August 19, 2016

Mayor Frank Cox  
City of Stevenson  
P.O. Box 371  
Stevenson, WA  98648

Dear Mayor Cox:

Thank you for submitting your FY 2017 dues for the city of Stevenson to Mid-Columbia Economic Development District (MCEDD). I have enclosed our last annual report to provide an update of our programs and accomplishments. We appreciate your continued support.

Sincerely,

Amanda Hoey  
Executive Director
NID–COLUMBIA ECONOMIC DEVELOPMENT DISTRICT

ANNUAL PERFORMANCE REPORT
JULY 1, 2015 TO JUNE 30, 2016

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>
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</thead>
<tbody>
<tr>
<td>Jan Brendin</td>
<td>2003</td>
<td>Cities of Klickitat County</td>
</tr>
<tr>
<td>Ken Bailey</td>
<td>2006</td>
<td>Agriculture</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>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>Gabriel Muro</td>
<td>2012</td>
<td>Private Sector</td>
</tr>
<tr>
<td>Mary Kramer</td>
<td>2012</td>
<td>Higher Ed</td>
</tr>
<tr>
<td>Eric Proffitt</td>
<td>2012</td>
<td>Workforce Development</td>
</tr>
<tr>
<td>Bill Schmitt</td>
<td>2013</td>
<td>Washington Ports</td>
</tr>
<tr>
<td>Bob Hamlin</td>
<td>2015</td>
<td>Skamania County</td>
</tr>
<tr>
<td>Nick Hogan</td>
<td>2015</td>
<td>Cities of Skamania County</td>
</tr>
<tr>
<td>Joeinne Caldwell</td>
<td>2015</td>
<td>Oregon Ports</td>
</tr>
<tr>
<td>Carol MacKenzie</td>
<td>2015</td>
<td>Cities of Sherman County</td>
</tr>
<tr>
<td>Steve Maier</td>
<td>2015</td>
<td>High Tech</td>
</tr>
<tr>
<td>Robert Kimmes</td>
<td>2015</td>
<td>Healthcare</td>
</tr>
<tr>
<td>Stephanie Hoppe</td>
<td>2015</td>
<td>Non Profits</td>
</tr>
<tr>
<td>Mark Zanmiller</td>
<td>2015</td>
<td>Cities of Hood River County</td>
</tr>
<tr>
<td>Dana Peck</td>
<td>2015</td>
<td>Washington Chambers</td>
</tr>
<tr>
<td>Sue Knapp</td>
<td>2016</td>
<td>Cities of Wasco County</td>
</tr>
</tbody>
</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 seven professional staff members serving the region and the organization’s mission in FY2016.

<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>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>Michele Spatz</td>
<td>2014</td>
<td>Project/Mobility Manager</td>
</tr>
<tr>
<td>Jacque Schei</td>
<td>2015</td>
<td>Project Manager</td>
</tr>
<tr>
<td>Mark Heystek</td>
<td>2015</td>
<td>AmeriCorps RARE</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.

**Infrastructure:** 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 operational funds in fiscal year 2016 was Contract Reimbursement for fee-for-service projects. Federal/state grants accounted for 22% and loan fund revenue was 29% of MCEDD’s income, with the balance coming from local dues. These percentages are based on total operational income of $1,116,151 and are budgeted figures.

The **MCEDD Expenses Chart** depicts the budgeted expenses for fiscal year 2016 as a percentage of the total operational expenses of the organization ($1,116,151). Fifty-six percent of the expenses covered are for the cost of personnel. Materials/Services account for 26%, with the balance going to loan payments and carryforward.
PROGRAM UPDATE

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 regional 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 233 loans to businesses totaling over $14.2 million. MCEDD loan client businesses have created or retained over 2,100 jobs. MCEDD funds have also leveraged just over $12 million in additional public funding and over $30 million of private capital.

This fiscal year, MCEDD made 10 loans totaling $810,930. These loans helped create and retain over 80 jobs. MCEDD finances expanding industries.

In FY 2016, MCEDD made loans totaling $810,930. These loans helped create and retain more than 80 jobs.

