

REGIONAL SOLUTIONS PROJECTS UPDATE

July 1, 2015 – December 31, 2015



This page intentionally left blank

Executive Summary

The Governor’s approach to community and economic development recognizes the unique needs of each Oregon region, and the importance of working locally to identify priorities, solve problems, and seize opportunities to get projects done. State resources are strategically aligned throughout Oregon to accomplish these goals through Regional Solutions Advisory Committees, Centers, and Teams. This alignment serves and supports the unique economic and community development needs of each region, and the regional boundaries are strategically aligned with the 11 federally designated Economic Development Districts.

For each region, the Governor appoints advisory committees to represent the private, public, and philanthropic sectors. Over 100 local elected officials, business representatives, foundation representatives, and citizens serve on advisory committees. These 11 committees establish priorities for each of their respective regions.

Regional Solutions Centers are located throughout Oregon to align investments in support of the priorities. Five core state agencies – the departments of transportation (ODOT), land conservation and development (DLCD), environmental quality (DEQ), housing and community services (OHCS), and business development (OBDD/Business Oregon) – co-locate their regional staff in these centers to form Regional Solutions Teams (RSTs). Coordination for these teams is provided by the Governor’s Office. The teams work together to complete regional priority projects and serve as quick response problem solvers.

The state’s investments of staff time and grants/loans - when aligned with county, municipal, private, philanthropic, and other funds - contribute significantly to the vitality of our state. With these investments, significant progress is made to address infrastructure needs, industrial lands readiness, workforce housing needs, and to support local businesses through loans, grants, and incentives. Additionally, the RSTs help integrate and align permitting requirements, remove barriers to business retention and expansion, and quickly respond to issues. Below are some examples of the work of the RSTs in rural and urban areas throughout the state.

Regional Solutions Teams have provided regulatory assistance by

- assisting with permitting and regulatory issues in the rebuild of a seafood processing plant in Warrenton
- facilitating in the design of storm-water management options in Culver
- working with the City of Prineville on the redevelopment of the Ochoco Lumber site to resolve unanticipated permitting issues due to a significant rain event
- reviewing process improvements and feasible alternatives for a Junction City business expansion
- streamlining the permit process between state and federal agencies for dredging and pile driving at the Port of Toledo
- investigating permitting and funding information for a small data center in Lakeview

Regional Solutions Teams support industrial lands readiness and help communities meet their infrastructure needs by

- certifying sites for industrial readiness
- investing in infrastructure needed to support private sector investment
- providing technical assistance to address wetlands
- assisting with levee recertification
- providing technical assistance and funding to upgrade water and wastewater treatment systems in rural areas

Regional Solutions provides assistance with community development, tourism, and downtown revitalization through

- development of tourist and recreation attractions such as Willamette Falls, Gorge bike hubs, rails and trails, and a white-water park
- assisting in area planning processes
- working with the North Santiam Canyon community to help them plan for economic development as a region
- procuring broadband services
- outreach meetings with Regional Solutions Teams in small cities throughout the state
- neighborhood revitalization in northeast Portland's Cully Park

Working with private and philanthropic partners, Regional Solutions supports entrepreneurship, business retention, and work force development by

- working with regional workforce development agencies to proactively skill-up nearby residents of industrial parks
- supporting work of the partners involved in the unmanned aerial vehicle test sites
- assisting businesses with financing tools and feasibility analyses
- developing a bi-regional CTE strategy

Contents

Metro Region (Clackamas, Multnomah, and Washington Counties)	3
North Coast Region (Clatsop, Columbia, and Tillamook Counties).....	7
Mid Valley Region (Marion, Polk, and Yamhill Counties).....	12
South Valley Region (Benton, Lane, Lincoln, and Linn Counties)	16
North Central Region (Hood River, Sherman, and Wasco Counties).....	21
Central Region (Crook, Deschutes, and Jefferson Counties)	24
South Central Region (Klamath and Lake Counties)	30
South Coast-Umpqua Region (Coos, Curry, and Douglas Counties).....	36
Southern Region (Jackson and Josephine Counties).....	39
Greater Eastern Region (Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, and Wheeler Counties) ...	43
Northeast Region (Baker, Union, and Wallowa Counties).....	47

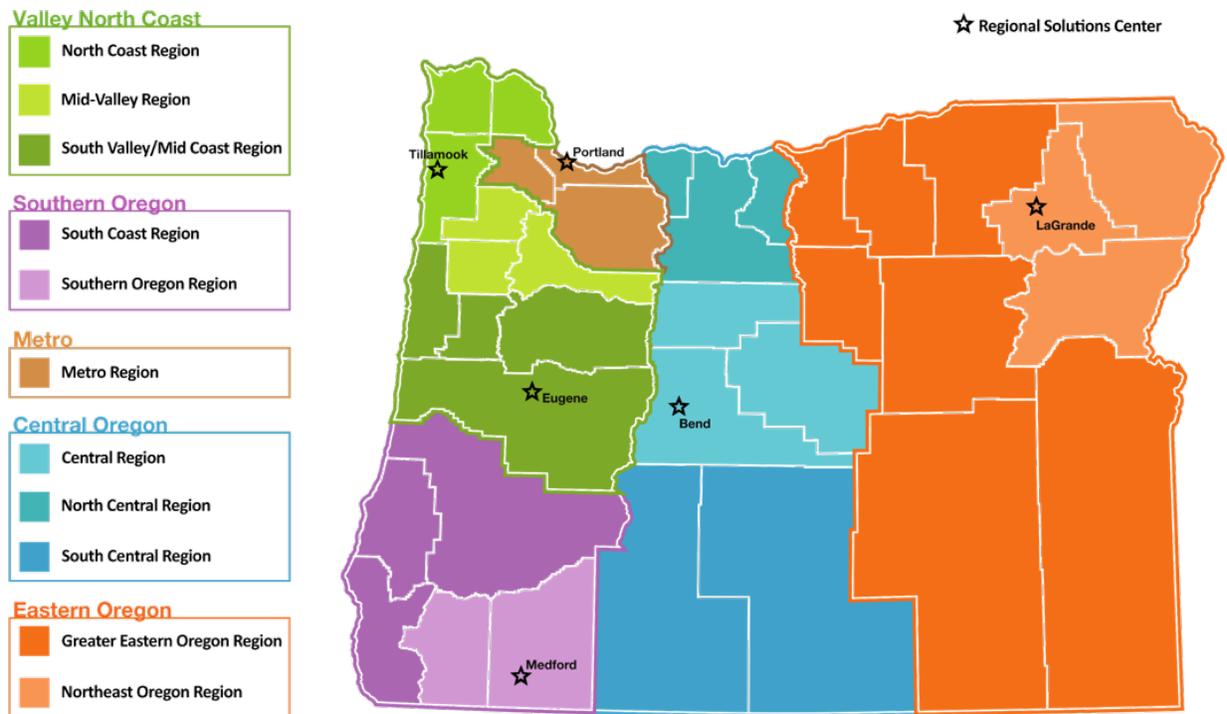
Acronyms used in this report

CCWD	Oregon Department of Community College and Workforce Development
DEQ	Oregon Department of Environmental Quality
DLCD	Oregon Department of Land Conservation and Development
DOGAMI	Oregon Department of Geology and Mineral Industries
DSL	Oregon Department of State Lands
IFA	Infrastructure Finance Authority (division of the Oregon Business Development Department)
OBDD	Oregon Business Development Department (Business Oregon)
ODFW	Oregon Department of Fish and Wildlife
ODOE	Oregon Department of Energy
ODOT	Oregon Department of Transportation
OED	Oregon Employment Department
OEM	Oregon Office of Emergency Management
OHA	Oregon Health Authority
OHCS	Oregon Housing and Community Services Department
OPRD	Oregon Parks and Recreation Department
RS	Regional Solutions
RSC	Regional Solutions Center
RST	Regional Solutions Team
SHPO	State Historic Preservation Office (division of the Oregon Parks and Recreation Department)
WRD	Oregon Water Resources Department

Introduction

The report summarizes projects completed, or major milestones met for multi-year projects, through the Regional Solutions program in the last six months of 2015. Six Regional Solutions Centers are located around Oregon to serve and support the unique economic and community development needs of the regions of the state. Five state agencies co-locate their regional staff in these centers (aka Regional Solutions Teams or RSTs) with coordination provided by the Governor's Office. Over 100 local citizens - representing business, government, philanthropic foundations, and more - serve on 11 advisory committees. These committees establish priorities for their region. Regional Solutions Teams work collaboratively on projects to address the priorities and serve as quick responders to emerging issues. This community-based strategy has been very well received by both local governments and the business community.

Regional Solutions Center Locations



Metro Region (Clackamas, Multnomah, and Washington Counties)

Metro Regional Solutions Advisory Committee

Bill Wyatt, Port of Portland	Convener
Doug Stamm, Meyer Memorial Trust	Philanthropic Representative
Janet LaBar, Greater Portland Inc.	Business Representative
Commissioner Nick Fish, City of Portland	LOC Representative
Commissioner Martha Schrader, Clackamas Co.	AOC Representative
Carl Talton, Portland Family of Funds	Committee Appointment
Commissioner Diane McKeel, Multnomah Co.	Committee Appointment
Commissioner Roy Rogers, Washington County	Committee Appointment
Dave Robertson, PGE	Committee Appointment
Tom Hughes, Metro	Committee Appointment
Wim Wiewel, Portland State University	Committee Appointment

Metro Regional Solutions Team

Bobby Lee	Governor's Coordinator
Carolyn Meece	Business Oregon, Business Development Officers
Janet Hillock	Business Oregon, Infrastructure Finance Authority
Cheryl Grabham	Department of Environmental Quality
Jennifer Donnelly & Anne Debbaut	Department of Land Conservation & Development
Andrew Plambeck	Department of Transportation
Kirk Jarvie	Department of State Lands
Roger Kainu	Department of Energy

Metro Region Projects

- 1. Columbia Corridor Levee Recertification:** Since 2014, Oregon Solutions' Columbia Levee Improvement Project has been focused on the challenges faced by the Columbia Corridor levee system along much of the south shore of the Columbia River in Multnomah County. The Oregon Solutions team has been working together to develop a strategy and work plan to ensure the levee system meets both FEMA and USACE standards. This effort has brought together key stakeholders including the Regional Solutions Team (RST), Multnomah County Drainage District, Multnomah County, City of Portland, business groups, neighborhood associations, environmental groups, and non-profit organizations to develop a project team that is focused on the condition of this levee system, which protects over \$5 billion of property value, over 7,500 residents, and the Portland International Airport. To date, this project has brought in over \$2 million from project partners and completed an initial engineering assessment in two of the four levee districts managed by Multnomah County Drainage District No. 1 (MCDD).

Milestone: The project hit a milestone by successfully negotiating a funding and governance strategy through a Declaration of Cooperation to continue the engineering assessment in MCDD, Sandy Drainage Improvement Company, and Sauvie Island Drainage Improvement

Company. RST also allocated \$300,000 that was recently approved by the State Legislature and the RS Advisory Committee.

- 2. Cully Neighborhood Revitalization:** Redevelopment and a revitalization of this NE Portland neighborhood includes making improvements on the 25 acre Thomas Cully Park, repurposing of former Sugar Shack property, and industrial land shovel ready certification of former Colwood Golf Course. This neighborhood is characterized by concentrated poverty, as well as by a lack of access to nature and other environmental benefits. RST's role was to work with: 1) ODOT to improve transportation safety including sidewalks; 2) DEQ, OHA, and Business Oregon to help with cleanup on the Cully Park and Colwood Golf Course; 3) Business Oregon and ODOT on IOF funding to add an extra lane on Killingsworth exit from I-205; and, 4) Business Oregon to certify the former Colwood golf course as shovel ready for industrial development.

Milestone: In June 2015, RST worked with Business Oregon to cover a portion of the cleanup cost of the Sugar Shack so the site may be used for public use. An additional \$66,000 was funded for Cully Park cleanup in October 2015.

- 3. James Beard Public Market:** The James Beard Public Market will add over \$22 million of food sales to the local economy while creating over 250 jobs within the Market for all locally-owned businesses, and another 100+ jobs in the rural agricultural economy (ECONWest, 2011). Even though the market will be built by and for all Oregonians, the tourist benefits are significant. Pike Place Market in Seattle is the single most visited site in Washington while the Reading Terminal Market in Philadelphia is the second most visited destination in that city after the Liberty Bell. The Market is envisioned as a year-round hub for fresh food and culinary events - a daily market and community gathering place that celebrates Oregon's bounty. The RST provided technical support and work with Representative Jennifer Williamson to obtain \$250,000 from the legislature to pay for site planning, and to work with the project managers to resolve challenges.

Milestone: Project officials revealed Snohetta's architectural design concept for the site in July 2015.

- 4. OHSU Cancer Knight Institute Development in South Waterfront:** As a direct result of the Knight Cancer Challenge, Oregon Health & Science University (OHSU) is proposing three new buildings in Portland's South Waterfront: 1) The Knight Cancer Research Institute would be built on Southwest Moody Avenue just north of the new Collaborative Live Sciences Center. The 332,000-square-foot building is valued at \$115 million. 2) A 12-story, 360,000-square-foot ambulatory care building above an existing underground parking garage. The garage is currently topped with grass. 3) A 10-story, 264,000-square-foot with a conference center on the ground floor and guest housing for 80 people. It would also include 515 parking spaces. A major development challenge is transportation within and around South Waterfront. Need better access from I-5 and Macadam Ave. based on traffic forecast. Additional extension on local roads (Moody, Bond, etc.) and greenways that are in alignment with the adjacent neighborhoods and nearby major road systems. Brownfield redevelopment, cleanup, and environmental remediation will be required on the targeted

South Waterfront sites. RST is also looking for ways to support traded sector economic development opportunities including tech transfer and commercialization in biotech.

