

## SORED I BOARD OF DIRECTORS MEETING MINUTES

Tuesday, September 10, 2024, 3 - 5:00 pm

Club NW – Grants Pass, OR

	Member	Entity		Member	Entity
X	Anderson, Paul	Rogue Truck Body	X	Fischer, Tom	Coldwell Banker Commercial
X	Ayres, Jessica	City of Medford	X	Holmes, TJ	Travel Medford
	Bailey, Dr. Rick	Southern Oregon University		Hyatt, Paula	City of Ashland
X	Bautista, Victor	Avista Utilities		Johnson, Kelley	City of Central Point
	Bristol, Sara	City of Grants Pass	X	LeMay, Jessica	Hunter Communications
X	Browning, Taneea	City of Central Point (ALT)	X	Long, Juliet	Rogue Community College (ALT)
X	Cates, Ashley	Tribal One	X	Marple, Daniel	Herb Pharm
X	Cubic, Aaron	City of Grants Pass (Staff)	X	Mayers, Robb	Outler Construction
X	Doan, Ron	Cow Creek Tribe	X	Meyer, Alan	Pacific Power
X	Dotterrer, David	Jackson County Commissioner	X	Miller, Kaycee	Rentec Direct
X	DuBose, Chris	First Interstate Bank		Newell, Matt	Providence Health & Services
X	Eagles, Breanne	Moss Adams		Sell, Kathy	City of Eagle Point
X	Elliott, David	Boise Cascade		Shillam, Dr. Casey	Southern Oregon University (ALT)
X	Fahey, Nick	Southern Oregon Sanitation		Spansail, Sarah	City of Medford (ALT)
	Farm, Judy	Tribal One (ALT)		Weber, Dr. Randy	Rogue Community College
	Field, Rob	City of Medford	X	Williams, Claudia	Rogue Credit Union
<b>Directors Present: 21</b>		<b>Directors Absent: 6</b>		<b>Director Vacancies: 1</b>	
	SORED I Staff		Guests	Entity	
X	Padilla, Colleen - Executive Director	X	Barnett, Chris	Commissioner Candidate	
X	Browne, Amy – Operations Manager	X	Draper, Scott	Club Northwest Founder/Owner	
X	Bohl, Carrie – Communications & Business Support Manager	X	Fahey, Pat	Commissioner Candidate	
X	DeRoo, Ryan - Business Development Loan Manager	X	Martin, Colene	Commissioner Candidate	
		X	O'Neil, Jay	Upper Rogue River Chamber	
		X	Ramorino, Karen	RCC SBDC	
		X	Tarantsey, Marta	Business Oregon	

### **Call to Order, President's Remarks – Tom Fischer**

President Fischer opened the meeting at 3:05 and announced several items to the directors:

1. He reminded the directors about the Roundtable clipboard being circulated to sign up for Roundtable sharing
2. The new city manager for Medford, Robb Field, will be replacing Harry Weiss on the board, who is retiring.
3. RCC SBDC's Karen Ramorino is a guest to answer any questions regarding the requested support for the Childcare Catalyst Mentoring Program to be discussed later in the agenda.
4. Josephine County Commissioners Colene Martin and Chris Barnett are joining us today.
5. An optional Club NW tour following the meeting by Scott Draper, owner. Each director who RSVP'd for the meeting is on a list to receive a VIP guest pass and free smoothie/coffee drink ticket.

### **Guest Welcome and Testimonial - Scott Draper, Owner & Founder Club NW**

Scott thanked SOREDI for supporting the community. Oregon was a tough State for the health industry during COVID when gyms were considered non-essential. He is working on changing that paradigm. Hanging on the wall are the Serrior's (Service Warriors – Serriors) Core Values –Service Warriors in Love and Well Being.

Club NW is flipping the model on its head that inherently says we are broken. We believe our inherent state is wellbeing and the Club's journey is our journey to find that wellbeing.

After the meeting at 5, Scott offered a tour around the facility. It is one of the largest indoor children's play centers in the country. The public can pay for a 2-hour visit. Parents are free even if they're not a member.

