

# MINUTES

**Lane Economic Committee**  
Lane Council of Governments – 5<sup>th</sup> Floor Conference Room  
859 Willamette Street – Eugene

November 21, 2011 – 11:30 A.M.

**PRESENT:** Rob Scoggin, Chair; Jacque Betz, Mike Galvin, Don Hampton, Barry Miller, Ben Sappington, John Sullivan, John Tamulonis, members; Kari Westlund, *ex officio* member; Howard Schesser, Bill George, alternate member.

Steve Dignam (LCOG).

**ABSENT:** Pat Albright, DeAnn Cherbas, Chuck Forster, Greg Rikhoff, Mike Sullivan, Ellen Teninty, Sean Vangordon, Faye Stewart, members; Deb Schmidt, *ex officio* members.

**GUESTS:** John Kein, Mike Murphy, Pat Straube, Parrish Van Wert, Kevin Watson.

Chairperson Rob Scoggin called the meeting of the Lane Council of Governments (LCOG) Lane Economic Committee (LEC) to order at 11:35 a.m. He invited those who were present to introduce themselves. He said there was no report from the Chairperson. He determined that no member of the public wished to make a comment and that there were no requests to change the published Agenda.

## 1. Staff Report

Steve Dignam reported that the membership terms of five LEC members were expiring at the end of 2011: Jacque Betz, Chuck Forster, Ben Stappington, and Sean Vangordon. He said a Membership Subcommittee needed to be formed to make recommendations regarding reappointments. Rob Scoggin, John Sullivan, and John Tamulonis volunteered to serve. He suggested that the Subcommittee also consider the membership status of those with significant lack of participation.

## 2. Approval of Minutes

*Mike Galvin moved, seconded by Ben Stappington, to accept the minutes of the October 17, 2011, meeting. The motion was adopted unanimously, 8:0.*

## 3. LEC Work Plan

Mr. Dignam referred to Agenda support material entitled “Review of LEC Work Plan” dated November 21. He reviewed the eight items it included and invited members to comment on them, suggesting their value to continue as priorities for the efforts of the Committee.

John Sullivan said he believed the number of items on the Work Plan should be reduced to no more than four. He suggested that the second item listed was the most important: *Coordinate efforts with other local, regional, state, and federal economic development organizations in order to maximize efficient delivery services.*

Mr. Sullivan further suggested that opposing the proposed closing of the Peach Health behavioral health inpatient unit (*aka Johnson Unit*) could be identified as a specific issue for LEC efforts.

Pat Straube said she believed the Johnson Unit should never be closed, since the new State Mental Hospital to be constructed in Junction City was only planned as an upgrade for long term services provided in existing outdated facilities.

Mr. Sappington proposed that Work Plan Items 2 and 7 could be combined and presented as a concern at a forthcoming regional summit for area elected officials.

Mr. Sullivan said that the LEC was likely the most informed cross-section of economic development leaders in Lane County.

Barry Miller said he believed that a local emphasis about job development would be productive for the LEC to promote.

John Tamulonis said he agreed and that small business efforts in Springfield could be more effective if they were expanded Countywide.

Kari Westlund suggested that LEC members were the recipients of much important economic development information, but that the "right way" to reach out to the community with it had not yet been developed.

Chairperson Scoggin said the LCOG Board of Directors had encouraged the LEC to become more influential, but that lobbying on issues was not included in its charge or bylaws. He suggested that they could be changed to accommodate such emphases.

Mr. Hampton said he believed the LCOG Board was interested in developing, on the State level, efforts like the annual Lane County United Front federal lobbying program.

Mr. Hampton suggested that Work Plan item 4 about creating rural fiber communication links had already been accomplished and should be eliminated.

Mr. Hampton also suggested that the LEC meeting include regular/quarterly meeting reports by economists in the Lane County area. He said it would be helpful to receive such reports from persons with a variety of views.

Mr. Dignam said he had asked LEC University of Oregon representative Greg Rikhoff to follow up on the suggestion with University Economist Tim Duy.

Mr. Hampton suggested that local agricultural interests appeared to be doing a good job of encouraging "buying local."

Mr. Tamulonis suggested that Work Plan item 5, increasing awareness of and access to government loan programs, was a goal that could easily be accomplished. He said he was also aware that local bankers have money to lend but that there were few qualified applicants. He pointed out that the availability of money did not expand business development, and that the demand for products and services did.

Mr. Hampton suggested that the LCOG Board of Directors would benefit from regular reports from the LEC. Mr. Sullivan added that approving the LEC staff and/or Chairperson as *ex officio* members of the Board would also improve its members' awareness of economic issues.

Mr. Galvin reported that the Lane County Economic Development Committee had reduced its meetings to quarterly since there were few State lottery funds available.

Members continued to discuss the Work Plan, concentrating on efforts to increase influence with the LCOG Board of Directors, cooperate with the Lane County Economic Development Committee and advise the Cascades West Financial Services.

