

MINUTES

Lane Economic Committee

Lane Council of Governments – 4th Floor Large Conference Room
99 E. Broadway, Suite 400 – Eugene

April 17, 2006 – 11:30 A.M.

PRESENT: John Tamulonis, Chair; Tim Black, Mike Blommé, Denny Braud, DeAnn Cherbass, Glenda Poling, Jim Ramseyer, Hal Reed, Rob Scoggin, John Sullivan, Ellen Teninty, Jenny Ulum, Lynnette Wikstrom, members; Jay Bozievich, Philip Hudspeth, *ex officio* members; Mike Galvin Howard Schesser, Ric Ingham, Robin Onaclea, alternate members.

Steve Dignam, Colin Applegate-Crocker, Dan Betschart, (LCOG).

ABSENT: Anna Morrison, Chuck Forster, members; Deb Schmidt, Kari Westlund, *ex officio* members;

GUESTS: Noa O'Hare

Mr. Tamulonis 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 determined there was no one present wishing to address the Committee.

1. Approval of Minutes

Ms. Poling suggested that the minutes of the March 20 meeting be amended to show that Hal Reed had convened the meeting. Mr. Tamulonis determined there was no objection and the minutes were changed.

Mr. Scoggin moved, seconded by Ms. Poling, to accept the minutes of the March 20, 2006, meeting, as amended. The motion was adopted unanimously, 15:0.

2. Needs and Issues Inventory Report

Mr. Applegate reported that development of introduction and explanation webpage elements of the Needs and Issues Program was complete and would soon be available through the LCOG site. He said basic criteria for evaluation of applications had been established – completion of application, project readiness, leveraged matching funds, direct or indirect job/economic impact, support strategy plan, community foundation building, and local priority identification. He said project submission applications would be sent to previously participating agencies by April 24.

Mr. Applegate reported that LEC members had been invited to provide initial evaluation of the development of the project – Robert Scoggins, John Sullivan, John Tamulonis, and Lynnette Wikstrom.

Mr. Dignam reported that it had been learned that the State of Oregon was seeking federal funding for the organization of a statewide Needs and Issues identification program.

Members discussed development of the program:

- What is meant by “program readiness?” (*Poling*) It is likely that a standard of a project being able to be implemented within a year of application will be developed.
- Is there a way to limit the amount of data required to be submitted? (*Tamulonis*) Seventy-five percent of what was previously required has already been eliminated. Most of what is left will likely be mandatory.
- Will a “weighting system” to prioritize applications be developed? (*Sullivan*) Point systems used in the past, modified to allow increased differentiation among applications, will be proposed by staff.

3. Loan Programs Report

Dan Betschart reported on LCOG economic development loan applications processed in the first quarter:

- Retailer – \$150,000 with Pacific Continental Bank – gap financing for purchase of existing building – creating five new jobs.
- Professional services firm – \$200,000 Small Business Administration (SBA) loan through Siuslaw Bank – purchase of new facility – creating seven new jobs.
- Service company – \$268,000 with SELCO, for purchase of new equipment – creating six new jobs.
- Medical services – \$700,000 with Siuslaw Bank – enabling consolidation of specialty medical services – creating six new jobs.

Members discussed the report: Information about wages and benefits of jobs created is collected, but not reported. Providing benefits is not a criterion for a family wage job. Job creation standards are established by the Oregon Economic & Community Development Department (OECDD). There is increased interest in SBA loans with their recent new funding. New facilities can provide an opportunity for job creation. Tracking of jobs is required biennially, but is checked more frequently because of the difficulty of forecasting accuracy. The LCOG portfolio currently includes approximately \$25-\$30 million of SBA loans and \$5 million of U.S. Department of Agriculture (USDA) rural program loans.

4. Regional Investment Board Application

Mr. Dignam reported that LCOG had recently applied for and been assured that it would receive an additional \$500,000 from the USDA Rural Business Services to be added to its loan program. He explained that such grants required a twenty-five percent local match for which an application had been prepared for submission to the Regional Investment Board (RIB). He said three LEC members served on the Benton-Lane-Lincoln-Linn (BL³) RIB.

Mr. Galvin described procedures followed by the BL³ RIB in awarding resources derived from the Oregon State Lottery. He said the Board was made up of 20 members representing the five counties; that an “ongoing” process of application review was used; that \$800,000 would be available for distribution in 2006; that approval criteria included the creation of one job for each

\$3,000 grant and a five to one local match requirement; that some debate and parochialism was involved in achieving consensus recommendations usually achieved by the Board; that final approval was given by the State; and that he advocated for support of grants to loan programs because they recycled available resources.

Mr. Reed said the most recent BL³ RIB cycle had been the first in which grants had been made to private agencies, because of the strong emphasis placed by the State on job creation. Mr. Ramseyer added that systems were in place to track fulfilling of grant requirement criteria.

Mr. Sullivan asked if jobs created in RIB funded projects were re-counted by other programs and if a Needs and Issues prioritization process was used in awarding grants. Mr. Reed replied that programs such as the MetroPartnership did not duplicate reporting jobs created. Ms. Poling cited 20 jobs created by the fast-growing Bow Tech company in Eugene as an example of the economic development benefit possible with a RIB grant.

5. State of Oregon Review of Economic Development Statutes

Mr. Dignam distributed copies of a March 7 OECD letter to LCOG Executive Director George Kloeppel regarding a review of Oregon statutes requested by the 2005 Legislative Session. He noted that all existing laws would be evaluated for inconsistency and potential improvement. He suggested that members prepare for discussion of the topic at the May LEC meeting.

Ms. Onaclea reported that workforce development programs had not been included as a stakeholder in the process. Ms. Poling said she would ensure that the oversight was corrected.

Ms. Teninty said she believed the lack of state policies hindering local economic development was an example of what should be considered in the proposed discussion.

Mr. Tamulonis announced that the next LEC meeting was scheduled on May 15.

Mr. Galvin asked if it would be appropriate to include discussion of the reasons for and impacts of recent realignment in support for the Region 2050 Project on the agenda of the meeting.

Mr. Tamulonis explained that withdrawal of support for Region 2050 by the City of Springfield was based on its change of emphasis from analysis to control of population growth and a conclusion that fast moving technological changes made 50-year visioning of trends difficult.

Mr. Ingham suggested that Region 2050 land survey and other economic development analyses would continue to be of value to local areas.

Mr. Dignam said he would investigate including such a discussion at a future meeting.

The meeting adjourned at 12:35 p.m.

(Recorded by Dan Lindstrom)

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