
John Day Community Investment Strategy

A Five-Year Investment Plan for John Day, 2020-2025

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Prepared for: City of John Day

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ECONorthwest prepared this report for the City of John Day. It received substantial assistance from the Project Advisory Committee and other community stakeholders. This project was funded by the U.S. Economic Development Administration and Business Oregon. That assistance notwithstanding, ECONorthwest is responsible for the content of this report. The staff at ECONorthwest prepared this report based on their general knowledge of economic development and on information derived from government agencies, private statistical services, the reports of others, interviews of individuals, or other sources believed to be reliable. ECONorthwest has not independently verified the accuracy of all such information and makes no representation regarding its accuracy or completeness. Any statements nonfactual in nature constitute the authors' current opinions, which may change as more information becomes available.

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1 Executive Summary

The City of John Day is embarking on an ambitious plan to turn around years of population and economic decline. Starting with the **Strategy for Growth** and culminating into this five-year **Community Investment Strategy (CIS)**, the City has clearly defined where they want to lead their community and how they are going to get there.

This CIS articulates specific priorities and actions supporting the Strategy for Growth and outlines an implementation framework. The overall effort seeks two primary outcomes: (1) to achieve sustained **population growth**, and (2) to **expand the local economy**. The CIS starts by describing the intent behind these efforts, why it is important to the community, and how different audiences can use this document. The CIS then describes the assets that the community can bring to bear and the roles that different organizations have in pursuing the strategy goals.

The **Focal Areas** section of the CIS describes the six categories of actions in which the City and partners have grouped specific actions to achieve the strategy's goals.

The **Implementation Plan** presents an organizing framework for the City and partners to use as they carry out the work of the strategy.

The final section—**Project Funding**—identifies key investments that will fund strategy actions.

At the core of any strategy are the actions that individuals and organizations will take to achieve the goals of the strategy. The key actions for the CIS are presented in Exhibit 1 on the following page. Note that arts and culture is an objective that spans all six focal areas.

Exhibit 1. CIS Focal Area Actions

	Greenhouse Industry	Marketing and Tourism	Competitive Broadband	Business Development & Support	Opportunity Areas	Housing & Community Development
1	Identify a source of low-cost power to supply local greenhouses	Identify a lead Marketing and Tourism organization for the John Day area	Apply for grants to support the development of high-speed broadband in John Day	Seek partnerships to enhance and support existing businesses	Acquire funding for John Day River restoration work/ Oregon Pine Lake/ Water garden	Identify targeted areas for infrastructure to support new housing development and adopt a housing plan
2	Explore relationships with other greenhouse operators across the Western United States and Canada	Strengthen marketing presence	Partner with organizations to seek opportunities to leverage new high-speed broadband	Develop a plan to attract new entrepreneurs	Finalize site for the wastewater plant, the reclaimed water network, and new utility services	Acquire land for new housing development
3	Carefully monitor the costs and revenues from the initial phase of greenhouses	Provide clear messages to the local community about marketing and tourism efforts	Develop a broadband plan to connect each premise in John Day to fiber	Advance growth and concentrate resources in target areas: Recreation, Healthcare, & Greenhouse Agriculture	Work with local business to expand riverfront recreation and food services	Acquire land for downtown parking
4	Establish partnerships with regional growers, food outlets and distributors	Engage and empower local entrepreneurs to promote John Day and encourage local entrepreneurship	Create a community accessible space with 24/7 access to high-speed internet.		Connect the River Recreation Area to the Integrated Park System and Main Street	Create an online clearinghouse for local housing developers / contractors
5	Identify food processing and production activities to incent a “food cluster”	Identify stable funding sources for marketing and tourism activities				Explore options for streamlining the housing entitlement process
6	Partner with educational institutions to create a greenhouse learning center	Implement public policies that promote recreation and destination tourism				

← ARTS & CULTURE →

2 Background

The City of John Day has a challenge on its hands. Official population forecasts show a shrinking population in the City of John Day in the coming decades. Continued population trends suggest a shrinking of the local economy leading to a decrease in jobs and opportunities for local residents (see Appendix A for additional detail). These downward trends are already evident. With these trends come major fiscal problems for the City; a smaller population and a smaller economy mean fewer taxes to support City services. The John Day Strategy for Growth and the supporting Community Investment Strategy (CIS) seek to counter this trajectory.

The City and community are committed to reorienting towards a growth and economic diversification mindset. Simply put, the City and its partners have outlined concrete actions to attract more visitors and residents to incrementally stabilize and start to regrow the local population and economy.

2.1 Purpose of the CIS

The 2017 John Day **Strategy for Growth** outlines, at a high-level, the City’s primary strategic goals—population and economic growth. The Strategy for Growth outlines an overall vision that was endorsed by the John Day City Council. It does not provide a guide for how actions that the City or others would take directly link to the primary goals and lead the community to the desired outcomes. This is the role of the CIS. The CIS is roadmap to achieve the goals of the Strategy for Growth.

The CIS builds from the broad view of the role of economic development. The broad view posits that private investment is hampered if communities are unable to address basic functions: public safety, education, infrastructure, environment, and culture. These core functions can, and do, differentiate a location’s relative attractiveness for private investment. It also builds from the premise that strategic public investments (of all types) can spur private investment—whether it be a business expanding or a household deciding to move to John Day.

2.2 Developing the CIS

This Strategy builds on the 2017 City of John Day Strategy for Growth (see Section 3 beginning on page 5). The CIS goes a step further by creating the larger economic development framework in which the Strategy for Growth sits. While the Strategy for Growth is a plan specific to the City, this CIS has a broader reach, including partners at the Federal, State, and regional level. Understanding that a strong economy is a necessary step toward improving the quality of life in John Day and growing the population, the CIS outlines the actions partners across the region will take to achieve these goals.

Traditional economic development strategies focus efforts in three key categories. These are:

- Business recruitment,
- Business retention and expansion, and;
- Innovation and entrepreneurship

These traditional strategies are aimed almost exclusively at fostering private industry activity. The John Day CIS needs to be different. The goal is not just to grow private industry, but to stabilize and regrow the local population. To achieve this goal, a broader view of economic development is needed.

This Strategy culminates months of work by many John Day citizens and project team members dedicated to building a stronger John Day. The strategy will be adopted by the John Day City Council to guide investments related to economic and community development in the city for the next five years.

2.3 What the CIS Does

The CIS was created for all individuals and organizations involved in economic development and prosperity in the John Day region. From residents interested in understanding the nuance of goals surrounding growth, to government agencies who will be implementing the work, to regional partners looking to foster this growth, this CIS will act as a guide and plan for achieving economic prosperity.

This document walks readers through the CIS development process, links the CIS goals with other planning efforts, discusses the community's ability to carry out the strategy, sets out the implementation steps, and demonstrates the funding programs available to grow the economy and population.

Readers should come away with an understanding of the John Day's plans for future growth.

Partners will understand their roles and responsibilities as well as the roles and responsibility of government entities in charting this course for growth.

Funders will understand the plan and priorities and how their support will shape the future of John Day.

Residents and businesses will understand the City's plan for growth and economic prosperity.

Visitors will understand what makes John Day a great place to live and work, and how it plans to capitalize on these qualities going forward.

The CIS is a working document. While the strategic goals will remain constant, the tactics and actions that the City and its community partners use to achieve those goals are likely to change. Those changes will necessitate a reevaluation of which actions are prioritized and how they are sequenced. This flexibility—sometimes called “agile strategy”—is a common attribute of successful investment strategies.

The CIS has a five-year timeframe. The goals and actions listed in the CIS can and will affect future budgeting and strategic planning efforts for a range of entities and partners. A lot of groundwork has been done and funding has been targeted or secured. Over the next five years the region has tremendous opportunity to grow and prosper.

3 John Day’s Strategy for Growth

In 2017, the John Day City Council approved the John Day “Strategy for Growth.”¹ Broadly, the strategy is focused on making investments that retain and attract residents so that John Day continues to be a viable city – both a community of people who have satisfying lives and work, and as a municipal entity that is in good financial health.

The Strategy for Growth is the City’s plan to reverse three decades of population decline. This steady population loss has reduced the City of John Day’s tax base, leaving insufficient revenues to fund necessary public services. The decline resulted from structural changes to the natural resource-based economy that occurred in the 1990s and the subsequent loss of family-wage jobs related to those changes. This situation created a vacuum that left many John Day residents unemployed or marginally employed.

The Strategy for Growth is based on the *Fit for Growth* model which evolved in the corporate arena. The Strategy for Growth has two key goals: **Economic Expansion** and **Population Growth**. The City is reorganizing itself to achieve these goals by focusing on three key elements:

- 1) **Differentiated capabilities** – identifying what makes the City of John Day stand out in positive ways from other communities.
- 2) **Cost structure alignment** – adjusting the City’s spending priorities so its investments and costs align with and support its differentiated capabilities.
- 3) **Organize for growth** – empowering the City’s strategic partners, local stakeholders, and City staff to further the strategy by re-directing effort toward growth initiatives.

These three strategic elements are how the City is reorienting itself to a growth mindset. Moreover, it will help the City prepare for future population growth and an expansion of the local economy.

The Strategy for Growth represents a shift in the City’s spending priorities to focus on building and enhancing John Day’s core capabilities. The Strategy for Growth is realistic in that “funding for this effort will have to come from state and federal sources as well as local fundraising.” It

If we can regain the population we’ve lost over the last thirty years by differentiating our city to achieve a more competitive position, our businesses will become more profitable, new jobs will be created, and public services will become more efficient... and we can improve the quality of life for all of John Day’s residents.

