



# SCAPPOOSE *Oregon*

THURSDAY, SEPTEMBER 19, 2024

## ECONOMIC DEVELOPMENT COMMITTEE MEETING AGENDA

REGULAR MEETING AT 12:00 PM

33568 E COLUMBIA AVE; SCAPPOOSE, OR 97056 & [MICROSOFT TEAMS](#) (HYBRID)

*Please submit public comment to N.J. Johnson at [njohnson@scappoose.gov](mailto:njohnson@scappoose.gov) or in writing to Scappoose City Hall (33568 E Columbia Ave; Scappoose, OR 97056) by September 18, 2024 at 5:00 pm. Public comment can also be made verbally at the beginning of scheduled meetings.*

*This meeting will be conducted in an accessible room. If special accommodations are needed, please contact City Recorder Susan M. Reeves at (503) 543-7146, ext. 224 in advance.*

*TTY 1-503-378-5938*

### Topic

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- |           |   |                 |
|-----------|---|-----------------|
| <b>1.</b> | <b>Call to order</b>  | <b>12:00 pm</b> |
| 1.1.      | Approval of Agenda: September 19, 2024  |                 |
| 1.2.      | Approval of Minutes: June 20, 2024  |                 |
| 1.3.      | Public Comment  |                 |
| <b>2.</b> | <b>New Business</b>   | <b>12:05 pm</b> |
| 2.1.      | <b>Welcome New City Manager!</b><br>Ben Burgener, City of Scappoose   |                 |
| 2.2.      | <b>Updates</b> Community Partners <ul style="list-style-type: none"><li>• Columbia Economic Team</li><li>• Scappoose City Council</li><li>• Columbia County</li><li>• OMIC R&amp;D</li><li>• PCC OMIC</li><li>• Port of Columbia County</li><li>• Columbia River PUD</li><li>• Scappoose Public Library</li><li>• City of Scappoose</li></ul> |                 |
| 2.3.      | <b>Discussion</b> Economic Development Strategic Plan<br>Vice Chair Karl Fenstermaker   |                 |
| 2.4.      | <b>Vote</b> Chair and Vice Chair<br>Chair Christine Turner  |                 |
| 2.5.      | <b>Vote</b> October 2024 Meeting  |                 |



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- 3. Announcements** **1:25 pm**
- 3.1. Next meetings
- October 17, 2024 at 12:00 pm (TBD)
  - November 21, 2024 at 12:00 pm
  - December 19, 2024 at 12:00 pm
- 3.2. Scappoose Farmers' Market
- Every Saturday 9:00 am-2:00 pm
- 4. Adjourn** **1:30 pm**



# SCAPPOOSE *Oregon*

THURSDAY, JUNE 20, 2024

## ECONOMIC DEVELOPMENT COMMITTEE MEETING MINUTES

REGULAR MEETING AT 12:00 PM

33568 E COLUMBIA AVE; SCAPPOOSE, OR 97056 & MICROSOFT TEAMS (HYBRID)

*Disclaimer: These minutes are intended to summarize the conversations that took place in this meeting rather than provide a full transcript. Anyone wishing to view the full conversation can find a recording of this meeting on YouTube at: <https://youtu.be/fsKD-6R6awY>*

**Attendees:** Chair Christine Turner, Vice Chair Karl Fenstermaker, Committee Member Brian Rosenthal, Committee Member George Hafeman, Committee Member Paul Fidrych, Committee Member David Sideras, Committee Member Judy Isaman, PCC OMIC Training Center Program Manager Natalee Phelps, Port of Columbia County Commissioner Nancy Ward, Columbia River PUD Administration/Public Relations Manager Heidi Ralls, Scappoose Public Library Director Jeff Weiss, Associate Planner N.J. Johnson, Urban Renewal Grant Applicant Paul Siracusa, Urban Renewal Grant Applicant Nick Hurliman, Urban Renewal Grant Applicant Matt McHugh, Urban Renewal Grant Applicant Jeff Schultz, Columbia River PUD General Manager Michael Sykes, Columbia River PUD Engineering Manager Branden Staehely, Interim City Manager Larry Lehman, JJ Duehren

### **Committee Members Absent:**

#### **1. CALL TO ORDER**

*The meeting was delayed due to technical difficulties.* The meeting was called to order at 12:09 pm by Chair Christine Turner.

