

Regional Infrastructure Fund Application



Deadline: Monday, April 30, 2018, 5:00 pm

For fields to work, first download or save the form to your computer, then open the form.

A. Applicant

Organization Name

Yamhill County

Organization Type County

(Identify the ORS under which entity is formed if applicant is an entity other than city or county, such as special district, authority, association, etc.)

Street Address

434 NE Evans Street
McMinnville, OR 97128

Mailing Address

535 NE Fifth Street
McMinnville, OR 97128

Office Phone 503-434-7501

Web URL www.co.yamhill.or.us

DUNS Number 829864326

Federal Tax ID Number 93-6002318

B. Project Contact

Name Laura Tschabold

Title County Administrator

Phone 503-434-7501

Email tschabold@co.yamhill.or.us

Cell Phone 971-312-3781

C. Final Beneficiary/Recipient

If final beneficiary/recipient is not same as applicant, complete this section.

Organization Name Willamette Valley Vineyards

Street Address

8800 Enchanted Way SE
Turner, OR 97392

Mailing Address

8800 Enchanted Way SE
Turner, OR 97392

Office Phone 503-588-9463

Web URL www.wvv.com

Contact Name Christine Clair

Contact Title Winery Director

Contact Phone 503-559-3407

Contact Email christine.clair@wvv.com

D. Project Overview

Project Name (10 words or less)

Bernau Estate Biodynamic Wine & Agriculture Experience

Project Location (indicate physical address including city and county)

19305 Highway 99W Dundee, OR 97115

Project Category (if construction project, see Attachment A & B requirements in Section L list of attachments)

- Planning Design only Construction only Design & Construction
- Other (describe) _____
-

Project Region & Priorities

View [All Regions—Advisory Committees, Teams, Priorities](#) document to see each region's priorities.

If project serves more than one region, select the region that will contain a majority of the project. Select one region, then on page 3 select all applicable **Regional Solutions Priority or Priorities** addressed by project outcomes:

- North Coast (Clatsop, Columbia, Tillamook, and western Washington counties)
- Mid-Valley (Marion, Polk, and Yamhill counties)
- South Valley/Mid Coast (Benton, Lane, Lincoln, and Linn counties)
- South Coast—Umpqua (Coos, Curry, and Douglas counties)
- Southern (Jackson and Josephine counties)
- Metro (Clackamas, Multnomah, and Washington counties)
- North Central (Hood River, Sherman, and Wasco Counties)
- Central (Crook, Deschutes, and Jefferson counties)
- South Central (Klamath and Lake counties)
- Greater Eastern (Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, and Wheeler counties)
- Northeast (Baker, Union, and Wallowa counties)

Mid-Valley Regional Priorities

- Promote regional workforce development opportunities
- Increase business capital for existing and emerging businesses
- Explore passenger and freight rail opportunities
- Expand agri-tourism opportunities, which highlight local produce, viticulture/winery operations, and visitor hospitality amenities
- Enhance programs that encourage business retention and expansion
- Engage in local government infrastructure assessments

1. Please indicate if the project is **consistent with Business Oregon's strategic plan priorities** listed below. See [Business Oregon's Five Year Strategic Plan](#) to see the agency's priorities.

- Innovate Oregon's Economy
- Grow Small- and Middle-market Companies
- Cultivate Rural Economic Stability
- Advance Economic Opportunity for Underrepresented People
- Ensure an Inclusive, Transparent, and Fiscally Healthy Agency

2. Identify the **Sustainable Community Objectives** addressed by the project.

Sustainable community objectives were adopted by the Oregon State Legislature as part of the Oregon Revised Statutes in the 2001 Legislative Session. Regional Solutions Teams use them as a guide in leveraging investments and achieving multiple project objectives.

Economy

- A resilient economy that provides a diversity of good economic opportunities for all citizens.
- Workers whose knowledge and skills are globally competitive and supported by life-long education.

Community

- Independent and productive citizens.
- Youth who are fully supported by strong families and communities.
- Vital and active downtowns and main streets.
- Efficient development that saves infrastructure investments and natural resources.
- Quality affordable housing that is available to those who need it.

Environment

- Healthy urban and rural watersheds and species abundance and diversity.
- Clean and sufficient water for human and natural use.
- Efficient use and reuse of resources, and the elimination of harmful toxins in the environment.

