



REGIONAL SOLUTIONS OFFICE
GOVERNOR KATE BROWN

Regional Solutions Advisory Committee: North Central Region
Minutes

October 5, 2015

10:00 AM – 12:00 PM

Meeting Location: Columbia Gorge Community College, 400 East Scenic Drive, The Dalles
Board Room (Building 1, Room 162 – next to cafeteria)

Dial In: 866-590-5055, Access: 8709891

Introductions

Participants included:

- **Advisory Committee Members:** Mike McArthur, Convener; Rod Runyon, Association of Oregon Counties representative; Steve Lawrence, League of Oregon Cities representative; Ken Bailey, businessman and orchardist, Barbara Briggs, not-for-profit sector representative; Andrea Klaas, Port Representative, Port of The Dalles; Carol Mackenzie, Wasco Mayor; Maui Meyer, Hood River County Commissioner and businessman; Keith Mobley, businessman and high technology sector; Judge Gary Thompson, Sherman County; Frank Toda, President, Columbia Gorge Community College
- **Staff:** Kate Sinner, Governor's office; Gary Farnsworth, ODOT; Carolyn Meece, Business OR; Scott Edelman, DLCD; Loren Shultz, IFA
- **Public:**
 - In person: Paul Blackburn, Hood River Mayor; Genevive Scholl, Port of Hood River; Bob Francis, MCCOG; Mark Heystek, MCEDD; Dan Spatz, The Dalles City Council and QLife Board Member; Celeste Hill-Thomas, MCMC Foundation
 - Dial-in: Peggy Lynch, League of Women Voters
- **Presenters:** Steve Shaffer, Gilliam County Judge; Phil Chang, Field Rep for US Senator Jeff Merkley; Phil Scheuers, Office of Oregon Rep. Greg Smith; Carrie Pipinich, MCEDD

Review of North Central Regional Solutions Priority Projects and Project Funding – Mike McArthur, N. Central Regional Solutions Advisory Committee Convener and Kate Sinner, N. Central Regional Solutions Coordinator

- Mike McArthur reviewed the intent of Regional Solutions. The program has been in existence for many administrations and while small tweaks have been made over the years, the program has retained its focus on regional economic development. It allows local leaders to determine their unique regional needs and connects them with state resources to help accomplish local economic development goals. The program is not merely about funding specific projects. It is about advancing regional priorities.
- Kate Sinner reminded the group that they had advanced a \$2M request in the 2015 legislature and that it was funded at 82%. The original request was as follows: \$1M for Sherman County broadband; \$500,000 for Wasco County broadband; \$500,000 for workforce housing in Hood River. She asked the group to make a decision regarding either cutting the entire request by 18% or moving funds from one project to another. She instructed the committee that if they chose to move funds around, they would need to make a formal motion to do so.

Broadband Expansion in Rural Oregon: Presentations and Discussion

- South Wasco County Presentation and Discussion – Keith Mobley, Attorney and N Central Regional Solutions Advisory Committee Member
 - Keith Mobley provided a comprehensive broadband 101 to the group. He spoke about the success of the QLife project in The Dalles and that the QLife high speed fiber can be credited as one of the main reasons that Google made over a billion dollars in investments in The Dalles. He also described the proposed South Wasco County project – a project that would utilize fiber from the BPA lines and bring it into a point of presence (POP) in Maupin at which point it would partner with a private provider to bring high speed broadband to residences, etc. The original request for this project was \$500,000. With the 18% cut, the project would be funded at \$410,000. Keith also spoke to the fact that depending on the design of the build, there may be opportunities to bring broadband into Shaniko and Antelope.
- Overview of Broadband in the Region and Federal Connect American Program Overview – Carrie Pipinich, Mid-Columbia Economic Development District Program Manager
 - Carrie and Phil spoke about the Federal Connect America Fund (CAF2). This program is funded by the universal service fee on all telephone bills and will now include financing for broadband infrastructure in rural communities across the nation. Approximately \$200 million will be spent in Oregon over the next six years by Century Link and Frontier. Carrie and Phil urged all project managers to be in touch with Century Link to leverage resources. Both Mike Smith and Keith Mobley have already been in contact with Barb Young from Century Link.
- Sherman County Presentation and Discussion – Mike Smith, Sherman County Commissioner
 - Commissioner Smith described the current status of broadband in Sherman County. The County has leveraged their 911 emergency communications network to bring broadband to many residents in the county. There is also a significant fiber build underway in the county. Commissioner Smith is working with the private sector to facilitate a fiber build that will extend from Rufus, through Wasco and Moro to Erskine. This has the potential to connect with the 911 call center in Condon and will enable redundancy and higher speed and higher capacity connections. Commissioner Smith urged full funding for the Sherman County project – original request was \$1 million and he urged that the county receive the \$820,000 (82% of \$1M).
- Neighboring Efforts in Gilliam and Wheeler Counties – Steve Shaffer, Gilliam County Judge and Chris Perry, Wheeler County Judge
 - Judge Shaffer and Phil Scheuers discussed the importance of bringing fiber to Condon. The state funded a fiber build from Fossil to Condon at \$2M. Gilliam County is working to identify funds to get fiber from Arlington to Condon. Phil spoke about the need for high speed fiber in Fossil – as OHSU employs medical coders who work remotely from Fossil. There may be a need for additional remote employees in the future.
- Gary Farnsworth from ODOT spoke about Connect Oregon 6 and how he was curious as to the group's interest in submitting an application for broadband.

