



Mid-Columbia Economic Development District

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT

FISCAL YEAR 2018 ANNUAL REPORT

**Mid-Columbia Economic
Development District**
515 East Second Street
The Dalles, OR 97058
www.mcedd.org



From the Board Chair and Executive Director

It is our pleasure to present the **Mid-Columbia Economic Development District annual report**. For 49 years we have supported economic vitality in the five county bi-state region, focusing on opportunities to build our economy and support business and entrepreneurs. This year, we continued to deliver high quality technical assistance, business assistance and industry support through our core programs, while also expanding our service offerings. Significant milestones and accomplishments in fiscal year 2018 include:

- Implementing the regional Comprehensive Economic Development Strategy, in coordination with our members.
- Providing direct business assistance through our loan programs. An independent analysis of this program highlighted that our loans have helped our businesses reach **total wage growth of \$40 million with more than 50% of wage growth attributable to jobs paying higher than average wages for the region.**
- Offering technical assistance. MCEDD provided support to **increase the region's receipt of federal public works funding.**
- Furthering new regional transportation connections and taking on operations for the **LINK transportation system.**
- Supporting industry development. With a focus on the rapidly **growing value added ag and tech sectors**, among others.

We invite you to explore this annual report, which provides a snapshot of the resources MCEDD delivered to our service area in fiscal year 2018. And, as we embark on a new year, we extend our appreciation to our members and partners.

Sincerely,

Ken Bailey

Ken Bailey,
MCEDD Board Chair

Amanda Hoey

Amanda Hoey
MCEDD Executive Director

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.

