



CITY OF BEND

Minutes

Bend Economic Development Advisory Board (BEDAB)

Monday, April 2, 2018

12:05 pm BEDAB Meeting

Roll Call: Erich Schultz-Chair, Katie Tank-Vice Chair, Dale VanValkenburg, Jamie Klopp, Keith Dodge, Kevin Cole, and Wendy McGrane.

Jamie Christman, Kip Barrett, Steve Curley - ex officio

1. Public Input

Jeff England: Regarding UGB implementation, BEDAB should encourage council to take broader view of implementation, we are already 10 years into 20-year plan. Timing is important in terms of implementation. City needs to be more aggressive. If we don't, won't achieve goals. Don't push back big issues, work concurrently rather than sequentially.

2. Approve March 5 Meeting Minutes

Approved.

3. Oregon Outdoor Alliance Update | Van Schoessler (Former OOA Chair), Mike Wallenfels (OOA Chair & Hydroflask) and Ryan Culp (Outdoor Industry Coordinator, EDCO).

History of Oregon Outdoor Alliance was shared. Wanted to balance out the economy. Mandate: Organize, connect and help each other out. 501c3; website; 14 member board; sponsors.

Now are moving to next steps. Bend is the hub of a vibrant and sustainable Outdoor Industry in Oregon: business development, education and resources, networking and community and industry advocacy. Business focus. Who: retail, manufacturers, tourism, recreation, services. Since 2015, 94 traded sector companies with 704 jobs in Deschutes County. Helping fund outdoor products degree at OSU-Cascades.

Membership is tiered. Want to be self-sustaining. 45 outdoor companies, 100 individual members. Have sponsors.

Need to find funding for full time operations manager. Will work on strategic plan, oversee budget, recruitment, events, and communications. City helped fund Key

Industry Coordinator and also Outdoor and Food Cluster Coordinators. Intend to be self-sustaining by July 1, 2020. Asking City for \$30k - half of salary.

Jaime Christman: Chamber offered health insurance statewide.

Katie Tank: any other places asking for funding?

Wendy McGrane: employee would be employee of OOA as opposed to EDCO?

Response: yes, but could do other ways. Best case.

Keith Dodge: what is value to City? Response: Bend is seen as hub. Talent is drawn here. Becomes more of a magnet. Especially as opposed to Portland.

Steve Curley: at what point does it become sustainable? Response: this gets us to breakeven point. Full time person will lead to more leads, more funding from other organizations or in grants. Increase membership numbers.

Jamie Christman: so many events, how do you measure as being successful. Response: 225 people showed up for recent event. Female climber. Want to connect into business. Also around state.

Timing of position: July 1st, 2018.

Ben Hemson: Would be a grant from BEDAB but would have scope of work. Need to get CEDR together soon. Come back with recommendations in May.

Erich Schultz: asked Roger Lee if it would be a good investment for City of Bend. Roger Lee mentioned that half time positions are difficult to fill.

4. EDCO Lead Generation Process | Roger Lee

Roger provided an overview of EDCO's lead generation process. For every 2,000 contacts funnels down to a deal or two. If buy leads, \$1,000-2,000 per lead. Existing companies and referrals. Primary research. Targeted tradeshows. Industry groups and associations. Team Oregon.

Newish effort: Partnership with Tourism. Visit Bend. Targeted with certain markets and industry trade shows. Has only generated one lead. More of an awareness campaign. International/FDI. Geographic-Targeted recruitment: Vancouver, B.C.. more Bay Area, Southern California, Puget Sound. Other potential opportunities - connection to larger events.

Want 200 leads annually for Bend. Big goal.

Katie Tank asked what are biggest obstacles for companies to move here now. Roger Lee's response: space. 85% of companies looking for existing building not bare land. Erich Schultz: industrial vacancy rate less than 2%. Erich: in regard to

leveraging events, how do you connect with potential customers? Booths? Roger: work with organizers. Social media and electronic. Keith Dodge: Companies: are most being hit up from different areas? Roger: yes, is very competitive.

Roger Lee: Need to renew campaign materials. Educating front desk people at hotels.

Carolyn Eagan: Let's not kill Visit Bend tourism project yet. What is different in lead generation now from past? Roger Lee: more digital. Not changed: relationship and trust. Much more self-managed. People are coming in on own and only contacting them after. More competitive.

