



**Executive Committee Meeting
Wednesday, March 7, 2018
4:00 P.M.**

MCEDD Office
515 East Second Street, The Dalles, Oregon

AGENDA

<u>Topic</u>	<u>Time</u>	<u>Item</u>
Call to Order, Introductions		
Executive Committee Minutes <i>February 2018</i>	5 minutes	Approval
Business Loan Impacts <i>Oregon Consulting Group</i> <i>To participate in this agenda item remotely join at: https://bluejeans.com/559821816</i>	15 minutes	Presentation
Financial Report	5 minutes	Acceptance
Annual Economic Symposium	15 minutes	Recommendation
Opportunity Zones	10 minutes	Recommendation
Executive Director Report <i>Legislative Updates</i>	10 minutes	Discussion
Deputy Director Report	5 minutes	Information
Committee Member Updates	10 minutes	Information
Other New Business		
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 MCEDD at 541-296-2266 (TTY 711) at least 48 hours before the meeting.

MCEDD is an equal opportunity lender, employer and provider.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING
WEDNESDAY, FEBRUARY 7, 2018
4:00 p.m.
MCEDD Office and Teleconference

ATTENDANCE:

In Person: Bill Schmitt, Eric Proffitt, Ken Bailey, Dana Peck, Rod Runyon

Teleconference: Gary Thompson, Rex Johnston

Absent: Bob Benton, Bob Hamlin

Staff: Amanda Hoey, Lauren Hernandez, Jessica Metta, Siri Olson, Carrie Pipinich

CALL TO ORDER:

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

EXECUTIVE COMMITTEE MINUTES:

Motion to approve the January 3, 2018 Executive Committee meeting minutes as presented made by Rex Johnston. Bill Schmitt seconded the motion. Motion carried unanimously.

FINANCIAL REPORT:

Siri Olson presented the December 2017 financial report. She noted the Balance Sheet for December indicates finances are holding steady. Accounts Receivable is considerably less than this time last year due to timing of invoicing and receipts for December. Accrued Loan Interest is more than it was last year at this time. MCEDD Loans Receivable is higher than this time last year and will continue to increase as new loans are funded. Two new IRP Loans were funded in December for a total amount of \$253,200.

MCEDD's Operations Budget vs Actual Overall Revenue and Expenses are on track. Both are sitting at 80% of the budget through December 2017, which is 20% less than anticipated at this time. Federal revenue is still less than projected, in part due to ODOT Mobility Management funding. Local Assessment Revenue is at 100% of expected at this time for the fiscal year, and Investment Interest is higher than expected. Loan Late Fee Revenue is over what is anticipated due to increases in late loan payments. There is movement in the Agora project, which is reflected in an increase in Professional Services. Personnel expenses are in line with the budget, even with changes in personnel over the last few months.

Siri noted the January financial report will look similar to the December financial report, but in February, the report will reflect changes related to acquiring the LINK.

Motion to accept the financial report as presented made by Bill Schmitt. Eric Proffitt seconded the motion. Motion carried unanimously.

Rod Runyon joined the meeting.

BUDGET COMMITTEE:

Amanda Hoey reported the MCEDD Budget Committee is composed of three board members and three at-large (non-MCEDD) members. Two member terms are expiring, and solicitation for filling those positions was sent out. MCEDD's member with the expiring term is Eric Proffitt. The at-large member with the expiring term is Leana Johnson with the City of Stevenson. Eric and Leana

requested re-appointment for new three-year terms. Amanda asked the Executive Committee to recommend Eric and Leana for re-appointment. The final appointment will be made by the MCED Board. Both terms will end in 2021. Amanda noted the Budget Officer for the next fiscal year will change to Siri Olson.

Motion to recommend the MCEDD Board to re-appoint Eric Proffitt to the Budget Committee to represent the MCEDD Board and re-appoint Leana Johnson to the Budget Committee as an at-large member for three-year terms. Rod Runyon seconded the motion. Motion carried unanimously.

TITLE VI AND LEP UPDATES:

Amanda presented a draft revision to the Title VI policy. Title VI prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal funding assistance. Because MCEDD has acquired a public transportation entity that has an additional location (the Transit Center), the policy needs to be updated. MCEDD also has a Limited English Proficiency plan. Amanda asked the Executive Committee for feedback before the policy is brought before the MCEDD Board.

Discussion: Eric Proffitt noted page 11 of the policy states MCEDD services are available to all without regard to race, color, national origin, gender, gender identity, religion, age, height, weight, disability, political beliefs, sexual orientation, marital status, family status, or veteran status. On the Title VI complaint form, only three boxes exist for complaints against race, color, or national origin. Amanda explained Title VI is specific to race, color, and national origin, but MCEDD's anti-discrimination policy is broader than this. Any other complaints come to the Executive Director for resolution and then up to the Executive Committee if not resolved and/or found to be substantiated claims.

Motion to recommend the revised Title VI policy to the MCEDD Board made by Dana Peck. Eric Proffitt seconded the motion. Motion carried unanimously.

PLANNING GRANT AND SCOPE:

Amanda Hoey reported MCEDD has a working relationship with US Economic Development Administration, and as part of this relationship, MCEDD develops a scope of work for the planning grant provided by USED. The three-year grant gives MCEDD the resources to develop and implement the Comprehensive Economic Development Strategy. The grant is matched with local assessment and project funds. Amanda presented a draft Scope of Work for the next planning cycle grant to begin April 1, 2018. Each year, the budget and Scope of Work is updated for the USED.

