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February 13, 2019

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The Honorable Gary Wilhelms
4353 NW Tam O'Shanter Way
Portland, OR 97229
503-533-8966

Subject: Testimony on SB 704 before the Senate Rules Committee

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My name is Gary Wilhelms – formerly honorable. I live in unincorporated Washington County. I am here today representing the Oregon State Capitol Foundation and also myself since I've had some involvement in this project over the last thirteen years or so.

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SB 704 approves the bonding necessary to finance the project known as the Capitol Master Plan or, more recently, the Oregon State Capitol Renovation project. The main reason for the project, and the most significant cost item, is the seismic upgrade of the Capitol Building. The primary concern is life safety for those who work in and those who visit the building. In the interest of full disclosure, however, the plan does include some items that would be considered modernization, remodeling or upgrades to the 81-year-old building.

While there were earlier calls for specific items, the need for the overall project was identified by the Public Commission on the Oregon Legislature in 2005-2006. I had the honor of co-chairing that Commission. The Wings were remodeled in 2007-2008 as part of the Commission's recommendations, but they were remodeled without seismic upgrades. In 2008, the Legislature retained SRG Partnership, Inc. to develop the Oregon State Capitol Master Plan which included seismic upgrades and other improvements to the entire building, both the Wings and the 1938 building. The proposed project was developed during 2008-2009 and presented to

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the Legislature in June of 2009. It then sat on the shelf until the Legislature created the Capitol Master Plan Review Committee in 2012. I was once again involved as Chair of this Committee which reviewed the original Master Plan, recommending a few amendments. Most significantly, it recommended a timeline and funding process to complete the project. It delivered its final report to the Legislature in February 2013.

In 2013, the Legislature approved thirty-four ½ million dollars in bonding to finance the design phase of the project. The design phase was largely completed, using about twenty-five of the thirty-four ½ million. Those of us with keen interest in the project were optimistic about getting approval in the 2015 Session for the \$300 million in bonding needed to complete the project.

It did not happen.

I'm not here to discuss the reasons why funding for the project was unsuccessful in 2015. I would, however, like to mention that the concern of legislators to fund the seismic rehabilitation of public schools before they do the Capitol is being met. As you will recall, \$125 million was set aside in the 2015-2017 biennium for the Seismic Rehabilitation Grant Program for public schools to be administered by Business Oregon. An additional \$125 million for matching funds to assist school districts with making improvements to aging facilities was also set aside and is administered by the Department of Education. Additionally, \$100 million was authorized for both programs during the current biennium. Both Business Oregon and the Department of Education are having no problem in granting all the money they have been authorized. So the programs are working, and, while it may take time, the concern for public schools is being met. I believe it is reasonable, therefore, for the Legislature to once again turn its attention to the Capitol in addition to the public schools. We can do both.

During the 2015 Session, the Legislature did approve \$50 million for the Capitol Accessibility, Maintenance and Safety (CAMS) project which will complete some of the items found in the Capitol Master Plan. The CAMS project is well under way and should be completed by the end of 2019. I understand it's now closer to \$60 million, however. Since, when the blanks are filled in, SB 704 will likely still be an ask in the range of \$250 to \$300 million, legislators may not be eager to support the proposal this session with the CAMS project still underway.

As you may know, the Department of Administrative Services is currently planning for additional office space in the area. In conversations with DAS, they agree that it makes sense to use the new office space, when it becomes available, to temporarily house the

functions of the Capitol Building while the Capitol Master Plan project is underway. We know that this is not going to happen right away, but the Foundation wants to keep the project alive at the Legislature so that when plans for the office space are finalized, you are ready to move forward in a coordinated effort with the Capitol Master Plan. Availability of the new office space for use as the temporary Capitol will eliminate one of the biggest and most sensitive issues associated with the project. Keeping this issue alive before the Legislature is the main purpose of SB 704.

The Legislature should eventually be willing to step up because:

- 1) The 81-year-old building needs the work – in terms of both public safety and restoration.
- 2) The Capitol is the only building for which the Legislature has direct responsibility. The work is going to be done eventually. If it is not done now, then when will it be done? And how much more expensive will it be when that time comes?
- 3) There is currently sufficient General Obligation bonding authority available for the project.
- 4) The design phase work has largely been completed – at considerable expense, I might add. This previous investment should not be wasted.
- 5) The clock is ticking. According to the people with the expertise, it's not a question of whether, but rather a question of when a large earthquake is going to occur. The experts also say that this building cannot survive the "big one." So who is going to be in the building when it happens, and what happens to them – or should I say us? And what will it then cost us to rebuild the building?

This building and I are the same age. We both need rehabilitation. While I'm beyond help, this building is not. Please give SB 704 your serious consideration.

Thank you for the opportunity to be heard.