

## North Santiam Canyon Economic Development Update March 2016

### Update:

- The Infrastructure Finance Authority (IFA) sent out a Request for Proposals (RFP) for the North Santiam Regional Wastewater Analysis and Land Inventory in December. The RFP was broken into two tasks.
  - Task 1 includes options for governance over a shared regional water/wastewater district, along with a conceptual design of constructing wastewater systems that can serve Idanha, Detroit, Gates and Mill City and estimated costs and phasing of possible construction projects for decision making purposes. (Selected: Keller Associates)
  - Task 2 includes an interactive GIS database to identify all commercial and industrial zone properties in the N. Santiam Canyon region to determine the “commercial or industrial shovel readiness” and the impact commercial development would have on the water and wastewater systems and suitability for drain fields or other water/wastewater facilities. (Selected: Maul Foster & Alongi)
- On March 1<sup>st</sup>, Bob Pankratz, Barb Young, Danielle Gonzalez from Marion County, Greg Benthin from the City of Gates, and Karen Homolac from the IFA chose the contractors for the above tasks. Negotiations are happening now with the selected contractors.
- The timeline for the study is for an initial draft by July 2016 and a final draft by Oct 2016.
- Once the contractors have been notified, IFA and Marion County will host a kickoff meeting with community members. *Expect an invitation to that meeting in the next couple of weeks.*
- Marion County was recently awarded a Federal Lands Access Program grant of to \$6,570,757 to fix the 3 land slide areas along the North Fork Road.

### In Process:

- The Comprehensive Economic Development Study (CEDS) is underway with the Mid-Willamette Valley Council of Governments. Ideas presented from Marion County’s Emergency Management, Planning, Engineering and Economic Development divisions have been integrated to maximize any possible federal and state dollars that are available for economic development purposes. This includes North Santiam Canyon infrastructure projects that lead to economic development.

### Next Steps:

- On April 2, 2016 at 6 p.m. at the Gates Fire Hall, Marion County will be hosting a Q&A Session as part of the annual State of the County series. This meeting is open to all. Topics to include: public safety, public health, water/sewer concerns, emergency preparedness and other community driven topics of discussion.
- Marion County is working on identifying a team of about 10 people with a mix of county, city and private citizens to implement the recommended plan from the feasibility study discussed above. This group would likely begin their work in June. During different stages of the implementation, over the next few years, it may be imperative to swap out people with different expertise, so keep offering. Thank you to the many people who have already offered their time and talents.

## North Santiam Canyon Economic Development Update March 2016

Low interest disaster loans are available for Marion County businesses and residents affected by the December 6-23, 2015 storms as part of a national disaster declaration. Contact the Small Business Administration for further details.

<https://www.sba.gov/offices/disaster/dfocw/resources/1517500>

Proposal for Douglas Fir National Monument: Environmental and conservation groups from around the US are pushing for a Douglas-Fir National Monument which would include much of the national forests in the North Santiam River Canyon area and into a significant portion of Linn County. This proposal has feet under it as the process has been replicated in more than 15 locations throughout the U.S. in the last few years. Marion County is watching this development very closely.

Most recent February 17, 2016 <https://www.whitehouse.gov/blog/2016/02/12/photos-president-obama-designates-3-national-monuments-california>

### Current National Monuments

[http://www.blm.gov/style/medialib/blm/wo/Law Enforcement/nlcs/monuments.Par.37811.File.dat/Monuments\\_Q4\\_2014.pdf](http://www.blm.gov/style/medialib/blm/wo/Law%20Enforcement/nlcs/monuments.Par.37811.File.dat/Monuments_Q4_2014.pdf)

### Broadband project:

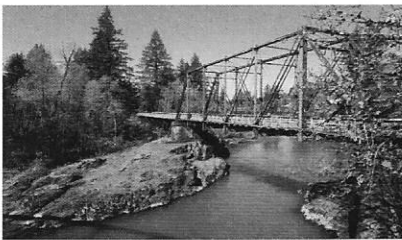
Many small, rural communities within Marion County lack available and reliable broadband internet to serve the needs for its citizens. This need impacts the local employment economy, community development, safety, and overall livability of these unique rural communities. Citizens, home based medical care providers, emergency management, schools, community organizations and businesses all rely on consistent, rapid and accessible internet service. Marion County is working toward maximizing opportunities for rural communities through public/private partnerships to make high speed internet broadband accessible.