Section one focuses on the CEDS. Additions include updating County major employer's listings and supporting integration of the CEDS with the Columbia River Gorge National Scenic Area Management Plan. Section two, Economic Resilience, will see a continuation on focus for broadband. This section of the scope of work covers a portion of Carrie Pipinich's time working on broadband issues. The 2018 Columbia Gorge Economic Summit is included in this section. Section three, Entrepreneurial Environment, includes implementing the Gorge Technology Alliance strategic plan and includes the addition of engaging with local food and beverage industry organizations. Section four, Infrastructure, includes support work with communities on project development and technical assistance. This includes communities with brownfields projects seeking funding or conducting assessments, small communities with water system needs, and other needs across the region. Section five, Economic Development Technical Assistance, includes the addition of utilizing and enhancing the Four River's Corporation 501c3 recently acquired. The Scope of Work drives the focus of MCEDD staff in terms of how resources are used.

EXECUTIVE DIRECTOR REPORT:

Amanda Hoey reviewed highlights from the past month including:

- Carrie Pipinich attended Cider Con.
 - Carrie highlighted her trip for the Executive Committee. Carrie reported it was good to hear on a national level how work is being done to gather data in the broader industry. Media coverage tends to cover how cider is shrinking as an industry, but regional and local cideries, which is the segment MCEDD cider clients are in, continue to grow rapidly. It was nice to see this kind of data, as this region is in a continued upward trend. Washington and Oregon have much larger cider markets than other areas of the country. Carrie reported the cider industry is encouraging cideries to work on pairing cider with food. Carrie listened to conversations around policy and regulatory environments around cider, including state level conversations around land use and state liquor control. Discussion was held around funding structures like dues, sponsorships, and events to support work being done in the cider industry. Much of the conversation was about the different types of apples used to make the cider.
- Projects for inclusion in the Comprehensive Economic Development Strategy are being prioritized by counties and will be reviewed and presented to the MCEDD Board in March.
- Regionally prioritized infrastructure projects with recent progress include the Columbia Gorge Regional Airport Flex Space, which is in completion phase. City of Stevenson wastewater is prioritized for funding through the Department of Ecology's Water Quality Funding Program.
- OIB approved two loans in January: \$63,000 for Mt. Hood Podiatry and \$40,000 for Defiance Brewing.
- The MCEDD Attainable Housing Fund has a \$250,000 investment in the Honald Building project. The Honald Building will present at the March Board Meeting. The fund also has a \$600,000 commitment for a large housing project in Hood River.
- The Oregon Consulting Group has developed the survey that will be used to study and better understand the long-term impacts of MCEDD's business loan program. The goal is to have the results presented to the Board or Executive Committee so the Board can hear from an independent group about the impact of the programs.
- Eric Nerdin is working with Orbital Corporation on an Extended Abatement application through the Cascade Locks-Hood River Enterprise Zone.
- MCEDD signed an agreement with Qlife to support partnership development and applications for grants as it seeks to extend services.
- A meeting will be held with MCEDD staff, Crystal Springs Water District staff, and Business Oregon about additional funding sources.
- MCEDD entered into an agreement with the City of Rufus to transfer financial record keeping from MCCOG to MCEDD. Given the late timing of the agreement, MCEDD will work with MCCOG through February on the transition.
- Upcoming funding opportunities include USDA Rural Business Development Grants, Meyer Memorial Trust, and Rural Broadband Pilot.
- Organizational structure shifts are ongoing.
- The Four Rivers Corporation 501c3 Board approved the entity's transfer to MCEDD's administration.

DEPUTY DIRECTOR REPORT:

Jessica Metta reviewed highlights from the past month including:

- With the transition of the LINK staff to MCEDD, MCEDD now has approximately 20 employees. Employees have been given orientation and are filling out necessary paperwork.
- A new driver has been hired, and as soon as a few additional steps are taken, the driver position will be officially filled. The Transportation Operations Director position has not been filled and remains open until February 20 for first round consideration.
- MCEDD is still working to get a better understanding of the LINK accounting systems, how farebox revenue is processed, and how to bill for non-emergency medical transportation.
- Kathy Fitzpatrick is working on several grant applications that will be beneficial to the LINK, including one for a Deviated Fixed Route through The Dalles and one for bus shelters in The Dalles and Hood River.
- MCEDD inherited a grant from ODOT for the purchase of a LINK vehicle, so the process of vehicle procurement will begin shortly.

Discussion: Rod Runyon asked if the Deviated Fixed Route through The Dalles could create a loss of parking if downtown areas are specifically designated for bus parking only. Amanda noted the current stop downtown is near the veterans building. There has been discussion about additional development in the area. The stop may need to be placed at Lewis and Clark Park or another area with more capacity for stops. The Deviated Fixed Route is not anticipated to have multiple stops downtown.

OTHER NEW BUSINESS; COMMITTEE MEMBER UPDATES:

Rod Runyon asked if anyone had crossed the Hood River Bridge with the increased toll. Bill Schmitt noted he has, and although he can get a pass to cross for a reduced fee, the pass requires personal information.

Dana Peck noted the chamber held a successful small business webinar event at Dwinell Ales, which received a MCEDD loan.. Eric Nerdin also attended, and Dana noted it was nice to have MCEDD presence. Goldendale is looking to get involved in hiking trails, and Kathy Fitzpatrick has been a huge help with that. Dana notified the Executive Committee that Kathy's time may be used to work with WSDOT on the mobility issues, as more hikers are moving east since the Eagle Creek Fire. Amanda explained Kathy has been active in these kinds of projects, and her purpose is to provide support for them.

ADJOURN: Meeting adjourned at 4:35 p.m.

*Respectfully submitted,
Lauren Hernandez, Office Administrator*



FINANCIAL SUMMARY

FOR: January 2018

Balance Sheet

The Balance Sheet for January reflects an increase of position of above \$27,000 as compared to this time last year. Our Accrued Loan Interest (2227) has decreased over \$11,000 in January, due to loan payoffs. However, the total Loans Receivable (1330) has increased just over \$643,000, as compared to last year. As a result, we would expect the Allowance for Doubtful Accounts (1500) to also increase, as we are required to have a balance of 6% of the Loans Receivable. The current balances are based on our reconciled Loans Receivable as of June 30, 2017. These accounts will be adjusted at the end of the Fiscal Year to encumber the required 6% amount. In addition, the Accrued Loan Payment (2030) and Accrued Interest Payable (2035) reflects adjustments made to correct the posting of payments made in prior months. Lastly, Payroll Liabilities (2120) are higher in January due to the timing of payroll payable processing.

