

Mid-Columbia Economic Development District

**FISCAL YEAR 2021
ANNUAL REPORT**



A WORD FROM THE BOARD CHAIR AND EXECUTIVE DIRECTOR

It is our pleasure to present the Mid-Columbia Economic Development District annual report. This last year continued to bring challenges as the COVID-19 pandemic lingered and evolved. We are proud of how the region pivoted again and again to address the frequently changing economic conditions, and proud of how MCEDD was able to serve our region through those pivots.

MCEDD continues to find new ways to deliver on our core competencies of high quality technical assistance, business assistance and regional collaboration. Significant milestones and accomplishments in fiscal year 2021 include:

- Completion of a **COVID-19 Needs Assessment** to identify the greatest areas for targeted action towards COVID-19 recovery.
- Deployment of almost **\$3 million in relief grants** to small businesses and nonprofits in Hood River, Wasco and Sherman Counties.
- Launch of the 2022 Mid-Columbia **Comprehensive Economic Development Strategy** process, with a focus on themes of equitable outcomes and resiliency.
- Providing **technical assistance for our members** accessing federal economic disaster funding for public works projects.
- Completion of the **Gorge Regional Transit Strategy Phase 1** to support the regional Gorge TransLink public transportation system.
- Expanding The Link transportation system with a **second bus route** in The Dalles.
- Newly administering **Mount Hood Economic Alliance (MHEA)** and providing **direct business assistance** through our loan programs (MCEDD, MHEA, Oregon Investment Board) of more than \$550,000 in funding this fiscal year to businesses.

We invite you to explore this annual report, which provides a snapshot of the resources MCEDD delivered to our service area in fiscal year 2021. It is the strength and history of collaboration in the Mid-Columbia region that keeps us optimistic for the future of the region post-COVID-19. It is only through the support of our members and partners that we are able to accomplish this work, and we are so grateful for your engagement!

Sincerely,



Bill Schmitt
MCEDD Board Chair



Jessica Metta
MCEDD Executive Director

ORGANIZATION OVERVIEW

Mid-Columbia Economic Development District (MCEDD) was established in 1969 by five counties bordering the Columbia River: Hood River, Wasco and Sherman Counties in Oregon and Skamania and Klickitat Counties in Washington. MCEDD is governed by a Board of Directors representing public and private interests throughout the region.

2021 Board of Directors

Bill Schmitt, Chair

Washington Ports

Scott Clements

Private Business

Jonathan Lewis

Washington Chambers

Bob Hamlin, Vice Chair

Skamania County

Ken Bailey

Agriculture

Mike Foreaker

Cities of Wasco County

Steve Kramer, Sec/Treas

Wasco County

Tonya Brumley

Oregon Chambers

Leana Kinley

Cities of Skamania County

David Sauter

Klickitat County

David Griffith

Oregon Ports

Jan Brending

Cities of Klickitat County

Les Perkins

Hood River County

Robert Kimmes

Healthcare

Mark Zanmiller

High Tech

Joe Dabulskis

Sherman County

Dr. Marta Yera Cronin

Higher Education

Erik Glover

Cities of Sherman County

Eric Proffitt

Workforce

Gordon Zimmerman

Cities of Hood River County

Buck Jones

Food and Beverage

MCEDD Staff

A professional staff provides business assistance, technical assistance and regional coordination for the five-county bi-state area of the Columbia River Gorge

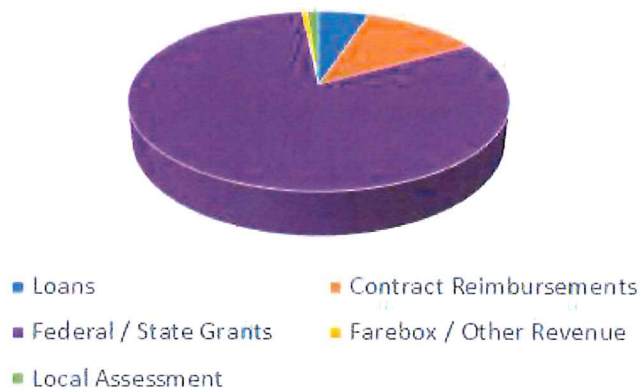
Jessica Metta, Executive Director
Carrie Pipinich, Deputy Director of Economic Development
Kate Drennan, Deputy Director of Transportation
Dana Woods, Finance and Operations
Israel Ayala Guevara, Loan Fund Manager
Jacque Schei, Project Manager
Kathy Fitzpatrick, Mobility Manager
Marla Harvey, Energy Coordinator
Lauren Hernandez, Office Administrator

