



P.O. Box 330 – Phoenix, Oregon 97535 – (541) 535-1955
FAX (541) 535-5769

April 13, 2023

Joint Committee On Ways and Means
Public Testimony

RE: SB 5506 – Emergency Wildfire Recovery Funds

Immediately following the Labor Day fires of 2020, Oregon Legislators realized that cities and communities needed assistance to stabilize current operations and to be better prepared for long-term recovery. Immediate, short-term funding was provided to stabilize local jurisdiction's efforts, creating a strong, locally-driven foundation to better prepare municipalities to receive recovery investments. The funds were then extended through the 2021-2023 biennium to aid in the continuation of these efforts. The City of Phoenix believes that these funds achieved the desired result and set the city on a path to a successful rebuilding and recovery effort. With the additional capacity made possible with these funds, the City of Phoenix has been able to rapidly respond to the increased demand for Building/Planning permits while also improving permitting processes. These efforts have resulted in permits being issued for the replacement of 99% of single-family homes and 93% of multiple-family dwelling units lost in the Almeda Fire in Phoenix.

Along with the work done in permitting, the City of Phoenix has worked diligently on long-range planning efforts related to the Charlotte Ann Water District (CAWD). The CAWD provides water to an unincorporated urbanized area located between the cities of Phoenix and Medford. This area was the most heavily impacted by the Almeda Fire, losing more than 1,300 residential units. Knowing that the loss of revenue brought on by the fire could affect CAWD's ability to continue to provide water, the City began work on identifying how best to provide water to the area through the City of Phoenix, should the need arise. Towards this effort, the City has worked with Business Oregon to secure funding for a new reservoir to provide additional water storage capacity and the City has recently completed an urban growth boundary amendment which makes annexation of this area possible. The CAWD and City of Phoenix recently adopted a dissolution and service area agreement which identifies Phoenix as the water service provider for much of the CAWD area and places the responsibility for needed changes/improvements to the CAWD water system on Phoenix.

So, although permitting for much of the rebuild in Phoenix has been completed, the additional capacity for Planning/Building staff is still very much needed to finish the work started in the CAWD area regarding water system improvements, annexation, and permitting for rebuild in this area should it annex to the City. There is also much work left to be done within the existing city limits to replace manufactured homes and commercial structures lost in the fire and to attract new affordable housing to the area. We have been able to lay much of the groundwork needed to provide a robust recovery following the Almeda fire, but much of the potential change is yet to occur with the entire HUD allocation of CDGBR-DR funds for the 2020 Labor Day fire recovery, still waiting to be spent on housing for the fire recovery. Without continued support from the state, we will be forced to dramatically cut essential staff before we have had a chance to access the hundreds of millions of dollars that were sent to Oregon for the fire recovery housing.

In addition to the needs for Planning/Building staff, the City continues to need additional Human Resources and Finance staff. Additional Human Resources staff has been, and continues to be, necessary in helping add and manage the expanded staff needed in our recovery, and the additional help in our Finance Department has been

critically important to managing our budget, which has become much more complex with the various fire related activities.

We respectfully request an extension of the funds provided to the City of Phoenix for Building, Planning, Human Resources and Finance staff capacity needs, as shown in the table below, through the 2023-2025 biennium. We are confident that Phoenix can be appropriately staffed, on its own, after the end of the 2023-2025 biennium if we can get the necessary support to see us through the next two years.

	Yearly Cost	Total 2 Yr Fiscal
Building/Planning Staff	\$394,523.04	\$789,046.08
HR & Finance Staff	\$34,325.28	\$68,650.56
Total		\$839,764.98

Lastly, Phoenix has been without a working fire station for more than two years due to the loss of a portion of the fire station in the Almeda Fire, but the damage to City infrastructure and emergency response capabilities could have been much worse. The fire station was located immediately adjacent to Phoenix's city hall and police station buildings, and the loss of these structures would have greatly impacted the City's ability to provide for public safety and fire recovery. The City of Phoenix has partnered with Jackson County Fire District No. 5 to replace the lost fire station in a new joint fire, police and city hall building. The building, known as the Phoenix Government and Public Safety Center, will also house a new emergency operations center that can be used as a command center when responding to future disasters. The building design allows for maximum efficiency in the use of the existing property and reduces costs of construction by combining these facilities into a single building. The building provides significant improvements in energy efficiency, resiliency, flexibility, expandability, and adaptability compared to the facilities it replaces and can serve as an example of successful partnerships and efficient colocation of services. This project has been funded primarily through funds allocated by the State and would not have been possible without that support. The increased cost of construction, in both material and labor costs, has created a funding shortfall of approximately \$3,200,000. While the City and the Fire District are actively seeking funding alternatives to make up the shortfall, because construction has started on the building and is scheduled to be completed by early 2024, time is a limiting factor for many funding options. Understanding that this is a large request, we ask that you also consider providing the necessary funding to see this project to completion.

Total funding request - **\$4,039,764.98**

Thank you for all that you have done to help the people of Phoenix recover since the Almeda Fire.

With sincere gratitude,



Eric Swanson,
City Manager

CC: Mayor Baker and Phoenix City Council
Sen. Jeff Golden
Rep. Pam Marsh
Chief Charles Hanley, Jackson County Fire District No. 5
Jim McCauley, League of Oregon Cities, Legislative Director