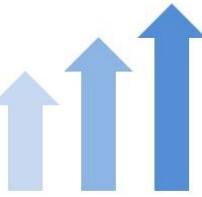




Economic Development Committee



AGENDA

VENETA ECONOMIC DEVELOPMENT COMMITTEE

April 9, 2025 2:00 PM

Veneta City Hall – J.W. “Bill” Smigley Room
88184 8th Street, Veneta, Oregon

City of Veneta Public Meetings can be accessed via teleconference. To listen to or participate in this meeting, call 541-935-2192 (Participant Code 793738#).

1. CALL TO ORDER
2. PUBLIC COMMENT
 - a. Speaker will be limited to 3 minutes each.
3. MINUTES APPROVAL
 - a. Approval of the March 12, 2025 Minutes (pgs. 1-10)
4. NEW BUSINESS
 - a. Rescheduling EDC Meeting
 - b. New Business Registration – Sun Frog Products
5. COMMITTEE MEMBER UPDATES
 - a. General Updates from EDC Members (verbal)
6. STAFF REPORTS
 - a. City Management Intern
 - (1) Economic Brand Rollout (verbal)
 - b. Management Analyst
 - (1) Eligibility for the Business Grant Program (pgs. 11-21)
 - (2) Eligibility for the Commercial Development Incentive Program (pgs. 22-28)
 - (3) Downtown Lot Development – Next Steps (verbal)
7. OTHER
8. NEXT MEETING
 - a. May 14, 2024 at 2:00 p.m.
9. ADJOURN

To access Veneta Economic Development Committee meeting materials please go to
<http://www.venetaoregon.gov/>

Times are approximate. This meeting will be digitally recorded. Location is wheelchair accessible (WCA). Individuals needing special accommodations, such as sign language or foreign language interpreters, should make such requests by contacting the City Recorder at 541-935-2191(voice) or by e-mail at: mmichel@ci.veneta.or.us. Requests made after 10:00 a.m. two working days prior to a meeting may not be accommodated.

Los tiempos son aproximados. Esta reunión se grabará digitalmente. La ubicación es accesible para sillas de ruedas (WCA). Las personas que necesiten un alojamiento especial, tales como lenguaje de señas o intérpretes de idiomas extranjeros, deben hacer tales peticiones poniéndose en contacto con el registrador de la ciudad en 541-935-2191 (voz) o por correo electrónico a mmichel@ci.veneta.or.us. Las solicitudes hechas después de las 10:00 a.m. dos días hábiles antes de una reunión no pueden ser acomodadas.

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CITY OF VENETA ECONOMIC DEVELOPMENT COMMITTEE

MEMBERS:

HERB VLOEDMAN (CHAIR)
BRITTANY LEHMAN (VICE-CHAIR)
JOHN TRIBOLET

MARK DAVIS

GINA HALEY-MORRELL
LEN GOODWIN
MAUREEN WRIGHT
(LIAISON)
LEWIS RUCKER

MINUTES

Economic Development Committee Meeting
Wednesday, March 12, 2025, 2:00 PM
Veneta City Hall — J.W. "Bill" Smigley Room
88184 8TH Street, Veneta, Oregon

Present: Chair Herb Vloedman, Vice Chair Brittany Lehman, Liaison Maureen Wright (phone), Member Gina Haley-Morrell, Member Lewis Rucker, Member John Tribulet, Member Len Goodwin, Member Mark Davis (phone)
Absent: Member John Tribulet
Staff: City Administrator (CA) Matt Michel, Management Analyst (MA) Jacob Thode, City Management Intern (CMI) Jillian Liebersbach
Other: Aliza Benor, Marlon Dziga Harris, Luca Herran, Asia Liberman (UO – IPRE Downtown Commercial Development Project)

1. CALL TO ORDER/REVIEW AGENDA

Chair Vloedman called the meeting to order at 2:00 p.m. and reviewed the agenda.

2. PUBLIC COMMENT

3. MINUTES APPROVAL

a. Approval of the February 12, 2025, meeting minutes.

MOTION: **Member Haley Morrell made a motion to accept the February 12, 2025, minutes as edited. Member Rucker seconded the motion. The motion passed unanimously (4-0).**

4. NEW BUSINESS

A. Downtown Commercial Development Project (DCDP)

Chair Vloedman asked the presenters to come up and introduce themselves:
Aliza Benor, Marlon Harris, Luca Herran, and Asia Liberman

The DCDP team thanked MA Thode, CA Michel and their instructors, Amanda Ferguson and Aniko Drlik-Muehleck, for their support and assistance.

The DCDP team stated their report represented preliminary research on zoning regulations, economic analysis of Veneta's market conditions, and case studies from three comparable cities.

The DCDP team highlighted their objective was to create a development plan for the three lots on Broadway, informed by public opinion and the future economic landscape of Veneta.