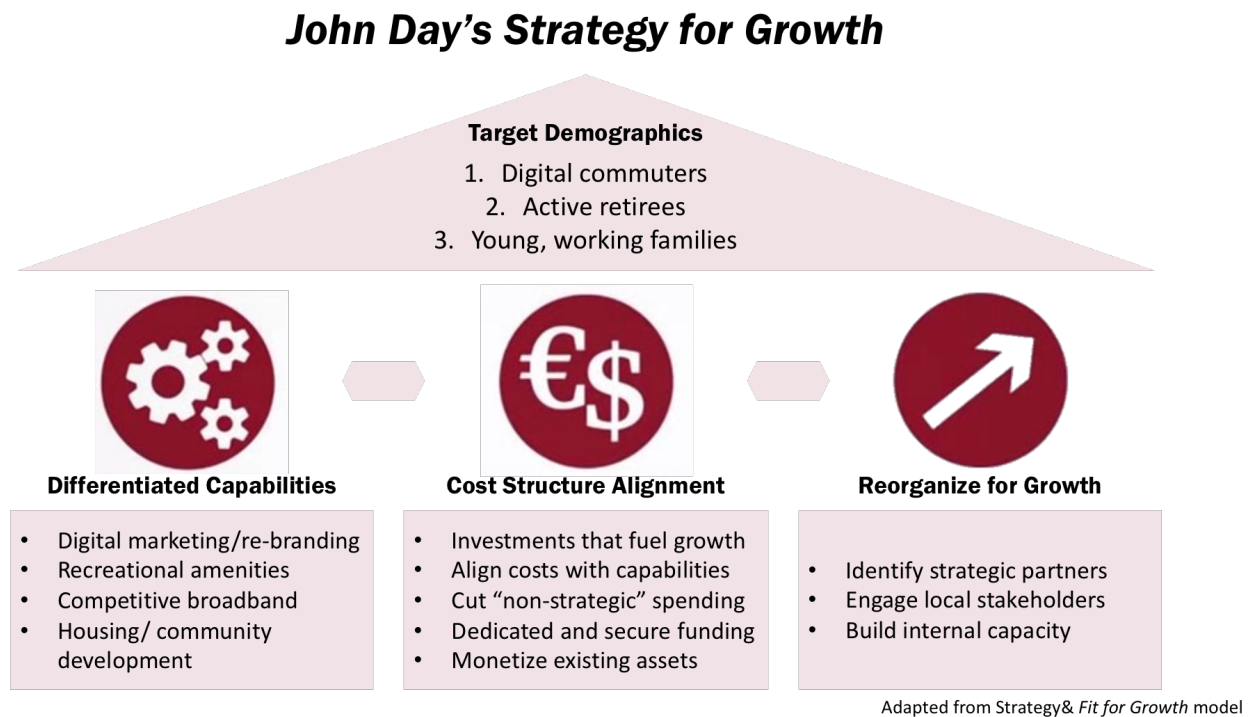
-2017 John Day Strategy for Growth

¹ This section includes passages from the Strategy for Growth document. See Appendix A for a complete copy of the Strategy for Growth. The Strategy is also available online at the following URL: https://www.cityofjohnday.com/sites/default/files/fileattachments/planning/page/2741/a_strategy_for_growth_final.pdf

also discusses the possibility that the City will need to realign its spending priorities to fund investments that will fuel growth.

Exhibit 2 shows a conceptual diagram for how the City’s key elements of change—differentiated capabilities, cost structure alignment, and reorganizing for growth—come together to help attract new residents, known as target demographics.

Exhibit 2. John Day Strategy for Growth



John Day’s target demographics for new residents are digital commuters, active retirees, and young working families. To be clear, the goal for population growth is modest and attainable. The goal is to replace the population numbers lost in the recent decades and achieve stable incremental growth.

The CIS is a foundational step in articulating the City’s core strategy; the Strategy for Growth outlines the City’s primary goals, while the CIS provides a detailed roadmap for the strategy’s implementation and how it can be funded.²

² See Section 7 for more information about funding.

4 Community Capacity

John Day has the ability to execute this strategy and has the assets to attract new visitors, residents, and businesses. At its foundation, the Strategy for Growth and CIS outline a place-based economic development approach that leverages existing community and institutional assets to enhance John Day's livability in ways that are attractive to existing and future residents, businesses, and visitors.

4.1 Community Assets

John Day's richest assets are the land and the people. The City is proactive and forward-thinking, and they are proud of the community's rich natural setting and rural lifestyle. Here are a few of the John Day community assets that set it apart from other communities.

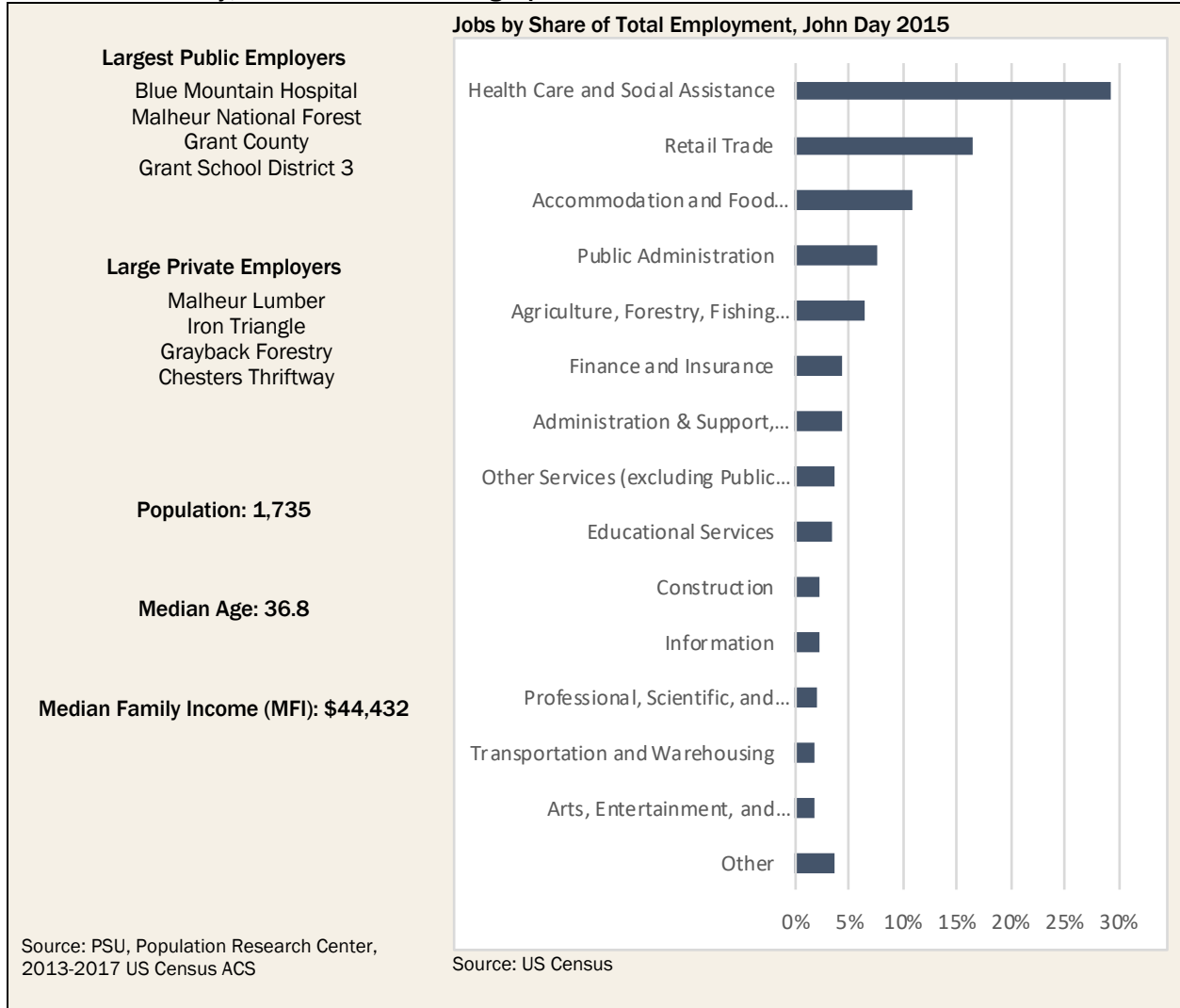
- **City Organization.** The City has hired a number of new staff and made several significant budgetary changes to fuel its growth strategy. The new city manager, senior project manager, agribusiness manager, and public works director are among the key staff recently hired or promoted to lead the City's public improvement projects. The City reduced 30% of its total workforce at the end of 2018 and has discontinued services that were redundant with County jurisdictions. As a result, the City is better organized to invest in its growth strategy.
- **John Day Innovation Gateway.** The City of John Day is undertaking an ambitious economic redevelopment plan focused on revitalization of the former Oregon Pine mill site and restoration of over 90-acres of brownfields surrounding the John Day River. The site, now known as the John Day Innovation Gateway, will house the City's new wastewater treatment plant – a \$12.5 million water reclamation facility that will reuse and repurpose 100 percent of the city's solid and liquid waste. The site will also feature: a community pavilion adjacent to a 6,000 square foot hydroponic greenhouse; a new city shop; a future conference center/hotel, and; opportunities for in-city camping and riverfront recreation. The Greenhouse at Oregon Pine is the first commercial development at this site in over three decades. This hydroponic facility will grow 25-tons of farm-fresh produce annually, which will be sold at local markets and restaurants. While at the site, residents can now enjoy over two miles of new trails along the river that connect to the City's local parks and recreation areas – providing public access to the John Day River for the first time in over 100 years.
- **Parks and Greenspace.** The City is building a new integrated park system at the confluence of the John Day River, Canyon Creek, and Davis Creek. The central feature will be a new riverfront park, with a multi-modal bridge across the river to provide trail access to the new riverfront trail system, 7th Street Complex, Kam Wah Chung state heritage site and the Grant County Fairgrounds. The integrated park system project will help create a walkable community with connections to the river, downtown John Day

and the John Day Innovation Gateway. The City's long-term goals are to improve riverfront access, create additional in-city camping and recreation opportunities along the river, and improve access to park spaces.

