

The Economic Alliance

Board Meeting

April 28, 2021
Zoom Meeting

Attending Board Members:

Chris Branch, Chairman, Okanogan County Commissioners
Lael Duncan, 1st Vice Chairman, No County #1, OCCAC
Kurt Danison, 2nd Vice Chairman, City Rep. #1, City Planner
Anna Dalbey, Secretary, South County #2, Coldwell Banker
Aaron Kester, No. County #2, Tonasket Natural Food Co-op
Kristi O'Neill, Central County #1 Rep., WorkSource

George Brady, Pt Chair, So Co Rep #2, Cascade Biological Sply
Alan Fisher, Central County #2 Rep., CEO Mid Valley Hosp
Maria Lassila, Treasurer, Omak Mirage Theater
Stacy Luckensmeyer, At-Large Representative #2, WVC
Rachelle Haven, Nespelem/Grand Coulee #2, GCD Chamber
Don Linnertz, MV #2, Twisp Works & Winthrop Chamber

Absent Board Members:

Lanie Johns, Ok Co. Rep., clerk of the Brd
Jon Culp, Mayor of Okanogan, City Representative #2
Mayra Pamatz, Community Finance Rep., Umpqua Bank
Michael Porter, At Large #1, Omak School Superintendent
Ted Piccolo, Nespelem/Coulee Dam Rep. #1, NNDF

Sally Ranzau, Mayor of Winthrop, Methow Valley #1
Amanda Jackson-Mott, Arts Comm. Rep., MAA
John St. Pierre, Colville Planning, CCT Rep
Jonnie Crossland, CTFC Representative

Guests/Staff:

Roni Holder-Diefenbach, Ex. Director
Carolyn Davis, Admin Assistant
Keila Sepulveda-Diaz, Economic Recovery Coordinator

Justine Salazar, WorkSource
Sheila Corsen, Okanogan PUD
Kelly Scalf, TransGo, General Manager

Chairman Chris Branch called the meeting to order.

Addition or Changes to Agenda: None

Consent Agenda: Kurt Danison made a motion to approve consent agenda (minutes 3/24/21). Don Linnertz seconded. Motion passed.

Executive Session: Roni Holder-Diefenbach reported that the Dept. of Commerce reached out to ADOs about an opportunity to receive Covid/Cares Act funds and about the application process. Roni Holder-Diefenbach outlined the use of the funds she is proposing for the Economic Alliance's application. These funds must be used by end of June 2021:

- Comprehensive Economic Development Recovery Post Covid 19 Plan (\$20,000 Eric Hovee)
- Comprehensive Marketing & Outreach plan to include website redevelopment & business response due to Covid 19 (\$20,000 – Earth & Sky Studios)
- Covid 19 Outreach Specialist (New Hire) (\$15,000)
- Business Grants for new business startups (\$25,000)

The Executive Committee met on April 7, 2021 and Lael Duncan made a motion to approve applying and the use of funds as recommended by Executive Director, George Brady seconded. Motion passed by all in attendance.

Kurt Danison made a motion to ratify the motion by the Executive Committee. Maria Lassila seconded. Motion passed. We should hear by the end of April if the Economic Alliance was awarded the request for \$80,000.

Reports

Executive Director Report: (see attachment #1) Roni Holder-Diefenbach reported that she has been busy getting the information out about all the various programs through the Dept. of Commerce. There were several businesses that were not eligible because they had not been in business long enough. The Dept. of Agriculture also has grants for Agri-tourism businesses, cideries, breweries, and distilleries. There is also going to a grant available for Destination Marketing Organizations, which OCTC could apply for. The PPP was extended and there were changes to the EIDL.

There is new funding available for ADOs to receive at least \$75,000 from the DOC. This would help restore some of the funding that was lost.

Roni Holder-Diefenbach reported that the Economic Recovery Dashboard for Okanogan County will also be embedded in the Economic Alliance web site and will be updated regularly. She shared her screen with the Board that showed how the Dashboard would work and what type of information would be available.

Financial Report: Roni Holder-Diefenbach reported that the Economic Alliance is doing well. Balance Sheet and current Income Statements as of the end of March were sent out prior to the meeting. Roni Holder-Diefenbach also reported about the problems with the SBDC. Billings cannot be paid until we have a signed contract, which cannot happen until the SBDC receives a signed contract with SBA. This usually takes place mid-year. We have sent in a billing for the first quarter, and it will be paid when we get a contract.

Business Education: Roni Holder-Diefenbach reported that she will be meeting with Stacy Luckensmeyer on Friday to hear about what WVC is doing and if we receive the USDA grant, we will have some funds for training.