# North Santiam Canyon Economic Development Update

Numerous studies and reports over the last couple of decades have identified these items as barriers to economic development in the former timber communities of Mehama/Lyons, Mill City, Gates, Detroit and Idanha in the North Santiam River Canyon:

1. Water/Sewer Infrastructure
2. Broadband
3. Access to Employment

Marion County is targeting these communities to address key infrastructure concerns that have kept these communities from realizing their economic goals. By leveraging each other's resources regionally, these communities can work together to enhance their shared vision and economic goals.



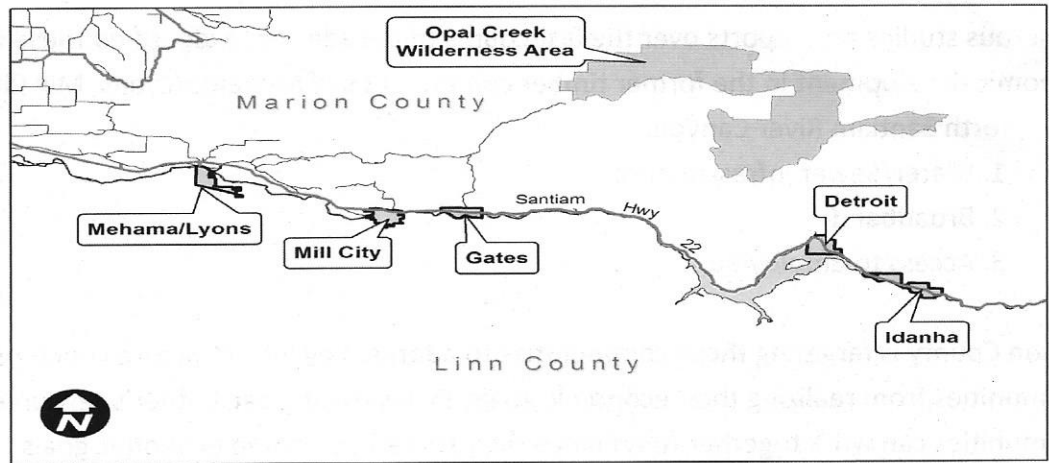
## Targeted North Santiam Canyon Projects Underway:

- Marion County has partnered with the Infrastructure Finance Authority (IFA) for The **North Santiam Regional Wastewater Feasibility Study** and developable lands inventory for decision making purposes; final draft due October 2016
  - Task 1 includes options for governance over a shared regional water/wastewater district, along with a conceptual design of constructing wastewater systems that can serve Idanha, Detroit, Gates and Mill City (possibly in Lyons) with estimated costs and potential phasing of construction projects
  - Task 2 includes an interactive GIS database to identify all commercial and industrial zoned properties in the N. Santiam Canyon region to determine the "commercial or industrial shovel readiness" and the impact commercial development would have on the long range water and wastewater systems. Property identification for the construction of drain fields or other water/wastewater facilities
- **Broadband Internet** Feasibility Study to address current lack of consistent and reliable internet service by addressing the current and future needs of industries and the community by ensuring access to high quality internet based medical care, education and to encourage small business development
- **Regional Health Assessment** with Oregon Health Authority and Marion County in North Santiam River Canyon communities focusing on clean water/wastewater infrastructure, access to healthcare services, transportation (CARTS and safe access to schools), and clean air (issues pertaining to smoke from field burning and air quality)
- Marion County Emergency Management is updating its **Hazard Mitigation Plan** and developing an **emergency asset annex** in the North Santiam region for economic resiliency and community sustainability

