

DATE: November 30<sup>th</sup>,2018  
TO: Nick Green, City of John Day  
FROM: Bob Parker, Matthew Craigie  
SUBJECT: JOHN DAY ECONOMIC DEVELOPMENT STRATEGY -SCOPE OF WORK - DRAFT

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The City of John Day (the City) selected ECONorthwest (ECO) to assist the City with the Comprehensive Economic Development Services (CEDs) project. What follows is the DRAFT scope of work that describes the work plan, products, schedule, and budget that ECONorthwest and its subcontractors will use to provide that assistance.

## Work Plan

### Phases Overview

The work plan has three phases:

- **Phase 1: Project Kick-Off and Discovery**—This initial phase is relatively short, but critical to the success of the overall project. Our recommendation, based on our experience managing public-sector projects related to strategic action and policy development and evaluation, is that the consultant team and the City’s team should spend some focused time at the project’s initiation to holistically discuss and plan the project. We have found that these discussions are best held in-person in a structured work-session format. ECONorthwest staff will facilitate discussions with City Staff members to define, clarify, and agree upon specific project details and deliverables. We will discuss what the goals and outcomes of the project should look like and add substance to the definition of the project’s deliverables. These discussions almost always lead to important tune-ups to the scope of work. Phase 1 will end with a memorandum/final scope of work that documents agreements between the City and ECONorthwest.
- **Phase 2: Situation Assessment and Technical Analysis**—This phase forms the bulk of the project. It includes most of the technical work collecting and evaluating data, and all of the work reporting findings and describing potential implications. It has five tasks that are grouped by what we are calling ‘content tracks’ —the focal areas identified by the City as targets for research and informed action. These tasks are:
  - Task 2.1. Hydroponic Assessment
  - Task 2.2. Digital Marketing & Branding
  - Task 2.3. Recreation & Tourism
  - Task 2.4. Competitive Broadband
  - Task 2.5. Housing & Community Development

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- **Phase 3: Implementation & Action Plan**—This final phase of the CEDS project will focus on action. During this phase ECONorthwest will work closely with the City to consolidate analyses, stakeholder input, and other data from Phases One and Two into a concise action plan for the next five years. This consolidation is a crucial step and must be carried out through structured conversations about what is achievable and with the acknowledgment of the tradeoffs present (e.g., budget, capacity, etc.) with any decision-making. We will help the City focus efforts on tactics and actions that have logical rationale, are viable, and build momentum to higher level goals. Each chosen action should be precise, stakeholder vetted, and thoroughly considered.

The work of the CEDS project culminates into a Regional Economic Development Summit (REDS) to be hosted in John Day. This is a vital opportunity to showcase the efforts undertaken during the project, and to show the wider Oregon community that John Day is moving forward and ready for investment. We will work closely with the City to plan and build momentum for this event.

The primary deliverable for Phase 3 is the Five-Year Action Plan.

## Detailed Work Plan

### Phase 1: Project Kick-Off and Discovery

This phase defines issues, confirms assumptions, and sets the stage for subsequent work. ECONorthwest staff will travel to John Day for a kick-off work session. The purpose of this phase is to: (1) holistically examine and identify the form of the project's goals, desired outcomes, and deliverables; (2) gather and understand available information that will inform technical work in Phase 2; and, (3) review, refine, and complete a final scope of work. This phase has one task:

- **Task 1.1 - Project Kick-Off and Project Reconnaissance** - This task will start with a project kick-off in John Day. The City will host ECONorthwest, providing meeting space and organizing participants. ECO will work with the City to develop an agenda for the kick-off, which will take the form of a half-day long work-session. ECO will be the primary facilitator of the meetings, but will look to the City to provide insight and direction. During these meetings, they will review this work plan and amend it to their mutual satisfaction, and will agree on standards and methods of communication. The outcome of this task is a memorandum describing the final scope of work and project deliverables.

#### **PHASE 1 (TASK 1.1) SUMMARY**

Products: Final Scope of Work, Budget, and Timeline

Meetings: One (1) – Kick-off Meeting in John Day

Schedule: December 2018 – January 2019

Budget: \$17,720

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## Phase 2: Situation Assessment & Technical Analyses

During this Phase, ECO and its subcontractor, Bell+Funk, will conduct several analyses, marketing efforts, and generally play a supportive role to the City of John Day. Work within this phase falls into five tasks:

- **Task 2.1 – Hydroponic Assessment-** ECONorthwest will lead the analysis for this track. We will conduct a market assessment of the potential for growth of a hydroponic industry in John Day. The goals of this assessment are to help the City understand; (1) the market demand for hydroponically produced goods; (2) how the hydroponic businesses can achieve financial success; and (3) how to craft partnerships with suppliers, wholesalers, retailers, customers, and others to establish a financially successful and growing hydroponic industry in John Day.

Our analysis will assess the competitive landscape and establish levels of demand for specific product types. The assessment will conclude with recommendations of targeted actions to enhance the initial steps the City of John Day has taken to create a local hydroponics industry. The deliverable for this task is a concise market assessment report.