E. Project Description

Describe the "What" in the space allowed. Provide a brief, 4-5 sentence summary of the project and what the funds would be used for. Include a brief description of the goal and scope of the project, summarizing project implementation (e.g., planned infrastructure or activity).

The Bernau Estate Biodynamic Vineyard, Winery & Gardens will be the first experience of its kind to welcome the public to learn about Biodynamic farming practices and the benefits to the environment and our health through a working farm and production facility. Biodynamics is a holistic, ecological, and ethical approach to farming, gardening, food, and nutrition and pre-dates organics by two decades. It goes beyond organics by restoring soil health and requiring diversity to produce crops with more concentrated nutrient value and yield. Demeter USA, based in Corvallis-Oregon, is the nationwide certifying body. Our ideal location, in the heart of Oregon Wine Country, make this a prime site for promoting a cutting edge agricultural practice and Oregon's leading role in sustainable farming through an eco-tourism experience. The funds would be used for the landscaping design and construction of the public Biodynamic gardens that will produce the natural preparations for vineyard applications and produce to be used in the food and wine pairing experience. This critical portion of the project supports the whole site plan that includes a permitted winery and tasting room planned to be opened in June 2020.

F. Justification

Opportunity/Need—In the space allowed below, describe “Why” the project is needed. Identify the opportunity or need the project seeks to address as well as how it supports the Regional Solutions and Business Oregon priority(ies) (see pages 2-3). Provide data and/or a narrative substantiating the need.

Increased customer awareness of sustainable agriculture, including Biodynamic, and Oregon's leading role in environmental stewardship and public health will support the value-added specialty crops grown and reputation in our state. Oregon agriculture's farm value is \$5.7 billion (2015), making it a top economic driver. However, there are no consumer education experiences focused on Biodynamic practices. This experience would put Oregon on the map as a leader and enhance sustainable crops and wine price positioning and demand. In addition, we anticipate revenues from the customer experience and sales of our wines to be \$4-\$6 million dollars annually from this investment, which is an increase to our current small business (\$20M in annual revenue). Annual payroll is expected to be approximately \$1.2 million dollars and operating expenses are forecasted at \$830,000. Over a 30-year life span, this would result in \$120-\$180 million in revenues, \$36 million in wages, and nearly \$25 million in expenses, in 2018 equivalents. These numbers are based on our current business actuals and industry norms. We plan to create an estimated 23 full-time jobs and 10 part-time jobs to operate the business. All of our full-time employees are granted health benefits, 401k retirement match at 4% and paid time off.

Proposal/Solution—In the space allowed below, describe “How” the project would address the above opportunity/need.

A Biodynamic vineyard, winery and garden experience will attract high-end wine enthusiast tourists to learn about the importance of sustainable agriculture and Oregon's leading role. The Biodynamic gardens will be designed around the buildings inviting guests to enjoy and learn about native plants and habitats, biodiversity, integrated pest management, raising livestock (sheep, chicken and cows) for creating compost and soil health, non-chemical solutions to build fertility and immunity in the vineyard, and protecting and preserving watersheds. These learning opportunities would teach customers to value the practices and look for Oregon-grown products grown sustainably in their wine and food choices. The experience will be open daily.

3. **Funding Request.** All requests must be in the range of \$50,000 to \$1,000,000.

- a. Funds requested: \$ 300,000
- b. All projects, but especially those whose project request is over \$200,000, are encouraged to define the minimum funds requested: \$ 150,000
- c. Describe what phase or portion of the work could be completed with the minimum request, or how the project would be altered to complete the project with the reduced amount:
Some landscaping construction materials and labor could be covered with the minimum.

4. Provide a list of letters that **demonstrate community support** for the project (list name and affiliation of sender). Attach copies of letters to your application (see Attachment D in the List of Attachments).

Name	Affiliation
Brian Boquist	State Senator District 12
Denyc Boles	State Representative District 19
Jackie Winters	State Senator District 10

5. Is the project included in any adopted Master Plans or regional or local economic development and/or strategic plans? Yes No

If yes, list them below.

6. Does the project benefit the Oregon economy by generating a net **increase in, or retention of, long-term jobs** (beyond short-term construction jobs) in the region directly impacted by the project?
 Yes No

If yes, complete a., b. & c. below. (If this project advances to the Grant & Loan Review Committee, you may be asked to provide supplemental information.)

