

Columbia River Gorge Commission

Meeting Minutes

February 10, 2004

A complete record of this meeting is available on audio-tape.

Location: Commission Office, #1 Town & Country Square, White Salmon, WA

Time: 9:05 a.m.

MEMBERS IN ATTENDANCE

Kenn Adcock

Doug Crow

Judy Davis

Dan Harkenrider

Walt Loehrke (9:15)

Joe Palena

Dave Robertson

Kathy Sheehan

Wayne Wooster

MEMBERS ABSENT

Michael Farrow (excused)

Jane Jacobsen (excused)

Joyce Reinig (excused)

Anne Squier (excused)

STAFF PRESENT

Martha Bennett, Executive Director

Kathy Obayashi-Bartsch, Administrative Assistant

Gary Pagenstecher, Planner

AUDIENCE PRESENT

Anderson, Steven. Cascade Planning Associates

Bryan, Peggy. Skamania County Economic Development Council & Washington Investment Board

Cassesecka, Clifford. Yakama Nation

Cornelisen, Peter. Friends of the Columbia Gorge

Curtis, Lee. Mid-Columbia Economic Development District & Oregon Investment Board

Falkenberg, Humaira. Skamania County Economic Development Council

Johnson, Patrick. Skamania County Planning Department

Leipper, Bob.

Schafroth, Steve. Mid-Columbia Economic Development District

Thiemann, Phyllis. Columbia River Gorge Visitors Association

Wittenberg, Bob. Skamania Public Utilities District

Vice-chair Wooster called the meeting to order at 9:05 a.m.

Approval of Minutes– January 13, 2004 meeting

Commissioner Davis noted a grammatical error and requested a correction on page 6, fourth sentence in the second paragraph from the bottom of the page. The sentence should read "He stated that in researching these items, he found a minimal number of items to update."

Commissioner Sheehan made a motion to approve minutes with this correction.

Commissioner Crow requested that two items be changed as follows:

On page 2, first sentence in the first paragraph, the sentence should read "Commissioner Crow requested that a brief summary of the Johnston violation be included and asked why a specific question and answer interchange, dealing with the Johnston's investment in restoration was not included in the minutes."

On page 8, first sentence in the third paragraph, the sentence should read "Commissioner Crow stated that he was very concerned about the cumulative effect of a variety of activities occurring on the Burdoin Mountain area in Klickitat County."

Commissioner Crow stated that he was concerned about Burdoin Mountain for a number of reasons, including high visibility, fire danger, limited access and development. He stated that it should be clear that these issues are related to the review of the Commission and Executive Director.

Martha Bennett, Executive Director agreed with Commissioner Crow's concerns and noted that the cumulative resources impact monitoring of Burdoin Mountain was not currently a priority work task item.

The Commissioners discussed the issue and Commissioner Sheehan moved to adopt the minutes with three corrections as stated. Commissioner Adcock seconded the motion. A voice vote was taken and passed unanimously.

Public Comment

Steven Anderson of Cascade Planning Associates read from written testimony (see attachment A) related to the plan amendment process.

Commissioner Robertson thanked Mr. Anderson for his comments and noted that he had not been present at the last Commission meeting when Mr. Anderson addressed the Commission on this topic. He responded to Mr. Anderson's concern that Commission staff is not so shorthanded to halt plan amendment work and Anderson's statement that the work could be accomplished by re-prioritizing staff resources. He stated that as Chair of Executive Committee, which reviews the Commission's budget, any assumption that staff resources

were not scrutinized was mistaken. He stated that the Commission's current budget is less than it was in 1987 (dollars adjusted for inflation) and that the Commission's limited staff resources have been dedicated in the areas that would yield the greatest results.

Commissioner Sheehan supported Robertson's comments and assured Mr. Anderson that the Commission's budget and staff resources were scrutinized for maximum effectiveness. She stated that his comments were appreciated and noted that the majority of plan amendments involve a substantial amount of work and are not simple corrections.

Commissioner Adcock commented on Mr. Anderson's use of the Rotary International's "4 way test" and stated that he was very familiar with this test as he had been active with Rotary. He observed that if the "4-way" test were applied to the Scenic Area, there would not be a Scenic Area.

Commissioner Crow thanked Mr. Anderson for his comments and stated that in regard to the Plan Amendment issue, he had asked Jeff Litwak, Counsel to check on the Plan Amendment process and asked for an update on this item.

Bennett stated this needs to be researched and is work for the Rules committee. Currently, the Committee is working on the Urban Area Boundary rule and will then work on the Enforcement rule. She stated that this item has not been forgotten and is on the list.

Vice-chair Wooster noted that there were no additional comments and proceeded to the next agenda item.

