



CITY OF BEND

## Minutes

**Bend Economic Development Advisory Board (BEDAB)**

**Monday, March 6, 2017**

**City Hall | City Council Chambers**

**710 NW Wall Street Bend, Oregon**

---

### **BEDAB Meeting commenced at 12:05**

**Roll Call:** Erich Schultz-Chair, Katie Tank-Vice Chair, Dale VanValkenburg, Jamie Klopp, Keith Dodge, Wendy McGrane, and Will Warne

Tom Rowley, Jamie Christman, Kevney Dugan, Steve Curley - ex officio

Councilors: Sally Russell, Bill Moseley

#### **1. Public Input**

None

#### **2. Approve February Meeting Minutes**

Minutes approved.

#### **3. East Cascade Workforce Investment Board-Sector Strategies | Heather Ficht**

Heather has been in position for about a year. She explained what a local workforce board is. Federal designation – Workforce Innovation Opportunity Act. East Cascade goes from the Dalles to Klamath. Must be business driven and business led. Supply and demand match. Mostly training but also oversight. US Department of Labor. Higher Education Coordinator Council. Youth/all adults/dislocated workers. Worksource Oregon.

Katie – do you foresee any changes with new administration? Heather said she will address at end. Rural focus may benefit. 3.5 million for East Cascades.

Unemployment in Oregon 4.6%. Deschutes 4.4, Jefferson 6.1, Crook 6.5. Fastest job growth in Oregon – Bend/Redmond. Challenge is we don't have qualified skilled labor. Per Damon, 2016 numbers will be released tomorrow.

Worksource is front door to system. Monitor progress of each individual. Board level doesn't do direct service. Not duplicating services. 9 local boards. 3<sup>rd</sup> biggest board in state. One of four new boards based more on geography. Redistricted. Will – why branded differently? They are local boards. Non-profit portal into government system. Since there are non-profit they are more nimble.

City of Bend Mission Statement:

***Delivering the right public services for the Bend way of life.***

Katie how does ECWIB distribute funds? Regulations tell them what is allowable. Required to deliver adult services through Worksource. COIC youth and adult. Held some funds back – incumbent worker training. Also have possibility of peeling of some off funds if notice a gap in services (English speaking). Withhold 10% funds for administration.

How is success measured? Getting people credentials that are transferable. Getting people placed in employment. Also keeping those jobs. 109,402 in Oregon served last year. 80% placed. \$1.1 billion earned in first six months of employment. 85% were employed nine months later.

14% of placement in nation. Clearly go to for low income and less skilled. Need to add skilled labor. Will – do companies come to you too? 17% of private sector posts in public system. Incumbent worker training. More strategies.

Bend Worksource – redesign effort. 1<sup>st</sup> center in state that has all core partners. COIC, Oregon Employment Department. Rehab and Adult education.

What is private sector role? Business is as diverse as our community. Board is 51% private sector. Align supply and demand. Have a business competitiveness action team that Roger and Ben are on.

Do things beyond Sector partnerships. Resort workforce initiative (Black Butte, Sunriver, Mt Bachelor). Convened a series of meetings. What is communality? Refer best employees to each other.

Sector partnerships: Rather than create something new, decided to align with partnerships. EDCO. Oregon Outdoor Alliance. Focusing on a series of educational events. Networking and soft skills important. Stay competitive in space. CEO Roundtable. Tech Talk After Hours Series.

How to support industries to grow and thrive. Have specific resources available that are needed. Trailing spouses is an issue. Housing also.

Challenges and Opportunities. Moving Up funding. Late March first round. Support for training of incumbent workers. Local investment in workforce development. Homegrown talent pipe.

Core funding for workforce board is being threatened. Back to Work Oregon allows paying some of salary while training. Would like people to testify. Only investment State of Oregon makes.

Not super worried. Passed in do nothing Congress. Not a lightning rod issue. Is about jobs. Does see funding going down. Her hope is that will be funding for rural areas will help. H1B visa might be issue. Heather noted that PowerPoint is online.

City of Bend Mission Statement:

***Delivering the right public services for the Bend way of life.***

#### 4. Council Goal Setting Report | Katie Tank, Stephanie Senner, & Ben Hemson

Ben – Council heard from various groups on 17<sup>th</sup>. Turns into a work plan. BEDAB housing, transportation, UGB, business friendly policies, infrastructure. Basic level of understanding. Katie said went well. Some overlap with other committees. Chamber signed on.

Heard from different industry sectors. Medical – housing. Infrastructure/employment lands – Brinson. All want to expand and can't due to infrastructure. Policies – BendBroadband and permit turnaround.

Councilor Russell said the biggest challenge is trying to use funds that City has most strategically. Present tax rate limits things. Committed to making happen but how with limited funding.

Councilor Moseley applauds efforts of BEDAB. Has come a long way. Benefit to Council and City. On strategic focus – hard to understand what it is like to be on Council. Business thinking not the way Council works/thinks. Bring strategic plan to Council. Suggest that show a road map. Use guidance. Encourage to continue. Ask in furtherance of what? What are we trying to get done? Goals - Important to business and character of community? A message that connects business objectives to vitality of community.

#### 5. EDCO Contract Proposal | Roger Lee

Handed out Appendix A. Historical Program Results for Bend.

Feels EDCO is a great value. Outsourced contracted services. Board is made up of private sector leaders of community. Elements and goals that can be measured.

