

Mid-Columbia Economic Resilience Team Meeting April 3, 2020

Jessica Metta (MCEDD) started the meeting with introductions and a note of two additional partners joining this week - The Next Door Inc. supporting the Latinx community and the Columbia River Inter-Tribal Fish Commission (CRITFC) supporting Tribal communities.

Kevin Waters (Skamania Economic Development Council) and Dave McClure (Klickitat County Economic Development) both noted that the Washington Department of Commerce anticipates releasing a list of available resources from the State for the business community early next week. On Thursday, Governor Inslee extended the state's stay-at-home order through May 4.

Michael Held (Business Oregon) stated that Business Oregon has repurposed a portion of their funds to support small businesses impacted by the COVID-19 crisis. With the Governor's guidance, Business Oregon has soft-launched a program called the [Small Business Resource Navigator](#) to help businesses navigate resources for assistance and tackle the overflow of requests to the employment department. Michael encourages the group to continue to utilize local economic development partners as the primary contact points as much of the Navigator role will include connecting businesses to the appropriate partners in their area. Michael also highlighted that Business Oregon's Business Impact Survey is now available. The survey is a partnership between Business Oregon, Travel Oregon, and the SBDC network. Data collected in the survey will drive policy-level discussions moving forward, so it is important to connect businesses with the survey.

Heather Ficht (East Cascades Workforce Investment Board) highlighted that Mike Scroggs and Teresa Cummings are part of the Rapid Response Team for the area and are also collecting impact data from businesses around layoffs. Heather remarked on the importance of this data to ensure that the appropriate resources are getting to the State and region moving forward.

Mike Scroggs (Rapid Response Coordinator, CGCC) noted that they host virtual Rapid Response meetings Monday through Thursday from 10am-12pm. Connect businesses with Mike (mscroggs@cgcc.edu) for layoffs.

Jessica Metta asked partners in Washington about data collection efforts. Dave McClure noted that Klickitat County has released a survey on their website to capture business impacts for now until there is a comprehensive statewide survey from the Department of Commerce. Kevin Waters noted that the Skamania County Chamber of Commerce has been sending information for businesses and requesting information from them about impacts and the EDC is sharing that data with the Department of Commerce. Dave McClure noted that Klickitat County has been working closely with their Chambers on this effort as well. Leticia Valle (Washington Employment Security Department) remarked that extensions have been made to help small businesses qualify for the Shared Work program in Washington. The employment department has increased its staff to assist the influx of employers interested in this program. More information can be found at <https://esd.wa.gov/SharedWork>.

Abe Friedman and Jonathan Hale (staff from the Office of Senator Cantwell) provided a summary of business programs from the CARES Act. These include:

- The Paycheck Protection Program (PPP) will allow for forgiveness for up to 8 weeks of payroll and overhead costs for up to 2.5 times your monthly payroll costs or \$10 million, whichever is less. This program leverages Small Business Association (SBA) certified lenders.

- The Small Business Debt Relief program enables the SBA to pay the principal interest on certain existing loans for up to 6 months.
- The Economic Injury Disaster Loan (EIDL) program offers loans up to \$10,000 to be given as an advance within three days and can be forgiven as well as larger, more flexible funding with long repayment terms and low interest rates. This program is run directly by the SBA.
- There is an employee retention tax credit to help small businesses as well.

One issue that has arisen so far with these programs has been with affiliation and determining if subsidiary companies qualify as small businesses and are eligible for these loans.

Jessica Metta noted that MCEDD has been hearing a lot of questions about how long after applying until businesses received funds. Jonathan Hale stated that the specific timelines for distributing loans will depend on individual banks, but Congress' original intent was to distribute these loans rapidly. Greg Price (CGCC SBDC) reiterated that there is no guaranteed delivery date specified for disbursement of funds. Greg noted that although applications for the PPP loan are currently being accepted, the SBA has until April 11th to distribute guidelines or requirements to lenders so many lenders are not yet participating. He noted that overall the process for these loans should be more simplified and quicker than typical loan processes.

Greg Price also recommended going to the U.S. Dept. of Treasury's [website](#) to find information for lenders and borrowers around the PPP program. Most banks are developing their own applications for the PPP but at a minimum, businesses will need to provide the information required by the SBA. Having this information on hand will be helpful for businesses applying for loans and is also valuable for businesses to have in order to understand their financial position during this crisis. Greg highlighted that it is possible for businesses to apply for both the PPP and EIDL loan programs as long as the funds are used for different needs.

PPP funds must be used for payroll and mortgage or space rental related expenses. The PPP loan is less flexible, allowing for six months of deferment and the loan payment is due two years after being awarded.

The EIDL loan is more flexible and can be used for any operational expenses, excluding existing long-term debt. The EIDL program offers up to a 30-year loan, offering smaller payments and deferment for principal and interest for up to four years, so they can choose to use it immediately or save it. There is also no pre-payoff penalties for the EIDL.