# North Santiam Canyon Economic Development Update

2015 Population estimates:

- Detroit: 215
- Gates: 484
- Idanha: 137
- Mehama/Lyons: 1,187
- Mill City: 1,875



## Historical Perspective:

As the northern spotted owl was listed as a threatened species by the U.S. Fish and Wildlife Service in 1990, the Northwest Forest Plan called for the protection of the owl and its habitat; the old growth forests of Oregon, Washington and California.

In 1998, the Opal Creek Wilderness and Opal Creek Scenic Recreation Area were designated. This designation of more than 13,538 acres altered the landscape and timber economy of the communities along the North Santiam River. With the designation of Opal Creek, \$15 million was approved to offset the loss to this timber rich region, but the funds were never appropriated and city budgets were decimated. These communities were no longer able to make necessary infrastructure investments as a result of the federal funding that never materialized.

## North Santiam River Canyon Progress in last year:

City	Project Funding	Amount	Purpose
Gates	Community Development Block Grant (CDBG Grant)	\$1.7 million grant	Water main repair, updates to water plant and diesel generator, propane generator and booster
Detroit	Federal Land Access Program (FLAP Grant)	\$1.997 million grant	Development of previous school site for park with high tech kiosk for Cascading Rivers Bikeway entrance, flush bathrooms, and 40 space parking lot
Detroit	Oregon Department of Transportation Quick Fix Grant	Up to \$60,000	Flashing Pedestrian light crossing Hwy 22 & Forest Ave
Detroit	Oregon Department of Land Conservation Transportation and Growth Management (TGM) Grant	Up to \$42,580 \$36,190 used	Feasibility Study for repurposing of old Detroit High School site
Idanha	Oregon Health Authority Emergency Water Repair Loan	\$35,000 loan	Emergency repair of water line leaks to address the 1.7 million gallons of unaccounted water being pumped by city
Marion County	Oregon Federal Lands Access Program (FLAP) approved	up to \$6,570,757 appropriations contingent	North Fork Road SE Slide Stabilization

