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Pendleton, Oregon 97801

February 17, 2017

Joint Committee on Ways and Means  
Salem, Oregon 97301

Greetings Joint Committee on Ways and Means;

My name is Katherine Palmer and I live in Pendleton, Oregon, I would like to speak on behalf of individuals with I/DD, Intellectual / Developmental Disabilities, and their support teams.

I encourage you to reinstate the Eastern Oregon Regional Developmental Disabilities Program, the program was removed in the Governor's proposed budget. This is a 14 county service and the situation reminds me of a previous legislative issue a couple of sessions ago, the effort to save the Eastern Oregon ESD program (Education Service District). Eastern Oregon needs multi-county programs while metropolitan communities can provide the services internally. For example, Multnomah County has almost 150 employees in their County Developmental Disability Program and most counties in Eastern Oregon have less than 20, some have less than five.

The Regional Programs provide specialized and mandatory training for support teams of individuals with communication and other issues and if these services are no longer available locally, finding another consultant will become difficult if not impossible because, most likely they will come from the other side of the state, and at much greater cost. It will also mean the team will have to start over with a new consultant who doesn't know the history of the individual with I/DD. This is assuming we can find the service at all - many specialists on the other side of the state don't want to travel to Eastern Oregon, particularly in winter. If teams are unable to find a consultant, individuals with I/DD might not be able to stay in their foster home or group homes where they feel supported, due to state regulations.

I also know individuals who have utilized the Regional DD Program, when crisis in their home situation occurred. I fear the personal anguish and the "snowball" crisis cost to the state, if the Regional DD Program is not available to vulnerable individuals in Eastern Oregon.

My son has I/DD and is a young man; he lived at home till he was 19 years old and now lives in an adult foster home; he attended Early Intervention, Early Childhood Special Education, finished high school, and even took a college course; and he is currently employed part-time in the community. The Regional DD program provides training to his staff and family, if we are unable to find a consultant, my son might not be able to stay in this foster home where he feels loved and supported, due to state foster home regulations.

Thank you for your time and please note the importance of Eastern Oregon services, especially the Eastern Oregon Regional Developmental Disabilities Program.

Sincerely,

A handwritten signature in cursive script that reads "Katherine Palmer".

Katherine Palmer  
541-276-5047

## Affordable Care Act Repeal – Potential Impact to APD &amp; ODDS

**Long Term Care and the Affordable Care Act in Oregon:** Oregon has implemented the “K State Plan Option” (CMS’ 1915(K)) as our mechanism for providing Home and Community Based long term care to eligible Oregonians. The K Option is part of the Affordable Care Act and provides the state with an additional 6% Federal Match.

- **Aging and People with Disabilities (APD)** serves approximately 30,000 individuals in long term care with 17,000 of those receiving services and supports in their own homes. APD also serves people in Residential Care Facilities, Assisted Living Facilities, Memory Care Facilities and Adult Foster Homes.
- **Office of Developmental Disability Services (ODDS)** serves approximately 7,500 children and 18,000 adults with intellectual and developmental disabilities in Oregon. Most people with I/DD receive vital services in their home of their family home. Residential services are also available in Group Homes, Supported Living settings and Adult Foster Homes. Every service is designed to support people as they live, work and recreate in their local communities.

**What Repeal of the Affordable Care Act Could Mean:** The 1915(K) State Plan Option provided an additional 6% in federal matching funds for states to provide home and community based services in lieu of institutional-based long term care. Since this is such a massive piece of legislation, we do not know whether Congress intends a complete repeal or only a repeal of issues that are on the public’s radar as comprising “Obamacare”. Here’s what we know:

- There have been discussions with the Oregon Health Authority on the impacts associated with the Medicaid expansion population, but the long term care impact has not been discussed to date.
- **If the Affordable Care Act were to be repealed in its entirety, the impacts to Oregon’s long term care financing would be devastating.** In the two biennia since Oregon implemented the 1915(K), **over \$350M in additional federal funding** has been received. The loss of this funding would mean potential cuts or loss of services for vulnerable adults and people with disabilities over time.

**For more information, contact:**

**Ashley Carson-Cottingham, Director of Aging and People with Disabilities, at:**

**[ashley.b.carson-cottingham@state.or.us](mailto:ashley.b.carson-cottingham@state.or.us) or**

**Lilia Teninty, Director of the Office of Developmental Disability Services, at: [Lilia.teninty@state.or.us](mailto:Lilia.teninty@state.or.us)**

My name is Jon. I was in a group home & my biggest wish was to be back with my family. These funds have made it possible for me to receive care and be in a safe environment. Please don't cut the funding. It really helps. Thank you for your time.

Joseph LaVerdure - Sgt. - RA 19883328

A. 96 - Veteran Services

- 1.5% of Lottery Funds
- NET lottery revenue
- \$18.6 mil biennium 2017-19
- Constitutionally set revenue
  - Sours college sports, co. fair, parks -
- Pass ~~87~~ 83.7%
- Raises Constitutional dedicat<sup>n</sup> to 34.5%
- \$9.3 mil. annual from \$598 mil.  
or 7% of lottery revenue leftover

B. 83.7% of Oregonians Yes

- I believe that is a B grade on Pass
- Constitutional amendment approved
- Voter Pamphlet by Sec. of State
- Lottery funds supplement General
  - Legislative approved \$13 mil. biennium
  - a 3% item for Vet Services
  - Statutory dedicat<sup>n</sup> w/ legislature
- No where does it say REPLACE
- In addition to current funding <sup>Sec<sup>n</sup></sup> 4f

C. Rate of Return

- \$6.5 mil annual Gen Fund
- OR veterans 33/K
- 1 in 12 receive a benefit (Veteran)
- Benefit (Fed) \$2.5 bil in 2014



(C) - \$1 spent = \$77 return

- Passage Troop 96 direct
- Flowers increased budget
- Funds follow Org's job - Service officers (county, township, non profit <sup>in</sup> <sub>by</sub> support <sup>in</sup> <sub>by</sub> offices, utilities)
- Any Vet receive Fed. Benefit \$4 billion
- Not VA funds, unclaimed.

D. I'd like to take exempt to:

- 71, Section 43 #3 "whereby a Veteran is defined as a descendant of SR who ~~was~~ <sup>never</sup> in <sup>of</sup> <sup>the</sup> <sup>US</sup>
- 1 - Veteran is a human &
- 2 - They served for you & I
- 3 - "are loyal & return kindness
- 4 - Include outsiders who's make no laws

4 just wants to live & be left alone

- Agreement in support "Time for Oregon to step in & fill the gap. In addition to current state funding <sup>for</sup> <sub>vets</sub>

- It's time Oregon stop following Fed's

"whereby ~~are~~ state <sup>practically</sup> the majority who & we protect minority rights. Not the minority <sup>would</sup> see you in court!

**My name is Joy Pfost & I'm here to urge the legislature to continue funding in home care for people with disabilities to help them live safely with dignity & independence.**

**I'd like corporations to pay their fair share in taxes instead of cutting the programs that help our son live as independently as possible with his disabilities.**

**My son  
~~Jeff~~ didn't choose to be disabled & need us more, but living at home & having the funding available for us to work for him has been life changing for all of us. We are no longer living in poverty because we care for him & keep him safe.**

**Please don't cut the programs. Instead, please choose to ask corporations to pay their fair share in taxes.**

*Thank you for your time.*

My name is Tim Fost and

I've come here today to ask you to continue funding in-home care. This has allowed our son, Jon, to be more independent. Jon was in a group home & he just didn't do well.

This program has allowed him to be in our home again with his siblings. In fact, our daughter just turned 18 & has applied to work with him & she's excited about it. Hopefully they will both outlive us. This program would give us the peace of mind to know that he'll be supported when we're gone. Thank you for your time.

Thank you for the opportunity to speak to you this evening, I am Jon Lorence. I serve as a School Board member for the Umatilla School District. I'd like to thank you for supporting the Oregon School Facility Grants Program. Our District passed a bond in 2016 and I believe the matching funds were instrumental in helping us pass the bond.

I have many connections to education in addition to my Board service- I am also a parent and have many educators in my family. I have seen first-hand the impact of budget cuts to education and as a business person, I am concerned about the future impact on Oregon.

I recently reviewed the ten-year funding history for the Umatilla School District and was appalled at what I discovered. In 2006, our general fund was \$13 million dollars and our total appropriations including reserves, grants and Federal funds was \$19.9 million dollars.

In 2016, our general fund was \$15 million dollars. This means a 1.7% average increase per year. During the past ten years, we've laid off staff, cut programs, cut school days, froze salary increases and asked staff to get by with fewer supplies and materials. Even with the cuts, we had to dip into our



reserves to keep our school doors open. As a result, our total appropriation for 2016 was only \$19.8 million dollars.

That's right, our total appropriation for 2016 DROPPED nearly \$100,000 from the 2006 amount. I know I couldn't run a growing business on less revenue year after year, but that's exactly what you've been asking of schools.

During this same period of time, graduation requirements have increased, Common Core State Standards have been adopted, countless mandates in regard to instructional time and programs have been added (anabolic steroid instruction, concussion training, and vision exams just to name a few).

Our schools have been asked to give more, to be more and to do more, and we've done our best to do so. The funding levels currently discussed in the Co-Chairs and Governor's budgets mean even more cuts. Ten years is too long to go without any improvement. Our kids deserve better, and I know you can do better. Thank you for your time.

## **In Support of the Passage of HB 2043.**

**February 17, 2017**

HB 2043 will add \$1 million from the General Fund to the Oregon Department of Agriculture's (ODA) budget to be used for its Noxious Weed Control Program. In part, these funds would be used to fill a biological control expert to replace a position left vacant by retirement, restore additional full and part time positions. This funding level would not be adequate to fill another important field position left vacant for several years as a cost-cutting measure.

For the current biennium the ODA Noxious Weed Control program budget is approximately \$2.1 million (~\$0.6M General Fund and ~\$1.5M Lottery funds) with approximately another \$0.8 million from Federal contracts. This amount has not been adequate to maintain historic staffing levels. The Program's biological control staffer retired in June 2016, the position was left vacant, and another technical staff person was cut back to half time for 2016. In addition 2 part-time positions were cut back one-third and a seasonal position has been left unfilled.

Noxious weeds make significant impacts to natural resources and urban and rural economies. Noxious weeds have direct adverse impacts on highly valued environmental resources. These include water quality and quantity, fish and wildlife habitat, and the overall health of watersheds. There are also direct effects to agriculture, livestock, timber, and other natural resource industries.

Noxious weeds present increasing problem for municipalities as they invade parks and other urban spaces. Oregon's rivers, streams, and lakes are seeing increasing invasion by water loving exotic water loving weeds.

Oregon's borders are constantly being threatened by unwanted noxious weed invaders from out bordering states and from weed seeds "hitchhiking" rides from vehicles entering our State.

A 2014 study, *Economic Impact from Selected Noxious Weeds in Oregon*, documented these impacts and the value of having programs to control noxious weeds. The study looked at 25 of the approximately 130 State-listed noxious weeds and calculated an \$83.5 million annual adverse impact to Oregon's economy. Predictive modeling also revealed a potential \$1.8 billion annual adverse impact from these same 25 noxious weeds if they would be allowed to spread, uncontrolled, into all suitable habitats.

