

MEMORANDUM

TO: Central Oregon Regional Solutions Advisory Committee

FROM: Annette Liebe, Regional Coordinator
Central Oregon Regional Solutions Team

RE: Regional priorities

DATE: February 2, 2015

PURPOSE: Engage all resources in the community (public, private, and civic) to shape the region's future and accelerate and complete on the ground economic development projects.

CENTRAL OREGON REGIONAL SOLUTIONS PRIORITIES:

Establishment of four year university (OSU Cascades)

Job retention/growth

Ensure that the region has land and infrastructure available to retain/attract employers

Sewer Infrastructure

Central Oregon Transit System

Regional Agriculture

Water Availability, Conservation and Restoration

Improve forest health and increase utilization of timber resources

Support Regional Arts & Culture

Availability of Housing:

Regulatory integration and streamlining

ROLES:

1. Regional Solutions Advisory Committee:

- a. Help coordinator and team identify high level priorities for the region.
- b. Help connect resources from the community to expand collective capacity to solve problems and seize opportunities.

2. Regional Solutions Team Members:

- a. Work in collaboration with other state agencies, local, county and federal governments, as well as the private and civic sectors on priorities and projects for which a single agency solution is not sufficient.
- b. Lead, track and report on projects that are related to their agency's mission.

3. Regional Coordinator:

- a. Serve as a catalyst for action
- b. Assist in staffing the advisory committee
- c. Bring government and other sectors together to undertake projects
- d. Develop work plan for each priority including agency involvement, expected outcomes, targets and milestones.

PRIORITIES:

Priority: Establishment of four year university (OSU Cascades)

Advisory Committee role: identify as priority, advocate for funding, contribute to OSU funding partnership, assist OSU in creating vision and maintaining support from local leaders

Expected outcomes:

- 1) Jobs: 143 direct; 215 indirect or induced
- 2) 70,000 – 90,000 sq ft space available for freshman class fall 2015
- 3) Approx. 50 acres selected for long term campus development
- 4) Land use entitlement, transportation and other infrastructure provided

Agency Involvement: Implementation of the vision

- 1) Department of Land Conservation and Development (DLCD) will: identify grant opportunities to support planning for the campus, serve as the state's land use expert and collaborate with city and county planning departments in planning the campus.
- 2) Department of Transportation (ODOT): will identify grant opportunities to support planning for the campus, participate in planning process for new campus.
- 3) Business Oregon (OBDD) will: include OSU representatives in business recruitment meetings; explore federal and state funding for any environmental clean up needed at prospective sites.
- 4) Oregon Housing and Community Services (OHCS) will: work with partners to explore housing opportunities.
- 5) Department of Environmental Quality (DEQ) will: serve as a technical assistance resource on clean up, stormwater and waste water issues related to design and construction of the campus. Explore federal and state funding for any environmental clean up needed at prospective sites.
- 6) Oregon Department of Energy will: provide technical and financial support for facility planning related to energy efficiency and renewable energy.

RST projects:

- 1) Transportation and Growth Management grant awarded to support west side Bend planning (\$257,500)
- 2) Provide technical assistance re: clean up needs and funding resources for former county landfill site.
- 3) Provide technical assistance re: waste water and stormwater technologies in the context of current regulations.
- 4) Connect mediation resources from the Oregon Solutions Network as desired/needed to resolve issues raised by concerned neighbors.
- 5) Regional Solutions Advisory Committee priority implementation project 2015-17: recommended funding \$1 M investment for Innovation Center for Entrepreneurship.

Priority: job retention/growth

Advisory Committee role: leverage funds to support job growth (state and local incentives; private investment)

Expected outcomes:

- 1) Employers in Central Oregon are supported by the Regional Solutions Team in addressing state regulatory requirements.
- 2) Regional Solutions Center serves as "one stop" for existing businesses and recruitments to access and understand state programs.
- 3) State business retention and expansion programs are leveraged to support most promising sectors targeted by Economic Development for Central Oregon (EDCO).