Milestone: RST and ODOT are working with PBOT and OHSU to identify long term transportation solutions, especially near the South Portal. Immediate Opportunity Fund is being secured to help fund local road access. RST is also working with OHSU Tech Transfer department to see how the state can align its efforts to help leverage biotech economic development opportunities. OHSU provided a presentation to the RS Advisory Committee in December 2015.

- 5. Oregon City's Blue Heron/Willamette Falls Redevelopment:** For over 150 years, Oregonians did not have access to the Willamette Falls - in fact, many had never heard of it. But that is about to change. Oregon City's Willamette Falls - the largest waterfall in the Pacific Northwest - is a horseshoe-shaped basalt cascade that divides the upper and lower reaches of the Willamette River, which is an American Heritage River. The former Blue Heron Mill site, located next to the falls, was recently sold to a new owner after years of abandonment. Oregon City, Clackamas County, Metro, RST, and the new owner – Falls Legacy LLC – are now working together to develop a vision and master plan to repurpose the site including the construction of a publicly accessible River Walk. This legacy project has the potential to transform Oregon City and the larger Clackamas County region. During the 2013 legislative session, \$5 million was approved to help pay for construction of the River Walk. The riverfront easement to the Willamette Falls – the River Walk – was secured in late 2014 from PGE and the new private property owner. In May of 2015, Governor Kate Brown announced that the team of Snohetta, Mayer-Reed and Dialog will design the Riverwalk. The 2015 Oregon Legislature also allocated an additional \$7.5 million for the project. (Total from the State of Oregon: \$12.5 million.)

Milestone: During December 2015, Metro submitted an updated project budget that was signed off by the Governor's office and Oregon Parks and Recreation Department. The new IGA will be completed by February 2016.

- 6. Portland 82nd Ave Revitalization:** ODOT has embarked upon a planning study for 82nd Avenue to explore community priorities and potential safety improvements along the corridor. RST is a participant on the Jade District and Lents neighborhood revitalization assessment project with ODOT leading the process. RST is also working with Groundwork, Metro, and the City of Portland to fund brownfield redevelopment projects, including the Dharma Rain brownfield redevelopment project on Siskiyou and 82nd Ave. \$15 million of STIP funded projects have now been identified, both in design and construction this year. ODOT is leading a community based planning effort with a steering committee for ongoing safety and street improvements along 82nd Ave.

Milestone: Oregon Solutions is working with RST to convene community groups and the City of Portland to explore opportunities for increasing tree canopies between 82nd Ave. and I-205 to help reduce pollutants. RST and ODOT are also working with the Montavilla neighborhood to address: 1) Turn the Chinese Village site into a grocery store, and, 2) a new left turn lane going south into Washington Street.

- 7. Regional Brownfield Redevelopment Project:** RST has been working to identify and cleanup key brownfield sites to improve neighborhoods, livability, and job creation opportunities. Brownfields are often abandoned, closed, or under-used industrial or commercial facilities, such as an abandoned factory or a closed commercial building or warehouse. Many contaminated brownfield sites sit idle and unused for decades because the cost of cleaning these sites are very high and uncertain. The cost of the clean-up is often greater than the land would be worth after remediation. These brownfields were often in prime locations, close to transportation and a local workforce. Abandoned building or fenced-off vacant lots depressed real estate values and incentives for economic growth. After the RST conducted a community planning process in search of a brownfield project, Dharma Rain was selected for a \$25,000 cleanup fund from Business Oregon. This project also leverages the transportation improvement projects as part of the 82nd Ave. Revitalization project.

Milestone: Recently RST formed a partnership with Metro to tackle brownfields in the region. This partnership could position RST to: 1) work closer with our regional partners; 2) help build a unified regional strategy; and, 3) leverage additional dollars. Future steps in the process of incorporating land readiness, economic development, and brownfields into a specific action includes an application for an EPA grant for the McLoughlin investment area, including Willamette Falls.

- 8. Troutdale Reynolds Industrial Park (TRIP) Readiness:** The former Reynolds industrial site, owned by the Port of Portland, is uniquely situated to create family wage jobs in east Multnomah County where a third of residents fall below the self-sufficiency standard. Once completed, this site will unlock the potential for creation of an additional 3,500 traded sector jobs while cleaning up a large superfund site within the UGB. The RST provides ongoing regulatory and technical assistance on the development plan, including wetland permitting, BPA power line relocation, transportation improvements, water infrastructure, and cleanup. Exit 17 on I-84 and local roads are under construction. RST helped design an innovative permitting approach that was recently approved by DSL, DEQ, SHPO, ODFW, US Army Corps, and NOAA federal partners. This project also includes developing a plan to expand local job training opportunities that are aligned with industry recruitment priorities. RST is coordinating with the regional workforce development agency to find ways to proactively skill-up the nearby residents to prevent further gentrification. RST is partnering with the City of Gresham, Port of Portland, Metro, and federal agencies to identify potential wetland mitigation banks in east Multnomah County. RST is working with DSL to review the City of Gresham's proposal to convert a portion of the Fairview Creek channel into a wetland mitigation bank site.

Milestone: During December 2015, RST and the Port of Portland convened local, state, and federal agencies to discuss the stormwater situation and the associated safety and operational concerns due to extreme flooding on the TRIP property. The partners successfully dewatered the site quickly and in accordance with regulatory guidance to prevent severe property damage, restore flood capacity, and reduce wildlife safety hazards.

North Coast Region (Clatsop, Columbia, and Tillamook Counties)

North Coast Regional Solutions Advisory Committee

Senator Betsy Johnson, Senate District 16	Convener
Harold Snow, Oregon Community Foundation	Philanthropic Representative
Paul Langner, Teevin Brothers	Business Representative
Vacant	LOC Representative
Commissioner Tony Hyde, Columbia County	AOC Representative
Commissioner Mark Labhart, Tillamook County	Committee Appointment
Kurt Englund, Englund Marine Group	Committee Appointment
Mayor Don Larson, City of Seaside	Committee Appointment

North Coast Regional Solutions Team

Mark Ellsworth	Governor's Coordinator
Dennie Houle	Business Oregon, Business Development Officer
Melanie Olson	Business Oregon, Infrastructure Finance Authority
Jennifer Purcell	Department of Environmental Quality
Patrick Wingard	Department of Land Conservation & Development
Jae Pudewell	Department of Transportation

North Coast Region Projects

- 1. Astoria Marine – AMCCO – Project Milestone:** This historic ship refurbishing operation has operated in Clatsop County since 1926, building minesweepers during WWII and serving other Navy contracts throughout the years. The site was slated for inclusion on EPA's Superfund list following an evaluation of sites along the lower Columbia River as a part of its designation as a "River of National Significance." Upon consultation and reevaluation, we reached a milestone where cleanup authority has been delegated from the EPA to Oregon's DEQ. Since operation of this small-boat maintenance facility is a priority for Clatsop County's marine cluster, having DEQ manage the process will help maintain the viability of this operation. Working closely with local, state, and regional stakeholders, including several federally-recognized tribal governments and a community advisory group, remedial investigation and field activities have been completed and a feasibility study is currently under review. (December 2015)
- 2. Clatsop Plains – Shoreline Sanitary District:** The Shoreline Sanitary District at Cullaby Lake obtained funding and land use approvals to construct a four-mile pressurized sewer line to connect to the City of Warrenton sewer system. With this connection, the district will discontinue use of its aged sewer plant, and livability and water quality in the Cullaby Lake community will improve. With DEQ's participation, DLCD addressed goal exceptions, ODOT managed right-of-way concerns along the pipeline route, and IFA worked closely with the Shoreline Sanitary District to identify funding. In March 2014, the RST convened a meeting with the district and all local, regional, state, and federal stakeholders to address concerns

and establish a cohesive permitting and financing timeline. The district determined an alternate route was preferable to initial proposals and has since finalized an easement with the North Coast Land Conservancy allowing for the more favorable connection. Construction on the project began this year and is substantially completed. (December 2015)

- 3. Clatsop Plains Sub-Area Planning Effort – Project Milestone:** The unincorporated Clatsop Plains area is located between the cities of Seaside and Warrenton in Clatsop County. The region is characterized by rural residential home sites interspersed among coastal lakes and dunes, wetlands, pastures, and a few mobile home parks and small businesses. Hundreds of individual septic systems are located on Clatsop Plains and water quality in the area is poor. In light of this issue, the RST is supporting a sub-area planning process for the northern portion of Clatsop Plains (which includes Camp Rilea) to look at land use, regulatory issues, water quality, wastewater management, public infrastructure transportation, and beach management. In 2014, Clatsop County held hearings and adopted the North Clatsop Plains Sub-Area Plan and related amendments. In 2015, DEQ convened groundwater monitoring stakeholder meetings and the team has helped the county work on near and long-term goals as outlined in the plan. (December 2015)
- 4. Garibaldi Wharf Revitalization – Project Milestone:** The Port of Garibaldi’s wharf was significantly damaged during severe winter storms in 2011. Repairs from this event, as well as upgrades to the infrastructure, make this asset a competitive force in Oregon’s marine economy. RST members, Col-Pac, the regional economic development district, and the US Department of Commerce Economic Development Administration (EDA) have supported the effort. Designated as a project of regional significance, the EDA awarded the Port of Garibaldi \$3.07 million to help reconstruct the wharf. In addition, the Port secured a \$1.7 million Connect Oregon grant to help pay for the remaining costs of the \$4.69 million project. This alone will help to retain 250 jobs, create 32 new jobs, and leverage and help bring \$1.8 million in private investment to the area. The effort is also utilizing two port planning grants for the wharf revitalization effort: a \$50,000 Port Strategic Planning grant in 2010, and a \$48,750 grant for the archaeological and historic resources evaluation. The most recent financial partnership for this project has been the announcement that the Port of Garibaldi was awarded a \$1.47 million 2013 TIGER grant. This was the only TIGER grant awarded in the State of Oregon during the 2013 cycle and has been used starting 2015 for road and utility improvements along the road leading into the wharf. Current construction is ahead of schedule and below estimated cost. The team has now moved into a new phase on this project where we are helping develop a community marketing plan to take full advantage of these recent structural improvements. (December 2015)
- 5. Neskowin Emergency Access Road – Project Milestone:** Oregon state fire code requires communities of over 29 residences to have two access roads. Neskowin, an unincorporated community with several hundred homes, has only one access across a narrow bridge which could fail in a flood or emergency event. This project will construct an emergency access road across a portion of Hawk Street that will serve the community during an emergency as well as replace culverts, improve fish passage, and restore the resiliency of a 130 acre

marine estuary. Funding for this project includes \$150,000 in Regional Solutions dollars as well as county and community funds. The design process continues. (December 2015)

- 6. North Coast Business Park – Project Milestone:** This large, 177 acre site was acquired by Clatsop County in 1991 and is located within the City of Warrenton. Through much effort and coordination, the site is now being developed by the county as an industrial site with the goal of creating family-wage jobs for the lower Columbia River region. It is anticipated that there will be four sub-areas with 117 acres available for business activity. The site has now been designated a Regionally Significant Industrial Area, is certified, and is included in the enterprise zone. The RST is working with the county and state agencies to help with permitting and other development issues. (December 2015)
- 7. Pacific Seafood – Project Milestone:** In June 2013, Pacific Seafood’s Warrenton plant burned to the ground. While insurance will pay for some of the rebuild, there are extraordinary expenses associated with rebuilding the facility along with work to be done on permitting and regulatory issues. Fish and shellfish processing is key to the North Coast economy, and retaining and supporting this industry yields important spillover benefits for the entire region. The team and state agency staff have met with company officers to assess needs, and the North Coast Advisory Committee has allocated \$650,000 of Regional Solutions dollars as part of a larger funding package for the rebuild. (December 2015)
- 8. Port of Tillamook Bay – Alternative Projects – Project Milestone:** Following the December 2007 winter storm that damaged the Tillamook Bay Rail Road, it was determined that rebuilding the railroad was not economically feasible. With the effort of our region’s convener, Senator Johnson, the Oregon Legislature approved match money so the port could leverage Federal Emergency Management Agency reimbursement dollars to fund 18 alternative projects. Close to \$44 million is being invested in infrastructure projects, new construction, and remodeling, including two new business parks. In the short term, over 200 construction jobs have been generated. The port is now positioned to attract new tenants and long-term businesses will receive substantial benefits and business expansion opportunities. To date, the port has completed the majority of the projects with the remaining capital construction projects currently underway. Highlights include the Hooley Digester putting electricity onto the grid, two miles of new waterline added, roads paved, greenhouses operating, and a new Connect Oregon IV grant of \$163,296 as match for a FAA grant to rehabilitate a runway. The team is now helping with stakeholder meetings to assess further development opportunities. (December 2015)
- 9. Rails and Trails Tourism – Project Milestone:** The decision by the Port of Tillamook Bay to not rebuild the railroad following the 2007 storm has created an opportunity to convert the old rail bed from Banks to Tillamook into a mixed use-trail suitable for bike, horse, partial rail, and pedestrian tourism. This multi-year project will increase tourism and create a world-class facility. A feasibility study was completed in March 2013, financed by State Parks, Department of Forestry, and Cycle Oregon and a concept plan has been created. Most recently, a governance structure has been put in place through the work of Oregon Solutions. The Salmonberry Intergovernmental Agency now has the appropriate authority

as a public body to manage and administer the project. An EPA grant is being used to conduct an environmental assessment along the rail corridor within the county and the Port of Tillamook Bay has been awarded a TGM grant for planning. (December 2015)

