

Attachment 1

South Central Regional Solutions Priorities
Updated June 2016

High Focus Priorities

- 1) Infrastructure
 - a. Water systems (Chiloquin, Malin, Merrill)
 - b. Sewer (Crescent, Bonanza)
 - c. Natural gas (Lakeview)
 - d. Broadband
- 2) Availability and marketability of industrial land
- 3) Business retention, expansion and attraction
 - a. Support entrepreneurship and small businesses
 - b. Renewable energy and Energy efficiency
 - c. Food processing/value added agriculture
 - d. Remove air quality impediments to economic development
- 4) Regulatory alignment and technical assistance

High Focus Priorities: the committee, coordinator and team will actively engage in seeking solutions and projects that contribute to successful outcomes for the priority.

Support Priorities

- 1) Water Storage for agriculture
- 2) Transportation (rail, highways, airports, and local roads)
- 3) Workforce Training
- 4) Workforce Housing
- 5) Downtown Revitalization
- 6) Improve forest health and access federal timber resources

Support Priorities: the committee, coordinator and team will monitor, engage and support as needed and requested. The coordinator/team will continue working with communities opportunistically to address these priorities and to serve as a catalyst for their successful accomplishment.

High Focus Priorities

1. Infrastructure

Infrastructure Priority	Agency Involvement	RST Projects	Comments
Water Systems	OBDD IFA,	Chiloquin, Malin, Bly, Merrill.	
Sewer (Wastewater)	OBDD/IFA, DEQ, DLCD	Town of Bonanza WW, Crescent WW, South Deschutes Northern Klamath County groundwater solution; Brett Way Klamath Falls	IFA funding for planning. Board of Forestry approved request to sell a portion of the Gilchrist State Forest to the Crescent Sanitary District at their June meeting. CSD Income Study completed. CSD One-stop scheduled for

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			September, 2016. Floodplain questions for Bonanza investigated & relayed to city.
Natural Gas	DEQ, OBDD/IFA, DSL, DLCDC	Coordination of Red Rock permits; phase 2 project of construction NG through Lakeview.	RS Coordinator convening sub group to work on this issue. Potential partnership between Red Rock, Veresen, Town, County and Avista. RST will assist in addressing regulatory issues.
Broadband	OBDD/IFA; OEM	Paisley Broadband, overall broadband strategy.	RST assisted with Paisley; looking for other opportunities to assist with broader strategy to assist rural areas not currently served. Looking to partner with FirstNet
Active Transportation/Downtown Revitalization	ODOT, DLCDC	TGM grants to City of Klamath Falls for bike/ped access gap planning and evaluation; Blue zones project Klamath Falls. ODOT/DEQ assistance on Lake Ewauna Trail.	RST met with City of Klamath Falls and Blue Zones representatives. Potential for TGM and DLCDC code assistance. DEQ wrote grant for & obtained \$50,000 in EPA funding for Site Specific Assessment needed for Lake Ewauna Trail construction. SSA work completed & recommendations will be used in project construction.
Renewable Energy	ODOE, WRD, DLCDC, OBDD	Geothermal projects- Kingsley Field, Lakeview, Paisley, Klamath Falls, Solar- Obsidian projects, OIT, Backscatter site.	

Expected outcomes:

- 1) Technical assistance is provided to smaller jurisdictions.
- 2) Applicants looking to use innovative sewage treatment technologies receive accurate and timely engineering reviews and policy direction jointly from DEQ and DLCDC.
- 3) State loan and grant funds are leveraged to provide critical infrastructure.

Agency Involvement:

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

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- 5) Department of Environmental Quality (DEQ) will: provide technical assistance; leverage state grant and loan funds to assist local/county governments with high priority projects.

2. Availability and Marketability of Industrial/Employment Land

Expected outcomes:

- 1) Communities in South Central have an adequate supply of readily developable industrial/employment land to retain/attract employers.
- 2) Land that is developed is replenished.
- 3) Communities understand what’s required by the state’s land use laws.
- 4) State funds are leveraged to provide critical infrastructure to high priority sites.

