

ConnectOregon Program

Application

PART B - Applicant Qualifications

1. CONTACT INFORMATION

APPLICANT

ORGANIZATION NAME City of Lebanon	PRIMARY CONTACT PERSON AND TITLE Jim Ruef, Director of Public Works
ADDRESS 925 Main Street	TELEPHONE 541-258-4262
CITY, STATE AND ZIP CODE Lebanon, OR 97355	FAX 541-258-4955

CO-APPLICANT / CO-SPONSOR

ORGANIZATION NAME Albany & Eastern Railroad	PRIMARY CONTACT PERSON AND TITLE Mike Root
ADDRESS 1782 S. Main Street	TELEPHONE 541-259-6470
CITY, STATE AND ZIP CODE Lebanon, OR 97355	FAX

2. IS / ARE THE APPLICANT(S) CURRENT ON ALL STATE AND LOCAL TAXES, FEES AND ASSESSMENTS?

YES NO If NO, Explain:

PART C - Project Description

3. PROJECT DESCRIPTION AND PURPOSE: Summarize the project's description and purpose.
Provide maps in 8 1/2 "X 11" format as hard copy only.

This project will relocate a dimensional lumber reload facility from the central business commercial district in downtown Lebanon to the northwest industrial area in Lebanon. The existing site is constrained by existing development and can not grow at it current location. The project will relocate the finish dimensional lumber reload facility to a larger site which will allow the operation to grow and become more efficient.

The project consists of the following features as shown on the attached maps:

- Construct a 2050 foot private access road from the corner of 12th and Harrison north to the existing Albany and Eastern railroad line.
- Construct a 2 acre paved surface
- Install 400 feet of public 12" sewer main, 1650 feet of private 4" sewer lateral and 1 private sewer pump station
- Install 500 feet of public 12" water main and 1 fire hydrant
- Construct 4200 feet of railroad switching track

4. ConnectOregon (CO) Project Budget

SOURCES OF FUNDS: Please identify the source and amount of moneys comprising your project budget in terms of grants, loans, match and other funds.

SOURCES:	Amount	Percent of Total	DATE AVAILABLE	
			Cal Year	Quarter
a. ConnectOregon Grant	\$1, 918, 558	80%	2008	first
b. ConnectOregon Loan	\$	%		
c. Required Match (Grants -20% of Total Project) 1	\$479, 640	20%	2008	first
d. Other Leveraged Funds (2)	\$	%		
e. Other Leveraged Funds (2)	\$	%		
f. Other Non-Leveraged Funds (Describe)	\$	%		
g. Other Non-Leveraged Funds (Describe)	\$	%		
TOTAL*	\$2,398,198	100%		

(1) Please describe the source and timing of the 20% match shown above. If applicable include the cost basis of property.

The 20% match will be provided by the City of Lebanon (from the Lebanon Northwest Urban Renewal District) and Albany & Eastern Railroad Company.

(2) If your project leverages other funds beyond the ConnectOregon grants, loans and match required for your project, please describe the source, timing and basis for valuing the other funds. Leveraged funds must be shown in 1(d) and 1(e) above.

There are no leveraged funds available for this project.

USES OF FUNDS: Please identify the proposed uses and amount of moneys comprising the project budget.

USES:	Amount	Percent of Total	DATE AVAILABLE	
			Cal Year	Quarter
Labor (Payroll)	\$397782.00	16.6%		
Contracted Services (If Known)	\$	%		
Materials and Supplies	\$1,775,416	74%		
Capital Outlay (Land)	\$225,000	9.4%		
Capital Outlay (Buildings)	\$	%		
Capital Outlay (Equipment)	\$	%		
Other (Describe): _____	\$	%		
Other (Describe): _____	\$	%		
Other (Describe): _____	\$	%		
Other (Describe): _____	\$	%		
TOTAL*	\$2,398,198	100%		

**Totals for Sources of Funds and Uses of Funds must be equal*

5. REAL ESTATE

EXACT ADDRESS OR LEGAL DESCRIPTION:

a. IS PROPERTY OWNED BY APPLICANT(S)? YES NO

PURCHASE PRICE	DATE

b. IS PROPERTY TO BE PURCHASED? YES NO

PURCHASE PRICE	DATE
\$225,000 estimated	2007

c. IS PROPERTY TO BE LEASED? YES NO

d. DOES THE PROJECT INCLUDE
EASEMENTS OR DONATED PROPERTY? YES NO

Provide any additional details here:

Property negotiations will begin once funding has been secured.

PART D - Project Considerations

NOTE: The independent review consultant who will evaluate the project may consider other published or publicly available information when conducting this review.

