Memorandum Date: January 10, 2024

Meeting Date: January 23, 2024

TO:	Board of County Commissioners
DEPARTMENT:	County Administration/ Policy Division
PRESENTED BY:	Matt McRae, Disaster Recovery Manager
AGENDA ITEM TITLE:	DISCUSSION: Quarterly Holiday Farm Fire Recovery Update.

I. MOTION

Information and discussion only.

II. AGENDA ITEM SUMMARY

Staff will provide an update on multiple recovery topics:

- Updated permit figures
- Highlights from 2023
- Preview of recovery efforts for 2024

Note: As an adjacent agenda item with separate meeting materials, staff will request Board authorization:

- Request to delegate authority to the County Administrator to execute McKenzie Valley Long Term Recovery Group Rapid Rehousing Subgrant Agreement in the Amount of $1,300,000.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

Since 2021, the Board has received regular updates from staff on Holiday Farm Fire recovery, including the number of Holiday Farm Fire survivors sheltering in hotels, number of permits issued, as well as updates on grants, planning, projects, and partnerships.

As of January 2022, Recovery updates have been scheduled quarterly. The last quarterly update to the Board of County Commissioners was September 19, 2023.

B. Policy Issues

There are no Board policy issues for this agenda item.

C. Board Goals

Strategic Priority #1: Safe, Healthy County
Strategic Priority #2: Vibrant Communities
Strategic Priority #3: Robust Infrastructure. Objective C- Build a culture of preparedness and operational readiness within the organization in coordination with community partners. Objective D- Develop disaster recovery plans, policies, and procedures.

D. Financial and/or Resource Considerations

There are no financial or resource considerations or decisions before the Board as part of this agenda item.

Within the attached materials there are updates on planned uses of wildfire recovery funds provided to Lane County through an intergovernmental agreement with Oregon Housing and Community Services.

The state of Oregon, through Oregon Housing and Community Services, is preparing to distribute over $400,000,000 statewide for disaster recovery. These are Community Development Block Grant – Disaster Recovery funds provided through the U.S. Department of Housing and Urban Development (HUD). More detail about these funds and associated programs will be provided during a future Board meeting in spring, 2024.

E. Health Implications

Health Determinant	Directly affected by Community Development Block Grant – Disaster Recovery (CDBG-DR) allocations and state Recovery funding
Employment and livelihood	Directly affected by Community Development Block Grant – Disaster Recovery (CDBG-DR) allocations and state Recovery funding
Family and Community Structure	Directly affected by CDBG-DR allocations and state Recovery funding
Goods and Services	Directly affected by CDBG-DR allocations and state Recovery funding
Housing	Directly affected by CDBG-DR allocations and state Recovery funding
Land Use	Directly affected by, and will affect, CDBG-DR allocations, state grant funds, and to what degree local recovery can occur.
Parks and Natural Space	Directly affected by CDBG-DR allocations and state Recovery funding
Transportation	Directly affected by CDBG-DR allocations and state Recovery funding

F. Analysis

See attachments.

G. Alternatives/Options

None at this time. This item is for discussion only.

III. RECOMMENDATION

None at this time. This item is for discussion only.

IV. TIMING/IMPLEMENTATION

Lane County staff have been supporting recovery from the Holiday Farm Fire since it began in September 2020. Staff are actively administering wildfire recovery funds and coordinating with

OHCS staff in preparation for CDBG-DR programs.

V. FOLLOW-UP

Staff will follow-up via a quarterly update as requested by the Board.

VI. ATTACHMENTS

Supplemental document attached:
Lane County Holiday Farm Fire Recovery Update: January 2024

Lane County Holiday Farm Fire Recovery Update: January 2024

INTRODUCTION

In September 2020, the Holiday Farm Fire burned over 170,000 acres in the McKenzie River Valley, taking one human life and destroying 517 homes and dozens of other structures. Recovery from a disaster of this scale requires a decade or more, and involves continued coordination with state and federal agencies, and community-based organizations.