ODA's biological control program is one of the most robust programs in the U.S. It has served as a model for other states' programs and is even recognized internationally for its accomplishments. Currently, ODA monitors and manages 77 different bio-control agents (mostly insects) working on 31 different noxious weeds. Biological controls have proven effective when all other means of control have not, however, they must be managed. HB 2043 would facilitate hiring a biological control expert to manage and grow this vital program.

James O. (Jim) Harris  
Semi-retired wheat farmer  
Pendleton, OR  
jharris520@aol.com

# Statewide Public Service Programs

EXTENSION SERVICE

AGRICULTURAL EXPERIMENT STATION

FOREST RESEARCH LABORATORY

## We focus the power of science on critical issues important to Oregon

Every day, in every community across Oregon, people are engaged in learning and discovery through OSU's statewide programs. From 4-H and Master Gardeners to food innovation and forest engineering, we solve problems and create opportunities in communities across Oregon. With OSU faculty stationed in every county, *the state truly is our campus*.

**Sustainable Management of Working Landscapes** – Much of Oregon's productivity comes from its forests, farms, and ocean. The Statewide Programs help create practical approaches to sustain at-risk species such as marbled murrelet and sage-grouse, and to eradicate invasive species, manage juniper, and support agricultural production from coast to high desert.

**Water Quality and Quantity** – Urban and rural communities across Oregon require clean water. The Statewide Programs are examining specific agricultural and forestry practices that ensure water quality and reduce water use. Statewide programs in coastal communities are assessing the social, environmental, and economic impact of changes to coastal waters.

**Value-Added Manufacturing and Economic Vitality** – Oregon is reinventing its resource-based, globally competitive industries in rural communities. The Statewide Programs are developing new technologies for value-added agricultural, seafood, and forestry products that create family-wage jobs in rural communities where they are most needed. And we are partners in developing Oregon's outdoor economy.

**Public Health, Food Safety and Security** – The Statewide Programs help ensure that Oregon families have what they need to live healthy lives. Programs address the entire food system, from breeding new crops and developing food safety practices, to teaching family nutrition and promoting community health across the state.

**Educating the Workforce of Tomorrow** – Excellence in education begins with Extension programs such as 4-H, that fosters youth development, and Juntos, that empowers student success. Statewide faculty use research facilities across the state to provide students with career-building experiential learning and extend access to lifelong learning through Oregon Open Campus.



**Oregon State**  
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# New capacity for Statewide Programs enabled by 2015 Legislature

The Statewide Programs have expanded service to Eastern Oregon with the addition of these new positions and initiatives



**Chris Curtin**  
Oregon-wide  
Fermentation science  
research & development



**Nadia Streletskaya**  
Oregon-wide  
Consumer food  
preferences



**Andony Melathopoulos**  
Oregon-wide  
Honey-bee and pollinator  
health



**Jared Jorgensen**  
Oregon-wide  
Field diagnostics to  
support honey-bee and  
pollinator health



**Hannah Lucas**  
Oregon-wide  
Lab diagnostics to support  
honey-bee and pollinator  
health



**Len Coop**  
Oregon-wide  
Decision support tools  
for sustainable pest  
management



**Mary Halbleib**  
Oregon-wide  
Decision support tools  
for sustainable pest  
management



**Rory McDonnell**  
Oregon-wide  
Sustainable management  
of invertebrate crop pests



**Lauren Gwin**  
Oregon-wide  
Small-scale farming and  
community food systems



**Francesca Belart**  
Oregon-wide  
Sustainable timber  
harvest



**Katie Gaebel**  
Oregon-wide  
Promoting college and  
career opportunities



**Jonathan Dinkins**  
Oregon-wide  
Rangeland ecology and  
sage-grouse conservation



**Maziar Kandelous**  
Oregon-wide  
Ag water quality,  
stormwater, nutrient  
management



**Si Hong Park**  
Oregon-wide  
Food safety biology



**Gerrad Jones**  
Oregon-wide  
Water engineering and  
management



**Fara Brummer**  
Lake County  
Rangeland ecology to  
support sage-grouse  
conservation



**Scott Lukas**  
Umatilla County  
Horticultural cropping  
systems



**Chris Schachtschneider**  
Umatilla County  
Sustainable livestock  
production



**Vanessa Schroeder**  
Harney County  
Rangeland ecology to  
support sage-grouse  
conservation

**Marcelo Moretti**  
Oregon-wide  
Sustainable weed  
management

## Eastern Oregon

Increased research and extension focused on rangeland ecology to support sage-grouse conservation; juniper harvest and manufacturing; and water and nutrient management in rotation cropping.



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**The Statewides receive broad support from the agriculture and natural resources sectors, environmental groups, and public health advocates. Oregonians everywhere in the state benefit from these programs.**

**Willamette Valley:** increased research and extension on honey-bee and pollinator health; integrated pest management and slug control in commercial crops; specialty seed breeding; and timber harvest management.



**Coastal communities:** increased research and extension in seafood and shellfish safety; nearshore fishery management; community economic development; increased support for the dairy industry and commercial cheese-making; and new research focused on managing forest lands that are also habitat for marbled murrelet, a threatened seabird that nests in coastal forests.



**Southern Oregon:** increased research and extension related to small farms and community food systems, integrated pest management, orchard production, and vineyard management.

**Urban communities:** more local programs focused on healthy living and nutrition education; expanded programs to support small-scale farming and community food systems; and increased research and development in fermentation sciences.



**Throughout Oregon:** increased opportunities for college and career readiness; focus on degree completion; experiential learning programs for students aged five through college in real-world settings; and economic and community development.



**Eastern Oregon:** increased research and extension focused on rangeland ecology to support sage-grouse conservation; juniper harvest and manufacturing; and water and nutrient management in rotation cropping.



**Central Oregon:** increased research and extension related to small farms and community food systems, pollinator health, and water management.



- OSU Extension Service Offices
- OSU Agricultural Experiment Station Sites
- OSU Research and Extension Centers
- OSU Open Campus Sites
- ▼ OSU Campuses
- ▲ OSU Forest Research Lab Sites

## Learn more about OSU's Statewide Programs

[extension.oregonstate.edu/bridges/](http://extension.oregonstate.edu/bridges/)

### Scott Reed

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### Dan Arp

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EXTENSION SERVICE

AGRICULTURAL EXPERIMENT STATION

FOREST RESEARCH LABORATORY

The idea of research and education in the service of the people began with the Morrill Act of 1862 that created the nation's land-grant university system, during the height of the Civil War. The Hatch Act followed in 1887, creating a national network of Agricultural Experiment Stations, and in 1914, the Smith-Lever Act established the Cooperative Extension Service

in every state. The McIntire-Stennis Act created the Forest Research Laboratory in 1962.

Today, the state's contributions to these three Statewide Public Service Programs are funded by separate line items in the Oregon budget, matched by federal and local funds.



February 17, 2017

To the Honorable members of the Ways and Means Committee:

Good Evening and thank you for providing this opportunity to testify. My name is Thomas Beechinor and along my wife and family we ranch and manage private forestland in Umatilla County that has been in our family for over 150 years. Four generations of our family have sought answers to pressing problems from the Agricultural Extension Service. Thirty five years ago my wife and I turned to OSU's Forestry Extension for help in managing our forested property. I stand before you tonight to say that without Extension's continuing guidance, the successes we have achieved in developing a healthy forest, good wildlife habitat and contributing to clean air and water would not have been possible.

I applaud you for your work in increasing the Statewide Public Services budget in the last Legislative session. Your action allowed funding for a new field agent in Lane County and a statewide specialist in timber harvesting and forest operations who is providing workshops across the state helping small woodland owners. In addition, your budget increase also funded important research at the Forest Research Lab and the Tall Wood Design Institute both of which are having positive impacts on Oregon's wood products industry.

Unfortunately, we will lose much of these gains due to inflation and the rising PERS costs without an increase in funding. The OSU Board of Trustees is asking for only the amount of funding needed to provide the same level of service in the next biennium but that will take an increase of \$9.4 million. I understand the difficult choices you have to make when charged with writing a budget with limited funds. Please support OSU Extension and Statewide Public Services by budgeting this additional \$9.4 million. Those of us in agriculture in the State of Oregon appreciate your support.

Thank you for your consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "Thomas G. Beechinor", written in a cursive style.

Thomas G. Beechinor

Notes Prepared for Bryan's testimony, February 17, 2017

*Co Chairs Rep Nathanson & Sen Devlin*  
*Vice Co Chairs*

Chairman ..... and members of the Committee, this evening I wish each of you a warm welcome from Hermiston and Eastern Oregon. A special thank you to Senator Hansell and to Representative Smith for their service to all of Oregon. I know how many miles and how many hours you have spent to travel to listen to us. Remember, we make the same trip to the valley to visit with many of you.

I am, Bryan Wolfe, as a 5<sup>th</sup> generation farmer, father, grandfather and great-grandfather with the 6<sup>th</sup> generation joining me on my farm. Will my farm be viable in the next few years? The Hermiston Ag Research & Extension Center has been a great part of my success in turning sand into a fertile growing medium for human foods and livestock forage...for being one of the many to make sure you find safe foods on your dinner tables.

Thanks to OSU, I use less water to grow a crop through careful management, my chemical and fertilizer use is carefully watched and when a problem comes up I contact the 'plant doctor' at the OSU Research Station. Their careful monitoring of insect movement helps farmers to make wise decisions in pesticide use. Each of these keeps our growing costs affordable and that savings is passed to you in healthier foods and improvement in your diets, making you a healthier person.

Oregon State University has put together the facts and figures for you to study, but I want to share the hearts of our people. Being involved in my community, my county as well as all of Oregon, I know that we need to keep the positions currently in place in Oregon State University's Statewide Public Service Programs...that means looking at SB 805 to protect the investment made in the last session by funding the current service level. It is said that every state dollar invested in OSU Agricultural Research & Extension leverages nearly \$10 in economic benefits to the state of Oregon. That is a 1000% return...I like those odds! Where else can you reap that investment?

I know you are wrangling with big money issues at a higher level than most of us can imagine...but I believe it is not a 'revenue issue' you have, but an 'expense issue.'

Chairman's Devlin and Nathanson,

My name is Clint Carlson, I am a 4<sup>th</sup> generation dryland wheat farmer from Lone in Morrow county.

I am currently on the board of directors for the Oregon Wheat growers league. I am also a current commissioner for the Morrow Co. Planning Commission.

I appreciate the opportunity to speak to you tonight and thank you for coming to eastern Oregon to listen to our story.

In our region we receive an average rainfall of 8-10 inches per year. Therefore we use a summer fallow rotation to accumulate one year of moisture in the ground that is fallow and utilize the next years moisture as the crop is planted and grows to maturity. Over the years we have gone from using the Moldboard Plow with wind and water erosion issues, to direct seed where there is virtually no wind or water erosion at all.

And over the same time period there have been hundreds of new wheat varieties with better yields and better quality, and traits that are resistant to diseases, fungus, rust, insects, and drought.

So over the last half century, we have made dramatic improvements in soil health, and clean water and clean air,

So why am I telling you all of this?

Most of the evolution I have described came from research scientist, at our CBARC and HAREC and with on the ground trials done by our County agents. They have worked with us, the land owners to improve our soil, air, seed varieties and watershed health, and help increase our profitability. As we speak, we have scientist from CBARC and the Morrow Co extension office working on solutions to find new safe herbicides, use integrated pest management and introduce seed varieties that can reduce the use of pesticide and help maintain the direct seed technology as a cost effective and safe way to grow our crops.

