

## LANE ECONOMIC COMMITTEE

December 11, 2023

(LEC meetings are held on the **2<sup>nd</sup> Monday** of each month)

11:30 a.m. – 1:00 p.m.

<https://us06web.zoom.us/j/86057511283?pwd=ALeE8zy4LNMDgtBLAZje4WEIb9SW3k.1>

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Meeting ID: 860 5751 1283 Passcode: 971386

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*All individuals are expected to observe respectful behavior and decorum during this public meeting. Please be courteous and respectful.*

1. Welcome / Introductions / Changes to the Agenda 11:30  
Presenter: Greg Ervin
2. Public Comment 11:35  
Presenter: Greg Ervin
3. Comments from Members, Chair, and Staff 11:40  
Presenter: Greg Ervin
4. Review Minutes from November 13, 2023 11:45  
Presenter: Greg Ervin  
**Action Item:** Approve minutes.
5. 2024 Government Member Appointments Check In 11:50  
Presenter: Denise Walters
6. 2024 Lane Economic Committee Chair and Vice-Chair 12:00  
Presenter: Denise Walters  
**Potential Action Item:** Appoint Chair and Vice-Chair
7. Connected Lane County 12:10  
Presenter(s): Heidi Larwick - Executive Director  
CEDS Priorities: 2- Sector Diversification Through Business Development, 4 – Workforce Support, 5 – Rural Vitality

**Next Meeting Dates:**

- January 8, 2024
- February 12, 2024
- March 11, 2024

**December 11, 2023**  
**Lane Economic Committee (LEC)**  
**Agenda Item Summaries**

**ITEM 5: 2024 Government Member Appointment Check In**

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This item is a reminder for those representing local jurisdictions to please check in with their appointing authority and confirm who will serve on the Lane Economic Committee for 2024.

**ITEM 6: 2024 Lane Economic Committee Chair and Vice-Chair**

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The Lane Economic Committee appoints a Chair and Vice-Chair annually. The LEC could entertain motions for appointment and vote this month or take this up as the first item of business at the January meeting.

**ITEM 7: [Connected Lane County](#)**

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Connected Lane County (CLC) works with Lane County school districts, industry partners, workgroups, and community organizations to create opportunities and prepare youth for their lives beyond high school. CLC identifies and bridging gaps, works to change systems, and creates safe spaces to help youth succeed via three core programs: Elevate, Navigate, and Spark. **Elevate** provides career-connect learning opportunities for youth and professional development opportunities for educators. **Navigate** offers individualized work readiness and school re-engagement services for youth facing significant barriers to employment and education. **Spark** is a safe place to learn, innovation, collaborate, and create through out-of-school training opportunities that help youth grow their skills, become confident problem solvers, and gain hands-on experiences. Spark experiences currently include Invention Lab, Invention Club, and The Agency.

Lane Economic Committee (LEC)  
Lane Council of Governments (LCOG), Fifth Floor Conference Room  
859 Willamette Street -- Eugene (Hybrid meeting via Zoom)

November 13, 2023  
11:30 AM

**MEMBERS PRESENT:** Greg Ervin, Chair (City of Cottage Grove/Government); Anne Fifield, Vice Chair (City of Eugene); Matt Michel (City of Veneta/Government); Allie Camp (City of Springfield/Government); Jake Clifton (Business); Mike Eyster (LCC); Mark Bodie (Business/Finance); Paul Berger (Business).

**MEMBERS ABSENT:** Jeremy Caudle (City of Lowell/Government); Chantelle Meyer (Economic Development); Faye Stewart (Economic Development); Cindy Perry (Business/Labor); Vanessa Ringgold (Education); Faye Stewart (City of Cottage Grove/Government); Kari Westlund (Travel Lane County); Jude Anderson (Lane County/Government).

**STAFF:** Paula Taylor; Denise Walters, Diana Pamir Tisdale. Sandra Easdale,

**GUESTS:** Madeline Baron (ECONorthwest); John Tapogna (ECONorthwest); Jacob Thode (City of Veneta); Nicole Desch (Onward Eugene); Anne Whittington (Oregon Cascades West); Justin Peterson (Oregon Cascades West).

**1. Welcome/Introductions / Changes to the Agenda**

Chair Ervin called the LEC meeting to order at 11:30 AM. Introductions were made, and a quorum was established. There were no changes made to the agenda.

**2. Public Comment**

There was no public comment.

