

Brown trying to resurrect projects killed by COVID-19

By **GARY A. WARNER**
Oregon Capital Bureau

SALEM — Gov. Kate Brown wants to resurrect more than 30 projects costing over \$200 million that died last summer when the state bond market collapsed during business shutdowns ordered to combat the COVID-19 pandemic.

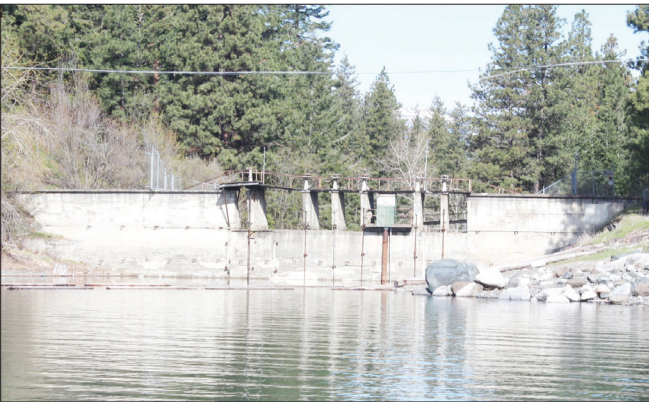
Brown’s 2021-23 budget proposal includes Oregon Lottery bonds set aside for projects in nearly every corner of the state.

There’s dam work at Wallowa Lake and Newport, water system fixes in the Deschutes Basin and Hood River and health facilities in Umatilla and Jefferson counties. There’s also Blue Mountain Community College’s FARM II facility, a Umatilla County Jail renovation project and a early learning center expansion at the Port of Morrow.

The Oregon Coast Aquarium in Newport and arts facilities in Lincoln City and Beaverton are marked to receive millions for expansion and renovation.

Statewide programs would bolster affordable housing, historic preservation, redevelopment, levees and public works programs.

It’s essentially a repeat of the lottery bond alloca-



Katy Nesbitt/For EO Media Group, File

The Wallowa Lake Dam will be rebuilt with \$14 million from the Oregon Legislature. Planning is underway.

tions approved by the Oregon Legislature and signed by Brown at the end of the 2019 session. The bonds were set to go on sale this past summer.

The steady flow of money into the state-run games of chance make the bonds attractive as a conservative long-term investment with relatively small return but a rock-solid record of paying off at the end of the bond’s term. The bonds have performed well during economic booms and recessions.

But COVID-19 was what investors call a “black swan” — a rare unforeseen catastrophic event that upends economies, blowing away the usual rules and strategies of the boom-and-bust market cycles.

When the pandemic ramped up in Oregon at the beginning of March, Gov. Kate Brown issued an executive order telling residents to stay at home and shutting most businesses, including bars and restaurants. The Lottery’s points of sale are inside businesses and the shutdown cratered revenues as never before. At one point, Lottery sales were off by more than 90%. The state’s May revenue forecast indicated a crippled economy with massive revenue deficits.

Oregon Treasurer Tobias Read announced in July that the lottery bonds approved in 2019 would not go on sale. The bond market required a 4-to-1 revenue to debt ratio on the sale and the hit on the lottery sales had

LOCATION SPECIFIC-PROJECTS

Here is a list of projects and the price tag included in Gov. Kate Brown’s 2021-23 budget proposal:

- City of Salem, Drinking Water Improvements, \$20 million
- Eugene Family YMCA Facility, \$15 million
- Wallowa Lake Dam Rehabilitation, \$14 million
- Deschutes Basin Board of Control Piping Project, \$10 million
- City of Roseburg, Southern Oregon Medical Workforce Center, \$10 million
- City of Sweet Home, Wastewater Treatment Plant, \$7 million
- Oregon Coast Aquarium, Newport, \$5 million
- YMCA of Columbia-Willamette, Beaverton Hoop YMCA, \$5 million
- Jefferson County Health and Wellness Center, \$4.1 million
- City of Newport, Big Creek Dams, \$4.1 million
- YMCA of Marion and Polk Counties, Veterans’ Affordable Housing, \$4 million
- Parrott Creek Child and Family Services, Oregon City, Building Renovation, \$3.5 million
- Wallowa Valley Center for Wellness, Enterprise, \$2.5 million
- Center for Hope and Safety, Salem, \$2.5 million
- Port of Cascade Locks, Business Park Expansion, \$2.4 million
- Multnomah County School District, Reynolds High School Health Center, \$2.33 million
- City of Sherwood, Pedestrian Connectors, \$2 million
- City of Gresham, Gradin Sports Park, \$2 million
- Curry Health District, Brookings Emergency Room, \$2 million
- Hacienda CDC Las Adelitas Housing, Portland, \$2 million
- City of Hood River, Waterfront Stormwater Line, \$1.7 million
- Umatilla County Jail, Expansion for Mental Health Services, \$1.6 million
- Beaverton Arts Foundation, Patricia Reser Center for the Arts, \$1.5 million
- Lincoln City Cultural Center, Cultural Plaza and Grounds, \$1.5 million
- Port of Morrow, Early Learning Center Expansion, \$1.4 million
- Statewide projects
- Special Public Works Fund, \$30 million
- Affordable Housing Preservation, \$25 million
- Affordable Market Rate Housing Acquisition Loan Program, \$15 million
- Water Supply Development Account, \$15 million
- Levee Grant Program, \$15 million
- Brownfields Redevelopment Fund, \$5 million
- Oregon Main Street Revitalization Grant Program, \$5 million
- Storm Drainage Improvements, \$1.88 million

sent its balance to just above 3-to-1. Without the sale, the projects were dead.

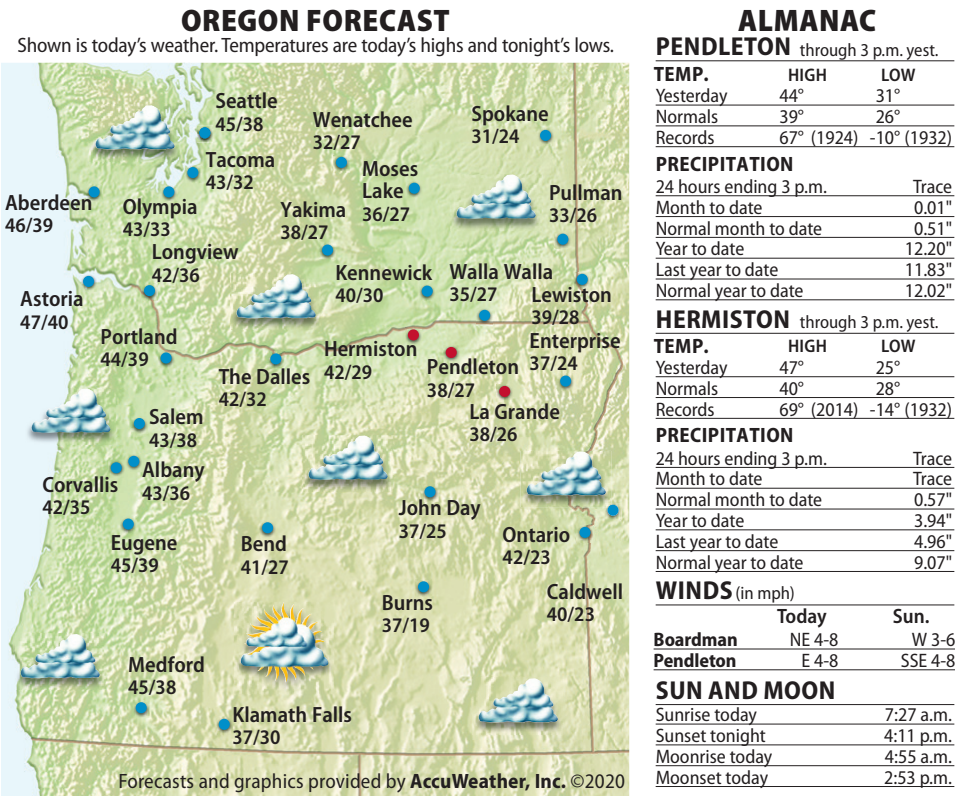
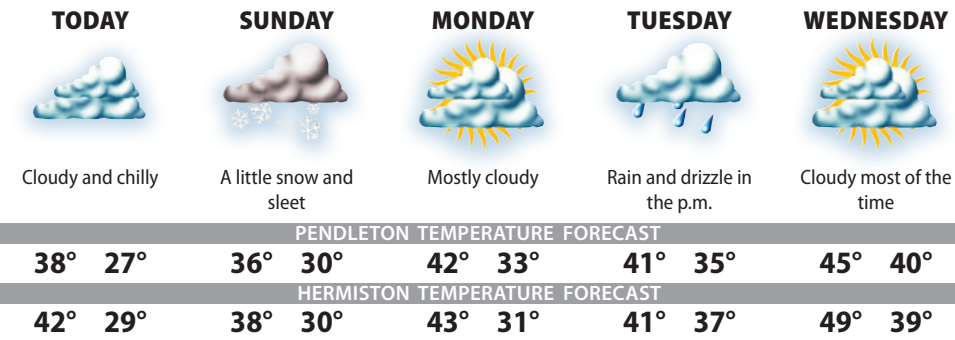
“There’s not enough money — there is no repair,” said Sen. Betsy Johnson, D-Scappoose, a chair on the budget-writing Joint Ways