- **Grant County Regional Airport.** The Grant County Regional Airport (GCRA) is owned and operated by Grant County and encompasses approximately 335 acres. Management of the airport is overseen by the GCRA Airport Commission. The airport terminal is one of the newest, most efficient, and environmentally sound buildings of its kind anywhere in the Pacific Northwest. It was constructed in 2010 and opened for business in September 2010. The United States Forest Service Helibase complex is joined to the terminal from which wildfire suppression efforts can be staged and executed. The airport is located within the Urban Growth Boundary of the City of John Day and is designated as part of an Economic Enterprise Zone that confers specific tax benefits on qualified businesses. There is vehicle access to nearby Highway 26 and Highway 395 and the adjacent John Day Industrial Park. In 2019, the Federal Aviation Administration accepted and approved the Airport Master Plan for the Grant County Regional Airport, which began in July 2015. The Airport Master Plan consists of a narrative for airport improvements over the next twenty years as well as an airport layout plan set. In May 2019, the first of these improvements was secured through a \$6.25 million federal Department of Transportation Airport Improvement Grant. This grant will de-couple the airport's two runways and will allow through-the-fence operations between the airport and John Day's industrial park.
- **Buildable Land Base.** John Day has hundreds of acres of residential, commercial, and industrial land available for development. There are more than 165 acres of buildable residential lands located within city limits. The John Day Industrial Park has 100 acres of buildable industrial land located in an enterprise zone. These one-acre parcels are fully serviced and construction-ready. Additional industrial land and mixed-use commercial spaces currently owned by the City are available for sale. This land is accessible from Highway 26 and the proposed 7th Street extension scheduled for construction in 2021.
- **Proximity to Public Lands and Regional Attractions.** John Day is surrounded by 1.8 million acres of public land, including 150,000 acres of designated wilderness. More than a dozen state and federal parks, heritage sites, and recreation areas surround John Day. These include the historic Kam Wah Chung store and visitor's center (which hosts over 8,000 visitors per year), as well as the John Day Fossil Beds National Monument (which hosts over 200,000 visitors per year). Other area attractions include the Strawberry Mountains, Grant County Fairgrounds, and Silvie's Valley Ranch—a luxury golf resort and working ranch located south of John Day.
- **Outdoor Recreation Opportunities.** John Day is a hub for a multitude of outdoor recreation activities in Eastern Oregon. Within a short drive are trails for hiking, mountain biking, ATVing, and snowmobiling. Local deer and elk hunting areas are some of the best in the state and fishing is popular along the John Day River.

John Day, By the Numbers

Exhibit 3. John Day, Economic and Demographics Statistics



4.2 Institutional Capacity

John Day is a Strategy in Action. The City has what it takes to be successful.

- **Experienced and Driven City Leadership.** The City is proactive. They are not waiting for help to arrive. They are actively creating their desired future through persistent advocacy of the needs of citizens and businesses alike.
- **Proven Success.** The City has already secured over \$13 million in funds to support projects across our community. They are investing in housing, roads, utilities, and park and recreational facilities. They have already constructed new greenhouses to produce local food. They built a mountain bike park, soon will have a new wastewater treatment plant, and are pursuing a new aquatic center.
- **A Model for Rural Economic Development.** Investing in John Day is creating a new model for rural economic development. Many rural cities across the Western United States face similar challenges. The success of John Day can serve as a lesson for these communities.

The City has taken the lead on economic development efforts but there are many other key partners. The City recognizes that to be successful means fostering strong partnerships locally and regionally.

The City of John Day's Role in Economic Development

Ranging from state-level initiatives to local nonprofits, a number of organizations are working on economic, business, and workforce development in the region. Many of these have representation on the project advisory committee (PAC) for this project.

With so many organizations working in economic development, roles need to be clearly defined and coordination will be important as the community moves into implementation of the strategy.

The focus of this project is to leverage the City's role and assets: what resources can the City access, leverage, and commit to economic development; and which roles are most appropriate for the City? The following are foundational assumptions about the City's role:

- The City plays a support role in economic and business development.
- The City is one of several organizations that provides and maintain infrastructure.
- The City has some limited staff and financial resources that can be invested in appropriate economic development activities.

- The City has an obligation to adopt an economic development strategy, policies to manage employment lands, and maintain a 20-year supply of commercial and industrial sites under Goal 9 and OAR 660-009.
- The City is not the appropriate organization to coordinate business recruitment and retention activities or to house staff that are coordinating business recruitment and retention activities.

Others' Roles in Economic Development

The CIS guides the work for the City and its key partners. Successful outcomes will require a community effort. The diverse array of Project Advisory Committee members that helped create this strategy demonstrate the need for a range of partners to successfully foster economic development. Ongoing collaboration will be central to a successful strategy. Strong partnerships already exist, and the Implementation Plan in Section 6 outlines how the City can build on those partnerships to implement the CIS. Organizations working on economic development in the John Day region include:

- Local and City departments
 - John Day Department of Public Works
 - John Day / Grant County Chamber of Commerce
 - John Day Canyon City Parks and Recreation District
 - Private businesses
 - Community organizations
- Regional Partners
 - Blue Mountain Hospital District
 - Grant County (economic development, roads)
 - Grant County municipalities (surrounding cities)
 - Grant School District 3
 - Greater Eastern Oregon Economic Development Corporation (GEOEDC)
 - North Fork John Day Ranger District (USFS)
 - Oregon Trail Electric Cooperative
 - Eastern Oregon Workforce Board

- Eastern Oregon Regional Solutions Team
- State Partners
 - Business Oregon
 - Travel Oregon
 - Oregon Department of Fish and Wildlife
 - Oregon Department of Transportation
 - Oregon Department of Land Conservation and Development
 - Oregon Parks and Recreation Department
 - Oregon Housing and Community Services
 - Oregon Universities
- Federal Partners
 - National Endowments
 - USDA Rural Development (broad array of funding programs)
 - U.S. Department of Commerce, Economic Development Administration (EDA)
 - U.S. Federal Emergency Management Agency
 - U.S. Federal Highway Administration
 - U.S. Housing and Urban Development

5 Strategy Focal Areas

In essence, a strategy describes a relationship between a set of goals, target outcomes that measure progress towards those goals, and actions that are necessary to reach those outcomes and achieve the goals. The CIS sets up priority actions and the implementation framework for the Strategy for Growth. It is the roadmap for how the City, together with its regional and state partners, can achieve the goals in the Strategy for Growth. The CIS does not reinvent the wheel but narrows in on:

- Economic Expansion
- Population Growth

Section 4 described the capacity that exists at the City level and with key partners for achieving these goals and implementing this CIS. However, the economic development vision, strategies, and actions that follow primarily focus on those activities that the *City* would lead, or those that relate directly to a City-led activity. This is consistent with the intent of this project: to articulate the City's role in economic development. It does not, however, provide details on the activities of partner organizations, nor does it commit partner organizations to any specific activity.

5.1 CIS Focal Areas

To achieve these goals, the CIS is organized around six **Focal Areas**. Each focal area has one or more actions. A complete list of actions and their details (including description rationale, potential partners, funding considerations, and timeline) can be found in Appendix B: Focal Area Cutsheets. Here are brief summaries of each focal area and why they are important pieces for achieving the goals of the Strategy for Growth.

1. **Greenhouse Industry** – Almost all of the food consumed in John Day must be imported. The City is flipping this on its head. They have launched an effort to grow food locally in controlled environment greenhouses. The greenhouses will use reclaimed water from the new wastewater treatment plant and power will come from local renewable energy sources like hydroelectric, biomass and solar. Partnerships with educational institutions will create a pipeline for workforce education and support innovation in the greenhouse industry. In the longer term, there is the opportunity to incubate new food production businesses and link those businesses with food outlets across the Eastern Oregon region.
2. **Marketing and Tourism** – John Day has rich historical and outdoor recreation assets. There have been several campaigns to attract visitors to the region, but there has been no cohesive effort to attract visitors specifically to John Day – until now. The City is working with key community partners like the Grant County Chamber of Commerce to launch a coordinated effort to market John Day to visitors and potential new residents. They are developing policies to promote outdoor recreation and destination tourism.

They are branding the City, the River Recreation Area,³ and Grant County Digital. And they are initiating a coordinated effort with local business owners, entrepreneurs, and influencers to promote the community and support the tourism economy. Together these efforts, among others, will elevate John Day's outward appearance and have the potential to make the community a much larger travel destination than it already is.

3. **Competitive Broadband** – High speed internet access is an essential element for communities that wish to thrive in the 21st Century. Core to the economic development strategy is to bring broadband internet into the community. They have been working with public and private agencies to secure funds for broadband development. Broadband will transform John Day; increasing current residents' connection with those outside of the region and establishing a must-have item for new residents and businesses. Once in place, the City, along with community partners like the local hospital and school district, have plans to leverage faster, more reliable and resilient internet connections. Educational institutions can leverage improved broadband for distance learning. The hospital can take advantage of recent advances in telemedicine and increase the effectiveness of emergency communications. Residents and businesses will benefit from having reliable bandwidth for multiple applications.
4. **Business Development & Support** – The City of John Day and its partners understand that to expand the local economy, they need to support existing businesses and attract new talent to the city. They also realize that they need to be strategic with their investments and leverage the skills, expertise, and vision of the local entrepreneurial community. The City's plan is to pair targeted investments in growth industries with key partnerships with private businesses. There is growth potential in healthcare, outdoor recreation, and in the local food cluster (starting with the greenhouse industry).
5. **Opportunity Areas** – Core to the vision for the future of John Day is an enhancement of existing neighborhoods, employment areas, and the commercial center. The City has planned investments in each part of the community. They want to build new parks, restore the John Day River, and revitalize the downtown.
6. **Housing & Community Development** – Unlike many cities on the westside of the Cascades that are facing skyrocketing housing costs, homes in John Day are still affordable. But herein lies the issue. The housing stock is aging and does not fit with the needs of our current residents or the interests of new residents. The City is working to change this situation. They have created a housing incentive program to support the development of new homes. This program is only the start of a series of planned investments to support the housing market. The City has plans for large-scale investments in new roads, utilities, and bridges across the river. With these investments, the City will open up land for new development and incent new home construction.

³ The River Recreation Area refers to a swath of land along and near to the John Day River that is being redesigned for outdoor recreation and park space.

Incorporating Arts and Culture into the John Day Strategy for Growth and CIS

The community of John Day has a growing art scene and a distinct western-frontier culture. The City and community partners cherish these unique local assets and are interested in their incorporation into the Focal Area actions and the general promotion of John Day's heritage. Arts and culture are foundational to 'creative placemaking.' In creative placemaking, public, private, nonprofit, and community sectors partner to strategically shape the physical and social character of a neighborhood, city, or region around arts and cultural activities.