**3. Comments from the Members, Chair, & Staff**

Ms. Walters said she had the opportunity to help the Lane Education Service District's Regional Career Technical Education Program apply for a six million dollar federal grant to support healthcare, manufacturing, and emergency services pathway programs. She noted that Lane Community College also applied for the State of Oregon Revitalization Grant to help support their healthcare pathway programs.

Mr. Michel said he attended the Cascades West Economic Development meeting in Newport and learned about the Small Business Development Center based out of the Oregon Coast Community College. They recently launched a Childcare Accelerator Program. Those who successfully complete the program could be eligible for five to thirteen thousand dollars in grant funding to help launch their childcare facility.

**4. Review Minutes from October 9, 2023**

**MOTION:** Mr. Eyster moved, seconded by Mr. Berger to approve the October 9, 2023, LEC meeting minutes. The motion passed unanimously.

**5. 2024 Government Member Appointments**

Ms. Walters asked members to check in with their appointing authorities to see if they would still be representing their jurisdiction in the LEC and to let her know if any changes would be taking place.

## **6. Economic Drivers & The Cost of Homelessness in Lane County**

Mr. Tapogna said this was a project commissioned by the local chamber. It was a collaborative effort between ECONorthwest, the cities of Eugene and Springfield, and Lane County that took place over the past six months. The goal of this project was to find all the revenue sources available for literal and imminent-risk homelessness in Lane County and associate those funds to their specific uses.

### **About ECONorthwest:**

- Largest Private Economics Consulting Firm in the Pacific Northwest
- Multi-Disciplinary Expertise
- 75+ Staff Members
- Experienced in Economics, Land Use, Planning, Housing Development, and Transportation
- Founded in Eugene in 1974

There had been an increase in homelessness in Eugene and Springfield. Overall, homelessness had risen 72 percent in the past five years. Unsheltered and chronic sheltered homelessness were also on the rise. The number of individuals who accessed services between 2020 and 2023 remained relatively stable, with roughly 9,500 people utilizing services each year.

### **Lane County Homeless Population Characteristics**

- Veterans – Less Than 10 Percent
- Domestic Violence Survivors – Less Than 30 Percent
- Chronically Homeless – Less Than 45 Percent
- Disabled – Roughly 60 Percent
- Unsheltered – Roughly 70 Percent

Of the renters who had 0 to 30 percent area median incomes (AMI) and were cost burdened, 16,366 of them were not enrolled in college and 13,789 were.

### **Root Causes of Homelessness**

- Inadequate Supply and Continued Underproduction of Housing
- Rent Amounts Rising Faster Than Incomes
- Substance Use Disorder
- Comorbidity and Chronic Illness
- Mental Health Conditions

Housing market factors were shown to dramatically impact a region's homelessness rate:

- 2001 – A 10 percent increase in rent predicted a 13.6 percent increase in a regions rate of homelessness.
- 2001 – A 10 percent increase in the housing vacancy rate predicted a 3.9 percent decline in the rate of homelessness.
- 2022 – a 100 dollar increase in rent led to a 9 percent increase in a region's rate of homelessness.

### **Annual Housing Unit Building Permits in Eugene and Springfield**

- 2018 – 737
- 2019 – 1,043
- 2020 – 1,183
- 2021 – 1,925
- 2022 – 1,670
- 2023 – 1,515

The Eugene and Springfield area had developed or funded 1,790 affordable housing units since 2016.

Mr. Eyster noted that homelessness was caused by underdevelopment of affordable housing, but that contractors could not develop affordable housing because the income generated from those developments was not enough to cover the costs of building. He asked how to break that cycle.

Mr. Tapogna said public subsidies was one way to boost development of affordable housing and noted that opportunities needed to be seized when conditions in the market were favorable.

Chair Ervin asked if Oregon's Land Use Laws were factored into the ECONorthwest analysis.

Mr. Tapogna confirmed that they were and that the land use laws were part of a long list of restraints in new development of affordable housing. He noted that the governor's housing production taskforce would come into play in the next few years, which would help boost housing production in Oregon.

Homeownership had become increasingly inaccessible for lower income households. Median home sale prices in Eugene rose 46 percent between 2019 and 2023. Nominal rent amounts increased 32 percent in Eugene between July 2020 and July 2023. In 2021, 53 percent of all Lane County renters were cost burdened. (Cost burdening occurred if 30 percent of an individual's income went toward rent.)

