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AGENDA COVER MEMO

DATE: January 20, 2009 (Date of Memo)
February 4, 2009 (Date of Meeting)

TO: Board of County Commissioners

FROM: LCOG, Milo Mecham, Program Manager

TITLE: Order No. 09_____ IN THE MATTER OF ORDERING ACCEPTANCE OF THE RECOMMENDATIONS OF THE BENTON, LANE, LINCOLN, LINN REGIONAL INVESTMENT BOARD REGARDING FUNDING PROJECTS FOR THE FY 2007-2009 BIENNIUM

I. MOTION

MOVE TO ADOPT ORDER NO. 09-_____ IN THE MATTER OF ORDERING ACCEPTANCE OF THE RECOMMENDATIONS OF THE BENTON, LANE, LINCOLN, LINN REGIONAL INVESTMENT BOARD REGARDING FUNDING PROJECTS FOR THE FY 2007-2009 BIENNIUM

II. ISSUE OR PROBLEM

The Benton, Lane, Lincoln, Linn Regional Investment Board had its functions restricted and redefined during the 2007-2009 biennium. Then, after the special session, was given a small amount of funds to apply to its traditional function of job creation.

The RIB was concerned that a full scale solicitation for projects, such as had been conducted in the past, would raise expectations about funding that could not be met with the very limited amounts that the RIB had. The revolving loan funds have traditionally been a source of job creation that the RIB has appreciated and supported. Given the limited amount of funds, the RIB chose to concentrate on projects immediately at hand.

III. DISCUSSION

A. Background

The RIB funds are to be used to support projects that have an immediate prospect of job creation and meet the other eligibility

requirements. The basic eligibility requirements are that the project have an overall investment of five dollars (\$5) for each dollar of RIB money and will spend no more than \$3000 of RIB money for each job created. The program also aims to support as many jobs above the average County wage level as possible.

The RIB has consistently exceeded its adopted goals, and will maintain that record if these projects are approved. The two loan programs have been very successful in creating jobs. The RIB board reviewed and approved the three projects listed on Attachment 2.

B. Analysis

Two of the proposed projects fit the program criteria and goals set by the RIB and approved by the Commissioners and contribute to the RIB's overall pattern of job creation. The third project will not reduce the job creation and leverage accomplishments below the overall threshold and will, over the long run contribute to job creation in the region by making land available for development.

Approval of these proposals will exhaust the RIB project funds for the biennium.

C. Alternatives/Options

The options before the Board are as follows:

1. The Board may take no action. This would result in at least a delay in disbursement of funds to these or other projects.
2. The Board may choose to approve the BL3 RIB recommendations. When the other counties have done the same thing, the RIB staff will work out contracts reflecting the RIB requirements and the projects can get under way.
3. The Board may choose to reject the proposed projects.

D. Recommendation

Staff recommends that the Board adopt the proposed Order.

IV. IMPLEMENTATION/FOLLOW-UP

If the Board adopts the proposed Order, staff will communicate that action to the fiscal agent, CWCOG, and the fiscal agent will initiate contract discussions with the applicants.

V. ATTACHMENTS

1. Board Order No. 09—_____ in the Matter of Ordering Acceptance of the Second Round of Recommendations of the Benton, Lane, Lincoln, Linn Regional Investment Board Regarding Funding Projects For The Fy 2007-2009 Biennium
2. Brief Description of Regional Investment Board Projects Recommended for Funding

Attachment 1

IN THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY OREGON

ORDER No.) IN THE MATTER OF ORDERING
) ACCEPTANCE OF THE
) RECOMMENDATIONS
) OF THE BENTON, LANE,
) LINCOLN, LINN REGIONAL
) INVESTMENT BOARD
) REGARDING FUNDING
) PROJECTS FOR THE FY 2007-2009
) BIENNium

WHEREAS, the Lane County Board of Commissioners has formed a Regional Investment Board as a partnership between Lane County and Benton, Lincoln and Linn Counties, and

WHEREAS, the Regional Investment Board of Benton, Lane, Linn, Lincoln Counties (the BL3 RIB) has limited funds, provided late in the biennium to support project proposals focused on job creation and job retention; and

WHEREAS, after reviewing project applications, the Regional Investment Board recommends three projects (see Attachment 2) for funding through the Regional and Rural Investment funds; and

WHEREAS, these recommended projects will advance the economic development objectives as defined in the Benton-Lane-Lincoln-Linn Regional Investment Strategy.

NOW THEREFORE IT IS HEREBY RESOLVED AND ORDERED that the Lane County Board of Commissioners does hereby approve the recommendations made by the Benton-Lane-Lincoln-Linn Regional Investment Board as shown in Attachment 2 and directs the fiscal agent for the Regional Investment Board, the Cascades West Economic Development District, to complete the necessary contracts to allow the projects to be carried out as planned.

DATED this 4th day of February, 2009

Chair, Lane County Board of Commissioners

APPROVED AS TO FORM
Date 1/27/09
JHC
OFFICE OF LEGAL COUNSEL

ATTACHMENT 2
REGIONAL INVESTMENT BOARD - PROJECTS FUNDING RECOMMENDATIONS

Project	Grant Request	BL3 RIB Recommendation
Oregon Cascades West Revolving Loan Fund Oregon Cascades West COG is requested \$50,000 to provide matching funds for a micro-business loan fund of \$459,000 that will operate in Linn, Lincoln and Benton counties and will replace the now defunct SBA Microloan program. The Micro-Business Loan Fund will operate as a revolving loan fund and it is anticipated that the requested \$50,000 will match funds to finance 15–18 businesses creating 22-25 jobs over a 10 year period, and perpetually benefit additional businesses as the fund revolves.	\$50,000	\$37,500
Lane COG Revolving Loan Fund PW Eagle was headquartered in Oregon until June 2007 when acquired by the world's largest PVC Pipe manufacturer, now known as JM Eagle. JM Eagle closed the Eugene plant in the fall of 2007 and relocated to Los Angeles and Washington. This proposed project finances the purchase of equipment and tooling needed to re-establish a PVC pipe manufacturing plan in Eugene to be known as Eugene Pipe, LLC. The RIB funds will be utilized as a five year loan from LCOG to Eugene Pipe. Repayment of principal will return to LCOG's revolving loan fund for relending to future projects.	\$50,000	\$37,500
Regional Industrial Lands/Wetland Mitigation Project This cooperative effort of the cities of Albany, Corvallis, Harrisburg, Halsey, Adair Village, Lebanon, Tangent and Millersburg will: 1) Evaluate supplies of industrial land relative to anticipated market needs and wetland protection requirements; 2) Examine whether other sites might be better suited to industrial development; 3) Determine how best to modify industrial land inventories to meet market needs; and 4) Examine options for securing wetland mitigation credits including evaluating the feasibility and process of developing a joint wetland mitigation bank. Project budget is \$75,000, consisting of a DLCD grant of \$50,000, Local Contribution of \$5,000 and RIB request of \$20,000.	\$20,000	\$20,000

TOTAL RIB FUNDS TO BE ALLOCATED

\$95,000