SOREDI's \$208,000 grant was a game changer for them. It helped support 8,000 members in our community. Many of the members are not financially affluent and encompasses a breadth of demographics-- Professionals, retired, young families, and some homeless, whom they call their "greatest members". The club sits on 7.5 acres and encompasses 60,000 square feet. AllCare Health runs a PACE program close by, a 22,000 square foot facility, whose clients receive public transportation to the Club. Serving this group fits into our mission and vision.

The club has 130 employees with 14,500 post-covid members.

**Miller** noted the amazing environment being educational and nurturing. How can we cultivate that for employees?

Scott calls it Full Exposure – being vulnerable. Team activities - Team building in Atlanta, deep diving together at Lake Tahoe. The experiences they have, they bring back to the Club. We work in openness, and he calls himself the head mistake maker. He knows the difference that jobs can make. He is third generation in Grants Pass. Good jobs put food on the table and self-esteem inside.

### **Executive Committee Report – Kaycee**

Here are the topics we discussed at the August 27<sup>th</sup> meeting, with any subsequent decisions:

#### **1. Final review of the City of Medford Proposed Contract**

**The EC recommended that SOREDI staff sign** the proposed contract in its final draft form after finalizing adjustments. The contract states that the City of Medford will pay their membership in 3 payments over the fiscal year after deliverables have been met. SOREDI has now been invited to their in-depth study sessions to help keep the city more informed.

#### **2. Umpqua CDARS request to rollover term**

As part of the continued investment strategy, SOREDI recommended moving the current CDARS fund to a 7-month CD Special @ 4.75% leaving plenty of funds for new loans if needed. To rollover as is would be 13 weeks at a lower interest.

**EC recommendation to SOREDI staff** to invest in the 7-month CD Special at the 4.75% interest.

#### **3. RCC/SBDC Childcare catalyst grant funds**

SOREDI asked the EC how we can support this program and further economic development by addressing one of the major concerns for our working population – childcare.

**EC recommendation to the board:** To match the \$30k the city of Grants Pass is putting towards the program, can SOREDI invest \$10,000 from fund 300 to this program? The funds would be put in the Foundation account as unrestricted and be granted from there.

SOREDI staff will also work with other Josephine County companies such as Masterbrands, Evergreen, Rogue Truck Body, Herb Pharm, Dutch Bros, and AllCare Health, among others, to match dollars, which would be a charitable donation due to the Foundation's 501c3 status.

#### **4. SOREDI Request to support "No" on [Measure 118](#)**

There is a coalition to support “No” on Measure 118 and signing the coalition would join with Business Oregon and other Oregon economic development organizations in opposition to Measure 118.

**EC recommendation to SOREDI staff:** move forward with signing the coalition.

**5. New Loan Committee Member Recommendations:**

With Joel Wilder and Scott Koch no longer on the committee, Nick Rodgers and Tim Clayton are being recommended as replacements, each from the same two corresponding banks. They have been vetted by the loan committee and Chris Dubose.

**EC recommendation to the SOREDI board:** Present the new Loan Committee recommendations to the board for approval.

**6. Executive Director job description:**

The EC reviewed the current job description for the executive director position for relevancy for future hires.

**EC recommendation to the SOREDI staff:** Add “preferred” for bachelor’s degree requirements, and include “experience in business outreach” as a required qualification.

Current SOREDI staff may apply for the ED role in the future, but their current position on staff does not guarantee the ED position. A formal job search will be conducted, and all qualified candidates will be considered.

**Consent Agenda – Action** – Breanne Eagles, Secretary/Treasurer

**Daniel Marple** made a motion to approve that the draft minutes be in electronic form for review and the August 13 meeting minutes. **Nick Fahey** seconded. All approved. Motion carried.

**Loan Committee Members – Action** – Tom Fischer, President

**Fischer** asked if there is any feedback or questions regarding the Loan Committee recommendation for Tim Clayton and Nick Roberts. It was noted to change the spelling from Rogers to Roberts. **Claudia Williams** made the motion to approve. **Jessica Ayres** seconded. All approved. Motion carried.

**Support for RCC SBDC – Action** – Tom Fischer, President

This is the SBDC RCC [childcare pilot program](#). Karen Ramorino, advisor at RCC SBDC, and Ruth Swain, Director of the RCC SBDC have requested financial support from SOREDI.

They have developed a community partnership with the early learning group at the SOESD to put a program together for those who want to start up a new childcare facility or expand their existing one. To receive funding, a childcare provider would need to be licensed through the State and have completed this pilot program certification. The grant would be for startup costs related to equipment needs.