Attainable Housing

- Attainable Housing Revolving Loan Fund Update –Kate Sinner
 - Kate reminded the group that the AHRLF has been available for approximately 6 months. She spoke about interest from Hood River and Sherman Counties.
- Hood River Update and Discussion – Maui Meyer, Hood River County Commissioner and N Central Regional Solutions Advisory Committee Member and Kate Sinner

- Maui briefed the group on work that the City of Hood River just underwent in regards to a DLCD Goal 10 (housing) update that provided data to them regarding their housing needs. The City Council has adopted code modifications to facilitate affordable and workforce housing development. He also shared that the City/County have been awarded an ODOT Transportation Growth Management Grant for planning on the west-side of Hood River, where much of this housing development will likely take place.
- Hood River Mayor Blackburn spoke about workforce housing being a major focus of the City Council – with a focus on upzoning, deployment of assets and short term rentals.
- Mayor Lawrence spoke about empty lots in The Dalles not being used because the neighboring properties are dilapidated. The Dalles is also pursuing a DLCD TA grant for Goal 10 (housing) work. This should give them good data so the council can move forward with housing. He also flagged that there are challenges when working within a historic district.

Public Comment

- Peggy Lynch with the League of Women voters pointed out that DLCD is undergoing a permit streamlining process and urged the communities to become engaged. She also expressed interest in housing issues.

Decision regarding allocation of priority project funding – all

- Rod Runyon suggested that the group consider moving additional funds to the Wasco County project as they could use the full \$500,000.
- Maui Meyer stated that the funds would be used well in Hood River County and that the \$500,000 investment would likely be enough for the foreseeable future.
- Barbara Briggs asked if any of the projects required full funding to meet matching obligations. Kate Sinner answered that none of the projects were in that situation.
- Dan Spatz, as a member of the QLife Board, shared that he is under the impression that QLife can accomplish the project but needs the entire \$410,000.
- Ken Bailey commented that having the level of investment confirmed will help all projects move forward with financing and planning.
- Andrea Klaas suggested that the group keep the request at \$1M, \$500K, \$500K.
- The group decided to keep the requests at the 82% level secured - \$820,000 for Sherman County broadband; \$410,000 for Wasco County broadband; \$410,000 for Hood River County attainable housing.

Roundtable on new and developing reports and major activities – all

- Dr. Toda remarked that the RAC is moving ahead with a recent grant for a facilitator.
- Mayor Lawrence told the group that The Dalles has two new breweries opening and reminded people that The Dalles would be hosting the State Main Street Conference October 5-9.
- Mayor Carol Mackenzie remarked that the Biggs Junction interchange looks great and is easy to use.
- Commissioner Rod Runyon spoke about a city/county partnership for a significant maintenance project that was very successful. He also spoke about collaborative work at NORCOR.
- Judge Thompson shared that the Lower John Day Pumped storage project had new momentum with attention from China Hydro. The project would add 1200MW capacity and would employ approximately 800-1200 people for the 3-5 year construction window, resulting in 50 full-time jobs once construction was complete.

- Andrea Klaas shared that the Columbia Gorge Industrial Center is complete. She also shared that Power to Pure, a company at the Port, plans to grow its business, resulting in growth from 50 to 300 employees in the coming years. She also let the group know that NW Aluminum Specialties was purchased by SAPA international and they plan to grow from 35 to 125 employees.
- Ken Bailey told the group that the cherry crop was ½ of previous years and that Orchard View is undergoing a 20,000 sf expansion with a new high-tech optical sorter.

Adjourn