

**INFORMAL SESSION MINUTES**

**April 21, 2014**

2:00 p.m.

Commissioners' Office Conference Room

PRESENT: Commissioners Mary P. Stern, Allen Springer, and Kathy George.

Staff: Laura Tschabold, Todd Sadlo, Mike Green, Murray Paolo, Jayne Mercer, and Jeff Lorton.

Guests: Don Iler, News-Register.

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\* indicates item forwarded to formal agenda

Mary called the meeting to order at 2:00 p.m.

\* Personnel - Mary presented personnel requests from various departments. See formal session agenda for details.

\* Contracts/Grants - See agenda for details.

Laura stated that Scott Maytubby had compiled the data and made the initial entry for the 2014 Assessment & Taxation Grant, but Jayne Mercer would be compiling future grant applications. Murray Paolo said that the application is pretty straightforward and has been in the same format for years.

\* Road Vacation - Approve Public Works Docket RV-2-2014, a request by Foley Family Wines, Inc., for vacation of the "Vineyards at Dundee Springs" subdivision, as signed by 100% of affected property owners, no public hearing required per ORS 368.351.

\* Mass Gathering Permit - Schedule a hearing for May 8, 2014, to consider a mass gathering permit application from All-Terrain Events, LLC, for the 2014 Race the Reaper event on July 19, 2014, at Flying M Ranch.

\* Delegation of Authority - Authorize Silas Halloran-Steiner and other designated individuals to place "director's holds" on persons deemed dangerous to self or others or mentally ill persons placed on conditional release, outpatient commitment, or trial release, rescinding Board Order 13-693.

\* Authorize Allen Springer to represent the Board of Commissioners on the Job Growers, Inc., Board, effective May 27, 2014.

\* Roads - Initiate the process to transfer jurisdiction over the following county roads to the City of Dundee, scheduling a hearing for May 29, 2014:

- a. Parks Drive, from Highway 99W to Fulquartz Landing Road;
- b. Fulquartz Landing Road, from the south right-of-way line of Parks Drive south 900 feet;

- c. Niederberger Road, from Highway 99W to the west right-of-way line of Charles Street; and
- d. Ninth Street, from Alder Street to the west line of Red Hills Subdivision #1.

Budget Tabloid - Allen and Mary agreed that Mary would write the chair's message for the budget tabloid, although she wouldn't be in office when the tabloid is published.

Treasurer's Report - Mike Green provided the quarterly report (see Exhibit A), noting that all of the bonds that the county is investing in are liquid. He said that his investment strategies are based on his goal to double the interest that the county has been earning. He said that he particularly likes step-up bonds because the interest rate increases over time if they aren't called. He noted that his need for broker-dealers has waned because of the online system that he is using. He stated that the Local Investment Advisory Committee would be meeting this week.

Mary thanked him for the reports and stated that the most important information for the Board is probably the net gain from the investments he has already made, which are doing very well compared to the Local Government Investment Pool (LGIP) interest rate.

Economic Development - Jeff Lorton reviewed an updated advertising campaign work schedule and mid-year contract report (see Exhibit B). He said that he is very happy with the work being done for the magazine and website. He said that he has really challenged the contractors, and they are putting in a lot more time than they're getting paid for. He reported that the Precision Farming Expo went very well, and the county is in a good position to form an innovation cluster and look into what its potential role could be in that. He discussed the need for developing an automated harvester that won't damage the grapes, and said that he has had conversations about getting developers here to physically observe the harvest.

After further discussion, the meeting adjourned at 3:26 p.m.

Anne Britt  
Secretary

Mike scheduled 2:25

**Anne Britt**

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**From:** Mike Green  
**Sent:** Wednesday, April 16, 2014 10:35 AM  
**To:** Mary Stern; Allen Springer; Kathy George; Laura Tschabold  
**Cc:** Becky Weaver; Anne Britt; Mike Green  
**Subject:** Investment Update - Informal Session 4/21/14  
**Attachments:** Investment Summary.xlsx

In accordance with the County's Investment Policy) the Investment Officer (County Treasurer) is required to report at least quarterly to the Board of Commissioners. The first meeting is scheduled for April 21. The information required is specifically identified in Section 13 of the Policy.

