



## **Iron Triangle L.L.C.**

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### **Testimony in Support of SB 5531**

To: Oregon Legislative Fiscal Office and Members of the Legislative Assembly

From: Iron Triangle, LLC (Project Sponsor and Land Owner)

**Re: Regional Rural Revitalization (R3) Strategies Consortium Request for Infrastructure Improvements in Ironwood Estates Phase 3 and Iron Ridge Subdivision, John Day, Oregon**

Date: May 7, 2025

Honorable Members of the Committee,

On behalf of Iron Triangle, LLC, I respectfully submit this testimony in strong support of R3's capital funding request for just under \$3 million to support infrastructure improvements for the Ironwood Estates Phase 3 and Iron Ridge Subdivision projects in John Day, Oregon.

The City of John Day and its surrounding rural region have recently faced significant economic hardship following the closure of Malheur Lumber Company's (MLC) sawmill in John Day, a cornerstone employer for our community. One of the stated reasons for MLC ceasing its sawmill operations was a lack of available housing for its employees. While Iron Triangle is attempting to facilitate the reopening of the sawmill, housing sufficient to entice employees to operate this forest products processing facility is still an issue. In response, Iron Triangle, LLC, in partnership with the Regional Rural Revitalization (R3) Strategies Consortium, is advancing a shovel-ready housing project to directly address the urgent need for new housing and stimulate economic recovery.

### **Project Overview and Readiness**

- The Ironwood Estates Phase 3 and Iron Ridge Subdivision will create between 20 and 30 new homes, providing critical housing for families and workers displaced by recent economic changes.
- Both subdivisions have received all necessary site design and preliminary plat approvals from Grant County and the City of John Day, and a Consent to Annex has been filed and accepted.
- The project is construction-ready and can commence within sixty days of funding receipt, with all permitting and approvals secured.

### **Funding Request and Infrastructure Needs**

- We are requesting just under \$3 million to fund essential infrastructure, including water, sewer, streets, and stormwater control improvements.

- Water service is already available at the property line; this investment is primarily needed to extend sewer service into the urban growth boundary, which will not only serve these new homes but also benefit surrounding properties and future development.
- These improvements are necessary to unlock the full housing potential of the sites and ensure long-term community benefit.

### **Community and Economic Impact**

- The project will generate immediate construction jobs and long-term economic activity, supporting local businesses and increasing the city and county tax base.
- By providing new workforce housing, we will help stabilize families, attract new residents, and support workforce retention, all of which are vital to John Day's and Grant County's economic resilience.
- This project aligns with the priorities outlined in Senate Bill 5531 and related statutory frameworks, which recognize the critical role of infrastructure investment in promoting economic development, job creation, and community vitality.

### **Leverage and Local Commitment**

- The total project cost is \$4,443,266, with over \$1.4 million in matching funds already secured from private and local sources, demonstrating strong local commitment and leverage for state investment.
- Russ Young and Iron Triangle, LLC, as both the landowner and operator of a local construction firm, are prepared to deliver the improvements efficiently and cost-effectively.
- The R3 Strategies Consortium anticipates committing \$20,000 per unit, along with home designs and technical assistance, to move into home construction immediately upon completion of the infrastructure improvements.

We urge your support for this funding request, which represents a unique opportunity to catalyze economic recovery, address urgent housing needs, support the revival of the closed Malheur Lumber Company sawmill, and lay the foundation for sustainable growth in John Day and the surrounding region.

Thank you for your consideration.

Respectfully,



King Williams, Contract Manager

Iron Triangle, LLC