

Southern Oregon Area Profile

2011



Southern Oregon Regional Economic Development, Inc.
www.soredi.org

20 Reasons to Grow Your Business in Southern Oregon

1. **Sunshine on your shoulders**—more than 210 days of sunshine annually and only 18 to 32 inches of rainfall
2. **Continued steady growth**—25.3 percent (2000–2009)
3. **Educated workforce**—22.3 percent of population over 25 years old in Jackson County has a bachelor’s degree or higher
4. **Higher-education exposure**—Southern Oregon University and Rogue Community College
5. **Affordable workers’ compensation rates**—Oregon has the thirteenth-lowest rates in the nation (September 2009)
6. **Transportation corridor**—regional hub on Interstate 5, with numerous truck brokers and trucking companies based here
7. **Reliable, low-cost energy**—rates among the lowest in the nation
8. **Pure, pristine water**—21 million gallons daily
9. **Business-friendly climate**—Oregon ranks sixth best for business and careers (Forbes Magazine, October 2010)
10. **Cultural excellence**—home of the Oregon Shakespeare Festival, Craterian Ginger Rogers Theater, Rogue Theatre, and Britt Festival
11. **Regional retail center**—spectacular shopping opportunities, serving Southern Oregon and Northern California
12. **Fabulous flights**—direct to eight major cities
13. **Wonderful waterland**—dozens of lakes for waterskiing, fishing, and more within 45 minutes, plus the Wild and Scenic Rogue River
14. **Grand gateway**—to Crater Lake National Park, the Oregon Caves National Monument, and Redwood National Park
15. **Outstanding medical services**—with nearly 700 beds and one of the nation’s Top 100 Cardiovascular Hospitals
16. **No sales tax**—or inventory, excise, or unitary tax
17. **Workforce training partnerships**—collaborative training programs with Rogue Community College, Southern Oregon University, and The Job Council
18. **Less time to work, more time to live**—average commute time is only 18.9 minutes
19. **Recreational rendezvous**—more than 15 public golf courses, numerous local parks, waterslides, Kalmiopsis Wilderness, and Mt. Ashland ski and snowboard resort
20. **Close to your market**—centrally located between San Francisco and Portland

“SORED I assisted us with the financing we needed for initial working capital, something every company needs until they hit their stride.”

—Lee and Anne Kimball
Rogue River Lodge



Topography and Climate

Southern Oregon enjoys a mild Mediterranean climate with four distinct seasons. The summer is hot and dry, with temperatures averaging around 90 degrees F and stretches of higher temperatures from 90 to 100 degrees F. The average growing season of 170 days is late April through mid-October. Cooler temperatures in late October mark the beginning of the rainy season. Community elevations range from 960 to 2,535 feet above sea level.

Annual Average Rainfall

Jackson County	18–20 inches
Josephine County	30–32 inches

Average Day/Night Temperatures

January	High 46	Low 32
July	High 90	Low 54

Source: Western Regional Climate Center

Distances to Nearest Major Cities

From Medford, in ground miles

Boise	497
Los Angeles	691
Portland	273
Sacramento	307
San Francisco	361
Seattle	445
Reno	305
Salt Lake City	815

Air Travel

The Rogue Valley International-Medford Airport is currently serviced by United Express and Delta Connection (both offered by SkyWest Airlines), Horizon Air, and Allegiant Air. These commercial carriers offer approximately 60 arriving and departing flights daily to and from San Francisco, Portland, Eugene, Seattle, Los Angeles, Phoenix, Denver, Las Vegas, and Salt Lake City. A new passenger terminal and air traffic control tower were placed in service during 2009. Over 600,000 passengers pass through the terminal lobby annually, with its five rental car agencies, gift shop, and restaurant/lounge.

The airport also serves general aviation traffic—including extensive corporate and business travel—with three fixed-base operators offering fuel sales, repairs, aircraft rentals, and charters. www.jacksoncounty.org

Transportation

Southern Oregon is strategically located midway between Portland and San Francisco on Interstate 5, with convenient connections to the Oregon coast via Highway 199 and to eastern Oregon via Highways 62 and 140. The region is a major commercial motor freight transportation hub, with more than 30 interstate, intrastate, and less-than-truckload (LTL) carriers based locally, along with numerous truck brokers. Rail freight service is available through Central Oregon and Pacific Railroad, connecting the region north to Eugene and south to California. Air freight services are provided by Aero Flight, Ameriflight, Empire Air, Fed-Ex, Sauder Mail Courier, Secured Courier, Swift Couriers, and UPS.