- 4) Workforce training dollars are leveraged to support most promising sectors targeted by EDCO.

Agency Involvement:

- 1) Department of Land Conservation and Development (DLCD) will: provide land use planning guidance.
- 2) Department of Transportation (ODOT) will: work with Business Oregon and local partners to develop funding packages for projects, including those eligible for the Immediate Opportunity Fund.
- 3) Business Oregon (OBDD) will: will partner with EDCO and local government to leverage state and local incentives for business retention and recruitment.
- 4) Oregon Housing and Community Services (OHCS) will: N/A
- 5) Department of Environmental Quality (DEQ) will: Prioritize environmental reviews and permit applications needed to support business retention/recruitment.
- 6) Oregon Employment Department will: convene the business resource partnership and identify opportunities to leverage work force training with EDCO recruiting sectors.

RST projects:

- 1) Oregon Truck Co, Redmond (2011) (81 jobs)
- 2) Consumer Cellular in Redmond (2012) (290 jobs)
- 3) Madras airport/industrial area (2013) (16 jobs retained; 17 new jobs)
- 4) Woodgrain Mill, Prineville (2013) (253 jobs retained; 21 new jobs) (help with re-construction?)

Priority: Ensure that the region has land and infrastructure available to retain/attract employers

Advisory Committee role: support as priority, identify and raise issues that need to be resolved.

Expected outcomes:

- 1) Communities in the region have an adequate supply of readily developable industrial land.
- 2) Land that is developed is replenished.
- 3) Communities understand what's required by the state's land use laws.
- 4) State funds are leveraged to provide critical infrastructure to high priority sites.
- 5) Partnership between land use and economic development professionals.

Agency Involvement:

- 1) Department of Land Conservation and Development (DLCD) will: work with local jurisdictions to create inventory of vacant/underutilized existing industrial land and infrastructure needs; provide timely feedback and support to jurisdictions revising/expanding UGBs. Continue to work with the City of Bend on its UGB expansion, will help COIC implement the Large Lot Industrial process, and will work with the city of Madras to adjust their UGB to provide industrial land.
- 2) Department of Transportation (ODOT) will: partner with local governments to provide critical transportation infrastructure needed to serve industrial lands; work with DLCD to provide timely and accurate technical assistance on Transportation Planning Rule and Oregon Highway Plan regulatory issues; support TRIP97 partnership in developing alternative mobility targets and innovative funding mechanisms; work with Business Oregon and local partners to develop funding packages for projects eligible for the Immediate Opportunity Fund.
- 3) Business Oregon (OBDD) will: develop accurate understanding of available industrial land in the region; partner with land owners wishing to certify their land as shovel ready in 180 days; identify state funding programs to support necessary infrastructure.

- 4) Oregon Housing and Community Services (OHCS) will: N/A
- 5) Department of Environmental Quality (DEQ) will: Review certification requests for environmental issues; provide technical assistance and coordinate funding opportunities with communities trying to serve their industrial areas such as Madras and Bend.

RST planning priority projects:

- 1) Regional industrial lands inventory (completed).
- 2) Bend UGB expansion and zoning is completed.
- 3) Redmond UGB is amended to include large lot site(s) and 465 acre site is properly rezoned for industrial uses; assist in funding updated Economic Opportunities Analysis.
- 4) Prineville UGB is amended to include reconfigured industrially zoned state (Department of State Lands) owned land. (completed)
- 5) Madras UGB is evaluated for opportunities to reconfigure industrially zoned land with rail access.