So, to us in Umatilla, Morrow the OSU Statewide programs are very important to our success and survival. In the last session the legislature increase the service level for the statewide by 14 Million dollars. The Governor's budget will have the effect of eliminating nearly 70% of the investment the legislature approved last session. Because these funds are used to cover personal cost, the primary tool the statewide have to manage their cost during budget reductions is through the elimination of positions. The 9.4 million is needed to maintain the same level of service for the statewides.

In closing, OSU estimates there is a 10 to 1 economic return on the dollars invested. In the statewides, the elimination of positions will inhibit OSU's ability to compete for federal funding. Many of the positions are shared appointments, both teaching and research, without the CLS there will be impacts on the university's education enterprise.

So please take to heart a farmers perspective on the Statewides influence in our part of the state, and Please pass SB 805 continue to fund them at the recommended level. Thank you for your time.

Clint Carlson



State of California • Arnold Schwarzenegger, Governor  
State and Consumer Services Agency

## DEPARTMENT OF GENERAL SERVICES

### Office of Public Affairs

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#### FOR IMMEDIATE RELEASE

October 11, 2010

#### Contact:

Eric Lamoureux  
(916) 376-5038  
Cell – (916) 710-3861

#### Downloads:

[Original Sale Brochure](#) – [DGS Financial Analysis Summary](#) – [Video/Photos](#)

## State of California Selects Buyer for State Buildings

*\$2.33 billion Sale-Leaseback Bid Delivers \$1 billion to the General Fund; Makes Future Costs for State Office Space Predictable and Controllable*

**SACRAMENTO, Calif.** – Today, the Department of General Services announced it has selected California First, LLC, a partnership led by Hines and Antarctica Capital Real Estate LLC, as the buyer for 11 state office properties authorized by the legislature and Governor last year. The winning offer was \$2.33 billion — resulting in more than \$1.2 billion for the state general fund, and \$1.09 billion to pay off bonds on the buildings. Over the next 20 years, the state will lease the offices back from the new owner at predetermined rates, and will no longer maintain, operate, or repair the buildings. All the leases with California First allow the state to buy back any or all of the buildings at anytime during the 20-year term.

“After an extensive review of the more than 300 bids that were received, I have determined that this offer presents the best value for the state and achieves the goals set forth by the Legislature and Governor,” said Acting DGS Director Ron Diedrich. “This sale will allow us to bring in desperately needed revenues and free the state from the ongoing costs and risks of owning real estate.”

Hines, a privately owned real estate firm headquartered in Houston, Texas, is involved in real estate investment, development and property management worldwide. The firm’s historical and current portfolio of projects that are underway, completed, acquired and managed for third parties includes 1,119 properties representing more than 457 million square feet of office, residential, mixed-use, industrial, hotel, medical and sports facilities, as well as large, master-planned communities and land developments. Antarctica Capital Real Estate, LLC; a venture led by California real estate veteran Rich Mayo of Spyglass Realty Partners, along with Chandra Patel of Antarctica Capital headquartered in Irvine, California and New York, NY, is a private equity firm specializing in real estate. There are also additional equity investors. The all cash offer will utilize a typical debt and equity ratio with the general partners and investors providing approximately 40 percent of the purchase price, and a major financial institution supplying the balance as a loan to the new owners.

Director Diedrich today notified the state legislature of the department’s intent to sell the properties – a notification called for under the authorizing legislation. The offices are:

- Attorney General Building, Sacramento
- California Emergency Management Agency Building, Sacramento

- Capitol Area East End Complex, Sacramento
- Elihu M. Harris Building, Oakland
- Franchise Tax Board Complex, Sacramento
- San Francisco Civic Center, San Francisco
- Junipero Serra State Building, Los Angeles
- Department of Justice Building, Sacramento
- Public Utilities Commission Building, San Francisco
- Judge Joseph A. Rattigan Building, Santa Rosa
- Ronald Reagan State Building, Los Angeles

\*Sales brochure for the properties.

In his letter to the legislature, Diedrich shared the department's economic analysis summary of the sale comparing the status quo of ownership of the buildings to the sale and leaseback transaction. Using a series of reasonable and prudent assumptions the analysis shows that the sale allows California to retire \$1.09 billion in bond debt, leaving over \$1.2 billion in new revenues to shore up the state budget, as a result eliminating the need for more program cuts statewide or tax increases. By no longer owning the properties, the state eliminates annual lease payments and interest, as well as operating expenses. The state also sheds the responsibility for deferred and major capital improvements, as well as the obligation to pay for unforeseen and unpredictable repairs that cannot be anticipated but are increasingly likely as the buildings age.

In April, the state's broker, CB Richard Ellis received more than 300 offers to purchase the buildings. The offers included individually priced offers on each building; however, the most aggressive pricing came largely from 30 offers for the entire portfolio. Portfolio buyers were given the opportunity to submit a second round of offers on May 11. CBRE received 16 increased portfolio offers, 11 of which exceeded the state's \$2 billion estimate of the value of the properties. Those 11 bidders were then invited to submit a "best and final" offer by May 21.

Since May 21, DGS, in conjunction with its broker, has been evaluating the top offers. This evaluation included a comprehensive analysis of each of the 11 best and final offers which included separate interviews with each finalist. Buyers were evaluated based on a reconciliation of two primary factors – price and certainty of execution. CB Richard Ellis investigated with DGS the bidder's track record; and how much due diligence the bidder had done on the state properties prior to making a buyer selection. Evaluation criteria included whether due diligence reports were reviewed; due diligence inspections were completed; the extent of property tours; the nature of contract and lease comments; the financial backing the buyer had in place and finally, the buyer's ability to both remove contingencies and close the transaction quickly.

"The State of California received significant portfolio interest, and the proceeds at the sale price of \$2.33 billion will far exceed the \$660 million originally estimated. Far from a fire sale, this was a stiff, multiple offer competition that generated favorable pricing for the state," said Kevin Shannon with CBRE, who handled the sale on behalf of the state. "Current historically low interest rates have allowed the state to obtain extraordinary pricing comparable with peak level capitalization rates with leaseback rents well below peak market levels. An additional benefit is that the state will be getting out of the commercial real estate management business, and transferring asset management to Hines, a globally recognized leader."

The Department of General Services anticipates completing all transactions in the 4<sup>th</sup> quarter of 2010.



*The Department of General Services acts as the business manager for the State of California, with more than 4,000 employees and a budget in excess of \$1 billion. DGS helps state government better serve the public by providing services to state agencies including innovative procurement and acquisition solutions, creative real estate management, leasing and design services, environmentally friendly transportation, and architectural oversight and innovative funding for the construction of safe schools.*

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Morrow/Umatilla County infrastructure plan (Note: Central Project, Middle page and East Project, right page, to receive funding under HB 5030)

**Update on Umatilla Basin Water Supply Partnership:**  
*In 2015 the Oregon Legislature became partners with the Umatilla Basin by dedicating \$11 million in lottery backed bond funds (HB 5030, Section 13.2). We appreciate your support and believe the Umatilla Basin will solidify that partnership with construction of 2 of our 3 projects in the 2017-2019 biennium*

### **Background**

After over 30 years of relationship building, planning and negotiation a broad coalition of interest groups and Umatilla Basin stakeholders were successful in securing \$11 million from the 2015 Oregon Legislative Assembly (Section 13.2 of HB 5030) to facilitate construction of 2 of 3 regional water supply infrastructure projects. This is a critical first step to a multi-biennium plan to sustainably enhance the natural resource based economy, and environmental conditions of the Umatilla Basin and Northeast Oregon.

### **Facts About the Umatilla Basin Regional Water Supply Effort**

<b>Central Project Overview:</b>	<b>East Project Overview:</b>
<ul style="list-style-type: none"> <li>• Total project cost: \$14 million (\$1,750/af)</li> <li>• State investment: \$4 million</li> <li>• Private equity and debt: \$10 million</li> <li>• State investment: 28% of project cost</li> </ul>	<ul style="list-style-type: none"> <li>• Total project cost: \$46 million</li> <li>• State investment: \$7 million</li> <li>• Private equity and debt: \$39 million</li> <li>• State investment: 15% of project cost</li> </ul>
<b>Projected Return on Investment:</b> 3,000 jobs and \$600 million in increased business activity (Port of Morrow and 2008 SB 1069 economic study), \$114 million in additional assessed property values (Umatilla County Assessor)	
<b>Progress to Date:</b> <ul style="list-style-type: none"> <li>• “HB 5030 Grant Agreement” signed between the Port of Morrow (local financial administrator) and OWRD, committing basin to completing projects within 2 years from date of bond sale (sale projected in July, 2017)</li> <li>• Letter of Intent Resolution signed by Westland Irrigation District (Central Project Manager) and East Improvement District (East Project Manager), and Port of Morrow</li> <li>• Over \$2 million invested in a state of the art fish screen for the Central Project</li> </ul>	<b>Getting it Right Takes Time:</b> <ul style="list-style-type: none"> <li>• Conditions of state grant agreement and debt service obligations require that water rights and all permits be issued prior to receiving grant funds and completing project</li> <li>• Water rights negotiations on the first mitigation water rights in the state’s history have been complex, and delicate to ensure promises between parties are kept</li> <li>• Size and cost of project requires careful due diligence and solid financing</li> </ul>

**Needs:** Support from the legislature to carry forward the \$11 million in grant spending authority for the Umatilla Basin infrastructure within the OWRD Budget (SB 5542). Continued support for targeted water supply infrastructure development as a critical economic and environmental investment for the State of Oregon.

Contact: Northeast Oregon Water Association, J.R. Cook, (541-969-8026), [jrcook@northeastoregonwater.org](mailto:jrcook@northeastoregonwater.org)

# Columbia Basin Board of REALTORS®

P.O. Box 751 • Hermiston, OR 97838  
Phone: (541) 567-5186 • Fax: (541) 289-7320  
Email: cbbr@eotnet.net

February 15, 2017

Governor Kate Brown

Senator Bill Hansel

Representative Greg Smith

## GOVERNOR KATE BROWN'S 2017 - 2019 PROPOSED BUDGET

Governor Brown in her proposed budget suggested eliminating the State's Drug Enforcement Division.

We are the Columbia Basin Board of Realtors and oppose the elimination of the Drug Enforcement Team. Our area is considered a High Intensity Drug Trafficking Area, (HIDTA) by the National Drug Control Policy.

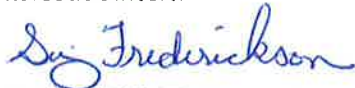
We have the BENT (Blue Mountain Enforcement Narcotics Team) that with special assigned law enforcement officers works to reduce drug trafficking and drugs in the area. Three of the members of the team are state narcotic personnel. If the Governor's budget recommendation is followed the BENT team would lose 3 members. This would make the team ineffective and probably eliminated. It would have the federal government question the dollars it sends to support the BENT team.  
(\$110,000 to \$135,000 annually)

The gravity of the situation is in 11 months of 2016 the BENT team confiscated:

- 68.23 lbs of Methamphetamine
- 8.6 lbs of cocaine
- 1 lb of heroin
- 424.6 lbs marijuana
- Dismantled 4 major drug trafficking organizations
- Generated 186 HIDTA cases
- Arrested 53 narcotic fugitives and sized 28 firearms

To eliminate the narcotic officers and ultimately the BENT team is just putting these drugs and fugitives back on the street.