- 15 Mile Ventures, LLC opened **Freebridge Brewing** in The Dalles with the help of a $200,000 loan from MCEDD. This new business created more than 10 new jobs.
- Erik Stenberg utilized a $20,000 MCEDD loan to open the **Little Huckleberry Food Truck** in Bingen. Erik plans to employ 2-3 people within the first two years of operation.
- Baseline Brewing, LLC dba **Solera Brewery** in Parkdale obtained a $65,000 MCEDD loan as part of the $275,000 capital stack needed to purchase a building next door to allow for business expansion.
- Maribel Marquez obtained a $20,000 MCEDD loan to open **Taqueria La Fogata**, a mobile food business in The Dalles. This business will employ 1-3 persons, depending on the season.

In FY 2016, MCEDD made loans totaling $810,930. These loans helped create and retain more than 80 jobs.

MCEDD finances expanding industries. Veronica’s Salsa
• **Montira’s Thai Cuisine**, LLC opened an Asian Market in The Dalles with a $50,000 MCEDD loan as part of its needed capital.

• Abundance Marketing & Design, LLC dba The Balch Hotel converted their lease-to-own agreement to purchase the hotel building in Dufur with the assistance of a $175,000 MCEDD loan. This loan also helped this loan client obtain $250,000 in traditional bank financing. This loan client anticipates employing 11 people within two years.

• **CRG Freight, Inc.** was able to consolidate debt and obtain working capital to increase cash flow and operate more efficiently with a $91,725 MCEDD loan. CRG Freight will also increase employment from 14 to 22 jobs within 2 years, which is a 57% increase in employment.

• A & R Market, LLC, which owns and operates the **Maupin Market** is a past MCEDD loan client that recently paid off its original MCEDD loan. A & R Market, LLC obtained a new $30,000 MCEDD loan to fund energy savings projects and to provide working capital to allow for more efficient operation of the business.

• **Oregon Brineworks**, LLC obtained a new $38,000 MCEDD loan to secure additional equipment to increase their overall production efficiencies and capacity. MCEDD also assisted Oregon Brineworks, LLC in acquiring a $40,000 operating line of credit through a bank. Two additional employees have been hired to help with the increased production level.

• **Veronica’s Salsa, LLC** obtained the equipment and working capital necessary to implement a huge expansion that increased production and employment and allows the business to operate more efficiently. This expansion project has more than doubled its employment from 8 to 20 jobs.

The revolving loan fund program has a larger impact due to its partnership with the Small Business Development Center Network, local financial institutions, and business and civic organizations.

**Attainable Housing Revolving Loan Fund**

Last fiscal year, $2 million in funds through the State of Oregon was directed to MCEDD to seed an Attainable Housing Development Revolving Loan Fund. This fund supports a solution to one of the region’s primary economic development barriers: a shortage of quality housing stock at price ranges and rental levels which are commensurate with the financial capabilities of workers and households in the region. The purpose of the fund is to provide funding for gap lending in Hood River, Wasco and Sherman counties. This year, we modified the terms of the program to make it more accessible to borrowers.
Cascade Locks-Hood River Enterprise Zone
MCEDD administers 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. MCEDD approved the following applications:

- NBW Hood River, LLC, a three year standard abatement for a hotel development at the former Nichols Boat Basin in Hood River for a four story, 88 room Hampton Inn & Suites. The project forecasts creating 15 FTE jobs.
- Know Your Fruit, LLC, a three year standard abatement for a 29,500 square foot building and equipment to manufacture freeze dried fruit snacks. This project is located in Odell and there will be approximately 30 employees at this site.
- Hood River Distillers, Inc., an extended abatement for a total of five years for leasehold improvements and equipment for a leased facility in Hood River to distill alcohol spirits. The company plans to employ four persons at this location.
- The Renewal Workshop, LLC, an extended abatement for a total of five years for leasehold improvements and equipment at a facility in Cascade Locks. This business refurbishes outdoor sportswear and other apparel. This business plans to hire seven full time employees by December 2016.

More information on the Enterprise Zone 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.

