

City of John Day Newsletter



February 2018

Dear Residents –

Usually this newsletter is a chance for me to update our residents on all of the exciting things that are happening in our community. I look forward to these opportunities as a chance to communicate our progress and our successes. You may have noticed this from prior newsletters or conversations with me, but I will go ahead and say it here – I am an optimist. I tend to look for solutions when I face difficult problems. I see positive outcomes even when experiencing adversity.

Going into the first quarter of 2018, our community has had its share of adversity. More businesses are closing due to low inventory turnover and fewer customers. Just as growth tends to spur more growth, decline can (and usually does) lead to decline.

What is harder to recognize is the difference between a temporary setback and a more permanent condition. I am going to shoot from the hip in this newsletter and tell you what I really think. What I think really only matters in the context of public policy – specifically – my ability to influence decisions that affect the city and the city council. More specifically – where and how we spend our money. Therefore, in this newsletter, I am going to talk about our fiscal priorities and the role that I believe our local government should play in stimulating our economy. If you disagree with me, that is okay. I'll welcome your perspective, as will the city council. So here goes...

What's working?

Since I am an optimist, I'm going to start with what I think is working well. Namely, our people and our environment. We have something that few other communities can offer in the same way, and that is our quality of life.

We live in a beautiful location. We know our neighbors (sometimes too well). We look out for each other. We may fight like relatives, but at the end of the day, our community is a community. We know how to come together when the chips are down. I have not lived here long, but that much is clear, and I have experienced it myself.

I also see something that our long-time residents may not be aware of; the megacities are losing the quality of life battle. I remember driving out of my neighborhood in Seattle one evening, pulling on to the street in front of my home, and seeing bumper-to-bumper traffic for miles. All I wanted to do was go to the grocery store. It ended up being a 90-minute round trip. You get to thinking, while you are staring at somebody else's bumper, that maybe there should be more to life than this. As I was driving home last weekend from Anthony Lakes with my son, I was thinking, I sure hope my car doesn't have problems because if it does, it's gonna be a while before I see somebody else. That's a rare thing these days.

The positive things we recognize in our community, which are part of the fabric of our lives, have value. They are things that other people are seeking. The question is, how do we tap into that value and encourage them to choose our community? And maybe more important for some, why would we ever want them to know about this place anyway? Shouldn't we keep it all to ourselves?

Which leads me to what isn't working. Our finances.

What's not working?

Our residents, rightly, expect a certain level of service. They want their streets plowed when it snows. They want police, firefighters, and emergency medical providers to show up at the door when there is an emergency. They want to pay a fair rate for services like water and sewer, but they don't want to overpay. They want us, as government officials, to be responsible stewards of their money. Since they are paying us to do that, most would prefer not to be bothered with the details. They don't like surprises. They don't like surprise ballot measures. And when it comes to community spaces like parks and walkways, they'd like them to be accessible and enjoyable for people of all ages and abilities.

As a John Day resident, I want those things too.

Here's the rub. All of those things cost money, and most of them, particularly the ones that require human beings to be involved, tend to go up in price each year, not down.

None of this should sound surprising. You've heard it all before. What you probably haven't been shown are the details. And details matter.

For the past 20 years or so, our public safety spending has increased three times faster than our property tax revenue. Most of that increase was due to PERS and healthcare. Some of it was the result of years of collective bargaining agreements, which added benefits the city could afford at the time they agreed to them, but can't afford today.

Along the way, we became overextended. We started providing regional services because, in the beginning, we had the staff to do it. 9-1-1 is an example of a regional service. It is used by: twenty-one different agencies, each of our incorporated cities and the county, but it is provided by the City of John Day. Police is another example. At various times over the past twenty years we have extended police coverage to Prairie City and Canyon City because we had the staff to do it. We even provided victim's assistance for the District Attorney. We were more than willing to lend a helping hand, and in exchange we got some revenue to offset our personnel costs. It worked, in the beginning.

However, costs continued to rise while revenue stayed flat, rose less, or in some cases declined. Because we didn't have good control of those costs, they kept rising. Then services began to be reduced, but not enough, and the cost-revenue gap continued to widen.

A Community at a Crossroads

Fast forward to today, and what we have is a community at a crossroads. We can continue to reduce services to a point, but eventually, they will simply go away. Just like decline begets decline in the private sector, the loss of one community service will likely lead to another.

Alternatively, we can raise rates. Our water and sewer funds have positive fund balances largely because we have local control over those rates. The city council can raise utility fees to keep pace with the rising cost of service. Again, only to a point. Some residents are already feeling the pressure of rising water and sewer bills, and we have just begun the process of developing a new wastewater treatment plant. At some point, you can no longer raise rates without losing the faith and trust of your residents.

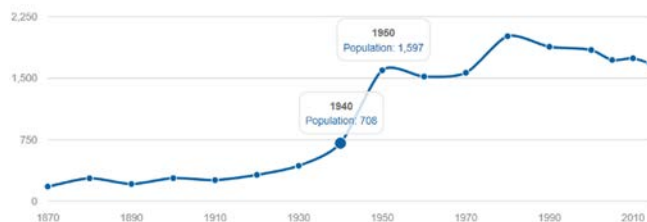
Yet there is a third alternative. We can grow.

The Case for Growth

City Ordinance No. 171, approved on June 28, 1944 organized the John Day Postwar Planning Commission. The purpose of the commission was to provide for postwar projects and improvements. The city council at the time recognized that John Day was a city at a crossroads. They needed the help of their residents to ensure work would be available to returning service men and women and that public improvements would be available for our returning veterans.

In the two decades that followed, we built over a third of our housing, constructed our first sewer treatment plant (1947), organized our first police department (1949) and opened our first city park (1955) and pool (1958). In 1949, the City Recorder presented papers from the highway commission to obtain our first (and only) "traffic blinker light" at the intersection of Main and Highway 395.

During these years, our population more than doubled.



The city grew again from the 1970's to the 1990's as timber boomed and global demand for raw materials intensified, but increased regulation and conflicting priorities for land use ultimately led to the slow but steady decline that we are experiencing today.

Learning from Our History

There was a compelling case for growth in the 1940's and 50's and again in the 1970's and 80's. I believe there is a compelling case today. There are people who want what we have, and growth, even modest growth, is the best way to ensure we can keep providing the services our residents want and need. Over the next twenty years, we intend to build 100 homes. We intend to replace our wastewater treatment plant, our parks, and our pool, which have served us well for so many years, with new community facilities that will work for future generations. Moreover, we are going to do it while facing unprecedented budget constraints. Come to the State of the City address on March 13th and learn why we need to act today to ensure our community remains strong and healthy well into the future.

Sincerely,

Nick Green, City Manager