



Transforming Rural Oregon: The Impact of Business Oregon's Programs

Co-Chairs Woods and Gomberg and members of the Transportation and Economic Development Subcommittee, please accept this written testimony on behalf of Foundry Collective supporting Business Oregon.

Rural Oregon is experiencing a quiet renaissance, thanks to a powerful combination of state programs and innovative partnerships that are reshaping the economic landscape of the state's rural communities. Business Oregon's Rural Opportunity Initiative (ROI), Technical Assistance Program (BOTA), and Economic Equity Investment Program (EEIP) have become catalysts for change, supporting the work of dynamic organizations like ours to foster entrepreneurship and create sustainable economic growth in rural Oregon.

The Rural Opportunity Initiative: Empowering Local Entrepreneurs

The Rural Opportunity Initiative (ROI) represents Business Oregon's strategic effort to empower rural communities to support entrepreneurs and small business growth. This program has been particularly impactful in strengthening entrepreneurial ecosystems across Oregon's rural landscape, with a special focus on diverse and low-income populations. The focus on inclusive and community-driven efforts by empowering local leaders to define and implement collaborative strategies to elevate entrepreneurship aligns perfectly with the mission of Foundry Collective and our efforts.

Avoiding a "one-size-fits-all" solution has made a significant impact. This initiative drives funding and support to rural communities. It avoids the hub-and-spoke model of support that fails our smallest towns because they are too distant to access resources or just so small that they aren't even a spoke.

Foundry Collective has partnered with ROI communities, assisting locally-based community organizations in providing much-needed technical assistance access. Programs include small business startup curricula like CO.STARTERS Core and growth-focused programs like CO.STARTERS Bootcamp. In addition, rural small businesses are creating business plans using IdeaBuddy, a simple-to-use program to assist entrepreneurs through every step of their entrepreneurial journey, from the initial spark to the execution of their business ideas.

The real power of these programs lies in how they strengthen local partnerships. Through Business Oregon's support, Foundry Collective works with trusted community organizations across the state:

- High Desert Partnership in frontier Oregon



- NEOEDD in northeastern Oregon
- Warm Springs Community Action Team
- Oregon Frontier Chamber of Commerce
- Heppner Community Foundation
- And many others who know their communities best

We advocate for the continued funding of this program and are reassured to see \$4.8 million for this program directed to Business Oregon in the Governor's Request Budget.

Foundry Collective and Reinventing Rural: A Game-Changing Initiative with Strong Partnerships

Foundry Collective's Reinventing Rural initiative has become a cornerstone of rural economic development in Oregon. The initiative helps community organizations create strong rural economies by engaging and assisting local efforts to build vibrant entrepreneurial cultures. Funding from the Business Oregon Technical Assistance Program (BOTA) and the Economic Equity Investment Program (EEIP) has significantly supported this work.

<https://reinventingrural.substack.com/p/beyond-the-signature-the-real-meaning>

The impact of this work has been remarkable. From October 2023 to October 2024, through BOTA funding awarded to Rural Development Initiatives**, ** Foundry Collective delivered technical assistance to 154 rural small businesses. Of these, ninety-five participated in cohorts and classes and received over 460 hours of assistance. Twenty new businesses were launched, and an additional 56 were provided with support to stabilize and scale. Almost all of this occurred in rural Oregon small towns with populations from 5000 to 150.

In addition, BOTA funding awarded to High Desert Partnership supported additional work in most of Frontier Oregon. These funds are critical for getting services to our state's more remote and distant places. From Spray (Pop. 139), to Arlington (Pop 628), to Wallowa (Pop 796) to Burns (Pop 2730), BOTA and EEIP ensure rural small towns get access to the resources they need to start and grow small businesses.

