



Economic Development Advisory Board

Wednesday August 10th, 2016

3:30pm – 5:00pm

555 Court St NE Salem – Commissioners' Board Room

AGENDA

3:30	Welcome, Introductions, and Announcements	Angie Morris
3:35	June Meeting Minutes – Action	Angie Morris
3:40	Updates: Canyon, Grants, and Econ Summit	Kevin Cameron & Sarah Cavazos
3:55	SEDCOR 4 th Quarter Report - Information / Discussion	Chad Freeman
4:10	Travel Salem 4 th Quarter Report - Information / Discussion	Angie Morris
4:25	Land Use Case Review – Information / Discussion	Brandon Reich
4:45	New Business, Comments and Closing	Angie Morris

Future Meetings

- September 14th – Columbia Helicopter Aurora, OR 3:00-5:00
- October 12th – 3:00-5:00
- November 9th – 3:30-5:00
- December 14th – 3:30-5:00

Attachments & Handouts

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| <ul style="list-style-type: none">• 2016/17 Meeting Schedule• June Minutes• SEDCOR 4th Quarter Report | <ul style="list-style-type: none">• Travel Salem 4th Quarter Report• Summary of Land Use Cases• September Draft Agenda and Location |
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Executive Committee	Full Board
July – No Meeting	July – No Meeting
Monday, August 1, 2016 at 11:00 am Location: Travel Salem 181 High St NE, Salem	Wednesday, August 10, 2016 at 3:30 pm-5:00 pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room
Thursday, September 1, 2016 at 11:30 am Location: Travel Salem 181 High St NE, Salem	Wednesday, September 14, 2016 at 3:00pm-5:00 pm Location: Columbia Helicopter 14452 Arndt Rd NE, Aurora OR 97002
Monday, October 3, 2016 at 11:00 am Location: Travel Salem 181 High St NE, Salem	Wednesday, October 12, 2016; 3:00 pm – 5:00 pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room <i>*Date change due to Community Projects Grant review</i>
Monday, October 31, 2016 at 1:30 pm Location: Travel Salem 181 High St NE, Salem	Wednesday, November 9, 2016; 3:30pm - 5:00pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room
Monday, December 5, 2016 at 11:00 am Location: Travel Salem 181 High St NE, Salem	Wednesday, December 14, 2016; 3:00 pm-5:00 pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room
Tuesday, January 3, 2017 at 11:00 am Location: Travel Salem 181 High St NE, Salem	Wednesday, January 11, 2017; 3:30 pm-5:00 pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room
Monday, January 30, 2017 at 11:00 am Location: Travel Salem 181 High St NE, Salem	Tuesday, February 8, 2017; 3:30 pm-5:00 pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room
Monday, February 27, 2017 at 11:00 am Location: Travel Salem 181 High St NE, Salem	Wednesday, March 8, 2017; 3:30 pm-5:00 pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room
Monday, April 3, 2017 at 11:00 am Location: Travel Salem 181 High St NE, Salem	Wednesday, April 12, 2017; 3:30 pm-5:00 pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room
Monday, May 1, 2017 at 11:00 am Location: Travel Salem 181 High St NE, Salem	Wednesday, May 10, 2017; 3:00 pm-5:00 pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room
Monday June 5, 2017 at 11:00 am Location: Travel Salem 181 High St NE, Salem	Wednesday, June 14, 2017; 3:30 pm-5:00 pm Location: Courthouse Square - 555 Court Street NE, Salem – 5 th Floor, BOC Board Room

Marion County Economic Development Advisory Board
June 8, 2016 Meeting Minutes
555 Court St NE, 5th Floor Salem, OR

Members Present: Nate Brown, Bill Burich, Kevin Cameron, Thomas Chambers, Chad Freeman, Jose Gonzales, Bob Hill, Jay Kemble, Nate Levin, Allison McKenzie, Angie Morris, AJ Nash, Jim Rasmussen, Dave Tibbets, Ian Tolleson, and Renata Wakeley.

Staff and Guests Present: Sarah Cavazos, Tamra Goettsch, Danielle Gonzalez, Mark Metzger, and Brandon Reich.

Call to Order: 3:35pm

Agenda Item: Welcome, Introductions & Announcements

Information/Discussion: Morris called the meeting to order, asked for introductions. **Action:** None.

Agenda Item: May Minutes

Information/Discussion: Morris presented the minutes and called for comment; no discussion was held.

Action: A motion was brought forth by Chambers to approve the May minutes; a second was made by Hill. The motion was voted on and approved unanimously.