Bend Economic Development Program (move and grow)

Venture Catalyst Program (start)

EDCO regional support to Bend Program (move, start grow and business climate)

Key Industry Development Support

- Tech
- Oregon Bio
- Outdoor
- Food cluster

Deliverables and measurables – Appendix A.

Lessons learned – trends. Generally seeing smaller projects. Smaller companies. Smaller relocations. Larger are many years in the making. Impacts lots of people. Space/land inventory is very low which is a problem.

Very aggressive goals. Big picture. EDCO is making a dent as far as traded sector.

City of Bend Mission Statement:

***Delivering the right public services for the Bend way of life.***

Appendix B is scope of services. Lots of information to process and digest. Tom – re-emphasize that lots of things are about to materialize in results sheet. Also still lots of interest. Will – how does his company become part of EDCO success story? Not considered a done deal unless company says EDCO added value. Or when they get funding or hit another benchmark. Will wants to add more visibility to brand. Claims numbers are undercounted.

Erich – You have said that your goals are lofty. Maybe too lofty. Why have not changed for next biennium? Why don't goals reflect smaller companies? Roger – Board doesn't like to shoot low despite challenges. Capital investment numbers are going up. Very customized to market. Katie – will expanded UGB help? Attractive but 3-6 years out.

High level overview of metrics: Issue with numbers. Company visits high on their list of measurables. Turnover of staff in that position, 4 managers in 4 years. So visit numbers are lower. Katie – should be tracking also assisted. It is recorded under Grow initiative. Assists and referrals. Less than 4 hours on a given issue.

Too much to try to explain. Lots of fallout. Lots of contact that is not counted. Leads to pending project to fruition. Harder and harder to generate quality leads. Erich - are you using existing companies to generate leads? Visit Bend is a big source of leads. 10/12 different ways. Company contacts/referrals. Other areas rely on State of Oregon. Here only 7-8%. Conversion of referrals is high. Keith - are we in competition with other lifestyle areas? Roger yes - Idaho. Now also Reno. Some Boulder and Texas.

Steve – good speaker at luncheon. Did you gain any insights? Roger yes but from conversations before and after.

Jamie – where does EDCO money come from?  
45% private membership. 45% from contracts with cities. 10% earned income from events.

Wendy – are other public contracts similar to this contract? Roger – Yes.

2 seats on Board – Sally and Carolyn.

3 options available:

Carry over for more discussion and feedback. Vote to recommend. Vote to not recommend. Note that will be budgeting with CEDR in April. Possibly changes in general fund.

Katie – thinks that we can't afford to not fund EDCO. Competing with neighboring communities. Erich agrees. Economic Development has a long lead time. By time some of things bear fruit times could be different. Would be turning off spout. Will – takes long time. Is a huge supporter. Steve – thinks of it as an investment. Return is

City of Bend Mission Statement:

***Delivering the right public services for the Bend way of life.***

more than investment. Keith – anytime shut off and then try to ramp up again, costs more down the road.

Sally Russell. Bend position has turned over quite a bit. Has BEDAB talked about as a group and strategies going forward? Roger – they have talked about a lot. Was a make and break to them. Position allows for opportunity for other ventures/employment because person is meeting with businesses. Needs to be more of a preferred employer.

Keith – how do you prioritize between communities? What fits but also competition. Within EDCO. Managers measured on performance.

Erich - Has there been turn over in other communities? Roger - Newer positions but have not had turn over. Outsource all professional services. They say 2 years is normal now. Changing workforce. Is a concern for EDCO. Would like 3-5 year window to get payback. How do we do more effectively?

Wendy - Maybe not considered. EDCO headquarters is in Bend. People are based in Bend. What is their longevity? Tom – bringing in a membership director will up base to make things more sustainable. Bump up salary. Dale – what we get for amount is bargain.

Erich what is our decision? Recommend, ask for more info or something else.

**Dale motioned to recommend, Katie seconded. All in favor.**

## **6. Small Business Development Center Update | Steve Curley**

Funded at federal level, state and local. Snapshot of 2016. Tracking impacts. 335 clients, 176 startups, 159 existing. Trying to drive more to existing. 78 new jobs, 3 retained. 15 new business starts. \$4.4 million in capital infusion. Economy is strong but also a good team. Increased sales – \$6.7million.

Tell a story – ArcLight Dynamics – working with for 14 years. Have permission from company to tell about. Wound up changing from product he was planning to build to making tool that he improved. Went through lots of programs and training. Had little experience in beginning. Went to State of Oregon program. Company exponentially growing. Pilot program. How can help company from beginning to multi-million dollar company. Biggest challenge now is space.

Will – never a shortage of resources. It is awareness, access, networking. If wasn't sitting here wouldn't know how to portal into resources. Concierge service for Central Oregon. Ben – gets called all the time. Ben refers and reaches out to others. Tom – it is a no wrong door policy. Also Chamber.

Jamie (Chamber) – one of the initiatives. Business support network. Bend for Business website. Business resources entrepreneurial system website. Acts like a navigator.

City of Bend Mission Statement:

***Delivering the right public services for the Bend way of life.***

Will – market this knowledge. Steve – Oregon Legislature. Federal - Cannot advertise. Passed House last Wednesday waiting on Senate. Oregon funds can be used for advertising.

Ben – one gateway – may miss stuff. Networking. All works together but can make work better.

**7. BBA Budget Update | Ben Hemson**

Will do in a memo and CEDR meeting.

**8. Adjourned at 1:58 pm**