MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT

ANNUAL PERFORMANCE REPORT
JULY 1, 2013 TO JUNE 30, 2014

Mid-Columbia Economic Development District
515 East Second Street
The Dalles, OR 97058
www.mcedd.org
ORGANIZATION AND ADMINISTRATION

Mid-Columbia Economic Development District (MCEDD) is composed of five counties bordering the Columbia River: Hood River, Wasco and Sherman counties in Oregon and Skamania and Klickitat counties in Washington. These five counties established MCEDD in 1969. The founding members realized that the sharing of a common workforce, common geography and common demographics bound together their economic fates. By joining together they benefit through better access to economic development loans and grants, pooled technical assistance, marketing, and administrative resources and a regional approach to economic development efforts.

Today MCEDD retains the distinction of being the only regionally-focused economic development agency in the Mid-Columbia, and therefore, the agency most appropriate to serve as lead agency for the Economic Development Administration. MCEDD is organized as a government non-profit in Oregon as an ORS-190 and in Washington as a RCW 39.34.010.

A 21 member board of directors governs MCEDD with a representative from each of the five counties of the district, the cities of each county, the ports, chambers of commerce and seven private sector representatives. As of the conclusion of the fiscal year, the board included:

<table>
<thead>
<tr>
<th>Board of Directors</th>
<th>Appointed</th>
<th>Represents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan Brending</td>
<td>2003</td>
<td>Cities of Klickitat County</td>
</tr>
<tr>
<td>Cliff Jett</td>
<td>2004</td>
<td>Cities of Sherman County</td>
</tr>
<tr>
<td>Ken Bailey</td>
<td>2006</td>
<td>Private Business-Agriculture</td>
</tr>
<tr>
<td>Nancy White</td>
<td>2007</td>
<td>Private Business-High-Tech</td>
</tr>
<tr>
<td>Don Stevens</td>
<td>2008</td>
<td>Cities of Skamania County</td>
</tr>
<tr>
<td>Rex Johnston</td>
<td>2008</td>
<td>Klickitat County</td>
</tr>
<tr>
<td>Tonya Brumley</td>
<td>2008</td>
<td>Oregon Chambers</td>
</tr>
<tr>
<td>Mike Smith</td>
<td>2009</td>
<td>Sherman County</td>
</tr>
<tr>
<td>Dan Spatz</td>
<td>2010</td>
<td>Cities of Wasco County</td>
</tr>
<tr>
<td>Rod Runyon</td>
<td>2010</td>
<td>Wasco County</td>
</tr>
<tr>
<td>Bob Benton</td>
<td>2011</td>
<td>Hood River County</td>
</tr>
<tr>
<td>Bill Schmitt</td>
<td>2013</td>
<td>Washington Ports</td>
</tr>
<tr>
<td>Jim Kacena</td>
<td>2013</td>
<td>Washington Chambers</td>
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<tr>
<td>Joe Abbas</td>
<td>2011</td>
<td>Private Business-Healthcare</td>
</tr>
<tr>
<td>Barbara Briggs</td>
<td>2011</td>
<td>Private Business</td>
</tr>
<tr>
<td>Anne Medenbach</td>
<td>2014</td>
<td>Oregon Ports</td>
</tr>
<tr>
<td>Gabriel Muro</td>
<td>2012</td>
<td>Private Sector - Minorities</td>
</tr>
<tr>
<td>Mary Kramer</td>
<td>2012</td>
<td>Private Sector – Higher Ed</td>
</tr>
<tr>
<td>Robert (Eric) Proffitt</td>
<td>2012</td>
<td>Workforce Development</td>
</tr>
<tr>
<td>Bob Anderson</td>
<td>2013</td>
<td>Skamania County</td>
</tr>
<tr>
<td>Jeff Helfrich</td>
<td>2013</td>
<td>Cities of Hood River County</td>
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</table>
MCEDD’s mission is to promote the creation of family-wage jobs, the diversification of the economic base, and the growth, development and retention of business and industry within the five-county district. MCEDD had eight professional staff members and one AmeriCorps serving the region and the organization’s mission in FY2014.

<table>
<thead>
<tr>
<th>District Staff/Volunteers</th>
<th>Joined Us</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amanda Hoey</td>
<td>2006</td>
<td>Executive Director</td>
</tr>
<tr>
<td>Sherry Wickert</td>
<td>2007</td>
<td>Finance Manager</td>
</tr>
<tr>
<td>Jessica Metta</td>
<td>2008</td>
<td>Project Manager</td>
</tr>
<tr>
<td>Eric Nerdin</td>
<td>2008</td>
<td>Loan Fund Manager</td>
</tr>
<tr>
<td>Scott Turnoy</td>
<td>2010</td>
<td>Project/Mobility Manager</td>
</tr>
<tr>
<td>Carrie Pipinich</td>
<td>2012</td>
<td>Project Manager</td>
</tr>
<tr>
<td>Sherry Bohn</td>
<td>2012</td>
<td>Office Administrator</td>
</tr>
<tr>
<td>Maggie Hanna</td>
<td>2013</td>
<td>AmeriCorps RARE</td>
</tr>
<tr>
<td>Bill Fashing</td>
<td>2013</td>
<td>Project Manager</td>
</tr>
</tbody>
</table>

VISION: The Mid-Columbia region envisions a thriving and prosperous economy supporting diverse entrepreneurial opportunities that act in harmony with the area’s rural qualities, values and natural resources.