Agenda Item: GROW EDC Third Quarter Report

Information/Discussion: McKenzie presented the report for GROW EDC third quarter activities (see attached). The agency served 71 clients and had 4,727 client contact hours, the high number of contact hours was largely due to the recent Travel Oregon Studio Lite workshops which hosted 75 attendees in March and 72 attendees in April. As a result of the workshops, three priority projects were identified and volunteer groups formed for planning, including: 1) regional marketing strategy, 2) building a local tourism network, and 3) launching an annual river festival. Travel Salem staff is involved and will working to support the efforts. More recently GROW EDC has organized and hosted tours of the area to expose people to the area and increase awareness among people living in the area of local gems that would be of interest to people visiting the area. GROW EDC is working on a community-based lending program and has identified two existing programs that have great potential.

Action: None.

Agenda Item: Economic Development Conference

Information/Discussion: Cavazos and Reich shared the idea of holding a one-day economic development conference with an emphasis rural community development. The general theme would be innovative strategies for rural economic development with a focus on main street development, Business Retention and Expansion Assessments, and resource development. There is a potential opportunity to secure Becky McCray, a speaker on rural economic development if the conference is held in September. A small committee will refine the agenda topics, identify speakers, and plan the event. Discussion was held and a suggestion given to provide a budget of \$10,000 in order for the committee to move planning forward.

Action: A motion was brought forth by Levin to approve EDAB's endorsement of an economic development conference for rural economic development with a budget of \$10,000; a second was made by Nash. The motion was voted on and approved unanimously.

Agenda Item: Infrastructure Development Project

Information/Discussion: Cavazos presented a summary of a request for funds from the city of Donald for a Waterline installation. The city had an unforeseen increase in costs due to utility lines under a railway where the waterline is being laid. The new waterline will address a waterline upgrade need by the city as well as provide water for a new industrial park development. Wakeley shared that she is the planner for Donald and aware of the project and clarified that the waterline installation was identified in the city's Master Water Plan and is needed to meet the needs of the growing city. Wakeley also noted that the city is the main beneficiary of the project and the waterline being installed is not the responsibility of the industrial park developer. Cavazos asked that EDAB make a recommendation to the Board of Commissioners to provide \$50,000 to support the project since there is no application process for the Infrastructure Development Program.

Action: A motion was brought forth by Levin to make a recommendation to the Board of Commissioners to grant \$50,000 of FY15/16 Infrastructure Development funding to the City of Donald for the water system upgrade; a second was made by Burich. The motion was voted on and approved unanimously.

Agenda Item: Strategic Business Recruitment Fund

Information/Discussion: Cavazos shared that the Grant and Loan Committee will be working on criteria for accessing the Strategic Business Recruitment Fund established through the FY16/17 budget and solicited input from members. Initial discussion on establishing criteria for the program included using a rating scale with weight given to: a) size of private investment, b) number of jobs created, c) job wages, and d) potential impacts to increase jobs or investments through supply chains or neighboring sites. Some discussion was held with emphasis placed on the importance of weighting private investment and job wages.

Action: None.

Meeting adjourned: 4:58 p.m.

DRAFT

EXHIBIT D – QUARTERLY REPORT



Economic Development Allocations Quarterly Report

Organization:	SEDCOR		
Quarter Ending:	June 30, 2016		
Allocation:	\$175,000.00	Received YTD:	\$175,000

Instructions: Provide an update on the following objectives, including brief overview of activities to date, successes, challenges or anticipated challenges, and/or any changes made to the objective.

1. Available industrial space

The inventory for industrial buildings in Marion County continues to be constrained. While we in Marion County have some of the best industrial land in the state, there are almost no available buildings. In the last quarter it was reported that in the Industrial Real estate market we are looking at 2% vacancy rate, which indicates a very strong shortage of available space.

As this shortage is not limited to the Mid-Valley we are beginning to see the market react. More projects interested in building at Mill Creek Corporate Center are progressing as is the work of developers who are working with the city of Woodburn on the new industrial park planned in Woodburn.

In addition to this work SEDCOR is working with a developers and the state to help find a way to help build additional capacity, and we believe that this will begin to get better in the coming year. It should be noted that this is a statewide issue, especially on the I-5 corridor.

