



## Economic Development Advisory Board

Wednesday June 8th, 2016

3:30pm – 5:00pm

555 Court St NE Salem – Commissioners' Board Room

### AGENDA

3:30	Welcome, Introductions, and Announcements	Angie Morris
3:35	May Meeting Minutes – Action	Angie Morris
3:40	Economic Development Conference – Discussion / Action	Cavazos & Reich
4:05	GROW EDC 3 <sup>rd</sup> Quarter Report - Information / Discussion	Allison McKenzie
4:20	Infrastructure Development Project – Information / Action	Sarah Cavazos
4:35	Strategic Business Recruitment Fund - Discussion	Sarah Cavazos
4:55	New Business, Comments and Closing	Angie Morris

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### Future Meetings

- July 13<sup>th</sup> at 3:30
- August 13<sup>th</sup> at 3:30
- September 14<sup>th</sup> at 3:30

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### Attachments & Handouts

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| <ul style="list-style-type: none"><li>• 2015/16 Meeting Schedule</li><li>• May Minutes</li><li>• GROW EDC 3<sup>RD</sup> Quarter Report</li></ul> | <ul style="list-style-type: none"><li>• City of Donald Infrastructure Request</li><li>• Economic Development Conference</li><li>• Strategic Business Recruitment Fund</li></ul> |
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Marion County **Economic Development**

Executive Committee	Full Board
<b>Monday, July 6, 2015 at 11:00 am</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, Commissioner’s Office	<b>Wednesday, July 8, 2015 at 3:30 pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room
<b>Monday, August 3, 2015 at 11:00 am</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, Commissioner’s Office	<b>Wednesday, August 12, 2015 at 3:30 pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room
<b>Tuesday, September 1, 2015 at 10:30 am</b> Location: Travel Salem 181 High St NE, Salem	<b>Wednesday, September 9, 2015 at 3:30pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room
<b>Monday, September 28, 2015 at 11:00 am</b> Location: Travel Salem 181 High St NE, Salem	<b>Wednesday, October 7, 2015; 3:00 pm – 5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room <i>*Date change due to Community Projects Grant review</i>
<b>Monday, October 26, 2015 at 1:30 pm</b> Location: Travel Salem 181 High St NE, Salem	<b>Wednesday, November 4, 2015; 3:30pm - 5:00pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room <i>*Date change due to Veteran’s Day</i>
<b>Tuesday, December 1, 2015 at 11:00 am</b> Location: Travel Salem 181 High St NE, Salem	<b>Wednesday, December 16, 2015; 3:00 pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room
<b>Monday, January 4, 2016 at 11:00 am</b> Location: Travel Salem 181 High St NE, Salem	<b>Wednesday, January 13, 2016; 3:30 pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room
<b>Monday, February 1, 2016 at 11:00 am</b> Location: Travel Salem 181 High St NE, Salem	<b>Tuesday, February 23, 2016; 3:30 pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room <i>*Date change due to budget review</i>
<b>Monday, February 29, 2016 at 11:00 am</b> Location: Travel Salem 181 High St NE, Salem	<b>Wednesday, March 9, 2016; 3:30 pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room
<b>Monday, April 4, 2016 at 11:00 am</b> Location: Travel Salem 181 High St NE, Salem	<b>Wednesday, April 13, 2016; 3:30 pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room
<b>Monday, May 2, 2015 at 11:00 am</b> Location: Travel Salem 181 High St NE, Salem	<b>Wednesday, May 18, 2016; 3:00 pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room
<b>Tuesday, May 31, 2016 at 11:00 am</b> Location: Travel Salem 181 High St NE, Salem	<b>Wednesday, June 8, 2016; 3:30 pm-5:00 pm</b> Location: Courthouse Square - 555 Court Street NE, Salem – 5 <sup>th</sup> Floor, BOC Board Room

**Marion County Economic Development Advisory Board**  
**May 18, 2016 Meeting Minutes**  
**555 Court St NE, 5<sup>th</sup> Floor Salem, OR**

**Members Present:** Bill Burich, Kevin Cameron, Thomas Chambers, Bill Cummins, Chad Freeman, Lesa Goff, Bob Hill, Jay Kemble, Allison McKenzie, Angie Morris, AJ Nash, Evann Remington, and Renata Wakeley.

**Staff and Guests Present:** Sarah Cavazos, James LaBar, and Brandon Reich.

**Call to Order: 3:08pm**

**Agenda Item: Welcome, Introductions & Announcements**

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

**Agenda Item: April Minutes**

**Information/Discussion:** Morris presented the minutes and called for comment; request was made to correct the spelling of Evann's name listed under members present.

