

# SWOT Analysis

The Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis considers the internal factors (strengths and weaknesses) and external factors (opportunities and threats) that influence economic development in the CWEDD region. The following sub-sections summarize the SWOT analysis findings. The SWOT analysis stems from three main sources of input:

- CEDS Committee meetings discussion and feedback from 10/29/24
- Results from stakeholder surveys collected 9/4/2024
- Previous engagement during the 2020-2025 and 2025- 2030 CEDS update review

Refer to Appendix A or 2025-2030 CEDS for additional information. This section, together with information contained elsewhere in this report, satisfies 13 C.F.R. § 303.7(b)(ii).


## Strengths

The CWEDD region is geographically diverse, centrally located in the state, and is home to two of Oregon’s premier research institutions, Oregon State University and the University of Oregon. In addition to higher education, the region also boasts small business incubators and startup accelerators, as well as highly regarded small business support services, such as chambers of commerce and small business development centers.

The central location of the region provides it access to interstate shipping and transportation via Interstate 5 (I5) and the associated internet fiber backbone that runs along the corridor. The region also includes coastal communities, which provides opportunities for multi-use ocean ports for fishing and shipping. The region’s unique geography and mild weather make for an attractive home, drawing in workers and professionals. The southern Willamette Valley is also one of the richest agricultural areas in the country, while the surrounding mountains boast lush forests.

The combination of high livability factors, infrastructure access and rich natural resources make for a region that is competitive in both the economies of ideas and things, supporting industries from high tech manufacturing to brewing

Respondents indicated that the factors in the table below are marketable strengths for the CWEDD region. While an asterisk (\*) indicates that these factors were ranked highest among respondents to the 2025-2030 survey.

<b>Infrastructure Connectivity North-South</b> 	<ul style="list-style-type: none"><li>• Direct access to Interstate 5*</li><li>• Multi-use ocean ports for fishing, research and trade*</li><li>• Existing infrastructure for rail, freight, and air</li><li>• Expanding fiber infrastructure*</li><li>• Intermodal transfer center in Millersburg</li></ul>
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<p><b>Supportive Business Climate</b></p> 	<ul style="list-style-type: none"> <li>• Small business support (e.g. Chambers of Commerce, CCD Business Development Corporation, Small Business Development Centers)*</li> <li>• Workforce training centers, including the Lane Workforce HUB*</li> <li>• Councils of Government (LCOG, OCWCOG)</li> <li>• UO Economic Development Administration University Center</li> <li>• Community college business development centers (Oregon Coast, Lane, and Linn-Benton community colleges)</li> <li>• Multiple economic development related non-profits and foundations</li> <li>• Regional Solutions Team (statewide)</li> </ul>
<p><b>Culture of Innovation</b></p> 	<ul style="list-style-type: none"> <li>• Business incubators and accelerators (e.g. Onward Eugene, Oregon RAIN, the Corvallis Foundry) *</li> <li>• Research institutes and higher education institutions*</li> <li>• Proven track record of successful business starts</li> <li>• Rural housing and development incentives that support business start-ups</li> </ul>
<p><b>Growing and Diverse Regional Industries</b></p> 	<ul style="list-style-type: none"> <li>• Tourism and recreation*</li> <li>• Agriculture</li> <li>• Natural textiles</li> <li>• Bioscience</li> <li>• Software and technology, including university-related spinoffs</li> <li>• Value added agricultural products, including food and beverage manufacturing, as well as forest products*</li> <li>• Metals manufacturing and other advanced manufacturing*</li> <li>• Maritime industry*</li> <li>• Higher education-related research clusters*</li> </ul>
<p><b>Livability factors</b></p> 	<ul style="list-style-type: none"> <li>• Mild climate</li> <li>• Access to and value for nature and the outdoors</li> <li>• Quality of place for growing population segments (i.e. retirees, families, aging baby boomers, climate migrants, etc.)</li> <li>• Access to higher education opportunities through universities and community colleges</li> </ul>

In reflection conversations, CWEDD steering committee members posed the following question to better capitalize on the region's strengths:

*How can we maximize our potential for marine research and innovation, and how can we better engage and support the marine workforce?*

## Weaknesses

The size and diversity of the CWEDD region presents strengths in market access and in the spectrum of industries and support that local firms enjoy. It also presents challenges in the form of weaknesses that must be addressed. The urban rural divide and geographic divisions between the Coast and the Cascades regions, both very rural, and the Valley, which hosts a mixture of urban and rural communities, compound issues relating to collaboration and developing a comprehensive strategy.

