

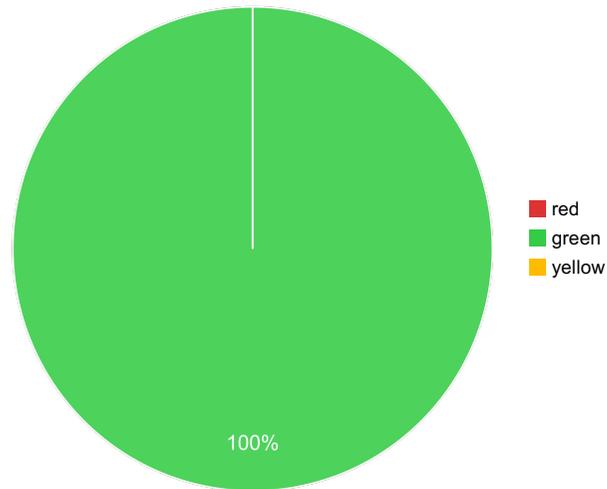
Oregon Business Development Department

Annual Performance Progress Report

Reporting Year 2025

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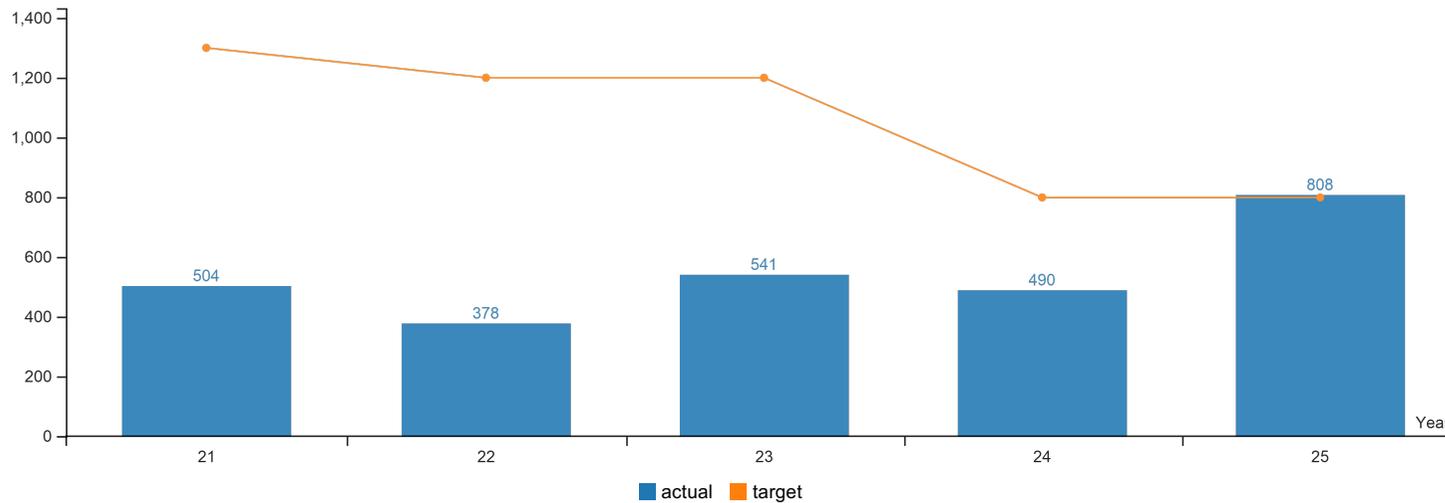
KPM #	Approved Key Performance Measures (KPMs)
1	Number of jobs created -
2	Number of jobs retained -
3	Personal income tax generated by the Department's investment in jobs -
4	New export sales of assisted clients -
5a	Total dollar amount of federal contracts awarded to Oregon Businesses receiving Government Contract Assistance Program assistance. -
5b	Number of federal contracts awarded to Oregon businesses receiving Government Contract Assistance Program assistance. -
6	Additional Jobs Created through Property Tax Abatement Programs - New jobs created at businesses that used either the Enterprise Zone program or Strategic Investment Program.
7	Number of community capital projects assisted for planning (infrastructure, community and organizational). -
8	Number of community capital construction financing projects that address public health and safety issues. -
9	Number of community capital construction financing projects that assist with future economic and community development. -
10	Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.



Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	100%	0%	0%

KPM #1	Number of jobs created -
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
Total jobs created					
Actual	504	378	541	490	808
Target	1,300	1,200	1,200	800	800

How Are We Doing

Business Oregon programs helped Oregon businesses create 808 jobs this past fiscal year. Business Oregon monitors employment trends among businesses that have received support through any of the 19 active or legacy programs where job creation was a stated goal. Employment outcomes are measured using payroll records from the Oregon Employment Department, and businesses are tracked for five consecutive fiscal years following their funding. The total number of jobs created reflects the number of jobs added between FY 2024 and FY 2025 among businesses funded during the past five years.

