



FISCAL YEAR 2023 ANNUAL REPORT



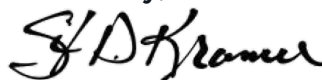
A WORD FROM THE BOARD CHAIR AND EXECUTIVE DIRECTOR

Welcome to the annual report for MCEDD's fiscal year 2023! We prepare this report to share a summary of our work with our Board, committees and regional partners. As a result of specific grants or contracts, much of our work this year focused on innovation and entrepreneurship as well as grant writing for our community partners. We continued to seek new ways to deliver on our core competencies of high quality technical assistance, business assistance and regional collaboration. Significant milestones and accomplishments in fiscal year 2023 include:

- Receiving a national award for the **Columbia Gorge Comprehensive Economic Development Strategy** recognizing our inclusionary work in its development.
- Completion of **Broadband Action Plans** for Skamania and Klickitat Counties.
- Submission of **\$13.7 million in grants** in support of 20 projects in our OR counties. This resulted in \$2.4 million in grants awarded as of July 2023, with most decisions still pending.
- Hosting around a dozen **entrepreneurship networking events** across the region and a **Pitch Fest** that awarded \$10,500 in prizes.
- Closing roughly **\$2.7 million in loans** in support of 16 businesses between funds held by MCEDD, OIB and MHEA.
- Completion of the **Gorge Regional Transit Strategy Phase II** to operationalize the vision for the regional Gorge TransLink public transportation system set in Phase I.
- Continuing to expand **transit service offered by The Link** in Wasco County.

We invite you to explore this annual report, which provides a snapshot of the resources MCEDD delivered to our service area in fiscal year 2023. The strength and history of collaboration in the Mid-Columbia region keeps us optimistic about the future of the region. It is only through the support of our members and partners that we are able to accomplish this work, and we are grateful for your engagement!

Sincerely,



Steve Kramer
MCEDD Board Chair



Jessica Metta
MCEDD Executive Director

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The Dalles, Oregon 97058
www.mcedd.org

MCEDD is an equal opportunity
Employer, Lender and Provider.

ORGANIZATION OVERVIEW

Mid-Columbia Economic Development District (MCEDD) was established in 1969 by five counties bordering the Columbia River: Hood River, Wasco and Sherman Counties in Oregon and Skamania and Klickitat Counties in Washington. MCEDD is governed by a Board of Directors representing public and private interests throughout the region.

2023 Board of Directors

Steve Kramer, Chair

Wasco County

Leana Kinley, Vice Chair

Cities of Skamania County

Joe Dabulskis, Sec./Treas.

Sherman County

Lori Zoller

Klickitat County

Tom Lannen

Skamania County

Les Perkins

Hood River County

Pat Albaugh

Washington Ports

Kevin Greenwood

Oregon Ports

Mike Foreaker

Cities of Wasco County

Jason Hartmann

Cities of Klickitat County

Mark Zanmiller

Cities of Hood River County

Meinrad Kuettel

Cities of Sherman County

Tonya Brumley

Oregon Chambers

Jonathan Lewis

Washington Chambers

Garret Stump

Forestry

Robert Kimmes

Healthcare

Dr. Marta Yera Cronin

Higher Education

Scott Clements

Private Business

Ken Bailey

Agriculture

Eric Proffitt

Workforce

Ryan O'Connor

High Tech

Buck Jones

Food and Beverage

MCEDD Staff

A professional staff provides business assistance, technical assistance and regional coordination for the five-county bi-state area of the Columbia River Gorge.