## North Santiam Rural Recovery Development

2015 Population estimates:

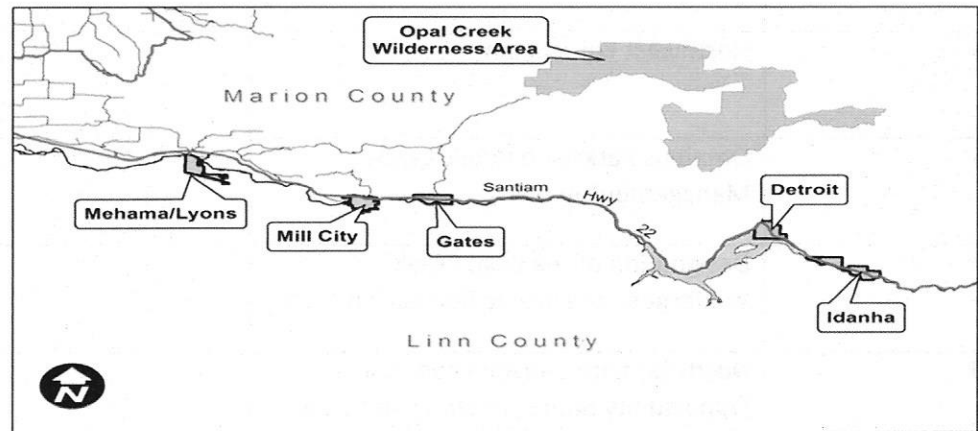
Detroit: 215

Gates: 484

Idanha: 137

Mehama/Lyons: 1,187

Mill City: 1,875



Even as the overall economic picture in Marion County has improved, some rural communities in the county have experienced more than 25 years of economic distress spurred by the collapse of a once vibrant timber economy. Beginning in 1990, the rural timber communities of Mill City, Gates, Detroit and Idanha in Marion County, Oregon found themselves constrained by the habitat protection of the Northern spotted owl under the Endangered Species Act followed by a series of federal forest management acts which significantly curtailed the timber harvesting industry. In 2000, a \$15 million recovery package was approved by the U.S. Congress to aid the region from the loss of their primary local industry by changes in federal policies. The North Santiam Economic Opportunity Study was completed and submitted to federal regulators as a plan for the distribution of the aid but the money was not further appropriated by the U.S. Congress and the promised funds never matriculated.



In 2014, The Mid-Willamette Valley Council of Government updated the original 2000 study and further explored the needs of the distressed rural timber communities of Mill City, Gates, Detroit and Idanha. The communities reside along a pristine North Santiam River in a narrow canyon on Oregon Hwy 22. The report provided focus for state and county officials as it highlighted the need for repair and large scale investments in basic infrastructure as it was cited as the primary discouraging factor from employers from locating or expanding businesses in this beautiful area. The report detailed critical infrastructure gaps within the North Santiam Canyon communities that are increasingly becoming cost prohibitive to repair and maintain which is further complicated by the dynamic geology of the region and land use permitting. The lack of and deteriorating nature of the infrastructure assets coupled with diminishing population and reduced tax

receipts have denied them the financial resources needed to make the vital long term investments.

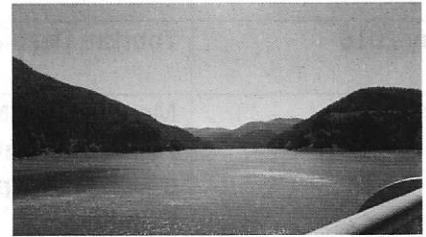
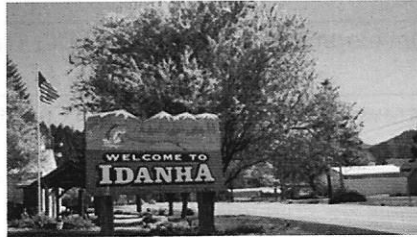
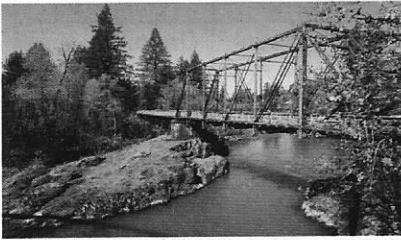
Where there is a desire in each community to expand business and employment options, but not a capacity to actually accomplish it, Marion County has prioritized infrastructure development for these affected cities to address the underlying foundational base for rural economic development. The targeting of these communities allows for the leveraging of diverse public and private resources to spur complimentary economic investments. The regional approach focuses on basic infrastructure for water, sewer, broadband internet, health, employment, housing and transportation and allows for sustainable protection of the rural lifestyle these communities desire.

## Timeline of Events

Year	Name of Report/Event	Sponsoring Organization	Status
1990	Endangered Species Act and protection of Northern Spotted Owl		
1994	Northwest Forest Plan		
1996	Omnibus Parks and Public Lands Management Act		
2000	Designation of the Opal Creek Wilderness and Scenic Recreation Area		
2000	North Santiam Canyon Economic Opportunity Study- To study and plan for a best use of \$15 million for the transfer of land impacted (Funds were not appropriated and no funds matriculated)		
2012	Comprehensive Economic Development Study (CEDS)	Mid- Willamette Valley Council of Government (MWVCOG)	Completed
2014	North Santiam Canyon Economic Opportunity Study	Mid- Willamette Valley Council of Government (MWVCOG)	Completed
February 2014	Mill City Parks Master Plan	City of Mill City	
September 2014	City of Detroit Wastewater Feasibility Study	City of Detroit	Completed
December 2014	Oregon Bicycle and Pedestrian Plan Regional Trails White Paper- North Santiam Trail	Oregon Department of Transportation (ODOT)	Completed
April 2015	Distressed Communities Workshop	Marion County	Completed
October 2015	North Fork Parks Tour to set priorities for park improvements in the North Santiam Canyon	Marion County, BLM, US Forest Service	Completed
December 2015	Distressed Communities Follow-up in Gates	Marion County	Completed
January 2016	Detroit High School Repurposing Report	City of Detroit	Completed
Feb/ March 2016	Awarded Oregon Federal Lands Access Program Grant of \$6,570,757 to repair three landslide areas along North Fork Rd.	Marion County	Planning stages
March 2016	Brief State Senator Fred Girod and Rep. Sherrie Sprenger on activity in N. Santiam communities	Marion County	Completed

