



**DOUGLAS COUNTY  
INDUSTRIAL DEVELOPMENT BOARD**

522 SE Washington Ave. Ste. 111A - Roseburg, Oregon 97470  
(541) 672-6728 Fax (541) 672-7011

**Minutes  
December 18, 2012  
10:30-11:30  
Room 310  
Douglas County Courthouse  
1936 SE Douglas  
Roseburg, OR 97470**

**I. Approval of Previous Minutes – September 18, 2012**

Kelly asked if there was any discussion of the September meeting minutes. None was forthcoming. Kelly called for a motion. Perry Murray made a motion to approve the September IDB minutes. Dave Sabala seconded.

***The minutes of the September 18, 2012 DCIDB meeting were unanimously approved with no changes.***

**II. Unfinished Business.**

**A. Realtor RFP (Paul Meyer)**

Paul Meyer explained that the documents are done and ready to go. The changes requested by the IDB from the September 18 meeting have been done. Realtors interested will be asked to submit proposals for listing Industrial Property. There are evaluation criteria that will be used to select the most advantageous proposal. The county will pay the realtor a flat fee for listing property; if property sells the realtor receives a commission of 3 ½%.

***ACTION:***

***Paul Meyer and Alex Campbell were directed to move forward with releasing the RFP.***

**B. Lead Generation Report (Alex Campbell)**

Alex stated Perry Murray and Dave Sabala sat in as part of a selection group for a Lead Generation Contract. He said they had done a limited solicitation and received four proposals. They interviewed three firms and ended up with two good candidates. The firm chosen had site selection experience as well as economic development experience. Alex said the firm would be out in January for a site visit. Alex explained he put together baseline information and background research for them. He said the plan moving forward is to target both potential wood products including sanitary paper products. The firm will be under contract for most of 2013. They will start with research, electronic communications and follow up with companies who appear to respond to contact. Alex said they will also follow up with high priority targets from a data standpoint. They will be looking for both companies that have strength in growth and sales and also who respond to contact. He said they are trying to identify both potential relocations and expansions this way as well as directly contacting leads as they generate but also using a couple trade shows as locations to set up a larger number of interviews.

Perry Murray said he was encouraged they were moving forward.

***No action necessary***

## **C. Land Committee Update (Perry Murray)**

### **1. Sunrise Enterprise**

The IDB was updated on the status of the pending sale. Perry explained the County owned the property and has invested money in it. The Land Committee was asked for suggestions on what to do with it and decided to clean it up and make it marketable. Perry explained The County received an offer for less than the asking price. Perry stated the Land Committee thought if new employment was created they would consider taking a lower price. Perry said the potential buyer identified the business plan and there was potential job creation included.

Paul Meyer said an escrow has been opened and a title search has been done. They are expecting it to close in January. He said the purchase price is good and the contract provides for a job credit for new jobs created that pays a family wage and benefit package, using the \$51K figure. He said the paperwork provides that the County will give \$10K per job created up to a cap of \$50K for five years with a seven year look back.

Susan Morgan said they had negotiated the process with them to conduct the jobs audit and a timeline. She said they are ready to roll.

Kelly Morgan asked if the money from the sale would be invested back into Industrial Development.

Susan Morgan stated the funds used for this property did not come from the Industrial Development Fund. She said it was a different fund which was used to purchase equipment and land for the new site where Sunrise Enterprise is located now in Green. The proceeds of the sale will go to replenish that fund.

Kelly asked if the buyer was going to put a new building on the site. Paul said they are and the company must be out of where they are currently located by June.

***No action necessary***

### **2. Aldercraft Lease**

Perry Murray updated the IDB on problems with the existing lease with Aldercraft. Perry explained to IDB that a party is interested in purchasing the property. Please see attached for details.

Perry stated that the Land Committee was in favor of selling the property.

Susan asked if there was currently work or employees there. Perry said he did not see any evidence of any materials or lights on at the property.

Susan invited JB Whipple of Bear Creek Timber to share his vision with the IDB. JB Whipple described his interest and the vision of Bear Creek Timber Company.

Paul Meyer said Aldercraft is three or four months behind in their lease payments. He mentioned they are not in breach of contract from the previous arrears because a couple years ago they amended the lease to say that the rent would be \$750 per month, and the arrearage was put in a provision which stated Aldercraft would pay the as they could. Paul said Aldercraft is supposed to be paying land taxes and are currently three years behind.

Paul said technically the lease is set to expire on Saturday December 21, 2012. He stated that Aldercraft has an option with their lease so long as they are not in default. The option would require the defaults to be caught up.

Ron Doan made a motion to make a recommendation to the Commissioners to allow the Aldercraft lease to expire on December 21, 2012 and enter into negotiations with Bear Creek Timber Company for the sale of the property. Fred Jacquot seconded. The motion passed unanimously.

**ACTION:**

***Request Douglas County Commissioners allow the Aldercraft lease to expire on December 21, 2012 and begin negotiations with The Bear Creek Timber Company.***

**D. Truck Driving School (Perry Murray)**

The IDB was updated on problems and different funding scenarios for the truck driving school. Please see attached for details. He said due to new banking regulations the banks have determined they would not be able to administer a student loan program therefore it was recommended the previously approved \$50K contribution be given as a grant to UT&E to help lower tuition costs.

Ron Doan made a motion to approve the recommendation, Dave Sabala Seconded. Discussion ensued.

Kelly Morgan called the question. The motion passed unanimously

**ACTION:**

***Douglas County Commissioners are requested to take \$50K previously approved to help fund the Truck Driving School and give it to UT&E as a grant.***

**IV. New Business:**

**A. Nominating Committee Report (Perry Murray)**

IDB Board members with terms ending January 31, 2012 are Russ Noah, Lauren Young, Kelly Morgan, Dave Sabala and Georgia Stiles. Georgia Stiles has chosen to step down. Russ Noah, Lauren Young, Kelly Morgan and Dave Sabala have expressed interest in serving an additional term. The Nominating Committee recommends re- appointing Russ Noah, Lauren Young, Kelly Morgan and Dave Sabala. The Nominating Committee also recommended appointing Cindy Kent to fill Georgia Stiles seat.

Perry Murray made a motion to make a recommendation to the Commissioners to re-appoint Russ Noah, Lauren Young, Kelly Morgan, and Dave Sabala and appoint Cindy Kent to the IDB Board. Ron Doan seconded. The motion passed unanimously.

**ACTION:**

***Douglas County Commissioners are requested to re-appoint Russ Noah, Lauren Young, Kelly Morgan, Dave Sabala and to appoint Cindy Kent to the IDB Board.***

**B. DCIDB Ordinance and Function (Paul Meyer & Susan Morgan)**

The IDB was informed a draft Ordinance was drawn up without section 2.6160 requiring the Commissioners to sign off on the IDB's recommendations. Upon further research Paul discovered this would then require each of the Board Members including Ex-Officio members to file an Annual Verified Statement of Economic Interest with the Oregon Ethics Commission. Discussion ensued.

Ron Doan made a recommendation to remain as-is but putting something in place more in the way of accountability and timely responses from the Commissioners to the recommendations of the IDB.

Alex Palm was in favor of Ron Doan's suggestion.

**STAFF ACTION:**

***Kelly Morgan, Ron Doan, Perry Murray and Alex Palm will meet with Susan to see what they might modify to achieve a timely response from the Commissioners.***

**C. Retention Opportunity (Alex Campbell)**

The IDB was updated about Retention Opportunities with North River Jet Boats. North River Jet Boats stated a need for assistance with training new hires. Alex presented a proposal for partnering with UT & E that would make Industrial Development funds available up to \$2,000 per new hire with an overall cap of \$20K.

It was explained that this fell under the “local business retention” portion of both the IDB Ordinance and the IDB Mission.

Kelly Morgan said he’d entertain a motion if the IDB was ready to move ahead with it.

Alex Palm made a motion to make a recommendation to the Commissioners to partner with UT&E with a cap of \$2,000 per new hire and an overall contribution cap of \$20K of funds available for training new hires. He cited local business retention in an effort of business retention for North River Jet Boats. Ron Doan Seconded. The motion passed unanimously.

**ACTION:**

***Douglas County Commissioners are requested to contribute up to \$2,000 per new job with a cap of \$20K with UT&E for training purposes of new hires of North River Jet Boats.***

**D. County Industrial Sites Improvements Status (Alex Campbell)**

*There was no discussion*

**V. Open Discussion**

*There was no discussion*

**VIII. Adjourn DCIDB Business Meeting**

Respectfully submitted,

Douglas County Industrial Development Board

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Satania Korpi, Staff

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Kelly Morgan, President

## **Attachment A**

**A recording of the meeting is available at the CCD office, 522 SE Washington Suite 111A, Roseburg, Oregon.**

### **The following DCIDB members attended the meeting:**

Fred Jacquot, Lauren Young, Ron Doan, Alex Palm, Dave Sabala, Kelly Morgan, Perry Murray, Russ Noah

### **The following DCIDB Ex-officio members attended the meeting:**

Rob Paul, Carl Patenode, Charmaine Vitek, Lance Colley

### **County Representatives:**

Joe Laurance, Commissioner; Susan Morgan, Commissioner; Paul Meyer, County Counsel

### **Staff:**

Satania Korpi, CCD Staff; Brandi Whelchel, CCD Staff

### **Ad Hoc Committee Members:**

Alex Campbell, Cindy Kent

### **Guests:**

Melony Hakola, G. Stiles Realty; John Whipple, Bear Creek Timber Co.; Susan Buell, UT&E