This is a precedent setting idea, as arts and cultural activities can draw in new visitors, help define the community's brand identity, and foster more economic activity. In the implementation of the CIS, the City and their partners should filter each Focal Area action through an 'Arts and Culture Lens.' This tactic can be as simple as asking the question: How are Arts and Culture incorporated into this action? Here are a couple examples of how this filter could be applied to CIS actions:

- **Parks Development:** The City is pursuing an ambitious plan to locally restore the John Day River and develop several City parks. The plan calls for the creation of new roads and bridges. Could each bridge feature a design that highlights the local culture? Could the parks be designed with public art as a central theme? Could event spaces in the new parks be specifically designed and programmed to promote the arts? How can John Day's heritage as a ranching, mining and timber community be reflected in new parks spaces?
- **Downtown Development:** The City is working with downtown property owners to revitalize the core of the city's commercial area. Could vacant storefronts be used to showcase art? Regarding culture, how do the buildings and streetscapes of downtown John Day reflect its small city frontier brand?

5.2 CIS Actions

The CIS actions are the activities and investments that the City and the PAC have identified as necessary for achieving the Strategy for Growth. The majority of these actions are ones that the City will lead but many include key community partners. Exhibit 4 below demonstrates the actions associated with each focal area.

Exhibit 4. CIS Focal Areas and Actions.

	Greenhouse Industry	Marketing and Tourism	Competitive Broadband	Business Development & Support	Opportunity Areas	Housing & Community Development
1	Identify a source of low-cost power to supply local greenhouses	Identify a lead Marketing and Tourism organization for the John Day area	Apply for grants to support the development of high-speed broadband in John Day	Seek partnerships to enhance and support existing businesses	Acquire funding for John Day River restoration work/ Oregon Pine Lake/ Water garden	Identify targeted areas for infra-structure to support new housing development and adopt a housing plan
2	Explore relationships with other greenhouse operators across the Western United States and Canada	Strengthen marketing presence	Partner with organizations to seek opportunities to leverage new high-speed broadband	Develop a plan to attract new entrepreneurs	Finalize site for the waste-water plant, the reclaimed water network, and new utility services	Acquire land for new housing development
3	Carefully monitor the costs and revenues from the initial phase of greenhouses	Provide clear messages to the local community about marketing and tourism efforts	Develop a broadband plan to connect each premise in John Day to fiber	Advance growth and concentrate resources in target areas: Recreation, Healthcare, & Greenhouse Agriculture	Work with local business to expand riverfront recreation and food services	Acquire land for downtown parking
4	Establish partnerships with regional growers, food outlets and distributors	Engage and empower local entrepreneurs to promote John Day and encourage local entrepreneurship	Create a community accessible space with 24/7 access to high-speed internet.		Connect the River Recreation Area to the Integrated Park System and Main Street	Create an online clearinghouse for local housing developers / contractors
5	Identify food processing and production activities to incent a “food cluster”	Identify stable funding sources for marketing and tourism activities				Explore options for streamlining the housing entitlement process
6	Partner with educational institutions to create a greenhouse learning center	Implement public policies that promote recreation and destination tourism				

← ARTS & CULTURE →

6 Implementation Plan

To realize the goals of this Strategy, a realistic plan that allows for the timely implementation of action items is needed. This section presents the implementation plan for the next five years—2020 to 2025.

- First, it describes the framework by which CIS actions link to the City’s Strategy for Growth goals.
- Second, it presents a proposed timeline for implementation and a plan for measuring progress on action items over the five-year period.

6.1 Framework for Implementation

A framework for John Day to implement its Strategy for Growth is necessary to serve as a guide for near-term actions that build momentum towards long term positive outcomes. The guide—this Community Investment Strategy—is aimed at stopping John Day’s downward trends and stabilizing the City’s worsening fiscal position. The framework has two components: (1) CIS implementation; and (2) plan review and update.

The City of John Day is the lead organization on implementing the John Day CIS, but a successful strategy will involve multiple partners. City staff, led by the City Manager, will coordinate all activities related to the CIS actions. A key principle in drafting the CIS was to keep the implementation steps simple and achievable. Actions were reviewed and prioritized based on SMART criteria:

- Specific
- Measurable
- Achievable
- Relevant
- Time-bound

As no single entity has the authority, funding, or capacity to do everything required of a Community Investment Strategy, collaboration is central to success. The John Day community must build a set of effective partnerships to implement the CIS. Not all partners play the same role in implementing the CIS. Some partners will be expected to contribute funding, others are primarily partners in implementation, and others may play multiple roles. Core partners include those shown in Exhibit 5, below.

Exhibit 5. Core CIS Partners

Implementing Partners Organizations that will take a necessary and active role in implementing the CIS	Funding Partners Public, private, and nonprofit organizations that will support the strategic investments identified in the CIS	Dual Role Partners (Implementation and Funding)
<ul style="list-style-type: none"> ▪ City departments (public works) ▪ John Day / Grant County Chamber of Commerce ▪ John Day Canyon City Parks and Recreation District ▪ Grant County municipalities: Canyon City, Prairie City, Dayville, etc. ▪ Greater Easter Oregon Economic Development District (GEOEDD) ▪ North Fork John Day Ranger District (USFS) ▪ School District ▪ Regional WIB ▪ Eastern Oregon Regional Solutions Team ▪ Community organizations ▪ Universities ▪ Consultants 	<ul style="list-style-type: none"> ▪ USDA Rural Development (broad array of funding programs) ▪ Business Oregon ▪ Oregon Department of Transportation ▪ U.S. Department of Commerce, Economic Development Administration (EDA) ▪ Oregon Department of Land Conservation and Development ▪ Oregon Parks and Recreation Department ▪ Oregon Housing and Community Services ▪ U.S. Housing and Urban Development ▪ U.S. Highway Administration 	<ul style="list-style-type: none"> ▪ Grant County (economic development, roads) ▪ Private businesses ▪ Travel Oregon

In general, the Framework for Implementation connects actions to target outcomes to the goals of the Strategy for Growth. Taken together, this framework comprises the interrelated pieces that together will promote population and economic growth. Exhibit 6 below illustrates these linkages. One should recognize that some actions will further multiple objectives.

Exhibit 6. Framework for Implementation Process



As the primary implementation organization, the City will lead on securing funding, implementing the plan, and coordinating action of external partners. Periodic meetings with external partners will be necessary; these will be scheduled quarterly in the first year. City staff will monitor the effectiveness of these meetings and whether they should occur more or less frequently.

6.2 Implementation Plan

Where the previous section described the framework—the process—by which the Strategy will be implemented, this section describes how implementation of the Strategy will be tracked, managed, and overseen by key stakeholders.

Plan Review and Update Process

The CIS intends to use an agile strategy framework. A core axiom of agile strategy is “Make plans, expect them to change.” McKinsey defines organizational agility as the ability to quickly reconfigure strategy, structure, processes, people, and technology toward value-creating and value-protecting opportunities.

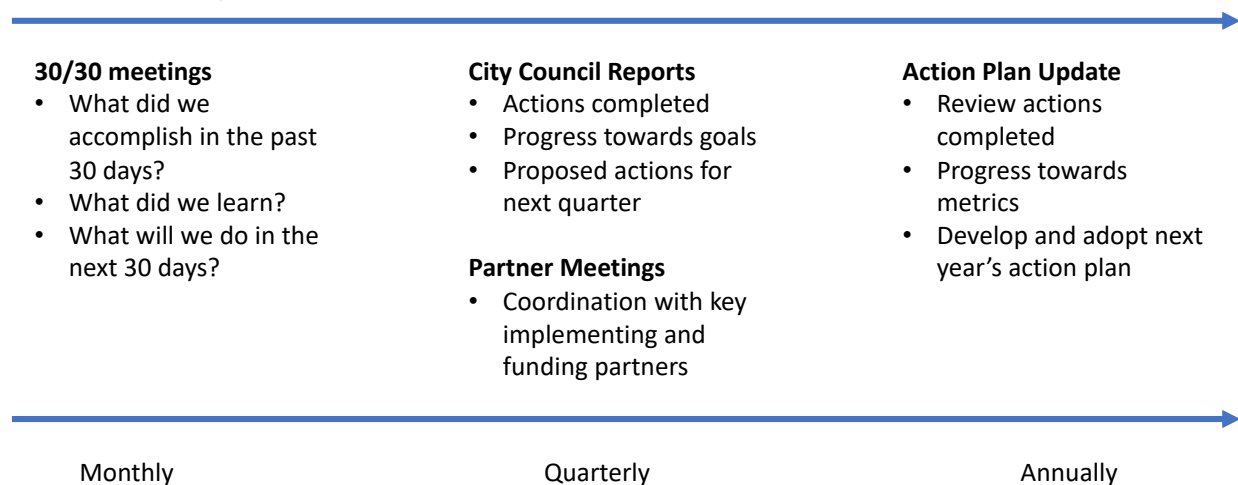
But how does this happen? How can local and regional partners organize themselves to change the community’s direction?

At the simplest level, the action plan provides a checklist that can be continuously monitored: did we accomplish the things on the list when we planned to? At the next level, review should track progress to identified outcomes: are we moving towards our goals? In this context having clearly articulated goals and metrics to measure progress is essential.

The following is the process for plan review and update, depicted in Exhibit 7:

- **Monthly: Staff progress check-ins.** These meetings take the structure of a 30/30 in the Strategic Doing process and address three questions: What did we accomplish in the past 30 days? What did we learn from that effort? What will we do for the next 30 days?
- **Quarterly: City Council reports.** Staff report progress to Council on a quarterly basis. The reports include a summary of actions completed, a summary of progress towards the identified goals, and a summary of any proposed changes to the action plan.
- **Quarterly: Partner meetings.** Implementation of the CIS requires coordination with external partners. The implementation framework proposes that the City convene key partners on a quarterly or as-needed basis.
- **Annually: Action Plan update.** Staff will review and update the Action Plan on an annual basis. Staff will present the revised plan to Council for review and adoption.

Exhibit 7. CIS Implementation Plan Review Process



John Day CIS Five-Year Implementation Schedule

This CIS is a five-year plan of actions aimed at achieving the City’s Strategy for Growth. Below is a matrix that illustrates how the actions are sequenced over the five-year period of 2020 to 2025.