#### **1.1 Meeting Agenda**

Vice Chair Karl Fenstermaker made a motion to approve the June 20, 2024 agenda. Brian seconded. The motion passed unanimously.

#### **1.2 Meeting Minutes**

Vice Chair Karl Fenstermaker made a motion to approve the March 21, 2024 minutes. Brian seconded. The motion passed unanimously.

#### **1.3 Public comment**

JJ: This was the first ever Scappoose Outdoor Fun Festival. It's really important to have an identity and I believe Scappoose can shape itself to be the gateway to the outdoors. This event is catered around enjoying the outdoors and all the activities that can be done outdoors. We had Smokey The Bear, Scappoose Fire District, Scappoose Police Department, Columbia County Sheriff's Office, Oregon Equestrian Trails, creation station, a Native American dance, and NJ telling campfire stories. The event was very well attended and I can't wait to build on it for next year. Thank you to everyone who donated and volunteered.



## 2. NEW BUSINESS

### 2.1 Updates

- Columbia Economic Team - Vice Chair Karl Fenstermaker (reading Paul Vogel's written update)
  - Columbia Commerce Center is a finalist to be considered for an advanced aviation manufacturing facility.
  - Cascade Tissues site is under contract for sale.
  - Project Arcadia is moving forward to privately purchase and restart the St. Helens Cascade Tissue plant.
  - Over 60 interviews have taken place for the Business Community Connection Project and several more will be interviewed in the coming weeks. The interview data will be analyzed over the summer which will result in a synthesized report in the early fall.
  - 4 local Travel Oregon grant projects are underway. The new Vernonia sign off US-26 will be showcased in the Vernonia Fourth of July parade.
  - Annual membership meeting will be July 9th and invites went out today.
- Scappoose City Council
  - *No update provided*
- Columbia County
  - *No update provided*
- OMIC R&D
  - *No update provided*
- PCC OMIC - Natalee
  - Columbia Works Internship starts July 9th.
  - Lunchtime lecture series will be starting soon.
  - NJ and I just completed our interviews for the Business Community Connection Project.
- Port of Columbia County - Nancy
  - Port hosted meeting with Governor's Office, Senator Merkley's office, Senator Wyden's office, Congresswoman Bonamici's office, Business Oregon, Oregon DEQ, Oregon DLCD, Oregon DSL, ODOT, Casey Garrett, and Paul Vogel to discuss the Port of Columbia County. This also included a tour of Port Westward.
- Columbia River PUD - Heidi
  - Two projects are converting overhead lines to underground, which improves our resilience - one on Apple Valley Road and the other on the end of Dutch Canyon Road.
  - We're in the midst of doing pole inspections in the area, which we do routinely every 10 years.
- Scappoose Public Library - Jeff W
  - We helped JJ with the Scappoose Outdoor Fun Festival.
  - Movies in the Park will be on every Friday in August.



- Summer reading program has over 400 people signed up already.
- City of Scappoose - NJ
  - The Planning Commission will review the Columbia Three-Restaurant Complex on June 27th. Staff is recommending approval since they meet the criteria. The staff report will go out today.
  - We held an Inquiry Meeting with NessCampbell, a crane and rigging service, whose closest location is in Hillsboro. They're looking at purchasing the property to the east of OMIC R&D, which is currently owned by OSG.
  - Just completed my 3 interviews with Natalee for the Business Community Connection Project. This will ultimately give us a sense of what the business climate is like in Columbia County and what can be done to improve it.
  - The City is currently hiring a permanent City Manager. City Council and two other community panels interviewed the four finalists yesterday and a decision will be announced soon.