- a. Expected number of long-term (non-construction) jobs created or retained as a direct result of the project: 33 jobs created jobs retained
- b. Expected average annual wage of long-term (non-construction) jobs created or retained: 1,200,000, with individual salaries ranging from \$25-80k.
- c. Provide a description of the types of jobs created and/or retained:
1 GM (60-80k), 1 Horticulturist (\$45k), 22 Hospitality (\$28-65k) 5 Vineyard, 2 Admin (30-40k)

G. Project Work Plan

List project activity milestones/key tasks with estimated start and completion dates.

Activity	Estimated Start Date	Estimated Completion Date
Estimated Project Start Date	01/01/2019	
Facilities Construction	04/01/2019	06/01/2020
Excavation (Part 1)	04/01/2019	06/01/2019
Barrel Cellar Concrete and Framing	06/01/2019	08/01/2019
Garden Construction	04/01/2019	06/01/2019
Excavation (Part 2)	04/01/2019	06/01/2019
Water Feature for Native Plants	03/01/2020	05/01/2020
Estimated Project Completion Date		06/15/2020

7. Describe any conditions that may affect the completion of the work plan. If applicable, describe any measures planned to mitigate these conditions.

We have engaged a Biodynamic consultant to oversee our vineyard conversion and Biodynamic certification.

H. Project Budget

Budget Line Item Below are general items most used (adjust budget items to suit the project).	Regional Infrastructure Fund	Other Funding	Total
Engineering / Architecture		\$ 650,000	\$ 650,000
Construction	\$ 300,000	\$ 7,850,000	\$ 8,150,000
Construction Management		\$ 50,000	\$ 50,000
Land Acquisition		\$ 1,805,000	\$ 1,805,000
Legal		\$ 5,000	\$ 5,000
			\$ 0
Other Specify _____			\$ 0
Other Specify _____			\$ 0
Other Specify _____			\$ 0
Other Specify _____			\$ 0
Totals	\$ 300,000	\$ 10,360,000	\$ 10,660,000

I. Details of Other Funding

Source of Other Funds (see Attachment C requirements in Section L. List of Attachments)	Amount	Status: C-Committed, AS-Application Submitted, AI-Application Invited, PS-Potential Source	Dates Required Funds will be Committed and Available
ODOT Immediate Opportunity Fund	\$ 250,000	PS	02/28/2019
Public Funding Preferred Offering	\$ 10,000,000	C	06/01/2018
Totals	\$ 10,250,000		

J. Who Prepared the Cost Estimate for the Project?

Name Jeremy Kuenzi, Joe Chauncey, Arica Duhrkoop

Title Project Managers, Owners

Company CD Redding, Boxwood, Stangeland Landsc.

Phone Number 503-581-0048

Date of project cost estimate 04/13/2018

8. Does the project budget propose direct project management expenses? Yes No
(Direct project management is defined as expenses that will be incurred that are directly related to and necessary solely to support or manage project activities and are not routine or ongoing expenses of the municipality or expenses for current staff that are already included in the municipality's adopted budget.)

If yes, describe how the direct project management services will be provided:

9. Will the applicant own the facility/improvements once constructed? Yes No

If no, explain:

10. After project completion, who will assume responsibility for the ongoing operations and maintenance of the project?

Willamette Valley Vineyards- CEO, Jim Bernau and Winery Director, Christine Clair

11. After project completion, what will be the source(s) of funds for the ongoing operations and maintenance of the project?

Earnings for business operations

12. Is the applicant (and final beneficiary/recipient) current on all taxes, fees, and debt payments?
 Yes No

If no, explain:

K. Permits

List the permits and regulatory authorizations needed for the project to be ready to proceed with construction and indicate whether or not they have been obtained.

Permit Type	Review Agency	Status of Approval	If pending, anticipated approval date
Building	Yamhill County Planning Dept.	<input type="radio"/> Obtained <input checked="" type="radio"/> Pending	07/01/2018
		<input type="radio"/> Obtained <input type="radio"/> Pending	
		<input type="radio"/> Obtained <input type="radio"/> Pending	
		<input type="radio"/> Obtained <input type="radio"/> Pending	

13. List any other state or federal agencies involved with the project not included above:

L. List of Attachments

Required for	Attachment Description	For Office Use Only (X if Attached)
construction applications	A. Map(s) showing the location of the project, including tax lots/parcels, and road widths, etc. (refer to Section D. Project Overview).	<input type="checkbox"/>
	B. Documentation from the appropriate entity (city or county planning department) that indicates that the project is a permitted use and consistent with the acknowledged local comprehensive plan (refer to Section D. Project Overview).	<input type="checkbox"/>
all applications	C. Letters of commitment for other funds (refer to Section I. Details of Other Funding).	<input type="checkbox"/>
	D. Letters of community support for the project (refer to question #4).	<input type="checkbox"/>

M. General Certification

I certify to the best of my knowledge all information contained in this document, and any attachments, is valid and accurate. I further certify that, to the best of my knowledge:

1. The application has been approved by the governing body or is otherwise being submitted using the governing body's lawful process, and
2. Signature authority is verified.