RST infrastructure priority projects:

- 1) Juniper Ridge - Bend
Getting the entirety of the nearly 500 acres of light-industrially-zoned land at Juniper Ridge fully served with transportation, water, and sewer infrastructure is one of the fastest ways to establish a more competitive and diverse land base to attract traded sector and other large employers to Bend and the region. There are planning efforts such as Trip 97 and the North Highway 97 DEIS that address planning and funding transportation infrastructure to serve economic lands including Juniper Ridge.
- 2) East-side sewer interceptor and 9th Street extension - Redmond
IFA and DEQ have provided Redmond information about funding programs to fund this project; team met with City of Redmond about potential designation as a Regionally Significant Industrial Area.
- 3) Roundabout at Tom McCall Way; Millican Road pavement rehabilitation - Prineville
- 4) Infrastructure service to industrial lands in the Madras area.
- 5) Sisters – infrastructure to newly annexed airport property and associated industrial development. IFA awarded a grant of \$302,850 and a loan of 65,942 to make upgrades to the water, sewer, and roads to support economic development; Immediate Opportunity Fund award of \$150,066.

Priority: Sewer Infrastructure

Advisory Committee role: identify as a priority, partner on solutions

Expected outcomes:

- 1) South Deschutes County has a workable approach to resolving nitrate issues.
- 2) Madras has prioritized underground injection sites for hook up and has extended sewer service to its highest priority area.
- 3) Applicants looking to use innovative sewage treatment technologies receive accurate and timely engineering reviews and policy direction jointly from DEQ and DLCD.
- 4) State loan and grant funds are leveraged to provide critical wastewater infrastructure.

Agency Involvement:

- 1) Department of Land Conservation and Development (DLCD) will: work with land owners and communities needing a goal 11 exception (either provide sewer service outside of UGBs or use innovative systems within UGBs) to provide timely assistance and support.
- 2) Department of Transportation (ODOT): works with local jurisdictions to upgrade sewer lines concurrently with road rehabilitation projects.
- 3) Business Oregon (OBDD) will: leverage state grant and loan funds to assist local/county governments with high priority projects.
- 4) Oregon Housing and Community Services (OHCS) will: partner with DEQ and DLCD to resolve issues when a publicly funded project seeks to utilize innovative treatment technologies.
- 5) Department of Environmental Quality (DEQ) will: provide technical assistance; leverage state grant and loan funds to assist local/county governments with high priority projects.

RST projects:

- 1) Pine Nursery Park – DEQ and DLCD worked together to resolve differences in state rules to allow a Parks District to install the proposed septic system. (complete)
- 2) South Deschutes County – DLCD and DEQ working together with Deschutes County on a land use goal exception to allow sewer service outside the UGB; this is needed to implement local committee recommendations.
- 3) Little Deschutes Lodge II – DEQ provided technical assistance on innovation waste water treatment options
- 4) La Pine – IFA and DEQ providing technical and funding assistance to the city to update facilities plan and serve the Cagel subdivision.
- 5) City of Prineville waste water project – funds are grants and/or forgivable loans: USDA (\$5 M), Pelton Fund (\$750k), Oregon Watershed Enhancement Board (\$750k), Oregon State Parks (\$913k), IFA (\$1.5 M; 750K is grant and \$750k is loan). DEQ providing technical assistance and permitting.
- 6) City of Prineville Sewer extension project for St. Charles hospital – DEQ and ODOT worked with the city and consultants on the project to resolve unanticipated permitting issues due to higher than expected ground water table and significant rain event.

Priority: Central Oregon Transit System

Advisory Committee role: Support as priority. Assist in funding public education and outreach. Assist with shaping service and funding plans by participating in Central Oregon Intergovernmental Council (COIC) Advisory Committee.

Expected outcomes:

- 1) System and funding plan that serves the needs of communities in the region as well as, connections between communities.
- 2) Transit ridership increases and enhanced regional mobility.
- 3) Increased access to places of employment by regional labor; increase attractiveness of the region by firms considering locating in Central Oregon.
- 4) Increased access by visitors to the region to tourist destinations.
- 5) Transportation system performance is maintained and improved in core development areas such as, Bend Westside.