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

**Agenda Item: Business Development Grant Application Reviews**

**Information/Discussion:** Cavazos collected reviewer scores for each application and solicited feedback on each application, discussion included:

Wilcox Pasture Egg Project grant request of \$20,000 received an average score of 85.25 out of 100 possible points. Strengths of the application included that it was a well written proposal that demonstrated project implementation was well thought out, expanding into a new market for the company, and a growing market in the industry, project supports promotion of Oregon and branding of Oregon in this industry, and the project is working with local manufacturers for equipment design and purchase. A negative of the proposal is that it doesn't score well on increasing the taxable assets of the company. Other discussion included ensuring through contract that the investment are restricted to their Marion County property, and to structure the grant payout over each phase of the project based on job creation timelines.

Truitt Bros. Inc. Pet Food Line Project grant request of \$50,000 received an average score of 92.25 out of 100 possible points. Strengths of the application included the amount of grant funds invested per job created, project will create living wage jobs, increase in taxable assets to the company, project leverages out of state investments, project diversifies the company's products and strengthens them as an employer in the community. Other discussion included the desire to have the purpose of the county's investment articulated in the grant award, noting that the investment is in response to the company's continued investment in keeping and creating jobs in Marion County.

**Action:** A motion was brought forth by Hill to approve the Wilcox application at the requested amount of \$20,000 to fund project implementation in Marion County; a second was made by Cummins. The motion was voted on and approved unanimously.

**Action:** A motion was brought forth by Hill to approve the Truitt Bros Inc. application at the requested amount of \$50,000; a second was made by Cummins. The motion was voted on and approved unanimously.

**Agenda Item: Community Project Grant Application Reviews**

**Information/Discussion:** Cavazos noted that two proposals were received from the community of Stayton and that communities are encouraged to work together to identify a priority project given that no more than one project is funded per community. Cavazos collected reviewer scores for each application and solicited feedback on each application, discussion included:

City of Scotts Mills Community Center Project grant request of \$21,800 received an average score of 82.7 out of 100 points possible. Strengths of the application included a strong need for the project, the community center is a key resource in the small rural community, and availability of capital for improvements is extremely low given the demographics of the community. Weaknesses of the application included a lack of leverage for the grant funds requested, lack of sweat equity, lack of in-kind contributions and other fundraising to contribute to the project. Other discussion included requesting that the city explore areas where they could leverage some form of in-kind match for the

project; suggestions included donation of labor or volunteers time for power washing and/or painting, and donation of materials. Some concerns were expressed with needing to have professional painting for durability and community presentation. Concerns were also expressed with the feasibility of a community the size of Scotts Mills having the ability to raise funds on any level, and if fundraising efforts such as pancake feeds, etc. would compete with other events supporting critical community needs. Consensus of the group was that the project should reflect some sort of leverage, whether in-kind materials or labor and the grant amount should be reduced slightly for the community to demonstrate support for the project.

Stayton Area Ford Institute Pavilion at Pioneer Park Project grant request of \$10,000 received an average score of 86 out of 100 points possible. Strengths of the proposal included the contribution to livability of the community, opportunities to draw people to the community for summer events, ability to provide gathering space for community members, and the amount of funds the grant would leverage. Negatives of the proposal included lack of clarity on if the project would move forward if the fundraising goal was not met by the target date. Other discussion on the project included concerns that the Ford Institute projects are designed to complete projects that solicit support (fundraising) from the local community and that the project should not be funded with grant funds.

Stayton Friends of the Library Community Message Board Project grant request of \$13,771 received an average score of 82.6 out of 100 points possible. Discussion of the application included the amount of funds requested for the type of project, questions were raised as to how this supports economic development efforts, how critical the project is for community development or livability compared to other projects in the community. Based on the competing application and the perceived economic impact of the projects there was consensus among the group not to recommend the application for funding but suggest they resubmit in a future application cycles.

**Action:** A motion was brought forth by Cameron to approve the Stayton Area Ford Institute at the requested amount of \$10,000; a second was made by Kemble. The motion was voted on and approved by majority vote with two members opposing the motion.

**Action:** A motion was brought forth by Hill to approve the City of Scotts Mills with a \$2,000 reduction to the requested amount of \$21,800 for a total grant award of \$19,800 with feedback to the applicant to seek in-kind materials and labor for painting. A modified motion was brought forth by Remington to approve a grant award at \$20,000 with feedback to the applicant to obtain match funds or in-kind support for the remaining \$1,800; a second was made by Nash. The motion was voted on and approved unanimously.

