

September 7, 2022

Deschutes County Board of County Commissioners  
1300 NW Wall Street Bend, OR 97702

**RE: Deschutes County Economic Development Loan Program - Proposal to Convert ARCC Loan to a Grant**

Board of County Commissioners:

I am writing to request, with respect to the Deschutes County Economic Development Loan Program, the Deschutes County Administration and/or the Board of Commissioners, as appropriate, consider:

- Converting loan to ARCC to a grant as all conditions under the Agreement have been met.

**ARCC**

Agreement Date:	June 19, 2018, amended August 3, 2021
Loan amount:	\$16,000
Agreement #:	2018-365 and 2021-162
Employment Increase:	As amended, maintain 6.5 employees through June 30, 2021, when increased to 8 employees
12 Month Employment Retention Period:	Retained through June 30, 2022
Average Wage:	\$68,315 (\$57,875 required)

ARCC has been designing and operating education programs exclusively since 1983. Located in the San Francisco Bay Area in 1986, due to difficulties in hiring and retaining employees and seeking a better match of community values, the Company relocated to Bend in 2019. This loan assisted the Company in making a successful move to Bend.

ARCC provides:

- 1) Summer Programming for students ages 13 – 8 going on 2 – 4 week summer adventures
- 2) Gap programming for recent high school graduates for 90-day international programs in the fall and the spring
- 3) Custom programming collaborating with schools looking to provide a wilderness or international experience for their students

While the employment and wage milestones in the Agreement were initially achieved in 2019, in early 2020 they were not maintained as COVID caused significant pressure on the businesses reliant on international travel.

ARCC was resilient dealing with the negative impact of COVID and maintained employment throughout 2020 at 6.5. As a result, in early 2021 the Deschutes County Board of County Commissioners approved an amendment to the Company's Economic Development Forgivable Loan Program Agreement allowing deferral in attaining the 8 employee target to June 30, 2021



(from December 31, 2019) and to be maintained through June 30, 2022 (from December 31, 2020).

The compensation target in the original agreement was also amended from \$62,500 to \$57,875. Compensation to the 8 employees exceeded \$68,000 throughout the year ended June 30, 2022.

Attached is the certification prepared by Economic Development for Central Oregon that ARCC has fulfilled its obligations under the agreement.

EDCO recommends conversion of the ARCC Deschutes County Economic Development Loan to a grant.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Myll", is written over the word "Sincerely,".

Don Myll  
Bend Area Director

**Economic Development  
for Central Oregon**

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