and Means Committee that had approved the 2019 project list.

Sen. Bill Hansell, R-Athens, a committee member, said the state needed to prioritize the debt service on bonds sold in previous

years, ensuring confidence in the state’s annual offerings wasn’t permanently undermined. The 2019 projects were being sold as a package that couldn’t be broken up into smaller chunks to sell.

Forecast for Pendleton Area

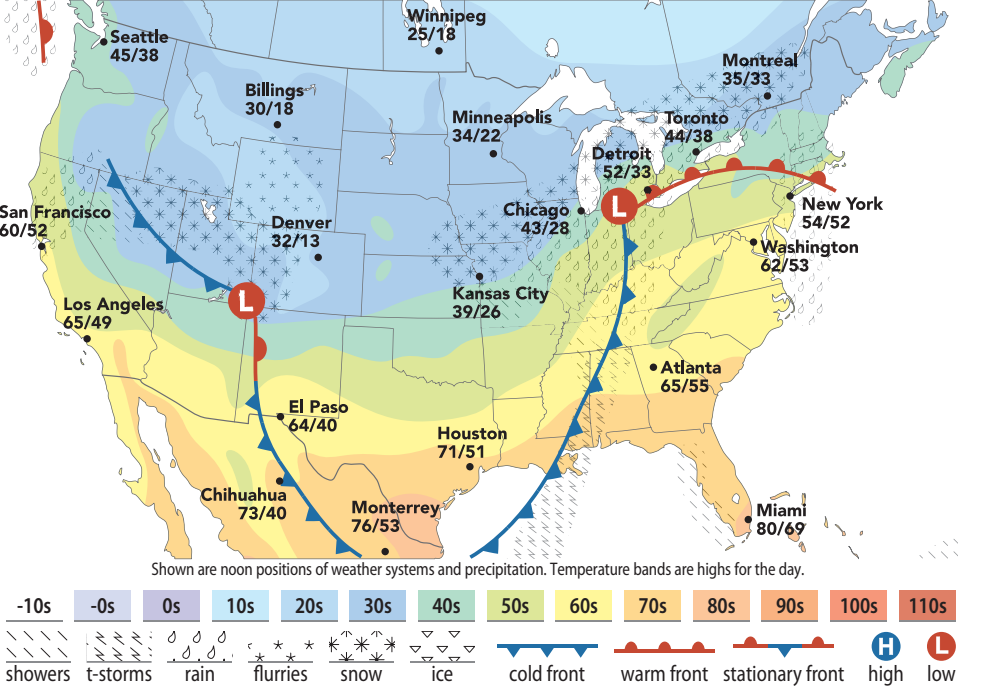


NATIONAL EXTREMES

Yesterday's National Extremes: (for the 48 contiguous states)

High 86° in Weslaco, Texas **Low** -5° in Stanley, Idaho

NATIONAL WEATHER TODAY



110,000 restaurants shuttered nationwide

By **SIERRA DAWN MCCLAIN**
Capital Press

WASHINGTON, D.C. — The National Restaurant Association has sent a letter to Congress asking for financial relief for the restaurant industry.

