



# JACKSON COUNTY

Oregon

## Board of Commissioners

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May 30, 2024

Honorable Governor Tina Kotek  
Office of the Governor  
c/o Genevieve Ziebell  
Genevieve.J.Ziebell@Oregon.gov  
c/o Laura Hutchings  
Laura.Hutchings@Oregon.gov  
900 Court St NE S-254  
Salem OR 97301

Lavonne Griffin-Valade  
Oregon Secretary of State  
Public Service Building, Suite 126  
255 Capitol Street NE  
Salem OR 97310  
elections.sos@sos.oregon.gov

RE: Oregon Housing and Community Services Administration of the Community Development Block Grant - Disaster Relief

Dear Governor Kotek and Ms. Griffin-Valade:

We, the Jackson County Board of Commissioners, are writing to express our concerns regarding Oregon Housing and Community Services (OHCS) administration of the Community Development Block Grant - Disaster Relief (CDBG-DR) funding in response to the 2020 Almeda and South Obenchain Fires which devastated communities located in Jackson County. Specifically, we have significant concerns with the process used by OHCS to select grantees for the Planning, Infrastructure, and Economic Revitalization (PIER) program of the CDBG-DR funding, as well as OHCS' proposed administration fee of 30 percent. We wanted to bring these issues to your attention, and believe a review and an audit of OHCS' administration of this program is warranted.

While Jackson County, as an entity, does not have a legal or financial interest in OHCS' administration of this program, we are very interested in the outcomes as our communities continue to rebuild after the 2020 Fires. Further, as one of our Commissioners has been very engaged in the process and serves as an invited participant by Mr. Alex Campbell, Chief External Affairs Officer, OHCS, on the PIER Selection Committee we are aware of the process the Committee has been following and have significant concerns about the process now that it appears OHCS is going to begin awarding CDBG-DR grants.

Commissioner Dave Dotterer was initially asked to participate in an informal group as part of community input into the selection of PIER program grant recipients. Neither Jackson County, as an entity, nor the Board of Commissioners, as the governing body of Jackson County, were included in any discussions related to potential obligations or responsibilities of Commissioner Dotterer's participation. This original informal group has evolved over the years into a more formal advisory committee for which OHCS has created rules. For the past three years, while serving on the PIER Selection Committee, Commissioner Dotterer has kept the Board of Commissioners informed on the progress of the selection of CDBG-DR grant recipients. This includes the development of the selection criteria, the review of the grantee applications, and the grantees recommended by the Committee to OHCS to receive awards of CDBG-DR funds. Throughout this process, and until very recently, Commissioner Dotterer has been appreciative of the time, effort, and support of OHCS in the process.

Recently, after a thorough review of applications, applicant interviews, and other required work, the PIER Selection Committee made recommendations to OHCS regarding CDBG-DR grants that should be awarded in Jackson County. We feel that the PIER Selection Committee's recommendations were not welcomed in some parts of our community. Since the recommendations, Commissioner Dotterer has been accused of having a conflict of interest under both State and Federal law with his participation on the PIER Selection Committee. Specifically, because Commissioner Dotterer was both a County Commissioner and a member of the local economic development organization, Southern Oregon Regional Economic Development, Inc. (SORED), his participation was a conflict because SORED has two representatives on the PIER Selection Committee. Without going into a lengthy legal analysis, we do not believe that two representatives of a single entity on an informal selection recommendation committee would constitute an actual conflict or potential conflict of interest.

When this discrepancy of an actual or potential conflict of interest was brought to OHCS' attention, their response was that Commissioner Dotterer serving on both the SORED Board and Board of Commissioner was perceived as a conflict of interest. However, who has this perception was never disclosed to Commissioner Dotterer nor why his serving on two Boards caused anyone to perceive that as a conflict of interest. Furthermore, one of the participants on the PIER Selection Committee, who serves as a Council member for the City of Talent, may have what may be an actual or potential conflict of interest while serving on the PIER Selection Committee. This person is the Secretary for an applicant for CDBG-DR funding that was before the PIER Selection Committee and actually made the motion to grant this applicant funding.

Further, because of Commissioner Dotterer's perceived conflict of interest, OHCS demanded that the entire PIER selection process begin anew and that, as part of that process, Jackson County would replace Commissioner Dotterer as the County's representative on the PIER Selection Committee, despite Jackson County never designating him as the County's representative nor otherwise agreeing to act in regards to the PIER selection process. Before Jackson County had any opportunity to engage with OHCS on this issue, and with OHCS never making any attempts to communicate with the County, OHCS pivoted again and declared that all grants previously recommended by the PIER Selection Committee would be awarded and that grant applications that were not recommended by the PIER Selection Committee including, the construction of new public improvements in the City of Talent that are not part of the restoration of public improvements impacted by the 2020 Fires. This award may violate the Congressional intent behind the CDBG-DR program and the mission statement adopted by the PIER Selection Committee, and for these reasons, this application from the City of Talent was not recommended by the PIER Selection Committee when it considered the application.

This whole process requires a thorough review and audit. One of the County's Commissioners, on his own time, spent years working through the process for selecting PIER grantees only to be personally accused of having a conflict of interest once award recommendations were made. Another participant in the PIER Selection Committee did not disclose what, we believe, may be an actual or potential conflict of interest under State and Federal law. Now, one of the entities for which this other participant is affiliated, the City of Talent, will be awarded millions of dollars in CDBG-DR grant funding, despite specifically not being recommended for funding by the very PIER Selection Committee OHCS established to make such recommendations.

In addition to what we believe are significant concerns in the selection process itself, OHCS now has indicated that it intends to take a 30 percent administration fee for the CDBG-DR PIER grant program. In Jackson County, alone, this will result in \$4,155,000 of funds which should have been awarded years ago to help our community recover from the 2020 Fires. We have never heard of an administration fee of nearly one-third of the total dollars available, assuming that this is even allowed under the terms of the CDBG-DR funding agreements. These funds must be used to help our residents and businesses recover. Even if permitted under Federal and State law,

Governor Koteck and Ms. Griffin-Valade

May 30, 2024

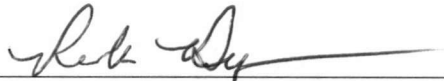
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which we are hesitant to believe is the case, as a matter of policy, no State agency should be taking nearly one-third of pass-through funding to administer a pass-through grant as a matter of policy.

We thank you for your attention to our concerns and look forward to hearing what your review and audit have determined.

Sincerely,

JACKSON COUNTY BOARD OF COMMISSIONERS



Rick Dyer, Chair



Dave Dotterer, Commissioner



Colleen Roberts, Commissioner

;jb/mc

By: Email Only

CC by Email to:

Senator Jeff Merkley

Representative Cliff Bentz

Representative Ron Wyden

Local Legislators

Lane County Board of Commissioners

Marion County Board of Commissioners

Jessica LaBerge, Coordinator, Regional Solutions