

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
DECEMBER 10, 2009

MEMBERS PRESENT:

Lon Kellstrom	Mayor
Bill Merrill	Councilor President
Sharlene Weed	Councilor
Pat Thompson	Councilor
Jerry Bogart	Councilor

STAFF PRESENT:

Eileen Stein	City Manager
Eric Porter	Comm. Dev. Director
Lisa Young	Finance Director
Brad Grimm	Public Works Director
Kathy Nelson	City Recorder

GUESTS:

Greg Hohensee	Wy'East Microenterprise Facilitator
Merlin Berg	Wy'East Coordinator
Patricia Gainsworth	Wy'East Resource Board Member
Dee Goodwin	Wy'East Resource Board Member

The meeting was called to order by Mayor Kellstrom at 6:00 p.m.

A. Microenterprise Facilitation Program Grant Request

Community Development Director Porter introduced WyEast Resource Conservation and Development representatives Greg Hohensee, Merlin Berg, Patricia Gainsworth and Dee Goodwin and explained the City will be seeking a grant with the assistance of WyEast to fund a second microenterprise facilitator position to serve Deschutes, Jefferson and Crook counties.

Greg Hohensee, Microenterprise Facilitator for WyEast explained that a microenterprise facilitation program uses an entrepreneurship strategy based on the Sirolli Institute model of microenterprise business development. He stated that although small businesses have equal value as large companies in our economy, they do not receive the same level of support. He stated the principle of the Sirolli methodology is "*What help do you need today to be successful?*" He described how a facilitator acts as a business coach and is available at no cost to anyone with a small business or an idea for a small business who is interested in talking to the facilitator. He stated the facilitator initial objectives are to; 1) to test the passion of the business prospect, 2) discuss the amount of equity needed and 3) assist in setting up solid management for a business through a trinity of management. This 'trinity of management' includes product development, marketing and financial supervision, all which rely on peer review and assistance. He stated there is a need for segmentation of responsibility since most prospects are not qualified to do all aspects of running a business. He explained WyEast has a Resource Board, a volunteer group comprised of skilled people in different areas, to advise these prospects and provide support from the ground up. He described that as a facilitator he works one on one with clients to help them avoid some of the common pitfalls associated with starting a new business.

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Mr. Hohensee stated he currently serves as an enterprise facilitator to 100 clients and he is no longer able to provide the quality of service necessary for all these clients. He stated another facilitator will allow the level of commitment necessary to support the prospective businesses in an expanded area.

Dee Goodwin, WyEast Resource Board Member described her experience with WyEast and how she has utilized the support and knowledge it provides.

Merlin Berg, WyEast Coordinator explained that the City of Sisters, acting as the sponsoring agent, will be the applicant for the \$100,000 Community Development Block Grant (CDBG) to serve Deschutes (with the exception of Bend), Jefferson and Crook counties. He stated the grant will provide service to a minimum of 50 prospects for one year. He voiced his appreciation for the support he has received from Sisters already.

Councilor Merrill asked how Resource Board members are selected and who recruits those members. **Mr. Hohensee** explained that people who are current members of the Resource Board introduce current or prospective businesses to the facilitator and that process naturally leads to connections and future Resource Board members.

Councilor Merrill asked what the City's responsibility will be if the grant is received. **Mr. Berg** stated the City is the applicant and WyEast will provide all the administrative support. **Manager Stein** stated that according to Denny Ross, Mayor of Maupin, there is minimal involvement by the City once a grant is received. **Finance Director Young** stated the City is responsible for the audit of the grant which could eventually cause the City's audit fee to increase when the City reaches a grant threshold of \$500,000. She noted the City is not near that level at present. **Councilor Thompson** asked how much time will be required of staff to facilitate the grant. **Director Porter** reported he has spent approximately 20 to 30 hours on the project so far, but WyEast has done a majority of the work. He added that if the City receives the grant, any responsibility will then fall to the finance department. **Councilor Merrill** stated if a city as small as Maupin, with only the Mayor and City Recorder can do it, he expects the City could also without much trouble.

Director Porter commented that another benefit to this grant is there is no match required from the City. **Councilor Weed** asked if the City could apply for another CDBG grant if it receives this one. **Mr. Hohensee** explained that a City can have up to three open CDBG grants at one time.

Patricia Gainsworth, WyEast Resource Board Member spoke on the benefit of the program and stated it would be a great program for the City and small businesses in Sisters and the tri-county region.

B. Sisters Economic Development Strategic Action Plan

Manager Stein provided background on the development of the Sisters Economic Development Strategic Action Plan (SEDSAC). She explained how the plan was created by the Community Action Team of Sisters (CATS) to provide a link to the original 1999 Community Vision for Greater Sisters. She explained the plan has gone through two updates. As a result of the latest update initiated in April, the following sectors comprise the economy of the greater Sister area.

1. Retail
2. Agribusiness/Natural Resources
3. Light Industrial/Manufacturing
4. Self Employed/ Home Business
5. Tourism/Arts and Culture/Outdoor Recreation
6. Real Estate/Development

Manager Stein stated that in addition to updating the sectors, strategies to implement and support the sectors were revised at the April workshop. She stated the City was named as a support agency for some of the strategies and although there is no formal document to make the City accountable or to adopt the plan. **Manager Stein** explained the Council could take any or all of the strategies identified to be implemented by the City in whole or in part, and incorporate those into the Economic Development chapter of the Comprehensive Plan.

Councilor Weed stated she would like to go through each strategy in detail at a future workshop. **Councilor Merrill** suggested the task of assessing the strategies could be assigned to the Planning Commission in their role to update the Comprehensive Plan prior to the plan coming before the Council.

Councilor Bogart stressed the importance the strategies of Goal #3 and Goal #4 are to keeping and supporting existing businesses in Sisters. He stated identifying infrastructure issues impacting the growth of business in the community (subset of Goal #3) should be the first priority for the City to work on so when federal stimulus funds become available again, there are shovel ready projects that will qualify for funding. He stated he feels the City needs to lead the charge on some of these strategies. The **Council** discussed the Forest Service property as an example of having a shovel ready project with **Councilor Bogart** and **Councilor Thompson** stating the property could not be developed at present without additional consideration of the sewer system and **Councilor Weed** stating there is no need for the property to be developed with the surplus of property sitting vacant in Sisters at present.

Councilor Merrill stated what the City needs to work at is keeping the downtown commercial core, the heart of the City, more attractive and not move business out of that area. He suggested that as a first step the Council send questions or concerns to Manager Stein to use as a basis for what direction to take with the future workshop on the topic.

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C. City Manager Update

Due to lack of time there was no City Manager update.

The meeting was adjourned at 6:53 p.m.

Respectfully submitted,

Kathy Nelson, City Recorder

Lon Kellstrom, Mayor