

# The John Day Innovation Gateway Water Reuse System

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# Reimagining John Day

*A Place where the Old West meets the New West*



*John Day Main Street Cattle Drive, c. 1968*



*John Day River Valley, c. 2015  
Courtesy of Jeff Meyerholtz*

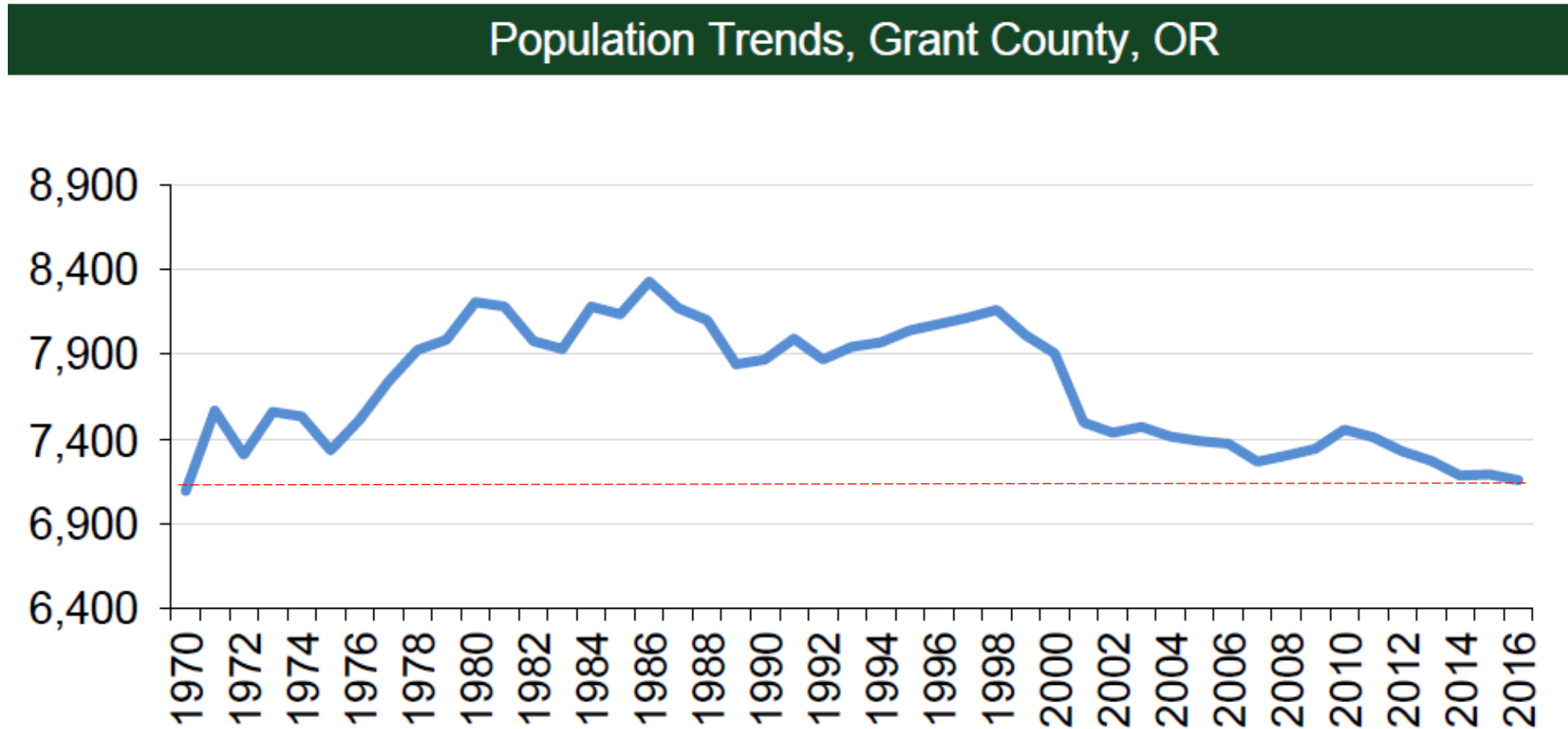


# A portfolio of problems...

- Highest **unemployment rate** in Oregon since 2010 (7.3% as of March 2018)
- **Most economically distressed** area in Oregon (Oregon Sec. of State Distressed areas, 2018)
- Second poorest **broadband connectivity** (avg. data speeds < 10 mbps down/ 1 mbps up)
- Second lowest **median household income** (\$32,614 per household)
- Majority of residents are **low-to-moderate income** households (57% as of 2018)
- Second lowest real market **property values** and fourth lowest assessed values
- Loss of 40% of **student enrollment** since the year 2000, reducing much-needed funding for schools
- Third highest rate of **population decline** with continued loss projected at the rate of -0.5% per year
- Inadequate, undersized and aging **workforce housing** with rental vacancy rates less than 1%
- Workforce development and **human capital challenges** restricting economic expansion
- **Aging critical infrastructure** in both public and private sector developments
- **Complex geographic constraints** including floodplain mitigation; intensively managed watersheds; wildfires and forest management; coupled with competing interests over the use of public lands and natural resources



# 50 Years of Net-Zero Population Growth





# *Collapse: How Societies Choose to Fail or Succeed*

Jared Diamond (2005)