Kathleen Cathey (Office of Senator Wyden) remarked that typically SBA loans exclude the agriculture industry. The SBA website states that individuals associated with agricultural co-ops, nurseries, or aquaculture can apply for SBA loans. Farmers and ranchers are not currently eligible but Treasury has been working to develop resources for them through the Commodity Credit program. Kathleen hopes to see more resources for the agricultural industry included in the next bill.

Dave McClure asked how a food processing company that employs H2A workers and has more than 500 employees at some times of year, but less other times, should be classified. Greg Price recommended looking up the company's [NAICS code](#) to provide the definition of what a small business is and looking at SBA's website for variances. Greg's understanding is that the SBA is focusing more on the full-time equivalents to define the size of a business. Ryan DeGroft (Business Oregon) further clarified that [employee calculations](#) are based on a company's annual average.

Nate Stice (Regional Solutions) flagged some concerns that had been raised to him, Chambers, and Business Oregon around the readiness of local banks to administer newly available loan programs. Greg Price recommended reaching out to financial institutions not currently certified and encourage them to get certified in order to assist in distributing loans to businesses in need. Lenders don't necessarily have to be traditional banks; economic development organizations and nonprofits with economic lending programs can also be certified by the SBA.

Kathleen Cathey voiced concerns she heard from several businesses around their worry that a lack of a previous relationship with corporate banks would adversely impact their chances of being accepted for loans given that they are the ones currently offering the program. Greg Price noted that since the new loan programs are federally backed by the SBA, banks face no financial risk and more will likely be participating. He also noted that having an origination date starting later might be beneficial to businesses as well so that they can hire employees back as they get closer to operational when the stay home orders are rescinded.

State Representative Daniel Bonham asked if loan accessibility is applied on a first come, first served basis. He has been hearing from a number of businesses interested in applying for the new federal relief programs, but is concerned that there may not be enough resources for businesses that have to wait to apply for these loans. Greg Price confirmed that the funding is on a first come, first served basis.

Kevin Waters asked how the PPP will work for sole proprietors. Greg Price answered that sole proprietors are eligible to apply for the PPP, however the EIDL loan may be more beneficial for sole proprietors since it's more flexible. Heather Ficht also recommended sole proprietors consider the expansion of state unemployment insurance programs as an additional option, as it was part of the CARES Act. Both state employment departments are working on getting this added to their systems and will have more information soon. Scott Bailey (Washington Employment Security Department) provided a [link](#) providing information around frequently asked questions for employees applying for unemployment insurance in Washington. Andrea Klaas asked if business owner wages could be included in the PPP. Yes, owners and employee wages are eligible.

Anna Osborn (The Next Door, Inc.) asked if resources will be accessible to folks who do not have a Social Security number. Greg Price answered that he did not believe individuals without Social Security numbers were eligible to access federal funding. Jessica Metta shared that several foundations in Oregon were looking into how they could support individuals with ITINs. Scott Bailey remarked that undocumented immigrants would be broadly left out of the federal response in providing aid relief programs, which would leave a gap in the general economy.

Anne Medenbach (Port of Hood River) asked how long we expect the lenders to take once they begin participating in the PPP program. Greg Price said there is a lot of uncertainty around when these loans would begin being processed for businesses. The intent is to process applications as rapidly as possible. Greg encouraged businesses to also apply to the EIDL program to receive a \$10,000 loan as soon as possible to help support immediate business operations.

Greg Price highlighted that if businesses are eligible for both loan programs they should apply for both loans. Greg encouraged the group to send businesses to their local SBDC for help regarding the application process and understanding how these funds can be utilized to help their businesses. He

provided a [link](#) where businesses can register for help from the SBDC. Greg offered to give a webinar with information about these loan programs to interested entities or businesses.

Dave McClure shared that there is still some confusion around what qualifies as an essential business in Washington and what businesses were allowed to remain open. Guidance from Washington can be found [here](#).

Heather Ficht remarked that the public workforce system is funded based on unemployment rates from the previous year. If there is not an increase in those funds to deal with the current situation, we will need to support additional funding for existing workforce programs, including the Workforce Innovation and Opportunity Act. Heather is also worried about state and federal support for nonprofit sector and 501(c)6 organizations.

Kathleen Cathey and others from the Senator's staff have been in contact with FEMA regarding supply chain issues. They have heard anecdotal stories about a lack of supplies in various communities. Jessica noted that if your community is experiencing supply chain issues, send details to Jacque (Jacque@mcedd.org) to pass along to the appropriate people.

Mike Scroggs noted that the additional \$600 per week unemployment benefits might serve as a disincentive for employees to return to work depending on how re-opening processes go, but that there is also a limit to the number of weeks this benefit is provided. Eric Proffitt (Worksource Oregon) noted that if employers offer employees to come back to work and they refuse, they may become ineligible for unemployment insurance.

Jessica Metta requested that the team consider requests for the next recovery package. Dave McClure wanted to highlight that there is a need for essential businesses, such as food processors, to have access to PPE as well. Nate Stice noted the importance of coordinating with regional and state emergency managers to direct scarce resources to the most critical functions, and Dave concurred noting that he has been engaged with Klickitat County's emergency management efforts.