These factors contribute to challenges in coordination and communication across the economic ecosystem. The impacts of limited collaboration have manifested as institutional barriers such as a lack of regional brand, a disconnect between existing resources and the workforce, and government regulations. Complex jurisdictional boundaries create additional obstacles to collaboration through misaligned service boundaries, duplicated efforts, competition for funds, and siloed efforts by sector.

Across the region, the workforce experiences obstacles to accessing the basic needs of housing, childcare, and broadband. There is a high demand for and limited supply of affordable housing, particularly within proximity to economic opportunities. The distance of housing to employment opportunities coupled with limited access to public transportation creates a weakness in the region that can further exasperate economic disparities amongst demographic groups.

Demographics within the region have been shifting alongside statewide trends. Oregon's population, and similarly CWEDD's population, are becoming increasingly diverse in terms of race and ethnicity.<sup>1</sup> However, Oregon remains one of the least diverse states in the country. Anticipating the shifting needs of the region's population as demographics shift will support regional economic development efforts to meet the needs of an aging population, increasing numbers of retirees, children and young adults, and increased in-migration of Latino and Hispanic and Asian, Hawaiian, and Pacific Islander groups.

Infrastructure gaps exist, as rural broadband access continues to be cited as a concern nationally, locally, and by respondents to the survey. Additional gaps in infrastructure, such as water/sewer infrastructure, transit access, east-west connectivity, and a lack of affordable housing make it difficult to start and maintain businesses in places beyond the Valley, where infrastructure and housing are in higher supply. Married to this is a perception that capital project financing is difficult to acquire. Lack of funds to connect infrastructure or make necessary updates to aging infrastructure compound issues of connectedness and quality.

According to respondents, housing, houselessness (including public camping and drug use), lack of K12 attainment (Oregon ranks among the lowest for K12 schooling) and a lack of "care economy" services (incl. child and senior care as well as other forms of institutional health care) all rank high as regional weaknesses.

The respondents to the survey ranked the following as leading weaknesses, while an asterisk (\*) indicates that these factors were ranked highest among respondents to the 2025-2030 survey:

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1 Oregon Office of Economic Analysis. (2019). "Oregon's Demographic Trends." Retrieved from [https://www.oregon.gov/das/OEA/Documents/OR\\_pop\\_trend2019.pdf](https://www.oregon.gov/das/OEA/Documents/OR_pop_trend2019.pdf)

<p><b>Infrastructure Connectivity East-West and in Rural Areas</b></p> 	<ul style="list-style-type: none"> <li>• Limited rural broadband access*</li> <li>• Limited east-west connectivity*</li> <li>• Lack of rail connections to the coast</li> <li>• Limited access to regional airport services</li> <li>• Lack of accessible regional public transportation*</li> <li>• Lack of multi-modal transfer stations between valley and coast</li> </ul>
<p><b>Changing Demographics</b></p> 	<ul style="list-style-type: none"> <li>• Aging population and increasing number of retirees</li> <li>• Lack of skilled labor force</li> </ul>
<p><b>Infrastructure Quality and Availability</b></p> 	<ul style="list-style-type: none"> <li>• Lack of quality last mile infrastructure connections to many industrial/business development sites</li> <li>• Limited access to capital project financing to upgrade aging physical infrastructure (e.g. transportation, water, sewer, etc.) *</li> <li>• Lack of financial support services for startups*</li> </ul>
<p><b>Livability and Access to Essential Services</b></p> 	<ul style="list-style-type: none"> <li>• High demand for and limited supply of affordable housing*</li> <li>• Lack of affordable housing in proximity to economic opportunity</li> <li>• High housing costs relative to wages</li> <li>• Increasing system development charges (SDCs) due to restricted local tax bases further creating barriers to mid-sized multifamily housing, affordable housing projects, and commercial development</li> <li>• Limited access to childcare</li> <li>• Lack of access to care economy services including childcare, elder care, and institutional medical care*</li> <li>• Limited mental health care providers</li> <li>• Lower nationally ranked public K-12 education*</li> </ul>
<p><b>Institutional Barriers</b></p> 	<ul style="list-style-type: none"> <li>• Lack of regional brand</li> <li>• Lack of financial support services for start-ups and governments</li> <li>• Disconnect between training centers and opportunities with labor force</li> </ul>