#### **Agenda Item: Board Attendance Procedure**

**Information/Discussion:** Cavazos presented the attendance record for the current fiscal year and noted that there are three newer members who are not attending regularly and have had more than three consecutive absences. Per the bylaws members are to maintain attendance of 65% or better with no more than three unexcused consecutive absences. Given that the EDAB membership is completely full and the number of projects and priorities that are beginning in the coming year, we need to have full engagement of board members and want to start discussion of how we will handle disengaged members to allow room for others who are interested in serving on EDAB. Need to determine a process to ensure that members are invested or create space for those who are. Member discussion resulted in

**Action:** No official action was taken on this item. Group consensus was to implement a process that if a member has missed two consecutive meetings they will receive a phone call from the board chair to check in, provide reminder of attendance policy and obtain feedback on what would make EDAB meetings more valuable and a priority to attend. If a member continues to remain below the required attendance ratio of 65% or better, a letter will be issued by the executive committee. Staff will edit the attendance record to reflect an "E" for excused absence and an "A" for unexcused.

**Meeting adjourned: 4:40 p.m.**

**Economic Development Conference**  
**Proposed Outline**  
June 3, 2016

**Purpose:** To promote Marion County's economic development strategy areas of business development, livability, and infrastructure development and its FY16/17 priorities:(1) Oregon Main Street for rural communities, (2) Business Recruitment and Expansion community assessments, and (3) rural infrastructure development by providing training on relevant topics that will equip city staff, civic leaders, and community volunteers with the means to identify community priorities, create feasible plans, and deploy strategies to achieve their community's economic goals.

**Target Audience:** City staff and civic leaders of rural communities in Marion County. Open for attendance by economic development and city staff and civic leaders in neighboring counties.

**Desired Outcomes:**

- Inform communities of Marion County FY16/17 project priorities.
- Encourage communities to participate in the county's Main Street and BR&E Community Assessment programs.
- Increased knowledge and tools for rural communities to develop and implement short-term plans that will result in economic development activities in their community.

**Potential Training Topics:** See Conference Outline

**Possible Speakers:**

**Becky McCray, <http://www.beckymccray.com/>**

"Using my **real-world perspective as a small business owner**, I deliver concrete take-aways that you can use today to shape the future of your town without getting beaten down by others' negativity. Audiences feel energized and hopeful because they know how they can make a difference in their community despite opposition.

You get down-to-earth advice, based on my current experience as a retail store owner, a cattle rancher and a life-long rural entrepreneur, including the "get your hands dirty" aspects that others gloss over.

My programs on small business, rural trends, economic development and marketing have given practical ideas to audiences at over 150 events including **entrepreneur conferences, business groups, small town conferences, tourism associations, economic development organizations and chambers of commerce in the US, UK, Canada and Australia."**

**Tom Hogue**, Economic Development Specialist, Oregon Dept. of Land Conservation and Development

(Re)thinking Rural Economic Development: Economic development in rural places is not urban development with fewer people and less money. Economic development in rural areas requires the community to identify and build on the different strengths and opportunities unique to rural communities and the rural landscape. That's a challenge in a state where rural activities are controlled by urban theory. Tom identifies rural opportunities and helps spur rethinking rural success and how to get there. He addresses rural topics including: tourism, place-making and destination development, encouraging new industrial activity, building community capacity and the role of agriculture and water in rural economic development.

**EDAB Discussion:**

- Would EDAB be interested in sponsoring the conference?
- How much funds should be allocated to the conference?
- What roles and responsibilities does EDAB want to have in the conference planning?
- What ways could EDAB members participate/contribute to the conference?