Economic Development Certifications

Gary Pagenstecher, Planner provided a brief review of three Economic Development Certifications (see Attachment B1-B3) and Bennett requested that the Commission certify the following requests:

- File No. S02-0082: The Home Valley Water District is requesting an \$85,000 grant and a \$215,000 loan to fund improvements to the District's existing water system.
- File No. S04-0103: The Skamania County Public Utility District #1 is requesting a \$100,000 grant and a \$200,000 loan to fund improvements to the Carson Water District's existing water system.
- File No. W04-0104: Quality Life Network, an intergovernmental agency formed between The City of The Dalles and Wasco County, is requesting a \$20,000 grant and \$225,000 in loans to complete a 17.5-mile fiber-optic loop in the city of The Dalles.

Commissioner Crow asked for an update on the total grants and loans funding to Quality Life Network from the Oregon Investment Board (OIB).

Steve Schafroth, Program Manager for the Mid-Columbia Economic Development District stated that there were approximately \$47,500 in loans and \$40,000 in grants with semi-annual payments to be repaid starting in June.

Pagenstecher stated that in terms of monies from Economic Development there have been \$70,000 in grants and \$35,000 in loans. If this application is approved the total would be \$260,000 in loans and \$90,000 in grants.

Commissioner Crow asked how much to date the OIB has contributed to the community in grants and loans.

Lee Curtis, Mid-Columbia Economic Development District stated that several grants and loans have been approved but have not been dispersed and the total is approximately \$600,000.

Commissioner Robertson asked whether protection of cultural resources had been addressed in reviewing the Home Valley Water District application.

Pagenstecher stated that a survey was completed part of the land use process and no cultural resources were found.

Bennett stated that the three applications were found to be consistent with the Management Plan and the Scenic Act.

Commissioner Sheehan made a motion to certify the three applications:
File No. S02-0082, File No. S04-0103 and, File No. W04-0104

Commissioner Crow seconded the motion.

Commissioner Adcock asked what impact the Skamania County applications would have on creating new jobs.

Peggy Bryant, Skamania County Economic Development Council responded that these infrastructure projects would service Carson Hot Springs which is estimated to create 40 new jobs over time and all improvements are tied to economic development in the area.

Commissioner Adcock raised the issue that perhaps improvements for public utilities should be supported by rate payers. Commissioner Crow suggested that in a situation which is supported by rate payers, perhaps a low interest loan is more appropriate than a grant. A loan would create monies returning to the investment board. Commissioner Robertson stated that supporting these types

of infrastructure projects sets the foundation for multiple businesses and maximizes the impact of the economic development funds.

Commissioner Loehrke concurred with Commissioner Robertson and stated that with the limited funding available, support of infrastructure projects is more important than support of individual businesses. He used Skamania County as an example of this with many abandoned facilities and defunct businesses.

Commissioner Sheehan concurred with Commissioners Robertson and Loehrke. She noted that the investment boards' decisions are guided by economic plans and if there is a fundamental difference of opinion in how these funds should be spent, this should be addressed when the Commission reviews these economic plans.

Peggy Bryant stated that the investment board carefully screens the applicant's ability to service debt and that determines the amount considered for grants and loans. In the case of the public utility companies, they will pass the maximum amount on to the rate payer.

Commissioner Crow stated that he supports infrastructure projects. His concern is that with a grant, the money is gone but with loans, funds are restored and creates opportunities for funding of future projects.

Vice-chair Wooster called for a voice vote on the motion and it was unanimously approved.

Public Hearing on proposed changes to Commission Rule 350-120, Economic Development Certification Process

Martha Bennett reviewed the proposed changes to Commission Rule 350-120 (see Attachment C) pertaining to the Economic Development Certification process. The proposed amendments add a delegation to the Executive Director to make certification decisions for specific types of economic development activities and projects. The Executive Director's process is an expedited process—the rule specifies that the Director must make a decision within 14 days. The process for the certification decisions that are not delegated does not change.

She stated that the rule change had been appropriately noticed but no written comments or other testimony has been received. She requested that the Commission adopt these changes as brought forth by the Rules Committee at the November 18, 2003 meeting. She stated that approximately 70% of the applications would qualify for expedited review and that projects with questionable effects to scenic, natural, cultural or other resources would be brought to the Commission.

The Commission held a public hearing on amendments to this rule and heard the following public testimony:

Lee Curtis, Mid-Columbia Economic Development District expressed her support of the proposed changes and stated that it would provide a quicker response to all concerned. She stated that it would shorten the process from 45 days to 15 days for the OIB.

Bennett stated that the process and timeframe was slightly different with the WIB and she anticipated the rule to become effective in early April 2004.

