

The La Grande & Union County Business Support and Recovery Strategy



This document was produced by RDI's Cayla Catino with support from the RDI team as an outcome of the Business Retention & Expansion process in La Grande and Union County.

December 2021



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Executive Summary

Starting in the fall of 2020, Rural Development Initiatives (RDI) has worked with the City of La Grande and its partners to conduct a business retention and expansion assessment, with the aim of understanding the quality of the business environment in La Grande and Union County, and outlining opportunities to support existing and new businesses through this time of economic recovery and beyond. Through research including surveys and interviews, we heard from 128 La Grande business owners and support organizations about the advantages and challenges of operating a business in the region. We also reviewed data from services such as EMSI and ESRI.

Key Findings - Our most notable findings are as follows:

1. **Workforce Challenges** – Businesses are struggling with a variety of workforce issues. Businesses struggle to find qualified workers, and during COVID, many businesses and in particular tourism businesses, have struggled to maintain staffing levels. Workforce challenges are exacerbated by limited housing options.
2. **Minority Business Challenges** – Minority business owners have struggled to identify and access business support services that will work for them.
3. **Small Business Challenges** – Smaller businesses in particular are likely to struggle with marketing, maintaining an online presence, business planning, building their customer base, and accessing loans.
4. **Marketing Challenges and Opportunities** – Many of businesses said that they experienced mild or severe challenges with establishing and maintaining an online presence and marketing. Tourism businesses specifically expressed an interest in coordinated efforts to market the city as a destination.
5. **COVID Support** – Many businesses said that COVID has been one of the greatest challenges in the lifetime of their business. They have lost customers and employees and are needing to retrain. There was a request for more support in applying for funding and grants to cover operating costs so they can stay open.
6. **Taxes and Regulations** – This is a factor that many respondents rated as a community weakness. Feedback from the survey requested tax breaks for startups and small businesses, and people also wanted to see more business support for their tax dollars.
7. **Demographic Changes** – Union County is gradually growing (the county is projected to increase by 5% in the next five years) and much of that growth will be from people who identify as BIPOC.
8. **Retail Opportunities** – La Grande is a hub for the wider region, so there are a variety of retail services and products available. This provides opportunities for businesses and entrepreneurs, but increases competition. Therefore, businesses and entrepreneurs need to be focused in terms of their products and services, and in identifying their target markets.

Areas for Action

Based on this research, the community working group identified the following as priority areas to strengthen in order to improve the entrepreneurial and business ecosystem of La Grande, and to aid in economic recovery. These areas were selected to reflect both the priorities of businesses, as well as areas the working group is in a position to improve. They were also meant to include varying sizes of businesses, with larger businesses more focused on workforce issues, and smaller businesses reflected in other forms of support. RDI is able to work with community stakeholders to conduct action planning around these areas:

1. **Minority Business Support & Recovery:** Minority businesses are not aware of, or accessing, support services, in a large part due to trust issues. There are ways to build capacity for working with minority businesses, and to build greater trust.
2. **General Small Business and Entrepreneurship Support and Recovery:** Coordination of support providers can streamline services to businesses and make it easier for businesses to access the support they need. Targeted support for businesses in the tourism industry is particularly important for recovery.
3. **Workforce Challenges:** Workforce challenges are related to workforce readiness and training, as well as the availability of housing. There are opportunities to strengthen partnerships to address these issues.

RDI Recommendations for Next Steps:

1. Attend to immediate red flags
 - a. Share with City Manager and new Economic Development Director.
2. Articulate role of core team as champions who will help move this initiative forward.
3. Identify who should be involved
 - a. Possible local and regional partners
 - b. Who is already involved but not at the table yet
 - c. Engage private sector in solutions
4. Research outside resources and models for each of these topics
5. Form action teams and plans around each of the three identified areas.

The rest of this document goes into greater detail about the research that was conducted as well as the areas for action that the stakeholders have identified as priorities. We put the areas for action at the front of this document to highlight the importance of moving to action.

Areas for Action

On June 30th, 2021, a group of 15 support agency stakeholders, including representatives from The city of La Grande, Northeast Oregon Economic Development District (NEOEDD), La Grande Main Street, Union County Chamber of Commerce, Eastern Oregon University Rural Engagement and Vitality, and Business Oregon, met to review the findings from the data and discuss three areas for action. As previously mentioned, these areas were chosen based on businesses' priorities that emerged from the surveys and interviews, as well as what the Business Retention & Expansion (BRE) working group in La Grande felt like they were in a position to improve. After a presentation of findings at the stakeholder meeting, RDI facilitated breakout groups to discuss each area. The conversation focused on what the group had capacity to address, who to engage, and identifying next steps. RDI is able to support community champions and action teams over the coming months to organize around these areas.

The June 30 convening was a meeting of support agencies to strategize around how to provide support in these areas. Businesses should be a part of these conversations moving forward.

Focus Area 1: Minority Business Support

The major opportunity in this area is building greater trust with minority business owners. Trust encompasses relationship building and having a good experience with service providers, and is built over time. There are two forms of capacity that are needed for building trust: the capacity of support agencies to individually reach out to businesses and the capacity for individuals and organizations to understand Diversity, Equity, and Inclusion through education that will enable them to identify inherent

bias and privileges, and recognize systems of oppression that are experienced by minority business owners.

Feedback from the interviews indicated there is distrust from the minority population and hesitancy to seek support services. Support providers may not be fully aware of why businesses are distrustful and how to overcome that barrier. NEOEDD is building momentum with their Diversity, Equity, & Inclusion (DEI) training, and this program can help to build trust more effectively with service providers. NEOEDD has also seen an increase in diversity in the participants in other classes they offer. Another opportunity lies with the university. Since EOU brings in a diverse population of students from around the county, more connections can be made and trust can be built to connect those students with the community and business development supports to encourage them to stay in La Grande.

When marketing to these groups, care should be taken to represent the diversity of the community.

The City of La Grande and Ignite developed a Business Resource Ecosystem map (see attachment) to help businesses navigate resources. A next step for this project would be to create a Spanish Resource Ecosystem map with Spanish-speaking support services for minority business owners and minority entrepreneurs interested in starting their own business or looking for business resources.

Next steps:

1. Concerted effort to build relationships:
 - a. Convening of minority small business owners to support connections across those businesses.
 - b. Explore options to increase DEI and cultural competency capacity building in the support network.
 - c. Engage in trust and relationship building with minority-owned businesses.
 - d. Collaborate to shape services around particular needs that have voiced. Find ways to appropriate, culturally specific approaches to better integrate minority businesses in ongoing programs and efforts for the general business community.

Partners:

- Northeast Oregon Economic Development District
- Main Street – Block Captains
- Oregon Employment Department
- City of La Grande
- Union County Chamber of Commerce
- Minority Business Owners

Focus Area 2: General Small Business and Entrepreneur Support

The three main opportunities identified around General Small Business Support include more organized support systems, expanding access to broadband, and tourism development. La Grande has resources for small businesses, but there is a need for greater communication and coordination between ecosystem support partners to make it easier for businesses to take advantage of those forms of support.

Another major issue is access to broadband. NEOEDD is currently engaging in a technical statewide assessment to identify gaps and needs in order to best leverage American Rescue Plan dollars for broadband, and additional funds going to cities and counties that can be used for this. Ziply, a new local broadband provider, is aggressive about fiber presence in the area and is installing fiber around the county.

Tourism plays a major role because of the way it can build a broader customer base and capture outside dollars for the local economy, and is a means of sharing local assets with a customer base that will return again and again. La Grande is a destination and mid-route for regional tourism. It is also a college town, bringing in students and family members from across the state and nation.

For businesses, NEOEDD and Ignite have partnered on a Destination Creation Workshop to give business owners a framework to change their business into a consumer destination. There are opportunities to collaborate with the regional- and state-level tourism agencies to support tourism development and marketing in the area.

Next steps:

1. Convene partners providing general business support:
 - Discuss streamlining business ecosystem supports.
 - Define who is working on these support services.
 - Identify gaps in services and support available to businesses at all stages. How can everyone be better connected and collaborative? Identify opportunities to work together to attract funding for small business recovery and ecosystem strengthening.
2. Support NEOEDD around broadband.
3. Connect with businesses to follow up on needs that were surfaced and share resources.

Partners:

- City of La Grande
- Northeast Oregon Economic Development District
- Union County Chamber of Commerce
- Oregon Employment Department (OED)
- Travel Oregon
- La Grande Main Street (Economic Vitality Committee) – should be a foundational partner in the tourism and business support work
- La Grande Business Owners
- Eastern Oregon Visitors Association (EOVA)

Focus Area 3: Addressing Workforce Challenges

The group identified housing and training as the most significant gaps related to workforce needs. There is limited affordable housing for workers in the La Grande area, and particularly lower income workers, which is a common issue across the country. The group acknowledged the right people weren't in the room to discuss housing but they did identify other organizations that are working on housing. The La Grande School District (LGSD) is stepping up to support housing through their Career Technical Education (CTE) Program in the construction field. The City of La Grande has already put together a Housing Needs Assessment. NEOEDD and EOU's Rural Economic Vitality center planned and hosted two workforce housing events in the fall of 2021. A Union County team formed and will be taking steps to address workforce housing issues.

There were key partners in the conversation around workforce. There is an opportunity to work on job readiness and training for job seekers and coordinate workforce and education partners and workforce and housing. WorkSource Oregon was identified as a partner that should be at the table for this work.

Strategies identified in breakout sessions (Housing):

1. Work with Stakeholders to develop a phased action plan
2. Support/Engage and collaborate to address workforce housing shortages

Strategies identified in breakout sessions (workforce training and readiness):

1. Convene key employers with the City and School District to brainstorm solutions on soft skills, future planning, and internships.
2. Build relationship with WorkSource Oregon to expand on training and job readiness.

Partners:

- La Grande School District
- Eastern Oregon University
- City of La Grande
- WorkSource Oregon
- Private Sector Industries
- City and county Planners

Next Steps:

1. Connect with City and County Planners
2. Participate in October 5th Workforce housing work session

Approach

The BR&E process started out with identifying and gathering together economic development stakeholders. These stakeholders included staff at the City of La Grande, Northeast Oregon Economic Development District (NEOEDD), La Grande Main Street, Union County Chamber of Commerce, and Eastern Oregon University (EOU). After gathering the core team, the next step was to collect data. Our process gathered first-hand information through surveys and interviews of business owners, and was supplemented with secondary data collected from public and proprietary data sources¹ to tell the broad story of the La Grande/Union County economy.

Between January and May 2021, 118 surveys were collected from business owners and stakeholders in the region. Based on the survey findings, the core team identified stakeholders who could elaborate on the findings, and conducted interviews with 11 additional stakeholders, including restaurant owners, manufacturers, and minority-owned restaurant and retail owners. In total, the team heard from a total of 128 businesses and other stakeholders.

The core team focused on three areas that emerged as priorities in the surveys and interviews, and where they felt they could make some progress –minority business support, general small business

¹ Data sources include state data, EMSI (<https://www.economicmodeling.com/>); and ESRI (<https://www.esri.com/en-us/home>)

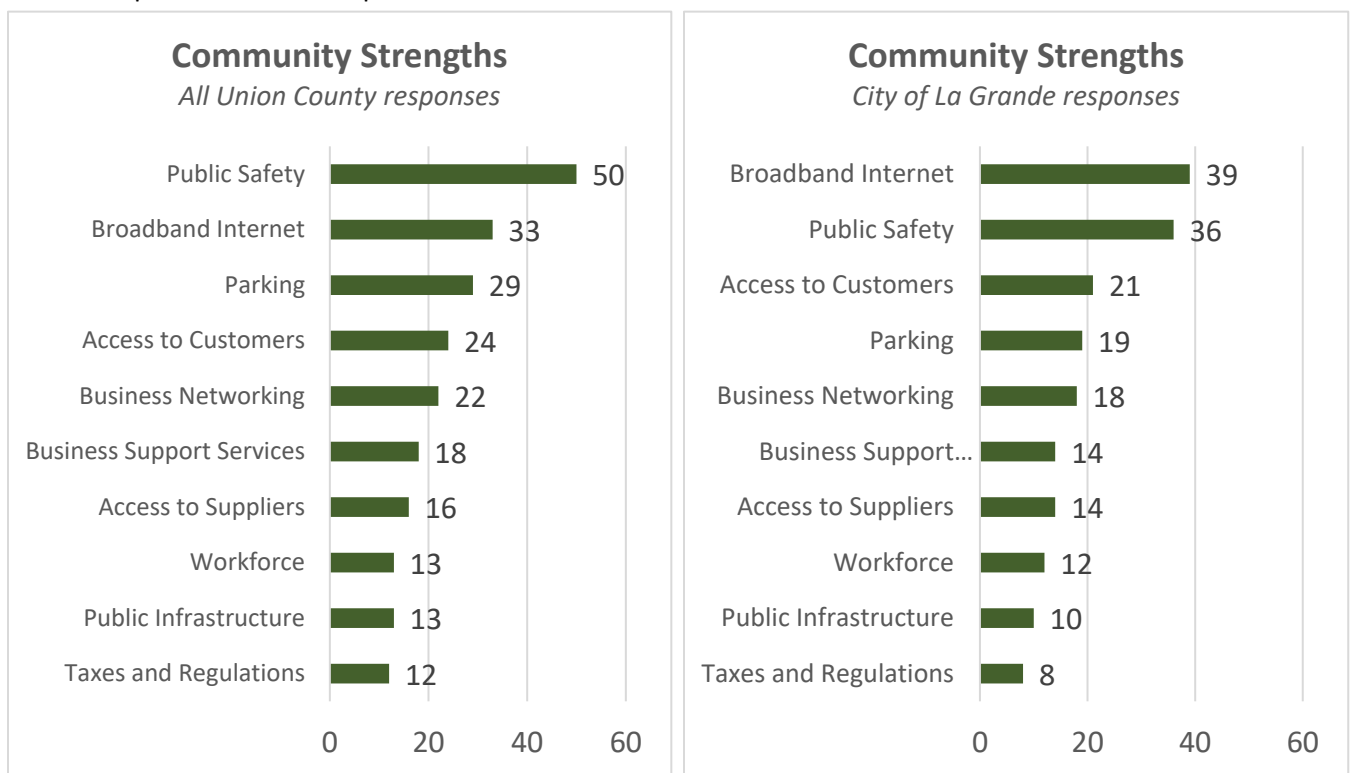
entrepreneur support, and workforce challenges. RDI facilitated an event on June 30th with a wider group of 15 support agency stakeholders to share findings and brainstorm about what can be done in the three focus areas.

Next steps will include action planning with community stakeholders including businesses in the three areas of interest, and forming working groups to identify and implement actionable next steps.

We would like to note here that Business Retention and Expansion is an ongoing process, and that outreach to businesses would ideally be conducted on a regular basis by communities to ensure services match business needs.

Key Findings from Surveys and Interviews

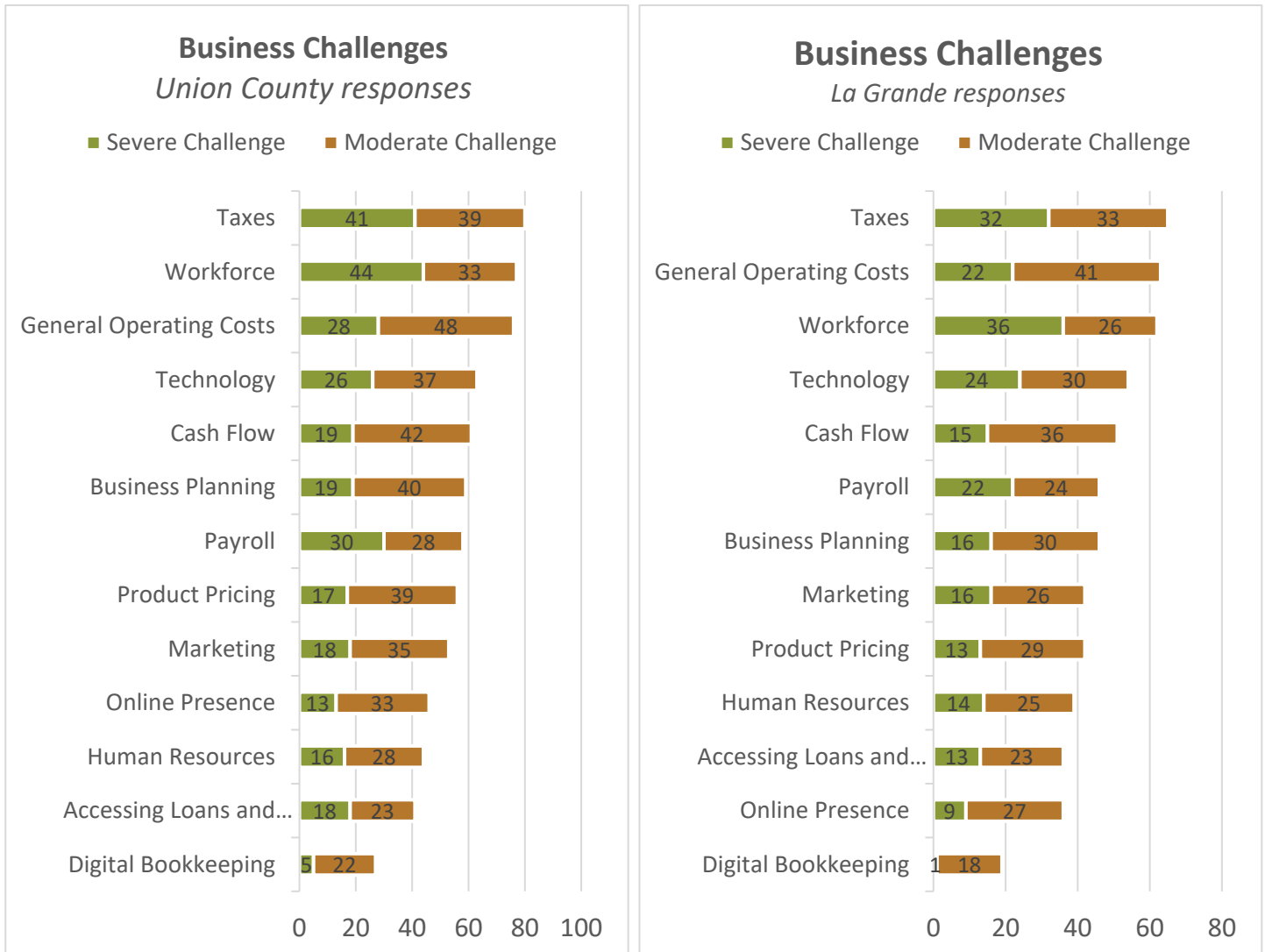
Out of the 118 people surveyed, 11% (13) were minority business owners, and 40% (46) were women business owners. There were 44 responses from downtown La Grande businesses, 46 responses from business located in La Grande (not downtown) and 28 responses from businesses located in the greater Union County including Cove and Island. Below are the survey results for perceived community strengths and weaknesses and business challenges separated by all Union County responses and the La Grande specific business responses.



Workforce Challenges

Seventy-seven respondents (65%) said that they had experienced mild or severe challenges accessing a quality workforce over the past three years. Different types of business have different workforce challenges. Some of the larger employers have the potential to grow but can't find people with the right skills. A number of restaurants and tourism businesses also talked about the inability to find people. During COVID they had a decrease in applicants. Restaurants have had challenges with candidates not showing up for interviews. They are understaffed and struggling to maintain their business.

Some of the more established businesses have seen the workforce change over the years. One business said that over 15 years ago, everyone who worked there “had the potential to be a lead(er), but now they can’t keep good people.” COVID has also complicated finding and keeping quality employees.



