Pandemic plagues hotel tax proceeds

By Bill Bradshaw and Ellen Morris Bishop
EO Media Group

WALLOWA COUNTY — The revenue government agencies receive from local transient/motel taxes may be another area plagued by the COVID-19 pandemic, as a falling number of stays at motels means fewer tax dollars.

The tax is added to the bills customers pay when staying at area motels or hotels. According to Becky Rushton, of the Joseph Chamber of Commerce, 1.5% of a customer's bill goes to Travel Oregon, the business name of the Oregon Travel Commission. Another 6% goes to Wallowa County and 3% goes to any incorporated city a business is located in. Businesses outside of cities do not pay that 3%.

"What everybody needs to know is that it's not the business owner who pays the tax," she said. "It's always the customers who pay the tax."

Wallowa County's income will diminish, but it's too early to make meaningful projections, according to County Comissioner John Hillock.

"As far as the local lodging tax the operators I have talked to are down considerably so I would think the income to the county and county chamber will be down," Hillock said. "Travel Oregon expects to lose millions and employees have taken pay cuts."

He said Wallowa County has the highest use of Paycheck Protection Program loans in the state.

Transient tax funding provided to the Wallowa County Sheriff is dedicated to support for Search and Rescue, Sheriff Steve Rogers said. According to SAR spokeswoman Paige Sully, the SAR units do not expect much of a negative effect in the loss of funding.

"We are really grateful for the transient tax income," Sully said. "But although we could use a couple of equipment upgrades, there's nothing that we really need. SAR will still help anyone who needs it."

Wallowa Memorial Hospital is not anticipating any transient tax shortfall issues, either.

"These funds are typically used for equipment purchases and will not have an affect on current operations or care capacity," hospital spokeswoman Brooke Pace said. "We have budgeted a 50% reduction in transient tax income."

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EO Media Group file photo
Too many vacancies at motels and hotels in Wallowa County can mean lower transient/motel tax receipts that benefit services in the county and its cities.

Photo contributed by Barreto Manufacturing
Mitch Henry works on an engine at Barreto Manufacturing, La Grande. The company received a Paycheck Protection Program loan between $1 million-$2 million after being affected by COVID-19.

Local businesses benefit from Payment Protection Program

48 loans for $150,000 or more approved in Union and Wallowa counties

By Sabrina Thompson
EO Media Group

LA GRANDE — A total of 48 companies in Union and Wallowa counties received Paycheck Protection Program Loans loans of $150,000 or more.

The federal Coronavirus Aid, Relief, and Economic Security Act established the Paycheck Protection Program to encourage small businesses to keep employees on the payroll during the economic uncertainty caused by the coronavirus.

Companies who may apply for PPP loans include nonprofits, veterans organizations and independent contractors, as long they have fewer than 500 employees. The loans must be used only on payroll expenses and to cover rent and utilities for the business's building.

Propublica, a nonprofit investigative newsroom, compiled a list of companies that received loans of $150,000 or more. In Union and Wallowa counties, 27 companies received loans in the $150,000-$350,000 range, 18 received $350,000-$1 million in loans and four received loans of $1 million-$2 million. Beef Northwest Feeders in North Powder was the only local company to receive a $2 million-$5 million loan. More than half of the loans went to businesses in La Grande.

Community Connection of Northeast Oregon, with headquarters in La Grande, received $633,800, according to Executive Director Margaret Davidson. Davidson said having these funds will help the nonprofit stretch its other money.

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Grants boost local health insurers

By Sabrina Thompson
EO Media Group

UNION COUNTY — The Oregon Health Insurance Marketplace approved funding for three local organizations to help with enrolling residents of Union and Wallowa counties in health care plans.

Valley Insurance and Northeast Oregon Network, La Grande, and Hillock Insurance Agency, Enterprise, will receive grant money to help cover the costs of enrolling residents in health insurance plans during open enrollment, Nov. 1-Dec. 15. The grants will provide reimbursement for expenses, such as payroll for employees working extra hours and printing costs for flyers about open enrollment, according to Matthew Pidcock, co-owner of Valley Insurance.

"During open enrollment we have a small window to enroll people," Pidcock said. "This grant is one of the things that keeps us in the individual insurance market. We are one of the few companies in the area left, and a large part of that is due to having this grant. It helps us still provide service to the community while offsetting the added cost that comes during the

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Unemployment rates drop in area counties

By Ronald Bond
EO Media Group

LA GRANDE — Union County's unemployment rate, which at the height of lockdowns due to the coronavirus pandemic was among the worst in Oregon, dropped almost 6 percentage points in June and now is at 11%, according to the latest data from the Oregon Employment Department. The rate was 16.9% in May.

The county gained back 610 jobs and now is back over 9,100, though it still is 1,330 jobs off the total of 10,450 reported in March before the pandemic and closures hit.

The number of individuals filing continued unemployment claims was almost cut in half, from 1,102 to 605, and is well down from the peak of 1,368 in April.

Manufacturing jobs accounted for more than 80% of the comeback with 500 of the positions in that sector. Once the hardest-hit industries in Union County, it now is just 160 jobs off pre-pandemic totals.

The accommodations and food services industry currently has the most continued claims filed in the county at 135.

Union County's rate is on par with the rest of the Northeast Oregon. Wallowa County also has an unemployment rate of 11%, down from 12.8% in May.

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Watermelon season arriving late this year

By Jade McDowell
EO Media Group

HERMISTON — The first few Hermiston watermelons are starting to hit the stands, but watermelon season isn't in full swing yet.

"We're starting very slowly," said Jack Bellinger of Bellinger Farms.

Bellinger said on July 9 they had put a few watermelons out in the Bellinger Farms store south of Hermiston, but they weren't shipping them out quite yet. He said he had planted about a week earlier than usual this year, but some "questionable weather" had slowed things down.

The wind storm that swept through west Umatilla County and north Morrow County on the last day of May damaged watermelon crops around Hermiston, including some to Bellinger fields.

"I've never seen a wind storm do that to a watermelon crop before," Bellinger said.

The weather wasn't the only interesting thing this spring — farmers also have been having to deal with the effects of COVID-19. Bellinger said luckily between his "core crew" of people who usually help with harvest during the summer, plus their contract labor from Atkinson staffing, he has had the help he has needed.

EO Media Group file photo
Hermiston seedless watermelons sit in cartons in 2019 outside of the Bellinger Farms store on Highway 395, Hermiston. Weather and the effects of the dealing with the coronavirus are delaying this year's crop.

> *"I think the crop looks really good so far, it's just been set back a little bit from normal."*
> **Patrick Walchli**, of Walchli Farms

He said the first watermelons to ripen haven't been as large has he was looking for, but people can still look forward to a good, quality taste.

"I've been happy with the flavor of the seedless so far," he said.

Jade Mueller of 3rd Gen Farms said the wind storm and subsequent days of strong winds broke many of the farm's watermelon starts, so their crop will be about half of what it has been some years.

She said their smaller melons, such as Gallia melons, already have been for sale at Alive & Well, Hermiston, and said they were planning on starting to sell watermelons the week of July 13. 3rd Gen Farms also has a stand at the Maxwell Market in Hermiston most weeks.

Patrick Walchli of Walchli Farms said the uneven temperatures this summer slowed down the ripening process, and the farm plans to start harvest July 20.

"I think the crop looks really good so far, it's just been set back a little bit from normal," he said.

He said since June he has gotten plenty of people asking when they can get their hands on a Walchli watermelon, and it's always a nice feeling to know people are excited for their product.

"It makes you feel good that people think of it," he said.