All of us support youth and education, let us keep these drugs out of their hands and keep our narcotic officers.



Suzi Frederickson President

President



Art Kegler

Chair, Government Affairs



# Columbia Basin Board of REALTORS®

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February 15, 2017

Governor Kate Brown

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Representative Greg Smith

## 2017 - 2019 PROPOSED OREGON STATE BUDGET PRESENTED BY GOVERNOR BROWN

Governor Brown's proposed budget suggested the elimination of the State Forensic Lab in Pendleton. We oppose this closure as it would necessitate technicians to come from the forensic lab in Clackamas to travel as far as Ontario. To put this in perspective that is the same distance as from Portland to a little south of the California border.

It would put an increased load of cases on the metro lab delaying timely crime investigation. A murder/suicide could have corps remaining days waiting for available technicians. It would also give perpetrators of a crime additional time to escape and avoid detection.

Hermiston, the home of the Columbia Basin Board of Realtors is now the largest town in Eastern Oregon and would be subject to the above mentioned delay in forensic investigations.

As we fight against crime, one of our major state goals, elimination of Pendleton's crime lab is counterproductive. We urge our leaders of the state to address this problem and keep the crime lab in Pendleton.

Respectfully,



Suzi Frederickson  
President



Art Kegler  
Chair, Government Affairs



TO: Oregon Joint Ways & Means Committee  
FROM: Pete Wells  
DATE: February 17, 2017  
RE: Closing the opportunity gap by reading with SMART (Start Making A Reader Today)

Co-Chairs Nathanson and Devlin, members of the committee, my name is Pete Wells and I am one of over 350 volunteer Site Coordinators for SMART (Start Making A Reader Today). I coordinate the SMART program at the Pendleton Early Learning Center, which is a Head Start program serving 100 PreK students. Each week I pair these students with volunteers and witness the love of reading being sparked in their young hearts and minds.

SMART's reading support and book program reaches nearly every corner of our state, serving 28 of Oregon's 36 counties. SMART has developed a strong relationship with Head Start programs, which has proven to be a natural partnership yielding positive results. This partnership works so well because of two key factors: it reaches low-income children who face a host of challenges related to academic achievement, and it reaches them early when interventions and additional supports can have maximum impact. Investing in young low-income students today saves far greater costs down the road in social services,



Marie Hall  
866 NE 3rd St  
Pendleton, OR 97801

Co-chairs Senator Devlin and Representative Nathanson  
Members of the Joint Committee on Ways and Means

By way of introduction, I am a retired Center Director and Academic Adviser with Eastern Oregon University, located on the BMCC Pendleton campus, a former Pendleton School Board member, and volunteer with Pendleton High School ASPIRE since its formation nearly 20 years ago. My husband and I are also retired business owners.

As an ASPIRE volunteer, I meet with students who are often first-generation college seekers who learn of Oregon's Promise, the state grant program that covers "gap funding" for most tuition at Oregon Community Colleges - up to 36 credits per year - and see the idea take hold that they may be able to continue their educations.

As you review the data for this first year of the program, please know that the money invested directly propels students to continue their educations, it stays in Oregon and helps build a skilled labor force for the benefit of all. While four-year colleges saw a slight drop in new freshman enrollment fall, 2016, please allow time for the Promise Grants to show the "complete" educational outcomes of grant recipients (including those who transfer to 4-year institutions). Obviously, the educational needs of our workforce exceed preschool through grade 12 — and the investment we Oregonians make in all levels of education - including the Promise and Oregon Opportunity Grants - changes lives and improves communities.

To make this possible, I urge a pragmatic, evidence-based approach to increased revenue and reforms to PERS and other programs that we - the "middle Oregonians" - can support.

Regarding increased revenue, please look to Oregon businesses as partners who, according to a report from Legislative Revenue Officer Paul Warner summarized in Wednesday, February 15, 2017's Oregonian, are paying on average, just \$.80 for every \$1 received in the form of a publicly educated workforce, highways and other services. Just two states - Alaska and Maryland - have lower tax-to-benefit ratios for businesses. The national average is \$1.10.

Regarding PERS reforms, please consider all options for equitable changes, research retirement programs in Washington, California and other states, work across the political aisle for common ground, then move forward with changes that still allow Oregon public employment to be competitive.

Thank you for this opportunity to comment. I am happy to answer any questions.

Marie Hall  
[mariekhall@gmail.com](mailto:mariekhall@gmail.com)  
541-379-5250 (cell)

## **Oregon Legislative Assembly, Budget Focused Town Hall**

Hermiston High School

February 17, 2017

Good evening co-chairs Nathanson and Devlin, and members of the committee, my name is Jill Gregg and my address is 716 NW 3<sup>rd</sup> Drive in Pendleton, Oregon. I'm the ASPIRE Coordinator at Pendleton High School. Access to Student Assistance Programs In Reach of Everyone, otherwise known as ASPIRE, is a volunteer mentor-based program that provides resources and individual assistance to students and parents to assist with post-high school education and training. ASPIRE is program of the Higher Education Coordinating Commission's Office of Student Access and Completion, otherwise known as OSAC. I'm here tonight to express my belief in the Oregon Promise program, and to share with you the meaningful impact it has made on our students since its inception one year ago. I'm here tonight as an advocate for my students at Pendleton High School and other students across the state as funding for their future in higher education is at risk. I hope that after my testimony you'll consider keeping funding for the Oregon Promise program to continue and grow in the future.

I'm a true believer in higher education and the better quality of life that comes from a college degree. We all know the benefits of a college degree positively impact our students for the duration of their lives by increasing accessibility to jobs, qualifying them to earn higher wages, and decreasing the chance of unemployment. Exposing students to strong job specific skills training and rigorous curriculum provided by higher education is essential to meet the needs of our growing workforce.

Unfortunately the rising costs of a college education is not only a huge barrier to our students, but it often leaves them in a mountain of debt. It's becoming increasingly difficult for students to get their college degree for a reasonable price, and graduating debt free is almost unheard of. Student loans are burying not only the next generation of consumers, but their parents and grandparents as well. The rising costs of college is creating a ripple effect across our whole economy. But with Oregon Promise, students who don't qualify for need-based financial aid, yet find themselves without the resources to pay for college, are now able to get up to 6 terms (no more than 90 credits) of community college tuition paid. Students and their families are still responsible for paying for class & college fees, housing and food, transportation, books and personal expenses. Assistance from Oregon Promise provides monetary relief from the overwhelming cost of college, which is often one of the biggest barriers students face when pursuing their college-degree.

Since the program started a year ago, I've seen firsthand the positive impact Oregon Promise has made on our students. Students who were on the fence about attending college now have the financial means and a boost in confidence to go. It's like Oregonians are saying to them "We believe in you and your future, go for it!" Without the financial burden of coming up with the funds to pay for college, students are able to focus on their studies and find their footing as they transition to the challenging world of higher education. Community colleges offer a small school atmosphere which often provides our students with the benefits of small class sizes, undistracted faculty, and easy access to four-year state schools. Oregon Promise is an investment in our students and an effective incentive for them to start their college education.

Many of my students last year took advantage of the Oregon Promise - 109 students to be exact. That's over half of our graduating class. This year we're on track to have just as many, if not more students register for the program. In Pendleton, my students have access to college just up the street at Blue Mountain Community College to start their college education. Because of Oregon Promise, my students

took the opportunity and opted to stay in Pendleton, enrolled at BMCC, and lived for free at home. With Oregon Promise, next year they will graduate with their associate's degree and will transfer debt free as they continue on to get their bachelor's degree. Other students of mine last year started at community colleges across the state, and with the assistance of Oregon Promise they are able to go to school and pay the other costs associated with college with a part time job. Again, these students will transfer to a four-year university debt free which sets them on the right path as they continue on to pursue their bachelors and possible masters and doctorate degrees in the future.

If Oregon Promise is cut from our State budget, many of our first year college students enrolled in community college will be forced to withdraw from college without completing their associate's degree due to a lack of financial resources. In addition, many of our current high school seniors will find themselves scrambling for funding this summer to fill the gap of Oregon Promise. I fear that many will succumb to "Summer Melt" as the lack of finances are often the leading cause of college-intended students failing to matriculate the following fall. If Oregon Promise is cut I believe we'll see a drop in college enrollment in the years to come, especially from working class, first generation college families, and that our students will be faced with more college debt which will affect their futures after college.

The confidence, financial ease and access to higher-education Oregon Promise provides our students is an invaluable resource that will be hard to replace. I believe Oregon Promise encourages our students to pursue a college degree and sets them up for financial and career success, enabling them to be truly contributing members of our society.

Thank you for the opportunity to testify before you today.



## The Elgin Stampede Hall: Keeping Community Heritage Alive

February 1, 2017

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***\*\*The Elgin Stampede Association, Inc. is a 501 (c) 3 non-profit organization, founded in 1946 and located in the community of Elgin in Union County, Oregon.\*\****

**ELGIN STAMPEDE ASSOCIATION MISSION:** The mission of the Elgin Stampede is to further the traditions of rural Oregon, as set forth by our founders decades ago. To this end, we will promote civic participation, encourage cooperation with civic enterprise, and strongly support any and all activities that foster education, participation and appreciation for our rural heritage. To achieve this, we will develop and improve our Stampede events and presence, provide our facilities to local and regional organizations, and diligently support the economy and identity of our rural community.

**PROJECT VISION:** The Stampeders and the surrounding communities are in dire need of a new facility to replace the 64-year-old structure that currently exists on the Stampede grounds in Elgin, Oregon. Our vision is to create a facility that furthers our mission, but most critically, meets the demand for an appropriately sized, safely constructed, ADA accessible, and environmentally efficient space. The new facility would better meet the significant needs of our local organizations and community members, and would provide a resource that does not currently exist in size or scale in any of the many adjacent counties in Northeastern Oregon. Lastly, this new multi-purpose building would allow for increased utilization, and therefore increased stimulus to our economically challenged rural region.

**PROJECT REQUEST:** We are requesting \$1,500,000 in capital funding to support a \$2,500,000 project.

**PROJECT SCOPE:** An 11,000 sq ft regional multi-purpose conference center, comprised of event and meeting space, commercial kitchen, restroom facilities and a Stampede museum. (For schematics, please see Appendix A.)

**PROJECT NEED:** The existing Stampede Hall is utilized by over thirty organizations annually, and we estimate it hosts five thousand people during those events. In addition, the Elgin Stampede Association events host an average of nine thousand people annually, providing significant economic contribution to our community. As an organization, we would cease to exist without our multi-purpose building, as it provides the only viable space in which we can operate. In turn, if the Elgin Stampede Association was not present in our community and region, countless volunteer, educational and civic enterprises would suffer the impact of not having a facility in which to meet, hold events and host organizationally-critical fundraisers. Our facility is vital to the well-being of numerous organizations, as well as paramount in providing economic stimulus to our struggling rural economy.



## The Elgin Stampede Hall: Keeping Community Heritage Alive

The Stampede Hall is the **only** facility of its size, type, amenities and availability in most of the counties in Northeastern Oregon. At present, the Stampede facilities are regularly used by the organizations listed below. Please note, this list is provided as an example and references only a small number of actual uses. (See Appendix B for a comprehensive list.)