Jessica Metta discussed next steps for next week's meetings. If there are items you'd like communicated during next week's meeting, please send details to Jessica@mcedd.org or Jacque@mcedd.org. This group will meet next Friday (April 10) at 11am-12:30pm.

MID-COLUMBIA ECONOMIC RESILIENCY TEAM

CORE TEAM

April 3

Nate Stice	North Central Regional Solutions	x
Greg Price	Columbia Gorge Community College/Small Business Development Center	x
Jessica Metta	Mid-Columbia Economic Development District	x
Carrie Pipinich	Mid-Columbia Economic Development District	x
Jacque Schei	Mid-Columbia Economic Development District	x
Greg Svelund	Oregon Department of Environmental Quality	x

TOURISM

Kate Schroeder	Hood River County Chamber of Commerce	x
Tammara Tippel	Mt. Adams Chamber of Commerce	x
Lisa Farquharson	The Dalles Area Chamber of Commerce	x
Dana Peck	Goldendale Chamber of Commerce	x
Angie Waiss	Skamania County Chamber of Commerce	
K'Lynn Lane	Condon Chamber of Commerce	x
Lizzie Keenan	Mt. Hood & Columbia Gorge Regional Destination Management Organization	x
Stephanie Anderson	Maupin Chamber of Commerce	
Ashley Huckaby May	Visit Hood River Council	x
Emily Reed	Columbia Gorge Tourism Alliance	x
Wendy Popkin	Oregon Restaurant & Lodging Association	

PORTS

Olga Kaganova	Port of Cascade Locks	x
Pat Albaugh	Port of Skamania County	x
Andrea Klaas	Port of The Dalles	x
Michael McElwee	Port of Hood River	
Anne Medenbach	Port of Hood River	x
Marc Thornsbury	Port of Klickitat County	
Peter Mitchell	Port of Arlington	x

EMPLOYMENT

Heather Ficht	East Cascades Workforce Investment Board (OR)	x
Stephanie Siebold	East Cascades Workforce Investment Board (OR)	
Eric Proffitt	Worksource Oregon	x
Leticia Valle	Washington Employment Security Department	x
Kallie Kurtz	Washington Employment Security Department	x
Amy Martinez	South Central Workforce Council (WA)	
Mike Scroggs	Oregon Rapid Response Coordinator	x
Alberto Isiordia	Washington Employment Security Department	
Sondra Pieti	Washington Employment Security Department	

ECONOMIC DEVELOPMENT

Michael Held	Business Oregon	x
Ryan DeGrofft	Business Oregon	x
Tom Schnell	Business Oregon	
Lynn Longan	WA Department of Commerce	
Carrie Pipinich	Wasco/Sherman EDO	x
Kevin Waters	Skamania Economic Development Council	x
Dave McClure	Klickitat County Economic Development	x
Richard Foster	Klickitat County Economic Development	x
Lisa Atkin	Gilliam County	x
Rachel Weinstein	Gilliam County Community Development	
Tami Stockton	Wheeler County Economic Development	x

ECONOMISTS

Dallas Fridley	Oreogn Employment Department	x
Scott Bailey	Washington Employment Security Department	x

CONGRESSIONAL STAFF/REPRESENTATIVES

Sen. Ron Wyden	Office of Senator Ron Wyden	
Kathleen Cathey	Office of Senator Ron Wyden	x
Jacob Egler	Office of Senator Ron Wyden	x
BJ Westlund	Office of Senator Jeff Merkley	
Dan Mahr	Office of Senator Jeff Merkley	
Bryan Stebbins	Office of Senator Patty Murray	
Richard Evans	Office of Senator Maria Cantwell	x
Rep. Daniel Bonham	Oregon House of Representatives	x
Rep. Anna Williams	Oregon House of Representatives	
Justin Withem	Office of State Representative Anna Williams	x
Evan Bryan	Office of State Senator Bill Hansell	
Patrick	Office of State Representative Greg Smith	
Chuck Thompsen	Oregon State Senate	
John Swanson	Office of State Senator Chuck Thompsen	
Abe Friedman	Office of Senator Maria Cantwell	x
Jonathan Hale	Office of Senator Maria Cantwell	x

OTHER SUPPORT

Erick Garman	Oregon Department of Agriculture (exports)	x
Aaryn Rassmussen	Columbia Gorge Regional Airport	
Krystyna Wolniakowski	Columbia River Gorge Commission	
Dan Spatz	Columbia Gorge Community College	
Teresa Cummings	Columbia Gorge Community College	x
John Huffman	USDA Rural Development - Oregon	
Charlotte Bentley	USDA Rural Development - Oregon	

Tatiana Eckhart	Mid-Columbia Economic Development District	x
Eric Nerdin	USDA Rural Development - Oregon	x
Stephanie Krell	Wasco County	x
Anna Osborn	The Next Door, Inc.	x
Gabriel Muro	The Next Door, Inc.	x
Liliana Justo-Bello	The Next Door, Inc.	x
Buck Jones	CRITFC	x
Josh Bruce	UO/IPRE	x
Matt Craigie	ECONorthwest	x