

Senate T&E Committee
March 25, 1991
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SB 713 - PH

SENATE LEGISLATIVE COMMITTEE
ON TRADE AND ECONOMIC DEVELOPMENT

March 25, 1991Hearing Room 343
3:00 P.M.State Capitol
Salem, OR

Tapes 52 - 53

Rural Revitalization and Leadership Development Act

MEMBERS PRESENT: SEN. WAYNE FAWBUSH, CHAIR
SEN. SCOTT DUFF
SEN. JEANNETTE HAMBY
SEN. JIM HILL
SEN. PEG JOLIN
SEN. EUGENE TIMMS

MEMBERS EXCUSED:

STAFF PRESENT: JOSEPH CORTRIGHT, EXECUTIVE OFFICER
TAMIRA MILLER, POLICY ANALYST
JERI CHASE, OFFICE MANAGER

WITNESSES:DICK CULBERTSON, MAYOR OF OAKRIDGE
WES HARE, CITY MANAGER, OAKRIDGE
ANSEL KRUTSINGER, JOHN DAY

PHILLIP FEEL, LEAGUE OF OREGON CITIES
STEVE PETERSEN, DIRECTOR, ECONOMIC DEVELOPMENT
DEPARTMENT
RUSS YOUMANS, OREGON STATE UNIVERSITY EXTENSION
LYNN YOUNGBAR, LEGISLATIVE LIAISON, ECONOMIC
DEVELOPMENT DEPARTMENT
BILL WYATT, OREGON BUSINESS COUNCIL

NOTE: These minutes contain materials which paraphrases and/or summarizes statements made during this meeting. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 52, SIDE A

000 CHAIR FAWBUSH convenes the meeting at 3:15 p.m.

SB 713 (Rural Revitalization and Leadership Development Act) - Public Hearing

017 TAMI MILLER: Presents Staff Measure Summary on SB 713 (EXHIBIT A).

102 MILLER: Presents Rural Economic Development handout (EXHIBIT B).

140 DICK CULBERTSON: Testifies in support of SB 713. We are formerly a timber dependent community and this legislation will help us to transform our economy. Long term continuity is important but the bill is not all that we need. The bill needs to be part of a larger development program that would ultimately be able to provide resources as well as training.

190 WES HARE: Testifies in favor of SB 713. What we lack most is resources. I think this bill will serve as a mechanism to get money into rural communities. We cannot get investment in our community because it is too risky. We have talked about whether we should give money to individuals or give money to communities in order to foster community development. I don't think that is the right focus. Instead of offering money for displaced timber workers to get training or to move out of the communities in which they live we might want to be considering the offering them the options to conduct enterprises together. The Rural Development Institute could be a mechanism to do that.

241 CHAIR FAWBUSH: Update us on the situation in Oakridge since the committee was in Cottage Grove in November 1990.

245 CULBERTSON: We had the final closing of our mill and auctioning of the equipment. This has put some finality on the timber industry. All of our timber workers are either unemployed, temporarily employed in Alaska or the Eugene - Springfield area, or enrolled in retraining programs. We need to figure out how to re-employ people in the community. We are working on the tourism industry and the recruitment of small industrial businesses, as well as working with our retirees.

272 CHAIR FAWBUSH: What is the volunteer base in Oakridge?

281 CULBERTSON: We have a Community Response Team that has volunteered to meet every two weeks to work on economic development in Oakridge. We have established task forces to deal with different specific issues.

298 HARE: There has been some success in Oakridge. A company from California has just established itself in Oakridge. We have a dedicated group of volunteers engaged in different facets of developing the economy.

328 MILLER: What is the population of Oakridge?

329 CULBERTSON: 3,063.

345 CULBERTSON: We have formalized our economic development plan and

updated our community profile. We do have the tools in place.

372 KRUTSINGER: Testifies in support of SB 713. We believe that the institute should be a combination of private and public resources. We are willing to do the work to aid our area. We don't have the kind of capacity to help some of the people who are willing to work to learn how to work in the environment that we are living in. This type of leadership training could aid those people in supporting their local communities. Every rural community has different issues and this would teach the people in each area to deal with their issues.

450 SEN. HAMBY: What would the reception be statewide, in the way of a commitment from the local level, to strategize and identify a plan of direction?

457 KRUTSINGER: The willingness to do the assessment must be a criteria.

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036 SEN. JOLIN: No matter which of my rural areas you talk about, some of them are doing the things as best as they can, others have been pushed to do so. Rural Oregon is ripe for this type of direction and expertise and the people are there to follow that lead.

047 SEN. J. HILL: You focused on the leadership. The quality of people that I have met from rural areas has equaled that from urban areas. Do you really feel that there is more of a need for leadership training in rural areas than urban areas?

