

SORED I BOARD OF DIRECTORS MEETING MINUTES

Tuesday, January 9, 2024, 3 - 5:00 pm

Rentec Direct, Grants Pass

	Member	Entity		Member	Entity
	Ausland, Aaron	Ausland Group		Fischer, Tom	Coldwell Banker Commercial
X	Ayres, Jessica	City of Medford		Glover, RJ	Boise Cascade
	Bailey, Dr. Rick	Southern Oregon University	X	Holmes, TJ	Travel Medford
X	Bartalini, Karen	Providence	X	Hyatt, Paula	City of Ashland
X	Bochart-Leusch, Jessica	Cow Creek Tribe (ALT)		Johnson, Kelley	City of Central Point
	Bristol, Sara	City of Grants Pass		Long, Juliet	RCC (ALT)
X	Browning, Taneea	City of Central Point (ALT)	X	Meyer, Alan	Pacific Power
X	Clarizio, JD	Tribal One	X	Miller, Kaycee	Rentec Direct
X	Cubic, Aaron	City of Grants Pass (Staff)		Sell, Kathy	City of Eagle Point
	Doan, Ron	Cow Creek Tribe		Spansail, Sarah	City of Medford (ALT)
X	Dotterer, Dave	Jackson County Commissioner		Vincent, Steve	Avista
X	DuBose, Chris	First Interstate Bank		Walsh, Dr. Sue	SOU (ALT)
	Eagles, Breanne	Moss Adams	X	Weber, Dr. Randy	Rogue Community College
X	Fahey, Nick	Southern Oregon Sanitation		Weiss, Harry	City of Medford (staff)
	Farm, Judy	Tribal One (ALT)		West, John	Josephine County Commissioner
Members Present: 14			Members Absent: 10		Member Vacancies: 4
	SORED I Staff		Guests	Entity	
X	Padilla, Colleen - Executive Director		X	Anderson, Paul	Rogue Truck Body
X	Browne, Amy – Operations Manager		X	Clark, Bradley	City of Grants Pass
X	Bohl, Carrie – Communications & Business Support Manager		X	Doak, Marshall	SOU SBDC
X	Tadlock, Jaymes – Business Development Manager		X	LaBerge, Jessica	Office of Governor Tina Kotek
X	Skelton, Abigail – Project Manager		X	Miller, Nathan	Rentec Direct
			X	Robinson, Vicki	RVCOG
			X	Schneider, Jason	Civic* Possible
			X	Stone, Jewell	Isler Medford, LLC
			X	Teece, Jim	Project A

Welcome and Introductions

President Chris DuBose opened the meeting at 3:02. Quorum present. DuBose welcomed the Board and guests, noting the tight timeframes for the full agenda.

Regional Innovation Hub Presentation

Presented by Jason Schneider, Founder of Civic* Possible and consultant to this project, and Jim Teece of Project A and one of the Hub 5 steering committee members. The Hub Steering Committee (Hub 5) consists of individuals elected by Hub participants to carry out the Hub business plan. Other Hub 5 in attendance: Taneea Browning, Marshall Doak, and Colleen Padilla. Abigail Schilling was not in attendance.

Schneider - As an overview, two years ago at the state level, Business Oregon decided that it's time for Oregon to focus on business innovation. As a result, the idea of regional business hubs throughout the state began. To focus at the regional level, the State decided to break the initiative into regions to allow locals to take a deep dive to see what's working and what can be done better specific to their respective areas.

SORED I, as the fiscal manager for the planning grant, reached out and pulled together a group locally and hired a consultant to provide guidance through the process. In late 2022, Civic* Possible was hired. After a year's

process, which included workshops with over 14 local participants, and over 100 other interviews, the 2023 Business Plan was created.

The Regional Innovation Hub plan intends to provide access to innovators and entrepreneurs throughout the region, regardless of their initial point of contact. All local partners and agencies will have the necessary information to easily guide the person to the next step whether it be with them or a different partner. The focus is on the warm hand off for the next appropriate step.

An important result that came from these workshops is the commitment to assess and develop an entrepreneurial system that will work regardless of funding. It's important to not chase funding but to keep the system the key focus. Consensus decision making, using the Fist to Five vote, was used throughout the process.