“Southern Oregon is an ideal place to locate a high-tech business. Technology changes in the past 10 years have made it possible to locate businesses away from the major metropolitan areas, and Southern Oregon provides a qualified talent pool, lower overall cost of operation, and a great lifestyle for our employees.”

—Jorge A. Yant
CEO and President
Plexis Healthcare Systems
Ashland

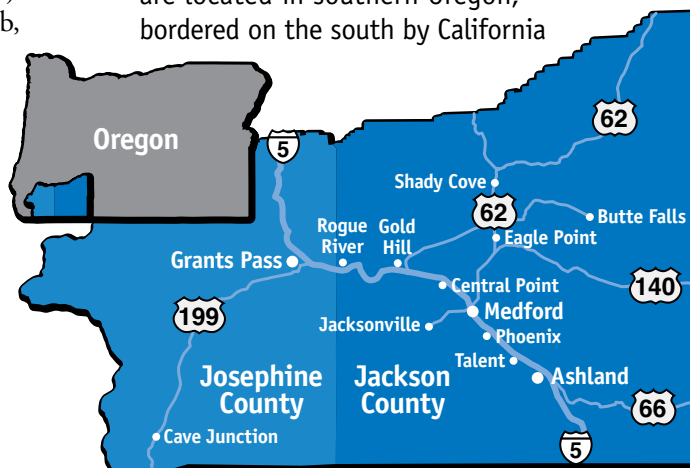
Community Populations

Southern Oregon’s population has experienced steady growth—nearly 26 percent since 1990—and is one of Oregon’s most economically viable regions.

Community	Population	Contact
Jackson County	207,745	www.jacksoncounty.org
Ashland	21,505	www.ashland.or.us
Butte Falls	445	www.upperrogue.org
Central Point	17,156	www.ci.central-point.or.us
Eagle Point	8,790	www.cityofeaglepoint.org
Gold Hill	1,080	www.ci.goldhill.or.us
Jacksonville	2,665	www.jacksonvilleoregon.org
Medford	77,240	www.ci.medford.or.us
Phoenix	4,855	www.phoenixoregon.net
Rogue River	2,090	www.rogueriver.org
Shady Cove	2,850	www.shadycove.net
Talent	6,680	www.cityoftalent.org
Josephine County	83,290	www.co.josephine.or.us
Cave Junction	1,730	www.cavejunction.com
Grants Pass	32,260	www.grantspassoregon.gov

Source: Portland State University
Population Report, 2009 Estimates

Jackson and Josephine counties are located in southern Oregon, bordered on the south by California



“SORED
 assisted us in
 our sustainable
 approach to
 business by helping
 in our expansion of
 both cold storage
 and packaging so
 we could remain
 focused on making
 the world’s finest
 handmade cheese
 and expanding
 our distribution
 nationwide.”

—David Gremmels
 Owner/Cheesemaker
 The Rogue Creamery
 Central Point



Workers’ Compensation

Rates per \$100 payroll

Outside Sales(class code 8742)	\$0.27–\$0.39
Chip Manufacturing (class code 4109)	\$0.69–\$1.00
Trucking (class code 7219)	\$7.91–\$11.49
Office/clerical (class code 8810)	\$0.15–\$0.22
School Professional (class code 8868)	\$0.38–\$0.55
Maximum weekly benefit (effective 7/09)	\$1,064.80

Source: SAIF Corporation, 2011 Rates

Unemployment Insurance

Taxable base	\$32,300
Tax rates	2.2%–5.4%
Statutory amount for new employers	3.30%
Maximum weekly benefit	\$496

Source: Oregon Employment Department, 2009 Rates

Education

Eleven school districts serve more than 30,000 students in the region, comprising 50 elementary schools, 20 middle schools, 15 high schools, and 22 private schools.

