

## Spring cleaning



(Photo by Laura Mancuso, Illinois Valley News)

Nadja Middleton (left) and Margaret Maloney middle school students from Lorna Byrne helped pick up trash near Old Stage Rd. Saturday, March 17 during the Rotary Club's quarterly Clean Up Day. The group added Holland Loop to their route with 11 helpers. Almost 50 participants picked up trash in Cave Junction on St. Patrick's Day.

## Taxpayer-backed Oregon mill seemed destined to fail

*“Demand is good right now, ... Our markets are good. Our customers are begging for wood.”*

Link Phillippi

By  
**HILLARY BORRUD and  
GORDON R. FRIEDMAN,**  
*The Oregonian*

PORTLAND, Ore. (AP) — When state and federal officials approved \$8 million in taxpayer financing for a Southern Oregon sawmill project, they did so on the premise the investment would bring back jobs. But officials greenlighted the project despite warning signs the plan to retool the mothballed mill was likely doomed to fail.

Sure enough, even with the expensive taxpayer-provided upgrades, the reopened Rough & Ready mill operated for less than 20 months before shutting down for good. Its equipment has been auctioned off, the land sold and the promised jobs only briefly delivered.

The failed project was overseen by Portland environmental nonprofit Ecotrust.

Taxpayers ultimately poured more than \$12 million into the small-scale family-owned mill. On the day the land was sold, only \$5 million of it remained.

The other \$7 million had been spent for naught. Cave Junction residents like Matthew Davis, who worked on the millroom floor, as did his father and three brothers, have a hard time accepting that work is gone forever.

“It was a game changer,” Davis said of the mill’s closing. “The mill was a really good income. One of the best-paying jobs around.”

After the mill closed, Davis went back to school and landed a better, higher paying job as a diesel engine mechanic. But it requires a 115-mile daily commute to and from Medford.

Government officials who hand out the type of tax credits that Rough & Ready received don’t check a project’s financial viability or budget details first. And that is by design. Lawmakers who created the so-called “new market” credits directed regulators to defer to private

sector investors.

Officials at Business Oregon, the state economic development agency, approved Ecotrust’s tax credit application for the mill project despite red flags. Among them: a simplistic hand-written budget, ineligible costs that could have been detected up front and a recent failure by the mill’s operators to keep it open despite substantial public investments.

Then-Gov. John Kitzhaber supported retooling the mill in sleepy Cave Junction, surrounded by national forests just north of the California border. He liked the idea of putting laid off mill employees back to work.

The sawmill owners, Jennifer and Link Phillippi, wanted as much taxpayer help as possible to buy up-to-date equipment and restart the mill. The size of a tax credit for pumping up a rural businesslike theirs depends on the total cost of the improvements. Ecotrust decided to include in its tax credit application a \$4 million expense to buy the decades-old mill and the land on which it sits. What should have been obvious: The company in charge of the sawmill already owned the mill and the land, so buying them wasn’t a genuine arms-length cost and shouldn’t have counted.

But officials at the state and federal agencies that grant new market credits say digging deep into the workings of individual proposals isn’t their role.

On the federal level, the Department of Treasury scrutinizes the private entities that it authorizes to award multiple tax credits to a spectrum of projects. Ecotrust is one of those. Treasury officials check the performance of each entity’s portfolio before granting it a new round of credits to give out.

Under Oregon law, Business Oregon leaders said, they were required to leave it to Ecotrust and the Phillippis to judge if the deal would save the mill. Ecotrust was paid \$520,000 for arranging the deal.

SEE FUNDS ON A-8

## Lions Club screens schoolchildren for vision and hearing impairments

Mary West  
*IVN Contributing Writer*

Thanks to the humanitarian efforts of Lions Clubs throughout Oregon, children in Evergreen Elementary School receive yearly screenings for vision and hearing deficits.

According to I.V. Lions member Steve Lyons, between the I.V. and CJ Lions clubs they screened 197 children and 30 of them needed further exams.

In an interview with the *Illinois Valley News*, Tim Young, event manager from the Oregon Lions Sight & Hearing Foundation, describes the program and the difference it makes in the lives of students with impairments.

“The statewide program that is supported by the 40 lions clubs in Oregon, started 10 to 12 years ago. We use a Spot Vision Screener (SVS), which is a camera and autorefractor that has some computer-like functions. In the screening, we simply have the children look into the camera, and an infrared light passes through the lens of their eye to measure visual acuity. The measurements take four to five seconds and are 98-percent accurate.

“While the SVS doesn’t check for medical conditions of the eye, it screens for vision disorders that include nearsightedness, farsightedness, astigmatism, unequal eye strength and eye misalignment such as lazy eye. If impairments are noted, a doctor’s visit is advised.

“The SVS has the advantage of being able to check children with verbal disorders or other disabilities that would make measuring vision through traditional ways difficult or impossible. Since children don’t need to relate the letters they see on an eye chart to an examiner, the SVS is able to test everyone.

“Hearing screenings are conducted with audiometers that test for high-, middle- and low-frequency sounds. As with the vision screening, if the examiner detects a possible impairment, an appointment with an audiologist is recommended.

“In general, vision problems are found in 9 to 12 percent of the school children, and hearing problems are found in 1 to 2 percent. Once the students with deficits are identified, the school sends letters to parents notifying them that their child needs medical attention. They also apprise them that the local lions club or foundation will pay for doctors’ appointments, glasses and hearing aids for families who don’t have insurance or need financial assistance. Any child under the age of 18 is eligible.

SEE LIONS ON A-10

## Grandparents: Be aware of scams and frauds

By Laura Mancuso  
*IVN Editor*

On March 19 at 7 a.m., 80-year-old grandmother Ruth Benson of Cave Junction woke up to the telephone ringing. She groggily heard a voice claiming to be her grandson saying he ended up in jail and needed \$15,000 cash for bond money. The voice said his lawyer would be calling to give her instructions. Luckily, Benson talks to her grandson regularly and was suspicious of the fake voice on the phone. She called her grandson and verified he was OK and then realized immediately she was being called by a scammer!

Next, someone claiming to be a lawyer called and instructed her to get \$15,000 in cash and put it flat in a manila envelope wrapped in a magazine. The caller gave her a New York address and told her to ship it overnight by UPS. “The number they were calling from was not even a New York number; it was a phone number from Canada... a friend of mine looked the number up on Google for me,” said Benson.

Benson called the Josephine County Sheriff’s Office and gave them all the names and numbers of the

people that had called her. They told her not to answer calls from the number again because scammers often become hostile and rude.

Benson wants the community to learn from her experience.

The following is some information from the AARP (formerly known as the American Association of Retired Persons) regarding fraud or financial exploitation.

Fraudsters use a number of persuasion tactics to convince their targets to give them money. Here are three of the most common red flags they have seen from callers into the AARP Foundation ElderWatch hotline:

1) You’re contacted out of the blue with an offer for free money or fast cash: If you receive an unsolicited offer like this, there’s a good chance that you’ve been targeted by a scam artist. Most scams of this nature rely on your response to their initial promise of lottery winnings, fast-cash from an easy work-at-home job, guaranteed returns from a hot new investment or an inheritance you didn’t know about, so that they can gain access to your personal information and solicit money from you.

SEE SCAM ON A-10

## Rough and Ready responds to article.

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