MCEDD's Operations Budget vs Actual

We are currently 58% through our budget year. Although, our total Revenue is under what we had anticipated to receive as of January 31, 2018, we did receive our first payment from ODOT for Mobility Management, which was for Quarter 2 of FY 18. Also, our Local Match (4300) is higher than we had planned, largely due to the Economic Symposium. Contract Reimbursement (4500) is lagging a bit, in part, due to the status of some projects and being able to bill for them and may result in these projects extending into FY 19. On the flip side, our Expenses reflect reduced spending activities and are 17% less than budgeted.

Respectfully Submitted,

Siri Olson
Finance & Operations Manager

Mid-Columbia Economic Development District Operations Budget vs. Actual July 2017 through January 2018

	<u>Jul '17 - Jan 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4000 · Carryover Revenue	352,024.30	377,158.00	-25,133.70	93.34%
4100 · Federal	75,626.74	109,851.15	-34,224.41	68.85%
4200 · State	13,013.10	19,477.00	-6,463.90	66.81%
4300 · Local Match	9,202.73	7,000.00	2,202.73	131.47%
4400 · Local Assessment	50,034.00	50,034.00	0.00	100.0%
4500 · Contract Reimbursement	156,016.45	203,128.90	-47,112.45	76.81%
4600 · Loan Interest	137,571.31	154,613.65	-17,042.34	88.98%
4700 · Loan Processing Fees	15,217.97	17,169.15	-1,951.18	88.64%
4705 · Loan Filing Fees	1,440.09	4,564.30	-3,124.21	31.55%
4710 · Loan Late Fee	3,762.54	1,224.95	2,537.59	307.16%
4750 · Investment Interest	1,107.90	599.65	508.25	184.76%
4800 · Other Revenue	1,533.93	1,791.65	-257.72	85.62%
4934 · In-Kind Revenue	229.33	12,237.00	-12,007.67	1.87%
4935 · In Kind - MM	0.00	0.00	0.00	0.0%
Total Income	<u>816,780.39</u>	<u>958,849.40</u>	<u>-142,069.01</u>	<u>85.18%</u>
Gross Profit	816,780.39	958,849.40	-142,069.01	85.18%
Expense				
5000 · Wages	260,364.98	267,768.65	-7,403.67	97.24%
5500 · Fringe Benefits	66,224.98	67,589.05	-1,364.07	97.98%
5700 · Payroll Taxes	22,606.64	21,616.85	989.79	104.58%
6110 · Travel & Conference	7,649.22	16,097.35	-8,448.13	47.52%
6190 · Event Services	1,301.25	1,691.65	-390.40	76.92%
6200 · Equipment	2,336.46	2,625.00	-288.54	89.01%
6300 · Supplies	7,459.00	15,490.85	-8,031.85	48.15%
6400 · Professional Services	25,797.29	85,191.42	-59,394.13	30.28%
6600 · Communications	7,673.93	9,137.95	-1,464.02	83.98%
6700 · Building Costs	10,898.30	13,658.05	-2,759.75	79.79%
6800 · Bonds & Insurance	1,493.00	3,410.00	-1,917.00	43.78%
6900 · Other Materials & Supplies	5,518.04	6,043.65	-525.61	91.3%
9000 · Indirect Spread	0.00	-0.10	0.10	0.0%
9600 · Transfer to/from Source	7,323.61			
Total Expense	<u>426,646.70</u>	<u>510,320.37</u>	<u>-83,673.67</u>	<u>83.6%</u>
Net Ordinary Income	390,133.69	448,529.03	-58,395.34	86.98%
Other Income/Expense				
Other Expense				
7400 · Loan Payment	70,805.00	70,805.05	-0.05	100.0%
7500 · Carryover to Next Year	365,340.39	372,664.00	-7,323.61	98.04%
7600 · In-Kind Contractual	229.33	12,237.00	-12,007.67	1.87%
Total Other Expense	<u>436,374.72</u>	<u>455,706.05</u>	<u>-19,331.33</u>	<u>95.76%</u>
Net Other Income	<u>-436,374.72</u>	<u>-455,706.05</u>	<u>19,331.33</u>	<u>95.76%</u>
Net Income	<u><u>-46,241.03</u></u>	<u><u>-7,177.02</u></u>	<u><u>-39,064.01</u></u>	<u><u>644.29%</u></u>

Mid-Columbia Economic Development District
Balance Sheet
As of January 31, 2018

	<u>Jan 31, 18</u>	<u>Jan 31, 17</u>
ASSETS		
Current Assets		
Checking/Savings		
1000 · Bank Demand Deposits		
1010 · MCEDD Checking	40,917.92	29,835.27
1015 · MCEDD MM	256,598.14	261,950.07
1020 · IRP		
1021 · IRP - Sherman	104,391.77	83,270.53
1022 · IRP - WA	72,213.76	38,706.61
1020 · IRP - Other	64,168.75	105,973.47
Total 1020 · IRP	<u>240,774.28</u>	<u>227,950.61</u>
1030 · Loan Funds		
1036 · EDA RLFs	179,692.21	205,238.92
1045 · Reg Strat	134,932.37	127,418.21
1050 · RBEG-OR	88,445.05	50,977.15
1055 · RBEG-WA	95,415.67	95,847.27
1057 · RBEG-KL	122,670.31	126,628.70
1067 · CDBG Microenterprises	81,501.83	62,868.49
Total 1030 · Loan Funds	<u>702,657.44</u>	<u>668,978.74</u>
1031 · Housing RLF	1,753,308.38	2,000,084.95
1070 · National Scenic Fund	1,306,527.91	1,345,551.43
Total 1000 · Bank Demand Deposits	<u>4,300,784.07</u>	<u>4,534,351.07</u>
1100 · CDS		
1121 · IRP Reserve	96,063.96	96,031.33
Total 1100 · CDS	<u>96,063.96</u>	<u>96,031.33</u>
1122 · IRP - DDM Product	334,621.95	664,402.04
1196 · OR Telecom Conference	11,849.30	17,062.01
Total Checking/Savings	<u>4,743,319.28</u>	<u>5,311,846.45</u>
Accounts Receivable		
1202 · Accounts Receivable	31,206.71	66,366.02
Total Accounts Receivable	<u>31,206.71</u>	<u>66,366.02</u>
Other Current Assets		
1200 · Receivables & Accruals		
1205 · Accrued Revenue	0.00	40,413.33
1227 · Accrued Loan Interest	24,257.53	22,123.45
1229 · Structured Accts Accr'd Int		
1231 · Unrecorded Structured Accrd Int	-3,883.96	-1,927.51
1229 · Structured Accts Accr'd Int - Other	7,969.85	4,944.60
Total 1229 · Structured Accts Accr'd Int	<u>4,085.89</u>	<u>3,017.09</u>
Total 1200 · Receivables & Accruals	<u>28,343.42</u>	<u>65,553.87</u>
1300 · Loans Receivable		
1330 · MCEDD Loans Receivable		
1320 · IRP	2,075,289.55	1,704,847.85