ECONOMIC DEVELOPMENT GOALS

Business Retention/Expansion: Enhance the retention and expansion of businesses in the Mid Columbia/Columbia River Gorge.

Business Attraction: Achieve an increase in new business to the region that will continue to diversify the economy and create sustainable opportunities, including family wage jobs, over the next ten years.

Infrastructural: Facilitate the timely maintenance and improvement of public infrastructure and support scalable infrastructure development, which will contribute to increased economic opportunities.

Economic Resources: Increase the Mid Columbia region’s receipt of resources for economic development initiatives, including funding, technical assistance and training.

Entrepreneurial Environment: Facilitate integrative partnerships and communication across business clusters, industries, entrepreneurs, government and economic development organizations to further develop an effective economic support structure.

Workforce: Regularly assess needed workforce requirements, ensuring a regional workforce that is work-ready and well-educated.

Bi-State Engagement: Engage elected representatives in Oregon and Washington to advocate more effectively for the common needs of the Columbia River Gorge.
As shown in the **MCEDD Revenue Sources Chart**, MCEDD’s largest source of funds in FY 2014 was Federal grants. Project revenue was 27% and loan fund revenue accounted for 25% of MCEDD’s income, with the balance coming from carry forward, OIB, and local dues. These percentages are based on total income of $1,144,823 and are budgeted figures.

The **MCEDD Expenses Chart** depicts the budgeted expenses for FY 2014 as a percentage of the total operational expenses of the organization ($1,144,823). Fifty-two percent of the expenses covered are the cost of salaries plus payroll taxes and benefits. Operational overhead expenses account for 36%, with the balance going to travel and loan payments.
MCEDD staff and board members are actively involved with several local, regional and statewide economic development efforts. The following is a brief synopsis of activities.

**Revolving Loan Fund Programs**

Small businesses create the majority of new jobs in the Mid-Columbia area and MCEDD supports these small businesses with its revolving loan fund program. As one of MCEDD’s most successful economic development strategies, this program lends to small business that are unable to access traditional financing needed to start, grow, expand and even just stay in business. Started in 1980, MCEDD has successfully grown this program to acquire a total of just over $4.6 million in federal and state loans and grants and almost $1.9 million in local matching funds to capitalize our revolving loan programs. MCEDD’s revolving loan fund programs use repayments from the loans to continually relend, creating the potential for additional job growth. Since inception of the program, MCEDD has made 213 loans to businesses totaling $12 million. MCEDD loan client businesses have created or retained over 1,960 jobs. MCEDD funds have also leveraged almost $12 million in additional public funding and over $28 million of private capital.

This fiscal year, MCEDD made 13 loans totaling $1,235,120. These loans helped create 57 jobs and retain 11 jobs in the region and resulted in MCEDD loan clients investing $554,000 of additional public funding and over $800,000 in private funding into their businesses, outside of their normal business cash flow. MCEDD’s participation in these projects made it possible for businesses to invest in the region’s economy. The following are businesses supported through MCEDD financing this year:

- **Steelhead Enterprises, LLC** located in The Dalles purchased additional equipment and refinanced existing debt to increase cashflow with a $180,000 MCEDD loan. This helps them obtain federal and state wildland firefighting contracts.
- **F&B1, LLC dba as Pita Pit** located in Hood River received two loans totaling $200,000 to provide financing needed to open a franchise restaurant.
- **Morale Orchards, LLC** received $92,500 to purchase freeze drying equipment to manufacture dried fruit snacks and expand the operations of their existing pear orchard near Odell.

Since 1980, MCEDD has made 213 loans to businesses totaling over $12 million.
• Trinity Natural Medicine, LLC borrowed $12,000 from MCEDD to complete the remodeling of their new healing center in Hood River that offers herbal medicine, acupuncture and moxibustion therapy, Chinese medical massage, cupping, Qi gong exercises, diet and lifestyle counseling.

• Pioneer Pizza, LLC opened its restaurant in downtown White Salmon with the assistance of a $25,000 MCEDD loan.

