
SOUTHEAST REGIONAL ALLIANCE

SERVING AS

REGIONAL INVESTMENT BOARD

REGIONAL PARTNERSHIP

AREA COMMISSION ON TRANSPORTATION

GRANT, HARNEY, AND MALHEUR COUNTIES

BOARD MINUTES

September 24, 2007

Harney County Courthouse, OR – Burns, OR

Board Members:

Grant County:

Chad Freeman

Bob Quinton

Harney County:

Jean Cain

Kenton Dick

Bill Wilber

Malheur County:

Jim Jensen

Linda Simmons

Sue Walker

State/Regional Agencies:

Bruce Buchanan, OHCS

Rena Cusma, ODOT

Scott Fairley, DEQ

Jon Jinings, DLCD

Rick Minster, OECDD

GEODC Staff

Sondra Lino

Guests:

Pauline Braymen

In the absence of the chair, the meeting was called to order by board member Bill Wilber. Self-introductions were made.

Minutes/Financial Report: Move/second/pass—Simmons/Dick—approve the minutes of August 27 as distributed. The Financial Reports were briefly reviewed. It was suggested that a tally be maintained on inquiries received about grants and loans.

Southeast Area Commission on Transportation: Cusma reminded the Board of the importance of the *ConnectOregon* pre-application meeting in LaGrande on September 25. Applications are expected from Ontario, Vale, Grant County and a private business.

Wilber told of a conversation with Jim Azumano of the Office of Rural Policy about the possibility of a rail extension on a Coos Bay to Ontario route. This would be in lieu of the previously discussed cross-state highway. Coos Bay is becoming a terminal deep-water port.

The SEACT meeting was adjourned.

Staff Report: Information on various programs was passed around.

Regional/Rural Investment Fund Update: Legislative Budget Notes outlines some task to be accomplished by regional boards prior to the end of the year. They include: (1) an updated Stra-

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tegic Plan paralleling the state's plan, (2) an Infrastructure Inventory List (similar to the old Needs and Issues Inventory) and (3) an Issues List highlighting barriers to economic development. Each was discussed.

Excerpts from the 2007-09 OECD Strategic Plan were distributed and discussed. Lino will work on a draft to e-mail to the Board. Suggestions included adding the grant contract provisions to the Plan to highlight accountability.

The Infrastructure Inventory will be an online system that has not yet been activated. Lino will be contacting all cities, special districts, and non-profits that would qualify. They will be given a username and password for the website. The online program will automatically categorize each project as high, medium or low priority. The SRA Board is charged with developing a list of the top ten projects in the region.

To gain consensus on the top three barriers to economic development, a process using discussion and voting was used. With a list developed at the August meeting as a starting point, attendees suggested their choices for the major barriers. In preliminary discussion, it was decided to address only issues on which the region could have an impact. Issues listed were:

- Transportation
- Access to capital
- Capacity/Staff
- Available Industrial Sites
- Communications
- Lack of Economic Diversity
- Health Care
- Natural Resource Utilization

There was additional discussion as to the exact meaning of these terms and the criteria that should be used in determining the most important issues. All meeting attendees then voted on their top three choices. After tabulating the results, those selected were Transportation, Access to Capital and Available Lands. Below are some of the discussion points for the three issues.

- Transportation
 - Need for air freight
 - Need for next day air
 - There needs to be enough business to justify the increased service

- Access to Capital (grants and loans)
 - Private sources rarely available to cities
 - Flexible funding
 - Commercial development capita
 - Private investors
 - Lack of private lenders that can co-operate with public sources
 - Small loan amounts for business, e.g., for signage
 - Municipal infrastructure
 - Banks won't lend
 - Bond companies won't fund

- Developable Land/Buildings
 - State Certified sites are desirable

- Difficult to obtain certification (limited local capacity)
- Only one currently in region/others being pursued
- Valuable marketing tool
- Difficult to obtain for used sites/brownfields
- Zoning
 - Short on industrial zones
 - Inability to create more industrial due to circumstances (e.g., flood zones)
- Lack of available industrial/commercial buildings

The limitation on utilization of natural resources was regarded as an overriding issue, but largely out of the control of local forces. State leadership does not seem supportive of policy changes. The federal leaders at the local level (forest supervisor) are willing to speak up in favor of more active management, but local support is needed.

Lino will try to condense some of the discussion onto the Issues Form and e-mail it out to the Board for comment.

There was discussion of the need to have a champion at the Legislature and for a combined, collective, statewide approach to getting this program reinstated. We need to assure that local legislators are supportive. The SRA needs to clearly show why the funds are needed in southeast Oregon and how the region is accountable.

Economic Revitalization Team (ERT)/Workforce Report: Jinings reported that DLCD is going through the hiring process for a new Director. The eastern Oregon coordinator in LaGrande should be replaced soon. The planning/zoning update grant programs are being rolled out.

Buchanan reported that the ERT directors were recently out in the region. The OHCS senior management team will be out October 23-25 to share what happened in the legislature and to get feedback from the local level. They will be meeting in John Day on October 25.

Fairley reminded the Board of the DEQ programs that address the issue of old gas stations. There is also brownfield assessment money available. If a problem is found during the assessment, there are other options available. He noted that there is a huge demand for qualified wastewater treatment operators.

Fairley announced that Cheri Davis will be leaving her position as eastern Oregon liaison for the Governor's Economic Revitalization Team. Fairley will be assuming that job.

Minster gave a summary of the Economic Development Commission meeting held in Ontario on September 13-14. On October 31, Claire Berger will be holding a meeting with local partners about industry clusters. It was suggested that she be invited to a SRA meeting. October 18 will be the last operating day for Louisiana Pacific in Harney County.

Freeman reported that \$90,000 is available for training of current employees. \$50,000 must be committed by October 15.

Wilber described the rules agreed upon by the Senate for the February session. Each committee and senator may introduce one bill. The House will probably have similar rules. This will be a lot to accomplish in the limited time.

Other Business: It was suggested that Smith and Wyden staffers be invited to the meetings.

There was discussion of the difficulty recruiting and retaining doctors in rural areas including such issues as state certification and higher Medicare payments in Idaho.

Success Stories: Jensen reported that Fry Foods has purchased land in Nyssa, but the construction estimate is much higher than expected. The city of Weiser is putting on a “full court press” to get Fry Food to locate there.

Driving Ambitions is struggling, but still operating. The Twilight in Nyssa is being remodeled and will have a conference room.

Next Meeting: The next meeting will be held on October 22 in Grant County.