Factors Affecting Results

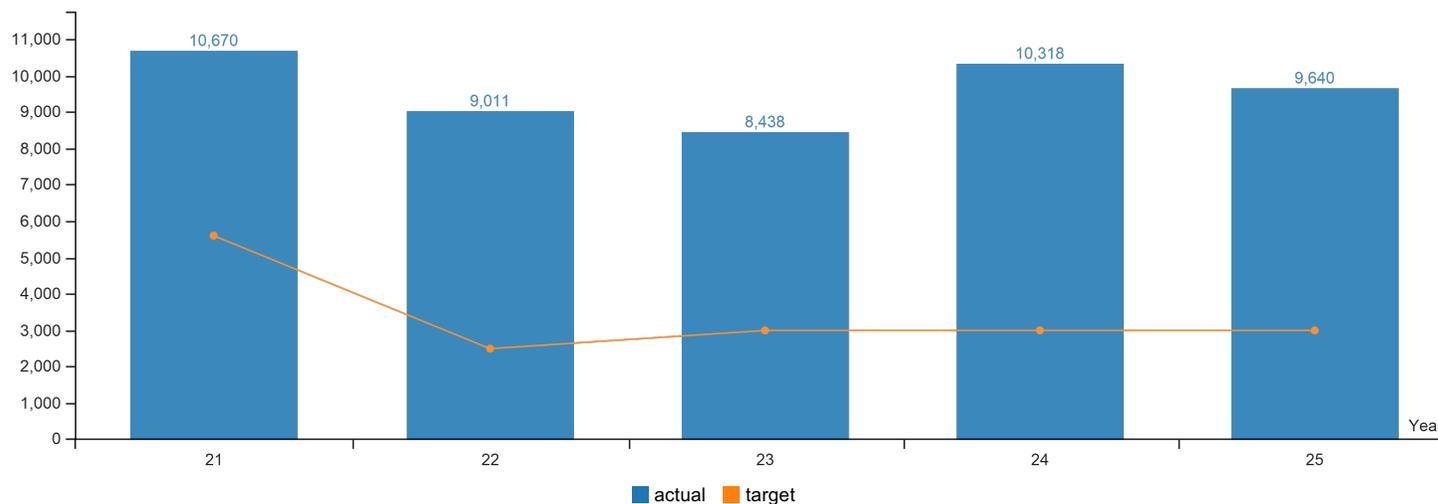
The largest contributions to job creation in FY 2025 were:

- Strategic Reserve Fund: 248 jobs created
- SB-4 CHIPs: 170 jobs created
- Emerging Opportunities Fund: 120 jobs created
- Innovation Program: 101 jobs created

Despite a statewide decline in private sector employment — down approximately 6,500 jobs (-0.4%) in FY 2025 compared to FY 2024 — businesses supported by Business Oregon programs showed improved outcomes. Total jobs created under KPM 1 rose to 808, a significant increase from 490 in FY 2024, demonstrating the continued impact of targeted economic development investments.

KPM #2	Number of jobs retained -
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
Total Jobs Retained					
Actual	10,670	9,011	8,438	10,318	9,640
Target	5,600	2,500	3,000	3,000	3,000

How Are We Doing

Business Oregon programs helped Oregon businesses retain 9,640 jobs this past fiscal year. Business Oregon tracks jobs retained for businesses that receive funding through programs where layoff aversion is an explicit objective. “Jobs Retained” are defined as the lower of either the number of jobs the business committed to retaining due to the funding or the total number of jobs at the establishment.

Factors Affecting Results

As with the past few years, a substantial majority — 93.5% — of all jobs retained were associated with two COVID-19-specific programs: the Oregon Commercial Assistance Grant (OCAG) and the Emergency Business Assistance Grant (EBAG). Approximately 1,490 business establishments that received support through these layoff aversion programs continued to retain jobs in FY 2025. These programs were intentionally designed to preserve employment during and immediately following the pandemic, in contrast to most of Business Oregon’s current programs, which are primarily focused on job creation and expansion of Oregon’s traded sector industries.

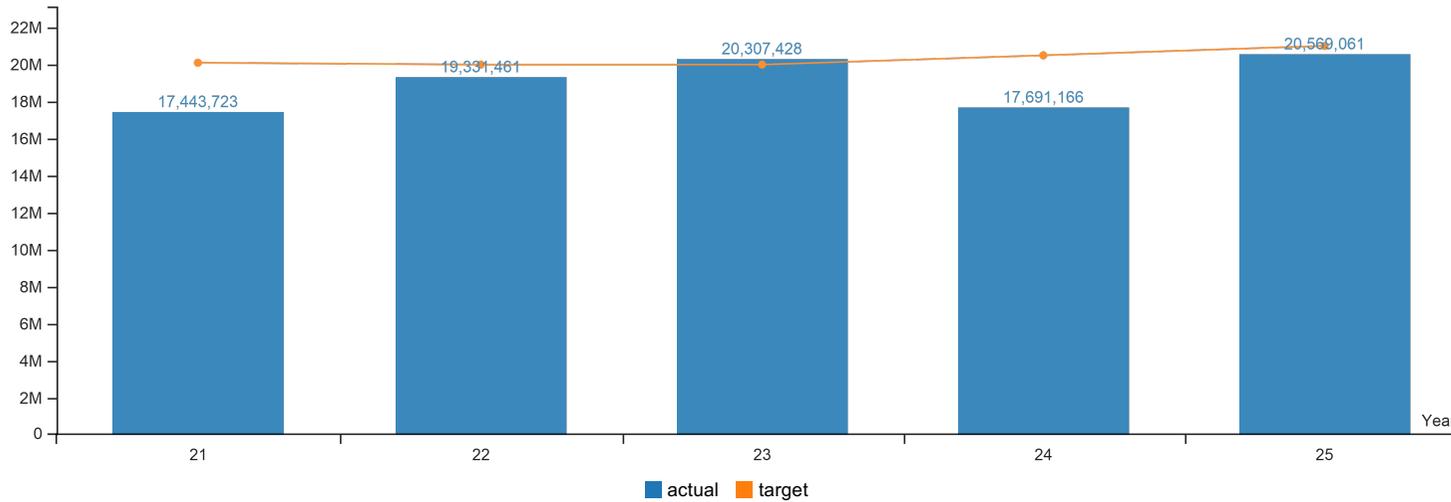
Among current programs (excluding the two COVID-19 programs) approximately 630 jobs were retained across 57 establishments where layoff aversion was a component of the funding. The largest share of these retained jobs came from:

- Strategic Reserve Fund: 368 jobs retained
- Credit Enhancement Fund: 69 jobs retained
- Community Lender Loan Loss: 63 jobs retained

These outcomes highlight the continued importance of targeted investments in job retention programs, particularly in times of economic uncertainty.

KPM #3	Personal income tax generated by the Department's investment in jobs -
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
State Income Tax Revenue					
Actual	\$17,443,723.00	\$19,331,461.00	\$20,307,428.00	\$17,691,166.00	\$20,569,061.00
Target	\$20,100,000.00	\$20,000,000.00	\$20,000,000.00	\$20,500,000.00	\$21,012,500.00

How Are We Doing

This measure is a derivative of KPMs #1 and #2, jobs created and retained through Business Oregon-supported programs. In FY 2025, these jobs generated an estimated \$20.5 million in state personal income tax revenue. While slightly (2%) lower than the assigned target, this measure is 16% higher than in FY2024, and it should be noted the target was increased from last year, despite not meeting the target in 6 of the last 7 years, including last year.

Factors Affecting Results

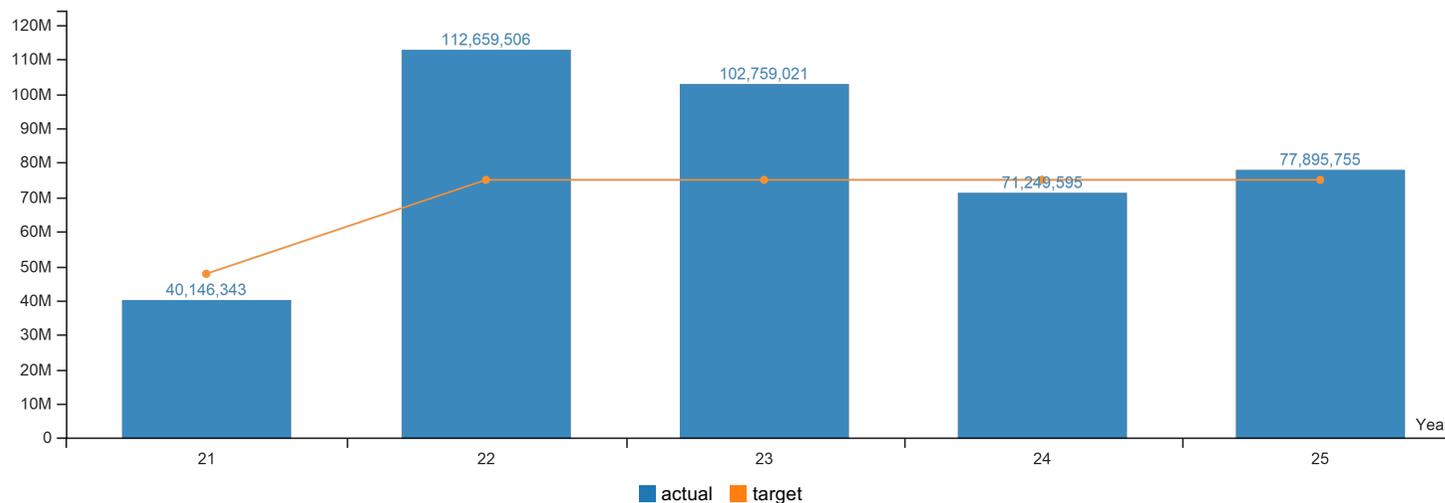
A significant portion — approximately 64.5% — of this revenue stemmed from job retention efforts tied to COVID-19-specific programs: the Oregon Commercial Assistance Grant (OCAG) and the Emergency Business Assistance Grant (EBAG). In addition to these legacy programs, several current initiatives also contributed meaningfully to state tax revenues:

- Strategic Reserve Fund: \$3.8 million
- SB-4 CHIPs: \$1.7 million
- Innovation Program: \$600,000
- Emerging Opportunities Fund (EOF): \$462,000

The rise in this measure over last year can be attributed to higher wages of jobs represented in KPMs #1 and #2, particularly due to jobs tied to the Strategic Reserve Fund and Oregon CHIPs program.

KPM #4	New export sales of assisted clients -
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
New export sales of assisted clients (in millions of dollars)					
Actual	\$40,146,343.00	\$112,659,506.00	\$102,759,021.00	\$71,249,595.00	\$77,895,755.00
Target	\$47,800,000.00	\$75,000,000.00	\$75,000,000.00	\$75,000,000.00	\$75,000,000.00

How Are We Doing

New export sales of clients assisted by Business Oregon programs and services for FY 2025 amounted to \$77,895,755, up over 9% from the previous fiscal year and above the KPM target. Overall exports from Oregon last calendar year (2024) were nearly \$34 billion, an increase of just over 20 percent due primarily to an increase in exports to both China (up 36%) and Malaysia (up 56%).

Business Oregon helps small to medium sized enterprises (up to 500 employees), and we also offer periphery services to larger firms when needed, to help grow revenue through export sales, which diversifies their customer base and assists Oregon businesses be more globally competitive. Export sales include immediate and expected sales reported by Oregon businesses, supported with both technical and financial assistance from Business Oregon. Within our Export Promotion Program (EPP), we utilize both a federally funded export grant program, the State Trade Expansion Program (STEP), as well as a state-funded export grant program, the Oregon Trade Promotion Program (OTPP). Both programs assist companies to attend domestic and international trade events and support a host of other services, including U.S. Commercial Service facilitated Gold Key international matchmaking meetings with distributors and businesses.

Our federal partners include the U.S. Small Business Administration (SBA) and the Export Import Bank of the U.S. (EXIM Bank). Sales revenue resulting from these partnerships is reflected in this key performance measure.

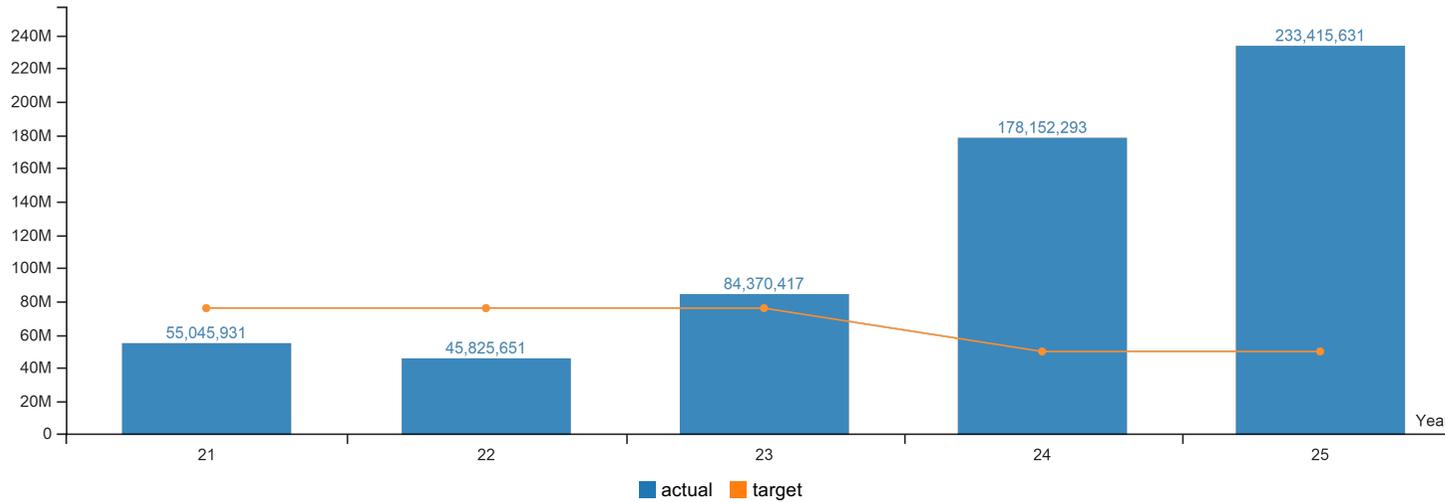
Factors Affecting Results

Over the last several years, demand for the department's services, connections, trade promotion opportunities, and export grants has continued to grow as Oregon businesses expand into the global economy. The current trade landscape has created a more urgent need for our export promotion program. As demand and competition for the export promotion program grows it has become a critical success story for the agency and small businesses across the state.

Exports remain a strong part of Oregon's economy with markets in the Pacific Rim, along with the EU/UK, showing potential growth opportunities for Oregon exporters. American-made goods and services are becoming less competitive due to issues with new trade agreements, supply chain constraints, inflated freight costs, and a weak U.S. dollar. Despite the increase in Oregon exports last year, our department is hearing from clients that they are experiencing slowdowns and cancellations of orders in 2025. Through the most recent data available for the year (Jan-July 2025) Oregon exports are down nearly 17%, with exports to China down 11%, to Mexico down 23%, to Malaysia down 4%, and to Canada down 34% compared to this point last year. Despite that, many of our businesses have proven to be resilient despite the trade and tariff challenges.

KPM #5a	Total dollar amount of federal contracts awarded to Oregon Businesses receiving Government Contract Assistance Program assistance. -
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
Total amounts of federal contracts awarded					
Actual	\$55,045,931.00	\$45,825,651.00	\$84,370,417.00	\$178,152,293.00	\$233,415,631.00
Target	\$76,000,000.00	\$76,000,000.00	\$76,000,000.00	\$50,000,000.00	\$50,000,000.00

How Are We Doing

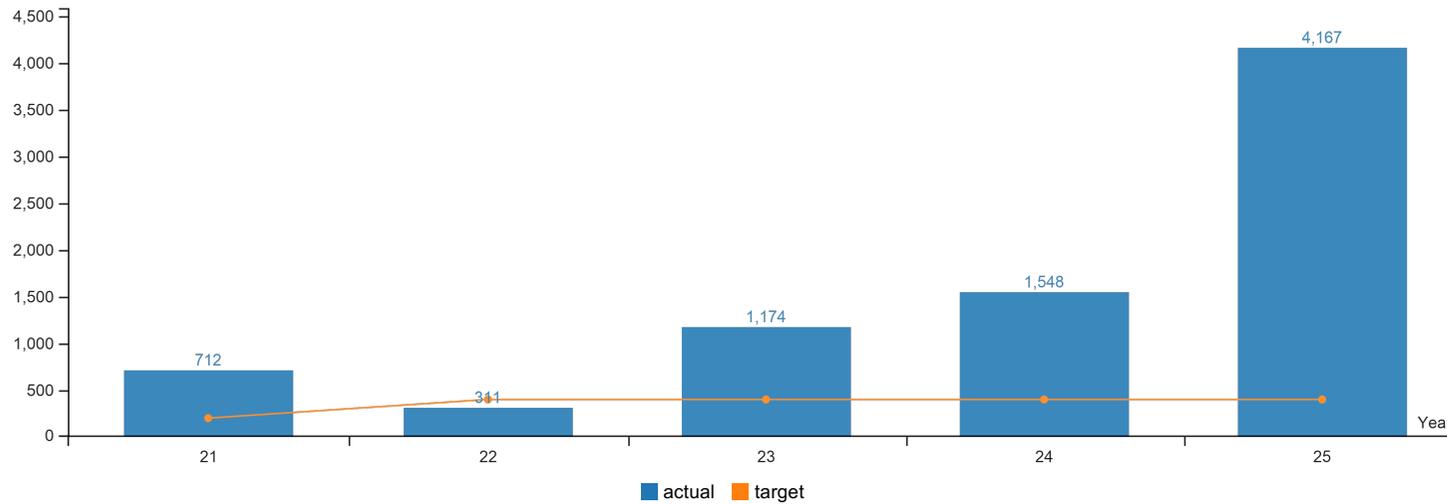
Business Oregon does not administer this program or perform this work, but funds and administers a contract with the Organization for Economic Initiatives (dba Apex Accelerator), to assist start-ups and small firms seeking to grow their businesses through government contracting opportunities. The total value of federal contracts firms using the services of Apex Accelerator achieved in FY 2025 was \$233,415,631, a significant increase over FY 2024.

