

MEETING MINUTES

ATTENDEES: George Cress, Jeff King, Elena Uhing, Eduardo Corona, John Hayes, Howard Sullivan, Tim Budelman, Peter Truax, Michael Sykes, Don Jones, Hope Kramer, James Draznin, John Hayes, Bruce McVean, Nyssa Rivera, Guy Storms, Robert Weaver, Jim Flemming.

ALSO ATTENDING: Connely Woody, Commercial Broker CRA

1. CALL TO ORDER:

The meeting was called to order @ 12:08 p.m. by EDC Chair Tim Budelman.

2. CITIZEN COMMUNICATION:

None.

3. APPROVAL OF JULY 10TH, 2014 SUMMARY MINUTES:

Bruce McVean moved to accept the meeting minutes as presented. Seconded by Hope Kramer. The minutes passed unanimously.

4. ADDITIONS/DELETIONS & STAFF SUMMARY:

Jeff King reported on the status of Chaucer Foods, which should be starting up by the end of this year. He also mentioned that there is potential for 150 employees and a new plant in the area over the next three years if all goes well. Next, Jeff updated the group on Summit Foods who had previously presented to the commission regarding their new apple chip product, and their location in Forest Grove, stating that there were lots of positive progress in the company's development and sales of the product. A commission member asked where the apple chips would be available, which will be at Urban Decanter and Waltz Brewing and they are in New Season locations as well. Jeff then gave an update on the Times Litho building and discussed interest from a hotel development company that seems serious. The development company has received the RFP to a feasibility study. Jeff went on to mention that there was potential on the Hagen site which may be used for 160 to 180 higher end market apartments with commercial use out front. Jeff also updated on the former Izgara restaurant site that is now going to be a Dickie's Ribs, which has had some struggles but it seems to be moving forward once again.

Jeff noted the record number of attendance for local and community events, and great start up for Waltz Brewing. He went on to discuss questions of why there is tourism growth in the community, and pointed out a number of articles that are drawing attention to Forest Grove, including pieces in Oregon Business Magazine and their WebWrap, and in Oregon Travel's fall e-issue.

Lastly, Jeff discussed the Small Business Program and the courses that are happening at the Small Business Development Center.

BUSINESS:

A. MCMENAMINS – HOST UPDATE:

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Jeff King reported that McMenamins has seen steady growth and activities, including an increase of 1,500 rooms being used over the past year, which illustrates positive growth not only for McMenamins but also within Forest Grove.

B. FOREST GROVE CHAMBER OF COMMERCE UPDATE:

Howard Sullivan gave a brief update on Chamber news. He told the commission that his previous assistant had left, and he has started working with a new assistant, Susan Durose. He went on to discuss the upcoming Corn Roast on the Pacific campus (9/20) and asked for sponsorships. Howard then described a new investment program for Chamber Members and he has seen a more active interest from Members regarding their status within the program. The Chamber has also created a new banner with all the sponsors on it. Lastly, he reported that there is a Chamber Luncheon next Monday, Sept. 15, 12pm, at the ATC Smith House.

**C. GUEST SPEAKER ---- CONNELLY WOODY, COMMERCIAL BROKER
CRA:**

Jeff started by introducing Connelly Woody with quick note about income growth in the community and population growth. And the community suffers from retail leakage, but Jeff pointed out that there is some opportunity at the retail site at the former Alberstons site and the Haggen site. We wanted to get an idea from Connelly regarding trends, what he is seeing out in the market and the community.

Connelly started by thanking everyone for the invitation and stating that he was glad to be with the commission. He went on to focus on the property he is working with directly, owned by Jeff Rasik. Connelly was the developer, who pulled property together for Alberstons. The whole property ended up going on the market with HSM, but Jeff kept a 28,000 sq. feet section on the corner for leasing. Connelly discussed the challenges of trying to lease such a small piece for both larger and smaller user standpoints. When larger retailers, Starbucks and Blackrock looked at the site it became unfeasible with the costs, and even the costs using a contractor to put in basic infrastructure to the site makes it a very cost prohibitive site. He passed around some renderings of the property for the commission to review. Connelly then explained that when he pitches the site to national retailers he often gets the response that there are other properties in the Portland Metro area that are a higher priority for development. He pointed out that retailers are very interested in Tanasbourne, Washington Square and Cedar Hills areas first and then once they are established have interest in moving out into smaller areas. Forest Grove is not considered a high priority.

Connelly opened it up for questions from EDC members. There was a discussion regarding what could be put into Jeff's property, the overall market demand for retail space, the effects of Intel's expansion, what Forest Grove can offer retailers and how can Forest Grove can make itself more attractive to new business. Connelly responded regarding SDC fees, lower

development costs, and open books between developers and the tenants. He also noted that retailers are always positive about signage, parking and visibility, which is the opposite direction where retail site are going in zoning. Setbacks, visibility and parking out front, are what seems to be preferred amongst retailers. Connelly said that demand will continue to grow as the economy improves, and this may create more demand in Forest Grove in the long run.

D. SUBCOMMITTEE REALIGNMENT/STRATEGIC PLAN

Tim Budelman opened the discussion by asking EDC members if subcommittees should be merged. Jeff King proposed that the next EDC meeting in October or November to be dedicated to discussing the subcommittee's findings and proposals regarding the Strategic Plan. Jeff also discussed how the subcommittees have been active, and how some have been absorbed within one another. There was discussion from EDC members regarding the questions put forth. Members decided that over the next month the subcommittees will meet again with Jeff to create concise points for changes or comments to the Strategic Plan and Jeff will present these findings to EDC members in the November meeting, which will not have a speaker. The October meeting will have a guest speaker.

E. SUBCOMMITTEE UPDATES

Jeff King started the discussion pointing to a handout showing economic indicators for the Portland Metro area. Nyssa Rivera discussed an article "Oregon Cities on the Rise" which presented economic indicator data from during the recession from across the State. Nyssa noted that there was a new data set coming out on October 23 and December 4 and perhaps there would be different findings once this data was analyzed.

5. COUNCIL COMMUNICATIONS:

Elena Uhing announced several interesting events coming up in the City. Elena also reported on projects conducted by Administrative Services, the Aquatic Center, the Library, Pacific University, the Fire Department, and GroveLink. Peter Truax also added a number of comments regarding the items that Elena mentioned and also updated on a number of other events coming up in the City.

6. ANNOUNCEMENT OF NEXT MEETING:

EDC Chair Tim Budelman announced that the next meeting of the EDC will be on October 2.

7. ADJOURNMENT:

The meeting was adjourned @ 1:40 p.m. by EDC Chair Tim Budelman.

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Approved by the Forest Grove Economic Development Commission:

Date: _____

Signed: _____

EDC Chair