Check one:

- Yes, I am the highest elected official. (e.g., Mayor, Chair or President)
- No, I am not the highest elected official so I have attached documentation that verifies my authority to sign on behalf of the applicant. (Document such as charter, resolution, ordinance or governing body meeting minutes must be attached.)

The department will only accept applications with proper signature authority documentation.

Laura Tschabold

06/06/2018

Typed Signature

Date

Yamhill County Administrator

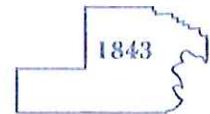
Title

To submit an application, attach completed application and required attachments to an email and send to: Infrastructurefund.regional@oregon.gov

Or, print out a copy of completed form and mail it to:
Business Oregon
Regional Infrastructure Fund
775 Summer St NE, Suite 200
Salem OR 97301-1280

Accepted by Yamhill County Board of Commissioners on 6/7/18 by Board Order # 18-183

Yamhill County



Location: 434 NE Evans St, McMinnville • Mailing: 535 NE Fifth St, McMinnville, OR 97128
 Phone (503) 434-7501 • Fax (503) 434-7553
 TTY (800) 735-2900 • www.co.yamhill.or.us

OFFICE OF COUNTY ADMINISTRATOR

LAURA TSCHABOLD
 COUNTY ADMINISTRATOR

ATTACHMENT B: LAND USE COMPATIBILITY

KEN HUFFER
 DEPUTY ADMINISTRATOR

Application for State Highway Approach

15. Land Use Compatibility Statement (LUCS).	
Instructions	
<p>The LUCS section of the application must be completed by the appropriate local jurisdiction.</p> <p>OAR 731-015 requires ODOT to coordinate its highway approach permit program with statewide planning goals and local acknowledged comprehensive plans and implementing ordinances. The LUCS is the process ODOT uses to rely on local jurisdictions to certify the land use or activity to be served by a highway approach has obtained the necessary development approvals.</p> <p>Do not detach the LUCS from the application form because information on the subject property, the proposed approach and the land use or activity to be served by the approach, are on the first two pages of the application form. For example:</p> <ul style="list-style-type: none"> • Box 2 – Location of the proposed approach. • Box 7 – Property use to be served by the approach. • Box 10 – County tax map and lot numbers. <p>Local land division and development regulations that have a bearing on access management:</p> <ul style="list-style-type: none"> • Comprehensive plan policies and implementing ordinances that support access management. • Subdivision, partition and lot line adjustment regulations (i.e. lot size, road frontage, double frontage lots and flag lots). • Zoning ordinances (i.e. permitted use, conditional uses, development density). • Site plan or site design review (i.e. access location, on-site circulation, cross-over easements and shared/joint access). • Sight distance and corner clearance. • Arterial and collector road design and access policies and standards. • Access control, access permitting, access spacing and alternate access. 	
Local jurisdiction that has land use authority:	
<p>Subject property location. (Check all that apply)</p> <p><input type="checkbox"/> Inside UGB <input type="checkbox"/> Inside City Limits</p>	<p><input checked="" type="checkbox"/> Outside UGB <input type="checkbox"/> Inside an Urban Unincorporated Community <input type="checkbox"/> Inside a designated Special Transportation Area (STA) within an unincorporated community. <input type="checkbox"/> In an unincorporated community in the county.</p>
Plan and Zone Designations:	
Current plan designation/s: <u>EFU with CUP winery</u>	Proposed plan designation/s: <u>EFU with CUP winery</u>
Current zone designation/s: <u>EFU with CUP winery</u>	Proposed zone designation/s: <u>EFU with CUP winery</u>
<p>If the proposed approach is a public road, is it identified as a collector or arterial in the TSP or comprehensive plan? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p>	
<p>Does land use to be served by the approach require land use or development review? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p>	
<p>If NO, complete this section. Does the land use or activity to be served by the approach comply with the acknowledged comprehensive plan and implementing land use ordinances? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p>	
<p>If YES, complete this section.</p> <p><input type="checkbox"/> A land use application is currently under review for the use or activity to be served by the highway approach. <input type="checkbox"/> There is a final land use decision for the use or activity to be served by the approach, including resolution of any appeal. It was <input type="checkbox"/> Approved, <input checked="" type="checkbox"/> Approved with conditions, <input type="checkbox"/> Denied.</p> <p>Land use file No.: <u>C-07-05</u></p> <p>Planner assigned to the case: <u>MICHAEL BRANDT & KENNETH P. FRIDAY</u></p>	
<p>Site Plan. <input checked="" type="checkbox"/> The attached site plan is approved or is being reviewed for the use or activity to be served by the approach.</p>	
<p>TIA. <input type="checkbox"/> A Traffic Impact Analysis has been requested or is being reviewed for the use or activity.</p>	
Local Planning Official Certification	
Print Name: <u>LARUS WOODS</u>	Title: <u>ASSOCIATE PLANNER</u>
Mailing Address: <u>525 NE 4th St</u>	
City: <u>McMinnville</u>	State: <u>OREGON</u>
Phone: <u>503.434.7516</u>	Fax: <u>503.434.7544</u>
Email: <u>woods1@co.yamhill.or.us</u>	Zip: <u>97128</u>
Signature:	Date: <u>October 19, 2016</u>