***Mr. Sullivan moved, seconded by Mr. Galvin, to form an Advisory Committee to participate and select a group of advisors to Cascades West Financial Services from the local community. The motion was adopted unanimously, 8:0.***

Mr. Dignam, based on the discussion of members, proposed a new priority listing of items on the LEC Work Plan, as follows:

1. (Formerly #2) *Coordinate efforts with other local, regional, state and federal economic development organization, in order to maximize efficient delivery of service.*
2. (Formerly #5) *Support and increase various government loan programs for small business, including the U.S. Small Business Administration.*
3. (Formerly #3) *Promote and help implement economic development strategies identified in the 2009/10 Eugene Prosperity Summit.*
4. (Formerly #7) *Provide a forum for the exchange of information regarding economic development opportunities and programs.*
5. (Formerly #8) *Assist local communities and particularly rural communities to define and coordinate their economic development strategies.*
6. (Formerly #1) *Improve and increase communication with the LCOG Board.*
7. (Formerly #6) *Provide local input into the regional Comprehensive Economic Development Strategy process.*

Mr. Dignam said he would communicate with LCOG Executive Director George Kloeppel about Work Plan Item #6 and felt the suggestion of having regular LEC reports on the Agenda of the Board of Directors meeting would be positively received.

Ms. Betz suggested that *ex officio* member Glenda Poling be asked to report to the LEC regarding Lane County economic development activity as a way partially to fulfill Item #1.

Mr. Dignam said he would extend an invitation to the Lane County Economic Development Committee to provide a liaison with LEC as a way partially to fulfill Item #1.

Mr. Dignam reported that that an elected official regional summit may take place in the first quarter of 2012 and that he would seek to participate in its planning as a way partially to fulfill Item #1.

Mr. Dignam reported that it was unlikely that an update to the regional Comprehensive Economic Development Plan would take place in the next year.

Mr. Galvin suggested that a quarterly report be made at an LEC meeting about the regional fiber installation, as a way partially to fulfill Item #4.

Mr. Tamulonis suggested that the LEC Work Plan priority listing be reviewed quarterly.

#### **4. Economic Development Activity in Junction City**

Kevin Watson stated that he was the newly appointed City Manager of Junction City. He reported on the status of the development of an Oregon State Mental Hospital and Prison in the City.

Mr. Watson said the required additional water tower had been constructed on the site south of the existing City limits and that extension of water and wastewater lines to it would be completed in November. He explained that an application for an expansion of the Junction City Urban Growth Boundary (UGB) to include 257 acres to the south was being processed. He said additional property to the south of the proposed development had been purchased and would be developed by relocation of the existing Grain Millers west coast operations from Eugene.

Mr. Watson reported that the Hospital would be constructed first and that State planning work had begun. He said it was planned that it would include 174 beds, larger than the existing facilities in Portland and Pendleton, providing for increased rehabilitation services. He said the Hospital would require approximately 500 employees and that many were expected to transfer from the existing facilities. He said its operating funds would be those already budgeted.

Mr. Watson said a minimum security unit with 530 beds and 200 employees would be the first element of the Prison constructed. He said it was estimated to be completed in 2013. He said a medium security unit was planned for completion later which would accommodate approximately 1,000 inmates.

Junction City Chamber of Commerce President and Chairperson of the Oregon State Prison Citizen Advisory Committee Pat Straube suggested that the immediate impact of the developments would be limited to construction, but that it was likely there would be long term positive economic effects. She said that preparations were being made for high school and Lane Community College to provide for employee job training. She said it was likely that currently existing housing and schools in the City would be able to accommodate expected population growth.

Mr. Tamulonis pointed out that families of patients and inmates would likely affect the economy of the City, but that studies showed that it would also be scattered into surrounding areas.

Mr. Watson reported that extending the UGB provided an additional 80 acres for commercial development, 30 acres for residential development, and 10 acres for parks. He said that a new on-line permitting process had been developed, that an existing federal program for development grants was being revived, and that the Transportation System Plan of the City was being updated.

Ms. Straube explained that Junction City businesses had been seriously affected by the closing of the Country Coach manufacturing plant. She said that the locations of two other closed businesses were being reconstituted and that Guarantee Auto and Recreation Vehicles was planning an expansion. She said that there were a few empty buildings on Sixth and Ivy streets.

Ms. Straube reported that a Ford Foundation had been received by Junction City and Harrisburg that would be used for an enhancement project. She said that the Junction City Chamber of Commerce was being expanded to include Junction City, Lancaster, and Harrisburg.

Members discussed the presentations, including why Dairy Mart no longer used glass bottles for its milk.

Chairperson Scoggin announced that the next LEC meeting would be held on January 23, 2012.

The meeting adjourned at 1:00 p.m.

*(Recorded by Dan Lindstrom)*