



Rep. Caddy McKeown, Chair

Support for HB 2464

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KNAPPA OFFICE

42894
OLD HWY. 30
ASTORIA
OREGON
97103

•

OFFICE
(503)
458-6671

•

FAX
(503)
458-6106

•

RAINIER OFFICE

29191
DIKE ROAD
RAINIER
OREGON
97048

•

OFFICE
(503)
556-0410

•

FAX
(503)
556-2805

•

**WWW.
TEEVIN BROS.
COM**

At the nadir of the recent economic downturn, it was *ConnectOregon* that created 70 new jobs in a rural Oregon county with unemployment over 11%. The investment in transportation infrastructure had the desired effect this body had hoped to achieve when the 2005 legislature created *ConnectOregon*.

Time and time again, across the entire state, *ConnectOregon* projects have created important intermodal connections, created jobs, retained jobs, increased the local tax base and expanded business opportunities because of new investment in transportation infrastructure. I dare say *ConnectOregon*, in my region, did more to stimulate the economy than many other stimulus projects.

ConnectOregon is exceeding your original expectations. For my company, Teevin Bros, your investment in our operations in Rainier has benefitted 67 Oregon firms from Klamath Falls, Ontario, Pendleton, Hood River, Redmond, Bend, Brookings, Coquille, Roseburg, Eugene, Crabtree, Tillamook, Lebanon, Astoria, McMinnville, Salem and the Portland metro area. While our location added 70 new jobs, the *ConnectOregon* project provided new transportation options to firms that retained or added hundreds of jobs in their region with efficient transportation coastwise, off-shore and overseas..

Sadly, some have not bothered to truly research and understand *ConnectOregon*. They have opined that *ConnectOregon* is flawed. As a member of the Rail Modal Committee, the Marine Modal Committee and the Final Selection Committee, I can personally assure you *ConnectOregon* applications are thoroughly vetted with the metrics of purpose, achievability and prudent use of the limited resource. Regulatory and permitting review is undertaken by the reviewers – all with extensive experience in their mode of expertise.

There has been some criticism of grants to loans. *ConnectOregon* needs to continue to offer grants. Loans carry with them a responsibility under GAAP to show the loan as a liability to the loan recipient. Be it a small community, a metropolitan service or private industry; the loan affects their ability to borrow, continue to develop or conduct other business. The litmus test of *ConnectOregon* projects should be the improvement to the transportation system. A grant may incentivize an applicant to make new or more investment in a sector of their operation that would otherwise have to wait. For example, a railroad bridge is functional, but operates under speed restrictions – impacting both passenger traffic and freight mobility. A grant incentivizes the railroad to move the bridge repair up on their capital improvements list. The repaired bridge now allows higher speeds, which eliminates passenger rail delays and allows seven trains per hour to use the bridge where it had been just three trains per hour under the restriction. This is a win-win-win for the system, the citizens and for the railroad. Had this been loan, the project would not have been undertaken.

ConnectOregon continues to deliver to this body and the citizens of the state a tremendous return on investment into Oregon’s transportation infrastructure. *ConnectOregon* is making intermodal thrive, creating new opportunity and improving the life style of many. Restoring *ConnectOregon* to the original fund levels of \$100MM per biennium will bring you even more success stories. *ConnectOregon* is not broken and does not need fixing.

Paul Langner
Facilities Manager, Teevin Bros.