• Abide Craft Distillers, LLC dba Camp 1805 Distillery opened in 2014 in Hood River with the assistance of a $65,000 MCEDD loan. MCEDD assisted this client in obtaining an additional $85,000 in other public funding.

• Northwest Pediatrics & Adolescent Medicine, LLC used a $73,645 MCEDD loan to refinance debt to improve cash flow and to move to a larger facility with higher visibility.

• A Home Sweet Home Elder, Inc. received $150,000 to construct a new building and start up a memory care assisted living business in Hood River. MCEDD also helped this loan client receive an additional $200,000 of public funding.

• Oregon Brineworks, LLC, in Odell uses top quality, organic, lacto-fermented vegetables to manufacture its products including pickles, hot sauce, ketchup, kvass, kraut and saueruben. This start up business was able to successfully launch after receiving an $110,000 MCEDD loan.

• Skunk Brothers Spirits, Inc. received a $139,000 MCEDD loan in partnership with a $139,000 Skamania County EDC loan to start up a micro-distillery business in Stevenson.

• Oregon Growers & Shippers, LLC is a well-established and successful business that manufactures, markets, and distributes their farm direct specialty foods. With a $50,000 MCEDD loan, this business is expanding its marketing area and market penetration, as well as expanding its product line. MCEDD also helped Oregon Growers & Shippers obtain another $100,000 of public funding to accomplish its expansion goals.

• PocketFuel, LLC located in Hood River expanded its production capacity for its "portable whole food fuel" nut butter blends in easy-to-use durable, reusable flexible pouches with a $153,000 MCEDD loan.

The revolving loan fund program has a larger impact due to its partnership with the SBDC, local financial institutions, and business and civic organizations.
The Dalles Urban Renewal
MCEDD provides assistance to individuals and entities accessing The Dalles Urban Renewal programs. MCEDD staff provides assistance to clients completing applications, prepares staff reports for the City of The Dalles and presents reports at Urban Renewal meetings for decisions. This year, MCEDD staff consulted on multiple projects and presented three applications. Two of these applications received approval for grants totaling $51,082.

Cascade Locks-Hood River Enterprise Zone
This fiscal year, MCEDD began administering the Cascade Locks-Hood River Enterprise Zone. The Enterprise Zone incentivizes certain business investments through exemption of property taxes normally assessed on new plant and equipment. Pre-authorization conferences were held with three applicants. One of those, located in the Port of Hood River, received approval for a standard three year tax abatement. Two of the applicants are pending. More information on the program is available at http://mcedd.org/services/business/HR_EZ.html.

Oregon Investment Board
Since 1998, MCEDD has coordinated the Oregon Investment Board's grant and loan program for Oregon counties in the Columbia River Gorge National Scenic Area. Project funding awarded through the OIB helps to strengthen and diversify the economy of the region. Projects funded in this fiscal year include $20,000 in grants and $525,000 in loans. They include the following projects:

- $10,000 in grant funding to the Port of The Dalles to establish a Regional General Permit to protect aquatic resources, maintain The Dalles’ buildable industrial land inventory, and institute a compensatory wetland mitigation strategy.
- $100,000 in loan financing for Opportunity Connections to retain its Workshop and document shredding business enterprises, plus five full-time and 31 disabled client jobs.
- $200,000 in loan funds to support the start-up and construction costs for a senior-care facility in Hood River, Oregon.
- $100,000 in loan financing for a value added Farm Direct Specialty Food company to grow the business, address marketing, and participate in trade shows.
- $125,000 in loan financing for a cannery in The Dalles to meet orders from new vendors, including a national grocery store chain.
- $10,000 in matching grant funds for the Port of The Dalles’ Business Marketing Fund enabling businesses in the Port district to attend trade shows and trade missions.

OIB finances value-added agriculture companies
OIB has received four federal funding appropriations totaling just over $4 million and has approved grants and loans (by utilizing revolved funds) totaling over $8.2 million, including over $1.5 million in grants and nearly $6.7 million in loans since 1990. OIB grants and loans have leveraged nearly $28 million in public and private investment in OIB funded projects. The program has contributed to the creation and retention of approximately 598 jobs in the region.

**National Scenic Area Bi-State Advisory Council**

MCEDD hosts discussions for the Columbia River Gorge National Scenic Area Bi-State Advisory Council. The Council assesses economic development issues, markets the economic development program and identifies potential joint projects. In order to develop a sustainable funding base for the Oregon and Washington Investment Boards, the Bi-State Advisory Council is pursuing strategies to increase resources for investment in the Columbia River Gorge economy. MCEDD staff worked with the Council’s Resource Development Committee to produce and launch an interactive website featuring a map of Oregon and Washington Investment Board investments. The map includes total funding figures and impacts for each county within the National Scenic Area. It also displays information about regional projects and highlights the overall impact of OIB/WIB funding program. MCEDD staff has also begun developing informational handouts to accompany the website and map in support of outreach and development efforts. http://mcedd.org/oibwibmap/index.html.