## Complex Boundaries for Regional Collaboration



- Lost economic development opportunities due to lack of collaboration
- Competition from other metro areas for large employers
- Lack of collaboration across private and public sectors
- Divides between urban and rural areas\*
- Lack of collaboration across geography (coast/mountains/valley and rural/urban)\*
- Size, scale and resource -base of local economies that make up the region

## Opportunities

The CWEDD region is filled with unrealized potential in terms of coordination and collaboration, growing regional industries, and the promotion of livability of the area; all allowing for many different opportunities for new collaborations and industries to take root. Specifically, survey respondents, project stakeholders, and members of the CWEDD Board all emphasized increased regional coordination and collaboration as a key economic development opportunity. Desired outcomes of increased coordination and collaboration could support increased diversity in representation within economic development, connection of the workforce to existing resources and opportunities, increased opportunities and spaces for innovation to occur, and increased adoption of equitable practices across the region.

In Oregon, state economists predict a post pandemic soft landing in the 2025-27 biennium. Anticipated growth and inflation in 2025 are estimated to be 2%.<sup>2</sup>

The region is home to new and expanding industries. Emerging green business and renewable energy industries support the value of nature and the outdoors that is characteristic of the four-county region. New and expanding industries such as value-added forest products, marijuana, and craft beer and wine have the potential to contribute energy to the region's existing culture of entrepreneurship and innovation. These factors, in addition to access to higher education opportunities, make the region an attractive place to live for a growing population. CWEDD can capitalize on livability as a marketable asset for the region by understanding the region's unique strengths in terms of its temperate climate and its easy access to diverse natural landscapes.

The response to COVID-19 has highlighted the adaptability of local industries. The region's response to the COVID-19 pandemic showed how flexible and dynamic the region can be in the face of unforeseen disaster. Some examples include swift changes to business models to produce emergency-related supplies. These include breweries producing hand sanitizer or garment manufacturers producing personal protective equipment. Additionally, local jurisdictions coordinated on weekly calls to delegate and manage federal dollars and provide support for businesses and the workforce.

Respondents to the survey point to new and emerging industries, like value added manufacturing (incl. value-added forest products, marijuana, tourism, craft beer and wine, etc.), a strong culture of entrepreneurship, workforce development programs, and the livability of the region being attractive to newcomers as opportunities for economic growth. Other consideration includes the green

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<sup>2</sup> Oregon Economic Forecast, Oregon Office of Economic Analysis, Novemebnr 20<sup>th</sup>, 2024.  
<https://www.oregon.gov/das/oea/pages/forecastcorev.aspx>

economy/green energy transition, the accessibility of enterprise zones, and growth in the care economy as other opportunities.

The following rank among respondents as the largest opportunities for the region, while an asterisk (\*) indicates that these factors were ranked highest among respondents to the 2025- 2030 survey:

<p><b>Economic Resilience</b></p> 	<ul style="list-style-type: none"> <li>• Industries that can quickly adapt business models to produce emergency response products.</li> <li>• Jurisdictional capacity to delegate emergency funds</li> <li>• Continued relationships and collaborations formed through the necessity of responding to COVID-19</li> <li>• Experience repurposing of private and public sector resources in emergencies or disaster events, such as local airports for fire operations (Oakridge)</li> </ul>
<p><b>Connections to Existing Resources</b></p> 	<ul style="list-style-type: none"> <li>• Cascades West Regional Innovation hub for supporting the growth and development of scalable innovation-based companies</li> <li>• Connect the workforce with existing services and organizations focused on training and education*</li> <li>• Partner with K-12 education institutions to increase youth involvement in economic development</li> <li>• Market the region’s livability</li> <li>• Align existing work of practitioners with the CEDS</li> <li>• Reduce competition for funds and resources across different organizations and jurisdictions</li> <li>• Opportunities for single family housing stock to be unlocked as elderly residents downsize or transition to institutionalized settings or multifamily units.</li> <li>• Quality of place for growing population segments (i.e. retirees, families, aging baby boomers, climate migrants, etc.)*</li> </ul>
<p><b>Equity</b></p> 	<ul style="list-style-type: none"> <li>• Diversify representation in economic development positions of leaders and decision-making</li> <li>• Increasing access to essential services, such as childcare or housing, that can support vulnerable populations</li> <li>• Growing numbers of retirees and older adults can open opportunities for “second act” entrepreneurship</li> <li>• Enterprise Zones*</li> </ul>
<p><b>New and Expanding Regional Industries</b></p> 	<ul style="list-style-type: none"> <li>• New and expanding markets (e.g. value-added forest products, marijuana, tourism, craft beer and wine, etc.)*</li> <li>• Green business*</li> <li>• Renewable energy*</li> <li>• Increasing economic diversity in the region* California and Washington markets</li> <li>• Expanding interest in and access to maritime research and innovation</li> </ul>




## Threats

The region is vulnerable to several human-caused and natural disasters. These issues are chronic, such as prolonged and worsening droughts and the lengthening wildfire season. They are also acute and catastrophic, such as the expected subduction zone earthquake and related tsunami. Human-caused disasters include climate change, pandemics (esp. avian influenza, as cited as a risk by Oregon state economists) economic recession, and social unrest. On any given year, the region may experience several significant disasters, and as such, must be prepared to respond, even in less-than-ideal conditions. Respondents to the survey rank chronic natural hazards, catastrophic natural hazards and the impacts of climate change roughly equally as threats to the region.

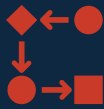
Additional external threats are exacerbated by fears of economic recession including access to funding and regional shifts in dominant industries. Lack of stable tax-funding and capital for early-stage companies can create challenges for planning, starting, and maintaining economic development projects and entrepreneur efforts. The region overall is still grappling with the impacts of shifts from natural resource and manufacturing-based to service-based economies, and some service-based industries (like tourism) were particularly hard-hit by the COVID-19 pandemic.

Outside of disaster scenarios, some additional threats are on the horizon. Respondents indicated that the long-term shift away from natural resources (timber, agricultural products) and manufacturing toward a service economy is a threat, particularly for rural economies. Other threats exist in the ways the region does, or rather does not, collaborate – leading to duplication of efforts, missed opportunities, and competition from other parts of the state.

Respondents ranked the following disaster events as threats:

<p><b>Natural Hazards and Disaster Events</b></p> 	<ul style="list-style-type: none"><li>• Chronic natural hazards (e.g. floods, winter storms, wildfires, landslides, etc.)*</li><li>• Catastrophic natural hazards (e.g. Cascadia subduction zone earthquake and tsunami)*</li><li>• Expected and unanticipated impacts from climate change*</li><li>• Limited capacity to implement disaster plans for local jurisdictions</li><li>• Public health emergencies or pandemics*</li></ul>
<p><b>Socio-political Factors</b></p> 	<ul style="list-style-type: none"><li>• National/international economic downturn</li><li>• Historical inequality of economic opportunity</li><li>• The large numbers of retiring workers, and elderly persons transitioning from single family housing to institutional settings or multiunit buildings, while capacity to absorb such a transition does not currently exist</li></ul>
<p><b>Tax Structure and Access to Funding</b></p> 	<ul style="list-style-type: none"><li>• Decreasing state gas tax revenue*</li><li>• Lack of stable and uniform tax funding tied to differing local property tax rates and changes in state policy*</li><li>• Lack of capital for early-stage companies and governments seeking to improve infrastructure</li></ul>

## Industry Shift and Adaptability



- Declining natural resource availability
- Variable ability to shift business models and workforce skills to respond to natural hazards or disaster events

## Unexpected Events and Other Unknowns



- The increased intensity and impact of wildfires
- Complexity of managing multiple crises and disaster events
- How housing scarcity interacts with natural hazards and increased population pressures on the region, including workforce housing\*