



**Executive Committee Meeting
Wednesday, November 2, 2016
4:00 P.M.**

MCEDD Office, 515 East Second Street, The Dalles

AGENDA

<u>Topic</u>	<u>Estimated Time</u>	<u>Item</u>
Call to Order- Chairperson Jan Brending		
Introductions		
Executive Committee Minutes <i>October 5, 2016</i>	5 minutes	Approval
Finance Report	20 minutes	Information
EDA RLF Rulemaking Comments	10 minutes	Decision
Whistleblower Policy	5 minutes	Recommend
GMF Options	10 minutes	Discussion
CEDS Update/Steering Committee Report	10 minutes	Information
Executive Director Report	15 minutes	Information
Other New Business; Committee Members Updates		
Adjourn		

The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services or assistance, please contact Sherry Bohn at 541-296-2266 (TTY 711) at least 48 hours before the meeting.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING
WEDNESDAY, OCTOBER 5, 2016
4:00 p.m.
MCEDD Office and Teleconference

ATTENDANCE:

In Person: Rod Runyon, Ken Bailey and Eric Proffitt

Teleconference: Rex Johnston, Bob Hamlin and Mike Smith

Absent: Jan Brending, Bill Schmitt, Bob Benton

Staff: Sherry Wickert and Amanda Hoey

CALL TO ORDER:

Ken Bailey called the meeting to order at 4:00 p.m. Introductions took place. A quorum was present.

EXECUTIVE COMMITTEE MINUTES:

Eric Proffitt moved to approve the August 3, 2016 Executive Committee meeting minutes as presented. Rod Runyon seconded the motion. Motion carried with one abstention (Rex Johnston).

FINANCE REPORT:

Sherry Wickert presented the August 2016 financial reports. Sherry reported that August's balance sheet was very similar to the prior years, with two exceptions. Accounts receivable balance was below last year's due to a billing for a large federal grant, which also affected last year's Accounts Payable balance (higher than current). Also noted was the current higher accrued interest balance, which was due to an accumulation of delinquent interest.

Also discussed were the differences in the Operations Budget vs. Actual report. Loan Fund revenue is below projections and she stated that it is likely to remain below budget for the year. For expenses, she noted that most were under budget due the timing of expenses. However, the expenses for the Gorge Night Sky event went over in the category of Event Services, but not the overall budget for the event. Finally, she stated that no carryover figures had been entered, but would be entered after the audit completion.

Amanda Hoey noted the revenue trend comparison included in the financial packet for the Executive Committee. This is prepared annually to help understand trends in the major revenue categories.

Rod Runyon moved to accept financials as presented. Eric Proffitt seconded the motion. Motion carried unanimously.

Mike Smith joins the meeting.

LOAN PROGRAM STATUS

Amanda presented a loan program revenue and expense update. She noted that MCEDD has experienced an increase in early loan payoffs as well as a decrease in deals in the pipeline. She provided three factors that could be influencing the current situation: increase in commercial financing, natural market trends and staff focus areas. MCEDD currently has approximately

\$1.1 million available to loan. She provided several factors that could change the financial picture including contract offset, influx of new lending, and any new lending through the Attainable Housing program. Amanda provided the following recommendations:

- Hold tight and continue to control expenses as closely as possible, recognizing that we may need to cover some expenses with carryforward revenue or general fund.
- Analyze the program at the end of quarters two and three for potential adjustments to expenses, if revenue does not turn around as a result of outreach efforts or others listed above.
- Analyze our position in the market and any modifications to the program that may ensure it continues to serve its intended purpose. Direct staff and request the Loan Administration Board to review interest rates, terms, collateral and other factors that may increase the accessibility for borrowers, in consultation with recent borrowers and our advisors. Implement recommendations that are allowed within the exceptions provided in current policy; bring those outside of policy to the full board for consideration. Discuss options with foundation partners if current funder limitations on our programs could be addressed with more flexible resources.

Discussion: Ken Bailey noted that he appreciated having this topic presented early as the situation develops, rather than at a crisis point. He stated that he thought the recommendations were sound and noted the need to look at the situation long term. Eric Proffitt asked about the typical frequency and length of the cycles of lending.

Rod Runyon moved to accept staff's recommendations. Eric Proffitt seconded the motion. Motion carried unanimously.

BEST PRACTICES CHECKLIST

Amanda reported that MCEDD participates in the Special Districts Insurance Services (SDIS) program. As part of the participation MCEDD is eligible to receive a discount through the completion of a best practices checklist.

Discussion: The Executive Committee members reviewed the checklist. The consensus was to check "no" on question 6 (provide annual ethics trainings to all board members), with the remainder checking "yes." Rod Runyon noted that some Board members receive training through their other boards. The item was discussed as an area for future improvements. Ken Bailey signed the form certifying for the Board.

CEDS UPDATE/STEERING COMMITTEE REPORT

Amanda reported that more than 50 individuals attended the September 15, 2016 CEDS Strengths, Weaknesses, Opportunities and Threats meeting held in Cascade Locks. She noted that it was well received. She stated that a survey has been distributed to capture additional information and to provide a review of the session. Twenty-three surveys have currently been returned from individuals who could not attend the session and eleven surveys have been received with follow-up information from those attending the session. Amanda reviewed the survey summaries to date, noting that the surveys still remain open and highlighted the primary topics developing for the SWOT analysis.

Amanda also provided an agenda for the Vision and Goals CEDS meeting to be held on October 27, 2016 for the Executive Committee's review and input.

EXECUTIVE DIRECTOR REPORT:

Amanda Hoey provided the Executive Directors report. She noted that Dana Robison-Miller, who was appointed to the MCEDD Board representing high tech position, is no longer eligible to serve in that capacity as she is no longer in a leadership position at a tech company.

Discussion: Amanda noted that Nancy White (previous tech representative) was willing to temporarily serve until a replacement could be found or the position could be left vacant. The consensus was to leave the position vacant and solicit candidates through our usual process, with a goal of having an individual identified for the December Board meeting.

Amanda stated that Senators Merkley, Murray, Cantwell and Wyden and Representatives Walden, Herrera-Beutler, and Blumenauer all signed a letter to Secretary Vilsack for the Oregon and Washington Investment Board requesting the final allocation of funds that were authorized but never appropriated.

Amanda also noted the following from the Director's report:

- Revisions to the policies for the Attainable Housing Fund have spurred renewed interest.
- We have not yet had a successful match for an Encore Fellow
- The Agora Investment Platform had a flurry of activity and USDA is moving forward with a likely expansion of the Platform into another state.
- For the MCEDD Mobility Management position, six candidates were interviewed. Three candidates were selected for a second interview, which will be held on October 7, 2016 with participation from regional transportation providers.
- The publication of the website RFP has been delayed with staffing changes, but we hope to release it in October.

ADJOURN: Meeting adjourned at 4:57 p.m.

*Respectfully submitted,
Sherry Wickert, Finance & Operations Manager*



FINANCIAL SUMMARY

FOR: September 2016

The September Balance Sheet reflects changes in both assets and liabilities. For assets, the primary difference is the shift between the cash for loan funds and conversely the loans receivables balances for those accounts. MCEDD's current operational cash is lower due to the usage of cash for match. For Liabilities, A/P General (2010) is currently higher due to quarter-end billings paid in October. The current 2020 Accrued Payables – Year End's balance is for an NSF check that was accounted for in September, but was returned in October. Other liabilities for the current year's payroll expenses include expenses that were processed in September for September/October.