2. Industries with potential growth

Existing firms have continued to lead the recovery in our region. In recent months we have worked with several firms that have made significant investments in our region. These include the following projects:

Yancey Pallet- moved into Marion County in August of 2015, continue to grow and add jobs;
Littau Harvester- purchased a building in Stayton and have continued to expand their trucking and picker leasing business and grow;
Turner Lumber- continues to invest in their facility. They are currently in the process of purchasing additional property adjacent to their current operation for expansion; they have also added equipment and improved on energy efficiency and production processes;
Willamette Valley Pie has moved into their new facilities in Silverton;
Wilcox Farms is in the process of an expansion, in Marion County and purchased another operation in Linn County.
PCA expansion, PCA is located at the Aurora airport and it the largest Garmin Avionics dealer in the world. One of their Aurora employees is on the Dealer Advisory Council for Garmin. They will initially employ 10 more people.
Metal Innovations expansion is also located at the Aurora airport and intends to expand into another 30,000 square feet for production.

EXHIBIT D – QUARTERLY REPORT

Anderson is located near the northern most end of Marion County and is expanding their hay storage and processing facility.

Trillium Millworks expanded into the Hubbard industrial park and added over 10 new employees.

Pro-Cure is a fishing bait company and is expanding to increase production. They are going to produce product they previously had to ship from the East coast.

Western Agricultural Supply is expanding their Salem operation.

Marion Ag is expanding in the northern portion of Marion County which includes a 100 car rail siding for their new seed and fertilizer processing plant.

Forest River/Cargo in Silverton continues to grow as employee recruitments allow.

On the recruitment side of SEDCOR's work we have noticed some key trends in companies looking at moving into our region. This interest growth has been led by four different categories, Food Processing, Distribution, Manufacturing and Value Added Wood Products. In the last year we have seen more interest from Food Processing and Distribution.

3. Make It In the Willamette Valley / BR&E Update

Make it in the Willamette Valley- We continue our work on the Make it in the Willamette Valley initiative. As we have commented in the past this is a three year grant that has been received in partnership with the Mid-Willamette Valley Council Of Governments. This work has helped SEDCOR to continue to build one on one relationships with employers, to help build the BRE program, and to help host events to bring new resources to manufacturers. In addition we finalized our supply chain study which has highlighted some of the vertical supply opportunities in the region.

To help support this we have received additional support for this project from Marion County, Yamhill County, PGE and PacifiCorp.

4. Other

Large Lot Study- Working with owners and representatives of large lot (over 50 acres) of industrial land to find out the industries and companies who need this size of parcel for their next expansion, and learning what these firms need to be successful. This project has helped give nationwide exposure to Mill Creek Corporate Center, and it has helped identify our role in the larger regional market. We are currently making outreach to companies who we identified to explore their interest in large projects on the West Coast.

Envision Dinner- SEDCOR hosted Envision 2016 to help connect companies to some of the key trends and technology changes that are coming. Darren Pleasance from Google was the keynote speaker and added a lot of understanding about not only their company, but also the future of technology. Data and information needed to be successful; SEDCOR is hosting the Envision 2016 Dinner.

CTE efforts- SEDCOR has continued to work with local school districts in Marion County to help connect schools to both private employers as well as to form a best practice framework. We will continue to host quarterly meetings with school districts to improve this.

EXHIBIT D – QUARTERLY REPORT

5. Activity and Output Metrics. Complete the following for each quarter.

Number of Clients	Q1	Q2	Q3	Q4	Total
# of new recruitments	11	5	12	11	39
# of active recruitments	10	10	14	11	14
# of new expansions	0	8	2	2	12
# of active expansions	16	23	25	23	25
Total Active Clients					

	Year To Date			YTD Total
	Recruit	Retain	Expand	
No. Companies	1		9	10
Retained Jobs		75		75
New Jobs	75		81	156
Capital Ex				56,000,000

EXHIBIT D – QUARTERLY REPORT



Economic Development Allocations Quarterly Report

Organization:	TRAVEL SALEM		
Quarter Ending:	June 2016		
Allocation:	\$100,000.00	Received YTD:	\$100,000

Instructions: Provide an update on the following objectives, including brief overview of activities to date, successes, challenges or anticipated challenges, and/or any changes made to the objective.

1. Objective – Regional Public Relations

Travel Salem generated **187 published articles** and references during the fourth quarter of 2015-16 with a **reach of 15,648,800** and an **advertising equivalence of \$272,584**. Please refer to the attached PR Addendum for details.

2. Objective – Visitor Information Network

Travel Salem's Visitor Information Network **assisted 45,705 visitors** during the fourth quarter. The network includes: Travel Café, BEST WESTERN PLUS Mill Creek Inn, Red Lion Hotel, Phoenix Inn South, Willamette Heritage Center, Salem Convention Center, Lancaster Mall, Amtrak, Salem AAA, Salem Airport and Aurora Airport.