**Marple** – Insurance is one of the biggest expenses for a business. Can the grant funds be used for this or are they more for startup costs? Ramorino noted that they are continuing to find out what barriers there are and will look at defining grant funding restrictions.

**Taneea Browning** – Are these funds supplemental to RCC’s funds? RCC’s focus is to provide early childcare instruction, additional education options for licensing and has grants to help pay for tuition. These funds are different from RCC grant funds. SOREDI funds would be for the end when they complete the program. **Padilla** noted that she and Ruth have been talking about this program since January. Once the provider receives the certification these funds will be available to them with startup equipment costs. SOREDI funds will be moved to the Foundation and then look for matching dollars, which would be tax deductible.

**Fischer** – It has made the national news regarding the childcare problem. Equipment would include desks, cubbies, etc. that are needed to have kids in the door.

Dotterrer - \$10K? Yes. Originally thought \$30K but EC recommend \$10K to leverage matching from private funds to bring in a total of \$30K

**Miller** - Childcare is a big concern and I am in favor of this.

**Ashley Cates** moved that \$10,000 is moved to the Foundation from Fund 300 to be used as a grant for this pilot program, and to acquire matching gifts from local companies. **Browning** seconded. All approved. Motion carried.

#### **Committee Liaison Reports** – Tom Fischer, President

##### **Business Recruitment & Retention**, Tom Fischer

An outreach call was made to King Plastics in Medford with one of the sons of the owner, who lives in Florida. It was started on the East Coast and expanded here. It makes high grade plastic boards to be used for engraving. 3,000 s/f facility in Florida and a 15,000 s/f one here in Medford that is also used for distribution. They are looking to expand into more varied products and manufacturing here. Rogue Valley WorkSource was able to help them out with ideas for workforce expansion. They currently lease the facility, but their long-term goal is to own property here in the Rogue Valley.

The father had a positive experience with SOREDI who helped them out when they first came here.

Overall, they are talking to companies about their issues. Individuals and businesses are open to visits.

##### **Southern Oregon Innovation Hub** – Alan Meyer, SOREDI Executive Committee

We are getting the word out for sponsorships, logos, branding, and are in the early stages, just launching in August. **Meyer** asked **Browning** to add her comments, having been involved since the beginning. Currently, the governing committee is working on the structure. The Steward, Kim Freeze, is getting set and creating a communications plan with transparency for both counties. We are three weeks in with staffing and already decades ahead of other hubs in the state. Policies are getting in place. This is a subcommittee under SOREDI to help it get established and to determine where it will go from here. The Hub is a way to collect all levels of entrepreneurs in a virtual space, assess their needs, and then help connect them to the correct network. Visit [Southernoregoninnovationhub.org](https://southernoregoninnovationhub.org)

**Meyer** gave the example of a small business in Grant Pass. They have a natural treatment for poison ivy and poison oak that can help Pacific Power workers in the field. They want their business to grow. How do we help them with what their next steps are? What's the next connection? The Hub helps with that.

**Padilla** added that this has been in the planning stage for two years. It's not a physical space but a concept. The Steward is there to help connect the ESOs in the region to help entrepreneurs and then connect them to what they need. Partners are critical in this process. Kim Freeze can be contacted at [soihsteward@soredi.org](mailto:soihsteward@soredi.org). Kudos to the businesses represented here who have helped along the way.

#### **Financial Reports** – Amy Browne, Operations Manager

**Browne** noted that these are just the preliminary numbers for fiscal year 2024 until the audit is complete in October.

The year ended in a \$7,000 deficit due to member funding and unexpected expenses, but the deficit was minimized by the investment strategy which earned over \$81,000.

##### **New Funds**

For this fiscal year, the Innovation Hub funds have their own fund, **Fund 390**. The admin fee will be applied to Operations. The funds are received in phases from Business Oregon. \$40,000 has been received, another is coming in January 2025, and the final \$20,000 is coming June 30, 2025.

Fund **397** is the Workforce Housing HB3395 fund of \$399,000.

**The Strategic Growth Fund** - \$300,000 will be moved over the next three years, as needed.

**Browning** requested that “Other” expenses be broken out more in future meetings to see what is captured in that category, especially IT. **Browne** noted that this is an abbreviated version, and the full financials are available upon request.