Exhibit 8. CIS Five-Year (2020-2025) Action Implementation Schedule

Focal Area	Action	Year 1	Year 2	Year 3	Year 4	Year 5
Greenhouse Industry	1 Identify a source of low-cost power to supply local greenhouses	█				
	2 Explore relationships with other greenhouse operators across the Western United States and Canada	█	█			
	3 Carefully monitor the costs and revenues from the initial phase of greenhouses			Ongoing		
	4 Establish partnerships with regional growers, food outlets and distributors	█	█	█		
	5 Identify food processing and production activities to incent a “food cluster”	█				
	6 Partner with educational institutions to create a greenhouse learning center			Ongoing		
Marketing & Tourism	1 Identify a lead Marketing and Tourism organization for the John Day area	█				
	2 Strengthen marketing presence			Ongoing		
	3 Provide clear messages to the local community about marketing and tourism efforts			Ongoing		
	4 Engage and empower local entrepreneurs to promote John Day and encourage local entrepreneurship			Ongoing		
	5 Identify stable funding sources for marketing and tourism activities	█	█			
	6 Implement public policies that promote recreation and destination tourism			Ongoing		
Competitive Broadband	1 Apply for grants to support the development of high-speed broadband in John Day	█				
	2 Partner with organizations to seek opportunities to leverage new high-speed broadband			█	█	█
	3 Develop a broadband plan to connect each premise in John Day to fiber		█	█		
	4 Create a community accessible space with 24/7 access to high-speed internet			█	█	
Business Development & Support	1 Seek partnerships to enhance and support existing businesses			Ongoing		
	2 Develop a plan to attract new entrepreneurs		█			
	3 Advance growth and concentrate resources in target areas: Recreation, Healthcare, & Greenhouse Agriculture			Ongoing		
Opportunity Areas	1 Acquire funding for John Day River restoration work/ Oregon Pine Lake/ Water garden	█	█	█		
	2 Finalize site for the waste-water plant, the reclaimed water network, and new utility services	█				
	3 Work with local business to expand riverfront recreation and food services		█	█	█	█
	4 Connect the River Recreation Area to the Integrated Park System and Main Street			█	█	█
Housing & Community Development	1 Identify targeted areas for infrastructure to support new housing development and adopt a housing plan	█	█			
	2 Acquire land for new housing development		█			
	3 Acquire land for downtown parking		█			
	4 Create an online clearinghouse for local housing developers / contractors	█	█			
	5 Explore options for streamlining the housing entitlement process	█	█			

6.3 Performance Metrics

How will the City of John Day know when it has achieved its goals? To gauge success, one must have trackable metrics. The most useful metrics are those that are tied closely to a strategy's goals, can be efficiently gathered, and are easily described. For the John Day CIS, we recommend the following metrics:

- **Population.** (1) Total population; (2) Population by age
- **Employment.** (1) Total employment; (2) Employment by sector
- **Income.**
 - (1) Average wage; (2) Median wage
 - (1) Per capita income
- **Development.** (1) Building permits for new construction by type
- **Business Creation.** (1) New business permits issued
- **Greenhouses.** (1) Pounds of produce from greenhouse/revenue
- **Visitation/Tourism.** (1) Number of annual visitors; (2) Transient Lodging Tax (TLT) annual revenue.
- **Broadband.** (1) Number of residents served by broadband; (2) Number of businesses served by broadband; (3) Broadband revenue
- **Park Use.** (1) Number of park users; (2) Number of park events

Most of these metrics can be gathered from publicly-available sources. Some, like park usage rates and the number of annual visitors to the community, will require a more involved effort from the City and its partners to gather.

7 Project Funding

The City of John Day has already leveraged over \$14 million dollars to fund projects across the community. These funds are being used to improve local streets, expand a runway at the airport, build a shelter for vulnerable community members, and to develop plans for everything from restoring the river to fortifying the local economy and bringing broadband to the John Day area.

Exhibit 9. Funds Awarded to John Day

Project	Fund Source	Award Amount
Airport Runway Expansion	Airport Improvement Supplemental App. Grant	\$6,300,000
Street Improvement Projects	Safe Routes + STIP	\$1,889,705
Broadband	State of Oregon	\$1,836,000
Domestic Violence Victim Shelter	HUD CDBG Funds	\$1,500,000
Integrated Parks System and Pool Study	OPRD	\$521,927
City Parks and Trails	OPRD	\$434,300
911 Transition	State of Oregon	\$420,000
Main Street Revitalization	Oregon Main Street Grant	\$365,300
Wastewater Treatment Facility	HUD CDBG Funds	\$196,500
Innovation Gateway Area Plan	ODOT TGM Grant	\$174,150
CEDS	US EDA and Business Oregon	\$120,000
Street Improvement Projects	ODOT Special Cities Grant	\$100,000
Wastewater Feasibility Planning Study	IFA + OPRD	\$70,000
Brownfields Grant	DEQ	\$65,300
Housing Incentive Program	DLCD	\$38,500
Total		\$14,031,682

Source: City of John Day

The City is actively pursuing over \$46 million in project funds for some of the community's most needed projects. These projects include: the construction of a new wastewater treatment plant, connecting the community to broadband internet, and developing a new community aquatic center.

Exhibit 10. Funds in Process.

Project	Fund Source	Award Amount
Street Improvement	DOT Build Grant	\$14,279,956
Wastewater Treatment Plant	Multiple Sources	\$12,500,000
Hotel	Private Investment	\$6,000,000
Broadband	USDA ReConnect	\$6,000,000
Aquatic Center	Multiple Sources	\$4,500,000
Broadband	USDA Community Connect	\$3,000,000
Oregon Pine Property - Phase 1	Ford Family Foundation + USDA Rural Development	\$350,000
Total		\$46,629,956

Source: City of John Day

The City needs more funds to fully support the Strategy for Growth. They are seeking funds to restore the portion of the John Day River that passes through the community. They are seeking funds to expand the local street network to allow for new development of homes and businesses. They are seeking funds to enhance their initial investments in greenhouses to enable an export scale of local food production.

Each project has been carefully identified and each one plays an important role in achieving the City's goals.

Exhibit 11. Opportunity Pipeline (Funds Targeted).

Project	Award Amount
River Restoration	\$5,000,000
Kam Wah Chung Heritage Site	\$4,000,000
Mixed Use Office Complex Support	\$3,000,000
Food Cluster Investments	\$2,000,000
Oregon Pine Property - Phase 2	\$2,000,000
Conference Center	\$1,500,000
Oregon Pine Lake	\$1,000,000
Brownfield Redevelopment Grant	\$900,000
In-City Camping	\$500,000
Total	\$19,900,000

Source: City of John Day

8 Appendix A: John Day's Economic Outlook

Johnson Economics prepared the June 2019 *Economic Opportunities Analysis (Oregon Statewide Planning Goal 9)* for the cities in Grant County. This report introduces analytical research presenting an Economic Opportunities Analysis (EOA) for Grant County, Oregon and participating local cities. This report is organized into six primary sections:

- **Economic Trends:** Provides an overview of national, state and local economic trends affecting Grant County and Cities, including population projections, employment growth and a demographic profile.
- **Target Industries:** Analysis of key industry typologies the City should consider targeting as economic opportunities over the planning period.
- **Employment Land Needs:** Examines projected demand for industrial and commercial land based on anticipated employment growth rates by sector.
- **Capacity:** Summarizes the City's inventory of vacant and redevelopable industrial and commercial land (employment land) within the UGB.
- **Reconciliation:** Compares short- and long-term demand for employment land to the existing land inventory to determine the adequacy and appropriateness of capacity over a five and twenty-year horizon.
- **Economic Development Potential and Conclusions:** Summary of findings and policy implications.

This analysis reflects changes in employment, land supply, and macro-economic trends since the Grant County communities last reviewed local economic development policies. Two excerpts from the report related to population and workforce are included below to illustrate the economic challenges facing the City of John Day and Grant County.

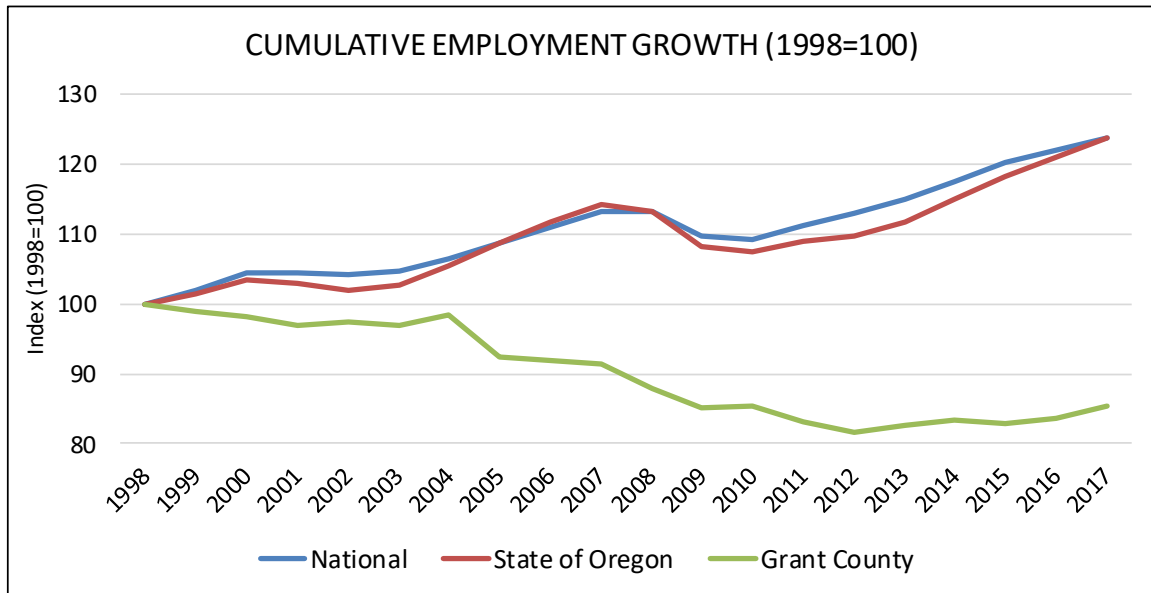
Grant County has unfortunately been losing employment in recent decades, while the US and Oregon have generally experienced positive job growth outside of recessionary periods. Grant County saw additional job loss after the most recent recession, but levels have stabilized since roughly 2011 (see *Figure 2.06* from EOA report). Annual growth rates have typically lagged behind the state and have often been negative during this period.

