

April 29, 2021

The Honorable Senator Fred Girod, Co-Chair  
The Honorable Representative Paul Holvey, Co-Chair  
Joint Committee on Ways and Means Subcommittee on Capital Construction  
900 Court Street NE  
H-178 State Capitol  
Salem, Oregon 97301

Co-Chairs Holvey, Girod and Members of the Committee,

RE: Support for the Bonding Authorization of \$32 million for the Newberg-Dundee Bypass in SB 5534

McMinnville Economic Development Partnership (MEDP) works to raise the economic well-being of McMinnville, the region, and the entire State of Oregon. When MEDP was formed 15 years ago, it was understood that the limits of transportation would be a hurdle to maximize economic development efforts. The positive impact of Phase I of the Newberg-Dundee Bypass has been recognized, and we are grateful for the vision and efforts in recent years by the OTC and the Legislature that led to completion early in 2018.

However, the project is not finished. There are nearly 300 manufacturing businesses in Yamhill County. Most of these are small and medium-sized manufacturers producing a wide variety of products that are dependent on surface transportation to reach local, regional, and national markets. There are over 500 acres of vacant industrially zoned land in the county that has the potential to create over 6,000 additional manufacturing jobs. These jobs pay an annual average wage over \$56,000.

Recruiting manufacturing businesses has been difficult because good transportation infrastructure is a top criteria that a business uses; the county's distance from the I-5 corridor and the significant congestion on OR 99W between Yamhill County communities and the Portland Metropolitan Area are a significant limitation on the ability to efficiently get

manufactured goods to market. The City of McMinnville officials stated that the city lost over 1,000 manufacturing jobs when three major firms moved in the late 1990s, citing the congested OR 99W corridor as a major reason. McMinnville Economic Development Partnership continues to cite missed opportunities due to drive time congestion. In our most recent Business Retention and Expansion survey of local companies, we heard from multiple business owners that one of the reasons they would consider relocating their headquarters would be to have easier access to I-5 because of how it impacts the labor pool and industry access.

Advancing the project toward completion will work to attain the State's goals for congestion relief, safety improvements, community livability, improvement of freight mobility, and economic development. All of these will help with improving the economic well-being of our State.

Thanks to investments made by the Legislature and the Oregon Transportation Commission over the past two years, Phase 2 of the bypass is now shovel ready. This \$32 million in state lottery bond funding will enable ODOT to move to construction on Phase II of the bypass while providing a critical state match that can leverage federal dollars to complete construction.

Thank you for your consideration and continued leadership. MEDP looks forward to being a resource to you and your colleagues in order to complete the bypass project.

Sincerely,

*Heather Hadley Blank*

Heather Hadley Blank  
Interim Director  
McMinnville Economic Development Partnership