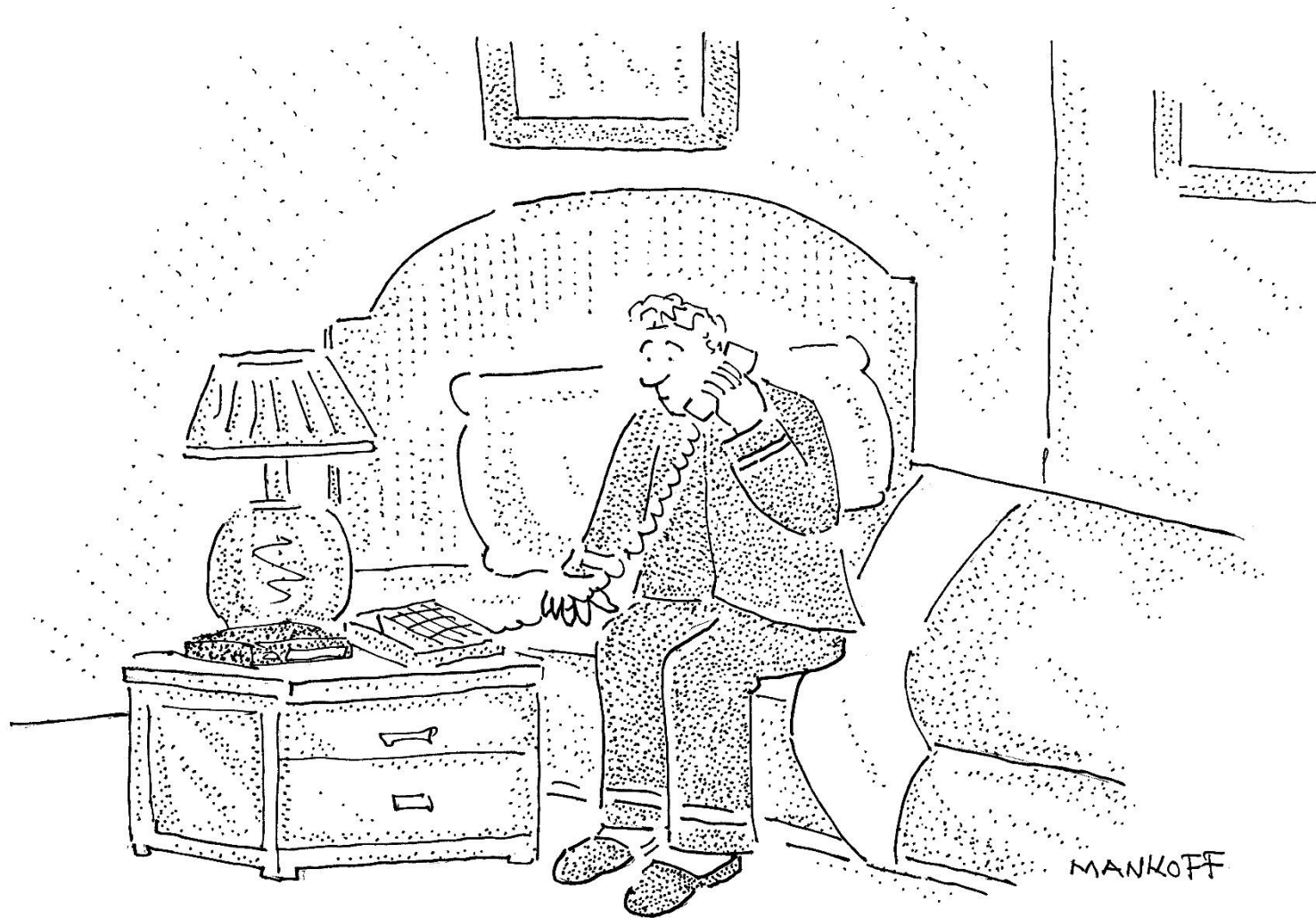


**Root causes:** human impact, climate change, friendly trade partners (lost incentives), hostile actors (competition), political/economic/cultural factors

## **Four primary decision failures:**

- Failure to recognize a problem (creeping normalcy)
- Failure to adapt (or choose not to) once they do recognize a problem
- Adaptations are not effective
- Adaptations are effective, but are implemented too late





*"This is your wake-up call—change or die."*



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# Strategy for Growth

1. Digital commuters
2. Active retirees
3. Young, working families



## Differentiated capabilities

1. Digital marketing/re-branding
2. Recreational amenities
3. Competitive broadband
4. Housing & Development



## Cost structure alignment

- Investments that fuel growth
- Align costs with capabilities
- Cut “non-strategic” spending
- Dedicated and secure funding
- Monetize existing assets



## Reorganize for growth

- Identify strategic partners
- Engage local stakeholders
- Build internal capacity



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Adapted from Strategy& (PwC) [Fit for Growth](#) framework,  
A practical approach to business transformation, 2016