Although 53% of all respondents considered workforce a weakness in their area, businesses with six or more employees were two times more likely to consider workforce a weakness. Ninety-one percent of businesses with six or more employees said that accessing quality workforce was a weakness. This number shows that the larger businesses who want to expand are having trouble doing so because of workforce issues.

According to EMSI, from 2015 to 2020, jobs decreased by .4%, but the labor force population increased by 5.3%. The fact that employers are still having issues finding employees, even though there is a large labor force, shows that talent is not aligned with opportunities. Being proactive with training and mentoring the younger labor force to prepare for area jobs is one way to balance out these numbers and support economic growth. One survey respondent suggested, “We need programs to get young

people in the trades, i.e. carpentry, plumbing; etc.” Another option would be to gather more data and understand the talents of the labor force population and attract businesses that are aligned with the skills and talents of the current labor force.

Minority-Owned Business Challenges

Of the business owners surveyed, 13 were minority owned and operated. Minority business leaders were three times more likely to identify business support services as a weakness. In general, minority-owned businesses have expressed difficulty navigating resources to start and sustain a business, and they wish for more business, community, and government support. Many are unaware of services, services are not offered in their language, and they do not feel comfortable utilizing existing services. In general, they are not familiar with business support systems. For example, one interviewee asked, “What does the SBDC do?”

Trust is also a big issue within this demographic. Because many minority business owners have not felt supported, they don’t trust the government and local agencies to help them. This population is more likely to receive support from informal support structures and to access information through word of mouth.

General Small Business Support

Smaller businesses (those that have ten employees or fewer) were more likely to struggle with business challenges including marketing, maintaining an online presence, business planning, and accessing loans. Many businesses mentioned that there is not consistently strong communication between businesses and the city, and that they would like more proactive support.

There is an opportunity here to improve communication with business owners, get them involved in economic planning in the region, and provide information on resources available to them. One person suggested a packet at the beginning of the year with information. The ecosystem resource map developed by the City of La Grande and Ignite attached at the end of this report is a good place to start.

An asset to build from is an interest in the buy local movement and customer loyalty to local businesses. When asked the question, “What is the best thing about having a business in La Grande?” one respondent said, “Some people are great about support local.” Another said they appreciate the loyal customers. This shows there is support for the “buy local” movement in La Grande and there are loyal customers, but there is still an opportunity to help businesses bring in new customers.

Online & Marketing Support

A moderate amount of respondents expressed challenges with online presence and marketing. Most of the suggestions requested support and classes for marketing their business online. Because of the University in the area, one respondent suggested offering, “scholarships for business owners to take some business or marketing classes at EOU.” There may be existing resources in the community that could help with marketing support.

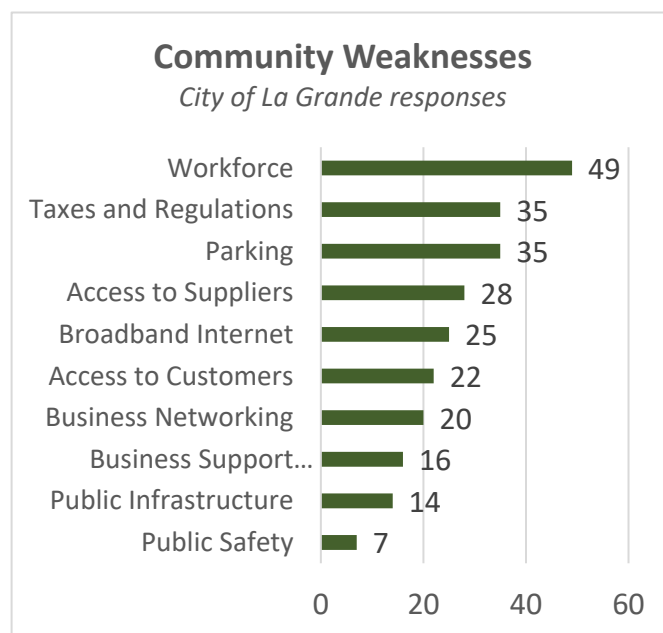
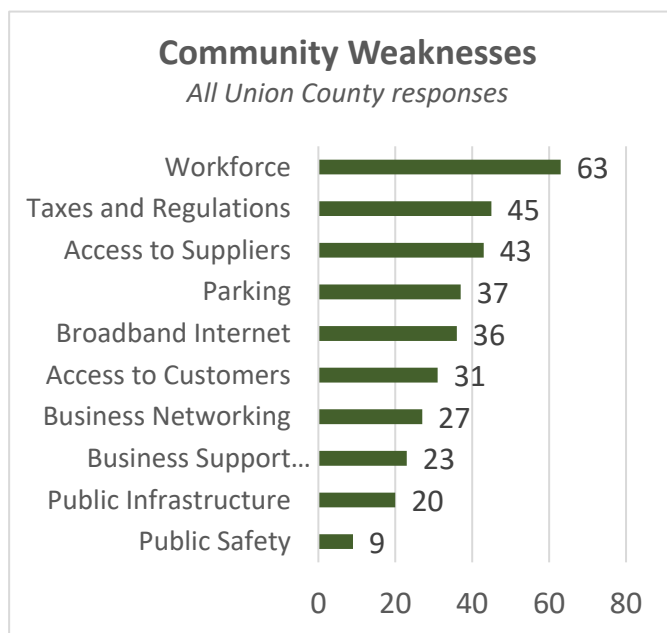
Another example of feedback regarding marketing was around marketing the City of La Grande. One respondent suggested, “Strong new positive image and marketing campaign for the city.” Marketing the city and bringing in more tourism will help with the local economy and bring in more foot traffic for the small business owners especially the La Grande Main Street business owners.

COVID Support

Eighty percent of survey respondents said that COVID impacted their businesses. Many times, the impact was from the shut down, and when businesses opened back up business got better. But many businesses are still struggling because there is less foot traffic, they have lost customers, and access to suppliers has been limited. Many said that COVID has been one of the greatest challenges of their business. For restaurants, the limitations of indoor seating has affected their business but they have been creative in problem solving.

There was a request for more support in applying for Paycheck Protection Program (PPP) funding and grants to cover operating costs so they can get through this period. A handful of businesses said that they only heard about Small Business Administration funding through word of mouth. In some cases, the city reached out, but the businesses did not feel supported in understanding requirements and how to apply for COVID relief funding. Some minority businesses were not able to apply for the PPP loans because they missed the deadline.

Out of all the businesses interviewed, only one said they had to shut down because of COVID. This shows the resiliency of businesses and entrepreneurs in the La Grande area. Some businesses even grew or started during the pandemic. This illustrates businesses are filling a need in their community and that the local community customers have been vital to their success. Many businesses have employees that are committed to creating a safe working environment. Through COVID, some businesses saw an increase in demand and there has been, “more interest in local.”



Taxes & Regulations

This was one of the highest rated perceived business challenges. Feedback from the survey requested tax breaks for startups and small businesses, and people also wanted to see more business support for their taxes. Most of the time the issue around taxes was directed at the state level and not the local level, although one respondent expressed gratefulness that their business wasn't located in La Grande, "due to the excessive taxation."

Some people would like support and more training in tax planning, especially for new businesses. This is an opportunity to provide education and support.

Findings from Desk Research

The data in this report is from 2020 and before and have likely changed because of the economic effects of the pandemic, but the core components of the economy—the challenges as well as competitive advantages and opportunities—will remain relevant or become more important than ever to address in the recovery period. Thoughtful support for businesses and entrepreneurs, and ensuring that support systems and organizations are robust and adequately resourced, will be an essential aspect of recovery in La Grande and in Union County.

Population Demographics

In the next five years, the population of Union County is projected to increase by 5%, and an estimated 3% of that growth will be from people who identify as BIPOC. In 2020, 20% of the younger population (ages 0–30) identify as BIPOC, while only 5% of individuals 60+ identify as BIPOC.²

The City of La Grande and Union County should prepare to celebrate and support the growing young and diverse population. These demographic changes will affect future entrepreneurship, the workforce, and customer base for businesses. Providing a welcoming climate for all people to work and engage in the community will be key to supporting a healthy economy.

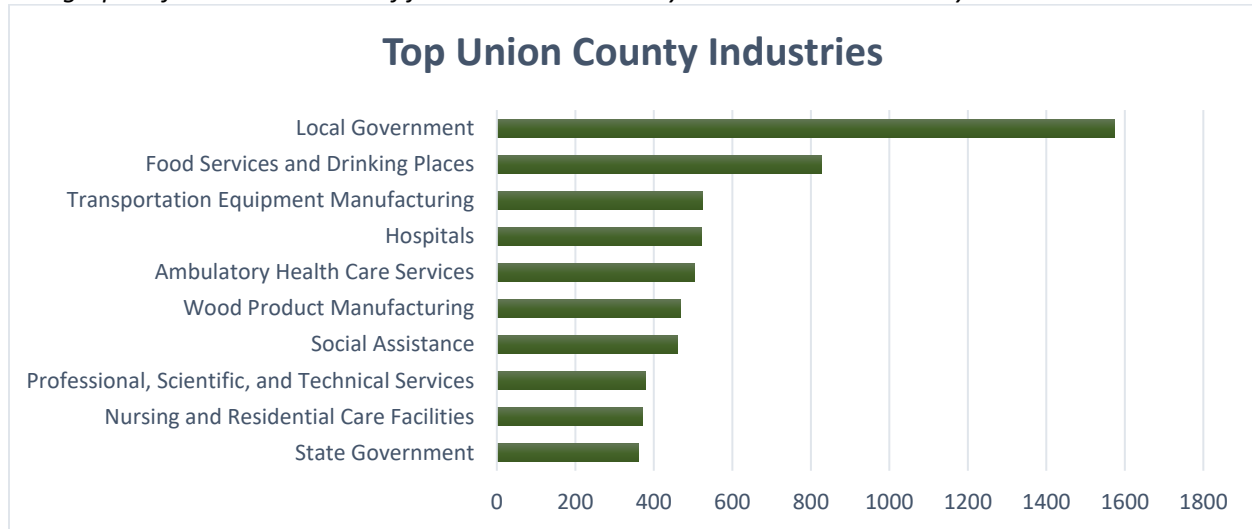
Market Conditions

Market forces are the key driver in thriving businesses and entrepreneurship. Wise entrepreneurs find gaps in markets that they can utilize for profit. The business ecosystem follows a certain pattern. Large-scale industry must look for areas where they can have a competitive advantage nationally or globally. These industries then produce demand that encourage smaller entrepreneurs to develop businesses that can fit into these industries' supply chains. Both these large businesses and smaller businesses then hire workers who create consumer demand, thus developing another avenue for entrepreneurs to start and grow businesses.

² This data is from an EMSI table of Population Demographics.

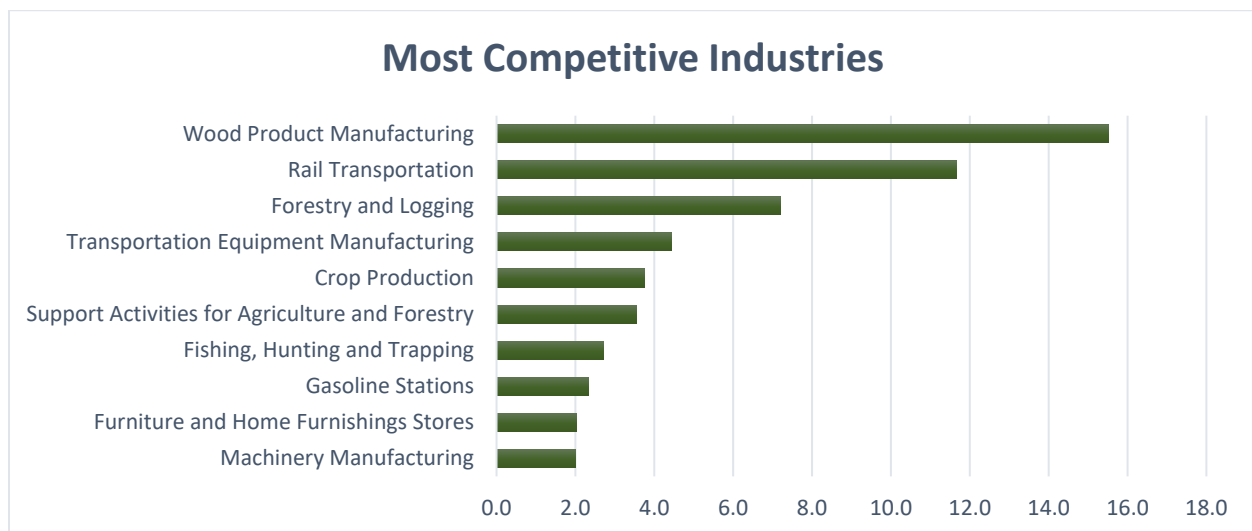
Largest Industries (# of Jobs)³

This graph reflects the number of jobs in various industry sectors in Union County.



Most Competitive Industries (Location Quotient)⁴

For Union County, there is a greater concentration of Wood Product Manufacturing, Forestry and Logging, and Transportation Equipment Manufacturing, Crop Production, etc., than the national average. This likely means that these are sectors to support, though a focus on diversifying the economy might also be appropriate. Here are the industries with the highest location quotients:



³ This data is from an EMSI table Top industries in La Grande based on the number of jobs.

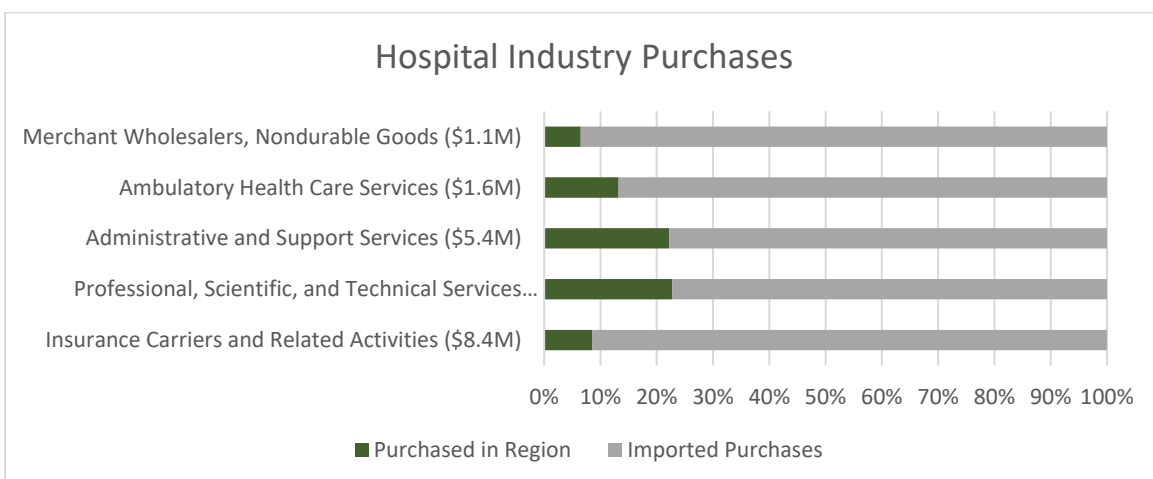
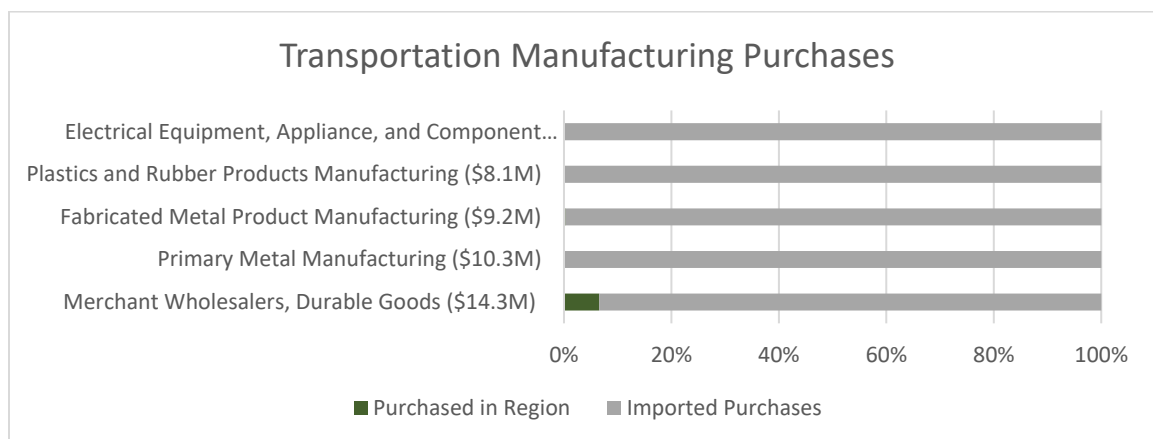
⁴ This data is from an EMSI table of Location Quotient. Location Quotient is a number that rates industry competitiveness for a community compared to a national average of 1.

Where are the opportunities for growth?

Industry

Current economic activity is reflected in the employment numbers of the agricultural support industry, which shows that the large number of agricultural producers has created a large market opportunity for support businesses. But potential for new economic activity – gaps – still exist, and a good way to find those gaps is to look at the amount of money spent outside the region on certain industry purchases.

The charts below look at the purchases of two of the largest industries in the region, Transportation Manufacturing and Hospitals⁵. They show from what industries Manufacturers and Hospitals purchase inputs, and what percent of those purchases are made within Union County. Whenever there is an industry without 100% of purchases within region, there is a gap in the local supply chain that can potentially be exploited. Gaps can be divided into three categories: intra-industry purchases from one business to another, purchases from industries which have no presence in the region (i.e. Plastics and Rubber Products Manufacturing), and purchases from industries that exist in the region, but demand is only partially met by local firms. All three of these gaps can be filled, but gaps in industries that already have a presence in the region are better suited to be filled by new and existing businesses. The below data suggests that there are opportunities for entrepreneurs and local businesses to support existing industries.



⁵ This data is from an EMSI table of Industry purchases within the region

Industry Purchase Analysis

Purchases made within and outside the region are shown below. Purchases made outside the region suggest a gap that a local entrepreneur or business could potentially fill.

Consumer Markets

The majority of businesses and entrepreneurs operate in consumer markets (providing products, goods, and services to individuals and families) rather than fitting into an industry supply chain. These entrepreneurs need to understand what their market is and how much available demand is within that market. ESRI provides estimates on the amount of demand for goods and services there is within a region, how much of that demand is met by local supply, and how much of that demand is unmet by the region. This unmet demand is referred to as industry leakage. The table below shows the top industry leakages in Union County.

Consumer Market Leakage Analysis⁶

Money spent outside of the area – leakage – suggests where there might be opportunity for local businesses and entrepreneurs to fill gaps.

Industry	Leakage
Department Stores	\$12,688,503
Sporting Goods, Hobby, Book, & Music Stores	\$11,880,100
Beer, Wine, & Liquor Stores	\$2,940,089
Home Furnishing Stores	\$1,264,862
Restaurants/Other Eating Places	\$1,093,271
Florists	\$98,982

La Grande is unusual for a rural community in that most of the consumer expenditures are met in town. In fact, La Grande is a hub for the wider region. La Grande's strategic location along I-84 and in the middle of Union County allows many retail businesses to thrive within the community. There are therefore heavy surpluses here (that is, Union County sells more consumer goods and services than is needed by the local community), so the retail market is tight. Entrepreneurs should aim to specialize in order to address a targeted consumer demand.

Retail Surplus Analysis⁷

Surpluses estimate the amount Union County businesses sell to buyers outside the region.