This fiscal year, the OIB awarded funding to the following:

- Downeys Sleep Center, LLC completed the generational transition of an independent mattress retail business ownership to the next generation of family in The Dalles with the assistance of a $48,000 OIB loan. Downeys plans to increase employment from four to six jobs within two years.
- Beachwood Eatery, LLC purchased a restaurant business and commercial building in The Dalles with the help of a $258,000 OIB loan. This business employs approximately 12 employees.
- Fresh Starts Culinary Arts program; $10,000 grant to assist with the start up a non-profit organization that offers an intensive 12 week training program that teaches basic commercial kitchen skills.

Since 1990, OIB has made grants and loans totaling over $8.6 million and leveraged $28.2 million in public and private investment.

OIB supports business succession.
Downey’s Sleep Center
to unemployed and underemployed persons. This training course is offered in Hood River and is already training its second cohort of students.

The OIB has received four federal funding appropriations totaling just over $4 million and has approved grants and loans (by utilizing revolved funds) totaling over $8.6 million, including over $1.5 million in grants and more than $7 million in loans. OIB grants and loans have leveraged approximately $28.2 million in public and private investment in OIB funded projects. The program has contributed to the creation and retention of more than 600 jobs in the region.

**Comprehensive Economic Development Strategy**

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 which funds development of the CEDS. MCEDD has also aligned processes to combine the CEDS with the USDA Stronger Economies Together program into a single regional document.

As part of the annual update, the MCEDD Board develops a list of 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>Biggs Water System</td>
<td>MCEDD supported Sherman County with the Biggs Water System. Staff worked with the County to set up a one-stop to analyze funding resources for construction.</td>
</tr>
<tr>
<td>Regional Wetland Strategy</td>
<td>The Port of The Dalles submitted the Regional Wetlands Permit for review and received notice that the Aquatic Resource Plan was approved. MCEDD staff served on the Technical Advisory Committee.</td>
</tr>
<tr>
<td>Parkdale Sanitary System</td>
<td>MCEDD supported the Sanitary District in obtaining a $1.51 million loan and a $1.17 million grant to upgrade their 40-year-old wastewater collection and treatment system. The project will address compliance issues and allow adequate capacity for a key employer to continue to grow.</td>
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"With MCEDD's approval to prioritize our project on the Community Economic Development Strategy, PSD was able to work with United States Department of Agriculture (USDA) to secure a loan/grant source. [...] We continue to value the regional collaborative opportunities to strengthen the vision and growth of our local areas."

Won Kim, Parkdale Sanitary District
Sherman County Last Mile Fiber | The Oregon State Legislature provided $820,000 through North Central Oregon Regional Solutions to support the further deployment of fiber in Sherman County. It leverages significant County and private sector investments. The first of a three phase project to run fiber-optic Internet through Sherman County will run from the City of Wasco to Erskine. It will connect entities such as the school district and county offices direct to fiber, enhance the emergency services network, allow increased Internet speeds, and create the opportunity for other Internet Service Providers to serve households and businesses in the County. The second phase will run from Wasco to Rufus and the third will run from Erskine to Grass Valley.

Wasco County Fiber | MCEDD staff developed demand studies and conducted business case analysis, in partnership with Qlife, on a proposed Maupin area fiber project. Staff advocated for and worked to leverage the North Central Regional Solutions Advisory Committee broadband prioritization to bring approximately $400,000 for Wasco County fiber. MCEDD staff further worked with Wasco County representatives to support engagement with CenturyLink around investment of Connect America Fund II resources.

Wasco County libraries | The Wasco County libraries engaged in successful fundraising campaigns. The Dalles-Wasco County Library received many local contributions to match grant funds from most of the large foundations in Oregon. MCEDD staff supported their efforts to identify sources through the Agora Platform.

Gorge Bike Hubs | MCEDD’s Mobility Manager has supported the Gorge Bike Hubs in their design and in seeking funding.

Dog River Pipeline | MCEDD provided support to the City of The Dalles as they seek funding for the Dog River Pipeline.

