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81<sup>st</sup> LEGISLATIVE ASSEMBLY  
HOUSE SPECIAL COMMITTEE ON WILDFIRE RECOVERY  
State Capitol  
900 Court St. NE, Rm. 347  
Salem, OR 97301  
503-986-1731

February 18, 2022

Speaker Rayfield  
JWM Co-Chairs Sanchez and Steiner Hayward  
JWM Public Safety Subcommittee Chair Gorsek  
Leaders Fahey and Breese-Iverson

Re: Outstanding 2020 Wildfire Recovery Requests

The House Special Committee on Wildfire Recovery has conducted several listening sessions during the 2022 legislative session, hearing directly from 2020 wildfire survivors, local governments in fire-affected areas, and state agencies responsible for ongoing recovery efforts.

The following is a list of wildfire recovery budget requests that have come to the committee's attention over the last several weeks. The list has been organized by budget area, and prioritized by the committee chair and vice-chairs.

The prioritization system is:

<b>TIER 1:</b> Consensus priority; immediate needs	Subtotal: \$15.18 million
<b>TIER 2:</b> Legitimate needs; perhaps less immediate	Subtotal: \$7.1 million
<b>TIER 3:</b> Good, desirable projects for consideration	Subtotal: \$22.17 million

**Total Request: \$44,455,500**

## HOUSING

### 1. “Oregon Rebuilding Oregon” one-time infusion (TIER 1)

Recipient: Oregon Housing and Community Services

Amount: \$3 million

Duration: One-time request

Local or Federal Contribution: None known

Background:

HB 5006 (2021) appropriated approximately \$150 million to Oregon Housing and Community Services for rehabilitation, reconstruction, and replacement of homes; temporary rental/relocation assistance; and land acquisition for affordable and/or other housing units. One of the most exciting projects currently underway is a \$10 million set aside for a workforce housing modular development being built in Medford with modulars constructed by a local factory in Klamath Falls. The state investment helped to jumpstart an industry in Klamath County that will serve other state housing objectives in addition to wildfire recovery. The project fits the House Committee on Wildfire Recovery’s concept of “Oregon Rebuilding Oregon,” a desire to see wildfire survivor housing built by local industry, with local jobs in fire-affected areas, and utilizing local Oregon timber and other products when possible.

2022 Request:

This request is for another infusion of flexible “Oregon Rebuilding Oregon” housing money. With another allocation of this flexible money, the state could do invest in another similar project, producing housing and also spurring innovation.

### 2. Low-Cost Loan Gap Funding (TIER 2)

Chair Note: Potential opportunity for funding through existing OHCS wildfire recovery HB 5006 (2021) moneys

Recipient: Community Lending Works / Development NW

Amount: \$5 million

Duration: One-time request

Local or Federal Contribution: None known

Background: Private insurance, FEMA, grants, and other resources sometimes aren’t enough to meet the costs of rebuilding a stick-built home or replacing a manufactured home. Many families that endured the 2020 wildfires are just now far enough into the process where they are getting a real sense of the financial gap, and DevNW’s counselors are just now getting a sense of how much traditional financing will not be available to cover those gaps in an affordable way.

2022 Request: This funding would provide \$4-5 million in loan capital and ~\$300,000 in operating support to Community LendingWorks, to administer a loan gap funding program for wildfire survivors. They are envisioning the program offering the following types of supports:

- Low cost loans up to \$75,000 (or maybe \$100k?)
- Fully “silent” (no payment, no interest, repaid on future sale) for families below 80% AMI
- Low interest (2-3%?) for families from 80-140% AMI – perhaps with the choice to make amortized payments or have the interest accrue until future sale
- As the loans are repaid, the funds could revolve for future disasters
- Disaster recover counselors would refer families to the program, after finding all other possible sources to layer and identifying the remaining gap.

### 3. **City of Gates: Land Acquisition and Downtown Development (TIER 2)**

Chair Note: Potential opportunity for funding through existing Main Street Program or other Business Oregon moneys

Recipient: Oregon Housing and Community Services

Amount: \$1 million

Duration: One-time request

Local or Federal Contribution: None known

Additional Information: See appendix

2022 Request: Land purchase to improve the downtown business core.

### 4. **Marion County: Housing & Land Acquisition, Mill City Long Term Housing (TIER 3)**

Chair Note: Potential opportunity for funding through existing OHCS wildfire recovery land acquisition moneys

Recipient: Marion County

Amount: \$2,206,500

Duration: One-time request

Local or Federal Contribution: None known

Additional Information: See appendix

Background: This land acquisition request would function in conjunction with HOME First, a LIFT project that includes 54 low to moderate income apartments, Marion County Housing Authority’s 6-8 senior homes, and Marion County’s 70 single family residential homes.