Mid-Columbia Economic Development District
Balance Sheet
As of January 31, 2018

	Jan 31, 18	Jan 31, 17
1321 · IRP - Sherman	145,807.29	169,887.72
1322 · IRP - WA	251,786.80	248,778.91
1331 · Housing RLF	250,000.00	0.00
1336 · EDA RLFs	533,056.11	485,718.79
1345 · Reg Strat	36,259.32	43,353.21
1350 · RBEG-OR	216,422.65	246,963.16
1357 · RBEG-KL/SK	4,009.85	0.00
1367 · CDBG Microenterprises	24,855.63	43,771.04
Total 1330 · MCEDD Loans Receivable	3,537,487.20	2,943,320.68
1370 · OIB Loans Receivable	1,576,322.51	1,527,346.88
Total 1300 · Loans Receivable	5,113,809.71	4,470,667.56
1500 · Allowance for Doubtful Loans		
1520 · IRP Allowance	-105,614.33	-118,027.66
1521 · IRP - SH Co	-9,520.35	-10,797.99
1522 · IRP - WA	-14,651.74	-14,476.77
1536 · EDA RLFs Allowance	-29,255.26	-35,290.15
1545 · Reg Strat Allowance	-2,223.05	-2,776.54
1555 · RBEG Allowance	-14,464.70	-18,584.67
1567 · CDBG Microenterprises	-1,827.70	-2,987.33
1575 · OIB Allowance	-45,000.00	-45,000.00
Total 1500 · Allowance for Doubtful Loans	-222,557.13	-247,941.11
Total Other Current Assets	4,919,596.00	4,288,280.32
Total Current Assets	9,694,121.99	9,666,492.79
TOTAL ASSETS	9,694,121.99	9,666,492.79
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2010 · A/P General	0.00	3.22
Total Accounts Payable	0.00	3.22
Other Current Liabilities		
2030 · Accrued Loan Payment	67,703.25	67,588.41
2035 · Accrued Interest Payable	178.43	190.24
2050 · PTO - Accrued	23,825.45	23,098.99
2060 · Deferred Comp Payable	1,118.80	0.00
2070 · Health Insurance Payable	2,242.31	-7,863.07
2080 · Life & Disability Payable	20.64	-357.88
2090 · WC SAIF Ins	-269.84	-126.33
2100 · Payroll Liabilities		
2110 · Federal Payroll Liability	6,626.64	0.00
2120 · State Payroll Liabilities		
2115 · OR- SUTA Payroll Liabilities		
2105 · WBF Payroll Assessment	18.38	29.52

Mid-Columbia Economic Development District
Balance Sheet
As of January 31, 2018

	<u>Jan 31, 18</u>	<u>Jan 31, 17</u>
2115 · OR- SUTA Payroll Liabilities - Other	42.88	42.40
Total 2115 · OR- SUTA Payroll Liabilities	61.26	71.92
2120 · State Payroll Liabilities - Other	2,610.00	0.00
Total 2120 · State Payroll Liabilities	2,671.26	71.92
2100 · Payroll Liabilities - Other	7,145.54	0.00
Total 2100 · Payroll Liabilities	16,443.44	71.92
2800 · Deferred Revenue	-1,805.53	13,333.33
Total Other Current Liabilities	109,456.95	95,935.61
Total Current Liabilities	109,456.95	95,938.83
Long Term Liabilities		
2820 · IRP Loan Payable \$1million	477,503.25	514,805.20
2821 · IRP Loan Payable \$600,000	396,225.44	417,520.24
2822 · IRP Loan Payable \$750,000	574,390.98	600,226.72
2823 · IRP Loan Payable - Washington	289,826.46	299,967.25
2824 · IRP Loan Payable - Sherman	180,049.04	186,672.31
Total Long Term Liabilities	1,917,995.17	2,019,191.72
Total Liabilities	2,027,452.12	2,115,130.55
Equity		
3100 · Fund Balances	7,573,994.03	7,572,025.03
3110 · Carryforward Balance	11,347.09	-105,004.58
3900 · Retained Earnings	116,073.61	0.00
Net Income	-34,744.86	84,341.79
Total Equity	7,666,669.87	7,551,362.24
TOTAL LIABILITIES & EQUITY	<u>9,694,121.99</u>	<u>9,666,492.79</u>