MCEDD's September Operations Budget vs. Actual report has differences between both revenue and expense categories. Loan Fund Revenue, excluding the Housing RLF funds, is above projections by \$733.47 (due to the collection of unanticipated loan late fees). Most expenses continue to be under budget because of the timing of the expenses. 9600 – Transfer to/from Source's balance is the income for the EDA RLF loan program that has been encumbered for relending purposes only.

Respectfully Submitted,

Sherry Wickert
Finance & Operations Manager

Mid-Columbia Economic Development District

10/27/16

Balance Sheet

Accrual Basis

As of September 30, 2016

	Sep 30, 16	Sep 30, 15
ASSETS		
Current Assets		
Checking/Savings		
1000 · Bank Demand Deposits		
1010 · MCEDD Checking	38,843.43	26,111.81
1015 · MCEDD MM	301,222.18	376,965.84
1020 · IRP		
1021 · IRP - Sherman	82,270.37	159,307.70
1022 · IRP - WA	64,452.44	69,095.69
1020 · IRP - Other	111,556.00	27,219.53
Total 1020 · IRP	258,278.81	255,622.92
1030 · Loan Funds		
1036 · EDA RLFs	244,183.67	152,265.95
1045 · Reg Strat	126,769.88	164,708.97
1050 · RBEG-OR	45,850.01	11,897.04
1055 · RBEG-WA	49,858.48	29,005.01
1057 · RBEG-KL	126,628.42	87,895.92
1067 · CDBG Microenterprises	60,322.59	53,832.16
Total 1030 · Loan Funds	653,613.05	499,605.05
1031 · Housing RLF	2,000,689.73	2,000,406.42
1070 · National Scenic Fund	1,217,522.41	1,217,684.60
Total 1000 · Bank Demand Deposits	4,470,169.61	4,376,396.64
1100 · CDS		
1121 · IRP Reserve	96,031.33	96,031.33
Total 1100 · CDS	96,031.33	96,031.33
1122 · IRP - DDM Product	533,257.31	445,378.47
1196 · OR Telecom Conference	38,598.43	38,470.88
Total Checking/Savings	5,138,056.68	4,956,277.32
Accounts Receivable		
1202 · Accounts Receivable	61,026.97	56,770.11
Total Accounts Receivable	61,026.97	56,770.11
Other Current Assets		
1200 · Receivables & Accruals		
1205 · Accrued Revenue	11,250.00	8,750.00
1227 · Accrued Loan Interest	16,915.43	15,469.28
1229 · Structured Accts Accr'd Int		
1231 · Unrecorded Structured Accr'd Int	-1,247.32	-617.31
1229 · Structured Accts Accr'd Int - Other	7,309.10	6,262.56
Total 1229 · Structured Accts Accr'd Int	6,061.78	5,645.25
Total 1200 · Receivables & Accruals	34,227.21	29,864.53
1300 · Loans Receivable		
1330 · MCEDD Loans Receivable		
1320 · IRP	1,776,391.76	2,008,068.65
1321 · IRP - Sherman	175,435.44	99,341.50
1322 · IRP - WA	253,986.49	250,443.88
1336 · EDA RLFs	510,239.16	511,389.92
1345 · Reg Strat	44,465.57	9,049.65
1350 · RBEG-OR	255,272.79	281,204.95
1355 · RBEG-WA	46,244.20	65,938.08
1357 · RBEG-KL/SK	0.00	38,656.13

Mid-Columbia Economic Development District
Balance Sheet
 As of September 30, 2016

	Sep 30, 16	Sep 30, 15
1367 · CDBG Microenterprises	47,172.73	51,243.95
Total 1330 · MCEDD Loans Receivable	3,109,208.14	3,315,336.71
1370 · OIB Loans Receivable	1,643,752.50	1,628,296.21
Total 1300 · Loans Receivable	4,752,960.64	4,943,632.92
1500 · Allowance for Doubtful Loans		
1520 · IRP Allowance	-118,027.66	-127,089.85
1521 · IRP - SH Co	-10,797.99	-15,000.00
1522 · IRP - WA	-14,476.77	-15,178.13
1536 · EDA RLFs Allowance	-35,290.15	-37,163.51
1545 · Reg Strat Allowance	-2,776.54	-644.83
1555 · RBEG Allowance	-18,584.67	-23,405.81
1567 · CDBG Microenterprises	-2,987.33	-3,171.24
1575 · OIB Allowance	-45,000.00	-45,000.00
Total 1500 · Allowance for Doubtful Loans	-247,941.11	-266,653.37
Total Other Current Assets	4,539,246.74	4,706,844.08
Total Current Assets	9,738,330.39	9,719,891.51
TOTAL ASSETS	<u>9,738,330.39</u>	<u>9,719,891.51</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2010 · A/P General	3,312.00	557.86
Total Accounts Payable	3,312.00	557.86
Other Current Liabilities		
2020 · Accrued Payables - Year End	1,000.00	0.00
2030 · Accrued Loan Payment	29,943.96	27,523.78
2035 · Accrued Interest Payable	5,598.29	5,998.56
2050 · PTO - Accrued	23,098.99	24,497.84
2060 · Deferred Comp Payable	1,968.80	0.00
2070 · Health Insurance Payable	-6,898.89	0.00
2080 · Life & Disability Payable	-292.37	0.00
2090 · WC SAIF Ins	-238.57	-338.73
2100 · Payroll Liabilities		
2120 · State Payroll Liabilities		
2115 · OR- SUTA Payroll Liabilities		
2105 · WBF Payroll Assessment	108.60	100.94
2115 · OR- SUTA Payroll Liabilities - Other	125.12	115.64
Total 2115 · OR- SUTA Payroll Liabilities	233.72	216.58
Total 2120 · State Payroll Liabilities	233.72	216.58
2100 · Payroll Liabilities - Other	3,116.37	0.00
Total 2100 · Payroll Liabilities	3,350.09	216.58
Total Other Current Liabilities	57,530.30	57,898.03
Total Current Liabilities	60,842.30	58,455.89
Long Term Liabilities		
2820 · IRP Loan Payable \$1million	514,805.20	551,573.23
2821 · IRP Loan Payable \$600,000	417,520.24	438,485.25
2822 · IRP Loan Payable \$750,000	625,806.66	650,921.44
2823 · IRP Loan Payable - Washington	299,967.25	309,906.38
2824 · IRP Loan Payable - Sherman	193,188.09	200,000.00
Total Long Term Liabilities	2,051,287.44	2,150,886.30
Total Liabilities	2,112,129.74	2,209,342.19
Equity		

**Mid-Columbia Economic Development District
Balance Sheet**

As of September 30, 2016

Accrual Basis

	Sep 30, 16	Sep 30, 15
3100 · Fund Balances	7,320,555.07	7,320,555.07
3110 · Carryforward Balance	0.00	22,692.87
3900 · Retained Earnings	251,469.96	0.00
Net Income	54,175.62	167,301.38
Total Equity	7,626,200.65	7,510,549.32
TOTAL LIABILITIES & EQUITY	<u>9,738,330.39</u>	<u>9,719,891.51</u>