#	Industry	Surplus
1.	Automobile Dealers	\$22,264,539
2.	Grocery Stores	\$10,907,790
3.	General Merchandise Stores	\$10,345,572
4.	Building Material & Supplies Dealers	\$6,852,946
5.	Clothing Stores	\$6,205,978
6.	Electronics and Appliance Stores	\$2,999,909
7.	Specialty Food Stores	\$1,037,445

⁶ ESRI leakage analysis report

⁷ ESRI Retail Surplus report

Change in Number of Business Establishments⁸

Private Household businesses stand out as an unexpected area of growth over the past four years. These establishments include private households employing individuals such as caretakers, maintenance workers, nannies etc.

Description	Increase in # of Establishments 2010-2019
Social Assistance	55
Private Households	49
Construction of Buildings	18
Crop Production	13
Food Services and Drinking Places	10
Merchant Wholesales, Durable Goods	8
Support Activities for Agriculture	7
Administrative and Support Services	6
Wholesale Electronic Markets and Agents	5
Professional, Scientific, and Technical Services	4
Truck Transportation	4

Even with all this data, it is hard to predict where growth will occur. Changes in technology have allowed entrepreneurs to access national markets, which allows them to break away from traditional local supply chains. The table below shows the changes in the number of establishments in each industry from 2015 to 2019. This data accounts for both industry entrances as well as exits, so it does not give us an exact figure of new businesses, but tells us which types of businesses and entrepreneurs are succeeding. While many of these do match what would be expected given the local industries and role as a hub for consumer markets, the large growth of private household businesses is particularly interesting in that it is not in these categories, and may reflect businesses that rely on technology to access their markets. One area of opportunity for La Grande and Union County is to better understand what these businesses are, their needs, and how to more strategically support their growth.

⁸ This data is from an EMSI table of payrolled business locations.

Appendix

1. Common Acronyms

BIPOC: Black, Indigenous, People of Color

CTE: Career Technical Education

DEI: Diversity, Equity, and Inclusion

ED: Economic Development

EMSI: Economic Modeling Data for Labor Market Analytics and Economic Data

ESRI: GIS Mapping Software, Location Intelligence, and Spatial Analytics

EOU: Eastern Oregon University

EOVA: Eastern Oregon Visitors Association

LGSD: La Grande School District

NEOEDD: North East Oregon Economic Development District

OED: Oregon Employment Department

PPP: Paycheck Protection Program - An SBA-backed loan that helps businesses keep their workforce employed during the COVID-19 crisis. Notice: the Paycheck Protection Program (PPP) ended on May 31, 2021. Existing borrowers may be eligible for PPP loan forgiveness. SBA also offers additional COVID-19 relief.

RDI: Rural Development Initiatives

SBDC: Small Business Development Centers-State wide organizations funded through the federal Small Business Association (SBA)

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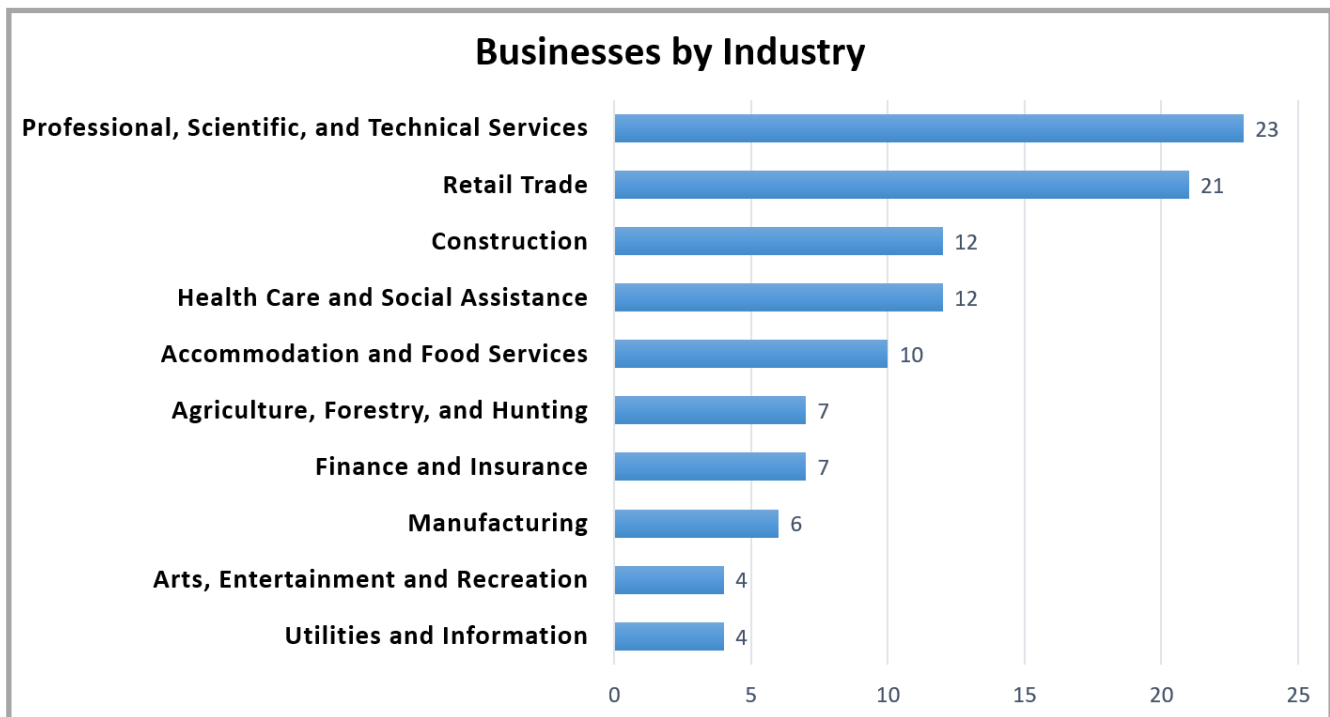
La Grande Business Survey Response Overview

From January until May, 2021, The City of La Grande, RDI, and other area economic development partners conducted a survey of businesses across Union County. Businesses were asked questions about the community business climate, as well as challenges with their own business. This document outlines the results of that survey

118 Total Responses

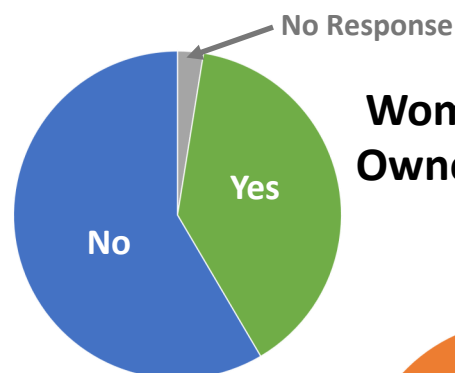
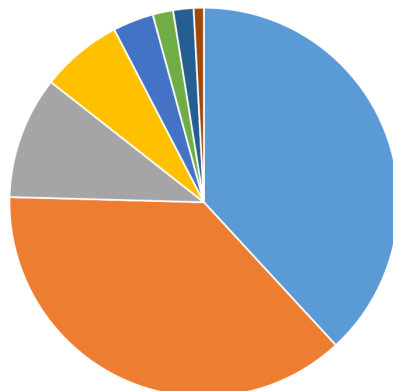
90 From the City of La Grande

28 From Union County (Union, Island, Cove)

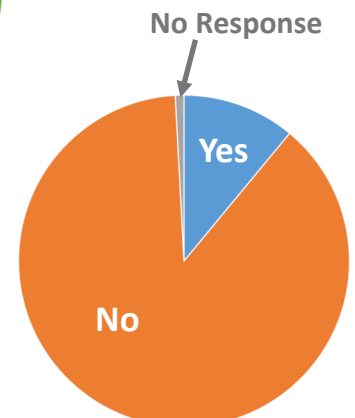


Business Location

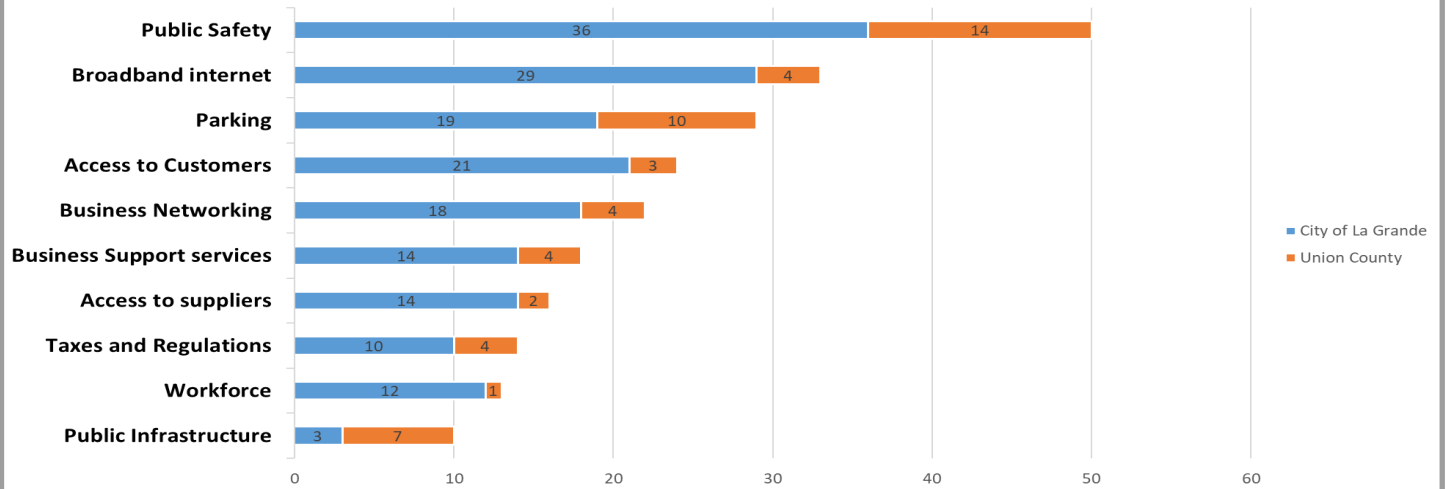
- In La Grande, not downtown
- Downtown La Grande
- Outside of La Grande City Limits
- Island City
- Union
- Cove
- Multiple Locations
- Imbler



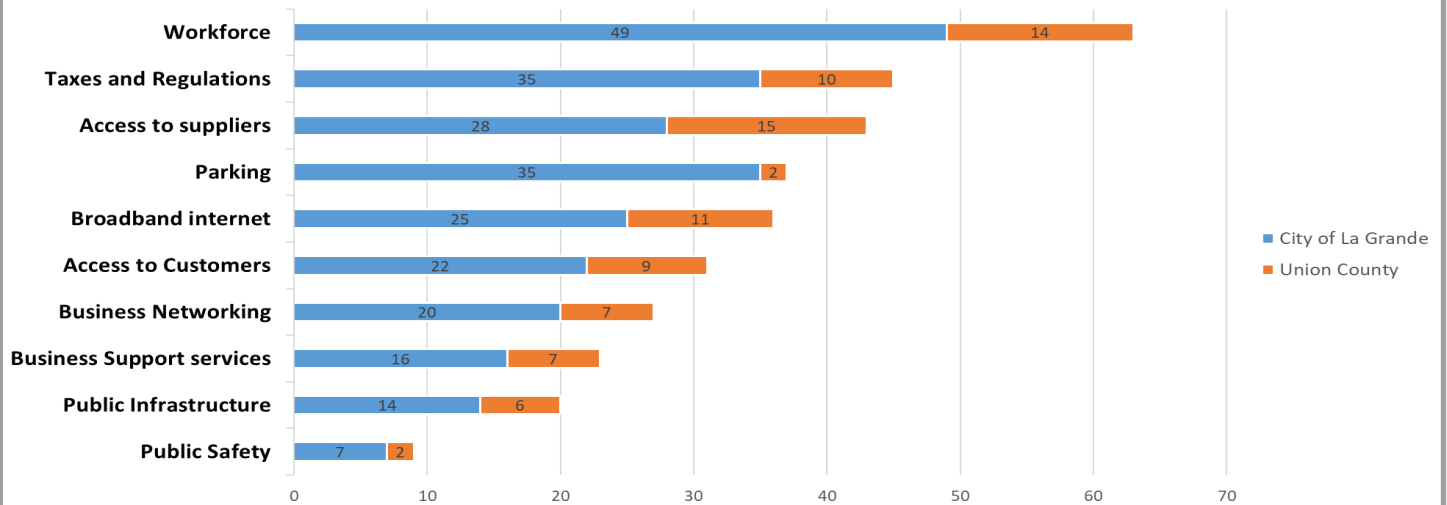
Minority Owned?



Community Strengths

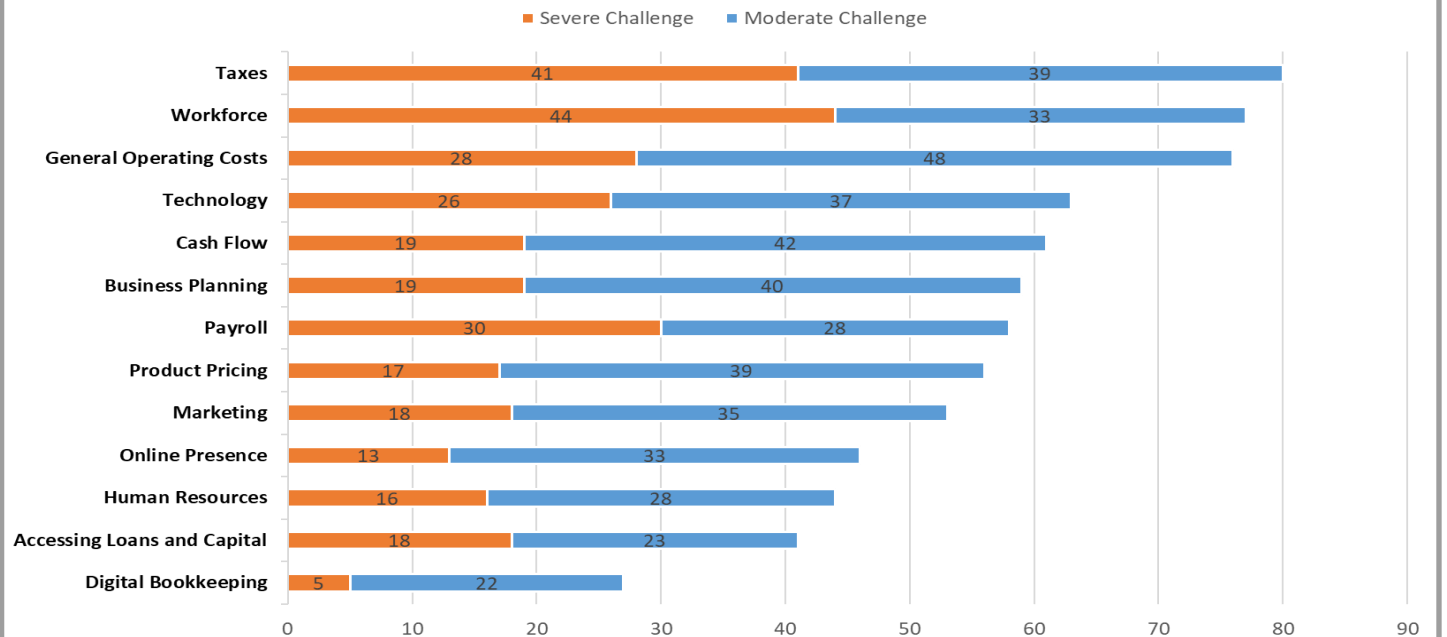


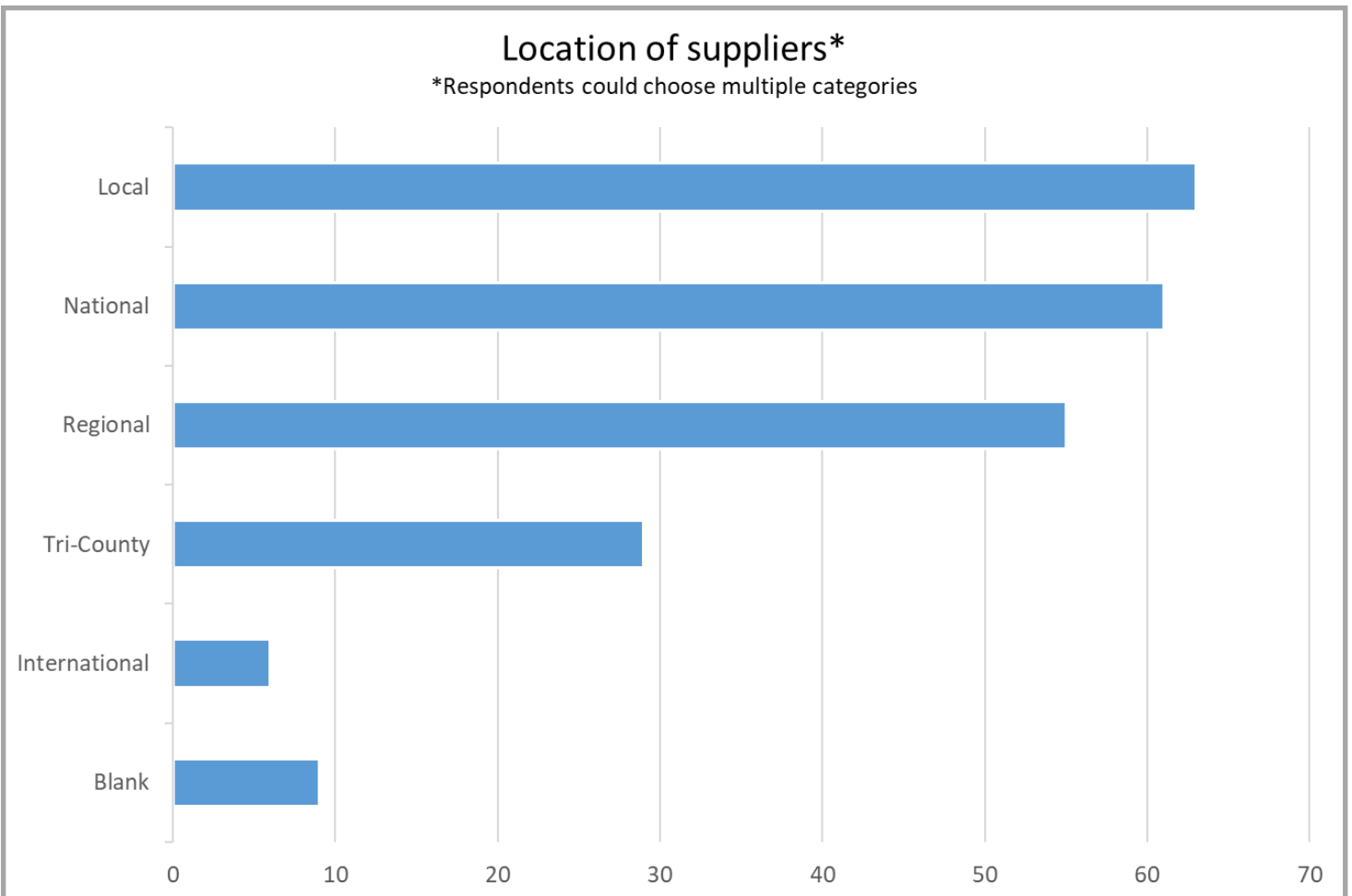
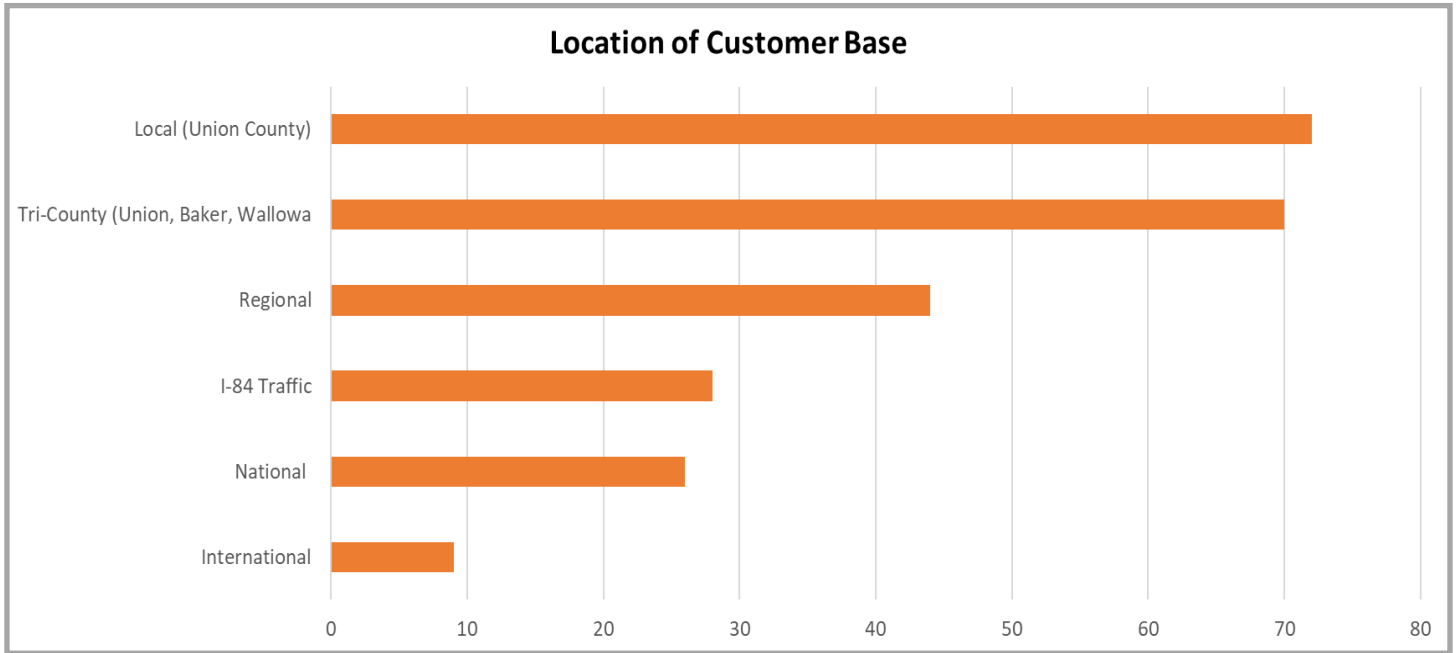
Community Weaknesses