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
FY18 PIPELINE**

SPECIAL PROJECTS SUMMARY		ANTICIPATED 2018	SUBMITTED	IN PROCESS	TOTAL	CONFIRMED %
	Special Projects - Anticipated Revenue	465,138	5,000	-	470,138	98.94%
	Budgeted Expenses FY18 (Excludes In-Kind)	456,569				
	Gap/Surplus	8,569				
PROJ CODE	SPECIAL PROJECTS DETAILS	FY18	NOTES			
	ANTICIPATED REVENUE					
519	Dallesport CDBG	17,500	Multi-year project			
525	GTA Wind Challenge	24,000	Increase of 2,000 for FY18			
526	MCCFL - CDBG	13,000	Multi-year project			
527	City of Antelope - CDBG	5,000	Multi-year project			
528	DWD Wastewater - CDBG	1,400	Multi-year project			
530	The Dalles Airport - Flex Space	6,000	Multi-year project			
531	AOC/Wasco Co	7,519	Multi-year project			
5591	Qlife - Maupin Project	5,000	Multi-year project			
532	Cider Grant	38,954	Multi-year project			
533	TD Wastewater Plant	13,000	Multi-year project			
534	Crystal Springs	17,000	Multi-year project			
535	Eclipse	5,000				
5011	Community Renewable Energy Association (CREA)	3,000				
571	Columbia Gorge Health Community Grant	3,500				
5012	City of Rufus	4,000	Reduced \$1000 due to start moved to March 1st			
549	CL-HR Enterprise Zone	2,500				
554	Sherman Co ED	40,000				
5541	Sherman Co Housing	2,000				
557	GTA Staffing	51,651				
559	Wasco Co EDC	50,000				
560	Oregon Connections	5,000				
570	OEDD Website	700				
571	Mobility Management	87,500	1st year of 2-year grant (includes local match)			
575	GTA Robotics	15,895				
582	HR EDG	7,000				
585	Commute Options	10,000	Contract increase of 2,000 for FY18			
587	HR Drive Less Connect - ODOT	22,465	1st year of 2-year grant (includes local match)			
599	Agora	5,554	Final year of multi-year grant			
536	CGWA Travel Oregon Grant	1,000				
	TOTAL ANTICIPATED REVENUE	465,138				
	PROPOSALS SUBMITTED					
	Wasco County Fair Board	5,000				
	TOTAL PROPOSALS SUBMITTED	5,000				
	IN DEVELOPMENT					
	TOTAL IN DEVELOPMENT	-				
	DECLINED					
	TOTAL DECLINED	-				

Memorandum

Date: March 1, 2018
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: Business Loan Impact

Overview

MCEDD partnered with the Oregon Consulting Group through the University of Oregon to conduct a study of the long-term impact of MCEDD's business loan program. The consultancy team will be presenting their findings at the Executive Committee meeting. This agenda topic is being delivered by the consulting group remotely. As such, we have invited additional stakeholders to participate. Join at <https://bluejeans.com/559821816>.

Consultancy Team

Cyril Battini, Co-Director Oregon Consulting Group, Lundquist College of Business, University of Oregon. He has over 20 years of Financial Services experience across the globe, including in New York, Paris, and Singapore with a deep knowledge of emerging markets. He also worked for premier consulting firms such as PwC and Oliver Wyman.

Rich Duncombe, Co-Director Oregon Consulting Group, Lundquist College of Business, University of Oregon. Rich is passionate about catalyzing innovation from concept to reality and creating corporate innovation systems that deliver profitable growth, foster a culture of innovation, and motivate talented employees.

Chase Dun is a Sophomore at the University of Oregon pursuing a double major in Finance and Economics with a minor in Computer Information Technology.

Hank Manilla is a University of Oregon student in his fourth and final year of pursuing a dual major in accounting and economics.

Colt Sauers is a Senior at the University of Oregon majoring in Business Administration with concentrations in Finance and Business Analytics along with minors in Economics and Computer Science.

Linnet Sim is a senior University of Oregon student majoring in Business and Economics with minors in Product Design and Computer and Information Technology. She is interested in pursuing a career in data analytics and international business.

Clarissa Tolan is a fourth year University of Oregon student in the Lundquist College of Business pursuing a degree in finance and economics. She is especially interested in working in financial consulting.

Braxton Williams is a junior at the University of Oregon pursuing a major in business with concentrations in marketing and finance, and a minor in Spanish.

MEMORANDUM

Date: March 1, 2018
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: Annual Economic Symposium

Overview

Annually, MCEDD hosts an economic symposium to convene stakeholders from throughout the five county region. The symposium is usually a half day event focusing on economic and employment trends in the regional economy. It is designed to provide regional networking, information and a space for discussion. Resources to host the symposium generally come from the EDA planning grant, business sponsorship and attendee fees. We would target the event for late fall (generally early November) on the Oregon side of the river. The event moves between our Oregon and Washington geographies and this past year was hosted in Stevenson.

Request

Input on partnerships, location, agenda and sector focus.

Memorandum

Date: February 27, 2018
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: Opportunity Zones

Overview

The federal tax law enacted earlier this year included provisions for the designation of Opportunity Zones, which are low-income census tracts eligible to use tax incentives to encourage long-term investments in assets/property/projects in the designated zones. These designations could potentially provide increase access to capital in the form of equity rather than debt. The level of potential investment is not yet known and there are still many uncertainties around the Opportunity Zones and Opportunity Funds. There are a limited number of census tracts that each state (through their Governor) can designate. A good resource tool to understand the zones and opportunity is available here: <https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/iioa1.html>.

The States of Oregon and Washington are taking slightly different approaches to soliciting feedback on designation. In Washington, the state has directly engaged their ADO's (Klickitat County Economic Development Administration and Skamania County Economic Development Council) to provide analysis of the census tracts, prioritization and clarification of the investment potential. In Oregon, the State has utilized its Business Development Department for initial analysis and mapping of the zones and is now seeking feedback from local partners. Their map is available here: <http://www.oregon4biz.com/Opportunity-Zones/>

Request/Recommendation

Recommendation: Support Washington counties Opportunity Zones prioritization analysis and sign on to partnering agreements as applicable. Develop comments for the Oregon geography, participate in meetings with the state as applicable and partner with local entities in responding to the potential zone designations.