Ami Beaver, Assistant Project Manager
Jill Brandt, Administrative Assistant
Jane Allen, RARE Project Coordinator
Jesus Mendoza, Transportation Manager
Link Dispatchers: Rena Bowman, Sherry Leon
Link Drivers: Gerald Benedict, Fred Bergren, Robbyn Deswert, Scott Isaak, Kevin Lohse, Lisa Malcolm, Laura Reed, Nancy Reed, Margaret Rodriguez, Casey Ruiz, Antonio Silva, Shane White Horse, Steve Wilson and Jesse Witkowski

STATEMENT OF FINANCIAL ACTIVITIES

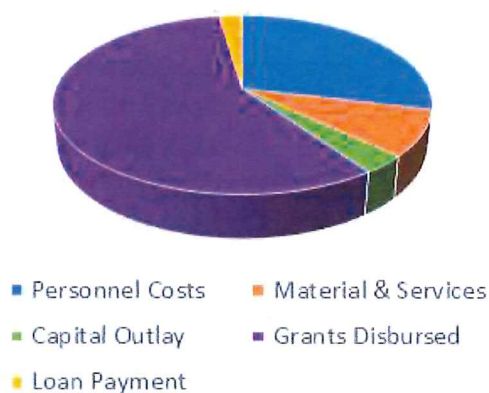
MCEDD's financial picture in fiscal year 2021 reflects a shift as a result of the significant state and federal relief provided for COVID-19, especially for business grants. Operations Revenue derived from Loans (5%), Contract Reimbursements (12%), Federal and State Grants (81%), Local Dues (1%), and Farebox and Other Revenue (1%). Operations Revenue totaled \$5,544,048 in FY21.

FY21 Operations Revenue



MCEDD's Operations Expenditures are in five categories in FY21: Loan Payments (2%), Materials and Services (8%), Capital Outlay (3%), and Personnel Costs (29%). New this fiscal year was the distribution of business grants, which represented 57% of total expenditures. Total Operations Expenditures were \$5,209,393 in FY21.

FY21 Operations Expenditures



REGIONAL ECONOMIC DEVELOPMENT STRATEGY

Developing the Regional Strategy

In early 2021, MCEDD began convening monthly meetings with regional partners to develop the next five-year economic development strategy, with a focus on resiliency and equitable outcomes. The Comprehensive Economic Development Strategy (CEDS) is a guide to understanding the regional economy and crafting goals, strategies and actions to create jobs, raise income levels, diversify the economy, and improve the quality of life. A draft of the plan will be presented at the Columbia Gorge Economic Symposium event in November 2021.

“The strategy develops regional consensus on our highest priorities so we can move forward together as a single region.”

Columbia Gorge Economic Symposium

MCEDD hosted the first-ever virtual Columbia Gorge Economic Symposium in November 2020, featuring Anne Kubisch, President of The Ford Family Foundation, as keynote speaker.

The event also included a panel session of industry representatives from WyEast Timber Services, Mid-Columbia Medical Center, pFriem Family Brewers, Mount Adams Fruit, Zepher Inc, and Renewable Northwest to discuss how they have adapted their operations due to COVID-19 and how they remain flexible in an uncertain future.



MCEDD's resiliency work was featured in The Ford Family Foundation's Vitality Publication

Vision

The region envisions a thriving economy supporting diverse business opportunities that act in harmony with the area's rural qualities, values and natural resources.