**Comprehensive Economic Development Strategy (CEDS) and Stronger Economies Together (SET)**

Annually MCEDD updates the region’s Comprehensive Economic Development Strategy (CEDS). The CEDS provides a framework to support economic vitality of the region and MCEDD activities are geared toward implementing the strategies in the CEDS. MCEDD takes pride in
being the region’s primary representative for the Economic Development Administration (EDA) and developing the EDA funded CEDS. Last fiscal year, MCEDD combined the CEDS with the USDA Stronger Economies Together program to align processes into a single regional document. As part of the annual update, the MCEDD Board develops a list of prioritized technical assistance and infrastructure projects.

**Prioritized Technical Assistance and Infrastructure Projects**
The following projects, which are listed as priorities in the CEDS, have been supported by MCEDD staff during this last fiscal year:

<table>
<thead>
<tr>
<th>Project</th>
<th>Activities</th>
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<tbody>
<tr>
<td>CGCC Advanced Technology Center (ATC)</td>
<td>MCEDD staff is working with Columbia Gorge Community College and Regional Solutions to identify opportunities for the ATC. Staff served on the ATC advisory committee and provided connections to federal resources.</td>
</tr>
<tr>
<td>Columbia Gorge Regional Airport Flex Space</td>
<td>MCEDD staff is working with Klickitat County Economic Development on a $625,000 EDA funding request for construction of the Airport Flex Space. This will retain a critical employer-Life Flight- and provide space for additional business growth.</td>
</tr>
<tr>
<td>Giles French Park</td>
<td>MCEDD staff worked with Sherman County, the City of Rufus and a consultant to develop a plan for lease of Giles French Park from the Army Corps of Engineers. MCEDD staff assisted the County in meeting with the Port of Arlington, Klickitat County, federal legislative staff and the Army Corps to discuss lease or partnership opportunities related to Roosevelt, Phillipi, LePage and Giles French Parks.</td>
</tr>
<tr>
<td>Riverpoint Building-Port of Skamania</td>
<td>MCEDD is supporting the Port of Skamania in a $925,000 application to EDA for Public Works funding for the Riverpoint Building.</td>
</tr>
<tr>
<td>Moro Medical Clinic</td>
<td>MCEDD staff supported the Sherman County Health District in accessing funds through MCEDD’s new RLF dollars through USDA to construct the clinic upgrades.</td>
</tr>
<tr>
<td>Project</td>
<td>Description</td>
</tr>
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</tr>
<tr>
<td>Regional Wetlands Permit</td>
<td>MCEDD staff served on the Regional Wetlands Permit technical advisory committee, convened by the Port of The Dalles. Through the Oregon Investment Board, local resources were also dedicated to this project.</td>
</tr>
<tr>
<td>Macks to Mouth</td>
<td>Staff supported an application for an Oregon State Parks grant for a feasibility study for this trail concept. It was not awarded. The next step will be for the Working Group to review and address the comments/concerns. The trail would run 25 miles along the Deschutes River from the mouth to Macks Canyon.</td>
</tr>
<tr>
<td>Elevator Addition</td>
<td>Staff provided technical assistance to Mid-Columbia Senior Center as they developed applications to foundations to support the elevator addition.</td>
</tr>
<tr>
<td>North Chenowith Industrial Park Development</td>
<td>MCEDD staff worked with the Port of The Dalles and the Economic Development Administration on an EDA public works request. The project did not receive EDA funds, but is under development.</td>
</tr>
<tr>
<td>Bridge of the Gods</td>
<td>The bridge is a primary transportation arterial for our region. MCEDD staff attended financing meetings to present financing options to the Port, which owns the bridge. Staff also supported communication between jurisdictions during a disaster declaration.</td>
</tr>
<tr>
<td>Hood River Workforce Housing</td>
<td>MCEDD contracted with the State of Oregon to convene regional stakeholders to further define housing issues and develop a plan to address housing constraints. Identified through the North Central Regional Solutions as an ongoing priority, the state is investing $2 million in an attainable housing revolving loan fund, which will be managed through MCEDD.</td>
</tr>
</tbody>
</table>
**Agora Investment Platform**

Agora is an online marketplace designed to advance community and economic development priorities by matching community needs with relevant funding sources across public, private and philanthropic sectors. It was developed and piloted in the MCEDD region over the past two years. MCEDD uses it in the CEDS process and to support priority projects as Agora allows us to more effectively and efficiently connect our rural projects to funding opportunities.