Executive Director's Report
Prepared for the March 2018 Executive Committee Meeting

Items for Discussion

- AmeriCorps RARE opportunity (applications due April 13). With a Ford Family Foundation application, the cost could be as low as \$13,500 for an 11-month participant.
- Authorization for submission of grant applications.
- Status of the Investment Boards funding.
- Check in on local assessments.

Applications Submitted or in Process

- Everybody Rides: MCEDD received a \$3,500 award from the Columbia Gorge Health Council to support the "Everybody Rides" effort. The Everybody Rides Transportation effort will develop a campaign to publicize existing, new and changing public transportation services in a manner that involves the entire community; creating familiar and relatable stories and materials.
- South Wasco Clinic funding: Carrie supported this successful funding application to the Columbia Gorge Health Council. The \$44,765 in grant funds will be used towards establishing connectivity to the Deschutes Rim Health Clinic and neighboring facilities.
- ODOT Bus and Bus Facilities Application: Kathy Fitzpatrick worked with Dan Schwanz from GOBHI to submit a regional application to ODOT to support bus shelters and amenities in Hood River and Wasco Counties. The proposal included bus stop signs for Columbia Area Transit (CAT)'s new fixed route service and bus shelters in locations throughout City of Hood River and City of The Dalles. Total ODOT ask was approximately \$60,000 with approximately \$14,500 in match from CAT, LINK, Port of Hood River (in kind), Mount Hood Meadows and Columbia Gorge Community College.
- Northern Wasco PUD application (due 4/18/18): These grant funds are available for infrastructure or property projects within the Northern Wasco County PUD service territory. Kathy Fitzpatrick is developing a proposal that would assist in the match for the installation of bus shelters at locations where the three new public transit routes have a transfer stop in the PUD territory. It would match the ODOT funding request.
- Rural Broadband Pilot: Carrie Pipinich submitted proposals and worked with project proponents to submit responses for: Gorge Broadband Consortium, Qlife Cascadia East Interconnection feasibility study, Maupin fiber and Sherman cities fiber. Oregon's Legislature provided a \$500,000 allocation for a competitive solicitation of projects for their rural broadband pilot. We anticipate a quick turnaround on decisions (March).
- USDA Rural Business Development Grants (due 4/30/18). Staff reviewed concepts internally for consideration of submission. One that is rising to the top is the potential for a Sherman County economic opportunity analysis. If there are other organizations in the region that Executive Committee members are aware may be pursuing this funding source which we could provide support; we are interested.
- Meyer Memorial Trust: We are considering exploring this funding source for a few objectives including increasing the impact of our CEDS, addressing digital inclusion/broadband and increasing local governments' capacity.
- USDA RCDI- Carrie Pipinich has discussed this option with USDA staff as future consideration for broadband capacity training to other regions, leveraging her expertise.

- US Economic Development Administration resiliency request: This application is still in development stages. I talked with our EDA representative regarding the needs expressed by the City of Stevenson and potential application and funding timelines. That information has been shared with the City with an offer to support application development. They are still assessing their options.
- MCEDD staff met with the Ford Family Foundation staff Kathleen Flanagan in February. Kathleen shared a couple of focus areas including youth entrepreneurship and workforce. She shared changes to their technical assistance application process. It can include updates to financial systems, which could be useful in our small cities work. It can also be used to support getting staff to national conferences, which could be useful for the 2019 NADO conference attendance. We also shared needs related to broadband capacity.
- As reported in January, MCEDD convened a meeting with the Port of The Dalles and Columbia Gorge Community College to review a potential submission for the Rural Opportunity Initiative. The Port submitted a letter of intent to request funding to conduct a feasibility study to evaluate facilities and processes to meet a variety of manufacturers and producer's needs. The Port was unsuccessful in the funding request.
- Transportation Innovation (due 3/16/18): Kathy Fitzpatrick is exploring this source as leverage to the work with the Everybody Rides campaign.
- AmeriCorps Resource Assistance for Rural Environments (RARE) program (due 4/13/18): The program is designed to increase the capacity of rural communities through the assistance of trained graduate-level members who live and work in communities for 11 months. MCEDD has hosted multiple AmeriCorps RARE participants in the past who have supported cluster analysis, cluster implementation, and our CEDS process, among others. MCEDD has also benefited from trained alumni from the program with alumni of the RARE program hired as MCEDD staff. We are considering an application this year.

Regional

- We are continuing preparations for updates to the Comprehensive Economic Development Strategy to be presented to the Board in March and have been meeting with County leads to develop project rankings. Remember to sign up for [Agora](#) to track projects and gain a deeper understanding of their regional importance! I conducted an Agora Platform training for Skamania EDC staff in February.
- I had scheduled a trip to Olympia and Seattle to participate in the REEDS- Renewable Energy and Economic Development Seminar- event and to meet with the new USDA-RD Washington State Director, Economic Development Administration staff and a Department of Commerce connection. Due to adverse weather conditions, the REEDS event cancelled and I postponed the trip. However, Carrie Pipinich and I were still able to meet with the USDA-RD Washington State Director Kirk Pearson by phone for an introduction to the Investment Boards and broadband issues.
- Federal budget: see the attached memo and one pagers for discussion on this topic. Additional resources include:
 - NADO webinar on the Trump Administration's infrastructure proposal: <https://www.nado.org/nado-webinar-on-trump-administrations-infrastructure-proposal-recording-and-slides-available/>
 - NADO webinar on budget: <https://www.nado.org/nado-webinar-on-the-presidents-fy2019-budget-request-recording-and-slides-available/>
- Columbia River Gorge Commission Gorge 2020 plan and economic development focus area: Chair Ken Bailey, Jessica Metta and I met with the Commission's Executive Director at the end of February to discuss participation. Chair Bailey will provide an update from the meeting during the committee member updates.

