needs. Federal funding is limited and criteria for accessing services is specific and restrictive. BOCC funding enables CYFC to provide extended emergency shelter services for youth who do not meet the federal criteria. See Comments.

Impact of Current Investment

- .5 FTE to coordinate 750 nights of emergency shelter, crisis intervention and/or family mediation.

In 2015, CYFC provided services to over 498 (36% increase) youth to include:

- 1,165 nights of emergency shelter (**30% increase**)
- 1,620 nights of transitional shelter (**25% increase**)
- 113 family mediations (**25% increase**)
- 5,834 service delivery hours (**67% increase**)

Comments

The youth accessing services through CYFC are increasingly disconnected and disenfranchised from family and the community. Youth are in need of services and shelter for longer periods of time, due to a variety of conditions and circumstances. Employment and housing are more difficult to find, resulting in longer lengths of stay and an increase in service length. Competition and criteria for federal funding has changed. Funds available for emergency shelter are limited to 21 days and only youth under the age of 21 can access services. Transitional shelter services are available for 24 months, however this program is usually full.



GETTING RESULTS
Deschutes County Service Partner Grant Program
FY 15-16

| | |
|------------------------------|---------|
| Redmond Senior Center | |
| Current Award | \$2,000 |
| Amount Requested 2016-17 | \$2,100 |

Community Need

Requesting a 3% increase in funding to keep pace with:

- Higher food costs (from \$3.85 to \$3.96 per meal, a 1.5% increase)
- 17% increase in number of unduplicated clients in Meals on Wheels and congregate dining program in FY 15-16 to date (served 112 to date)

Impact of Current Investment

The grant supported the purchase of \$29,891 in food to provide over 2,000 meals per month (18,223 total in first six months of grant) via Meals on Wheels and congregate dining program.

Comments

Although the Redmond Senior Center receives a food subsidy from the Central Oregon Council on Aging, the subsidy does not cover the cost of food.

The kitchen is in need of some repairs so that volunteers are able to competently perform their job of preparing/serving Meals on Wheels and congregate dining meals.

New state funding for evidence based health promotion provides clients access to low/no-cost physical activity classes that build strength, enhance flexibility and improve balance.



GETTING RESULTS
Deschutes County Service Partner Grant Program
FY 15-16

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|--------------------------|----------|
| KIDS Center | |
| Current Award | \$20,000 |
| Amount Requested 2016-17 | \$20,000 |

Community Need

National statistics suggest that 1 in 10 children in the US will be a victim of sexual assault by age 18. Evidence suggests that more than 13% of children are subject to abuse each year. In Oregon alone, 20 children die each year as a direct result of child abuse.

KIDS Center is the only provider of child abuse medical evaluations in the county. The cost of each evaluation is \$1,800 and state funding and medical reimbursements only cover approximately 25% of these expenses. In order to provide medical evaluations to children and families without a cost to them, it is critical for KIDS Center to successfully raise funds (annual budget is 2.2 million) from additional revenue sources. Support from the county is critical in meeting the resources needed to support every child who is referred for services.

Impact of Current Investment

.22 NP-C (Lead Medical Examiner) FTE to support 100 medical evaluations on suspected victims of child abuse and/or neglect.

In 2015, served approximately 1,096 children, youth and families, conducting 401 evaluations. Lead Medical Examiner conducted the following:

- 103 medical evaluations
- 6 consults
- 28 Karly's Law physical abuse exams and 13 physical abuse consults;
- 6 hospital visits for exams and/or consults.

Comments

KIDS Center provides victims of acute child abuse in the county with medical evaluations, family support, and therapy to heal and gain tools to build healthy relationships and improve their readiness to learn in school. 80% of children served will likely come from low-income families with a household income below the poverty line.

The evaluation includes a head-to-toe medical exam and a child-friendly forensic interview. Families are supported by a Family Support Specialist who assists with crisis intervention when needed, guides parents through the process and identifies areas of high life stressors that may be contributing to or enabling the abuse.

Without support from community partners and funders, our ability to serve our most vulnerable victims, at no cost to the family, is at risk.