# Economic Development Conference Proposed Outline

June 3, 2016

Tuesday September 13, 2016		
7:30 – 8:30 am	Registration and Continental Breakfast	
8:30	<p><i>Opening Keynote</i>                      Speaker: Becky McCray  <b>Topic: Rural Business and Innovation</b></p>	
	<p>Plenary Session                      Speaker Panelists: McMinnville, Sandy, and Sisters                      Moderators: Becky McCray &amp; Tom Hogue  <b>Topic: Small Town Big Success - Rural Main Street Successes</b></p>	
	<p>Plenary Session                      Speaker Panelists: RDI, The Dalles and Woodburn  <b>Topic: The Value of a Business Recruitment and Retention Community Assessment</b></p>	
11:45 – 12:05 LUNCH PICK UP		
12:05 – 12:25	<p>Lunch Keynote                      Speaker: Tom Hogue  <b>Topic: Innovative Ideas for Oregon</b></p>	
12:25 – 12:45	<p>Lunch Keynote                      Panel: Mid-Willamette Valley Council of Governments, Regional Solutions  <b>Topic: Infrastructure Success Stories</b></p>	
12:45 – 1:00 BREAK		
1:00 – 2:00 - Breakout Session One		
Rural Main Street	Funding Your Projects	Misc
<p><b>Topic: Orientation to Main Street</b>                      Presenters: Sheri Stuart (?)                      Outcome: Determine if your community is ready to tackle a main street initiative, and complete the Oregon Main Street Application.</p>	<p><b>Topic: Introduction to Grant Writing</b>                      Presenters: Sarah Cavazos                      Outcome: Grant Template Outline and/or draft grant application contents.</p>	<p><b>Topic: Integrating Small Scale Manufacturing Into Your Downtown</b>                      Presenters: Tom Hogue and Becky McCray                      Outcome: Identify a list of prospective grant opportunities</p>
2:15 – 3:15 - Breakout Session Two		
Rural Main Street	Funding Your Projects	Misc
<p><b>Topic: Developing Action/Work Plans for Downtown Revitalization Programs</b>                      Presenters: Sheri Stuart (?) or Jamie Johnk (?)                      Outcome: Draft Action/Work Plan for your community.</p>	<p><b>Topic: Introduction to Grant Prospecting</b>                      Presenters: CCI or UW contact                      Outcome: Identify key elements of current projects for matching with funder priorities.</p>	<p><b>Topic: Developing Strategic Partnerships</b>                      Presenters: CCI or UW contact                      Outcome: Identify a list of prospective grant opportunities</p>
3:30 – 4:30 - Breakout Session Three		
Rural Main Street	Funding Your Projects	Misc
<p><b>Topic: Building Your Leadership Team</b>                      Presenters: TBD                      Outcome: Identify a list of prospective community members to engage as leaders in your community development process.</p>	<p><b>Topic: Panel of Local Grant Funders</b>                      Presenters: OCF, Ford Family Foundation, and Oregon Parks and Recreation.                      Outcome: Identify a list of prospective grant opportunities</p>	<p><b>Topic: Beginning a Business Recruitment &amp; Retention Effort</b>                      Presenters: Jamie Johnk (?),                      Outcome: Identify a list of prospective grant opportunities</p>

Other Topic Ideas:

- Elements of a business ready community
- How to make your community attractive to business
- How to make your community attractive to entrepreneurs
- Maintaining Small Town America with Community Development
- Creative Strategies for Infrastructure Development



## EXHIBIT D – QUARTERLY REPORT



## Economic Development Allocations Quarterly Report

<b>Organization:</b>	<b>GROW EDC</b>		
<b>Quarter Ending:</b>	<b>March 31, 2016</b>		
<b>Allocation:</b>	<b>\$60,000.00</b>	<b>Received YTD:</b>	<b>\$60,000</b>

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 – Launch a regional tourism initiative

In the first quarter of 2016 much of our time and energy went into planning, recruiting for and hosting the first of our two rural tourism accelerator studios with Travel Oregon, focused on outdoor recreation opportunities in our region from Aumsville/Scio to Marion Forks & Breitenbush. These trainings, the online video trainings between studios, and the follow-up coaching for our action teams are designed to help our region build a compelling outdoor product and brand, build relationships between tourism businesses and attractions, and create high value authentic experiences for visitors to Oregon. Tourism is the third largest industry in Oregon. Our aim is to become a visitor destination in our own right, thereby deepening and strengthening the role that tourism plays in our local economy.

In preparation for these events we solidified our steering committee, which met several times before the first event, organized and hosted a familiarization (FAM) trip for the Travel Oregon destination development team in February, created a robust asset inventory of the area with special help from one of our Young Professionals, launched a PR campaign to encourage stakeholders to participate in the trainings, and recruited for the studios. In this newly developed pilot program from Travel Oregon these trainings are progressive, with knowledge building from one session to the next. Our goal was to have as many people as possible attend both trainings and take the online video sessions in between. We had 75 people in our first training on March 29.