April 2016	USDA Grant Application for Rural Broadband Feasibility Study	Marion County	Awarded
May 2016	Meeting with USDA Rural Development-Sam Goldstein and Jill Rees	Marion County	Completed
May 2016	Tourism Destination Development	Grow EDC, Travel Salem and Travel Oregon	Ongoing
June 2016	Meeting with Nancy Straw with Ford Family Foundation about economic development priorities in North Santiam Canyon	Marion County, Ford Family Foundation	Completed
June 2016	Meeting with Wastewater Feasibility Study Contractors and city officials	Marion County, Mill City, Gates, Lyons, Detroit, Idanha, contractors	Completed
Summer 2016	County Hazard Mitigation Plan with plan for emergency resource annex in the North Santiam Canyon	Marion County	Ongoing
July 2016	Federal Congressional Staff Meeting	Marion County and CFM	Completed
July 2016	2016 Comprehensive Economic Development Update Management Update	Marion County and MWVCOG	Completed
August 2016	Award of \$50,000 USDA Rural Business Development Grant for Broadband Feasibility Study in North Santiam	Marion County, Rural Development	Underway
August 2016	Meeting with North Santiam Watershed Council Coordinator	Marion County, North Santiam Watershed Council	Completed
September 2016	Review of offer of donation of Detroit Community Center for repurposing	Marion County, DLRABA	Completed
September 2016	Kaizen Meeting regarding permitting for Detroit area marinas to dredge marinas to maintain recreation season	Marion County, Detroit area marina owners, MWVCOG Congressman Schrader, Senator Merkley, USACE, USFS Regional Solutions, ODEQ, ODSL IFA, ODFW, ODOT, LC on Indian Services	Underway
Scheduled for Fall 2016	Community Health Assessment in North Santiam Canyon communities	Oregon Health Authority and Marion County	Underway
Final report expected Fall 2016	North Santiam Regional Wastewater Analysis and Land Inventory	Infrastructure Finance Authority (IFA) and Marion County	Underway
Spring 2017	Marion County Rural Economic Development Workshop	Marion County, SEDCOR, MWVCOG	Planning stages
Scheduled for 2017	Comprehensive Economic Development Study (CEDS)	Mid- Willamette Valley Council of Government (MWVCOG)	Information Gathering
Scheduled Oct 2016-March 2017	TIGER Grant Application- Mill City	Mill City and Marion County	Researching

## Recent Funding Awarded in the Region



City	Project Funding	Amount	Purpose
Gates	Community Development Block Grant (CDBG Grant)	\$1.7 million grant	Water main repair, updates to water plant and diesel generator, propane generator and booster
Detroit	Federal Land Access Program (FLAP Grant)	\$1.997 million grant	Development of previous school site for park with high tech kiosk for Cascading Rivers Bikeway entrance, flush bathrooms, and 40 space parking lot
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Detroit	Oregon Parks & Recreation	Maximum reimbursement of \$429,284	Finish park plan, sidewalks, landscaping, lighting, playground (Not included, picnic shelter)