Rogue Community College (RCC) offers five degrees and 38 professional technical programs in a wide variety of fields. RCC provides day, evening, weekend, and online classes to approximately 14,000 full-time-equivalent students. RCC operates on three primary campuses: the Redwood Campus in Grants Pass, the Riverside Campus in Medford, and the Table Rock Campus in White City, which houses professional technical programs such as diesel technology, construction, manufacturing, electronics, public safety, and apprenticeships. RCC’s Workforce Training provides a variety of work-based training and employment development services, including support to regional economic development and local manufacturing. Customized training plus workforce and management workshops are available. www.roguecc.edu

Southern Oregon University (SOU), a four-year public university specializing in liberal arts, sciences, and select graduate and professional programs, serves approximately 5,000 students from around the world on its 175-acre parklike campus, offering nearly 100 areas of study in 37 majors. Located in Ashland, SOU is surrounded by national forests, mountains, and lakes. Its average class size is 25 students, with a faculty-to-student ratio of 19:1. In addition, 93 percent of its faculty members have a PhD or the highest-level degree in their respective field. SOU is the first campus in the state to offset 100 percent of its electricity use and natural gas emissions with renewable energy. www.sou.edu

Medford Higher Education Center, a joint SOU and RCC educational center in downtown Medford opened Fall Term 2009. This 68,700-square-foot, \$22.2 million facility is operated by both institutions, provides shared services, and fosters valuable community partnerships.

Oregon’s Minimum Wage: \$8.50/hr

For calendar year 2010

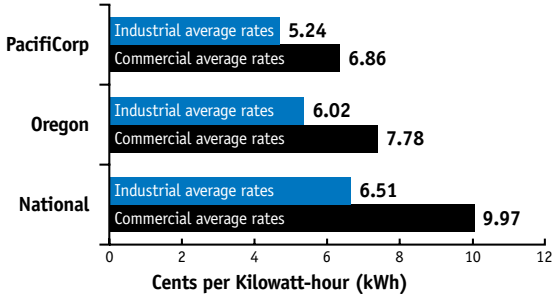
Wage Ranges for Selected Occupations	Low	High
Healthcare		
Registered nurse	\$28.70	\$38.53
Radiologic/CAT/MRI technician	21.59	31.84
Physician assistant	34.02	50.29
Sales and Related		
Retail salesperson	9.23	13.13
Cashier	8.91	11.46
Telemarketer	9.26	11.54
Transportation and Material Moving		
Forklift operator	11.89	16.40
Truck driver (heavy)	15.22	21.59
Driver/Sales worker	9.57	15.05
Service		
Customer service representative	10.66	14.90
Waiter/Waitress	9.26	15.52
Cook	9.03	13.46
Installation, Maintenance, and Repair		
Electrician	22.36	30.76
Automotive service technician	13.24	23.51
Maintenance worker (machinery)	11.71	19.89
Management, Business, and Financial		
Purchasing agent	17.41	25.43
Accountant	19.94	34.29
Human resource manager	37.42	55.61
Office and Administrative Support		
Office clerk	10.03	15.53
Executive secretary	15.73	21.70
Billing clerk	12.84	17.17
Production		
Machinist	16.45	24.22
Welder	11.36	21.86
Machine operator	11.38	18.18
Computer Science and Related		
Computer support specialist	15.26	22.53
Graphic designer	14.80	31.08
Database administrator	19.47	39.58
Computer programmer	21.19	31.54
Life Science and Forestry		
Logging equipment operator	16.74	21.87
Zoologist and wildlife biologist	24.12	31.00
Forester and conservation technician	13.35	24.87

Source: Oregon Labor Market Information System

Energy Utilities

Electricity: PacifiCorp. Southern Oregon's electricity rates are among the country's lowest. Average residential utility cost for 1,000 kilowatts per month is \$84.43 (excluding the City of Ashland).

Southern Oregon Electricity Rates



Rate Comparisons with Major Cities

*Industrial usage, monthly cost (400,000 kWh)
Based on annualized rates effective January 1, 2010*

PacificCorp. in Southern Oregon	\$21,948
Denver (Public Service Company of Colorado)	33,551
Portland (Portland General Electric)	30,489
Seattle (Puget Sound Energy)	30,591
Phoenix (Arizona Public Service Company)	37,765
Las Vegas (Nevada Power)	28,151
Reno (Sierra Pacific Power)	41,373
San Francisco (Pacific Gas & Electric)	64,942
Long Beach (Southern California Edison)	70,314

*Source: Edison Electric Institute
Typical Bills and Average Rates Report, Summer 2010*

Natural Gas: Avista

In Oregon, Avista's average cost per therm is \$1.08 for commercial and \$.91 for industrial. An average residential customer pays about \$850/year. Avista is also one of the greenest utilities, ranking eleventh lowest carbon footprint in the United States.

