



RS EXCHANGE

REGIONAL SOLUTIONS

Weekly Report

Wednesday, January 22, 2020

Below are some highlights from the Governor's [Regional Solutions \(RS\) Coordinators](#), on behalf of the eleven interagency teams across Oregon.

North Coast Region – Jennifer Purcell

- **Housing Economic Summit:** RS Coordinators from the North Coast and Mid-Valley regions had the opportunity to attend the Oregon Housing Economic Summit hosted by the Oregon Association of Realtors, Oregon Home Builders Association, and Oregon Bankers Association. The Summit was well attended by industry professionals, elected officials, and policymakers and began with presentations by economists addressing real estate trends such as home prices, affordability, housing production and land supply, and economic trends such as changing demographics, job growth, construction employment, median family income, and consumer debt. There was substantial discussion regarding the implications of House Bill (HB) 2001 and HB 2003, both passed in the 2019 legislative session. HB 2001 addresses missing middle housing and requires updates to local ordinances to provide for multi-unit housing in certain communities. HB 2003 requires Oregon Housing and Community Services (OHCS) to conduct regional housing needs assessments (RHA) and work in collaboration with Oregon Department of Land Conservation and Development (DLCD) to develop housing production strategies. Panelists discussed considerations regarding implementation and the importance of being able to explore creative solutions to the housing shortage. Limited land supply, steep increases in permitting fees, wetland mitigation, and labor shortages were all identified as contributing to the crisis. System development charges (SDCs), property tax exemptions, accessory dwelling units (ADUs), and off-site production housing were mentioned as possible solutions. Panelists also drew attention to the importance of meeting both the rental housing needs as well as providing paths for home ownership.
- **Charles T. Parker Way, Scappoose:** Background – Charles T. Parker Way provides access to the Oregon Manufacturing Innovation Center (OMIC) in Scappoose. This important road project was funded in part by funds designated in Senate Bill (SB) 5530 in the 2017-2019 biennium. Construction was complete in summer 2019 and the City of Scappoose held a dedication ceremony on July 26th. This new road establishes access to the OMIC and opens up several acres of industrial land for development. This important project would not have happened without the legislative appropriation championed by Senator Betsy Johnson, and the collaborative partnership with the City of Scappoose, property owner Scott Parker, Oregon Tech, Business Oregon and Oregon Department of Transportation (ODOT).
 - Update – Six acres of industrial land served by Charles T. Parker Way was recently designated a certified industrial site by Business Oregon, becoming the first and only privately funded site in the state to receive this designation.

Upcoming Scheduled Regional Solutions Advisory Committee Meeting

- **North Coast RSAC:** April 2020 – *More information will be made available soon*

Mid-Valley Region – Jody Christensen

- **The Valley's Processed Vegetable Growers:** RS attended the recent Oregon Processed Vegetable Commission meeting. The meeting started with an in-depth review of the several Oregon State University (OSU) research projects covering areas such as breeding of different vegetable strains, identifying insect populations, beta-testing smart technology, and developing new harvest innovations. The Commission is funded by annual harvest assessment. The Commission has been used funds for ongoing agricultural research since the early 1980s. The results have led to new markets and more sustainable specialty crops.
 - Agriculture is a key sector for the Mid-Valley. RS will continue to engage with growers, processors, and key stakeholders to identify strategic resources.

The Mid-Valley's vision is to be a thriving center of Agriculture, Natural Resources, and Manufacturing innovation, collaboration, and entrepreneurship. One of the priorities is to support opportunities for agriculture, farmhouse, and hospitality enterprises to highlight crops and value-added production

- **Housing Economic Summit** – see North Coast report above.

Upcoming Scheduled Regional Solutions Advisory Committee Meeting

- **Mid-Valley RSAC:** March 20th, 2020; 9 AM – Noon; Location – TBD

South Valley/Mid Coast Region – Sarah Means

- **Cascades West Council of Governments (COG) Comprehensive Economic Development Strategy (CEDs):** The University of Oregon's Institute for Policy Research and Engagement (IPRE) has been working with the Cascades West Economic Development District (CWEDD) for several years now through a grant from the Federal Emergency Management Agency (FEMA) matched by the COGs that is allowing us to explore how to meaningfully incorporate economic resilience into the District's economic development activities. From January through June, a graduate student team will be convening an Advisory Committee working with the District and several municipalities to hone in on what economic resilience looks like for our 4-county region. RS has been asked to serve on that advisory committee. The kick-off meeting for this group was this past week. RS is looking forward to participating on this committee to develop recommendations for the full CWEDD Board to consider as they update the regional CEDs document.
- **City of Veneta/RS Team Outreach:** Thanks to the City of Veneta for hosting the RS Team this week. As long-time City Manager, Ric Ingham prepares to retire at the end of the month, it was decided now was a good time to bring out the RS Team. Matt Michel has been hired as the new City Manager and started in the position prior to Ric's departure. This was a great opportunity to present RS and the resources we can provide to staff and the City's Economic Development and other elected officials. There are a number of City projects that have ties to multiple state agencies (VenetaWorks, Highway 126W, and Rural Broadband). RS will continue to partner with the City on these important projects as needed.

Southern & South Coast Regions – Alex Campbell

- **South Coast Umpqua Regional Solutions Advisory Committee (RSAC):** The SCURSAC met last week. The meeting opened with fond remembrances of philanthropy representative Jim Seeley of Wild Rivers Coast Alliance. He died the prior week and will be greatly missed. The AC heard a report on the status of state permitting for the Jordan Cove Energy Project. Several members of the public commented in opposition, but the clear consensus of the RSAC members was that they are

supportive of the project—and believe that there may be opportunities to improve state permitting processes.