Agency Involvement:

- 1) Department of Land Conservation and Development (DLCD) will: work with local jurisdictions to create inventory of vacant/underutilized existing industrial land and infrastructure needs; provide timely feedback and support to jurisdictions revising/expanding UGBs.
- 2) Department of Transportation (ODOT) will: partner with local governments to provide critical transportation infrastructure needed to serve industrial lands; work with DLCD to provide timely and accurate technical assistance on Transportation Planning Rule and Oregon Highway Plan regulatory issues; work with Business Oregon and local partners to develop funding packages for projects eligible for the Immediate Opportunity Fund.
- 3) Business Oregon (OBDD) will: develop accurate understanding of available industrial land in the region; partner with land owners wishing to certify their land as shovel ready in 180 days; identify state funding programs to support necessary infrastructure.
- 4) Department of Environmental Quality (DEQ) will: Review certification requests for environmental issues.

RST priority projects:

- 1) Industrial lands inventories for Lakeview and Klamath Falls.
- 2) Brett Way partnership with ODOT/City of Klamath Falls for infrastructure.
- 3) Red Rock Biofuels. Technical assistance on land use and permitting issues. Partnering on Kadrmas Road improvements for Red Rock, other industrial users in vicinity by providing IOF/SPW Funds.

3. Business Retention, Expansion and Attraction

- a. Support entrepreneurship and small businesses
- b. Renewable energy and Energy efficiency
- c. Food processing/value added agriculture
- d. Remove air quality impediments to economic development

Priority	Agency Involvement	RST Projects	Comments
Entrepreneurship	OBDD; other agencies will provide TA for specific business needs	Klamath IDEA	Oregon Solutions served as facilitator for Klamath IDEA Project, assisted local partners in producing governance structure and project work plan.

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Energy Efficiency	ODOE, DEQ, OBDD/IFA	ILC/ Daly Middle School, OIT solar/geothermal; Interfor Mill Upgrades	
Food Processing/value added agriculture	ODOE, WRD, OBDD/IFA	Wealthworks Outback food initiative, recent Klamath local discussion	This work is evolving and ongoing. RST looks for opportunities for providing geothermal to greenhouses.
Wood stove change out/improve air quality	DEQ, ODOE	Remove air quality barriers to economic development by removing stoves and weatherizing homes.	Team worked with SCOEDD and Lakeview community leaders to refine Lakeview program to attract more participants.
Renewable Energy	ODOE, WRD, DLCD	Surprise Valley Electric, Various solar projects, Kingsley Field Geothermal	This work is evolving and ongoing. ODOE working on irrigation efficiencies project.

Expected outcomes:

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

Agency Involvement:

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

RST projects:

- 1) Red Rock Biofuels- multi agency coordination, job retention and creation, public and private investment. Extension of natural gas which will eventually allow business expansion/retention in Lake County.
- 2) Woodstove Change Out program to assist in air quality improvements, allowing businesses to expand in both Klamath and Lake Counties.

4. Regulatory Alignment and Technical Assistance

Advisory Committee role: support as a priority

Expected Outcomes:

- 1) Developers and jurisdictions with projects requiring permits, approvals or funding from multiple agencies understand at the outset what is expected of them.
- 2) Data needs and processes are mapped out at the beginning of the project.
- 3) Complex processes are more easily defined, for both public and developer/jurisdiction.
- 4) Efficiencies in permitting are achieved.

Agency Involvement:

- 1) Governor's coordinator will convene meetings with affected agencies and project sponsors.
- 2) State agencies will identify regulatory requirements and options
- 3) RST serves as one-stop for permit assistance, with agency coordination and tracking via RS Coordinator.

Support Priorities

1. Workforce Training

Expected outcomes:

- 1) Education: ILC assists in meeting 40/40/20 Goals, provides opportunity for 5th year high school degree, credits towards Klamath Community College, and education/workforce development.
- 2) Through ILC, renovation of historic Daly Middle School into a net-zero building, with geothermal retrofits.
- 3) Through ILC, classroom outfitted with synchronous video equipment, capacity for 90 students, and remodel of upstairs of school for meeting rooms and community events.
- 4) Team will tack sector strategy development and assist in addressing the needs of the region's priority sector "value added agriculture."

Agency Involvement

- 1) Oregon Solutions will assist with development of partner roles and responsibilities and project delivery.
- 2) Oregon Department of Energy will: provide technical support for facility planning related to energy efficiency and renewable resources.
- 3) Business Oregon's Infrastructure Finance Authority will administer RS funds for the ILC.