2018 Board of Directors

Ken Bailey, Chair
Agriculture

Bill Schmitt, Vice Chair
Washington Ports

Bob Benton
Hood River County

Rex Johnston
Klickitat County

Bob Hamlin
Skamania County

Rod Runyon
Wasco County

Gary Thompson
Sherman County

Eric Proffitt
Workforce

Tonya Brumley
Oregon Chambers

Joeinne Caldwell
Oregon Ports

Robert Kimmes
Healthcare

Stephanie Hoppe
Higher Education

Mark Zamiller
Cities of Hood River

Dana Peck
Washington Chambers

Sue Knapp
Cities of Wasco

Paul Hendricks
Cities of Skamania



Tom Furey
High Tech

Perry Thurston
Cities of Sherman

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

MCEDD Staff

Amanda Hoey, Executive Director

Jessica Metta, Deputy Director

Siri Olson, Finance and Operations

Eric Nerdin, Loan Fund Manager

Carrie Pipinich and Jacque Schei, Project Managers

Kathy Fitzpatrick, Mobility Manager

Lauren Hernandez, Office Administrator

Charlotte Sallee, Transportation Operations Director

Gerald Benedict, Fred Bergren, Casey Clafin, Marvin

Davis, Kristi Hall, Scott Isaak, Gary

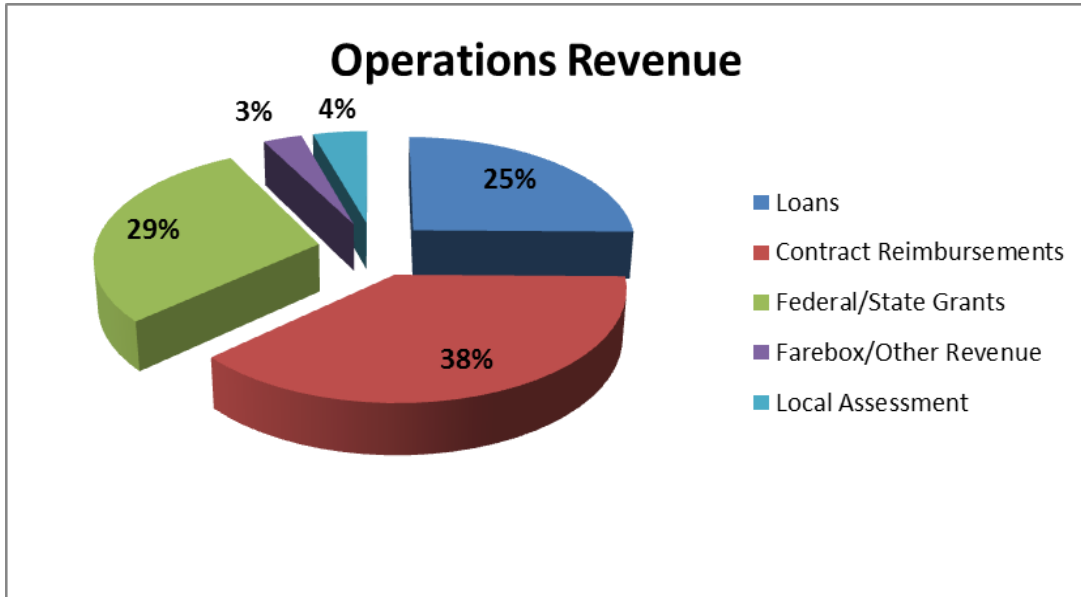
Methvin, and Casey Ruiz, Drivers

Deann DePaepe and Karees Reilly, Dispatchers

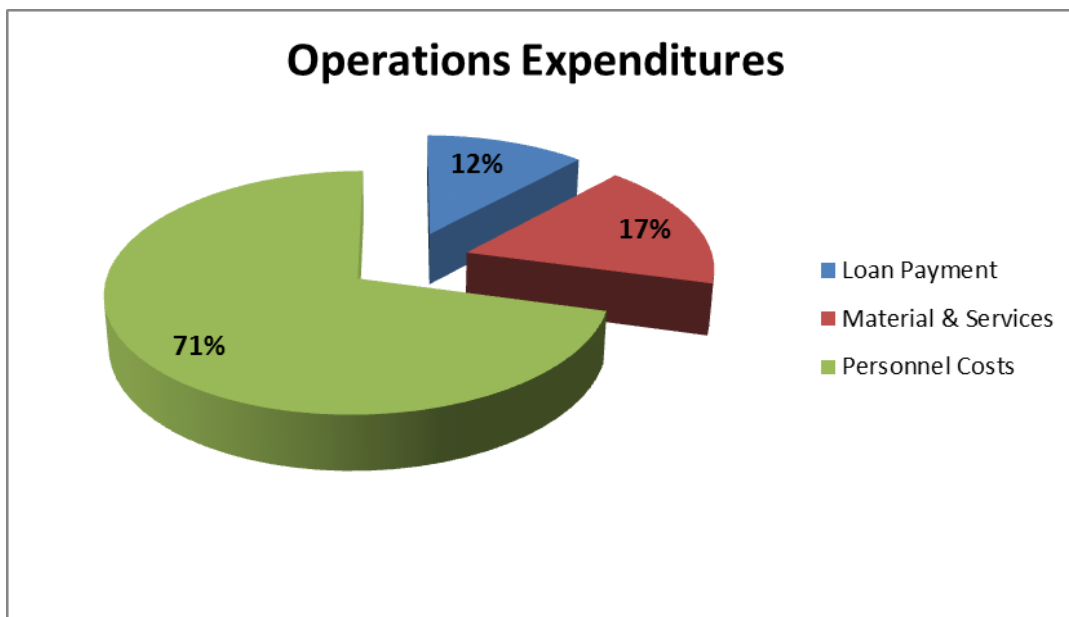


Statement of Financial Activities

MCEDD's Operations Revenue is derived from Loans (25%), Contract Reimbursements (38%), Federal and State Grants (29%), Local Dues (4%), Farebox and Other Revenue (3%). Operations Revenue totaled \$1,130,272 in FY18.



MCEDD's Operations Expenditures are categorized into three categories, Loan Payments (12%), Materials and Services (17%), and Personnel Costs (71%). Total Operations Expenditures were \$1,021,997 in FY18.



Regional Economic Development Strategy

Updating the regional strategy

The comprehensive economic development 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.

“The strategy develops regional consensus on our highest priorities so we can move forward together as a single region.”

Columbia Gorge Economic Symposium.

MCEDD hosted the annual Columbia Gorge Economic Symposium featuring the President of SDS Lumber as keynote speaker and regional

economists presenting data on employment, wages and growing and declining industries. Panel Session discussing relevance of the forest and wood products sector with representatives from High Cascade/WKO Inc, Mount Adams Resource Stewards, Nelson Brothers Engineering, Washington DNR, US Forest Service, Bear Mountain Forest Products and an individual with the Port of Klickitat who had retired from the Hancock Timber Resource Group.

Wood/ Forest Products

The symposium was followed by a tour of SDLumber and WKO, coordinated by the Skamania Economic Development Council. The tour reinforced the primary issues expressed at the symposium: One of the largest constraints is the supply of raw material and a secondary constraint is labor supply. Opportunities abound as the industry innovates, however.

“I believe wholeheartedly in the benefits of this industry to answer economic and environmental challenges.” – Jason Spadaro



VISION

The region envisions a thriving economy supporting diverse business opportunities that act in harmony with the area’s rural qualities, values and natural resources.

PRIORITY AREAS

- Housing
- Financial Capital, Entrepreneurial Environment
- Workforce
- Infrastructure
- Regulatory Environment



Access the report:
[Summary document](#)
[Full document](#)

Columbia River Gorge Scenic Area Oregon Investment Board



Sustained Impact:

From a \$4 million allocation, the Board has approved grants and loans (utilizing revolved funds) totaling more than \$9.2 million.