Commissioner Robertson asked for clarification as to how funds can be used. Bennett and Pagenstecher provided clarification that funds could not be used for administration or overhead.

There being no additional public comment or questions, Vice-chair Wooster closed the public hearing.

Commissioner Robertson moved to adopt the proposed changes to Commission Rule 350-120.

Commissioner Davis seconded the motion.

Commissioner Crow stated that he would not support this change as he believes that there is not adequate opportunity for public comment. He stated that the public needs to have ample opportunity to comment on how public funds are spent.

Bennett explained how the investment boards provide public notice and the opportunity for public comment. She stated that the OIB provides public notice and meetings are open to the public. The WIB has a slightly different process as they provide public meeting opportunities and the public can provide comments but discussions are sometimes held in executive session.

She explained that handling the process in this manner through rulemaking puts the Commission in the appropriate role in terms of the Scenic Area Act and Management Plan. Some of the discussion today would be more appropriate at the Investment Board level and the proposed rule changes would allow the Commission to focus at the correct level.

Bennett stated that periodic reports on applications certified at the staff level would be provided to the Commission. This would allow the Commission to review items as needed and if a pattern developed that was of concern; the rule change could be reviewed again.

Commissioner Crow stated his belief that the process should be open to the public and that full public disclosure is important. He stated that a public process does not impair any the parties concerned if it occurs at a grass roots level. He stated that his concern was that if the OIB and WIB restrict public access, there would be problems. He stated that he could not support this motion based on his belief that the process should include the greatest opportunity for public comment.

Commissioner Adcock commented that he was liaison with OIB and WIB for many years. He stated for at least 7 years this change was desired by the boards as it would be a significant improvement. He congratulated Bennett on this progressive step.

Commissioner Loehrke stated that he supports the motion and noted these changes will bring the Commission's focus back to the appropriate decision making level.

Lee Curtis assured the Commission that the OIB conducts public meetings and provides public notice for all projects. She stated her belief, that the same is true for the WIB and that only the micro-loan program is handled in executive session. She indicated that the two WIB projects discussed today were reviewed in a public meeting.

The motion passed 7 ayes to 1 no, with Commissioner Crow voting no.

Director's Report

Bennett provided the following information:

A reminder that the February 24th public hearing will begin at 9:00 a.m. with testimony from the tribes, county and state agencies. Testimony from the public will begin at 1:30 p.m. and will be taken into the evening as needed. The current plan is to conduct dual hearings, splitting the Special Management Area (SMA) with the Forest Service and the General Management Area (GMA) with the Commission.

An update on the Commission budget and the effect of Oregon's defeated measure 30. She indicated that we do not know what to expect from Oregon and noted that anything greater than 2% reduction will result in staff reductions.

She indicated that one county was considering what would happen if the county no longer implemented the Scenic Area Act. She stated that there were significant financial ramifications and counties need to be aware of this.

Commissioner Crow asked if the handout relating visual subordination and firewise issues had been developed and Bennett responded that staff is working on this with Washington State extension staff. However, staff have not yet

developed a draft, and given the priority of plan adoption, it may be some months before a draft document is ready for review. She also noted that Skamania County is sending a letter to residents in the Underwood area that have received grants and could provide that to anyone interested. Commissioner Crow stated that he has a handout from the Oregon State Fire Marshall that is a good example.

Commissioners discussed the process to be used for the hearing on February 24th and deliberated on the pros and cons of conducting a single hearing or dual hearings for the SMA and GMA. Bennett expressed her concern about a single hearing, that the Commission will take testimony on the SMA, an area that the Commission has no jurisdiction over.

Commissioners Palena, Robertson, Harkenider, Sheehan, Loehrke and Wooster agreed that it would be the least confusing to the public if there was just one hearing.

Bennett indicated that this would be done and the agenda would be revised to reflect this change. She cautioned the Commissioners that enforcing a time limit would be important to allow all wishing to testify an opportunity to do so.

NSA Manager's Report

Commissioner Harkenrider provided a summary of the Rural Community Assistance grants (see Attachment D) in federal fiscal years 1994-2003. It was noted that over 13 million dollars in grants have been provided.

There being no other business, the meeting was adjourned at 10:30 am.

The Commission's next regular meeting is scheduled for 3/09/04 at the Hood River Inn, Hood River, Oregon.