Schneider talked with four other regional hubs created throughout the nation that were successful and like the Rogue Valley. Initial steps to developing our local hub included listening sessions in Grants Pass and Ashland, along with 30 stakeholders involved in the design.

Next steps? The Innovation Hub Business Plan has been approved and is now awaiting a funding model for round 2, which is yet to be announced by Business Oregon. Civic* Possible is stepping out of the steering committee moving forward.

Teece – The steering committee (Hub 5) is currently working on the tough part, which is how to get funding for part 2. Teece called the the Board to participate in the process and learn more about this new regional Hub. Teece noted that Josephine County was not purposely excluded from the steering committee, but because of the final voting of who comprised the committee.

Schneider – To summarize:

1. The entrepreneurial and innovative ecosystem health between all the participants in the region could be improved. Specifically, when sharing information and sharing support.
2. An emphatic opinion throughout the process is that we do not create something new! The pieces are there, we just need to work together better.
3. Focus all energies on creating a healthy ecosystem.
4. This is a five-year plan – There is the initial concerted effort and then reassess. This is a temporary program created to improve our ecosystem.
5. This new plan will allow us to manage joint resources and initiatives as a whole.

There is a Business Oregon Grant opportunity Spring 2024 – Summer 2025, up to \$750K. The grant application is due Feb 20 and is currently being worked on by the steering committee and Schneider.

Questions?

DuBose – Commended Civic* Possible for the great Executive Summary for summarizing well our region currently. DuBose noted that this is not a SOREDI plan or about SOREDI, but bigger and that SOREDI only has a piece of this.

Weber – As he has found in higher education, creating awareness of the available resources needs to be a top priority. He likes the direction of the Plan.

Teece responded that the real challenge here in the Valley is for partners and agencies to be open and transparent about what each other is doing. A website is being created that will showcase all the work the partners are doing, making it a one-stop for entrepreneurs.

Dotterrer – Asked of Schneider, what do you need the SOREDI Board and SOREDI to do?

Doak – offered his thoughts and noted they were his own opinions, not SOU SBDC. He noted that he is heavily invested in innovation and noted the need for our region to be competitive in this space. He is convinced that this ecosystem is critical and lacking. There are several points he made:

1. He noted there is a missing party here, which is the Josephine County Commission. He believes that the SOREDI Board needs to lead and that SOREDI should have an integral role.
2. SOREDI is made up of public and private members and the public leaders carry the additional burden to convey the benefit of SOREDI to the public and that innovation is needed.
3. There is a mix of monies involved and dynamics are going to change. Stresses that this will cause more people to ask more of SOREDI and there will be pressure to please everyone, further stretching their resources. Encouraged the board to ask how they can support the staff further as it can't simply be a plug and play scenario.
4. Solution to consider – have a strategic planning retreat with the Board and staff. Not about the CEDS but a look at SOREDI internally, with a professional facilitator.

Dotterer – Noted the focus by Business Oregon is on science- and technology-based entrepreneurs. Does this new Hub Plan for our region have a larger focus than this?

Schneider – responded that not knowing what's coming down the pike, the group wants to be more open and broader than what Business Oregon has defined. Bend's hub is focused on innovation, but the plans can be inclusive of any industry. He suggested the board 1) read the plan, 2) commit funding to it and 3) share the plan with others. He further noted that the new economy will be networked, not a hierarchy.

Padilla responded that we don't have a specific strategy internal to the agency itself but follow the CEDS as our general road map.

DuBose - noted that during COVID, focused priorities were brought inward but at that time work was done to identify priorities because of scope creep. There currently is not a SOREDI agency strategy.

Weber- asked if we have any specific ground rules for the agency. What can we accomplish? Noted we'd all benefit from clarity of what the agency is and is not.

Miller – noted the agency struggles to answer that question within the whole community. We must create more exposure in the region, work better with chambers, attend events, and share messaging.

Weber – further added that people do not actually know what they need.... **Schneider** referred to this as the "inspiration gap".

Business Presentation

Nathan and Kaycee Miller, owners of Rented Direct.

