

Economic and Community Development Steering Committee

Association of Oregon Counties

January 9, 2012 Meeting Minutes

Members: Diane McKeel, Co-Chair (Multnomah); Tony Hyde, Co-Chair (Columbia); Scott Hege (Wasco); Craig Pope (Polk); Rod Runyon (Wasco); Gary Thompson (Sherman); Mary McArthur (EDD's); Craig Pope (Polk County); Michael Weimer (Gilliam); Mike Benedict (Planning Directors); Kris Latimer (Workforce)

Guests: Joel Shapiro (Multnomah), Agnes Balassa (Governor's Workforce Advisor), Mike Selvaggio (Treasurer's Office), Karen Goddin (OBDD), Ivo Trummer (OBDD)

AOC Staff: Ann Hanus, Doris Penwell

Co-Chairs Diane McKeel and Tony Hyde convened the meeting at 8:14 am.

Approval of Agenda, Minutes, Workplan

Motion to approve the minutes, agenda, and workplan was made by Tony Hyde and seconded by Craig Pope. Motion approved.

Proposed NACo Resolutions/Workforce Issues and Trends

Kris Latimer discussed the two proposed NACo resolutions. AOC had approved the resolutions but they need to be renewed. The first resolution deals with funding the Workforce Investment Act Programs while the second concerns reauthorization of the Workforce Investment Act. We currently have only 30% of the funding to serve youth and 50% for adults.

The changes in the resolution reflect how the discussion has evolved on workforce programs over the past year. Agnes Balassa (Governor's Workforce Advisor) said the proposed changes further clarify the structure at the local level. The system needs to respond to local industries. Tony Hyde urged that we work on making the language happen on a local level. Craig Pope said it is important to address the

accountability provisions. Discussion ensued about problems faced on the local level, the difficulty with meeting needs, and how best to utilize existing resources.

Motion to approve the resolutions was made by Tony Hyde and seconded by Gary Thompson. Motion approved.

Kris Latimer referred to the White Paper on workforce programs and discussed its recommendations to coordinate and align resources. She encouraged members to have a discussion in their respective counties. Agnes Balassa said her job is to tie together the Governor's agenda on education and jobs through workforce programs. She will be talking with Greg Wolf about involving Regional Solutions. She said Rep. Dembrow will be submitting a bill asking for a study on the workforce programs, resources and restructuring.

Oregon Investment Act Proposal – Mike Selvaggio (Treasurer's Office)

Mike Selvaggio joined by teleconference call and will be sending out materials to the Committee. He discussed the Oregon Investment Act Proposal. In discussions around the state, their Task Force found that there were multiple programs and issues involved with economic development. They heard that a plan is needed that is more coordinated, flexible and brings more resources. They will be releasing a more formal capital gaps study within the next week or two. Three added values:

- Coordination among state agencies and regional economic development plans. Programs reside in OBDD and Treasury. Mike Selvaggio said there is no coordination among programs and regional economic development plans.
 - Creation of the Oregon Growth Board and consolidation of boards and commission. The Oregon Growth Account will be part of the Oregon Growth Board. The Oregon Investment Advisory Board will also be included. The Infrastructure Finance Authority will not be included but it should be part of discussion. The Oregon Growth Board will have the same relationship with the Treasury and OBDD. The OBD Commission will have same authority to run agency; however, the Growth Board will replace the Legislature. This will allow the state to be more responsive and flexible. Legislature will monitor within parameters. The Board is a seven member board:
 - One member from each congressional district
 - Treasurer as ex-officio member
 - Legislative leadership will have stake in selection process. Governor will consult with Senate confirmation.

Ann Hanus asked whether there will be a local government representative. Michael responded that the composition is up in the air and still being discussed. They are concerned about how large the board should be. He asked whether we are comfortable with a non-voting member? Commissioners responded that they really want a voting member and need to see more details.

- Flexibility. There are a lot of funds/silos on what can be done with money. He cited the example of a proposed shoe factory and the lack of funding available. The Oregon Growth Board should have authority to move money between silos. He mentioned the Credit Enhancement Fund with OBDD as an example. He said that there are legal restrictions with some funding sources especially federal funds. The Regional Solutions boards will be involved.
- Leverage. They want to take funds and apply leveraging experience with Oregon Growth Account to other opportunities.

Michael Selvaggio said their meetings with legislators have been positive. Ann Hanus asked if Michael Selvaggio and Scott Nelson could come before the Committee on February 6 and provide more details. Mike agreed to do so and would call Scott Nelson to see if he could be present, too.

Other Legislation – Ann Hanus

Ann Hanus discussed the proposed Enterprise Zone bill sponsored by Speaker Hanna. The bill would increase the number of enterprise zones, expand the maximum size of enterprise zones and increase the number of additional tax exempt years. Following discussion, the Committee was supportive of the bill but wanted the relating clause to be narrower.

She talked about legislation to deal with the central assessment issue affecting Facebook. She said the Governance Committee is discussing the bill today. She said we need to make sure the bill is not overly broad because of other ramifications.

International Trade Update – Karen Goddin and Ivo Trummer (OBDD)

Karen Goddin and Ivo Trummer gave a power point presentation on international trade activities by the OBDD. Discussion ensued about county involvement and economic development issues with international trade. Ivo mentioned that the state received an export assistance grant that can offset costs for international trade shows.

Meeting adjourned at 10:00 am.