Agency Involvement:

- 1) Department of Land Conservation and Development (DLCD) will: identify grant opportunities to support planning and public outreach for transit.

- 2) Department of Transportation (ODOT): will identify grant opportunities to support planning and public outreach for transit.
- 3) Business Oregon (OBDD) will: support transit as critical economic development infrastructure. Look for grant opportunities to support planning and public outreach for transit.
- 4) Oregon Housing and Community Services (OHCS) will: explore opportunities to provide mobility to those who are homeless. Identify opportunities to provide outreach through funding partners.
- 5) Department of Environmental Quality (DEQ) will: provide information about key environmental indicators that support transit service and ridership (e.g. air quality).
- 6) Support COIC philanthropic funding requests (Meyer Memorial Trust funded public outreach and engagement at \$50k per year for three years starting January 2015).

RST projects:

COIC led project

Participate in Association of Oregon Counties led transit integration project.

Regional Solutions Advisory Committee priority implementation project for 2015-17: recommended state funding \$1 M.

Priority: Regional Agriculture

Advisory Committee role: Support as priority; partner on projects. Potential for OSU to adopt a policy supporting the purchase of locally grown food; identify other institutional opportunities for use of local foods.

Expected outcomes:

- 1) Increase in direct markets for farmers:
 - a. job creation and retention; increase in profitability; support local agricultural producers including minority and low-income farmers; reduced transportation costs; and preservation of farmland
- 2) Access to fresh food by consumers, businesses and institutions
- 3) Access to healthy fresh food for low income populations
- 4) Support programs focused on wellness and youth
- 5) Access to food system infrastructure
- 6) # of jobs in the "local food economy" increases
- 7) Increased food security for the region
- 8) Reduction in import substitution – local dollars stay in the region
- 9) Regional food is sourced for dining halls at OSU Cascades and other local institutions.
- 10) Identify barriers and opportunities for large agricultural producers in the region.

Agency Involvement:

- 1) Oregon Department of Agriculture and USDA representatives will be invited to attend policy listening session in the Nov/Dec 2013 to help reduce agricultural production policy barriers in Central Oregon.
- 2) Regional Coordinator to work with ODA and USDA to better align state and federal funding opportunities to meet specific local needs (i.e., transportation to market, storage capacity).
- 3) Regional Solutions/ ODA/ IFA will work to identify programs where capital equipment could be purchased (cold storage, kitchen equipment).
- 4) Business Oregon to evaluate opportunities for training for moving products to market.

- 5) RST to meet with representatives from agriculture industry cluster to understand barriers and opportunities to support/increase their business success.
- 6) DLCD evaluating local ordinances to remove barriers to farming, and assess current ordinances.
- 7) Regional Coordinator participated in WealthWorks project that was not selected for funding; ongoing conversations about how to continue momentum and provide some level of funding for the Food Hub concept.

This is a COIC led priority. RST will support by:

- 1) Helping to identify funding support
- 2) Providing letters of support for grants
- 3) Helping to find reduced rent or free building to host the food hub
- 4) Helping to find equipment for the facility (state surplus?)
- 5) Connecting COIC with USDA Rural Development and other arms of USDA to discuss funding priorities and access to funds. Connecting COIC to agra-tourism opportunities and other state programs that incorporate more than one priority.
- 6) Assisting with connecting COIC and local food advocates to relevant ODA funding opportunities.

Priority: Water Availability, Conservation and Restoration

Advisory Committee role: support as priority, identify partnering opportunities.

