



MARION COUNTY BOARD OF COMMISSIONERS

## Board Session Agenda Review Form

Meeting date: August 27, 2025

Department: Community Services

Title:

**SEDCOR Annual Report**

Management Update/Work Session Date: NA

Audio/Visual aids ☒

Time Required: 10 min

Contact: Sarah Coutley

Phone: 503-589-3276

Requested Action:

At the August 27, 2025 Board Session, representatives from the Strategic Economic Development Corporation (SEDCOR) including Erik Andersson, SEDCOR President, and Business Retention & Expansion Manager, Kip Morris, will be providing a report on their activity for Marion County Business Retention & Expansion.

Issue, Description  
& Background:

In 2023, Marion County approved an agreement with SEDCOR. SEDCOR is a local non-profit specializing in economic development and business outreach. The agreement with SEDCOR was for engagement of business recruitment, retention, and expansion efforts in Marion County in order to enhance the Economic Development Program's capacity toward realizing the economic development strategic plan goals. Within their agreement with Marion County, SEDCOR is required to provide an annual report that includes a summary of activities.

Financial Impacts:

The agreement set in 2023 allocates \$160,000 each fiscal year for SEDCOR to perform business recruitment, retention, and expansion services. The current agreement was recently amended and is set to expire on June 30, 2026.

Impacts to Department  
& External Agencies:

None

List of attachments:

**SEDCOR Annual Report**

Presenter:

Sarah Coutley, Economic Development Specialist; Erik Andersson, SEDCOR President; Kip Morris, SEDCOR's Business Retention & Expansion Manager

Department Head  
Signature:

*Kelli Wuse*

2024 - 2025



STRATEGIC ECONOMIC DEVELOPMENT CORPORATION

**MARION COUNTY ANNUAL REPORT**  
*CONTRACTED ECONOMIC DEVELOPMENT ACTIVITIES IN MARION COUNTY*

YEAR ENDING JUNE 30, 2025

## Retention and Expansion of Traded Sector Businesses

- SEDCOR worked with **George Packing/Northwest Hazelnut** as the company sought to acquire the **Hazelnut Growers of Oregon (HGO)** business from **Wilco**. SEDCOR assisted in the application for the Enterprise Zone incentive, facilitated the connection with the Oregon Department of Agriculture for the Food Processing Machinery & Equipment Certification Program and engaged with Business Oregon to start the process for a successful Strategic Reserve request. Meetings and tours were arranged to bring in additional partners like the Oregon Manufacturing Extension Partnership and the Energy Trust of Oregon. SEDCOR also participated in a meeting between Business Oregon Director Sophorn Cheang, Northwest Hazelnut and representatives of Italian, family-owned Ferrero, the makers of Nutella. The company reported sales of \$3.2 billion with a goal of doubling over the next few years, and they want Oregon to be part of their strategy. The meeting was followed by a tour of the Hazelnut Growers of Oregon facility which included Governor Kotek, the three Marion County commissioners and Executive Council member Tim Murphy.
- SEDCOR worked with **Don Pancho/Reser's** as the company made plans to relocate its operations to 300,000 square feet of the former NORPAC operation in Salem, currently owned by Lineage Logistics. Reser's previously contracted with Lineage for 80,000 square feet of warehousing space, and this project will see the company leasing an additional 220,000 square feet of space for its production. The building was gutted and completely rebuilt to accommodate a food manufacturing operation. The move will take place over the summer of 2025. This project will require \$25 million in modifications to the building, and the purchase of \$12 million in new machinery and equipment. The company will utilize the Oregon Department of Agriculture Food Processing M&E Certification for property tax abatement; the Enterprise Zone program will cover real estate improvements and property not eligible for the ODA program.
- At its September 4, 2024 meeting, the Marion County Board of Commissioners approved the **Valley Fab** application for the Rural Industrial Property Tax Exemption. The \$3.7 million project involves the purchase of new laser cutting machinery and construction of a building in Brooks. Eight new jobs are expected to be created and once the three-year exemption ends, the project will generate an additional \$46,000 in annual property tax revenue.
- SEDCOR met with returning president of **Yamasa USA**, Masaaki Moriya, to provide an overview of the work SEDCOR has done with the company. Mr. Moriya was president of Yamasa from 2010-2017 and returned to the company this year. As a follow up, SEDCOR introduced Yamasa's purchasing manager to the supply chain manager at Oregon Fruit Company to see if there are opportunities to do business together in the future.
- On March 4, HCR 12 was passed by the Oregon House, celebrating the centennial of the Oregon Wheat League. Representative Anna Scharf presented each representative with a bottle of Yamasa soy sauce and provided an overview of Yamasa's history in Marion County. SEDCOR facilitated the attendance of Yamasa representatives at the event and the donation of 60 bottles of soy sauce, one for every member of the Oregon House.
- SEDCOR met the new president of **Natural Plant Products** to tour the facility and learn more about the meadowfoam industry. After delays, the company's oil production operation is in full swing, although it has delayed investing in the refining operation, sending raw product to Southern California. The company is looking for opportunities to diversify away from its dependence on the cosmetics market. SEDCOR arranged a follow up meeting on research programs available through Business Oregon such as the Small Business Innovation Research grant program.

