



CITY OF EAGLE POINT

"Gateway to the Lakes"

OREGON

JOINT MEETING OF THE CITY OF EAGLE POINT CITY COUNCIL AND ECONOMIC DEVELOPMENT COMMISSION

NOVEMBER 5, 2012

WORKSHOP MEETING MINUTES

1. CALL TO ORDER – 5:02 P.M.

Mayor Russell called the Workshop to order at 5:00 p.m.

Council Members Present: Bob Russell, Alan Curriston, Jonathan Bilden, Bill Fierke, Ruth Jenks, and Kathy Sell.

Council Members Absent: Wayne Brown.

Economic Development Commission Members Present: Alan Curriston, Harry Hedrick, Doug Herndon, Bob Pinnell, Janet Siedlecki, *Joni Parsons, and Steve Hunter.

Staff Members Present: Henry Lawrence, City Administrator; Melissa Owens, Finance Officer; Robert Miller, Public Works Director; Mike Upston, Principal Planner; and Cindy Hughes, City Recorder.

Guests: Ron Fox, Southern Oregon Regional Economic Development, Inc. (SOREDI); and members of the public.

Prior to Item No. 2 on the Agenda, Commissioner Hunter showed copies of promotional items and books for the Commission's information (Submission No. 1). Additionally, Ron Fox of Southern Oregon Regional Economic Development, Inc. (SOREDI), introduced himself and invited everyone to attend a Rotarian luncheon about tourism at the Rogue Valley Country Club on November 6th.

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2. DISCUSSION REGARDING AN ECONOMIC DEVELOPMENT PLAN AND THE POTENTIAL INCLUSION OF EAGLE POINT PROPERTIES INTO JACKSON COUNTY'S ENTERPRISE ZONE

Mike Upston, Principal Planner, explained the purpose of the meeting was to bring the City Council and Economic Development Commission together to discuss an Economic Development Plan and the potential inclusion of certain properties within Eagle Point into Jackson County's Enterprise Zone. He anticipated there would be more than one meeting to discuss these items and could necessitate including a consultant.

Mr. Upston referred the group to the Three-Pronged Economic Development Approach as shown on the Agenda Statement. He continued with his review of the Agenda Statement and briefed the group on a Leakage Study, and the Role of Geography. He also spoke about the Enterprise Zone which would offer tax relief to new investors and businesses. The property tax breaks of Enterprise Zones usually only last for a few years. He further noted that Jackson County is supportive of Eagle Point being part of their Enterprise Zone.

Mr. Upston continued to explain about Enterprise Zones and reviewed Attachment A of the Agenda Statement. There were three areas identified: Highway oriented parcels, Town Center oriented parcels, and Golf Course & Future Resort oriented parcels.

Next, Mr. Upston distributed copies from SOREDI (Submission Nos. 2, 3 and 4). Mr. Fox spoke about e-commerce and SOREDI facilitating an e-commerce group within Southern Oregon. He discussed the need for every community to have a strong economic development plan in place and tax exemptions offered under enterprise zones. Councilor Fierke asked for clarification about tax exemptions, and all taxes would be exempted including those that fund schools.

A primary requirement for a business to be included in an Enterprise Zone **in Jackson County past the standard three year period, up to an additional two year period**, (*Revision in bold from City Council Meeting on November 27, 2012*) is that it must offer high wage jobs of over \$51,000 per year. Additionally, each company within the Enterprise Zone must notify the Oregon Employment Department of any job openings.

A lengthy discussion followed regarding many aspects of Enterprise Zones, including:

- Dynamics of a business in another city closing and moving to Eagle Point;
- Businesses and commercial properties in Jackson and Josephine Counties being in Enterprise Zones;
- Golf course properties; and
- Timeline for inclusion in the Enterprise Zone as early as January 2013.

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Next, Mr. Fox presented a YouTube video presentation about Traded Sector and Its Importance (Submission No. 5). The purpose of the YouTube video presentation was to provide information about the traded-sector and how it drives growth in a region.

After the YouTube video presentation, Mr. Fox encouraged the City to establish an economic development plan. He also spoke about Chrysler initiating the rebate program in the automotive industry and compared that to the City's efforts in competing for businesses. Other notable points of discussion included:

- Quick access to Eagle Point after the completion of the Highway 62 Bypass;
- Regional Plan for light industrial businesses;
- Urban Growth Boundary;
- Leakage and the service sector; and
- Inclusion in the Enterprise Zone so that Eagle Point isn't surpassed by other cities in the area.

Mayor Russell asked the City Council and members of the Economic Development Commission about support of the Enterprise Zone. Commissioner Pinnell expressed concern about large companies coming in and building up a community, and then closing operations which could result in other businesses closing. Mr. Fox responded that the scenario described was a reality of business. There was a consensus of head nods in support and Councilors Fierke, Bilden, Jenks, and Commissioners Hunter and Siedlecki verbally expressed support of the Enterprise Zone.

With regard to working on a buy local plan, Mr. Fox suggested the City contact Steve Dahl, Economic Development Coordinator with the City of Grants Pass about their program. Commissioner Parsons suggested the City should review the work of a consultant, Don Burt, who had previously worked on an economic development plan for the City. Mayor Russell agreed this would be a good starting point. Mr. Upston suggested continuing to work with SOREDI as opposed to paying for a consultant at this time.

There was additional discussion about:

- Leakage study and capturing untapped markets;
- Determining how to measure success;
- 1, 3, and 5 year plan;
- Highway 62 Bypass Project;
- Development Ready Sites;

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- Economic Development Commission liaison to SOREDI's Business Retention and Recruitment Committee;
- Networking efforts with the Southern Oregon Visitors Association and the Medford Chamber of Commerce;
- E-commerce development strategy, search engine optimization, and Oregon's lack of a sales tax (1 of 5 states in the nation without a sales tax); and
- The area's high quality of shipping infrastructure.

Mayor Russell noted that the City Council and Economic Development Commission should have more meetings together and then held a round robin discussion with the following input:

- Continue promoting Eagle Point's livability and attracting businesses;
- Staff and experience to pursue development of Eagle Point; and
- Eagle Point community having more money and people than businesses.

Mr. Upston stated that staff would prepare a Resolution and move forward on the Enterprise Zone. Mr. Lawrence added that the City may need to hire a consultant to guide it in the development of a plan in addition to the support of SOREDI, staff, the City Council and Commission. Mr. Lawrence further noted the City should focus on business retention and expansion. A brief discussion ensued and Mr. Fox concluded the presentation by extending an invitation to the SOREDI Business Retention and Recruitment Committee Meetings.

Commissioner Parsons left the meeting at 6:40 p.m.

There were many positive comments following the presentation. Councilor Sell expressed her interest in the leakage study, noting some people don't even know there is a downtown. Similar comments followed in support of the leakage study. Mr. Lawrence stated there are some inexpensive efforts that can be made to guide people to Main Street.

Councilor Curriston expressed his appreciation for the opportunity to serve the Economic Development Commission over the last 8 years. Mayor Russell and others thanked Councilor Curriston for his service.

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3. ADJOURN

There being no other business to come before the Council and Commission, Mayor Russell adjourned the meeting at 7:07 p.m.

Respectfully submitted,


Cindy Hughes, City Recorder

ATTEST:


Robert Russell, Mayor