- 10. Rainier Rail Corridor Safety Project – Project Milestone:** This regional project has become more important as rail traffic has increased along Highway 30 from Multnomah County, through Columbia County, and into Clatsop County. Currently, the P&W rail line runs down the center of the City of Rainier’s main street, with no safety features protecting residents from the train. Following rail safety studies, and various efforts over the past decade, a multi-part rail safety project is underway. Because of the significance of the safety issue, we are using a combination of federal rail safety dollars, a Connect Oregon V Grant, \$2 million of Regional Solutions dollars, as well as city, agency, and private dollars for the project. Preliminary design work has been completed, with ODOT, ODOT Rail, the P&W Railroad, and the City of Rainer all working to refine the design prior to community outreach, final design review, and construction. (December 2015)
- 11. Seaside Wastewater Treatment Plant:** The City of Seaside’s wastewater treatment plant had been affected by coastal erosion and was in jeopardy of failure. The city took emergency measures to temporarily protect the facility by placing rip rap, but this did not solve the problem. A permanent stabilization plan was required to protect their investment and this important part of the city’s infrastructure. With help from the RST, a financing plan was put in place, and the integrity of the facility was restored through construction of a wall to protect the plant. All were pleased that the project came in under the \$800,000 budget at \$760,000. (December 2015)
- 12. Tillamook Flooding – Southern Flow Corridor Project – Project Milestone:** In 2007, Oregon Solutions began the Tillamook Bay Flood Reduction project with the goal of managing the impacts of flooding which had ravaged the county. Project Exodus is the last segment of this project and is designed to reduce the flooding and enhance the estuaries. The county is currently in the Environmental Impact Statement (EIS) phase of the project and has executed property acquisition option agreements to support implementation. The draft EIS has been released, and permit applications have been submitted. Tillamook County has entered DEQ’s Voluntary Cleanup Program to help with a portion of the needed property acquisition. The project will go out for bid in February 2016. This just under \$10 million project includes \$500,000 of Regional Solutions dollars as a part of its mosaic of funding. (December 2015)
- 13. Tillamook Main Street Revitalization – Project Milestone:** The City of Tillamook is facing an exciting time of downtown revitalization. Multiple projects are either underway or anticipated both in and around downtown. Agency coordination continues to be critical to support the city’s success and take advantage of emerging opportunities maximizing the potential of existing public partnerships and private investments. The city has been formally accepted into the Oregon Main Street Program and has completed their downtown strategic plan. Highway 101/6 construction will begin in 2016. (December 2015)

14. Watseco-Barview Water District: Located in Tillamook County between Garibaldi and Rockaway Beach, the Watseco-Barview Water District provides water to approximately 200 customers and all users of the Barview County Park and Camp Magruder. Since 2008, the raw well water has had excess total organic carbon resulting in levels of disinfection by-products that are above the EPA maximum contaminant level. Sampling history suggested that contaminant levels would not drop without action taken by the district. These levels have resulted in a number of documented violations. Also of concern was that the well from which the community draws its water supply had a water supply deficiency. In early 2012, the district secured grant funding from the Infrastructure Finance Authority to analyze alternatives and determined the most effective solution for solving both problems was to connect to the City of Garibaldi. The water district and city entered into a surplus water sale and intertie cost agreement in 2015 and have completed construction on this important project. (December 2015)

Mid Valley Region (Marion, Polk, and Yamhill Counties)

Mid-Valley Regional Solutions Advisory Committee

Senator Jackie Winters, Senate District 10	Convener
Chane Griggs, Oregon Community Foundation	Philanthropic Representative
Jody Christensen, McMinnville Economic Development Partnership	Business Representative
Mayor John McArdle, City of Independence	LOC Representative
Commissioner Craig Pope, Polk County	AOC Representative
Chad Freeman, SEDCOR	Committee Appointment
Commissioner Allen Springer, Yamhill County	Committee Appointment
Commissioner Kevin Cameron, Marion County	Committee Appointment
Julie Huckestein, Chemeketa Community College	Committee Appointment
Steve Powers, City of Salem	Committee Appointment
Mayor Kathryn Figley, City of Woodburn	Committee Appointment
Toby McClary, Confederated Tribes of Grand Ronde	Committee Appointment

Mid-Valley Regional Solutions Team

James LaBar	Governor's Coordinator
Mitchell Gee	Business Oregon, Business Development Officer
Michelle Bilberry	Business Oregon, Infrastructure Finance Authority
Mary Camarata	Department of Environmental Quality
Angela Lazarean	Department of Land Conservation & Development
Tim Potter & Jae Pudewell	Department of Transportation
Kirk Jarvie	Department of State Lands
Ross Kihs	Parks & Recreation Department
Doug Cottam	Department of Fish & Wildlife
Terry Fasel	Department of Agriculture

Mid-Valley Region Projects

- 1. Aurora Airport:** The City of Aurora and Marion County are committed to studying an important and underutilized economic asset – the Aurora State Airport – to make sure it can achieve its highest use potential for local, regional, and state economies. The City of Aurora proposes to evaluate the pros and cons of expanding its urban growth boundary to enable the annexation of the airport. An annexation of the airport would allow the city to provide water and sewer services to the airport, enable more favorable financing and operating paradigms for critical infrastructure, and better equip future airport and business development between the city and the airport. Providing infrastructure to the airport would be a major undertaking for a city of Aurora's size and there are a number of questions that need to be answered before fully committing to this action. The city proposes to proceed in two steps: 1) conduct a preliminary analysis of the needed utility services at the airport and the costs to the city of expanding its capacity to serve airport businesses to determine the

feasibility of servicing the airport and 2) the preparation of an airport-specific Economic Opportunities Analysis (EOA) and other land use planning work required to justify an urban growth boundary expansion, support annexation, and extend infrastructure investments. Regional Solutions is working with the Mid-Willamette Valley Council of Governments, Marion County, and the city to collaboratively and efficiently take these next two steps.

- 2. Carlton Downtown Water System:** The City of Carlton’s major infrastructure issues are inadequate water supply, transmission, and distribution systems. The city’s reservoirs have lost significant capacity and need repair, the transmission line is inadequate, and the distribution lines are undersized and terminate in areas resulting in improper system looping. These deficiencies result in future water supply uncertainty and insufficient fire flows, which has stymied economic development efforts. To alleviate these water system deficiencies, Carlton is analyzing its raw water storage capacity, planning to rehabilitate its concrete reservoir, and working with McMinnville Water and Light to replace an existing inter-tie system. The city has substantially completed its Meadowlake Transmission Line project, which replaced and upsized the infrastructure. Regional Solutions invested \$500,000 in Carlton to improve the downtown distribution system and construction is almost complete. The distribution system investments are connected to the supply and transmission improvements and will open up additional development opportunities downtown and on the north side of town by connecting large vacant commercial properties to the enhanced water systems.
- 3. Independence Waterfront Development:** Over the last 15 years, downtown Independence has experienced a revitalization spurred on by a series of ventures, including municipal investments in a new streetscape for Main Street, a premiere city park and amphitheater, a new civic center, and private investments in downtown buildings and businesses. Adjacent to downtown is the Valley Concrete site, an 18-acre, industrially-zoned property. In early 2015, the city purchased the property and is actively working to bring the concept plan of housing and mixed-use development to fruition. In August 2015, city contractors began the process of clearing and grading the site to make it development-ready. While Independence was preparing the site, asbestos was found throughout the property. The Business Oregon Brownfield Program promptly awarded a grant for its entire cleanup. In November, the city received three responses to a request for statements of qualifications from development teams. The city narrowed the responses and selected Tokola Properties. Regional Solutions will continue to work with Independence and Tokola as the development takes further shape.
- 4. Innovate Yamhill County:** Yamhill County is beginning an effort to explore the feasibility of becoming the first gigabit county. The catalyst for the effort was a private business, Online NW, and a municipality, the City of Dayton, formalizing a revenue sharing agreement to install fiber to the local school and throughout the town. The county-wide effort is being led by Online NW, Innovate Oregon, Yamhill County, Dayton, local school districts, and private businesses. Regional Solutions supported Online NW’s efforts in Dayton with a wide-ranging list of state-agency projects in the Dayton area that could be germane to Online NW’s fiber installation activities. Regional Solutions will continue to support the collaborative, Innovate

Yamhill County, as it develops its strategic plan and kickoff event in early 2016 to provide gigabit internet service throughout the county.

- 5. Marion-Polk Food Share (MPFS) Quinoa Development:** The goals of this project are to provide a nutritious, low cost protein source for the emergency food system; engage incarcerated youth in a vocational education program; and expand agricultural economic development through increased cultivation of quinoa. A contract defining MPFS's partnership with the Oregon Youth Authority has been signed and representatives from the Department of Justice have provided significant guidance, oversight, and input. Regional Solutions invested \$205,000 in the project and MPFS has installed a cold storage unit, acquired a farm-field truck and trailer, and is planning additional structural improvements to facilitate the processing of quinoa. The MPFS also is in their third year of a five year commitment for their agricultural work with quinoa. They are working with NORPAC to see if it can be grown for seed as a better and additional return on investment.
- 6. Mountain West Career Technical Institute (MWCTI) Career Technical Education Center:** This new, state-of-the-art, 150,000 square-foot Career Technical Education Center (CTEC) in Northeast Salem will serve the Salem-Keizer School District, provide regional workforce development opportunities, and contribute to agri-business innovation in the Mid-Valley region. As an innovative public-private partnership between MWCTI and the Salem-Keizer School District, CTEC is focused on helping area students develop academic proficiency, technical skills, and industry certifications, as well as the professional skills needed to assure success in careers and/or college. When fully built out, CTEC will house 10 CTE programs, serving approximately 1,000 students as well as a Professional Development Center. As of September 2015, CTEC opened its first two CTE programs – Residential Construction and Commercial Manufacturing – serving over 160 11th and 12th grade students. Regional Solutions invested \$900,000 into CTEC to purchase equipment for up to four CTE programs, including Agricultural and Food Systems. Regional Solutions, Business Oregon and MWCTI are working on an Intergovernmental Agreement so CTEC may acquire the necessary equipment to open more CTE programs in Fall 2016.
- 7. Newberg Crestview Drive Enhancements:** The Newberg-Dundee By-pass will be changing the traffic patterns in the City of Newberg in 2017. The Crestview Drive project encompasses three segments of a minor arterial roadway, and it will function as a relief valve for the new congestion on the city's local grid system. The improved road would provide an alternative route for more than 1000 A-dec employees and, more importantly, the company's freight movement. The improved road also would improve access and/or open more than 80 acres of land for commercial, retail, and industrial development. The project also would provide increased access to vineyards and wineries north of Newberg and the Allison Inn & Spa, which is Oregon's only five-star hotel. Regional Solutions has invested \$740,000 in the Crestview Drive project to help with construction of Segment 1 as early as FY 16/17 and design work beginning for Segment 2 and 3 in FY 17/18.
- 8. North Santiam Canyon Communities Economic Development Project:** The North Santiam Canyon (NSC) consists of 670 square miles and includes the small cities of Lyons/Mehama,

Mill City, Gates, Detroit, and Idanha. Over the last 25 years, the NSC has experienced severe economic distress fueled by a sharp decline in economic activity. Protection of the Northern Spotted Owl under the Endangered Species Act in 1990, enactment of the Northwest Forest Plan of 1994, and the 1996 Omnibus Parks and Public Lands Management Act greatly contributed to the reduction of new timber sales and, therefore, reduction of employment in the timber industry which has had a profound impact on the ability of local governments in the canyon to provide essential services to their citizens. Regional Solutions has been working with Marion County and the Mid-Willamette Valley Council of Governments on a series of workshops with NSC communities to help them conceptualize and plan as a region. Two recent results of this collaboration are:

- Business Oregon requesting proposals from qualified engineering firms to conduct a regional wastewater and land inventory analysis in the NSC. The call for proposals ends in January 2016.
- DLCD awarded Detroit a quick response grant through the Transportation and Growth Management Program. The city is looking at the feasibility of repurposing their old high school into a central community facility with space for events and other essential services. The central location will promote travel by walking and bicycling as well as by driving. Housing public services in a central location may keep additional trips off of Oregon Route 22. There is also the potential to house offices or events at the facility closer to transportation-disadvantaged clients who may not be able to easily travel to Salem or other locations where services are provided. The site is also located at the end of the newly designated Detroit-Estacada scenic bikeway.

South Valley Region (Benton, Lane, Lincoln, and Linn Counties)

South Valley Regional Solutions Advisory Committee

Senator Lee Beyer, Senate District 6	Convener
Casey Woodard, Casey Woodard Consulting	Philanthropic Representative
Nick Fowler, Orion Ventures	Business Representative
Mayor Kitty Piercy, City of Eugene	LOC Representative
Commissioner William Tucker, Linn County	AOC Representative
Commissioner Annabelle Jaramillo, Benton County	Committee Appointment
Commissioner Doug Hunt, Lincoln County	Committee Appointment
Commissioner Faye Stewart, Lane County	Committee Appointment
Gregory Hamann, Linn-Benton Community College	Committee Appointment
John Pascone, AMEDC	Committee Appointment
Julie Manning, Samaritan Health Services	Committee Appointment
Mary Spilde, Lane Community College	Committee Appointment
Brad Shelton, University of Oregon	Committee Appointment
Mark Lieberman, Oregon State University	Committee Appointment
Birgitte Ryslinge, Oregon Coast Community College	Committee Appointment
Mayor Biff Traber, City of Corvallis	Committee Appointment

South Valley Regional Solutions Team

Jackie Mikalonis	Governor's Coordinator
Sean Stevens	Business Oregon, Business Development Officer
Vacant	Business Oregon, Infrastructure Finance Authority
Mary Camarata	Department of Environmental Quality
Ed Moore	Department of Land Conservation & Development
Jae Pudewell	Department of Transportation
Kim Travis	Housing & Community Services

South Valley Region Projects

- 1. City of Creswell Municipal Landfill:** The Debary Landfill is a former municipal landfill that the city would like to surplus and sell. However, the landfill was not closed under current standards and needs more assessment work prior to the city selling the landfill. There are several willing buyers, pending the outcome of the environmental risk assessment. Regional Solutions responded in the fall of 2014 when the City of Creswell inquired about requirements, and DEQ worked with them to understand the recommendations in the Phase I assessment of the site. DEQ provided the City of Creswell a \$100,000 grant in January 2015 for a Phase II assessment of the municipal landfill, and the City Council authorized the city administrator to execute an IGA with DEQ to manage the Phase II Assessment on the Debary Landfill. DEQ's contractor will be performing the assessment in January 2016. DEQ will continue working with the City of Creswell to understand their options.