- **Pi Fabrication**, formerly **Bechtel Industrial Solutions**, is a parts manufacturer targeting wood products and recycling industries located in Salem. The company invested \$130,000 in new CNC equipment to bring more work in-house and open new potential markets. The company was approved for the Enterprise Zone for its machinery & equipment acquisition by Marion County in January 2025.
- SEDCOR staff worked with **GK Machine** on a second Rural Property Tax Exemption for machinery and equipment totaling \$5.4 million. This project will create an additional 18 jobs, bringing the total number of employees up to 194, and will generate an additional \$76,000 annually in property tax.
- SEDCOR toured the new **Freres Engineered Wood** mass timber warehouse with Rob and Kyle Freres and discussed opportunities for mass timber to be used in for other industries like data centers. SEDCOR followed up with an introduction between Freres and **PacTrust**, who has developed several buildings in Mill Creek and is planning a third phase of development there.
- The **City of Silverton**'s Business Retention & Expansion survey report has been completed. SEDCOR participated in several of the BRE visits to traded sector companies in the Silverton area. SEDCOR will follow up with the city to address the critical challenges identified in those interviews, e.g. limited industrial space, workforce shortages, and issues with employee retention. The availability of suitable commercial and industrial land is a limiting factor for business retention and growth, with 77% of businesses reporting insufficient space for future expansion, and 66% reporting that they have no plans to expand at their current location due to space constraints.
- SEDCOR hosted a workforce housing roundtable on March 6 to hear from area employers and developers about the challenges they face. Among the participating businesses were **Garmin, Yamasa, Rich Duncan Construction** and **Kaufman Homes**, joined by **Salem Health, Chemeketa Community College** and **Habitat for Humanity**. This was one of several roundtables held in advance of the Build Mid-Valley workforce housing summit which took place on April 22 with the Missing Middle Housing Fund.
- **Jackman Industries**, a Salem-based manufacturer of pipe flashing, was approved for the Enterprise Zone incentive. The \$300,000 project will allow the company to expand into a new product line, creating at least one new job. SEDCOR successfully argued for the inclusion of the molds in the EZ incentive after an initial rejection from the Marion County Assessor's Office. The investment will generate an estimated \$9,000 in annual property tax revenue after the incentive.
- **Whiskey Hill Smokehouse** in Hubbard has applied for the Enterprise Zone for its expansion into a new facility in Hubbard. The company currently manufactures beef jerky in a 6,000 sq ft plant in Hubbard. The company has been in business since 2012, and demand for its products has risen enough to require additional capacity. Under a new subsidiary, NourishCraft, the company is expanding by leasing a new 19,000 sq ft facility to launch complementary products, with a healthier focus. The \$928,000 investment will add up to 19 jobs and create estimated annual property tax revenue of \$19,000 after the incentive. SEDCOR has also been assisting the company to be better prepared for third-party audits required by its new customers.
- Erik met with the leasing team from **PacTrust** to provide an overview of SEDCOR services and resources available to their tenants in the Mill Creek Corporate Center. PacTrust recently brought the promotion of available space in-house, so this provided a great opportunity to let them know how we've assisted their tenants like **Natural Plant Products** and **Agility Robotics**. The PacTrust team is working with Raw Advantage, the pet food company at Mill Creek which is considering an expansion at one of its facilities. (Raw Advantage was acquired by the **BrightPet Nutrition Group** in

2023). SEDCOR will follow up with PacTrust to set up a meeting with the local Raw Advantage team to discuss incentives for growth.

