



Cowlitz-Lewis Economic Development District Meeting

Monticello Hotel, Longview

January 27, 2010 @ 12:00 PM to 1:30 PM

Attendees:

Michael B. Mask, City of Castle Rock
Bonnie Canaday, City of Centralia
Ron Averill, Lewis County
Dick Larman, Lewis County EDC
Tim Van Mechelen, Cowlitz Indian Tribe
Ted Sprague, Cowlitz EDC
Jim McLaughlin, Lower Columbia College
Merlin MacReynolds, City of Chehalis
Pete Poulsen, City of Kalama
David Futcher, City of Kelso
Rick Winsman, Kelso-Longview Chamber of Commerce
Susan Hoosier, Small Business Development Center
Paul Stewart, East Lewis Chamber of Commerce

Don Hanson, City of Vader
Daryl Lund, Port of Chehalis
Dan Buell, Port of Longview
Taylor Aalvik, Cowlitz Indian Tribe
George Cress, Port of Longview
Erica Rainford, Port of Woodland
Kei Zushi, City of Woodland
Connie McMaster, City of Kalama
Dave Campbell, City of Longview
George Raiter, Cowlitz County
Joel Lengyel, Woodland Chamber

EDA Staff: Jacob Macias, Regional Representative

Staff: Steve Harvey, Jennifer Keene, Nancy Harris

1. Welcome and introductions - Chair Ron Averill

Introductions were made around the room. Chair Ron Averill asked for a motion to approve the minutes from the September 29, 2009 meeting. A motion was made by George Raiter, and seconded by Taylor Aalvik. **Motion passed.**

2. Board representation and formal appointments to the CLEDD board – Steve Harvey

Mr. Harvey reported that the COG staff has been looking at the membership list of the Cowlitz-Lewis Economic Development District (CLEDD) and what is required by the federal guidelines. To fulfill some of these federal guidelines, the majority of the board must be public sector representatives which CLEDD shows a good representation. Additional representation is needed from the private sector to meet the guidelines. Invitations have been extended to Weyerhaeuser Company in Longview and they

have expressed a willingness to participate in the group. Recommendations are needed as to what companies to approach in Cowlitz and Lewis counties. Chair Averill asked Lewis County reps to review the list of representatives and send him any changes or suggestions of possible private sector companies and he'll get recommendations to Ms. Keene. Dick Larman added that we, as a group, needs to review the requirements of the bylaws regarding representatives of various sectors and move on from there as to who should be contacted. Chair Averill noted that the topic needs additional work and to please get back to Ms. Keene or Mr. Harvey for additional input.

George Cress had a question regarding the bylaws verbiage on representation from the port districts. According to part 2a of the bylaws, it is stated "An official or staff from a port district from each county" He noted that three port district representatives from Cowlitz County are present at this meeting today and Lewis County has two. Mr. Harvey noted that the statement means a minimum of one port district representative per county. After discussion by the group, the Chairman Averill recommended that the Bylaws committee reconvene and decide the intent of the statement regarding port district representation, and then bring a report to the next meeting.

3. EDA and state funding and legislation reports –

- EDA regional representative - *Jacob Macias*

Mr. Macias reported that Economic Development Administration is gearing up for FY10. The federal budget was received on Monday and, again this year, the EDA is under anomalous appropriation bill which means the EDA will be getting the same funding amount as last year. The Seattle regional office doesn't know what amount of the entire funding they will be allotted. The regional directors are trying to determine how many and which projects can be accomplished this year but there are no concrete figures at this time. Traditionally, EDA has had four core programs operated out of the regional office. In the last few years new programs have been added such as the Renewable Climate Change which was appropriated \$25 million nationally. This program consists of green projects where the rules are very stringent. In this year's budget, the rules for green projects were liberalized as to make more projects fundable. The Seattle region EDA received about \$4 million for the program. Another new program instituted was announced last Friday is the Community Trade Adjustment Assistance (CTAA) Program which was designed to assist those communities impacted by foreign trade. This new program is fairly lengthy and fairly complex. Forty million have been appropriated nationally

and based on this disbursement formula to regional offices; Seattle will get around \$4 million in CTAA funds. The timeframe for proposals through the CTTA program is very short. Given short time period and the way EDA works, in house projects will be selected. EDA is not like most federal agencies as it doesn't have deadlines and accepts applications on a continuing basis. This year EDA has many projects and have been inundated with applications from communities looking to use any type of funds available to supplement other funds.