Next steps: We held our second training on April 12 with more than 70 participants, with 89 individuals participating in the studios overall. With such high participation levels, Travel Oregon recommended that we take on three projects rather than the single project anticipated from these events. Three action teams have formed out of this process with more than 30 volunteers working on creating a regional marketing strategy, building a local tourism network and launching an annual river festival the weekend of the 2017 eclipse. Travel Salem, the chambers of commerce, DLRABA and other local stakeholders are playing important roles on these teams. More detailed information about the workshops and action teams will be included in the next report.

### 2. Objective – Youth engagement/workforce development.

We continue to look for ways to empower our young professionals group and find a meaningful process for connecting middle and high school students with local businesspeople. This quarter several of our young professionals participated in mock interviews and career days at local schools. We have had preliminary discussions with Willamette Promise and INCITE about potential collaborations for one-day or ongoing learning events that would help connect our young professionals and local entrepreneurs

## **EXHIBIT D – QUARTERLY REPORT**

with local students, and give our students an opportunity to build confidence while they explore local career opportunities. We have also asked INCITE about training some of our young professionals to be facilitators for a youth coaching program that helps build essential skills (decision-making, critical thinking, etc).

Two of our young professionals are also taking lead roles on our tourism steering committee. During our first tourism studio, hospitality business owners discussed the challenges they have finding and keeping competent staff, particularly in the kitchen and especially in the upper canyon communities. One concept that came out of that studio is to explore how we might be able to tie our tourism initiative into a workforce development project that could help create a local employee base for restaurants. These workforce conversations are continuing.

Next up: Explore the curriculum used in the student/parent coaching at Aumsville elementary to see if it might be an appropriate alternative to the more intense and lengthy essential skills INCITE program.

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### **3. Objective – Launch a community-based lending program.**

This quarter we met with MESO (Microenterprise Services of Oregon) to discuss alternative lending programs for entrepreneurs, and have had preliminary conversations with Community Lending WORKS about their program based in Springfield. Both programs could provide a source of capital for businesses that are not quite strong enough for traditional lenders.

Next up: schedule a workshop and facilitated meetings with MESO and/or Community Lending WORKS for local entrepreneurs OR introduce three local entrepreneurs (already identified) to these programs as part of a pilot project to test the viability of using these programs in our area

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### **4. Objective – Apply value chain methodology to the natural resources industry.**

This project is on hold right now. For a value chain process to work there must be an existing problem of demand that has not been met, and any major industry players need to be enthusiastic about and committed to the program. This is a long-term process and requires the involvement of multiple stakeholders to work. We have not yet identified an existing problem of demand or checked in with our key local stakeholders to see if we can use this process in the wood products industry.

We do see how this methodology can be applied to tourism, and will consider this structure as a potential framework for future work and collaboration if we think it will provide enough value for the investment required.

Next up: conversations with SEDCOR and our key wood products manufacturers to ascertain demand and interest.

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### **5. Other – Individual and small business consulting.**

Seventy-two clients received direct services from GROW in the fourth quarter, 64 of whom received individual counseling sessions and 64 of whom were returning clients. Two of these existing clients required unusually extensive help into the first quarter of this year, with lengthy and multiple counseling sessions. In addition to the first rural tourism studio, we held 7 learning events this quarter with 52 total attendance. When we include the tourism workshop, total attendance at workshops was 127. Our client contact hours were quite high for this quarter, nearly double our already high norm. GROW

## EXHIBIT D – QUARTERLY REPORT

clients come from a wide variety of industries, but the top three are services, retail/wholesale and hospitality. As a result, many of our clients are involved in the tourism initiative and have become more active with GROW in recent months.

Next up: our *Small Steps, Big Results* monthly class and our Young Professionals groups go on hiatus over the summer. We are planning a workshop for restaurant owners, a field trip to Dayton to explore how they used their Main Street program to build a local tourism economy, and an alternative lending workshop for local entrepreneurs. In early June our tourism coach from Travel Oregon spent the day with all three action teams and the steering committee. The steering committee will receive coaching from our tourism coach for the next few months. We will be asking Travel Oregon to continue that in-person coaching with our action teams on a quarterly basis too.

### 6. Other – Please provide a brief narrative of other items of importance not identified above.

- We continued to work with the Aumsville PARC board & staff to help them successfully operate the school-year phase of their United Way partners in education grant. This includes an after school homework & arts program, parent coaching, a Science Night to explore healthy food options and a June Safety Day during the school carnival. We continued to work with this group to overcome logistical and management hurdles as they finished the school-year programs and prepared for their summer reading/literacy program.
  