# City of John Day – Top 10 Revenue Sources FY17

Revenue Source	Funding Use	Jurisdiction	
• Water Sales	\$635,000	Water	City
• Sewer User Fees	\$550,000	Sewer	City
• Property Taxes	\$270,000	Unrestricted	City
• State 9-1-1 Tax	\$265,000	911	State
• Grant County Forest Receipts	\$180,000	Streets	County
• Franchise Fees	\$106,000	Unrestricted	City
• State Gasoline Tax	\$91,000	Streets	State
• State Excise Tax (Cigarettes/Liquor)	\$27,500	Unrestricted	State
• State Revenue Sharing	\$16,000	Unrestricted	State
• City Licenses	\$7,100	Unrestricted	City
<i>Net Revenue</i>	<i>\$2,150,000</i>		

Local  
control

1990's  
era tax  
policy

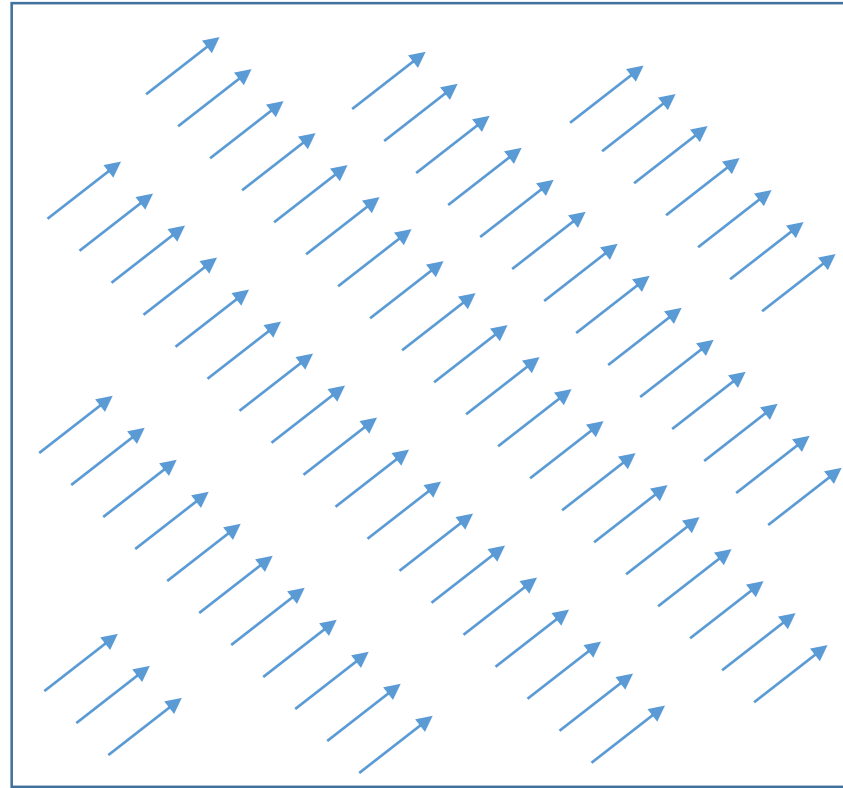
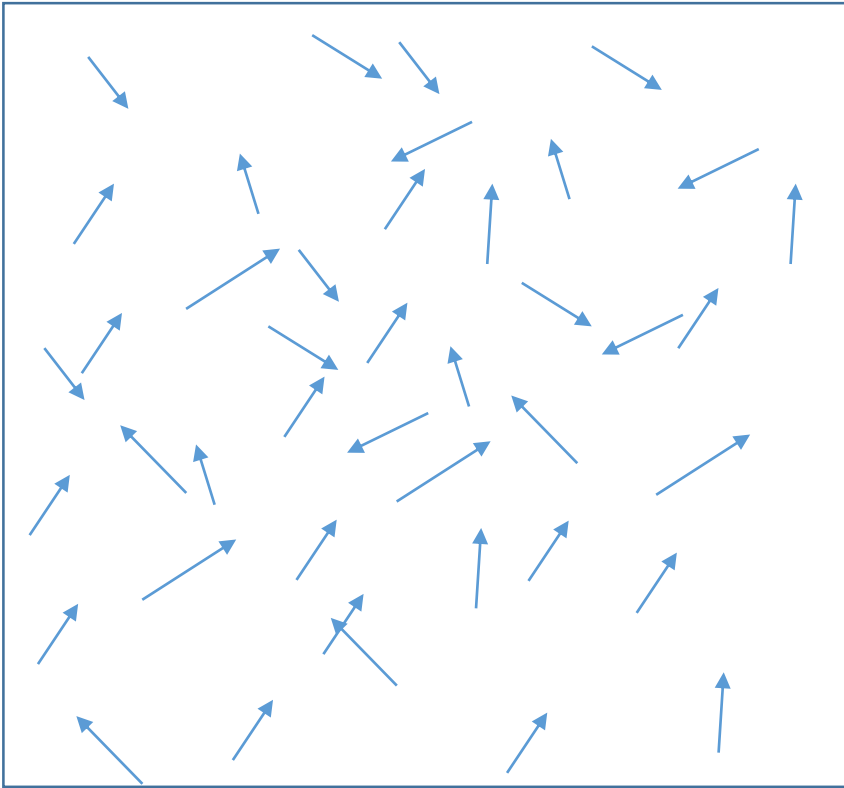
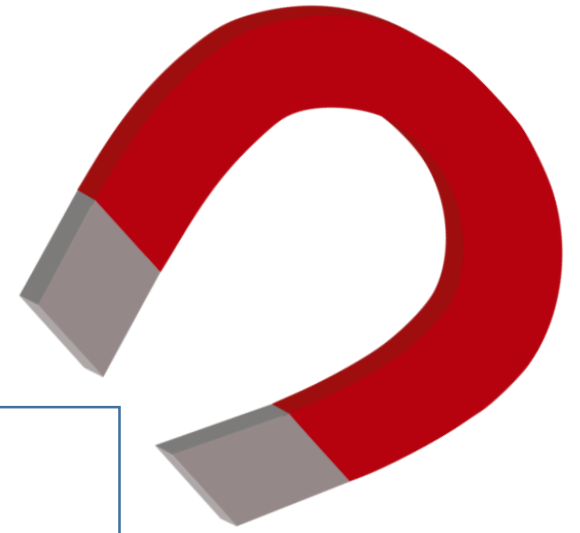
Per capita  
distribution