As far as funding for the FY 2010, the EDA allocation will be about the same as last year which was roughly about \$280 million with \$250 million going to grant programs on the national level and the Seattle regional offices typically get around \$32. More information will be coming out in the next two weeks as the budgets get finalized. Members asked Mr. Macias questions regarding specific projects in the local level. He replied that EDA is working on a number of projects in the local area. EDA will be looking at in-house, shovel-ready projects under the new fiscal year funding programs. The new administration is encouraging federal agencies to hold national forums to get input from the public on local needs and issues. One forum was held in Longview and next one will be in Yakima this year. More of these forums will be held in the future and he encouraged members to attend. The public input from these forums is sent to the federal administration to get a better look at the country as a whole.

Chair Averill had a question regarding the project list included in handout materials. Ms. Keene explained that the list was taken from the Federal Recovery.gov website of all the projects that were funded under the stimulus funds and how many jobs were created under the projects. Ms. Macias reported that board members can contact him with questions regarding particular applications to see if they might qualify for any available funds or contact Ms. Keene as she could also assist in getting the information and posting to all the members. Mr. Sprague reported that Mr. Macias is a good resource and to work through Ms. Keene to setup a meeting and get information on the application process. It's a process for a reason, with the limited amount of funds; they want to fund the best projects for the community.

- **Washington Economic Development Commission- CEDC President Ted Sprague**

Mr. Sprague reported that he was appointed in January 2009 to serve on the Economic Commission by the Governor. The Commission was formed to provide recommendations to the Governor to set vision for next decade or two. The acting legislation to set up the commission took place in 2007 and a staff person came on board in 2008. After about seven years of process, the commission is off and running. One of the main things the commission looks at is infrastructure for the state which has several subsets of what that means. One of the main things looked at is streamlining the regulatory process for Projects of Statewide Significance legislation that needs a higher level of attention from the regulatory agencies. This legislation is going to be re upped to get the Dept. of Ecology, Dept. of Natural Resources, Dept. Fish & Wildlife, etc. together to get projects permitted within the state instead of going from agency to the next and having an ombudsman to walk through the process. Other subsets of infrastructure are broadband, financial renewals and transportation.

The members discussed the problems and obstacles of the current permit system. Mr. Sprague stated that this is a big part of the Economic Commission is to get all agencies focused on working together for job creation. The commission is also looking at investment and entrepreneurship and trying to get funding for those. The work force is also a big issue. He stated that one of the reasons he accepted a role on the commission to look at economic development programs that truly benefits the state in creating new business or attracting new businesses. A subcommittee taskforce to the committee was created to look at the economic development programs and reclassify them to identify if they are truly incentives and/or economic development. The taskforce would like to back to the legislature with the programs that are no working and only advocate for the programs that are working. Examples of programs that are working are the CERB and Public Works Trust Fund programs. These types of programs are used and need to build jobs and repair/build infrastructure in cities and counties. Mr. Sprague emphasized that this is his big push on the commission at this time. The commission is looking at some things legislatively as far as the makeup of the commission from when it began. Originally it began with 18 commissioners and now there are 21, looking to expand to 23. One of the major things being looked at in the legislation is taking the word coordination out of the commission's role and provides more of a leadership role. The commission's role should be to make recommendations to the legislature not to coordinate. It is

the job of the legislature to coordinate not the commission. Mr. Sprague was asked about a commission website to keep up with the progress of the commission and he commented that there is a link from the Department of Commerce or contact him for the address.

4. **Update on projects that have received funding from EDA, ARRA Stimulus, Public Works and the Energy Efficiency Block Grant** - *Jennifer Keene, CWCOCG*

Ms. Keene reported that under the Energy Efficiency Block Grant, Cowlitz County applied for some funding in a partnership with the cities of Castle Rock, Kalama, Woodland and Kelso and was awarded \$650,000 to do upgrades for street lights and sidewalk improvements. We are waiting to hear from the WA State of the Transportation (WSDOT) budget, along with funding for a Woodland project from EDA. Lewis County is also awaiting news on project funding from EDA and WSDOT.