Telecommunications

The region is served by numerous standard and wireless phone companies, including AT&T, Century Link, Nextel, Qwest, Sprint T-Mobile, US Cellular, Verizon, and Virgin. Cable and broadband services are provided by Charter Communications, Clearwire, Hunter Communications, Qwest, Rio Communications, Unicom, and the Ashland Fiber Network in Ashland.



"For our small family-owned and-operated business, moving to southern Oregon has been a breath of fresh air. Southern Oregon has been, and continues to be, a friendly and inviting place to bring our business and our family."

*—Duane and Belinda Marzi
Marzi Sinks
Grants Pass*

Media

The region is served by six television stations, including ABC, CBS, FOX, and NBC affiliates; 15 radio stations; and 11 newspapers, including the *Medford Mail Tribune*, *Grants Pass Daily Courier*, and *Ashland Daily Tidings*.

Healthcare

The region has four hospitals, with a combined total of nearly 700 beds. The Rogue Valley also has more than 40 retirement homes, assisted-living facilities, and nursing home rehabilitation centers.

Rogue Valley Medical Center is the flagship hospital of Asante Health System, a not-for-profit health system serving more than 530,000 residents in nine Southern Oregon and Northern California counties. It is governed by a volunteer board of directors composed of local physicians and community leaders. Rogue Valley Medical Center, with 378 beds, has been named one of the nation's Top 100 Cardiovascular Hospitals five times—the only hospital in the Northwest to be so honored.

Three Rivers Community Hospital offers a wide range of high-quality medical care to residents of Josephine County and beyond. The 125-bed Asante Health System hospital was designed paying careful attention to patient needs and offers a healing environment.

Providence Medford Medical Center is a 168-bed acute and outpatient medical center with private rooms, state-of-the-art technology, a newly expanded Emergency Department, and an associated primary and specialty care physician group. Because it is a part of Providence Health System, community members gain access to the expertise and the experience of more than 34,000 healthcare professionals. The Southern Oregon care team comprises more than 325 physicians, 1,200 employees, and 350 volunteers.

Ashland Community Hospital is an independent, nonprofit hospital providing a wide range of primary and specialty services to residents of Ashland and surrounding communities in Southern Oregon and Northern California. It marked its one-hundredth anniversary in 2007.

SORED I and the City of Grants Pass were very responsive. They brought in other state, city and county officials to really make our business feel welcome in the community."

—John Stadter, President
First Call Resolutions
Grants Pass



Taxes and Fees in Southern Oregon

Corporate income tax—6.6 percent of taxable income of \$250,000 or less. 7.9 percent, plus \$16,500 of taxable income \$250,000 to \$500,000. Graduated scale with higher minimums for income above \$500,000.

Personal income tax—9 percent maximum on taxable income \$5,000–\$125,000 for single, \$10,000–\$250,000 joint. 10.8–11 percent maximum on taxable income \$125,000 and over for single, \$250,000 and over joint.

Rogue Valley Transit tax—Medford area only

Sales tax—none

Unitary tax—none

Business Incentives

Enterprise Zones. Qualifying businesses may be eligible for three to five years of property tax abatement for new capital improvement to specific properties. Grants Pass, the Illinois Valley, commercially and industrially zoned sites in Josephine County, Medford, Butte Falls, Rogue River, White City, and some rural portions of Jackson County have designated Enterprise Zones. The City of Grants Pass and the City of Medford also have a designated E-commerce Zone overlay. Companies that do 51 percent or more of their business via the Internet may qualify for up to a 25 percent income tax credit.

Urban Renewal Districts. Assistance may be available for certain infrastructure improvements, such as water and sewer service, streets, storm drains, sidewalks, street lighting, and fees and permits. Grants Pass, Jacksonville, Medford, Talent, and White City (through Jackson County) are Urban Renewal Districts.

Job Creation. Based on the number of jobs created and the level of wages paid, incentives may be available to fund employee training, equipment purchases, and eligible infrastructure improvements.

Other Incentives. Additional business incentives include: Foreign Trade Zone, business energy tax credit, pollution control tax credit, dependent care facilities tax credit, strategic investment program, and job training program.

Loan Programs. Programs include the SOREDI Business Loan Program, the Small Scale Energy Loan Program, the Oregon Business Development Fund, the Grants Pass Loan Program, and two loan programs through the Illinois Valley Community Development Organization.