Agora pilot milestones achieved during the fiscal year include:

- As of June 2014, in the five county region there are approximately 350 registered account users, more than 100 projects and over 50 capital pools represented.
- Integrated the system with prioritized projects through the MCEDD CEDS and the North Central Oregon Regional Solutions Center. Supported effective project uploads.
- Provided matching of projects and funding.
- Demonstrated success with potential for statewide replication, beginning in Oregon.
- MCEDD was awarded a National Association of Development Organizations Innovation Award for our work with Agora.

**Replication and Expansion:**

- Conversations with the State of Oregon continue to progress related to developing the final governance structure, extending licensing for the Platform and developing the phased roll out with additional Economic Development Districts in Oregon.
- Primary features development for the next phase have been drafted with six key areas for product development specifications: user engagement, funding, community manager dashboard, organization centric design, public access and search features.
- Meyer Memorial Trust continues to be a supportive partner to the Agora project and has committed a $100,000 challenge grant.
- MCEDD staff has developed training materials and a best practices manual for new districts seeking to implement Agora.

The Agora Platform not only allows communities to manage projects more efficiently, it also encourages users to better understand their own community needs and projects.
**Grant Administration**

MCEDD offers resources to the region in the administration of federal grants: assisting in record keeping, labor standards compliance, and reporting. We retain qualified staff; providing pooled technical assistance for small communities without the capacity to administer grants with state and federal requirements. In this fiscal year, MCEDD provided the following grant administration services:

- **City of Cascade Locks**: MCEDD is providing grant administration services to support the City with a Community Development Block Grant for their Wastewater Master Plan.
- **Tygh Valley Rural Fire Protection District**: MCEDD is providing technical assistance to the District as they look at options to construct a new fire hall and emergency operations center in South Wasco County.
- **Rufus Community Center**: MCEDD staff supported the City of Rufus as they sought to identify financing options. Staff followed up with the SAGE Center to discuss their funding model, talked with a New Markets Tax Credit Specialist, discussed with Oregon Solutions and engaged in conversations with private companies. There are few viable opportunities for outside funding.
- **Klickitat Community Center**: MCEDD is providing grant administration and labor standard services to Klickitat County School District in administration of a Community Development Block Grant. The project involves remodeling the Old Mill office building for a Community Center in the town of Klickitat.
- **Dallesport Water District**: MCEDD is providing grant administration services to the District, which (as subrecipient to Klickitat County) was awarded a Community Development Block Grant to a distribution system, new reservoir and new well in Murdock. Four systems are involved: Murdock, PJ, Odem and Minor.
- **Gorge Hubs**: MCEDD staff coordinated with community representatives and the State of Oregon to plan for a series of facilities connecting Historic Columbia River Highway State Trail users to Gorge communities. Staff communicated with potential funders and the project working group to obtain a commitment from the Transportation & Growth Management program (TGM) to develop initial designs for hubs in several communities. MCEDD staff will serve as the local government contact for the TGM project this fall on behalf of the Working Group.
- **City of Mosier Wastewater**: MCEDD provided technical assistance and contacts with other local governments in the
region. The City is analyzing their maintenance contract and exploring options for joint management.

- **City of Antelope:** Staff is engaged in conversations with the State Infrastructure Finance Authority which is exploring options to support needed improvements to the City of Antelope water system. Currently, USDA is providing technical assistance resources for an engineer to the City.

- **City of Cascade Locks Special City Allotment funds.** MCEDD provided grant administration for funds provided to the City to support reconstruction and overlay of Regulator Street.

- **MCEDD supported multiple communities in analyzing opportunities for federal funds, in particular for those seeking Community Development Block Grants.**

**Investing in Manufacturing Communities Partnership**

MCEDD received a $135,000 grant from the Investing in Manufacturing Communities Partnership, an EDA Economic Adjustment Assistance Grant. Of the total amount, $80,000 was provided to Washington State University (WSU) to support the work of four faculty members and industry relations staff.

The grant is funding the Columbia Gorge Autonomous Systems Manufacturing Strategy, a bi-state project to develop a strategic implementation plan to support growth of autonomous system manufacturing businesses in the Mid-Columbia region. The regional strength of manufacturers in this region cuts across sectors including composites, unmanned aircraft systems (UAS) and value added food processing.

Early activities undertaken by MCEDD through this project included mapping the supply chain to enhance connectivity of local manufacturers and their suppliers, hosting a May 20, 2014 UAS forum to develop new market opportunities, introducing higher education researchers to local businesses to support development into new markets, participating in the Columbia Gorge Education and Industry Summit bringing together P-20 educators and businesses, aligning local resources and assessing permitting and infrastructure requirements to support autonomous systems manufacturers.

Learn more and track efforts at www.mcedd.org/IMCP.htm.
Gorge Technology Alliance
The Gorge Technology Alliance contracts with MCEDD to provide project management assistance for the organization. In this fiscal year, the GTA held several regular monthly membership meetings and continued the Geek lunch series.