City of Dufur Water and Wastewater Systems | MCEDD staff is working with the City of Dufur to seek USDA and State funding to address the City's needs for a water system master plan and wastewater facilities plan. Staff is providing technical assistance.

**Grant Administration, Grant Writing and Technical Assistance**

MCEDD offers resources to the region in the administration of federal grants, including 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 services:
<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td><strong>Klickitat PUD/ Wishram</strong></td>
<td>MCEDD provided assistance to the Klickitat PUD to successfully obtain a $750,000 Community Development Block Grant to construct a new well to upgrade the Wishram water system.</td>
</tr>
<tr>
<td><strong>City of Mosier Wastewater</strong></td>
<td>MCEDD provided technical assistance and coordinated a meeting of wastewater treatment operators in the region to collaboratively approach joint solutions to local wastewater issues.</td>
</tr>
<tr>
<td><strong>City of Antelope</strong></td>
<td>The City of Antelope was awarded over $1 million to support an update of its deficient water system. The update will include constructing transmission mains, adding a water storage reservoir, and upsizing the water mains in the distribution network. MCEDD is providing the grant administration and labor standards assistance.</td>
</tr>
<tr>
<td><strong>Columbia Gorge Regional Airport</strong></td>
<td>Klickitat County and the City of The Dalles received funding from the Economic Development Administration for the Columbia Gorge Regional Airport Flex space. MCEDD is providing the grant administration for this project, including performance of labor standards management activities.</td>
</tr>
<tr>
<td><strong>Mt Hood Town Hall</strong></td>
<td>Mt. Hood Town Hall Association was awarded $9,000 to support development of their commercial kitchen at their facility in Parkdale. MCEDD provided support and technical assistance to the Association in seeking funds.</td>
</tr>
<tr>
<td><strong>Dallesport Water and Wastewater District</strong></td>
<td>The District, as subrecipient to Klickitat County was awarded federal funds for their distribution system, new reservoir and new well in Murdock. Four systems are involved: Murdock, PJ, Odem and Minor, and is expected to start construction this summer. MCEDD is providing grant administration services. In addition, MCEDD is working with the district on a CDBG-planning only award for their wastewater system.</td>
</tr>
<tr>
<td><strong>Wamic Water System</strong></td>
<td>MCEDD staff provided technical assistance to the district in obtaining planning funding through the State. The District was awarded a $20,000 planning grant.</td>
</tr>
<tr>
<td><strong>Dufur Parks/Rec</strong></td>
<td>MCEDD provided grant writing assistance for the district. An application was submitted to the State for the RV park restroom facilities.</td>
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<tr>
<td><strong>Klickitat Community Center</strong></td>
<td>Klickitat County, in partnership with Klickitat School District #402 is in the final stages of completion of the remodel of an existing 8,000 SF community center located in Klickitat, Washington. MCEDD is providing the grant administration for this project.</td>
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Mid-Columbia Center for Living

Wasco County, on behalf of Mid-Columbia Center for Living, was awarded $2 million to support an approximately 20,000 square foot community mental health facility. MCEDD is providing grant administration including monitoring, reporting, and compliance with all labor standards provisions.

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 and is now expanding to other regions.

Agora pilot milestones achieved during the fiscal year include:

- There are more than 400 registered account users on the system with more than 100 projects listed.
- MCEDD began implementing the USDA Rural Community Development Initiatives grant to support expansion of Agora to four additional Economic Development Districts. It is matched by a $100,000 challenge grant through Meyer Memorial Trust and additional resources by the Economic Development Districts.
- MCEDD is in conversation with federal funders regarding national expansion opportunities in FY17.

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.

Broadband and Telecommunications

Effective networks are critical to resiliency and a key component to our comprehensive regional economic development strategy. To support addressing un- and underserved areas of our region, MCEDD has spearheaded several projects that have raised the profile of this challenge.

MCEDD has continued to support addressing these challenges through the following efforts:
- Participating in the “Making Rural Communities Better with Broadband” workshop to highlight incorporating broadband planning into regional planning efforts, as well as share the community based access approach developed in the Mid-Columbia over the last five years.