Leveraging:

Over \$14.7 million in private funds and more than \$13.3 million in public funds.

Employment:

Projects directly created or retained nearly 700 jobs.

Business Financing in the Columbia Gorge National Scenic Area

Project funding helps to strengthen and diversify the economy of the region.

- **Establishing the pilot loan program** which allowed the board to be responsive in providing emergency financing for businesses impacted by the Eagle Creek Fire.
- **Approving a feasibility study grant** to address the workforce needs of the food and beverage sector.
- **Approving loans to support new and growing businesses:**
 - Expansion of a wholesale tea business
 - Start-up of a retail clothing store
 - Expansion of the Farmer's Conservation Alliance
 - Start-up of an HVAC company
- **Providing management of the Bi-State Advisory Council.**

Loan Client Profile: Good Medicine Tea



Nikol Clark and Randy Goetz purchased a turn-of-the-century Craftsman building in Hood River, creating their dream: a combination Tea House and Wellness Center. When they were ready to move to the next chapter in their business, an influx of capital from the OIB allowed them to take the necessary steps grow its wholesale and web sales programs.

Oregon Investment Board Members

Jack Miller, Chair * John Kasberger, Vice Chair * Kristine Mier, Secretary/Treasurer
Jill Amery * John Southgate * Tammy Miller

Business Assistance Division

\$40M Wage Growth \$40M Wage Growth

Since inception of our business loan program, MCEEDD has made 280 loans to businesses totaling over \$15 million. This year the loan program supported:

- **Allocations of the first loans from the North Central Regional Solutions Housing Loan** for:
 - Construction of 18 homes in Hood River.
 - Development of nine apartments in The Dalles.
- **Funding loans to support new and growing businesses** including:
 - Start-up of a freight service
 - Working capital for a rancher
 - Expansion of a natural foods market
 - Growth of a manufacturer of renewed apparel
 - Stability for an elder care facility
 - Remodel of an athletic facility
 - Business ownership succession of a restaurant
 - Renovation of a historic building into a new retail business.
- **Conducted an independent study** through the Oregon Consulting group showing MCEEDD financing has supported:
 - **total wage growth of \$40 million**
 - **more than 50% of wage growth attributable to jobs paying higher than average wages for the region**
 - businesses had a \$450,000 median increase in sales
 - 88% of businesses were stable or growing.

Honald Building



Travis and Jen Dillard purchased the Honald Building in The Dalles with the intention of converting the second floor into nine apartments. The project represents a combined approach to a regional need: adequate housing and downtown revitalization.

Renewal Workshop



Nicole Bassett and Jeff Denby, co-founders of The Renewal Workshop, used MCEEDD financing to expand their business operations in Cascade Locks, Oregon.

Loan Administration Board Members

Private Sector: Scott Clements, Chair * Dillon Borton, Key Bank * AJ Tarnasky, Columbia Bank
Public Sector: Bob Hamlin, Vice Chair * Bob Benton * Rod Runyon * Gary Thompson * Rex Johnston

Economic Resiliency Strategies

Broadband Access and Affordability

Why Resiliency?

Regional economic prosperity is linked to resiliency. MCEDD undertakes a number of activities to bolster resiliency. Planning is a large component, but increasing broadband networks is another key element.

Eagle Creek Fire

The region was adversely impacted by the Eagle Creek fire. MCEDD responded quickly with our business programs and:

- Developed resource Guides which are [available here](#).
- Met with affected businesses.
- Participated on the Eagle Creek Fire Recovery Council.



Effective networks are critical to resiliency and a key component to our comprehensive regional economic development strategy. MCEDD places a core focus on increasing broadband accessibility throughout the region. Staff engaged in the following activities:

- Worked with the City of Maupin, Wasco County, and Q-Life Network to secure resources to complete a **fiber to the premises network in the City of Maupin**.
- Conducted a community **broadband survey in Sherman County** to determine broadband needs. See the survey results [here](#).
- Hosted **broadband utilization forums** to gather additional input on needs while highlighting critical uses for the technology.
- Supported numerous proposals to the Regional Infrastructure Fund and Rural Broadband Pilot. The **Sherman cities fiber project** was targeted for investment.
- Provided assistance for a successful broadband application to the Columbia Gorge Health Council Community grants to **connect the Deschutes Rim Health Clinic, dental office, and Canyon Rim Senior Living to a high speed fiber optic network**.

Oregon Connections



MCEDD hosted the Oregon Connections conference, with over 200 attendees from across the state and nation discussing telecommunications utilization, trends, and needs. Visit the website at oregonconnections.info for more information.

