



**DOUGLAS COUNTY  
INDUSTRIAL DEVELOPMENT BOARD**

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

**Minutes**

**August 16, 2016**

**10:30-11:30**

**Room 310**

**Douglas County Courthouse  
1036 SE Douglas  
Roseburg, OR 97470**

**I. Welcome & Introductions**

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

**II. Approval of Minutes – June 14, 2016 Meeting**

Stephen Mountspring motioned to approve the minutes of the June 14, 2016 meeting as presented. Dave Sabala seconded. The motion carried.

**III. New Business:**

**A. DCIDB Funding Request Application Review– Alex Palm**

Alex Palm explained some of the issues associated with the DCIDB funding request application and the process for reviewing the applications. There have been two issues over the past few months; the application is a one size fits all and it is confusing and cumbersome to go through and fill out. He said the first thing to look at is redoing the application to make it more user-friendly and to ensure it provides the information needed to review the requests. Alex stated the second issue is that the funding requests being submitted are becoming much more diverse and complicated. When the requests come in they are supposed to go to the Finance Committee, the Finance Committee is then supposed to review the application to discuss if it is eligible and whether it fits within the IDB ordinance and funding guidelines. Alex stated this has not been done and it is a huge grey area on many of the requests if IDB funds could be used or not. Alex said he feels the Finance Committee is not qualified or does not fully understand all the strings that are attached to the IDB funds to make that determination. He said the people who would be qualified are Paul Meyer and Jessica Hansen; they would understand all the little nuances that are tied to this funding. He said the other issue with the Finance Committee is it consists of; Lauren Young, Kelly Morgan, Toby Luther and himself and getting everyone together in the same room at the same time is difficult with everyone's busy schedules.

Alex explained when the Senior Center request came in, it was initially looked at and the IDB thought it could be eligible and spent a lot of time looking at the application. The Senior Center folks spent a lot of time preparing and presenting the application, approval was recommended to the Board of Commissioners and when it was sent to the County, Jessica Hansen notified the IDB this was not something IDB funds could be used for. At that point the County Commissioners had to be the bad guys and tell the Senior Center they could not fund their request. This was a very frustrating process for the County Commissioners and looking back it is frustrating knowing the IDB and the Senior Center folks spent so much time on something that should not have been considered.

Alex explained a process needs to be put together where people who know what to look for in these applications in relation to the funding source are looking at the applications up front before the IDB considers the request. He explained he's been talking with Wayne Patterson and Chris Boice about how to accomplish this. Once that is determined, the application will be redone.

Melony Marsh asked if information could be posted on the IDB website with specific criteria where anyone looking for funds could review and go through a self-elimination to see if their request fits.

Alex responded it is something to look into and asked Paul Meyer for his thoughts.

Paul Meyer explained the IDB ordinance provides flexibility. He said the challenge with these kinds of programs are folks want both flexibility to make the program work and predictability so they know going in how it's going to come out on the other end. Flexibility and predictability work against one another. You can make a system absolutely predictable by taking out all the flexibility or you can make a system absolutely flexible by taking out all the predictability. He said the IDB is somewhere in the middle and has an ordinance that is relatively clear.

Paul explained when the Senior Center initially came in to give the presentation, the IDB expressed concern about job creation and was told their program didn't fit in industrial or commercial development but it might fit the job creation component if they could go back and work on their plan of creating jobs in the future. It seemed like it was something they might be able to do and when they came back at the second meeting they indicated there would be no job creation. If they would have come back with job creation it might have fit the Ordinance better.

Melony Marsh stated they do plan on coming back and they have evolved.

Melony explained the application process should be stricter; there is not a lot of money to dole out and we have to be very picky on what we do. What is done should be for the good of the community.

Alex opened the floor for discussion.