RECOVERY AT A GLANCE

Total Number of Dwellings Destroyed:	**517**
Permits as of 12/31/23	
Dwellings Completed:	**173**
Permits in Process:	**79**
Permits in Review:	**1**
Total Dwelling Permits Issued:	**253**
Building and Planning Permit Fees Waived	**$1,668,261**
Total properties affected by the Holiday Farm Fire:	**600**
Properties Sold since 9/7/2020:	**193**
Free RV Permits Issued:	**104**

2023 HIGHLIGHTS

- The Lane County Community Resilience and Recovery program established an IGA with EWEB to distribute $1.5M in grants to help Holiday Farm Fire survivors repair or replace damaged septic systems. $588,299 was distributed to repair or replace 54 septic systems as of December 2023. Eighteen more households are engaged in septic repairs and replacements that will be eligible for reimbursement through this program in 2024.

- The Lane County Community Resilience and Recovery program expended $200,000 in an IGA with McKenzie River School for the construction of Little Eagles Childcare Center. The center serves children 3 months to 5 years old and their families and is the only licensed childcare facility for 67 miles of highway between Thurston and Sisters.

- Lane County Senior Transportation Planner, Becky Taylor led the county process to update and formally adopt new right of way setbacks for all of “downtown” Blue River.

- Special Districts Project Manager Rob Woodard managed a feasibility study for a full-scale Blue River wastewater system that was completed in summer, 2023.

- Special Districts Project Manager Rob Woodard oversaw the completion of a feasibility study for repair and replacement of the drinking water system in Blue River. Project engineering will take place in 2024 with construction to follow.

- The University of Oregon finalized and published a McKenzie Recovery Housing Plan that informs housing recovery in the McKenzie River Valley.

- County Surveyor, Jay Blommé managed a retracement survey of all properties located in "downtown" Blue River. The project was completed in 2023 by the project contractor, Avery Land Surveying.

- Lane County and the University of Oregon hosted the first statewide Oregon Summit on Wildfire Recovery over two days at the end of October 2023. More than 200 community leaders, elected officials, and policymakers from across the state gathered in-person and on-line to assess progress, learn from each other, and plan next steps for recovery.

- Lane County Community Resilience and Recovery program expended more than $1 million of 2021 State Legislature funds from Oregon Housing and Community Services (OHCS) on Holiday Farm Fire recovery through subrecipient agreements with government and nonprofit partners.

- The McKenzie Community School was awarded a FEMA Hazard Mitigation Grant that will fund structural retrofits to multiple buildings on the school campus making them better able to manage future fires, earthquakes, windstorms, and snowstorms.

PROJECT UPDATES: INFRASTRUCTURE

Blue River Wastewater

A hydrologic study has been conducted to understand the link between groundwater and surface water at multiple locations in Blue River. The study indicates operating a large-scale wastewater treatment system to serve all Blue River properties would not meet the water quality requirements established by the Three Basin Rule. Lane County staff are now working toward the development of smaller scale wastewater treatment systems that would serve a smaller number of properties in Blue River.

A draft Blue River Wastewater Feasibility Study was issued by HDR Engineering in mid-December 2023 and is currently being reviewed by state, county and Blue River community stakeholders.

The result of this analysis has determined the cost to construct two 2500 gallons per day (gpd) wastewater systems (one at Blue River Park and one at the Three Sisters Meadows property) will be between $3.5 million and $4.3 million. The estimated monthly consumer bill will be $105. The monthly consumer bill includes all anticipated operation and maintenance expenses and assumes 8 residential connections at each site, which is the maximum capacity at this point. A combination of commercial and residential connections can also be accommodated depending on the intended commercial development.

Once community feedback is gathered, and the Blue River Wastewater Feasibility Study is finalized, the contracting process for engineering and construction services will begin in late January.

Lane County will continue to coordinate with HDR Engineering and the Oregon Department of Environmental Quality (DEQ) to determine if larger wastewater systems can also be permitted. Groundwater monitoring stations were installed in September 2023 in existing wells in the Blue River Park and on the Three Sisters Meadows property to record the aquifer levels. This additional information, along with additional hydrogeological modeling by HDR Engineering, will help determine if the community wastewater system can be expanded without impacting the surrounding rivers. This additional analysis is expected to be completed by Summer 2024.

Rob Woodard, Special Districts Project Manager, is the primary Lane County contact for this project.