- **Elgin Public Schools**
  - Relocation site for school district evacuation plan
  - Awards and Alumni Banquets
  - Fund Raising for FFA, FBLA, Grad Night, and Sports Teams
- **Oregon Department of Forestry**
  - Forest Fire Incident Command Center
- **U.S. Department of Forestry**
  - Forest Fire Incident Command Center
- **Union County Health Screening**
  - Annual Health Screening Event
- **City of Elgin**
  - Fire Department Training
  - Law Enforcement
  - Annual Community Clean-up Event
- **Northeast Oregon Community Connections**
  - Fundraising Events for Regional Food Bank
- **Cycle Oregon**
  - Gathering, registration, and parking facilities
- **Oregon State Police**
  - Annual contract for emergency use

One notable use of the existing Stampede Hall is the number of funerals held in the facility. The Stampeders donate the space for that use, and also prepare a free meal after the service for the friends and family of the deceased. At times, these free meals feed in excess of two hundred people. This is a critically important effort, as it is the only space adequate enough for large funerals, and it truly demonstrates what a meaningful facility it is in our community.

**OUR CHALLENGE - CURRENT BUILDING CONDITION:** The existing Stampede Hall was built in 1952 by the volunteer founders of our organization. These individuals donated their personal time, money, and equipment to construct the facility, recognizing even then, the positive impact it would have on our community. While they built the best building they could build sixty-four years ago, the current condition of our facility is beyond renovation or repair. The existing Stampede Hall suffers from deteriorating roofing, ceiling and wall integrity and lacks ADA accessible egress, ingress, and restroom facilities. In addition, the facility has an environmentally inefficient heating and cooling system, as well as failing electrical and plumbing systems. The Stampeders take very seriously the maintenance and stewardship of our facilities, but the age and disrepair of our building means maintenance is ongoing, expensive and rarely effective. (For photographs of existing building conditions, please see Appendix C.)

**CONCLUSION:** A \$1,500,000 investment will secure construction of a critically needed community facility. The investment will offer immeasurable benefits of vitality and economic opportunity to our struggling rural region.



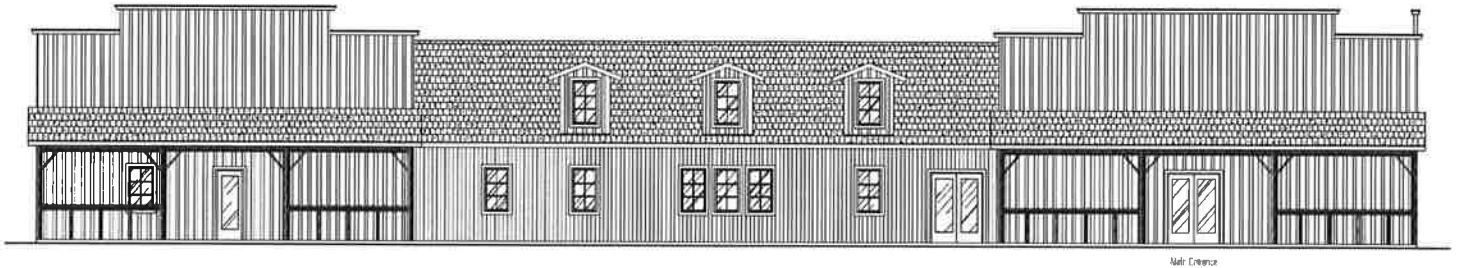


## The Elgin Stampede Hall: Keeping Community Heritage Alive

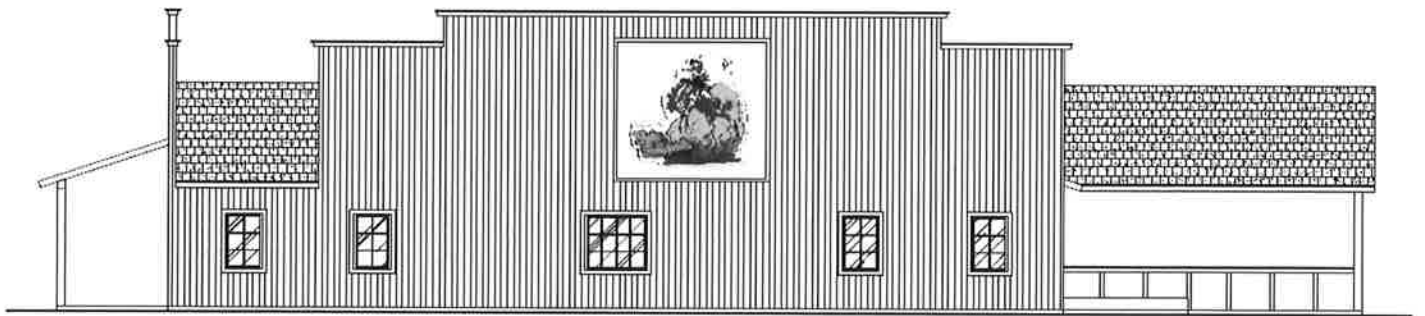
### APPENDIX A – NEW STAMPEDE HALL SCHEMATICS, PAGE 1 OF 2

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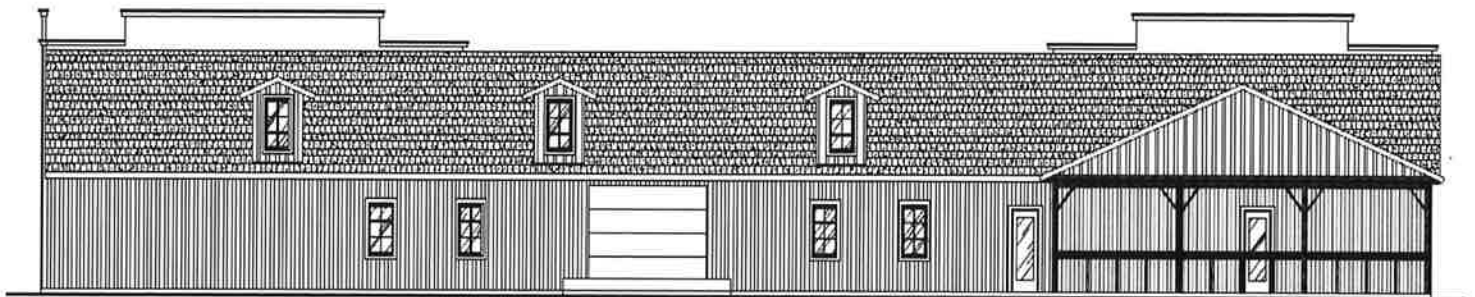
#### FRONT ELEVATION



#### SIDE ELEVATION



#### BACK ELEVATION





## The Elgin Stampede Hall: Keeping Community Heritage Alive

### APPENDIX B – STAMPEDE HALL USAGE

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#### Elgin Public Schools

- Relocation site for school evacuation plan
- Award Banquets
  - FFA
  - Sports Teams
- Prom
- Fund Raising
  - Sports Teams
  - Cheerleaders
  - FBLA
  - Grad night – banquet

#### Chamber of Commerce and Women's Service Club

- Fund raising

#### Little League Baseball

- Fund raising

#### Friends of the Opera House

- Fund raising

#### Middle School Philadelphia Trip (Imbler and Elgin)

- Fund raising

#### Elgin High School Alumni

- Provide facilities for the banquet

#### Mounted Shooters

- Demonstrations and Entertainment

#### EOU College Rodeo

#### 4-H

- Classes and individual training

#### Local Gatherings

- Weddings
- Funerals
- Receptions

- Birthday parties
- Fund raising for those in need

#### Cycle Oregon

- Gathering, registration and parking facilities

#### Oregon Dept. of Forestry

- Incident command center for forest fires

#### U.S. Forest Service

- Incident command center for forest fires

#### Oregon State Police

- Annual agreement for their emergency use

#### Oregon Cattlemen

- Meetings
- Banquets and gatherings

#### Community Connections

- Mud volleyball fundraiser for local food banks

#### Union County Health Screening

- Annual Event

#### Lions Club

- Community chili feed following the annual Christmas light parade
- Riverfest – Annual Community Celebration

#### City of Elgin

- Annual clean-up day drop off site

#### Breast Cancer Awareness

- Fund raiser for "Tough Enough To Wear Pink Night"

#### Miscellaneous

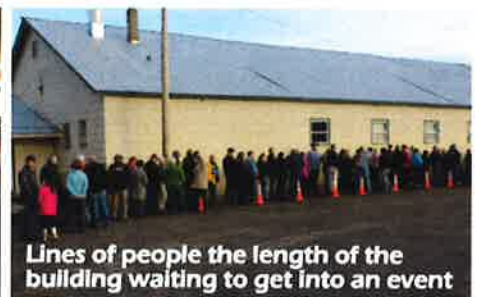
- Free overnight parking for trucks and trailers



## The Elgin Stampede Hall: Keeping Community Heritage Alive

### APPENDIX B, CONTINUED – PHOTOS OF STAMPEDE HALL USAGE

The Stampede Hall is used by countless organizations, governmental agencies and civic enterprises. Its size, full kitchen, ample room for parking, and regular availability provides a unique facility that is not found in many of the counties surrounding our community. As seen in the pictures below, we fill our facility to capacity numerous times throughout the year.







## The Elgin Stampede Hall: Keeping Community Heritage Alive

### APPENDIX C - CURRENT BUILDING CONDITIONS, PAGE 1 OF 2

The existing 64-year-old building is suffering from inadequate exterior finishes and a proper building envelope to prevent moisture and other weather elements from causing damaging water infiltration. Recent attempts at maintaining the building have resulted in space-disruptive pillars for ceiling support, and significant additional issues still exist in the aging foundation and ongoing wall separation.





## The Elgin Stampede Hall: Keeping Community Heritage Alive

### APPENDIX C - CURRENT BUILDING CONDITIONS, PAGE 2 OF 2

The existing facility also contains ancient plumbing systems, resulting in continually clogged drainage and costly ongoing maintenance. The Stampede Hall hosts hundreds of people at events throughout the year, but suffers from inadequate restroom facilities, with single toilets in both restrooms.



# Umatilla County

## Department of Land Use Planning

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**DIRECTOR  
TAMRA  
MABBOTT**

February 17, 2017

**LAND USE  
PLANNING,  
ZONING AND  
PERMITTING**

**TO:** Ways and Means Committee  
**FROM:** Tamra Mabbott, Planning Director  
**RE:** 2017 Budget

**CODE  
ENFORCEMENT**

**SOLID WASTE  
COMMITTEE**

Welcome to Umatilla County! Thank you for holding a hearing in Hermiston today.

**SMOKE  
MANAGEMENT**

Tonight I would like to share with you my support for the Department of Land Conservation & Development budget. In my 26 years as a county planner, DLCD has been a steadfast partner.

**GIS AND  
MAPPING**

**RURAL  
ADDRESSING**

I have many complements of the agency and staff. And, to be honest, a few professional disagreements which we resolved amicably.

**LIAISON,  
NATURAL  
RESOURCES &  
ENVIRONMENT**

A particular project of recent note is a \$20,000 Technical Assistance Grant DLCD provided to fund an economic and land use analysis of the Highway 395 North Corridor. That study and DLCD staff support provided the technical impetus for a regional economic re-development project that is leveraging public and private funds to add value to the land and to create good jobs. Together with an active group of landowners and citizens, this initial investment of \$20,000 will compound in the coming years.

As an added bonus, the deliverables included a redevelopment strategy for the Highway 395 corridor in Umatilla County but also a "economic development tool box" DLCD will share with other counties in the state.

In this challenging budget time, I encourage you to consider full support for the outstanding work of DLCD and their programs.