Discussion included:

- Information with specific criteria posted on the IDB website providing self-elimination
- Funding limits for requests
- Creating categories on the webpage for funding requests to help with self-elimination
- Requiring business plans
- Establishing a more efficient and user friendly application and review process
- Legal/County Review
- Establishing a Vetting Committee for the review process
- Possible conflict with Commissioners as part of the Vetting Committee -voting on the final project
- Amending the IDB ordinance to include vision of IDB moving forward
- Diversity increasing within the community and funding requests
- Expanding the ordinance to provide more flexibility while staying within State Regulations and Laws for funding source: State Video/ Lottery Funds
- Future project considerations and focus on economic development
- Application does not include infrastructure project options, job creation or job training information
- Applicant's experience not requested and should be
- Removing requirement for "Original Signature" on application, copies and electronic submissions are more prevalent
- Application packet is geared towards loans, does not provide opportunity for grant requests to provide relevant information, packet is cumbersome
- Application packet needs to be separated into request type: Grants/Loans

It was a consensus of the IDB for Alex Palm to continue working with Melony Marsh, Wayne Patterson, Commissioner Chris Boice, and Paul Meyer to consider the recommendations for amending the IDB Ordinance, the application, and the application review process to present to the IDB at the September 20th meeting for further discussion/approval.

**B. SBDC Small Business Management Program (SBMP), Funding Request – Debbie Caterson**

Debbie Caterson, Director of the Small Business Development Center and Executive Director of the Umpqua Business Center provided a handout to the IDB and gave a presentation on the Small Business Development Center and the Small Business Management Programs. She explained the goal of the Small Business Management Program is to assist small businesses with creating and retaining jobs in their local communities.

Debbie stated the program was given a Ford Family Foundation Grant of \$23,750 and she requested \$12,000 matching funds from the IDB. She said there will be future matching fund requests in the following two years for the same amount. Job creation included two Small Business Development Center positions; the Small Business Management Program Coordinator and one instructor. Debbie said they will provide annual reporting of jobs created through a tracking system already in place.

Ron Doan stated going back to the earlier conversation, this item is right on point. He explained he is supportive of this request but is unsure if it fits legally and politically. You've got government funding government. He said in his mind, he is unsure if this really truly fits the criteria of the IDB. He stated the guidelines need to be changed.

Melony Marsh stated these funds are designated to the IDB; they are not part of the coffers.

Alex Palm clarified IDB funds are not out of the general fund. These are separate funds, video lottery dollars with a whole lot of strings attached to them.

Stephen Mountainspring stated the concern is not going down the same path as the Senior Center request again.

Alex Palm explained both Paul Meyer and Jessica Hansen were asked to review this request.

Paul Meyer explained this is an unusual request because you have government funding government. He said he assumes the job creation portion would not satisfy the requirements of the IDB ordinance because the job creation piece of the ordinance talks about not only the creation of permanent jobs but also jobs that provide sufficient income to support a family; permanent family wage jobs. Over the years a target has been developed as to what a family wage job is in terms of wages and a benefit package and is in excess of \$51k/year. He explained his assumption is most of the businesses assisted through this program will not be creating family wage jobs.

Paul explained there is some flexibility to fund this sort of request so long as it is within the scope of the funding stream even though it may be outside the scope of the ordinance because it's a government.

Wayne Patterson said he has worked with Debbie on this and these are the type of programs we should be supporting and this is what we should be doing.

Paul Meyer said we can make this work because the applicant is the College.

Dave Sabala made a motion to recommend to the Board of Commissioners to grant the Small Business Development Center, Small Business Management Program \$12,000 in matching funds as presented by Debbie Caterson. Stephen Mountainspring seconded. The motion passed unanimously.

Dave Sabala requested Debbie to come back to the IDB with updates.

#### **IV. Reports/Old Business:**

##### **A. Med Ed Update – Wayne Patterson**

Alex Palm explained Kelly Bantle with PAC/WEST has arrived and asked her to give the update before continuing with New Business.

Wayne Patterson stated the IDB recently voted to contribute to and renew the PAC/WEST contract for a year. That contract has been signed and the Med Ed project is moving forward. He said a lot of things have happened and instead of giving the IDB an update himself he invited PAC/WEST to make a short presentation so they could give the IDB an update directly.