New activities for this year included:
- Development of the CEO Excellence Forum, a new regular roundtable supporting tech business CEOs.
- Hosting a Science, Technology, Engineering, Art and Match (STEAM) career day for over 800 7th graders from the region.
- Launch of an annual awards program to acknowledge business and individual leaders
- Support in developing a regional internship network with OSU Open Campus.
- Representation for the region on the boards of Soar Oregon and the Oregon Robotics Tournament and Outreach Program.

MCEDD staff did this while continuing individual support meetings with member businesses and participation in a number of grants and opportunities to support STEM education and/or manufacturing businesses in the region.

MCEDD staff also assisted the GTA in continuing its youth robotics program, with a fundraising drive to purchase thirty new robotics kits and support robotics events in the region for the next several years. Tech businesses in the region repeatedly mention this program as a great example of an effort to inspire their next generation of employees.

Fermentation Cluster
Activity and growth in the region’s Fermentation Cluster has exceeded expectations in the last year. In addition to wine, a growing number of “fermentation businesses” including breweries, distilleries, cheesemakers, cideries and others are forming. Our regional strategies are increasingly focusing to support of these businesses. In support of the burgeoning wine cluster, MCEDD has re-engaged the Columbia Gorge Winegrower’s Association, with activities including:
- Successfully completed an $11,900 USDA Rural Business Enterprise Grant focused on increasing market penetration in the Seattle and Portland markets for the Columbia Gorge wine region while increasing information available to support further targeting marketing messages.
• Developed a wine needs assessment survey designed to identify means to better support the wine industry in the Gorge through branding and marketing, growing local wineries and vineyards, and continuing education resources.

• Hosted, in coordination with Pacific Power, a gathering of 25 wine industry and economic development professionals from around Oregon and Washington. The visit provided a chance for those outside of the region to learn about the new and exciting things happening in our local wine industry, along with a chance to exchange best practices for supporting wine related businesses throughout the northwest.

Nationally, the hard cider industry has exploded over the last several years, and the Mid-Columbia is poised to take advantage of this market trend with its significant tree-fruit crops, and entrepreneurs. Staff worked with a group of cideries and orchardists in the region to submit a successful Specialty Crop Block Grant Application for $50,000 over two years that will support determining the best organizational approach for this cluster and increasing marketing activities for the region to brand it as a premier cider destination.

Lastly, as the number of breweries has also increased over the years, their owners have determined it is time to begin conversations around creating an industry organization for this sector as well. MCEDD staff have participated in these conversations in order to provide technical assistance and support.

**Columbia Gorge Bi-State Renewable Energy Zone**

MCEDD continued development of the Columbia Gorge Bi-State Renewable Energy Zone (CGBREZ), a collaborative group focused to supporting utilization of renewable energy technologies in the region. MCEDD facilitated regular discussions for CGBREZ and assisted in marketing the region to attract manufacturing and small scale renewable energy development. Discussions included:

• Support for local projects including Hood River Biomass, Wind River Biomass, Project Freedom and CGCC Delta Energy Club’s project at the Columbia Gorge Discovery Center.

• Conversations with Bonneville Power Administration on transmission capacity, the integration of renewable resources and changes at BPA.

• Identification of opportunities to expand renewable energy markets for the region.

• Support for conversations to further a Pumped Storage project with the Klickitat PUD.

• Coordination of efforts to address federal regulations related to renewables development in the region.
**Columbia Gorge Arts and Culture Alliance**
MCEDD serves on the planning committee for the Columbia Gorge Arts and Culture Alliance and acts as fiscal agent for the Alliance. MCEDD submitted successful grant applications to the Hood River and Wasco County Cultural Trusts to support printing and development of the Alliance’s 2014 Gorge Arts and Culture map. The new Columbia Gorge Arts, Culture, and Heritage Map was designed by Harry Troeger and Alliance steering committee members and incorporates 46 key venues.

**Hood River Economic Development Group**
MCEDD provides staff to manage meetings and activities of the Hood River County Economic Development through the Economic Development Group (EDG). The group meets monthly to discuss economic opportunities, address challenges and to collaborate on current economic development efforts. This year, MCEDD supported EDG in the following:

- Coordinated the group’s annual Employer Roundtable. The Business Roundtable Forum focused on the Value Added Agricultural and Fermentation Clusters.
- Assisted in prioritization of key economic development projects.
- Compiled business siting guides for the City of Hood River, City of Cascade Locks and unincorporated areas in Hood River County. The guides provide step by step instructions for businesses seeking to locate or expand in the County.
- Coordinated discussion on the Hood River Water Basin Study.
- Provided an opportunity for local entities to tour industrial and commercial sites at the Ports of Hood River and Cascade Locks.