Priority Areas

- Housing
- Financial Capital
- Entrepreneurial Environment
- Workforce
- Infrastructure
- Regulatory Environment

Join us for the next
Columbia Gorge
Economic Symposium on
November 5th, 2021!

Learn more about
the CEDS at
www.mcedd.org/strategy/

ECONOMIC RESILIENCY

Business Resiliency Resources

These products to support business resiliency and others can be found at www.mcedd.org/ready



Business Resiliency Support

With support from Business Oregon's Rural Opportunity Initiative program and USDA's Rural Business Development Grant program, MCEDD in partnership with the Columbia Gorge Community College Small Business Development Center (SBDC) and The Next Door, Inc., developed these business resiliency resources:

- **Training:** Five training modules were developed on broadband tools, accessing capital, business preparedness and resiliency. MCEDD and the SBDC hosted 15 training sessions. MCEDD also hosted a lenders roundtable and partnered with The Next Door, Inc. to deliver four training modules in Spanish.
- **Videos:** Working with a videographer, MCEDD developed eight easily-digestible videos on topics discussed during the training sessions with captions in Spanish. MCEDD hopes to translate all visual materials into Spanish in the future.
- **Business Spotlights:** MCEDD interviewed regional business owners to learn about resources they used to start their business, be successful, and prepare for unexpected economic shocks. The resulting profiles highlight the businesses and provide insight for other business owners to learn from.

COVID-19 Business Grants

MCEDD received CARES Act funding from Business Oregon to implement a small business assistance funding program for Hood River, Wasco, and Sherman Counties and supported implementation of a similar program for the City of The Dalles. MCEDD also supported development and implementation of small business assistance funding programs for Hood River and Wasco Counties using CARES Act funding from the Oregon Department of Administrative Services. In total, MCEDD distributed over \$3 million in grants to small businesses as follows:

	Total Funding	Number of Grants
Hood River County	\$1,406,539	229
Wasco County	\$1,539,447	255
Sherman County	\$40,163	8
City of The Dalles	\$57,348	17



Needs Assessment

MCEDD conducted a **COVID-19 economic needs assessment** of 17 interviews with 25 regional stakeholders to understand the impacts from the COVID-19 pandemic, determine local needs and priorities for recovery, and identify opportunities for future collaboration. The assessment was developed in partnership with six economic development districts across Oregon with support from University of Oregon's Institute for Policy, Research, and Engagement.

The effort revealed priority areas for recovery including small business support, broadband expansion, attainable housing, accessible childcare, and workforce development.

REGIONAL GOVERNMENT SUPPORT

Broadband

MCEDD places a core focus on increasing broadband access throughout the region as essential economic infrastructure. Key projects this year included:

- Successful expansion of **Sherman County's wireless broadband network** through deployment of movable repeater trailers to reach areas lacking access,
- Support for four **project information submissions** to the State of Oregon as they seek to develop future broadband funding opportunities.
- **Conference presentation** at the National Association of Development Organizations sharing how MCEDD has leveraged the CEDS to support broadband expansion.
- Hosted a meeting of the **Gorge Broadband Consortium** to discuss COVID-19 impacts, opportunities and needs around broadband improvements.

Renewable Energy

MCEDD coordinates the **Columbia Gorge Bi-State Renewable Energy Zone**, focusing this year on support for the regional priority Goldendale Pumped Storage Hydro project and sharing legislative information.



MCEDD also provides project management assistance to the **Hood River County Energy Council**, which supports development of energy projects that increase economic and physical resilience. Projects included:

- Reports describing opportunities to integrate **energy resilience strategies** into Hood River County's Natural Hazard Mitigation Plan and its Community Wildfire Protection Plan.
- A summary of the **value of energy resilience** during a 3-hour, 3-day or 2-week grid disturbance for eight diverse businesses, from agriculture and manufacturing to tourism.