Mid-Columbia Economic Development District

10/27/16

Operations Budget vs. Actual

Accrual Basis

July through September 2016

	Jul - Sep 16	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Carryover Revenue	0.00	302,193.00	-302,193.00	0.0%
4100 · Federal	44,631.10	39,856.72	4,774.38	112.0%
4200 · State	8,137.81	14,918.00	-6,780.19	54.6%
4300 · Local Match	7,000.00	7,000.00	0.00	100.0%
4400 · Local Dues	45,529.00	45,530.00	-1.00	100.0%
4500 · Contract Reimbursement	65,319.89	79,165.22	-13,845.33	82.5%
4600 · Loan Interest	63,099.79	69,504.37	-6,404.58	90.8%
4700 · Loan Processing Fees	3,001.52	8,374.97	-5,373.45	35.8%
4705 · Loan Filing Fees	318.16	3,374.82	-3,056.66	9.4%
4710 · Loan Late Fee	3,577.69	524.91	3,052.78	681.6%
4750 · Investment Interest	461.09	387.29	73.80	119.1%
4800 · Receipts - Other	447.73	3,624.97	-3,177.24	12.4%
4801 · Paypal Registrations	1,435.00	0.00	1,435.00	100.0%
4803 · Sponsor Donations	3,150.00	0.00	3,150.00	100.0%
4934 · In-Kind Revenue	0.00	19,199.00	-19,199.00	0.0%
4935 · In Kind - MM	0.00	350.00	-350.00	0.0%
Total Income	246,108.78	594,003.27	-347,894.49	41.4%
Gross Profit	246,108.78	594,003.27	-347,894.49	41.4%
Expense				
5000 · Wages	115,090.70	117,148.78	-2,058.08	98.2%
5500 · Fringe Benefits	30,102.78	33,893.38	-3,790.60	88.8%
5700 · Payroll Taxes	10,045.33	10,229.34	-184.01	98.2%
6110 · Travel & Conference	3,809.41	7,513.91	-3,704.50	50.7%
6190 · Event Services	1,230.40	475.22	755.18	258.9%
6200 · Equipment	1,039.73	1,125.00	-85.27	92.4%
6300 · Supplies	1,959.68	6,729.09	-4,769.41	29.1%
6400 · Professional Services	10,594.05	15,369.22	-4,775.17	68.9%
6600 · Communications	3,086.68	4,842.44	-1,755.76	63.7%
6700 · Building Costs	4,489.46	4,734.85	-245.39	94.8%
6800 · Bonds & Insurance	1,331.50	3,350.00	-2,018.50	39.7%
6900 · Other Materials & Supplies	2,554.74	5,490.00	-2,935.26	46.5%
9000 · Indirect Spread	0.00	-2,759.91	2,759.91	0.0%
9600 · Transfer to/from Source	6,698.31	0.00	6,698.31	100.0%
Total Expense	192,032.77	208,141.32	-16,108.55	92.3%
Net Ordinary Income	54,076.01	385,861.95	-331,785.94	14.0%
Other Income/Expense				
Other Expense				
7400 · Loan Payment	30,351.51	30,351.47	0.04	100.0%
7500 · Carryover to Next Year	0.00	336,978.00	-336,978.00	0.0%
7600 · In-Kind Contractual	0.00	19,549.00	-19,549.00	0.0%
Total Other Expense	30,351.51	386,878.47	-356,526.96	7.8%
Net Other Income	-30,351.51	-386,878.47	356,526.96	7.8%
Net Income	23,724.50	-1,016.52	24,741.02	-2,333.9%

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
2017 PIPELINE**

SPECIAL PROJECTS SUMMARY		ANTICIPATED 2017	SUBMITTED	IN PROCESS	TOTAL	CONFIRMED %
	Special Projects - Anticipated Revenue	446,835	18,000	10,000	474,835	94.10%
	Budgeted Expenses FY 2017 (Excludes In-Kind)	456,438				
	Gap/Surplus	(9,603)				
PROJ CODE	SPECIAL PROJECTS DETAILS	2017	NOTES			
	ANTICIPATED REVENUE					
517	Klickitat CDBG	4,250	Multi-year project			
518	Cascade Locks CDBG	10,431	Multi-year project			
519	Dallesport CDBG	12,500	Multi-year project			
521	Specialty Crop Grant	16,824	Multi-year project			
523	Human Services Coordinated Transportation Plan	4,689	Multi-year project			
524	Travel Oregon Wine Country Mkting	1,500	Multi-year project			
525	GTA Robotics (Wind Challenge)	19,200				
526	MCCFL CDBG	13,000	Multi-year project			
527	City of Antelope - CDBG	12,500	Multi-year project			
528	DWD Wastewater CDBG	1,200	Multi-year project			
529	Gorge Night Sky	9,500				
530	The Dalles Airport - Flex Space	10,000				
531	AOC	19,550				
548	ColPac	4,600				
549	CL-HR Enterprise Zone	5,000				
551	Urban Renewal	1,000				
554	Sherman Co ED	40,000				
557	GTA Staffing	37,600				
559	Wasco Co EDC	45,000				
560	Oregon Connections	3,650				
570	OEDD Website	700				
571	Mobility Management	75,146	2nd year of 2-year contract			
575	GTA Robotics	5,850				
582	HR EDG	7,000				
585	Commute Options	8,000				
587	HR Drive Less Connect - ODOT	11,071	2nd year of 2-year contract			
596	RBDG - Wine Marketing	8,841				
599	Agora	17,055	Multi-year project			
	DWD - USDA Grant Administration (Well #3)	9,000				
	New Specialty Crop Grant	32,178				
	TOTAL ANTICIPATED REVENUE	446,835				
	PROPOSALS SUBMITTED					
	Wishram CDBG management (PUD)	18,000				
	TOTAL PROPOSALS SUBMITTED	18,000				
	IN DEVELOPMENT					
	City of Cascades Locks - USDA Grant Admin	10,000				
	TOTAL IN DEVELOPMENT	10,000				

MEMORANDUM

Date: October 26, 2016

To: MCEDD Executive Committee

From: Amanda Hoey, Executive Director

Re: EDA Proposed Rulemaking

Overview

The US Economic Development Administration (EDA) is MCEDD's cognizant agency and the agency governing the district's formation and organization. In October 2016, EDA published a notice of proposed rulemaking on Revolving Loan Fund changes. EDA is accepting comments on the proposed rulemaking. These regulations are the framework through which EDA administers controls for EDA-funded Revolving Loan Funds, including MCEDD's funds. Comments on the regulations must be received by December 2, 2016.

Proposed Comments

Our National Association (NADO) provided a review of the proposed changes likely to impact our programs. Following the synopsis of proposed changes, I have included recommended MCEDD comments:

- Proposed Change to Capital Utilization Standard: EDA proposes adopting an Allowable Cash Percentage concept to replace the capital utilization standard. The capital utilization standard requires recipients to provide that at all times at least 75 percent of their RLF capital is loaned or committed. EDA is proposing to instead assess RLF recipients on the amount of cash recipients have on hand available for lending. Each year, each EDA Regional Office will calculate the average percentage of RLF Cash Available for Lending held by each RLF and communicate by January 1 to each RLF recipient the Allowable Cash Percentage to be used during the ensuing year. Under this new concept, EDA will no longer require automatic sequestration as a remedy for failure to satisfy the capital utilization standard.
 - Response: Request clarification that committed/approved but not yet funded loans are excluded from the calculation of cash available for lending. We appreciate that the proposed modification eliminates the requirement for automatic sequestration of funds.
 - Response: January 1 does not correspond to our fiscal year. We request that communication regarding the "Allowable Cash Percentage to be used during the ensuing year" take place on a cycle that matches our reporting cycle. These reporting cycles are proposed to be revised to align with the entity's fiscal year in the rulemaking. We would appreciate this element also being aligned to the fiscal year.
- Proposed Change to Reporting: EDA proposes to move from the semi-annual reporting requirement to a frequency (either annual or semi-annual) that will be determined by each recipients' score in the Risk Analysis System. EDA is also changing the reporting period to be based on each recipient's fiscal year end.
 - Response: We appreciate the proposed modification to align with our fiscal year as it will minimize administrative burden.