Useful Web Sites

Business Referral Center	www.filinginoregon.com
State of Oregon	www.oregon.gov
Business Oregon	www.oregon4biz.com
Oregon Employment Department	www.employment.oregon.gov
Oregon Labor Market Information System	www.olmis.org
Energy Trust of Oregon, Inc.	www.energytrust.org
The Job Council	www.jobcouncil.org
Oregon Small Business Development Center	www.bizcenter.org

Commercial and Industrial Facilities

Southern Oregon has numerous sites for commercial and industrial development, most of which are within 15 minutes of Interstate 5. These properties are mostly in private ownership with appropriate infrastructure in place. Developers can search for available industrial and commercial buildings or sites and generate site-specific demographic and business analysis reports via www.oregonprospector.com.

Oregon Certified Sites

The region is home to three Oregon certified sites, which have undergone comprehensive review and have current information about availability and capacity of water, sewer, electric power, and telecommunications; environmental, cultural, and land issues; transportation accessibility; and much more. Certified sites are ready for construction within six months after being chosen for development. Sites in Oregon are certified “project-ready” for a specific industry profile. www.oregonprospector.com

Cost of Industrial Land

Varies by location and zoning, ranging from \$1.50 per square foot (s/f) to \$15.00 s/f

New-construction Costs

Warehouse and manufacturing space

Steel	\$34–\$43 s/f
Tilt-up	\$50–\$55 s/f
Wood frame	\$55–\$63 s/f
Commercial and office space	\$133–\$167 s/f

Lease Rates

Monthly

Warehouse/manufacturing	\$0.45–\$0.75 s/f
Office (Excluding medical use)	\$1.00–\$2.00 s/f

Labor Force Trends: So. Oregon

Along with its robust population growth of 39.1 percent over the last 19 years^{*}, Southern Oregon reported strong job growth prior to the recent recession.

Since 2001 the labor force in Jackson County increased by about 10 percent. Between 2001 and 2007 employment increased by 11.1 percent. In 2009 employment fell to 88,859, well below pre-recessionary levels.

Josephine County's labor force increased by 10.6 percent between 2001 and 2009. The employment numbers peaked in 2006, reflecting strong economic growth. The recent recession had a significant impact on the employment situation in Josephine County.

^{*}1990 (from U.S. Census) to 2009

(from Population Research Center at PSU)

Source: Oregon Employment Department, March 2010, www.olmis.org

Employment Information				
Jackson County				
Year	Labor Force	Employment	Unemployment	Rates
2009	101,639	88,859	12,780	12.6%
2008	102,413	94,500	7,913	7.7%
2007	102,142	96,338	5,804	5.7%
2006	104,308	99,195	5,113	5.1%
2005	99,845	93,726	6,119	6.1%
2004	99,143	92,141	7,002	7.1%
Josephine County				
2009	35,145	30,138	5,007	14.2%
2008	35,148	31,994	3,154	9.0%
2007	35,128	32,611	2,517	7.2%
2006	35,994	33,791	2,203	6.1%
2005	34,900	32,429	2,471	7.1%
2004	34,490	31,680	2,810	8.2%