- SEDCOR met with Woodcrafters, a Salem-based company that produces customized doors, trim, flooring, and millwork, mostly for contractors. It is planning to expand into a new, 50,000 square foot building at the Mill Creek Corporate Center. The company, which celebrated its 50th anniversary in 2024, will be adding at least 5-10 jobs to its current base of approximately 40 employees. They are also planning a second building to provide some leasable space for additional manufacturers. They hope to begin construction by the end of 2025. SEDCOR provided Enterprise Zone paperwork and a referral to the Energy Trust New Buildings Program.

## Recruitment of Traded Sector Businesses

- SEDCOR hosted a visit from leadership of **Chromo24**, an online marketplace for high-end timepieces headquartered in Germany. The company employs 300 people in its headquarters with an additional 30 in New York City and Miami, and is seeking a West Coast location for a customer service center. It is in the early stages of the search, but the company has identified the Portland to Eugene corridor as a region that provides many of the amenities the company enjoys in Germany, such as access to recreation and agriculture lands. SEDCOR developed a presentation that provided an overview of the area, relevant employment data and examples of available space. The company has had leadership changes and is postponing its planned expansion to North America.
- SEDCOR toured the **Agility Robotics** RoboFab facility in Salem as the company continues to establish its operations here. The company closed its Tangent facility, which gave them proximity to Oregon State, where its technology was developed, and has moved those engineering and R&D jobs to the Salem facility. In follow up meetings, SEDCOR introduced the company's Director of Supply Chain to three potential suppliers in the region and also met with the company's HR team to provide them with an overview of SEDCOR and our partners like Chemeketa, Willamette Workforce Partnership and the CTEC program. SEDCOR also arranged a tour of the RoboFab facility for Marion County Assessor's Office staff. Included were representatives from the Oregon Employment Department and Willamette Workforce Partnership to provide resources as the company prepared to ramp up its hiring in the first quarter of 2025.
- SEDCOR met with the team from **Jones Lang Lasalle** to discuss long term viability of the Salem area for a large data center campus, also driven by PGE's future investment in transmission infrastructure in the region. The consultant inquired specifically about the 400-acre Turner Road site (across from Mill Creek Corporate Center). SEDCOR followed up with the listing realtor and confirmed that only 80-90 acres at most are developable due to floodplain and other concerns. The client seeks at least 200-300 acres for a data center campus in proximity to PGE's Bethell substation. The proposed project would support at least 150 employees but more importantly involve investment in the billions of dollars over time, which would benefit the region in both property tax and franchise fee revenues. In a follow up meeting, SEDCOR connected with the consultant's client, a Kansas-based data center company with operations around the world including Hillsboro, to get to know the project team and plan next steps.
- SEDCOR also met with a representative from Nublock Partners, a California-based real estate firm specializing in data center development. The company is seeking 150-acre (and larger) sites. SEDCOR followed up with an introduction to the PGE Business Development team and will work with Salem and Marion County to schedule a meeting to discuss these opportunities and how we should proceed from a land use perspective.

- SEDCOR has signed an NDA for a **data center project, Project Gridline**, which has optioned two sites in the Mill Creek Corporate Center. Following up on a meeting with the client at the introduction of Portland General Electric business development staff last October, SEDCOR has provided information on zoning and other rules impacting development at Mill Creek and is currently working with the City of Salem on pre-application meetings. The client's project team, including engineers, architects and contractors, have met with several city staff to address questions about access, environmental mitigation, transportation and policies involving the oak trees on part of the site in advance of the formal pre-application process.
- SEDCOR met with the owners of **Sunshine Produce**, a Chinese processor of pumpkin seeds interested in developing a facility in the Willamette Valley. The SEDCOR team had introduced them to a farmer willing to grow a test crop for them, they were very pleased with the results. The project would involve a three-shift operation in 100,000 - 150,000 sq ft of space, with up to 200 employees. The company will contract with farmers to grow what they process, so there will be plenty of supply chain impact as well. SEDCOR provided an overview of the region, some general utility information, and examples of buildings that might fit their needs.

