

Full Council Meeting

Thursday, April 16, 2020

Web-based Meeting Only

Attendance

Members Present: Chair Jenn Lynch, Portland Seed Fund; David Conover, University of Oregon; Piper Crowell, Nike; Chris Cummings, Business Oregon; Dr. Nagi Naganathan, Oregon Institute of Technology; Dr. Juanita Kurtin, Osram; Chad Olney, Pacific Crest Credit Union; Tobias Read, Oregon State Treasurer; Holly Rockweiler, Madorra; Brent Wilder, OAICU; Rep. Gomberg (ex officio), Rep. Drazan (ex officio); Kanth Gopalpur, Business Oregon Commission Chair (ex officio)

Staff Present: Kate Sinner, Jordana Barclay, Nick Batz, Mark Brady, Kim Herb, Ricardo Lopez

Guests: Bill Berg, City of Beaverton; Kyle Birchard, Integrative Economics; Ellie Boggs, OHSU; Ann Bunnenberg, Synergic Medical; Meredith Coba, State Treasurer's Office; Cindy Dahl, ONAMI; Jim Deane, University of Oregon; Dan Dorsa, OHSU; Heather Ellis, OTRADI; Sione Filimoehala, Oregon Council fo Presidents; Charles Gatchell; Jennifer Groth; Ashley Henry, Business for a Better Portland; Gordon Hoffman, Northwest Tech Ventures; Tyler Janzen, Rep. Gomberg's Office; Dwayne Johnson, ScaleUp Partners; Felicia Kang, VertueLab; David Kenney, VertueLab; Paul King, AmpSci; Melissa Leoni, Oregon Legislature; Vanessa Margolis, VertueLab; Bill Newman, Northwest Tech Ventures; Jason Podrabsky, Portland State University; Nitin Rai, Elevate Capital; Skip Rung, ONAMI; Jacob Vandever; Chuck Williams, University of Oregon; Travis Woodland, Portland State University

Meeting was called to order at 1:02pm.

Welcome & Roll Call

Chair Jenn Lynch welcomed everyone to the meeting, confirmed the Council members who had joined the webcast and asked for confirmation of who had just called into the meeting.

COVID-19 Updates

Chair Lynch invited Chris Cummings to provide an update on what the agency as a whole is doing in response to current conditions. Chris shared that extensive discussions and planning efforts were happening on a daily basis as new information becomes available. The agency is working with local, regional and other partners as well as with Washington and California. The agency in collaboration with other groups sent out a survey to businesses to gauge impacts. The survey already has many responses, and a report will be issued soon. Chris said that the agency is also looking at its infrastructure programs for ways to support communities, especially rural ones hard hit by the crisis. This could include rural hospitals.

Chris said that the budget outlook is difficult so the agency has been asked to hold off on new funding for projects until at least after the May revenue forecast. Agency staff are working with DAS and the agency's CFO to determine how best to move forward. Chris said that the agency has

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to ask the Council to put the latest round of HIOP awards on hold so we have ensure there is sufficient cash flow to cover the awards. There is still the capacity to spend some money, but it should be focused on a response to the COVID-19 emergency. Jenn Lynch relayed some stories she had heard of Oregon InC-portfolio companies that are or are trying to be responsive to the current crisis.

SBIR Matching Grant Program

Chair Lynch asked Mark Brady to walk the group through the status of the SBIR Matching Grant program. Mark reminded the group of the original design of the program, which was to spend \$2.1 million over two or three rounds. Mark also reminded everyone that the first round had awarded just under \$1 million and that a second round was planned for mid-April. In order to be responsive to the current situation, Mark explained that the consensus position after discussions with Council members and partners was to launch the second round as soon as possible and broaden the eligibility to include non-SBIR/STTR, COVID-19-related federal grants. Mark explained that there would be a review committee that would operate on a rolling basis to ensure a fair but accelerated review of projects and funding decisions. Lastly, Mark explained the option of lowering the maximum amount for SBIR Phase II matches to \$75k from \$100k so that more awards could be made while still making the awards meaningful. Discussion of the proposal ensued with Council members indicating support for the plan. Kanth Gopalpur asked for clarification of funding these grants over HIOP, and Chair Lynch explained that discussions indicated people supported the idea of getting funds to businesses right now was paramount over supporting broader industry sector activities like HIOP. Chair Lynch asked Mark about the time to get the funds out. Mark explained that the RFP would not take much time to update and the review process was streamlined, but there may be delays with contracting given that those staff have been pulled off onto high priority activities lately. Rep. Gomberg asked about the geographic distribution of the awards from this program and the need to focus on rural areas of the state. Mark responded that the agency does consider geographic distribution for its awards. In the case of this program, however, it is difficult because we are just following on the companies that have gotten the federal award. For this program those federal awards tend to be in the urban centers and near universities. Chair Lynch asked for any objections to moving forward with the plan Mark described. There were no objections so Mark was instructed to implement the program.

Enhanced Phase 0 Program

Chair Lynch asked Jordana Barclay to talk about the possibility of reviving the Enhanced Phase 0 program. Jordana reminded the group of the structure of the program and how it differs from the SBIR matching grants. Jordana then recapped the previous rounds of this program showing the number of applicants, number of awards, amount of funding, and post-grant info on follow-on funding and revenue. Next, Jordana summarized the consensus recommendation to conduct another round of this program with a \$500,000 budget. Scoring would give priority to COVID-19 related technologies and companies previously funded by an Oregon InC program. There was a discussion of the review committees for the two programs, and several Council members volunteered for the committees. Chair Lynch asked staff to coordinate with those who responded. Chair Lynch then highlighted a few examples of Oregon InC companies that were already trying to get going on projects related to COVID-19. Chair Lynch asked if there were any objections to moving forward with the program. Hearing none, Chair Lynch advised staff to proceed.

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Other Business

Chair Lynch moved to discussing two items of other business.

Innovation Plan

Kate Sinner and Kim Herb provided an update on the innovation plan efforts. Kim told everyone that the work was still moving forward although it was going through adjustments to work given current conditions. Kim said that some sessions might happen virtually and that the consultant will be ramping up work on the project soon. Kim shared that she is planning to leave the agency soon and that this work will transition to Jordana and Kate with others supporting as necessary.

Boards & Committees

Chair Lynch told the group that she would like to see Council members participating on the boards of the Signature Research Centers (SRCs). This would likely be a non-voting position but would give the Council better connections to the SRCs and give the SRCs a regular line of communication directly with the Council. Chair Lynch asked for Council members to think about whether they would be interested in participating on an SRC board and/or a review committee and get in touch with Mark or Jordana with your preferences.

Public Comment

Chair Lynch then invited any public comment. Hearing none, the Chair adjourned the meeting at 2:26 pm.

Approved by:

Signature on File

Jenn Lynch, Chair
Oregon Innovation Council

Date

Mark Brady, Innovation Strategist
Business Oregon

Date