Factors Affecting Results

Apex Accelerator is contractually required to help Oregon small businesses secure \$152 million in federal contracts per biennium. FY 2025 showed a phenomenal increase over FY 2024, and Apex Accelerator has already exceeded its biennial goal by \$259.5 million. Apex credits this increase to a) full staffing at their agency making it possible to meet with and assist more Oregon companies, and b) a huge increase in the number of Virtual Incident Procurement (VIPR) contracts with mainly very small businesses at the end of 2024. Apex Accelerator leadership does not expect federal contract opportunities in the future to continue at this level, given changes to federal agency budgets.

KPM #5b	Number of federal contracts awarded to Oregon businesses receiving Government Contract Assistance Program assistance. -
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
Total Number of Federal Contracts Awarded through services provided by GCAP					
Actual	712	311	1,174	1,548	4,167
Target	200	400	400	400	400

How Are We Doing

Business Oregon does not administer this program or perform this work, but funds and administers a contract with the Organization for Economic Initiative's (dba Apex Accelerator) government contract assistance program, to assist start-ups and small firms seeking to grow their businesses through government contracting opportunities. Apex Accelerator assisted Oregon small businesses to secure 4,167 federal contracts during FY 2025, an exponential increase over FY 2024 and prior fiscal years.

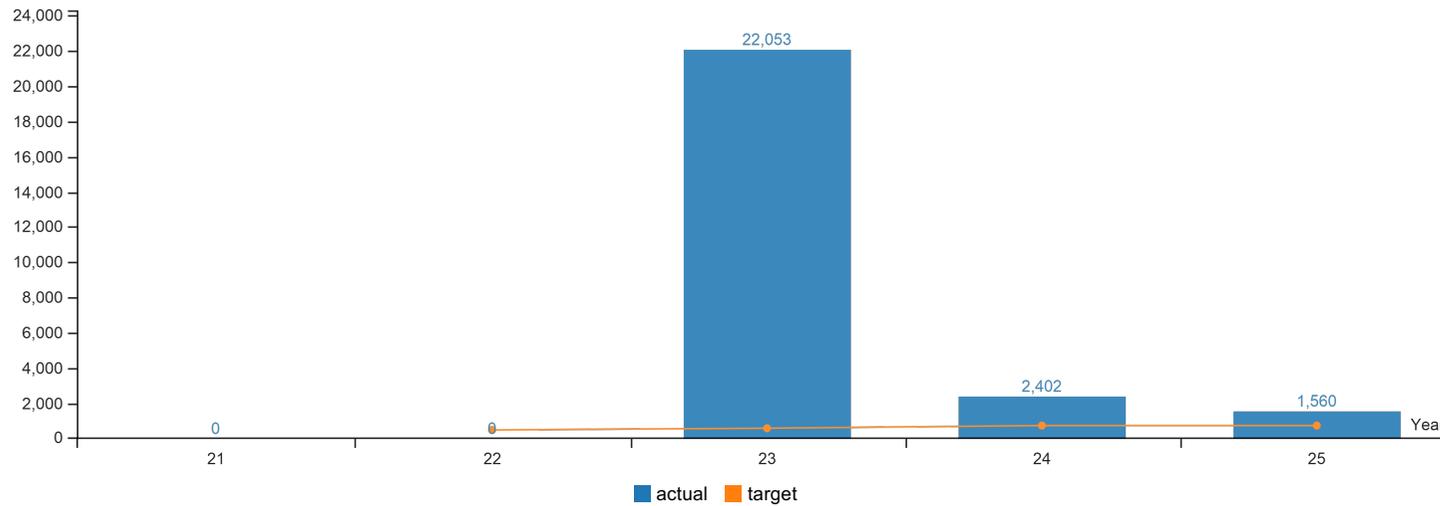
Factors Affecting Results

Due to more stable staffing and a very large increase in Virtual Incident Procurement (VIPR) awards (mainly to very small Oregon businesses), Apex has been able to help small Oregon companies procure a larger number of federal contracts than in previous biennia. Their work contributed to not only an increase in the number of federal contracts awarded, but unlike previous fiscal years, there was a commensurate increase in the amount of federal money brought into the state through their efforts.

KPM #6 Additional Jobs Created through Property Tax Abatement Programs - New jobs created at businesses that used either the Enterprise Zone program or Strategic Investment Program.

Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
Additional Jobs Created through Property Tax Abatement Programs					
Actual			22,053	2,402	1,560
Target		500	600	750	750

How Are We Doing

In FY 2025, property tax abatement programs administered by Business Oregon supported the creation of 1,560 new jobs. Of these, 1,407 jobs (90%) were generated through the state's Enterprise Zone program. An additional 105 jobs were created via the Strategic Investment Program (SIP), with the remainder attributed to the Oregon Investment Advantage program. These newly created jobs contributed an estimated \$7.25 million in state income tax revenue. As these are property tax abatement programs, not direct funding from the agency, these jobs are not counted in KPM #1.