Jessica Metta, Executive Director

Carrie Pipinich, Deputy Director of Economic Development

Dana Woods, Finance and Operations

Ami Beaver, Loan Fund Manager

Jacque Schei, Project Manager

Kathy Fitzpatrick, Sr. Mobility Manager

Lindsay McClure, Energy Project Manager

Kristyn Fix, Industry Engagement Project Manager

Keli Lafrenz, Office Administrator

Jill Brandt, Administrative Assistant

Sara Crook, Travel Trainer

Jesus Mendoza, Transportation Manager

Laura Reed, Field Supervisor

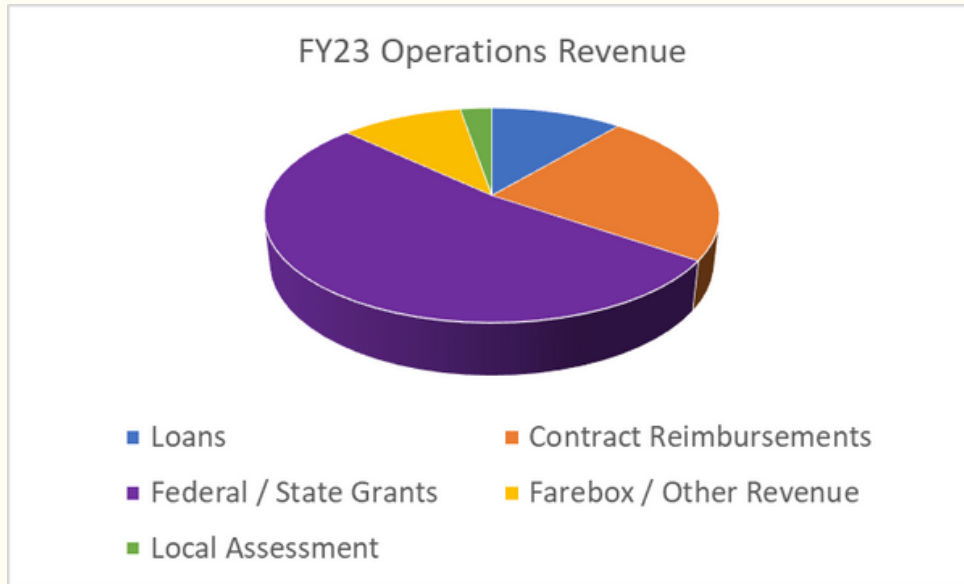
Link Dispatchers: Rena Bowman, Sherry Leon

Link Drivers: John Anderson, Gerald

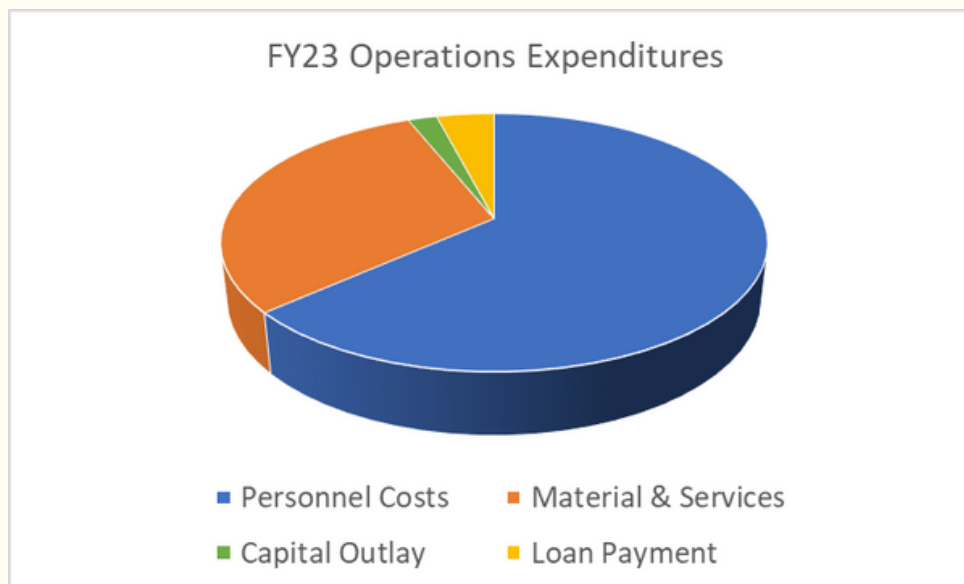
Benedict, Fred Bergren, Scott Isaak, Pete Koch, Kevin Lohse, Lisa Malcolm, Margaret Rodriguez-Strickland, Casey Ruiz, Antonio Silva, Shane White Horse

STATEMENT OF FINANCIAL ACTIVITIES

In fiscal year 2023, MCEEDD's Operations Revenue derived from Loans (11%), Contract Reimbursements (23%), Federal and State Grants (52%), Local Dues (3%), and Farebox and Other Revenue (10%). Compared to the prior year, Federal and State grants shrank while all other categories grew, making FY23 slightly more balanced. Operations Revenue totaled \$3,203,604 in FY23.



MCEEDD's Operations Expenditures are in four categories in FY23: Loan Payments (4%), Materials and Services (30%), Capital Outlay (2%), and Personnel Costs (63%). Without any planned expenditures for vehicle replacements, the largest change from the prior year was the small Capital Outlay. Total Operations Expenditures were \$2,990,622 in FY23.