#### Incentive Program Activity:

Company	Location	Investment	# New Jobs	Est. Annual Property Tax Revenue	Recruitment, Expansion, Retention
Hazelnut Growers of Oregon	Donald	\$32,000,000	50	\$140,000 (new)	Retention/Expansion
Valley Fab	Brooks	\$3,700,000	8	\$46,000	Expansion
Pi Fabrication	Salem	\$130,000	1	\$2,600	Expansion
GK Machine	Donald	\$5,400,000	18	\$76,000	Retention/Expansion
Don Pancho	Salem	\$37,000,000	39	\$726,000	Retention/Expansion
Jackman Industries	Salem	\$300,000	1	\$9,000	Expansion
Whiskey Hill Smokehouse	Hubbard	\$928,000	19	\$19,000	Expansion
<b>Total</b>		<b>\$79,458,000</b>	<b>136</b>	<b>\$1,018,600</b>	

#### Entrepreneurial Ecosystem Development

- SEDCOR successfully applied for \$270,000 in funding from Business Oregon to staff the **Mid-Willamette Valley Innovation Hub**, which operates under the **Launch Mid-Valley** banner. The initial funding enabled SEDCOR to contract with Venture Catalyst Mike White as well as to develop a series of events and resources to build out the region's entrepreneurial ecosystem. We kicked off the Innovation Hub with a very successful **Pitch Willamette** event, drawing 60 investors and other attendees to join seven entrepreneurs who were making their pitch. The Innovation Hub has also established Coffee Clubs for Entrepreneurs around the region, including groups in Salem, Stayton, Woodburn and Silverton.

- SEDCOR staff coordinated an AgTech panel comprised of local businesses including West Coast Companies, Ruddenklau Farms and Riddell Farms, as part of the August 2024 visit by **Small Business Administration Administrator Isabel Guzman**. As the SBA funds SEDCOR's **Regional Innovation Cluster** work in AgTech, this provided a fantastic opportunity to share the challenges and opportunities of the industry with the SBA leadership. SEDCOR also arranged for the Administrator, accompanied by Congresswoman Salinas, to tour **Don Froylan**, a company who has made great use of SBA resources.
- In partnership with the **Oregon Entrepreneurs Network**, SEDCOR hosted the Oregon Angel Food Pop-Up & Pitch marketplace in Salem for the second consecutive year. Held in September at the Chemeketa Ag Complex, the event featured 25 local food and beverage entrepreneurs who showcased their products to attendees, including representatives from regional retailers such as **Burgerville**. Participants had the opportunity to market their goods, practice their pitch and connect with potential buyers. The event attracted approximately 100 attendees.
- Erik and Venture Catalyst Mike White represented SEDCOR and Launch Mid-Valley at the inaugural Oregon Innovation Showcase, that brought together investors, tech businesses and entrepreneurs to connect with resources to help launch and grow innovative Oregon businesses. The Mid-Valley was well-represented with Jonathan Hurst of **Agility Robotics** on the "Successful Entrepreneurs" panel, and three SEDCOR clients on the "Deep Tech Quick Pitches" panel including **Canopii** from Hubbard.

## Infrastructure & Workforce Development

- SEDCOR worked with the **Mid-Willamette Valley Council of Governments** to convene employers and community leaders in Polk and Marion County to address workforce housing solutions. The work culminated in the April 22 Build Mid-Valley workforce housing summit, where representatives of communities, employers and developers came together to learn how they can work together to encourage more housing units around the region to meet the needs of the Mid-Willamette Valley workforce. Several work groups continue to meet to address issues and opportunities identified at the summit: Finance and Funding; Unlocking Low-Value Wetlands for Development; Innovation Pilot Project Showcase; Standardizing Design within the Region; Housing Development Data Hub Platform for Centralizing Information; and SDC Reformation.
- Following up on the industry roundtables, a gap analysis was performed to identify the opportunity for educational programming to meet workforce skills needs for **warehouse and logistics** employers. Three main gaps were identified: (1) building multiple pathways from CTE programs of study to careers in the industry; (2) connecting the Chemeketa Custom Workforce department to CTE programs of study using industry recognized certificates and the credit for prior learning; and (3) improving student equity through educational program delivery and credentialing. Chemeketa announced that it would be holding its first session of its warehousing certificate class in August in partnership with MWVCCA's Re-Entry Program.
- SEDCOR was contacted by a local farmer who shared that **TEMCO** announced that it was closing its Portland terminal facility on October 18, 2024. The company cited changing market conditions and the viability of the Portland facility as reasons for the closure. Recognizing that this would be another hit for Oregon agriculture, SEDCOR reached out to the president of the **Oregon Wheat Growers League** for more details as to potential impacts. They confirmed that the closure was coming at what was already a very tough juncture for Oregon agriculture. SEDCOR worked with the Wheat League to stage a meeting at the Chemeketa Ag Complex for valley growers to talk about freight alternatives.