Community Economic Development

MCEDD worked with communities across the region to support economic development projects that enhance the resilience of our economy and communities, including:

- Coordinated the process for redesignation of the **Cascade Locks-Hood River Enterprise Zone**.
- Participated on behalf of Wasco County in the leadership team for the **Brownfield Coalition Assessment Grant** and supported development of a public involvement plan.
- Participated in the City of **Maupin's Housing Needs Analysis** process culminating in development of a housing strategy for consideration by the City Council.
- Worked to identify funding for **infrastructure assessments** or feasibility studies for the Tooley Water District, City of Shaniko, and City of Maupin. Supported the exploration of strategies for the City of Grass Valley and Biggs Service District to support wastewater system development or improvement.
- Supported the City of Maupin with a successful **grant application** for improvements to Kaiser Park.
- Administered **Northern Wasco County PUD's COVID-19 Business Relief Program** to reduce the energy bill burden for businesses in their service territory.
- Administered Sherman County's two **housing grant programs** for development of new rental housing units and rehabilitation of existing housing. Developed two new programs to incentivize housing investment.



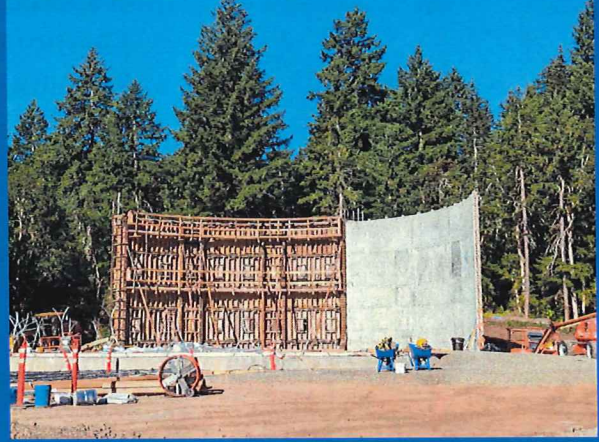
Improvements to Kaiser Park in downtown Maupin is the next project in a line towards improving downtown.



Staff assisted the community of Grass Valley (population approx. 160) in Sherman County in exploring the transition from septic-only to a community wastewater treatment system to allow for business growth.

Project Highlight: Crystal Springs Water District

The Crystal Springs Water District started construction on its South Reservoir project in Fall 2020. The work for the project includes construction of a 900,000-gallon reservoir and an addition of approximately 2,300 feet of waterline to the system. These improvements will provide additional storage for the entire District, fire storage, and improve fire flow for the southern portions of the District. Construction will cost approximately \$3.5 million and is expected to be complete by the end of 2021. MCEDD is supporting this project with grant administration.



Infrastructure Development

MCEDD places a priority on ensuring adequate infrastructure for business and community success. Our staff provided **technical assistance** to secure funding and move projects toward construction, including support for City of Shaniko and additional funding requests for City of Cascade Locks, City of Hood River, and Biggs Service District.

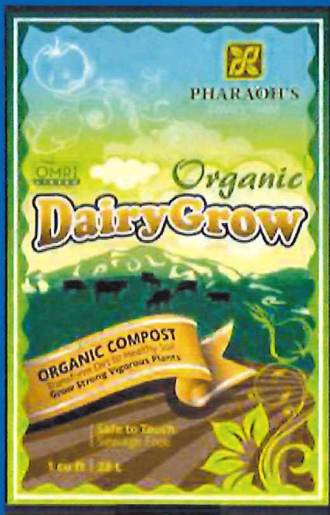
Grants Management

MCEDD offers administration of federal grants, including assisting in record keeping, labor standards compliance, and reporting. We provide pooled technical assistance for small communities without the capacity to administer grants with complex state and federal requirements. Projects this year included:

- **Biggs Service District water system:** Labor standards and grant administration support for USDA Rural Development grant and loan.
- **Crystal Springs Water District water project:** labor standards and grant administration support for two Safe Drinking Water Revolving Loan Fund projects, support in requesting an increase in funding to cover cost increases since original application.
- **Cascade Locks wastewater:** New agreement for grant administration and labor standards support for a Clean Water State Revolving Fund project.
- **City of Hood River stormwater line replacement:** Labor standards and grant administration support for a Clean Water State Revolving Fund project, support in securing funding for subsequent phases of the project, and training of city staff on grant administration/ labor standards procedures.