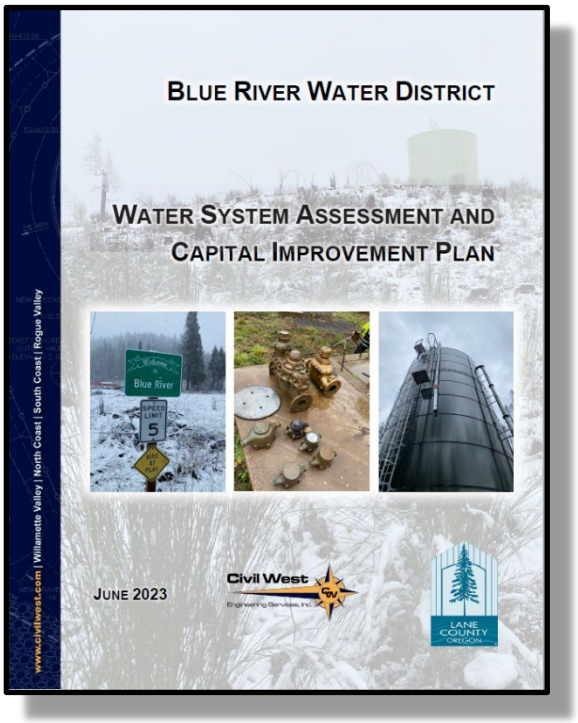
Blue River Drinking Water

The Blue River Water District, with support from Lane County and Rural Community Assistance Corporation (RCAC), is overseeing the repair and replacement of the drinking water system in Blue River.

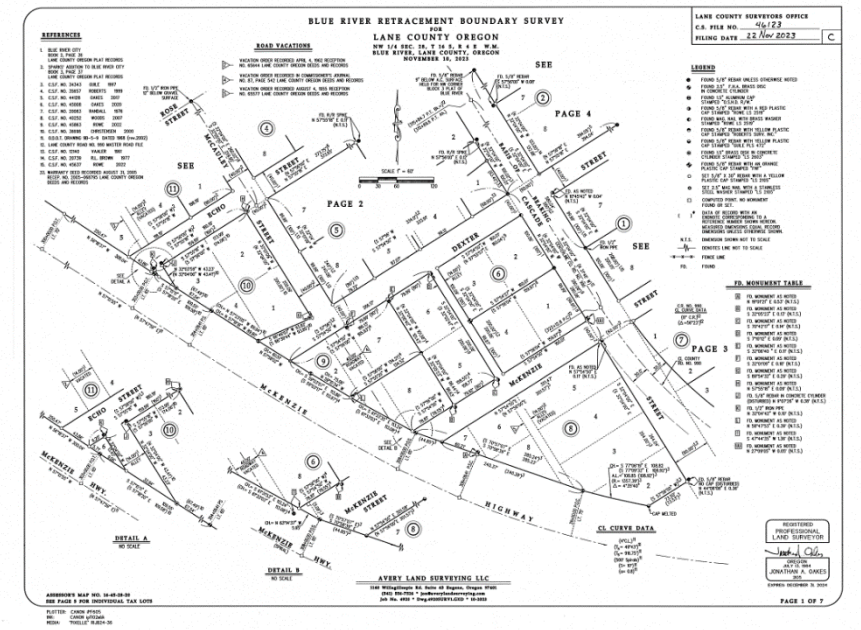
Civil West was recently awarded the contract for engineering and construction services to conduct water system repairs. The project is anticipated to be completed in Summer of 2026.

In 2021 the state legislature allocated $15.5 million in ARPA funds to Lane County for water and wastewater systems affected by the Holiday Farm Fire. These funds will be used to pay for this project.

Rob Woodard, Special Districts Project Manager, is the primary Lane County contact.



Blue River Retracement Survey: Completed



The Holiday Farm Fire removed all trace of fences and other unofficial landmarks commonly used to mark property boundaries.

Lane County hired a survey team to conduct a "retracement survey" to mark all property boundaries and rights of way in "downtown" Blue River at no cost to property owners.

This project is now completed with thanks to County Surveyor Mikeal (Jay) Blommé and the contractor, Avery Land Surveying LLC.

Mikeal (Jay) Blommé, County Surveyor, is the primary Lane County contact.