Minutes taken by Kathy Obayashi-Bartsch

Minutes approved on March 9, 2004

STEVEN B. ANDERSEN, Consulting Land Use Planner

Cascade Planning Associates, a land use services company serving the Northwest since 1987

400 1st Avenue/P. O. Box 135
Mosier, OR 97040
Voice @ Fax: 541/478-0500
cascadeplanning@gorge.net

February 10, 2004

Columbia River Gorge Commission
#1 Town and Country Square
P. O. Box 730
White Salmon, WA 98672

PUBLIC COMMENT

Re: The closed door to the plan amendment process
Presented at Gorge Commission Office, #1 Town & Country Square, White Salmon, WA

My name is Steven B. Andersen of Cascade Planning Associates, 400 1st Avenue in Mosier, Oregon. These comments relate to the decision you made last month to keep the door closed to the plan amendment process. I may not be able to keep within the five minutes allowed for public comment, so just give me a signal when my time is up and I will come back next month to continue.

I've had a month to mull your decision over in my mind, and try to make sense of it. So maybe a dialogue with you like this will be helpful to me to understand why you made the decision you did.

Our founding fathers established this country on some pretty basic principles. Chief among them was that citizens have fundamental rights. Chief among those, as I have always understood, is the right to the pursuit of happiness. Government, such as what you represent, is to protect those fundamental rights in a manner where the rights of the minority are protected from the whims of the majority. I represent a minority, that is, my clients are owners of property that has the potential to be used. Land use, if practiced in a manner which does not harm the rights of others, is an important right that is guaranteed us by our founding fathers.

Last month I argued on behalf of a fictitious owner of a bread bakery. John the bread maker is the personification of the minority I'm talking about. He is willing to conform with the rules that limit his livelihood, but finds that those rules, because of an error, unreasonably stop him from his pursuit of happiness. He comes to the commission to hear the chairman declare, by reading from the very Act which enables it to limit his activities, that the commission has the responsibility to address amendments "*at any time (it determines) that conditions . . . have significantly changed.*" **"AT ANY TIME!"**

He is dumbfounded when he hears the majority of the commission members voting to ignore that mandate and keep an error from being corrected which would allow him to pursue his livelihood in a manner which would otherwise conform to the rules he is willing to abide by. He is left devastated and I imagine him feeling much like that person in history over two thousand years ago who screams out to His enabler "*Why have you forsaken me?*" **WHY???**

That is the question I am seeking to understand myself. Because I can find no rational basis for it. It does not compute.

I used to be very much involved in Rotary International. Rotary has a '4 Way Test' that can be used by anyone to evaluate choices that one makes in the course of conducting activities. I would like to share it with you. It can be used to gain some perspective on whether the choices made are good choices or bad choices. I would like to apply it to the choice you made last month and see how it stacks up.

The first part of the test: "Is it the truth?"

I think this is the most important of the four parts of the test, and is rightly the first one. In your case, is it true that your staff is so short handed that it cannot find the time to bring to you applications for your consideration and determination as is mandated under the Act in Section 6(h)? In other words, could the staff, by some means, perhaps by reorganization or by prioritization, find a way to do the job that it is responsible to carry out. It is said that necessity is the mother of invention. It is also said that a job is completed in the time that is allocated to get it accomplished. In my own practice, I've found these statements to be true. In this case you have told your staff there is no necessity based on the "finding" that they have told you they don't have the time. There was really no serious discussion of whether that was a "fact." There was a very important fact that I think was very germane to the issue, and that was the fact that your staff recommended an alternative that it would abide by **IF** you decided to choose it. It was the same alternative that John the bread maker had recommended. It was in compliance with the Section 6(h) of the Act. That alternative recommendation demonstrates that the staff was willing to make the adjustments that would be required to get its job done and meet your responsibilities under the Act. It provides evidence that your finding was not the truth. Your choice failed the first part of the test.

The second question of the test: "Is it fair to all concerned?"

Fairness was raised as an issue in my testimony last month. The answer seems to be axiomatic. John the bread maker's livelihood, his pursuit of happiness, was sacrificed because the commission decided that his fundamental rights were less important than a commission objective. He was expected to abide by the commission's decision, but the commission decided that it didn't need to abide by its own rule. Tyranny, by its very nature, is unfair. Your choice failed the second part of the test.

The third question: "Will it build good will and better friendships?"

I'm sure your staff was happy with your decision. I'm sure the one party that testified last week in favor of the staff's recommendation was pleased with your choice. You passed the third part of the test.

The fourth question: "Will it be beneficial to all concerned?"

John the bread maker, the personification of the land owner in the Gorge, was denied his fundamental right to pursue his livelihood. He had to stop baking bread. He had to let employees go. That had spin-off impacts on the community. Other people suffered. I have clients that are unable to use their property for what it otherwise could be put if corrections of errors were made. Your decision was not beneficial to them. Your choice failed the fourth test.

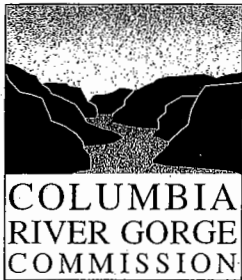
The conclusion, based on this application of the four way test, is that your choice was a bad decision. You get an "F." You should give yourself the opportunity of getting a passing grade. **YOU SHOULD DO THAT!**

But that doesn't answer my original question as to why it was made. And I would like to explore the answer to that question at your next regular meeting in March.