RST projects:

- 1) Establishment of Innovation Learning Center which provides opportunities for post-secondary education for Lake County residents through synchronous video classrooms with Klamath Community College.

2. Downtown Revitalization

Expected Outcomes:

- 1) Better integration of state resources for downtown revitalization/redevelopment.

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- 2) Downtowns become vibrant areas that support local investment, bring tourism dollars to the region, and serve as community and business centers.

Agency Involvement:

- 1) Oregon Department of Transportation will:
 - a. Work with communities to develop, fund, and construct streetscape projects (for example, downtown Lakeview, Merrill, Malin, and others).
 - b. Incorporate architectural components into projects (bridge railings and sound walls). Including historic preservation.
 - c. Support informational signing along highways for historic, cultural, and recreational attractions that may be in downtowns.
- 2) Department of Land Conservation will:
 - a. Help communities plan for well-designed and aesthetically pleasing transportation-related project. An example would be a Main Street workshop that identifies street furniture, signage, gateways, lighting and landscaping (\$20,000 cap, through TGM Education and Outreach).
 - b. Mobilize TGM Quick Response funds to ensure downtown development projects address transportation-related concerns with good design and aesthetics.
 - c. Partner with Downtown Associations to achieve better leverage of private/public investment.
- 3) Oregon Housing and Community Services will: work with affordable housing developers to consider opportunities for including housing as part of downtown redevelopment plans.
- 4) OBDD/IFA: Provide guidance on community center funding opportunities when part of a larger downtown revitalization effort (community facilities funds).
- 5) Oregon State Parks: Coordinates with other revitalization efforts to integrate park expansion (for example, Chiloquin Skate Park, Malin State Park grant application).
- 6) DEQ provides assistance and guidance regarding \$500K Brownfield grant from EPA, contamination histories on some existing sites, and redevelopment possibilities.
- 7) Agencies shall make every attempt to locate office facilities downtown.

RST priority projects:

- 1) Klamath Downtown workshops- led by Klamath Downtown Association, with possible future funding through a TGM Education/Outreach grant.

3. Improve Forest Health and Access Federal Timber Resources

Expected outcomes:

- 1) Timber is accessed to support local mills and timber products businesses.
- 2) Wildfire risks are reduced.
- 3) Forest Restoration projects are identified and planned through collaborative processes; litigation over projects minimized.
- 4) Biomass resources are utilized in renewable energy projects.

Agency Involvement:

- 1) Oregon Department of Energy will: implement the wood cluster project with state and federal agency partners; project will coordinate market development activities around target geographies in a way that can help create demand for small diameter logs and biomass

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materials primarily resulting from forest restoration activities. ODOE will also provide technical assistance and grant/incentive opportunities.

- 2) Oregon Watershed Enhancement Board will: administer grant funds for collaborative support and provide technical assistance.
- 3) Oregon Department of Forestry will: provide technical assistance and look for opportunities within the Forest Health Budget Package to support South Central Oregon collaborative increase the pace and scale of restoration.

RST projects:

- 1) Oregon Solutions projects, including the 10-year Stewardship Agreement for Fremont-Winema National Forest, Western Juniper Utilization Workgroup, and Federal Forest Advisory Committee work.
- 2) SageCon Partnership- DLCD, ODFW.
- 3) Red Rock Biofuels- RST assisting with regulatory permitting.

4. Workforce Housing

Expected outcomes:

- 1) Housing for all income levels is provided.
- 2) Housing is safe and located close to services.

Agency Involvement:

- 1) Oregon Housing and Community Services administers state and federal funds for affordable housing
- 2) ODOT may own property that is or may be re-zoned to residential
- 3) Department of State Lands owns property that may be available for rezoning to residential- however, most of DSL-owned parcels are outside designated UGBs in South Central.
- 4) DLCD participates in and oversees local planning processes that determine residential land supply.
- 5) ODOE has energy incentive programs and assistance available.
- 6) Agencies will coordinate on permit reviews and requirements.

RST projects:

- 1) \$1.5 million Air Quality/Removing Economic Barriers Program will provide heating, electrical, and weatherization upgrades to homes in Lake and Klamath County, assisting in improving existing housing stock.