- 2. Junction City Business Expansion:** Grain Millers -For more than 20 years, Grain Millers, Inc. has been a leading manufacturer of conventional and organic whole grain ingredients used in cereals, breads, bars, and many other products served around the world. Their on-site blending and retail packaging facilities are located in Eugene and provide a retail-ready product for distribution direct to store shelves. They had planned to expand their enterprise to Junction City, which resulted in a recent UGB expansion. DLCD and a Junction City planner reached out for help from the RST to address the issue of the conditions of approval, which Grain Millers took exception to and indicated the conditions might cloud the deal and result in Grain Millers not building the project. Coordination with DLCD, ODOT, Junction City, Lane County, ODOT, Business Oregon, IFA, Chamber of Commerce, Grain Millers (management, architects, and engineers), and Junction City helped us focus on process improvements and creative but feasible alternatives to the conditions, plus possible funding opportunities. Grain Millers, Lane County, and Junction City were able to find a solution and Grain Millers is proceeding with a permit application for expansion in Junction City.

- 3. Lane County Primary Care Shortage:** Primary care is critical to improve population health. Physicians, physician assistants, and nurse practitioners can provide primary care. There is a documented shortage of physician assistants (PA) and nurse practitioners (NP) in Lane County. Governor Kate Brown designated this effort as an Oregon Solutions project in May 2015. Governor Brown appointed Juine Chada (US Senator Wyden's Office) and Debi Farr (Trillium Community Health Plans Public Affairs Director) as co-conveners to lead a team including Regional Solutions, primary care providers, health care organizations, and higher education organizations to create a plan to increase the number of PAs and NPs delivering primary health care services in Lane County.

The project team initially identified three key areas to focus their efforts: increasing clinical rotation/practicum capacity, locally enhancing student incentives, and exploring whether local didactic classroom capacity was needed in Lane County. During the process a preceptor tax credit was identified as another critical long term solution.

The team developed a Community Action Plan outlining steps needed to solve the problem. The Declaration of Cooperation is a list of commitments designed to successfully implement the plan and was signed in December 2015 by all of the participating organizations.

- 4. Port of Toledo:** Toledo received Oregon Connect funds and RST helped with streamlining the permit process between state and federal agencies for dredging and pile driving that allowed major expansion and a new boat haul-out facility that will enable the port to work on 98% of Oregon's fishing fleet and other vessels. With key funding now in place, the Port of Toledo replaced the boatyard's 600-ton dry dock with a large mobile vessel lift. These improvements allow for full utilization of boatyard property as well as expanded boatyard services. RST worked with Port management on permit facilitation and coordination as well as identifying funding sources for capital expansion projects. An additional 21 pilings were driven upland to support the concrete apron for the approachway to the pier. Additional work will continue on the site to augment the new boat haul out system.

- 5. Regional Accelerator and Innovation Network (RAIN):** By convening local leaders and responding to the Regional Solutions Advisory Committee's priorities and seizing the opportunities presented in the region, the Governor's RST was the catalyst for RAIN. In 2014, RAIN was created in response to the Regional Solutions priorities and to support entrepreneurs in the southern Willamette Valley and mid-Coast region. The aim is to launch early-stage businesses and turn them into high-growth companies that will help generate jobs and prosperity in the region and turn the economy from resource-based to one focused on innovation.

This unique group of higher education, government, philanthropy, and the private sector is working together to create an environment where innovation is encouraged, and where startup and early-stage companies receive the support they need to put down roots in our communities. Initially funded with \$3.75 million from the legislature and a commitment by RAIN partners (OSU, U of O, Corvallis, and Eugene) to match those dollars, this unprecedented Oregon economic development partnership attracted additional partners, including the City of Springfield, Lane County, the Eugene Area Chamber of Commerce, the U of O Foundation, the Lane Workforce Partnership, Benton County, Linn County and private donors.

Together, the RAIN partners supported the excellent work already started by the OSU Advantage Accelerator in 2013. Today, the Advantage Accelerator partners with RAIN Corvallis to further this work. Similarly, in 2014, the RAIN Eugene accelerator was launched. It is managed by the U of O and the Eugene Area Chamber of Commerce.

To date, approximately 50 startup companies have entered the accelerators, receiving intensive classroom education, access to work space, and help with business plan development and evaluation, as well as mentorship by successful entrepreneurs and networking opportunities with professional service providers and potential investors. RAIN companies have created 100.5 new full-time jobs and generated more than \$2 million in new local revenue. RAIN has raised \$10,841,039 in capital from a variety of sources.

RAIN's momentum gained a boost earlier this year when the City of Eugene and the U of O joined forces to begin converting a previously underused downtown building into a permanent home for the RAIN Eugene Accelerator, which will be co-located with the U of O's Tyler Invention Center and the Department of Product Design's Innovation Launch Lab. This innovation hub for local start-ups is intended to create a link between the campus and Eugene-Springfield's growing technology sector. Construction is underway on the Eugene downtown building.

As part of its funding agreement, RAIN matched the state's \$3.75 million investment. In fact, RAIN has exceeded the match by more than 25 percent, including a \$300,000 National Science Foundation Innovation Corps grant recently awarded to the OSU Advantage Accelerator and RAIN Corvallis. The grant will fund curriculum to prepare the region's early-stage companies to participate in an accelerator. OSU is one of only 36 academic

institutions in the nation to be named an NSF Innovation Corps site.

RAIN has also been recognized by the International Town and Gown Association, which honored the initiative with an ImpACT award for the U of O and the region's growing economic development partnership. The award recognizes leaders of innovative initiatives involving city and university partners. During the 2015 session, the Legislature provided RAIN with \$2 million in funding and Regional Solutions facilitated an agreement between RAIN and Business Oregon that outlines the metrics proposed for the biennium.

- The project is supported by the Alice C. Tyler Perpetual Trust, which has backed environmental science projects at the UO for more than a decade. The \$3 million renovation is on budget and on track to be completed by late March or early April.
- Once completed the 12,800-square-foot space will offer an unprecedented amount of flexible space for training, education and support
- RAIN filled a new catalyst manager position that will facilitate the growth of all the companies coming out of the RAIN. The position is instrumental in enhancing the innovation network by assisting emerging business settle and grow in the region.
- RAIN accomplished another goal by partnering with a firm managed by Nitin Rai to develop and manage a seed fund for startups. The group focuses on inclusion, diversity and picking winning startups.
- RAIN expanded its partnerships within the 4 county region and has expanded into rural entrepreneurial outreach in Florence, Newport, and Albany and has plans for Lebanon, Sweet Home, and Brownsville, following investments from Linn County.

6. Swanson Mill Fire – Springfield: Fire raged through the Swanson Plywood and Veneer plant in Springfield in July 2014, leaving an uncertain future for the 33 acre site. The fire destroyed buildings, machinery, and stacks of plywood and lumber. 250 employees lost their jobs immediately and Swanson predicted it would take at least two years to rebuild. After the fire in July 2014, Swanson worked with the Governor's Office, RST, and Business Oregon to investigate permit streamlining and financial incentives to rebuild the mill in Springfield. Swanson's plan included the following:

- Build a state-of-the-art veneer mill to produce high value panel products, both veneer and plywood
- Build new plant within one year
- Anticipate initial production within 18 months and then 6 months to full production
- Incrementally build and increase shifts from 1-2, and then possibly 3 per day
- Targeting 140 or more employees

Business Oregon provided \$400,000 from the Governor's Strategic Reserve Fund to assist with capital improvements and retaining the mill at the current site. Swanson was able to take advantage of the Enterprise fund through the City of Springfield and Lane County, which provided property tax abatement on the new construction. The Lane Workforce Partnership provided dislocation and placement services for mill workers displaced by the fire and offered

services for business recruitment efforts, such as pre-screening to ensure referrals met employer specifications.

The RST coordinated Oregon Building Codes, Lane Regional Air Protection Authority, DEQ, IFA, and the City of Springfield to provide permit streamlining and move the project forward. The RST Coordinator also collaborated with state agencies and local authorities to develop and present a list of incentives available to Swanson to help keep the mill in Springfield. Mill officials worked for weeks to establish new plans and apply for permits. The City of Springfield issued Swanson a \$2 million building permit in August, and an \$11.5 million permit in late October to build the mill's exterior. The total construction cost is expected to exceed \$55 million including equipment.

Swanson plans to add machines and possibly start processing small amounts of lumber while parts of the building are still under construction. Limited production could start in April or May of 2016. Swanson expects all its machines to be operating in late 2016, reaching full production and employment in mid or late 2017.

- 7. Westfir Water Intake:** Westfir is home to approximately 250 people and is located on Highway 58 on the Middle Fork of the Willamette River. The City of Westfir's water intake on the Willamette needed to be moved/lowered because the Willamette River level was not high enough for intake to take in water during a drought. This threatened the availability of municipal water to Westfir residents during the summer of 2014. The RST provided coordination between the City of Westfir, Water Resources, USFS, Business Oregon IFA, Lane County, and others to help streamline a solution and communication between the agencies. Business Oregon's IFA provided a \$62,500 grant and a \$62,500 loan to assist with infrastructure capital improvements and improving the intake location. Oregon Emergency Management provided \$62,500 in grants to pay the IFA loan portion of assistance. Representative Bruce Hanna made the request to the Emergency Board. The city is now in pursuit of an alternative water right as well. Permits were issued and a new water intake system was constructed and is currently operating on the Willamette to serve the residents of Westfir.

North Central Region (Hood River, Sherman, and Wasco Counties)

North Central Regional Solutions Advisory Committee

Mike McArthur, Association of Oregon Counties	Convener
Celeste Hill-Thomas, Mid-Columbia Health Foundation	Philanthropic Representative
Scott Reynier, Columbia River Insurance	Business Representative
Mayor Stephen Lawrence, City of The Dalles	LOC Representative
Commissioner Rod Runyon, Wasco County	AOC Representative
Amanda Hoey, MCEDD	Committee Appointment
Andrea Klaas, Port of The Dalles	Committee Appointment
Barbara Briggs, Briggs Business Consulting	Committee Appointment
Commissioner Maui Meyer, Hood River County	Committee Appointment
Frank Toda, Columbia Gorge Community College	Committee Appointment
Judge Gary Thompson, Sherman County	Committee Appointment
Ken Bailey, Orchard View Farms	Committee Appointment
Mayor Carol MacKenzie, City of Wasco	Committee Appointment

North Central Regional Solutions Team

Kate Sinner	Governor's Coordinator
Carolyn Meece	Business Oregon, Business Development Officer
Loren Shultz	Business Oregon, Infrastructure Finance Authority
Alan Daniels	Department of Environmental Quality
Scott Edelman	Department of Land Conservation & Development
Brad DeHart	Department of Transportation
Kim Travis	Housing & Community Services

North Central Region Projects

- 1. Antelope Water System Improvements:** The City of Antelope has an aged and severely deteriorated water system causing them to be unable to provide safe and reliable drinking water to the residents of the city. In the past ten years, the city water has been tested and found 22 positive test results for total coliform. The system has encountered massive water loss from the aged reservoir to the failing transmission and distribution mains. Antelope was awarded a \$1,023,000 CDBG to make necessary improvements. Funding has been leveraged from the following organizations: IFA, USDA RD, and the Community Development Block Grant. Technical assistance was provided by IFA, the Oregon Health Authority, and the Governor's Office.
- 2. Broadband in Sherman County:** Regional Solutions has secured \$820,000 for broadband expansion in Sherman County. Funds will leverage approximately \$14 million in private and local investments and deliver high speed broadband throughout the county. Technical assistance and funding provided by the following state agencies: Governor's Office; Business Oregon, and ODOT.

- 3. Broadband in Wasco County:** Regional Solutions has secured \$410,000 for broadband expansion in South Wasco County. Funds will leverage local investments. The build will bring high speed broadband to the City of Maupin and surrounding communities. Technical assistance and funding provided by the following state agencies: Governor’s Office; Business Oregon, and ODOT.
- 4. East Side Mt. Hood Forest Collaborative:** In 2015, residents of South Wasco County established an East Side Mt. Hood Forest Collaborative in order to engage all parties in the planning for management of the Barlow Ranger District on the Mt. Hood National Forest. The group secured a \$49,000 grant from ODF/OWEB in December 2015 to advance their collaborative work. Funding partners include: ODF; OWEB; and in-kind donations from the U.S. Forest Service; Wasco County; ODFW, and many local partners.
- 5. Heritage Heights Farmworker Housing Development:** Project will result in 24 units of farmworker housing in The Dalles. Groundbreaking was held in October 2015. Project is financed by OHCS, Energy Trust of Oregon, and USDA.
- 6. Industrial Lands Readiness (Wetlands), Port of The Dalles – Project Milestone:** As an urban hub for the North Central Region, the City of The Dalles contains a substantial portion of the region's industrial land supply with approximately 60 acres of undeveloped and 265 acres of re-developable industrially-zoned land within the urban growth boundary. Because the state and federal wetland permit processes from wetland boundary delineation to permit decision can take six months to one or more years, any efforts to pre-work the wetland challenges will significantly advance readiness of those sites with wetland constraints for industrial development. cursory assessment work done by the DSL in 2010 for 300 acres of zoned industrial land in The Dalles indicates that at least 40 of the acres examined are potentially constrained by wetlands. This project involves pre-working all of the key elements of the wetland permit process for a defined area and securing regulatory approval of that work. Future project developers may then use that work to finalize their own individual permit application and thus receive final approval in a more expedited and predictable time frame. The RST completed the work plan, and a technical advisory committee has participated in negotiations regarding wetland protection and industrial development. A consultant has conducted a study and recommended necessary technical work. The technical advisory committee has finalized the agreement. The Port of The Dalles will consider recommendations in January 2016. If they choose to move forward, state and federal agencies will then complete necessary work to grant a regional general permit. The project leverages funds from: Business Oregon, the Oregon Investment Board, DLCD, DSL, the City of The Dalles, the Port of The Dalles, and the property owners.
- 7. Lower Hanel Mill Industrial Land, Hood River:** Site is one of very few industrially zoned sites in Hood River County. The brownfields on the site have been remediated and DEQ has issued a no further action notice. The port is now moving forward with site preparation and marketing. Funding contributions from: DEQ, Business Oregon, and the Business Oregon Infrastructure Finance Authority.

