July 19, 2019

Chuck Arnold, Economic Development/Urban Renewal Program Manager
City of Redmond, Community Development Department
Economic Development/Urban Renewal Division
411 SW 9th Street
Redmond, OR 97756

Re: Determination Whether Project is Subject to Prevailing Wage Rate Laws
Project: Central Oregon Medical Specialists Building Redevelopment
Requested by: City of Redmond

Dear Mr. Arnold:

On June 24, 2019, we received the request you submitted on behalf of the City of Redmond asking if the Prevailing Wage Rate laws would apply to the redevelopment of the Central Oregon Medical Specialists Building. Sufficient information to make a determination was received on July 18, 2019, and therefore, the commissioner issues the following determination:

FINDINGS OF FACT

1) The Redmond Urban Renewal Agency ("RURA"), a public agency under ORS 279C.800(5), was formed by action of the City of Redmond on July 25, 1989. RURA’s primary goals are to maintain the vitality of the downtown core, make productive use of land, and create opportunities for new development. To achieve these goals, RURA is authorized to provide funding assistance to certain catalytic projects.

2) The Central Oregon Medical Specialists Building, located at 333 NW Larch Avenue in Redmond, Oregon, is a privately owned building housing private tenants. The owners of the building propose to renovate the building, adding approximately 6,000 square feet and building tenant improvements as part of an effort to retain the existing anchor tenant and attract additional medical tenants (the "Project"). After the building is renovated, no public agencies will occupy or use space in the building.

3) The total Project cost is estimated to be $6,117,237. RURA will loan the building owners $600,000 for the Project. The loan term is six years. All payments, including principal
and interest, are deferred until maturity. If all provisions of the loan agreement are met, $100,000 of the principal balance will be forgiven annually.

4) During the construction phase, RURA intends to hire a third-party to review monthly construction progress and verify that the monthly construction loan draws on the RURA loan are true and correct. The anticipated cost for this is $20,000 - $25,000, with a maximum cost of no more than $40,000. RURA has no other obligations or responsibilities related to the Project.

CONCLUSIONS OF LAW

1. The Project will not be carried on or contracted for by a public agency. Therefore, the Project does not meet the definition of "public works" under ORS 279C.800(6)(a)(A).

2. The Project will use no more than $640,000 in funds of a public agency. Therefore, the project does not meet the definition of "public works" under ORS 279C.800(6)(a)(B).

3. No public agency will occupy or use any part of the Project. Therefore, the Project does not meet the definition of "public works" under ORS 279C.800(6)(a)(C).

DETERMINATION

Based on the foregoing, the Prevailing Wage Rate laws, ORS 279C.800 to ORS 279C.870, and OAR Chapter 839, Division 025, will not apply to the Central Oregon Medical Specialists Building Redevelopment project.

This determination is based on the agency's file as of the date of this determination. The commissioner may make a different determination if any of the project information is incorrect, or if the project or project documents are modified or supplemented after the date of this determination.

REQUEST FOR A RECONSIDERATION

After the commissioner issues a determination, the requestor or any public agency served with a copy of the determination may request that the commissioner reconsider the determination. A request for reconsideration must be submitted in writing to the Prevailing Wage Rate Unit, must include the reason or reasons for the request and any documents in support of the request, and must be received within 15 calendar days of the date the determination was mailed. A request for reconsideration does not toll the time period for requesting a contested case hearing on the determination.

RIGHT TO A HEARING

The requestor and any person adversely affected or aggrieved by this determination are entitled to a hearing as provided by the Administrative Procedures Act (ORS 183.413 to 183.470) and ORS 279C.817. If you want a hearing, the Bureau of Labor and Industries, Wage
and Hour Division must receive your written request for hearing within 21 days from the date this notice was mailed. Hearing requests should be addressed and delivered to:

Administrator
Wage and Hour Division
Bureau of Labor and Industries
800 NE Oregon St., Suite 1045
Portland, Oregon 97232

If a written request for hearing is not received within this 21-day period, your right to a hearing shall be considered waived, this determination order will be final, and the agency file on this matter shall serve as the record for purposes of proving a prima facie case.

If you request a hearing, you will be notified of the date, time and place of the hearing. You have the right to be represented by legal counsel at a hearing. However, if you are a government agency, corporation, partnership, or unincorporated association, you must be represented by either legal counsel or an authorized representative. If you request a hearing, you will receive information on Contested Case Rights and Procedures before the hearing. After the hearing, an order confirming, modifying, or reversing this determination order will be issued. This determination shall remain in effect until the final order is issued.

If you request a hearing, but fail to appear at any scheduled hearing, you will have waived your right to hearing, and the commissioner may issue a final order by default. If the commissioner issues a final order by default, the agency file on this matter shall serve as the record for purposes of proving a prima facie case.

Date: July 19, 2019

VAL HOYLE, Commissioner
Bureau of Labor and Industries

Sonia Ramirez, Administrator
Wage and Hour Division
Bureau of Labor and Industries
Certificate of Service

On July 19, 2019, I mailed the Prevailing Wage Rate Determination for the Central Oregon Medical Specialists Building Redevelopment project to the requestor and interested party, as follows:

Chuck Arnold, Economic Development/Urban Renewal Program Manager
City of Redmond, Community Development Department
Economic Development/Urban Renewal Division
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