REGIONAL ECONOMIC DEVELOPMENT STRATEGY

Implementing, Recognizing the Regional Strategy

With the latest Comprehensive Economic Development Strategy (CEDS) adopted by the MCEDD Board in March 2022, this last year was our first full opportunity to dig into implementation. The strategy is a guide to understanding the regional economy and crafting goals, strategies and actions to create jobs, raise income levels, diversify the economy, and improve the quality of life. Staff convened groups to address some of the regional issues and opportunities, including housing development, innovation, and infrastructure.

We were pleased to be recognized by the National Association of Development Organizations (NADO) for our work to make the development and implementation of the strategy more inclusive. The strategy received both an Aliceann Wohlbruck Impact Award from NADO and was highlighted in a national case study developed by NADO.

MCEDD's Executive Director Jessica Metta received the award for the Strategy from NADO's Executive Director Joe McKinney at the national conference.



Columbia Gorge Economic Symposium

MCEDD hosted the annual Columbia Gorge Economic Symposium in The Dalles on Nov. 4, 2022, with a strong, well-attended return to an in-person event post-COVID. The keynote featured Margaret Salazar (photo below), Region 10 Administrator for the US Dept. of Housing and Urban Development, sharing her thoughts on how housing and economic development intersect, what solutions we might see from the Federal government, and examples of successful solutions around Region 10. A panel discussion highlighted activity in the region's renewable energy industry, including discussion about different forms of generation, energy storage, distribution, and new innovations.



Vision

A bi-state Mid-Columbia region with a resilient, thriving, sustainable, rural economy that supports equitable access to diverse business opportunities that act in harmony with the area's unique qualities, values, cultural and natural resources.

Goal Areas

- Strong Businesses
- Robust Workforce
- Resilient Infrastructure
- Powerful Regional Collaboration

The strategy is presented on an interactive website at www.gorgeeconomy.org, including a summary in English and Spanish.

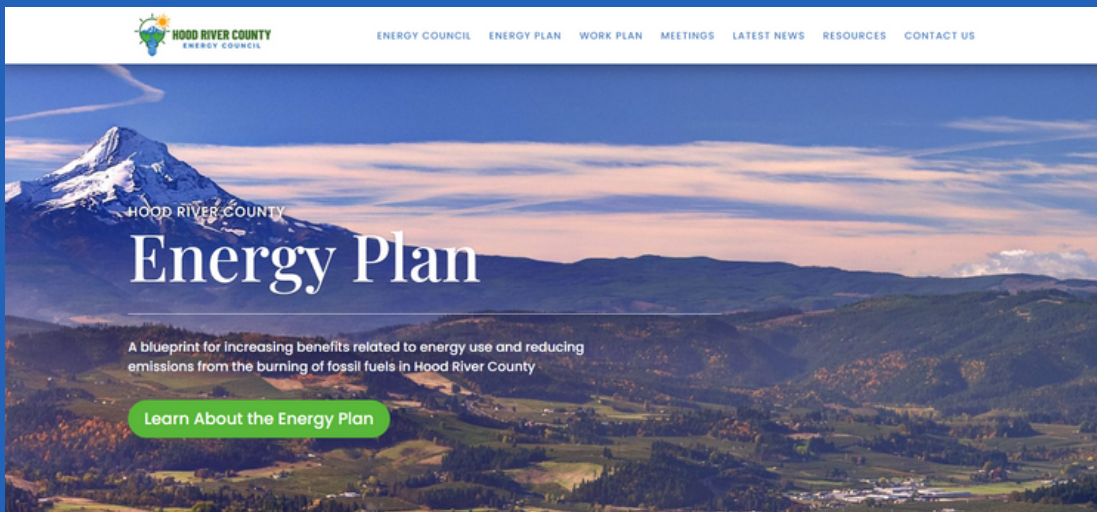
Join us for the next Columbia Gorge Economic Symposium on November 3rd, 2023!
Details at mcedd.org/strategy

REGIONAL GOVERNMENT SUPPORT

Broadband

MCEDD is focused on increasing essential economic infrastructure, including broadband access, throughout the region. This year, MCEDD worked with partners in Skamania and Klickitat Counties to **form and meet with broadband action teams (BATs)**, which focused on developing local broadband and digital equity planning documents related to Washington's statewide planning process for their Broadband Equity and Deployment (BEAD) fund and the Digital Equity Act (DEA) funding that will be available in the coming years. In addition, MCEDD supported both counties' participation in the **Washington State Broadband Office's Rapid Design Study** technical assistance program to develop high-level cost estimates for different deployment methods and identify areas most likely to be successful for grant funding.