BUSINESS ASSISTANCE

MCEDD Loan Client Profile: Pharaoh's Family Farm



Pharaoh's Family Farm is a new business in Stevenson, WA introducing DairyGrow, an organic OMRI certified premium fertilizing compost. Pharaoh's takes a long-term view of the family farm by generating soil fertility through natural cycles.

Pharaoh's Family Farm is starting with a small operation but has plans to grow into a national market and diversify their product line to include products targeted at the backyard gardener. "Our mission is to create a sustainable future and a legacy for the next generation," Pharaoh said.

MCEDD Lending

Since the inception of our business loan program, MCEDD has made 314 loans to businesses totaling nearly \$19 million. This year, the loan program funded more than \$450,000 in new loans in support of:

- Equipment and working capital for a compost bagging operation.
- Acquisition of a commercial building for an existing business.
- Working capital for a firm engaged with Unmanned Aerial Systems.

MCEDD Loan Administration Board

Scott Clements, Chair * Bob Hamlin, Vice Chair *
Joe Dabulskis * Les Perkins * Rex Johnston * Steve
Kramer * Dillon Borton * AJ Tarnasky

Mount Hood Economic Alliance

As a new activity to further support small businesses in the region, MCEDD now administers Mount Hood Economic Alliance (MHEA). MHEA operates a gap financing program in Clackamas, Hood River and Wasco Counties and often partnered with MCEDD or the Oregon Investment Board on business lending. With MCEDD's loan support staff, we were able to easily continue the operation of this fund when prior staff retired.



MHEA approved one new loan this year, supporting a new picture framing business run by Terry Henderson and his dog Mercedes in Hood River.

Oregon Investment Board

Project funding awarded through the Columbia River Gorge National Scenic Area Oregon Investment Board helps strengthen and diversify the regional economy. Staffing provided by MCEDD included these key FY21 activities:

- A comprehensive update of the **Bi-state Economic Vitality Plan**, which reflects how each state is currently allocating and administering resources in the National Scenic Area and affirms the mission and regional approach of the plan.
- **Lending** to support the expansion of a holistic pet supply business in Hood River (see sidebar).
- A **videography marketing project** to highlight the OIB's work and increase visibility for its impact in the region. A series of five videos showcased a diversity of loan clients and COVID-19 relief lending. The full series is available on the OIB's YouTube Channel.
- **COVID-19 relief** through flexible payment options for existing loan clients, and flexible disaster relief lending.



From a \$4 million allocation and revolved funds, the OIB has approved almost \$10 million total in grants and loans which have:

- Leveraged over \$15.3 million in private funds.
- Leveraged more than \$13.4 million in public funds.
- Directly created or retained approximately 740 jobs.

Industry Sector Support

MCEDD has targeted development of opportunities in strong regional industry sectors including High Tech. **The Gorge Technology Alliance** contracts with MCEDD for project management assistance. The local tech industry continued strong performance during COVID-19, with the GTA focusing on local connections and networking opportunities via technology platforms. Highlights included:

- The fourth-annual **Gorge Tech Showcase** was held virtually and highlighted five organizations to an audience from around the Gorge and the Portland Metro area.
- The screening of the third episode in the **Chasing Grace** series focused on the role of women in tech leadership was held as a drive-in movie screening. The success of this event also led to a new **Gorge Women in STEM Book Club**.

OIB

Members:

Chair Jill Amery,
Vice-Chair Tammy Miller, Sec./Treas.
Jorge Barragan,
Doug Roof, John Kasberger, Craig Bowder

OIB Loan Client Profile: Dog River Pet Supplies



Dog River Pet Supplies opened its doors in 2019 with the intention to bring raw and natural pet foods, holistic remedies and expert nutrition advice to Hood River pets and their owners. Molly Lewis and Sean Kelly created a welcoming space through a great deal of hard work, and with an additional infusion of capital from the OIB they increased their retail space, expanded their current inventory for dogs and cats and introduced products for wild bird and small animal enthusiasts.