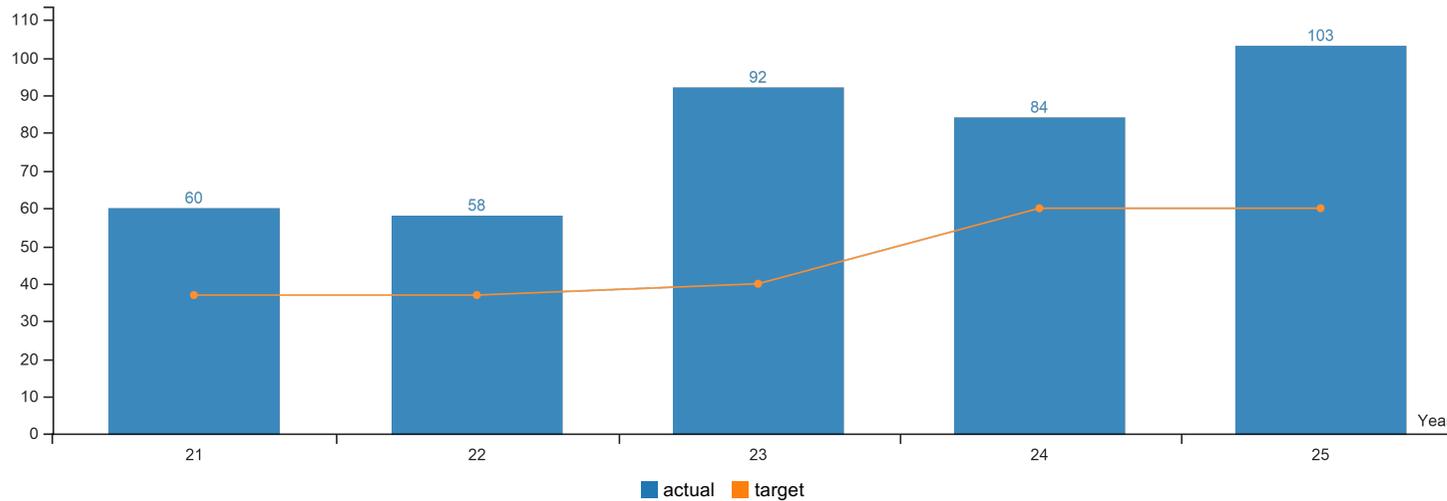
Factors Affecting Results

Looking more broadly beyond just the new jobs created, these businesses benefiting from property tax abatement programs in FY 2025 are responsible for 24,200 direct jobs in Oregon, with an average annual wage of \$105,280. Net employment among these businesses grew by 1% over the past year, outperforming the broader private sector in Oregon, which experienced a 0.4% decline over the same period. These 24,200 jobs generated an estimated \$154.36 million in state income tax revenue, underscoring the economic value of these incentive programs.

Note that the first year of implementing this new measure, FY2023, Business Oregon used an alternative methodology to calculate this measure, relying on existing company reporting that occurs for the programs that includes self-reported job creation numbers. This data has been found to be reported with inconsistency. Some companies may not be interpreting the definition of the data point correctly, such as possibly reporting job creation over multiple years that is connected with the project using the program, or listing full existing employment, versus job creation over the immediate past fiscal year as intended. In FY2024 Business Oregon was able to use the new job reporting methodology developed for KPMs #1 and #2 to more accurately report this metric as well, using verified jobs data from the Oregon Employment Department for the business establishments using these programs. This more accurate methodology is being used moving forward.

KPM #7	Number of community capital projects assisted for planning (infrastructure, community and organizational). -
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
Number of community capital projects assisted for planning					
Actual	60	58	92	84	103
Target	37	37	40	60	60

How Are We Doing

Planning is where the future begins. In FY 2025, Business Oregon funded 103 planning projects totaling \$11.3 million, exceeding the target of 60. These projects helped communities prepare for critical infrastructure investments, including water and wastewater system planning, brownfield site assessments, industrial land readiness, and child care center development.

A notable 21 projects were funded through the Housing Infrastructure Technical Assistance (HITA) program, supporting local governments in planning infrastructure that enables new housing development. There were 7 projects from a new Child Care Infrastructure program established by the Oregon Legislature via House Bill 3005. Other planning efforts included PFAS remediation feasibility studies, source water protection plans, and strategic business plans for ports, all laying the groundwork for resilient, future-ready communities.

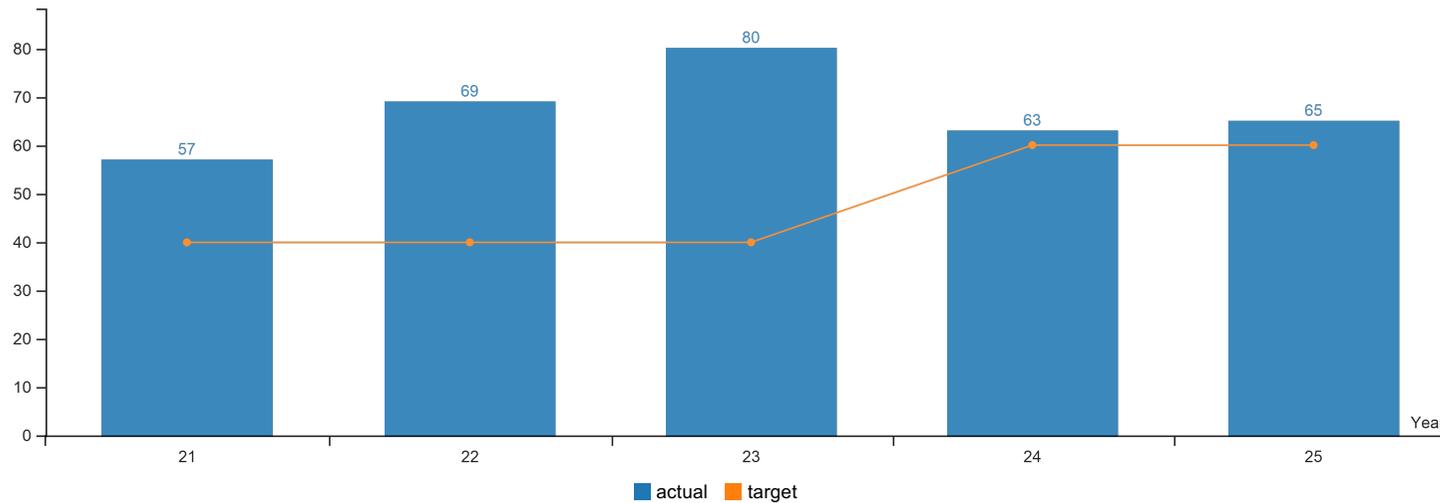
Factors Affecting Results

Demand for planning remains high as communities face aging infrastructure, population growth, and rising construction costs. Federal and state funding opportunities, including the Bipartisan Infrastructure Law, are driving communities to act now to ensure projects are shovel-ready.

