

NW Oregon Economic Alliance and Col-Pac EDD Combined Meeting

January 10, 2013
Scappoose Fire Hall
Scappoose, Oregon

The following members and guests attended:

Joyce Aho—Col-Pac/Oregon Employment Dept	Shirley Kalkhoven—Col-Pac/NOEA/Nehalem
Mike Avent—Col-Pac/Port of St Helens	Karen Kent—Col-Pac Administrative Manager
Dan Biggs—Econ Dev Council—Tillamook Co	Mark Labhart—Col-Pac/NOEA/Tillamook County
Jack Bland—Col-Pac/NOEA/Port of Astoria	Kevin Leahy—Clatsop Econ Dev Resources (CEDR)
Congresswoman Bonamici	Blake Lettenmaier—City of Garibaldi
Michele Bradley—Col-Pac/Port of Tillamook Bay	Brian Little—Columbia County Economic Team
Melissa Busby—Col-Pac/MTC	Ryan Mann—Congresswoman Bonamici's Office
Hank Bynaker—Port of Astoria	Larry McKinley—Oregon Dept of Transportation
Martha DeBry—North Plains	John O'Leary—City of Garibaldi
Rob Drake—City of Cornelius	Diane Pohl—Col-Pac/NOEA/City of Clatskanie
Mark Ellsworth—Governor's Reg Solutions Team	David Porter—US Dept of Commerce, EDA
Brett Estes—City of Astoria	Patrick Trapp—Col-Pac/Port of St Helens
Herb Florer—Port of Astoria	John Walsh—Col-Pac/City of St Helens
Jeff Harrington—City of Astoria	Russ Warr—Col-Pac/City of Astoria
Henry Heimuller—Columbia County	Suzanne Weber—Col-Pac/City of Tillamook
Steve Heinrich—Col-Pac/City of Cornelius	Ed Wegner—Clatsop County
Dennie Houle—Business Oregon	Patrick Wingard—Dept Land Conservation Dev
Peter Huhtala—Col-Pac/NOEA/Clatsop Co	Janet Wright—Columbia County Transit
Senator Johnson—State Legislature	Paul Wyntergreen—City of Tillamook

Excused: Mark Ellsworth, Connie Green, Tony Hyde, Senator Johnson, Shirley Kalkhoven, Mark Labhart, Ryan Mann—Congresswoman Bonamici's Office, Van Moe, Dave Rule

AGENDA ITEM 1—Welcome and Introductions

The meeting was called to order by Diane Pohl, NOEA Chair. Attendees introduced themselves. Welcome to Congresswoman Bonamici.

AGENDA ITEM 2—NOEA Business

- Approval of November 8, 2012 Minutes—Approved unanimously. (PH/SK)
- December 2012 Financial Statement— Approved unanimously. (SK/JB)

AGENDA ITEM 3—Col-Pac Business

- November 8, 2012—Approved unanimously. (JB/MB)
- December 2012 Financial Statement/Year End—Approve unanimously. (JA/DP)
- Staffing Report—Rich Cook has decided to take full time employment with a local credit union. He will work one day a week at Col-Pac to transition for 3 months, and will be available for the USDA audit of Col-Pac's Intermediary Relending Program. Mary will be working with the Loan Board on a seeking a replacement.
- 2011—2012—Audit Report. Auditors were in the office after Thanksgiving, and are close to finishing the audit. Preliminary indications are that no issues or significant shortcomings have been identified.

AGENDA ITEM 4—NW Oregon CEDS Updating

Key findings from Mary's NW Oregon Regional Economic Overview presentation:

- The Northwest Oregon region is expected to grow 53% in population between 2000 and 2040, a rate slightly under that of the State of Oregon's expected 58% growth rate. Clatsop County is estimated to have the least population growth over the next 30 years (10%), Tillamook County's growth rate is expected to be at 32% and Columbia County's is pegged for a 47% increase. Only western Washington County is expected to exceed the statewide population average (105%) growth, underscoring the trend that the fastest growth continues to be those areas closest to Portland.