MCEDD also continued meeting with partners to support the **Wasco County BAT** and participated in the Oregon Broadband Office's outreach meeting to provide input for their BEAD and DEA.



The Hood River County Energy Council launched an independent website this year to share information about the Energy Plan, Council, and renewable energy/ energy efficiency resources. Visit hoodrivercountyenergyplan.org.

Renewable Energy

MCEDD coordinates the **Columbia Gorge Bi-State Renewable Energy Zone**, focusing this year on support for the Goldendale Energy Storage Project, Cascade Renewable Transmission Project, and other projects.

MCEDD also provides project management assistance to the **Hood River County Energy Council**, which supports development of energy projects that improve resilience and energy independence. Projects included the following:

- Working to establish **buildings that can be energy independent for up to two weeks** in an emergency. The Energy Council collaborated with building owners to identify and apply for funding to build solar + storage systems at facilities that play an important role in maintaining community lifelines when the grid loses power. This work is ongoing.
- Continuing to identify and address barriers to accessing **solar, solar + storage, and energy efficiency** among **households with low-to-moderate income and Latinx communities** in Hood River County. This project is being undertaken in collaboration with a number of nonprofit partners and is funded in part by a grant from the Meyer Memorial Trust.

Oregon Rural Capacity Funding

MCEDD is part of a network of Economic Development Districts across Oregon known as Oregon's Economic Development District Association (OEDD). After years of work, OEDD secured funding from the State of Oregon, matched by The Ford Family Foundation, that was distributed to each district including MCEDD. These funds allowed MCEDD to add capacity for our rural communities to develop community and economic development projects, identify sources of funding, and write grants to implement these projects. Much of the work noted to the left occurred as a result of this one-time funding received in FY23.

As a result of this added capacity funding, we submitted **\$13.7 million in grants** in support of **20 projects** in our OR counties. This resulted in **\$2.4 million in grants awarded** as of July 2023, with **most decisions still pending.**

Community Economic Development

MCEDD worked with communities across the region to support economic development projects that enhance the resilience of our economy and communities. We also place a priority on ensuring adequate infrastructure for business and community success. Our staff provides technical assistance to secure funding and move projects toward construction. This year we:

- Worked to **identify funding for infrastructure projects** for the Cities of Rufus, Grass Valley, Maupin, Wamic, and Shaniko as well as the Tooley Water District, Pine Grove Water District, and Sportsman's Park Water Association.
- Administered Sherman County's four **housing grant programs** for development of new rental and owner-occupied housing, rehabilitation of existing housing, and property clean-up to prepare for new housing.
- **Provided technical assistance** to find and apply for grants or develop business plans for the following organizations: Wasco Event Center, Mid-Columbia Community Action Council, Dufur Park District, East Fork Irrigation District, Gorge Grown Food Network, The Dalles Art Center, Sherman Kids Zone, Visit Hood River, Safe Space, Tygh School Community Center/South Wasco Alliance, Mosier Community School, Dufur Volunteer Fire Department, Westside Fire Department, Juniper Flats Fire District, Columbia Gorge Community College, Columbia Gorge ESD, Port of The Dalles, Columbia Gorge Winegrowers Association, Historic Schanno Building, and Q-Life along with the Cities of Hood River, Cascade Locks, Dufur, White Salmon, and Rufus and Hood River, Wasco and Sherman Counties.
- Participated in and supported the leadership group for the **Wasco County-The Dalles Brownfield Coalition** that implemented their coalition assessment grant. Almost all \$600,000 in funds have been allocated to projects. MCEDD applied for and received a **\$1 million Brownfield Coalition Assessment Grant** from the US EPA that covers the entire MCEDD region, starts in Oct. 2023 and runs for four years.



Brownfield assessment plans for the former Model Laundry Building at 205 Washington call for redevelopment into a mixed-use building with residential units upstairs and commercial on the street level.