The DCDP team interviewed Veneta residents, developed a community survey, reviewed economic drainage analysis, and analyzed case studies of comparable cities to develop their report recommendations

Vice Chair Lehman entered the meeting at 2:05

The DCDP team used background research and economic information specific to Veneta which included the 2015 Economic Drain Report which indicated that a very large number of consumers leave the area to find the goods and services which amounted to approximately 15 million dollars of outside consumption.

The DCDP team developed a Qualtrics survey which they made available on the City's website, newsletter and on social meeting. They further stated they promoted the survey through in person outreach to businesses.

The DCDP team's survey received 267 responses and helped inform their recommendations. They also interviewed community stakeholders to develop their key findings.

The DCDP team's key findings included needs for a livelier downtown area, community gathering spaces, residents were looking for visual charm to the downtown area and as well as a safe place to visit.

The DCDP team created a visual word cloud to show the top priorities of city residents which included entertainment, community spaces, indoor recreation and retail. They further stated additional businesses and hotels would potentially serve outsiders and not the current community.

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The DCDP team shared the top scoring types of businesses for the downtown blocks included a bowling alley, roller rink, thrift store, and retail store(s).

The DCDP team stated Veneta residents had a strong desire for community gathering spaces including a possible area for a farmer's market and they were very interested in maintaining the visual charm of a rural community; buildings downtown such as the Daily Bread and community center were used as inspiration for ideas for the downtown blocks.

The DCDP's report also cited barriers to foot traffic in the downtown area which included safety and accessibility, parking availability, absence of public restrooms and rest areas.

The DCDP team stated safety was a major concern and noted Veneta had hours that were not monitored by their police contract and burglaries, break-ins, vacant buildings, and the perceived increase in the unhoused population were keeping residents away from the downtown area.

The report highlighted that residents did not want to see marijuana dispensaries, dive bars, chain dining or additional convenience stores in the downtown area.

The DCDP team outlined their recommendations for the three vacant downtown lots which included mixed use space where community gatherings could take place along with indoor recreation and retail opportunities.

The DCDP team stated that safety concerns emerged as a key priority, with residents expressing concerns about the presence of unhoused individuals. They further stated there was strong support for better pedestrian walkways and bike infrastructure.

The DCDP team concluded their presentation by outlining their five recommendations:

- Increasing Community Gathering Spaces
- Bolstering Indoor Recreation
- Adding Retail Options
- Preserving Downtown character and charm
- Improving safety measures.

The DCDP team thanked everyone for their time and asked for questions.

Member Goodwin asked why there was no mention of the existence of the Fern Ridge Service Center.

MA Thode described the Service Center's goals and services to the group.

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Member Goodwin believed the Service Center could meet some of the needs outlined in the report.

The DCDP team stated residents desired different services and retail than what was currently in the area.

Member Haley-Morrell wondered why safety was a problem because hours not covered by the Lane County Sheriff's Office occurred in the middle of the night.

Member Goodwin asked if Veneta participated in the unhoused survey.

CA Michel responded that the city did not participate in the unhoused survey and had only anecdotal information about the unhoused group.

CA Michel shared that the deputies had shared there were some new transients in the area.

Member Goodwin mentioned he was downtown frequently and did not notice the unhoused group.

Member Haley-Morrell stated the unhoused group tend to hang out at the Service Center.

The DCDP team shared that they had learned there was a very concerning incident outside of the Long Tom Bar and Grill and an unhoused person charged a family while they were coming out of the restaurant.

Member Goodwin asked if the team would discuss the low ranking of office space in this downtown area.

The DCDP team responded that a coworking space was the only type of space raised as a need in the downtown area. They further stated most residents wanted economic development but not at the cost of changing the small -time feel of the city.

The DCDP team stated in an interview they heard that there were more and more 30 and 40 somethings establishing their families and wanted Veneta to stay more family oriented.

MA Thode stated he was surprised hotel and office spaces were lower priority and asked the students to elaborate on these findings.

The DCDP team stated a more specific survey about these items might be helpful to understand resident's feelings about these options.

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The DCDP team shared that the lack of visibility of the downtown area was something that could impact hotel and office space developers.

Chair Vloedman asked about the height element of the downtown area.

CA Michel responded he and Chair Vloedman had talked about the height element and he shared this information the DCDP team.

CA Michel mentioned the downtown lights could now be seen because of some clearing of trees in the new Dog Park area.

Discussion ensued about the farmer's market moving out of the downtown area.

Vice-Chair Lehman stated it might be a great idea to have a space for an indoor Farmer's Market where the space could be used for different vendors/events throughout the year.

Chair Vloedman thanked the DCDP team for their work on this project and stated the report was great and could be reviewed and considered by a few city committees.

MA Thode thanked the student group and celebrated the completion of their project with a few Veneta momentous.

Member Davis and Liaison Wright entered the meeting via the phone system.

5. GENERAL UPDATES FROM MEMBERS

Member Haley-Morrel shared Fern Ridge Chamber of Commerce updates including work on the Distinguished Service Awards scheduled for April 17th at 7:00 p.m.