Cordially,

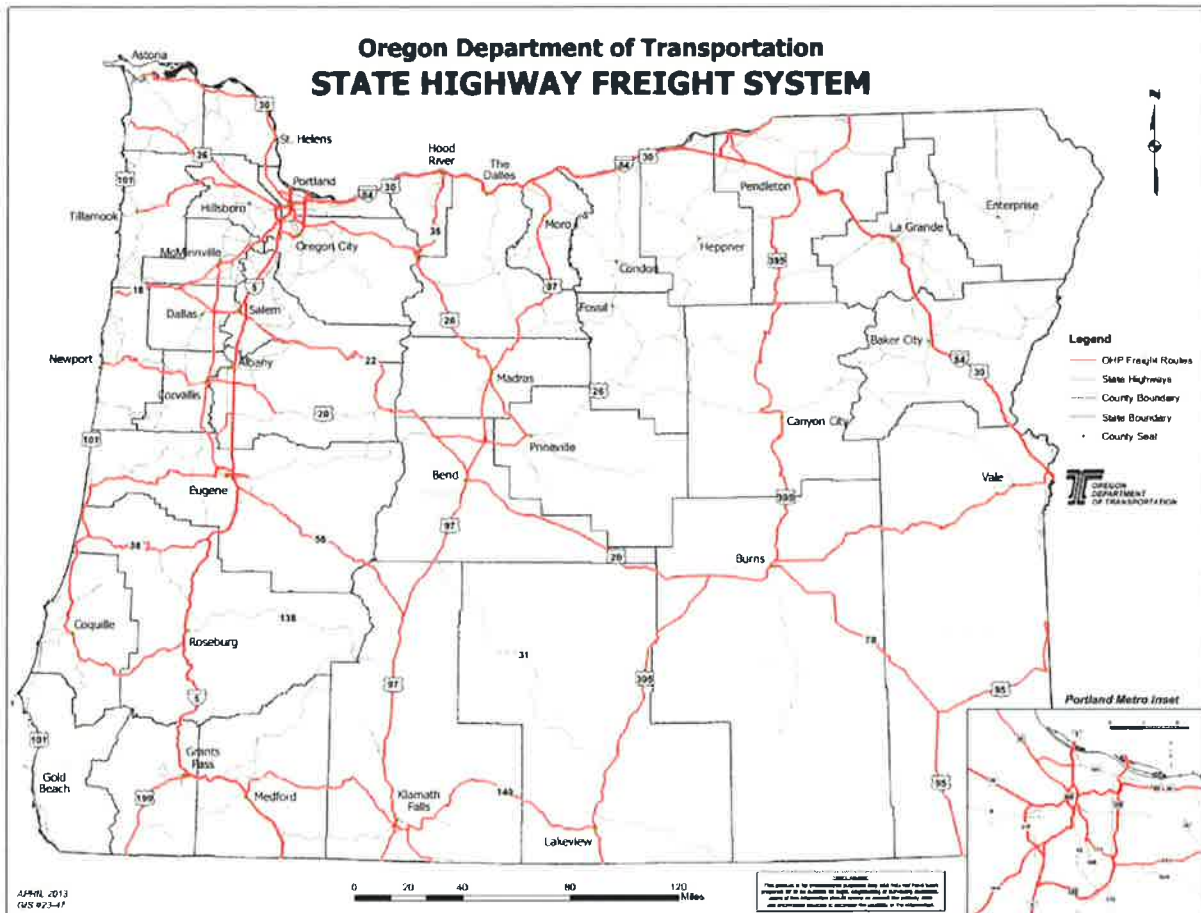
A handwritten signature in blue ink, reading "Tamra Mabbott".

Tamra Mabbott  
Planning Director

Attachments  
<http://www.co.umatilla.or.us/planning/index.htm>



# OREGON HIGHWAY CORRIDOR ECONOMIC DEVELOPMENT TOOL BOX



This project is funded by Oregon general fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views or policies of the State of Oregon.

**Prepared for:**

**State of Oregon Department of  
Land Conservation & Development**

**February 2015**

**E. D. Hovee & Company, LLC**

Economic and Development Services



# TOOL BOX INTRODUCTION

This document is aimed to provide an economic development tool box – a set of resources useful to assist with the development and revitalization of industrial and commercial activity along Oregon’s highway corridors. This resource guide is prepared for the State of Oregon Department of Land Conservation and Development (DLCD).

A **tool box** represents a collection of tools (or resources) that may be applied individually or in combination to encourage, leverage and shape development along the urban and rural highways of Oregon. Tool box resources considered with this compendium include planning and regulatory tools, technical assistance, funding resources, and workplace resources – together with other best practice and case study resources.<sup>1</sup>

The tool box resources identified in this document are intended to support improved economic opportunity along major freight and passenger corridors that are already designated for industrial and/or commercial use. The aim is not to encourage conversion of non-employment land to employment use; re-designation would require a comprehensive land use planning process with considerations that extend beyond the scope of this report.

Rather, this document focuses on resources that may serve to facilitate increased tax base, employment, and appeal of corridor areas already in industrial and commercial use. More intense development of areas already planned for employment use also may serve to reduce pressure to convert other non-employment lands for future industrial and commercial activity.

The listing of economic development tool box resources contained in this report has been compiled as part of a DLCD funded assessment conducted for Umatilla County with a *Highway 395 North Economic Development/Planning Study*. The planning study was conducted for an unincorporated portion of the Oregon Highway 395 corridor between the cities of Hermiston and Umatilla.

Zoned for industrial and commercial use, this corridor is acknowledged as an unincorporated Goal 14 exception area consistent with Oregon land use law. Many of the opportunities and challenges faced by Umatilla’s Highway 395 corridor likely are similar to those experienced on other highway corridors with existing commercial and industrial development both in and outside of incorporated communities across the state.

Most of the tool box resources identified with the listings in this resource guide are not limited in applicability only to highway corridors. With the notable exception of Oregon Department of Transportation (ODOT) responsibilities for state highway construction and maintenance, the programs of other agencies and organizations with statewide reach generally extend to also encompass non-highway corridor geographies, as well. This report focuses on those tools that have or could have utility for corridor-specific economic development and revitalization.

employment activities, uses categories are often defined on the basis of widely accepted classifications such as the North American Industrial Classification System (NAICS).

This traditional method is often also referred as Euclidean zoning, premised on the concept of separating, controlling, or buffering what are perceived as incompatible activities. A typical zoning system may involve distinctions between heavy industrial, light industrial, retail commercial, office/service commercial, residential and park/open space use. In Oregon, distinctions between industrial versus commercial use have been encouraged by Goal 9 stipulations that statutorily defines “industrial use” separately from “other employment use.”<sup>3</sup>

However, jurisdictions have often blended industrial with commercial uses as for, example, with business or industrial park designations that combine different variations of commercial and industrial use. More recently, urban jurisdictions have allowed for inclusion of residential with commercial in mixed use zones.

These combinations may make the analytical work of a Goal 9/Economic Opportunities Analysis (EOA) more challenging. However, they may also better reflect economic reality on the ground as for public live/work preferences or policy objectives for more livable communities.

**Performance-Based Zoning** is focused more on limiting impacts of development (such as traffic, noise, glare, odors) on neighboring properties than on the uses that may be outright or conditionally permitted. Nationally, performance zoning was first used in industrial areas to control effects such as vibration, noise, glare, or heat that reached beyond the property line.

Few, if any, communities in the Pacific Northwest have pure performance zoning. Use of this tool as an overall framework for local zoning appears to be declining elsewhere across the U.S. or switching to more of a hybrid approach (combined with traditional use-based zoning).

**Form-Based Zoning** is focused on the form, scale, and detailing of buildings, blocks and streets, often as a means of community *place-making*. Lists of permitted uses as a means to regulate development may be minimal to non-existent.

Form-based zoning is most prevalent in areas with a clearly established character intended to be maintained (as with historic downtowns), with as yet undeveloped areas being master planned, or with a well articulated vision for future development especially within a non-traditional mixed use environment. Form-based codes have been used across other parts of the U.S., but have been slow to come to the Pacific Northwest.

#### Oregon Applications

Wilsonville is an example of a jurisdiction that has applied **performance standards** to industrial developments in any zone. The City also allows office uses related to corporate HQ, technology, and R&D uses in its Planned Industrial Zone.

Lebanon further divides all use-based types into Class I, II and III categories based on the **types of impacts** and public review (from least to most significant).

Pendleton has a **form-based zoning overlay** in its Central Commercial zone (as part of its *River Quarter Enhancement Plan*) including provision for artisanal manufacturing with on-site retail.

## Intergovernmental Agreements

Oregon Revised Statutes (ORS 190) provides for intergovernmental agreements (IGAs) between units of local government to all the performance of functions or activities by one unit of government or another. The agreement may provide for the performance of a function or activity by means including a consolidated department, jointly providing administrative officers, joint facilities or equipment, and/or new intergovernmental entity created and governed by a board or commission acting on behalf of the units that are parties to the IGA.

One provision (ORS 190.083) relates to county agreements for transportation facilities – for operation, maintenance, repair and modernization. Included is bonding and taxing authority, with taxing authority subject to voter approval.

### Umatilla Army Depot Reuse

The IGA approach has been successfully applied to the transition of a federal military base closure back to local control. In September 2014, an initial local redevelopment authority was re-organized through a Section 190 IGA as the Columbia Development Authority with board representation from the Counties and Ports of Morrow and Umatilla and the Confederated Tribes of the Umatilla Indian Reservation. The 17,165 acre former chemical depot is managed with 7,500 acres for National Guard training, a 5,700 acre multi-use refuge, and with 3,965 acres for industrial, agricultural, and right-of-way redevelopment.

Website address (as of Jan 2015):  
<http://www.umadra.com/>

### Intergovernmental Agreements – The East Multnomah County Experience

Perhaps the best known example of an intergovernmental agreement (IGA) re-organizing the delivery of urban services in Oregon was the 2004 IGA between the City of Portland and Multnomah County that set the stage for transition of the unincorporated area between Portland and Gresham to the jurisdiction of the two cities. This occurred subsequent to the 1983 adoption of an Urban Services Policy by the City of Portland and subsequent resolution by Multnomah County to stop providing "municipal services" within unincorporated areas of the County.

From 1986-94, Portland annexed 27 square miles and 113,000 residents into the City. This was followed by extension of sewers through a Mid-County Sewer Project, completed by 1998 under budget and years ahead of schedule. While focused on residential areas, the extension of services also proved to be of benefit to area industries and commercial businesses that were also brought into the City. A report by the East County Sanitary Sewer Commission had found that "the lack of sanitary sewers was deterring businesses from locating in east county and was negatively impacting job creation there."

For a review of the experience for the portions of East Multnomah County that were annexed into the City of Portland, see the document: *East Portland: History of City Services Examined*, prepared by the Office of the City Auditor, April 2014.

Web site address is:  
<http://www.portlandonline.com/auditor/index.cfm?a=488003&c=64479>



making authority from the city or county that would normally review the application and give it to the Economic Recovery Review Council.

Web site information is available at:

[http://www.oregon.gov/LCD/ECODEV/pages/industrial\\_development\\_projects.aspx](http://www.oregon.gov/LCD/ECODEV/pages/industrial_development_projects.aspx)

**Oregon Department of Transportation (ODOT)** provides several technical assistance programs available to local jurisdictions. ODOT provides Statewide Planning and Research (SPR) funds which can be used to pay for a highway refinement plan. Projects are identified and selected by a Region Management Team based on improvement needs to the state highway system.