6. TRANSPORTATION COST REDUCTION: Describe how the project reduces transportation costs for Oregon businesses.

The lumber reload facility is proposed to be relocated from the central downtown area of Lebanon to Lebanon's northwest industrial area. This will help reduce transportation cost in three significant ways. The first major cost reduction is the savings realized by streamlining and enlarging the operations of the current reload facility. The existing reload facility is located in downtown Lebanon and is significantly constrained by existing infrastructure. The site does not provide enough room to maximize the efficiency a larger site provides.

Please See Addendum page 8 for additional information.

7. MODAL CONNECTIVITY: Describe how the project benefits or connects two or more modes of transportation.

The proposed relocation and expansion of the Lebanon reload facility will enhance and streamline the transfer of dimensional finish lumber from trucks to railcars. The proposed facility will increase the volume and lumber shipped by rail resulting in the following benefits:

- Reduce the impact to state and local roads
- Reduce harmful emissions as less trucks will be on the road
- Speed up the time it takes for finish lumber to reach retail and commercial outlets

8. STATEWIDE OR REGIONAL TRANSPORTATION LINK: Describe how the project creates a critical link in a statewide or regional transportation system.

The proposed relocated Lebanon reload facility will increase the amount of lumber shipped by rail from the surrounding local mills. This will increase the efficiency of the local rail system while at the same time reduce the impact to local and state highways.

9. COST BORNE BY APPLICANT(S): Provide the amount by which the project will exceed, or, provide a match beyond *ConnectOregon's* minimum grant-match requirement of 20%.

At this point, Lebanon is only able to provide the required 20% match for grant funding.

10. PERMANENT AND CONSTRUCTION JOBS CREATION/RETENTION: Describe how the project creates and retains permanent and construction jobs in Oregon.

The project will not have a significant affect on permanent job creation as it relocates an existing reload facility to a larger more efficient site. However, the project will create temporary construction jobs. The project will be designed, bid and administered by the City of Lebanon so the construction contract will mostly likely be awarded (low bid) to a local contractor with the construction jobs will be covered by BOLI. The project duration is expected to last 3-4 months during the summer of 2008.

11. ANTICIPATED CONSTRUCTION START DATE OR EQUIVALENT: June 2008

12. ANTICIPATED PROJECT COMPLETION DATE: October 2008

13. CONSTRUCTION READINESS: Provide a project timeline and describe where the project is on this timeline in relation to planning, design and permitting issues.

The scope of the project has been set and key stakeholders identified. The next step in the project is to secure funding and move ahead with property acquisition and project design. The wetland delineation has been completed on the project site and the mitigation plans are currently in design. The project site is located in Lebanon's northwest industrial area and is zoned for industrial use. This fits with the proposed reload facility and no zoning changes, exceptions, or amendments are necessary to move forward with the project.

The project timeline is as follows:

- Summer 2007 - property purchase
- Fall 2007 thru Winter 2008 - project design
- Spring 2008 - bid project
- Summer 2008 - construct project

14. PROJECT OPERATIONS: How will the ongoing maintenance, operation and replacement of the project be financed?

The project will be owned and operated by Albany and Eastern Railroad. The maintenance, operation and replacement of the site improvements will be financed by Albany and Eastern Railroad. The public utilities necessary to allow the site to be developed will be owned and operated by the City of Lebanon.

15. OTHER CONSIDERATIONS AND INFORMATION: Describe any other considerations and information you would like taken into account about the project.

PART E - Supporting Materials: Provide a list here of supporting materials that will be provided as part of your hard copy submission.

ADDENDUM PAGE 8: Attach additional text here as necessary, identifying the corresponding application question number you are completing.

Question 6 Addition information.

The second significant cost reduction comes from reducing the delays to commercial and industrial traffic in both the northwest industrial area and the central business district. The new reload facility will be located directly adjacent to the Albany & Eastern Railroad spur line which is located on the western edge of the northwest industrial area. This is important because this will significantly reduce the number of rail cars traveling through the industrial area thus reducing the traffic impact and delays to current industrial businesses including Lowe's Distribution Warehouse.

The third cost reduction is realized by reduced truck traffic on residential and collector streets. Currently, loaded trucks access the reload facility in the central part of downtown impacting streets which were not designed to handle the volume of truck traffic the reload facility produces. This will reduce the maintenance to existing City streets and assist in making more money available for other street maintenance projects in other areas of town.

ADDENDUM PAGE 9: Attach additional text here as necessary, identifying the corresponding application question number you are completing.

ADDENDUM PAGE 10: Attach additional text here as necessary, identifying the corresponding application question number you are completing.

ADDENDUM PAGE 11: Attach additional text here as necessary, identifying the corresponding application question number you are completing.

ADDENDUM PAGE 12: Attach additional text here as necessary, identifying the corresponding application question number you are completing.