

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTORS MEETING
THURSDAY, MARCH 23, 2017
WHITE SALMON COMMUNITY LIBRARY
SPRINT/BAKER GALLERY
77 NE WAUNA
WHITE SALMON, WA

BOARD MEMBERS: Ken Bailey, Bob Benton, Jan Brending, Tonya Brumley, Rex Johnston (teleconference), Tom Furey, Paul Hendricks, Sue Knapp, Eric Proffitt, Gabriel Muro and Rod Runyon

STAFF: Amanda Hoey (Executive Director), Sherry Wickert (Finance Manager), Eric Nerdin (Loan Fund Manager), Carrie Pipinich (Project Manager) and Sherry Bohn (Office Administrator).

GUESTS: Erik Stenberg (Huck Truck)

CALL TO ORDER/INTRODUCTIONS:

Jan Brending called the meeting to order at 4:07 p.m. A quorum was not present. A round table of introductions took place.

LOAN CLIENT HIGHLIGHT – Huck Truck

Jan Brending introduced Erik Stenberg of the Huck Truck. Erik presented his background and the history of his business. Erik explained that they were a “tiny restaurant” vs a “mobile entity” and because of that they were able to offer tables and chairs. He thanked MCEDD for helping to get the Huck Truck started, noted that they had made it through their first winter and that business was going strong and growing

Rex Johnston joined the meeting at 4:15 p.m. A quorum was present.

CONSENT AGENDA:

Approval of February 2017 Meeting Minutes

Motion to approve the consent agenda made by Rex Johnston. Gabriel Muro seconded the motion. Motion carried unanimously.

FINANCIAL REPORT:

Sherry Wickert reported that MCEDD’s January balance sheet has differences in current assets and liabilities. She reported that with the trend of repayments and fewer new loans made, MCEDD’s loan fund cash is higher and is reflected in the lower loans receivable balances. Sherry reported that Accrued Revenue includes a loan disbursement of \$34,400. The check was written in January, but the loan was not closed until February.

Sherry reported that the Operations Budget vs. Actual report reflects differences in both revenue and expense categories. She reported that the variance for state revenue is due to the timing of billings for a new special project, which is a multi-year project and that total loan fund revenue,

excluding the Attainable Housing RLF funds, is below projections by \$7,540.81. She also reported that the expense categories of Travel and Professional Services are significantly under budget.

Sherry reported that in Professional Services there are two accounts that are included in this category which account for the lower than estimated cost. One is the legal costs for the loan program that was budgeted, but fewer actual costs have been occurred for this fiscal year. The other account is for contractual services, which includes anticipated costs for several large special projects that have not yet been incurred.

Motion to accept the financials as presented was made by Tom Furey. Eric Proffitt seconded the motion. Motion carried unanimously.

Discussion: Jan Brending asked if Sherry Wickert was available to discuss any questions by board members who wanted more information. Sherry stated that she was and reported that she had recently met with a newly appointed budget committee member.

LOCAL ASSESSMENT

Amanda Hoey reported that annually the MCEDD Board must vote on local assessments for the next fiscal year. She explained that funds through local assessments are used to leverage additional funding for the district. Currently they are used as part of the match that has allowed us to obtain an Economic Development Administration planning grant and are also used as a portion of the match to obtain our Mobility Management grants.

Amanda reported that last year, in considering a recommendation for local assessments, the Board made no change to local assessments but signaled a potential for an increase in FY18 to better cover the need for matching funds and maintaining service levels. Amanda reported that in developing the framework for local assessments this year, the MCEDD Executive Committee recommended a strategy for an annual 10% increase in assessments. Amanda reported that the Executive Committee focused on analyzing options for increases over time that would get to a supporting amount equivalent to the necessary grant match for the current programs. She also reported that the Executive Committee recommended putting in place the strategy plan for ten years, but including a five year re-look and check in.

Amanda reported that the Executive Committee specifically discussed the mechanism by which the Port Districts are assessed. She explained that currently, each Port District is assessed at the same annual rate, regardless of size, FTE or revenue. Noting that there are a number of arguments that could be made for how funds are assessed, the Committee felt it best for this year to allow conversation if the Port Districts collectively would like to develop a plan all can agree to on distribution of the total amount. If no alternative agreement could be reached, or if no change is desired, it would be evenly divided.

The MCEDD Executive Committee recommends that, in order to advise the budget process, the Board approve the FY2018 local assessments at \$0.50 per capita for Counties and Cities and \$9,680 total for Ports, to be divided evenly between the five Ports (1,936), as per historical activity, unless the Ports collectively determine a different distribution of the total amount between the five that all Ports can agree with.

Motion to approve the FY2018 Local Assessment as presented was made by Tonya Brumley. Sue Knapp seconded the motion. Motion carried unanimously.

Discussion: Tom Furey asked if the cities and counties were aware of the proposed increase. Amanda discussed the outreach on local assessments.

Rex Johnston left the meeting at 4:35 p.m.

ECONOMIC DEVELOPMENT STRATEGY

Amanda Hoey reported that MCEDD began the major rework of its Comprehensive Economic Development Strategy (CEDS) strategy in June 2016 with a series of public outreach meetings in each of our five counties. She reported that the final outreach meeting was conducted on March 9, 2017. Amanda reported that staff continued to edit and refine the plan up to today's meeting, particularly to incorporate comments from our last session on economic resiliency and to incorporate responses to the most recent survey.

Amanda requested the Board review the draft plan and make final revisions. She requested Board consensus to release the final draft for public comment. Amanda reported that staff will then prepare the document and provide for an open public comment period through May 25, 2017.

