

July 16, 2024

Honorable Co-Chair Senator Chris Gorsek
Honorable Co-Chair Representative Susan McLain
Co-Vice Chair Senator Brian Boquist
Co-Vice Chair Representative Shelly Boshart Davis

Testimony to the Joint Transportation Committee

Good afternoon, Co-Chairs Gorsek and McLain and Members of the Joint Transportation Committee. I am Patty Herzog, representing the McMinnville Economic Development Partnership (MEDP). Today, I am here to underscore the critical importance of completing the Newberg-Dundee Bypass for the economic prosperity of our region and the state of Oregon.

MEDP, established in 2006, plays a crucial role in our community by focusing on the retention, expansion, and recruitment of traded-sector (manufacturing) companies. Oregon and McMinnville benefit significantly from a robust manufacturing base, which injects new money into the region and state through the export of products, goods, and services. Annually, traded-sector businesses in McMinnville alone contribute 5,589 jobs, \$334 million in payroll, and generate \$1.565 billion in economic output for the Oregon economy.¹

The Newberg-Dundee Bypass is a vitally important piece of infrastructure in Yamhill County that, once completed, will run 11 miles from Newberg to Dayton, resolving significant congestion on a strategic highway corridor that connects the Portland Metro region to Yamhill County all the way to the central coast. The completion of the Newberg-Dundee Bypass is pivotal for business retention and expansion, particularly for our \$6 billion wine industry in the Willamette Valley. Phase 1 of the Bypass has already alleviated local traffic congestion in Newberg and Dundee, but to fully unlock the economic potential of our region and support the recovery of industries impacted by recent challenges, completing Phases 2 and 3 is essential. By providing efficient transportation routes, the Bypass will enhance access to markets, reduce logistical costs, and improve supply chain efficiency. This is crucial for retaining existing businesses and attracting new investments, ensuring sustainable growth and job creation.

Safety is a paramount concern for our community, especially for employees commuting on rural highways. The completion of Phase 2, linking the Bypass to Highway 99 at Rex Hill, will significantly reduce accidents and improve road safety conditions. This improvement is not just about reducing fatalities and injuries; it's about providing peace of mind for our workforce,

¹ <https://www.mcminnvillebusiness.com/investor-circle>: Based on 2019 IMPLAN Software data

enhancing the attractiveness of our region as a safe and desirable place for businesses to operate.

At the heart of our economic strategy lies the Innovation Campus—a visionary 140-acre planned industrial and commercial development located near the McMinnville Airport on Highway 18. This high-density employment campus is designed to cultivate next-generation industrial and entrepreneurial jobs, fostering innovation in research, development, and manufacturing. The Innovation Campus will house Class A corporate offices, research and development facilities, regional technology hubs, and advanced manufacturing facilities—all nestled in the heart of Oregon's renowned wine country. The completion of the Newberg-Dundee Bypass is critical to supporting the infrastructure needs of the Innovation Campus. The Bypass will ensure efficient transportation of goods and personnel, facilitating the seamless operation of businesses located at the campus. This integrated approach will strengthen our region's competitive edge, attracting talent and investment to drive sustainable economic growth.

In conclusion, completing the Newberg-Dundee Bypass is not just a transportation project; it is a catalyst for rural economic vitality and innovation in our region. By enhancing business operations, improving employee safety, and supporting the development of our Innovation Campus, the Bypass will play a pivotal role in positioning McMinnville and the Willamette Valley as a hub for innovation and sustainable economic growth. We urge your support for this critical infrastructure investment that will benefit our community, our region, and the state of Oregon as a whole. Thank you for your attention and support.

Sincerely,

Patty Herzog

Patty Herzog

Executive Director

McMinnville Economic Development Partnership