

Economic & Community Development Department

2009 - 2011 Biennium

Agency Number: 12300

Detail of 30% Reduction to 2009-11 Essential Budget Level

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Priority (ranked with highest priority first)	Dept. Initials	Prgm. or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div													
5% Options														
Community Dev. Fund	200-00	CDF	Marine Navigation Cash (use for debt svc)		1,221,000						\$ 1,221,000			Reduction Included in GRB
Community Dev. Fund	200-00	CDF	Community Development Fund		300,000						\$ 300,000			Eliminates ability to spend interest earnings on the fund.
Operations	100-00	Ops	Services & Supplies		425,000						\$ 425,000			Relocate Japan office to incur rent savings; reduces professional services, and out-of-state travel.
Arts	600-00	Arts	Services & Supplies	12,000							\$ 12,000			Reduce travel by 20% resulting in fewer regional convenings of arts stakeholders and travel stipends offered to rural arts organizations.
Arts	600-00	Arts	Services & Supplies	103,000							\$ 103,000			Reduces artist-grantee marketing and recognition efforts by 50%; reduces number of outreach trainings offered; limits travel support for arts organizations; reduces print material associated with grant programs.
Arts	600-00	Arts	Grants	106,552							\$ 106,552			Reduces all Arts Commission grant categories (support for arts organizations and artists) by 4%. Allows Arts Commission to continue multiple strategies of support to arts organizations without elimination of programs.
Community Dev. Fund	200-00	CDF	Direct Business Assistance Programs		603,380						\$ 603,380			6% reduction to Business Retention program and 25% reduction to Small Business Development Centers. SBDC reduction included in GRB.
Film & Video	500-00	F&V	Pass-through funding		65,879						\$ 65,879			cuts in marketing, eliminate one vital consulting position, and cut important travel expenditures. \$50,000 reduction included in GRB.
Community Dev. Fund	200-00	CDF	Business Development		739,654						\$ 739,654			13% reduction to Industry Sector Outreach (Industry Competitiveness) and 27% Regional Investment. GRB incl. reduction to Regional Investment and \$39,625 to Industry Competitiveness.
Community Dev. Fund	200-00	CDF	Governor's Strategic Reserve Fund		1,438,077						\$ 1,438,077			12% reduction to the primary job creation and retention program. Reduction included in GRB. The department estimates the impact of this reduction would result in the loss of 239-479 jobs created or retained in the next five years.
Operations	100-00	Ops	Services & Supplies		20,500						\$ 20,500			4% reduction to instate travel reducing the amount of in person contact with the businesses and the department's customers.
Operations	100-00	Ops	Staffing and associated S&S		837,214						\$ 837,214	3	3.00	2% reduction to business staffing and 6% reduction to Shared Services staff. Impacts the department's ability to connect with businesses and provide valuable technical assistance. OECD believes it is imperative to continue to provide the staff & technical resources to Oregon's businesses to ensure they not only survive the current economic climate, but to come through it in a stronger position. Additionally, fund shifts one Japan office FTE to other funds.

10% Options													
Operations	100-00	Ops		Services & Supplies		33,110					\$ 33,110		Reduces contingency funds
Arts	600-00	Arts		Grants		173,448					\$ 173,448		Reduces all Arts Commission grant categories (support for arts organizations and artists) by 9-10%. Allows Arts Commission to continue multiple strategies of support to arts organizations without elimination of programs.
Arts	600-00	Arts		Arts Capacity Building Initiative		48,105					\$ 48,105		Reduces arts organizations capacity building
Operations	100-00	Ops		Services & Supplies		93,855					\$ 93,855		15% cumulative reduction to professional services, 9% cumulative reduction to instate travel and 11% cumulative reduction to out of state travel impacting retention and recruitment efforts.
Community Dev. Fund	200-00	CDF		Direct Business Assistance Programs		670,000					\$ 670,000		53% cumulative reduction to Small Business Development Center funding; included in GRB
Film & Video	500-00	F&V		Pass-through funding		65,879					\$ 65,879		The marketing budget would be stripped down to almost nothing which would make the office's recruiting efforts very difficult. In order to achieve a 10% cut, the office would have to eliminate its Los Angeles liaison and eliminate any travel to Los Angeles which would give Oregon no presence in the city where most production decisions are made. In 2007 Oregon had \$41 million worth of out-of-state production which largely came from Los Angeles. Having no presence in Los Angeles and no travel budget to market to the Los Angeles industry would result in this out-of-state figure sharply declining.
Community Dev. Fund	200-00	CDF		Business Development		258,822					\$ 258,822		30% cumulative reduction to Industry Sector Outreach (Industry Competitiveness) program funding.
Community Dev. Fund	200-00	CDF		Business Development		1,500,000					\$ 1,500,000		Eliminates funding for the Regional Investment Fund used for local economic development efforts; included in GRB
Community Dev. Fund	200-00	CDF		Governor's Strategic Reserve Fund		2,156,736					\$ 2,156,736		22% cumulative reduction to the primary job creation and retention program. \$562,047 reduction included in GRB. The department estimates the impact of this reduction would result in the loss of an additional 359-718 jobs created or retained in the next five years.
Operations	100-00	Ops		Staffing and associated S&S		872,302					\$ 872,302	5	5.50 Closes Taiwan office and is a 13% cumulative reduction to business staffing. Impacts the department's ability to connect with businesses and provide valuable technical assistance. OECDD believes it is imperative to continue to provide the staff & technical resources to Oregon's businesses to ensure they not only survive the current economic climate, but to come through it in a stronger position. Staff reductions carry long-term consequences given immediate impacts on partnerships, specialized knowledge and institutional know-how of positions in the department.
15% Options													
Arts	600-00	Arts		Arts Capacity Building Initiative		221,552					\$ 221,552		Reduce personal service contracts by 10%, resulting in lessened design capacity, use of outside writers to produce material in timely manner. Reduce Commission-sponsored events to promote arts statewide and on regional basis.
Operations	100-00	Ops		Services & Supplies		65,944					\$ 65,944		25% reduction to expendable property for computer replacement and further reduces contingency funds.