MCEDD assisted the PUD in obtaining $750,000 for a new well to serve an economically distressed community.
• Expanding the “Web Works: Anywhere!” forums from Wasco County to the rest of the region. Forums were held in Maupin, Stevenson, and Goldendale. Approximately 50 attendees discussed how businesses use broadband to support successful business models in rural communities.

• Hosting bi-annual regional broadband meetings to continue to develop the conversation around broadband access and learn from each other’s approaches to addressing challenges. These meetings provide a venue for approximately 30 attendees, including local officials, community members, and internet service providers, to discuss broadband opportunities and challenges. Representatives of Washington State Extension’s Program for Digital Initiatives, Business Oregon, and FirstNet in Oregon and Washington were able to attend and present information on the broader policy context for these initiatives.

• Advocating for and supporting public investments (see page 8) which will create the needed infrastructure to make it feasible for private internet service providers to provide service to customers in the newly served areas.

Gorge Technology Alliance
The Gorge Technology Alliance contracts with MCEDD to provide project management assistance for the organization. In this fiscal year, the GTA continued to host regular networking and educational events to support the tech businesses of the region, including featured events, Geek lunches, CEO Excellence Forums and the cloud application developers meetings. MCEDD staff again hosted a STEM Career Day (science, technology, engineering and math) with around 800 7th graders from the region attending.

New activities for this year included a focus on the 10th anniversary of the organization with increased publicity in regional media and the development of a STEM college scholarship for local students- the Corwin Hardham Memorial Scholarship. The first scholarship was awarded in spring 2016.

Wind Challenge:
This year MCEDD staff also hosted a new STEM education event for the organization called Wind Challenge. MCEDD staff did this while continuing youth robotics support, increasing individual support meetings with member businesses and exploring ways to support employment challenges facing the tech businesses.
**Robotics:**
Staff continues to support robotics tournaments and our successful loaner robot/ laptop program. The GTA hosted the Gorge FIRST LEGO League Qualifying tournaments on (dates) in Hood River and The Dalles and supported the FIRST Tech Challenge qualifier in The Dalles. 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, picklers, 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 continued to engage with the Columbia Gorge Winegrower’s Association, with activities including:

- Providing technical assistance and grant management for the Columbia Gorge Winegrowers Association to increase visibility for the region’s wineries. With support from Travel Oregon the Association is creating three “Wine Adventure Trails” to guide visitors and locals alike through the varied wine country in the Gorge. Additionally, with USDA Rural Business Development funding staff are supporting the Association in the creation of their first cohesive marketing strategy and training on how to implement tactics for their member businesses. Work with the Association to identify needs for their continued organizational development and seek funding to support their efforts. Staff worked with the organization to submit two grant applications to support new initiatives for the Association this year.

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 second successful Specialty Crop Block Grant Application for $63,000 over two years that will support implementing the marketing strategy developed, increasing education and outreach about cider, and building upon the organizational foundation developed during 2014 to 2016 funding. Current work underway includes:
• Design and distribution of a second iteration of the Columbia Gorge Cider Route map throughout the region and into the Portland Metro area.

• Further developing Cider Camp, a weekend long, behind the scenes exploration of the Gorge Cider industry with media and public attendees.

• Engaging with the Hood River Chamber of Commerce to support the Hard Pressed CiderFest tasting event, which grew to approximately 1,800 attendees in 2015 to approximately 3,000 in 2016.

• Developing organizational structure and strategic planning for the Gorge Cider Society group moving forward.

• Development of a strategic marketing plan for the Gorge Cider region in partnership with the cideries and a local marketing firm.

Lastly, as the number of breweries has also increased over the years, their owners have determined that creating a non-profit industry organization to support continued development and collective marketing strategies would benefit these businesses. 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. Activities included:

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

• Managing a contract for a government affairs specialist to support CGBREZ counties’ interests in expanding renewable energy markets for 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 managed funding from Alliance members to support printing and development of the Alliance’s 2016 Gorge Arts and Culture map.
County Economic Development Group
MCEDD contracts with counties for a variety of specific economic development support services. In this fiscal year, contract support included the following:

- **Hood River County:** MCEDD provides staff to manage meetings and activities of the Hood River County Economic Development Group. The group meets monthly to discuss economic opportunities, address challenges and to collaborate on current economic development efforts in Hood River County. This year the group focused on prioritizing and advocating for transportation projects in statewide processes.