PROJECT UPDATES: HOUSING

Rapid Rehousing: McKenzie Valley Long Term Recovery Group

While the state-funded shelters that served Holiday Farm Fire survivors are now closed, many Holiday Farm Fire survivors remain precariously housed, living with friends or relatives, or in RVs. Given the high rates of inflation, limited available housing stock, limited availability of home builders, and relatively high interest rates, many lack the financial resources to find rental housing or rebuild. Community Development Block Grant – Disaster Recovery (CDBG-DR) funds are on the horizon but not yet available to help survivors pay for homes.

The Board is being asked to delegate authority to the County Administrator to execute McKenzie Valley Long Term Recovery Group Rapid Rehousing Subgrant Agreement in the Amount of $1,300,000.

If approved, this funding will become available to fill a critical gap between the end of the statewide Wildfire Recovery and Resilience Account funding that ended in June 2023 and the implementation of the Community Development Block Grant-Disaster Recovery Homeowner Assistance and Reconstruction Program (HARP) through OHCS's ReOregon program. The MVLTRG anticipates program funds will be able to help at least seven low-income households to fully recover.

UPDATES: FUNDING

PIER funding

Oregon Housing and Community Services (OHCS) is distributing federal Community Development Block Grant – Disaster Recovery (CDBG-DR) funds that will support Holiday Farm Fire recovery. Ten percent of the funds (amounting to $7.9M for the Holiday Farm Fire) are set aside for planning, infrastructure, and economic revitalization (PIER) activities. A local PIER Selection Committee was established in May 2023 to solicit project proposals, review project proposals, prioritize projects, and ultimately make recommendations to OHCS.

The Selection Committee will meet next on January 22 and again on February 7 to discuss projects and develop recommendations to OHCS. These meetings are open to the public and more details can be found online at: www.LaneCountyOR.gov/PIER

Interested parties can contact Megan Heurion at megan.m.heurion@LaneCountyOR.gov or call 541-852-8259 to submit comments, ask questions, or request meeting accommodations.

Wildfire Recovery Funds: IGA with Oregon Housing and Community Services

During the 2021 legislative session, the state legislature appropriated $150 million statewide to Oregon Housing and Community Services (OHCS) for 2020 Labor Day fire recovery. In February 2023, OHCS provided Lane County received $4,120,547.41 for Holiday Farm Fire Recovery, with an additional $900,000 committed to Lane County by the agency, for a total of $5,020574.41. The table below provides a current summary of the allocations from this $5.02M IGA.

Holiday Farm Fire Recovery - Wildfire Recovery Projects – OHCS IGA			
Project Name	**Recipient**	**Project Summary**	**Allocated**
Infrastructure			
Blue River Dr. Engineering	Lane County	Initial design for Blue River Drive and full engineering plans for the downtown 1/4 mile of Blue River Drive.	$250,000
Blue River Retracement Survey	Lane County	Downtown Blue River retracement survey.	$142,000
McKenzie River Area Property Surveys	McKenzie Valley Long-Term Recovery Group (MVLTRG)	Provide additional funding for property surveys outside of “downtown” Blue River.	$400,000
Upper McKenzie Rural Fire Protection District Rebuilding	Upper McKenzie Rural Fire Protection Dist.	Finish rebuilding (not to include funding for paving)	$250,000
Communications Conduit	Lane County	Install conduit to accommodate high speed communications while utility work is occurring in the right of way within the McKenzie Valley and in Blue River.	$500,000
		Infrastructure Subtotal:	$1,542,000
Staffing			
Recovery Finance Management	Lane County	Continue funding Disaster Recovery Finance Program Coordinator for 18 months.	$200,000
Affordable Housing	McKenzie Community Land Trust	Pre-Development costs for Blue River Rose Street affordable housing project.	$800,000
Individual Assistance	McKenzie Valley Long-Term Recovery Group	Pass through to the LTRG for family and individual recovery.	$400,000
Individual Assistance	Lane County / DevNW	Additional funds for the WRRA program.	$400,000
Individual Assistance	McKenzie Valley Long-Term Recovery Group	Purchase of manufactured homes and RVs.	$1,300,000
		Individual Assistance Subtotal:	$3,100,000