- 8. Pine Hollow Reservoir Maintenance and Improvements:** Deteriorated boat ramps are a safety concern and there is a lack of general maintenance of reservoir facilities. A community-wide discussion facilitated by Oregon’s Kitchen Table survey work has led to the desire to establish a South Wasco County Parks and Recreation District. State partners include: ODFW, Marine Board, and the Governor’s Office.

- 9. Port of The Dalles, Columbia Gorge Industrial Center - Certified Industrial Site:** The Port of The Dalles developed land for industrial development. The land is located on the river, at the western most point of the port’s property. The site was formally certified as shovel ready for rural industrial, manufacturing, food processing, and warehouse/distribution profiles in January 2016. Funds were contributed from the following: Business Oregon, ODOT, and the Port of The Dalles.

- 10. Workforce Housing in Hood River, Wasco, and Sherman Counties:** The lack of attainable (affordable and market rate) housing is an issue that several partners have been working on for a few years in this region. The RST has worked with the Mid-Columbia Economic Development District to compile a summary of the comprehensive plan provisions related to housing throughout the region, and has funded work by the City of Hood River to better understand the impact of vacation rentals on the available housing inventory. The Governor’s Office, OHCS, and DLCD have assisted in developing the Regional Solutions priority project to show how \$2 million could be invested as seed money for a revolving loan fund to help leverage other funds to develop more attainable housing units in the region. In addition, DLCD funded a buildable lands analysis study for Hood River which was completed in the summer of 2015 and has led to local policy changes to facilitate workforce housing development. The City of The Dalles has followed suit and in December 2015 was notified by DLCD that they were awarded a technical assistance grant in the amount of \$30,000 to conduct a housing needs and buildable lands inventory. In July 2015, the State Legislature provided \$410,000 for workforce housing in Hood River County. Funding has been leveraged from the following organizations: OHCS, Regional Solutions, Oregon Investment Board, Hood River County, City of Hood River, City of The Dalles, Sherman County, and DLCD.

Central Region (Crook, Deschutes, and Jefferson Counties)

Central Regional Solutions Advisory Committee

Michael Hollern, Brooks Resources	Convener
Frances Willis, Oregon Community Foundation	Philanthropic Representative
Amy Tykeson, Bend Broadband	Business Representative
Mayor Betty Roppe, City of Prineville	LOC Representative
Commissioner Alan Unger, Deschutes County	AOC Representative
Andrew Spreadborough, COIC	Committee Appointment
Becky Johnson, OSU Cascades	Committee Appointment
Benny Benson, Energyneering Solutions	Committee Appointment
Commissioner Mae Huston, Jefferson County	Committee Appointment
Commissioner Mike McCabe, Crook County	Committee Appointment
Councilor Victor Chudowsky, City of Bend	Committee Appointment
Lonny Macy, Confederated Tribes of Warm Springs	Committee Appointment
Mayor George Endicott, City of Redmond	Committee Appointment
Mayor Ken Mulenex, City of LaPine	Committee Appointment
Melanie Widmer, Madras Sanitary	Committee Appointment
Roger Lee, EDCO	Committee Appointment

Central Regional Solutions Team

Annette Liebe	Governor's Coordinator
Clark Jackson	Business Oregon, Business Development Officer
Gary Viehdorfer	Business Oregon, Infrastructure Finance Authority
Kelly Hill	Department of Environmental Quality
Scott Edelman	Department of Land Conservation & Development
Rob Hardie	Department of Transportation
Kim Travis	Housing & Community Services
Rob Del Mar	Department of Energy

Central Region Projects

- 1. Arts and Culture:** Supporting arts and culture is a priority in this region. Once the committee identified this priority, the team reviewed each agency's role/contribution to advancing this priority. As a result, ODOT provided \$2,000 to fund the printing of the region's Cultural Byways Brochure. The advisory committee supported the development of a Creative Economy Action Plan. The committee partnered with Arts Central to support the project; the Oregon Cultural Trust provided over \$12,000 in funding for the project; philanthropic donors provided over \$20,000. Project Kick off was November 2015.
- 2. Bend Affordable Housing Project:** As a way to identify opportunities for state agencies to help in addressing regional housing needs, state agencies were asked to provide an inventory of lands they owned that would be suitable for single family and multi-family residential development. ODOT had one residentially zoned lot that was listed for sale. In

early 2015, ODOT and the Regional Coordinator began setting up meetings with local affordable housing advocates to discuss the property and explain how ODOT's surplus property process works. Shortly thereafter, ODOT property management accepted an offer from Habitat for Humanity for the property. Over the next several months, the City of Bend Affordable Housing Manager assisted Habitat for Humanity with securing funding to purchase the property. The property was deeded to Habitat for Humanity in December 2015, and they have indicated they are planning to build a multi-family unit on the site.

- 3. Cascades Campus, Oregon State University (OSU):** The establishment of the four year campus for OSU Cascades is the advisory committee's highest priority. Multiple advisory committee members and state agencies have and are contributing to the success of the project. The advisory committee recommended state funding for OSU's Innovation Center for Entrepreneurship; the legislature awarded \$524,000 for capital construction. The committee also recommended state funding to support the Transformational Transportation system; \$738,000 was awarded to support capital construction elements of the project. State agencies have contributed in the following ways: DLCD and ODOT awarded a transportation growth management grant to the City of Bend to support west side Bend planning (\$257,500). DEQ is providing technical assistance regarding the clean-up needs and funding resources for a former county landfill site. In November 2015, DEQ and Deschutes County entered into an intergovernmental agreement for up to \$100,000 in funding from DEQ's solid waste orphan site account. The funding is for removal and remedial actions associated with a waste processing pilot test. The test is needed to evaluate subsequent mitigation measures. Funding up to the \$100,000 will not have to be repaid by the county. DEQ is also providing technical assistance re: waste water and stormwater technologies in the context of current regulations. DEQ coordinated with the City of Bend and then jointly discussed the regulatory parameters and possibilities with OSU Cascades. ODOE is providing technical assistance regarding energy efficiency for the campus. Multiple agencies are members of the campus planning advisory committee.
- 4. Culver Core:** Culver's economic development strategy includes improving the downtown streetscape. This project involves facilitating the design of drainage system options and evaluating funding opportunities for storm water improvements needed to complete improvements on the other side of the street. DEQ facilitated a number of stakeholder meetings and those present were amenable to developing a solution for the off-site drainage problem. DEQ developed preliminary calculations for the total drainage. In late summer 2015, DEQ and Business Oregon-IFA facilitated a \$15,000 Business Oregon grant that enabled the city to hire an engineer to conduct a feasibility study to address the drainage issues. The engineer completed some initial design work and the city is about to embark on outreach to determine if property owners are willing to participate in some of the design options. The city is eligible for CDBG funds from IFA and will pursue those funds when a construction option is identified.
- 5. Daimler, Madras:** DLCD, DEQ, DSL, and Business OR worked with the company to locate at the Madras Airport. The RST helped the city successfully resolve issues with state rules regarding sewer service outside the urban growth boundary. The city received the green

light to provide sewer service to a critical economic development project at the Madras airport on land that is part of the airport master plan but is outside the UGB. DLCD and DEQ developed options and ultimately were able to collaborate on a creative interpretation of existing rules that allowed the connections to be made. (May 2015) The team also facilitated state funding for transportation as well as sewer and water infrastructure service. (July 2015) (31 new jobs)

- 6. Industrial Lands Readiness:** In order to better understand the regional priority related to the availability of industrial land, the RST met with all jurisdictions in Central Oregon (Madras, Redmond, Prineville, La Pine, Sisters, and Bend) and economic development professionals to review their needs and issues. This led to an inventory of available (vacant and re-developable) industrial lands and identification of high priority sites to invest in improving “marketability.” (September 2013)

Follow up on identified planning and infrastructure priorities is ongoing.

Prineville’s UGB is amended to include reconfigured industrially zoned state (DSL) owned land. (completed) The Madras UGB is evaluated for opportunities to reconfigure industrially zoned land with rail access. Business OR-IFA helped facilitate a \$60K grant for the city to develop an Industrial Site Readiness Plan.

ODOT worked with the City of Redmond to provide vehicular access improvements to Redmond’s industrial land by completing the extension of 9th St. on Redmond’s east side; committed \$1 million to improve traffic flow and access on the south end of Redmond, including the 9th St. project; and ODOT staff worked with Deschutes County and the Federal Highway Administration to initiate and successfully complete the transfer of \$500,000 from a defunct Deschutes County project to the effort to improve traffic flow and access in Redmond. DLCD worked with communities on planning priorities, which include completing the Bend UGB expansion work and realigning Madras and Prineville UGBs as vacant industrial land is depleted.

Redmond has applied for over \$7 million from DEQ’s State Revolving Loan program to help pay for the east side sewer interceptor in Redmond. This infrastructure is critical to serving multiple industrial sites in Redmond.

- 7. La Pine:** The RST conducted an outreach meeting with the City of La Pine and jointly sponsored the October 12, 2015 Rural Resource Forum. The RST is leading follow up on the following priorities: downtown revitalization, sewer infrastructure for Cagle subdivision, and is partnering with US HUD on increasing housing supply. The city received financing from IFA to complete wastewater and water facilities plans. The city received a TGM grant to complete visioning for the downtown and DLCD is working on follow up with code assistance. OHCS is working with USHUD to compile information that will set the foundation for a housing summit in 2016.

- 8. Mirror Pond:** DEQ, ODFW, WRD, DSL, DLCD, Bend Parks and Recreation District, and the City of Bend coordinated over 2015. Throughout the year, the Bend Parks and Recreation District presented the team with preliminary information regarding project alternatives. The team gave the district preliminary feedback, understanding that much more coordination would occur once the district was ready with a preferred alternative. In August 2015, DEQ, ODFW, and WRD met with the district and the city to discuss water rights and liability issues related to the Pacificorp dam. In the last quarter of 2015, the team learned that the project was abandoned.
- 9. Ochoco Lumber Mixed Use Development Site:** This 76-acre project includes the new St. Charles Medical Center site in Prineville, as well as additional surrounding land and a stretch of Ochoco Creek. During 2015, ODOT coordinated with the City, Ochoco Lumber, and its consultant on the design for improvements along Combs Flat Rd/OR380. ODOT secured \$2.6 million for the design and construction of a replacement bridge over Ochoco Creek. ODOT continues to coordinate with Prineville, Ochoco Lumber, and St. Charles to ensure the project is built to standards and on a schedule that works for all stakeholders. Also in 2015, DEQ worked with ODOT, the City, and Ochoco Lumber to discuss construction parameters of the No Further Action for the site. DEQ, ODOT, the City, and Ochoco Lumber explored all funding possibilities and delivered permitting and funding information to Ochoco Lumber. 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.
- 10. Prineville Air Quality and Housing:** DEQ worked with the city and county to get an action plan in place to reduce wood stove and open burning smoke. The community is striving to avoid a nonattainment designation and adopted an action plan. The city/county air quality committee continues to implement that plan. DEQ is assisting with developing agreements with federal partners that engage in prescribed burning. DEQ, OHCS, and ODOE worked with local and federal partners (Neighbor Impact, the city, the county, USDA-RD, local gas and electric companies, etc.) to embark on key life and safety improvements for homes. The project is intended to replace heating systems, conduct weatherization, and address other key life/safety issues needed for workforce housing.
- 11. Prineville Waste Water Treatment/Park Project:** Permit processing and funding with 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 (\$3,5M CWSRF loan issued November 2015). DEQ provided technical assistance and permitting. DEQ worked closely with EPA and the city to enable the issuance of the NPDES Permit Modification that was critical to the success of this project. The permit was issued in late September 2015.
- 12. Quicksilver Contracting:** This La Pine wood products business works on forest stewardship contracts in the Deschutes National Forest. Currently, the facility processes hog fuel and desires to process post and pole, house logs, and possibly pulp. The company's goals include becoming a permanent mill and using all parts of logs so there is no resultant solid waste.

The company requested assistance addressing a contaminated soil issue caused by the release of hydraulic fluid from a previous tenant's debarking machine. The company needed a No Further Action (NFA) determination in order to obtain additional financing. DEQ worked with the company and the contaminated material was excavated and disposed of at Knott Landfill. Follow-up testing showed that no contaminated material was left in place. DEQ issued the company a NFA for the whole site in October 2015. (2015) (45 jobs retained; 6-8 direct new jobs and 4-5 indirect new jobs)

13. Sisters: As a result of outreach meetings with the City of Sisters, the RST helped identify financing for infrastructure to newly annexed airport property and associated industrial development (completed). 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. The team continues to provide technical assistance on land use planning requirements and economic analysis.

14. South Deschutes Groundwater Study and Recommendations: DLCD and DEQ worked with Deschutes County on a land use goal exception to allow sewer service outside the UGB; this is needed to implement local committee recommendations. In 2015, both agencies assisted Deschutes County in the county review of the Goal 11 exception process. The project was reviewed by the County Planning Commission and is currently being reviewed by the Board of Commissioners. Following this review, DLCD and DEQ will next assist Klamath County in processing the review of the exception and the submittal of the application to DLCD. The team kept the Klamath County Commissioners briefed during the year.