The diversity of planning projects, from water system master plans to brownfield redevelopment strategies, demonstrates how Business Oregon’s programs are helping communities align infrastructure investments with long-term economic, environmental, and housing goals.

KPM #8	Number of community capital construction financing projects that address public health and safety issues. -
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
Number of community capital projects that address water quality and environmental health issues					
Actual	57	69	80	63	65
Target	40	40	40	60	60

How Are We Doing

In FY 2025, Business Oregon funded 65 capital construction projects, exceeding the target of 60, with a total investment of \$139.4 million. These projects addressed critical health and safety needs across Oregon, including drinking water and wastewater systems, emergency services facilities, and seismic upgrades to schools and public safety buildings.

A significant portion of this year's investment - over \$70 million - supported seismic resilience projects through the Seismic Rehabilitation Grant Program. These included upgrades to fire stations, police departments, and K-12 schools, helping communities prepare for natural disasters and protect essential services.

Other major investments included water treatment plant replacements in Grants Pass and Ontario, wastewater system improvements in Aumsville and Molalla, and community-focused projects like food banks, housing rehabilitation, and resource centers funded through the Community Development Block Grant program.

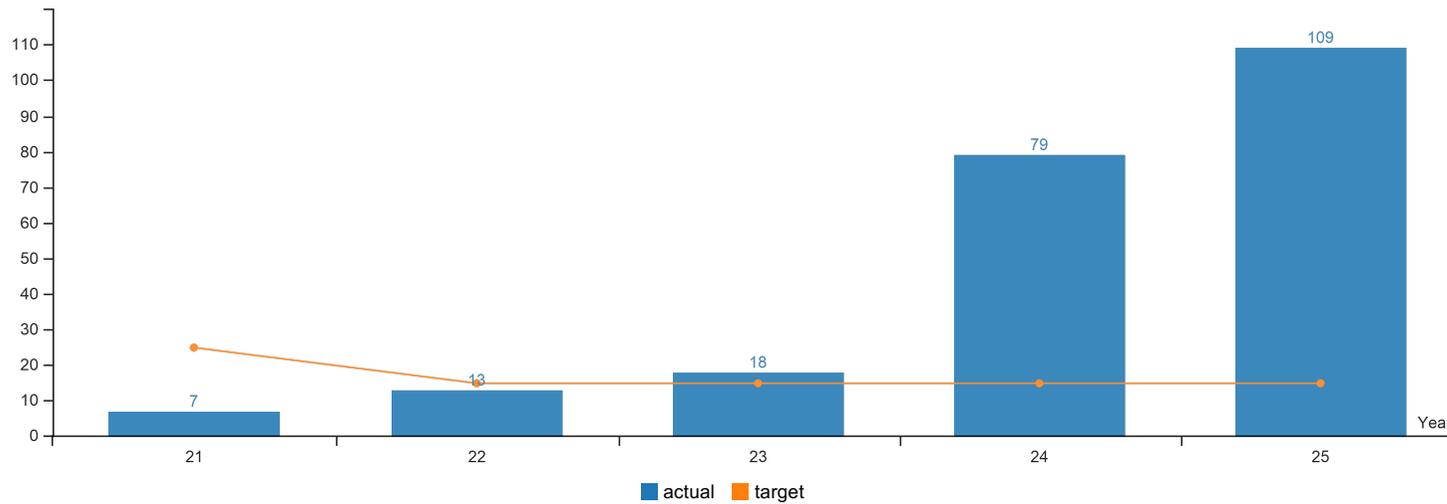
Factors Affecting Results

The demand for infrastructure that protects public health and safety remains high, particularly in the face of aging systems, rising construction costs, and increasing climate-related risks. Smaller and rural communities often lack access to traditional capital markets. State-supported, low-interest financing ensures they can move forward with essential projects.

Federal funding opportunities, especially through the Bipartisan Infrastructure Law, are driving communities to act quickly. The Legislature's continued recapitalization of the Special Public Works Fund and support for seismic resilience have been essential in helping communities secure matching funds and move forward with critical projects.

KPM #9	Number of community capital construction financing projects that assist with future economic and community development. -
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2021	2022	2023	2024	2025
Number of community capital projects that assist with future economic and community development					
Actual	7	13	18	79	109
Target	25	15	15	15	15

How Are We Doing

In FY 2025, Business Oregon completed 109 capital construction financing projects, exceeding the target of 15, with a total investment of \$80 million. From industrial sites to port upgrades, Business Oregon's capital investments are helping communities prepare for growth and new opportunities. These projects supported a wide range of infrastructure improvements that enable long-term economic and community development across Oregon, including child care infrastructure projects, discussed in the following section.