GETTING RESULTS
Deschutes County Service Partner Grant Program
FY 15-16

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|------------------------------|----------|
| Latino Community Association | |
| Current Award | \$11,000 |
| Amount Requested 2016-17 | \$14,000 |

Community Need

Requesting a 27% increase in funding to meet the growing demand for our services given that our Latino community continues to be:

- Fastest growing segment (17% annually) with the
- Highest rate of labor force participation (66%), yet also with the
- Lowest average household income (24% below federal poverty level)

Latino families face barriers such as language and minimal formal education. We plan to move to a larger space in the next 18-24 months to expand services and we need more support to achieve this.

Facility and program expenses are projected to increase by 33% this year.

Impact of Current Investment

.4 FTE of our staff team's efforts leveraging our ability to:

- Coordinate information & referrals for 194 clients
- Provide 103 free and low-cost dental services
- Provide 50 free legal consultations
- Enroll 568 clients in health insurance
- Provide citizenship assistance for 23 clients

Not only did we serve over 900 people, but will have collectively saved these families roughly \$65,000 in lieu of paying market rates and/or having to travel to access the service.

Comments

We are convinced that we are the best value in town in terms of the impact we deliver on a budget of roughly \$230,000. Almost 7,000 family members benefited from our services last year. As our Latino community grows and gains access to new legal avenues to work, we need to position ourselves to expand opportunities for Latino families to increase their incomes and educational attainment, as well as their civic participation. We are also adept at responding to new needs, like the Deferred Action (DACA/DAPA) immigration initiatives. We've completed 156 translations since November 2014 to help families prepare for this opportunity.



GETTING RESULTS
Deschutes County Service Partner Grant Program
FY 15-16

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|--|-----------------|
| Bethlehem Inn Emergency Meals Program (EMP) | |
| Current Award | \$15,000 |
| Amount Requested 2016-17 | \$20,000 |

Community Need

The Inn is requesting a 33% increase in funding (6.7% of EMP budget) to maintain current EMP staff capacity. (Current funding represents 5% of EMP budget.) Successful program implementation requires 2 FTE to build community awareness, recruit, train and coordinate the efforts of over 1,800 meal program volunteers annually. Another .13 FTE facility staff is needed to manage pantry inventory and facility needs related to food storage and equipment.

Based on historical trends, Bethlehem Inn projects the following outputs for FY16/17:

- 71,000 meals to be served
- 7,200 volunteer hours to be donated
- 900 food boxes to be distributed

Impact of Current Investment

The current staffing level noted above has been proven necessary to adequately maintain all elements of the EMP to successfully provide 69,000+ meals and 900+ food boxes, while orchestrating the efforts of community members donating over 6,500 reported volunteer hours/ year.

FY15/16 YTD outcomes reflect the continuing demand of our EMP. With 3 months remaining in the FY, the original goals are projected to be achieved.

Outcomes for 7/1/15 - 3/31/16:

- Schedule and trained 1,495 volunteers, who have generously donated 5,556 hours of service in meal preparation
- Volunteers were trained/ guided in the preparation and serving of 52,451 meals; 628 food boxes were distributed

Comments

The EMP is fueled by the burgeoning volunteer interest in supporting our community's disadvantaged population.

The EMP offers critical, life-saving meals to help people experiencing homelessness. Food is a basic requirement of life and necessary to successfully move forward.



GETTING RESULTS
Deschutes County Service Partner Grant Program
FY 15-16

| | |
|--------------------------|----------|
| Family Access Network | |
| Current Award | \$10,000 |
| Amount Requested 2016-17 | \$12,500 |

Community Need

Increase in funding will support staffing at the new Early Learning Center in Redmond.

Deschutes County Data:

- Based on the One Night Homeless Count, 42% counted were children (many under age 12)
- Over 50% of children are eligible for free/reduced lunch
- 23% of children live at or below poverty

Research:

Long-term effects of poverty on children can have the most impact and long-term effect in their getting education. Children who are poor will most likely get substandard education. Some may be too hungry to concentrate on studying, some may be too tired to go to school, and some may stop going to school altogether (Poverty Living, Jason Cox ,2013). This is the crucial work of FAN.