TRANSPORTATION

Gorge Translink Alliance

A Vibrant Regional
Public Transportation
Network



MCEDD focuses on outreach activities to educate residents and visitors about transit services in the Gorge:

- Working with local community organizations to share information
- Tabling at community events
- Leading a two-year, \$300k grant-funded marketing effort for the GORge Pass

GORge
on the **Go!**



www.GORgePass.com

Gorge TransLink Alliance

MCEDD staff manages this alliance of regional transportation providers. This year staff worked to support:

- Development of the **GORge Pass**, an integrated fare system to access all regional fixed route services for a low-cost annual fee.
- Increased **regional connectivity** and services.
- Completion of the **Gorge Regional Transit Strategy Phase I**, a region-wide transit planning initiative. Phase 1 achieved consensus on a regional vision to guide the development of Phase II.
- Continued strong and **equitable COVID-19 response** and recovery services, working closely with state and local organizations to support community efforts.

The Link Public Transport

MCEDD operates The Link, Wasco County's public transportation service, and continues to find ways to better serve the community through:

- Enhanced **COVID-19 cleaning** and spacing protocols.
- Development of a **second bus route** in The Dalles.
- **New bus stops** at One Community Health and the Pallet Housing Shelter.
- Purchase of **five new ADA-accessible buses** to increase capacity.
- Distribution of **free passes** through the Transit Connect program to support low-income riders.
- Launch of a **Wasco County Transit Development Plan** to review existing routes and services and create a 20 year masterplan for future services.
- Participating in the new **GORge Annual Pass** program.



The Link in FY21:

- Total Passenger One-Way Trips: 16,643
- Elderly/Disabled One-Way Trips: 8,810
- Revenue Service Hours: 11,393
- Revenue Service Miles: 125,446

FY21 IN PICTURES



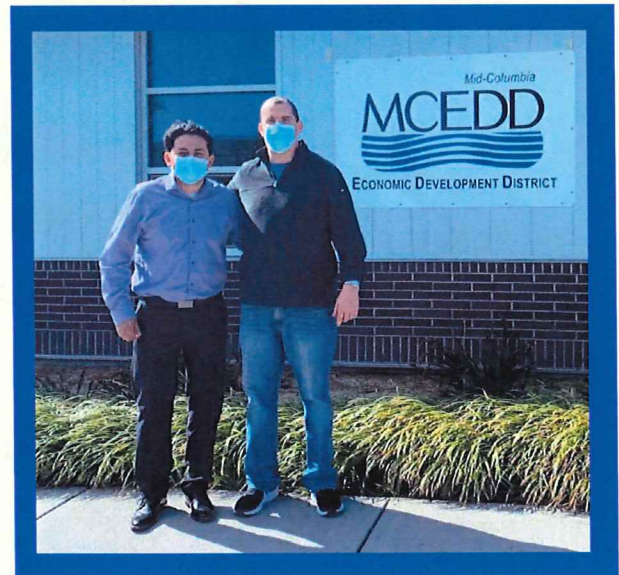
A ribbon cutting ceremony was held at the Hood River Fire Station with representatives from Forth, Columbia Area Transit, the City of Hood River, Hood River County Energy Council, Pacific Power, and MCEDD to celebrate the collaboration that made Hood River's electric car-sharing program possible.



This Gorge Regional Transportation Strategy Word Cloud is a pictorial representation that shows all of the thoughts and ideas that have been incorporated into the vision that is the foundation for Public Transportation's future in the Columbia Gorge bi-state region.



The City of The Dalles, The Dalles Area Chamber, Crestline Construction, Goodwill Industries and MCEDD celebrated The Link's newest bus shelter near Goodwill's store in The Dalles.



Loan Fund Manager Israel Ayala Guevara and Anthony Wang celebrate after closing the loan for Anthony to purchase the building that houses his business in Goldendale.

COMMUNITY IMPACT



802 Chenoweth Loop Road
The Dalles, Oregon 97058
www.mcedd.org

MCEDD is an equal opportunity Employer, Lender and Provider.