#### **Investment Allocation**

Investment has two pieces: Loan funds and Operating funds. \$68,000 was earned for the restricted loan funds and the earned \$81,000 is in a money market from operating funds. Rates were good and helped with last year’s deficit.

**Budget adjustments from May** for this next year were necessary due to unexpected expenses such as the move. Because of trends we saw last year we’ve made some adjustments for this year. These can be noted on the itemized list

In our new location, we participate in property tax cost of the location. Being that the Foundation is also part of the location we are looking into possibly getting a tax exemption from the County. It will adjust down if that is approved.

**Browning** – Is the \$300,000 also for the Strategic Growth Committee? No, these funds are the overall monies needed to satisfy the strategic growth plan approved by the Board at a previous meeting to hire more staff to do more work.

#### **Meaningful Business Connections** – Colleen Padilla, Executive Director

SORED I recently received a \$40,000 grant to help us establish a workforce housing consortium, which connects to HB3395 and the \$399,000 Workforce Housing fund. These funds are available through June 2027. They will help developers and small cities move forward in housing projects with costs for getting land ready. For example, doing an arsenic study on property that could potentially be used for housing.

SORED I is not historically part of this arena but with such a great need related to economic development, we are becoming involved. The consortium would help decide how to spend funds and the process is under way to build the consortium.

#### **Carrie Bohl – Communications and Business Support Manager**

Membership Update: 53% of invoices paid, 41% of budget.

Congrats to [Best in Southern Oregon 2024 Award SORED I Member Winners](#), 10 Gold and 11 Silver, including our own Board members:

- ✓ Boise Cascade
- ✓ Rogue Credit Union
- ✓ Hunter Communications
- ✓ Southern Oregon Sanitation

The **Bowl-A-Rama** raised over \$39,000 toward Southern Oregon Scholarships, Entrepreneurial Efforts, and Business Disaster Relief

- ✓ **SORED I Foundation \$500 2024 Career Pathways Scholarship** went to Lainie Wheeler, 2024 grad of North Valley High School in Grants Pass. Lainie sees herself as a “citizen of Southern Oregon, committed to contributing in diverse and impactful ways.” Her next steps are studying business in college, having been inspired by local entrepreneurs and business owners.
- ✓ **SORED I Foundation \$500 WESO Entrepreneur’s Grant** toward a local entrepreneur, Howell Spray Painting of Eagle Point, to help with business development costs.

#### **Ryan DeRoo – Gap Financing and Business Development**

August 22 was his first loan committee meeting where Ashland Dehydrated Foods was approved for a \$150,000 equipment loan and subsequently closed. The company has 10 employees and anticipates 10 more the following year.

The committee has interest in bumping the loan limit to \$500K, as suggested by Ryan. They would like to see guidelines and rate suggestions at the next committee meeting.

There are two loans in the pipeline in Medford – Medical and manufacturing – that will be taken to the next loan committee within the next 30 days, if financials look good.

Inquiries:

Within the last 30 days there have been multiple inquiries, but most were either referred to the SBDC or they weren't ones that would qualify. Examples of the inquiries are:

A non-profit that is redoing their headquarters for remodeling	Being construction, referred to bank partner
A factoring services company for the forestry industry is requesting a \$2-3M line of credit to lend out to forest service	Referred to SBDC and bank to open line of credit. They are looking to purchase this from their grandparents so there is potential interest in the future
A multi-million-dollar residential housing project	Being construction, referred to bank partner
Investment group in Ashland opening a smoothie restaurant in downtown	They are still in negotiations with seller, and we are waiting for a signed purchase agreement to move forward
A gentleman designed a yoga app and is looking for startup capital	Referred to SBDC to create a written business plan
A gentleman wants to finance his gym in GP	Currently awaiting financials to move forward
Healthcare and educational facility to help students interested in that area	Ryan connected with the City of Medford and real estate professionals. Awaiting financials

Delinquent loan status – There are currently 7 of 29 over 30 days. The food service industry is the toughest and most are behind. These accounts will receive a higher focus moving forward.

Recently Ryan worked with Business Oregon for a new loan referral partnership BDF loans where we would receive up to half of the origination fee for loans up to \$2M in the traded sector.