Kaycee Miller – Rentec Direct started as and continues to be a small business based on employee size of under 25. It is privately owned, a traded sector business, and focused on technology.

The story started 15 years ago. Nathan grew up in the Illinois Valley and every job he had was in technology and is self-taught. In 2007, Nathan began doing property management and soon discovered the need for a way to track the details. He designed a software that was to become the basis for Rentec Direct, a software for landlords, property managers and investors. With twenty million property managers across the US, there is enough space to be a solid player. They don't plan to have more than 25 employees.

The company became involved with SOREDI during a 2019 Tech Tour. Their recent video done by a videographer at Nick Alexander Films was a student from that tech tour. SOREDI provided a way to expose younger students to career opportunities to stay in Rogue Valley. Fun fact is that all Rentec's tech team are from the Rogue Valley.

Nathan Miller – Nathan grew up through technology in the Valley and considers it a viable career option. Some of the pros and cons of being here:

Cons

1. Fewer commuter options in Grants Pass, which isn't friendly for bikes, Uber, scooters, all to which younger employees are attracted.
2. Small talent pool overall.
3. The younger generation is looking for exciting life, which the Rogue Valley has, but we're competing with Bend.

Pros

1. SOREDI, Chambers, SBDCs all approachable.
2. The quality of life is good here and there are short commutes.
3. Internet connectivity has outstanding service.
4. We tend to have long-term employees and they stay.
5. Lower operating costs for businesses.

Executive Committee Report

In lieu of Tom Fischer's absence the report was tabled until the next meeting.

Consent Agenda - ACTION

November 14, 2023, meeting minutes approval. **Weber** moved to be approved. **Miller** seconded. Motion carried.

Board Roster and Executive Committee Changes

Padilla – The following changes have necessitated replacement:

Terri Coppersmith retired. Dustin Hall has relocated due to Cummins closing in Talent. Jeanne Pickens resigned due to time constraints. The Executive Committee proposes to the Board that Breanne Eagles move to the Executive Committee as an At Large member, and Kaycee Miller move from being At Large to the Secretary/Treasurer position.

The Executive Committee is recommending to the Board the following new candidates:

Paul Anderson, Rogue Truck Body for the term July 2023 – June 30, 2025, replacing a manufacturer position previously held by Lowell Gibson of Nice Badge.

Claudia Williams from Rogue Credit Union, who would complete Jeanne Pickens' term from the financial sector.

Meyer motioned to accept all candidate nominations. **Ayres** seconded. Motion carried. SOREDI will follow up with the necessary paperwork and orientation information.

SOREDI FYE 2023 Financials & Audit Report

Jewell Stone – Isler Medford, LLC (via Zoom)

Stone provided the Board members an overview of the recent audit performed by Isler. A document was provided to point out areas of interest. This document and the full audit are included in the Board packet and housed [here](#). It is important to note that the auditor concluded no findings.

Questions?

Ayres– why was there a loan adjustment that was so high in 2022? **DuBose** – one loan we needed to reserve more for. The loan portfolio is reviewed twice a year. The Loan Loss Reserve for all loan clients is currently at 6%; some will have a higher percentage due to various circumstances. **Padilla** noted the SOREDI Loan Committee makes recommendations to the Executive Committee if changes need to be made, which are then brought to the full board for approval. It is time to be updated and the board would be briefed in March.

Miller highly commends **Browne** for her organization of SOREDI financials.

Browning – Are the financials a monthly communication to the Board? **DuBose** responded that RVCOG is SOREDI’s accounting firm and currently the finances are presented quarterly. The audit is presented annually. DuBose asked if the Board would like to see the financials monthly? The response was yes, by email. DuBose requested to add to the minutes that the SOREDI financials will be emailed to the Board each month.

Padilla noted that Isler has been doing SOREDI’s audit since 2013, which has become a good process and working relationship.

Agency Report

Colleen Padilla – Executive Director, SOREDI

Padilla noted that the presentation will begin by noting how the various activities align with the CEDS in the blue box on each slide.

