

## MINUTES

### Lane Economic Committee

Lane Council of Governments (LCOG), Fifth Floor Conference Room

859 Willamette Street -- Eugene

January 28, 2019

11:30 a.m.

PRESENT: Dan Betschart, Ric Ingham, Mark Bodie, Mike Galvin, Paul Berger, Rick Wiemholt, John Milandin, Jessica McCormick, Ellen Teninty, Mike Eyster, Kari Westlund, Len Blackstone, Karen Hyatt, Larry Brice, Michelle Amberg, Austin Ramirez

GUESTS: Jeff Gepper, Josh Bruce, Howard Schussler, Jared Cobb, Jason Koenders

#### 1. Welcome/Introductions/Changes to the Agenda

In the absence of Chair Rob Scoggin, Ric Ingham convened the Lane Economic Committee (LEC) at 11:35 a.m. Those present introduced themselves.

#### 2. Public Comment

There were no comments. Mr. Berger that he called LTD during the federal government shutdown and inquired whether they would consider free bus passes for federal workers. Within 24 hours, he received a call back and was told they were working on it.

Mr. Berger also made a request for speakers on homelessness and affordable housing programs to present to the LEC.

#### 3. Comments from the Members, Chair & Staff

Mr. Berger reported that he contacted LTD during the federal government shutdown and to inquire whether they would consider free bus passes for federal workers. Within 24 hours, he received a call back and was told they were working on it.

Mr. Berger also made a request for speakers on homelessness and affordable housing programs to present to the LEC.

#### 4. Review minutes from October 15, 2018 and November 19, 2018

##### Action item: Approve minutes

Mr. Eyster moved, seconded by Mr. Galvin, to approve the October 15, 2018 minutes. The motion carried unanimously.

Mr. Eyster moved, seconded by Mr. Galvin, to approve the November 19, 2018 minutes. The motion carried unanimously.

#### 5. Discuss 2019 LEC membership and officer appointments

##### Action item: Recommend nominations to LCOG Board

Mr. Betschart provided handouts and spoke about updating the LEC membership and officer appointments. He noted that Len Blackstone is now the alternate to Greg Ervin on the Committee. He said that all the people on the list he handed out have agreed to continue and be reappointed, and there are

new members listed on the back. He further stated that the Committee recommends the appointments to the LCOG Board, and the Board then approves them.

Mr. Betschart mentioned that Matt Michel of Lane Electric resigned from the Committee, and Jackie Mikalonis also left her position.

Mr. Ingham asked for a general consensus to recommend the list of appointees to the Board, and those present gave such consensus.

Officer appointments were deferred to the next meeting. Ingham: Officer appointments - Betschart: deferred to next time.

Mr. Ingham clarified that Michelle Amberg will be a new primary member of the Committee and Jared Cobb an alternate.

## **6. Economic Resilience in Oregon**

Jeff Gepper, Community and Economic Development Planner for Cascades West COG and Staff Planner for CWEDD (Cascades West Economic Development District), gave a presentation about Economic Resilience in Oregon. He first explained that CWEDD consists of four counties and two COGs. Lane County is combined with Linn, Benton, and Lincoln counties because a single county cannot be its own Economic Development District.

Mr. Gepper began the presentation by explaining what CWEDD is and what a CEDS (Comprehensive Economic Development Strategy) is. The CEDS must be updated every five years and then adopted by municipalities and counties, who can then use those policies to move forward with their own economic development initiatives. The CEDS will next be updated in the fall of this year to take effect in 2020.

Mr. Berger mentioned that the last CEDS update included committees that were never implemented. Mr. Gepper explained that the committees convened for one or two meetings each, but they then fell by the wayside. He is rewriting the bylaws and trying to get the committees restarted while also avoiding any duplication of other efforts.

Mr. Ingham wondered what the funding sources are for the CEDS. Mr. Gepper responded that it is funded through an EDA planning grant, which funds both CWCOG and LCOG. Since we have two organizations in this region trying to convene all the different players and build a consensus, the funds for staffing are about .10 of an FTE. This EDD is represented at the statewide EDDs.