Member Goodwin shared the Planning Commission worked on lighting standards for outdoor lighting in Veneta and hoped to update watt measurements to lumen measurements which would improve the quality of lighting in the entire city. He further stated safety elements of the lighting standards were also part of the discussion.

CA Michel stated EPUD and the City continue to work together to make street light improvements and hoped grant funds might be available to implement some of these ideas.

Vice-Chair Lehman asked if there was a "Welcome to Veneta" sign along the HWY 126 going East.

Discussion ensued about signage and the downtown area.

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CA shared the location of Veneta signs found on Google Maps; he further stated there was a sign as you head East on HWY 126 along with signs for the Fern Ridge Library and City Center as you head South.

CONSENSUS: The Economic Development Committee agreed more signage was important and should be considered further.

MA Thode stated he would complete a survey of city signage and add it to a meeting agenda for discussion.

CA Michel stated the transportation system plan and ODOT has a number of "to dos to improve HWY 126" and the CDD Urban will start working on this.

CA Michel stated the HWY 126 expansion project is federally funded and ODOT was optimistic funds would be available for this project.

6. STAFF REPORTS

a. City Management Intern

i. Economic Development Report

CMI Liebersbach gave a brief economic development update stating there were multiple factors influencing both the State and Federal Governments that may have unpredictable impacts and consequences on the economy that cannot be accurately mapped at this time.

CMI Liebersbach shared she and MA Thode reviewed the data collected on Veneta's labor force, provided by the American Community's Survey 5-Year Estimates, and found Veneta had a working population of 4,319, a labor force of 2,391, and an unemployment rate of 4.8%. She further stated that the overall outlook was positive for these workers as most industries would experience some sort of growth with the exception of manufacturing.

CMI concluded her report with an update on recent permit applications for the City.

Chair Vloedman asked if members had any questions.

Member Goodwin asked if the application for Applegate Medical was for an actual business.

MA Thode stated he believed that application was for the repair of a roof and not for a new business.

b. Management Analyst

i. Five-Year Strategic Plan

MA Thode stated staff was seeking direction on how to move forward with the five-year strategic plan.

Member Davis left the meeting via phone at 2:59 p.m.

MA Thode noted a few of the City's economic plans were more than ten-year-old.

MA Thode recommended that the following plans needed to be updated:

1. Economic components of the comprehensive plan
2. Residential building plan
3. Retail market analysis
4. SWOT Analysis

MA Thode estimated updating all four plans would cost between \$40,000 and \$60,000 and he hoped that these costs could be offset with a \$20,000 grant.

MA Thode stated he hoped this work could start in early summer with the City awarding a contract in late summer. He further stated this project would take about six to nine months.

MA Thode shared the second option would be for the EDC to approve an update of only the Economic Development Analysis, Retail Market Analysis and SWOT which would take approximately three to six months.

MA Thode stated the third option would be to only update the economic development plan which again could start in the summer with an award issued by the end of the summer.

Chair Vloedman asked if members had any questions.

Chair Goodwin asked if it was time to look at the comprehensive plan.

MA Thode stated the comprehensive plan was updated October of 2024. He believed most of the materials were up to date except for the economic elements.

CA Michel stated the EDC's guidance on this matter would help with the economic development budget package for the year.

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CA Michel asked the Committee if they felt the 2015 study was credible or did they believe things had changed enough to support the need for a new information.

Chair Vloeman stated that the DCDP team's report today showed that the data was out of date.

Vice-Chair Lehman also believed the numbers were not accurate based on what was happening in the community.

Liaison Wright recommend the committee ask City Council for a complete overhaul of the economic plan.

MA Thode clarified Liaison Wright statement and confirmed she wanted to overhaul the entire plan.

Discussion ensued about the visibility issue in the downtown area and the height of buildings allowed there.

MOTION: Vice-Chair Lehman **made a motion to direct staff to update all economic components of the Veneta's Comprehensive Plan, including updating the City's Economic Opportunity Analysis, Residential Buildable Lands & Housing Needs Analysis, and Retail Analysis.** Member Haley-Morrell seconded the motion. **The motion passed (6-0).**

ii. Next Steps Downtown Lot Development

MA Thode shared that the city planned to present the DCDP team's findings and recommendations to City Council and establish a focus group for local business owners to further discuss the downtown area with the goal of developing a conceptual design. He further stated the city would post the report to their website.

Member Goodwin asked if a strong recommendation from the Economic Development Committee would be helpful.

MOTION: Member Goodwin **made a motion to support the DCDP report and its findings.** Member Haley-Morrell seconded the motion. **The motion passed (6-0).**

Chair Vloedman asked if members had any questions.

There were none.

iii. Regional Economic Brand (verbal)

MA Thode gave a quick update to the new City branding initiative.

MA Thode reported that the Fern Ridge Chamber of Commerce was doing a great work on their website providing the branding resources for Veneta businesses.