**Sherman County Economic Development**
MCEDD provides staff to support Sherman County economic development services. This year, MCEDD worked intensively with the County to support parks development at Giles French Park and Phillipi Park. MCEDD staff helped the County complete work with a consultant to develop a Master Plan for Giles French Park and submitted to the plan to the US Army Corps of Engineers for consideration. MCEDD further supported Sherman County through participation in the John Day River Territory (JDRT), a tourism marketing organization. Other highlights include:

- MCEDD successfully submitted an application to USDA for a $14,000 Rural Business Enterprise Grant that will develop culinary and agri-tourism in the region with the JDRT.
- MCEDD wrapped up a $7,500 Travel Oregon grant in June, including working with an Interactive Media Consultant, a videographer and website developer to promote the itineraries developed last year to help cyclists, motorcyclists and other tourists...
visit the region. To see the videos, look for the John Day River Territory channel on YouTube.

- Staff promoted a renewable energy loan program for residences and businesses in the County.
- Staff organized a regular collaborative meeting of the mayors and recorders from the four cities in the County.

**Wasco County Economic Development**

MCEDD provides staff to support Wasco County economic development services. Staff works with the Wasco County Economic Development Commission on strategic planning and completion of projects intended to support and develop the County’s economy. This fiscal year, MCEDD staff assisted the EDC in updating their community enhancement project prioritization. Staff also supported the Commission in:

- Holding multiple task force meetings to address industrial lands, zoning and community economic analyses. Arising from those conversations was additional work through the EDC to support identification of the economic impact of events held throughout the County. Staff worked with students from the University of Oregon economic honors class to complete the Economic Impact of Events Analysis for Wasco County.
- Updating business siting guides for Wasco County and City of The Dalles. Worked with the Maupin economic development facilitator to develop an additional business siting guide with the City of Maupin. Staff is currently working on a guide for the City of Dufur.
- Updating the “largest employers in Wasco County” list.
- Hosting a tour and roundtable with members of the Oregon Business Council steering committee. As part of the tour, MCEDD staff developed a map of recent investments in The Dalles.
- Working with multiple businesses seeking financing to expand operations and preparing business recruitment packets for targeted outreach.
- Assisting with the advancement of priority infrastructure projects, including the Mosier Bike Hub, Riverfront Trail, Barlow/Wamic water system, Tygh Valley Fire Hall, The Dalles Main Street, Dufur Solar4RSchools, The Dalles co-working center and The Dalles Civic Auditorium.

Through its role with Wasco County, MCEDD is also an active participant in The Dalles Community Outreach Team. The team annually develops The Dalles Community Enhancement Program, which identifies priority projects and issues and seeks solutions that increase the quality of life for the community’s residents.
Mobility Management, Regional Transportation

MCEDD provides a regional Mobility Manager to focus on transportation issues, working closely with regional transportation providers to assess the type of services passengers receive, costs associated with services, funding needs, technology improvements and areas for potential coordination. MCEDD facilitates regular meetings and communication between Gorge TransLink Alliance providers while also conducting outreach to organizations to increase awareness of transportation services among vulnerable and special needs populations, in addition to employers and the general public. Achievements and outcomes of note during the fiscal year include the following:

- Supported scheduling/dispatch software implementation by Hood River County Transportation District (Columbia Area Transit) and The Link Public Transit in The Dalles. The Link reported an increase in rides provided while cutting vehicle miles traveled and expense by roughly 25%.

- MCEDD’s Mobility Manager provided notification and assistance to Skamania County Public Transit and Sherman County Community Transit to submit grant requests to the Highly Rural Veterans Transportation program for the procurement of an ADA vehicle, scheduling software, operations, and outreach to veterans in those counties. The applications were ultimately approved in the summer of 2014 and will supply $50,000 in grant funds to each county to enhance veterans’ access to transportation and veterans’ services.

- In partnership with Commute Options, MCEDD established a new Commute Options Partnership with One Community Health in Hood River and The Dalles and continues to promote commute options to employees at Columbia Gorge Community College, Mid-Columbia Medical Center, Insitu, and Mt. Hood Meadows, among others. The outreach program has resulted in nearly 500 registered individuals in the Drive Less Connect online ride-matching tool in Hood River, Wasco, and Sherman counties.

- Partnership established between the Port of Hood River, Mt. Adams Transportation Services and Gorge TransLink to expand fixed route service between White Salmon/Bingen, WA and Hood River, OR and procure bike racks to allow cyclists and pedestrians to safely cross the Hood River Interstate Bridge.

- MCEDD staff, in partnership with Wheeler County, completed the Wheeler County Public Transportation Needs Assessment and Plan, approved by the Wheeler County Court in August 2013.

- Gorge TransLink provider Columbia Area Transit doubled service between The Dalles/Hood River and Portland each week.

