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In the Loop

To: CEDC Board of Directors, CEDC Members and Interested Parties

From: Ted Sprague, CEDC President

Date: 7/28/10

SAVE THE DATE - - TIP STRATEGIES ROLL OUT - - SEPTEMBER 2ND

I am pleased to announce we are quickly approaching the roll out of the TIP Strategies plan for the future of economic development for Cowlitz County. A general membership meeting of the CEDC will be held at the Cowlitz Expo Center at noon on Thursday, September 2nd. I encourage you to not only attend, but bring a colleague, friend, relative, or anyone interested in the future development of our area. It is simple to register, simply follow this link http://www.cowlitzedc.com/event_calendar.shtml or call Kim Nelson at 360.423.9921. I am also seeking companies and organizations to sponsor the event. We are reducing our normal fee for sponsorship to only \$200. This will pay to have your banner put up in the room, your logo on the agenda and a “thank you” from the podium. Please show your support of economic development by sponsoring this important event.

The TIP Strategies team has been very honest (*brutally at times*) of their assessment of our economic development strengths and weaknesses. The process has been eye opening for me and many on the Board of Directors. When the plan is described you may see the energies of the EDC channeled in different directions than we have traditionally. Change can be a very positive thing and it is important that we look to the future and attempt new and different ways to be successful. While our focus will remain on manufacturing and increasing the overall economy of Cowlitz County, there may be areas of the economy that need more time and energy than we have given in the past.

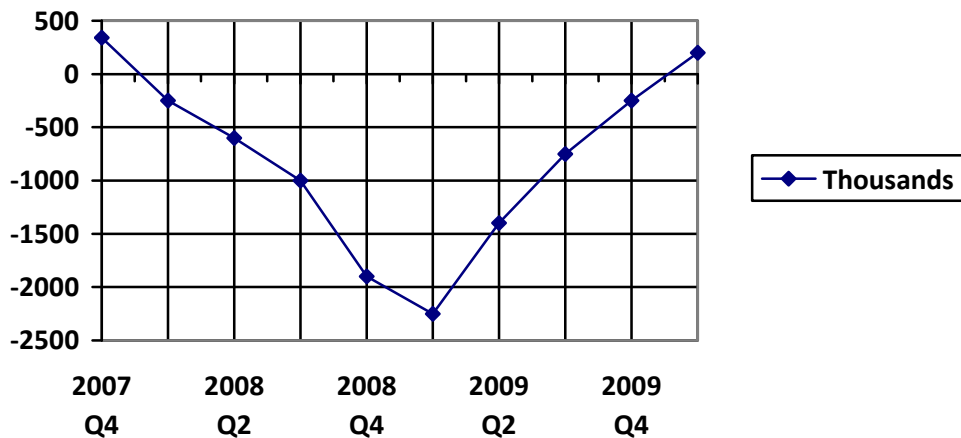
Please make a point to join us on September 2nd, thank you.

JOBLESS RECOVERY?

In the most recent *Economic Update* by the Prudential Capital Group, they predicted what they call a “Goldilocks” recovery, warm enough to be sustainable, but not so hot as to put upward pressure on inflation. They mention US exports have resumed their growth, rising at nearly 20 percent annual rate during the second half of 2009. As you know Washington is significantly reliant on trade, so this increase in export growth is an excellent sign for our area of the world.

The big question is, will the recovering economy bring back the jobs we have lost? Many experts we hear from say we will never get those jobs back, but according to Peter Bernstein at RFC Economic and Financial Consulting, “There are fewer people working today than there were 10 years ago, even though the US economy has grown 20 percent over that time period. While the statistic is a reflection of productivity improvements that have allowed businesses to produce more without adding more workers, there comes a time when increasing output requires increasing employment.” RFC recently conducted a survey of corporate managers, which found for the first time in over two years, more companies are expecting to add workers in the future than cut employment.

The graph below, from the Bureau of Labor Statistics expresses the quarterly change of employment since the fourth quarter of 2007.



The recent lease signings of Skyline Steel at the Port of Longview and Karlington Electric at the Port of Kalama reveal that economic development is taking place.

Companies continue to look at new expansion and relocation opportunities. While the activity level in this area may not be what it was during the boom times, we are seeing an increase in prospects.

DO YOU HAVE ANY IDEAS TO SOLVE THE STATE BUDGET WOES???

Recently, Governor Chris Gregoire launched an interactive website that allows citizens to share, comment and vote on budget ideas. The most highly rated ideas by viewers will rise to the top of the list and be considered by budget writers.

The website is one tool the governor is using to develop the state's 2011–13 spending plan in the process she calls "Transforming Washington's Budget."

"Closing our state's budget gap requires innovative thinking as well as making some tough decisions," Gregoire said. "This interactive website gives people an opportunity to share ideas and engage in a discussion about what ideas might work best for us. I'm eager to hear what people have to tell us."

Ideas will be posted between 8 a.m. and 5 p.m. Monday through Friday. The site will be moderated so that profane or vulgar postings will not be accepted.

Earlier this summer, the governor announced her plan for "Transforming Washington's Budget" through a number of steps, including the formation of a committee of leaders from across the state to serve as an advisory and sounding board. In addition, she is layering a series of eight questions on top of the budget system known as Priorities of Government, or POG, to identify the most essential state services, whether they are being delivered in the most effective and cost-efficient way, and whether the state or another entity should provide the service.

The public is invited to share ideas at transformwabudget.ideascale.com.

For more information about transforming Washington's budget and public budget hearings, visit <http://www.governor.wa.gov/priorities/budget/default.asp>.

SENATOR MURRAY SECURES SUPPORT FOR JOB-CREATING PROJECTS IN SOUTHWEST WASHINGTON

U.S. Senator Patty Murray, Chair of the Transportation, Housing, and Urban Development (THUD) Subcommittee announced that she has included funding to boost Southwest Washington transportation and economic development in the Fiscal Year 2011 THUD Appropriations bill. The funding will create construction jobs that support community projects, make critical road safety improvements, and improve access to local transit.

The key spending bill passed through the THUD Appropriations Subcommittee, and will now move to the full Appropriations Committee for consideration.

“Especially now, it is critical to steer funding into transportation projects that create jobs and boost local economies in our own backyard in Southwest Washington,” said Senator Murray. “This funding will go to support community projects like the Columbia River Crossing project and improvements to downtown Longview, and I’m committed to continue securing investments for these and other local needs.”

The City of Longview will receive \$1,000,000 to support design, engineering and construction of street, sidewalk, lighting and other pedestrian friendly improvements in downtown Longview.

The revitalization effects of this streetscape project are expected to encourage and incentivize investment and job growth in the city’s downtown economic core.

“Economic revitalization and development in downtown Longview is a continuous process, as it is in many communities’ downtowns. We are fortunate to have an organized and supportive business community as a prominent partner in that process. We are so grateful to add Senator Murray to the list of supporters and value her leadership in securing these crucial resources for our downtown redevelopment project,” said Kurt Anagnostou, Mayor of Longview.

In addition, the Washington State Department of Transportation will receive \$42,000,000 in federal funding to be used for preliminary engineering, final design and right of way for the Columbia River Crossing project.



July 28, 2010

This comprehensive project provides livability, sustainability, economic development and freight mobility improvements to Southwest Washington and Northwest Oregon by increasing safety, reducing congestion, improving air quality and increasing transit, bicycle and pedestrian transportation options.

“This project provides an essential link to long-term economic health in Southwest Washington and Northwest Oregon,” said Secretary Paula Hammond. “When the ribbon is cut, we will improve safety for all travelers, reduce congestion on the interstate and in neighborhoods, give people more travel choices and substantially reduce travel time costs for freight.”

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