- Proposed Definitional Changes: *RLF capital base* is defined as the total value of RLF grant assets administered by the RLF recipient and is equal to the amount of grant funds used to capitalize (and re-capitalize) the RLF, plus local share, plus RLF income, plus voluntarily contributed capital, less any loan losses and disallowances
 - Response: Since RLF income is included in the RLF capital base calculation, the eligible and reasonable costs necessary to administer the RLF need to be removed from the calculation. We propose a revision to “net RLF income” or adding “less any eligible administrative expenses.” Without this change, the calculation as proposed would overstate the RLF capital base.
- Proposed Change to Administrative expenses: The NPRM proposes expanding the requisite period during which RLF income must be earned and administrative costs must be incurred from the same six-month reporting period to the same fiscal year. Records for administrative expenses must be kept for three years from the submission date of the last report that covers the fiscal year in which the costs were recorded, rather than the last semi-annual report that covers the reporting period in which the costs were incurred.
 - Response: We appreciate this modification to allow utilization of RLF income for administrative costs in the same fiscal year. It is consistent with other federal programs which have funded our RLF programs.

Request

I recommend that the MCEDD Executive Committee authorize staff to file comments regarding EDA’s proposed rulemaking for the areas highlighted above.

Alternative 1: Accept only part of the recommended comments for submission.

Alternative 2: Do not authorize submission of comments.

MEMORANDUM

Date: October 28, 2016
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: Whistleblower Policy

Overview

Due to recent legislation passed in Oregon, our Special District Association has informed us of a new requirement for a whistleblower policy. They state that: “Beginning January 1, 2017, all public and nonprofit employers must establish and implement a whistleblower policy. The policy must delineate all rights and remedies provided to employees and employers will need to deliver a written or electronic copy of the policy to each employee.” The Special Districts Association provided a sample policy, which is attached. Staff recommends adopting this policy and incorporating to our personnel policies.

Request

The MCEDD Executive is asked to review the attached policy document and make a recommendation to the full MCEDD Board for adoption, through incorporation to the MCEDD personnel policies.

Whistleblower Protections

- I. The District encourages any employee with knowledge of or concern of an illegal or dishonest fraudulent District activity to report it to the Human Resources Director or designee. The employee may also provide the information to another District manager, a state or federal regulatory agency, a law enforcement agency or an attorney licensed to practice law in Oregon if a confidential communication is made in connection with the alleged violation. Attorneys employed by the District may report violations of law to the Attorney General, subject to rules of professional conduct. All such issues will be investigated in a timely manner to determine fault and institute any appropriate corrective measures. Examples of illegal or dishonest activities are violations of federal, state, or local laws; billing for services not performed or for goods not delivered; and other fraudulent financial reporting. For any employee wishing more information, further details can be obtained from the Human Resources Director.
- II. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing may be subject to corrective action up to and including termination.
- III. Whistleblower protections are provided to maintain confidentiality and to prevent retaliation. While identity may have to be disclosed to conduct a thorough investigation, to comply with the law, and to provide accused individuals their due course, the privacy of the individual making the report will be protected as much as possible. The District will not retaliate against a whistleblower. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm. Any whistleblower who believes he/she is being retaliated against must contact the Human Resources Director or designee immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.
- IV. All reports of illegal and dishonest activities will be promptly submitted to the Human Resources Director or designee who is responsible for investigating and coordinating corrective action.

Memorandum

Date: October 28, 2016
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: GMF Options

Overview

As previously discussed with the MCEDD Board and Executive Committee, I will be participating in the Marshall Memorial Fellowship, under the German Marshall Fund (GMF). This international leadership program includes six months of distance learning followed by first-hand experience through a transatlantic exchange. I have been selected with the 2016-17 Fellowship cohort. While not all details are fully finalized, I now have preliminary dates for the exchange portion of this fellowship. It will take place from approximately mid-April 2017 through the middle to end of May 2017. The exchange portion of the fellowship is the only out of office time that will be required, but the extended timeframe and the requirement to be fully engaged and immersed requires some advance planning.

Request

Discussion of advancing timelines for certain MCEDD activities such as budget. Discussion of staffing and management while I am out of the office.

Memorandum

Date: October 28, 2016
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: CEDS Status Update

Overview

On October 27, 2016 MCEDD hosted the next in its meeting series designed to craft the new regional Comprehensive Economic Development Strategy. The event included a welcome from MCEDD Board member Bob Hamlin and Skamania County Chamber of Commerce Director Casey Roeder and an overview of local Skamania County issues from Kari Fagerness with the Skamania EDC. Participants reviewed the SWOT analysis and drafted goals based on the seven sector community and economic development framework. The event concluded with a tour of Backwoods Brewing and LDB at the Port of Skamania.

SWOT Analysis

We have nearly finalized the Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis which will be incorporated into the regional strategy. There are a few updates to make following review of notes from the small working groups at this last meeting. The analysis was drafted from the conversation at the SWOT outreach meeting in Cascade Locks and the compilation of responses from the survey which was provided to all meeting attendees and made publicly available. We had very thoughtful responses.

The SWOT compilation includes issues in relative priority order based upon the frequency with which each topic was addressed by the working groups and survey respondents. Attached is the summary document and detailed attachment. The detailed attachment will be included as an appendix to the regional strategy.

Goals and Vision

DRAFT goals based on framework were crafted by the small groups as follows:

Element	Draft Goal
Financial Capital and Entrepreneurial Environment	Enhance the retention and expansion of business in the region by creating an entrepreneurial business environment through coordinated business support and resources with a focus on diversifying the economy and creating sustainable opportunities, including family wage jobs, over the next ten years.
Infrastructure	Plan for, maintain and re-invest in public infrastructure to address housing and to provide for current population demands and future growth while supporting a diverse economy.
Workforce	Ensure a regional workforce that is career trained and work ready.
Regulatory Environment	Collaborate as a region to simplify and decentralize regulatory processes.
Innovative Capacity	Identify and utilize existing innovation capacity to benefit this region.
Social/Natural Amenities	Build upon existing alliances and efforts and encourage sustainable stewardship and environmental education.” “Create a focus on continued enhancement of quality of life establishing healthy communities by recognizing our sense of place and unique environment.

We will be distributing a survey to attendees to capture additional information to refine the goals and the vision identified in 2012. The survey will also be publicly posted and will remain open through November 10, 2016 to gather additional information in order to have a final set of goals and a vision prepared for the next CEDS session.

Next Regional Economic Development Strategy Session

The next session is scheduled for November 17th at the OSU Extension office in Moro, Oregon. We will use this session to begin crafting strategies in each of the goal areas and clarify industry sector focus.

