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March 22, 2023

Oregon House Committee on Judiciary

900 Court Street NE

HR D State Capitol

Salem, OR 97301-4048

#### **Re: House Bill 3581 – Allowing Courthouse Expansions/Renovations using XI-Q Bonds**

Honorable Chair Kropf, Honorable Vice Chairs, and committee members:

On behalf of the Board of Directors and entire membership of the Columbia Economic Team, please consider this written testimony in support of HB 3581.

For context, the Columbia Economic Team (CET) is a private and public entity membership organization founded in 2010 to serve all of Columbia County on behalf of public agencies of local government, private business, and community-based organizations.

Our mission is to promote the creation, retention, growth, and attraction of business and industry throughout our county, and operationally CET is comprised of five core functions: economic development, small business development, localized small business marketing and promotion, entrepreneurial ecosystem development, and tourism.

Why, then, is CET advocating for HB 3581? Our reasons are pretty simple, straightforward, and focused on the overall community tapestry that includes judicial services as much as livability and a sustainable economy.

Columbia County government is among our most collaborative and effective partners. We work closely on a vast array of issues, including the county's consistent effort to cost-effectively serve our current and future citizens. In this case, that ranges from responsibility for safe and accessible state courtrooms to cost-effectively re-purposing an existing historical structure that will preserve a community legacy, enhance public access, and more efficiently concentrate public services and resources of all types.

From a small business, tourism, and overarching economic development perspective, Columbia County's strategic plan to accommodate state courts needs through redevelopment and renovation is a creative approach that aligns with the spirit and intent Oregon Courthouse Construction Capital Improvement Fund (OCCCI) and the use of Article XI-Q bonds – while actually embracing history, enhancing a broader range of public services, and leverage parallel master-planned public investment already underway.

As you know, concerted state-wide effort with the Oregon Judicial Department (OJD) and the legislature to assess the condition of court facilities, identify deficiencies, and prioritize funding for long-overdue improvement and/or replacement projects. This effort has repeatedly

confirmed that each county is unique and approaches that provide suitable and sufficient facilities to meet the needs of their judicial systems differently – are essential. For some counties building new court facilities will be the only viable option. For others, the solution is to reconfigure, renovate, and/or expand their existing courthouses. For or many counties, however, it is increasingly apparent the status quo is not sufficient; again, each county is somewhat unique. There is no “one size fits all” solution. Particularly accentuated by pandemic related material and supply chain challenges, rising overall construction costs increase funding challenges for counties working to fund essential facilities projects. As with the pandemic, they need to pivot, adjust, and adapt. Columbia County is one of those, and it is not alone.

The creation of the Oregon Courthouse Construction Capital Improvement Fund (OCCCI) and the use of Article XI-Q bonds have provided a viable path for a small number of counties to finance courthouse replacements while many others—particularly rural counties—struggle to compete for general-fund-supported cash grants to address their most critical facility deficiencies incrementally. Columbia County is one of those counties, though through substantial local collaboration, we are finding creative but appropriate solutions. Now we need one more....solution.

Unfortunately, a significant barrier to accessing the XI-Q bond program is that it is restricted to courthouse replacement projects or remodels of buildings that are not existing courthouses. In addition, many counties are unable to secure the required 50 percent match to qualify for the bond program.

House Bill 3581 will provide additional options for counties seeking to improve court facilities substantially. A significant change is that it includes expansions and renovations, which will help ensure more counties can provide improved judicial operating spaces for future generations. Once again, Columbia County is one of these – and we presume there are others.

Restoring and renovating an existing nationally registered historic building in a national historic district of our downtown county seat coincides with a substantial concurrent municipal investment in surrounding public works improvements to redevelop and enhance the Columbia River waterfront, also aligned with substantial Oregon Main Streets enhancement and redevelopment. Public investment in core infrastructure and public enhancements necessary to encourage private investment is the role of local government for sustaining and reviving communities. Columbia County’s plan will do just that. We’re confident other rural counties are planning similarly.

Those are the reasons an economic development, small business, and tourism entity is supporting HB 3581. Because it will enable public facilities in the best manner possible – with multiple benefits, not the least of which is preserving community treasures and injecting economic activity.

Counties will continue to rely on funding assistance and a collaborative partnership with the OJD and our State Courts Administration to deliver and maintain safe, adequate operating spaces for the courts. We simply ask that these tools be adjusted to recognize, and align with, current economic circumstances and community opportunities.

We ask that you support the tools and flexibility provided by HB 3581 to provide counties with additional, practical, and responsible options in seizing the most cost-effective opportunities to meet these critical needs.

Respectfully,



Paul Vogel  
Executive Director