The population base in Grant County has been declining since the 1990's, a pattern that is projected to continue in the Population Research Center at Portland State University's most recent forecast. Of the cities in the county, nearly all have seen a similar loss of population since 2000. However, in most of these communities, the decline has stabilized since the recession with population remaining fairly steady since 2010 (see *Figure 2.18* from EOA report).

With general decline in population, residential permit levels in Grant County have been commensurately low since the 1990's, with little new development activity.

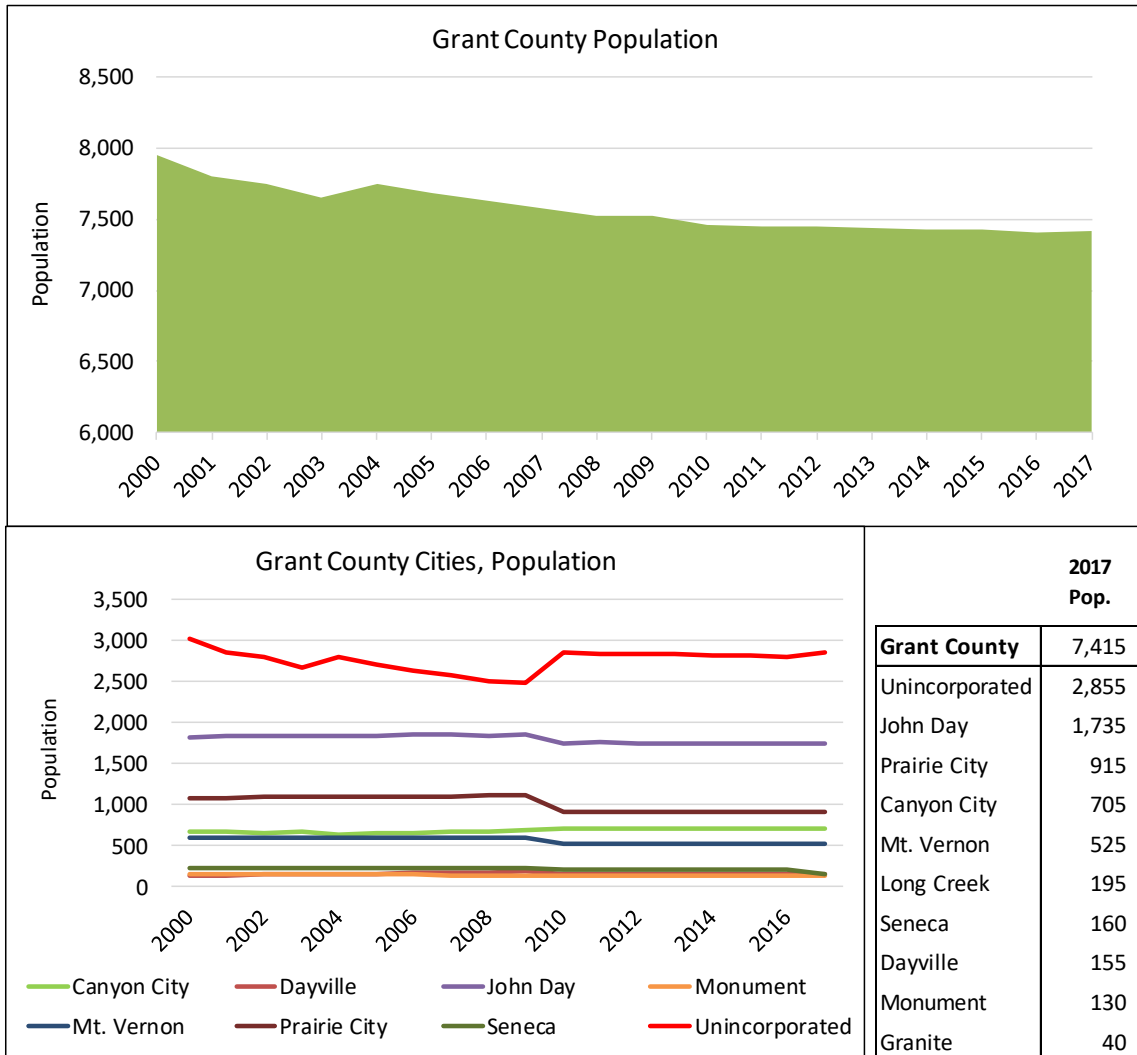
Over the coming decades, the composition of the population base is expected to become generally older. The trend is most pronounced for residents over 70 years of age, reflecting the aging of the Baby Boomer generation in coming years (see *Figure 2.19* from EOA report).

FIGURE 2.06: COMPARISON OF EMPLOYMENT GROWTH SINCE 1998



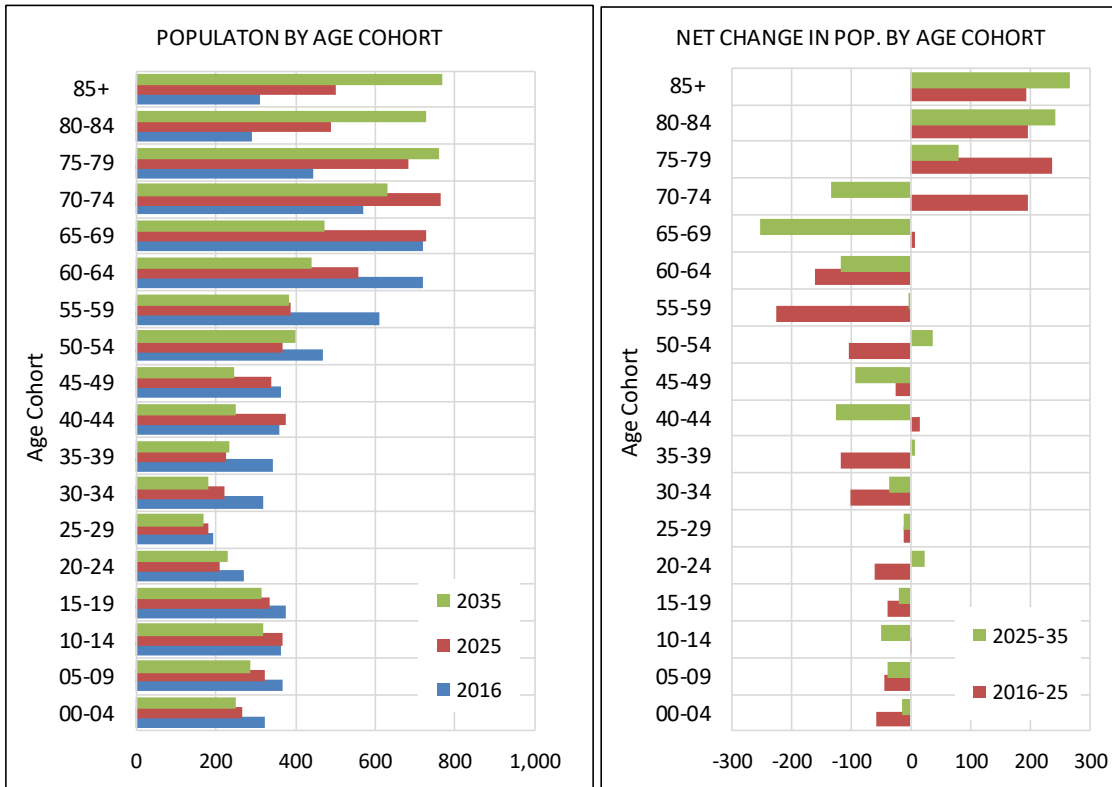
SOURCE: U.S. Bureau of Economic Analysis, JOHNSON ECONOMICS

FIGURE 2.18: HISTORIC POPULATION TRENDS, GRANT COUNTY AND PARTICIPATING CITIES



SOURCE: Population Research Center, Portland State University

FIGURE 2.19: HISTORIC AND PROJECTED DISTRIBUTION OF POPULATION BY AGE COHORT, GRANT COUNTY



SOURCE: Population Research Center, Portland State University

9 Appendix B: Focal Area Cutsheets

On the following pages are “cutsheets” —short informational documents that can be shared separately from the entire CIS document. These cutsheets are intended to be tools for the City of John Day to use to convey to others information about the Focal Area actions of the Community Investment Strategy. They present descriptions, rationale, and other information that potential funders and sponsors will want to see to better understand what and why they might invest in the community.

1 The John Day Greenhouse Industry

Description & Rationale

Almost all of the food consumed in John Day must be imported. We are flipping this on its head. We have launched an effort to grow food locally in controlled environment greenhouses. But the food cluster is much more than that. The greenhouses will use reclaimed water from the new wastewater treatment plant and power will come from local sources like biomass and solar. Partnerships with educational institutions will create a pipeline for workforce education and support innovation in the greenhouse industry. In the longer term, there is the opportunity to incubate new food production businesses and link those businesses with food outlets across the Eastern Oregon region.

Lead Organization City of John Day

Partners and Supporters Chesters Thriftway, Oregon Universities, various funders

Funding & Status Fully constructed 6,000 square foot greenhouse that is scheduled for food production in July 2019. The greenhouse is owned and operated by the City of John Day and will grow over 30 tons of produce annually for sale in local markets. With additional financial support, this facility can expand an additional two bays for a total grow area of 10,000 square feet. Thus far, we have secured \$550,000 for this project.

We are applying for additional funding from the Ford Family Foundation and USDA Rural Development to support the emerging food cluster. Near term projects include the redevelopment of a logging industry shed into a community pavilion to act as a community gathering point. Landscape improvements around the greenhouses and the river will also provide opportunities for public art and outdoor recreation.

