



CITY OF JOHN DAY

Newsletter – July 2021

Dear Residents –

This is both an exciting and challenging time for our community. Since my last newsletter in March, we have received an additional \$4.5 million in state grant funding to build a new pool, assist with the Kam Wah Chung interpretive center, and complete the site preparation for the new wastewater treatment plant, bringing our total fundraising over the past five years to \$23 million.

These funds are available for us to complete specific projects the city council has been planning for the past five years. I'll talk in more detail about each project in this newsletter. But first, I want to address a challenging topic – *How can we have \$23 million in grant funding but we can't afford our own police department?*

Police Department Funding Options

The answer to that question is both simple and complicated. The simple answer is that funds received for a specific project, like the pool or treatment plant, have to go to that use. They can't be redirected to pay for other things, like police. If we can get a grant specific for public safety, then we can use those funds, but we can't divert funding from one account to another if there isn't a nexus, a logical connection or justification to do so.

The complicated answer is that by investing in our community development projects, we are investing in police. We have spent the last five years on placemaking plans, community investment strategies, and capacity building in order to be positioned to compete successfully for external grants at the state and federal level. Those grants in turn can be used to help improve our roads for new housing starts, add amenities that attract new residents, and increase city revenues through new construction that widens the tax base, making it easier to fund basic services like police. These projects improve our city's livability and quality of life for both current and future residents.

Investment leads to growth. The opposite is also true. When public agencies stop investing in their communities, businesses close, jobs are lost, revenues decline, and ultimately our population shrinks. We have experienced thirty years of decline and have had enough. It's time to rebuild, to restore our economy, and create opportunities for all our residents. By investing in John Day, we've stemmed the tide of decline and begun to grow. We're going to continue that pattern until we've recovered the 300 residents we've lost by opening new roads and making our residential, commercial and industrial properties buildable to support a growing population.

In the interim, we need to make adjustments to our local revenue sources. We're spending about \$500,000 dollars a year on the Police Department, but receive only \$300,000 a year in property taxes. The rest of our police budget is made up of state shared revenue, franchise fees and transfers from our public works department called "payments in lieu of franchise fees," which are also needed for general operations and other public safety services, like firefighting. These local sources of revenue have not kept pace with the increased cost of maintenance and personnel. As a result, the gap between what we can afford and what we provide has grown wider each year.

The 12 members of the John Day Budget Committee, all John Day residents, reviewed the proposed budget for the coming fiscal year and recommended unanimously to refer a local option levy to our voters to fund the police department for five years. **Ballots will be mailed on July 28th and the election will be held on August 17th.** If the levy passes, we will be able to continue to fund the police department for the next five years. If it does not, the city council will begin transitioning the department following Chief Durr's retirement on September 1st. We did request federal funds from the Department of Homeland Security but we won't know the outcome until this fall.



Our John Day Police Officers and their spouses, June 2021

We value our police officers and their families who sacrifice their time to help keep us safe. We want to express our gratitude for their loyalty, perseverance, and commitment to policing John Day. They deserve to be recognized for their dedicated service to our community.

Community Project Updates

As we move forward in the coming years, we'll have the opportunity to invest in John Day at a scale and pace that has never been seen before. A new pool, a new Kam Wah Chung interpretive center; the new wastewater treatment plant; and new roads, bridges and parks are all under construction as we speak. These projects were made possible by the efforts of the city council and city staff to plan, design, and fundraise.

New Aquatics Center. We requested and received \$2 million in grant funds from the state legislature to help build the new pool. The pool is proposed to be sited at the upper Belshaw fields at the west end of the 7th Street Sports Complex. The John Day/Canyon City Parks and Recreation District is the lead agency for this project and more information will be presented by their board in the coming months.

New Kam Wah Chung Interpretive Center and integrated park system. For the past three years, we have been working with the Oregon State Parks Department, Travel Oregon and other state and federal agencies on various grants for Main Street Revitalization and parks improvements. We requested and received \$1 million to help the State complete the new Kam Wah Chung Interpretive Center. These funds will be used for streets, sidewalks, landscaping and other parks improvements to facilitate public access between downtown, the new interpretive center, the riverfront parks and recreation area, and the new aquatics center. This fall we will complete the bridge, parking, restrooms and trail infrastructure for the new Hill Family Park along the John Day River (604 NW Canton Street), which will allow bike and pedestrian trail access from 7th Street to downtown.



Road construction on the new road between Valley View Drive and Patterson Bridge Road, July 2021

Street Improvements for New Housing and Commercial-Industrial Lands

Street improvements are ongoing for a number of city projects that will open up new commercial, industrial and residential lands for building.