15. Unmanned Aerial Vehicle National Test Site Proposal Support: Business Oregon and the RST Coordinator worked with the Economic Development for Central Oregon aviation committee and other potential partners to establish test areas for unmanned systems. Oregon partnered with Alaska and Hawaii to submit a Pan Pacific proposal to the Federal Aviation Administration (FAA). This partnership represented expertise with unmanned aircraft as systems as well as diverse geography. The State of Oregon contributed \$15,000 to the costs of developing the multi-volume proposal. The FAA awarded one of the six national test sites to the Pan Pacific Partnership (AK, OR, & HI). The site on the Warm Springs Reservation is included in this approval (as are sites near Pendleton and Tillamook). (December 2013)

In November of 2014 Oregon Department of Energy staff conducted a walk-through energy audit of the Kah-Nee-Ta facilities. The purpose of the audit was to gather information on how their facility was built and operated and to identify and prioritize potential energy saving upgrades. The site visit was coordinated with Raul Ainardi, the assistant General Manager. The audit demonstrated that there are considerable opportunities for energy saving retrofits at Kah-Nee-Ta. The proposed upgrades associated with development of the unmanned aircraft test range headquarters may present an opportunity to complete energy upgrades. Additional analysis is planned including review of historical energy consumption and the proposed redevelopment plans.

In May 2015, Business Oregon awarded a grant (\$500,000) and a forgivable loan (\$500,000) to the Confederated Tribes of Warm Springs for the UAV test range in the amount of \$500,000 (SRF will also be \$500,000). The tribes are investing \$270,000 in the facility.

South Central Region (Klamath and Lake Counties)

South Central Regional Solutions Advisory Committee

Jane O’Keeffe, O’Keeffe Family Ranch	Convener
Charles Massie, Klamath County Chamber of Commerce	Philanthropic Representative
Bridgette Griffin, Washington Federal	Business Representative
Councilor Trish Seiler, City of Klamath Falls	LOC Representative
Commissioner Bradley Winters, Lake County	AOC Representative
Chris Maples, Oregon Institute of Technology	Committee Appointment
Commissioner Jim Bellet, Klamath County	Committee Appointment
Councilor Ken McCoy, City of Bonanza	Committee Appointment
Ed Case, Klamath Tribes	Committee Appointment
Jim Walls, Lake County Resources Initiative	Committee Appointment
Peter West, Energy Trust of Oregon	Committee Appointment
Ray Simms, City of Lakeview	Committee Appointment

South Central Regional Solutions Team

Annette Liebe	Governor’s Coordinator
Larry Holzgang	Business Oregon, Business Development Officer
Mary Baker	Business Oregon, Infrastructure Finance Authority
Kelly Potter	Department of Environmental Quality
Jon Jinings	Department of Land Conservation & Development
Butch Hansen	Department of Transportation
Kenny La Point	Housing & Community Services
Rob Del Mar	Department of Energy

South Central Region Projects

- 1. Chiloquin Skate Park:** School officials and local partners identified this project as a way to promote health and community engagement with youth in Chiloquin. Oregon State Parks and DLCD worked together to identify funding sources for the \$98,000 project; the school district was successful in receiving a \$75,000 State Parks Grant. Chiloquin School, City of Chiloquin, Tony Hawk Foundation, and Jeld Wen Foundation are all partners in the project.
- 2. Crater Lake-Klamath Regional Airport ESA Issues:** The airport is one of the more prevalent habitats for endangered Milk Vetch, which is a state-listed species. The airport has nearly \$7.5 million in FAA funds allocated to runway improvement projects, which will enhance safety at the airport and retain aviation-related and emergency response (fire) related jobs. An environmental consultation was required by FAA before work could proceed on the capital projects, slated for a spring 2015 start date. With Regional Solutions’ assistance, the Oregon Department of Agriculture developed a work plan and cost estimate for the work, and Business Oregon evaluated the proposal and funded the environmental consultation work. The EA work was completed at the end of 2014, and the runway improvements are now underway.

The airport is a major economic force in the Klamath Falls community. It is home to the Army National Guard, the second-largest employer in Klamath Falls, with approximately 900 workers at the adjacent Kingsley Field, an indirect job creation in the Klamath Falls community of 268, and an estimated Oregon economic impact of roughly \$118 million (2014, Oregon Aviation Department). The taxiway improvements will allow the Guard to safely continue operations. According to the City of Klamath Falls, the airport provides 750 jobs, either at the airport or within the community, in aviation-related businesses and industries located on or adjacent to the field. The airport produces over \$85 million in economic impacts for the Klamath Basin, and it was critical that the consultation work begin so the federal investment could begin in a timely manner.

- 3. Crescent Waste Water Treatment System:** The Crescent Sanitary District (CSD) has been working for several years to resolve public health concerns related to their failing waste water treatment plant. Due to technical and funding assistance from the Department of Environmental Quality and Business Oregon's Infrastructure Finance Authority, the CSD has made remarkable progress. DEQ and OBDD/IFA approved the CSD's facilities plan in May 2015. Second draft of environmental report received by IFA on January 4, 2016 for review. IFA awarded CSD a \$40,000 grant to compete these two reports, which is being matched with \$19,000 of local funds.

The RST (DEQ, OBDD/IFA, ODF, and DLCD) have been meeting consistently with the CSD since January 2015 to make recommendations on their facilities planning, advise on the best strategy for locating their facility on ODF-owned property (including a process to transfer the land and subsequent zoning applications), and on project financing. Extensive work has been completed by the CSD Board to fulfill its own legal requirements and pursue a path forward recommended by the RST. The district has contracted with PSU to conduct an income survey to determine eligibility for a Community Development Block Grant. This is a complex project and will require approval by the Oregon Board of Forestry in order to proceed, with a board meeting likely to be scheduled in spring 2016.

- 4. Innovation and Learning Center in Lakeview:** In March 2013, the governor designated the Innovation and Learning Center (ILC), based at the Daly Middle School in Lakeview, as an Oregon Solutions project. This collaborative effort between the Lake County Renewable Energy Working Group, Klamath Community College, and the Lake County School District #7 is facilitating a wide range of innovative learning opportunities for both Lake and Klamath County residents. The ILC brings the advantages of distance learning—live, real time video connection between instructors and students—to residents of Lake County, allowing dual credit offerings for secondary students and college level courses for all age groups, as well as offering a 5th year degree for high school students, through Klamath Community College. The remodeled Daly Middle School is also heated with Lake County's geothermal heat source, furthering energy efficiency and capitalizing on long-term energy cost savings. The ILC grand opening was in June 2014; over the past year, the ILC has been full to capacity with 60 full time students registered, working towards 5th year advanced degrees and Associate Degrees. This project was part of a Regional Solutions priority project funding

request (\$500,000) from the South Central Regional Solutions Advisory Committee and meets the 40/40/20 goals for education as well as furthering workforce development. In June 2015, the ILC saw 2 graduates from Lakeview accepted into the RN Nursing program at OIT, and there are 9 students earning certified welding classes. The Lake County School District and IFA executed the agreement for the Regional Solutions funding in April 2015. District entered into contracts with AES engineering for program management, Pinnacle Architecture for interior finish design, and ZCS engineering for elevator design. Elevator construction contract advertised for bid December 15, 2015. Bid due date was extended to January 14, 2016, due to some difficulties receiving bids from sub-contractors. This innovative partnership is allowing students in this remote area, who may not earn advanced degrees otherwise, to gain valuable skills and degrees.

- 5. Klamath Downtown Revitalization:** The RST is assisting the City of Klamath Falls and Klamath Falls Downtown Association with ongoing work with the Oregon Main Street Program, Ford Family Foundation, and RDI to improve downtown economic opportunities, housing, bicycle and pedestrian circulation, and aesthetics. Much of this coordination and assistance is ongoing - the city may apply for a TGM Education and Outreach grant, or wait and apply for a larger technical assistance grant through DLCD to look at a full-scale downtown plan.
- 6. Klamath Falls Brett Way Extension:** RST has been working to identify and secure state permits/approvals needed for construction of a new road to increase safety and serve future industrial uses. ODOT has been working closely with the City of Klamath Falls to encourage the city to install wet utilities in the right of way. DLCD and ODOT worked to address land use issues and federal Clean Air Act requirements.
- 7. Klamath Falls Trail Plan:** The City of Klamath Falls has been seeking opportunities to increase biking trails throughout their area. In 2015, ODOT and DLCD worked to provide a transportation growth management grant to develop a trail plan for Klamath Falls. Partners include Klamath Trail Alliance and the City of Klamath Falls.
- 8. Klamath Falls Wastewater Reuse Project:** The City of Klamath Falls would like to explore reuse of their wastewater (500,000 GPD of treated wastewater) to irrigate the city's parks, cemetery, and golf course. RST is assisting through technical assistance (DEQ), possible funding (WRD feasibility study grant, and IFA grants/loans), and recommendations for the project to proceed. RST convened an initial meeting with the city in May 2015, with another in early July. There is great enthusiasm around this project.
- 9. Lake and Klamath Counties - Reduce Economic Development Barriers by Improving Air Quality:** Through this project, uncertified wood stoves will be replaced (and energy efficiency in homes in Lake and Klamath Counties increased) in order to reduce barriers to economic development and public health exposures from violations of the air quality standards. Because of the region's status as non-attainment for air quality standards, businesses have issues obtaining air quality permits for new business and expansions. One of the primary sources for the poor air quality are uncertified wood stoves. The RST assisted

the project partners to establish a woodstove replacement and energy efficiency/weatherization program through the South Central Oregon Economic Development District (SCOEDD) and Klamath Lake Community Assistance Service, with guidance from DEQ, ODOE, and OHCS. Additional partners include the Oregon Health Authority, Lake County, Klamath County, City of Klamath Falls, Town of Lakeview, Klamath Lake Community Assistance Service, Oregon Human Development Corporation, Lake County Resources Initiative, and private businesses. To establish the program, the project partners received over \$415,000 in funding from a combination of ODOE funding (\$233,000), Oregon Health Authority funding (\$100,000), and DEQ Special Environmental Project funding (\$82,000).

In 2013, 45 uncertified woodstoves were replaced with certified stoves in Lakeview and 25 were replaced in Klamath Falls. Additionally, a total of 43 homes (20 in Lakeview and 23 in Klamath Falls) were improved through weather stripping, caulking, mechanical venting, and installing attic and floor insulation. The South Central Regional Solutions Advisory Committee acknowledged the need for assistance to the region in order to advance business and workforce, and improve housing stock, and prioritized the project for Regional Solutions priority funding by allocating \$1.5 million to the project. Regional Solutions and IFA negotiated the project scope of work and agreement for the funds with SCOEDD, DEQ, ODOE, and local partners, which was executed in April 2015.

10. Lake Ewauna Trail: The RST is working with EPA on brownfield issues at the site; DEQ is using EPA funds to do soil testing and analysis; and ODOT is acquiring a right-of-way and working with the city on design.

11. Lakeview Small Data Center: RST provided technical assistance to a private developer interested in developing a small data center with an on-site 2 MW geothermal power plant. The power plant was intended to be private only and used to power the data center. RST provided technical assistance and investigated permitting and funding information, and provided all information to the developer.

12. North Ridge Estates Superfund Site Interagency Land Exchange, Klamath Falls: North Ridge Estates is a subdivision in Klamath County, developed with approximately 22 homes and a small apartment complex. The site was developed with a number of uses in the past, including the Oregon State Hospital and the former Oregon Technology Institute (now Oregon Institute of Technology). Like many buildings constructed prior to 1970, the buildings and associated underground steam heating pipe were asbestos-laden, and when the property was developed as a subdivision the asbestos abatement was handled improperly. In August 2010, the State of Oregon exercised its one lifetime option to nominate a contaminated property to the National Priorities List (NPL). In March 2011, the Environmental Protection Agency (EPA) proposed listing the North Ridge Estates site to the NPL, and it became officially listed on September 16, 2011.

As part of a Superfund cleanup action, the state is required to pay a 10% match of the actual cleanup costs. The EPA has estimated the total cleanup effort at North Ridge Estates

to be approximately \$29.9 million. Instead of a hard match, the RST executed a land exchange between ODOT and DSL that will provide for the clean-up and serve as a substantial portion of the state's in-kind match under the Superfund rules. The RST worked to locate the state owned lands and substantiate the volumes of material that are available on the property. The RST also worked to facilitate the use of up to approximately 320,000 cubic yards of clean fill material for the remediation. Because of regulations governing disposal and use of DSL-owned property, the agency needed to transfer the site to other ownership. ODOT was interested in obtaining jurisdiction of the site. In 2013 the phase 1 agreement between ODOT, DEQ, and DSL was signed. DEQ and EPA successfully negotiated the use of the site for much of the remediation, which will allow this and related in kind contributions to meet a portion of the state's 10% match liability, and the RST worked with the three agencies to complete the land exchange. The State Land Board approved the exchange on June 10, 2014. The remediation is estimated to begin in spring 2016, and DEQ continues to work with EPA on the elements of the remediation plan. The RST continues to facilitate the details surrounding use of the property (easements, road construction, etc.). The project will clean up a public health issue, put properties back on the tax rolls for the county, and save the state funds. The actual remediation will also employ approximately 300 construction workers over approximately three construction seasons.

13. OC&E Trail Paving & Safety Enhancements: RST worked to identify funding opportunities. State Parks worked with ODOT to secure \$640,000 of flex funds. Funds will be focused on improving safety at intersections/crossings in town and safety accommodations.

14. Paisley Broadband: RST provided assistance with procuring broadband to Paisley via an existing OPB radio tower and local service provider. Access to higher-speed broadband allows Paisley to link into the Innovation and Learning Center in Lakeview to allow students to participate in synchronous video classrooms, and increases capacity for economic development in this small town.