Attached are reports I am maintaining that attempt to satisfy this requirement. As this is the first time (to my knowledge) the County has had investments of this nature, no prior templates are available. Thus, I hope this becomes a starting point for communicating the information required in a suitable and understandable format.

I am happy to provide more (or less) information to this reporting package should the Board so desire. Additional data will be provided at the Investment Committee meeting on 4/23.

Michael Green  
Yamhill County Treasurer  
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**Total Liquidity**

|                    | Feb-14               | Mar-14               | Apr-14       |
|--------------------|----------------------|----------------------|--------------|
| <b>Banks</b>       |                      |                      |              |
| LGIP               | \$ 34,609,914        | \$ 31,111,054        |              |
| US Bank            | \$ 2,756,093         | \$ 1,613,466         |              |
| Key Bank           | \$ <u>77,017</u>     | \$ <u>76,862</u>     |              |
|                    | \$ 37,443,024        | \$ 32,801,382        |              |
| <br>               |                      |                      |              |
| <b>Investments</b> |                      |                      |              |
| <u>Agencies</u>    |                      |                      |              |
| FNMA               | \$ 125,000           | \$ 125,000           | \$ 125,000   |
| FHLB               | \$ 170,000           | \$ 985,000           | \$ 1,325,000 |
| FHLMC              |                      | \$ 560,000           | \$ 560,000   |
| FAMCA              |                      | \$ 200,000           | \$ 200,000   |
| <u>Corporate</u>   |                      |                      |              |
| Apple              |                      | \$ 140,000           | \$ 140,000   |
| <br>               |                      |                      |              |
| Total              | \$ 295,000           | \$ 2,010,000         | \$ 2,350,000 |
| <br>               |                      |                      |              |
| <b>Total</b>       | <b>\$ 37,738,024</b> | <b>\$ 34,811,382</b> |              |

Yamhill County Investments  
 Targeted Pool Amt \$ 30,000,000  
 2014

| Duration<br>Months | Minimum<br>Amount | Interest | Frq | Exp       |
|--------------------|-------------------|----------|-----|-----------|
| <6                 | \$ 10,500,000     |          |     |           |
| LGIP               | \$ 34,609,914     | 0.540%   | M   |           |
| US Bank            | \$ 2,756,093      | 0.590%   | M   |           |
| Key Bank           | \$ 77,017         | 0.100%   | M   |           |
|                    | \$ 37,443,024     |          |     |           |
| >18<36             | \$ 7,500,000      |          |     |           |
| FHLMC              | \$ 200,000        | 0.85%    | S   | 10-Mar-17 |
| FHLB               | \$ 180,000        | 1.00%    | S   | 27-Mar-17 |
|                    | \$ 380,000        |          |     | 5%        |
| <60                | \$ 9,000,000      |          |     |           |
| FHLB               | \$ 170,000        | 1.83%    | S   | 25-Feb-19 |
| FNMA               | \$ 125,000        | 0.955%   | S   | 22-May-17 |
| FHLB               | \$ 200,000        | 0.75%    | Q   | 13-Sep-17 |
| Apple              | \$ 196,626        | 1.42%    | S   | 4-Mar-18  |
| FHLB               | \$ 135,000        | 1.22%    | S   | 20-Sep-17 |
| FHLB               | \$ 200,000        | 1.80%    | S   | 29-Oct-17 |
| FHLB               | \$ 140,000        | 1.35%    | S   | 17-Oct-17 |
| FHLMC              | \$ 200,000        | 1.50%    | S   | 11-Mar-18 |
|                    | \$ 1,366,626      |          |     | 15%       |
| >60                | \$ 3,000,000      |          |     |           |
| FHLB               | \$ 300,000        | 2.00%    | S   | 12-Mar-24 |
| FAMCA              | \$ 200,000        | 3.60%    | S   | 30-Jan-24 |
| FHLMC              | \$ 160,000        | 1.25%    | S   | 24-Sep-21 |
|                    | \$ 660,000        |          |     | 22%       |

|                     |               |
|---------------------|---------------|
| Total Ceiling*      | \$ 30,000,000 |
| Total Invest Allwed | \$ 10,000,000 |
| Total Invested      | \$ 2,406,626  |
| Per Cent -Ceiling   | 33.00%        |
| Per Cent Invested   | 24.07%        |