Infrastructure Development

Increasing Resources for Priority Infrastructure

MCEDD places a priority on ensuring adequate infrastructure for business and community success. Our staff provided support for:

- **Grant administration** for federally funded projects such as the Columbia Gorge regional airport flex building expansion
- **Technical assistance** to secure funding and move projects toward construction, including Mid-Columbia Center for Living's regional mental health facility.
- **Supporting water/wastewater systems** including
 - **Wamic Water System:** one stop convened and brought out a trainer to provide an overview of the infrastructure funding process.
 - **Biggs Junction Water System:** assistance in the application process for a USDA loan.
 - **City of Antelope water system:** labor standards and grant administration support for the Community Development Block Grant funded project.
 - **City of The Dalles wastewater:** supported the City to administer a Clean Water State RLF of \$2 million for their project.
 - **Dallesport wastewater:** grant administration for this planning project, which has USDA SEARCH and CDBG funds. The final feasibility plan is complete.
 - **Crystal Springs Water District water project:** supported the District to receive a \$3,743,000 Safe Drinking Water Revolving Loan Fund loan and \$500,000 forgivable loan.

Columbia Gorge Regional Airport



In Dallesport, Washington the Columbia Gorge Regional Airport added a new Flex Space building with funding from the US Economic Development Administration.

Mental Health Facility Groundbreaking



Officials broke ground on the regional community mental health facility to be located in The Dalles. It will provide access to critical community mental health, addictions and developmental disability services for individuals in Hood River, Wasco and Sherman counties.

Transportation

Gorge TransLink Alliance

A celebration of new public transportation in June highlighted:

- Columbia Gorge Express daily services Portland to Hood River
- Columbia Area Transit new routes and weekend trolley
- Mount Adams Transit new cross-river service



Bus Shelters

To support the expanding transportation network, MCEDD secured funds for new bus shelters!



A Regional Public Transportation Network

MCEDD's role in transportation expanded this year to support a more vibrant regional network.

- **Gorge TransLink Alliance** management continued with the MCEDD Mobility Manager:
 - Identifying options for a universal public transportation pass
 - Providing direct support to employers/commuters
 - Conducting an eastern Klickitat County transportation study with our national association.
- **Everybody Rides/Todos Arriba** campaign for the region received funding.
- **Drive Less:** Promoted alternatives to single occupancy vehicle use.
- **LINK Transportation in Wasco County:** MCEDD identified means to support enhanced transportation options including:
 - **Offering free transportation to The Dalles Farmer's Market** with grant funding from PacificSource:
 - Securing funding for a deviated fixed route service to begin in The Dalles in 2019.

LINK Public Transportation



MCEDD assumed operation of the LINK in February 2018, offering public transportation services in the City of The Dalles and areas of Wasco County. Since taking on operation, MCEDD has been increasing this vital public service.

Transportation Administration Board Members

Steve Lawrence, Chair * Dana Peck, Vice Chair * Rod Runyon * Tyler Stone * Perry Thurston

Industry Sector Support

Renewables and Tech: The Next Generation



Over 190 middle and high school students from 16 local high schools and middle schools competed to build the competition's top turbines at the Gorge Wind Challenge. Student teams worked together with volunteer mentors to design, build and test their turbines. The event is sponsored by Google.

Expanding Industries

MCEDD has targeted opportunities in strong regional industry sectors.

Fermentation

- Worked with the Gorge Winegrowers Association to submit a successful application to Travel Oregon for grant funds to develop a **Gorge Wine Country brand**.
- Provided planning support to the **Gorge Cider Society** to grow the nascent cider industry.

Renewable Energy

Coordinated the Columbia Gorge Bi-State Renewable Energy Zone and policy advisor visits to discuss key issues, such as the proposed Goldendale Pumped Storage project.

High Tech Industry Sector

The Gorge Technology Alliance contracts with MCEDD to provide project management assistance. In addition to regular monthly membership meetings, highlights include:

- Securing a grant from The Ford Family Foundation to draft a new strategic plan.
- **Launching the Women in STEM initiative**
- Hosting a **Gorge Tech Showcase** to increase visibility of the Gorge's tech sector and share job openings.

STEM Education

STEM Career Day

- Hosting the fourth annual STEM Career Day to share job opportunities with all Gorge 7th graders.



FLL Robotics

- Coordinating FIRST® LEGO® League (FLL) robotics tournaments in The Dalles and Hood River. Thirty-six teams of students ages 9 to 14 competed and eleven teams were selected to move to the state competition



MCEDD staff at the robotics tournament in The Dalles



515 East Second Street
The Dalles, Oregon 97058
www.mcedd.org

MCEDD is an equal opportunity Employer, Lender and Provider.