MA Thode stated Logo Launchers was set to roll out this new brand starting April 1st.

Vice-Chair Lehman shared that she recently noticed a post saying "#engage #enjoy" without the City name and she believed "Veneta" should be added to those tag lines otherwise the post could be talking about any location.

Chair Vloedman asked if members had any questions.
There were none.

7. OTHER

a. Collaborative Economic Development Organization (CEDO)

MA Thode shared he wanted to reach out to the Collaborative Economic Development Organization which was an offshoot of the Eugene Chamber of Commerce which focused community engagement. He was interested in how they could help with the downtown project.

MA Thode shared the CEDO's goals were to advance economies by creating accessible jobs and fostering prosperity through initiatives that connect education, innovation, and entrepreneurship while strengthening community partnerships.

He further stated Stephanie Laurel Freeman, of West Lane Fitness, was a board member and they were having an annual conference that Mayor McCoy would be attending. He shared the event was scheduled for March 20th at 11:30 a.m.

Chair Vloedman asked if members had any questions.
There were none.

CA Michel updated the committee on the middle mile fiber project and shared the City was pushing forward on this project with LCOG and Douglas Fastnet.

MA Thode asked the members on the phone if they could hear the student group well with the new speaker phone.

Liaison Wright stated she could hear the speakers much better with the new phone.

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Ms. Blake stated RAIN Catalysts was working with Chamber on a work event scheduled for Monday, March 24th at the Grange.

8. NEXT MEETING

a. The next meeting is scheduled for April 9, 2025, at 2:00 p.m.

9. ADJOURN

Chair Vloedman adjourned the meeting of the Veneta Economic Development Committee 3:29 p.m.

Chair Herb Vloedman

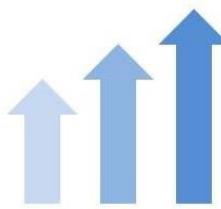
ATTEST:

Jennifer Mirabile, City Recorder

AGENDA ITEM SUMMARY



Economic Development Committee



TITLE/TOPIC: Eligibility for the Business Grants Program

Meeting Date: April 9, 2025

Staff Contact: Jacob Thode

Department: Economic Development

Email: Jthode@ci.veneta.or.us

Telephone Number: 541-935-2191

ISSUE STATEMENT

Staff is seeking direction from the EDC on proposed revisions to the Business Grant Program's eligibility criteria.

BACKGROUND

On February 24, 2025 The Economic Development Committee (EDC) came to consensus at a work session with Veneta City Council and the Business Assistance Committee (BAC) to revise the award criteria for the Business Grants Program. The proposed revisions aim to establish a tiered award structure based on a project's expected return on investment, community value and job creation/retention.

Staff recommends that the EDC update the job creation/retention criterion to provide clearer guidance to both applicants and the BAC, who makes recommendations to City Council regarding grant approvals, on the potential grant amounts for qualifying projects.

The goal of the Business Grants Program (BGP) is to *"encourage business expansions and startups which create or retain job opportunities in Veneta, and add to a vibrant business climate."*

To be considered for the grant program, applications must meet the following criteria:

- Project must be located within Veneta city limits;
- 25-50% match requirement (dependent on full-time employment);
- Demonstration of Need (the project is ineligible for traditional funding or would otherwise be cost-prohibitive);
- One full-time equivalent job will be created, retained, or supported for each \$25,000 of BGP grants.

Preference for projects is also considered for projects that:

- Create or retain permanent jobs involving skills related to manufacturing or industrial production;
- Absorb displaced or underemployed skilled workers;
- Indicate significant expansion/production; or
- Support development or expansion of a disadvantaged business.

Programs throughout the state that focus on job creation and retention vary in their eligibility criteria. Oregon's Enterprise Zone requires projects increase full-time permanent employment by one new job, or by 10%, depending on a firm's size. Oregon's Business Expansion Program bases eligibility on number of full-time equivalent jobs that will be created and sets a required wage rate for each new job created. Similar to Veneta's BGP, Ontario, Oregon offers a Business Loan Fund that prioritizes employment ratio compared to the amount of funds borrowed, and requires that applicants meet at least three of eight designated priority areas.

To improve clarity and better align award amounts with the purpose of the Business Grant Program, staff recommends the EDC revise the job creation criterion by removing the statement that applicants are eligible for up to \$25,000 for each full-time equivalent job. In its place, staff suggests adding the following tiered structure to clarify potential award amounts:

1. Projects creating, retaining, or supporting up to one full-time equivalent (FTE) job may be eligible for up to \$10,000 of BGP grants.
2. Projects creating, retaining, or supporting two or more FTEs may be eligible for up to \$25,000 of BGP grants.
3. Projects supporting one FTE that also meet two or more of the program's economic preference criteria may also be eligible for up to \$25,000 of BGP grants.