\*Average Historical Monthly Cash Balance

**Yamhill County Investments**

| Security     | Rating | Price     | \$ Amount           | Face Amt            | Annualized       |                  | Term | Expires | Int Pay           | Int Date         |
|--------------|--------|-----------|---------------------|---------------------|------------------|------------------|------|---------|-------------------|------------------|
|              |        |           |                     |                     | YTM <sup>§</sup> | YTW <sup>y</sup> |      |         |                   |                  |
| FNMA         | AAA    | \$ 99.18  | \$ 123,975          | \$ 125,000          | 0.955%           | 0.70%            | 3.2  | May-17  | \$ 875            | 22-May           |
| FHLB         | AA+    | \$ 100.00 | \$ 170,000          | \$ 170,000          | 1.83%            | 1.83%            | 5.0  | Feb-19  | \$ 3,111          | 25-Aug           |
| FHLB         | AAA    | \$ 100.00 | \$ 300,000          | \$ 300,000          | 3.81%            | 2.00%            | 10.0 | Mar-24  | \$ 6,000          | 12-Sep           |
| FHLB         | AAA    | \$ 100.00 | \$ 200,000          | \$ 200,000          | 1.39%            | 0.75%            | 3.5  | Sep-17  | \$ 1,500          | 13-Sep           |
| FHLMC        | AA+    | \$ 100.00 | \$ 200,000          | \$ 200,000          | 0.85%            | 0.85%            | 3.0  | Mar-17  | \$ 1,700          | 10-Sep           |
| FHLMC        | AA+    | \$ 100.00 | \$ 200,000          | \$ 200,000          | 1.50%            | 1.50%            | 5.0  | Mar-18  | \$ 3,000          | 11-Sep           |
| FHLB         | AA+    | \$ 100.00 | \$ 180,000          | \$ 180,000          | 1.00%            | 1.00%            | 3.0  | Mar-17  | \$ 1,800          | 27-Sep           |
| FHLMC        | AAA    | \$ 99.90  | \$ 159,840          | \$ 160,000          | 3.12%            | 1.35%            | 7.5  | Sep-21  | \$ 2,162          | 24-Sep           |
| FHLB         | AA+    | \$ 99.93  | \$ 134,899          | \$ 135,000          | 1.22%            | 1.22%            | 3.5  | Sep-17  | \$ 1,647          | 20-Sep           |
| FAMCA        | N/R    | \$ 99.80  | \$ 200,000          | \$ 200,000          | 3.62%            | 3.62%            | 9.8  | Jan-24  | \$ 7,240          | 30-Jul           |
| FHLB         | AAA    | \$ 100.00 | \$ 140,000          | \$ 140,000          | 1.35%            | 1.35%            | 3.5  | Oct-17  | \$ 1,890          | 17-Oct           |
| FHLB         | AAA    | \$ 100.00 | \$ 200,000          | \$ 200,000          | 2.21%            | 1.80%            | 5.0  | Apr-19  | \$ 3,600          | 29-Oct           |
| Apple        | AA1    | \$ 98.31  | \$ 196,626          | \$ 200,000          | 1.42%            | 1.42%            | 4.0  | Mar-18  | \$ 2,840          | 4-May            |
| <b>Total</b> |        |           | <b>\$ 2,405,340</b> | <b>\$ 2,410,000</b> |                  |                  |      |         |                   |                  |
|              |        |           |                     |                     |                  |                  |      |         | <b>Annualized</b> |                  |
|              |        |           |                     |                     |                  |                  |      |         | Inv Interest      | \$ 37,365        |
|              |        |           |                     |                     |                  |                  |      |         | LGIP Equiv        | \$ 12,989        |
|              |        |           |                     |                     |                  |                  |      |         | <b>Net Gain</b>   | <b>\$ 24,376</b> |

