

Analysis cites 'very effective' impact of SOREDI

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An analysis of Southern Oregon Regional Economic Development Inc. confirmed the organization continues to bolster the local economy through its recruitment efforts.

Economic analysis consulting firm REMI-Northwest evaluated SOREDI's role in local e-commerce and business recruitment activities and credited the 22-year-old organization with expanding the area's employment and tax base.

The results were highlighted during SOREDI's annual meeting last week.

REMI-Northwest found the Medford E-Commerce Zone administered by SOREDI has helped create 700 new jobs and is projected to surpass 900 positions by 2020. The e-commerce zone has generated \$42 million in gross regional product and is expected to grow to \$92 million by 2020. The gross regional product is the local equivalent of the gross national product (GNP), which measures the total value of goods and services created.

"The e-commerce zone has been a very effective tool in offsetting declines in the timber and forest product industries," REMI-Northwest reported. "Benefit/cost ratios of SOREDI business expansion activities, particularly with regard to the e-commerce zone, have been very high. Public tax revenues have been several times (more than what has) been invested."

SOREDI-related business investments will generate \$14 million in property taxes, with the city of Medford picking up \$1.6 million and Jackson County another \$2.5 million.

"Without SOREDI, business investment would suffer from a lack of knowledge about Southern Oregon, a lack of capital or missed incentives for start up business and reduced access to public officials," REMI-Northwest stated in its findings.

For every 100 new jobs created in the computer-related sector, the gross regional product grows by \$63 million and state and local tax revenues grow by \$7 million.

In the machinery manufacturing sector, 100 new jobs bring in \$13 million in gross regional product and \$2.2 million in tax revenue. When 100 new jobs are created in either the data processing/Internet field or in food manufacturing, the gross regional product is more than \$11 million.

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