

Col-Pac EDD Annual Meeting

July 11, 2013
Banks Fire Hall
Banks, Oregon

The following members and guests attended:

Dan Biggs—Col-Pac/Tillamook Co EDC/SBDC	Shirley Kalkhoven—Col-Pac/NOEA/City-Nehalem
Susan Conn—Col-Pac/City of St Helens	Karen Kent—Col-Pac Administrative Manager
Chuck Daughtry—Col-Pac/Columbia Co Econ Team	Kevin Leahy—Col-Pac/Clatsop County Econ Resources (CEDR)
Mark Ellsworth—Governor’s Regional Solutions	Karin Miller—Col-Pac/Pacific NW Works
Brett Estes—Col-Pac/City of Astoria	Paula Miranda—Col-Pac/Port of St Helens
Fritz Graham—Senator Wyden’s Office	S Diane Peterson—Commercial Real Estate Broker
Connie Green—Col-Pac/Tillamook Bay Cmty College	Diane Pohl—NOEA/Col-Pac/City of Clatskanie
Steve Heinrich—Col-Pac/City of Cornelius	Cheryl Scott—Col-Pac/Portland Cmty College
Peter Huhtala—Col-Pac/NOEA/Clatsop County	Marc Siegel—Senator Merkley’s Office
Tony Hyde—Col-Pac/NOEA/Columbia County	Shawna Sykes—Oregon Employment Dept
Senator Johnson—Oregon Legislature	Suzanne Weber—Col-Pac/City of Tillamook

Excused: Joyce Aho, Michele Bradley, Rob Drake, Dennie Houle, Kathy Kleczek, Mark Labhart, Van Moe, Peter Roscoe, Birgitte Ryslinge

AGENDA ITEM 1—Welcome and Introductions

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

AGENDA ITEM 2—NOEA Business

- Approval of May 9, 2013 Minutes—Deferred for approval at September 12th meeting.
- June 2013 (End of Year) Financial Statement—Mary reviewed with the Board, but approval deferred to the September 12th meeting.
- FY 2013—2014 Final Budget—Second hearing, essentially the same budget as 2012—2013. Final hearing to be at September 12th 2013 meeting.

AGENDA ITEM 3—Col-Pac Business

- Approval of May 9, 2013 Minutes—Unanimously approved. (Hyde/Pohl)
 - June 2013 Financial and Consolidated Statements—Revolving Loan Fund continues to operate at a loss, primarily due to a lack of demand for loans. Commercial loan rates are significantly lower than what Col-Pac can offer, since Col-Pac’s loan funds must be repaid to USDA at 1%. Debt service to USDA is over \$104,000 a year. Additionally, because Col-Pac can only lend to businesses unable to get conventional financing, loan risk is higher. Most recently, Fruition, a \$221,000 loan, with equipment collateral valued at over \$500,000 closed down. Col-Pac is working on getting a settlement, but it is unlikely that the entire loan will be paid off. Legal costs to pursue the loan guarantor may be prohibitive. The company failure was unforeseen, a forklift run-in with a key piece of equipment, shut the line down during peak production time. The primary client was forced to purchase from a competitor, and the company was unable to recover from the loss of business. Cash balances in the General Fund and RBEG Loan Fund offset the Revolving Loan Fund loss. Financials were unanimously approved. (Hyde/Kalkhoven)
 - Col-Pac Loan Officer Contract—The Board concurred that Col-Pac contract with Mid-Columbia Economic Development District for services of their loan officer. The low level of loan activity doesn’t warrant hiring of a part-time Col-Pac loan officer.
 - CCET Executive Director Employment Contract—Chuck Daughtry, new Economic Development Director for the Columbia County Economic Team (CCET) was introduced. The Board approved implementing an Employment Agreement with CCET with Chuck being a Col-Pac employee, but managed by the CCET Board. (Heinrich/Biggs)
 - Col-Pac/CCET Administrative Services Contract—The Board also approved entering into a fee-for-service contract with CCET to provide administrative services, at an annual budget not to exceed \$12,000. (Heinrich/Biggs)
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AGENDA ITEM 4—CEDS Updating