Mr. Tapogna noted that to say that the housing market was the main driver of homelessness did not mean that challenging personal circumstances did not also have an impact. The state of California did a study on the predictive characteristics of chronic homelessness to determine how much more it would cost a locality if no intervention took place. The study highlighted costs and the importance of understanding the personal circumstances of homeless individuals and the challenges they face.

### **ECONorthwest Primary Research Questions**

- What were the primary sources of funding for homelessness and how much was flowing through the system
- What were the biggest parts of Eugene's and Lane County's homeless service systems.
- Were there trends or conclusions that could be drawn from the spending data.

Based on homeless services spending data from FY 2022 and FY 2023, provided by the chamber and local partners:

- Most homeless funding came from the federal government and the state.
- It flowed to jurisdictions based on formulas and jurisdictions had little discretion on how the money was spent.
- COVID-era emergency programs upended government and state funding.
- COVID-era emergency programs would end and create a gap that local and state agencies could not fill.

Examples of funding programs included:

- Program Administration
- Encampments
- Shelters / Safe Parking
- Outreach
- Prevention
- Permanent Supportive Housing
- Rapid Rehousing
- Services Only
- Transitional Housing

The following was excluded from the analysis:

- Regular Vouchers and Rent Assistance
- Capital Expenditures to Build Facilities
- Workforce Spending
- Preschool Spending
- General Fair Housing Spending
- Police, Fire, Parks, and Library Spending

#### **Examples of One-time Spending**

- COVID-specific Funds
- FEMA Funds
- Wildlife Response Funds
- Lane County Emergency Rent Assistance Program Funds
- City General Funds
- Private Donations
- Other Specific One-time Programs

#### **Total Spending on Homelessness in Eugene and Springfield**

- FY 2022 – 55 Million Dollars
- FY 2023 – 47 Million Dollars

Chair Ervin asked if efficacy of the dollars spent were factored into the analysis.

Mr. Tapogna said no and noted that this project was basically an accounting exercise, highlighting a lot of money coming from different sources and how it was being spent. A productive next step would be to determine the expected outcomes of allocated funds. He noted there was a lot of work to be done in the prevention space. One of the big issues with prevention would be trying to understand who to serve and what the counter factor would be if they were not served.

Based on the Homeless Management Information System (HMIS):

- 4,400 individuals accessed homeless services per month in 2023.
  - 41 Percent – Chronically Homeless

- 59 Percent – Episodically Homeless
- Interventions
  - Chronically Homeless – 90 Percent Needed Permanent Supportive Housing (PHS) / 10 Percent Needed a Rent Voucher and No PHS
  - Episodically Homeless – 10 Percent Needed PHS / 90 Percent Needed a Rent Voucher and No PHS
- Public Costs
  - PHS Operating Costs – 30 Thousand Dollars Per Year Per Unit
  - Rent Voucher – 8,100 dollars Per Year Per Household

The above analysis concluded that the region would need 1,625 PSH units and 1,020 rent vouchers per year.

The theoretical annual operating cost of a rent voucher or a PSH unit for the average monthly number of individuals experiencing homelessness in Lane County (4,400) in 2023 was determined to be an annual cost of 59 million dollars with 47 million dollars going toward chronic homelessness and 12 million going toward episodic homelessness.

### **Conclusion and Takeaways**

- The region has relied heavily on federal funds, which would soon end.
- Ongoing revenue equaled 14 million dollars in FY 2023.
- The region could productively spend 59 million dollars per year on a combination of PHS and rental subsidies to address the homeless crisis.
- The region did spend 55 million dollars in FY 2022 with little perceived impact on the size of the unhoused population.
- The housing market plays a big role in homelessness.

Interventions targeted toward literal homelessness generally do one of the following:

- Reduce inflows to literal homelessness.
- Increase outflows from literal homelessness.
- Ameliorate conditions experienced during literal homelessness.

### **7. Adjournment**

Chair Ervin said the next LEC meeting would take place on December 11, 2023. He adjourned the meeting at 1:00 PM.