### TASK 2.1 SUMMARY

Products: Hydroponic Market Assessment Report

Meetings: Remote Check-ins as needed. Up to six (6) stakeholder interviews with industry participants.

Schedule: January – March 2019

Budget: \$13,525

- **Task 2.2 – Digital Marketing & Branding** - Bell+Funk will lead work on this track. Working closely with the City and other local partners (e.g. the Grant County Chamber of Commerce, and Grant County) they will first assess the current situation of the City and general area's outward brand appearance. After completing an initial assessment, the consultant team will work with the City to develop a set of concerted actions and branding concepts to promote the John Day region. More targeted branding and marketing efforts may be included in this task, such as conceptual branding work for the Grant County Digital Network and/or for the Innovation Gateway hydroponic center. Task details, including level of effort and specific branding subtasks will be established during the project kick-off, however, generally efforts will be focused on foundational actions that set the stage for successful area promotion. A complete and finalized marketing campaign is not included in this scope.

### TASK 2.2 SUMMARY

Products: John Day Marketing Assessment, marketing and branding related concepts, list of recommended marketing actions

Meetings: Regular Remote Check-Ins. All presentations and team meetings for this task will be conducted remotely.

Schedule: January – April 2019

Budget: \$12,840

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- **Task 2.3 – Recreation & Tourism** - For this track, ECONorthwest will lead a series of facilitated conversations with community stakeholders and tourism industry leaders (focus groups) to identify and build momentum around local assets that have a compelling and attractive story from a tourism standpoint. Our analysis will feature case studies of other rural northwest cities that have transformed their economies from a focus on resource extraction to recreation and tourism. We will seek solutions that are based in local agency collaboration to develop a more concerted plan to promote tourism in the John Day region.

Because they are so closely related, this track will run parallel and in-sync with the digital marketing and branding track (Task 2.2). Bell+Funk will support ECONorthwest and the City in this task through tourism related case study research and the creation of high-level tourism marketing concepts. The primary deliverable for this task will be a concise memorandum that summarizes the focus group discussions and their conclusions, Bell+Funk’s tourism branding concepts, and the team’s recommendations for recreation and tourism related actions.

**TASK 2.3 SUMMARY**

Products: One concise summary memorandum with branding concepts  
Meetings: Regular Remote Check-Ins. Remote Focus Group meetings. Potential in-person work-session during ECO’s March John Day visit.  
Schedule: January – April 2019  
Budget: \$11,160

- **Task 2.4 – Competitive Broadband** - The City has indicated that they will be leading this effort. ECONorthwest will be supporting this work through case study research. One of the key questions for the research will be: how have other rural communities leveraged broadband networks to drive local economic development efforts? The deliverable for this task will be a brief summary memorandum of the case study research.

**TASK 2.4 SUMMARY**

Products: Brief Case Study Memorandum  
Meetings: Regular Remote Check-Ins. Potential in-person work-session during ECO’s March John Day visit  
Schedule: February – March 2019  
Budget: \$5,010

- **Task 2.5 – Housing and Community Development** – ECONorthwest will initiate this task by first conducting an opportunities and constraints assessment of the local housing situation. That assessment will include a review of the city’s buildable land inventory and an assessment of the City’s financial and programmatic housing tools. This assessment will help frame to demands and challenges that are present in the John Day housing market. Subsequent analysis will be conducted to help the City understand how they can best support existing housing, open up new neighborhoods for housing development, and support affordable housing options for John Day residents. This task will feature two deliverables: (1) an opportunities and constraints analysis, and (2) a

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housing options assessment memorandum that highlights the potential actions available to the City of John Day to achieve its housing policy goals.

**TASK 2.5 SUMMARY**

Products: Two (2) deliverables: an opportunities and constraints memorandum and a housing options assessment memorandum.  
Meetings: Regular Remote Check-Ins. Potential in-person meeting during ECO's March John Day visit  
Schedule: January – April 2019  
Budget: \$22,150

### Phase 3: Implementation & Regional Summit

- **Task 3.1 – Five-Year Action Plan** - During this task ECONorthwest will work closely with the City to consolidate analyses, stakeholder input, and other data from Phases One and Two into a concise action plan for the next five years. This consolidation is a crucial step and must be carried out through structured conversations about what is achievable and also with the acknowledgment of the tradeoffs present with any decision-making process.

Throughout the project we will work with the City to identify core desired outcomes, measures to establish benchmarks for these outcomes, and actions to reach those measures. The action plan will integrate those action-to-outcome pathways into a concise and achievable roadmap.

The action plan deliverable will be a concise document that will focus on actions and tactics within the control of the City of John Day. Specific actions will be identified over the course of the project, however generally actions will be foundational—that is, they will be aimed at fostering an environment of realistic and incremental success.