Board Policies Annual Update: The Conflict of Interest and Code of Ethics statements were sent out with the agenda and minutes and we need to have each Board member and their alternates read, sign, and send back to Carolyn Davis at the office. cdavis@economic-alliance.com Roni Holder-Diefenbach will send out the documents via doc-u-sign so Board members that have not sent in their signed forms can do so online. Roni Holder-Diefenbach is also working on updating the Employee Handbook.

Infrastructure Committee: Roni Holder-Diefenbach reported that we usually start the process for prioritizing projects in Fall, but we need to change that to get applications in June and have presentations in July and then get ranking list to EDD. Kurt Danison asked if there were any funds available for projects, as this is a good incentive for getting projects submitted. Roni Holder-Diefenbach has still been reaching out to local projects that were ranked through our infrastructure process to make sure they are aware of any funding for projects.

Roni Holder-Diefenbach reported that an emerging opportunities application was submitted from the Okanogan County TV District for \$50,000. This was approved by the Infrastructure Committee, the Executive Committee, and the Okanogan County Commissioners.

Covid-19 Response: We still have PPE at the office to distribute to local Chambers and businesses if needed. Roni Holder-Diefenbach has continued to work with businesses that have had questions on PPP or EDIL, or any of the other current programs.

Discussion

Roni Holder-Diefenbach reported that the Okanogan County/Colville Tribes BAT has continued to meet. At the last meeting, Omak School Superintendent gave a presentation about the need for and use of broadband in K-12 schools. The lack of Broadband availability has had an impact on education. The Omak School District is going to have a six weeklong Summer School for students that have fallen behind.

Don Linnertz gave a brief report on the Methow Valley Broadband Action Team. They have submitted the final report to CERB and are waiting to hear back on EDA funding to move forward with projects.

Roni Holder-Diefenbach stated that the state has \$411 million for the state Broadband office and that Russ Elliot with the state did attend their last meeting. George Brady reported that CERB also got \$20 million for the next biennium for Broadband projects. The Broadband Action Team is still waiting to hear back on the USDA grant application, which was funding to do some additional work with ACRS.

Contracts

2021 contracts: Roni Holder-Diefenbach has already reported on the Commerce Cares Grant for \$80,000 and the increase in ADO funding, and the SBDC contract.

Other Business, News, Member Updates:

Roni Holder-Diefenbach reported that she participated in the recent Retail Academy. This was for Pateros and they are going through a process to recruit businesses to Pateros. The academy identified businesses that would be compatible for the city and might be receptive to opening in Pateros. The information that was provided was very helpful and well put together.

Brewster and Oroville are also part of the Downtown Academy. The EDD has requested funding from USDA for this program and if funded it will offer a more intense look at each community.

Lael Duncan reported that OCCAC funding for the purchase the land in north Omak is still in the state budget and she is hoping it will be approved.

The next meeting is scheduled for May 26, 2021.

Meeting adjourned at 12:10 p.m.

Respectfully submitted,
Carolyn Davis, Administrative Assistant



ECONOMIC ALLIANCE
Executive Directors Report

April 2021

Overview:

This month we had several different grant programs roll out from the Department of Commerce that we shared with the business community and other organizations that were eligible to apply for them (WW 4, AWB Chamber of Commerce Grants, WSDA grants to Agritourism, Cideries, Breweries, Distillery businesses.) The next grant that will be rolling out is for the Destination Marketing Organizations. With the extension of the PPP and EIDL programs we continue to offer small business assistance to businesses who are interested in applying. The Department of Commerce also opening up a sponsorship up to 100k for ADO's and we submitted a application for 80k that would include a Comprehensive Economic Recovery Strategy for Okanogan County, Website update and marketing, New Covid Response position, and a small grant program for businesses who started after March 2020. We should know more by April 30th if we are fully approved for the full sponsorship.

State Policy Issues

Budget Details/Links

Link to Legislative Evaluation and Accountability Program Committee (LEAP) Budget Documents (Operating, Capital & Transportation): <http://leap.leg.wa.gov/>

Note: The Dept. of Commerce section of the Agency Detail linked here starts on page 74:

<http://leap.leg.wa.gov/leap/Budget/Detail/2021/hcoStatewideSummaryAndAgencyDetail.pdf>