734-2680 (7/12)

Form revised 07/05/12

Yamhill County



Location: 434 NE Evans St, McMinnville • Mailing: 535 NE Fifth St, McMinnville, OR 97128
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TTY (800) 735-2900 • www.co.yamhill.or.us

OFFICE OF COUNTY ADMINISTRATOR

LAURA TSCHABOLD
COUNTY ADMINISTRATOR

ATTACHMENT C: LETTER REGARDING SECURED FUNDS

KEN HUFFER
DEPUTY ADMINISTRATOR

WILLAMETTE VALLEY VINEYARDS

June 2, 2018

Regional Infrastructure Fund

Willamette Valley Vineyards
8800 Enchanted Way SE
Turner, OR 97392

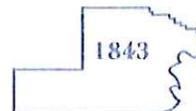
To Whom it May Concern:

This is a letter of commitment of \$10,000,000 to fund the Bernau Estate Vineyard, Winery & Biodynamic Gardens. We publicly fundraised through a Series A Preferred Offering in 2017 through March 31, 2018 for the construction of the project. Our winery sold preferred stock at the price of \$4.15-\$4.65 to over 2,000 wine enthusiasts (approximately 60% living in Oregon, average purchase of \$2,500). The stock is listed on the NASDAQ as WVVIP and earns a dividend to the shareholders of .22 cents per share. We plan to pay the dividend each year through increased consumer spending.

Best,

Christine Clair
Winery Director

Yamhill County



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OFFICE OF COUNTY ADMINISTRATOR

LAURA TSCHABOLD
COUNTY ADMINISTRATOR

KEN HUFFER
DEPUTY ADMINISTRATOR

ATTACHMENT D: LETTER OF SUPPORT

April 30, 2018

Business Oregon
Regional Infrastructure Fund

We would like to express our support for the Regional Infrastructure Fund Application submitted by Willamette Valley Vineyards. The project is a part of the development of the Bernau Estate Biodynamic Vineyard, Winery & Gardens, located near Dundee, which will make méthode champenoise sparkling wines from biodynamically-grown grapes.

Willamette Valley will use sustainable farming practices to create a balanced ecosystem that generates healthy soil and elegant wines. The winery will offer Oregon-inspired hospitality, with gardens and a wine cave for visitors to explore and enjoy. The funds being requested in the application would be used for the landscaping design and construction of the public biodynamic gardens that will produce the natural preparations for vineyard applications and produce to be used in the food and wine pairing experience.

We are very excited that this project will provide the public the opportunity to learn about biodynamic farming practices and the benefits to the environment and our health through a working farm and production facility. In addition, the winery's focus on producing sparkling wines will help enhance the market for this exciting new category of Oregon wines.

Best regards,

Brian Boquist, State Senator District 12

Denyc Boles, State Representative District 19

Jackie Winters, State Senator District 10

Ron Noble, State Representative District 24

Stan Primozich, Yamhill County Commissioner

Kevin Cameron, Marion County Commissioner