Operations	100-00	Ops		Services & Supplies		200,000					\$	200,000			Closes Portland office. The Portland Metro Area contains a significant portion of the state's employment and traded sector businesses; closing this office will reduce the department's ability to effectively partner with key partners and provide service to area businesses.
Community Dev. Fund	200-00	CDF		Business Development		518,166					\$	518,166			Entirely eliminates funding for Industry Sector Outreach (Industry Competitiveness)
Operations	100-00	Ops		Services & Supplies		787,317					\$	787,317			37% cumulative reduction to Instate travel; 73% reduction to out of state travel virtually eliminating all trade missions; eliminates marketing budget; 70% cumulative reduction to professional services eliminating most of the foreign representative contracts; and a 29% reduction to Attorney General billed expenses line item.
Community Dev. Fund	200-00	CDF		Governor's Strategic Reserve Fund		674,717					\$	674,717			58% cumulative reduction to the primary job creation and retention program. The department estimates the impact of this reduction would result in the loss of an additional 112-224 jobs created or retained in the next five years.
Community Dev. Fund	200-00	CDF		Contractual obligated funds		724,240					\$	724,240			The department would have to rescind all carry-forward contractual awarded funds for the Business Retention and Industry Competitiveness.
Film & Video	500-00	F&V		Pass-through funding		65,879					\$	65,879			This 10% reduction means the Film Office would need to eliminate another position and could mean some four day workweeks or perhaps all four day work weeks for the next two years. As a result, the office would not have the reliable resources to administer the OPIF and Greenlight programs currently in place and also serve as a support agency for the local indigenous film and video industry. The local economics firm ECONorthwest states that the total direct impact of the film and video industry in Oregon was \$709.6million in 2007. This number would drop if the film and video office does not have the sufficient resources or staff.
Community Dev. Fund	200-00	CDF		Contractual obligated funds		349,055					\$	349,055			The department would have to rescind about 20% of the carry-forward contractual awarded funds for the Governor's Strategic Reserve Fund. The department estimates the impact of this reduction would result in the loss of an additional 58-116 jobs created or retained in the next five years.
Operations	100-00	Ops		Staffing and associated S&S		2,256,257					\$	2,256,257	10	10.50	33% cumulative reduction to business staffing and 18% cumulative reduction to Shared Services staffing. This level of reduction would severely impact the department's ability to deliver services to businesses and communities. Eliminates business staffing to most rural areas. The department would not be able to meet any of it's KPM targets. Staff reductions carry long-term consequences given immediate impacts on partnerships, specialized knowledge and institutional know-how of positions in the department. Eliminates one other-funded position and uses that revenue to fund-shift one lottery funded position.