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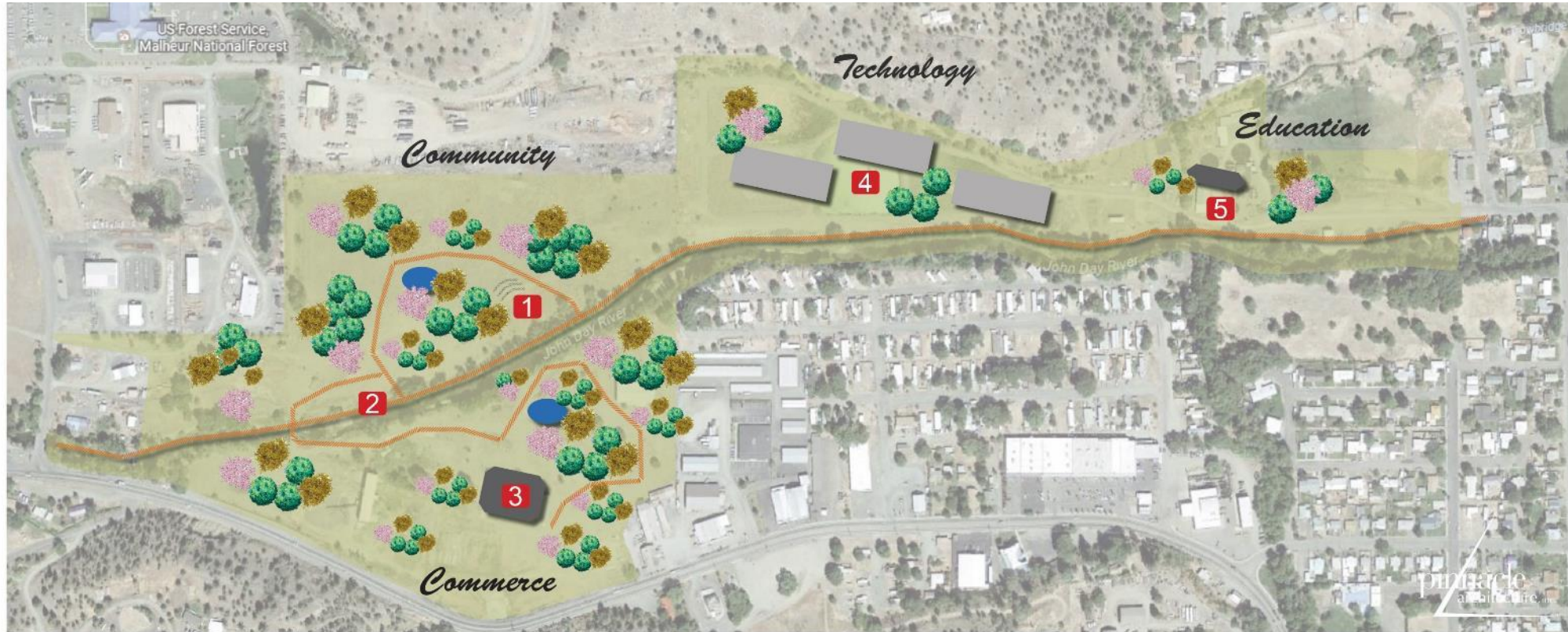