- MCEDD staff initiated research of integrated fare structures to create efficiencies for providers regarding shared systems and cost, while making travel easier for transit customers in the Gorge.

Veterans’ Transportation: Gorge TransLink members received $50,000 to support enhanced access to services.
• MCEDD participated in the 2015-2018 Statewide Transportation Improvement Plan process for Oregon with the Lower John Day Area Commission on Transportation, which listed The Dalles Transit Center, a Gorge TransLink member project, as the region's top transportation priority for Oregon Department of Transportation's Enhancement program.

• Overall, the Mobility Manager engaged over 30 gatekeeper agencies, including service providers and community leaders, during the fiscal year to promote efficiency through assessment of services and core areas for connection, 50% more than the annual benchmark of 20 agencies contacted each year.

Broadband and Telecommunications

Broadband access and utilization has been identified as a strong priority through MCEDD’s CEDS. To support addressing un- and underserved areas of our region, MCEDD has spearheaded several projects that have raised the profile of this challenge.

Through the Klickitat-Skamania Local Technology Planning Team, also supported by the Washington State Broadband Office, MCEDD staff worked with Washington State University Extension and Community Enrichment for Klickitat County to:

• Provide approximately 20 digital skills trainings for community members and businesses.
• Identify demand and opportunities for un/underserved areas; meet with internet service providers and identify funding resources; and develop a replicable model proven successful in working to address access gaps in rural areas.
• Develop a broadband hotspot inventory.
• Create a Mobile Laptop Lab that will continue to be a resource for digital skills trainings throughout the region.
• Develop a regional website, gorgebroadband.org that provides information about broadband training opportunities and resources, internet service, and local broadband projects.
To continue to meet critical broadband needs in the region, MCEDD applied for, and received a $25,000 grant from Google to replicate the model developed in Klickitat and Skamania counties in South Wasco County while continuing to host a regional dialogue around broadband. The access model relies on working with providers to create a business case through demand and asset inventories. Through this fund, MCEDD will also expand the “Web Works: Anywhere!” forums.

MCEDD’s Executive Director also serves on the State of Oregon’s North-Central Regional Solutions Advisory Committee, which also identified broadband as a priority challenge to address for economic development. Through this designation, a request for $1.5 million in funding through the State to support broadband infrastructure projects is targeted for Sherman, Wasco, and Hood River counties.

Lastly, MCEDD staff continue to engage in the Oregon state conversation around broadband access and utilization through hosting the Oregon Connections Conference annually. 2013’s theme was “Broadband: The Pulse of the Future” which underscores the continued need to bring our rural communities the necessary access to participate in the economies created around internet dependent technologies. The keynote speaker was Amber Case, a researcher exploring the field of cyborg anthropology and the interaction between humans and technology. Over 200 individuals participated in the conference. MCEDD will again be the host in 2014, with the conference theme “The Internet of Things.” Keynote speaker for the event is Daniel Obodovski, who is co-author of the recent book, The Silent Intelligence: The Internet of Things. More information is available at http://www.oregonconnections.info/.
Many Thanks to the MCEDD Financial Supporters

**Counties:**
- Hood River County
- Klickitat County
- Sherman County
- Skamania County
- Wasco County

**Ports:**
- Port of Cascade Locks
- Port of Hood River
- Port of Klickitat
- Port of Skamania
- Port of The Dalles

**Cities:**
- City of Bingen
- City of Cascade Locks
- City of Dufur
- City of Goldendale
- City of Hood River
- City of Maupin
- City of Mosier
- City of North Bonneville
- City of Shaniko
- City of Stevenson
- City of The Dalles
- City of White Salmon

**Federal and State Funding Sources:**
- Columbia River Gorge NSA Oregon and Washington Investment Boards
- Oregon and Washington Departments of Transportation
- State of Oregon – Governor’s Office
- U.S. Department of Agriculture Rural Development
- U.S. Economic Development Administration
- Washington Department of Commerce

**Other Partner Funding Sources:**
- Central Oregon Intergovernmental Council
- Columbia Gateway Urban Renewal Agency
- Columbia Gorge Community College
- Columbia Gorge Economic Development Association
- Columbia Gorge Winegrowers
- Columbia Pacific Economic Development District
- Columbia River Gorge Commission
- Commute Options
- Four River Community Corporation
- Gorge Health Connect
- Gorge Technology Alliance and member businesses
- Hood River Chamber of Commerce
- Hood River County Transportation District
- Hood River Cultural Trust
- Klickitat County Senior Services
- Klickitat School District #402
- Lower John Day River Territory and members
- Meyer Memorial Trust
- Mid-Columbia Council of Governments
- Mid-Columbia Housing Authority
- Oregon Connections and sponsors
- Oregon Economic Development District
- Special Districts Association of Oregon
- Transportation Network