Erich Schultz: takeaways. A numbers game. Long lead cycle.

Roger Lee: Time lines: 16 days to 17 years, average 3 years.

5. EDCO Quarterly Update | Kip Barrett

Recap of 2017. 40 companies.

Move: 8 companies, \$40 million, 26 jobs

Dale VanValkenburg: what about companies leaving? Kip: we are net positive.

Some are leaving for satellite communities more than out of state. Roger Lee: very few move. If they leave, employees stay.

Start: 9 companies, \$9 million, 78 jobs.

Growth: 10 companies, \$51 million, 159 jobs.

Other activities and benefits: manage enterprise zone program, loan programs

Opportunity Zones: Bend applied for 3. 2 prioritized. KorPine and Central district.

Ben Hemson: Governor's nominations in April and then needs to be formally approved by US Treasury

6. Council Discussion on UGB Implementation & BEDAB Feedback | Group

Carolyn Eagan and Jon Skidmore

March 21st Council, 4 hour work session.

Staff recommendation: go for Elbow and Core areas of Central District and KorPine. Advocacy committee felt that staff recommendations were good. But need to get ball rolling on next step. Commit to implementation schedule and publish. Annexing each area comes with a cost. Encouraging Council to take some of the money and put into planning and moving forward.

Council decision on April 18th. Listening session on April 4th.

Jon Skidmore mentioned that there also was interest in northeast. To see if there are any near term fixes.

Carolyn Eagan mentioned framework for next steps. If BEDAB wants to make a recommendation, should be on hand on Wednesday. Council asked about cost and resources. Staff presentation didn't address. Asking for schedule is good. Push Council to get better answers regarding staffing. What would it cost to do all? We have always tried to live within means in past. What would rate increases be if wanted to do all? What would be trade off? How to do analysis. Is it a tradeoff? Is that a reason for rising housing rates? Is it worth doing math and coming up with a huge rate increase.

Kevin Cole asked if bonds. Not all use sewer or same water company. Jon Skidmore: DEQ has low interest loans based on rates.

Jon Skidmore: very real interest in having a schedule so people can at least plan. Sequencing plan. Working on between now and 18th. Will not ignore other areas. Will work on plan. Focus on downtown and east and then later to north.

Councilor Russell: realize need for infrastructure for all parts of town. Moved forward with budget for planning and designing not construction.

Jon Skidmore: Council direction: focus where we will immediately get short term wins. But haven't forgotten about long game.

Question asked of what is mission? Carolyn Eagan: promise made to state. Do it all. We are 10 years into 20-year plan.

Jon Skidmore: let's get some progress. Do sequenced approach. Biggest infrastructure issue is north interceptor. (we have no control over north transportation issues due to ODOT). Locally we can control our own destiny.

Councilor Russell: when sewer system was originally built was federal funds. Now on backs of developers and rate payers.

Steve Curley: different sections have different job numbers. Does it show types of jobs? Response: yes, employment analysis was done. Type is a mix. Supports type of land. Manufacturing – elbow and north.

Karna Gustafson: Hillsboro example of funding over time. How does it play into? Can it move forward? Creative financing tool over 25 years. Karna will look up.

Carolyn: develop a schedule. Could help certainty of City's message to market.

Dale VanValkenburg: back to the four message points. 1-3 discussed and are self-evident. Number 4? Annexation fee back into area planning.

Carolyn Eagan: talked internally but don't think discussed. A steadier stream of funding into Growth Management.

Should call out specifically. Thinks it is reasonable. Direct to function rather than department. Long range planning. Fee schedule exists but not finalized. About \$1,800/acre.

Dale VanValkenburg motioned. Draft letter to highlight all four points recommended by the Advocacy Subcommittee:

- **Move forward with Elbow and Core**
- **Soft focus on Northeast as next step**
- **Create and publish implementation schedule**
- **Suggest allocating portion of fee toward continued implementation of UGB via long-term planning.**

Keith Dodge seconded. All in favor.

Dale VanValkenburg said he can be at Council. Erich Schultz and Dale VanValkenburg will sign letter to Council.

7. Adjourned at 2:11 pm