# We need a magnet investment

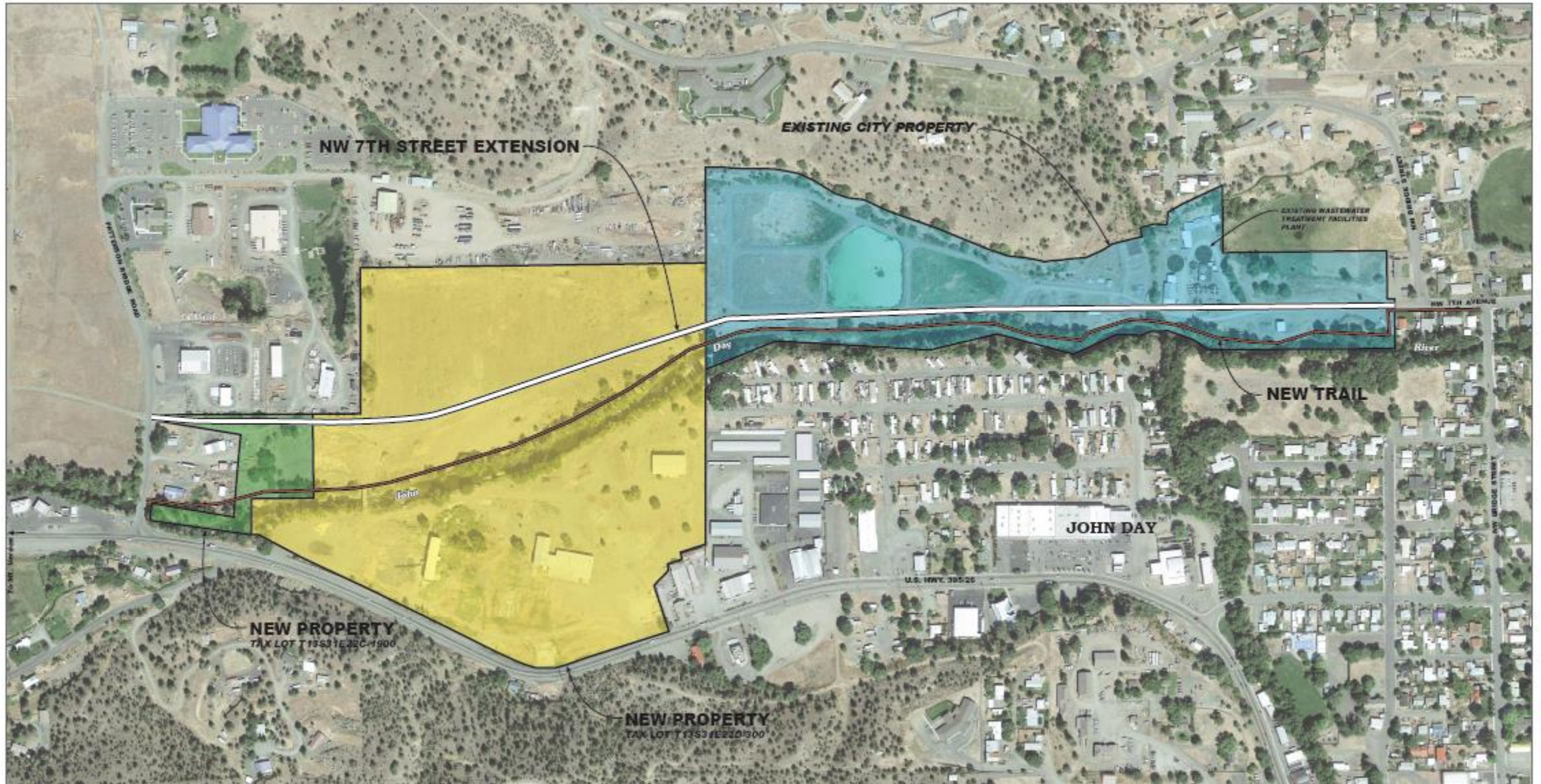


# JOHN DAY INNOVATION GATEWAY

The integration of community, technology, education, and commerce.