Thank you for listening,

Steven B. Andersen
Principal

Attachment
B1



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www.gorgecommission.org

DIRECTOR'S REPORT

TO: Columbia River Gorge Commission
FROM: Martha Bennett, Executive Director
Gary Pagenstecher, Planner
DATE: January 28, 2004
SUBJECT: Economic Development Grant and Loan Request: -- FILE NO: S02-0082
APPLICANT: Home Valley Water District, Gary Collins, President

ACTION REQUESTED:

Staff recommends that the Commission certify the subject grant and loan request by the Home Valley Water District (S02-0082) as consistent with the purposes of the Act and the Management Plan, and applicable land use ordinance.

BACKGROUND:

Section 11(c)(1) of the Columbia River Gorge National Scenic Area Act (P.L. 99-663), and Commission Rule 350-120, require the Commission to certify that all activities undertaken under a National Scenic Area economic development grant and/or loan are consistent with the purposes of the Act, the Management Plan, and a land use ordinance adopted pursuant to the Act. Commission Rule 350-120-030 requires the Commission's Executive Director to prepare a report and recommendation on each certification request received by the Commission. This is the Executive Director's Report for certification request S02-0082. The request will be heard at the February 10, 2004 Commission meeting at the Gorge Commission Office in White Salmon, Washington.

PROJECT DESCRIPTION:

The Home Valley Water District is requesting an \$85,000 National Scenic Area economic development grant and a \$215,000 National Scenic Area economic development loan to fund improvements to the District's existing water system. The project involves construction of approximately 4,000 lineal feet of new 8-inch water distribution pipe and installation of a sustaining valve, water meter, and electric generator.

The total project cost for completing the improvement project is \$348,000 with the Home Valley Water District providing a \$48,000 cash match.

The Washington Investment Board gave preliminary approval of the grant and loan request at its May 15, 2002 meeting.

Section 11(c)(4) of the Scenic Area Act states that economic development funds are to be used "only in counties which have in effect land use ordinances found consistent by the Commission and concurred on by the Secretary." The proposed grant and loan would be used in Skamania County, which has in effect ordinances found consistent by the Commission and concurred on by the Secretary.

Conclusion: The subject grant and loan would be used for activities consistent with the purposes and the provisions of Section 11(c) of the Scenic Area Act.

CONSISTENCY WITH THE MANAGEMENT PLAN

The subject grant and loan would be used for activities located both in the Home Valley Urban Area and the General Management Area, and therefore are subject to the Management Plan's land use and resource protection guidelines. A National Scenic Area review is required for the portion of the project located outside of the Home Valley Urban Area and is addressed below.

Management Plan economic development policies (Management Plan, Economic Development, Goals, pg. III-53 - III-54) support the strategies in the *Economic Development Plan 1999 Update*, written by the two states. Within the *1999 Update*, the *Washington Economic Vitality Plan* includes five strategies. Strategy 1: Business Development and Retention, focuses on developing new job and business opportunities; Strategy 4: Local Capacity, addresses infrastructure needs of local governments. The subject grant would be used for activities consistent with these strategies.

Conclusion: The subject grant and loan would be used for activities consistent with applicable provisions of the Management Plan.

CONSISTENCY WITH LAND USE ORDINANCES

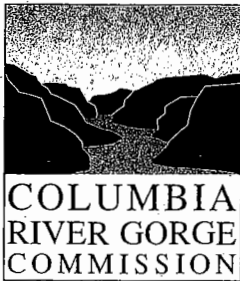
The subject grant and loan would be used to fund water district improvements located in both the Home Valley Urban Area and the General Management Area. Therefore, the project was subject to the Management Plan land use and resource protection guidelines implemented through the Skamania County land use ordinance. On January 21, 2004, the Skamania County Planning Department issued a land use approval, with conditions, for the extension of an existing waterline approximately 528 feet within the General Management Area on lands designated Small Woodland. This portion of the project involved crossing an intermittent stream and requires the applicant to implement natural resource mitigation measures to reduce potential adverse impacts to no adverse effect. The Skamania County planning staff determined that the proposed generator, water meter, and sustaining valve were not subject to a land use review. The staff report found that no other natural, scenic, cultural, or recreation resources would be affected by the proposed activities.

Conclusion: With implementation of the conditions of approval contained in NSA-03-49, the subject grant and loan would be used for activities located in the General Management Area that are consistent with the Skamania County land use ordinance.