Mary presented a draft list of each county's Needs, Issues and Projects compiled over the last year, from county economic development and Regional Solutions meetings, with each noted as short/medium and/or long term in timing. Board members were encouraged to add projects, circulate within their counties. County economic development councils are the primary implementers of NW Oregon's CEDS projects, with Col-Pac providing the regional context, networking opportunities and linkages to potential funding resources. The Regional Solutions Team projects overlap approximately 50% of the time. Regional Solutions projects not on NW Oregon's CEDS tend to be those involving multiple State agencies, that specifically benefit from having the Governor's Office oversight and direction.

AGENDA ITEM 5—Col-Pac Work Plan Report

After 3 quarters, Col-Pac is close to reaching most of the performance outcomes expected by year end. Updates are posted on the Col-Pac website at NWOregon.org/Col-Pac/Work Plan.

AGENDA ITEM 6—Partner Updates

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- Karin Miller/Pacific NW Works—With the changeover from Management Training Corporation (MTC) to Pacific NW Works, Karin will now be taking the workforce training lead for NW Oregon. She noted that they were working with the creamery on training/finding new employment for laid-off creamery workers.
- Brett Estes/City of Astoria—City, hospital, high school and Reclaim Technology are working cooperatively on relocating Astoria High School's football stadium to the former landfill, previously closed by DEQ. This will allow land for expansion of the hospital and for construction of a Heritage Square, a new amenity for downtown Astoria. Enough private funds and a brownfields grant will be enough to build out Phase 1 of the project, which is already sparking new interest in retail development. 17th St Dock renovation ribbon cutting occurred; renovation has resulted in a great looking dock serving the Coast Guard and Cruise ships.
- Kalkhoven/Nehalem—Contracted for a new City Hall, expect to have in place by end of Summer.
- Coast Economic Summit will be August 20—21st in Lincoln City.
- Johnson—Good Regional Solutions Team. Good staff, aggressive workplan. Daughtry will need to get from Ellsworth as a quick introduction. For example Salmonberry Rails and Trails, which will feed to Banks Veronnia and Portland and coast. World class. Level of cooperation extraordinary. Briefing with Mark.
- Johnson—Coastal port dredging. New partnership with Corp of Engineers (COE) will be dredging the seven southern ports. Federal government found some additional funds which allow more dredging further north. Will translate success of south to move north. Governor's office working directly with COR, so can get blanket permits. Working across counties, Regional Solutions teams, local ports. Much cooperation. Scalable to use in Washington. Set up a template that can move north. Portable dredge to do local work, and COR to do federal waterways.
- Johnson—Salmonberry. ConnectOregon5 was funded at \$42 million, and added bike/ped at last minute. Kalkhoven: 64% of Enhance Projects are bike/ped which will cover many of the needs. Will be money for rail improvements in Rainier, for both commerce and safety. Tying projects together with legislative support. An agreed upon and harmonious list of projects.
- Johnson—Money for improvements to Cornelius pass has gotten temporarily re-directed. Western WA county's economic growth will be bringing in 90,000 new people, need to figure out how move around long term.
- Johnson, SB 246, 253 designed to allow local governments to receive some of the income tax increase resulting from the local investment making the industrial land receptive to development. Not fund 253, but would allow economic development agencies to do more rigorous certification of properties, and get reimbursed.
- Hyde—Was a time when needs and issues was required. It was quite a process, but it has been abandoned. Needs to be vetted publicly. Who has the best projects in the queue wins. Stay focused.
- Kalkhoven—Will be meeting with the Oregon Transportation Commission to discuss Enhance process and long term transportation needs.
- Johnson--\$300 million going through Energy Trust in Pacific Corp and PGE service areas. May want to see if can get energy projects funded through them.
- Johnson—Cascade Tissues—Tried to get money from legislature, but to no avail. Need \$1 million to offset high electrical costs.