Grants Management

MCEDD offers **administration of federal and state grants**, including assisting in record keeping, labor standards compliance, and reporting. We provide pooled technical assistance for small communities without the capacity to administer grants with complex state and federal requirements. Projects this year included the following:

- **Biggs Service District water system:** Labor standards and grant administration support for USDA Rural Development grant and loan.
- **Crystal Springs Water District water project:** Labor standards and grant administration support for a Safe Drinking Water Revolving Loan Fund project.
- **Cascade Locks wastewater:** Labor standards and grant administration support for USDA/Clean Water State Revolving Fund interim, Community Development Block Grant (CDBG), and Business Oregon Water-Wastewater program funding (see highlight above).
- **City of Hood River stormwater line replacement:** Labor standards and grant administration support for a Clean Water State Revolving Fund, Business Oregon Water-Wastewater program, American Rescue Plan funded project, support in securing congressional appropriated funding and training of City staff on grant administration/labor standards procedures.
- **City of The Dalles Dog River water pipeline replacement:** Labor standards and grant administration support for a Safe Drinking Water Revolving Loan Fund and Oregon Water Resources Dept. funded project.
- **Hood River County:** Labor standards and grant administration support for CDBG program funding for the Adult Center.
- **Sherman County bus barn project:** Project planning, labor standards and grant administration support for an Oregon Dept. of Transportation funded project.

Project Highlight: Cascade Lock Wastewater

The City of Cascade Locks is improving their wastewater collection and treatment system. Components of the system surpassed their expected 20-year life and were failing, leading to compliance issues. MCEDD supported the City in securing Community Development Block Grant (CDBG) funding and is providing grant management for the CDBG funds and other funds previously secured by the City, including USDA Rural Development and Business Oregon water-wastewater financing. The project includes improvements to the collection system (removal of roots, lining or replacement of cracked pipes, and repairing manholes), main wastewater lift station, headworks, sequencing batch reactor, flow control valve, UV light disinfection system, effluent pH adjustment system, and sludge management. Construction costs will be approximately \$8 million, with the City supporting a portion of the costs. The project is expected to be completed by the end of 2023.



BUSINESS ASSISTANCE

Industry Sector Support

MCEDD has targeted development of opportunities in strong regional industry sectors including High Tech. The **Gorge Technology Alliance (GTA)** contracts with MCEDD for project management assistance. The local tech industry continues its strong performance and continues to build on innovation in the Unmanned Aerial Vehicles (UAV) industry. MCEDD staff assisted the GTA in hosting its **third mixer as part of the international unmanned vehicle tradeshow**, this time in Denver (image at right).



MCEDD also successfully applied for a \$50,000 grant from the Washington Dept. of Commerce to help the Gorge UAV industry identify ways to collaboratively increase innovation and open new markets. This work starts in FY24.

Innovation and Entrepreneurship



With the support of several grants, we:

- Held **more than a dozen entrepreneurship networking events**, with a focus on Pub Talks in Skamania and Klickitat Counties and Innovator Drinks in Wasco County.
- Completed an **Entrepreneurial Ecosystem Assessment for Wasco County**.
- Contracted with ECONorthwest to develop a **plan for a Regional Innovation Hub** to address gaps in resources to support innovative businesses.
- Held a **Pitch Fest** competition that distributed **\$10,500 in awards** to three businesses that pitched to a panel of judges before a regional audience (image at left).

BUSINESS ASSISTANCE

MCEDD Loan Client Spotlight: Monkey Brittle



Monkey Brittle is a healthy snack made by Huggins Family Farms from only three simple ingredients: organic bananas, organic nuts, and raisins! Monkey Brittle tastes just like banana nut bread, but it is dried to achieve a crispy crunch. With MCEDD funding, Huggins purchased a second dehydrator and upgraded electrical systems to accommodate the new equipment. Funding also included working capital for the labor, inventory and marketing needed to increase sales and production. The company is now able to add new accounts, including all New Seasons and Market of Choice locations across Oregon along with other independent grocers in the Gorge and Portland.

MCEDD Lending

Since the inception of our business loan program, MCEDD has made almost 330 loans to businesses totaling more than \$21 million. This year, the loan program **funded more than \$1.4 million** in new loans in support of:

- Expansion of a wine bar in The Dalles.
- Construction of 32 apartments for incomes at 120% of Area Median Income in Hood River.
- Support for a bed and breakfast near Camas.
- Debt refinance and expansion for a brew pub in Cascade Locks.
- Opening of a new patisserie in Hood River.
- Equipment purchase for a snack food manufacturer (see sidebar).
- Debt refinance for a coffee cart in Pine Grove.
- Equipment purchase for a construction company in Hood River.
- Equipment purchase for a fishing guide in Maupin.
- Opening a new cafe in The Dalles.
- Opening a red light therapy business in Hood River.