2022 Request: This request is to purchase six tax lots in Mill City, 15.04 acres for the Marion County long-term wildfire recovery housing project.

## EMERGENCY MANAGEMENT & PUBLIC SAFETY

### 1. Wildfire Ombudsperson and Catastrophe Ombudsperson (TIER 1)

Recipient: Oregon of Emergency Management

Amount: \$1.5 million

Duration: One-time request and ongoing request

Local or Federal Contribution: None known

Background: The wildfire recovery ombudsman position was established following the 2020 wildfires as a conduit between the Governor's office and various state and local agencies involved with construction-related rebuilding efforts. The House Wildfire Recovery Committee has found this position to be critically important.

2022 Request:

This request is for the continuation of the wildfire recovery ombudsperson through the end of the biennium, and the addition of an "ongoing" position for a catastrophe ombudsperson. The total amount requested is a rough estimate for two personnel, and services, supplies, and travel expenses.

### 2. Revenue replacement for City of Gates & City of Stayton (TIER 1)

Recipient: City of Gates, City of Stayton

Amount: \$200,000

Duration: One-time request

Local or Federal Contribution: None known

Additional Information: See appendix

Background: HB 5006 (2021) funded replacement of tax revenue losses for many fire-affected counties and cities. The cities of Gates and Stayton were fire departments that were not funded in 2021, which appeared to be an oversight to the State Fire Marshal and House Wildfire Recovery Committee.

2022 Request: Revenue replacement from 2020 wildfires

### 3. Municipal Wildfire Assistance Program Extension (TIER 1)

Recipient: Business Oregon

Amount: \$2 million

Duration: One-time request

Local or Federal Contribution: None known

Additional Information: See appendix

Background: This program received HB 5006 (2021) and Emergency Board investments and has been very meaningful on-the-ground staff support for wildfire survivors through the state.

2022 Request: Local fire-affected communities and long term recovery group (LTRG)

organizations are recognizing the need for longer-term capacity building and technical assistance and would like to see the continuation of these resources in local communities.

#### **4. Public safety rehabilitation grants (TIER 1)**

Recipient: Office of Emergency Management

Amount: \$3 million

Duration: One-time request

Local or Federal Contribution: None known

Background: Some examples of local public safety needs include: 1) Lincoln County still has neighborhoods being rebuilt in the aftermath of the Echo Mountain Fire where there are looting concerns on private property. These proposed grants could fund law enforcement needs. 2) In the Santiam Canyon, there are roads that pose significant hazards to public safety. These proposed grants could support transportation infrastructure repairs.

2022 Request:

Flexible grants for local public safety needs and priorities related to the 2020 wildfires. The grants are envisioned as 24-months in duration, and local communities would identify the public safety needs, which could range from law enforcement, to infrastructure, to any other safety concerns from the wildfires. One example of a known need is to upgrade unsafe roads. There would be a brief grant report at the end of the two-year cycle to describe the use and value of the program for response and recovery efforts.

#### **5. City of Phoenix Public Safety Center (TIER 1)**

Chair Note: Unsure if this item could be funded out of another capital investment source, such as seismic rehabilitation grants available for law enforcement and fire.

Recipient: City of Phoenix

Amount: \$2,534,000

Duration: One-time request

Local or Federal Contribution: None known

Additional Information: See appendix

Background: HB 5006 (2021) appropriated \$13,804,000 to construct a new city Public Safety Center that will include the City Hall, Fire Station, and Police Station. The project construction budget is \$16 million.

2022 Request: To make up the projected project budget deficit resulting from conceptual design, project soft costs, and relocation expenses that were not fully funded by HB 5006 (2021).

#### **6. Santiam Canyon Tool Library (TIER 2)**

Recipient: Santiam Long-Term Recovery Group

Amount: \$50,000

Duration: One-time request

Local or Federal Contribution: None known

2022 Request: Purchase of three Conex boxes for tool storage. This is an immediate warehousing/distribution solution for building material donations that could evolve into a long-term “resiliency and preparedness” storage facility.

**7. Lane County Emergency Response Functionality and Redundancy Project (TIER 3)**

Chair Note: There’s a larger conversation about interoperability and all counties may have related needs. This is likely a Phase II item of the ODEM reforms.