Wayne introduced Kelly Bantle, Vice President, and Caleb Hayes, Lobbyist, of PAC/WEST. Kelly thanked the IDB for their support. She explained this effort has been in the making for some time. In the last eight or nine month's considerable progress has been made. First and foremost among priorities moving forward in the next twelve months is securing an academic institution to help in scoping, managing and administering the Allied Health College. It is critical and a necessity to make the college a reality. It also opens up considerable opportunity not only as the coalition is built but also for seeking potential funding sources. This college can ultimately have a very large footprint and there has been a lot of talk about how it is scoped so that it can move forward. A number of top candidates have been identified for the academic partner, in particular: COMP Northwest.

Kelly asked Caleb to provide a quick overview of who COMP Northwest is and explained COMP Northwest is also a PAC/WEST client. Caleb stated he mainly works as a lobbyist and happens to also represent the College of Osteopathic Medicine of the Pacific Northwest in the Capital Building. He said he is familiar with their needs and where they are at right now. They've just welcomed a new President and everyone is very excited about it. The school had been at somewhat of a standstill as they were looking for new leadership; they were not sure if they would be willing to expand and things of that nature. He said it is great to have the new leadership on board at COMP Northwest. Caleb provided the background history on COMP Northwest's beginnings.

Kelly explained the reason they are excited about COMP Northwest is that their parent institution down in California has strong Allied Health programs in a number of key areas scoped for the Allied Health College here in Roseburg. She said they met yesterday with the COMP Northwest Dean and assistant VP, who is in charge of expanding the College.

Wayne Patterson explained they received a great reception; there was a great diversified group of people that went to talk with COMP Northwest. He said the timing was perfect because they are trying to figure out how they are going to expand and grow.

Kelly stated COMP Northwest committed to bringing up their Allied Health Heads from California to do a Roseburg visit in the next 30-60 days. She explained this is exciting and very positive traction on this front. She said they've also opened the door with Pacific University, located in the Forest Grove, Hillsboro area. They have a very strong Allied Health program at the Bachelors and PH-D level in addition to the pre-health which we obviously wouldn't be covering. They are another viable target. She said other potential targets include Oregon State University.

Kelly explained in the coalition building efforts it is important to be bringing in current health care providers in Southern Oregon. What they have found is they really fit nicely into the Allied Health College model of potentially providing scholarships for students. One of the challenges that will be faced is how do you get into the school and how do you pay for it and, additionally, clinical rotations; a critical piece in the learning environment. Students typically serve extended rotations in hospitals. Being able to connect students with hospitals through-out Southern Oregon is a big selling point in our academic partner front. Kelly said a lot of progress has been made in connecting with the Community Colleges; UCC, Southwestern Oregon Community College, Rogue Community College and others; a critical piece in the model. Kelly asked if there were any questions.

Wayne Patterson stated one of the things that has changed in the past few months is packaging and identifying pacing items; academic partnership. The coalition continues and there is a lot of support. One of the things is making sure rural students are able to go through this program, creating a scholarship/sponsorship program where half the students are coming from rural communities, offering them access into this 4-6 year program through the community colleges as a conduit. He said there are talks in regards to a contract to be signed that after the clinical rotations the student would be required to stay in the area for 3-5 years to not have to pay the scholarship/sponsorship monies back.

Stephen Mountainspring asked if the grant recipients would be tied to certain sponsors. Wayne responded yes.

Caleb stated Wayne, Doug and Kelly did an excellent job back in May, presenting at the committee hearings secured in front of the Education Committees in both the House and the Senate in Salem. A great dialogue was opened with the Chair and Vice Chair of the Senate Committee on Education; they are very interested in helping obtain an academic partner and seeing this project through to the finish.