3. Objective – Marketing Support for Marion County Communities

Quarterly highlights include:

- Launched the full redesign of TravelSalem.com featuring a booking engine and new video content.
- Participated in a Travel Oregon "town hall" meeting in Silverton regarding their 16-17 business plan.
- Arranged for freelance writer Carly Zimmern to stay at/experience The Oregon Garden & Oregon Garden Resort.
- Responded to "Active China" leads from Travel Oregon's international program.

4. Objective – Recreational Sports Marketing

- Hosted a site tour for International Slow Pitch Softball for a potential 2017 event.
- Produced promotional materials for Salem's new signature event and the first ever U.S. event called River2Ridge 2017 for Mayor Peterson's trip to Japan. The event is a spin-off from Japan's Sea to Summit tri-discipline event.

5. Objective – Destination Development

- Launched the Wine Country + Garden & Falls Tours in partnership with Greyline and Amtrak.
- Launched six new cycling routes that leverage the Willamette Valley Bike Trail, including four in Marion County.
- Participated in the Santiam Rural Tourism Studio including working with the Event Committee to develop a river-themed music event to launch the week of the Eclipse in 2017, and the Marketing Committee to gather inventory of all trails to create a comprehensive trail guide.

6. Other

See detailed report for more results during the quarter.

EXHIBIT D – QUARTERLY REPORT

7. Performance Measurements. Complete the following for each quarter.

Metric	Q1	Q2	Q3	Q4	Total
Estimated Economic Impact*	\$553,200,000 for 2015	See first quarter	See first quarter	See first quarter	\$548,400,000 for 2015
Transient Occupancy Tax**	\$1,193,237	\$520,705	\$415,768	\$587,522	TBD
Leverage**	\$491,715	\$934,308	\$525,558	\$432,134	TBD

*Latest information available via Travel Oregon

**Salem only (July through May based on available data)

Completed Land Use Cases – April through June, 2016

Adjustments

16-001. Yakima Valley Farm Workers Clinic - adjustment to install a 33 foot 9 inch sign where a 25 foot sign is allowed in a CR (Commercial Retail) zone located at 255 Lancaster Drive NE, Salem. Approved.

Conditional Uses

16-016. Sam Lapray and Pat Beggs - establish a contractor's office and equipment storage facility on a 3.40 acre parcel in an UT-10 (Urban Transition-10 Acre Minimum) zone located at 3640 Kashmir Wy SE, Salem. Approved.

16-015. Clinton Cox, on property owned by Emery Family Properties, LLC to construct a 50 foot tall communications tower to allow for training employees of a communications tower construction company on a 10.4 acre parcel in a UT (Urban Transition) zone located at 9694 Golf Club Rd SE, Aumsville. Approved.

16-014. Walter and Karen Klopfenstein - modify conditions of approval of CU 78-80 to allow for the repair of automobiles on a 1 acre parcel in an EFU zone located at 12175 Selah Springs Rd NE, Silverton. Approved.

16-013. Bryce Harris, on property owned by William Silbernagel - to operate a gun smithing and machine shop as a home occupation a 1.95 acre parcel in an EFU zone located at 16274 Old Mehama Road SE, Stayton. Approved.

16-011. Richard Mallorie, on property owned by Thea Vanderwey - operate a trucking business as a commercial activity in conjunction with farm use on a 49.56 acre parcel in an EFU zone located at 5275 Brush Creek Dr NE, Silverton. Approved.

16-009. Daniel A. Fennimore and Faith M. Piper - establish a primitive campground on a 100.51 acre parcel in a FT zone located at 4683 Crooked Finger Road NE, Scotts Mills. Approved.

16-008. Viesko Redi-Mix - build a maintenance shop and storage/warehouse building for use in conjunction with an existing aggregate operation on a 49.1 acre parcel in an EFU zone located at 1812 Willow Lake Road N., Keizer. Approved.

16-004. Fabian and Rosa Maria Lopez - operate a landscaping business in conjunction with a nursery on a 4.57 acre parcel in a UT-5 (Urban Transition – 5 acre density) zone located at 5534 36th Avenue, Salem. Approved.

Mass Gathering Permits

16-002. Whitewind Productions LLC, on property owned by World Forestry Center - a small outdoor mass gathering on July 23, July 24, July 30, and July 31, 2016 on approximately 80.55 acres in an EFU zone located at 6518 Cascade Hy NE, Silverton. Approved.

Subdivisions

16-001. Paul Nezbeda - conceptual and detail approval to subdivide a 0.77 acre parcel into 6 lots in an RS (Single Family Residential) zone located at 4123 Hayesville Drive NE, Salem. Approved.