Discussion: Ken Bailey suggested that the full strategy statement be included on the first page of the summary document. Jan Brending suggested a brief statement about MCEDD be included in the summary document. Tom Furey suggested finding a way to market the area for both tourism and workforce. Amanda Hoey suggested that could be included in the full strategy. Bob Benton reported that the chamber is reporting tourism numbers are up. Amanda Hoey asked for clarification between Tourism and Talent Acquisition. Sue Knapp suggested more clarity of priorities on page 10 of the full documents. She also expressed the need to see the connection between impact and goals. Tom Furey asked about including the housing cost in the metrics. Rod Runyon suggested the summary include the number of meetings and the number of participants.

There was consensus that, with the suggested updates, the document was ready to be released for public comments.

Amanda requested the Board's input on outreach and their assistance in presenting the plan to MCEDD's members.

EXECUTIVE DIRECTOR REPORT:

Amanda Hoey reported on the updates from MCEDD's National Association (NADO) regarding anticipated cuts to certain federal agencies and potential actions to eliminate agencies.

Amanda reported on the \$45,000 application for the Oregon Transportation Options Innovation Grant.

Amanda reported on MCEDD's website redesign. She presented the initial draft framework for the website.

Amanda reported that, as previously noted, the roof partially failed in January, leading to flooding of the MCEDD bathroom and part of the back room. She noted that the issue will not be fully addressed until there are sufficient clear days for a new roof to be put on the building. The building owner has repeatedly brought in a roofing company for temporary fixes. Amanda reported that the building owner has turned the damage in to his insurance company to expedite the process of rebuilding the back area once a new roof is installed.

Amanda reported that she will be gone April 18-May 22 for the Marshall Memorial Fellowship. MCEDD's Deputy Director, Jessica Metta, will provide support while she is out of the office.

EXECUTIVE COMMITTEE REPORT

Jan Brending reported the March Executive Committee activities highlighting the following:

- Reviewed and authorized submission of comments on the Columbia River Gorge Management Plan.
- Initiated the annual evaluation process for the MCEDD Executive Director, with a brief survey being sent to the full MCEDD Board of Directors to solicit input. The formal evaluation will be conducted in April.
- Recommended a strategy and annual allocation for local assessments.
- Approved submission of the EDA partnership planning grant and discussed the scope of work.

REGIONAL UPDATES

Paul Hendricks – Paul reported that the sewer plant is in need of an upgrade and they are discussing a possible moratorium on heavy users. Paul reported that there is movement on the housing subdivision. He also reported that there was a Brownfield assessment done on the Mill site and that the EPA came through and gave thumbs up on all three phases. Paul also announced that the community swimming pool is anticipated to open in late spring.

Rod Runyon – Rod reported that he serves on a NACO committee for community and economic development. He reported that the NOCOR will have an operations bond on the May ballot. He also reported that the current Executive Director of MCCOG is leaving and that David Meriwether will serve as interim Executive Director.

Sue Knapp – Sue reported that she attended a city council meeting in Shaniko and discussed Maupin's broadband project. Sue reported that tourism for the Solar Eclipse will affect all cities in south Wasco County. She reported that the Maupin broadband project is moving along. Sue reported on the issue with new Boater Pass system noting that it is causing issues because users can no longer go directly to the vendor. Sue reported that the regional Shearer's Falls Scenic bikeway will go the Parks Commission in June for final approval.

Bob Benton – Bob reported the Hood River County is considering establishing a construction excise tax. Funds would support attainable housing projects. Bob reported that the Oregon legislature is looking at ADUs on EFU land and that the County's short term rental ordinance is completed. Bob reported that the City of Hood River's Westside Area plan is almost completed. He also noted that the Expo building has been demolished and the new activity on the waterfront.

Jan Brending – Jan reported that all three cities (Bingen, White Salmon and Goldendale) are converting city street lights to LED in partnership with the PUD and transportation improvement board funds. Jan reported that the City of White Salmon and Bingen water and waste water systems are always a concern and they will be actively searching for planning money.

Ken Bailey – Ken reported that winter weather has been a big issue and that it has hampered the scheduling of work. He noted that the wildlife pressures are also causing some damage. Ken reported that Orchard View Farms is in the process of constructing a large farmworker housing project. He noted that the wheat growers are worried about snow mold. Ken also reported that labor and immigration issues continue to be an issue and the labor shortage is expected to be even greater this year.

Gabriel Muro – Gabriel reported that many individuals who would have previously migrated for cherry harvest are not planning to do so this year due to fear of being detained. He noted that this will cause a shortage of labor. Gabriel reported the he signed up two new startup businesses, but in general people are unwilling to invest in business startup and growth because of the immigration unrest.

Eric Proffitt – Eric reported that employment is holding at 4% and that labor shortage is not just in agriculture but also in construction and health care. Eric noted that the closing of local retailers will also cause issues.

Tonya Brumley – Tonya reported that Cherry, Blossom and Hard Pressed Cider festivals are coming up. She noted that the extended winter weather impacted hay farmers and cattle ranchers.

LOAN COMMITTEE REPORT

Eric Nerdin reported that the Loan Administration Board approved a \$25,000 loan to Dwinell, LLC, a startup brewery located in Goldendale. The Board also approved a number of loan modifications. Finally, the board approved a new \$15,000 loan to NuCulture Food, LLC and a loan modification to change their current loan repayment schedule. He also reported that MCEDD received an early payoff on the recently funded \$34,400 loan to Heidi Hall dba Sweet Lila's Coffee Cup due to a cash-out refinance of their residence and the loan to Freeborn Designs would not be moving forward. Eric reported that during the next few months, staff is focusing on increasing outreach efforts and expanding its referring network to find more loan program applicants.

ADJOURNMENT: Meeting adjourned at 5.59 p.m.

*Respectfully submitted,
Sherry Bohn, Office Administrator*