Impact of Current Investment

- .5 FTE at Vern Patrick Elementary in Redmond, connecting children and family members to basic-need resources

Through December 2015:

- Served 119 children and family members
- Examples: Housing options for 37 people; school supplies for 46 kids; heat assistance for 51 people
- During the fall client survey, 100% of families reported that FAN improved their lives and 65% reported that FAN helped their child attend/ stay in school

Comments

Current challenges: An increased need for FAN advocates due to the new Early Learning Center in Redmond.

FAN is very appreciative of the long-term county support of our most vulnerable children. Any additional county funds available above and beyond our \$10,000 allocation would be appreciated.



GETTING RESULTS
Deschutes County Service Partner Grant Program
FY 15-16

Mary's Place Supervised Visitation & Safe Exchange Center

| | |
|--------------------------|----------|
| Current Award | \$10,000 |
| Amount Requested 2016-17 | \$20,000 |

Community Need

Requesting increase in funding to address the increase in community intimate partner violence (IPV). From 2014 to 2015, court data shows that:

- Stalking orders filed increased from 65 to 105, or by 62%
- Restraining orders increased by 14%, from 477 to 545
- Of all restraining orders filed in 2015, 245 or 45% involved children. 86 or 35% of all restraining orders involving children were referred to Mary's Place (MP).
- Since opening the doors in 2006, MP has provided 4,607 supervised visits and 8,637 safe exchanges to over 400 families. 67% of all children were aged 6 and under, a highly vulnerable group based upon their exposure to IPV.

Impact of Current Investment

Mary's Place operates seven days a week. The grant provides .18 FTE to support 1,800 court and community referred supervised visits and safe exchanges/year for families that have experienced IPV, sexual assault, stalking and child abuse. Families receive up to 2 ½ hours of visits per week or one or more safe exchanges per week.

MP provides thousands of hours annually of case management and safety screening. This continuum of services impacts personal safety of victims and public safety of the community. MP is the only program working with all members of the family, responding to the safety and healing needs of each, with the goal of preventing further harm. The most dangerous time for adult victims of IPV and their children post-separation is during parenting time. Since opening in 2006, no child abductions, injuries, or homicides have occurred connected to parenting time at MP.

A coordinated community response (CCR) is the best practice to IPV prevention. MP has been and continues to be a leader in the Deschutes County CCR. MP is recognized nationally as a best-practice program, providing technical assistance to other visitation centers.

Comments

Mary's Place provides free services for which private providers charge \$75 or more/hour. The majority of victims live at or below the FPL and could not otherwise receive services.



GETTING RESULTS Deschutes County Service Partner Grant Program FY 15-16

Central Oregon Veterans Outreach – Homeless Outreach

Program

| | |
|--------------------------|----------|
| Current Award | \$10,000 |
| Amount Requested 2016-17 | \$18,000 |

Community Need

Requesting an 80% increase over 2015-16 funding for .25 FTE to cover the Outreach center while primary Outreach staff are in the homeless camps/collecting donated supplies.

- Homelessness and people at risk of losing their homes continues to be a concern
- Outreach center served over 2400 people in last nine months (40% inc. over 14-15)
- 888 people served in homeless camps in Q1-3 2015-16 (60% inc. over 14-15)
- Increase in Non-Veterans adults/families who are homeless; now 60% of our outreach
- Distributed over 3400 food items, over 600 cans of propane, 900 pairs of socks, and nearly 1200 daily bus passes in Q1-3 2015-16 grant, we are spending more funds to purchase supplies
- Provide homeless camp cleanup- taking our one staff person away from Outreach ctr

Impact of Current Investment

- Provide .3 FTE Outreach manager to coordinate Outreach program
- Trained more than twice the volunteers/provided more than twice community outreach than projected
- Provide case management to clients, providing services that lead to transitional and permanent stable housing as well as supportive services to help families stay in their homes through rent and utility assistance
- Outreach camp visits and cleanup reduces unsightly community locations. We average 1000 pounds of trash removal per month in our outreach to camps
- Outreach services reduced the number of emergency room visits and reduced the need for law enforcement to get involved in addressing people who are homeless
- Outreach and walk-in services intervened in several crisis events where the person in crisis identified with suicidal ideation, effectively preventing a fatal suicide event by connecting the person in crisis with help resources

Comments

- COVO is the major source of basic life services/supplies for Homeless and in need Veterans and Non-Veteran families in Deschutes County and we need part time staff to continue to service all those who come to our center.



