

MINUTES

Lane Economic Committee

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

February 25, 2008 – 11:30 A.M.

PRESENT: Rob Scoggin, Chair; Pat Albright, Mike Blommé, Jay Bozievich, Denny Braud, Lou Christian (for Ellen Teninty), Scott English (for DeAnn Cherbas), Mike Galvin, Philip Hudspeth, Robin Onaclea (for Chuck Forster), Faye Stewart, John Sullivan, John Tamulonis, Lynnette Wikstrom, *members*; Lawrence Brice, *alternate member*.

Steve Dignam (LCOG); Mike McKenzie-Bahr (Lane County); Bob Warren (Oregon Economic & Community Development Department).

ABSENT: Tim Black, Ric Ingham, *members*: Jim Ramseyer, Deb Schmidt, Kari Westlund, *ex officio members*;

Mr. Scoggin called the meeting of the Lane Council of Governments (LCOG) Lane Economic Committee (LEC) to order at 11:30 a.m. He invited those who were present to introduce themselves. He welcomed new members, who were to be officially appointed at a meeting of the LCOG Board of Directors on February 28. He determined there was no one present wishing to make a public comment.

1. Approval of Minutes

Mr. Bozievich moved, seconded by Mr. Brant, to accept the minutes of the November 19, 2007, meeting. The motion was adopted unanimously, 13:0, Mr. Tamulonis having not yet jointed the meeting.

Mr. Bozievich moved, seconded by Mr. Christian, to accept the minutes of the January 28, 2008, meeting. The motion was adopted unanimously, 13:0.

2. Election of Officers

Mr. Scoggin stated that the annual election of LEC officers had been postponed from the previous meeting because of the lack of a quorum.

Ms. Wikstrom moved, seconded by Mr. Sullivan, to elect Rob Scoggin to a second one-year term as LEC Chairperson for 2008; and to elect DeAnn Cherbas to a one-year term as LEC Vice Chairperson for 2008. The motion was adopted unanimously, 13:0.

3. Economic Development Toolbox

Mr. Dignam reported that based on discussion held at the January meeting, he had invited five persons to report on various actions that could be used to influence economic development in Lane County.

Mr. Braud stated that he had worked with City of Eugene Enterprise Zones for nearly 20 years. He explained that the Oregon program was one in which a city could offer business development incentives such as limited duration property tax exemption in designated areas. He said there were three cities with Enterprise Zones in Lane County.

Mr. Braud described the program – new investment only, primarily traded sector businesses, available to a business for significant expansion more than once, promotes job creation, increases tax base, and elevates worker wages and benefits. He reviewed the impacts of Enterprise Zone in Eugene – 90 companies, \$300 million of investments, thousands of new jobs.

Mr. Braud said the attractions of Enterprise Zones were that they were effective in promoting economic development, jobs, and tax base; they were easy to administer; their criteria were clear; and they required no General Fund support. He said their challenges were that they were often misunderstood to provide tax exemption in perpetuity, that it was difficult to determine if development took place only because of their benefits, and the limited number of large parcels available for such developments.

Mr. Tamulonis stated that he was Economic Development Manager for the City of Springfield and experienced with Urban Renewal Agencies (URA) as an economic development stimulant. He distributed copies of a document entitled “Background on the Proposed Downtown Urban Renewal Plan” and reviewed information it contained about urban renewal as a tool that could correct blight conditions and support redevelopment. He explained that establishing a URA was an attractive alternative to eminent domain processes. He said establishing an URA fixed property values for normal taxation at a level set in time, allowed taxation from increased value to be used for the purpose of the URA, and were administered as a separate entity from a city.

Mr. Tamulonis reviewed state requirements for the formation of an URA and answered questions about those in Springfield – Downtown, Gateway, and Glenwood. He discussed a concern that URA curtailed property tax revenue to cities, school districts, and other taxing agencies.

Mr. Warren discussed a Certified Industrial Land Sites list administered by the Oregon Economic and Community Development Department. He explained that it was a registry of project-ready land parcels with certain regulatory conditions certified by a third party to have already been met. He said the five-year program currently listed 50 ten acre or more sites in the State, three in Lane County.

Mr. Warren responded to questions that focused on the lack of Certified Industrial Land Sites in the Eugene/Springfield area. Discussion included the significant need for such properties, political complications of metropolitan area governments agreeing to needed Urban Growth Boundary adjustments, the effects on business investment of the lack of such expansion opportunities, and potential LEC roles in encouraging economic development through such sites.

Mr. Hudspeth described the role of the Metro Partnership in encouraging specialized grant programs that encouraged new economic development and jobs training programs.

Mr. Galvin said he believed the Oregon Regional Investment Board (RIB) program was temporarily in an “idle mode” since no new funding it had been provided for the statewide program by the 2007 Legislative Session.

Mr. Warren stated that the recently concluded 2008 follow-up Legislative Session had authorized the use of \$2 million allocated for, but unused in a RIB study, to be used for the support of existing economic development grants, but not to support any new programs.

Members discussed the issues.

Mr. Scoggin determined that there was agreement to continue the discussion of the “big look” at economic development encouragement at the March LEC meeting. Suggestions for inclusion on the Agenda were further details regarding availability of industrial lands, how to counter legislative disincentives to development identified in a recent Editorial Page article in *The Register Guard* by Hugh Prichard, a report on current Springfield projects, new developments in Junction City, and emphasis on what LEC can do about significant issues.

Mr. Scoggin announced that the next LEC meeting was scheduled for March 17.

The meeting adjourned at 1:00 p.m.

(Recorded by Dan Lindstrom)

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