Foodservice industry leaders and farm groups say farmers who supplied restaurants pre-pandemic should not expect a turnaround anytime soon.

“The future remains bleak,” the restaurant association said in a statement.

Last month, the National Restaurant Association Research Group surveyed 6,000 restaurant operators and 250 supply chain businesses nationwide and found that, since March, 17% of U.S. restaurants — more than 110,000 establishments — have closed permanently or long term.

The majority of permanently closed restaurants, the survey found, were

“well-established businesses, and fixtures in their communities.” The average permanently closed restaurant had been in business 16 years, and 16% had been open at least 30 years.

Sean Kennedy, executive vice president for public affairs at the association, said in a statement most restaurants that are still open are in “economic free fall.”

Nearly 9 in 10 restaurants reported an average 36% drop in sales revenue, and more than half of supply chain companies say they expect to lay off and furlough more employees the next three months.

“We’ve seen compete shutdowns and disruptions. It seems everybody’s very much in survival mode this year,” said Laura Morgan, owner of Oregon-based food tourism company The Big Foody Tours PDX.

Vanessa Sink, spokeswoman for the National Restaurant Association,

told the *Capital Press* her organization does not yet have extensive data for the Western U.S.

Glenda Hamstreet, executive coordinator for the Oregon Restaurant and Lodging Association, similarly told the *Capital Press* that “real time data is difficult to garner” because of the Oregon Employment Department’s lag time in reporting.

But experts say, anecdotally, this fall has been especially hard on the West Coast restaurant industry because the second wave of lockdowns and stay-at-home orders was accompanied by cold and rainy weather, making eating outside less desirable.

Although the full impact of stay-at-home and “freeze” orders isn’t known yet, many restaurant and winery owners in California and Oregon say they are laying off more employees this fall and buying even less food from farms.

IN BRIEF

Truck crash closes Interstate 84

BAKER CITY — The eastbound lanes of Interstate 84 were closed for about five hours in parts of Baker and Union counties on Wednesday, Dec. 9, after a commercial truck hauling lumber crashed on a curve in the Burnt River Canyon southeast of Baker City, spilling 2-by-4s across the freeway.

The eastbound lanes were initially closed at Baker City, and the closure was later extended to La Grande after truck parking areas filled in Baker City, according to Tom Strandberg, a spokesman for the Oregon Department of Transportation.

The eastbound lanes reopened around midnight, Strandberg said.

Oregon State Police responded to a report of a commercial truck rollover at 6:55 p.m., according to an OSP report.

The crash happened on a curve near milepost 332, about 28 miles southeast of Baker City.

OSP Sr. Trooper Nicholas Hagedorn wrote in a report that when he arrived, lumber was strewn across both eastbound and westbound lanes, and the truck and trailer were overturned.

The truck driver, Damian Lee Williams, 27, of Rupert, Idaho, was evaluated by paramedics but declined transport to a hospital, according to Hagedorn’s report.

The trooper wrote that Williams “didn’t really know what happened but might have been going too fast around the corner.”

Hagedorn wrote that “witness statements and roadway evidence suggest speed was a factor in the crash.”

He cited Williams for driving while his license was suspended, and failing to drive within his lane.

Hagedorn wrote in his report that Williams’ dog, a red heeler named Drifter, ran from the scene and was not found.

— EO Media Group

CORRECTIONS: The *East Oregonian* works hard to be accurate and sincerely regrets any errors. If you notice a mistake in the paper, please call 541-966-0818.

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