S trengths	W eaknesses	O pportunities	T hreats
Scenic Beauty, Recreation, Brand and Tourism Industry <ul style="list-style-type: none"> • Designated Scenic Area • Strong Tourism Industry • Four Season Recreation • Natural Diversity 	Insufficient Housing Stock <ul style="list-style-type: none"> • Insufficient Housing for Local Employees • Housing Stock Quality, Availability Concerns • Affordability Gap 	Growth of Value-Added Ag and Ag Tech Businesses <ul style="list-style-type: none"> • Value-Add Sector Coord. • New Food Processing • New Specialty Crops • Ag Tech and Research 	Housing Shortage Impacts <ul style="list-style-type: none"> • Availability/ affordability reduces ability to attract and retain workers • Impacts businesses’ decisions about expanding
Central Location: <ul style="list-style-type: none"> • “Center of the Hub”: Geographic advantage in being centrally located in the Pacific Northwest • Access to Urban Areas 	Education, Skilled Workforce: <ul style="list-style-type: none"> • Advanced Education • Quality/Funds for Pre K-12 and Higher Ed • Limited Skilled Labor • Workforce Training 	Expanding Tourism <ul style="list-style-type: none"> • Into Less Traveled Areas • Culinary/Ag Tourism • Year-Round Tourism • Brand: Market as World Class Destination 	Education Quality/ Opportunity and Workforce <ul style="list-style-type: none"> • Educational System Challenges • Skilling Up and Meeting Employer’s Needs
Regional Collaboration <ul style="list-style-type: none"> • Bi-State Cooperation • Spirit of Collaboration • Strong Sense of Community • Strong Local Leadership and Regional Entities • Active Industry Alliances 	Transportation <ul style="list-style-type: none"> • Mobility: Gaps in Public Transportation Options • Gaps in Bike/Ped Infrastructure • Capacity of roads, bridges, airports, rail, etc. Maintenance, Expansion. 	Synergy Across State Lines <ul style="list-style-type: none"> • Coordination Between Business Sectors • Enhance Industry Associations • Support Effective Regional Teams 	Regulations <ul style="list-style-type: none"> • Restrictions Imposed by NSA Constraints • Length of Time for Permitting Decisions
Availability of Transportation Systems/Modes <ul style="list-style-type: none"> • Interstates, Highways E/W, N/S • Airports • Rail Service • Columbia River Access • Bicycle/Pedestrian/Transit 	Regulatory Environment: <ul style="list-style-type: none"> • National Scenic Area Regulations • Slow Land Use Decisions • Impacts on Development. 	High Tech; Unmanned Systems <ul style="list-style-type: none"> • Continued Increase in High Tech Businesses • Support for Unmanned systems Applications • Supply Chain Development 	Impacts of Continued Population Growth <ul style="list-style-type: none"> • Limited Infrastructure Capacity to Accommodate • Need for Further Planning • Overuse of Resources • Degradation of Popular Destination Areas
Natural Resources and Climate: <ul style="list-style-type: none"> • Natural Resource Base • Climate • Air Quality 	Infrastructure <ul style="list-style-type: none"> • Utility Limitations • Broadband Capacity Regionally 	Leverage Natural Assets <ul style="list-style-type: none"> • Wood and Forestry Products Innovation • Renewable Energy • Fishing Industry 	Natural Disasters/Hazards <ul style="list-style-type: none"> • Wildfire, ice storms and other natural disasters • Aging emergency Response systems

S trengths	W eaknesses	O pportunities	T hreats
Culture: <ul style="list-style-type: none"> • 10,000+ years of Indigenous Culture • Evolving Demographics 	Disparities Between States <ul style="list-style-type: none"> • Differences in regulations • Differences in funding 	Connectivity <ul style="list-style-type: none"> • Market and use the increased high speed fiber optics in region • Further investment in broadband accessibility 	Water Access, Regulations <ul style="list-style-type: none"> • Drought Impacts • Impacts of Water Regulation • Access Issues • Aquifer Concerns
Diverse Industry Sectors and Growing Business Sectors <ul style="list-style-type: none"> • Diverse Industries • Growing Industry Sectors (Unmanned systems, value added agriculture, mfctr, fermentation, wearables, healthcare) • Strong Agricultural Base 	Aging Population: <ul style="list-style-type: none"> • Meeting the needs of an Aging population 	Focus on Local <ul style="list-style-type: none"> • Further development of the locally based economy • Buy local education and programs 	Infrastructure Limitations <ul style="list-style-type: none"> • Bridges, highways, roads • Transit Capacity/Gaps • Overused infrastructure • Water/Wastewater • Limited existing buildings and industrial land
Human Capital and Entrepreneurial Spirit: <ul style="list-style-type: none"> • Available Talent with Diverse Skill Sets • Educational Attainment • Unique Educational Programs Supported by Businesses • Access to Education 	Lack of Business Expansion Space <ul style="list-style-type: none"> • Available and attractive commercial and industrial spaces. • Lack of Shovel Ready Land availability 	Address Public Transportation <ul style="list-style-type: none"> • Utilization of new technologies • Expanding Fixed routes • Expanding Regional Transit Connections • Biking/trail systems 	Industry Diversification <ul style="list-style-type: none"> • Loss of Any Major Employer • Concentration Risk
Infrastructure: <ul style="list-style-type: none"> • Telecommunication and Broadband Capacity • Infrastructure to support industrial and commercial development • Abundant, Clean Power • Water 	High Poverty Rate/Economic Disparity <ul style="list-style-type: none"> • High poverty rate • Disparities between communities • Inequities 	Business/Talent Attraction <ul style="list-style-type: none"> • Leverage Gorge brand to attract aligned businesses • Potential to attract business talent • In-migration 	Funding <ul style="list-style-type: none"> • Declining state and federal funding • Connection to Regional Priorities • Shrinking local government budgets

S trengths	W eaknesses	O pportunities	T hreats
<p>Additional Strengths:</p> <ul style="list-style-type: none"> • Business Climate • Access to Capital • Business Incentives • Access to healthcare • Access to local foods • Low crime rates 	<p>Additional Weaknesses:</p> <ul style="list-style-type: none"> • Recreational facilities at/exceed capacity • Coordination and Capacity • Scale of Economy • Emergency Preparedness • Lack of Population diversity 	<p>Additional Opportunities:</p> <ul style="list-style-type: none"> • Housing innovation: Leaders in attainable housing • Streamline Processes • Healthcare • Enhance infrastructure • Expand Education partnerships • Short sea shipping • Community land trusts or land banking • Leverage presence of a nearby National Laboratory to further R/D • National environmental leaders 	<p>Additional Threats:</p> <ul style="list-style-type: none"> • Poverty; wage stagnation • Commodity prices • Retaining local property ownership: outside ownership and increase in non-local property owners • Aging population • Drugs/legalized marijuana • Railroad safety • Pollution • Overuse of natural resources and “loving the Gorge to death” • Transition of economy to rich, vacation play zones • Need for more incentives/packages to entice business development • Youth out-migration

Comments: _____

SWOT Detail (Attachment)