RECOMMENDATION:

Staff recommends the Commission certify the grant and loan request from the Home Valley Water District (S02-0082) as consistent with the Scenic Area Act, Management Plan, and applicable land use ordinance.

Attachment
B2



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DIRECTOR'S REPORT

TO: Columbia River Gorge Commission

FROM: Martha Bennett, Executive Director
Gary Pagenstecher, Planner

DATE: January 28, 2004

SUBJECT: Economic Development Grant and Loan Request: -- FILE NO: S04-0103

APPLICANT: Skamania County Public Utility District, #1 (Tom Vance, Project Manager)

ACTION REQUESTED:

Staff recommends that the Commission certify the subject grant and loan request, S04-0103, by the Skamania County Public Utility District #1, as consistent with the purposes of the Scenic Area Act and the Management Plan.

BACKGROUND:

Section 11(c)(1) of the Columbia River Gorge National Scenic Area Act (P.L. 99-663), and Commission Rule 350-120, require the Commission to certify that all activities undertaken under a National Scenic Area economic development grant and/or loan are consistent with the purposes of the Act, the Management Plan, and a land use ordinance adopted pursuant to the Act. Commission Rule 350-120-030 requires the Commission's Executive Director to prepare a report and recommendation on each certification request received by the Commission. This is the Executive Director's Report for certification request S04-0103. The request will be heard at the February 10, 2004 Commission meeting at the Gorge Commission Office in White Salmon, Washington.

PROJECT DESCRIPTION:

The Skamania County Public Utility District #1 is requesting a \$100,000 National Scenic Area economic development grant and a \$200,000 National Scenic Area economic development loan to fund improvements to the Carson Water District's existing water system. The grant and loan would partially fund Phase I of a two-phase improvement plan scheduled to be implemented through 2009. The Washington Investment Board (WIB) funds are allocated to the purchase of a Booster PS Emergency Pump and replacement of a portion of the 12-inch water main along Brooks, Wind River and Smith Beckon Roads.

Conclusion: The subject grant and loan would be used for activities consistent with the purposes and the provisions of Section 11(c) of the Scenic Area Act.

CONSISTENCY WITH THE MANAGEMENT PLAN

The subject grant and loan will be used in the Carson Urban Area, and therefore are not subject to Management Plan land use and resource protection guidelines.

Management Plan economic development policies (Management Plan, Economic Development, Goals, pg. III-53 - III-54) support the strategies in the *Economic Development Plan 1999 Update*, written by the two states. Within the *1999 Update*, the *Washington Economic Vitality Plan* includes five strategies. Strategy 1: Business Development and Retention, focuses on developing new job and business opportunities; Strategy 4: Local Capacity, addresses infrastructure needs of local governments. The subject grant and loan would be used for activities consistent with these strategies.

Conclusion: The subject grant and loan would be used for activities consistent with applicable provisions of the Management Plan.

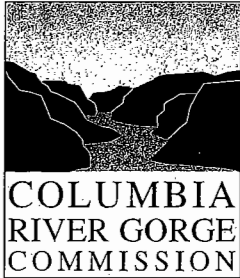
CONSISTENCY WITH LAND USE ORDINANCES

The subject grant and loan will be used in the Carson Water District, and therefore are not subject to a Scenic Area land use ordinance.

RECOMMENDATION:

Staff recommends the Commission certify the subject grant and loan request from the Skamania County Public Utility District #1 (S04-0103) as consistent with the Scenic Area Act and Management Plan.

Attachment
B3



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DIRECTOR'S REPORT

TO: Columbia River Gorge Commission

FROM: Martha Bennett, Executive Director
Gary Pagenstecher, Planner

DATE: January 28, 2003

SUBJECT: Economic Development Grant and Loan Request: -- FILE NO: W04-0104

APPLICANT: QualityLife Network (Intergovernmental Agency), Daniel W. Erickson,
President

ACTION REQUESTED:

Staff recommends the Commission certify the subject grant and loan request, W04-0104, by QualityLife Network, as consistent with the purposes of the Scenic Area Act and Management Plan.

BACKGROUND:

Section 11(c)(1) of the Columbia River Gorge National Scenic Area Act (P.L. 99-663), and Commission Rule 350-120, require the Commission to certify that all activities undertaken under a National Scenic Area economic development grant and/or loan are consistent with the purposes of the Act, the Management Plan, and a land use ordinance adopted pursuant to the Act. Commission Rule 350-120-030 requires the Commission's Executive Director to prepare a report and recommendation on each certification request received by the Commission. This is the Executive Director's Report for certification request W04-0104. The request will be heard at the February 10, 2004 Commission meeting at the Gorge Commission Office in White Salmon, Washington.