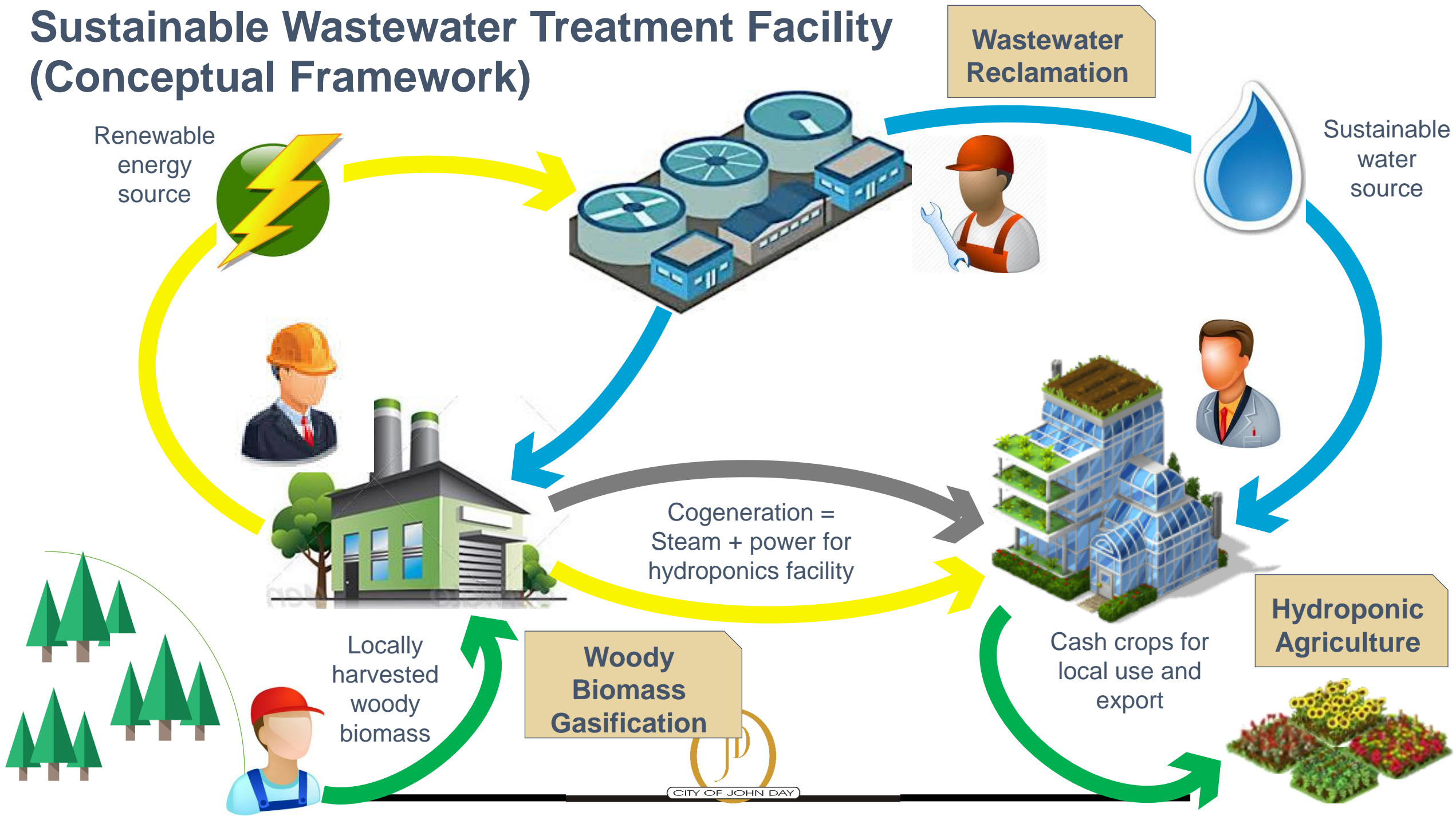




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# Sustainable Wastewater Treatment Facility (Conceptual Framework)



# Most Essential

## *Capital Improvement*

### **New Wastewater Treatment Plant**

- DEQ Permit expired in 2007, operating under administrative review
- \$8-10M projected cost
- Hydroponic wastewater treatment
- Reclaims over 80M gallons of water per year
- Feasibility Team = Anderson Perry & Sustainable Water (Glen Allen, VA)
- Potential Oregon Agricultural Experiment Station for OSU research