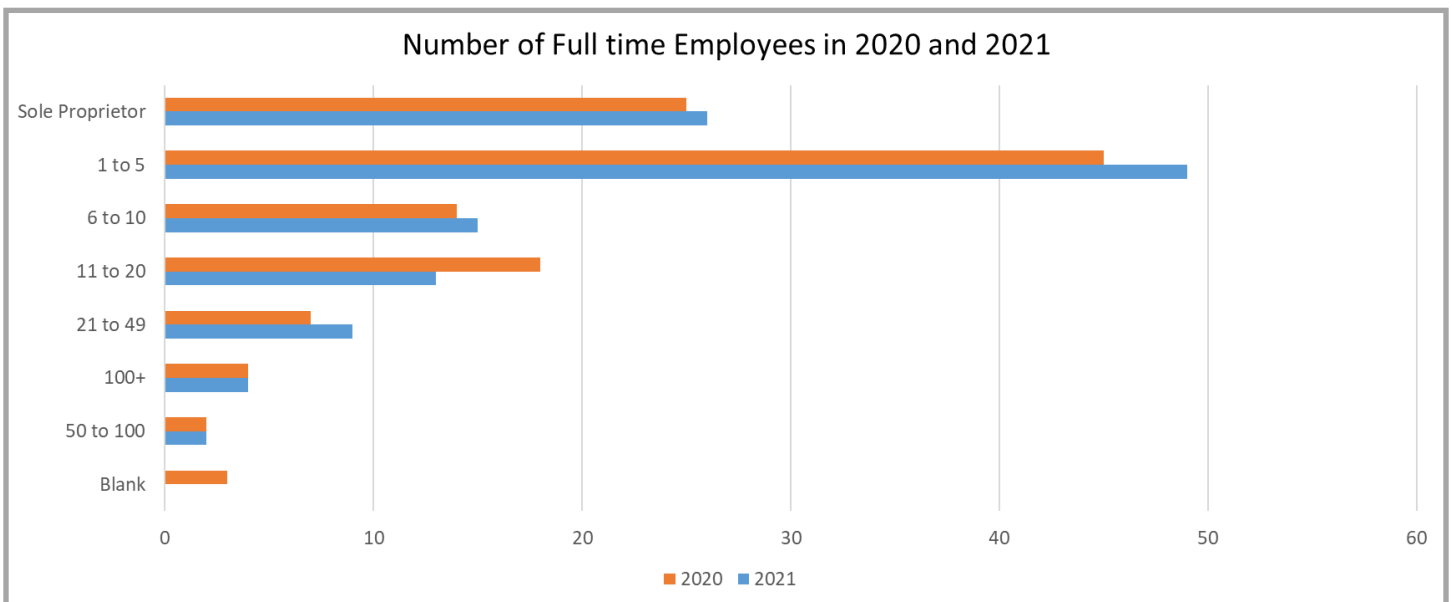
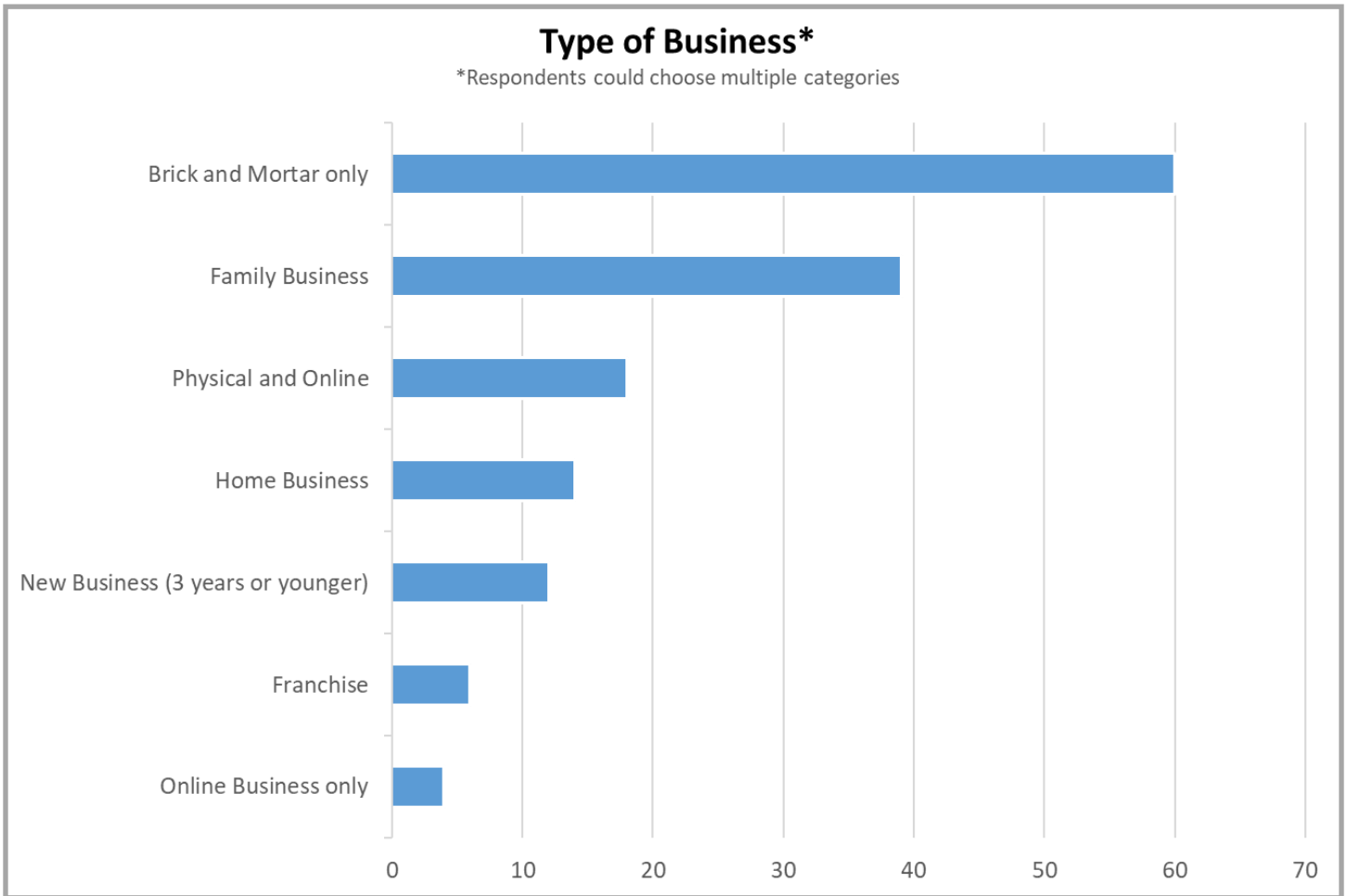


Business Challenges

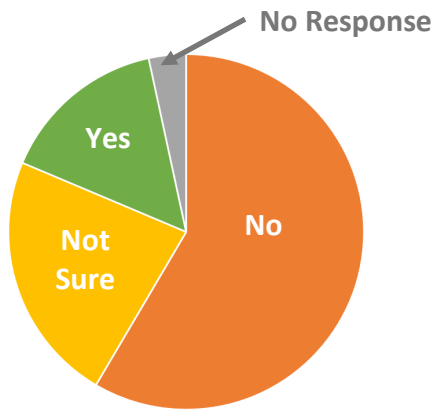
Union County responses



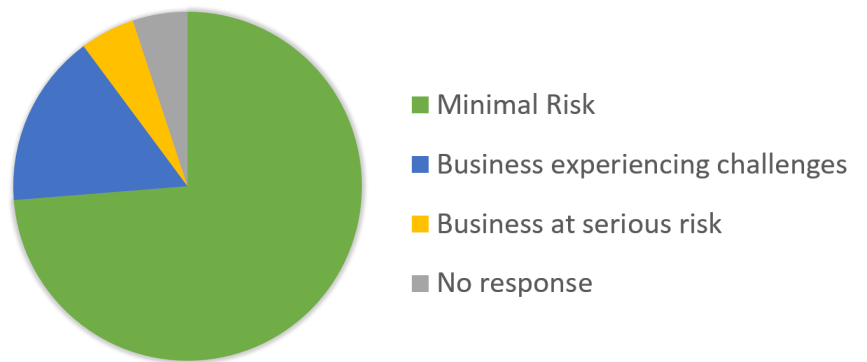




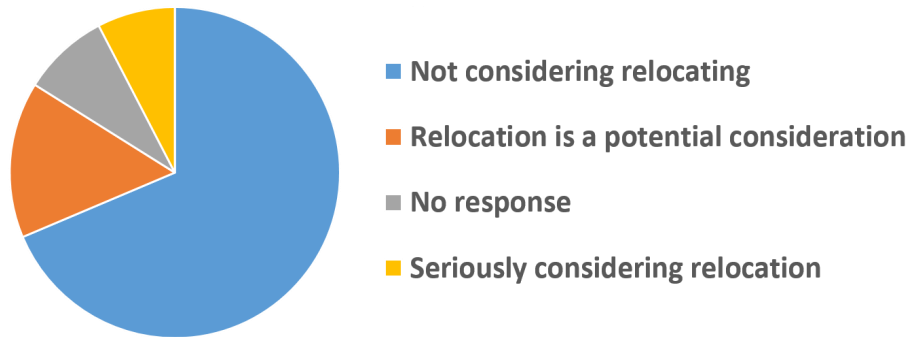
Are you planning on selling or transitioning your business?



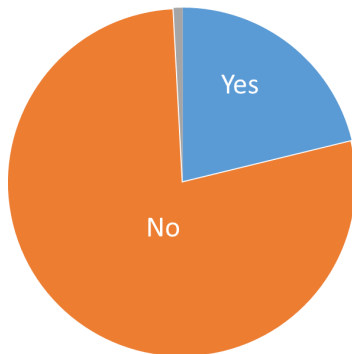
What is the likelihood of your company going out of business?



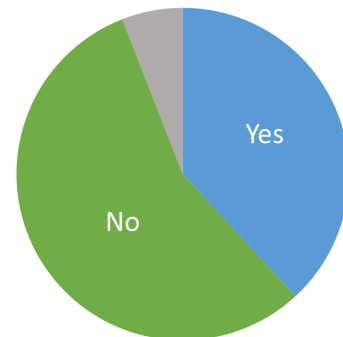
What is the likelihood of your business relocating?



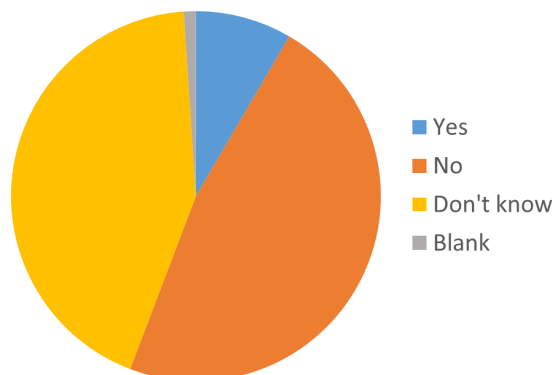
Does your Employment Change Seasonally?



Does your business have plans of expanding in the next 3 years?



Is your Business located in an Urban Renewal District?



This document is a snapshot of the entrepreneur and business ecosystem for La Grande, OR. Because COVID shifted the focus of support from new entrepreneurs to business survival, it has been difficult to understand how entrepreneur needs have shifted due to the pandemic. Nevertheless, this overview highlights some of the assets as well as the challenges and opportunities for the region. This ecosystem snapshot is informed by 145 interviews and surveys conducted in 2020 and 2021 of local entrepreneurs, businesses, and organization.

Human Capital and Workforce

Strengths

28%

of the population in Union County is between 20-30 or 55-65 - age ranges where many people start businesses.¹

Challenges/Opportunities

- Businesses want to expand but have challenges finding **both skilled and general labor** employees.
- Even though there is a University nearby, many times **students do not stay in the area** once they graduate. The percent of the population of Union County with a Bachelor's degree or higher is 25%, which is **6% below the national average**.² This has implications for the likelihood of individuals to become entrepreneurs, and for entrepreneurs to be successful.
- There is an opportunity to develop programs and partnerships that encourage and educate the youth about a **career in the trades**.



Social Capital



Strengths

- Many survey respondents expressed appreciation for the networking in the region such as opportunities created by Ignite La Grande.



Challenges/Opportunities

- An equal number of respondents identified business networking as a weakness, so **expanding existing networking** is an opportunity for the region.
- Interviews with minority entrepreneurs and business owners particularly highlighted the **need for networking opportunities** among this group.

¹ 2019 US Census Age and Sex Data table:
<https://data.census.gov>

² 2019 US Census Educational Attainment Data table:
<https://data.census.gov/>

Education and Technical Assistance

Strengths

- The region has a **number of support providers** such as Ignite La Grande, Union County Chamber of Commerce, Northeast Oregon Economic Development District, and the Small Business Development Center.
- Eastern Oregon University makes **education more attainable** and also attracts people to the area.

Challenges/Opportunities

- Support agencies and particularly Ignite La Grande can provide more technical assistance to **early stage entrepreneurs** during the post pandemic recovery.
- Interviews of minority entrepreneurs and business owners particularly highlighted the need for **building stronger trust** and relationships with this group by service providers.
- Provide **marketing training and support**, and particularly support with establishing an online presence for businesses and entrepreneurs.
- There is room to develop stronger coordination and **partnerships between support providers** in order to use limited resources for the greatest impact.
- Support entrepreneurs and businesses with **general business management skills**.

Culture

Strengths

- There is a **diversity of small business owners** and entrepreneurs in La Grande's downtown area.
- The "Buy Local" movement has caught on in La Grande and many business owners have appreciated the number of regular customers who intentionally shop at the local stores.



Challenges/Opportunities

- The pandemic was focused on the **survival of businesses**. The post pandemic recovery can enhance the culture of entrepreneurship to build new businesses and enhance community economic vitality.
- There has been a history of **arts and music** drawing people to the downtown and this could be resumed.



Place Based Assets

Strengths

- The close proximity of La Grande to the I-84 corridor makes it an **easy place to visit** and provides easy transportation access for shipping products.
- The **natural beauty and outdoor activities** in the area bring many tourists out to Eastern Oregon who make a stop in La Grande.
- **Ignite La Grande** is a resource for entrepreneurs and small businesses.

Challenges/Opportunities

- **Broadband limitations** affect business success.
- **Winter weather** decreases seasonal business sales - especially when the roads aren't cleared quickly.



Financial Capital



Strengths

- There are **supporting organizations** in the area such as NEOEDD that have provided support in guidance for businesses looking for loans or grants during the pandemic. Many who benefited from these services were very grateful to have guidance in finding the financial supports.

Challenges/Opportunities

- There are **limited opportunities** for entrepreneurs to **access capital**. Entrepreneurs need support in this area. Creative approaches such as partnerships can help fill gaps.

Government Policy & Regulations

Strengths

- The City of La Grande is prioritizing entrepreneurship through staffing and grants.



Challenges/Opportunities

- **State and local taxes** were listed as one of the top business challenge by survey respondents.
- **Planning and zoning ordinances** are seen as a major obstacle for some La Grande businesses.





Union County, OR

Oregon

Contents

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Historic & Projected Trends	8
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Industry Characteristics	16
Business Characteristics	21
Workforce Characteristics	23
Educational Pipeline	29
In-Demand Skills	30

Report Parameters

1 County

41061	Union County, OR
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Class of Worker

QCEW Employees, Non-QCEW Employees, and Self-Employed

The information in this report pertains to the chosen geographical area.

Economy Overview

26,551

Population (2020)

Population **grew by 831** over the last 5 years and is projected to **grow by 1,093** over the next 5 years.

11,351

Total Regional Employment

Jobs **decreased by 50** over the last 5 years but are projected to **grow by 652** over the next 5 years.

\$52.2K

Median Household Income (2019)

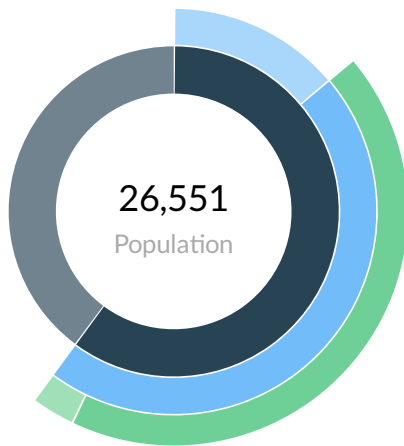
Median household income is **\$10.7K below** the national median household income of \$62.8K.

Takeaways

- As of 2020 the region's population **increased by 3.2%** since 2015, growing by 831. Population is expected to **increase by 4.1%** between 2020 and 2025, adding 1,093.
- From 2015 to 2020, jobs **declined by 0.4%** in Union County, OR from 11,401 to **11,351**. This change **fell short of the national growth rate of 0.0% by 0.4%**. As the number of jobs declined, the **labor force participation rate increased from 71.8% to 77.1% between 2015 and 2020**.
- Concerning educational attainment, **17.1% of Union County, OR residents possess a Bachelor's Degree** (3.0% below the national average), and **9.9% hold an Associate's Degree** (1.3% above the national average).
- The top three industries in 2020 are Education and Hospitals (Local Government), Restaurants and Other Eating Places, and General Medical and Surgical Hospitals.