		Support and Logistics	
Technical Assistance	Diamond M Consulting	Technical Assistance: Wildfire recovery modular housing for Lazy Days	$7,000
Meeting Facilitation and PIER public notices	Fischer Consulting	Community and public meeting facilitation services; Public notices	$52,000
Community Mediation	Trillium Advisors	Mediation services for Blue River community organizations	$10,000
		Support and Logistics Subtotal:	$69,000
		Total Allocated:	$4,711,000

HOLIDAY FARM FIRE RECOVERY UPDATE

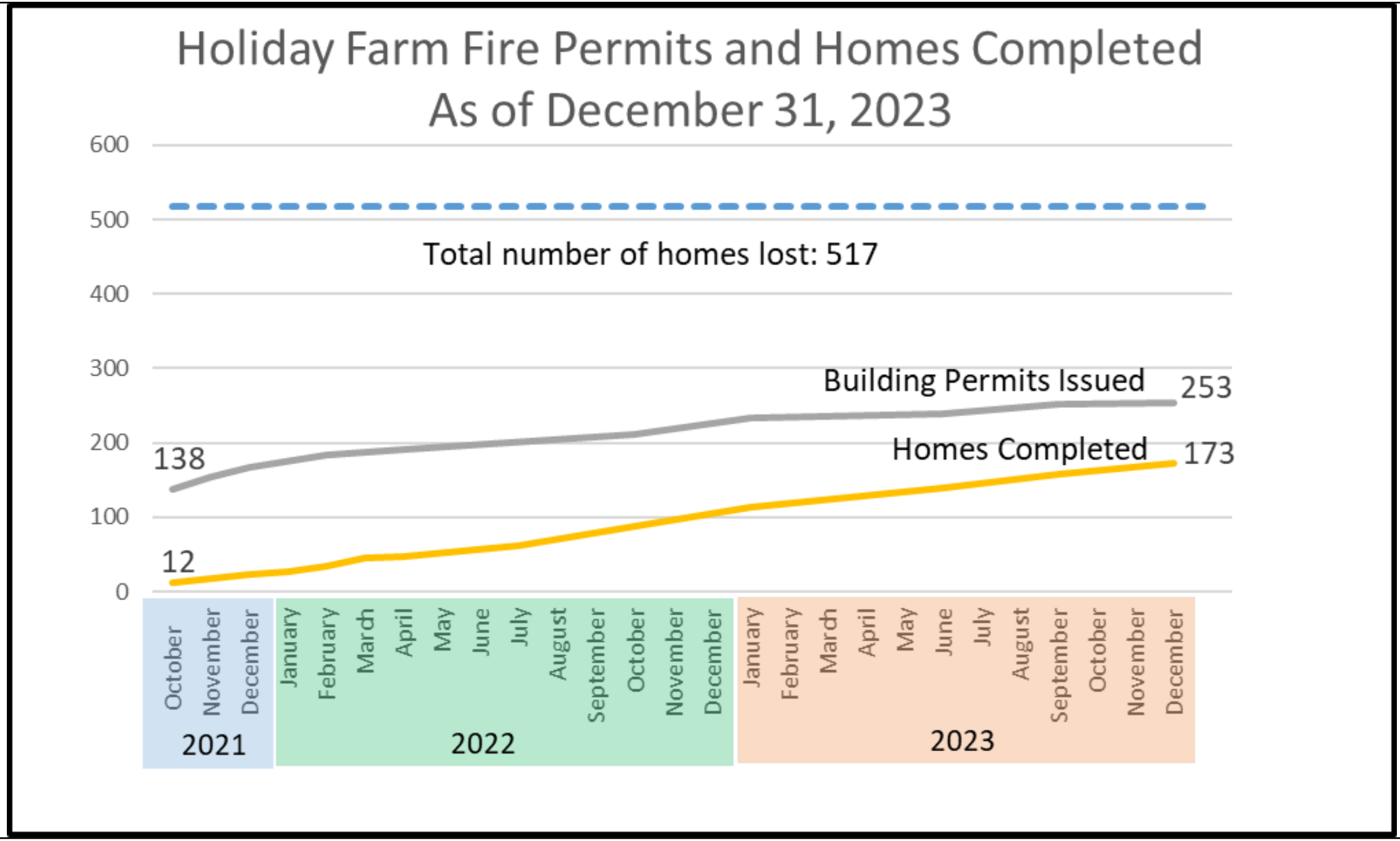
Lane County Board of Commissioners

January 23, 2024

Matt McRae
Disaster Recovery Manager
Lane County Administration

Holiday Farm Fire Permit Summary as of December 31, 2023

Total Dwellings Lost in Holiday Farm Fire:	**517**	
Dwelling Permits Issued:	**253**	**(49% of dwellings lost)**
Dwelling Permits in Process:	**79**	
Dwelling Permits in Review:	**1**	
Dwellings Completed:	**173**	**(33% of dwellings lost)**