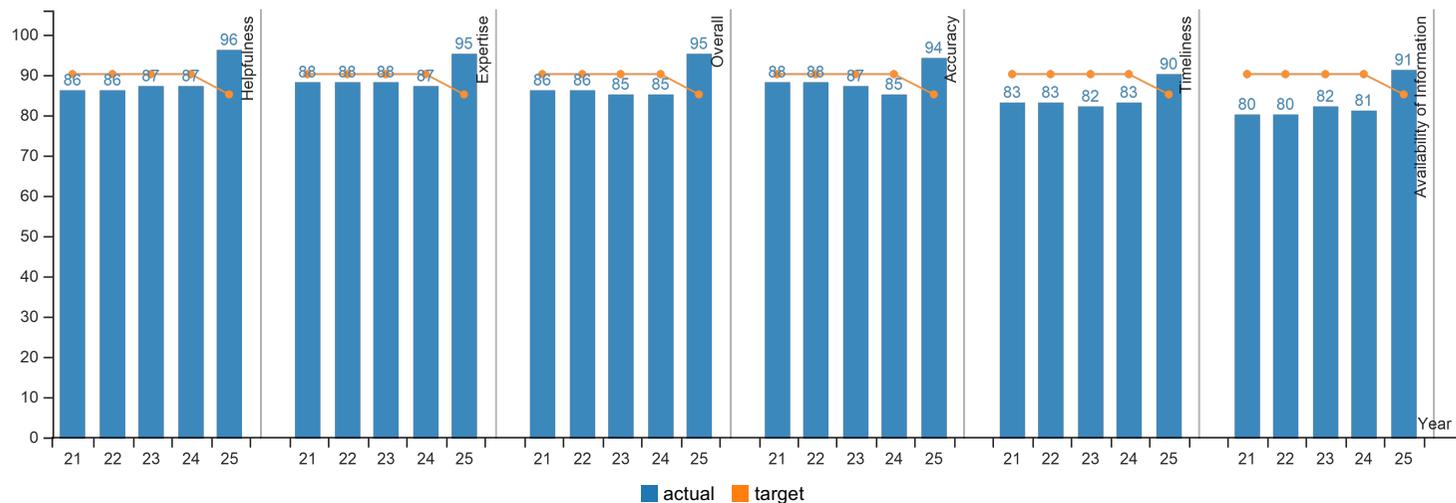
Investments included water and wastewater systems, brownfield remediation, transportation infrastructure, and port improvements. Notable examples include the Channel Modification project at the Port of Coos Bay, roadway and utility upgrades in Sherwood, and site cleanup for redevelopment at Oregon State University's Innovation District. These projects help communities prepare industrial sites, improve logistics, and unlock future business and housing development opportunities.

Factors Affecting Results

This year's results were driven upwards with a new program, the Child Care Infrastructure Fund (CCIF), established by the Oregon Legislature via House Bill 3005. This program provides funding to set the stage for child care center construction to address the state's increasing demand for such facilities. There were 89 CCIF awards this fiscal year, totaling \$14.5 million. Outside of this program, the agency still exceeded the KPM target, with 20 projects totaling \$65.5 million stemming from the other programs. Communities continue to face high demand for infrastructure that supports growth, job creation, and livability. Rising construction costs and aging systems make state-supported, low-interest financing critical, especially for rural and underserved areas.

Business Oregon's programs help communities invest in infrastructure that strengthens local economies, supports redevelopment, and improves quality of life. By working with cities, ports, special districts, and other partners, the agency ensures that capital investments are aligned with long-term development goals.

KPM #10 Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.
 Data Collection Period: Jul 01 - Jun 30



Report Year	2021	2022	2023	2024	2025
Helpfulness					
Actual	86%	86%	87%	87%	96%
Target	90%	90%	90%	90%	85%
Expertise					
Actual	88%	88%	88%	87%	95%
Target	90%	90%	90%	90%	85%
Overall					
Actual	86%	86%	85%	85%	95%
Target	90%	90%	90%	90%	85%
Accuracy					
Actual	88%	88%	87%	85%	94%
Target	90%	90%	90%	90%	85%
Timeliness					
Actual	83%	83%	82%	83%	90%
Target	90%	90%	90%	90%	85%
Availability of Information					
Actual	80%	80%	82%	81%	91%
Target	90%	90%	90%	90%	85%

How Are We Doing

95 percent of customer survey respondents rated their overall satisfaction with agency services as “good” or “excellent” in the 2025 survey, the highest ever at the agency. This survey is now conducted every year, a shift from conducting it biennially so that we have better, up-to-date insight from our customers. Results for 2025 were collected in the spring and summer of 2025.

As in years past, the survey was emailed to external customers via an online survey tool. Sample lists were created largely from Salesforce (Business Oregon’s Customer Relationship Management software) with supplemental lists coming from some programs not currently using Salesforce. The survey list was compiled from customers interacting with Business Oregon over the past year, prioritizing those who received direct agency financial assistance. Over 5,300 surveys were sent, and a total of 340 surveys were completed for a response rate of six percent. Respondents reported using the following agency programs (percentages do not add up to 100% as some customers use multiple programs):

- Infrastructure/Community Development: 47%
- Business Development, Incentives, Finance, Global Trade, and Innovation and Entrepreneurship: 40%
- Arts Commission and Cultural Trust: 14%
- Certification Office for Business Inclusion and Diversity (COBID): 9%

The survey included questions ranking Business Oregon on timeliness, helpfulness, expertise, availability of information, information accuracy, and overall satisfaction. Results are provided below, as well in the table above (percent of customers giving Business Oregon a mark of “good” or “excellent.”) Satisfaction ratings for this survey were higher than in years past, with the highest for staff helpfulness, expertise, and overall satisfaction.

- Timeliness: 90%
- Helpfulness: 96%
- Expertise: 95%
- Availability of information: 91%
- Information accuracy: 94%
- Overall satisfaction with department services: 95%

Factors Affecting Results

As mentioned above, scores were the highest ever for the agency. Compared to past years, the percentage of customers giving the COBID section excellent or good marks increased significantly, an indicator of successful management and process changes within this section of Business Oregon. Additionally, infrastructure and community development customers made up a higher share of respondents completing the survey. This group tends to give higher marks historically, although marks for all divisions increased as well.

Customers were given the option to provide open-ended feedback at the end of the survey. Many thanked staff by name and these anecdotes pointed to a strong appreciation for staff resourcefulness, helpfulness and professionalism. The six percent survey response rate is roughly in-line with most KPM 10 surveys conducted in the past. Organizational email filters may have prevented some surveys from being delivered to recipients, as is the case with many mass email technologies.