	Population (2020)	Labor Force (2020)	Jobs (2020)	Cost of Living	GRP	Imports	Exports
Region	26,551	12,288	11,351	116.8	\$1.01B	\$1.79B	\$1.79B
State	4,241,507	2,127,773	2,076,330	119.2	\$248.55B	\$215.24B	\$252.45B

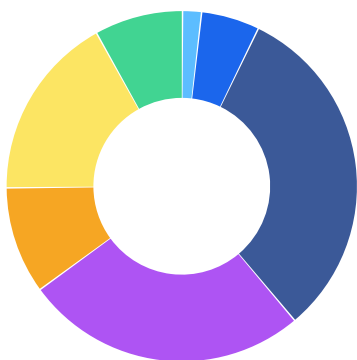
2020 Labor Force Breakdown



	Population
● Employable Population	15,948
● Not in Labor Force	3,660
● Labor Force	12,288
● Employed	11,484
● Unemployed	804
● Unemployable Population	10,603

Educational Attainment

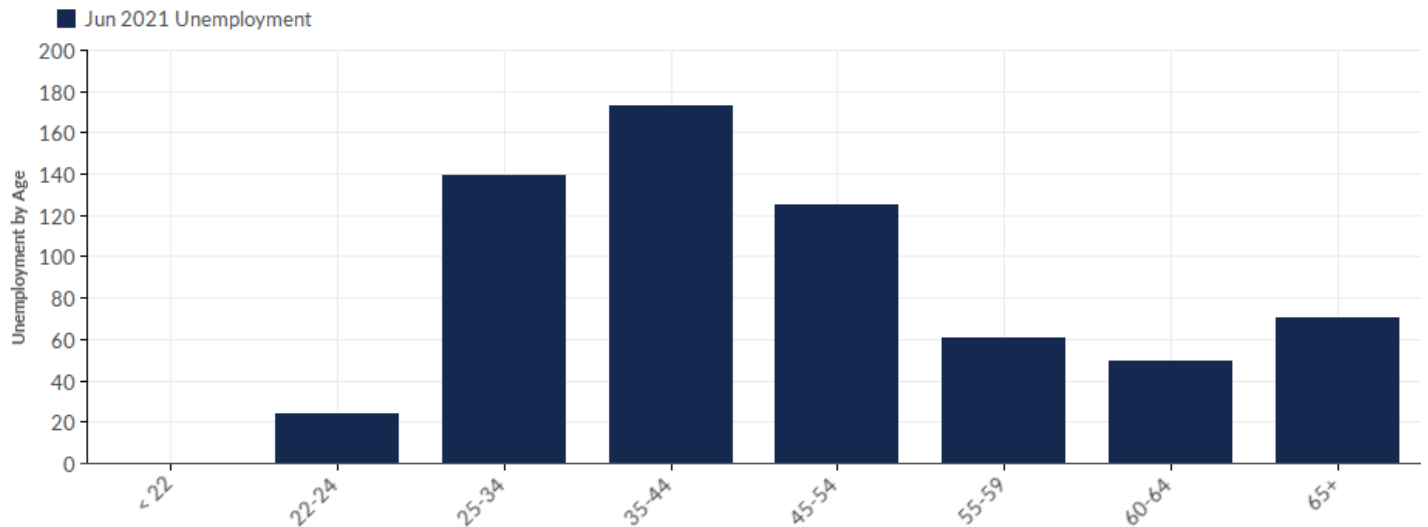
Concerning educational attainment, **17.1% of Union County, OR residents possess a Bachelor's Degree** (3.0% below the national average), and **9.9% hold an Associate's Degree** (1.3% above the national average).



	% of Population	Population
● Less Than 9th Grade	1.7%	311
● 9th Grade to 12th Grade	5.4%	959
● High School Diploma	31.7%	5,643
● Some College	26.1%	4,653
● Associate's Degree	9.9%	1,760
● Bachelor's Degree	17.1%	3,041
● Graduate Degree and Higher	8.2%	1,452

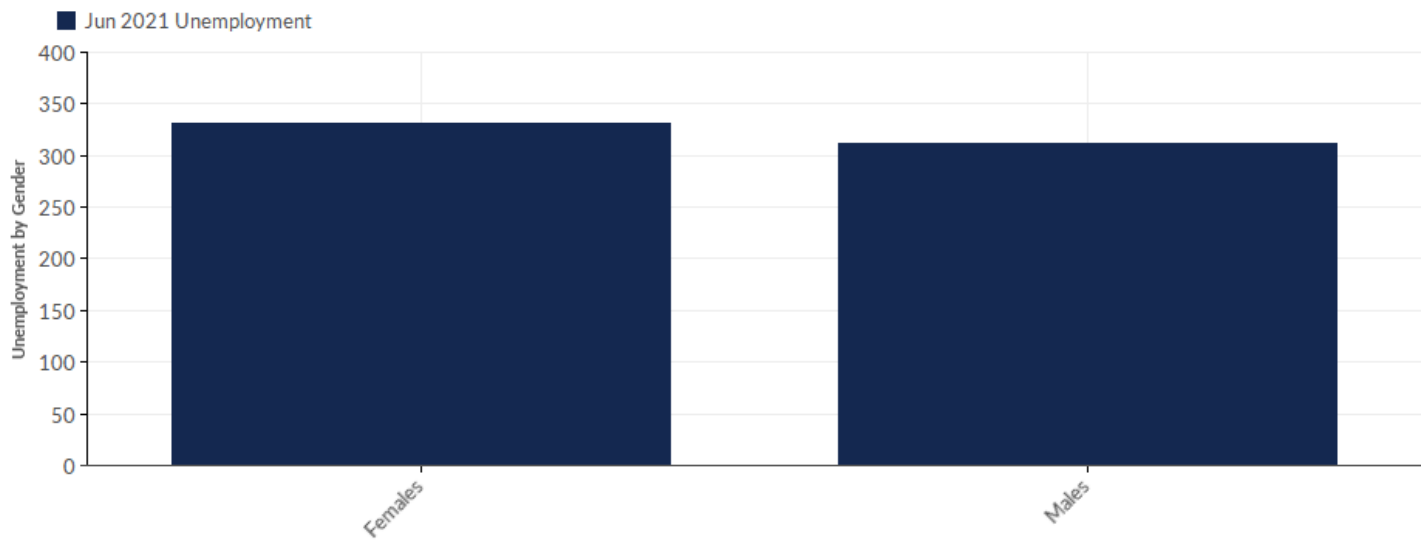
Unemployment by Demographics

Unemployment by Age



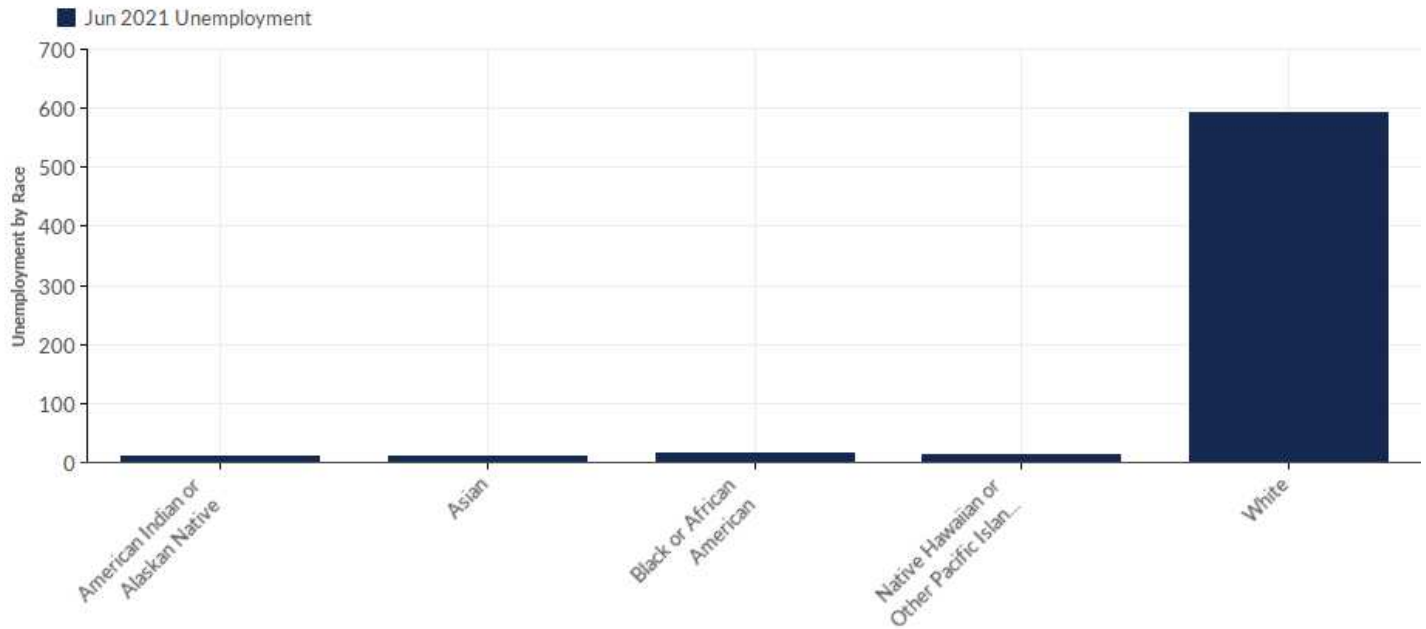
Age	Unemployment (Jun 2021)	% of Cohort
< 22	0	0.00%
22-24	24	3.74%
25-34	139	21.65%
35-44	173	26.95%
45-54	125	19.47%
55-59	60	9.35%
60-64	50	7.79%
65+	71	11.06%
Total	642	100.00%

Unemployment by Gender



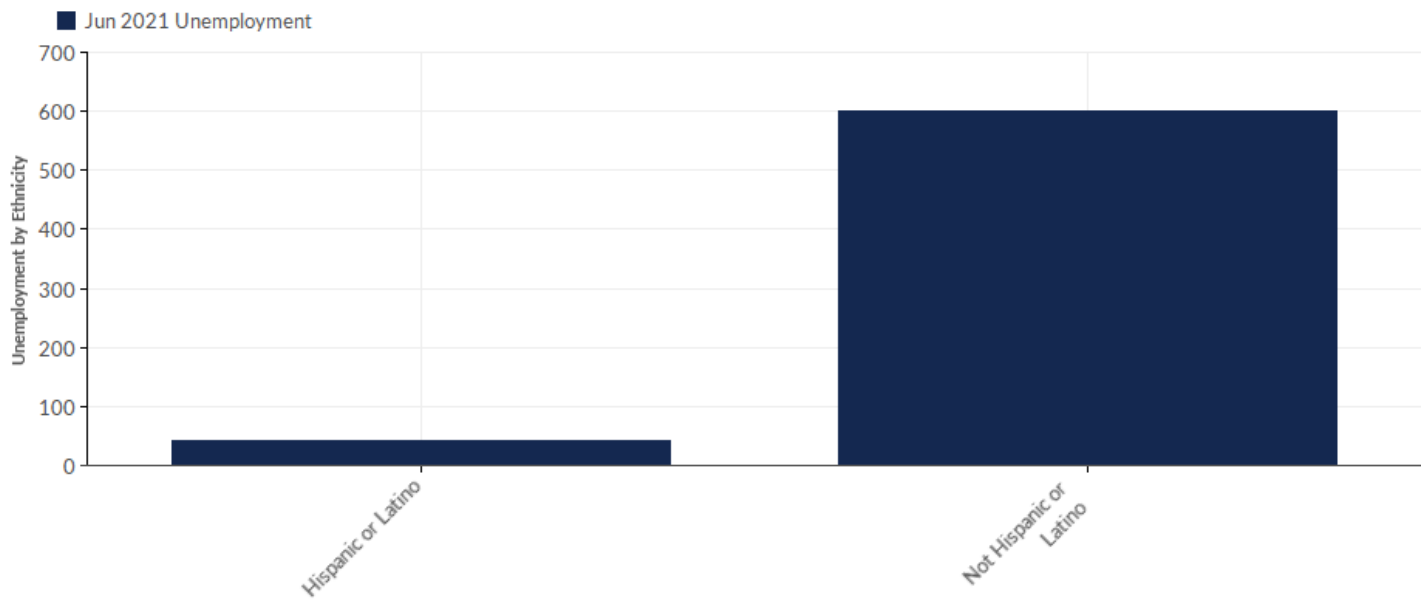
Gender	Unemployment (Jun 2021)	% of Cohort
Females	331	51.56%
Males	311	48.44%
Total	642	100.00%

Unemployment by Race



Race	Unemployment (Jun 2021)	% of Cohort
American Indian or Alaskan Native	12	1.87%
Asian	10	1.56%
Black or African American	16	2.49%
Native Hawaiian or Other Pacific Islander	12	1.87%
White	592	92.21%
Total	642	100.00%

Unemployment by Ethnicity

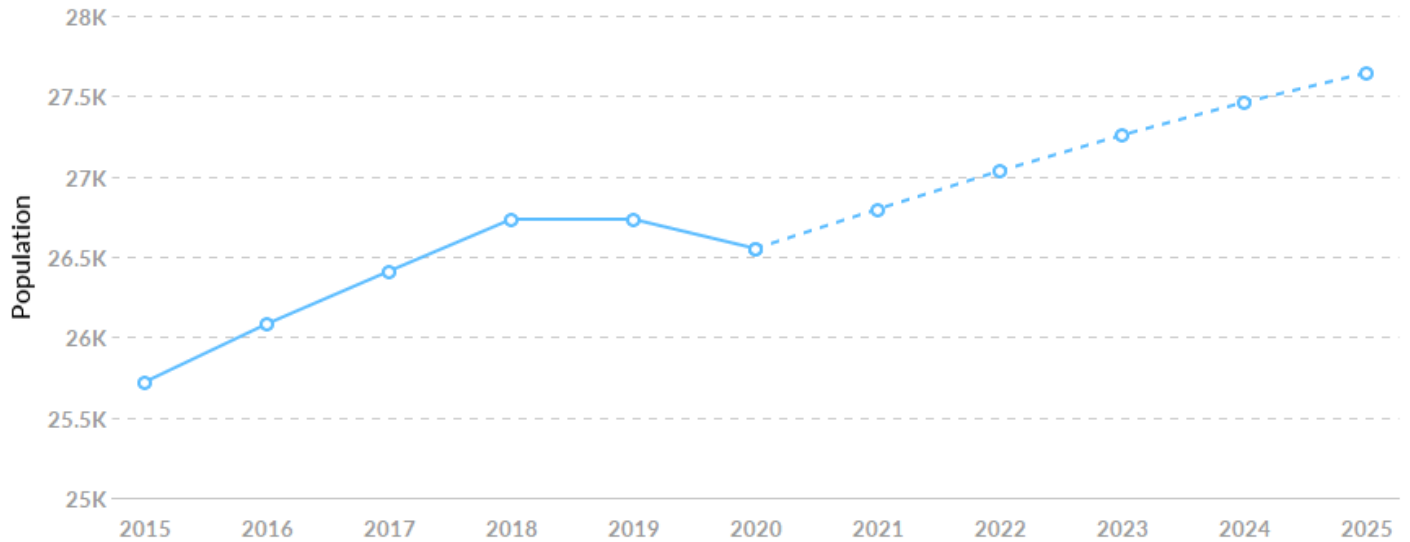


Ethnicity	Unemployment (Jun 2021)	% of Cohort
Hispanic or Latino	42	6.54%
Not Hispanic or Latino	600	93.46%
Total	642	100.00%

Historic & Projected Trends

Population Trends

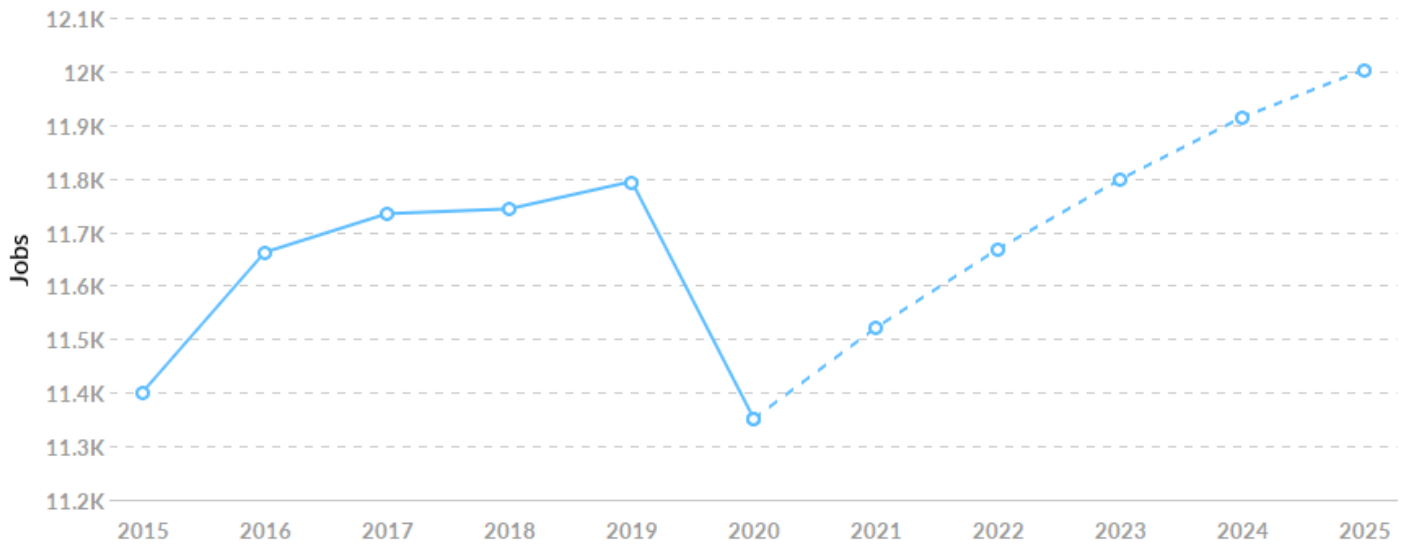
As of 2020 the region's population **increased by 3.2%** since 2015, growing by 831. Population is expected to **increase by 4.1%** between 2020 and 2025, adding 1,093.