Mr. Ingham asked about cities and/or counties adopting the CEDS. Mr. Gepper clarified that some have done so, but some cities and counties do not adopt it.

Mr. Gepper next spoke about Appendix J to the CEDS, which is the Economic Resilience Assessment. This document is available on the CWEDD website, and Mr. Betschart can provide the link to the Committee (as well as a copy of Mr. Gepper's slideshow). The purpose of this document is to help communities prepare for an economic shock and to give them the ability to recover from that shock. Based on an analysis performed in 2015, our communities have a limited ability to recover from a shock in our region.

The main resilience principles examined in the analysis were as follows: maintain diversity and redundancy in the economy (good in our region); foster complex adaptive systems thinking (not good in our region); broaden participation (there is a need to reach out to businesses for economic resilience

training or to set up a business recovery center).

Mr. Berger interjected that approximately one-third of the people in the region work remotely for companies not located here, and he wondered if that was taken into account. Mr. Gepper replied that he was not sure, but he would look into it with regard to the next CEDS update.

Mr. Gepper continued by sharing that this analysis resulted in a number of recommendations of steps to take to bolster economic resilience, categorized into three principles:

- (1) diversity and redundancy (invest in a diverse and redundant critical infrastructure)
- (2) systems thinking
- (3) broaden participation

Josh Bruce, who helped facilitate last round of CEDS update, presented next.

Mr. Bruce suggested that there should be a capacity to do more cross-regional coordination regarding economic resilience.

Mr. Bruce provided updates on two projects that were driven by the most recent CEDS update. First, FEMA-funded project that involved a \$250k grant over 24-36 months to build the capacity for cross-regional coordination. Second, additional money through the EDA to use the recent eclipse as a way to understand how economies fared statewide with a major event.

Mr. Gepper spoke first about the eclipse project, which included representation from CWEDD and the Mid-Willamette Valley EDD, targeting all five EDD's crossed by the path of totality. The project used a framework of a triangle with resilience in the middle, and with leadership, collaboration, and preparation as the three points.

The project consisted of three phases:

Phase 1 - Resilience Assessment

Phase 2 - Training Needs Assessment

Phase 3 - Resilience Best Practices Toolkit

Currently, they are still in phase two, training statewide EDD leadership, and they plan to do more localized training over the next couple of months.

Mr. Bruce reported that the findings of this project were categorized into Processes, Structures, and Resources, and within each category are three sets of trainings that could be developed. They tried to then categorize the trainings with respect to how easily they could be communicated. They have prioritized trainings about business recovery center operations, model language (how jurisdictions could pre-adopt a recovery ordinance), and how to think about directory templates (if a major event occurs, there are people to reach out and talk to).

Mr. Bruce shared a document that is a training tool reflecting how we can help Economic Development Administration officials to understand what a business recovery center is, how to put it in place, and what to do when an event occurs.

Mr. Bruce wondered what how to define an economic downturn. Mr. Bruce responded that it depends on the situation. They referred to how the EDA defines it on their website, [restoreyoureconomy.org](http://restoreyoureconomy.org). With respect to events, they are stresses or shocks that an economy must withstand, such as a flood, wildfire, or government shutdown. They did not place a dollar amount or capacity constraints on such event, because the numbers will be different based on the locality.

Mr. Bruce summarized by stating that economic resilience is a new concept, so they need to start pretty high-level in terms of engaging with community members. They are just now introducing concept of a business recovery center and starting to think about its framework.

Mr. Bruce then provided an update on the other ongoing project stemming from the last CEDS update, which is the district-specific FEMA-funded project. A student team focused on workforce investment, economic development resources available, private sector finance, and one other category. Students engaged with professionals in those areas and came back with recommendations to the district Board. Participation was low due to capacity and staffing constraints, but the research resulted in a good concept of what the capacity constraints are. They brought recommendations to district board, and they have been given direction to work with specific communities. The initial pilot program is to work with the city of Veneta starting now, through June. They are considering other small jurisdictions within the district that might be able to participate, which will possibly result in two or three additional pilot programs. They have through April of 2020 to spend the grant funds down, and they hope to use it to get district partners talking about resilience.