15. Red Rock Biofuels: Red Rock Biofuels (RRB) is a Colorado company constructing a \$200 million biofuels refinery in Lakeview, funded with a \$70 million federal Department of Defense grant and private investors. Once operational, the facility will employ 25-30 full time, with 55-60 indirect jobs created in the nearby Fremont-Winema National Forest; 250 jobs are estimated for construction. RRB intends to convert 140,000 BDTs of woody biomass (along with juniper and other sources) into 14 million GPY of renewable jet fuel, diesel, and naphtha fuels. In order to construct the facility in Lakeview, the RST is coordinating RRB's state permits, including: DEQ Air Quality Permit; DSL wetland permits (2 applications needed - one is approved, and RRB will submit 2nd permit app to DSL and Army Corps in August); and UGB Exchange/Amendment with guidance from DLCD (initial land use application approved Jan. 2015. RRB intends to annex to the Town of Lakeview and use city water/sewer. The RST has been convening regular calls with the company, town, county, and state agencies to ensure good coordination on the various state approvals. The land use application was filed by the town and county with DLCD December 2015; the town also filed a pre-application for Special Public Works Funds for sewer and water to the site. After reviewing the pre-application, the town was invited to submit an application. The

Environmental Assessment was published for public review and comment December 2015. The town and county approved the Enterprise Zone Agreement December 2015. They are on target to be operational in 2016.

16. Technical Assistance to Small Communities: As a result of RST outreach meetings, funding was secured for water master planning work in Bonanza, Malin, Merrill, and Chiloquin. The RST will review these plans and provide technical assistance regarding funding opportunities.

South Coast-Umpqua Region (Coos, Curry, and Douglas Counties)

South Coast Regional Solutions Advisory Committee

Commissioner Keith Tymchuk, Port of Umpqua	Convener
James Seely, Wild Rivers Coast Alliance	Philanthropic Representative
David Kronsteiner, West Coast Contractors	Business Representative
Mayor Crystal Shoji, City of Coos Bay	LOC Representative
Commissioner John Sweet, Coos County	Committee Appointment
Commissioner Susan Brown, Curry County	Committee Appointment
Commissioner Susan Morgan, Douglas County	Committee Appointment

South Coast Regional Solutions Team

Jeff Griffin	Governor's Coordinator
Chris Claflin	Business Oregon, Business Development Officer
Becky Bryant	Business Oregon, Infrastructure Finance Authority
Kate Jackson	Department of Environmental Quality
Dave Perry	Department of Land Conservation & Development
Mark Usselman	Department of Transportation

South Coast Region Projects

- 1. Brookings Co-Generation Resiliency Project:** City of Brookings and South Coast Lumber are evaluating whether a biomass-fueled combined heat and power plant could provide resiliency for medium to long term emergency electricity outages. RST hosted an initial meeting involving Business Oregon, Department of Energy, Department of Forestry, and Department of Environmental Quality Air Quality. Department of Energy is working with South Coast, their consultant, and Washington State University to evaluate the best size of CHP plant that will be cost effective for the company while also providing emergency electric power to critical facilities in the City of Brookings. This project was envisioned during the HUD Disaster Resilience grant application process and was not adequately developed to qualify for funding.
- 2. Cannery at Port of Port Orford:** The primary building at the Port of Port Orford, known as the Cannery, has been in major disrepair for many years, with further damage sustained during recent high wind and wave events. The Cannery provides space for live fish holding tanks, storage and fish processing. Building replacement and expansion is needed to support the port activities. Funding has recently been secured through the legislature for building replacement and the port is starting a process to evaluate building and site design options.

Milestone: IFA funds are supporting the design feasibility work, product anticipated in March 2016. One-stop meeting will include options for federal (EDA) funding to supplement state funds. DSL worked with the Port on future lease payment options for filled lands that comprise some of the dock space.

3. **Coos Head Master Planning:** Provided assistance on soil remediation, land use, and transportation alternatives to the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Tribe and funding assistance to start master planning work for the redevelopment of the tribe's 43 acre property on Coos Head.

Milestones

- A. TGM funding approved in spring 2015 to start laying out land use scenarios and hold community workshops.
- B. The IGA has been drafted, but differences remain regarding the scope of work. TGM and Tribal staff are working to resolve those issues. Once agreement is obtained, the Tribal Council will need to approve the IGA. Community workshops to review and discuss land use scenarios may begin in winter 2016.

4. **Housing Stock Upgrade Initiative:** Neighbor Works Umpqua Re-Home program will assess, rehab, and replace substandard manufactured homes in rural SW Oregon. Through Re-Home Oregon, more than a dozen local, state, federal, and private organizations (Meyer Memorial Trust, St. Vincent De Paul of Lane County, CASA of Oregon, Network for Oregon Affordable Housing) are pooling funding and expertise to help Curry County homeowners upgrade their substandard manufactured housing while creating jobs, saving energy, and protecting the environment. These old trailers/mobile homes are unsafe, pose several health issues, and have high energy/utility costs, yet are a primary source of affordable housing for many rural communities. As the initiative continues to add partners and resources, ReHome Oregon anticipates expanding the program to other parts of the state and adding additional assistance options. The RST worked to expand NW Umpqua's initial efforts and created a pilot project with Curry County facilitated by Oregon Solutions.

Milestones

- A. On May 1, 2015 the State Housing Council awarded NW Umpqua \$145,000 of HOAP funds to replace 13 old trailers/mobile homes with new Energy Star rated manufactured homes in Curry County on owner occupied land. The project partners with numerous other funding sources to meet the needs of total replacement and costs associated with preparing the land for the new manufactured home.
- B. Two homes have been replaced and two more families are completing the application process with construction to start in Q1 2016. Poor experience with the provider of the first two manufactured homes led Neighborworks Umpqua to consider a different modular home builder.
- C. The collaborative group discovered widespread reluctance to incur any amortized debt on the part of manufactured home inhabitants. In response, a statewide survey of MFH residents has been commissioned through Portland State University to assess the scope of the market for home replacements and barriers to participation.
- D. CDBG funds for a rehabilitation program targeted at Curry County MFH residents have been released. These funds can be used for repairs to homes in parks as well as on private property. Nine homes of an intended 30 homes have been identified and funded.

- E. OR USDA RD has applied to participate in a pilot program that would allow them to make mortgages on MFHs on leased land (as in parks). This will be a significant step forward toward serving the mobile home park market.

5. Permit Coordination and Equipment for Port Managed Dredging: Both navigational channel and inner harbor dredging remains vital for the operation of coastal ports. While the US Army Corps of Engineers plans for and manages permitting for dredge work within the federal navigational channels along Oregon’s coast, ports are in charge of planning and permitting dredging activity within the marinas, around the docks and fuel stations, boat launches, ice houses, and other areas adjacent to the federal navigational channels. Permitting this activity is extremely complex and time consuming. Private contracting for dredge work along the south can be cost prohibitive. In early 2013, the RST initiated a partnership with the South Coast Ports to provide technical and funding assistance on permitting and equipment.

Milestones

- A. Most of the background work required for joint state/federal applications was completed this spring/summer for many ports along the Oregon Coast. The Port of Bandon has worked through all sediment testing and disposal plans with PSET, and obtained the final USACE permit in September.
- B. DSL has initiated rulemaking to create a new DSL General Permit to provide quick turnaround state authorization for certain maintenance dredging projects in as little as 40 days. This new streamlined permitting option is expected to be available in time for the winter 2016-2017 coastal dredging season. DSL is also coordinating with the USACE for the development of a parallel Federal Regional Permit.
- C. A portable hydraulic cutter head suction dredge was contracted in May 2015 for purchase through a process that included DAS Procurement, OBDD (IFA), and South Coast Ports. By late summer, an intergovernmental agreement was completed between the state and the ports for use and operations, and through the fall 2015, the Port of Brookings Harbor, as the dredge operator, completed training and began dredge operations at the Port of Bandon.

6. Wetland Mitigation Banking and Community Development Opportunities for Douglas County: The RST is seeking to help the county develop new wetland mitigation options to the area; this will provide both economic and environmental benefits to the region.

Milestones

- A. DLCD is providing funding and technical assistance to Sutherlin to develop an Economic Opportunity Analysis to identify ways to resolve questions about wetland constrained industrial parcels while also defining community strengths and challenges in recruiting new industry. (Spring 2015)
- B. DSL is working with the City of Sutherlin and a private landowner to create a new, DSL-administered wetland mitigation bank capable of serving regional mitigation needs. This project also has the potential to recover an ESA-listed plant species.

Southern Region (Jackson and Josephine Counties)

Southern Regional Solutions Advisory Committee

Bill Thorndike, Medford Fabrication	Convener
Emily Mostue, The Carpenter Foundation	Philanthropic Representative
Steve Roe, Roe Motors	Business Representative
Councilor Jonathan Bilden, City of Eagle Point	LOC Representative
Commissioner Rick Dyer, Jackson County	AOC Representative
Commissioner Simon Hare, Josephine County	Committee Appointment
John Roberts, Oregon Water Resources Commission	Committee Appointment
Peter Angstadt, Rogue Community College	Committee Appointment

Southern Regional Solutions Team

Jeff Griffin	Governor's Coordinator
Larry Holzgang	Business Oregon, Business Development Officer
Mary Baker	Business Oregon, Infrastructure Finance Authority
Kate Jackson	Department of Environmental Quality
Josh LeBombard	Department of Land Conservation & Development
Art Anderson	Department of Transportation

Southern Region Projects

- 1. Blackwell Road Interchange:** Trucking industry expanding/relocating into the Blackwell interchange area (I-5 Exit 35) after adoption of the long range land use plan and the Highway 140 Corridor Plan. Allows local trucking distribution firm to have more efficient access to I-5, decreases shipping costs, reduces air shed impacts and allows for future expansion. RST assisting with land use, transportation issues, and utility finance (IFA SPWF). A \$5M 2018 STIP project to enhance Blackwell Road coming off the interchange is planned.

Milestone: Design of the \$5M 2018 STIP project to enhance I-5 Exit 35 and Blackwell Road commenced this summer. Construction is slated to begin spring/summer of 2018. Business Oregon IFA is working with the City of Central Point and a local trucking operation on financing utility lines to the expanded area that is now within the city's urban growth area.

- 2. Food Hub:** Fry Family Farm, based in Medford, plans to begin construction this fall on a regional food hub facility (Food Hub). This facility will serve certified organic growers in the Rogue Valley. The Food Hub will address the absence of post-harvest handling capacity in the Rogue Valley, enabling family-owned certified organic farms in the region the opportunity to process and store their crops in a manner that satisfies the specifications imposed by wholesale market customers and to create value-added products that can be marketed locally. The Food Hub will include a temperature controlled facility (Handling Facility) that will wash, sort, and pack regionally-sourced farm products, a commercial kitchen, and a farm stand. The facilities will be operated in compliance with Good Agricultural Practices and Good Handling Practice standards. The

RST (along with Jackson County and 1000 Friends) is providing technical assistance on land use approval, and financial assistance was proposed by the RSAC for the shared Hub components via the priority implementation project proposals.

Milestone: Land use requirements completed in October with DLCD technical assistance. RST priority implementation funds awarded and contracted to the Rogue Valley Council of Governments for local disbursement. USDA, Farm Credit, and private and philanthropic funding sources also secured.

3. **Grants Pass Airport Expansion:** RST is helping the Grants Pass Airport move forward with the environmental review and design of a new parallel taxiway at their airport. The taxiway is needed for both safety concerns and future development. The RST worked on obtaining gap/catalyst funding of the taxiway design via Priority Implementation Funding.

Milestones

- A. The 2015 legislature provided RST Priority Project Implementation match funds for the engineering design and permitting of the East Side Taxiway. The project is now time sensitive, so the IFA is working with the county airport manager to process application materials that will allow bridge funds to be awarded prior to the RST funding release which awaits a 2017 bond sale.
- B. DSL provided wetland technical assistance and a determination that the project area was clear and had no wetland permitting requirements.
- C. Because of the state's investment, the FAA agreed to support \$1.5M for construction activities once the environmental and design work are complete. (Fall 2015)

4. **North Valley Industrial Park Infrastructure:** This industrial park represents practically the only available acreage for business expansion in unincorporated Josephine County. The park relies on a collection system operated by the county and a sewer plant operated by Three Rivers School District. The plant has no additional capacity, hampering expansion of the many industries located in the park. RST has been assisting with environmental and funding TA.

Milestones

- A. OBDD-IFA awarded a \$60,000 grant, which will be combined with \$40,000 from the county, to prepare a preliminary engineering report on June 2, 2015.
- B. Josephine County awarded the project to Civil West Engineering Services, Inc. in November 2015.

5. **Project Thermal:** This is a business expansion project and unique partnership potentially utilizing an available thermal energy system to offset operating costs. RST agencies are assisting with financing tools and a feasibility analysis.

Milestone: In June, the Oregon Department of Energy completed an energy feasibility analysis with the partners and determined viability. The project is ready for next steps.

- 6. Rogue River Access, Josephine County and Grants Pass:** Josephine County and the City of Grants Pass are working on the development of a joint strategic plan. RST is working with them to recognize the economic value of Rogue River access in terms of fishing and wildlife viewing opportunity. Josephine County owns and manages 6 county parks arrayed along a 30 mile reach of the Rogue River, all of which have boat ramps and other facilities and are used all year for river access. ODFW partnered with Travel Oregon and Dean Runyan and Associates in developing estimates of the economic value of hunting, fishing, and wildlife viewing in Oregon by county in 2008. The estimated value (both travel and local) of fishing in Josephine County for that year was estimated to be \$5,032,406; the value for wildlife viewing was estimated to be \$7,342,660. RST wants to help planners and managers understand the economic potential of these activities and protect river access.

Milestone: ODFW staff presented these values and concepts to the Josephine County Board of Commissioners in December 2015.

- 7. Southern Oregon Rail Service:** The Siskiyou Rail Revitalization project is an RST initiated TIGER grant to reestablish railroad freight operations between Douglas County and through the Siskiyou, to Weed, CA. Work included tunnel, bridge, and track repairs in two states. Total project cost is \$13.2M, with a FY12 TIGER Discretionary Grant of \$7.2M, \$70K from ODOT Rail, \$20K from Douglas County, \$10K from Jackson County, and the remainder from CORP. Startup of the line is slated for November 2015. This was a joint effort between RST, Douglas County, Jackson County, Siskiyou County, CORP, and Roseburg wood product companies.