Blue indicates Step Up Bonds

Red Indicates not settled

4/16/2014

Ex. A 4/6

EX-A 5/6

| Weighted Average<br>Allocation | VTM   | VTW   | Investment Rating | Target | Actual |
|--------------------------------|-------|-------|-------------------|--------|--------|
|                                | Adj % | Adj % |                   | <3.50  | 3.45   |
| 5.2%                           | 0.05% | 0.04% | YC                |        | 1.50   |
| 7.1%                           | 0.13% | 0.13% |                   |        |        |
| 12.4%                          | 0.47% | 0.25% |                   |        |        |
| 8.3%                           | 0.12% | 0.06% |                   |        |        |
| 8.3%                           | 0.07% | 0.07% |                   |        |        |
| 8.3%                           | 0.12% | 0.12% |                   |        |        |
| 7.5%                           | 0.07% | 0.07% |                   |        |        |
| 6.6%                           | 0.21% | 0.09% |                   |        |        |
| 5.6%                           | 0.07% | 0.07% |                   |        |        |
| 8.3%                           | 0.30% | 0.30% |                   |        |        |
| 5.8%                           | 0.08% | 0.08% |                   |        |        |
| 8.3%                           | 0.12% | 0.15% |                   |        |        |
| 91.7%                          | 1.81% | 1.43% |                   |        |        |

STEP UP BONDS

Step Up Bonds

|       | <u>CUSIP</u> | <u>Matures</u> | <u>YTM</u> | <u>Amt</u> | <u>Int Beg</u> | <u>Rate</u> |
|-------|--------------|----------------|------------|------------|----------------|-------------|
| FNMA  | 3134G4X52    | 9/24/2021      | 3.12%      | \$160,000  | 3/24/2014      | 1.25%       |
|       |              |                |            |            | 3/24/2015      | 1.75%       |
|       |              |                |            |            | 3/24/2016      | 2.25%       |
|       |              |                |            |            | 3/24/2017      | 2.75%       |
|       |              |                |            |            | 3/24/2018      | 3.50%       |
|       |              |                |            |            | 3/24/2019      | 5.00%       |
| FHLB  | 3130A0YD6    | 3/12/2024      | 3.81%      | \$300,000  | 3/12/2014      | 2.00%       |
|       |              |                |            |            | 3/12/2016      | 2.50%       |
|       |              |                |            |            | 3/12/2018      | 3.50%       |
|       |              |                |            |            | 3/12/2020      | 5.00%       |
|       |              |                |            |            | 3/12/2022      | 7.00%       |
| FHLB  | 3130A0YP9    | 9/13/2017      | 1.39%      | \$200,000  | 3/13/2014      | 0.75%       |
|       |              |                |            |            | 3/13/2015      | 1.25%       |
|       |              |                |            |            | 3/13/2016      | 1.75%       |
|       |              |                |            |            | 3/13/2017      | 2.25%       |
| FHLMC | 3134G4VM7    | 3/11/2019      | 1.50%      | \$200,000  | 3/11/2016      | 1.75%       |
|       |              |                |            |            | 9/11/2017      | 2.00%       |
|       |              |                |            |            | 3/11/2018      | 3.00%       |
|       |              |                |            |            | 9/11/2018      | 4.00%       |
| FHLB  | 3130A1KB2    | 10/29/2017     | 2.21%      | \$200,000  | 4/29/2017      | 2.00%       |
|       |              |                |            |            | 10/29/2017     | 2.50%       |
|       |              |                |            |            | 4/29/2018      | 3.00%       |
|       |              |                |            |            | 10/29/2018     | 4.00%       |