## General Business & Community Engagement

- The SEDCOR Ag Breakfast drew over 160 people to the Chemeketa Ag Complex to hear about the market outlook for the region's agriculture products and learn more about the recent activities and successes of SEDCOR's Ag Innovation Hub. SEDCOR partners AgWest Farm Credit and AgVentures Alliance provided the featured speakers.
- SEDCOR Staff participated in many meetings and other events to support the work in Marion County and represent the needs and challenges of traded sector businesses in the region, including:
  - The Oregon Mass Timber Conference
  - The Dunn-Carney Ag Summit
  - North Marion County Business Resource Fairs
  - Aurora Airport planning sessions for future development
  - North Santiam Drought Contingency quarterly meeting.
  - North Santiam Canyon Local Leadership Meeting
  - Federal Reserve Bank of San Francisco
  - OSU Small Farm Social
  - Routine engagement with Congressional Delegation staff to provide an update on work being performed in Marion County and the Mid-Valley region
- SEDCOR staff presented on its work in the region at several economic development conferences and events including:
  - Oregon Economic Development Association Annual Conference
  - Oregon Economic Development Commission December 2024 Meeting
- SEDCOR staff serve on several statewide boards and committees to represent the needs of businesses and communities in Marion County and the Mid-Valley Region, including:
  - Oregon Economic Development Association
  - Oregon Business Council Food & Beverage Industry Consortium and Core planning team
  - Future Ready Oregon Manufacturing Consortium
  - Missing Middle Housing Fund
  - Oregon State University Extension Community Advisory Network
  - Willamette Workforce Partnership
  - Oregon Mass Timber Advisory Board
- Over the 2024-25 fiscal year, the SEDCOR Marion County Manager:
  - Made **128** visits with Marion County businesses
  - Paid **52** visits to Marion County communities
  - Met with city staff and/or elected officials in **14** Marion County communities over the past year.
  - Attended **157** committee meetings
  - Participated in **28** trainings
  - Spoke at **8** economic development-related events
- SEDCOR continues to manage the **SEDCOR Construction Alliance**, bringing interested industry members together monthly to identify projects that address future workforce development as well as ways to support Marion County communities.
- Members of the SEDCOR team, Business Oregon and the Council of Governments met with **Small Business Administration** staff from the Portland District Office to talk about business financing needs and the regional economy.



- The SEDCOR team met with the **Oregon Department of Agriculture** to discuss the Food Processing Machinery & Equipment Certification Program. SEDCOR was thanked for its outreach efforts, resulting in many projects in the region. Among the companies benefiting from the incentive are Northwest Hazelnut, Don Froylan Cheese, Reser's / Don Pancho and Yamasa.
- SEDCOR hosted the monthly **Stayton-Sublimity Chamber of Commerce** networking event at the Chemeketa Center for Business and Industry. Kip Morris gave a presentation on SEDCOR, resources available and how to engage.
- SEDCOR hosted the **OEDA** Certified Economic Developer Training Series, "Business Finance Training 101". Kip Morris presented on the topic of revolving loan funds and gap financing tools.
- SEDCOR presented at the December 13 **Business Oregon Commission** meeting in Salem. This was a great opportunity to thank the department for its funding to support the Regional Innovation Hub and Latino Microenterprise Development Program, as well as highlight business projects like Hazelnut Growers of Oregon (which received Strategic Reserves funding). Challenges related to industrial lands availability and calling for recruitment activities that better reflect the inventory of buildings and other resources (e.g. power capacity) available in the area were also discussed. The day concluded with lunch between the entire SEDCOR team, Commission members and Business Oregon staff, providing a conversational environment to further discuss activities and issues in the region.
- As a follow up to the Commission presentation, Business Oregon Deputy Director Chris Cummings arranged a meeting between Erik Andersson and Amelia Porterfield, director of the **Governor's Regional Solutions Office**. Erik shared opportunities for Regional Solutions to proactively engage in land use issues around industrial lands, workforce housing and other economic and community development challenges in the region.

## Financial Summary

Revenue from Marion County (7/1/24-6/30/25):	\$160,000
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Expenses:

BRE Wages:	\$94,131
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<u>Benefits (33%):</u>	<u>\$31,063</u>
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Total BRE Compensation:	\$125,194
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BRE Cell phone:	\$1,200
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BRE Office:	\$11,738
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<u>Marion Co. Meals &amp; Travel:</u>	<u>\$5,643</u>
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Total BRE Expenses	\$18,581
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Total Marion County Expense	\$143,775
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Net contribution toward other SEDCOR resources*	\$16,225
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(\* Management, meetings, events, other staff work in Marion County)