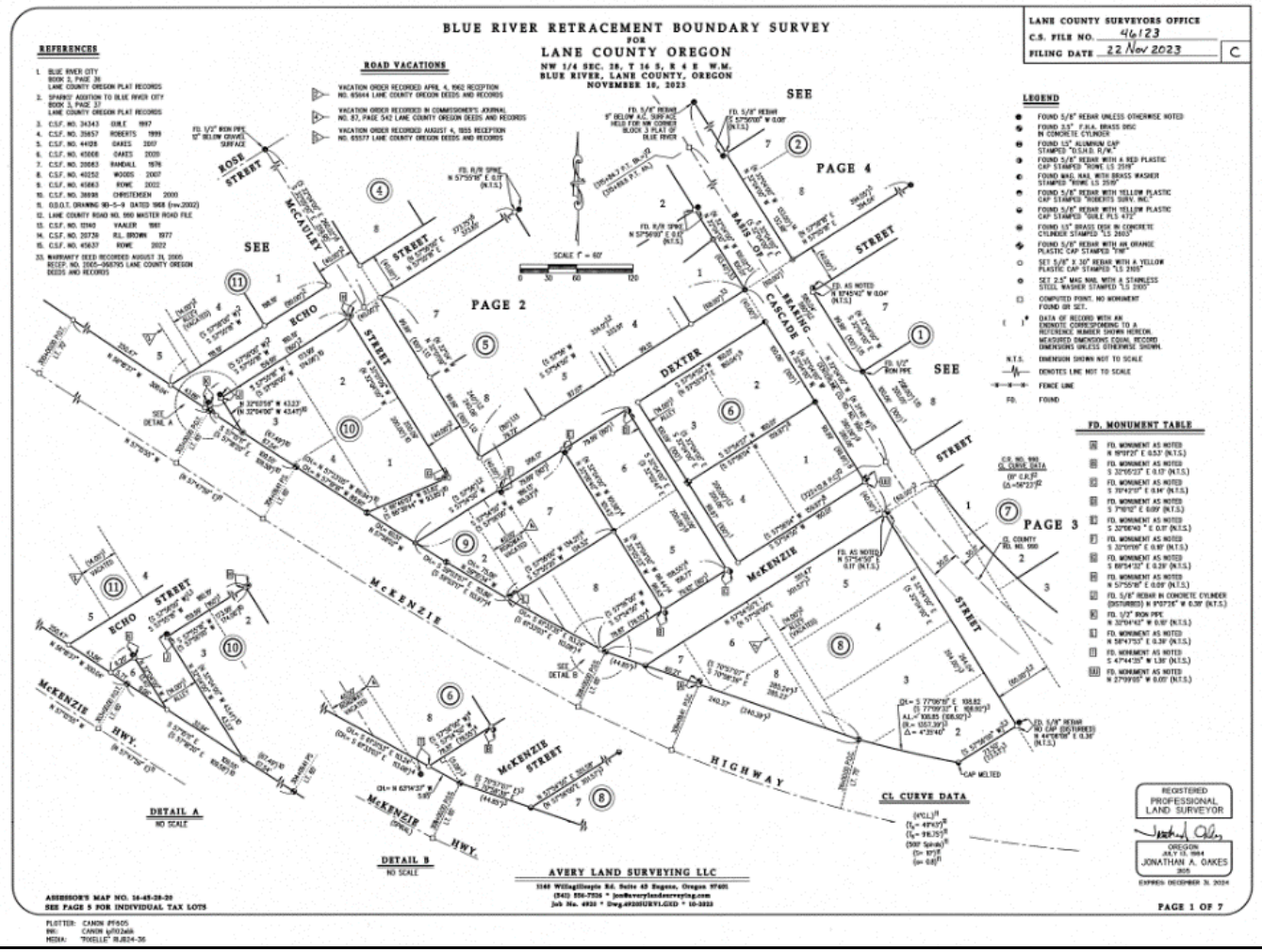

Holiday Farm Fire Permits and Homes Completed
As of December 31, 2023
600
500
400
300
200
100
0
Total number of homes lost: 517
Building Permits Issued
253
Homes Completed
173
138
12
October
November
December
January
February
March
April
May
June
July
August
September
October
November
December
January
February
March
April
May
June
July
August
September
October
November
December
2021
2022
2023

Properties Sold, RV Permits, Permit Fees Waived as of December 31, 2023

Number of properties affected by Holiday Farm Fire:	**600**	
Number of properties sold since September 7, 2020:	**19**	**(32%)**
Total Number of Free Emergency RV Permits Issued:	**104**	
Total Value of Permit Fees Waived	**$1,668,261**	