GETTING RESULTS Deschutes County Service Partner Grant Program FY 15-16

| | |
|--------------------------|----------|
| CASA of Central Oregon | |
| Current Award | \$20,000 |
| Amount Requested 2016-17 | \$35,000 |

Community Need

CASA of Central Oregon does not currently have the resources to recruit, train and support a CASA advocate for every child in foster care. Unfortunately, the need for CASAs continues to grow. In 2015:

- 288 children in Deschutes County were wards of the court and under legal custody of the Department of Human Services, up from 248 children in 2014, and 228 in 2013.

Meanwhile, public funding at the county level has not rebounded from cuts made during the recession. National CASA standards for caseloads are 1 FTE: 45 cases/30 volunteers. Currently, in the average Deschutes County caseload for 1 FTE: 82 cases/41 volunteers, a volume that is too high to sustain long term. An increase in funding will allow CASA to afford additional staff hours and reduce the employee caseload numbers, while working towards having the capacity to provide a CASA advocate to every child in foster care.

Impact of Current Investment

- .53 FTE to recruit, train and support the more than 100 CASA volunteers and 230 children in foster care

This calculation assumes that the .53 FTE is carrying a high case load and earning \$16.50/hr. In FY 2016-17, \$35,000 would cover .85 FTE. While this calculation again assumes a continued higher-than-recommended caseload, it reflects a college educated program coordinator with considerable experience earning \$17.00/hr. CASA's efficiency is compromised by high turnover, and working towards providing employees with a competitive living wage is essential for program stability.

Comments

CASA of Central Oregon provides essential services to at-risk children who have experienced abuse and/or neglect, and does so for a relatively small public investment. CASA advocates volunteered 5,678 hours to foster children in Deschutes County, saving the state and county approximately \$120,941 (based on Oregon Volunteer Value calculation). Despite the ever-higher community need and flat public funding, 80% of new cases in Deschutes County were assigned a CASA advocate, well above the statewide average of approximately 40%.



GETTING RESULTS
Deschutes County Service Partner Grant Program
FY 15-16

| | |
|--------------------------|----------|
| Healthy Beginnings | |
| Current Award | \$10,000 |
| Amount Requested 2016-17 | \$20,000 |

Community Need

- 69% increase in requests for 4b45 screenings (evidence based screening in development, behavior and hearing in a preschool setting) over last year.
- In 3 Quarters of FY 15-16, provided 234 screenings. This is more children than Healthy Beginnings saw in all of FY 14-15.
- With 9 screening days currently scheduled in Quarter 4 and screening requests still coming in, an additional 130 children are expected to be screened, which results in a 60% increase over FY 14-15 results and 269% of our contracted goal of 100.

Impact of Current Investment

.3 FTE to coordinate the 4b45 screenings. This includes a focus on Title 1 elementary school catchment areas.

Service includes follow-up phone calls. This includes a call the week after the screening to all families who participated (providing parent education and support) and a second call to all children (66% of total) who receive a referral at 6 weeks to determine outcomes of the referral and help parents navigate any challenges they have as well as provide support for the referral.

Comments

Healthy Beginnings increased screenings in catchment areas and works closely with the regional PK-3 initiative to provide screenings for Title-1 Preschool classes in Bend-LaPine and Redmond Elementary Schools.

Success story: Mom had concerns about Maria's hearing, and was seen at a 4b45 screening at her school last year. Her concerns were confirmed by our oto-acoustic emissions scanner and we referred her for further evaluation. Maria had tubes put in her ears and was hearing much better. At this year's 4b45 Maria's hearing was again a concern. Mom went to the ENT and they are currently looking into it further.