April 21, 2014



Updated YC Ec-Dev 60 Day Advertising Campaign Work Schedule

- April 9-11 Individual meetings with content producing sub-contractors and content archiving.
  - April 11-14 Lifestyle photography selection, editing and publishing.
  - April 15 Half day meeting with magazine designer.
  - April 16-17 Development of city content requests.
  - April 22 Shoot day: Climax Tool, Art Elements Gallery
  - April 23-25 City content requests emailed. Magazine & website development cont.
  - April 28-30 Photography and copy editing and re-write.
  - May 1-2 City content due back from city managers.
  - May 6 Shoot Day: subjects TBD
  - May 13-16 Finalize written content and publish updates online.
  - May 19-20 Finalize magazine design and provide to County Commissioners for review and comment.
  - May 27-29th All magazine comments received and changes made.
  - June 2 Magazine submitted to printer.
  - June 4 Magazine printer press check.
  - June 10 Printed magazine delivered.
  - June 11 Community Ec-Dev Meeting at Annex to reveal campaign.
  - June 12-13 Local delivery of magazines.
- Subjects Covered by April 22:

Joel Palmer House, CEC, Rice Furniture, Precision Aviation, William Henry Knives, Online NW, Sea Reach, Rapid Manufacturing, Evergreen Museum, EASA Program, Penner Ash Cellars, Blue Raeven Pies, Jake Price -Equestrian Wine Tours, Tommy's Bike Shop, Linfield College, Climax Tool, Art Elements Gallery

NOTE: Jeff will begin work on both a short 90 second and teaser and a long form (+10 minute) compilation video about the whole Yamhill County economic development Story in June. 4 to six weeks will be needed to edit together this piece.

Exhibit B 1/7

**Yamhill County Economic Development  
Mid-Year Contract Report 2013-14**

**Forward**

The office of Economic Development was established six months ago on September 1, 2013 with the hiring of the Duke Joseph Agency for a one year contract. As the primary agent of Duke Joseph, responsible for the execution of the contract proposal, I have had the pleasure of working with the Yamhill County Board of Commissioners, County Administration and staff for the last six months.

I'd like to acknowledge that Valerie Anctil, my business partner has played a key role of support in the work of the economic development office as a writer, organizer, strategist and video editor/producer.

Our mission, as agreed upon by the BOC is to: *"1) Retain and expand existing businesses, 2) facilitate rural prosperity, 3) encourage a new generation of "home grown" entrepreneurs, and 4) when and where possible, attract quality established employers to the region."*

As part of our proposal, I also suggested that a biannual report be written so we can measure our progress on the contract's proposed Key Actions.

We proposed a "rolling start" model of project development for the initial three month phase as the inception of the Economic development office was akin to the start up of a new business venture.

The first two months of the contract were busy as we established the office, met with regional economic development colleagues, conducted regional economic research, and presented our goals and plans.

The main work product was the development of the 2013/14 YC Ec-Dev Marketing Plan. That work unfolded in the following stages:

1. Creation of the YC brand identity and marketing plan.
2. Creation of RFP and selection of marketing campaign team.
3. Marketing team goal setting and strategy sharing.
4. Selection and recruitment of marketing campaign business subjects.
5. Execution of marketing plan content development.
6. Marketing content delivery via digital channels.
7. Ongoing marketing content development, plan revision, and project management.

Throughout the above process, both the Commissioners and the County Administrator have been regularly consulted and their input not only formed the consensus of our brand positioning but also

inspired the core of our marketing campaign's message, "Yamhill County: You can get there from here."

### **Documenting The Story**

At its most simple, the marketing campaign delivers that message by showcasing 16 diverse and inspirational YC businesses and 4 quality of life stories. These "stories" and the way in which they are being shared will provide a template for future efforts.

To date, 8 of these stories have been documented and are currently being published at a rate of about one per week. Unanticipated subject filming schedule and video editing challenges have caused some delays.

The revised estimate for photography and film editing completion is June 5th. This adjustment will change the original estimated YC ED Magazine print date from June 4th to June 11th. A print date will be scheduled with Oregon Lithograph in May.

### **The GROW Website**

The GROW Yamhill County website is the one economic development asset that existed prior to the start of Duke Joseph's contract. Since taking over the management of the site, 70% of the old content has been updated or replaced, and the site architecture has been restructured to become visually rich and accommodate our intention to expand content by 400% by July.