Web site information is available at:

<http://www.oregon.gov/ODOT/TD/TP/Pages/spr.aspx>

Also available is the ODOT Speed Zoning Program which includes guidelines for changing a speed zone on a state highway including local jurisdiction requests that can be made for an ODOT speed zone review and investigation.

Web site information is available at:

[http://www.oregon.gov/ODOT/HWY/TRAFFIC-ROADWAY/pages/speed\\_zone\\_program.aspx](http://www.oregon.gov/ODOT/HWY/TRAFFIC-ROADWAY/pages/speed_zone_program.aspx)

**Oregon Main Street Program** was formerly operated under the auspices of the Oregon Downtown Development Association and is now part of the Oregon Parks & Recreation Department (OPRD). The Oregon Main Street Network works with 78 communities across the state to assist with implementation of the national 4-point Main Street approach. While primarily focused on downtown areas, the National Main street approaches also been used with neighborhood district and commercial corridor revitalization.

Oregon Main Street information is available at:

<http://www.oregon.gov/oprd/HCD/SHPO/pages/mainstreet.aspx>

**Oregon Transportation and Growth Management Program** is a cooperative initiative of with ODOT and DLCD with competitive grants available to local jurisdictions. TGM funds are now awarded on an annual basis.

TGM resource information site can be found at:

<http://www.oregon.gov/LCD/TGM/Pages/index.aspx>

**Rural Development Initiatives (RDI)** is a non-profit organization created by the Oregon Legislature – initially to address rural forest and natural resource related issues. RDI is now primarily focused on leadership development but also with emphasis on collaborative partnerships for rural economic vitality. RDI conducts economic vitality summits and in 2012 launched a Home Town Competitiveness (HTC) program in the Western Treasure Valley area along the Oregon/Idaho border.

The LISC Institute provides a wide range of articles and research documents (at no charge) related to commercial and economic development – including articles specific to commercial corridors (albeit primarily in more urban or small town settings rather than for adjoining unincorporated corridors).

Links to available publications can be found at:

<http://www.instituteccd.org/-How-To-Do-It-/6-3-Retail-Renaissance.html>

**National Main Street Center (NMSC)** assists more than 2,000 older commercial districts across the U.S. including linkages with Oregon Main Street communities, using the 4-point approach that also serves as an organizing method for the implementation agenda with this economic development/planning study.

While NMSC serves commercial corridors as well as neighborhood and downtown centers, there appears to be no specific emphasis on corridor revitalization as distinct from other commercial areas. NMSC has successfully implemented the national 4-point approach of economic development, design, promotion and organization.

A listing of publications available to NMSC members is provided at:

<http://www.preservationnation.org/main-street/resources/sample-documents/publications.html#.VKGxVsAw>

**Urban Land Institute (ULI)** serves as a nonprofit research and education organization oriented to real estate development industry across the U.S.

ULI provides web site access to an extensive list of research reports and articles through its *Commercial Corridor and Neighborhood Revitalization – ULI Resource List*. While oriented to primarily to metro urban and suburban corridors, a wealth of information is available, some of which can provide information useful in smaller community settings as well.

Web site link is:

<http://uli.org/general-posts/commercial-corridor-neighborhood-revitalization-uli-resource-list/>

**U.S. Environmental Protection Agency (EPA)** is a federal agency best known for its regulatory functions but also actively involved with *smart development* initiatives both in urban and smaller rural communities.

EPA maintains a web site page for *Small Growth in Small Towns and Rural Areas*. Included are links to general publication resources and technical assistance reports with case studies for communities across the U.S. –including some smaller communities with in-town and rural corridor related assessments (as for the Highway 33 corridor between Driggs and Victor, Idaho).

Web site link is:

<http://www.epa.gov/smartgrowth/topics/rural.htm>



ratio which may prove challenging and requires detailed assessment to be submitted with competitive funding applications.

Since 2009, Congress has dedicated over \$4.1 billion for six rounds of competitive funding awards. A seventh round with \$500 million in nationwide funding is anticipated for 2015.

Web site link is:

<http://www.dot.gov/tiger>

**Other Federal Funding Support** includes federal economic development, transportation and/or stimulus funding programs available for infrastructure improvements that support economic development investment including corridor redevelopment and job creation. Recent examples of stimulus programs have included the American Reinvestment and Recovery Act (ARRA) and the Local Jobs for America Act (LJAA).

These types of *one-shot* programs currently appear less likely now with economic recovery and changing national legislative priorities. However, underinvestment in infrastructure continues to loom as major unaddressed nationally. Economic development experience over the last fifty years also provides repeated examples of programs that can arise on fairly short notice – including special appropriation situations.

## State of Oregon Resources

**Infrastructure Finance** comprises comprising programs administered through Business Oregon by the independent Infrastructure Finance Authority (IFA). IFA was created to ensure that community infrastructure needs – especially for water and wastewater system – are better identified and prioritized. Specific state and federal infrastructure programs that are supported by IFA include community development block grants (CDBG), the marine navigation improvement fund, port revolving fund, port planning and marketing fund, safe drinking water revolving loan fund, special public works fund, special public works emergency projects and water/wastewater system financing.

Web site address is:

<http://www.orinfrastructure.org/>

**Access to Capital Programs of Business Oregon** include a business development fund, capital access program, credit enhancement fund, industrial development bonding, and entrepreneurial development loan fund. Other tools including sources in which Business Oregon is direction involved and others involving referral to other programs include angel funding support, “aggie” bonds, a business expansion program, business retention services program, small business credit initiative, new market tax credits, and brownfields redevelopment assistance.

Web site address is:

<http://www.oregon4biz.com/How-We-Can-Help/Finance-Programs/>

Related tools include an *economic improvement district (EID)* or *business improvement district (BID)* to pay for ongoing operating costs as for business district marketing, management and maintenance. BIDs can also include a fee or surcharge to benefitting business owners.

Statutory LID authority is found at ORS 223 (most specifically 223.387 to 223.401); EID authority at 223.112 to 223.161. Bancroft bonding provisions for financing local improvements are described at ORS 223.205 to 223.295.

**Urban Renewal** provides a funding mechanism by which incremental (or added property taxes) generated from new development can be used to repay for public improvements and related public purposes. Funding is subject to creation of an urban renewal plan within a defined portion of a city or county, subject to specific statutory provisions. A single urban renewal plan and authority may overlap multiple city and/or county jurisdictions, provided that the affected jurisdictions approve and that the urban renewal plan does not conflict with underlying adopted comprehensive plans.

Urban renewal has been recognized as one of the most potent tools for encouraging local economic development in both urban and rural communities of the state. However, this funding mechanism has also been subject to considerable public debate with somewhat diminished use in recent years.

Statutory authority for urban renewal in Oregon is found at ORS 457.

**General Obligation and Revenue Bonding** also may be used for public capital improvements of benefit to economic development and corridor revitalization. *General obligation (GO) bonds* are backed by the full faith and credit including taxing power of the issuing jurisdiction, and must be approved by ballot election.

Assuming adequate capacity for added debt, this resource is typically viewed as most acceptable if the resulting project can be shown to benefit not just a small set of properties, but the entire jurisdiction paying taxes to repay bonded indebtedness. This could occur, for example, if highway corridor improvements could be demonstrated to achieve improved safety, reduced congestion and/or job creation benefitting the entire community.

*Revenue bonds* may be issued by a municipality and repaid by a dedicated funding stream – typically without voter approval and without requiring backing by the full faith and credit or taxing power of the City. Also noted are full faith and credit bonds, which may be issued and backed by the full faith and credit of the city without a specific revenue source being identified other than the City's general fund. Bonding is issued for capital improvement projects that typically cannot be funded on a one-time annual budget basis.

Statutory provisions governing bonding can be found at ORS 287A, and more specifically or GO use at 287A.050 to 287A.145. Revenue bonding authorization is at ORS 287A.150 and 352.805 to 352.820.

evident need for worker retraining with business restructuring in the wake of the Great Recession to retirements of the large *baby boomer* generation now underway.

## Work Source Oregon

In Oregon, a single statewide group serves to coordinate a network of public and private partners that “work together to provide an available supply of trained workers ready for the needs of today’s businesses. Work Source Oregon encompasses participating state agencies including the Oregon Economic and Community Development (Business Oregon), Oregon Employment Department (OED), the Department of Human Services (DHS), community colleges and workforce development, vocational education, the Oregon University System, Oregon Disabilities Commission, Commission for the blind, Working in Oregon, and Oregon Jobs. The network also includes local providers designated as coordinators of training delivery at the county and/or regional level across the state.

Web site information for the statewide system and local providers is found at:

<http://www.worksourceoregon.org/>

## E. OTHER BEST PRACTICE / CASE STUDY RESOURCES

This tool box listing concludes with a sampling of **best practice** examples for industrial-commercial corridor redevelopment both in Oregon and nationally. The listing begins with documents focused on urban commercial corridors, then proceeds to industrial corridors, rural community highway corridors and then Oregon corridor studies. Web site addresses are as of November 2014. Strategies are place-based but often with business-based implementation.

### Urban Commercial Corridors

Several examples of statewide and local jurisdiction case studies are noted. These are indicative of the range of evaluation work for commercial corridors outside the Pacific Northwest.

**New Orleans & Commercial District Revitalization.** Prepared for a metro focused project, this analysis includes reference to the 4-point Main Street approach and its utility for commercial revitalization. The thesis is titled: *On the Right Track: A Framework for Evaluating Commercial Corridor Revitalization in New Orleans*, December 2012.

The thesis can be found at:

[http://whodata.net/docs/On%20the%20Right%20Track\\_A%20Framework%20for%20Evaluating%20Commercial%20Corridor%20Revitalization%20in%20New%20Orleans.pdf](http://whodata.net/docs/On%20the%20Right%20Track_A%20Framework%20for%20Evaluating%20Commercial%20Corridor%20Revitalization%20in%20New%20Orleans.pdf)

**Minneapolis Great Streets Program.** The City of Minneapolis has one of the nation’s more extensive and systematic neighborhood business district programs – covering 116 areas including commercial corridors, nodes, transit station areas, and other activity centers. The program is perhaps most distinctive for its use of diverse public investment tools and commitment to measuring results.



# **TRI-COUNTY COOPERATIVE WEED MANAGEMENT AREA**

**BAKER COUNTY \* UNION COUNTY \* WALLOWA COUNTY**

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10507 N. McAlister Rd. Rm. 5 • La Grande, Oregon 97850 • Phone (541) 624-5353 • [www.tricountycwma.org](http://www.tricountycwma.org)

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**To: Oregon Joint Ways and Means Committee**  
**RE: HB 2043**

February 17, 2017

Dear Committee Members,

The Tri-County CWMA would like to express its full support for HB 2043. For the past two-decades, the Oregon Department of Agriculture (ODA) has played an integral part in both technical and financial support in treatment of noxious weeds in Union, Wallowa, and Baker Counties. Part of our mission is to protect *all lands* from the degrading impacts of noxious weeds, and funds provided through ODA's programs allow Tri-County CWMA to treat noxious weeds across jurisdictional boundaries. Passing of HB 2043, would allow programs such as Tri-County CWMA and county weed departments to help in lifting the financial burden that noxious weeds have on rural communities in Oregon.

