



**DOUGLAS COUNTY  
INDUSTRIAL DEVELOPMENT BOARD**

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

**Minutes**

**March 17, 2015**

**10:30-11:30**

**Room 311**

**Douglas County Courthouse**

**1036 SE Douglas**

**Roseburg, OR 97470**

**I. Welcome & introductions**

Alex Palm called the meeting to order and announced a quorum is present. Attendees introduced themselves, see attachment A.

**II. Approval of Minutes – February 17, 2015 meeting**

Steve Mountainspring made a motion to approve the minutes with no changes. Perry Murray seconded. The motion carried.

Alex Palm announced a slight adjustment on the agenda. He said under New Business, the Sutherlin Spec Building would be discussed first.

**III. New Business:**

**A. Sutherlin Spec Building**

Alex Campbell stated Perry Murray was involved the first and last time the Sutherlin Spec Building was considered and asked him to provide the IDB with the history of the project.

Perry Murray discussed Helga Conrad's (Alex Campbell's predecessor) vision and idea of the Sutherlin Spec Building. He stated she wanted to pursue a building ready for occupancy; a core and shell building without a slab to make it flexible to fit the needs of potential tenant. He explained a TA Grant was received for planning, design and infrastructure. He said they developed a preliminary schedule and steps of what would be involved for talking purposes. Perry said in February of 2011 the IDB liked the idea, approved the project and made a recommendation to the BOC. He explained the IDB did not receive any feedback. He said he took it to the Budget hearings, it was approved in the budget and still did not receive feedback and the project did not move forward.

Alex Campbell stated ieEngineering did the work under the grant received from Business Oregon. He said they developed a site development plan, erosion control, geotech report and alternatives. He stated they have a good idea of what would make sense on the site.

Alex stated to move this forward the critical path is dealing with the wetlands issues. He said it makes development of this site particularly challenging but it also makes the use of a spec building valuable. He said the time line to initiate the removal fill permit from the Department of State Lands and the Army Corps of Engineers is fairly lengthy and somewhat unpredictable. He said we could advance through that process while simultaneously marketing the building identifying a tenant and ideally working towards a build to suit by the time we'd be breaking ground.

Alex said a possible way to move forward would be to finalize the vision for the ultimate product desired. He said his working assumption is similar to what Perry described; a building, a cold shell, 25 foot clear heights, no slab, minimal yard improvements to maximize flexibility for a future user and minimize the investment. He said we need to update construction cost estimates relative to today and figure out a likely bid process. He said the expensive part would be developing the removal fill permit submitted to the Department of State Lands and the U.S. Army Corps of Engineers. He said in order to do that, there will need to be some more arsenic testing and there is potential the arsenic testing might make the wetland permitting a little bit easier. He said if there is contamination those wetlands will be of somewhat diminished value from the beginning.

Alex explained the wetland permitting won't commit the IDB to spending hundreds of thousands of dollars on constructing the building but it leaves that option open and it moves that property closer to being truly shovel ready.

Alex Palm said when they first started to look at the various constraints on the industrial sites; one of the constraints on this site was the lack of potable water. He said when they identified that the City of Sutherlin took it upon themselves to construct a water main down Taylor Street to serve this entire site and has already invested a significant amount of money in order to get water to this site.

Chris Boice said his concern is there has been many investments made trying to get us to a place where we have truly shovel ready land or buildings available for potential clients to move into the area or for current clients already doing business here to expand. He said recognizing that Oregon isn't the most business friendly State to do business in there is very little entry to Oregon and very little moving around. Chris said Perry indicated earlier that this is a fairly no-risk deal except for the political part. Chris explained the political part is the fact that we don't want to take and invest a whole bunch of money into a building that sits vacant. Chris said when you take that into consideration and also the fact that we have very little actual shovel ready industrial land available for development, we take this project and plug it into this particular site first because we've invested a considerable amount of money there already, we get the wetland mitigation done which is a huge detractor for anyone looking to do project. He said it increases the amount of time from start to finish in a situation like this exponentially. He said we use this project to apply for the permit, we get the permit to proceed, get the site improvements done, hopefully somewhere through that process we identify a potential client and turns into a build to suit opportunity where we're investing some money into an actual project. He said then you take the same project and move it down to the next best industrial land, possibly the Oak Creek Industrial Park by Ingram. He said he wants to take this model and plug it in and use it as a tool to proceed to get to a place where we end up with a viable client.

Discussion ensued.

Alex Campbell stated a site selector will be in the area on April 24th and there will be a reception including breakfast. He said the site selector will be working with Business Oregon on the I-5 corridor. Alex said we will have him for one whole day and will take him out to see the IP site, Sutherlin site and Stearns site with the hopes of getting some feedback and possibly talking to him about the Spec Building.

Alex Palm stated he would entertain a motion regarding the Sutherlin Spec Building. Alex declared a conflict of interest and stated he would abstain from the vote.

Perry Murray made a motion to recommend to the County Commissioners to proceed with the removal fill permit and identify a project. Charmaine Vitek seconded. Discussion ensued. The motion carried with 5 yays and 1 abstention.

**B. Budget**

Perry Murray provided the IDB with details regarding the budget process for the County. Tania Korpi went over details of the draft IDB budget.

The IDB draft budget included:

- Debt Retirement –Payoff for L09008 - Green Sanitary (\$200,025), B00004 and B00005 Tri City (\$426,022) have been included in Debt Service.
- Intergovernmental Assistance \$250,000 - Funds included for inter-agency and business assistance that include training, job retention, lead generation and other inter-agency agreements that strengthen the economic environment in Douglas County through education, retention and diversification.
- Spec Building - \$400,000. The anticipated amount to be expended to advance the Virtual Spec Building Project at the Sutherlin Industrial Park during the Fiscal Year
- Industrial Park Projects. \$900,000. This amount is for Capital outlay and industrial site improvements that may be required at any of the County Industrial Parks.

Alex Palm read an email to the IDB from Dave Sabala in which Dave recommended the IDB vote to approve the draft budget as presented.

Steve Mountainspring made a motion to accept the draft budget with the debt retirement, intergovernmental assistance, Spec Building and Industrial Park Project amounts as presented and forward t to Management and Finance. Perry Murray seconded. The motion carried.

Staff Action

*Staff was requested to forward the draft IDB budget to Management and Finance.*

**IV. Unfinished Business/Reports**

Chris Boice stated the grant proposal with the City of Sutherlin had been modified to make it into a loan. He said pending the development or sale of the property the \$5,000 would be paid back to the DCIDB after three years.

**V. Open Discussion**

**VII. Adjourn DCIDB Business Meeting**

Respectfully submitted,

Copy with signatures on file

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Brandi Whelchel, Staff

Douglas County Industrial Development Board

Copy with signatures on file

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President/Vice 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:**

Lauren Young, Alex Palm, Cindy Kent, Perry Murray, Charmaine Vitek and Steve Mountainspring

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

Joe Olson, Lance Colley, Robb Paul and Kristi Gilbert

### **County Representatives:**

Chris Boice, County Commissioner

### **Staff:**

Alex Campbell, The Partnership for Economic Development; Satania Korpi, CCD Staff; Eileen Ophus, CCD Staff; Brandi Whelchel, CCD Staff

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

Alex Campbell, Alex Palm, Melony Marsh

### **Guests:**

Loran Waldron, Land and Water Environmental Services, Inc.;