- A Douglas Fir National Monument has been proposed for a gigantic portion of our region in forest lands that are already very well-protected. When we learned about this proposal in February, we informed the Linn Co commissioners, Rep. Sherrie Sprenger and other key stakeholders (Marion Co was already aware of the issue). During a meeting with Sen. Merkley’s office we learned that this proposal is still in its very early stages and is not likely to move forward anytime soon. We remain concerned about a monument’s impact on our wood products industry as well as the tourism industry we are building here and will continue to monitor this situation

### 7. Activity and Output Metrics. Complete the following for each quarter.

Number of Clients	Q1	Q2	Q3	Q4	Total
# of new clients	19	10	8		
# of returning clients	58	53	64		
<b>Total Active Clients</b>					
Type of Clients	Q1	Q2	Q3	Q4	Total
# of clients with existing businesses	67	58	65		
# of clients with prospective/new businesses	10	5	7		
Services Provided	Q1	Q2	Q3	Q4	Total
# of clients that received counseling	64	50	64		
• # of individual counseling sessions provided	150	114	172		
# of workshops/ events held	4	6	7		
# of individuals participating in workshops	31	28	26		
Total # of workshop attendees	58	52	52		
Travel Oregon rural tourism studio workshop attendees – March 29			75		
Total # of client contact hours (includes all activities, workshops, counseling, etc.)	2130	2441	4727		

## Donald Industrial Park Waterline Installation Grant Request

**Requesting Entity:** City of Donald

**Financial Request:** \$50,000

**Grant Fund:** Infrastructure Development Fund

**Background:** The Donald Industrial Park is located on the east side of I-5 within the Donald UGB and consists of a 30 acre industrial parcel. The owners have phased the industrial park into four areas for development, with construction beginning on the first area this summer. While the city can provide enough water for the development there is no waterline to the property. The water infrastructure needs to be built for the owners to move forward with development of the property. Upon completion of the first area, the developer plans to continue developing the industrial park over the next few years. The original estimates provided by the engineer for boring and construction of the waterline significantly increased due to a gas line and utility line discovered while boring under the railroad track. The city does not have the capacity to absorb the increased cost in order to move the project forward, and is seeking funding from Marion County and Business Oregon's Infrastructure Finance Authority.

### Project Impacts:

- New 240,000 sq/ft industrial building.
- If occupied by a manufacturing industry, the project would include approximately \$17+ million of taxable assets in equipment.
- SEDCOR has recruited a potential tenant for the 240,000 sq/ft building with the potential of creating 50-100 jobs.
- The region's industrial vacancy rate is just over 2%; developing the infrastructure will increase the available "shovel ready" industrial lands and increase the potential for additional future jobs in Marion County.

### Other Considerations:

- The total project cost is estimated at \$297,764. Donald's Water System Development Fund has a balance of \$55,000 that will be allocated to the project, leaving a funding gap of \$242,764.
- Donald is working with SEDCOR to submit funding requests to Business Oregon's Infrastructure Finance Authority (IFA). An investment by Marion County would help the city to leverage IFA funds.
- If funding is not secured through Marion County and IFA, the project will be delayed in order to propose a bond measure to residents.

### Recommendation

Fund the proposal at the requested amount of \$50,000 with monies from the Infrastructure Development Fund.

## Strategic Business Recruitment Fund Discussion

June 8, 2016

**Background:** Consistent with the intended purposes of Oregon Lottery funds, historically the Commissioners have utilized Marion County Oregon Lottery dollars to package with city and state programs to incentive employers to locate and create jobs in Marion County. Due to the competitive and timeliness of the recruitment process, these projects are not positioned to compete in staggered grant cycles but are critical to securing large private investment and large scale job creation projects in the county. At the Oregon Lottery Work Session with the Board of Commissioners in March 2016, a recommendation was made and approved to establish a Strategic Business Recruitment Fund as one of the county's economic development funding strategies to increase job creation in Marion County. The budget was approved at \$125,000 in FY16/17 and anticipated to be \$75,000 per year in the future.

**Purpose:** The Strategic Business Recruitment Fund is intended accrue across fiscal years to provide the resources for employer recruitment when opportunities arise. The fund will provide grants for eligible projects newly locating in the county and major expansion projects that will result in a large number of new traded sector jobs in Marion County.

**Process:** This will be a closed fund that does not accept unsolicited applications. Due to the confidential nature of the recruitment process SEDCOR will present opportunities directly to county staff and work with staff and commissioners to approve allocations.

**Potential Criteria:**

- Size of private investment
- Number of jobs created
- Job wages
- Potential impacts to increase jobs or investments through supply chains or neighboring sites