## **2.2 Shadley's Express Lane Espresso Urban Renewal Grant Application Presentation**

Chair Christine Turner: The Economic Development Committee will now begin reviewing an application for the Scappoose Urban Renewal Grant Program. Staff has deemed the application before us complete to be reviewed by our committee and the Urban Renewal Agency. This agenda item is strictly to allow the applicant to present their proposal and for us to ask questions of the applicant or City staff. Later in the meeting, we will discuss the merits of this application and any others submitted during the same period and ultimately make a formal recommendation to the Urban Renewal Agency. For this agenda item, we are just gathering information. Shadley's Express Lane Espresso has submitted an Urban Renewal grant request for improvements to the sidewalk and parking lot as well as the installation of a new commercial driveway at 33455 NW Prairie Street. The site currently serves as a drive-through coffee shop. Shadley's Express Lane Espresso is requesting a grant of \$37,570.50. The quote provided by the contractor is for \$81,641 but \$6,500 of that is for engineered plans, which is not a reimbursable expense under the Grant Program guidelines. The applicant has committed to the one-to-one matching requirement of the Grant Program. Before we begin the applicant's presentation, does anyone on the Economic Development Committee wish to declare a financial, business, or familial conflict of interest in their review of this application?

*No response.*

Chair Christine Turner: Has anyone had any communications with the applicant related to this project outside of Economic Development Committee meetings?

*No response.*

Chair Christine Turner: Thank you. We will now begin with the applicant's presentation.



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Paul S: I've included images in my application of where the pavement, sidewalk, and driveway will be. The site is in great need of help.

Vice Chair Karl Fenstermaker: In your opinion, how does this improve Scappoose as a whole?

Paul S: It would improve accessibility for the business. The biggest hinderance to getting in the site is the telephone pole. The PUD said they would move it if I paid for it but I'm not financially able to do that right now. Access is currently via the alley and people end up just driving over the sidewalk, which has crumbled. You could also potentially get more businesses at the north end of town with an improved pedestrian network.

Chair Christine Turner: What's the cost of removing the pole? If the pole was removed, would that reduce your ask?

Paul S: I don't know the cost. It's more complicated than I realized. Moving the pole wouldn't reduce the cost of my project.

David: Who owns the property?

Paul S: I do.

David: I've had poles moved in Portland by PGE and it's about \$2,500. I'd expect Columbia River PUD to be less expensive.

Chair Christine Turner: I saw Wallace Construction Company gave you the quote. Did you get other quotes?

Paul S: I just got the one quote.

Brian: How much do we have in the fund right now?

Chair Christine Turner: \$107,292.

David: This request is for repaving the parking lot, sidewalk, approach into the alley, and the alley, correct?

Paul S: No, the alley has nothing to do with this request.

Jeff W: Are you proposing to improve the part between the intersection and new entrance?

Paul S: No.

Chair Christine Turner: How many days a week is the coffee shop open?

Paul S: Seven days a week.

David: What is the zoning?

NJ: General Commercial.



## 2.3 The Lodge Urban Renewal Grant Application Presentation

Chair Christine Turner: The Economic Development Committee will now begin reviewing an application for the Scappoose Urban Renewal Grant Program. Staff has deemed the application before us complete to be reviewed by our committee and the Urban Renewal Agency. This agenda item is strictly to allow the applicant to present their proposal and for us to ask questions of the applicant or City staff. Later in the meeting, we will discuss the merits of this application and any others submitted during the same period and ultimately make a formal recommendation to the Urban Renewal Agency. For this agenda item, we are just gathering information. CCPOD, LLC has submitted an Urban Renewal grant request for enhancements to the outdoor atmosphere at the Lodge Food Carts at 51875 SW Old Portland Road including outdoor speaker system, heating, fire pits, retractable walls, and a stage. Their property currently hosts 11 food carts and an indoor taphouse. CCPOD, LLC is requesting a grant of \$48,208.34 since their quoted total was \$96,416.68. The applicant has committed to the one-to-one matching requirement of the Grant Program. Before we begin the applicant's presentation, does anyone on the Economic Development Committee wish to declare a financial, business, or familial conflict of interest in their review of this application?

NJ: I'm not on the Committee but I do have a conflict I'd like to get on the record. I work for the Lodge. As soon as I gained employment there, Laurie took over any kind of processing and communications with The Lodge on this grant.

Chair Christine Turner: Thank you, NJ. Has anyone had any communications with the applicant related to this project outside of Economic Development Committee meetings?