Ryan thanked the directors for their vote for the two committee members. He is looking forward to working with Tim Clayton and Nick Roberts. They both come highly recommended.

**Fischer** – Is there anything we could do to get more loans? Ryan responded that by increasing the loan limit and possibly expanding out to non-profits it could increase our pool. He is meeting with Stephanie of Craft3 to learn about their program.

### **Terrill Roper – Business Expansion and Development Connections**

Project Firepower: Biotech company seeking to establish a state-of-the-art biomanufacturing facility within the United States. This project is a Business Oregon lead.

- 46 jobs, 4-6 acres need for 50-100,000 s/f building
- Site improvements begin in 2025, full operations by 2028
- Total Investment - \$100,000,000 by Q4 of 2028
- Property Submitted – Avenue, White City

Career Training Facility: Met with SOESD, who is working on a feasibility study for a prospective new educational facility to introduce high school students to career opportunities within the healthcare industry.

Pacific Fibre: Early stages of expansion to possibly purchase a new facility for ongoing Southern Oregon operations. They are looking for 10-15 acres with rail access. Potential site on Tolo Road in Central Point.

Rail: A meeting is set up with Genesee & Wyoming Rail to discuss options for businesses needing rail access, associated costs and timelines.

### **New Committee Formation Updates/Input** – Tom Fischer, President

#### Long Term Growth & Strategic Committee

The following directors have been added to fill up the final slots:

Daniel Marple, Aaron Cubic, and Ashley Cates

**Browning** asked the timeline to get the LTGS committee started.

A Doodle poll will be sent out to determine the first meeting date. Thank you to those who have volunteered for the two important committees.

#### Facilities Committee

**Fischer** asked for volunteers or recommendations for this short-term committee to fill the final slots.

**Miller** reminded the directors that this committee does not require its members to be part of the Board.

### **Economic Development Updates/Needs** – Board of Directors Roundtable

**TJ Holmes** – Travel Oregon invited the Board to attend the October 17 meeting at RogueX to see the findings of a recent feasibility study for Southern Oregon's accessibility for tourism. He will send out an email with more information. Accessibility in tourism refers to transportation, handicap accommodations and expanding opportunities.

**Jay O'Neil** – Eagle Point's Ed's Oasis finally sold, of Hwy 62. The new owner, Luke, doesn't have a particular idea of what to do with that property and is looking for development opportunities. On October 15, there will be a Jackson County candidate and municipality forum to give Eagle Point Upper Rogue community members a chance to meet and hear their views.

**Marta Tarantsey** – A clarification that Measure 118 has not been signed by Business Oregon as they are not allowed to. However, the Governor has spoken out in opposition. The OEDA conference is in Klamath Falls this year and doesn't come here often. Great place to learn about economic development in our state.

**Browning** requested that information be sent out to the Board about the OEDA and Workforce Conferences. The OEDA [annual conference](#) is October 6-8 in Klamath Falls. The [Workforce conference](#) is October 23-23 in Bend

**Josephine Commissioner Candidates** – Each candidate was given floor time to identify important topics - **Chris Barnett, Pat Fahey, and Colene Martin**

**Fischer** – There's a biotech company Terrill and Jaymes are working with for information on rail spurs being added locally. We hear about companies finding good workforce. Genentech opened in Vacaville, away from San Francisco and have very highly trained staff and know that they can pay them a good salary. They know the housing is less expensive and they can move employees with them. Southern Oregon could be a possible relocation. Biotech and rail spurs are about products and supplies, where rail would benefit our valley.



### **Adjourn**

President Fischer adjourned the meeting at 4:54 and welcomed those interested to attend the Club NW tour being led by Scott Draper.

### **Upcoming SOREDI Board Meetings & Events**

October 8 – Lithia Motors, Medford

November 12 – RVCOG, Central Point

***Our Vision:*** *To be the most business-friendly region on the west coast.*

***Our Mission:*** *Advance business in Southern Oregon to foster economic vitality by helping companies and entrepreneurs launch, relocate, and prosper. (A new landing page has been created on [soredi.org](https://soredi.org) to house documents from this meeting, including presentations. Please click here to access [SOREDI Board of Directors Meetings - Follow-Up Documents - SOREDI](#))*