Recipient: Lane County

Amount: **\$5 million**

Duration: One-time request

Local or Federal Contribution: None known

2022 Request:

**1) \$2 million: Remake hub and spoke system into loop system**

- Indian Mountain (Cougar Reservoir region), new tower
- Prairie Mountain (Coast Range, Benton County line), add Lane Regional Interoperability Group equipment
- Roman Nose Mountain (Coast Range, Douglas County Line), add Lane Regional Interoperability Group equipment
- Mapleton (existing private tower), add Lane Regional Interoperability Group equipment
- Badger Mountain (Central Coast range), new tower and add Lane Regional Interoperability Group equipment

**2) \$1.25 million: Resiliency**

- 28 solar energy capable links (equipment that connects one microwave tower to another)
- Bigger battery system for Indian Mountain
- Bigger battery system for Nebo Mountain (east of Coburg)
- Bigger battery system for Vida (McKenzie River valley)
- Snow cat (all-terrain vehicle designed for wintertime access to remote mountain top sites)
- Roman Nose Hybrid battery system

**3) \$1.25 million: Radio upgrading**

- Radio over internet protocol (RoiP) for fire districts, cell phone to radio integration would connect all fire districts to Lane County dispatch system
- Radio set for Search and Rescue program, Office of the Lane County Sheriff

**4) \$500,000: Wildfire prevention**

- Five climate stations distributed across the county.

## INFRASTRUCTURE & CAPITAL CONSTRUCTION

### 1. Colton Fire District equipment (TIER 1)

Recipient: Colton Fire District

Amount: \$75,000

Duration: One-time request

Local or Federal Contribution: \$25,000

Additional Information: See appendix

Background: The Colton Fire District's water tender truck is no longer operational and they have a very small district budget. They have made efforts to locate one in surplus or from another fire district, without success.

The truck carries 3,000 gallons of water and is used in fighting wildland fires and other fires in locations where water is not readily available. The tender would enable the District to haul water to the fire and it also has equipment on board that allows them to pump water from a stream, reservoir, or other water source on or near the scene of the fire.

2022 Request: Assistance to the Colton Fire District to purchase a water tender truck.

### 2. Flexible infrastructure grants (TIER 1)

Recipient: Business Oregon, to any wildfire-affected area

Amount: \$1 million

Duration: One-time request

Local or Federal Contribution: None known

2022 Request: A flexible grant program designed to fill financing gaps on projects the legislature has already funded.

### 3. Powder Activated Carbon Water Treatment Improvement Project (TIER 1)

Recipient: Eugene Water & Electric Board

Amount: \$375,000

Duration: One-time request

Local or Federal Contribution: EWEB 50% local match of \$375,000

Background: The September 2020 Holiday Farm Fire produced increases in organic material coming from the burned and eroded landscape above and around the McKenzie River. This project is designed to mitigate impacts to taste and odor issues in EWEB's drinking water from the McKenzie River used by over 200,000 residents of Eugene and Lane County. This water infrastructure project would also be an authorized and fully compliant use of unallocated American Rescue Plan Act (ARPA) funds still held by Oregon. Recent events such as wildfire, drought and toxic algae blooms, are a wake-up call to the vulnerabilities to our drinking water systems. While EWEB has successfully leveraged Federal and State grants for watershed restoration, funding upgrades to critical

infrastructure has been shouldered by rate-payers. State support would help alleviate rate pressure to customers as we dial up the pace of these investments. Design is complete and ready for construction.

2022 Request: State contribution to this water treatment improvement project. EWEB has already secured a 50% match.

#### **4. Marion County Road and Bridge Repair/Replacement (TIER 1) (TIER 2)**

Chair Note: Opportunity for partial funding because of the nature of the projects; priority for North Fork Road needs.

Recipient: Marion County

Amount: \$1.5 million recommended of total \$2,550,000 ask

Duration: One-time request

Local or Federal Contribution: None known

2022 Request:

N. Fork Road Repair and Replacement: \$500,000 for 2.5 miles of N. Fork Road guard rail replacement; \$500,000 for N. Fork Road temporary access limitations (200 signs replaced and 3 road closure gates); and \$1.2 million for N. Fork Rd. three area kosks.

N. Fork Bridge Replacement: \$350,000 to replace Elkhorn single land wooden and steel bridge lost in Beachie Creek wildfire.

#### **5. Mill City Sewer System Improvements (TIER 3)**

Chair Note: This request may interface with incoming federal IJA funds.