Actions	Rationale	Near Term	Long Term
1. Identify a source of low-cost power to supply local greenhouses.	Energy costs have shown to be one of the primary factors affecting success of greenhouse operations. Because greenhouses rely upon consistent and calibrated lighting and HVAC systems, high or variable energy costs threaten the economic success of these operations. Therefore, locking-in energy costs at an affordable rate is an essential action to achieve long term economic sustainability.	✓	
2. Explore relationships with other greenhouse operators across the Western United States and Canada.	There is much that can be learned by building upon the work of others. There are several successful small greenhouse operations in the western region. Outreach to these businesses will provide, at the least, some insight into how similar greenhouse operations have achieved success. Stronger partnerships with these businesses may also be possible and could become sources of support for John Day's nascent greenhouse industry.		■
3. Carefully monitor the costs and revenues from the initial phase of greenhouses.	The best indication of the potential for the long-term success of John Day's greenhouse industry will be to understand how well the initial phase performs economically. Carefully tracking costs and revenues will provide insight into the potential for expansion into future phases.		■
4. Establish partnerships with regional growers, food outlets and distributors.	Following the City's greenhouse marketing strategy, the City should initiate partnerships with companies that will form the conduit to end customers or that could expand existing product lines from local growers utilizing the city's greenhouses for year-round food production.		■

<p>5. Identify compatible food processing and production activities to incent a “food cluster” in John Day.</p>	<p>Creating a greenhouse industry in John Day can be more than a sum of its parts. Leveraging the greenhouses to create a “food cluster” where there is more than just raw food production, could create economic wealth and spin off more than just produce. The first step towards supporting a food cluster is to identify local food production and value-add agriculture activities already present within the community.</p>		<ul style="list-style-type: none"> ▪
<p>6. Partner with educational institutions to create a greenhouse-focused learning center.</p>	<p>The John Day greenhouse industry could become a learning and research center. Developing partnerships with key educational institutions could lead to stronger support for the industry, operational support, and assistance with future phases. Partnerships at the K-12 and post-secondary level would create a pipeline for workforce training and development in the greenhouse industry</p>		<ul style="list-style-type: none"> ▪

2 Marketing and Tourism

Description & Rationale

John Day has rich historical and outdoor recreation assets. There have been several campaigns to attract visitors to the region, but there has been no cohesive effort to attract visitors specifically to John Day—until now. We are working with key community partners like the Grant County Chamber of Commerce to launch a coordinated effort to market John Day to visitors and potential new residents. We are developing policies to promote outdoor recreation and destination tourism. We are rebranding the City, the River Recreation Area, and Grant County Broadband. We are initiating a coordinated effort with local business owners, entrepreneurs, and influencers to promote the community and support the tourism economy. Together these efforts, among others, will elevate John Day’s outward appearance and have the potential to make the community a much larger travel destination than it already is.

Lead Organization Grant County Chamber of Commerce

Partners and Supporters City of John Day, Grant County Economic Development, EOVA, Travel Oregon

Funding & Status Local Economic Opportunity Fund (LEOF) and EDA Planning Assistance Grant secured to initiate marketing and branding campaign in 2019.

City has applied for the EPA Recreation Economies for Rural Communities (RERC) planning grant in 2019 to expand our initial efforts.

Actions	Rationale	Near Term	Long Term
1. Identify a lead Marketing and Tourism organization for the John Day area.	At the current time, there is no one clear leader that is coordinating marketing and tourism efforts in the John Day Area. One “champion” organization would organize efforts and campaigns to draw in more visitors	✓	
2. Strengthen Marketing Presence.	To better attract more visitors, the City of John Day needs to modernize and enhance its marketing presence. This work includes bolstering its online appearance, redirecting messaging to an outside audience, creating a modern branding scheme.		▪
3. Provide frequent and clear messages to the local John Day community about marketing and tourism efforts.	Clear messaging about why the City and its partners are undertaking significant marketing and tourism efforts would build support in the local community and potentially create more avenues for entrepreneurship		▪
4. Engage and empower local entrepreneurs and influencers to help (1) promote John Day and (2) to encourage local entrepreneurship.	Organizing local leaders and entrepreneurs could lead to business creation and more grassroots promotion of the community. Starting a formal group or committee, could provide a forum for locals to work together to identify ways to promote John Day and untapped business opportunities		▪
5. Identify stable funding sources for marketing and tourism activities.	Successful marketing and tourism campaigns require a stable revenue source. John Day should look for opportunities to create a new source of revenue for community promotion. The revenue source should, in the long run, be a net positive for the City of John Day. Examples could include a local transient room tax or local improvement districts.		▪

<p>6. Implement specific public policies that promote recreation and destination tourism.</p>	<p>Specific transportation and land use policy choices can increase destination tourism, extend the length of stays and improve visitor experiences. Examples may include: permitting ATV-use on state highways, adding new local transit stops at recreation centers, waypoints identifying specific points of interest, expanding a variety of lodging options (new hotels, in-city camping and bed and breakfasts); and hosting outdoor events or festivals that draw people to John Day and position the city as a gateway for visiting other sites in the John Day River Territory.</p>		<ul style="list-style-type: none"> ▪
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3 Competitive Broadband

Description & Rationale

High bandwidth internet access is an essential element for communities to thrive in the 21st Century. Core to our economic development strategy is to bring broadband internet into the community. We have been working with State and Federal agencies to secure funds for broadband development. Broadband will transform John Day; increasing current residents' connection to outside of the region and establishing a must-have item for new residents and businesses. Once in place, we along with community partners like the local hospital and school district, have plans to leverage fast internet connections. The school district can use the fast connection for distance learning. The hospital can take advantage of recent advances in Telemedicine as well as increase the effectiveness of emergency communications. Residents and businesses will benefit from having abundant and reliable bandwidth for multiple applications.

Lead Organization	City of John Day		
Partners and Supporters	Business Oregon, various funders and sponsors at the State and Federal level		
Funding & Status	<p>Local Economic Opportunity Fund (LEOF) and EDA Planning Assistance Grant secured to initiate marketing and branding campaign in 2019. Working with the State to enhance the Kam Wah Chung heritage site.</p> <p>City has applied for the EPA Recreation Economies for Rural Communities (RERC) planning grant in 2019 to expand our initial efforts.</p>		
Actions	Rationale	Near Term	Long Term
1. Apply for grants to support the development of high-speed broadband in John Day.	High-speed broadband is crucial to attracting new businesses and residents to John Day; it also requires substantial capital. The City will have to rely on outside funders—especially the Federal Government—to support broadband investments.	✓	
2. Partner with other local organizations (e.g. the school district, the County) to seek opportunities to leverage new high-speed broadband.	High-speed internet creates opportunities for businesses and government organizations that can harness the power of fast internet. The City should seek partnerships with other local jurisdictions and companies to take advantage of new broadband capacity.		■
3. Develop a broadband deployment plan to connect each premise in John Day to fiber within the next three years.	Current and future residents of John Day need access to fixed, high speed internet. Residents should not be restricted to specific neighborhoods for access to broadband. The deployment plan should include future residential, commercial and industrial developments, but should focus on connecting existing premises within the next three years.		■
4. Create a community accessible space with 24/7 access to high-speed internet.	To ensure that all John Day residents have access to high-speed internet, the City should work with partners to create a community accessible location with 24/7 internet.		■

4 Housing & Community Development

Description & Rationale

Our community has a housing problem. But one that is different from many other communities in Oregon today. Unlike cities on the westside of the Cascades that are facing skyrocketing housing costs, our homes are still affordable. But herein lies the issue. Our housing stock is aging and does not fit with the needs of our current residents or the interests of new residents. We are working to change this situation. We have created a housing incentive program to support the development of new homes. This program is only the start of a series of planned investments to support the housing market. We have plans for large scale investments in new roads, utilities, and bridges across the John Day River. With these investments, we will open up land for new development and incent new housing construction.

Lead Organization

City of John Day

Partners and Supporters

Private developers and contractors, various funders at the State level

Funding & Status

We have been working for several years on the housing issues. In 2018, we created two housing incentives programs—one for new home construction and one to help homeowners with major home renovations.

Our New Home Incentive Program provides a 7% cash rebate on new home construction and waives all system development charges. Our Existing Home Remodel Incentive Program provides a 15% cash rebate on substantial improvements to home facades, structural remodels, and new additions. The two programs are funded through our Urban Renewal Agency. The City Council is also considering additional actions to support housing. These include: creating a master plan for housing development, leveraging state and federal housing incentive programs, reducing regulatory hurdles to increase efficiency in home construction, providing services to reduce land development costs, and providing tax incentives to collateralize the cost of supportive infrastructure over time.

To date, our programs have supported seven new homes and three remodels—more than double the number of homes built in the past ten years.

Actions

Rationale

Near Term

Long Term

1. Identify targeted areas for infrastructure enhancement to support new housing development and adopt a prioritized housing development plan.

There is an opportunity for new housing development in John Day to support existing residents and new residents. However, any new housing is likely to need connections to existing utilities and supportive infrastructure. The first step is to identify locations that are most likely to attract new housing development. These locations should then be prioritized within a housing development plan that includes fully developed utilities.

✓

2. Acquire land for new housing development.

Most of the City's buildable residential land is owned by three property owners. The City may need to acquire land or partner with these property owners to develop locations to support large-scale housing projects.

■

3. Acquire land for downtown parking.

More parking is needed in the downtown area to encourage retail growth and support planned improvements, such as the Lens expansion and renovation. The City should acquire public parking areas to increase downtown walkability and foot traffic.

■

<p>4. Create an online clearinghouse for local housing developers and contractors.</p>	<p>Residents and businesses seeking building assistance may not be connected to many of the small contractor companies within the community. The City could create and maintain an online listing of licensed and bonded contractors in the area to reduce search time for new residents interested in building a home.</p>		<ul style="list-style-type: none"> ▪
<p>5. Initiate a study to explore options for streamlining the housing entitlement process.</p>	<p>The City relies upon Grant County and the Oregon Building Codes Division to administer housing permits. This process is inefficient and time-consuming. The City should explore options to alter, change, or replace this process with the goal of creating a streamlined and efficient housing entitlement program for more timeline plan reviews, permits and inspections.</p>		<ul style="list-style-type: none"> ▪

5 Business Development & Support

Description & Rationale

We understand that to expand our local economy, we need to support our existing businesses and attract new talent to our city. We also need to be strategic with our investments and leverage the skills, expertise, and vision of our local entrepreneurial community. Our plan is to pair targeted investments in growth industries with key partnerships with private businesses. We see growth potential in healthcare, outdoor recreation, and in the local food cluster.

Lead Organization City of John Day

Partners and Supporters Grant County Chamber of Commerce, Business Oregon, private companies, various funders, sponsors, and supporters.

Funding & Status New for 2019.

