

**MINUTES**  
**CITY COUNCIL WORKSHOP**  
December 18, 2013, 1:00 PM

**CALL TO ORDER** 1:01 P.M.  
**ROLL CALL** J. Keller, J. Benson, P. Robustellini, K. Aiello  
**ABSENT** J. Hammond  
**OTHERS** City Staff C. Tyhurst, D. Kincade, J. Sprague, Y. Rooker  
SCEDC J. Darrow, R. Coox, N. Brown

**AGENDA:**

1. Discussion regarding the Montague Industrial Park.  
(marketing, development, selling or leasing, long and short term plans)  
SCEDC to provide update on the grant study prior to submitting their final report.

The workshop opened at 1:01 P.M. The purpose of this workshop was to review the final draft of the report of the Industrial Park Grant Study. Siskiyou County Economic Development Council (SCEDC) brought copies of the draft report for the Council to keep and review.

Darrow presented the report in some detail, pointing out that this report and the grant study are meant to be projects in process and the report a working document rather than something that will sit on a shelf. He suggested a three month review process .

The full report produced by the subrecipient on the grant, the Center for Economic Development (CED) of Cal State University, Chico, is included in the appendices of the report. Darrow said CED uses IMPLAN as a methodology to identify industry clusters and then combined the results of the industry cluster analysis with site specific information for the Montague Industrial Park.

Darrow then explained leakage analysis and that each industry has its own multiplier. In answer to a question from Benson, Darrow said that the multipliers were not specific to Siskiyou County. The four key industry sectors that Montague should focus on were identified by having higher multipliers plus fitting within the infrastructure and other factors of the Montague Industrial Park. Those industry sectors are:

Support activities for agriculture and forestry  
Wholesale trade business  
Warehousing and storage  
Greenhouse, nursery and floriculture production

Darrow discussed the recommendations in the Executive Summary:

1. Approve the report.
2. Raise public awareness by holding city and community-wide dialogues. Keller commented these should be open discussions apart from council meetings and workshops and recommended that people who live near the Industrial Park be one of the targeted groups.
3. Formalize the relationship with the SCEDC.
4. Assemble information on identified industry sectors.
5. Update planning documents, beginning with adding wood products as an allowable use.
6. Continue to develop the website.
7. Identify funds and establish a budget specifically for marketing.
8. Develop a marketing plan.
9. Use this report as a living document, specifically, putting the Industrial Park as an agenda item quarterly. Keller commented that because Montague does not have a chamber of commerce, it falls

on the Council to rekindle enthusiasm for economic growth. Benson discussed the history of the Merchants Association and suggested that the Montague Preservation Society might be a place to start.

10. Provide ongoing review and training for new councilmembers, staff and the community. Aiello asked about continuing education specific to marketing. Brown of SCEDC replied that a professional consultant would be preferable.
11. Review this document during the Council's quarterly review and whenever there are staff or council changes.
12. Discuss this project and the outcomes with other cities and the county.
13. Network with other cities and the county, taking a leadership role to present this information and encourage other jurisdictions to adopt similar plans. Darrow suggested discussing this at LOLA meetings, etc. He mentioned that other cities had Community Economic Development Action Committees (CEDAC). Benson and Rooker reviewed the history of the Montague Economic Development Advisory Committee (MEDAC).

Keller described her informal efforts to increase business in Montague and especially to increase business visibility on South 11<sup>th</sup> Street.

Darrow next discussed infrastructure at the Industrial Park. The new Pacific Power Substation has gone in but is not fully operational yet. The Tiger Grant to repair and improve the Siskiyou Rail Line has been awarded and work is underway on tunnels and bridges. The Siskiyou Line is projected to reopen sometime in 2014. Darrow asked about the sewer study and Kincade responded that he hoped it would be starting soon. Darrow suggested folding those results into this report.

The next topic was industry siting and corporate location strategy. Darrow said this would start with a determination of where the business needs to be, both in terms of its customer base and geographic location. There has been a movement to regional hubs, such as Oakland for the western region, but the newest thing is hyper-regional analysis. For example, Portland and Reno might be more important destinations for the business, making it potentially preferable to locate in areas other than the traditional regional hubs.

Darrow said the businesses start by looking for reasons not to go to a location, in order to quickly eliminate the most locations and pare down their list to just a few. A chart on page 44 of the report illustrates this. Darrow said Montague can complete in levels two and three, but would likely not make the short list of preferred sites. In competing, Montague should concentrate on its advantages: land costs, water and sewer availability, proximity to destination cities, the existence of Montague's airport and the proximity to larger airports.

One of the advantages Montague can work on is innovation. This means whether we have a reputation of looking for ways to solve problems and come up with innovative solutions. A progressive city government is a definite plus in marketing to businesses. Our use of social media and other evidence of progressiveness can paint us in a favorable light.

Darrow talked about the port of Portland, which has advantages to businesses seeking ocean transport. He said the reopening of the Siskiyou Line will provide rail from Montague to Portland and that constructing a spur into the Industrial Park could be very advantageous to Montague.

Keller asked what specific services we would be requesting from SCEDC when we discuss our contract, especially now that the Enterprise Zone is phasing out. Darrow replied that although SCEDC was providing the vouchering and processing of Enterprise Zone credits, there is much more that is being done for individual jurisdictions behind the scenes and on a county-wide basis. He brought up examples of the marketing SCEDC does at trade shows and the fact that all incoming business siting calls come through SCEDC.

Darrow went over the Business Development Decision Tree and discussed CEQA and what an advantage Montague will have if we can provide a business with the assurance that it is already a permitted use.

Coox then discussed incentives and the strategy to offer businesses incentives based on job creation, infrastructure development and increased parcel size. He asked if the attorney had responded to the letter regarding incentives, because that response is needed before the City can structure incentives. Sprague said she would follow up on that.

Darrow also commented on how important it was to celebrate successes, such as ribbon cutting when a business does locate within the Industrial Park. Kathy's Deli's success was commented on, as she has moved her business and increased her sales at the new location.

Benson suggested a "Business of the Month" could be celebrated and Rooker said she could add that to the business development section of the website. Aiello expressed interest in being involved.

The workshop adjourned at 2:24 P.M.

**ADJOURNED: 2:24 P.M.**

**ATTEST:**

**CITY OF MONTAGUE:**

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Janie Sprague, City Clerk

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Jayne Keller, Mayor