- 22% of NW Oregon Employers Expect More than Ten percent of Their Workforce to Retire in the Next Five Years. Lack of population growth, coupled with the aging of the population, will have a significant impact on the size of the labor force available for sustained business development. One measure of economic resiliency and sustainability is the ratio of potential workers to non-working residents. By 2040, it is projected that there will only be approximately 1.2 workers for every non-working resident in NW Oregon, down from 1.4 workers for every non-working resident today.
- Statewide, NW Oregon also lags in per capita income. Rebuilding the regional economy from this major recession is facing four major challenges: Low commodity prices for timber and lack of demand for finished lumber, closure of salmon fishing and extension of marine reserves, loss of Federal timber revenues, and continued recovery by some communities from the December 2007 and January 2009 storms.
- The good news is that NW Oregon's unemployment rate has slowly been dropping over the last 3 years. The not so good news is that we still remain higher than the State and national averages. Oregon economists indicate that the vast majority of Oregon's economic comeback has occurred within 40 miles of major metropolitan areas. Rural Oregon's challenge is to find creative ways to attract and grow business development outside of the larger metro areas.
- Economic base data for Northwest Oregon reveal that the regional economy is primarily driven by manufacturing, with major contributions from residents' outside income, government, visitors, and services. Manufacturing is ultimately responsible for 12,326 jobs and \$530 million in earnings (or 23% of jobs and 29% of earnings in the region). It is notable that the government sector is contributing a larger proportion of regional earnings than jobs. This indicates that government jobs are some of the highest paying in the region, and the spending of these wages in the region creates ripple effects that contribute widely to the regional economy.
- The most critical factor contributing to a strong local economy is having a core of healthy businesses. No economic development strategy nor any amount of government or private funding will help an economy succeed without the efforts of business owners within the region. In particular, the subset of businesses that begin with fewer than 5 employees typically has the greatest stake in the progress of the region. The Kauffman Foundation, in a recent study, found that firms with 1 to 4 employees have accounted for about 20% of new job growth in America over the last 30 years. In NW Oregon, real estate, construction, and professional services have the highest percentage of small businesses within their respective industry sectors.

AGENDA ITEM 5—EDA Partnership Planning Midpoint Progress Report

See Col-Pac's website for the full report: [2012—2013 EDA Partnership Planning Midpoint Progress Report](#).

AGENDA ITEM 6—NW Oregon Economic Development Partner Updates

- Tillamook—Dan Biggs. Looking at small businesses running under the radar, found a machine shop that serves the oil industry and needs additional production support. Looking at diversifying agriculture, using wild rice. Gluten-free, talking to Bob's Red Mill for milling rice. Looking at speciality foods cluster: mushroom, oysters, sea salt, truffles, wasabi. Last year did a \$1.6 in capital formation, \$400,000 brought in from outside the county. Pretty close to commercializing the bovine bio-digester and and bio-mass projects. Looking to put together a Rural Technology Advancement Alliance, partnering with the universities. Streamlining crowd funding restrictions important to do in Congress.
- Clatsop—Kevin Leahy – Retail webinar, downtown revitalization, SBDC statistics, workforce training, youth entrepreneurship, coastal initiative—getting high school students college credit—trying to get them to stay in County. Dennie, Mary, Kevin and CAT looking at streamlining access to capital.
- Columbia—Brian Little. Serving as interim director following David Stocker's return to university. Will be helping with recruitment of a new director, while maintaining the business development activity currently underway. Also involved with the Ford Foundation community economic vitality program for rural communities.
- Port of St Helens—Expanding marina to add a RV park. Oregon Aero building has started. Pacific Biorefinery is exporting oil. Closed on Clatskanie School to develop a business incubator/accelerator program.
- Oregon Employment/MTC—Joyce Aho. Work collaboratively with the community colleges, MTC. Job fairs coming up in all 3 counties this Spring. Involved with the homeless connect and veterans stand-down events. Extended unemployment benefits, so getting phone calls.
- Port of Astoria—Hank Bynaker. Grateful for receiving a ConnectOregon 4 grant, appreciate Shirley coming out to view the project. Glad to be a part of NW Oregon's economic development. Tongue Point is a diamond in the rough. Rail out there will be a game changer as off the I-5 corridor. Access routes are

a priority. Have a tremendous amount of infrastructure issues, but also have significant infrastructure for attracting business development. Attended the Legislative Ports meeting last month, where the economic impact of ports was reviewed. Significant impacts statewide. Port of Astoria has improved fiscal condition.