Actions	Rationale	Near Term	Long Term
1. Seek partnerships to enhance and support existing businesses.	Supporting local businesses forms the foundation of economic growth. The City should consider ways to connect local businesses to the services and funding that they need to thrive. One option would be to foster a business support network through the creation of the local small business committee, a business incubator and accelerator, and shared office space with private conference rooms for use by small businesses and entrepreneurs.	✓	
2. Develop a plan to attract new entrepreneurs to John Day.	John Day's economy will grow not from attracting large companies, but from incremental growth of small companies and startups. The City should develop a plan to attract new entrepreneurs to continually grow the local economy.		■
3. Advance growth and concentrate resources in three target industries: Recreation, Healthcare and Greenhouse Agriculture.	Understanding the needs of target industries is the first step to promoting their growth. The City should seek opportunities to build relationships with local companies and support their efforts to grow through relationship building, advocacy, and connections to funding opportunities.		■

6 Opportunity Area Investments

Description & Rationale

Core to our vision for the future of John Day is an enhancement of our existing neighborhoods, employment areas, and our commercial center. We have planned investments in each part of our community. We want to build new parks, restore the John Day River, and revitalize our downtown.

Lead Organization

City of John Day

Partners and Supporters

Grant County, various sponsors from the state level.

Funding & Status

Developing a Transportation Growth Management (TGM) plan for the 90-acre John Day Innovation Gateway/Riverfront Recreation Area and an Integrated Initiatives Plan to open an additional 56 acres of new residential housing and 15 acres of new industrial land. City is also completed an Economic Opportunity Assessment and Housing Assessment to guide future residential, commercial and industrial development.

Plan to open an additional 56 acres of new residential housing and 15 acres of new industrial land. City is also completed an Economic Opportunity Assessment and Housing Assessment to guide future residential, commercial and industrial development.

\$567,000 requested from OPRD for the integrated park system; \$40,000 requested from OPRD for the new aquatic center planning;

- \$400,000 for Recreation Trails and New parks
- \$200,000 for the TGM grant (whatever the correct amount was)
- \$360,000 for Main Street Revitalization
- \$2M or so for the sidewalk improvement projects
- \$100,000 for street improvements

Actions

Rationale

Near Term

Long Term

1. Acquire funding for John Day River restoration work/Oregon Pine Lake/Water garden.

The restoration of the John Day river and the creation of the Oregon Pine Lake create huge placemaking opportunities for the community of John Day. The work will also require substantial funding. The City should explore opportunities to develop this riverfront recreation infrastructure.

✓

2. Finalize site location for the City's new wastewater treatment plant, the reclaimed water distribution network, and new utility services.

Identifying these sites will allow for other placemaking activities and area planning to move forward.

■

<p>3. Work with local business to expand riverfront recreation and food services.</p>	<p>Local businesses are interested in being outfitters, providing stand up paddleboards, watercraft, bicycles and equipment for riverfront recreators. The planar shed/future farmers market offers opportunities for culinary experiences like mobile food courts, riverfront cafes and guest chefs to enhance both the farm-to-table food cluster and recreation/tourism industries.</p>		<ul style="list-style-type: none"> ▪
<p>4. Connect the River Recreation Area to the Integrated Park System and Main Street.</p>	<p>The riverfront experience should extend to and include the existing amenities in John Day, including the planned and existing park sites in the Integrated Park System (Kam Wah Chung, 7th Street Sports Complex, Davis Creek Park, Hill Family Park and the Grant County Fairgrounds). It should also connect to Main Street to promote downtown retail, hospitality and food service businesses</p>		<ul style="list-style-type: none"> ▪

10 Appendix C: Strategy for Growth

See following page.



MEMORANDUM

TO: JOHN DAY CITY COUNCIL
FROM: NICHOLAS GREEN, CITY MANAGER
SUBJECT: A STRATEGY FOR GROWTH
DATE: JANUARY 24, 2017
CC:

EXECUTIVE SUMMARY

Three decades of steady population decline has left the City of John Day struggling to find sufficient revenue to fund basic public services. The disruption to the natural resource-based economy in the 1990s and the subsequent loss of family-wage jobs created a vacuum filled largely by the unemployed, marginally employed and by retired residents living on fixed incomes.

Recovering financially and stemming the tide of population decline will require a new strategy for growth – one that embraces the globally interconnected, digital economy of the Information Age. Our strategy for growth has to view residents as customers who have a choice about where they live and where they spend their money.

Today we are losing market share because our customers are leaving, and our customers are leaving because we are not providing the amenities that will keep them here. We need a strategy that clearly aligns our spending priorities, investment options and decision-making with the growth we need to revitalize our community.

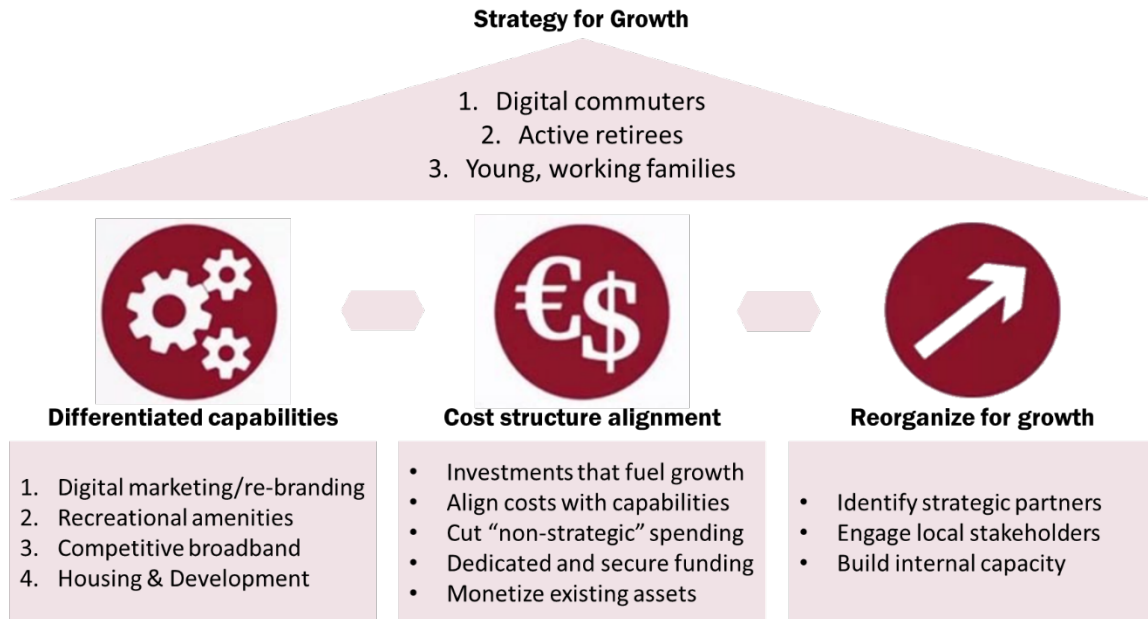
STRATEGY-IN-BRIEF

A strategy for growth consists of three basic elements¹:

- 1) **Differentiated capabilities** – identifying those things that make us stand out in positive ways from other communities
- 2) **Cost structure alignment** – adjusting our spending priorities so the investments we make and the costs we incur align with our differentiated capabilities
- 3) **Organize for growth** – empowering our strategic partners, local stakeholders and city staff to further our strategy by re-directing effort toward growth initiatives

The strategy must also include an understanding of and sensitivity to our community's traditional values and culture. Our residents have endured a prolonged period of economic hardship. They need to understand the reasons for pursuing growth and our desire to do it in a balanced way so we can preserve our rural lifestyle and quality of life.

¹ From *Fit for Growth, A Guide to Strategic Cost Cutting, Restructuring, and Renewal*, Wiley: January 2017.



TARGET DEMOGRAPHICS

John Day’s growth strategy should focus on **three core demographics**:

1. *Digital commuters* who have a choice about where they work;
2. *Active retirees* with disposable income; and
3. *Young, working families* that contribute to the local economy and tax base.

Attracting these demographics will result in a more diversified and more resilient economy and will promote growth in supporting infrastructure and agencies, including the local hospital and schools.

DIFFERENTIATED CAPABILITIES

Targeting these demographics will require the City to focus its efforts in four main areas:

1. *Digital marketing and branding* that promotes our rural quality of life;
2. *Recreational amenities* that make for attractive, active-lifestyle communities;
3. *Competitive broadband infrastructure* enabling residents to be digitally connected to friends, family and co-workers; and
4. *More diversified housing options* across a wider and more balanced price range.

In addition to these four primary capabilities, we need investments in crosscutting capabilities that enhance and increase the value of our differentiated capabilities. For example, land development is crosscutting because it enables both diversified housing and recreational opportunities through targeted infrastructure investments.

ALIGNING THE COST STRUCTURE

The City will have to shift its spending priorities to focus on building and enhancing our core capabilities. We need to create new budget line items and investment funds for digital marketing and recreational amenities. We need a long-term capital improvement plan to fund broadband infrastructure. We will also need to form a housing plan to address the quality, age and affordability of the current housing stock and to create a wider range of homeownership options.

Funding for this effort will have to come from state and federal sources as well as local fundraising. In addition, the City will have to realign its spending priorities by decreasing non-strategic spending in order to fund investments that will fuel growth. We need dedicated and secure revenue sources to use as collateral for loans and grants, and we will need to create new revenue sources through asset monetization strategies.

ORGANIZING FOR GROWTH

The City will need to leverage support from a wider network of stakeholders in order to achieve growth. We need strategic investment partners who understand and are committed to the City's strategy for growth. These strategic partners will co-invest with the City and will advise the administration on the City's investment strategy. We need community activists and non-profit organizations to help spur growth and increase awareness of the strategy. Internally, the City needs to invest in building staff knowledge and capacity to propel growth in each of the core capabilities.

THE NEED FOR CHANGE AND LOCAL SUPPORT

Successfully leading change will depend on residents endorsing our strategy for growth. They will need greater transparency on the City's finances and decision making so they understand the need for change and support it. This strategy is transformative and it will require cultural support in order to sustain the gains we make. New residents will need to feel welcomed to the community and current residents will need to work with the City to realize the full benefits of the strategy.

WHAT IS AT STAKE?

Our long-time residents remember what John Day was like when our industries were booming. If we can regain the population we've lost over the last thirty years by differentiating our city to achieve a more competitive position, our businesses will become more profitable, new jobs will be created and public services will become more efficient. More importantly, making investments in our economy will improve the quality of life for all of John Day's residents.