

Meeting Summary
South Central Regional Solutions Advisory Committee

August 14, 2017

1:00 – 3:00 pm

Lake County Commissioners' Room

Lakeview, OR

Committee members

Jane O'Keeffe, Convener

Brad Winters, Lake County Commissioner

Betty Riley, SCOEDD

Ray Turner, Mayor, Town of Lakeview (alternate for Roberta Vanderwall)

Karen Chase, Energy Trust (alternate for Peter West)

Chip Massie, Klamath Community College

Regional Solutions Team

Annette Liebe, Governor's Office

Larry Holzgang, Business Oregon (via conference call)

Jarod Johnson, Department of Transportation

Guests (via conference call)

Peggy Lynch, League of Women Voters

Jeremy Austin, Oregon Natural Desert Association

I. Legislative De-Brief

- Annette Liebe provided a high level overview of Governor Brown's 2017 legislative accomplishments. Priorities for the Governor were education, transportation, health care and cost containment.
- Annette also updated the committee on the Regional Solutions priority project funding. The governor's requested budget contained \$11M in lottery bond revenue for Regional Solutions priority capital projects; the legislature awarded \$4M. Annette indicated that the approach for identifying projects will be two phased modeled somewhat on the approach the South Central Committee took for identifying rural infrastructure projects last biennium. The first step will be to solicit projects using the newly revised priorities. From there, the team/committee will prioritize the projects. The initial solicitation is scheduled to be made in September. Thereafter, the RST will review in November; the committee will review in December. Once committees have identified priority projects, the governor's office will assess whether to request supplemental funds in the 2018 session. Once the final dollar amount is set, there will be a more in-depth application requested from highest priority projects identified by the committee.

- Larry Holzgang provided an overview of the Business Oregon budget. Key investments in the Business Oregon budget for 2017-19 are:
 - \$2M for the Oregon Manufacturing Innovation Center in Scappoose in partnership with OIT,
 - \$1.6M for Small Business Development Centers,
 - \$750,000 for the Rural Opportunities Initiative (this program funded Klamath IDEA in 2015-17 and the goal is to add additional communities),
 - \$30M for Special Public Works Fund (of this \$10M is for levees), \$120M for seismic retrofits of public buildings (\$100M for schools, \$20M for emergency services buildings).
 - Changes to statutes include updates to the definition of “traded sector” for purposes of issuing industrial development bonds.
 - Larry also highlighted the recent Strategic Reserve announcement of \$500,000 in rural broadband. Larry indicated that we will know more about how to compete for the rural broadband funds in the near future.
 - Finally, Larry also mentioned the \$5M the legislature awarded to the Crescent Sanitary District wastewater facility. Business Oregon also recently completed a funding agreement for this project, a combination of grant and loan funds. The team is working to phase different funding programs to move the project forward.

Jarod Johnson with ODOT provided an overview of the legislatively approved transportation funding package. Presentation is available on the website as meeting materials for this meeting. Committee members were very supportive/appreciative of the new transportation funding.

II. Review/Revisions of Regional Priorities

Annette went over the three page memo sent out along with the agenda. Annette also clarified that the discussion draft was developed by her and that subsequent to it being sent out the team had also reviewed the draft. Annette shared with the committee comments received from the team. The committee noted how much success has been achieved on several key projects on the list from October 2016. After discussion, Convener O’Keeffe called for public input on the priorities. Peggy Lynch, League of Women Voters, requested more information about the rail priorities Commissioner Winters had requested adding to the high focus priorities. Peggy also requested information about what state tools are available to help address the work force housing regional priorities and recommended that the committee hear about the recent housing investments approved by the legislature. Annette reviewed the recommended changes from the team and committee. Chip Massie made the motion to approve; motion was seconded by Commissioner Winters. Motion passed unanimously.

Below are the newly adopted priorities:

Mission

The South Central Regional Solutions Team provides regulatory technical assistance, aligns funding and shares information to support job retention and attraction. The South Central Regional Solutions Advisory Committee has identified the following priorities to guide the team's work.

High Focus Priorities

1. Infrastructure
 - a. Natural gas (Lakeview)
 - b. Rural broadband
 - c. Rail
2. Shovel ready industrial land
3. Support entrepreneurship and small businesses
4. Agriculture/food processing/value added agriculture
5. Downtown revitalization
6. Workforce housing – increase stock of available attractive homes, not just affordable housing
7. Workforce training – especially in the trades and connecting high school students with internships
8. Improve forest health and access to federal timber resources

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. Transportation (highways, airports, and local roads)
2. Water/waste water systems (Chiloquin, Lakeview)
3. Reduce water quality impediments to economic development (Klamath Falls)
4. Remove air quality impediments to economic development (Lakeview)

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.

III. Roundtable

Jim Walls suggested that Cross Laminated Timber (CLT) be used in the seismic work funded by the transportation package. Jim let the group know about the upcoming Fremont Winema forestry tour Aug 23 & 24. Jim provided an update on phase 2 of the Innovation and Learning Center. Phase 2 will finish the mid and upper floor of the building. Jim highlighted that 22% of

KCC graduates at the ILC are minorities; two students graduated recently with their high school diploma and Associates degree. Jim mentioned that the staff at LCRI have concerns about a solar project proposed for high value agricultural land. Jim mentioned that the process for community solar (3 megawatt and less not tied to the grid) rulemaking at the Public Utility Commission is taking too long to benefit a project in the queue for the hospital/Head Start.

Larry Holzgang provided an update on Red Rock biofuels. Project remains shovel ready. The local agreement for sewer and water has been completed and the governor recently announced a strategic reserve award of \$75k for the project.

Betty Riley talked about the broadband feasibility study underway for Lake County and counties in northern California. SCOEDD is planning rural tourism studios in Oct-Dec in Malin, Merrill, Bonanza, Tule Lake and Dorris. SCOEDD is also working on seasonal worker training for women along with the Oregon Employment Department and KCC. Commissioner Winters asked about the status of the Head Start; Betty responded that the Community Development Block Grant is close to being closed out. Discussions are underway about a potential CDBG application for women's crisis center housing.

Brad Winters indicated that the county has contracted with a new operator for the county owned railway.

Annette mentioned that she met with Ronne Lindsay, the Lake County Fairground Manager, to better understand their needs. Betty and Annette brainstormed potential funding sources to support the development of a facilities plan.

The meeting adjourned at 3:00 pm.