082 KRUTSINGER: Rural areas do not have the capacity to interact that urban areas do. Many of the people in our areas have the will to be leaders but they don't have the ability to convince other community members that some of these long term visions are important to their community. There are new people who are working to be leaders but this type of program would speed up the process.

120 SEN. J. HILL: There is a need for leadership training in urban areas as well.

139 SEN. DUFF: Applying principles of strategic planning is something that is important. Have you done that in John Day?

144 KRUTSINGER: We are doing that now. Preliminary strategies are in place. The next step is developing those strategies beyond the preliminary stage. The preliminary strategies came about through participation in SWOT program analysis.

161 SEN. JOLIN: Some of my communities have a planner, some have city administrators. Most of these

communities do not have a person who is an economic development specialist.

198 SEN. DUFF: How would you like this to be structured? Would you include EDD?

220 KRUTSINGER: I would like to see the concept of a public-private partnership with a "quasi" independent institute and give EDD the ability to direct and marshal resources.

230 PHILLIP FELL: The bill provides two of the necessary three things that we hear are needed: 1) community leadership and 2) technical assistance. The third factor is the need for resources. I encourage consideration of authorizing funds for project implementation.

267 SEN. HAMBY: Does the league assess dues from some of the smaller rural communities?

269 FELL: Yes, the dues are 33 cents per capita.

276 STEVE PETERSEN: The Economic Development Department supports SB 713. We support the private non profit for a couple of reasons. First, we found that most communities weren't at the point of doing economic development. We looked into what these communities needed to get them up to the level for economic development. Three things came out of that process. First, was the leadership issue. Secondly, we saw the lack of participation by the private sector and so we have tried to devise ways to get the Oregon Business Council involved. Lastly, we found that a long term approach was necessary.

373 SEN. HAMBY: Community Initiatives has brought communities up to a plan of action stage.

380 PETERSEN: Yes. Now, we need the capacity to implement the plans.

430 CHAIR FAWBUSH: How do you justify cutting back on extension services and implementing this?

440 RUSS YOUMANS: This is not new for extension in the community development area and the leadership area. We are just in the process of completing a four year planning process in terms of program development for extension. The most important new area of work is Communities in Transition which lays in heavily on the community development leadership end.

TAPE 52, SIDE B

038 SEN. J. HILL: How much of the Governor's recommended budget of \$1.9 million would go for this?

043 PETERSEN: The majority of \$1.9 million would go to the Institute.

047 SEN. J. HILL: Is Community Initiatives strictly rural?

050 LYNN YOUNGBAR: Yes, the average size of communities have been 3,500 - 7,000.

055 SEN. J. HILL: In terms of community development, what has been done to try to help minorities?

067 YOUNGBAR: Figuring out how to incorporate that diversity is the challenge. Two Indian tribes have expressed an interest in this program and we will pursue that. It is not an explicit part of the program now, but I would see that when we move out of the pilot stage, that we would deal with those populations. It needs to be part of the planning process and leadership development piece.

088 SEN. J. HILL: Genuine outreach is needed because the tradition has been exclusion. I would like to see an outreach program be a part of this.

100 BILL WYATT: This is clearly a long-term key issue for business in Oregon. The importance of this proposal is the tie-in between leadership and the community development process. The independent nature and business involvement are also key considerations.

253 RUSS YOUMANS: Presents testimony in favor of SB 713 (EXHIBIT C).

314 SEN. J. HILL: When it comes to economic development leadership needs in minority communities, the need is ten times worse. I will be pressing for this concept to have involvement of minorities.

338 SEN. DUFF: These ideas need to go farther to give people the idea that they can work and achieve some success.

350 PETERSEN: There are more potential leaders who are not active that need to be sought out. You can't just focus on one or two people.

364 YOUNGBAR: We discovered that we needed to bring in people from these other institutions. The community response teams have broadened with the participation of members from the community schools.

388 YOUMANS: An area report from Jefferson and Deschutes Counties shows that parts worked well at 6th, 7th, and 8th grade levels and others at high school levels. We might want to tie this into school systems.

430 SEN. HAMBY: Will urban growth areas will be excluded?

465 YOUNGBAR: If they are outside of the urban growth boundary they could be considered.

470 WYATT: We are open to any advice on how to designate this program.

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030 YOUNGBAR: There are unique characteristics to this program. There are a lot of rural leadership development programs and a lot of economic development departments trying to help with strategic planning and technical assistance. However, this is the first time I know of tying the two together. This is new ground. It is unclear specifically how it will be done.

103 CHAIR FAWBUSH adjourns the meeting at 4:50 p.m. .

Submitted by,

Jeri Chase
Office Manager

EXHIBIT SUMMARY

EXHIBIT A - Staff Measure Summary on SB 713, submitted by Tami Miller, pgs. 2.

EXHIBIT B - Rural Economic Development handout, submitted by Tami Miller, pgs. 4.

EXHIBIT C - Testimony in support of SB 713, submitted by Russ Youmans, pgs. 2.