Timeframe	Population
2015	25,720
2016	26,082
2017	26,410
2018	26,733
2019	26,733
2020	26,551
2021	26,796
2022	27,034
2023	27,257
2024	27,461
2025	27,644

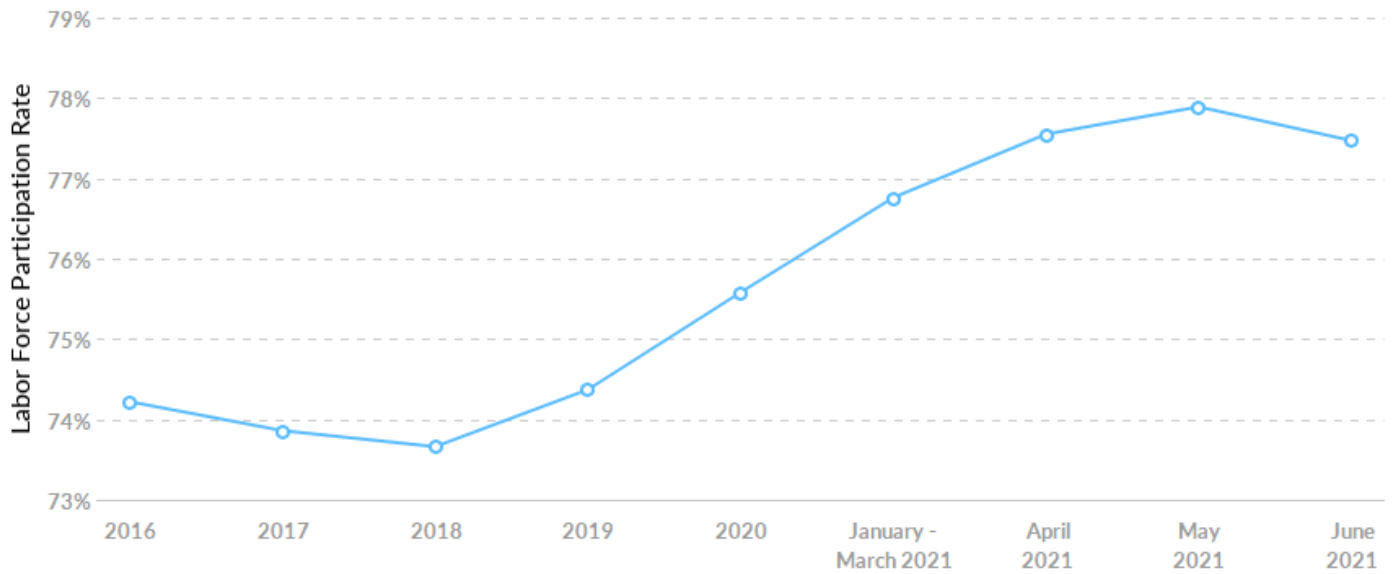
Job Trends

From 2015 to 2020, jobs **declined by 0.4%** in Union County, OR from 11,401 to **11,351**. This change **fell short of the national growth rate of 0.0% by 0.4%**.



Timeframe	Jobs
2015	11,401
2016	11,662
2017	11,734
2018	11,743
2019	11,794
2020	11,351
2021	11,521
2022	11,668
2023	11,798
2024	11,914
2025	12,003

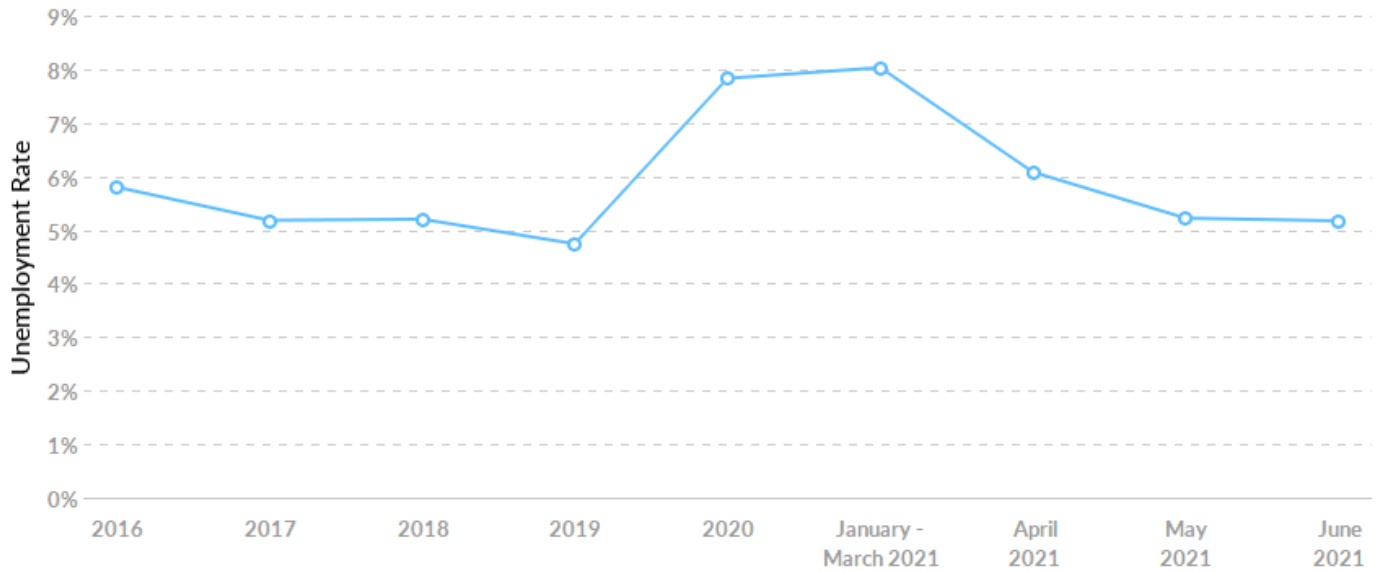
Labor Force Participation Rate Trends



Timeframe	Labor Force Participation Rate
2016	74.22%
2017	73.86%
2018	73.66%
2019	74.37%
2020	75.58%
January - March 2021	76.76%
April 2021	77.55%
May 2021	77.89%
June 2021	77.47%

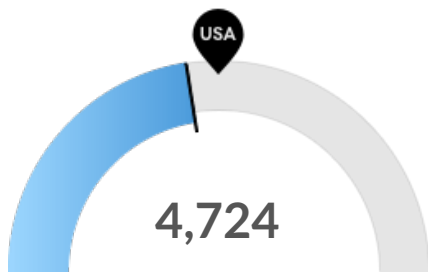
Unemployment Rate Trends

Union County, OR had a June 2021 unemployment rate of 5.17%, **decreasing from 5.80%** 5 years before.



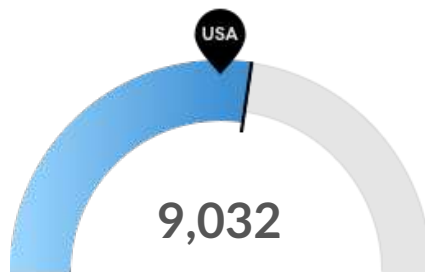
Timeframe	Unemployment Rate
2016	5.80%
2017	5.18%
2018	5.20%
2019	4.74%
2020	7.83%
January - March 2021	8.03%
April 2021	6.08%
May 2021	5.22%
June 2021	5.17%

Population Characteristics



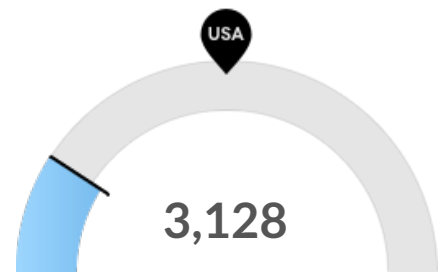
Millennials

Union County, OR has 4,724 millennials (ages 25-39). The national average for an area this size is 5,471.



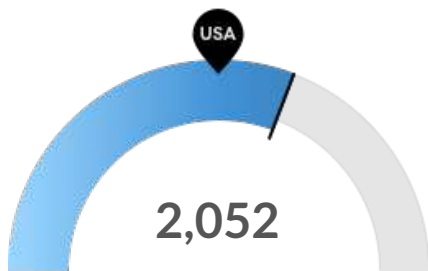
Retiring Soon

Retirement risk is high in Union County, OR. The national average for an area this size is 7,902 people 55 or older, while there are 9,032 here.



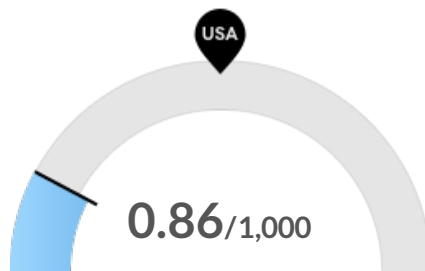
Racial Diversity

Racial diversity is low in Union County, OR. The national average for an area this size is 10,694 racially diverse people, while there are 3,128 here.



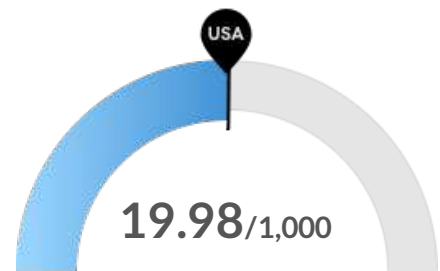
Veterans

Union County, OR has 2,052 veterans. The national average for an area this size is 1,484.



Violent Crime

Union County, OR has 0.86 violent crimes per 1,000 people. The national rate is 3.53 per 1,000 people.

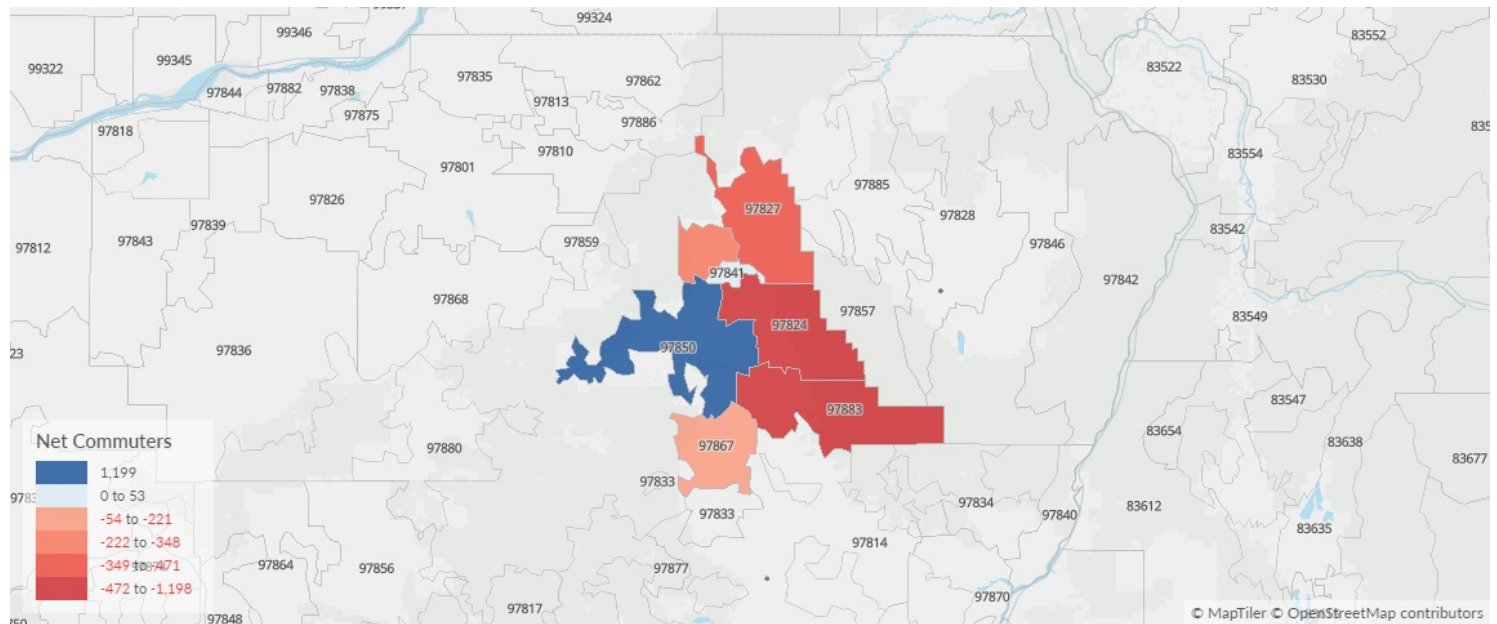


Property Crime

Union County, OR has 19.98 property crimes per 1,000 people. The national rate is 19.78 per 1,000 people.

Place of Work vs Place of Residence

Understanding where talent in Union County, OR currently works compared to where talent lives can help you optimize site decisions.



Where Talent Works

ZIP	Name	2020 Employment
97850	La Grande, OR (in Union...	9,270
97827	Elgin, OR (in Union cou...	732
97883	Union, OR (in Union cou...	432
97824	Cove, OR (in Union cou...	377
97867	North Powder, OR (in U...	286

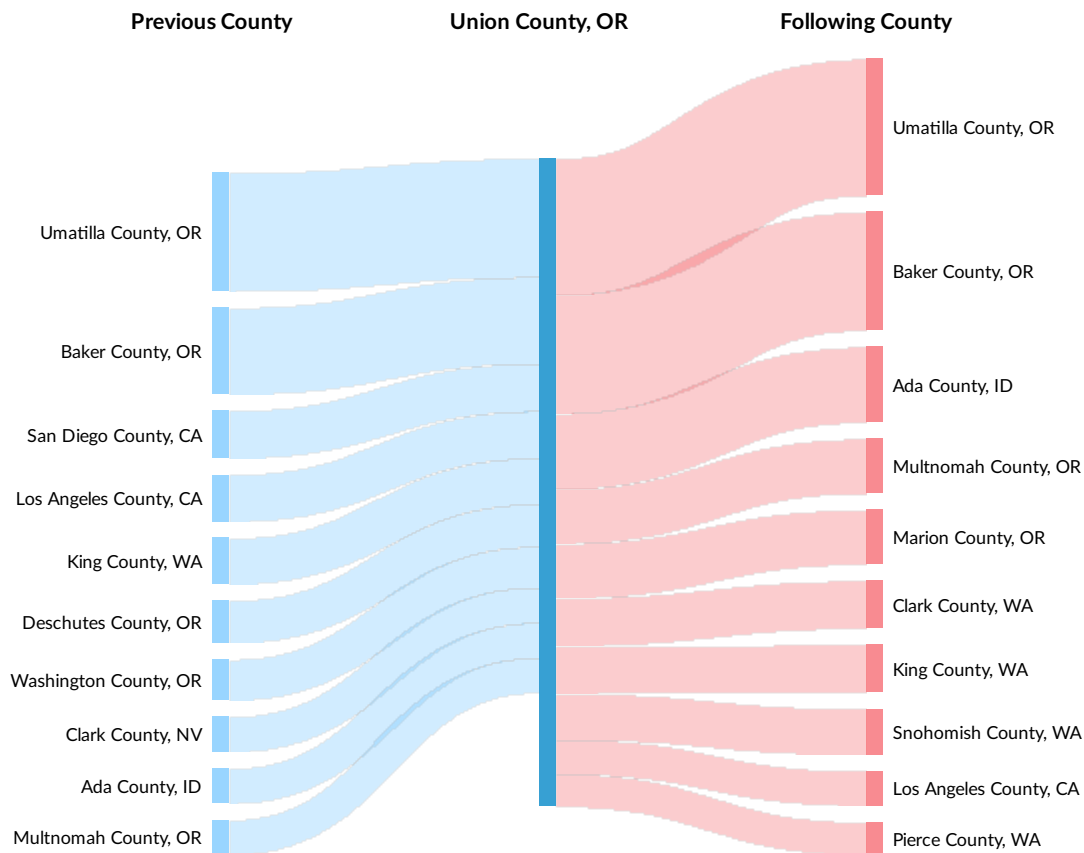
Where Talent Lives

ZIP	Name	2020 Workers
97850	La Grande, OR (in Union...	8,071
97827	Elgin, OR (in Union cou...	1,080
97883	Union, OR (in Union cou...	904
97824	Cove, OR (in Union cou...	859
97876	Summerville, OR (in Uni...	341

Inbound and Outbound Migration

The table below analyzes past and current residents of Union County, OR. The left column shows residents of other counties migrating to Union County, OR. The right column shows residents migrating from Union County, OR to other counties.

As of 2019, 87 people have migrated from Umatilla County, OR to Union County, OR. In the same year, 100 people left Union County, OR migrating to Umatilla County, OR. The total Net Migration for Union County, OR in 2018 was -17.

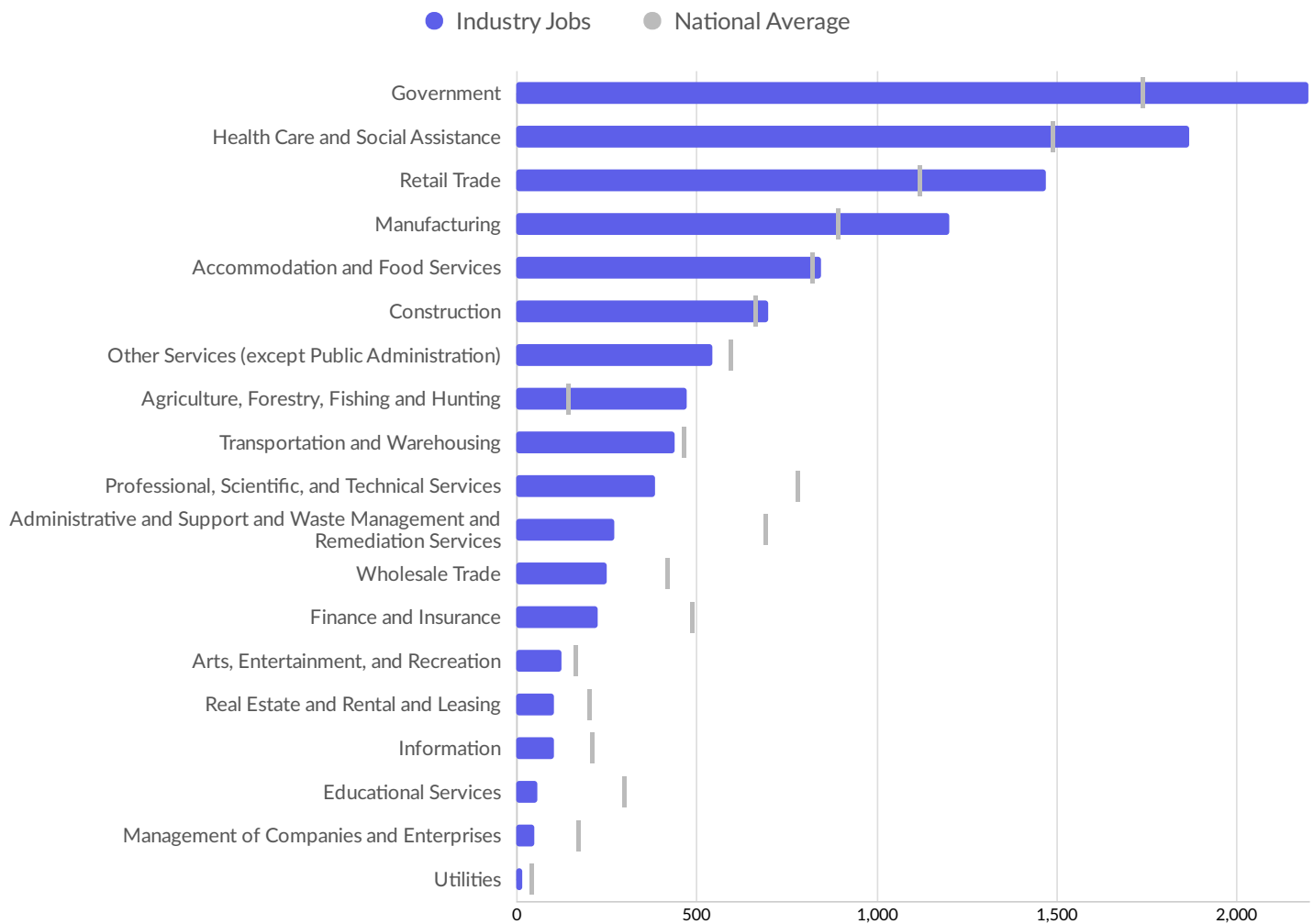


Top Previous Counties	Migrations
Umatilla County, OR	87
Baker County, OR	63
San Diego County, CA	35
Los Angeles County, CA	34
King County, WA	34
Deschutes County, OR	31

