

MINUTES

Lane Economic Committee

Lane Council of Governments – 4th Floor Large Conference Room
99 E. Broadway, Suite 400 – Eugene

December 15, 2003 – 11:30 A.M.

PRESENT: John Tamulonis, Chair; DeAnn Cherbas, Anna Morrison, Glenda Poling, Jim Ramseyer, Michael Redding, Rob Scoggin, Charles Spencer, Mike Sullivan, Lynnette Wikstrom-Smith, members; Jay Bozievich, Deb Schmidt, Kari Westlund, *ex officio* members; Tim Black, Mike Galvin, Joshua Greene, Darrel Hames, Howard Schesser, John Sullivan, alternate members.

Steve Dignam (LCOG); Peter Thurston (Lane County); Bob Warren (Oregon Economic & Community Development Department).

ABSENT: Chuck Forster, Scarlet Lee, Hal Reed, members.

GUESTS: Tim Craig, Don Hampton, Philip Hudspeth.

Mr. Tamulonis called the meeting of the Lane Economic Committee (LEC) to order at 11:35 a.m. He invited those who were present to introduce themselves.

1. Public Comment

None.

2. Comments from the Chair and Staff

None (worth mentioning).

3. Approval of Minutes

Ms. Poling moved, seconded by Ms. Cherbas, to accept the minutes of the November 17, 2003, meeting. The motion was adopted unanimously, 15:0.

4. Approval of Work Plan

Mr. Dignam referred to a document entitled “Lane Economic Committee Work Plan” distributed with the agenda of the meeting and invited members to discuss and evaluate changes made since it was considered at the November meeting.

Ms. Morrison asked how staff was involved in elements of the plan related to the Regional Land Information Database (RLID) and the identification of “shovel ready” sites for development, as described in Work Plan Goal #2. Mr. Dignam replied that loan preparation required extensive

use of RLID information and that LCOG staff were responsible for its maintenance. He said he was deeply involved in helping rural communities determine when sites were ready for development. Mr. Warren added that there were many overlapping responsibilities in economic development work.

Ms. Westlund suggested that a one-page description of agencies involved in economic development activities in Lane County be prepared to meet the intent of Work Plan Goal #4. Mr. Tamulonis said such descriptions had been useful in the past. Ms. Morrison suggested that the previously used document be updated, rather than re-created. Mr. Dignam said he could coordinate an update of this document. Mr. Dignam emphasized that he did not have the expertise nor the resources to complete this task on his own. Mr. Spencer suggested that a subcommittee review what was developed before it was submitted to the LEC.

Ms. Morrison suggested that an additional column be added to the Work Plan in which progress in achieving goals could be recorded.

Mr. Bozievich said he believed the proposed Work Plan did not fully meet Goal #4. He suggested that the previous suggestion from Ms. Westlund be added as an amendment to the work plan.

Mr. Homes moved, seconded by Ms. Wikstrom-Smith, to adopt the LEC Work Plan, with additions as suggested by members. The motion was adopted unanimously, 15:0.

5. Membership

Mr. Tamulonis referred to the report of the Nominating Committee distributed with the agenda of the meeting. He reviewed recommendations to be submitted to the Board of County Commissioners for appointment to LEC membership for positions to be vacant December 31, as follows:

Reappoint to three-year terms:

Glenda Poling – Representing Business and Industry in Eugene/Springfield area
Jim Ramseyer – Representing Business and Industry in north Lane County area
Mike Sullivan – Representing Governments in Eugene/Springfield area

Appoint to three-year terms:

Tim Black – Representing Education in Eugene/Springfield area
John Sullivan – Representing Finance in east Lane County area
Mitch Wilkinson – Representing Education in east Lane County area
Mike Blomme – Representing Business and Industry in north Lane County area
Philip Hudspeth – Representing Governments in Eugene/Springfield area as an ex-officio member

Members discussed the recommendations and appeared to come to agreement that they be submitted to the LCOG Board.

Mr. Scoggin nominated John Tamulonis to serve as LEC Chairperson during 2004. There were no other nominations. There was unanimous agreement to elect Mr. Tamulonis.

Mr. Scoggin nominated Hal Reed to serve as LEC Vice Chairperson during 2004. There were no other nominations. There was unanimous agreement to elect Mr. Reed.