Milestone: The ribbon cutting for completion of the TIGER project occurred November 10, 2015, with a wide range of VIPs attending. Operations on the newly repaired line commenced in November. The line is in operation.

- 8. Water for Irrigation, Streams, and the Economy (WISE):** This long term project supports regional agriculture and aquatic habitat through piping the irrigation water delivery system and subsequent water conservation (estimated 30,000 acre feet annually). The project will replace the current open-ditch system with a piped, pressurized system and install in-line hydropower generation. The project is essential to the continuing viability of the agricultural industry in the area because of competing pressures on the water supply, environmental issues, and the periodic occurrence of drought.

Milestones

- A. WRD funded cost benefit study analysis review draft completed in June 2015. Results show overall benefit to agriculture and recreation in the region.
- B. Oregon Solutions 2012 Project Reconvene Meeting held Dec. 14, 2015 with project manager Jim Jacks and Convener Rep. Peter Buckley. Fifty-four people attended. Key take-aways include governance work and water rights analysis should proceed concurrently with the Feasibility Study underway now.

- 9. White-Water Park at Ti'lomikh Falls:** Ti'lomikh Falls has the makings of one of the best natural whitewater parks in the world. It has the characteristics of an Olympic slalom course (length, water flow, and drop) and has been endorsed by USA Canoe/Kayak, the governing body of Olympic kayaking. The economic impact of the Whitewater Park has been estimated by SOREDI to be \$7 million per year. In addition to the draw from outside the region, the park will provide an accessible, exciting outdoor recreational challenge to local youth. RST has been assisting with environmental permitting assessment and funding evaluation.

Milestone: During the summer of 2015, the project was awarded RST Priority Implementation Funds to complete preliminary engineering for the project design. It also received matching funds from the Oregon Community Foundation to complete river bottom mapping work during the low flow periods in the fall.

Greater Eastern Region (Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, and Wheeler Counties)

Greater Eastern Regional Solutions Advisory Committee

Cam Preus, Blue Mountain Community College	Convener
Timothy Mabry, Oregon Community Foundation	Philanthropic Representative
Donald Rice, Greenwood Resources	Business Representative
Mayor Phillip Houk, City of Pendleton	LOC Representative
Judge Steven Shaffer, Gilliam County	AOC Representative
Bob Levy, Windy River Farms	Committee Appointment
Commissioner Bill Elfering, Umatilla County	Committee Appointment
Commissioner Boyd Britton, Grant County	Committee Appointment
Dave Tovey, Confederated Tribes of the Umatilla	Committee Appointment
Fred Flippence, Harney Electric	Committee Appointment
Judge Chris Perry, Wheeler County	Committee Appointment
Judge Dan Joyce, Malheur County	Committee Appointment
Judge Steve Grasty, Harney County	Committee Appointment
Judge Terry Tallman, Morrow County	Committee Appointment
Mayor Mike McLaughlin, City of Vale	Committee Appointment

Greater Eastern Regional Solutions Team

Scott Fairley	Governor's Coordinator
Melisa Drugge	Business Oregon, Business Development Officer
Tawni Bean	Business Oregon, Infrastructure Finance Authority
Randy Jones	Department of Environmental Quality
Grant Young	Department of Land Conservation & Development
Craig Sipp	Department of Transportation
Kim Travis	Housing & Community Services

Greater Eastern Region Projects

1. **395 Length Restriction Removal – Project Completion:** There is a need to remove the 48 foot length restrictions along US 395 corridor from Mt. Vernon to Pendleton to allow more cost effective movement of freight in the corridor. ODOT widened a curve near Dale and installed Intelligent Transportation Systems to allow the removal of the length restriction. A pilot program has been underway since 2013 with multiple carrier passage being monitored to ensure safety. Based on a final evaluation of length restrictions completed in July 2015 the length restriction was removed. (July 2015)

2. **Biomass Breakdown Facility – Project Milestone:** Iron Triangle has the contract for the 10 year stewardship contract on the Malheur National Forest and is developing a biomass breakdown facility to efficiently handle non-saw biomass. The breakdown facility reduce the costs of processing and transporting biomass allowing for additional forest treatments that

will improve forest health and support local forest products processing infrastructure. The project received \$811, 800 from the Regional Infrastructure fund. Contracting is underway. (December 2015)

- 3. Blue Mountain Forest Partners Collaborative Assistance – New Project:** RST Rare Participant will provide assistance creating communication materials for the collaborative and in applying for data collection and facilitation grants. (December 2015)
- 4. Calico Resource Grassy Mountain Mine – Project Milestone:** Project intends the development of gold resources at the underground Grassy Mountain Mine near Vale. Project Coordinating and Technical Advisory Teams will help guide project permitting, review, and reclamation. Company estimates ground-breaking in spring 2017. DOGAMI has secured geochemical consulting services to aid in project reviews. Calico has submitted, and the state has reviewed, all baseline data studies – pre-application is complete. A consolidated permit application is anticipated in mid–late 2016. (October 2016)
- 5. Community Development Block Grant Income Surveys – Project Milestone:** RST RARE participant is guiding communities through the CDBG community income survey process to determine if they are eligible for federal grant funding for public works projects. Vale, Seneca, and Mt Vernon have completed surveys. Echo and Monument surveys are underway. (December 2016)
- 6. Cottonwood Crossing Summer Institute – Project Milestone:** Eastern Oregon University (EOU) in partnership with Oregon State Parks is launching the new Cottonwood Crossing Summer Institute (CCSI). Direct connection will be made to high schools in the John Day River basin where students and teachers will be offered academic and educational credit for attendance. The first classes were held June 19 – 14, 2015. (July 2015)
- 7. Grant County Fire Response – New Project:** The 2015 Canyon Complex Fire in Grant County burned over 40 homes and severely damaged the watershed south of Canyon City significantly increasing flood risks in Canyon City and John Day. Regional Solutions is partnering with the cities, Grant County, and state and federal agencies to offer assistance to affected home owners and reduce short and long term flood risk. OEM has provided match-funding for a county emergency response position, DEQ and Grant County waived permit fees for homeowners rebuilding after the fire, and OWRD and ODFW funded the removal of the Canyon Meadows Dam after dam safety engineers determined damage caused to the dam by the fires increased downstream flood risk. DSL is providing technical assistance on a county-led short-term flood berm risk reduction project on Canyon Creek, and DLCD and Regional Solutions are coordinating with Canyon City to develop a hazard reduction plan that will allow the city to access FEMA funding if needed. (December 2015)
- 8. Juntura Cut-off Road – Project Milestone:** The 7.5 mile Juntura Cut-off Road is located along the border of Harney and Malheur Counties. The road is in severe need of repair. EP Minerals is a manufacturing plant located in Vale, Oregon. The company receives raw product of diatomaceous earth from a mine that is located at the end of Juntura Cut-off

Road. EP Minerals would like to expand operations but the condition of the road puts current operations (160 employees) and a planned 48-employee expansion at risk. Regional Solutions is working with EP Minerals and Harney and Malheur Counties to identify short and long-term options to repair the road which is estimated at \$6.5 million. In September, the projects received an award from the Federal Lands Access Program of \$2 million. ODOT and OBDD have committed \$2.75 million based on expansion and job creation. Harney and Malheur Counties have committed \$250,000 in-kind. Malheur County Economic Development is working with EP Minerals to fund the remainder of the project. (October 2015)

- 9. Pendleton Industrial Lands Readiness – Project Milestone:** RST RARE Participant assisted the City of Pendleton on a Business Oregon Industrial Site Certification application for the Pinkerton Property together and a Regionally Significant Industrial Area application for all of the city's industrial lands and the Pilot Rock Industrial Park. The application has been submitted, been reviewed by the RST, and is awaiting ERRC review. (November 2015)
- 10. Regional CTE Strategy – Project Completion:** The GEO and NEO Advisory Committees led an effort to develop a bi-regional CTE strategy to attract resources to meet Eastern Oregon's current and projected workforce training needs. High wage/high demand jobs for the region were identified using Oregon Employment Department data and 80 regional employers were surveyed to verify identified job needs. A report identifying regional high wage/high demand jobs including employer survey results was shared with regional CTE partners to assist in applying for CTE-related grants. (September 2015)
- 11. Sector Strategies – New Project:** Regional Solutions is partnering with the Workforce Investment Board (WIB) and regional businesses to develop sector strategies for the region, initially focusing on advanced manufacturing. The intent is to identify what businesses need to be successful in the region. A project team (RST, OED, WIB) has convened and is reaching out to businesses to sponsor sector strategies meetings (March 8, 2016). A support partner meeting is scheduled for January 27, 2016. (December 2015)
- 12. Umatilla Basin Water Development – Project Milestone:** Growers in the Umatilla Basin are trying to gain access to water to increase opportunities tied to irrigated agriculture including associated value-added opportunities. The focus is on acquiring water to ensure equitable distribution of new water and to provide enough water to incentivize investment in water delivery systems. The project received \$664,000 in funding from the Regional Infrastructure Fund to make improvements to the Port of Umatilla/City of Hermiston water system that will allow the certification and transfer of 155 CFS of the Port's water right downstream for irrigation use. The project is currently in development. (December 2015)
- 13. Umatilla Forest Collaborative Assistance – New Project:** RST Rare Participant will provide assistance improving the web presence for the collaborative and in applying for data collection and facilitation grants. (December 2015)

14. Wanapa Industrial Park Improvements – New Project: The Umatilla Tribes received a legislative appropriation to construct roads and infrastructure to serve heavy industrial land at the Wanapa Industrial Site near the Port of Umatilla. This funding should be available in the spring of 2016. IFA funded a planning grant and ODOT is coordinating on transportation impacts. (December 2015)

Northeast Region (Baker, Union, and Wallowa Counties)

Northeast Regional Solutions Advisory Committee

Tim Seydel, Eastern Oregon University	Convener
Dianne Ellingson, Leo Adler Foundation	Philanthropic Representative
Vacant	Business Representative
Mayor Dennis Sands, City of Joseph	LOC Representative
Commissioner Mark Davidson, Union County	AOC Representative
Curtis Martin, VP Ranch	Committee Appointment
Mike Kee, City of Baker City	Committee Appointment
Nils Christoferson, Wallowa Resources	Committee Appointment

Northeast Regional Solutions Team

Scott Fairley	Governor's Coordinator
Melisa Drugge	Business Oregon, Business Development Officer
Shanna Bailey	Business Oregon, Infrastructure Finance Authority
Randy Jones	Department of Environmental Quality
Grant Young	Department of Land Conservation & Development
Craig Sipp	Department of Transportation
Kim Travis	Housing & Community Services

Northeast Region Projects

- 1. Baum Industrial Park Infrastructure – Project Milestone:** Union County is seeking to increase the marketability of the Baum Industrial Park by investing in rail, road, and utility infrastructure at the site. The project has received \$1,118,000 in Regional Infrastructure Funds. Contracting and construction is pending feedback from a company that has expressed interest in locating at the site. The site is enrolled in Business Oregon's industrial land certification program. (December 2015)
- 2. Community Development Block Grant Income Surveys – Project Milestone:** RST RARE participant is guiding communities through the CDBG community income survey process to determine if they are eligible for federal grant funding for public works projects. Haines has completed a survey. (October 2015)
- 3. Joseph Branch Rails with Trails Feasibility Assessment – Project Milestone:** The RST will provide collaborative connections between OPRD, EOU, BLM, various Tribes, and Union-Wallowa Railway Authority to evaluate the feasibility of establishing a regional multi-modal pathway parallel to the existing rail lines between Elgin and Joseph. An EOU MBA intern managed the development of a feasibility study that demonstrated broad-based support for the project. The study was submitted to the Wallowa-Union Railway Authority for review and evaluation. (November 2015)

- 4. North Powder Biomass Processing – Project Milestone:** A new business is interested in locating a biomass processing facility in North Powder. Employment will start at 12-15 and is anticipated to ramp up to 50. Site development work is underway and additional funding options are being evaluated. (November 2015)
- 5. Regional CTE Strategy – Project Completion:** The GEO and NEO Advisory Committees led an effort to develop a bi-regional CTE strategy to attract resources to meet eastern Oregon's current and projected workforce training needs. High wage/high demand jobs for the region were identified using Oregon Employment Department data and 80 regional employers were surveyed to verify identified job needs. A report identifying regional high wage/high demand jobs including employer survey results was shared with regional CTE partners to assist in applying for CTE-related Grants. (September 2015)
- 6. Sector Strategies – New Project:** RST is partnering with the Workforce Investment Board (WIB) and regional businesses to develop sector strategies for the region, initially focusing on advanced manufacturing. The intent is to identify what businesses need to be successful in the region. A project team (RST, OED, WIB) has convened and is reaching out to businesses to sponsor a sector strategies meeting (March 8, 2016). A support partner meeting is scheduled for January 27, 2016. (December 2015)
- 7. Wallowa Resources Forestry Contractors Data Collection – New Project:** RST RARE participant is surveying contractors in the Wallowa Whitman Forest to gain a more accurate understanding of challenges and opportunities facing contractors in the forest. Information will be used to determine needs of forest contactors and identify a baseline for comparing economic impacts related to forest management with environmental impacts. (December 2015)
- 8. Wallowa-Whitman Charter Ranger District – Project Milestone:** The RSC will provide technical assistance crafting the purpose, scope, and long-range implementation strategy. The USFS intends to collaborate to make federal forest assets available to EOU students and faculty so that real-world work products for the Wallowa Whitman Forest can be produced (e.g., landscape-scale watershed and community assessments). A working partnership for project advancement has been established between the WWNF, Wallowa Resources, and EOU and the Wallowa Whitman Forest and EOU are developing a draft MOU to guide their partnership moving forward. (December 2015)