Kelly said Oregon's Federal delegation; Senator DeFazio, Senator Merkely and Senator Wyden have been aggressively championing the idea of doing a White House Rural Council field meeting here in Roseburg. She said what that means is this gives us some National attention to the key issues that the medical college addresses, particularly the idea of growing your own physicians to deal with the rural health care crisis.

### **III. New Business (Continued)**

#### **C. BACK NINE / RUSA Sewer System Installation – Alex Palm**

Alex Palm explained next to Douglas County Forest Products there is a 110 acre State Certified, Super Industrial Site as determined by the State of Oregon. It is one of the best industrial pieces up and down I-5 because of the rail access and proximity to exit 129 on I-5. Historically when a potential business has been interested they end up walking away because there is no sewer service available to that site.

Alex stated this site is inside the Urban Growth Boundary. RUSA (Roseburg Urban Sanitary Authority) agreed at their last meeting to be the applicant for two grants through the State of Oregon; (Up to \$500,000) Special Public Works Fund (SPWF) grant and (Up to \$60,000) IOC grant to engineer and construct/install the sewer system to the BACK NINE Industrial Site. The grants will pay for the planning, engineering, construction and installation of the Pump Station, sewer main lines and pressure line to tie into RUSA's existing system and will provide sewer service to the entire site. There is a gap in the funding. The grants require a 15% contribution which would be up to \$75,000 + \$9,000 for a total of \$84,000.

Alex explained there are two local businesses with a firm commitment to locate on the property that are looking to expand/relocate and stay in Douglas County; Terra Firma and Coca-Cola. Combined they would take the least desirable 11 of the 110 acres as they do not need rail service and I-5 visibility is not a concern. They would create 40+ jobs estimating over ½ of them would be family wage jobs. Having sewer available to the site offers further potential to create many more jobs as businesses locate to the site. Discussion ensued.

Ron Doan made a motion to recommend to the Board of Commissioners to grant RUSA the 15% contribution needed for the SPWF and IOC Grants to plan, engineer, construct and install the sewer system and service to the BACK NINE Industrial Site in the amounts of; up to \$75,000 + \$9,000 for a maximum total of \$84,000. Stephen Mountainspring seconded. The motion passed with 2 abstentions; Alex Palm and Melony Marsh, 5 Yeas; Dave Sabala, Lauren Young, Ron Doan, Charmaine Vitek and Stephen Mountainspring.

**B. Run to Roseburg Campaign Update – Wayne Patterson**

Wayne Patterson provided a handout to the IDB. He said this included analytics and a summary report, a breakout of all what has occurred as part of the media buy and there are a few highlights which are pretty impressive. Thousands of people have come to The Umpqua Life via the Run to Roseburg campaign. Included in the analytics are copies of the media buys, billboards, banners, and bus wraps, etc. He stated this is a full support documentation package.

**V. Open Discussion**

Joe Ross, public attendee, made a statement he was unable to find the DCIDB public meeting announcement in the News Review or on the main page of the Douglas County website. He recommended including the meeting announcement on the main page with the other County meetings.

Brandi Whelchel explained the meeting announcement and agenda are sent to the News Review every month and are posted on the DCIDB website.

**VI. Adjourn DCIDB Business Meeting**

Respectfully submitted,

Copy with signatures on file

\_\_\_\_\_  
Brandi Whelchel, Staff

Douglas County Industrial Development Board

Copy with signatures on file

\_\_\_\_\_  
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:**

Dave Sabala, Lauren Young, Ron Doan, Alex Palm, Melony Marsh, Charmaine Vitek and Steve Mountainspring

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

Robb Paul, Lance Colley and Kristi Gilbert

### **County Representatives:**

Paul Meyer, County Counsel

### **Staff:**

Wayne Patterson, The Partnership for Economic Development; Eileen Ophus, CCD Staff; Tracy Loomis, CCD Staff; and Brandi Whelchel, CCD Staff

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

Alex Palm, Dave Sabala and Lauren Young

### **Guests:**

Debbie Caterson, Small Business Development Center and Umpqua Business Center; Troy Brynelson, The News Review; Joe Ross, Public