- **Possible New Project – Wood Product Manufacturing:** A group is considering establishing a new manufacturing operation in Douglas County. The company would focus on sustainably-produced molding. Forest Stewardship Council (FSC)-certified wood be used and operations would be 100% renewably-powered. RS was contacted to assist with wetlands issues.

Metro Region – Raihana Ansary

- **Oregon Museum of Science & Industry (OMSI) Campus Redevelopment:** *Background* – OMSI's campus includes over 11 acres of undeveloped acres and over a quarter-mile of river frontage (one of the largest remaining riverfront parcels in Portland's central city). The total project is estimated to cost about \$70 million at full build out.
 - *Update* – The entire Metro RS Team met with OMSI's Senior Director of Campus Development, Ken Wilson, for an update on their central city master planning process. The City is requiring that more design and engineering work be completed before the adoption of their master plan. OMSI is scheduled to go to the City of Portland's Design Review Commission in April 2020. Meantime, Metro RS will coordinate state agency work. Immediate next steps include Metro RS coordination of the Department of Environmental Quality (DEQ) and the Department of State Lands (DSL) as OMSI works to understand the level of environmental contamination on their property and associated liability, if any. Thank you to DEQ for reviewing past certificates of completion that were issued to OMSI to understand prior environmental evaluations, findings and requirements. DEQ will share this information at the next Metro RS meeting with OMSI on February 13. Metro RS has invited DSL to participate in the follow-up discussion as well since OMSI is proposing in-water Willamette River work around the expansion of their existing dock.

Upcoming Scheduled Regional Solutions Advisory Committee Meeting

- **Metro RSAC:** Date – TBD, likely late February or March 2020

North Central Region – Nate Stice

- **Hood River Waste Water Coordination:** The Team worked with stakeholders last year to gather information on the state and needs of municipal wastewater treatment systems, septic haulers, industrial producers, and other stakeholders in the Hood River Basin or that discharge part of their waste to the City of Hood River Plant. Through that process, the Team identified several discrete needs and area for further information gathering/coordination:
 - Business Oregon funded a feasibility study for the Odell Sanitary District to address discharge temperature requirements. The district completed the study earlier this month and identified a preferred alternative of piping effluent to the Hood River, alleviating temperature on Odell Creek. Unfortunately, it is a costly alternative, and the alternatives analysis has led to conversations with the Team about ways to create more cost effective mitigation alternative.
 - *Next Step* – DEQ is working on analyzing waste flows in the basin. The Team will meet in February to review the data and plan for a broader stakeholder meeting in March.

Central Region – Annette Liebe

- **Bowman Dam:** RS participated in interagency coordination related to Oregon Department of Fish and Wildlife (ODFW) fish passage requirements for a proposed three megawatt hydro project at Bowman Dam. ODFW will support the applicants presenting to the ODFW Commission on the

project to explain why the current fish passage paradigm doesn't work for a small project. The applicants are proposing to install devices that reduce total dissolved gas impacts on fish as well as provide gravel habitat augmentation. However, because the fish passage mitigation rules don't allow mitigation "credit" for requirements of other permitting programs such as, the DEQ 401 water quality certification, the project will never produce enough revenue to support a mitigation package that meets the rules. ODFW Commission has authority to provide an exemption under certain circumstances.

Upcoming Scheduled Regional Solutions Advisory Committee Meeting

- **Central:** March 12th, 2020; 9:00 AM – 12:00 PM; Location – TBD

South Central Region – Annette Liebe

Upcoming Scheduled Regional Solutions Advisory Committee Meeting

- **South Central:** March 9th, 2020; 1:00 PM – 3:00 PM; Lakeview, Location – TBD

Greater Eastern & Northeast Regions – Courtney Warner Crowell

- **Wallowa Lake Dam Project:** RS and ODFW held our (hopefully) last meeting this week between the stakeholders on the Wallowa Lake Dam Memorandum of Agreement (MOA) process for instream water. The draft MOA has been completed and all parties are in agreement conceptually and now the lawyers are starting to work on all the legal review and we hope to have signatures from all parties (ODFW, Oregon Water Resource Department (OWRD), the Nez Perce Tribe, the Confederated Tribes of the Umatilla Indians, and the Wallowa Lake Irrigation District) within six weeks. Once the MOA is signed the funding from OWRD will be distributed so that the design process can begin. This has been a great process and RS commends all the stakeholders for their willingness to come to the table and find solutions and a big shout out to ODFW staff for their great facilitation and drafting of the documents.
- **Harney County Workforce Housing:** RS and Tamra Mabbott (our Oregon Department of Land Conservation and Development (DLCD) representative) met with Harney County today to talk about the workforce housing roadmap that they completed last year through the RS Workforce Housing Pilot program. Harney County was the only planning pilot program awarded last year and through that process they were able to identify many of their challenges and come up with a suite of possible solutions to move forward with. They continue to work on coming up with solutions and have a very robust and dedicated housing group that is led by the Community Response Team through Harney County Economic Development. That group has set a goal of five new homes built each year for the next five years. This might not sound like a big goal but in rural frontier Oregon, this is a huge undertaking yet one they feel they can reach.
- **Green Energy Corridor:** DLCD held a regional rulemaking hearing in Boardman to discuss the proposed rule related to a Green Energy Corridor in Eastern Oregon. The Land Conservation and Development Council (LCDC) is slated to review the proposed rule at their meeting later this week. The Green Energy Corridor would allow Morrow and Umatilla Counties to designate corridors for electrical transmission lines that would better protect high-value farmland. This is in response to the renewable energy projects in the area that need to connect to transmission lines while also reducing the impact on agriculture of those transmission lines.