Strengths	Weaknesses
<i>Our Region's relative Comparative Advantages</i>	<i>Our region's relative competitive disadvantages</i>
<p>Scenic Beauty, Recreation, Brand and Tourism Industry</p> <ul style="list-style-type: none"> • Designated National Scenic Area: Parts of the region encompass the federally recognized Columbia River Gorge National Scenic Area. • Tourism Industry: In 2009, National Geographic Traveler ranked the region 6th internationally on its destination scorecard to the world's most iconic destinations. We have a strong existing tourism industry and are maturing as a destination. • Four Season Recreation: Abundant recreational opportunities for all four seasons including cycling, fishing, hiking, horseback riding, camping, rafting, kayaking, canoeing, windsurfing, rock climbing, and a variety of snow sports. • Natural Diversity: The scenic beauty of the region traverses mountains, rivers and plains. 	<p>Housing</p> <ul style="list-style-type: none"> • Availability: Insufficient housing for local employees constrains the ability of businesses to recruit and retain a workforce. It hampers economic growth and the economic vitality of the region. • Quality of housing • Affordability Gap: the cost of housing is very high, especially in comparison to average regional wages • Lack of affordable land for housing development • Lack of variety in housing options
<p>Central Location:</p> <ul style="list-style-type: none"> • Center of the Hub: The region has a distinct geographic advantage in being centrally located in the Pacific Northwest. We are described as the "Center of the Hub." • "World Clock": Our region is uniquely positioned to do business with approximately a 6,000 mile area from the West Coast to the East Coast to Asia, all within one regular business day. • Access to Urban Areas: We have direct access to metro areas: Portland/Vancouver, Tri-Cities, Yakima, Bend, Boise, and Boardman/Hermiston. This proximity offers distribution options for products, increases cultural opportunities, and enhances workforce and business opportunities. There is bi-directional access: rural to urban and urban to rural. 	<p>Education, Skilled Workforce:</p> <ul style="list-style-type: none"> • The region is lagging in college and graduate degree completion. • Pre K-12 quality: Uneven quality of public education across the region. • Pre K-12 funding: Schools are consistently underfunded. • Limited skilled labor pool. It is further difficult to attract and recruit employees due to the relatively high cost of living • Lack of trained workforce and limited workforce training opportunities • Lack of vocational learning options • Impacts of drug use on labor pool • Seasonal nature of farm/recreational labor
<p>Regional Collaboration</p> <ul style="list-style-type: none"> • Bi-State Cooperation: The region is historically connected through the Columbia River and is unique in working across state boundaries, forging partnerships between Oregon and 	<p>Transportation</p> <ul style="list-style-type: none"> • Mobility: Data describing commuting habits in the Mid-Columbia by place of work show that workers in the Mid-Columbia region travel outside their state of residence to

<p>Washington</p> <ul style="list-style-type: none"> • Human Networks/Spirit of Collaboration: Collaborative human networks exist within the region and agencies exhibit a willingness to partner across sectors. The tendency of our rural communities is for residents to be active in multiple organizations, wearing “many hats.” The region offers ample opportunities for leadership and civic engagement. • Strong sense of community: A strong sense of community exists throughout the region. Community pride is evident and lends itself to having residents working hard to maintain economic viability. Towns are small enough to “know your neighbors.” Strong rural values and characteristics are present that the region seeks to maintain and protect. • Strong local leadership and regional governmental bodies • Active Industry Alliances: Active industry alliances support industry sectors including the Columbia Gorge Bi-State Renewable Energy Zone, Gorge Technology Alliance, Gorge Grown Food Network, Columbia Gorge Winegrowers Association, Breweries in the Gorge and Gorge Cider Society. 	<p>work to a greater extent than the average worker in Oregon, Washington, or the nation. Public transportation is necessary both from a human and social services standpoint but also from an economic standpoint to support the mobile workforce. We market the region as one workforce area and need to provide the transportation options to facilitate that to a greater extent.</p> <ul style="list-style-type: none"> • Lack of transportation options • Transportation accessibility • Infrastructure <ul style="list-style-type: none"> - Need for expanded Columbia Gorge regional Airport runways and facilities - Aging bridges - County/City Road Maintenance and funding - Limitations to Interstates and Highways- needs for ongoing maintenance, funding and increased capacities - Aging Dams - Access to federal lands- road maintenance
<p>Availability of Transportation Systems/Modes: The region is a significant transportation corridor and offers market access through:</p> <ul style="list-style-type: none"> • Interstates and Highways both East/West and North/South with connecting bridges. • Airports: Close proximity to Portland International Airport. Presence of regional and local airports. Life Flight services are also available from the regional airport. • Rail Service: Burlington Northern and Union Pacific offer rail services for the movement of goods in Oregon and Washington. Currently, passenger rail service is only available on the Washington side. • River access: The Columbia River facilitates barge traffic. This is particularly important for transporting waste and ag products. • Bicycle/Pedestrian/ Transit: Collaboration between transit providers through the Gorge TransLink Alliance. An extensive trail system and reconnection project through the Historic Columbia River Highway. 	<p>Regulatory Environment:</p> <ul style="list-style-type: none"> • National Scenic Area Regulations • Slow Land Use decisions • Overlay of multiple levels of regulations (federal, state, regional and local): With two states, a National Scenic Area overlay and high percentages of federal land ownership, the level of regulations affecting development activities in the region is a significant concern. All five counties in the Mid-Columbia region have zoning ordinances and land use comprehensive plans. Additional state and federal regulatory agencies also affect development activities in the region.

<p>Natural Resources and Climate:</p> <ul style="list-style-type: none"> - Natural Resource Base: The area is rich in natural resources, supporting timber, agriculture, recreation and tourism as well as lifestyle entrepreneurs attracted to the natural amenities. - Climate: Diverse climates exist within the region’s borders from the warm, arid eastern parts to the cool, damp western parts of the region. Generally, we enjoy a temperate climate with welcome seasonal changes and varying degrees of precipitation. The variation in both topography and climate leads to a diversity in economies, variations in crops and living opportunities. - Air Quality 	<p>Infrastructure</p> <ul style="list-style-type: none"> • Utilities: Continued affordability of power. Availability of other utilities • Broadband: Improving but still inconsistent wireless and broadband service to businesses and to residents. Need for consistent, redundant service throughout the Gorge.
<p>Culture:</p> <ul style="list-style-type: none"> • 10,000+ years of indigenous culture: The region has strong culture and history and has been a trading center for millennia. Four tribes are called out in the NSA Act: Confederated Tribes of the Umatilla Indian Reservation, Nez Perce Tribe, Confederated Tribes of the Warm Springs Indian Reservation of Oregon, and Confederated Tribes and Bands of the Yakama Nation. • Evolving Demographics: The region also has evolving cultures as the demographics of the region continue to change. 	<p>Disparities Between States. One region; two states</p> <ul style="list-style-type: none"> • Bi-State economy but can be challenging to cooperate across state lines due to variations in rules, regulations and restrictions between the two states • Funding differences between the states can hinder regional programs (eg the State of Oregon has dedicated funding for the State tourism office while the State of Washington does not have the same level of funding)
<p>Diverse Industry Sectors and Growing Business Sectors</p> <ul style="list-style-type: none"> • Diverse Industries: Diverse foundational businesses alleviate peaks and troughs of economic cycles. These include historical strong businesses in the ag and forestry sectors as well as new industry clusters. • Growing Sectors: Unmanned systems, fermentation industries, manufacturing, tech, outdoor gear/wearables, healthcare and value added agriculture are all growing industry sectors in which our region has a competitive advantage. • Strong Agricultural Base: Agriculture forms a base for our economy and is a stabilizing force to moderate economic swings. The diversity of our agricultural products is a strength: cherries, wheat, grapes, apples, pears, cattle, sheep, and a variety of other products are grown or produced in the region. There is both commercial-scale agriculture and small farms. 	<p>Ageing Population:</p> <ul style="list-style-type: none"> • Meeting the needs of an Aging population which may require more services to support • Increase in number of retirees