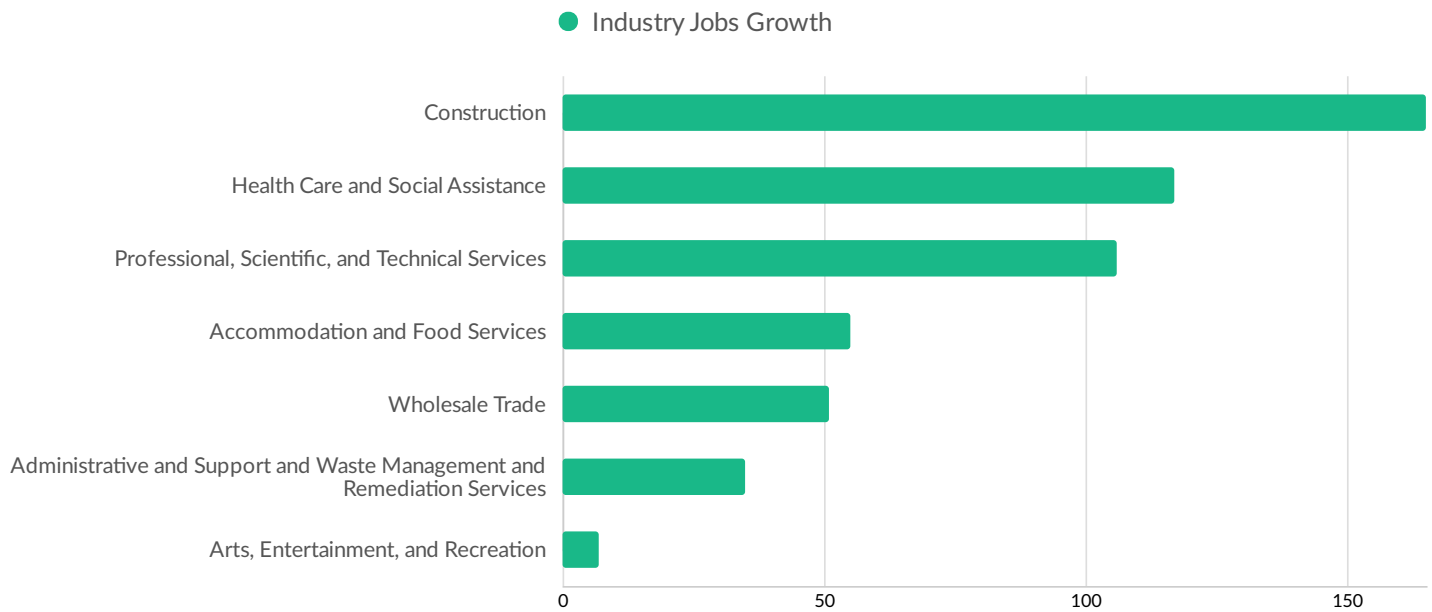
Top Previous Counties	Migrations
Washington County, OR	30
Clark County, NV	26
Ada County, ID	26
Multnomah County, OR	26
Polk County, OR	24
Lane County, OR	22
Klamath County, OR	19
Wallowa County, OR	18
Maricopa County, AZ	18
Top Following Counties	Migrations
Umatilla County, OR	100
Baker County, OR	87
Ada County, ID	55
Multnomah County, OR	40
Marion County, OR	40
Clark County, WA	35
King County, WA	35
Snohomish County, WA	34
Los Angeles County, CA	25
Pierce County, WA	24
Lane County, OR	23
Washington County, OR	20
Deschutes County, OR	19
Salt Lake County, UT	15
Canyon County, ID	15

Industry Characteristics

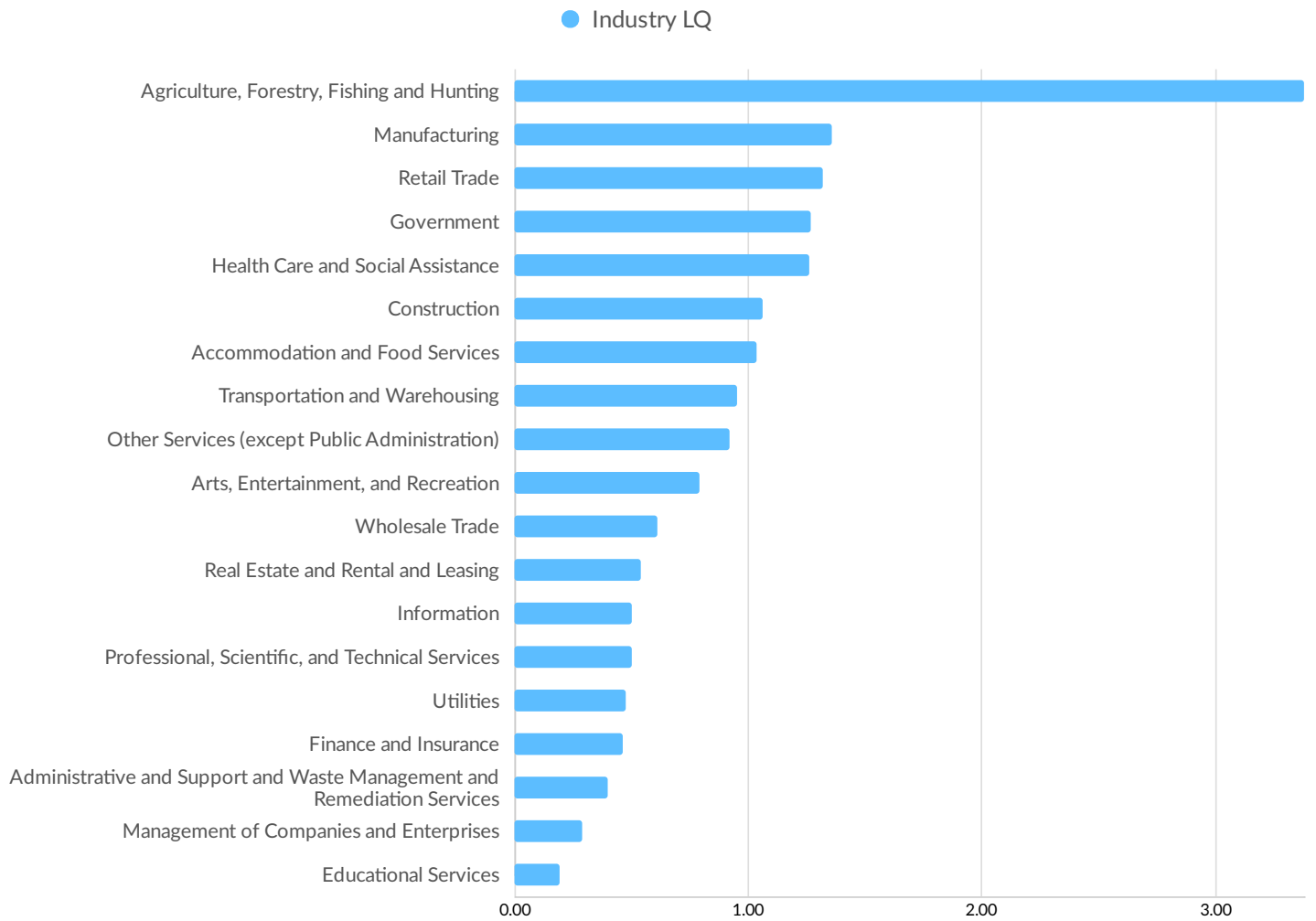
Largest Industries



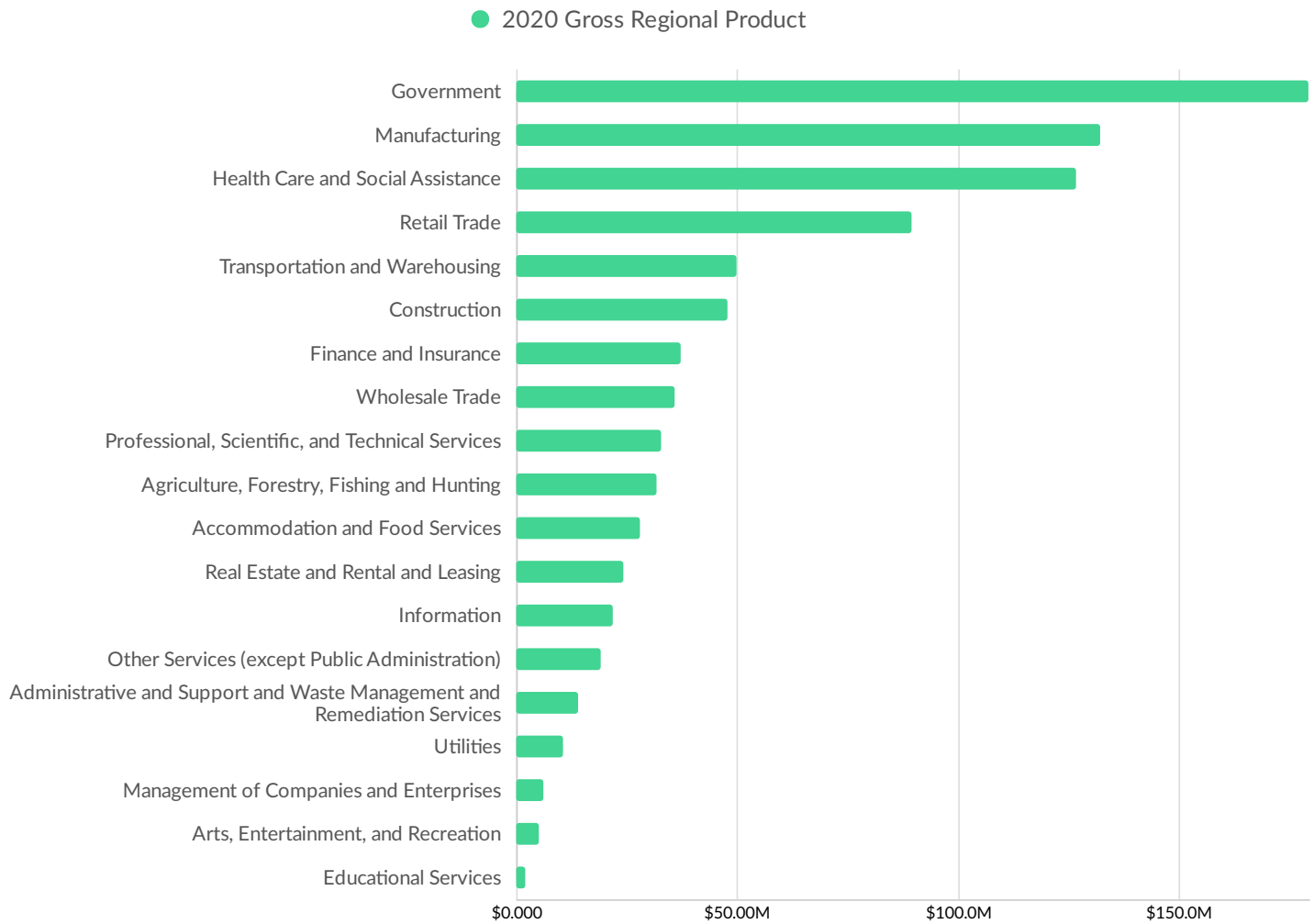
Top Growing Industries



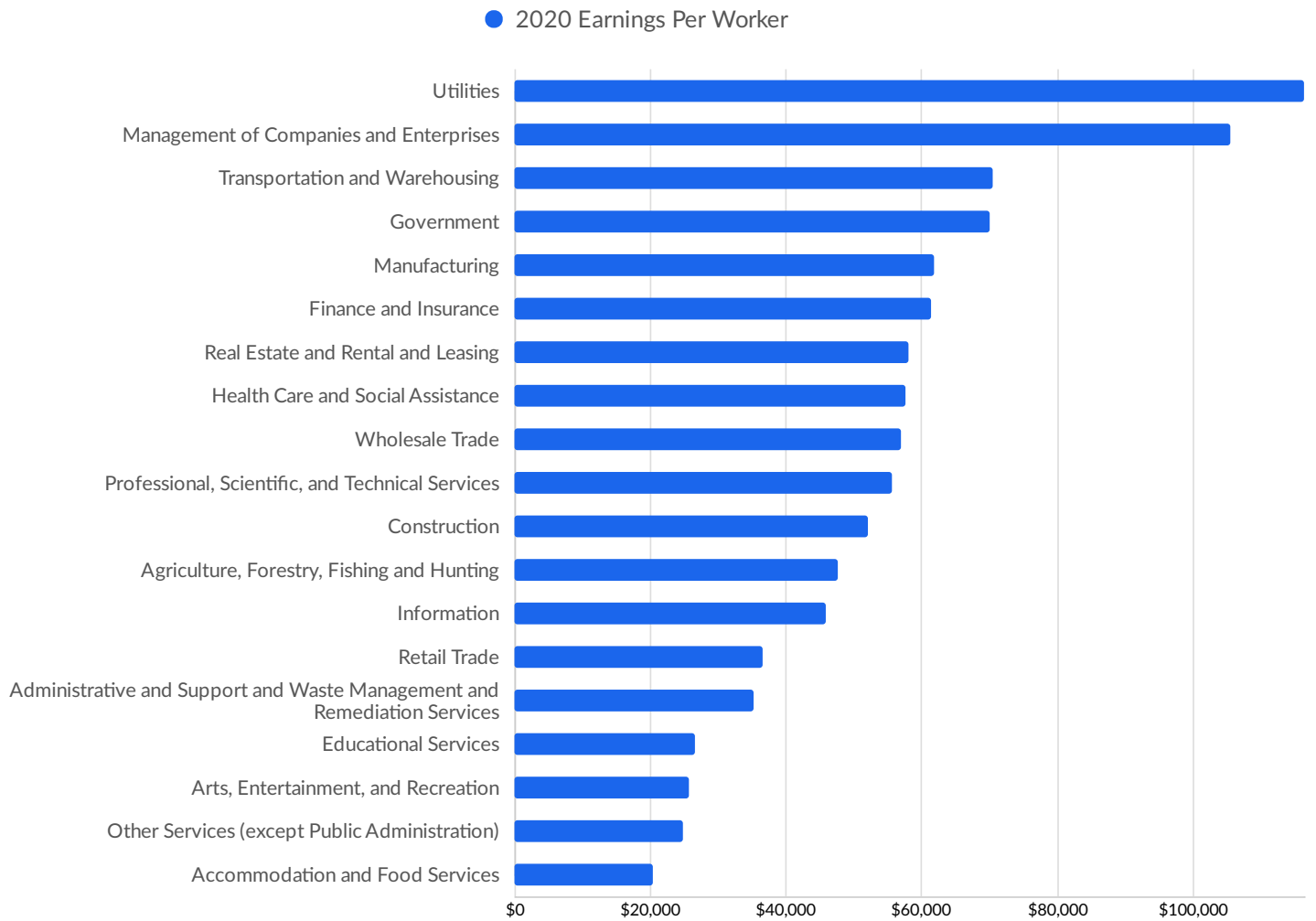
Top Industry LQ



Top Industry GRP



Top Industry Earnings



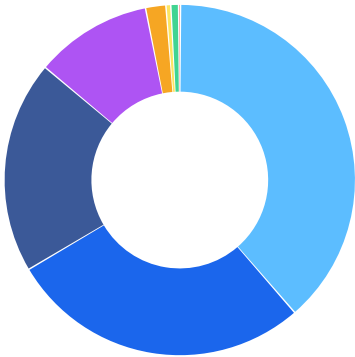
Business Characteristics

1,573 Companies Employ Your Workers

Online profiles for your workers mention 1,573 companies as employers, with the top 10 appearing below. In the last 12 months, 778 companies in Union County, OR posted job postings, with the top 10 appearing below.

Top Companies	Profiles	Top Companies Posting	Unique Postings
Eastern Oregon University	292 <div></div>	Eastern Oregon University	148 <div></div>
Grande Ronde Hospital, Inc.	199 <div></div>	C.R. England, Inc.	142 <div></div>
La Grande School District	76 <div></div>	Wal-Mart, Inc.	129 <div></div>
Boise Cascade Company	73 <div></div>	Grande Ronde Hospital, Inc.	116 <div></div>
Center For Human Developmen...	41 <div></div>	Army National Guard	77 <div></div>
Oregon Department of Transpor...	40 <div></div>	Taco Bell Corp	62 <div></div>
Anderson Perry & Associates, In...	36 <div></div>	Soliant Health, Inc	51 <div></div>
United States Forest Service	35 <div></div>	Advantage Dental, Inc	50 <div></div>
Wal-Mart, Inc.	33 <div></div>	Oregon State University	50 <div></div>
State of Oregon	28 <div></div>	System TWT Transportation, LLC	50 <div></div>

Business Size

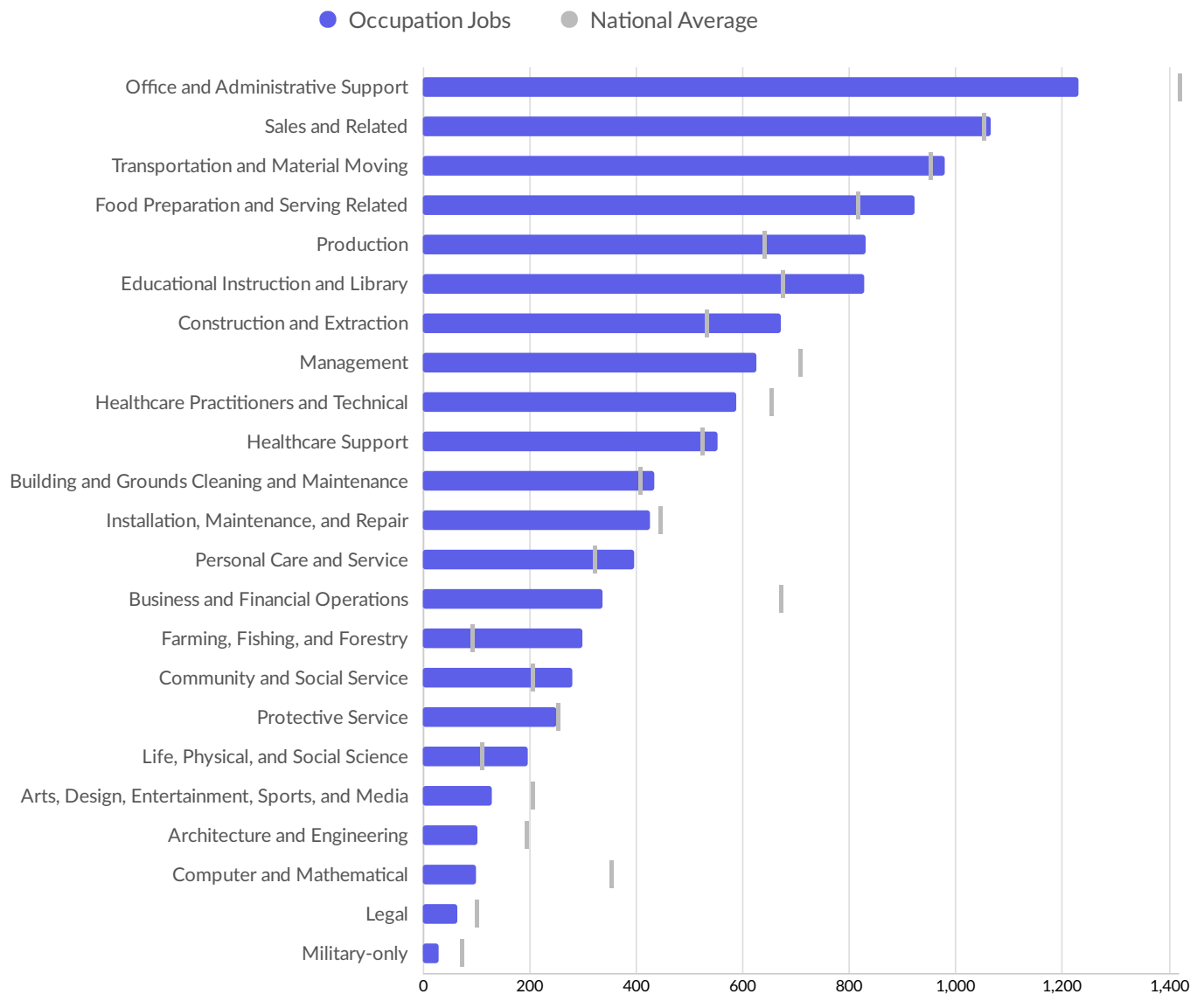


	Percentage	Business Count
1 to 4 employees	38.6%	433
5 to 9 employees	27.9%	313
10 to 19 employees	19.6%	220
20 to 49 employees	10.8%	121
50 to 99 employees	1.9%	21
100 to 249 employees	0.4%	5
250 to 499 employees	0.7%	8
500+ employees	0.2%	2