Expected outcomes:

- 1) Completion of the Bureau of Reclamation basin study that will serve as the foundation for prioritizing conservation and efficiency opportunities to increase water available for municipal/economic development, in-stream uses and improve water reliability for commercial agriculture across the Central Oregon Region. The Deschutes Water Alliance was awarded a SB 839 match for the BOR basin study in early 2014, and the work of the Deschutes Basin Work Group is ongoing.
- 2) Additional mitigation credits available- availability of mitigation credits varies among the sub regions of the Deschutes Basin. Notably, Crooked River, Little Deschutes and the Metolius Basins have little to no credits available.
- 3) Needs and the alternatives to meeting those needs through conservation, efficiency and other means are identified through the Basin Study so that implementation can occur over time. Instream flow needs are most severe in the Upper Deschutes during the winter, Tumalo and Whychus Creeks, Middle Deschutes, Crooked River below the North Unit Pumps in the summer.

Agency Involvement:

- 1) Water Resources Department will: participate in Deschutes Basin Work Group meetings and relevant subgroup meetings and Deschutes River Conservancy planning meetings to provide policy advice and technical assistance re: funding requests, administrative guidance, and document review. Ensure that our planning dovetails nicely with the State's Integrated Water Resources Strategy which focusses on placed based planning.
- 2) Department of Environmental Quality will: participate in Deschutes Basin Work Group meetings to provide policy and technical advice on water quality issues (e.g., temperature).
- 3) Oregon Department of Fish and Wildlife will: identify in-stream flows necessary to ensure sustainability of fish resources.
- 4) Oregon Watershed Enhancement Board: participate as needed to provide for opportunities to partner with other entities for funding conservation, efficiency and other beneficial watershed projects.

- 5) Department of Energy will prioritize and assist in developing funding opportunities through grants to improve water and electrical efficiencies within Central Oregon Irrigation Districts.

RST projects:

- 1) Identify and partner on water projects; may involve the creation of renewable energy through in conduit hydro power.

Priority: Improve forest health and increase utilization of timber resources

Advisory Committee role: support as priority, identify partnering opportunities

Expected outcomes:

- 1) Timber is accessed to support local mills and timber products businesses.
- 2) Fuel and wildfire risk is reduced.
- 3) Forest Restoration projects are identified and planned through collaborative processes; litigation over projects minimized.
- 4) Biomass resources are used to create thermal energy and/or electricity
- 5) Markets for new wood sources (e.g., juniper) are expanded and supported.

Agency Involvement:

- 1) Oregon Department of Energy will: implement the wood cluster project with state and federal agency partners; project will coordinate market development activities around target geographies in a way that can help create demand for small diameter logs and biomass materials primarily resulting from forest restoration activities. ODOE will also provide technical assistance and grant/incentive opportunities. Support feasibility studies at Mt. Bachelor and Sisters Airport.
- 2) Oregon Watershed Enhancement Board will: administer grant funds for collaborative support and provide technical assistance.
- 3) Oregon Department of Forestry will: provide technical assistance and look for opportunities within the Forest Health Budget Package to support central Oregon collaboratives efforts to increase the pace and scale of restoration.
- 4) Oregon Department of Environmental Quality will: keep apprised of ongoing collaborative efforts and overlap between the Oregon Smoke Management Plan and prescribed burning/ restoration efforts.
- 5) Business Oregon /IFA will: Track infrastructure needs at local mills and manufacturing facilities.
- 6) Oregon Solutions: Can provide facilitation/ collaborative process training where needed.
- 7) Regional Solutions Coordinator will: Track opportunities that meet multiple objectives, such as aligning Western Juniper Utilization Group's work with sage grouse habitat restoration; provide general support to the Central Oregon Collaboratives' efforts; facilitate communication between Collaboratives and Governor's policy advisors as needed. Look for opportunities in the Working Farms and Forest initiative to assist with local needs.
- 8) ODOT, State Parks: Support ongoing efforts for certifying juniper, other Oregon wood sources for use as guardrails, highways signs, and playground equipment/ furniture statewide.
- 9) RST to meet with representatives from agriculture industry cluster to understand barriers and opportunities to support/increase their business success.

RST project:

Help identify funding support as it becomes available; support ongoing COIC led projects and collaborative work.