RELATED CITY POLICY

Economic Development Five Year Plan – Goal 2.3.2

COMMITTEE CONSENSUS OPTIONS

1. Direct staff to prepare a revised Business Grant Program with recommended changes to the program's job creation and retention eligibility criteria as prepared by staff.
2. Direct staff to prepare a revised Business Grant Program with recommended changes to the [STATE RECOMMENDATION].
3. Direct staff to conduct additional research and return with alternative options for program revision.
4. Direct staff to make no changes to the Business Grant Program at this time

STAFF RECOMMENDATION

1. Direct staff to prepare a revised Business Grant Program with recommended changes to the program's job creation and retention eligibility criteria.

SUGGESTED MOTION

"I make a motion to direct staff to prepare a revised Business Grant Program with recommended changes to the program's job creation and retention eligibility criteria."

ATTACHMENTS

1. Business Grant Program Application Packet
2. Demonstration of Need – BAC Evaluation Criteria Form

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Business Grant Program



Introduction

The City of Veneta is proud to offer a Business Grants Program to businesses and nonprofits within Veneta's Urban Growth Boundary. The overall goals of the City's Business Grants Program are to encourage business expansions and startups which create or retain job opportunities in Veneta, and add to a vibrant business climate. Eligible businesses & nonprofits may apply to receive a matching grant from the City in an amount not to exceed \$25,000. The application process is intended to provide the Business Assistance Committee and Veneta City Council with the information necessary to determine which applicants are awarded grants.

How to Submit a Grant Application

- Applicants may begin the process to submit a grant by contacting staff at the City of Veneta for a preliminary interview. Contact staff in-person at Veneta City Hall, by phone at 541-935-2191, or by email at ithode@ci.veneta.or.us
- After a preliminary interview, interested persons may begin to complete the application packet which includes:
 - Grant Application Form
 - Business Plan.
 - Profit & Loss Statements for the Last Three Months.
 - Business Bank Statements.
 - Veneta Business License.
- Grant applications may be submitted in person at Veneta City Hall or (**preferably**) by email at ithode@ci.veneta.or.us
- Grant applicants must also pay an application fee in person at Veneta City Hall.
 - \$50 for applicants with 5 or less full-time equivalent employees
 - \$100 for applicants with more than 5 full-time equivalent employees
 - If an applicant is awarded a grant by the City of Veneta, then the application fee may be applied toward the cost of any required match.
- Upon successful staff review, applicants will be considered by the Business Assistance Committee (BAC). The BAC will review grant applications in detail and make recommendations to Veneta City Council. BAC grant meetings will be closed to the public and details will remain confidential to protect the personal and business information of applicants.

- Positive BAC recommendations will be considered by City Council at the next possible Council Meeting. City Council will award grants at their discretion. Sensitive personal and business information from applicants will be kept confidential at this meeting.

After Being Awarded a Grant

- Successful grant applicants will be required to sign a contract with the City of Veneta that formalizes the terms of the grant award.
- Grant funds will be disbursed as reimbursements. Grant recipients will purchase eligible goods and services and provide proof of purchase to staff at the City of Veneta. Staff will then reimburse the grant recipient for up to 75% or 50% of the costs of goods or services (depending on the grant award and required match).
- Staff will only provide reimbursements for goods and services included in the application. Unexpected or additional costs will not be eligible for reimbursement.
- Successful grant applicants will be eligible for reimbursement within the fiscal year in which granted an award. Reimbursement is not guaranteed for projects that extend past the fiscal year, which runs from June to July. If a project extends past the fiscal year, applicants must be reapproved for funding by the BAC and City Council.

Eligibility & Criteria

Eligible applicants include private for-profit and nonprofit organizations located inside Veneta's Urban Growth Boundary (UGB). Ineligible applicants are entities and organizations other than those described above.

A. Eligible Projects and Activities

Generally, the Business Grants Program (BGP) will be available to support the start up or expansion of businesses within Veneta's (UGB). Activities that may be undertaken include, but are not limited to, the following:

- Acquisition of machinery, equipment, furniture, and fixtures.
- Acquisition and assembly of land for commercial, industrial, and related uses. Speculative activities, such as land banking and construction of speculative buildings, are not eligible. Acquisition of abandoned properties with redevelopment potential, though not for speculation.
- Development of real estate, including redevelopment and rehabilitation of historical buildings for industrial or commercial use.
- Other investments, which will accelerate repurposing of land and facilities for job creating activity, such as assistance to firms to locate or expand in such facilities.

- Improvements to commercial or industrial facilities and streets.
- Working capital needs (No more than 25% of the grant award may be used for working capital).