Congratulations to Amy Browne for four years with SOREDI. Browne was hired as a business development manager and then quickly pivoted to provide grant management assistance during the pandemic. She was later promoted to Operations Manager and is an asset to the SOREDI Team!

Membership Aging, Stats – as of 01/04/2024

Membership accounts for 51% of our FYE 24 Budget

12 non-renewals, including Josephine County for a shortfall total of \$47,604

	New	In-Kind to date	Not Renewed	Invoiced Count	Paid Count	% Count Paid	Invoiced	Invoiced Paid	% of Invoiced Paid
Champions	2	2	8	56	41	73%	\$ 30,250.00	\$23,100.00	76%
Underwriters	1	1	2	51	46	90%	\$ 67,600.00	\$61,825.00	91%
Ex Underwriters		1	1	18	17	94%	\$ 52,250.00	\$46,750.00	89%
Jurisdictions		N/A	1	15	14	93%	\$ 213,325.23	\$178,803.51	84%
Friends		0		2	0	0%	\$ 550.00	\$0.00	0%
	3	4	12	142	118	83%	\$ 363,975.23	\$310,478.51	85%

Current Work Priorities

One Rogue Valley Report Card

A 20-page printed publication that will be presented at the One Rogue Valley Breakfast in February focusing on the first three years of this strategy July 1, 2020 through June 30, 2023. It will include statistics, major efforts, and stories of businesses impacted by the work we do. Included businesses ads will come from the One Rogue Valley Breakfast sponsorships.

PIER (Planning, Infrastructure, and Economic Revitalization)

SOREDI has several roles in this post-wildfire response effort:

- ✓ **Member for the PIER Selection Committee**
- ✓ **Sub-recipient of funds for economic revitalization.** This is a big lift for SOREDI and key to the success of the sub-grantees who may be approved for economic revitalization grants. This is CDBG-DR funding from the federal government, and we are reviewing the manual and working on executing a contract with Oregon

Housing & Community Services. RVCOG is also expected to be a sub-recipient for planning and infrastructure funds.

- ✓ **Sub-grantee of funds, pending approval by the selectin committee.** Considered uses by SOREDI - direct business grants and low interest, forgivable loans.
- ✓ **This is a 5-year proposition for SOREDI** and will necessitate separation of duties internally and minimally, the hiring of grant coordinator to oversee the subrecipient role.
- ✓ **Budget impacts** – revenues and expenditures are expected.

Dotterrer – emphasized to the Board the heavy lift this is going to be for SOREDI.

Ayres – asked if there is admin cost built in?

Dotterrer – Yes. They are holding back 30% for sub-recipients which may include RVCOG and SOREDI.

Browne – Though this is a 5-year program, it will be done over the course of 6 years.

DuBose – This work goes back two years when the Board asked SOREDI to advocate for burn scar business relief.

Unidentified Board Member - a follow-up question to the Hub Presentation and who will be the fiscal agent and lead agent for the Hub?

Schneider – The steering committee (Hub 5) will decide. Schneider is completing the grant request to Business Oregon. If the grant comes through SOREDI there will be budget impacts. Awards are expected to be announced in April or May of this year for one year of funding.

Dotterrer noted the impact and challenge of hiring someone with one year of funding. How do we match funds to make it a two-year position? This could be a request to the SOREDI Board and Executive Committee.

Browne noted that the Hub grant comes with a match requirement.

Enterprise Zone

SOREDI is the Enterprise Zone manager for four zones and works in tandem with tax assessors, Business Oregon and Oregon Department of Revenue. We currently have thirty open applications with filings due on April 1. This is a key work and lift for SOREDI, mostly done by the executive director.

2020-2023 Report Card metrics for the Enterprise Zone: 19 applications authorized creating 613 jobs and capital investments: \$120,883,538. Wage impact: \$30,663,486 (average Rogue Valley wage data from Business Oregon)

Total Estimated Impact: \$151,547,024

Browning asked if the Enterprise Zone tracks what municipalities lose in property tax?

Padilla noted that the Enterprise Zone tracks how much a company is saving in abated property taxes. The County Assessors track this annually.