PROJECT DESCRIPTION:

QualityLife Network, an intergovernmental agency formed between The City of The Dalles and Wasco County, is requesting a \$20,000 grant and \$225,000 in loans to complete a 17.5-mile fiber-optic loop in the City of The Dalles. The Commission previously certified a \$25,000 grant (May 2001) for The Northern Wasco County People's Utility District to help fund the cost of engineering and design for this telecommunications project, a \$25,000 grant and a \$37,552 loan (November 2002) for the first phase of construction, and a \$20,000 grant (August 2003) to fund the purchase of electronic equipment for phases III and IV.

Conclusion: The subject grant and loans would fund activities consistent with the purposes and the provisions of Section 11(c) of the Scenic Area Act.

CONSISTENCY WITH THE MANAGEMENT PLAN

The subject grant and loans would fund the construction of an aerial cable along a 4-mile segment of the loop, engineering, and provide construction management for the completion of a fiber-optic cable communication network installed in established rights-of-way in The Dalles Urban Area.

Management Plan economic development policies (Management Plan, Economic Development, Goals, pg. III-53 - III-56) support the goals and strategies in the Economic Development Plan, written by the Washington and Oregon Investment Boards. Oregon's economic development strategy includes goals to expand and diversify the economy, create and retain family wage jobs, increase the region's tax base, support adequate public infrastructure, leverage use of available funds, and enhance the region's quality of life. The subject grant and loans would be used for activities consistent with these goals of the Economic Development Plan.

Conclusion: The subject grant and loans are consistent with applicable provisions of the Management Plan.

CONSISTENCY WITH LAND USE ORDINANCES

The subject grant and loans do not require a Scenic Area land use permit from Wasco County because the proposed activity would occur within the The Dalles Urban Area.

RECOMMENDATION:

Staff recommends the Commission certify the grant and loan request from QualityLife (W04-0104) as consistent with Scenic Area Act and Management Plan.

MEMORANDUM

January 23, 2004

TO: Gorge Commission

FROM: Martha Bennett
Gary Pagenstecher
Jeff Litwak

SUBJECT: Expedited Certification Rulemaking
Hearing and Vote on Adoption Scheduled for February 10, 2004

RECOMMENDATION:

Hold a public hearing on the proposed amendments to Commission Rule 350-120 (attached), and vote to adopt the proposed amendments.

BACKGROUND

On July 22, 2003, the Gorge Commission directed staff to develop an expedited process for reviewing certain types of economic development certification applications. On November 18, 2003, the Gorge Commission voted to initiate rulemaking and publish the attached draft rule with the states.

In accordance with the Commission's rules, staff filed the rule and notice of proposed rulemaking with the Oregon Secretary of State the Washington Code Reviser's office. The notice was published in the January Oregon Bulletin and the January 7, 2004 Washington State Register.

WRITTEN COMMENT

The notices specified that written comments could be submitted up until February 9th. To date, Staff has not received any written comment. If Staff does receive any comments, we will provide them to the Commission at the hearing.

SUMMARY OF PROPOSED AMENDMENTS

The proposed amendments add a delegation to the Executive Director to make certification decisions for specific types of economic development activities and projects. The Executive Director's process is an expedited process—the rule specifies that the Director must make a decision within 14 days. The standard process often takes as long as 28 days, so this expedited process is a substantial time saving.

The process for the certification decisions that are not delegated does not change.

CONCLUSION

Staff recommends that the Commission adopt the proposed rules as drafted in the attached document. If persons testifying suggest changes, staff requests that the Commission allow staff to consider the suggestions. Staff will try to recommend language at the hearing so the Commission may vote that same day.

COLUMBIA RIVER GORGE COMMISSION

**Chapter 350
Division 120**

Economic Development Certification Process

As Amended Through April 1, 2004

350-120-000. Purpose.

This division specifies the process of the Columbia River Gorge Commission (Commission) to certify activities undertaken under a National Scenic Area economic development grant and/or loan are consistent with the purposes of the Scenic Area Act, the management plan, and land use ordinances adopted pursuant to the Act.

350-120-010. Authority.

Section 11(c)(1) of the Scenic Area Act requires the Commission to certify all activities undertaken under a National Scenic Area economic development grant and/or loan are consistent with the purposes of the Act, the management plan, and land use ordinances adopted pursuant to the Act.

350-120-015. Definitions.

For the purpose of this rule, the following definitions apply:

(1) "Activity" refers to the specific proposed action for which the grant or loan is being sought.

(2) "Project" refers to the ultimate business enterprise, development, and/or land use for which the activity supports or is a component part.

350-120-020. Application for Certification.

(1) The applicant shall submit one complete application to the Executive Director of the Commission.