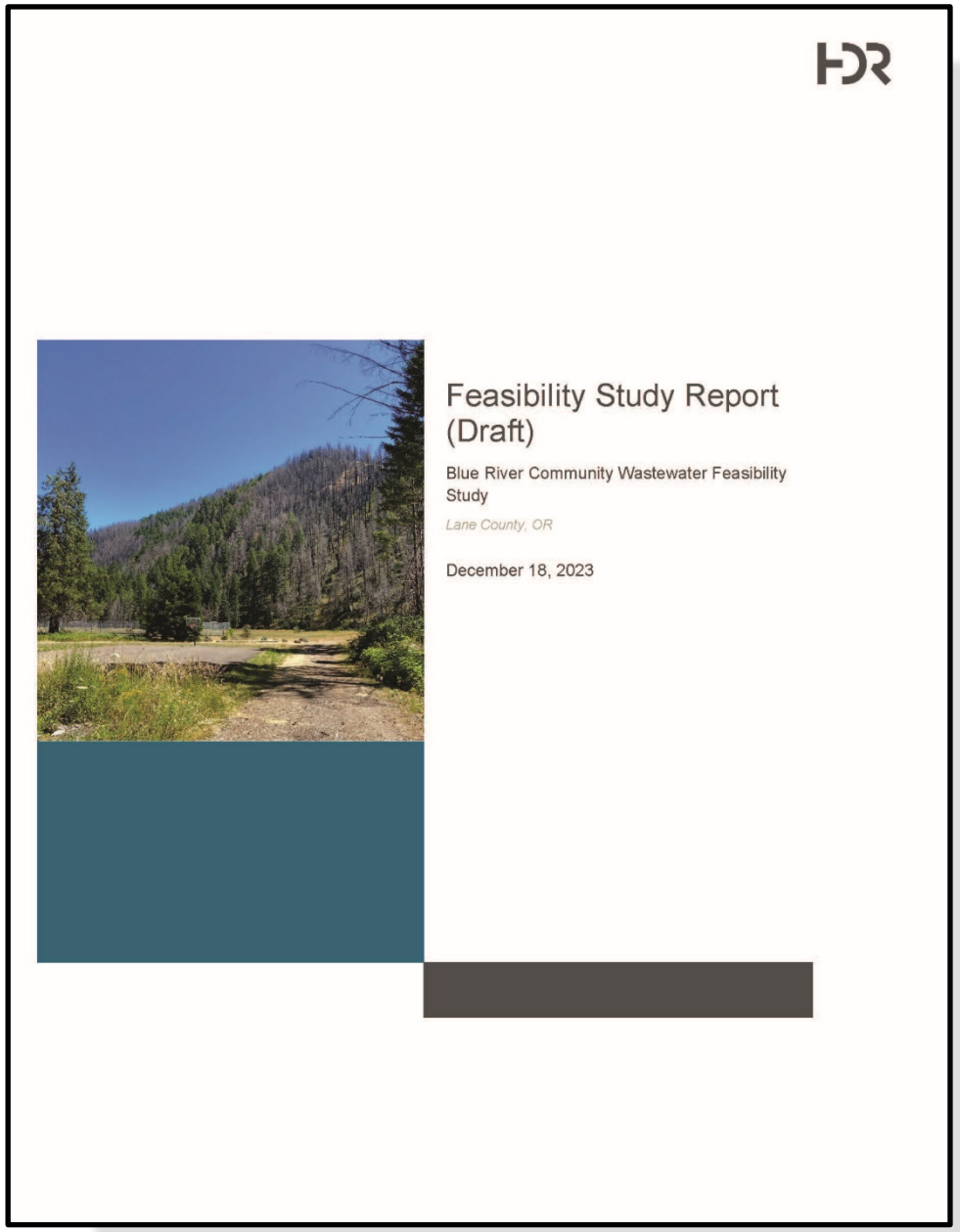
Highlights of Progress

Blue River Retracement Survey: COMPLETED



Highlights of Progress

Wastewater Assessments: Completed



Highlights of Progress

Grant Award: Hazard Mitigation Grant Program

HMGP-DR-4562OR

Hazard Mitigation Grant Program (HMGP)

☒Project or ☐ 5% Initiative

Subapplication

Due to SHMO by 11:59 pm PST on January 29th, 2022

Subapplicant Name: Lane County Oregon

Project Title:

McKenzie Schools Mitigation Structural Retrofit

Date Submitted to SHMO: January 29, 2022

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U.S. Department of Homeland Security
FEMA Region 10
130 - 228th Street, SW
Bothell, Washington 98021-8627
FEMA

October 12, 2023

Erin McMahon Director
Oregon Department of Emergency Management
P.O. Box 14370
Salem, Oregon 97309-5062

RE: Hazard Mitigation Grant Program for DR-4562-OR
Approval of Project for 4562-60-Lane County McKenzie Schools Mitigation Structural Retrofit Project-Phase 1

Dear Director McMahon,

The United States Department of Homeland Security's Federal Emergency Management Agency (FEMA) Region 10 has approved and obligated funding for the Lane County McKenzie Schools Mitigation Structural Retrofit Project - Phase 1 submitted under the Hazard Mitigation Grant Program for Disaster DR-4562-OR.

This project involves the Structural Retrofitting of Existing Buildings for the McKenzie Schools Elementary and High School complex to mitigate and reduce potential damage from wildfire, windstorm, earthquake, and flooding. The structural elements of the buildings that will be retrofitted include: foundations, load-bearing walls, beams, columns, building envelope, structural floors and roofs, and the connections between those elements