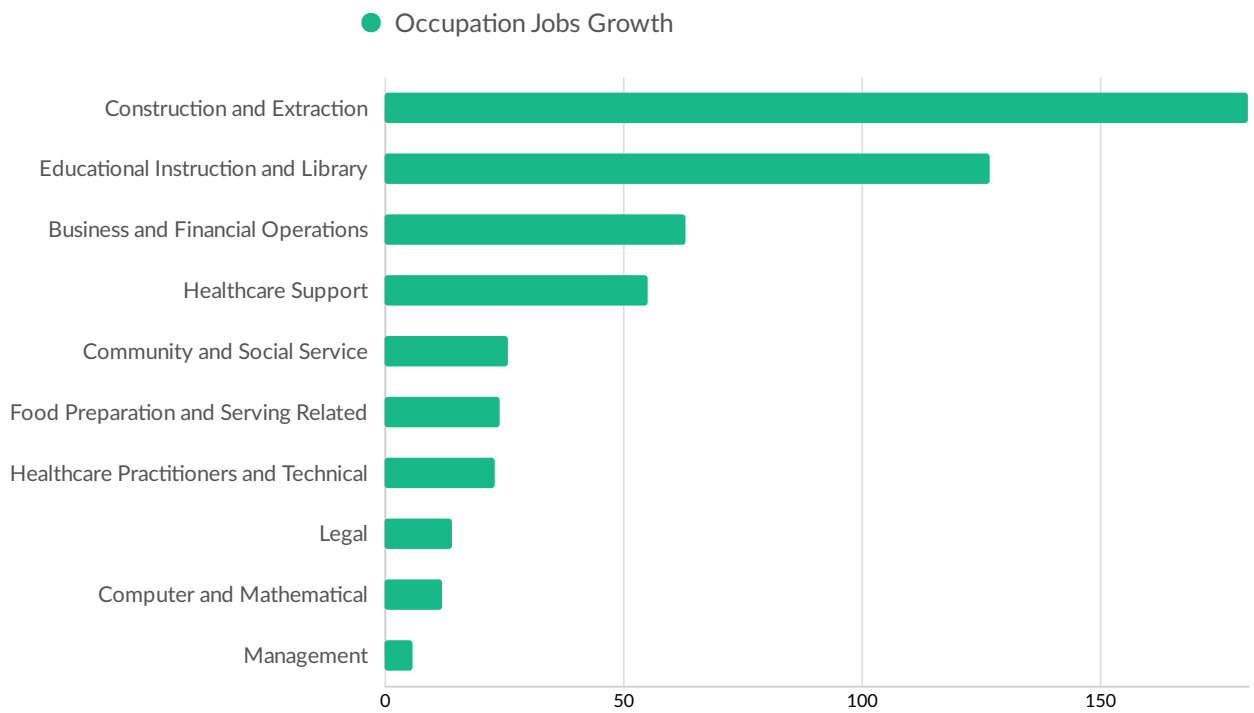
*Business Data by DatabaseUSA.com is third-party data provided by Emsi to its customers as a convenience, and Emsi does not endorse or warrant its accuracy or consistency with other published Emsi data. In most cases, the Business Count will not match total companies with profiles on the summary tab.

Workforce Characteristics

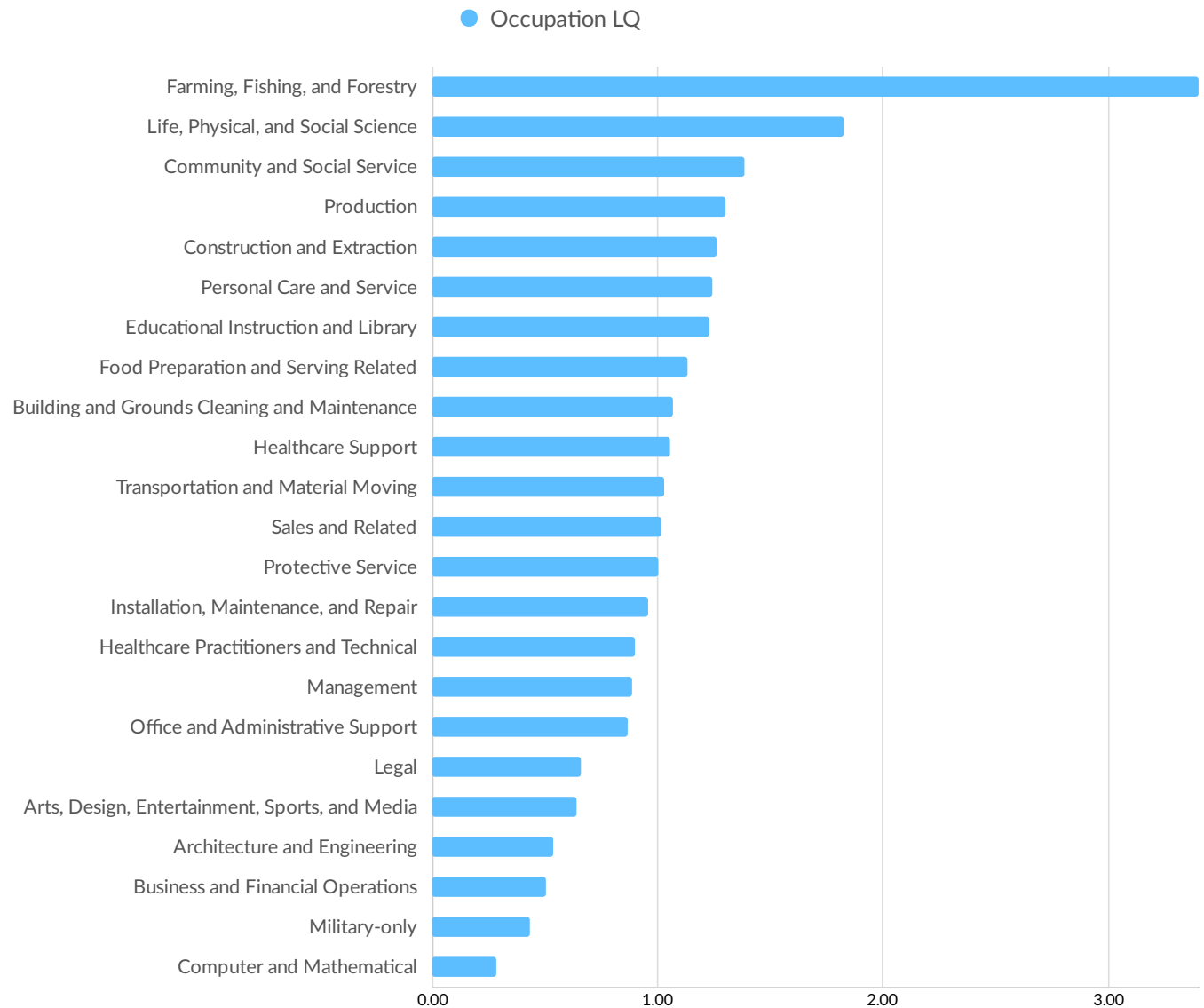
Largest Occupations



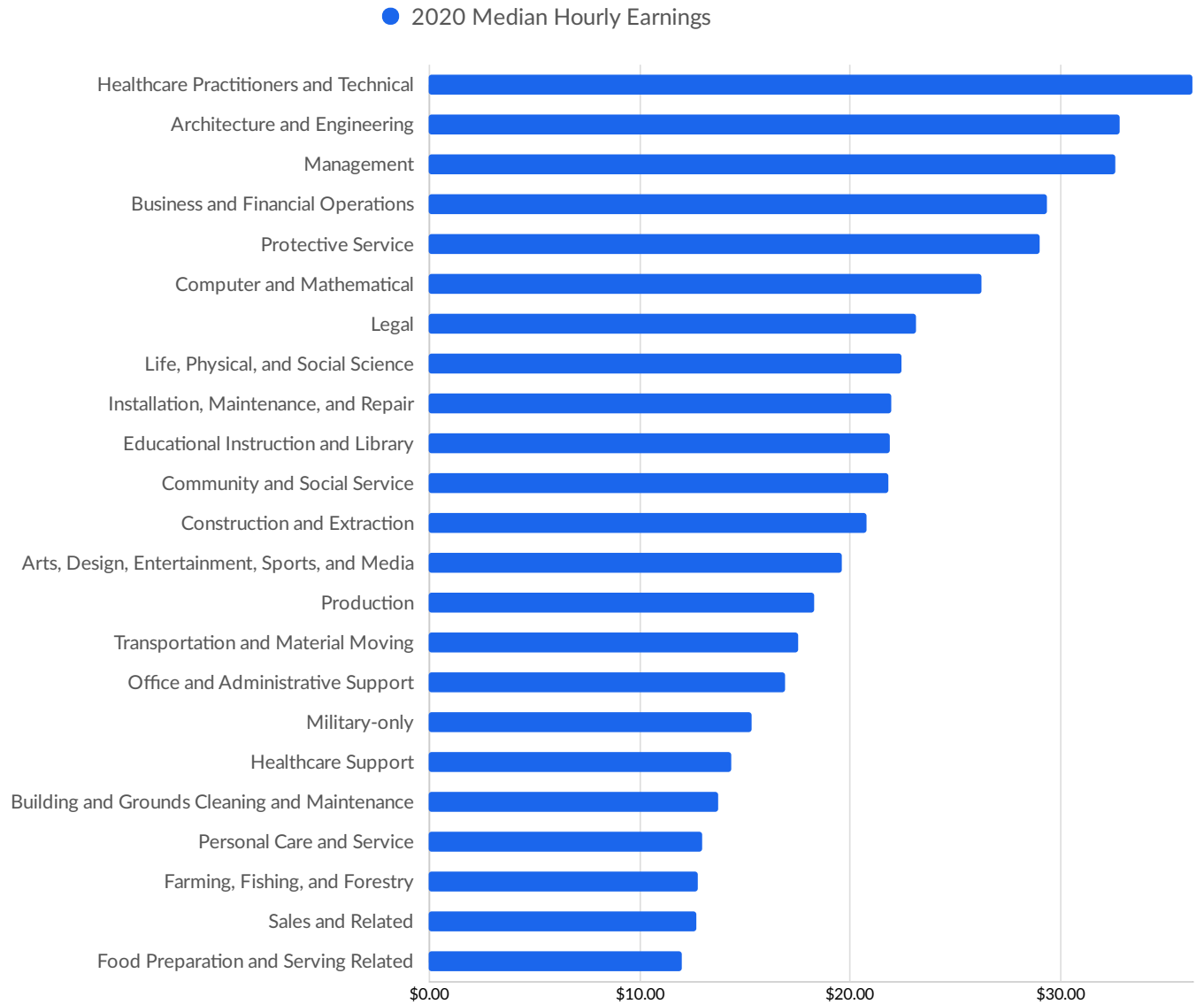
Top Growing Occupations



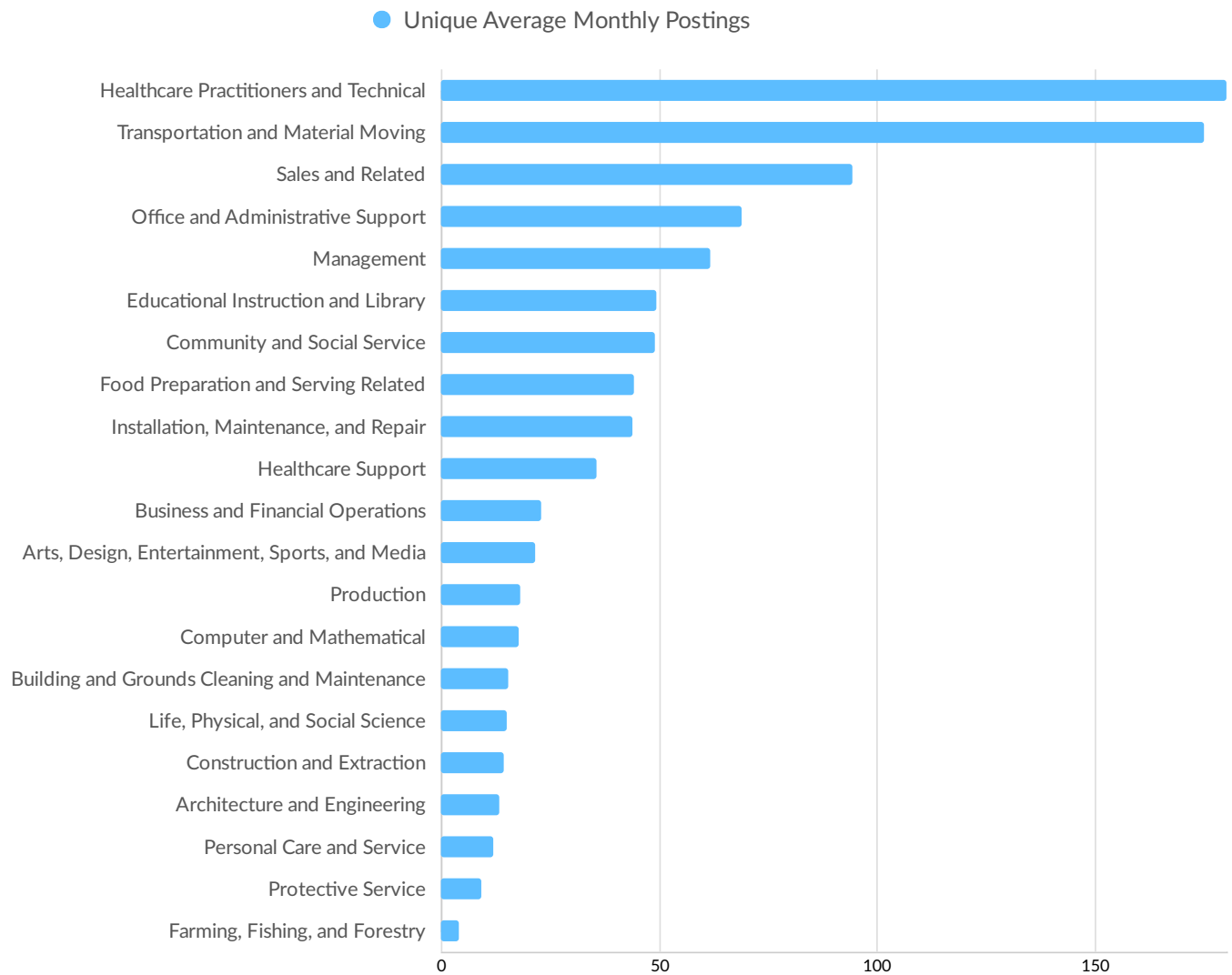
Top Occupation LQ



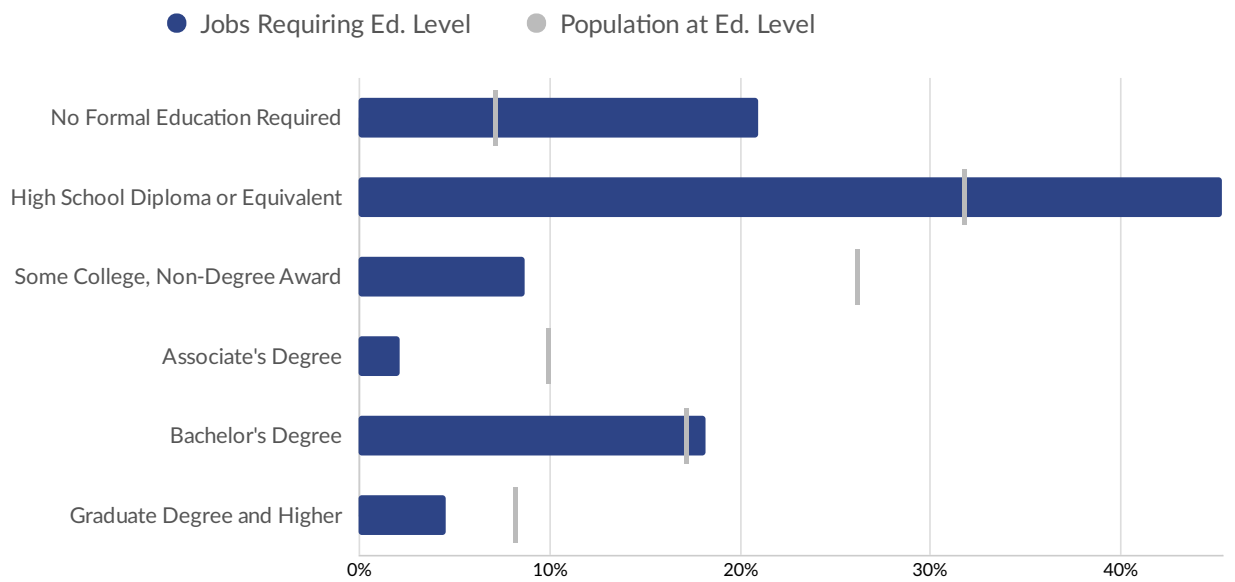
Top Occupation Earnings



Top Posted Occupations

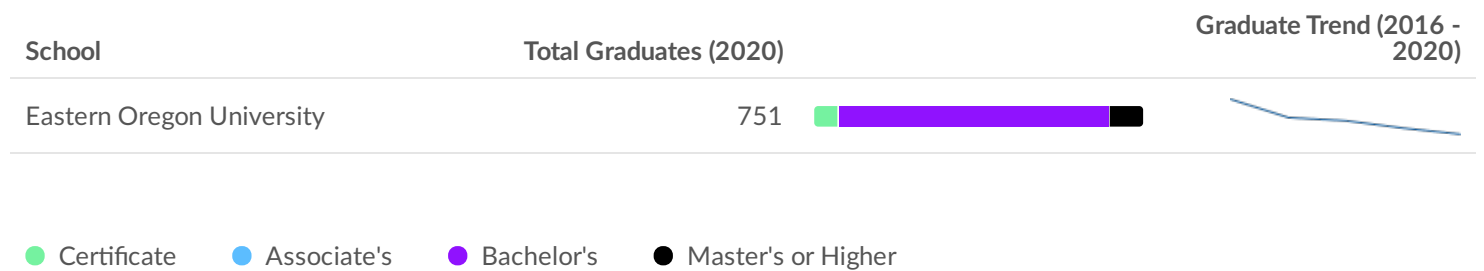


Underemployment



Educational Pipeline

In 2020, there were 751 graduates in Union County, OR. This pipeline has shrunk by 17% over the last 5 years. The highest share of these graduates come from "Business Administration, Management and Operations, Other", "Teacher Education and Professional Development, Specific Levels and Methods, Other", and Liberal Arts and Sciences/Liberal Studies.



In-Demand Skills