Ms. Westlund observed that strategies in resilience flow chart center around communications. She noted that conversations today are around staff changes on a micro scale, so on a macro scale, a big issue to deal with is how to keep the base of knowledge together as people come and go. Mr. Gepper agreed, and he spoke about a pilot program in Central Oregon regarding a business recovery center, where all that knowledge would be housed.

Ms. Westlund added that from the perspective of the tourism sector, the eclipse was impactful. Relationships were built in preparing for the eclipse, and those became helpful when wildfires occurred afterwards. Mr. Gepper remarked that they are trying to figure out how to make those relationships into a permanent network.

Mr. Blackstone asked how much input was obtained from private businesses in the research. Mr. Bruce replied that there was very little interaction with private businesses. They did some outreach through a business event at LCC. He noted that another project he was involved in also had trouble getting businesses to the table. He acknowledged that talking to business leaders is still a challenge. Continuity of business plans is a best management practice, and they need more of an appetite as to how to make that happen. Mr. Blackstone noted that if a business recovery center is to help businesses with their specific issues, input from private business leaders is key. Mr. Bruce said that the challenge of making the region more resilient is compounded by the fact that many of our businesses are small. How to engage the small and medium business owners remains a challenge, as well as how to bridge those interests with the government-controlled critical infrastructure relied upon by these businesses.

Mr. Berger spoke about medium-sized businesses having disaster recovery people around Y2K, and those were usually IT people. He wondered if small businesses still have disaster recovery positions, even if the titles are different.

Mr. Ingham suggested that chambers of commerce should have some role, as small and medium businesses are chamber members, at least to spread awareness and to help get them engaged. Mr. Bruce agreed and stated that the people on this Committee can help make those connections. He also mentioned that, anecdotally, it is difficult to engage people from chambers of commerce.

Mr. Bruce remarked that initial training in economic resilience will focus economic development people. They can train at the regional level, and then those people who have been trained can bring it back to the localities.

Ms. Teninty noted that business recovery centers are designed to restore what already works, but a lot of our region doesn't have systems that work already. Therefore, we need to be mindful of resources that go to programs to restore things that are working, but we also need to invest more resources in things that aren't working so they can be resilient.

Mr. Brice suggested to Mr. Bruce that he might want to make a clear distinction between a severe economic downturn vs. an environmental event.

Mr. Brice suggested that with respect to committees, putting more emphasis on rural economic development would help. More recovery is needed in rural areas.

Mr. Bruce concurred that the condition of the communities before the event happens is the single biggest determinant. They are trying to build structures to help improve economies before a big event. If a single industry community loses that industry, it won't be very resilient.

Mr. Wiemholt mentioned that 65% of Oakridge residents who work actually work in Eugene or Springfield, and this is a big concern.

Mr. Bruce referred back to the CEDS, acknowledging that all of this is connected at the regional level. The model of subcommittees came about because the way the CEDS had been updated in past cycles did not work with communities across the region. Now they are questioning what sort of structure and resources need to be put in place.

Mr. Blackstone commented that solutions are always local, but they are supported by the region.

## **7. Nomination for LCOG annual Regional Award of Merit for Economic Enhancement**

Mr. Betschart added this item to the agenda. He announced that Courtney Griesel was suggested as a nomination for this award, which is handed out at the annual LCOG banquet. The LEC makes a recommendation which is passed on to the LCOG Board.

Mr. Eyster acknowledged that Courtney Griesel has been doing important and effective work. Mr. Ramirez seconded this sentiment and added that she has been working very hard.

Mr. Ingham asked the Committee members if they had any other names to suggest. No one did.