- Pohl/City of Clatskanie—Imperative that Corridor gets established. Need a group to oversee, including getting business development along the Corridor. Consortium to do the research to help with making decisions regarding potential types of development.
- Green/Hyde—Important for regional boards to stay politically neutral, making the ground fertile, not the specific projects. District is a good regional venue for large projects to come to.
- Miranda/Port of St Helens—Look at what we share, rail, water, highway, how can get permitting done, infrastructure developments. Some misinformation regarding whether local communities have local control if industrial lands get SB766 certification.
- Huhuta/Clatsop County—Individual parcels can get own certification.
- Johnson—Connectivity within the region, eg, rail switching in Linnton. Linnton can be a partner. Possibly include Linnton in the Columbia River West Corridor.
- Johnson—Create a forum, where partners are talking, so there aren't surprises about issues. Give advance notice.
- Johnson—Pelican Pub grand opening is tomorrow. Big success story.
- Marc Siegel/Senator Merkley's Office—COE has been very helpful on the dredging. Biggest legislation working on is immigration. May be more debt ceiling discussions/negotiations this Summer.
- Fritz Graham/Senator Wyden's Office—Senate is passing legislation, but not getting through. With EDA, projects are still working through the system, but funding has to wait until their budget gets re-funded. FEMA rates are going to up drastically for those that have subsidized rates now. Could affect some Tillamook properties and most of Vernonia. (Hyde) Bank will end up owning those houses when fall out of compliance because can't pay additional insurance. Looking to get the new deadline pushed off a year. Need to get the word out. Three counties just got a homeless vets grant.
- Hyde—Worldwide shortage of helium which is critical for wood chip production. US controls 67% of helium, looking to release more.
- Kevin—Thanks to Senator for support on support for SBDC. Have some Workforce workshops, to get workforce into training. Energy Trust of Oregon (ETO) training. Working with Westlund Logging to support their logging operations. Astoria Regatta August 7—11. Oregon's longest running festival.
- Kerry Tymchuk/Oregon Historical Society—Speaking in Manzanita on Sunday at 3 pm.
- Biggs/Tillamook County EDC—Looking to get a 10% Transient Room Tax on the November ballot, with 9% credit back to cities that have room taxes. Expect to generate at least \$1.5 million, with 30% targeted for roads. Goal is to increase visitor travel and TRT revenues to \$4 million by end of this decade. Looking to do move forward on bovine project. \$3 million investment, 40 jobs retained following EDCTC intervention.
- Pohl—Asked that Col-Pac support Senator Johnson. Johnson noted that this group needs to stay above the political fray. Remind members to individually support. IOOF building design is complete. Looking for resources to tear down old City Hall. \$3 million project.
- Green/Tillamook Bay Community College—Thanks to Senator Johnson for Community College support. Next new building will house Regional Solutions, open campus, collaborative groups.
- Heinrich/Cornelius—Looking to get industrial land certified. Working on next community center with low cost housing above the center.
- Scott/Portland Community College—Welcome new district president, Jeremy Brown.
- Weber/Tillamook—Pelican Pub, expanding tasting room and beer production. Near Space official new facility opening next week. Economic Opportunity Analysis (EOA) implementation. Transient room tax support. Urban Renewal working on changes to 2nd St as more attractive route after Hwy 6/101 interchange is completed. Tillamook County Fair coming up.
- Miranda/Port of St Helens—In middle of Scappoose Airport Master Plan updating. Completed a lot of marina and RV improvements. Getting calls from small businesses, not just energy cluster. Proceeding with Columbia City Industrial Park. Still working on Port Westward.
- Conn/St Helens—Working on downtown revitalization. Downtown festival follows County Fair. Catch up on sewer. Looking at developing the Veneer mill property along the waterfront.
- Karin Miller—Some rapid changes. MTC gave notice would not be renewing contract as of July 1. Will be maintaining the current workforce program for the next year. South Coast Workforce will take on contract and will be continuing the same staffing and programs. New name will be Pacific NW Works.

Peter Huhtala, Col-Pac President

Recorded: Mary McArthur, Executive Director