MCEDD also received a **\$1 million award to establish a Loan Loss Reserve Account from Business Oregon**. This fund adds protection against losses from loans that default and any funding left after ten years can be used as an additional revolving loan fund. MCEDD also applied for and received a **\$250,000 award** from this program for our partner Mount Hood Economic Alliance noted on the next page.

MCEDD Loan Administration Board

Scott Clements, Chair • Steve Kramer, Vice Chair
Joe Dabulskis • Les Perkins • Lori Zoller • Tom
Lannen • Dillon Borton • AJ Tarnasky

Oregon Investment Board

Project funding awarded through the Columbia River Gorge National Scenic Area Oregon Investment Board helps strengthen and diversify the regional economy. New lending approved in **FY23 totaled \$855,000** in support of:

- Build out of an event space and debt refinance for a brewery in Cascade Locks (see sidebar).
- Debt refinance for new equipment for a Hood River pet store.
- Working capital to launch a cold weather outdoor equipment company in Hood River.

This year, the OIB also worked with **University of Oregon students** to assess the impact of the loan programs and suggest opportunities for improvement.



From a \$4 million allocation and revolved funds, the OIB has approved more than \$10.8 million total in grants and loans which have:

- Leveraged over \$15.8 million in private funds.
- Leveraged over \$14.6 million in public funds.
- Directly created or retained approximately 800 jobs.

OIB Loan Client Profile



Gorges Beer opened their Cascade Locks pub in December 2021. By mid-2022, the facility employed up to 40 during the busy summer season. As the events portion of the business grew to include larger outdoor concerts and weddings, the brewery secured OIB funding to finance the construction of a permanent outdoor event center and to refinance the remaining construction loans. OIB worked in partnership with MCEDD and Business Oregon on the refinancing. The event center is now offering site tours and is booking for 2023 and beyond!

Mount Hood Economic Alliance



MCEDD administers Mount Hood Economic Alliance (MHEA), a gap financier covering Clackamas, Hood River and Wasco Counties. With support from MCEDD, MHEA funded **\$380,000 in new loans** this year to support:

- Working capital for an existing restaurant / caterer in The Dalles,
- Building purchase for a frozen yogurt shop in Estacada, and
- Working capital to start a bakery in Maupin.

TRANSPORTATION

Program Highlight: Gorge Transit Connect

MCEDD's Travel Trainer delivers the Gorge Transit Connect program in Hood River and Wasco Counties. This program tackles transportation barriers faced by community members with limited financial resources through a partnership with local organizations to offer free passes and travel training. Gorge Transit Connect's success lies in its collaborative approach that has not only improved the quality of life for individuals but has also fostered stronger community relationships, a broader recognition of the importance of public transportation, and more local investment in public transit.



These photos show Travel Trainer Sara Crook providing assistance with navigating the transit system in the Gorge.



Gorge TransLink Alliance

MCEDD staff manages this alliance of the five regional transportation providers. This year staff worked to support:

- **Completion of the Gorge Regional Transit Strategy**, a plan that provides a roadmap for a regionally coordinated and integrated public transportation system. This 2-year process developed a collective regional vision and implementation strategies to achieve the vision.
- Continued successful **marketing of the Gorge Pass**, a universal fare system adopted by the four transportation providers that operate the regional fixed route system.
- **A Travel Training video series** launched on the Travel Training page of the Gorgetranslink.com website. These engaging videos provide essential public education on how to use the regional transit system.

The Link Public Transport

MCEDD operates The Link, Wasco County's public transportation service. The Link has continued to improve its service by:

- Increasing the **number of stops** on the Red and Blue deviated-fixed routes from 8 and 9 stops respectively to 19 stops on each.
- Increasing **service to South Wasco County** from once a week to twice a week. Expanding service to include Pine Hollow and Wamic.
- Introducing **Saturday deviated-fixed route service**.
- **Expanding hours of operation** to 7pm for both routes and dial-a-ride.
- Distributing **free GORGE Passes and dial-a-ride tickets** through the Transit Connect Program.



Updated wraps gave The Link a new look this year!

The Link in FY23

- Total Passenger One-Way Trips: 20,235
- Elderly/Disabled One-Way Trips: 7,744
- Revenue Service Hours: 13,133
- Revenue Service Miles: 160,984