Reinventing Rural managed the EEIP intake process for an eight-partner collaborative led through a \$400,000 award to High Desert Partnership. These partners, BizHareny, LaunchPad Baker, NEOEDD, Oregon Frontier Chamber of Commerce, EUVALCREE, TVCC SBDC, and the Burns Paiute Tribe, cover eight frontier rural counties. With a total population under 100,000, this region represents 2.3% of Oregon's population and 32.6% of Oregon's landmass. Getting resources to these remote communities is invaluable to ensure strong tiny towns.



In the past 15 months, over 240 rural small business owners expressed interest in receiving assistance through EEIP**; of these,** 138 qualified. Forty-nine received grants that put \$183,000 directly into rural businesses in eight Eastern Oregon counties. Hundreds of hours of classes, workshops, and one-on-one technical assistance were offered.

The real-world impact on employment was significant: 32 new full-time jobs and 9 part-time positions were created, bringing vital employment opportunities to rural communities. 35 EEIP recipients graduated from the CO.STARTERS programs, including Core, a rigorous 10-week program that walked entrepreneurs through the proven process of getting their businesses unstuck and moving forward.

Business Oregon Technical Assistance Program: Building Capacity and Knowledge

The Technical Assistance Program has proven to be a crucial component in rural Oregon's economic development strategy. The program provides essential funding to enhance and expand efforts to support small businesses that are underrepresented or underserved. This support has been particularly valuable when combined with Foundry Collective's efforts.

Economic Equity Investment Program: Bridging the Gap

The Economic Equity Investment Program (EEIP), created in 2022 through Senate Bill 1579, has significantly addressed historical economic disparities in rural communities. The program collaborates with initiatives like Reinventing Rural to ensure that resources reach those who need them most.

<https://reinventingrural.substack.com/p/when-rural-oregon-came-together>

The Kiva Oregon: Revolutionizing Rural Access to Capital

A groundbreaking development in 2024 has been the launch of Kiva Oregon, the first rural-focused Kiva U.S. Hub. This initiative has dramatically expanded access to capital for rural entrepreneurs. The hub serves over 1,000,000 rural Oregon residents across more than 265 zip codes, offering 0% interest, zero-fee loans to underserved small business owners.

Funded in part by BOTA, The Ford Family Foundation, Umpqua Bank, and Rural-LISC, Kiva OR has significantly impacted funding in small communities. 22 small businesses have received \$184,000 in crowdfunded loans with a \$0 fee and 0% interest. Another three loans are under Kiva U.S. review and should start fundraising any day now. These include Princeton Producers, a micro-ranch in Harney County, Wallowa Wilds, a small organic farm in Wallowa County, and Antelope Market and RV Park in Wasco County.



<https://reinventingrural.substack.com/p/20-small-business-loans-for-167000>

<https://reinventingrural.substack.com/p/how-costarters-and-kiva-oregon-are?r=fh8pj>

Measuring Success Through Community Impact

The synergy between Business Oregon's programs and organizations like Foundry Collective has created a multiplier effect in rural communities. The CO.STARTERS program, for example, has shown remarkable success, with 86% of coastal graduates being women, demonstrating the initiatives' success in reaching traditionally underserved entrepreneurs.

Looking Forward

As rural Oregon faces new challenges and opportunities, these programs and partnerships are evolving to meet changing needs. The collaboration between state programs and community-focused organizations like Foundry Collective and Kiva Oregon demonstrates that rural economic development works best when it combines institutional support with grassroots engagement.

Rural entrepreneurs now have unprecedented access to resources, funding, and support through the Business Oregon Technical Assistance program, Kiva OR, and other initiatives. **This** comprehensive approach to rural development serves as a model for other states looking to revitalize their rural economies. It shows that with the right blend of financial support, technical assistance, and community engagement, rural communities can build strong, sustainable economic futures that benefit all residents.

As you consider the Business Oregon budget, we strongly urge you to maintain and, if possible, increase funding for the Business Technical Assistance Program and recognize its integral role.

In community,

Brad Attig - CEO
Foundry Collective