*No response.*

Chair Christine Turner: Thank you. We will now begin with the applicant's presentation.

Nick: We've gone through this process before but believe that the rules being refined a bit helps our case a little more. Like JJ said, we're an outdoor community and after you're done enjoying the outdoors, The Lodge is a great place to eat, have a drink, and enjoy yourself. Now that we're open and have a high level of customers, we're looking to do what we can to sustain that. We got to the end of construction and everything costs more than when we started so the items we're asking for support on are essentially what got left off.

Chair Christine Turner: I haven't been to The Lodge yet because I've been out of town the last few months but my daughter works there. I've heard that parking is an issue and I don't see anything to address that in here.

Nick: We've received a Temporary Use Permit from the City to allow for additional parking on our adjacent property.





Brian: If you think about 11 food carts, just the employees take up almost all the parking you have. I'd really like to see an application to improve your parking situation. It hurts your business too because I've heard people say they would love to go but parking is too hard. I feel like the parking is creating a safety issue since people are cramming in wherever they can find parking on the streets. If you've got land back there, you really should be looking to expand your parking lot for a public benefit and to benefit your business. This will get worse when the weather changes because people aren't going to want to walk 1-2 blocks in the rain.

Chair Christine Turner: I think it would be good to fill out another form next round.

Jeff W: NJ, what are the parking requirements?

NJ: The requirements are one space per food cart, so 11, and then based on the square footage of the taphouse, 18 for indoors, giving a total of 29. They applied for a Minor Variance as part of their land use, which is allowed, and made their requirement 26. Their street improvements also allow for 2 additional on-street parking spaces.

Jeff W: If they added more parking area, would it have to be paved?

NJ: Yes, any parking for customer vehicles needs to be paved, even if it's beyond the parking required.

Chair Christine Turner: I don't think I have to ask you how this benefits the economic community because we've seen what it's done and we thank you for doing it. It's been a huge endeavor but it was needed. Everybody I know is talking about how great it is.

David: I believe the Grant Program is only supposed to reimburse items that are permanently affixed to the property.

Nick: The stage would be permanent for a few months at a time. The speakers, firepits, and retractable blinds would be permanent. We'd store all of this on-site.

Chair Christine Turner: If we wanted to, we could easily make a recommendation to remove a certain component of funding if something was portable?

NJ: Correct.

Vice Chair Karl Fenstermaker: Do you have any projection numbers that could speak to the impact funding these items would have on your business and the community?

Nick: We haven't studied it like that but what we're trying to do here is be more resilient as a business through the colder, wetter seasons.

Vice Chair Karl Fenstermaker: What's the vision for the stage and the music?

Nick: There's quite a bit of music here locally. We'll also open mics like we do at our St. Helens location. The karaoke league will also be hosted at The Lodge.





Vice Chair Karl Fenstermaker: How much does the music attract business outside of Columbia County to the St. Helens location?

Nick: We regularly fill the seats when we do anything involving music. I have a friend from Portland that comes out St. Helens to play music. I think you'd see even more of that in Scappoose since it's closer. When people play in these, they typically bring their families to watch and support them.

Brian: Where is it that the retractable walls would be installed?

Nick: In the current outdoor seating area. That way the space could be fully utilized rain or shine.

David: What is the maximum decibels in City code?

NJ: I don't know but when Laurie issued the Temporary Use Permit, one of the conditions was that they obey the City's noise ordinance.

David: When does the Temporary Use Permit expire?

NJ: It goes from June 22nd, which is their grand opening, to September 20th.

David: Do they need a permit to continue doing events?

NJ: Their Temporary Use Permit is just for using their adjacent lot for surplus parking. The approval for site development, connection to utilities, and the ability to operate their business is already issued and that is permanent. Many cities have event permits but we only require them if the event is taking place on public property, so typically a park or street right-of-way. They don't need an event permit because they've already been approved to operate their business on private property and they will always be subject to the noise ordinance.

Chair Christine Turner: Is there any objection to swapping agenda items 2.4 and 2.5?