- **Sherman County:** MCEDD provides staff to support Sherman County economic development services. This year, MCEDD worked intensively with the County to support grant writing for priority projects in the County and continued to support Sherman County through participation in the John Day River Territory (JDRT), a tourism marketing organization. MCEDD completed implementation of a USDA Rural Business Enterprise Grant for JDRT that supported growth of culinary and agri-tourism businesses in the region through inventorying, workshops and a promotional event. As part of this support, MCEDD held the “Taste of Oregon’s Old West” event on September 12, 2015 at Cottonwood Canyon State Park, which brought over 300 people to experience around 40 vendors. Staff also assisted the cities of Sherman County in completing downtown design plans to guide redevelopment and reinvestment in Grass Valley, Moro, Rufus and Wasco with the assistance of a consultant. MCEDD staff continued to work with committees established in the four communities to begin implementation of the plans and to search for funding. Staff is also assisting the community in exploring the creation of façade improvement funds to encourage business investment as a result of the downtown design plans.

- **Wasco County Economic Development:** MCEDD provides staff to support the Wasco County Economic Development Commission. The Commission developed committees to address basic infrastructure challenges with water, wastewater, and transportation systems in the County, as well as supporting community visioning and planning processes. Staff updated the Business Siting Guides developed to support communities throughout Wasco County in their efforts to encourage business development. Staff engaged with a workgroup focused on addressing use of industrial property owned by the Northern Oregon Regional Corrections Facility and drafted recommendations for action for their Board of Directors.
Finally, staff provided direct business assistance as well as assisting with the advancement of priority projects, including the Mosier Bike Hub, Mosier Transportation System Planning, Riverfront Trail, Barlow & Wamic water systems, Tygh Valley Fire Hall, City of The Dalles Dog River Pipeline, The Dalles Main Street, Dufur water and wastewater systems, Dufur City Park, and the Dufur Community Center.

**Gorge Night Sky**
MCEDD, the Friends of the Goldendale Observatory, and the Goldendale Chamber of Commerce developed a Gorge Night Sky partnership to promote energy efficiency, appropriate use of LED lighting technology for outdoor illumination, and astronomy education. MCEDD received a $7,500 grant through a Google community grant program to support the Gorge Night Sky project. Initial work focused on working with local vendors to gather commitments to stock Dark-Sky compliant, energy efficient LED options; working with Gorge-wide utilities and city and county governments to offer point of sale rebates; and planning a two-day educational symposium for August 2016, at the Goldendale Observatory and the Columbia Gorge Discovery Center for lighting professionals, astronomy experts, and high end users to hear presentations and discuss issues surrounding lighting efficiency and Dark-Sky Initiatives.

**Mobility Management, Regional Transportation**
MCEDD provides a regional Mobility Manager to focus on transportation issues, working closely with regional transportation providers and other partners to assess local and regional transportation services, passenger experience, service costs, funding needs, innovative and relevant technology and areas for potential collaboration and coordination. MCEDD arranges and facilitates regular meetings and communication between Gorge TransLink Alliance partners to foster an environment where regional transportation priorities can be addressed. MCEDD’s mobility manager also conducts outreach to organizations in its geographic service area to increase awareness of transportation services among vulnerable and special needs populations, as well as to employers and the general public.

Achievements and outcomes of note during the fiscal year include the following:
- MCEDD continued its contribution to Skamania County Community Transit’s Western Federal Lands Access Program, providing technical assistance on the year three grant submission and working collaboratively with the planning team staff from the funder, Skamania County Community Transit, USFS, law enforcement, Skamania County Chamber of Commerce and Friends of the Gorge to address safety issues specifically at the Dog Mountain Trailhead.
• As one of three regional studies conducted by the Association of Oregon Counties under contract to the Oregon Department of Transportation, MCEDD completed the North Central Region’s Transportation-Human Services Coordination Study. MCEDD submitted a $19,550 follow-up grant request which was approved to fund implementation of the project’s recommendations.