On December 1st, 2013, Google web analytics was installed to the GROW website so that campaign interest could be measured.

575 Unique Visitors

5,475 Pages Viewed

6 Pages Viewed on Average

64% of the visitors are from Oregon

10% are from either California or New York

### **Social Media Campaign -Early Results**

The social media contractor and I, established a Yamhill County branded presence on the top five social media Channels. We meet regularly to discuss and adjust the effort.

#### **FACEBOOK**

While it is still very early, the exposure that the social media channels offer is significant. Facebook reports: 38M total visible impressions seen by a little over 4M unique facebook users. Comments and Shares of YC marketing content resulted in 16K secondary or "Advocate" impressions.

The Grow Yamhill County Facebook page reaches 30K weekly, and as of Feb 26th had a total reach of 247,955.

## YOUTUBE

A custom branded GROW Yamhill County campaign page or "Channel" for YouTube videos was established in January. This page serves three key purposes. On the YouTube page itself, the videos are visible and sharable forever. The site also acts as a media library from which the videos can be pulled into the Grow website's corresponding pages, and also shared via social media sites like Facebook, LinkedIn and Twitter.

### Analytics

300+ unique views of GROW videos

70% were seen on GROW Yamhill County channel

30% were viewed on the Grow website

75% were seen in the Pacific Northwest

25% viewed outside the Northwest, New York, California and Michigan were top viewing states

New York accounts for over 6% of the total views

## LINKEDIN

LinkedIn, the social media site for "work life" is a significant channel for engaging with targeted demographics of professionals. It is generally underutilized by advertisers and offers some excellent options for getting content out to very targeted audiences.

GROW Yamhill has both a dedicated group channel as well as a "company" page. LinkedIn offers similar advertising opportunities to Facebook, but there are no local social media contractors that use it regularly. This fact presents both a challenge as well as an opportunity.

## TWITTER & INSTAGRAM

Use of both Twitter and Instagram have helped raise awareness of the marketing campaign and driven traffic to the website. Twitter is a very effective tool for reaching large numbers of people that are interested in a specific, subject and Instagram is perfect for delivering the compelling images that are coming out of the marketing campaign.

## Community Economic Development Outreach

While out representing our Economic Development strategy on behalf of the County, the message we have been delivering has been well received. Business owners, civic leaders, the media and the general public have all appreciated the marketing plan and message of a government that is actively promoting Yamhill County.

I also have been working with OSU's VP of Research, Chemeketa Community College and Mac High School's EASA program to inform them about our connect them with the precision agriculture industry,

and most recently the Oregon UAS Business Enterprise grant opportunity.

In the last six months, I was able to assist Evergreen Aviation and Space Museum and S&P News Print by helping them identify needs that could be potentially met by state resources consulting with both parties to see what solutions were viable and setting up the meeting.

I was able to find a way to arrange a meeting between the museum board executives and finance director and the state. Sometimes my role has been simple to help a little and then get out of the way.

We have also worked with several smaller start up businesses to identify local resources that could help them grow.

### **Entrepreneurship and Incubators**

Another key action from our proposal was to research regional and state youth and adult entrepreneurship programs, funding sources and incubator opportunities. Our research indicates that this is an area in Yamhill County where there is opportunity for growth.

The nearest provider of some of these services is the SCORE office in Salem. Other organizations like the Chemeketa Community College SBDC in Salem offer paid business courses but no mentorship.

We have researched several Oregon business incubator and accelerator programs like Hood River's Gorge Innoventure, Bend's FoundersPad, Oregon State University's Advantage Accelerator, the Portland Incubator Experiment (PIE), the Portland Seed Fund (PSF) and the Oregon Technology Business Center (OTBC) to name the most successful.

All of these very successful programs have three things in common: they provide resources, connections and expertise. These service offerings often include collaboration, meeting space, educational programs, networking and access to expertise and capital. We have an opportunity to mirror this in our area and if we do, our local economy will benefit through the retention of motivated young business talent.

As an example, since 2007, Gorge Innoventure has hosted 65 events, 2 Accelerator Boot Camps, 6 Angel Investor Conferences, assisted 86 Companies, combined 1843 participants and ultimately facilitated \$880K in investments made by the local Gorge Angel Investor Network.