Oregon Solutions projects:

Western Juniper Utilization Workgroup
Federal Forest Advisory Committee

Priority: Support Regional Arts & Culture

Advisory Committee role: Identify as a priority, identify partnering opportunities.

Expected Outcomes:

- 1) Better integration of state resources in communicating about regional arts and culture related events and projects.
- 2) Development of a regional plan related to arts and culture

Agency Involvement:

- 1) Oregon Housing and Community Services will: work with affordable housing developers to consider opportunities for including art in the design of low income housing projects as appropriate.
- 2) Oregon Department of Transportation will:
 - a. Make otherwise-unusable property available for art installations (Revere Ave interchange in Bend, proposal for Yew Ave interchange in Redmond).
 - b. Work with communities to develop, fund, and construct streetscape projects (Downtown Redmond and Sisters).
 - c. Install interpretive kiosks for tourist locations.
 - d. Support the Scenic Byways/Highways, and bikeways programs.
 - e. Accommodate community events, including bike races on the Cascade Lakes Highway and Sisters Quilt Show.
 - f. Incorporate architectural components into projects (bridge railings and sound walls). Including historic preservation.
 - g. Support informational signing along highways for historic, cultural, and recreational attractions.
 - h. Support various projects to document history (photography library, historic bridge field guide).
 - i. Provide access to museums, art centers, etc.
 - j. Document archaeological and historic resources on projects, avoid and/or mitigate impacts.
 - k. Influence and incorporate cultural benefits into construction projects.
- 3) Department of Land Conservation will:
 - a. Help communities plan for well-designed and aesthetically pleasing transportation-related project. An example would be a Main Street workshop that identifies street furniture, signage, gateways, lighting and landscaping (\$20,000 cap).
 - b. Mobilize TGM Quick Response funds to ensure that imminent development projects address transportation-related concerns with good design and aesthetics (typically in the range of \$50,000).
- 4) Oregon Arts Commission and Cultural Trust have resources to support this priority.

RST projects:

Oregon Solutions Projects:

Priority: Availability of Housing:

Advisory Committee roles: support as a priority; connect resources (financial and otherwise)

Expected outcomes:

- 1) More housing for all income levels

Agency Involvement:

- 1) Oregon Housing and Community Services administers state and federal funds for affordable housing
- 2) ODOT owns property that is or may be re-zone to residential
- 3) Department of State Lands owns property that is zoned for residential development
 - a. Forked Horn subdivision in Redmond: There is an active RFP to sell it - closes Jan. 19. http://www.oregon.gov/dsl/Common_School_Fund_Property/Documents/Forked%20Horn/2014%20RFP%20141-1156-14.pdf It has been described as, arguably, the nicest subdivision property in Redmond. DSL acquired this property during the recession as an investment for the benefit of the Common School Fund - as such we are seeking to maximize our revenues with this pending sale.
 - b. The NW corner of the Stevens Rd. property is in the Bend city limits and currently zoned single family residential. It is about 12 acres in size, bisected by a canal, and triangular in shape. We have been in VERY preliminary discussions about rezoning it to commercial office and putting state offices (at least DSL offices) there.
- 4) DLCD participates in and oversees local planning process that determine residential land supply.

RST projects:

- 1) Working to find developer (work force or affordable housing) for ODOT property on Greenwood Ave in Bend
- 2) Bend UGB

Priority: Regulatory integration and streamlining

Advisory Committee role: support as a priority

Expected Outcomes:

- 1) Projects requiring permits, approvals or funding from multiple agencies understand at the outset what is expected of them.
- 2) Data needs and processes are mapped out at the beginning of the project.
- 3) Public comment periods are integrated into one process.

Agency Involvement:

- 1) Governor's coordinator will convene meetings with affected agencies and project sponsors
- 2) State agencies will identify regulatory requirements and options

RST projects:

- 1) South Deschutes Groundwater study and recommendations
- 2) Mirror Pond

Oregon Solutions projects:

