

Col-Pac EDD and NW Oregon Economic Alliance Combined Board Meeting

September 12, 2013

Port of Tillamook Bay Officer's Mess Hall

Tillamook, Oregon

The following members and guests attended:

Drew Barbier—Columbia County Econ Team	Karen Kent—Col-Pac Administrative Manager
Michele Bradley—Col-Pac/Port of Tillamook Bay	Mark Labhart—Col-Pac/NOEA/Tillamook County
Susan Conn—Col-Pac/City of St Helens	Megan McKibben—Congressman Schrader's Office
Chuck Daughtry—Col-Pac/Columbia Co Econ Team	Karin Miller—Col-Pac/Pacific NW Works
Rob Drake—City of Cornelius	Angeline Pepper—Pacific NW Works
Mark Ellsworth—Governor's Regional Solutions	Jennifer Purcell—DEQ/NW OR Regional Solutions
Brett Estes—Col-Pac/City of Astoria	Peter Roscoe—Col-Pac/Clatsop County Private Sector
Steve Heinrich—Col-Pac/City of Cornelius	Birgitte Ryslinge—Col-Pac/Portland Cmty College
Dennie Houle—Business Oregon	Tim Rue—DLCD
Peter Huhtala—Col-Pac/NOEA/Clatsop County	Patric Trapp—Col-Pac/Port of St Helens
Stephanie Hurliman—OR Employment Dept	John Walsh—City of St Helens
Tony Hyde—Col-Pac/NOEA/Columbia County	Patrick Wingard—DLCD/NW Oregon Reg Solutions
Shirley Kalkhoven—Col-Pac/NOEA/City-Nehalem	Suzanne Weber—Col-Pac/City of Tillamook

Excused: Joyce Aho, Larry Galizio, Connie Green, Senator Johnson, Kathy Kleczek, Van Moe, Diane Pohl.

AGENDA ITEM 1—Welcome and Introductions

The meeting was called to order by Peter Huhtala, Col-Pac President. Attendees introduced themselves.

AGENDA ITEM 2—Department of Land Conservation and Development

New Director, Jim Rue provided an overview of two key activities affecting his department over the last few months:

- Streamlining the Urban Growth Updating (UGB) process. In last Legislative session two house bills were passed unanimously that dramatically change how cities will update their UGBs. This legislation was accomplished by working with a large diversity of stakeholders and achieving almost virtual consensus before going to the Legislature. Historically, the first step in an UGB expansion is to come up with population projections for the next 20 years which has been very expensive to do. Under the new process, Portland State University's Population Research Center will develop population forecasts for approximately 25% of Oregon's cities every year, which will mean every city will get a new population update every four years. If City accepts those population estimates, then that becomes a decision that can't be appealed to the Land Use Board of Appeals (LUBA) eliminating the fighting about projected populations. Should also eliminate some of the too "rosy," aspirational forecasts. Cities can develop their own population forecasts. The Population Research Center forecasts would be provided at no charge.

The goal is to focus planning on communities that are growing, thus eliminating periodic review for communities with little or no growth. It will also provide the ability to do more frequent updating if needed. Communities with less than 10,000 population (virtually all of NW Oregon's communities), will be able to take the forecast, look at their buildable lands inventory, see what can be accommodated within their current USB, and then look for what may be needed outside the USB for growth.

Will also be doing a density standard by region. Thus density factor will change relative to region, so higher populated regions may have a different density standard than a rural region.

PSU's forecasts will also be used for the State's economic forecasting. New process probably won't be able for another 18 months. Not appealable if the City accepts it. But, if a city doesn't like the forecast, then can do own forecasting. Astoria, UGB is within the City limits, which affects 10,000 threshold. Forecasts will extend out 5, 10, 15 years.

How going to be less expensive to do? By being simpler to do, won't need to hire consultants/lawyers to do, should be more likely to do periodic updates in-house. Also, by it getting done faster, should be some cost savings. Reality around "buildable" land. Sometimes land is zoned industrial, but it will never be

built or available for development. And to rezone will take years. Happened in Vernonia, where wanted to build on higher land, but department said comp plan showed enough available land-in UGB.

Just beginning rule-writing process, using the same group, including cities. For cities under 10,000, proposing essentially a windshield survey, looking to see if makes sense to develop there. Public facility financing availability will also be a factor. If public infrastructure is not likely to ever be able to be found, not need to include that property.

- New Governor's cabinet, Community and Economic Development Cabinet. Governor Kitzhaber and his Chief Operating Officer, Michael Jordan, have been talking for 2 ½ years about changing how government services are provided in Oregon. Between 300 and 350 Boards and Commissions are operating Oregon's government. Looking at reducing the number, by consolidating departments where it makes sense to do so. Most recently, the Regional Solutions Teams are doing that, by including multiple agencies. Look at doing the same thing "upstream" by pushing programs out to regions in a very deliberate way and aligning programs.

The new Cabinet will include Regional Solutions agencies and the Chief Operating Officer. It will meet on a monthly basis. Get to know each other's programs. Look where can streamline, and collaborate on the delivery of programs. Mid-Columbia County Economic Development District, through a partnership with the Meyer Memorial Trust has come up with a new computer-based platform, AGORA, that includes community projects. Will provide the ability to coordinate funding for projects. Aside from the regulatory side, adding a community development capacity to define their futures and get them on the road to development.