One Rogue Valley Breakfast

Originally the Southern Oregon Business Conference, this event has now become the annual breakfast and has been expanded this year to include a larger audience. Padilla invited Board members to be a table sponsor @ \$500 which would include two complimentary tickets, an ad in the Report Card, table signage, and recognition on social media. The program will consist of:

Josh Lehner, Oregon Economist

Industry Panel – Manufacturing, Technology, Health Care Partner - *moderated by Breanne Eagles, Moss Adams*

Partner Collaboration

Grants Pass BRE Committee, the Ashland Chamber of Commerce “Foster Business Growth” Committee, quarterly delegation reports to the Medford Chamber of Commerce, Regional Economic Vitality Conversations (REV Chats), SBDC Advisors & Partner Socials, the SOREDI Business Recruitment & Retention Committee (BRR). Padilla noted these efforts require significant collaboration as we continue to improve connections and partnerships.

Elected Officials Event

2nd annual appreciation and mixer for elected officials to gather, network and connect with local partnerships ready to assist in issues important to them.

Continued Board Discussion: Key Strategies and Prioritization

DuBose asked the Board to provide input on key strategies and priorities for SOREDI. What do we start doing and what do we stop doing?

Ayres noted she was pleased Marshall was at the meeting and for SOREDI to continue to include business partners in discussions we’re having so we can work together better.

Dotterrer – The ecosystem health can be improved. The economic development system in the Rogue Valley-- how can we make it work together better? The Commissioner commended Schneider for expanding beyond the Rogue Valley mentality. He appreciates the Rev Chats to talk about pieces that fit and create a stronger network. How do they fit together and what would that look like? Where does SOREDI fit into that eco system. What is its role? He cautioned us to not put on blinders and to make sure we don’t see things as just our job.

DuBose - what can we do better and hope to do better Commissioner Dotterrer?

Schneider noted that what he found during the process is that we all want to do these things but need to define whose job it is to do, which is difficult with long hierarchical history. What is needed is a network of ecosystem builders to take economic development to the next level. He brought up the example of Shenandoah Valley, WV, which is similar to the Rogue Valley. They have made tremendous strides in transitioning from a hierarchical system to an ecosystem.

Browning - we need an increased interest in local needs and take on ownership of our custom ecosystem. Our awkward system is our challenge. We need to quit chasing just the money.

Dotterrer sees the Innovation Hub bigger than just traded sector, but as a kernel to get things started.

Browning noted we have a defined scope, but we need to find businesses that don’t fit the current model. How do we have overlap in services and still have gaps? There is a way to connect innovators to resources and we are learning exactly what that is. How do we get there?

Browne – requested Schneider to explain about Asset Map and the Steward.

Schneider – He acknowledged the amount of friction that can occur between resources and noted our Innovation Hub came up with a different focus than Business Oregon. He asked the Board to consider Mycelial connections. When you look at how big the trees are in an area, you have to have healthy soil and fungus to have healthy trees. Business Oregon wants healthy trees in Oregon and the region wants Innovation Hub wants healthy soil to grow healthy trees. The **Asset Map** is a guidance tool. When an entrepreneur talks to any given

service provider, each one will have access to the Map and know exactly who to hand off the individual to for their next best step.

The **Innovation Hub Steward** is the relationship manager to see who needs what and to follow up to make sure those seeking resources are getting the help they need and track if it happened. This position is only funded for one year with the prospective Business Oregon grant.

Browning – land use laws and tax structures are still hinderances for new business, but the Steward will be key to helping navigate around the issues.

Dotterer – When a friend was involved with a group in Florida, they had all the key players in the room for this new business. Who put them all in the room?

Weber suggested that the SOREDI of the area arranged the meeting. What are the ground rules for something like this? There are always needs and demands to be involved in. Community colleges and economic districts want to be everything to everybody. We need to prioritize annually and get clarity about who we are and who we're not. A SOREDI Strategic Plan.

Meyer – he worked in the mid-Willamette Valley for most of his career. Meetings like those referred to above happened often.

Dotterer – this Board is key in making sure these group connections happen.

Miller – what can we prioritize? Who are we, and who can we say we are to our community? How can we answer this easier? We need to be planting seeds for those who will be doing business down the road. What if we work with Chambers and Travels to support them and to attach our name to other events happening in show of support, increasing awareness of our existence?