25% Options

Arts	600-00	Arts		Program services: meetings, dues	50,400					\$	50,400			Eliminates artist-grantee marketing and recognition efforts; Arts Commission will use own website as substitute venue for posting success stories/results resulting in lower impact. Reduces projected payments to Attorney General's Office; Proposes further reductions to materials and information available in print format.
Arts	600-00	Arts		Arts Capacity Building Initiative	42,000					\$	42,000			Further reduces Technical Assistance and Capacity Building effort by reducing number of workshops and trainings offered. Program elements will be scaled back, fewer face-to-face trainings held, substituted with increased online offerings.
Arts	600-00	Arts		Technical Assistance	60,000					\$	60,000			Reduces specific technical assistance offered in the areas of arts and community development and arts education by 50%. Impacts rural organizations that will have fewer opportunities for face-to-face training. The Commission's Arts Build Communities program, a national model, will be impacted.
Arts	600-00	Arts		Grants: further reductions	44,888					\$	44,888			Reduces special payments – all grant programs - by an additional \$22,176. Reduces Arts Recognition grant allocation by 35%, reducing grant support to emerging, small and/or rural arts non-profits.
Arts	600-00	Arts		Cultural Trust Operations	25,000					\$	25,000			Further reduces Cultural trust operations, advertising, staff outreach.
Community Dev. Fund	200-00	CDF		Governor's Strategic Reserve Fund		2,000,000				\$	2,000,000			79% cumulative reduction to the primary job creation and retention program. The department estimates the impact of this reduction would result in the loss of an additional 333-666 jobs created or retained in the next five years.
Film & Video	500-00	F&V		Pass-through funding		65,879				\$	65,879			A 25-30% budget cut in the Office of Film and Video would require the office to eliminate most or all of its programs in order to maintain salaries and basic operating expenses, such as rent. This would have a significant impact on the office's ability to recruit new projects to Oregon.
Operations	100-00	Ops		Services & Supplies		100,000								60% cumulative reduction to instate travel and 78% cumulative reduction to out of state travel.
Community Dev. Fund	200-00	CDF		Contractual obligated funds		2,340,395				\$	2,340,395			The department would have to rescind about 60% of the carry-forward contractual awarded funds for the Governor's Strategic Reserve Fund. The department estimates the impact of this reduction would result in the loss of an additional 390-780 jobs created or retained in the next five years.
Operations	100-00	Ops		Staffing and associated S&S		1,144,430				\$	1,144,430	5	4.50	37% cumulative reduction to business staffing and 25% cumulative reduction to Shared Services staffing. This level of reduction would severely impact the department's ability to deliver services to businesses and communities. The department would not be able to meet any of it's KPM targets. Staff reductions carry long-term consequences given immediate impacts on partnerships, specialized knowledge and institutional know-how of positions in the department. Additionally, fund shifts one Fiscal position to other funds from lottery.

30% Options

Arts	600-00	Arts		Arts Capacity Building Initiative	100,000									Further reduces Technical Assistance and Capacity Building effort by scaling back program elements, further elimination of face-to-face trainings held, substituted with increased online offerings. Further reductions to the initiative will be negotiated.
Arts	600-00	Arts		Technical Assistance	60,000									Eliminates all specific technical assistance offered in the areas of arts and community development and arts education by 50%. Impacts rural organizations that will have fewer opportunities for face-to-face training.
Arts	600-00	Arts		Grants - end arts recognition	37,288									Eliminates arts recognition grant program.
Arts	600-00	Arts		Cultural Trust Operations	25,000									Further reduces Cultural trust operations, advertising, staff outreach.
Community Dev. Fund	200-00	CDF		Governor's Strategic Reserve Fund		2,000,000				\$	2,000,000			Eliminates all funding for the primary job creation and retention program. The department estimates the impact of this reduction would result in the loss of an additional 333-666 jobs created or retained in the next five years.
Film & Video	600-00	F&V		Pass-through funding		65,879				\$	65,879			This 30% budget cut in the Office of Film and Video would require the office to eliminate most or all of its programs in order to maintain salaries and basic operating expenses, such as rent. This would have a significant impact on the office's ability to recruit new projects to Oregon.
Operations	100-00	Ops		Services & Supplies		15,000				\$	15,000			70% cumulative reduction to professional services eliminating most of the foreign representative contracts.
Community Dev. Fund	200-00	CDF		Contractual obligated funds		1,528,547				\$	1,528,547			The department would have to rescind about 85% of the carry-forward contractual awarded funds for the Governor's Strategic Reserve Fund. The department estimates the impact of this reduction would result in the loss of an additional 255-510 jobs created or retained in the next five years.
Operations	100-00	Ops		Staffing and associated S&S		2,041,278				\$	2,041,278	9	9.00	47% cumulative reduction to business staffing and 37% cumulative reduction to Shared Services. Business staff reductions directly impact ability to deliver on key industry strategies identified by the OECD Commission as well as statewide business development strategies. Internal services, such as accounts payable will be significantly delayed. Staff reductions carry long-term consequences given immediate impacts on partnerships, specialized knowledge and institutional know-how of positions in the department. Additionally, fund shifts 35% of a Fiscal position to other funds, eliminates one other-funded position and uses that revenue to fund shift a lottery funded position.
					1,333,728	33,904,224	0	0	0	0	34,915,664	36	36.50	