New project proposal for business database

Ms. Keene explained a new project proposal for creating a business database for Cowlitz and Lewis counties. The Cowlitz EDC had mentioned that they were interested in having a business list. This is a very lengthy process which can take up to five months to go through business/building permits, track home-based businesses and entrepreneurs. This list could provide an avenue for businesses to get information of programs out there to assist them in growing and working with other agencies. The database would consist of type of business/services provided, range/number of employees, etc. She asked the members for feedback regarding interest in the kind of database proposal. Members noted that the list would need to be updated on a continual basis, information wavers would have to be obtained as some information is confidential and the cost commitment of obtaining information and updating would not be worth effort.

Ms. Keene commented that she is looking for creative ways to obtain information that will assist EDC members in their pursuit of reporting for possible applications. She encouraged members to contact her with questions or ways she can assist to help find available funding sources.

5. **Regional economic data** – *Jennifer Keene, CWCOCG*

Ms. Keene reported that the CEDS committees will meet again in the spring to review the projects in the 2009-2013 CEDS report. If you don't have a copy of the report, extra copies are available after the meeting. She announced that the next CLEDD meeting will be attentively held June 30th, 2010 in

Lewis County and she hopes to get state representatives from both counties and staff from the WA State Dept. of Commerce to speak.

Ms. Keene also announced that COG received a Business Disaster Resiliency grant from EDA in the amount of \$100,000 to begin phase one which was to hire a consultant to review all the reports from the 2007 Lewis County flood, 2008 snow disaster and the 2009 flood in Lewis County. The consultant will be developing workshops and trainings with the chambers in the region to prepare and mitigate businesses for any kind of disasters. The consultant firm, Pearce Global Partners, was hired in December and they will be scheduling meetings with the chambers in the region. More information is provided in an article on the front page of the newsletter handout. Phase one should be completed by July and the second phase will consist of working directly with the businesses to help them prepare for disaster recovery.

6. Roundtable

- *Dan Buell*, Port of Longview's berth nine will be finished in June. The new grain elevator will be operating by summer of 2011. Three to 400 employees are working at all times at the port.
- *Dick Larman*: Forty-four windmill towers will be up in west Lewis County soon which is a \$150 million project. The Lewis County EDC has diligently working with the New York company to hire local contractors and subcontractors to get the project built with local laborers.
- *Pete Poulsen*: City of Kalama's second phase of the downtown revitalization project will be completed in two weeks. He thanked county commissioners for funding allocations and COG for help at various planning levels. This second phase cost over \$700,000 which consisted of building new sidewalks, bulb-outs, cross-walks and lights. In the last five years the city has completed several big street projects and put a flood control system in place with grant funds.
- *Dick Larman*: The south Lewis County region, towns of Vader, Winlock, Vader and Cowlitz Tribe, has been working with the Lewis County Planning Department to figure out strategies to encourage more industry in the south county area. The cities and tribe have been very instrumental in moving forward and thinking cooperatively about a regional water and

wastewater system. The Town of Vader is having a very difficult time with breaks in old water main. The Department of Ecology advises to get it fixed centrally. The group would appreciate any advice or thoughts on this issue. The town reps have been meeting with larger groups and getting assistance from Lewis County EDC.

- *Don Hanson:* Town of Vader water system is in good shape, it's the infrastructure that's suffering. The Department of Health has been working with the town to work out the water quality problem and the meetings have been productive. The town has been looking at the possibility of Lewis County taking over the water system to make it easier to apply for possible grant funding. The big concern is the health of the public but the town has no money to fix the problem.
- *Merlin MacReynolds:* It is important for entities to keep infrastructure updated but is getting much harder with funding sources being more competitive and without TIB funding it is getting much worse. Potential businesses look at infrastructure in place. Competitive funding sources are going to larger jurisdictions and smaller entities are going to have to find a way to survive. The next legislative session is not going to make it better. This competitive process needs to be reexamined by all to work together instead of competitively.
- *Mike Mask:* Cowlitz County has been holding government summit meetings to develop a plan to work together with cities/county on the bigger issues facing each entity. The concept of the summit meetings is to work as a group instead of as individual entities.

7. Next Meeting:

The next meeting is tentatively scheduled for Wednesday, June 30, 2010 in Lewis County with guest speaker, Representative Orcutt (*tentative*)

Adjourn: 1:34 pm.