B. Eligible Costs

Total project costs must be included in the application. The BGP may not fund any additional, incidental, or unexpected project costs associated with a project that are not explicitly described in the application. Eligible costs include, but are not limited to, the following:

- Land costs, such as engineering, legal, grading, testing, site mapping, related costs associated with acquisition, and preparation of land.
- Building costs, such as real estate, engineering, architectural, legal, permit fees, System Development Charges, and related costs associated with acquisition, construction, and rehabilitation of buildings.
- Machinery and equipment costs, including delivery, installation, engineering, architectural, legal, insurance, and related costs associated with acquisition and installation of machinery and equipment.
- Other costs contributing directly to the value of the project fixed assets, such as sales and use taxes, and interest on interim construction financing.
- Adequate contingency reserves.
- Working and startup capital.

C. Ineligible Projects and Activities

These include:

- Projects involving the relocation of any firm from one area in the community to another, unless such move meets the job preservation or creation standards elsewhere described herein.
- Projects for which all funds are judged by the City Council to be otherwise available from private lenders or other public agencies at terms which will permit the accomplishment of the project at a non-prohibitive cost.

D. Ineligible Costs

These include:

- Acquisition of equity in private businesses.
- Subsidy of interest payments on existing loans.
- Refinancing or payoff of loans made by other lenders, except if the BAC's approval is given prior to such loan issuance.

E. Grant Eligibility Criteria

To be considered eligible for the BGP grant, applications must meet the following criteria.

- Location: Projects that have a physical location must be located within Veneta's UGB. The organization/applicant receiving funds must be located within, or relocating to, within Veneta's UGB.
- Employment Ratio: One full-time equivalent job will be created, retained, or supported for each \$25,000 of BGP grants.
 - A full-time equivalent job is defined as employment of at least 30 hours per week, or 130 hours per month.
 - Multiple positions may fulfill this criterion, subject to approval from the BAC and City Council.
- Ability to Match: Grant applicants must demonstrate the ability to meet any required match.
 - Businesses with 5 or fewer full-time equivalent employees are required to match grant funds to cover least 25% of the total cost of a grant funded project. Example: If a project costs \$1000, then grant award may not exceed 75% (\$750) and the applicant must demonstrate the ability to fund 25% (\$250) of the project.
 - Businesses with more than 5 full-time equivalent employees are required to match grant funds to cover at least 50% of the total cost of a grant funded project. Example: If a project costs \$1000, then grant award may not exceed 50% (\$500) and the applicant must demonstrate the ability to fund 50% (\$500) of the project.
- Demonstration of Need: Businesses must demonstrate that they are not able to fund a project through traditional means or that funding a project through traditional means would be cost prohibitive.

Grants eligibility is determined by a projects ability to meet the purpose of the Business Grant Program. Preference will be given to projects that show the following economic benefit to the community:

- Creation or retention of permanent jobs involving skills related to manufacturing and industrial production.
- Linkages with the area's existing economy which would permit a business to absorb displaced or underemployed skilled workers in the area labor force, particularly for the low and moderate income.
- Companies whose markets appear to indicate the opportunity for significant expansion or production, and employment, over the short term.
- Significant opportunities for the development and/or expansion of disadvantaged business enterprises, minority-owned businesses, woman-owned businesses, veteran-owned businesses and emerging small businesses certified under ORS 200.055.

Administrative Elements

A. Business Assistance Committee

The Business Assistance Committee (BAC) reviews all applications in detail and makes recommendations to the City Council to award grants to applicants. The BAC consists of five members, one of which is a City Councilor, and two liaisons from the Economic Development Committee. BAC appointments are made by the Mayor and approved by the Council for terms of two years. Preference is given to the appointment of a commercial lending and/or accounting professionals.

The Business Assistance Committee reviews Business Grant Program applications on a quarterly basis, elects its own Chairperson, has its own by-laws, and receives legal services “as needed”.

B. Staff Operation

The operation of the Business Grants Program (BGP), or parts thereof, may be performed by the staff of the City of Veneta or by any agent or entity with whom an agreement may be entered into for such purposes.

The primary activities of the staff with respect to the Program are as follows:

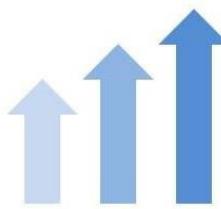
- Publicize BGP objectives and availability in the Veneta community.
- Screen all applicants, inviting promising candidates to submit detailed applications.
- Ensure the proper execution of documents for successful applicants.
- Monitor ongoing operations of grant recipients.
- Collect proof of purchase from grant recipients and disburse grants funds appropriately.
- Provide regular financial reports for the BGP, including individual account status.

BAC Scoring Rubric Demonstration of Need	Score
<p>Insufficient or No Demonstration of Need (1 point)::</p> <p>The applicant does not provide evidence of financial need or fails to demonstrate why traditional funding methods are impractical or cost-prohibitive.</p> <p>The explanation provided lacks specificity or is unclear, making it difficult to assess the genuine need for the grant, or applicant has not demonstrated the due process of applying for additional funding.</p>	
<p>Partial Demonstration of Need (2 points):</p> <p>The applicant presents some evidence of financial need or provides a basic explanation of why traditional funding methods are not impractical or cost-prohibitive.</p> <p>The explanation provided lacks depth, leaving some questions regarding the necessity for grant funding, or the grant applicant has only shown limited effort applying for additional funding.</p>	
<p>Moderate Demonstration of Need (3 points):</p> <p>The applicant effectively illustrates financial need or offers a clear rationale for why traditional funding methods are impractical or cost-prohibitive.</p> <p>The explanation provides relevant information or examples to support the need for grant assistance, though there may be other alternatives that the applicant has not tried.</p>	
<p>Strong Demonstration of Need (4 points):</p> <p>The applicant thoroughly and persuasively demonstrates financial need, highlighting specific challenges or barriers that justify the request for grant funding.</p> <p>The explanation provided is comprehensive, well-supported, and effectively communicates why traditional funding avenues are not feasible for the project. It is clear the applicant has exhausted other funding alternatives.</p>	
Total	

AGENDA ITEM SUMMARY



Economic Development Committee



TITLE/TOPIC: Eligibility for the Commercial Development Incentive Program

Meeting Date: April 9, 2025

Staff Contact: Jacob Thode

Department: Economic Development

Email: jthode@ci.veneta.or.us

Telephone Number: 541-935-2191

ISSUE STATEMENT

Staff is seeking direction from the EDC on proposed revisions to the Commercial Development Incentive Program's eligibility criteria and program name.

BACKGROUND

On February 24, 2025, the Economic Development Committee came to consensus at a work session with City Council and the Business Assistance Committee (BAC) to revise the name and eligibility criteria of the Commercial Development Incentive Program (CDIP), following the anticipated closure of the Urban Renewal Agency's Redevelopment Toolkit.

The Redevelopment Toolkit offered a number of grant incentives, including the System Development Charge (SDC) Fee Reduction program. While similar to the CDIP, this program offered up to \$25,000 in SDC fee reduction across the City's Water, Sewer, Parks, Transportation, and Drainage SDC fees towards new commercial development. This program will no longer be active after July 1, 2025, along with the rest of the Redevelopment Toolkit. The CDIP, by contrast, offers a 50% reduction in Transportation SDC fees, which are often higher than other SDC fees for new commercial development.

The CDIP's goal and eligibility currently mirror the City's Business Grant Program, both stating their goal as to *“encourage business expansions and startups which create or retain job opportunities in Veneta, and add to a vibrant business climate.”*

To be considered for the grant program, applications must meet the following criteria:

- Project must be located within Veneta city limits;
- 25-50% match requirement (dependent on full-time employment);
- Demonstration of Need (the project is ineligible for traditional funding or would otherwise be cost-prohibitive);
- One full-time equivalent job will be created, retained, or supported for each \$25,000 of SDC Fee Reduction.

Preference for projects is also considered for projects that:

- Create or retain permanent jobs involving skills related to manufacturing or industrial production;
- Absorb displaced or underemployed skilled workers;
- Indicate significant expansion/production; or

- Support development or expansion of a disadvantaged business.

Programs throughout the state that focus on SDC fee reduction prioritize types of development that align with a city's strategic planning goals. For example, Eugene offers a Transportation SDC fee reduction program for commercial, residential, or mixed-use development within the Eugene Downtown Plan Boundary. Reductions are based on both location and type of development. Bend offers a 30% reduction in Transportation SDC fees for qualifying development identified in the City's Development Code.

To better distinguish the CDIP from the Business Grant Program and to align more closely with the City's long-term planning objectives, staff recommends that the EDC retain the current job creation/retention eligibility, while updating the eligibility criteria to specify that qualifying development must also:

1. Be located within designated commercial zones, as specified in Veneta's Zoning and Development Code (Residential Commercial, Broadway Commercial, Highway Commercial, Industrial Commercial, Medium Industrial, Light Industrial).
2. Demonstrate alignment with Veneta's Comprehensive Plan, land-use regulations, and strategic plans regarding commercial development.
3. Include new construction or substantial improvement of commercial space that supports economic activity.

Staff also recommends that the EDC revise the program name to clearly indicate to potential applicants that it allows for a 50% reduction in Transportation SDC fees. Staff suggests adding the following subtext to the title: "Commercial Development Incentive Program: Transportation SDC Reduction."

RELATED CITY POLICY

Economic Development Five Year Plan – Goal 2.3.2

Economic Development Five Year Plan – 3.2

COMMITTEE CONSENSUS OPTIONS

1. Direct staff to prepare a revised Commercial Development Incentive Program with recommended changes to the program's eligibility criteria and program name as prepared by staff.
2. Direct staff to prepare a revised Commercial Development Incentive Program with recommended changes to the [STATE RECOMMENDATION]
3. Direct staff to conduct additional research on comparable System Development Charge (SDC) fee reduction programs and return with alternate options for program revision.
4. Direct staff to make no changes to the Commercial Development Incentive Program at this time.

ATTACHMENTS

1. Commercial Development Incentive Program Application Packet

City of Veneta Commercial Development Incentive Program & Application Packet



Adopted October 10, 2022

Introduction

The City of Veneta is proud to offer a Commercial Development Incentive Program to developers within Veneta's Urban Growth Boundary. The overall goals of the City's Commercial Development Incentive Program are to encourage business expansions and startups which create or retain job opportunities in Veneta, and add to a vibrant business climate. Eligible developers may apply to receive a transportation system development charge (SDC) reduction of up to 50%. The application process is intended to provide the Business Assistance Committee and Veneta City Council with the information necessary to determine which applicants are awarded transportation SDC reductions.

How to Submit a Grant Application

- Applicants may begin the process to submit a CDIP application after holding a pre-development conference with the City Planning Department, submitting a transportation impact report, and receiving an estimate of the transportation SDC fees associated with the proposed development. Contact the Planning Department in-person at Veneta City Hall or by phone at 541-935-2191.
- After a preliminary interview, interested persons may begin to complete the application packet which includes:
 - Site map
 - Transportation SDC Fee as Calculated by the City Engineer
 - Formal Request for Specified SDC Reduction Amount
 - Narrative Explaining Why the Developer Needs the Requested Discount
 - Estimated Number of Jobs Created by the Commercial Development Project
 - CDIP Application Form
- Applications may be submitted in person at Veneta City Hall or (**preferably**) by email at jthode@ci.veneta.or.us
- Applications will not be reviewed by staff, the Business Assistance Committee, or Veneta City Council until the required application fee has been submitted to Veneta City Hall. Fee details can be found in this document under the Eligibility, Criteria, & Fees section (Part F. Fees & Charges).
- Upon successful staff review, applicants will be considered by the Business Assistance Committee (BAC). The BAC will review applications in detail and make recommendations to Veneta City Council. Sensitive personal and business information from applicants will be kept confidential at this meeting to the extent requested by the applicant and possible under Oregon statute.

- Positive BAC recommendations will be considered by City Council at the next possible Council Meeting. City Council will award transportation SDC reductions at their discretion. Sensitive personal and business information from applicants will be kept confidential at this meeting to the extent requested by the applicant and possible under Oregon statute.

After Being Awarded a Reduction

- The business will receive a specified reduction in transportation SDC fees for a commercial development project.

Eligibility, Criteria, & Fees

The standards described below apply to the performance of the CDIP as a whole. The selection of a recipient of the CDIP will be based on its ability to meet the following standards. Individual CDIP awards may vary up to 50% of the transportation SDC fee. Less than the specified performance on one or all of the standards may be acceptable in such cases.

- Location: Projects that have a physical location must be located within Veneta's UGB. The organization/applicant receiving funds must be located within, or relocating to, within Veneta's UGB.
- Employment Ratio: One full time equivalent job will be created, retained, or supported for each \$25,000 of transportation SDC fees reduced.
- Demonstration of Need: Businesses must demonstrate that they are not able to fund a project through traditional means or that funding a project through traditional means would be cost prohibitive.
- Other Economic Objectives/Benefits: Other elements which will receive consideration in the selection of applicants for the program are:
 - Linkages with the area's existing economy which would permit a business to absorb displaced or underemployed skilled workers in the area labor force, particularly for the low and moderate income.
 - Companies whose markets appear to indicate the opportunity for significant expansion or production, and employment, over the short term.
 - Significant opportunities for the development and/or expansion of minority or female-owned and operated small business concerns.

F. Fees and Charges

- There will be a \$1000 fee charged to applicants of the CDIP.
- Applications will not be reviewed by staff, the Business Assistance Committee, or Veneta City Council until the application fee has been delivered to the City of Veneta.

- Applicants must submit their application fee in person at Veneta City Hall or by mail to PO BOX 458 Veneta, OR 97487. All checks should include “CDIP Application Payment” in the memo.

Administrative Elements

A. Business Assistance Committee

The Business Assistance Committee (BAC) reviews all applications in detail and makes recommendations to the City Council to award incentives to applicants. The BAC consists of three members, one of which is a City Councilor, an alternate, and a non-voting member representing the Veneta Economic Development Committee. The alternate is a voting member during any temporary absences or conflict of interest disqualifications of regular members. BAC appointments are made by the Mayor and approved by the Council for terms of two years. Preference is given to the appointment of commercial lending and/or accounting professionals.

The Business Assistance Committee reviews Commercial Development Program applications on a monthly basis, elects its own Chairperson, has its own by-laws, and receives legal services “as needed”.

B. Staff Operation

The operation of the Commercial Development Incentive Program (CDIP), or parts thereof, may be performed by the staff of the City of Veneta or by any agent or entity with whom an agreement may be entered into for such purposes.

The primary activities of the staff with respect to the Program are as follows:

- Publicize CDIP objectives and availability in the Veneta community.
- Invite promising candidates to submit detailed applications.
- Assist applicants throughout the submission process.
- Monitor ongoing operations of award recipients.