**TASK 3.1 SUMMARY**

Products: Five-Year Action Plan  
Meetings: Regular Remote Check-Ins. Ongoing discussions during scheduled in person meetings.  
Schedule: March – May 2019  
Budget: \$16,120

- **Task 3.2 – Regional Summit** - The work of the CEDS project culminates into a Regional Economic Development Summit (REDS) to be hosted in John Day. This is a vital opportunity to showcase the efforts undertaken during the project, and to show the wider Oregon community that John Day is moving forward and ready for investment. We will work closely with the City to plan and build momentum for this event over the course of the project and during the other project phases.

During this task, we will support City efforts to make the summit a positive and successful event. The City will be responsible for core organizing and hosting activities. ECONorthwest and Bell+Funk staff can assist through the following activities:

- Identifying participants and potential speakers

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- Assisting with the creation of the summit's agenda
  - Presentations of ECONorthwest CEDS deliverables
  - Facilitation of work-sessions
  - Summit related marketing materials

**TASK 3.2 SUMMARY**

Products: Final summit agenda, presentation, work-session, and marketing materials  
Meetings: Regional Summit  
Schedule: April – May 2019  
Budget: \$11,420

## Project Management and Deliverable Guidelines

At ECONorthwest, we take project management seriously. What this means is that we pay close attention to project tracking, quality control, team communications, and project efficiency.

During the initial phase of the CEDS project, we will establish a schedule for regular check-ins with the City of John Day staff. On an ongoing basis we will report to the City our budget status and we will alert the City as we get close to budget milestones and limits.

Project deliverables will be delivered to the City in draft form with sufficient time for City Staff review before a final draft is due. The City will consolidate edits and comments in draft documents and return one consolidated comment draft back to ECO to revise.

Any requested tasks or deliverables not included in this scope of work will be considered contingent upon agreement of supplemental budget and scope from the City of John Day.

## Budget

We understand that the City of John Day has allocated \$110,000 for this project. We have estimated the work plan detailed herein to fit that budget. However, there is a level of uncertainty in projects of this scale and complexity. Many times, additional meetings or more detailed analyses are necessary to achieve success and reach the overall project goals. We suggest that during the project kick-off work-session time is spent identifying which tasks and deliverables will require the most focus and higher level of effort. From those discussions, we will—alongside the drafting of the final scope—recalibrate our budget to match those priorities.

Invoices will be submitted on a monthly bases and feature a time and materials billing format.

Labor Expenses	HOURS BY TASK												TOTALS	
	Phase 1: Kickoff and Discovery			Phase 2: Situation Assessment & Tech Analysis			Phase 3: Implementation & Regional Summit			Hours	\$	% of Budget		
	Task 1.1	Task 2.1	Task 2.2	Task 2.3	Task 2.4	Task 2.5	Task 3.1	Task 3.2						
ECONorthwest	240	20	12	6	8	12	40	24	24	20	\$4,800	4%		
Terry Moore	200	24	36	12	16	18	50	40	24	150	\$30,000	27%		
Bob Parker	145	32	48	16	24	30	60	48	24	228	\$33,060	30%		
Matthew Craigie	115	12	18	6	8	10	15	12	8	184	\$21,160	19%		
Associate														
SubTotal	88	96	18	40	30	150	112	48	8	582	\$89,020	81%		
Bell+Funk	125	2	60	16	24	40	24	8	12	86	\$10,750	10%		
Jen Bell	100	2	24	24	40	0	0	0	0	62	\$6,200	6%		
Liza Burns	4	0	84	40	0	0	0	0	0	148	\$16,950	15%		
SubTotal														
Non-Labor Expenses		Task 1.1	Task 2.1	Task 2.2	Task 2.3	Task 2.4	Task 2.5	Task 7	Task 3.2		Expense Totals	% of Budget		
JD Trip 1 (BP, MC, TM)	\$1,150		\$385								\$1,150	1%		
JD Trip 2 (MC)											\$385	0%		
JD Trip 3 (BP, MC)											\$940	1%		
Data	\$500										\$500	0%		
Bell+Funk Expenses (Includes one trip)					\$1,000	\$0	\$0	\$0	\$0		\$1,000	1%		
Total	\$1,650	\$385	\$0	\$1,000	\$0	\$0	\$0	\$0	\$940		\$3,975	4%		
Totals by Task		Task 1.1	Task 2.1	Task 2.2	Task 2.3	Task 2.4	Task 2.5	Task 7	Task 3.2		Totals	Summary of Expenses		
Total Labor	\$16,070	\$13,140	\$12,840	\$10,160	\$5,010	\$22,150	\$16,120	\$10,480			Labor	\$105,970	96%	
Direct Expense	\$1,650	\$385	\$0	\$1,000	\$0	\$0	\$0	\$940			Non-Labor	\$3,975	4%	
Total by Task	\$17,720	\$13,525	\$12,840	\$11,160	\$5,010	\$22,150	\$16,120	\$11,420			Budget	\$109,945	100%	
% of Total Budget	16%	12%	12%	10%	5%	20%	15%	10%						



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# Timeline

We anticipate that this work plan will take approximately six months to complete. A project timeline is shown below:

