

State of Oregon

OREGON

ECONOMIC & COMMUNITY DEVELOPMENT DEPARTMENT

Agency Sustainability Plan Progress Statement
2005–2007 Biennium

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State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
 2005–2007 Biennium*

Action	Work with internal sustainability team to monitor agency activities that support sustainability goals.
Progress	Conducted initial outreach to develop internal team; however, several of the individuals are no longer with the agency and no progress was made.
Risks / Barriers	This has been a lower level priority compared to the Economic and Community Development Department's (OECDD) external focus.
Response	The plan is to revive this group with Senior Management's support in the fall of 2006.
Action	Create and disseminate educational updates via electronic newsletter or web-based medium.
Progress	None at this time.
Risks / Barriers	This has been a lower level priority compared to OECDD's external focus.
Response	A quarterly newsletter is planned beginning in the fall of 2006 in conjunction with a revival of the internal sustainability team. There also is the potential of linking up with Department of Administrative Services (DAS) on its "sustainability toolkit" for the public sector when that resource is available.

State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
 2005–2007 Biennium*

Action	Continue to identify and incorporate sustainability criteria in OECDD funding programs and personal services contracts.
Progress	<p>Since the beginning of the 2005–07 biennium, a number of initiatives were launched as part of OECDD’s open solicitation process designed to support sustainable development. They include:</p> <ol style="list-style-type: none"> 1) Co-sponsorship of a statewide bioenergy symposium that attracted roughly 60 public and private sector participants 2) Initial funding for the Lakeview Biomass Oregon Solutions project 3) Co-sponsorship of a Portland radio program broadcast on OPB 4) Co-sponsorship of a statewide renewable energy conference that hosted roughly 200 participants 5) Funding for a regional “climate footprint” assessment and sustainable development plan in Klamath County 6) Implementation funding for the CROP (Coordinated Resource Offering Protocol) Oregon Solutions project 7) Initial funding for a native plant nursery project of Hacienda CDC. <p>These projects leveraged approximately \$5 of additional funds for every dollar from OECDD.</p>
Risks / Barriers	The funding source for OECDD’s sustainability initiatives was significantly reduced by the Legislature as of the 2005–07 biennium. This has essentially eliminated targeted funds for sustainability projects and severely inhibited OECDD’s ability to promote sustainable development in the private sector.
Response	Depending upon current lottery revenues, there may be partial restoration of industry outreach funds—some of which could be allocated to sustainability projects.

State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
2005–2007 Biennium*

Action	Identify and make available resources that will help ensure long-term sustainability for businesses and local communities.
Progress	<p>OECD is one of several staff support agencies for the Governor’s Renewable Energy Working Group, a consortium of public, private and non-profit organizations appointed by the Governor to develop an implementation roadmap for the state’s Renewable Energy Action Plan. OECD is a participating member of both the Economic Incentives and Biofuels subcommittees which are developing legislative and policy recommendations to support the Working Group’s overall mission. These recommendations include incentives and regulatory assistance to businesses and communities that are working toward sustainable development as it pertains to energy conservation and renewable energy strategies. A final report with the Working Group’s recommendations will be submitted to the Governor by the end of 2006.</p> <p>OECD is a member of the Biomass Coordinating Group, an agency-driven, self-organized body including staff from Forestry, Energy, Agriculture, DEQ and the Governor’s Office that was formed to coordinate efforts, leverage resources, exchange information and facilitate communication among biomass utilization efforts within and across agricultural, forest and urban areas. Of these three focus areas, OECD participates in the Forest Biomass Working Group which has developed a “critical path” of actions biennium to promote and realize the best uses of Oregon’s forest biomass.</p> <p>In June of 2006, OECD co-chaired with Lane MicroBusiness a “biomass to ethanol” networking meeting that brought together nearly 35 industry, research and government representatives to discuss current and potential biofuels technologies and identify near-term business opportunities, especially as it relates to rural regions of Oregon. Representative Jeff Kropf, last session’s co-sponsor of the House’s biofuels bill, was an active participant as were Dr. Erik Stenehem and Dennis Stiles from Pacific NW National Labs. Dr. Stenehem is on loan to Governor Kulongoski as his science and technology advisor and liaison to the Oregon Innovation Council. Industry representation included Sequential Biofuels, Stoel Rives, PLC Recycling, Brelsford Engineering, and Bear Mountain Forest Products, and others. A follow-up meeting is being organized to build upon the work done in June.</p> <p>(cont’d on next page)</p>

State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
2005–2007 Biennium*

Progress (cont'd)	OECDD, the Department of Forestry and Oregon Forest Research Institute are working on a Memorandum of Agreement between the three agencies to support multi-agency efforts that improve the economic, environmental and community benefits derived from Oregon's forestlands. This memorandum will elevate the importance of collaboration between the three organizations and better define the roles that each plays in supporting Oregon's forestry cluster.
Risks / Barriers	<p>The success of OECDD's efforts, particularly in conjunction with the Renewable Energy Working Group, hinges in large part on the 2007 legislative process, the state's budget constraints, and industry acceptance of the recommendations to the Governor.</p> <p>With respect to OECDD's efforts in the forestry sector, there are numerous complexities and barriers ranging from economic constraints to multi-jurisdictional oversight and regulations affecting Oregon's forestlands.</p>
Response	In all cases, a collaborative, multi-stakeholder approach has been adopted to support the best possible outcomes and mitigate the risks associated with these efforts.

State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
2005–2007 Biennium*

Action	Collaborate with OECDD’s Innovation Economy team to strengthen Oregon’s position as an international leader in sustainability.
Progress	<p>As of November 2005, OECDD’s Sustainability Coordinator became a member of the agency’s Innovation and Economic Strategies Division and is working with the team to develop and implement its strategy. The coordinator will continue to be a resource for the entire agency in both internal and external operations.</p> <p>Sustainability has become an increasingly more urgent topic in both the public and private sectors as our fossil fuel-based economy has endured a dramatic increase in the prices of oil and natural gas. OECDD has helped promote the recent surge of activity in the “clean energy” sector through event sponsorship and staff support of various initiatives. As an example, in March of 2006, OECDD was the lead sponsor and a key organizer of a renewable energy conference in Bend, Oregon, entitled “Positioning Oregon as an International Leader in the Clean Energy Industry.” The event attracted nearly 200 participants and offered three separate tracks that catered to industry professionals, community developers, and policy and research experts. Governor Kulongoski was a guest speaker along with Bob Repine, Director of OECDD. Mike Grainey, Director of the Oregon Department of Energy, presented the Governor’s legislative agenda for renewable energy and conservation.</p> <p>After the conference, OECDD hosted a roundtable discussion with delegates from Washington state including Tim Stearns, Energy Specialist for Commerce Trade and Economic Development and Jeff Morris, Washington State Representative and Director of NW Energy Technology Collaborative. The focus of this gathering was to explore opportunities for Oregon and Washington to collaborate on economic development in the renewable energy sector, such as co-branding campaigns and partnerships at national and international conferences. On-going efforts continue to cultivate these ideas and relationships.</p> <p>(cont’d on next page)</p>

State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
 2005–2007 Biennium*

<p>Progress (cont'd)</p>	<p>OECD is the lead staffing agency for the Oregon Innovation Council which was established by the Legislature in the 2005 session to advise the Governor on innovation strategies for Oregon's economy. Sustainability has become a focal point of the council's deliberation as it pertains to "emerging industry" opportunities and Oregon's next potential "signature research center." OECD recruited industry and academic experts and has facilitated a process to develop specific proposals, two of which promote sustainable development. The first involves clean energy production using ocean wave technology—an opportunity that could propel Oregon to become the world leader in this sector. The second involves a bio-products research center to accelerate the commercialization of new technologies for the green building, clean energy and wastewater industry sectors. This proposal was developed on a "platform of sustainability" with the intent of informing research and the application of new technologies utilizing an integrated systems approach. The proposals will be completed in August 2006, and a final report of the council's recommendations should be submitted to the Governor by the end of September 2006.</p> <p>As part of the ongoing support of the Oregon Business Plan, OECD held a meeting of the Cluster Leadership Network in May of 2006 that focused on sustainability. Approximately 25 people attended to discuss current projects, initiatives and action items that were identified in the "sustainable industries" cluster of the OBC's Leadership Summit in January of 2006.</p> <p>In addition, OECD submitted a proposal for Portland, Oregon, to host the 10th annual global conference of The Competitiveness Institute (TCI) in 2007 with a theme dedicated to innovation and sustainability. TCI has conditionally selected Oregon over finalists Pittsburg and Costa Rica. Last year's event was in Hong Kong and attracted delegates from 43 countries.</p>
<p>Risks / Barriers</p>	<p>There is a tremendous interdependence that exists among the partners, stakeholders and constituents engaged in these efforts. With this comes both strength in the diversity of input as well as uncertainty with respect to concrete results.</p>
<p>Response</p>	<p>OECD strives to be both inclusive as a facilitator and transparent as a partner in these actions. The agency has also focused much of its attention on the issue of energy and its implications on sustainable economic development.</p>

State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
 2005–2007 Biennium*

Action	Continue to provide support to the agencies that comprise the Interagency Network as defined by the Sustainability Act of 2001.
Progress	OECD's Sustainability Coordinator acted as co-facilitator along with the Governor's Sustainability Advisor through the sunset of the Sustainability Board in January 2006. Since Executive Order 06–02, the Governor's Office has taken on the responsibility of coordinating and facilitating meetings of the Interagency Network to allow OECD to focus on the specific directives of the Order.
Risks / Barriers	None.
Response	
Action	Support the activities of the Oregon Sustainability Board and act in concert with the Governor's Sustainability Advisor as a liaison between the board and state government.
Progress	OECD continues to remain engaged in the activities of the Sustainability Board. Since the signing of Executive Order 06–02, OECD is focused on the specific directives that require the agencies attention and leadership.
Risks / Barriers	None.
Response	

State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
 2005–2007 Biennium*

Action	Expand outreach to other state agencies that strive to operate according to the principles of sustainable development.
Progress	<p>Since the beginning of fiscal 2005, OECDD has facilitated three 6–hour training “intensives” in September 2005, February 2006 and May 2006. First launched in 2004, this course is now part of DAS’s standard electives offered quarterly. Approximately 15 people participated per class consisting of managers and experienced staff in a variety of agencies including ODOT, ODOE, DAS, DHS, State Library, Revenue and others.</p> <p>With assistance from an outside consultant, OECDD and DAS created a one–hour introductory module that is now available to all agencies that wish to self-facilitate internal training.</p>
Risks / Barriers	<p>There is very little capacity among state agency staff to deliver the 6–hour intensive course, thus limiting its reach. Currently three people have experience conducting this course. The one–hour module, though available to a much larger audience, is limited in content and requires agency staff to take the initiative and self-administer the course.</p>
Response	<p>There has been discussion among the Sustainability Coordinators of the agencies identified in EO 03–03 (now superceded by EO 06–02) to train additional staff to facilitate the 6–hour course. This would increase the frequency of course offerings throughout the year and potentially benefit a larger number of participants. At this point, there may be an opportunity to double the number of “qualified trainers” from three to six, but it depends upon the availability of staff to fulfill the commitment.</p> <p>The one–hour module could be promoted more actively to agency managers, perhaps in conjunction with a trained facilitator in lieu of the current self-facilitation model.</p>

State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
2005–2007 Biennium*

These additional action items represent a revision to the 2005–07 Agency Sustainability Plan as of the signing of Executive Order 06–02.

Action	As per the Governor’s Executive Order 06–02, implement a state awards program to recognize outstanding performance of private, public and non-profit organizations in furthering sustainable development.
Progress	OECD D developed a proposal that was approved by the Sustainability Board at its July 2006 meeting in Portland. Implementation will begin in 2007, and the program will be designed to emulate and complement the Portland BEST Awards.
Risks / Barriers	Success of the program will rely heavily upon the participation level of other agency staff and stakeholders to assist with program promotion and implementation. OECD D has limited staff time to devote to this program.
Response	OECD D will focus on program facilitation and rely on staff support from the other agencies highlighted in the Governor’s Executive Order 06–02. In addition, OECD D will recruit other agencies and stakeholders well in advance of the program’s commencement to help promote the event and assist with nominations, evaluations and award selections.

State of Oregon
Economic and Community Development Department

*Agency Sustainability Plan Progress Statement
 2005–2007 Biennium*

Action	As per the Governor’s Executive Order 06–02, develop a funding program to support community-oriented renewable energy projects.
Progress	OECD and the Department of Energy have conducted several meetings and created draft guidelines for the Renewable Energy Feasibility Fund (REFF). OECD has earmarked \$500,000 from its Special Public Works Fund (SPWF) for publicly-sponsored studies, and the agency is awaiting word from the Governor regarding a commitment for \$1MM in additional funding to support either public or private projects. The program is expected to be announced in September of 2006 and expects to allocate approximately \$150,000 to \$250,000 by the end of the 2005–07 biennium.
Risks / Barriers	Lack of additional funding beyond OECD’s allocation from SPWF will reduce the amount available in the near term. Temporary rules need to be established to adapt SPWF to accommodate the REFF, and the vetting of these rules and the program as a whole may receive some resistance from traditional recipients of SPWF money.
Response	OECD has announced its intentions at various public forums to launch the REFF program using SPWF money, and to date has received no negative feedback. Organizations such as the Association of Oregon Counties which represents a significant recipient base of public works money, is very supportive of the program’s intent and suggested use of funds. OECD intends to vet its program guidelines among stakeholders and constituents to get feedback prior to implementation.
Action	As per the Governor’s Executive Order 06–02, develop a sustainability “toolkit” for the private sector to support their efforts in leveraging sustainability in the marketplace.
Progress	None at this time.
Risks / Barriers	Staffing constraints have delayed action.
Response	OECD intends to employ the resources of a graduate student to assist with developing this toolkit beginning in the fall of 2006.