

Meeting Minutes

ATTENDEES: Tim Budelman, Chair; Hope Kramer, Vice Chair; Brian Wilbur; Kelly Marks; Mark Nakajima; Howard Sullivan; Guy Storms; Jon-Michael Kowertz; John Hayes; James Draznin

CITY STAFF: Jeffrey King, Cassi Bergstrom, George Cress

ALSO ATTENDING: City Councilor Elena Uhing

1. CALL TO ORDER:

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

2. CITIZEN COMMUNICATION:

None.

3. APPROVAL OF JUNE 4, 2015 SUMMARY MINUTES:

James Draznin moved to accept the meeting minutes as presented. Howard Sullivan seconded the motion. The minutes passed unanimously.

4. ADDITIONS/DELETIONS & STAFF SUMMARY:

Jeff gave the following update on Staff Summary:

The city is continuing to work with a food processor regarding the Kerr site off Elm Street. This could be a 60,000 sq ft building leading to 60 more jobs. The road construction cost is an issue. They could potentially add a second 60,000 sq ft facility. Also got news from Lieb foods landing contracts for a \$2.5 million investment, and hoping to tap into the lot that is owned by Gene Zurbrugg.

Downtown has a Thai restaurant (Thai House 2) going in the former Izgara site. The city is hoping to update the business listed panel kiosk downtown soon, just waiting to hear on the plans of four restaurants.

The ongoing issue regarding the industrial lands report: Group McKenzie will present to the city council on August 10 to discuss the findings and issues with the industrial sites, transportation costs are the highest cost items particularly affecting the Woodburn/Kerr and Haworth site on Elm St.

A kick off meeting was held with a web developer for a farms/food and drink website. The CEP grant has allowed for a map to be created regarding farms/food/drink amenities and to be incorporated within the website.

Ms. Kramer asked the question if an additional staff person has been approved in the budget and the time frame. Mr. Cress answered that a job description has been drafted for Sustainability and Economic Development and hoping to post soon. It is a permanent, full time position labeled as Program Coordinator funded by Light and Power, Engineering and Community Development.

5. BUSINESS:

A. McMENAMIN'S -HOST UPDATE:

None.

B. FOREST GROVE CHAMBER OF COMMERCE UPDATE:

Howard Sullivan updated the board on the following:

Amy Pearl spoke at a Chamber Luncheon in May regarding the HATCH program local Oregonians can invest small amounts in local Oregon businesses. Legislation now allows this alternative for businesses to get funding. She will be speaking at a luncheon on July 14th from 7-8:30 to have businesses meet up with people who have actually done this.

July 23rd from 5-7:30p will have a free training event at H& H Outfitters where Mr. Hudjohn will show his skills and how he reaches thousands of people within the social media networks.

Mr. Sullivan just came out of a meeting regarding the phone upgrades, and not sure if the chamber can afford it. Remodeling will be going underway as well.

Mr. Jon-Michael Kowertz spoke on the acknowledgment on the Chamber's work with Amy Pearl. It really frees things up for businesses and funding availability. Ms. Marks commented on the legislation allowing this funding to finally happen.

C. AMBASSADOR TRAINING-RESOURCES, INCENTIVES, MARKETING:

Mr. King spoke on the Ambassador Training:

Mr. King described the overall message of Forest Grove economic development, services offered, specific incentives and small business start-ups.

Looking in the packet, Mr. King will start off by explaining why businesses should locate in Forest Grove. The four cost advantages are the low power/energy costs, the water quality and quantity as well as pricing, the low land costs and availability,

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and finally the quality of life. The one challenge Forest Grove has is the access and distance issue. On the commercial side, there is a growing population. The website has a Youtube video under the Economic Development tab that points out the message of Forest Grove that was played for the board. Forest Grove is part of the Silicon Forest and has direct access to other businesses through public transportation.

The city messages in two ways: Success stories of local businesses and availability of land. The availability of existing industrial space is running low. Lease rates will soon support new construction. There is new, affordable single family residential land come available. Businesses get community support from a collective approach. Fact sheets online need updated, and will work with the Sustainability Commission to get that done. Mr. King asked if there were any questions/comments regarding the overall message of Forest Grove?

Councilor Uhing asked how many sites are available in the industrial core, shovel ready 50 acres plus? Mr. King spoke on the business services and what Forest Grove can provide. On the website there is an updated list of available sites with the acreage, and Mr. King went over the sites available with the board. Napa will be moving out, making that site available soon.

The Business Incentive Program (BIP) has been proven to be a valuable marketing tool. It has provided businesses with several small incentives such as a reduction or waive entirely in building permit fees, waives city business license fee, reduces sign permit fee, reduces site plan review fee, and system development charges can be paid in installments. Ms. Kramer made comment that the Business Incentive Program has been approved by the city council to be extended 3 years. Another business service that Forest Grove offers is the development and permitting services. The city works with the health department and building department and act as the business owners advocate. Often an explanation is given of what the process is, and accommodate businesses through the process in Planning Commission meetings, permit processes, etc.

Mr. Budelman asked Mr. King if there was anything as far as an e-commerce zone? Mr. King answered that there is a state program more directed towards industrial. Chaucer took advantage of the federal program due to the poverty numbers in that area (census tract). Mr. Cress commented that a recent email from the state economic development that Oregon was designated for certain programs for economic development. Ms. Uhing stated that is a strong package of tools for rural communities. Mr. King went on to say there are a number of programs that we fall in and out of due to different criteria. Mr. Cress stated that Chaucer is getting a check

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for \$170,000 from BPA conservation for installing low emitting, energy efficient lighting.