- City of Garibaldi—John O’Leary. Primary focus is the revitalization of the wharf reconstruction. City will be investing a \$900,000 in improvements into the street out to the wharf, and get adequate transportation flow to the region. Expands capacity in NW Oregon, which brings more industry and tourism into the region. Combine the city and port goals and planning.
- Port of Tillamook Bay—Michele Bradley. Board Chair is now a Tillamook County Commissioner, and one of the biggest supporters of the Rails and Trails project. Halfway through implementing of the FEMA funding. NearSpace should be able to occupy new space in March. Finishing ConnectOregon projects. Finishing up new office space.
- Tillamook County—Mark Labhart. Very much appreciate the work Dennie and Business Oregon has done on the Pelican Brewing location. Work has done on Hwys 101/6 will have a big economic impact on the City of Tillamook. Biggest frustration is blockages to shipping live crab to the Pacific Rim. Tillamook County Fair will be featured on the travel channel.
- MTC—Melissa Busby. Will be no charge for employers for job fair. Applied for a national emergency grant for the Boise closure, signed up 60 of 100+ layoffs.
- Business Oregon—Dennie Houle. Remind that he is a resource for local partners and the businesses.
- Clatskanie—Diane Pohl. Old Odd Fellows Hall is being renovated and have received grant funding and raised \$122,000 in private donations. Given Clatskanie a positive focal point, and new community gathering spot.
- Senator Johnson—Jan 23/24 will be bringing new head of Division of State Lands around NW Oregon on a tour. Call out to Ryan Mann, excellent resource to NW Oregon. Connect5 will probably happen. DeFazio will be holding a meeting on Jan 30th on dredging. Critical for Oregon’s small ports. NOAA is going to disallow prior expenditures on debris clean-up. Also been coordinating a group encouraging the company to stay in St Helens.
- Congresswoman Bonamici—Work closely with Senator Johnson. Supported extending the unemployment benefits, continuation of payroll tax credit, and some of the energy and home credits. Big issues still ahead: debt ceiling, sequestration cuts, negotiating the farm bill will be taking up a lot of time this Spring. Raising debt ceiling for existing expenditures, not for new spending. Going to be serving on Education and Workforce Committee, and will stay on Science, Space and Technology committees. Working with Congressman Walden and on local access to health care, marine debris emergency act, small business enhancement act to get more capital through credit unions, revenue reform, transportation issues. Ryan is assigned to Clatsop and Tillamook counties. Office is in Washington County at the Beaverton Round. Will follow up on issues raised: Crab exporting, crowd funding, and capital. Will also be working on immigration reform, needed for the agriculture and high tech industries. Lot of new faces in the administration.
- David Porter—Federal Funding Announcement (FFA) for a national program. When actual announcement comes out, will have about 6 weeks to response. “Make it In America.” \$40 million. US Dept of Commerce (EDA), Labor (Education), and National Institute of Standards and Technology (NIST). Accelerate job growth, training workers to meet business needs. Rural areas should be able to be responsive to this FFA. Eligible applicants: Economic Development Districts, local governments. Program must include all 3 different funding. EDA can be both educational and capital improvement, NIST=technical assistance, entrepreneur development. Partnership with community college, ports. EDA portion requires a 1:1 match, the other two agencies don’t require a match. Think the FFA will come out by end of January. To be competitive, will need to demonstrate how will expand local economy. Mary will scan information and send it out.

AGENDA ITEM 7—2013 Col-Pac Officer Nominating Committee Recommendations

The Col-Pac Officer Nominating Committee comprise of Pat T, Steve H, Joyce A, Suzanne W is recommending the following slate of 2013 Officers for consideration at Col-Pac’s March 14th Annual Meeting: President: Peter Huhtala, Vice-President: Tony Hyde, Secretary-Treasurer: Mark Labhart; At-Large: Bob Terry.

Diane Pohl, NOEA Chair

Recorded: Mary McArthur, Executive Director

Peter Huhtala, Col-Pac Vice-President