• MCEDD staff continues its participation on the Gorge Hubs Steering Team. Deluxe Fix-it Repair stations, donated to each Hub by the Portland Wheelmen Touring Club, were installed. MCEDD provided technical assistance on hub grant submissions for the Oregon Parks and Recreation Local Government Grant Program.

• As the Region 1 Drive Less Connect network administrator, MCEDD works closely with employers Insitu, Mt. Hood Meadows and new partner Providence Hood River Medical Center. Through a partnership with Commute Options in North Central Oregon, MCEDD works with area employers Columbia Gorge Community College, Mid-Columbia Medical Center, and new partner Google.

• The Port of Hood River’s Aviation Technology & Emergency Response Center was supported by MCEDD through staff participation on the Statewide Review Committee for Connect Oregon VI. The project is recommended for funding.

• ODOT’s Gorge Transit Project Steering Committee discussed development of a public transit service, the Columbia Gorge Express. The team received funding to launch a two-year pilot project providing public transportation from Portland’s Gateway Transit Center to Multnomah Falls. MCEDD serves on the committee. In addition, MCEDD served on the Historic Columbia River Highway Collaborative which was tasked with identifying solutions to some of the most immediate short-term congestion and safety issues on the Historic Highway and on I-84 at the Multnomah Falls interchange.

• MCEDD expanded promotion and outreach for the Mt. Hood Express which provides service from Sandy, Oregon to Timberline Lodge with stops at key recreational/work destinations. MCEDD developed print and web-based promotional materials to highlight that the service is gear-friendly (bikes, skis, snowboards etc.), convenient and an ecologically sustainable way to get to the mountain year round.

Connect Mid-Columbia
MCEDD embarked upon the Connect Mid-Columbia initiative to better inform and elevate regional transportation priorities in the regional Comprehensive Economic Development Strategy. Connect Mid-
Columbia’s goal is to provide a safe and efficient regional transportation system to enhance the liveability and economic vitality of the Mid-Columbia region. Stakeholders include state departments of transportation; regional transportation partners; city, county and port officials; and representatives from private businesses. Participants prioritized strategies to meet the regional transportation goal; outlined and discussed challenges and opportunities facing regional transportation; and continue to prioritize transportation needs that, when met, will have the greatest impact on the liveability and economic vitality of the region.

**Columbia Gorge Legislative Summit**
MCEDD, in partnership with the Mid-Columbia Housing Authority, Columbia River Gorge Commission, Mid-Columbia Council of Governments and Columbia Gorge Community College hosted a bi-state legislative summit. The Summit focused on four regional priorities: broadband, housing, recreation and transportation. It included a bi-state bus tour exemplifying these regional priorities followed by afternoon breakout sessions concentrated on identifying key next steps for addressing each priority. Approximately 46 Washington and Oregon state, federal, city, county and port elected officials were represented at the Summit.

**Telecommunications Conference**
MCEDD staff continued to engage in the conversation around broadband access and utilization, hosting the Oregon Connections conference. The 20th annual Oregon Connections Telecommunications Conference “20 Years of Oregon Connections: Broadband Comes of Age” explored aspects of broadband as it comes of age twenty years after the commercialization of the Internet. Program topics included cyber-security, smart communities, challenge of infrastructure, Internet and Broadband Public Policy, Broadband enabled applications, and the status of Broadband in Oregon. The keynote speaker was Paul Mitchell, the General Manager for Technology Policy at Microsoft, talking about connecting people around the world. At this year’s conference, Sherman County received an Excellence in Telecommunications Projects Award for their work with their countywide Wireless Internet Network Development system. Over 200 individuals participated in the conference. MCEDD will again be the host in 2016, with the conference theme “Generation Mobility.” Keynote speaker for the event is Peggy Smedley of Connected World Magazine. More information is available at [www.oregonconnections.info/](http://www.oregonconnections.info/).
Many Thanks to the MCEDD Financial Supporters

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