*No objections.*

Chair Christine Turner: Seeing none, the agenda has been amended to swap 2.4 and 2.5.

## **2.4 Power Supply in Columbia County**

Michael: We recently presented to the City Council on the reality that we have real challenges with our transmission capacity. We have a lot of companies knock on our door but we only have 30-40 megawatts of power in our system. We get all our power from Bonneville, which is great for us because they're required to sell us their power at cost. Recent legislation in Oregon and Washington state have required utilities to pursue energy sources other than fossil fuels, coal, natural gas, and oil. As a result of that, these providers are closing down, including a coal plant in Centralia that was producing 1,000 megawatts of power a day. Add depleting resources to the fact that these data centers are showing up everywhere and take a lot of power. There is talk in Washington, D.C. to



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remove four dams in the Snake River. We get 15% of our power from there and there's limited mechanisms to replace that much power.

Branden: The Bonneville Power Administration and Portland General Electric are the two providers that own the transmission lines in our service territory. A lot of our industrial areas are surrounded by PGE's transmission system. Our system peaks at about 104 megawatts and averages about 60 megawatts. We've seen service requests of a couple hundred megawatts of power. We're currently evaluating all the requests in our queue and studying what can be done to expand our capacity.

Larry: How much power does the Scappoose community use and how much power does a typical data center use?

Branden: Depending on the season, Scappoose typically peaks between 10-20 megawatts a day. A data center would ask for about 100 megawatts. If you've ever used your phone to create an AI-generated image, the power demand for creating that single image is equivalent to running a home. The user with the phone is doing it for free so that's why you see the demand for these facilities.

Judy: Could I access this data on the website?

Branden: It's not available on our website right now.

Michael: We can get you the PowerPoint we provided to your City Council and feel free to call us anytime as well.

Chair Christine Turner: How much power was Cascade Tissues using? How much was this solar company recently requesting? Did you know that we were going to be facing a shortage 6-7 months ago?

Branden: Cascade Tissues was using about 1.5 megawatts, the solar company originally asked for 135 megawatts, and we had a good idea we were running into a shortage. One of the other reasons this is increasing is because of electrification, meaning that companies are automating their processes with less people but more electricity.

Brian: Is there any way we can avoid putting the cost burden of increasing capacity onto residential customers?

Branden: We've been doing that for a long time.

Nancy: How do we avoid creating winners and losers in Columbia County? If the solar company went to St. Helens, every other community would be a loser.

Michael: The challenge is that if we have capacity to serve a request, we have a statutory obligation to serve them.

## **2.5 Vote on Urban Renewal Grant Program Funding Recommendation**

Brian: For the first application, I'd recommend that the applicant be required to provide



stormwater management at the corner of E Columbia Avenue and NE 3rd Street.

Paul F: NJ, can't the property owner use funds from the Sidewalk Repair Program for this instead?

NJ: They can but that program only provides up to \$1,000.

Brian: So let's pay them \$1,000 less and have them apply for the Sidewalk Repair Program.

NJ: I'd say the City could encourage that because the property owner's matching funds can come from any other source, including other grants and/or City funds. The Urban Renewal Grant Program can provide up to 50% of the total cost. If the project costs \$11,000, they're eligible for \$5,500.

Brian: That sounds fine.

Chair Christine Turner: With the application for Shadley's, I support the sidewalk upgrades but don't think the parking lot improvements fall under Urban Renewal.

David: The quote is an inflated wholesale replacement of the entire sidewalk.

Chair Christine Turner: I would like to see other bids. Wallace Construction has been on a lot of these recently.

NJ: We always provide property owners a list of contractors who have done that work in Scappoose recently but a lot of the time, people like to go local when that option is available.

David: In my opinion, this needs to be resubmitted with more accurate numbers. I think they should be wanting to move forward with this, regardless of if we help them or not. It seems like we'd be funding the majority of this regardless of the 50% rule.

NJ: I see where you're coming from but do keep in mind that the City will only reimburse actual expenses incurred that we see on a receipt. The applicant also has an incentive to get the best deal they can because they're paying for at least half of the project too.