Mr. King went on to discuss the cost issues and incentives/financing. Mr. King recently met with ViaSystems and Chaucer on their work force needs. Infrastructure is based on finding as much data as possible. Staying updated is beneficial because the numbers are always changing, same as economic data. Demographic/labor information reveals gross income, sales price income, housing, poverty rates, etc.

Ms. Uhing stated that the Enterprise Zone was just extended by council so it doesn't have to be renewed every year. Mr. King went on to say that the Enterprise Zone is valuable for the existing businesses to expand. The Enterprise Zone is doubling employees within a business, eliminating property taxes for up to three years. High wage can be up to 5 years if negotiated with city council. Ms. Uhing has noticed pushback from taxpayers in other larger communities based on the definition of Enterprise Zone and big technology businesses taking advantage. Each entity follows guidelines; wage level is determined by jurisdiction. Forest Grove wage level is based off ten percent. Mr. King went on to say that it is unfortunate that some of the bigger communities are taking advantage of this (Beaverton/Hillsboro) because it was intended for smaller, needier communities such as Forest Grove. For businesses to get to 4-5 year tax deferral, the average wage has to be \$59,468. The point is not to just create minimum wage jobs. Ms. Uhing stated that the council was much tighter on specifications, keeping the pay scale at a higher rate. Mr. King went on to say it could create incentives for store front improvements. The Urban Renewal Zone is targeted more toward commercial. Times Litho could throw off a lot of property tax considering it is publicly owned.

Mr. King stated that the city works with programs such as state incentives, SBA programs and state tax credits. The Starting a Business thumb drive is almost updated, and contains information for starting a business in Forest Grove. It contains a guide, brochure, secretary of state guide, resources, and programs. It is customized the steps for starting a business in Forest Grove. Ms. Uhing commented that this guide is an excellent resource to outreach for people coming to look in Forest Grove. All of the pieces are the brain child of the mission of the city. Mr. King continued to discuss the brochure and the need for it to get out into the community. It is available in Spanish as well. Local providers of different services (accountants, engineers, banks, attorneys, etc.) are also listed on the drive along with business information.

Mr. King discussed the articles and the different categories to determine the broader issues. Small business training programs are available with contracts through PCC. King's Head, Sugar Momma's Bakeshop and Curves are taking advantage of the program. The Economic Gardening Program (under MESO) provides assistance to

businesses by looking at market opportunity. MESO has access to a lot of powerful business research engines. Ms. Uhing commented that there is a new term for the economic gardening due to patent rights. Mr. King stated it is called Grow Oregon in the state. Mr. Kowertz made comment that this is a powerful tool that everyone needs to know about. Going forward, Mr. King will give everyone a thumb drive when complete and the basic brochure.

Mr. King stated that in the future, the ED Board will need to review our marketing approaches. Mr. Cress went on to say that the future program coordinator will be designated towards marketing.

6. COUNCIL COMMUNICATIONS:

Ms. Uhing gave the following update:

Measure 91-Legalized Marijuana has been being discussed regarding how it will affect businesses, how cash will be handled because banks will not accept cash from the dispensaries. The federal government is hopefully going to come down and create regulations to go by. Before going forward, work with legal people, HR professionals, talk to your banks regarding using/renting property as a marijuana dispensary. In the month of July the county will be working on their chip seal program from Oak St to Highway 47 so expect delays.

July 20-July 26 Mayor Truax, Councilors Kidd and Wenzl will be representing Forest Grove at the Nyuzen Delegation Trip.

July 3-August 1 the Oregon Mayors Association Conference will take place in Cottage Grove.

August 4 is the National Night Out from 4-8pm on Pacific University campus.

August 22 from 9am-3pm is the Birds and Brew at the Fernhill Wetland. McMEnamin's is hosting their special Fernhill brew.

Follow www.drought.oregon.gov for the conversation across Oregon regarding the drought status with the federal government. There is a push to move Oregon into the drought designation.

August 15th is the Forest Grove Uncorked event from 4-9pm on Main Street.

The police facility is being assessed for remodel and upgrades or creation of a whole new building.

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Added GIS services and created a great opportunity for the city. Parks and Recreation has approved a proposal from Pacific University regarding a larger score board.

Aquatic Center is offering free swim on Saturdays from 6-7:30pm. This was a gift provided by a generous donation from the Susan Davis family.

Susan and Tom Dieter-Robinson have generously donated \$100,000 to the parks department for a children's playground in Rogers Park in memory of their two daughters.

Light and Power have projects going on David Hill and Purdin Road for extension and pole relocation along with underground cable replacement.

Community Development is working on the Westside Planning Project with the Planning Commission and the community on how they visualize that area growing and what kind of businesses will be created.

E-permitting will take place in August and is a huge step for the building department. There have been three inquiries on medical marijuana dispensaries along the Pacific Ave corridor, one regarding a grow site in the industrial corridor.

The Westside Economic Alliance did a presentation on commercial property. Right now the city is in a period that it is a land owners market. There are not enough properties, making the market demanding creating a boom period. In some areas, up to 50% of income is going into housing and rental costs.

The City Manager has a job offer and conditions of employment. Hopefully August/September we will have the new City Manager in place.

7. STAFF & BOARD MEMBER COMMUNICATIONS:

None.

8. ANNOUNCEMENT OF NEXT MEETING:

Jeff King announced that the next meeting of the EDC will be on Thursday, September 10 at 12:00 noon in the Alice Inkley Room at McMenamin's Grand Lodge.

9. ADJOURNMENT:

A motion was made to adjourn the meeting by Brian Wilbur, Guy Storms seconded. The meeting was adjourned at 1:37 p.m.

Respectfully submitted by: Cassi Bergstrom

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Approved by the Forest Grove Economic Development Commission:

Date: _____,

Signed: _____

EDC Chair