- I met with representatives from Insitu and Mid-Columbia Housing Authority. Last year, MCEDD provided data analysis of housing starts and Insitu was seeking an update to the information. There is strong support and we will be following up with MCHA on the data request, as well as sharing information on our programs.
- Broadband: MCEDD extended the deadline on the Sherman broadband RFP to March 23, 2018 in order to avoid a conflicting proposal deadline with the state.

Business Assistance

- The MCEDD Loan Administration Board approved a collateral release for Steelhead Enterprises. The board will be considering modifications to the loan to Austen Martin during their March meeting.
- The Oregon Consulting Group will be present at the Executive Committee meeting to present their findings on the impact of the business loan program.
- The MCEDD Board meeting loan client presentation will be modified as Travis Dillard with the Honald Building is no longer available. The board will hear from Keely Stawicki with the new business Bend in the Road.
- The Attainable Housing Development RLF has approximately \$1M available to loan. We are seeking support from the State communications department to highlight the successes of the funds already committed for local projects.
- Eric Nerdin and I will be meeting with USDA to discuss opportunities to partner on an “agripreneur” program to provide emerging small-scale food producers in the Gorge with affordable micro loans, business planning assistance, and ag production training/support. The concept was floated by USDA, with MCEDD and other local partners invited to provide feedback on the need, existing resources and opportunity.
- With our March 31 reporting, EDA will establish our risk rating for our EDA RLFs. I have directed loan staff to closely monitor this fund prior to that reporting deadline.
- Columbia River Gorge Investment Boards: I met with both USDA Rural Development State Directors to discuss the status of the authorized but unappropriated funds. I will provide an update on the status at the Executive Committee meeting.
- Carrie Pipinich is working with the Wasco County Economic Development Commission (EDC) and City of The Dalles stakeholders on the opportunities for re-designation of The Dalles Enterprise zone, which is set to expire June 30, 2018. The EDC had expressed interest in expanding this economic development tool to other areas in the County during the re-designation process.
- Eric Nerdin will present the extended abatement request for Orbital UAV USA, LLC to the Hood River County Board of Commissioners and City Council. He will also be working through the annual reporting notification reminders to existing clients.

Project Management/Industry Support

- The Wasco County Fair Board was receptive to the proposal presented by Carrie Pipinich and Jacque Schei to provide strategic planning assistance and grant writing support. We are developing a formal agreement.
- Reminder on the 2018 Gorge Wind Challenge and STEM Fair on Saturday, March 17, 2018! We hope you can participate!
- We are pleased that Columbia Gorge Community College *was approved* for EDA funding for a feasibility study to determine the feasibility of creating a college level Food and Beverage Program in order to address the need to sustain growth in the regions' workforce.
- Jacque Schei and I met with Business Oregon and the Crystal Springs Water District regarding upcoming potential projects. We will be following up on support.

- Carrie Pipinich continues to work with the Gorge Cider Society on their membership structure and planning for cider fest.
- The Gorge Tech Alliance hosted their February event featuring Cyber Security. Jessica Metta has been planning for the 5th annual Gorge STEM Career day in April. We are exploring options for utilization of the 501c3 structure through the Four Rivers Community Corporation to advance regional Gorge tech and Gorge STEM initiatives.
- Siri Olson is beginning to work with City of Rufus staff on the financial transfer of accounting systems.
- I participated in the Klickitat EDA meeting in February. Under consideration is a buildable lands inventory.
- The Washington Renewable Energy and Economic Development Seminar was postponed due to inclement weather.

Transportation

Jessica Metta will provide additional updates in her report on the status of our transportation activities. A few highlights:

- I signed the agreement with Greyhound for the bus stop at the Transit Center. This was the final pending agreement to transfer from MCCOG. Jessica Metta is exploring with Greyhound's regional representative options for providing tickets sales. This activity had been done by LINK staff in the past but was discontinued.
- ODOT approved modifications to the intercity grant. We have not yet signed a revised scope of work, but it will allow us to retain the funds and use them for items like rebranding the Transit Center.
- I am working with GOBHI on the final agreement for resourcing the Transportation Operations Director position. They had a verbal commitment to a year of funding and we are working on finalizing the written agreement in advance of an offer to a candidate for the position.
- Vehicles: Dan Schwanz is providing support in the new vehicle purchase which was authorized through an ODOT grant. Jessica Metta and Dan Schwanz met with Tygh School Community Center as we continue to work through agreements and vehicle arrangements with that organization.
- Kathy Fitzpatrick hosted the first STIF (state transportation package dollars for transit) regional coordination meeting with Hood River, Wasco, Sherman, Gilliam and Wheeler county transportation provider participants.
- Kathy and I met with Army Corps of Engineers and The Dalles Chamber staff at The Dalles Dam to explore innovative solutions to their need for getting visitors to Patterson Park from the Dalles Dam Visitor's Center.
- At the end of February we either donated or moved all of the LINK equipment from the MCCOG building according to the direction of ODOT.
- MCEDD staff was trained on the key fob and camera system to reduce reliance on external IT support.

Operations

- Hiring: We have hired a full-time driver, Kathy Hall, to join the LINK team and have conducted interviews for the Transportation Operations Director position, with an anticipated offer to be made before the Executive Committee meeting.
- Evaluations: The three month evaluations for Kathy Fitzpatrick and Siri Olson have been completed. Lauren Hernandez's three month evaluation is scheduled for March. A step increase was provided to Jessica Metta, effective March 2, 2018.