Weber – Using an analogy from a commercial about a little girl with a toy pony, she didn't know a real pony was an option when she asked. We are working with people who don't know the right question to ask and don't even know something is a possibility. We need to be the ones to help them with that.

Schneider – Early on the challenge was identified as the "inspiration gap," not knowing what the available options are. Making sure everyone knows what the resources/options are is key to a healthy ecosystem.

Holmes – summarized that there are lots of things happening, but they could happen more efficiently. A Steward would streamline the process.

Browne – Business Oregon is committed to getting a database platform for the innovation hubs for consistency in sharing data.

Schneider – Tangible solutions like a database is the easy part. The aim of the Hub is to truly change how people relate between organizations. We need to look at what we're communicating vs how impactful is that communication? Silicon Valley and Boulder are built on 50 years of relationships. Here in the Rogue Valley, people have been more concerned about their job existing or having to share space.

DuBose requested **Schneider** describe the interviews he's done. SE Minnesota and Shenandoah Valley he enjoyed, and they are like the Rogue Valley. Convening meetings to talk is the single most meaningful and impactful activity. [Start Up Community Way](#) is a new look at creating a startup ecosystem that is a good reference tool. Many economic development agencies are looking at Maker spaces and co-working spaces. This, however, comes OUT of the synergy of people working together, not forced by creating these initiatives first.

Schneider conducted sixty interviews in Southern Oregon, basically over 100 conversations with 60 people. The interviews consisted of entrepreneurs, organizational leaders, individuals considering entrepreneurship, and attendees at Talent Maker City.

Browning noted her interest in the next REV Chat but didn't find it on the SOREDI website.

Clarizio – As an entrepreneur, asked Jason to define “ecosystem” – what does it mean? An entrepreneur is interested in getting business done and not confusing language. Get rid of that word!

Schneider – Hub refers to a network and not a physical building or location. A person goes into a chamber and is immediately connected to everyone in the network.

Anderson - SOREDI needs to be involved with Illinois Valley. Megan with the Illinois Valley Chamber of Commerce should be able to lean on everyone in the Hub and know she has a support structure. She is trying but it is an uphill battle.

Cubic – Though there is the partner 3.1 notation in the presentation, collaboration is missing between SOREDI and Josephine County. Initiative 3.2 should be an action item objective for outreach of value that aligns with Josephine County. Be visual to the region and City of Grants Pass.

Padilla noted that the Executive Committee requested she go back to the Commissioners to reengage with them and request half of the membership. SOREDI is committed to Josephine County and is actively involved.

Ayres – Municipalities pay a significant percentage of the membership and should receive benefit. Otherwise, we will have more Josephine County situations.

Miller – It is important to have active engagement with both Josephine County and Jackson County, and to have the engagement plan written out.

Holmes – Can any commissioner be invited?

Padilla noted yes, any of the commissioners may attend. The commissioners decide who will represent. They also have the option to send a staff member instead. We communicate with all jurisdictions. Padilla and DuBose have been scheduling appointments with city managers to make those connections.

DuBose noted that each jurisdiction will be visited. SOREDI is very intentional with Josephine County. When we visit, we ask “What are we doing well and what can we be doing better for you?”

Browning – a strategic plan can help identify inside/outside exposure and the Board can decide if help is needed to help SORED identify their North Star.

Ayres - Go visit RogueX!

Agenda Build for February

No specific contributions made.

Adjournment

President DuBose adjourned the meeting at 5:03 and thanked the group for the good dialogue.

Upcoming SOREDI Board Meetings & Events

February 13 – Rogue Valley International Airport, Medford

March 12 – Rogue Credit Union Community Complex/RogueX, Medford

April 9 – Taprock, Grants Pass

May 14 – Pacific Power, Medford

June 6 – SOREDI Foundation Bowl-A-Rama, Lava Lanes

June 11 – Board Social, Herb Pharm grounds, Williams

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 to house documents from this meeting, including presentations. Please click here to access [SOREDI Board of Directors Meetings - Follow-Up Documents - SOREDI](#))