**Next step:** Financing (one-stop)

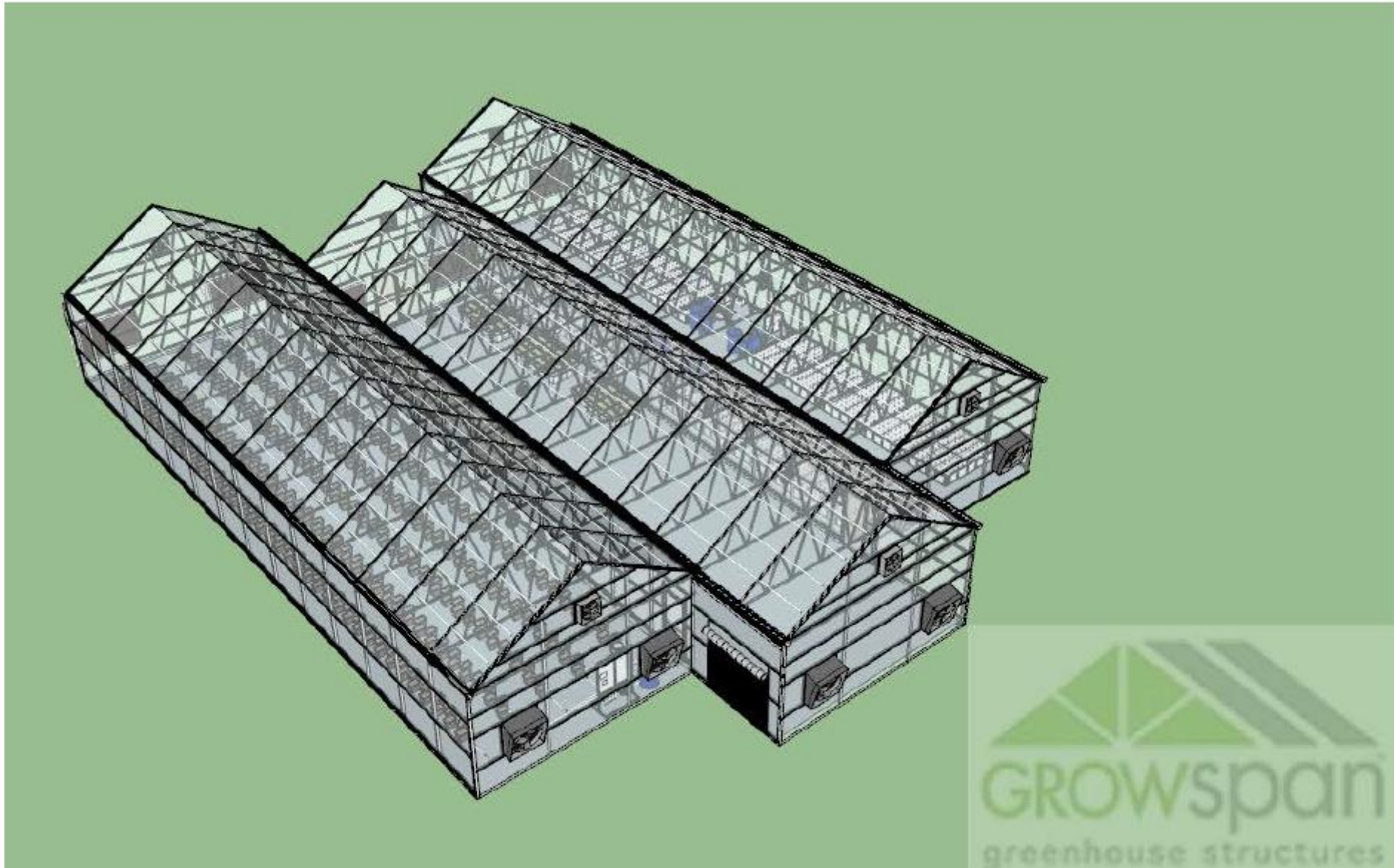




# Sample hydroponics systems

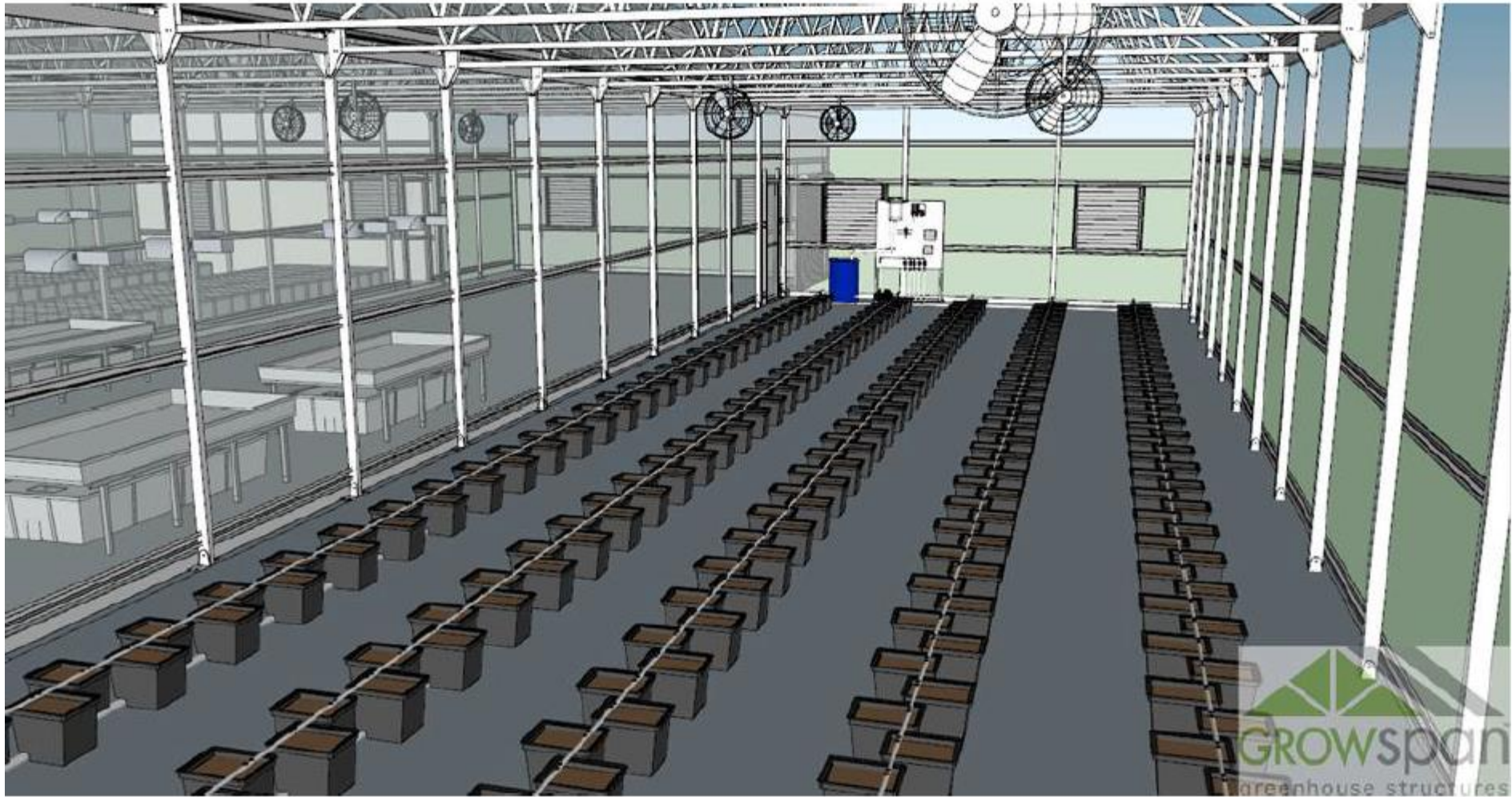


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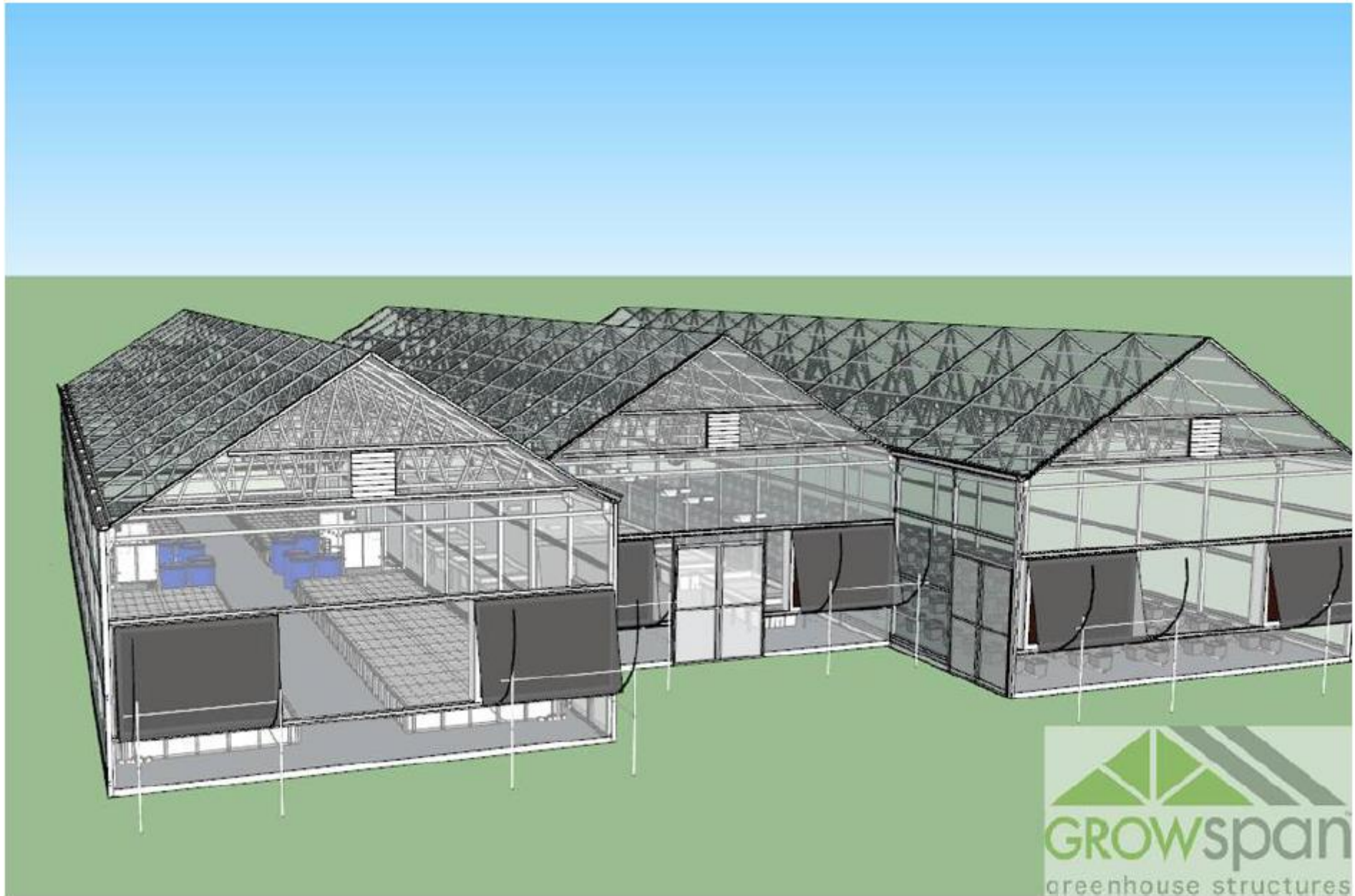


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# 80-acre Innovation Center

- Reclaimed water treatment plant
- Commercial scale greenhouses
- Multi-use trails and paths
- Improved signage (rebranding)
- Redeveloped greenway
- Botanical gardens and water features
- Outdoor amphitheater
- Academic campus for research
- Commercial innovation opportunities
- Recreational amenities
- Multiple agencies benefit
- Community gathering places
- State-of-the-art technology
- Creating new opportunities for rural innovation



# JOHN DAY INNOVATION GATEWAY

The integration of community, technology, education, and commerce.

COMMUNITY



Amphitheater



Theme Gardens



Education



Public Art



Pathways / River Walk





# JOHN DAY INNOVATION GATEWAY

The integration of community, technology, education, and commerce.

TECHNOLOGY + EDUCATION



Research



Education



Commercial Greenhouses



Export Crops





# JOHN DAY INNOVATION GATEWAY

The integration of community, technology, education, and commerce.



Concerts / Events



Weddings / Party Rentals



Farmers Market / Garden Center



Destination / Agritourism

COMMERCE



# Themes to motivate future development

- **Open campus model** for academic research (research park)
- Focus on **rural innovation** and rural **value creation**
- Blend **recreation, education, and productivity**
- Create a **destination attraction** for visitors, businesses and guests
- Identify new opportunities for **revenue generation**
- Create an **integrated value chain** that enhances planned and existing amenities for ranching, forestry, conservation and renewable energy
- Advance the science and art of **reclaimed water usage**
- Integrate **gigabit broadband** infrastructure to support advanced industries
- Create a **beautiful and scenic environment** for conventions and trade shows
- **Capitalize on our natural assets** – abundant land, sunlight and water
- Build a **lasting community asset** that improves our quality of life