<p>Human Capital and Entrepreneurial Spirit:</p> <ul style="list-style-type: none"> • Human capital: skilled, hardworking and motivated people with a strong Entrepreneurial spirit. • Available Talent with Diverse Skill Sets: From entrepreneurs to retirees; from light manufacturing skills to high tech. • Educational Attainment: The region has a strong showing in high school and AA degrees in comparison with the states of Oregon and Washington • Unique Educational Programs supported by Regional Businesses: Educational programs are responsive to industry needs, beginning at the K-12 level and businesses financially support these programs including robotics programs, STEM training, vocational programs and others. • Access to Education: Higher education opportunities are currently available in the region through Columbia Gorge Community College and OSU and WSU Extension. 	<p>Lack of Business Expansion Space</p> <ul style="list-style-type: none"> • Expanding and new businesses need support with the development of more available and attractive commercial and industrial spaces. • Lack of shovel ready land availability in some parts of the region
<p>Infrastructure:</p> <ul style="list-style-type: none"> • Communication: Telecommunication and broadband capacity in parts of the region that supports a high level of high tech and self-employed workers. • Infrastructure: Infrastructure has been developed throughout the region to support industrial and commercial development. It is also a challenge, though, in maintaining and expanding our region's infrastructure. Shovel-Ready Commercial Property is available in parts of the region. • Power: Abundant clean energy sources are available near the Columbia River. Affordable electricity is a benefit to business development. The hydro system and dams along the Columbia River are located within the region, with recent upgrades to transmission facilities. • Water: Both a strength and a threat. Fresh water sources support healthy populations, business development and agriculture throughout the region. 	<p>High Poverty Rate and Economic Disparities</p> <ul style="list-style-type: none"> • High poverty rate • Disparities between communities • Inequities- limited engagement with Native Americans; inequity in serving the Latino population
<p>Additional Strengths:</p> <ul style="list-style-type: none"> • Access to healthcare • Access to local foods 	<p>Additional Weaknesses:</p> <ul style="list-style-type: none"> • Many recreation facilities reaching or exceeding capacity in high visibility locations, especially along the Columbia River

- Low crime rates
- Business Climate
 - Available capital
 - Enterprise Zones (Oregon)
 - HUBZones (varied sections of the region)
 - No income tax (WA)
 - Business friendly

corridor

- Lack of coordination between some agencies and jurisdictions. Lack of unified leadership and constrained leadership capacity
- Scale of Economy
- Emergency Preparedness
- Scattered marketing from many sources dilutes messages
- Lack of population diversity

Opportunities <i>Chances or occasions for regional improvement or progress</i>	Threats <i>Chances/opportunities for negative impacts on our region/regional decline</i>
Value-Added Ag/Food/Beverage/Ag tech <ul style="list-style-type: none"> ● Sector coordination ● New food processing and beverage manufacturers ● New specialty crops ● Ag tech and natural resources research. New program at local community college matching industry needs 	Housing Affordability/Availability Impacts Employers Access to housing, particularly workforce housing, is an issue for the entire Mid-Columbia region. Without affordable options, individuals must commute or find work elsewhere and businesses may elect not to move into or expand in our communities.
Expanding Tourism <ul style="list-style-type: none"> ● Enhance less traveled areas ● Culinary/Ag tourism ● Recreation tourism year-round ● Authentic experience ● Brand: Market as world class destination 	Education Quality/ Opportunity and Workforce <ul style="list-style-type: none"> ● Educational System Challenges: funding, quality and access. ● Skilling Up and Meeting Employer's Needs ● Lack of excellent educational consistently throughout the region
Synergy Across State Lines <ul style="list-style-type: none"> ● Coordination between business sectors and integrated with public organizations ● Enhance and Support Existing Industry Associations ● Support Effective Regional teams working together 	Regulations <ul style="list-style-type: none"> ● National Scenic Area. Restrictions imposed can impact economic development. Need for urban growth area determination ● Length of time for permitting decisions may stall/prevent business development
High Tech; Unmanned Systems Applications <ul style="list-style-type: none"> ● Continued increase in high tech businesses in the region ● Support for Unmanned systems R/D and applications in ag, natural resource, scientific and other areas ● Further development of the supply chain ● Unmanned systems commercialization ● Connecting education and training programs 	Impacts of Population Growth <ul style="list-style-type: none"> ● Limited infrastructure capacity to accommodate growth ● Need for Further Planning: Many of our comprehensive plans and regional strategies need to be updated to reflect increased population growth ● Overuse of Resources ● Degradation of Popular Destination Areas
Leverage Natural Assets for further Business Growth Further Expansion of Key Industry Clusters <ul style="list-style-type: none"> ● Increasing emphasis on natural resource based economy and opportunities associated with the Columbia River, including fisheries ● Renewable energy assets include utilization of solar, wind, 	Natural Disasters/Hazards <ul style="list-style-type: none"> ● Wildfire, ice storms and other natural disasters ● Aging emergency response systems in some communities

<p>geothermal and biomass opportunities throughout the region. Pumped Storage. Opportunities for branding, strategies and business development.</p> <ul style="list-style-type: none"> • Expanding partnerships in healthcare • Wood products and forestry products innovation 	
<p>Connectivity</p> <ul style="list-style-type: none"> • Market and use the increased high speed fiber optics in region. Klickitat County 911 towers, new broadband in Wasco/Sherman counties, middle mile infrastructure regionally. • Use Gorge Broadband Consortium to advocate for further investment in broadband • Growth in telecommuting 	<p>Water Access, Regulations</p> <ul style="list-style-type: none"> • Drought and need for water conservation strategy focus • Limited Water Access • Groundwater and Aquifer concerns • Threat of increased regulations that would limit opportunities for continued vitality of communities
<p>Focus on Local</p> <ul style="list-style-type: none"> • Further development of the locally based economy • Farmers markets, Gorge Grown programs, Grown in the Gorge • Buy local education and programs 	<p>Infrastructure Limitations</p> <ul style="list-style-type: none"> • Transportation Infrastructure for Business Development: While market access and the mix of transportation modes available for the movement of goods and people are a distinct asset to the region, maintaining that infrastructure, and expanding it to meet growing industry and population needs, is a challenge. • Design: Design of certain infrastructure does not meet regional needs (eg narrow bridges and low tunnels). • Funding/Environment: Constrained financial resources and the rural/dispersed nature of the region contribute to a challenging environment to fund expanded services. • Overuse of infrastructure limits its productivity and livability • Water, Wastewater • Limited existing buildings and industrial land can contribute to the loss of business opportunities
<p>Address Public Transportation Needs</p> <ul style="list-style-type: none"> • Utilization of new technologies • Expanding Fixed routes • Expanding Regional Transit Connections • Multi-faceted transportation options include Biking/trail systems. 	<p>Industry Diversification</p> <ul style="list-style-type: none"> • Loss of any major employer • Concentration risk. Particularly in manufacturing, the region has a high concentration with a single manufacturer. Any changes with the manufacturer would have a disproportionate impact on the regional economy.
<p>Business/Talent Attraction</p>	<p>Funding</p> <ul style="list-style-type: none"> • Declining state and federal funding reduces the resources

<ul style="list-style-type: none"> ● Leverage Gorge brand to attract aligned businesses such as outdoor/sports apparel, etc ● Potential to attract business talent due to lifestyle and access to natural resources ● In-migration of retirees and young businesses/employees 	<p>available to maintain existing infrastructure/projects and expand them to meet the needs of our growing region.</p> <ul style="list-style-type: none"> ● Impacts of PERS (Oregon) and court decisions (Washington) on funding ● Dissemination of state/federal funds without adequate conversation regarding regional/local priorities ● Shrinking local government budgets reduces the ability to invest in local economic development priorities
<p>Additional Opportunities:</p> <ul style="list-style-type: none"> ● Streamlining processes ● Housing innovation. We have the opportunity to become leaders in attainable housing through our innovations in funding programs as well as the fact that we are at the forefront of policy development. ● Healthcare ● Leverage presence of a nearby National Laboratory for R/D ● Enhance infrastructure ● Education partnerships ● Short sea shipping ● Community land trusts or land banking ● National environmental leaders 	<p>Additional Threats:</p> <ul style="list-style-type: none"> ● Poverty; wage stagnation ● Commodity prices ● Retaining local property ownership: outside ownership and increase in non-local property owners ● Aging population ● Drugs/legalized marijuana ● Railroad safety ● Pollution ● Overuse of natural resources and “loving the Gorge to death” ● Transition of economy to rich, vacation play zones ● Need for more incentives/packages to entice business development ● Youth out-migration



**Executive Director's Report
Prepared for the November 2016 Executive Committee Meeting**

This report covers activities in October 2016. Items for discussion include:

- USDA Rural Business Development Grant opportunities
- Input on conference calling capacities

Business Assistance Division

- The MCEDD Loan Administration Board approved a \$34,400 loan for the start-up of **Sweet Lila's Coffee Cup** in Hood River.
- MCEDD's pipeline of loan prospects is beginning to show signs of improving.
- The MCEDD Loan Administration Board briefly discussed analysis of our program's position in the market and potential policy changes to better assist businesses access our resources. In November, the Loan Board will take a deeper look at the interest rate policy and collateral requirements.