Source: Oregon Labor Market Information System

Largest Private-sector Area Employers

Company	Product	Number of Employees
Asante Health System	Health care services	3,676
Harry & David Operations	Gourmet fruit and gifts/Corp. HQ	2,000
Providence Medical Center	Health care services	1,288
Amy's Kitchen	Organic food manufacturing	680
Pacific Retirement Services	Retirement and healthcare services	650
Lithia Motors	Auto dealerships/Corp. HQ	609
Boise Building Solutions	Secondary woods manufacturing	600
Fire Mountain Gems	Beads and gems distribution	500
Oregon Shakespeare Festival	Theatre entertainment	500
Erickson Air-Crane	Heavy-lift helicopter services, manufacturing	450
Timber Products	Secondary woods manufacturing	425
Ashland Community Hospital	Health care services	400
Regence BlueCross BlueShield	Health care insurance	325
Master Brand Cabinets	Cabinet manufacturing	320
Carestream Health	Medical imaging manufacturing	300
CenturyLink (EMBARQ)	Call center	300
DCS Corporation	Call center	291
Living Opportunities	Training and development	286
Costco	Retail	274
CDS Publications	Publishing house	260
Musician's Friend	Musical Instruments/Corporate HQ	250
Avamere at Medford	Retirement and Healthcare Services	200
Dutch Bros.	Coffee manufacturing, distribution	180
Motorcycle USA	Motorcycle accessories electronic commerce	175
First Call Resolution	Call center	173
Cascade Wood Products	Secondary woods manufacturing	150
ECS Composites	Military container manufacturing	149
Grayback Forestry	Wildland firefighting and fuels management	140
Comnet	Call center	139
FTD Teleflora	Floral wire service	139
Mail Tribune	Community Newspaper	130
Kathrein Scala	Broadcast equipment manufacturers	120
Tree Top	Food products manufacturing	107
Murphy Plywood	Secondary woods manufacturing	105
ESAM	Electronic assembly/manufacturing	100
Rogue Regency Inn	Hotel	100
Met One Instruments	Particle counters/ instrument manufacturing	100
Sterling Business Forms	Publishing house	100
Rough & Ready Lumber	Secondary woods manufacturing	93
Pacific Crest Transformers	Industrial transformer manufacturing	88
Ascentron	Electronic assembly/manufacturing	80
Krauss Craft	Playground equipment manufacturing	75
Herb Pharm	Organic dietary supplements	70
Croman Corp	Heavy lift helicopter services	68
Micro-Trains	Model railcar manufacturing	68
Batzer	Construction	66

Source: SOREDI annual account calls and survey data 2010 (estimates only)



“Here everything was less expensive—real estate, energy, and workers’ comp. Also, the spirit of support from the state, county, and city was incredible.”

—Debbie Russell
Encore Ceramics
Grants Pass

Median Home Prices

December 2010

Jackson County	\$159,000
East Medford	172,750
West Medford	102,000
Central Point	143,500
Eagle Point	210,000
Ashland	299,000

Josephine County	\$176,800
Grants Pass	178,500

Source: Southern Oregon Multiple Listings, Nancy Venuti, and Rapattoni Corporation

Rental Units	<i>Vacancy rate 4%–5%</i>
2- or 3-bedroom apartment	\$600–\$950
2- or 3-bedroom house	\$700–\$1,100

Source: Housing Authority of Jackson County (December 2010)

Per-capita Income and Home Ownership			
	Oregon	Jackson County	Josephine County
Owned households (2000)	64.3%	66.5%	70.1%
Per-capita income (2008)	\$36,365	\$34,506	\$29,287
Median household income (2009)	\$48,325	\$45,212	\$35,509

Sources: Bureau of Economic Analysis and U.S. Census Bureau

Oregon’s National Rankings

Thirteenth-lowest Workers’ Compensation Rates

Oregon has experienced 19 consecutive years of flat or declining rates and a cumulative savings to employers of \$17.4 billion in premium costs since 1990.

Source: Department of Consumer and Business Services (September 2008)

Oregon’s National Rankings *continued*

Sixth-best place in the nation for business and careers.

Fourth-best labor supply and twelfth-best growth prospects in the nation.

Source: Forbes Magazine, October 2010

Fourteenth-best State Business Tax Climate Index for 2010

Source: Tax Foundation (January 2010)

Eleventh-lowest in taxes per capita for 2009

Source: U.S. Census Bureau

Area Chambers of Commerce

Ashland

(541) 482-3486 www.ashlandchamber.com

Cave Junction

(541) 592-3326 www.cavejunction.com

Central Point

(541) 664-5301 www.centralpointchamber.org

Eagle Point

(541) 858-4343 www.eaglepointoregon.org

Grants Pass/Josephine County

(541) 476-7717 www.grantspasschamber.org

Jacksonville

(541) 899-8118 www.jacksonvilleoregon.org

Medford

(541) 779-4847 www.medfordchamber.com

Phoenix

(541) 535-1955 www.phoenixoregon.net

Rogue River

(541) 582-0242 www.rrchamber.cc

Talent

(541) 535-3837 www.talentchamber.com

Southern Oregon Regional Economic Development, Inc. (SOREDI) is a nonprofit agency dedicated to increasing the long-term prosperity of Jackson and Josephine counties. We serve as project managers for expanding and relocating companies, without fees or obligation; act as a liaison between private and public sectors to promote business; and operate a \$6.6 million business development fund for private business. SOREDI can assist with local site selection, workforce fulfillment, utility requirements, financing, and economic incentives.



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Southern Oregon Regional Economic Development, Inc.
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