Each year, Tri-County CWMA request funds through State Weed Board Grants provided by the ODA, many of these funds are used to leverage additional funds through national grant programs. Funding through ODA programs has given Tri-County CWMA the ability to provide noxious weed treatment for nearly 75 different landowners in Union and Baker Counties, totaling just over 150,000 gross acres in 2016 alone. In addition, regional ODA staff have provided essential technical support to the functions of Tri-County CWMA, including bio-control releases, herbicide recommendations, Board participation, and in-kind work.

The financial impact of noxious weeds in Oregon alone is estimated as high as \$83.5 million and programs provided by the ODA are critical to mitigating these costs on both private and public lands. Funding from ODA's noxious weed programs provide Tri-County CWMA with the ability to treat private lands adjacent to ongoing public land projects. Without these programs, many private landowners would be left to fight noxious weeds alone, putting many rural ranching families out of business. CWMAs are unique in their ability to treat noxious weeds across jurisdictional boundaries, however much of this not possible without funds from ODA weed program to assist in treatment of private lands.

Tri-County CWMA would like to urge this committee to vote in support of HB 2043 and take into consideration the real impact that ODAs noxious weed programs have on communities in Northeastern Oregon.

Thank you,

*Samantha Bernards*

Tri-County CWMA Director, Samantha Bernards

# END NOTES

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<sup>1</sup> Tool box information used with this report have has been compiled from sources generally deemed to be reliable – with detailed citations including web site or statutory links as applicable. However, the accuracy of information obtained from third party sources is not guaranteed and information is subject to change without notice.

In considering the utilization of any economic development tool, referral to specific agency or related publicly available documentation is recommended. This is important to obtain a more detailed explanation of tool features, requirements and applicability, as well as updates over time.

<sup>2</sup> A good review of zoning techniques and model ordinances (including use-, performance- and form-based zoning) is provided by a *Commercial and Downtown Districts Evaluation* conducted by Siegel Planning Services for the City of Pendleton (as Task 2 Technical Memorandum), dated March 2011. This document can be found on the internet via the following link:

[http://www.pendleton.or.us/sites/pendleton.or.us/files/File/community\\_development/downtown\\_plan/Task4.2Memo3-3-11.PDF](http://www.pendleton.or.us/sites/pendleton.or.us/files/File/community_development/downtown_plan/Task4.2Memo3-3-11.PDF)

<sup>3</sup> See, for example, definitions per ORS 660-009-0005 for industrial and other employment use, including continuing analytical distinctions made throughout other provisions of the statute as with ORS 660-009-0025 designation of lands for industrial and other employment uses.

# **Umatilla County Weed Department**

**3920 Westgate Pendleton, Oregon 97801**

**Office: 541 278-5462 Fax: 541 278-5427**

**Date: February 15, 2017**

To: Joint Ways and Means Committee

From: Bill Etter - Chair  
Umatilla County Weed Board

**RE: HB 2043**

The Umatilla County Weed Board is in full support of HB 2043. Umatilla County, along with other weed control districts across the State are suffering from budget cuts due to lack of funding. Over the last few years budgets have slowly decreased with the weed departments only treating the bare minimum. Currently, Umatilla County is treating two thirds of the acres we were treating a year ago. This means one third of the county will remain untreated and unchecked. If this trend continues, it will present a strong economic impact to our farming and ranching communities.

The Oregon Department of Agriculture (ODA) is an extremely valuable resource for our counties; weed control districts, farming, and ranching communities. The majority of our state agriculture relies on ODA support for noxious weed and bio-control work. Currently, the ODA is without a bio-control specialist. The former specialist, Eric Coombs was instrumental in the development and implementation of the current program. Without this position the weed departments are relying on the best guess to gather, place, and redistribute bio-controls. Mr. Coombs was able to track the release, study the effectiveness, and make recommendations based on his experience and working knowledge of bio-controls. It is our belief without this position being filled the bio-control program will dissolve, and the efforts made by ODA staff and weed departments will be lost.

In Oregon alone it is estimated that \$83.5 million dollars will be lost in personal income due to noxious weeds. If left unchecked it has a potential to reach \$1.8 billion. This equates to 40,800 jobs in Oregon.<sup>i</sup>

HB 2043 will enable ODA, counties, and other weed control districts to continue their noxious weed control efforts. The agricultural community of Oregon as a whole will benefit from HB 2043. It will boost the treatable acres; Oregonians will benefit from the support of ODA staff members, and allow weed departments to continue to support a strong economy for our Oregon farming and ranching communities.

Bill Etter  
Chair  
Umatilla County Weed Board



<sup>i</sup> The Research Group LLC



SUSAN ELLEN MCHENRY  
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PENDLETON OR 97801  
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EMAIL: susan@pendletonsanitaryservice.com

February 17, 2017

Oregon Legislative Assembly  
JOINT WAYS & MEANS COMMITTEE  
Legislative Fiscal Office  
900 Court St. NE, Room H-178  
Salem OR 97301

Dear Co-Chairs Devlin and Nathanson:

As Chair of the Umatilla County Local Public Safety Coordinating Council and President of Guardian Care Center of Pendleton, Oregon, I'd like to thank you for coming to Eastern Oregon to consider our local concerns. We appreciate the extremely difficult budget task before you, but there are some integral governmental functions being discounted in the current proposed budget, most important being public safety.

I echo my colleagues' concerns about the critical importance of our local crime laboratory and support for our Blue Mountain Enforcement Narcotics team. These are vital public safety services to Eastern Oregon.

I also implore your continued full support for the Child Abuse Multidisciplinary Intervention (CAMI) fund. There are none among us more deserving than our helpless, abused children who are served and protected by Guardian Care and other child abuse intervention centers in Oregon.

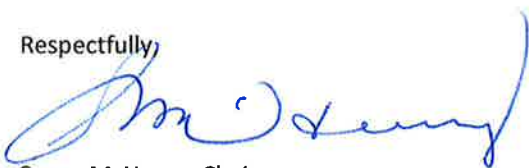
Additionally, Drug Courts, Community Corrections and Justice Reinvestment provide a continuum of services that provide public safety but also SAVE the state money through diverted prison bed utilization and reductions in crime. Since the inception of the Justice Reinvestment model that ultimately culminated in passage of HB3194, the premise has been that Oregon could not afford to build a new prison. The current budget proposal offered by Governor Brown all but guarantees that the new prison will become a certainty. A state that does not want to build a prison would not propose underfunding the systems of Drug Courts, Community Corrections and Justice Reinvestment, which are the very mechanisms that have thus far prevented prison construction in Junction City from becoming reality. Under the Governor's current budget proposal, the State of Oregon will ultimately spend much more money in prison construction and operations than it ever would by properly funding these preventative and proven systems. At the same time, the State would enjoy better evidenced-based results, lower crime rates and better access to desperately needed treatment services.

I urge you to implement allocations that will continue adequate funding for these vital programs and services.

- OSP Crime Lab
- Blue Mt. Enforcement Narcotics Team
- Child Abuse Multidisciplinary Intervention Fund
- Drug Court
- Community Corrections
- Justice Reinvestment

Thank you for your consideration and for the opportunity to address you this evening.

Respectfully,



Susan McHenry, Chair  
UMATILLA COUNTY LOCAL PUBLIC SAFETY COORDINATING COUNCIL



CHAMBER of COMMERCE  
**HERMISTON**  
*Oregon*

**Chamber President/CEO**  
Debbie Pedro

**Executive Board**

**Past Chairman of the Board**  
Joseph Basile

*Calpine Corp*

**Chair** Shirley Parsons

*American West Properties*

**Treasurer** Paul Keeler

*Eastern Oregon Telecom*

**Chair Elect** Josh Burns

*Wal-Mart DC*

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Josh Burns

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Phillip Spicer Kuhn

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Jason Edmiston

*Hermiston Police Dept.*

Randy Randall

*Preferred Realty Inc*

Bryan Medelez

*Medelez Trucking*

Kris Bennett

*KRISantheums & Bennett*

*Botanical Gardens*

**Ex-Officio** Joseph Franell

*EOT*

Hermiston Chamber of Commerce  
415 S. Hwy 395  
PO Box 185  
Hermiston, OR 97838  
541-567-6151 Fax: 541-564-9109  
hermistonchamber.com

February 17, 2017

**Good Evening Ways and Means State Budget Committee,**

*We are so happy you have come to Hermiston! We first want to thank you and let you know we appreciate your hard work and the task at hand. There are not always easy answers or fixes. We have entrusted in you to serve us, to protect and keep Oregon safe, healthy and business friendly.*

**Our Chamber represents 440 businesses and those businesses employ approximately 13,523 employees.** It is incredible to see what people can do when they are so passionate about our economic climate, as you know our economic welfare is mainly associated with the over 100 different agricultural crops grown in our area and what Hermiston has to offer. We are very fortunate to have such great leadership here in our region and that there are many excellent partners that have a vision and work together very well. We are fortunate to have great leaders at the capital in Representative Greg Smith and Senator Bill Hansell they represent us so well and we are proud of the work they are doing on behalf of our region. We have work closely with our local leaders including the City of Hermiston, Umatilla County, Good Shepherd Health Care Systems, Eastern Oregon Women's Coalition, North East Oregon Water Association, Umatilla Electric Cooperative, Ports of Umatilla and Morrow Counties, Eastern Oregon Telecom, West Umatilla County Economic Development Group, Blue Mt. Community College, Eastern Oregon University and the Hermiston School District.

**BUSINESS IS OUR BUSINESS**

- Hermiston has a need for housing at the entry level-first time home owners and temporary housing such as moderately priced apartment complexes, not low income.
- Our business community wants to see a balanced budget but not at the cost of more regulation to them.
- We oppose a new 13 percent tax rate for income above \$250,000. This is a significant issue for **small business** and business income is typically taxed at the personal income tax rates.
- PERS pension plan is bankrupting our state and tax payers should not be required to pay for two retirement plans. **A freeze on hiring additional state employees during this biennium would free up resources and ward off some of the pressure to increase taxes, fees and charges.**
- Pendleton State Forensic Lab currently in Pendleton. The need for this facility in Eastern Oregon is important it serves and the support regionally many jobs directly and indirectly.

- **BOLI Overtime Ruling**

The Oregon Bureau of Labor and Industries' (BOLI) recent decision to change decades-old procedures for determining overtime is attracting national attention, as are efforts by Associated Oregon Industries (AOI) to repair the damage of BOLI's change.

A nightmare cycle of mandates! Employers large to the small local business are already finding it hard to adapt to the sick leave mandate imposed by the Oregon State Legislature and now the new overtime rule. One business locally had 11,000 sick leave days last year, they also had to hire an additional HR staff person to keep track of all of it, in addition just imagine the nightmare of scheduling around a new overtime rule on top of this. No wonder Oregon businesses have a hard time keeping workers. The employers have to come up with creative ways to schedule employees this causes employees to quit their jobs. For those who have not followed this issue, Oregon requires that most employers of food processors, mills or manufacturing workers pay daily overtime for work over 10 hours per day. Under state and federal law, these employers, as well as most others, must also pay overtime if employees work more than 40 hours in one seven-day period. Because of the two separate overtime laws, food processors, manufacturing and mill workers **frequently end up with both daily and weekly overtime.**

**Best wishes as you are seeking input from communities across the state and thank you for your time,**

Debbie Pedro  
CEO

A handwritten signature in cursive script, appearing to read "Debbie Pedro".