Economic Development Administration, Regional Economic Development

- Efforts to redesign the regional Comprehensive Economic Development Strategy are underway. Activities include:
 - The October session on vision and goals had about 50 participants from across the five county region. November 17th is the next CEDS Strategy meeting. It will take place in Sherman County at the OSU Extension office in Moro.
 - We have one steering committee member who has not actively participated or responded to requests to understand barriers to participation.
 - MCEDD staff engaged in the Klickitat County strategic planning process and Skamania legislative priority meeting and will seek to incorporate that information to the CEDS as well.
- MCEDD staff participated in a meeting convened by Meyer Memorial Trust to discuss the connections between capital providers in Oregon. I was encouraged to see the Economic Development Districts with a prominent role in the process and subsequent materials. Preliminary results were provided to participants and while not yet finalized, a few themes have emerged that MCEDD should consider in our future planning:
 - The need for capital coaches throughout the state who help entrepreneurs through the capital system.
 - The idea of a platform that allows any entrepreneur in the state to navigate available capital resources and demystify the various kinds of capital.
 - Regional conferences and connecting events around the state.
- MCEDD staff participated in a follow-up call with our OEDD president, USDA-Rural Development Community Development Specialist and Ford Family Foundation's Economic Development Director and CED program officer. We are working towards a proposal that would support Foundation investment into our regional economic development strategy. Our overall purpose is to provide our region with a competitive advantage in seeking USDA SECD funds. This program provides additional priority points to regions with CEDS that have investment from foundation partners in the planning process.

Project Management

- USDA Rural Development Washington released notice for solicitation of Rural Business Development Grant applications. Applications are due January 31, 2017 and the State office has a few priority focus areas: High Poverty census tracts and communities, Local and Regional Foods, Advancing Bio economy, and Smart Communities Broadband and Connectivity. USDA-RD Oregon's solicitation is on a separate timeline.
- The Gorge Cider Society hosted the Gorge Cider Adventure on October 8, 2016. Participants visited Rivercider at Riverside Farms, Crush Cider Café, Slopeswell Cider Co and Jester and Judge.
- Jessica Metta mailed the Wind Challenge Save the Date notices. Save the date for March 11, 2017!
- The Columbia Gorge Bi-State Renewable Energy Zone met in October with an update on the Pumped Storage project and recent visit by Washington Department of Commerce staff. In addition, the group received a report from Government Affairs specialist David Van't Hof. David noted that PGE's Integrated Resource Planning draft includes a preferred portfolio option statement for 2018 of "Gorge wind" in the range of 520MW. As the process moves forward into the comment period at the Oregon PUC, MCEDD and our member counties will have an opportunity to provide comments. I anticipate that this would come before MCEDD in December.
- The RFQ for East Cascades Workforce Investment Board (ECWIB) to support ASO/ISO training in response to company demand (listed in our IMCP plan) received two competitive responses. ECWIB has solicited feedback from the GTA on the firms then will move forward on selection.
- Mobility Management
 - The Human Services Coordinated Transportation Plans for Hood River and Sherman counties are complete. Wasco County's plan should be adopted November 2nd. These plans are required for agencies to compete for state and federal special transportation funds and the plans were updated by MCEDD.
 - MCEDD's application to WSDOT for the next biennium of Mobility Management support has been submitted. Staff included a revised scope of work. The application to ODOT will be due in January.
 - Upper Valley service expansion continues to move forward, with MCEDD facilitating meeting between Columbia Area Transit and Gorge Yellow Cab. The public-private partnership will extend new service in Hood River.
 - MCEDD presented to the Community Health Council in October.
- Wasco County Economic Development Commission continues to support its primary communities and had additional activity with the following this month:
 - In partnership with the Port of The Dalles, City of Dufur and Dufur Chamber, we hosted a Dufur visioning session on October 27, 2016. It was very well attended with about 25 community members engaged in the conversation.
 - MCEDD supported the City of The Dalles in developing a response to the Cycle Oregon grant opportunity for their Gorge Hub wayfinding sign.
- Jessica Metta has been working on a number of projects in Sherman County including:
 - John Day River Territory kiosks: Rage Graphics completed the first draft.
 - Support for a Federal Lands Access Program application for Starvation Lane. Decisions should be made in November.



Cider Adventure 2016

- Sherman County is working with PSU to conduct the income survey needed to determine CDBG eligibility for their South Sherman fire project.
- Downtown façade improvement fund concepts are moving forward through a couple of the cities.
- The Oregon Connections Telecommunications Conference was a great success. MCEDD acted as the local host again this year. Maupin received a good shout out for its new bumper stick slogan on Hoppin Maupin “where the only thing better than the fishing is the fiber.”

Operations

- **Audit:** MCEDD’s on-site audit is complete. We received many compliments from the auditors and I appreciated the fresh perspective they brought to the audit review. The audit will be complete and provided to the board at the next full board meeting.
- **Personnel:** Welcome to Dan Hoyt! Dan joins us on October 31st as the new Mobility and Project Manager.
- **Training:** Jessica Metta was approved to use professional development funds to take a Leadership series through Columbia Gorge Community College. Unfortunately, the course was cancelled. She is seeking an alternate training.
- **Website RFP:** A solicitation for proposals to update MCEDD’s website will be posted at the end of October. We will leave it open until the end of November and anticipate making selection of a firm/individual in December.
- **Reporting:** With the completion of the quarterly and semi-annual period for many programs, we had a great deal of reporting this month. All reports are anticipated to have been submitted on time by the end of the month.
- **Board:** The MCEDD high tech representative position is currently vacant and we are following our usual procedure for solicitation of candidates. A new member orientation was conducted for Paul Hendricks in October.
- **Publicity:** MCEDD will be featured in the Gorge Giving Guide. Our appreciation to Community Bank for sponsoring our ad (\$500 value).
- **Conference Calling:** Currently MCEDD uses a conference calling system that allows for a toll-free number and static number/passcode. We pay a per-minute cost for the service. With the volume of activities and meetings (Executive Committee, Loan Board, Oregon Investment Board, Gorge TransLink, CEDS, etc), we pay approximately \$1,200 per year for conference calling fees. With new technologies, MCEDD has been testing a service that allows both conference calling and web conference capabilities for \$14.95 per month. The disadvantage of this service is that the number is not a toll-free number and we do not have a dedicated passcode. We are seeking Executive Committee feedback on whether to retain the current service or test out the new service for a few months.

There is no Executive Committee meeting in December due to the close proximity to the full board meeting. The Full Board meeting is Thursday, December 8, 2016 at 4 pm.