DR-4562-60 Lane County McKenzie Schools Mitigation Structural Retrofit project - Phase 1

Total Project Cost Awarded:	Federal Share:	Non-Federal Share:	Management Costs:
$364,990.00	$328,491.00	$36,499.00	$18,249.50

FEMA approved the project and obligated funds on October 12, 2023; paperwork is enclosed. The Period of Performance for DR-4562 is March 14, 2025. Please note that FEMA does not specify a subaward Period of Performance; however, once Clackamas River Water notifies the state that a project is complete and performs the Final Site Inspection, the state must submit closeout documentation to Region 10 within 90 days. Please note this project must comply with Code of Federal Regulations Title 2, Part 200 reporting requirements at the time of closeout.

FEMA reviewed this project per the National Environmental Policy Act, related laws, and Executive Orders on 01/31/2023 A copy of the CATEX and Record Environmental Consideration is enclosed.

Highlights of Progress

2023 Oregon Summit on Wildfire Recovery

Co-hosted by:

LANE COUNTY OREGON

UNIVERSITY OF OREGON

School of Planning, Public Policy and Management

Primary Areas of focus: 2024

Planning, Infrastructure, and Economic Revitalization (PIER) projects

Disbursing $4.2M in Wildfire Recovery funds

Supporting Lazy Days and Rental Housing options

McKenzie School Hazard Mitigation Grant Program project

Disaster Recovery Policy Review

Public Works:

Water and Wastewater

Blue River Transportation Growth Management

Road Design

RAPID REHOUSING GRANT

$1,300,000 for housing

THANK YOU

Matt McRae
Disaster Recovery Manager
Lane County Emergency Management
matt.a.mcrae@lanecountyor.gov