Economic Development Priorities –

- It appears that the Department of Commerce's economic development programs are funded at the maintenance/current levels, with a few increases.*
- \$8.6 million for ADO's from the General Fund – additional details below. **This is a \$2 million increase over the 2019-21 biennial appropriation. Great news!***
- \$50 million for small business grants. \$30 million is available to assist businesses in maintaining their operations and \$20 million is available to assist businesses in reopening.*
- \$5 million in the Governor's Strategic Reserve Fund for the biennium. This is one disappointment as it is a lower level than the Governor and the House proposed.*
- \$12 million to assist recovery for tourism-related businesses, generate tourism demand for Washington communities and recover market share with competing Western states.*
- \$2.86 million to identify and invest in strategic growth areas and support key industry sectors. Sector leads include aerospace, clean technology, wood products, information and communication technology, life sciences, maritime and military and defense – note: not an increase over current Sector Lead funding.*
- \$1.4 million for a nonprofit to provide grants, capacity building and technical assistance support for a network of microenterprise development organizations.*
- \$6.6 million for Commerce's Small Business Equity package – Small Business Resiliency Network (\$4,554,000), Small Business Tools (\$1,563,000) and Equity Development staff (\$492,000).*
- \$400,000 for the Department of Commerce to develop targeted equity strategies and recommend process changes that will reduce disparities in procurement processes.*
- \$600,000 for the Department of Commerce to establish representation in international markets – note: not an increase over current funding.*

- \$683,000 for a work group focused on developing the creative economy and \$300,000 for a sector lead for the creative industries.
- \$2.7 million to implement HB 1170 regarding manufacturing.
- \$138 million in anticipated (not assured) federal funding for the State Small Business Credit Initiative (SSBCI).
- \$450,000 for an Aerospace Advisory Committee.
- \$500,000 for a nonprofit for activities to advance affordable housing. The grant recipient must be an organization that partners in equitable transit-oriented development. Grants must facilitate partnerships to enable equitable transit-oriented development that builds housing at scale in the cities of Tacoma, Renton, and Everett.
- \$300,000 for the Lt. Governor to conduct a business competitive analysis of the State's economy.

ADO Funding:

*In the final Operating Budget, ADO funding is **increased by \$1 million per year**, for a total of \$4.3 million per year – from the General Fund (which is important) -- just as requested in [WEDA's 2021 Economic Recovery Legislative Agenda](#), and in our budget request letters. There is a new “floor” for all ADOs to receive at least \$75,000. Admittedly, this is just a restoration of state funding for regional economic development to levels before the Great Recession, but together, we have successfully secured four increases in state funding for regional economic development in two years – two of which were one-time only \$50,000-100,000 grant opportunities in partnership with Commerce and in acknowledgement of extraordinary work through COVID-19.*

Here is the ADO language in the final budget (linked below):

(6) \$4,304,000 of the general fund—state appropriation for fiscal year 2022 and \$4,304,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for associate development organizations. During the 2021-2023 biennium, the department shall consider an associate development organization's total resources when making contracting and fund allocation decisions, in addition to the schedule provided in RCW 43.330.086. The department must distribute the funding as follows: (a) For associate development organizations serving urban counties, which are counties other than rural counties as defined in RCW 82.14.370, a locally matched allocation of up to \$1.00 per capita, totaling no more than \$300,000 per organization; and (b) For associate development organizations in rural counties, as defined in RCW 82.14.370, a \$1.00 per capita allocation with a base allocation of \$75,000.

Federal Policy issues

At this time, we are sharing the SVG and the Restaurant Revitalization Fund with the local businesses who are eligible to apply for them. We also have been sharing the information that has come down via our local representatives on federal funding opportunities for public infrastructure projects that have been ranked through our infrastructure process.

LOCAL/REGIONAL:

Economic Recovery Dashboard: *I will provide an overview of the draft site today at the board meeting.*

Downtown Academy- *Okanogan County has 2 communities, Brewster and Oroville who are participating in this project, if funded through the USDA.*

Washington Recovery Group- *The Washington Recovery Group (WRG) is a cabinet level group which includes leaders from state agencies, boards, commissions, tribal partners, local agencies, and members of the public. The WRG was established by Governor Inslee to bring bold, high-impact initiatives and solutions that address state government service gaps accentuated by the pandemic (see news release). The group is responsible for recommending strategies to transition from pre-pandemic ways of operating to new methods that increase resilience and improve state preparedness to better address future events.*

The recovery group has spent the past several months developing a short list of recovery objectives that will enhance the State's resilience. Three themes emerged from this work including a need for:

- 1) better access to state services by individuals, communities, and small businesses,*
- 2) a robust safety net capable of meeting expanding needs during times of crisis, and*
- 3) increased access to workforce training.*

Okanogan County/CCT Broadband Action Team:

We will continue to meet monthly and are scheduling presentations from the different industries directly impacted by COVID-19 and how lack of broadband access has affected their business and industry. We are applying for a USDA grant with the assistance of ACRS.

External Board of Directors: *Currently I am representing the Economic Alliance on the following boards:*

<i>NCW Economic Development District</i>	<i>NCW Career Connect Leadership Team</i>
<i>NCW Workforce Development Council</i>	<i>Family Health Centers Board</i>
<i>CFNCW Helping Hands Grant Committee</i>	<i>Washington Economic Development Association</i>