New Road Construction. Pictured above is the new road that provides a critical link between Patterson Bridge Road and Valley View Drive. Last month, the John Day Planning Commission approved 17 new lots at Ironwood Estates Phase 2. This project will facilitate new home starts on those lots by providing a new route from Valley View Drive to Highway 26. This project will also connect Valley View Drive and Ironwood Estates residents to the city's riverfront trail system, Davis Creek Park, and the 7th Street Sports Complex and Hill Family Park via a new trail connection to Valley View Drive.

Charolais Heights Intersection. The Charolais Heights intersection improvements are ongoing. This will rebuild the roadway along Bridge Street and Valley View Drive, de-conflicting the five-way intersection by moving Davis Creek Road west and bringing Charolais Heights into alignment with Boulder Lane. Improvements are expected to be finished by the end of August.

Innovation Gateway Business Park and Airport Industrial Park. We are completing utility improvements (water, sewer, broadband, and power) to the new 14-acre business park at the Innovation Gateway in preparation for land sales to begin next year. We are also actively listing lots at the Airport Industrial Park. Three lots have been sold so far this year, with three more under contract. About 15 lots remain for purchase at a sale price of \$15,500 per lot (fully developed). Interested parties in either location should contact City Hall for more info.

SW 4th Avenue Flood Repairs. The 4th Avenue (Airport Road) flood repairs project has been extended to next year and will be constructed during the in-stream work window, July 15 – August 31, 2022. This project was delayed due to inadequate funding to complete the project this fiscal year. The city council requested financial assistance from the county court for this disaster recovery project, but the county court unanimously declined the council's request, forcing city staff to look elsewhere for funds. We have submitted an application to the State to request additional funding to match the \$1.1 million awarded by FEMA for this \$1.5 million estimated project.

Growing Rural Oregon

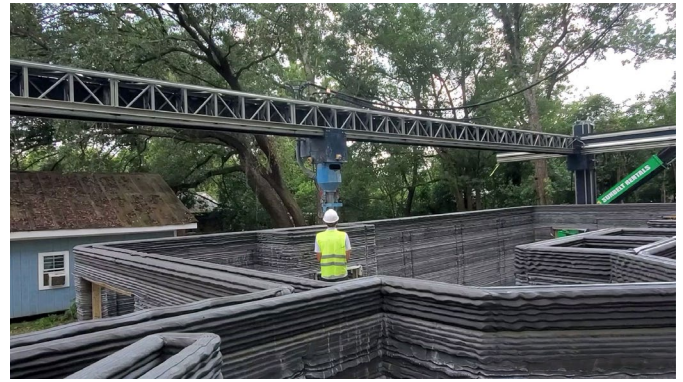
The City has received funding from the Ford Family Foundation to hire a community development director to implement a new program called Growing Rural Oregon (GRO). The GRO program officer will oversee and manage the City's Community Development Department, including implementing the GRO Framework and Process; and will also manage our Community Development, Capital Projects and Urban Renewal Agency (URA) funds for our housing incentive programs.

GRO Framework. The GRO program was developed by the Ford Family Foundation in partnership with Entrepreneurial Ecosystems (E2) and the Kauffman Foundation. The first GRO cohort in this highly competitive program consists of the Independence, Florence, Klamath Falls and John Day communities. Its intent is to help create an entrepreneurial ecosystem by increasing entrepreneurial behavior, competitiveness, prosperity, diversification and resilience, with the ultimate goal of attracting new private sector investment. This framework will be implemented in concert with the Ford Family Foundation and Central Oregon Intergovernmental Council (COIC). Our GRO program officer will have primary responsibility for launching and communicating this program to John Day residents, businesses, and the city council, along with managing engagement with our residents on the City's various community development projects. More information on this program will be announced this fall.

Urban Renewal Agency / Housing Incentives. Since launching our URA three years ago we have had 14 new home starts and 7 major remodels. We are also preparing to open two new master planned developments, Ironwood Estates Phase 2 and 3 (up to 76 home sites) and The Ridge (20 home sites approved in Phase 1). Each of these developments is eligible for our 7% cash back rebate and full payment of the system development charges (currently \$7,400).

Our goal is to incentivize the construction of 100 new homes over the next five years. This would be a 15% increase in our housing stock, using both traditional methods and new, innovative approaches like 3D home printing.

We are actively working to permit the first 3D printed concrete homes in Oregon for the spring of 2022 and are working with Alquist 3D to arrange for their home printer (pictured top right) to travel to John Day next spring for this exciting and innovative project.



We want to thank you as we work through these difficult times. Our goal going into the pandemic was to come out stronger than we went in. I believe overall we have achieved that goal. With the recent project funding announced (and more on the way) we are prepared to spend an average of \$1 million dollars per month every month for the next two years rebuilding our community and updating our infrastructure. This will eventually allow us to fund the services like community policing that we all value.

Thanks for hanging with us! We are excited for what the future holds in John Day.

Sincerely,

Nick Green, City Manager