Quex: What will be trigger to work on a certain community? HB 2620 begins to map out the process, planning for how this is done. It will take Regional Solutions Team priority projects and classify them by Oregon's planning goals. OBDD needs to help with planning goal, ODOT with the transportation goal, etc. Quex: Given that the AGORA platform was designed using Oregon's Economic Development District's Comprehensive Economic Development Strategies (CEDs) as the foundation, how will this be integrated into the State's new initiative?

AGENDA ITEM 3—NW Oregon Economic Development Activity

Mary presented an updated draft list of the region'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. Key activities added to Col-Pac's 2013—2014 Workplan since the last board meeting include a new business sub-contracting partnership, business recruitment in St Helens, award of a \$1.45 million TIGER grant to the Port of Garibaldi for the Commercial Ave improvements for its wharf renovation, and a report on the NADO/EDA conference held in August. Partner updates included:

- PCC-Rock Creek—Has been a plan to build a physical plant in Columbia County. Starting to move forward, community engagement. Met in Scappoose last week. Should make a profound difference. Working in parallel to engage the local communities. Looking forward to including education, SBDC.
- Tillamook—The 4 Area Commissions on Transportation within ODOT Region 2 are meeting today, looking at about \$14 million in projects in this region. Pelican Pub is shipping beer, distributing out of Portland. Grand opening, October 17th. Salmonberry Rails and Trails public meeting last night, still generating a lot of interest and momentum. Public meeting in Banks is being held this evening.
- Port of St Helens—RV Park is up and running. Will grow kayaking partnership with kayaking company. Composites Universal have been taking on some new contracts, and have nearly doubled their employment. Public hearing on Port Westward re-zoning next week.
- Astoria—October 2—4 Main St conference is being held in Astoria. Several sessions will be focused on economic development. Merchants are encouraged to attend. Later on this month, will be having a public hearing on Astoria's 3rd micro-brewery. Hoping to be open Winter of next year. Astoria Regatta is an example of how these events can cross-pollinate. Designed an Oregon Historical Tradition. Next year will add a nautical collectable swap meet.
- DEQ—NW Environmental Business Council is having a workshop on September 20th in Astoria, looking at brownfields opportunities, starting at 1:00 at City Hall. Environmental Quality Commission will be having meeting in Tillamook in October. New rules have been adopted for waste to energy projects.
- Oregon Wave Energy Technology Conference in Astoria on September 25th and 26th.

AGENDA ITEM 4—NOEA Business

- May 9, 2013 and July 11, 2013 Minutes—Approved unanimously. (ML/TH, Pohl by proxy).
- June 2013 (End of Year) Financial Statement— Approved unanimously. (ML/TH, Pohl by proxy).
- FY 2013—2014 Final Budget—Final hearing. In negotiation with the Port of Garibaldi to provide grant management services for their Wharf Renovation project, which will require a budget amendment once a contract is signed. Approved unanimously. (TH/SK, Pohl by proxy).
- August 2013 Financials-- Approved unanimously. (ML/TH, Pohl by proxy).
- Grant to Col-Pac to Fund its Loan Loss Reserve. See discussion in Col-Pac's August 2013 Agenda Item below. Approved unanimously. (SK/TH, Pohl by proxy).

AGENDA ITEM 5—Col-Pac Business

- Approval of July 11, 2013 Minutes—Unanimously approved. (Hyde/Bradley)
- August 2013 Financials and Consolidated Statements—Although Col-Pac will have approximately \$35,000 carryover at the end of the September 30th fiscal year, the Loan Fund will end have an annual loss of \$63,000. Two-thirds of that loss (\$42,000) comes from the annual debt service on Col-Pac's first loan from USDA, with a balance owing of approximately \$618,000. With over \$900,000 in cash in the loan fund, a soft market for Col-Pac's loan financing, and that it will be impossible to generate enough interest income on the \$618,000 loan funds to pay the existing debt service, staff is recommending that the loan be paid off. Approved unanimously. (Conn/Bradley).
Col-Pac's Revolving Loan Fund Balance Sheet, with the full write-off of the \$221,203 Fruition loan, will be \$12,565 in the red at the end of the year, and out of compliance with USDA. Staff is recommending that the \$100,000 in funding NOEA set aside last year for Col-Pac's Loan Fund, be granted to provide the required Loan Loss Reserve. Approved unanimously. (Kalkhoven/Hyde)
- 2013—2014 Budget—Key changes to the upcoming budget include approximately \$80,000 in new fee-for-service revenues, addition of health insurance reimbursement for Col-Pac's employees, and a reduction of approximately \$50,000 in losses to the Revolving Loan Fund. Projected end of FY 13—14 year balance is approximately \$44,000. Approved unanimously. (Hyde/Bradley)

AGENDA ITEM 6—Other Business

- Col-Pac Board Make-Up (EDA Requirement) EDA will no longer accept elected Port Commissioners as part of an EDD's majority elected members of their Board of Directors. Thus Col-Pac will need to add four new elected member slots to provide that majority. Staff recommends adding four more city slots, one per county. This will also match up with the NWACT's board make-up. Approved unanimously (Labhart/Hyde). Mary will bring the requisite Bylaws amendment to the November Board meeting.

Peter Huhtala, Col-Pac President

Recorded: Mary McArthur, Executive Director