### **Researching Our Economy**

Researching Yamhill County's areas of high economic value and employing our findings to support economic growth was also on the key action list.

While researching our proposal with the County last summer, we studied the local economy to get a better understanding of the job creation market. After hire we engaged both Stephanie Page, a Special Assistant to the Director of the ODA and Martin Kraal a Workforce Analyst with the ODE to understand where agriculture fit into the Yamhill County economic picture.

We also consulted with Dean Runyan and his staff at Dean Runyan and Associates to accurately gauge the impact of tourism in the county.

In 2012, Yamhill County had 13,524 registered businesses and a population of 99,193. The 2012 payroll

was \$1,112,529,113 and supported 31,258 jobs.

The County's unemployment rate was 6.6% as of January this year.

### **The Precision Agriculture Opportunity**

As the Commissioners know from my previous report on the results of the UAS Precision Farming Forum that we held last year, several positive developments have come from that event.

Our follow-up meeting with the Tillamook UAS Test Range operators has resulted in a MOU between the County and the range. Within the next 90 days NSC the operator of that range should have a UAS Precision Agriculture Test Center established that encompasses key airspace above Yamhill County farmlands. This development will allow interested companies from around the US to conduct aerial agricultural research missions. Our Tillamook MOU has already encouraged executives from Yamaha's unmanned helicopter program to agree to stay an extra day for a tour with some of our local company's representatives.

Equally important to enhanced agricultural outputs and sustainability is the potential for the development of a new agri-tech industry centered here in Yamhill County. The north Willamette Valley produced over \$2 billion in Ag products in 2012.

Unmanned aerial systems are only one small part of the digital revolution that is taking place across the agricultural industry globally. Rapid advances in radical new digital data gathering and comprehension tools, farm machinery automation, and new labor saving robotics are key to the future of productive and profitable farming. These technological changes are inevitable and irreversible.

It has been my contention that Yamhill County is an ideal location for the research and development of the next generation of specialty crop health data systems, systems that will utilize many of the technologies that will be presented and demonstrated at our upcoming Precision Farming Expo in April.

Embracing and exploiting the opportunity by demonstrating confident leadership will not only attract the most innovative of these firms to our County but also ensure that our farmers are among the earliest adopters. Early adopters of new technologies typically have a distinct competitive advantage.

The next generation of Yamhill County farmers will be of the Digital Generation. As regional leaders, the Board of Commissioners have already shown great vision by facilitating the exposure of these new tools of sustainability to our local farmers. Continued momentum like the MOU signed this week is both positive and necessary to maintain our new position as thought leaders.

In the words of Young Kim, ***"There has never been a time when so many technological advances have come together at once. Farming is rapidly changing from analog to digital."***

A leveraging our intellectual and physical agricultural assets with the digital farming revolution, offers an important opportunity of prosperity to the next generation of Yamhill County residents. Whether the greatest profits are realized by the farmers, the supply chain vendors or a new industry of agricultural information technologists is of low importance so long as the county has a place in the future of farming.

## Conclusion

Last September, we began our work with the question of "What is Yamhill County's unique selling proposition?" At the time we proposed that it was:

- 1.) A UNIQUE LOCATION
- 2.) A UNIQUE CULTURE
- 3.) A UNIQUE WORKFORCE

After six months of working with the Commissioners on economic development we have learned a lot about not only our what drives our economy but national economic trends as well. I now see that we have something even greater to offer than we initially thought. The sum of the above.

Yamhill County = A UNIQUE OPPORTUNITY

This will be the conclusion that we will endeavor to impart on all that our marketing message reaches.

I have appreciated the confidence and support that you have shared with both myself and the marketing team. I am looking forward to reaching the next milestone.

We have begun to build a foundation for this thing called "Economic Development" and there is still much to do. With all that we have learned in six short months, I can only imagine what we can accomplish in the next.

Kind regards,

Jeff

Jeff Lorton  
Office of Economic Development  
Yamhill County