

Tim Rippe, Council Liaison
Jeff King, Staff Liaison
Mark Nakajima
Guy Storms
Javier Urenda
Jennifer Prickett
Brian Wilber
Kevin Yamada
Mike Weech

James Draznin, Chair
Hope Kramer, Vice Chair

Bruce McVean
Lois Hornberger
Brad Bafaro
Howard Sullivan
Tom Raabe
Tim Budelman
Steve Krautscheid
Sandra Fowler-Hill

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→ **Citizen Communications** – Anyone wishing to speak on an issue not on the agenda should sign in for Citizen Communications prior to the meeting. The presiding officer will call the individual or group by the name given on the sign in form. Each person must state his or her name and give an address for the record.

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ATTENDEES:

James Draznin	Brad Bafaro
Howard Sullivan	Tom Raabe
Steve Krautscheid	Michael Weech
Bruce McVean	Lois Hornberger
Guy Storms	Mark Nakajima
Javier Urenda	Kevin Yamada
Janice Nichols	Hope Kramer

CITY STAFF:

Tim Rippe, Council Liaison
Jesse VanderZanden, City Manager
Jeffrey King, ED Program Manager
Brandi Walstead, Program Coordinator
Calvin LeSueur, ED Intern

ALSO ATTENDING: David Warner, FGSD; Sarah Saucy, Chaucer Foods;

1. CALL TO ORDER:

The meeting was called to order at 12:08 p.m. by EDC Chair, James Draznin.

2. CITIZEN COMMUNICATION:

None presented.

3. APPROVAL OF ECONOMIC DEVELOPMENT COMMISSION MEETING SUMMARY MINUTES of December and January:

Mr. Sullivan moved to accept the meeting minutes from December and January. Motion was seconded by Mr. Krautscheid. No discussion. Motion passed unanimously.

4. ADDITIONS/DELETIONS:

None presented.

5. BUSINESS:

A. McMenemy's – Host Update, not in attendance

B. Forest Grove Chamber Update

Mr. Sullivan informed the Commission that the second sack lunch will take place on February 22nd. The topic of discussion will be Business Policy and the speaker will be Lauren Quinsland from the FGPD.

The Tuality fundraiser brought in \$400,000. Mr. Krautscheid added that the funds will go toward purchase of a mammography van. This van will be equipped with the same equipment elements as the Breast Health Clinic.

The Chamber is six weeks away from their 31st Auction.

In a couple of weeks Stars in the Grove premier, it will be the 5th Annual show. There were 30 groups that tried out and that was brought down to 20 finalists. Funds will go to the Local Arts Foundation.

C. Council Liaison Update: Councilor Rippe

Councilor Tim Rippe has been appointed as the new Council Liaison for the Economic Development Commission and provided the update.

- Council has been involved in attempting to fill empty B&C positions, most difficult to fill is the student seats. If commission members or guests have a realm of influence with students, they are encouraged to speak with them about submitting an application.
- Extended appreciation for those who attended the B&C dinner and to the commission as a whole for the work that they do.
- There will be a series of presentations to City Council for the Town Center Concept. In December, the decorative crosswalks presentation was done. We will also see street trees, parking and other portions of the town center concept.
- A resolution was passed raising the utility rate by 3%. This is much lower than what the consultant had previously believed it would need to be. As

a public utility, not looking for the profit that a private utility looks for, but still need to meet the cost of providing the service.

- The Annual Town Meeting was held last Saturday (January 27th). It was very well attended and presented. Chief Kinkade currently works for 27 officials with the agreements held. A concept of a hybrid fire authority was presented. This hybrid would be somewhere between what we currently have and a fire district. This would allow for the fire departments to officially consolidate functions.
- On February 26th at the Chamber Luncheon the Mayors of Forest Grove and Cornelius will deliver their State of City address.
- Upcoming will be B&C training by the City Attorney. There will be two dates available for this training. It will cover meeting laws, records laws and conflicts. Discussions will be had on commission member's role as a public servant while in meetings.

D. Small Business Focus: Telvet Coffee, Ninja Bowl Teriyaki; Stumptown Networking

Mr. King informed the commission that the Small Business Forum was held with a modest turn out of a couple dozen people. Mr. King stressed how equally important our small businesses are in relation to our large facilities.

Mr. King introduced three small business owners from Forest Grove.

Tam Nguyen was present from Telvet's Coffee. He stated that Telvet's is a small family owned and operated coffee shop. He feels the challenges include location, parking and tapping into the university; because of being downtown, ordinances preclude them from having a drive through which is vital for coffee shops in peak morning hours. Parking is a challenge; Pacific University personnel and students park along Cedar Street which hinders customer parking. He and his family like the small town culture. Coffee is not just about the coffee, but the experience. The experience at Telvet's is increased due to the old home that they are located in. They have new flavors, monthly specials with unique flavors, expanded to include bubble tea and food.

Su Jen, part owner of Ninja Bowl Teriyaki was introduced to Forest Grove through an employee of their Hillsboro restaurant. When Su Jen drove the employee home and saw Forest Grove she fell in love with the small town feel and they began seeking a property for a restaurant. It was important to Su Jen to

have a teriyaki restaurant with food between the idea of old teriyaki and modern as well as with good presentation of both the space and food. Su Jen does not

feel that they have had challenges here, the community has been very supportive and the opening went well.

Mr. Colin Kruse of Stumptown Networking: Opened an IT Consulting business in 2007 in Portland; it went nowhere. Mr. Kruse is a Portland Native. He came to Forest Grove due to the amount of electricity that he uses; this is a large amount, 24 hours a day, 7 days a week. He came with six other people who had banded together. They now have a warehouse in Forest Grove, with 1.2 million clients globally. They are looking to expand with a couple more warehouses in the next couple of years. One of their restrictions is telecommunications; they are stuck with Comcast in a couple places. They are looking for alternatives in the way of telecommunications and broadband without the corporate structure of Comcast. As of now, it does not exist. CoHo.Net is good but not available everywhere. Electric Lightwave is good but does not concern themselves with residential or small business. Mr. Kruse is hoping that something will start up in Forest Grove because it is a good size for it. Seeking to make Forest Grove more tech friendly and advocating for higher infrastructure in the global economy. Mr. Kruse feels that if the City sticks with BPA, more companies will come in.

Mr. Urenda asked about social impact involvement from the companies. Mr. Nguyen stated that they have done fundraisers for hurricane pet shelters, for the students of optometry to conduct their Cambodia trip. They have assisted with various high school and middle school projects. Their next fundraising will be again for the optometry students for their upcoming trip to Brazil.

E. Enterprise Zone Extended Abatement Policy

Mr. King provided the commission previously requested information. The commission had requested information on how other communities use the community fee that is attached to years four and five Enterprise Zone policies. Questions were asked in relation to why businesses have not qualified for years four and five and who sets the amount at \$63,000 in wages. Mr. VanderZanden explained that the state sets a broad range of qualifications and the then local government adopts exact qualifications. Ms. Kramer pointed out that of the area Enterprise Zones, Forest Grove is second lowest. The point was made that in the food processing/production industry, the \$63,000 will never be met in wages. Ms. Kramer requested that the commission be provided with the amount of property taxes have been foregone for companies meeting the Enterprise Zone program; Mr. VanderZanden stated that staff is still working on figuring those numbers for the Council and that will provide +/-10% due to the difficulty of figuring that

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number out. The difficulty is the assessed value fluctuation.

There is currently no policy on years four and five. The need is that a policy is established. Whether

each company would go to staff to negotiate the terms individually for those years and then that be taken to City Council for approval or to come up with a policy to treat each company transparently and equally without the need to take each to City Council.

The commission requested information on what other communities generally do with the community. Mr. VanderZanden stated that only one community looked at was prescriptive, with that fee going toward a specific area; all others are non-prescriptive. It would likely go to the general fund with the budget committee and City Council determining where it goes.

Mr. Bafaro moved for staff to formulate a policy that would support a flexible, clear, consistent and responsive program for years four and five that includes a community fee that ensures Forest Grove remains competitive. Mr. Sullivan seconded the motion. Discussion: *There was discussion around what a good percentage is for the community fee, with questions whether 25% is high, low, or average. The Commission did not feel that they wanted to make a recommendation on the percentage, however, want to remain competitive while meeting demands for revenue.* **Motion passed unanimously.**

F. Marketing Update

Mr. King stated that there are ads that are out along with an editorial. They are now working on a blog that will focus on some of the major investments in Forest Grove. There is an ad that was passed around that will go in the statewide distributed Travel Oregon Guide. A contract is currently going through the process with OPB for ads on both radio and digital.

G. Board Vacancy:

Only vacancy is for a utility. Mr. King has attempted contacting Frontier with no outcome. If anyone has a recommendation for that vacancy, please be in contact.

H. STAFF & BOARD MEMBER COMMUNICATIONS:

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Mr. King stated that there was an internal meeting with MGC

Pure; they will be filing for their grading permit shortly. They have hired their first full time employee.

Storefront Façade Program: Two essentially complete; three that are working with a designer now. Mr. VanderZanden added that Jesse Quinn should be opening soon. There is still the B Street property; as the equipment is cleared out, the issue will be raised with the URA board concerning appropriate use.

I. ANNOUNCEMENT OF NEXT MEETING:

Chair Draznin announced that the next meeting of the EDC will be on Thursday, March 1st at **12:00** p.m. in the Alice Inkley Room at McMenamin's Grand Lodge.

J. ADJOURNMENT:

Chair Draznin adjourned the meeting at 1:32 p.m. by consensus.

Respectfully submitted by:
Brandi Walstead Keelan
Program Coordinator
City of Forest Grove

Approved by the Forest Grove Economic Development Commission: March 1, 2018