*(Minutes recorded by Diana Pamir Tisdale)*



# LANE ECONOMIC COMMITTEE - 2023

MEMBER	Phone	Email	EMPLOYER	REPRESENTING	Term Began	Term Ends	Alternate	Phone	Email
TBD				Business	2019	N/A	Jake Clifton	541 912-6371	<a href="mailto:jake.clifton@gmail.com">jake.clifton@gmail.com</a>
TBD				Government	2020	12/23			
TBD				Government	7/1	12/23			
Allie Camp*	541-726-3700	<a href="mailto:acamp@springfield-or.gov">acamp@springfield-or.gov</a>	City of Springfield Economic Development	Government	3/23	12/24	Nancy Newton		
Anne Field*	541-682-5451	<a href="mailto:anne.e.fifield@ci.eugene.or.us">anne.e.fifield@ci.eugene.or.us</a>	City of Eugene	Government	12/21	12/24	TBD		
Chantelle Meyer	541-590-4019	<a href="mailto:chantelle.meyer@ci.florence.or-us">chantelle.meyer@ci.florence.or-us</a>	City of Florence Economic Development	Government	2/23	12/23			
Cindy Perry	541 255-8116	<a href="mailto:cindy@laneworkforce.org">cindy@laneworkforce.org</a>	Lane Workforce Partnership	Business / Labor	2018	12/23	Ashley Espinoza	541-913-2284	<a href="mailto:ashley@laneworkforce.org">ashley@laneworkforce.org</a>
Faye Stewart	541-942-3340	<a href="mailto:pwdirector@cottagegrove.org">pwdirector@cottagegrove.org</a>	City of Cottage Grove Public Works/ED Director	Economic Development / Government	2020	12/23	Robert Scoggin	541-942-8711	<a href="mailto:scogginrob@msn.com">scogginrob@msn.com</a>
Greg Ervin**	541-556-8953	<a href="mailto:greg@ervinitconsulting.com">greg@ervinitconsulting.com</a> <a href="mailto:councilorervin@cottagegrove.org">councilorervin@cottagegrove.org</a>	City of Cottage Grove Councilor	Government	12/21	12/24	Len Blackstone	541-501-53967	<a href="mailto:len@blackstoneinc.net">len@blackstoneinc.net</a>
Jeremy Caudle	541-937-2157	<a href="mailto:jcaudle@ci.lowell.or.us">jcaudle@ci.lowell.or.us</a>	City of Lowell City Administer	Government	7/12	12/23	Mike Galvin	541-937-2393	<a href="mailto:mgalvin@pacbell.net">mgalvin@pacbell.net</a>
Jude Anderson*	541-682-3741	<a href="mailto:jude.anderson@lanecountyor.gov">jude.anderson@lanecountyor.gov</a>	Lane County Economic Development	Government	12/21	12/24	Jenna Cusimano		<a href="mailto:jenna.cusimano@lanecountyor.gov">jenna.cusimano@lanecountyor.gov</a>
Kari Westlund	541-743-8750	<a href="mailto:kari@travellanecounty.org">kari@travellanecounty.org</a>	Travel Lane County	Ex-Officio	2017	N/A	Andy Vobora	541-743-8770	<a href="mailto:andy@travellanecounty.org">andy@travellanecounty.org</a>
Mark Bodie	541-913-5564	<a href="mailto:mark.bodie1@usbank.com">mark.bodie1@usbank.com</a>	U.S. Bank	Business / Finance	2020	12/23	Gary Collins	541-334-4121	<a href="mailto:gary.collins@fib.com">gary.collins@fib.com</a>
Matt Michel	541-935-2191	<a href="mailto:mmichel@ci.veneta.or.us">mmichel@ci.veneta.or.us</a>	City of Veneta City Administer	Government	2020	12/23	<b>Jacob Thode</b>	<b>541-935-2191</b>	<a href="mailto:jthode@ci.veneta.or.us">jthode@ci.veneta.or.us</a>
Mike Eyster	541-954-6451	<a href="mailto:salsamike@comcast.net">salsamike@comcast.net</a>	Lane Community College Board Member	Education	12/21	12/24			
Paul Berger	541-357-8236	<a href="mailto:paulberger@saavsus.com">paulberger@saavsus.com</a>	Saavsus	Business	12/21	12/24	Larry Brice	541-954-2619	<a href="mailto:ldbrice@comcast.net">ldbrice@comcast.net</a>
Vanessa Ringgold	541-346-8912	<a href="mailto:vrr@uoregon.edu">vrr@uoregon.edu</a>	Economic Development	Education	12/21	12/24	Karen Hyatt	541-346-5351	<a href="mailto:khyatt@uoregon.edu">khyatt@uoregon.edu</a>

\* These positions are appointed by their respective elected bodies.

\*\* This position is appointed by the LCOG Board.

Changes are indicated in **Bold**

Last updated: 09/12/2023