Mr. Eyster moved to recommend Courtney Griesel to the Board as the nomination for the award, and Ms. Teninty seconded the motion. The motion passed unanimously.

## **8. Roundtable Discussion - updates from members**

Ms. Westlund remarked that she has been on the LEC for more than twenty years, and the Committee only hears about CEDS when it is updated. She suggested that there should be a way for the LEC to stay connected to the CEDS between update rounds.

Ms. Teninty provided updates about projects in which her company, Cogito, is involved. With the downtown riverfront park, design is almost 100% done, review meetings on specific aspects are coming up, and there is an open forum at UO on February 12th, with construction starting in June with the clearing of the riverfront. With Franklin Boulevard between I-5 and Alder, the redesign process is starting with an open house. The Beltline planning process between River Road and Division is moving

forward and working toward the addition of a second bridge between the Delta region and River Road region as well as expanding the bridge. The construction of the Delta Beltline interchange might be pushed back a year due to the I-105 construction. The River Road Santa Clara neighborhood plan is moving forward. The construction on 126 toward Veneta (widening the road) will go back into construction when the rain stops. There are issues with Whitaker parks, in that it is hard to plan neighborhood parks because of drugs and mental health issues. They may be working on town square planning. On the coast, they are working on bridges, helping historic bridges to last longer.

Ms. McCormick provided an update from Lane Workforce Partnership. She suggested that it might be beneficial for LEC to hear from the Shine program. When a company or business closes, LWP helps with access state funding. Now they are piloting a program through RAIN Eugene to help businesses adapt and pivot before they have to shut down or lay off employees. They hope to expand the program to the rest of the state.

Mr. Milandin reported that the Oakridge Chamber of Commerce is working with school system to put in CTE to support schools' efforts to recover. They lost 26 career-type programs and want to reinstall those. A few have started, including shop and mechanics. The community is pulling together for a CTE committee to support the schools, with help from LWP.

Mr. Wiemholt shared updates from the Oakridge Economic Development Advisory Committee. Oakridge did not have a plan as to how to interview companies who might want to do business in the area. He started working on developing operation guidelines for an economic development group and a vetting process to screen companies.

Mr. Schussler reported that LCOG regularly uses the CEDS to apply planning goals and objectives.

Mr. Brice asked Ms. Teninty how quickly the riverfront project will move. Ms. Teninty responded that the riverfront park component is moving the fastest. The steam plant just released some plans, and the survey is out for that right now. The whole neighborhood will be developed, and the land deal has just been signed, but some design has already been done. Contractors are working on streets, sewer, and infrastructure. In response to a question from Mr. Brice, Ms. Teninty added that the I-105 project will last two years.

Mr. Gepper reported that he uses the CEDS all the time, but it is not used as much locally.

Mr. Blackstone reported that Cottage Grove has a building ready to add 8 new apartments downtown, with an investor from California. Mr. Blackstone and his wife bought a historic building on Main street and are rebuilding it. Mr. Berger inquired about tiny house development, and Mr. Blackstone replied that Lane County funded four tiny houses for a veterans' group with \$500,000.

Mr. Galvin, of the Lowell School Board, reported that Lowell is undergoing a downtown gentrification, which includes where it is, parks, a master plan, and schools. Lowell High School has a graduation rate of 96.4%.

Mr. Bodie had no updates.

Mr. Ramirez reported that he is taking over attending LEC meetings for Sarah Means.

Ms. Hyatt reminded the Committee that she is always glad to help bring speakers from UO.

Mr. Eyster shared that he chairs STIF Advisory Committee, which allocates about \$13 million from the

state to transit improvement. There is a section specifically designed to link rural communities. They are looking at proposals of additional transportation between Florence and Eugene, and also between Florence and Yachats.

**9. Set next meeting date: February 25, 2019**

Mr. Ingham announced that the next LEC meeting will be on February 25, 2019.

Mr. Ingham adjourned the meeting at 12:52 pm.

*(Recorded by Rachel Burstein)*