Recipient: Marion County

Amount: \$6,965,000

Duration: One-time request

Local or Federal Contribution: None known

Additional Information: See appendix

Background: The City of Mill City waterwater facility operates at 94% design capacity and during peak wet weather (winter) flows, the sytem exceeds design flow capacity, as listed in the City's NPDES permit issued by DEQ. The City has been approached by developers wanting to build up to 300 housing units and 10-20 commercial units in Mill City. Without this critical infrastructure, Marion County has indicated that the LIFT project as well as additional wildfire survivor housing will be unable to proceed.

2022 Request: Mill City is seeking to expand its treatment plant peaking capacity in order to accommodate residential and commercial growth in the next 5-7 years. This is an interim solution until a new Mill City/Gates wastewater facility can be designed, constructed, and begin operation.



**6. Additional septic repair/replacement investment (TIER 3)**

Chair Note: Opportunity for partial funding for extending reach of ongoing DEQ clean water programming

Recipient: Oregon Department of Environmental Quality

Amount: \$3 million

Duration: One-time request

Local or Federal Contribution: None known

Background: HB 5006 (2021) invested \$15+ million for loan and grant programs to support repair, replacement, upgrade, or evaluation of residential or other on-site septic systems. The \$15 million moneys were intended to be prioritized for the septic needs of wildfire survivors. Other funding was provided for septic priorities elsewhere in the state.

2022 Request: Backfill some of the \$15 million 2021 moneys DEQ is now using for wildfire recovery needs, to ensure adequate funding is available for other septic needs.

## NATURAL RESOURCES

### 1. Soil stabilization, erosion control, and invasive species response (TIER 3)

Chair Note: Recent SB 762 (2021) and Emergency Board funding may be sufficient to keep ODF busy on related projects that could have some positive impact on these fire-affected landscapes.

Recipient: Oregon Department of Forestry

Amount: \$ 3 million

Duration: One-time request

Local of Federal Contribution: Some federal support committed for similar purpose

Background:

The Oregon Department of Forestry, in partnership with other state natural resources agencies, recommended and requested \$41 million during the 2021 legislative session for planning and implementation work on non-federal lands to stabilize the soils on slopes and control erosion (e.g., seeding and mulching of burned lands) and to conduct early detection of and rapid response to invasives species. The request was not prioritized and funded in 2021 when it was considered along with other 2020 wildfire recovery needs.

<sup>d</sup> An estimated cost of \$3,000 per acre for both soil stabilization and invasive species treatment was applied for on-the-ground work, with an estimated 12,348 acres to be treated across the 14 fire areas (based on very high erosion potential and capacity to undertake the planning and implementation work). The \$41 million estimate for these activities over these areas also included technical support costs to ensure well designed natural resources recovery projects and indirect costs to support funding program oversight and accountability.

2022 Request:

This request would cover the following ongoing natural resources needs:

- Additional seeding and mulching actions to stabilize the soils on slopes and control erosion
- Invasive species treatment
- Geo-technical analysis for areas of potential landslide risk that threatens critical infrastructure or lives
- Based on results of geo-technical analysis, engineered mitigation projects to reduce risk from mass wasting events such as shallow landslides and debris flows/torrents,
- Culvert repair and replacement, and
- Low technology, engineered instream structures using large wood placement in streams that drain steep, severely burned areas to slow velocities, drop out sediment, and attenuate nutrients, metals and organic carbon.

Funding for this work is still critically needed. The requested amount is lower than the 2021 request due to planning and implementation challenges. Challenges include limited staff capacity within local jurisdictions and community organizations, difficulties securing field crews to complete post-fire recovery work due to contractor shortages, and limited

availability of technical expertise within agencies. Without further staffing, and for these reasons, a lesser amount of funding balances the very real need for additional post-fire natural resources recovery investments with an honest acknowledgement of on-the-ground planning and implementation limitations facing this recovery work.

Additional investment by the Oregon Legislature during the 2022 session would complement funding that is anticipated from federal partners such as the U.S. Forest Service (USFS). For example, \$6 million for restoration needs on non-federal lands impacted by the 2020 and 2021 fire seasons will be provided by USFS under the 2021 Continuing Resolution and Disaster Supplemental Funds bill. The state will be a critical partner in getting these resources on the ground in the highest priority areas.

## MISCELLANEOUS

### 1. Mobile Mental Health Care Grants (TIER 3)

Recipient: Oregon Health Authority

Amount: \$ 2 million

Duration: One-time request

Local of Federal Contribution: None known

2022 Request: Grant funding for mental health service organizations to be able to deploy mobile mental health care during disasters, including remnant needs from the 2020 wildfires.