6. Vision for Lane County Job Creation

Mr. Tamulonis referred to a draft letter to the Lane County Economic Development Standing Committee distributed with the agenda of the meeting. He reviewed previous considerations of the request for the LEC to prepare comments on a document entitled “A Vision for Lane County Job Creation – 2003 to 2010.” He said the draft had been prepared to reflect previous LEC discussions. He reviewed its summary, as follows:

We should place a higher priority on those proposals which have the greatest potential short term economic impact. These high impact proposals will generally lead to specific and measurable job creation or retention.

Mr. Tamulonis pointed out that the draft letter also indicated that other valuable projects could be related to (1) Workforce Training, (2) Technical Assistance and Capacity Building, and (3) Tourism. He reviewed Proposal Evaluation Recommendations, also included, as follows:

- *Number of direct jobs to be created/retained within two years*
- *Potential for longer-term job creation*
- *Number of higher-than average wage jobs to be created*
- *Amount of private investment leveraged*
- *Amount of other leverage*
- *Likelihood of success for the proposal*
- *Financial strength of the beneficiary.*
- *Track record of the beneficiary*
- *Level of economic distress in the beneficiary’s local community*
- *Degree to which project creates jobs in a targeted industry cluster*
- *Other economic benefits*

Ms. Morrison said she believed identifying generalized “workforce training” as an evaluation criterion did not “cut the mustard.” She also said she believed specific data regarding job retention, creation, and salary improvement effects needed to be maintained. Mr. Warren replied that flexibility should be maintained in the use of Economic Development funds because of their limited availability. Mr. Spencer added that criteria to evaluate both short and long term impacts of a project were proposed.

Mr. Greene asked if “technical assistance” and “capacity building” included acquisition of equipment and training to use it. Mr. Mike Sullivan replied that such a project would be better accomplished using other available funds, such as a Small Business Administration (SBA) loan.

Mr. John Sullivan said he did not believe previous LEC discussion that projects in rural areas should receive special consideration was included in the proposed criteria. He suggested that “family wage jobs” was more accurate description than “higher-than-average.” He said he was

concerned that no criteria for the distribution of video lottery resources were included. He said that if they continued, a different series of approval standards might be developed.

Mr. Tamulonis said the recommendations were intended to inform any economic development program to be developed. He said a “weighted system” of evaluation could be used to emphasize the importance of certain criteria. Mr. Dignam added that the reference in the proposed recommendations to local community “economic distress” was intended to imply rural areas.

Mr. John Sullivan moved, seconded by Ms. Cherbas, to authorize sending the proposed response to the “Vision for Lane County Job Creation” to the Lane County Economic Development Standing Committee. The motion was adopted unanimously, 15:0.

Mr. Spencer suggested that the LEC propose holding a joint meeting with the Lane County Economic Development Standing Committee to continue discussion of the topic.

7. Small Business Administration Rule Change

Mr. Dignam requested LEC feedback on a change in SBA rules that would allow LCOG to make loans outside Lane County. He explained that loans to other areas would not reduce funds available to Lane County interests. He said making such loans would not create un-reimbursed expense or overtax LCOG’s ability to provide service of Lane County loans.

Ms. Morrison said she believed the Cascades West consortium already made loans in the Florence area. Mr. Dignam replied that Cascades West territory included seven counties and that it contracted with LCOG to place SBA loans within Lane County.

Mr. Mike Sullivan said he believed expanding the area in which LCOG made SBA loans made good business sense, but he was concerned that doing so could impact how the programs influenced businesses to locate in Lane County.

Mr. Ramsey asked what accountability the LEC had for deciding where SBA loans were placed and the loan portfolio. Mr. Dignam replied that the LCOG Board of Directors was responsible for making such decisions. He said the rule change was an opportunity to serve communities in southern Oregon that currently did not have ready access to SBA loans.

Mr. Spencer said he agreed that the LCOG program should focus its efforts on economic development in Lane County and that expansion of its services should not lead to missing opportunities in the area.

Members continued to comment on expansion of LCOG managing SBA loans outside Lane County. There was general consensus that LCOG staff should pursue these loan opportunities as long as the results were net revenue positive to LCOG and as long as these efforts did not diminish loan opportunities for businesses within Lane County.

The meeting adjourned at 12:55 p.m.

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