- Board positions: Humberto Calderon will be resigning his board position. We are actively recruiting and press release has been sent to local media sources. Details are available at mcedd.org on our employment and volunteer page. We have at least one individual already expressing interest in the position.
- Outreach: Staff continues presence at events throughout the region. A few notable events include the Skamania Economic Development Council luncheon (Jacque Schei), Hood River Chamber annual membership meeting (Amanda Hoey), Klickitat County EDA meeting (Amanda Hoey), US Army Corps meeting (Jessica Metta), Travel Oregon meet and greet (Kathy Fitzpatrick), Gorge Grown MEATing (Amanda Hoey) and Goldendale Chamber event (Eric Nerdin).
- Training: Jessica Metta attended the CIS (City County Insurance Services) annual conference. Amanda Hoey took the Arson Prevention webinar which was recommended by our insurance carrier and helps qualify us for best practices insurance discounts. We anticipate utilizing a Transit Management Foundations training through ODOT for the new Transportation Operations Director. Lauren Hernandez completed her notary training and will join Jacque Schei as one of two notaries in our office.
- Jacque Schei is leading the revisions to our Safety Committee to incorporate our new facility, purpose and employees.
- Local Assessments: Last year, the Executive Committee authorized and presented to the MCEDD Board a five year strategy for local assessments. We anticipate following that pathway for FY19 which would include \$2,130 flat rate per Port and \$0.55 per capita for cities/county unincorporated. Verification from the Committee is requested.
- Facilities: The Transit Center experienced an issue of a backed up sewer main line in February. Lauren Hernandez was able to quickly reach a plumber for resolution of the issue. The gate at the facility still remains an issue, but other aspects appear to be operating as normal/intended.
- Google provided an invitation to MCEDD board members for their new facility opening invitation. Please let us know if you plan to attend.

Next Full Board Meeting: Thursday, March 22, 2018 at 4 pm in Hood River, OR.

Next Executive Committee Meeting: Thursday, April 4, 2018 at 4 pm.

Memorandum

Date: February 21, 2018
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: NADO Budget Analysis

Overview

Similar to last year, the National Association of Development Organizations (NADO) is anticipated to release a special comprehensive budget report to analyze the President's proposed FY19 budget. Staff also participated in a NADO webinar which discussed the budget process and anticipated implications. Key takeaways from the proposed budget which could impact the region and the agency if they were to be implemented in a final budget include:

- Proposed elimination of the US Economic Development Administration
- Proposed elimination of the Community Development Block Grant program
- Significant reductions in USDA rural development funding

The budget proposal is very similar to last year in terms of agencies slated for elimination. Congress has the ultimate authority on the budget and House/Senate are expected to work in committee on spending bills in June and July. The new federal fiscal year begins in October. NADO recommends continuing to outreach and provide education on the importance of programs used by districts. Last year, the MCEDD board passed a resolution stating support for USDA Rural Development, US Economic Development Administration (EDA) and Community Development Block Grant (CDBG) programs. MCEDD staff updated the EDA and USDA one pagers (attached). We have not yet created one for CDBG.

Input Requested: Distribution and use for outreach and education on the importance of these programs.

Economic Development Administration Strengthens Regional Economies

Investing in People and Places:

EDA's support of locally-driven projects leads to job creation and retention while generating significant private investment. A recent example of EDA investment, which is completing construction in 2018, is the **Columbia Gorge Regional Airport Flex Building**. EDA funds to this project allows the region to retain a critical employer- Life Flight- and provide space for additional business growth. Without this investment, Life Flight would move out of the region, causing a loss in jobs important to our rural area and an anticipated loss of more than \$10 million in private investment. It is important from a health and safety standpoint, providing direct benefits to major medical providers, such as Mid-Columbia Medical Center, which indicated that the service has resulted in a change in wait time for trauma patients from 45-60 minutes for response, down to 7-8 minutes



Flex Space finalizing construction

Planning for the Future:

Regional planning is crucial to advancing economic growth development through its investment in the **Comprehensive Economic Development Strategy**. For five rural counties along the Columbia River of Oregon and Washington, Mid-Columbia Economic Development District coordinates this effort, convening local public and private leaders to identify and assess existing assets and liabilities as well as future opportunities and challenges facing communities in the regional economy. As a result, consistent exchange and dialogue engages public and private sector leaders throughout the region in charting a path forward for economic development.



Advancing Rural Entrepreneurship

EDA investment is instrumental in supporting our rural economies. From establishing revolving loan funds which support **expansion of rural businesses to creation of the Gorge Broadband Consortium** and investments into broadband to connect rural communities, EDA funding and support for rural economic development is crucial to our success in the bi-state Columbia River Gorge region.

**For More
Information:**



www.mcedd.org

US Department of Agriculture Supports Rural Economies

Business and Cooperative Services and Housing:

Partnership and funding through USDA's Business Cooperative Services (BCS) advances regional innovation, contributes to the growth of industry sectors and addresses rural economic development needs. Examples in the Columbia Gorge region include:

- Rural Business Development Grants assisted the region to capitalize on opportunities in regional industry sectors. Recent grants supported MCEDD to develop culinary and agri-tourism and conduct market research for the expanding wine region.
- \$21.3 million in Business and Industry loan guarantees to facilitate \$35.4 million in rural business development and expansion.
- REAP grants to Ship Interior Systems, LLC, Wy'East RC&D, and Rack and Cloth, LLC.
- A USDA RCDI grant provided resources to expand an online marketplace designed to advance community and economic development priorities by matching community needs with public, private and philanthropic funders.



Steelhead Enterprises

Financing to Grow Businesses

USDA's Intermediary Relending Program has provided critical access to capital which has allowed MCEDD to invest in growing local business. A few examples of recently funded loans include:

- **Steelhead Enterprises, LLC**, used a loan from MCEDD's USDA-IRP fund to increase capacity by adding a second 20 person crew and a second engine crew to their wildland firefighting business.
- **The Renewal Workshop** used a loan to expand their operations in Cascade Locks, OR. Their Renewal System takes discarded apparel and textiles and turns them into Renewed Apparel, upcycling materials or feedstock for recycling.



Renewal Workshop

Water and Wastewater:

USDA water and wastewater loans and grants are an essential financing tool to support our rural communities as they seek to accommodate growing businesses. For example, the Parkdale Sanitary District obtained a \$1.51 million loan and a \$1.17 million grant to upgrade their 40-year-old wastewater collection and treatment system. The project provides capacity for a key employer in the fruit packing industry to continue to grow.

For More
Information:



www.mcedd.org