(2) A complete application shall include:

(a) One complete copy of the application materials required by the state agency administering the grant or loan program, excluding confidential financial information;

(b) If the proposed project will be located entirely or partially within the general management area or special management area one complete copy

of a Scenic Area land use ordinance development review decision, issued by the applicable county planning director, approving the proposed project as consistent with the ordinance requirements, or a copy of a letter from the applicable county planning director stating why the proposed project does not require review under the county's Scenic Area land use ordinance;

- (c) One completed application for certification form, available from the Gorge Commission and/or the state agencies administering the grant or loan program. The form shall include the following information:
 - (A) applicant's name and business address;
 - (B) description of proposed project and activity for which a Scenic Area grant or loan is sought;
 - (C) legal description and map of the specific location of proposed project; if project has multiple or regional locations, these should be identified;
 - (D) description of the existing use of the property or properties on which the project will be located and/or used;
 - (E) a statement setting forth any local, state or federal permits required and a report on their status; and
 - (F) signature of applicant and property owner if, different from applicant.
- (d) One copy of each of any state and federal environmental permits that have been issued for the proposed project. If permits have not been received, copies of permit applications shall be submitted instead.

(3) The Director shall review the application and determine if it is complete. If it is not complete, the applicant is required to submit the additional information requested by the Director. Once the Director determines the application is complete, the process of staff analysis shall begin.

350-120-025. Certification Procedures.

All applications for certification shall follow either the process in 350-120-030 through 040 or the process in 350-120-050.

350-120-030. Recommendation of the Director.

(1) In making a recommendation on a proposed grant or loan the Director shall:

(a) Consult with the applicant and such agencies as the Director deems appropriate;

(b) Consider information submitted by the applicant and all other relevant information available;

(2) The Director shall recommend a grant or loan for certification only if it is consistent with the purposes of the Act, the management plan and land use ordinances adopted pursuant to the Act.

(3) Within 21 days of acceptance of the application as complete, the Director shall issue a report setting forth the recommendation and the basis for it.

(4) The Director shall mail a copy of the report to the applicant, Gorge Commissioners, the Forest Service, the States of Oregon and Washington, the Indian Tribes with treaty rights in the Scenic Area, and the planning director of the applicable county or city.

350-120-040. Review and Decision by Commission.

(1) The Commission shall review the recommendation and report of the Director at a scheduled meeting. Public comment shall be allowed.

(2) The Commission may request further information at the meeting if it is deemed relevant to its decision.

(3) At the first Commission meeting occurring five (5) or more working days of after issuance of the Director's report, the Commission shall make a decision on the grant or loan, as follows:

(a) approve the request, certifying the grant or loan is consistent with the purposes of the Act, the management plan and land use ordinances adopted pursuant to the Act;

(b) approve the request contingent upon approval of certain required state and/or federal environmental permits;

(c) defer the decision, pending receipt of further information; or

(d) deny the request, stating that the grant or loan is not consistent with the purposes of the Act, the management plan and land use ordinances adopted pursuant to the Act.

(4) , The Director shall notify the applicant, and the applicable state investment board of the Commission's decision.

350-120-050. Expedited Certification.

(1) The Executive Director of the Gorge Commission may issue a decision for a certification application that meets all of the following criteria. The Executive Director may, at his or her discretion, require an application be reviewed pursuant to 350-120-030 and 040 above.

- (a) The project and activity shall not involve ground disturbance or changes to structures that are 50 years old or older;
- (b) The project shall be located wholly within an Urban Area;
- (c) The project and activity shall be consistent with the economic development policies in the Management Plan
- (d) The project and activity shall be consistent with the Economic Development Plans for Oregon and Washington as amended from time to time by the states consistent with Section 11 (a) of the Scenic Area Act;
- (e) The project shall not involve relocation of a business from one National Scenic Area community to another;
- (f) The activity shall not involve program administration; and
- (g) The project shall occur only in counties that have in effect land use ordinances found consistent by the Commission and concurred on by the Secretary.

(2) In making a decision to certify a proposed grant or loan the Director shall:

- (a) Consult with the applicant and such agencies as the Director deems appropriate, and
- (b) Consider information submitted by the applicant and all other relevant information available.

(3) The Director shall approve a grant or loan for certification only if it is consistent with the purposes of the Act, and the management plan.

(4) Within 14 days of acceptance of the application as complete, the Director shall issue a decision along with findings of fact and conclusions of law setting forth the basis for the decision.

(5) The Director shall mail a copy of the decision to the applicant, the Forest Service, the States of Oregon and Washington, the Indian Tribes with treaty rights in the Scenic Area, the planning director of the applicable county or city, and any person who requests a copy of the decision.

(6) The Executive Director shall prepare periodic summaries of the certifications approved through this expedited process for submission to the Gorge Commission.