Brian: I'm more comfortable approving the sidewalk and driveway portion of this request than the asphalt. There are several asphalt parking lots in Scappoose, including ones I own, and I couldn't imagine asking the government to help pay for them.

David: It's very easy to massage numbers to get them where you want. I'd still suggest they submit an updated proposal with correct numbers.

Vice Chair Karl Fenstermaker: I agree.

Chair Christine Turner: I think so too. There's too many "If City requires..."

NJ: Again, we only reimburse the expenses that have actually been incurred on a verifiable receipt.



David: NJ, I can create an invoice right now that says it costs the whole thing.

Vice Chair Karl Fenstermaker: I think improving the portion in the right-of-way helps the community overall with the appearance.

Brian: It would benefit surrounding businesses too.

Chair Christine Turner: Let's talk about The Lodge now. I do think David makes a good point earlier that we shouldn't be funding the temporary items.

Jeff W: So this would be the stage and the PA system.

Chair Christine Turner: I do believe this is so good for the community. Before this equipment, I wouldn't want to stand in the rain waiting for my food. Now I'd be willing to go in the colder months.

Paul F: The items are temporary because they are going for adaptability. If they want to have a cornhole tournament, it would be more beneficial for them to be able to move the stage out of the way than to have a stage that's bolted to the ground. I disagree with taking it off the list.

NJ: Whether or not we think it makes sense, temporary items that can be easily moved out of the building and the Urban Renewal District are not eligible for reimbursement.

Vice Chair Karl Fenstermaker: I move we recommend to the Urban Renewal Agency that Casey and Byron Kellar be awarded \$5,500 with the condition that they accommodate for stormwater, Shadley's Express Lane Espresso be awarded \$17,000 for sidewalk and driveway only, and The Lodge be awarded \$40,111.90.

Judy: I second. I agree with the sidewalk proposals. I think The Lodge is a great asset too but I understand the rules about portability.

David: With regard to the Shadley's application, usually we have reasonable quotes and we vote yes or no on quotes we can trust. I still feel they need to resubmit.

Chair Christine Turner: Since we're just a recommendation body, we need to evaluate what we have in front of us and make a recommendation accordingly.

*The motion passed unanimously.*

### **3. ANNOUNCEMENTS AND NEXT MEETINGS**

- Next meetings
  - July 18, 2024 at 12:00 pm
  - August 15, 2024 at 12:00 pm
  - September 19, 2024 at 12:00 pm
- Scappoose Farmers' Market
  - Every Saturday 9:00-2:00

### **4. Meeting adjourned at 1:50 pm.**



# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## A Vision for a Thriving Scappoose

Scappoose is at an inflection point in its growth. Recent trends in the general economic climate of the greater Portland Metro have resulted in an opportunity for Scappoose to intentionally draw residents and businesses to our City. Scappoose City Council is already engaged in key activities to guide this development in the coming years, such as developing a 50-year plan and implementing City Branding. This document is intended to work together with these efforts to give focus and direction to the Economic Development of Scappoose. It is not intended to replace existing city code, nor should it be taken as direction to City Staff to perform any specific actions. Instead, it is intended to provide a vision for a thriving Scappoose, documenting the learnings of the Economic Development Committee in the preparation of this plan and intended to be used as a map for City Council to reference as they guide the City into the next phase of its development.

Prepared by Scappoose Economic Development Committee

01/12/2024, Rev A

## **Executive Summary**

Executive Summary to be written last

### **The Current State of Economic Development in Scappoose**

This section to discuss the current state of Economic Development. It should reference relevant codes, such as the downtown and urban renewal districts. It should discuss any relevant development pending or in progress, such as hotel, food cart pods, airpark, and new restaurants.

### **The Vision for the Economic Climate of Scappoose**

What does an end state look like? Location of a true downtown area. Alignment with Branding/50-year plan. What kind of businesses (size, industry, etc) are here?

### **Programs, Actions, and Other Levers Available**

A list of potential things Scappoose can do to drive to the Vision, along with a discussion of pros/cons.

### **Recommendations**

A list of the actions the EDC recommends for Scappoose City Council to implement.

### **Appendices**

Reference material to support findings. Examples of other city programs, interviews, etc.