



STATE OF OREGON

INTEROFFICE MEMO

*Your memo file 9/10/82*

*10/13*

TO: Governor

DATE: October 13, 1982

FROM: Gerry Thompson

SUBJECT: Update

*OK  
JA*

Attached is a copy of the press release that Bruce Broussard will be putting in The Observer announcing your endorsement of Chad Debnam. I talked with Kay Toran who did not know a great deal about Chad. Talked further with Bruce who indicated both Ray Gribbling and Doug Heider were going to support Debnam's candidacy and donate money. Talked with Doug Heider -- he feels he has little chance of winning, but is a good person and a credible candidate. His opposition is Ed Leek (D)(W); Kent Ford (I)(B); and Jimmy Walker(I)(B). Apparently Kent Ford is former Black Panther and is not looked upon too favorably by the Black community. I am told that Jimmy Walker is not the most astute candidate and has little chance. T.K. will be speaking to the community group on Friday. The community is trying hard to get T.K. to not endorse Leek. It did appear that you will be positioned OK with this endorsement.

*Right Decision  
OK*

To confirm my previous conversation with you, Bob Smith and Jon Yunker, the following are some policy decisions we have reached. Transfer of Fire Standards and Accreditation Board to the Fire Marshal has been set aside. Jane Huston, in further conversations, now feels that this would be detrimental to the good relationships that are currently being built. Therefore it is our best judgment that rather than upset the applecart right now, leave things as they are. There will be a meeting when time allows with you, myself and Bob Smith to discuss the \$1.8m transfer of gas tax to the Marine Board.

*JA*

Douglas County Hospital Certificate of Need uproar: May not be as bad as was originally related to us by Bob Davis. Apparently the application is now in the appeal process with a postponement of hearing until December 1982. It seems to Bob Oliver and me after having discussed the matter fully with Dick Grant that should you be confronted with the issue, that you position yourself in such a way that the proper procedure is being followed and because it is in the process of being appealed, due process should be followed. Attached is historical overview of the situation.

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LA Attached is information for you from OLEC on the Oregon Serious Crime Survey. Of most interest would be that a 1981 survey shows that 84 percent of Oregonians surveyed are in favor of capital punishment.

Dick Groener's problem update: I have talked with him personally several times, most recently yesterday afternoon. Housing Division rules specify that the owner must continuously occupy the house financed through the Housing Division. In Dick's son, Jim's, case, mortgage lenders notified him in February 1982 that they were aware he was no longer occupying the house and gave him 120 days to answer. At the end of the 120 days Jim's attorney asked the Housing Division for permission to allow Jim to lease the house. This request was given to the Housing Council who reviewed the request and ruled that the laws prohibit such a request under his circumstances. (Jim and his wife are living in Denmark to further her education, which isn't a hardship case.) Jim was notified of the decision. Jim has now been given until mid-January 1983 to give the Housing Council some indications of his intentions. He has four options: (1) reoccupy the house himself; (2) sell the house; (3) show a good faith effort to sell the house; (4) provide the Housing Council with a specific date when he intends to reoccupy the house and ask for permission to postpone action until that date.

Dick has now asked that I provide him with a letter stating those alternatives so that he can send it to his son.

An interesting aside -- Jane tells me that Dick Groener has three children who are benefitting from the low-income housing.

Housing Division will provide Jim with the letter specifying the situation and the options, through Dick, with a copy to me.

LA Bear Flat has developed a new problem for us. There is some question as to what provision the state will make for the promised woodcutting to supply the elderly with firewood. Fred Heard's office called this matter to our attention. I have referred to Bob Oliver who will start working with possible solutions.

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*CA*  
LUBA: lots of stirring going on because of the resignation of Mike Reynolds, chief hearings referee. The other two board members both have expressed an interest in that position, plus we are now getting some outside people expressing interest, latest of whom is Kevin Hanway who is with Portland Home Builders. We have done nothing with this appointment since Mike's resignation is not effective until November 15. Gretchen is aware and we will start working on this next week.

Have been talking with Mike Miller trying to determine the results of your SB 985 contract modifications. They surveyed the 34 specific purchases on 6/7/82. Twenty of the purchasers replied with an indication that they would be putting back approximately 864 people to work. This reply came while the market was still uncertain. Mike believes that figure could be as high as 1,800 now, although that figure is not confirmed. At least well over 1,000 workers have been returned to work in the woods. The interesting note, if it had not been for your bill there would have been well over 1,000 people kept out of the woods plus layoffs of three-four in the forest management department not to mention the layoffs that would have occurred in the timber dependent counties. Last week Mike had a meeting with many of the landowners who said that without Governor Atiyeh's S985 they would all have been in serious trouble, that of the 60 in contracts maybe only 5 would have operated. The remaining 60 would have resulted in unemployment. Mike further tells me of 88 contracts 86 have received price adjustment at an average of 46 percent reduction bringing them in line with current market prices. 68 requests were granted extension; 57 for 6 months or less; 11 for more than one year. Land board timber, however, is not moving, probably because they were granted extensions in price reductions. September has been a record month on Board of Forestry lands. Recovery sale making up 80 percent of the activity on these lands created 6,358 log truck loads. In August there were 5,481 loads. For comparison, January 1982 saw only four loads. The value of the August harvest of 27m board feet was over \$4m. That is about half of the value of what has been harvested in the entire year. The September values are not in yet. I talked with Dave Fiskum and Pat Amedeo this morning and asked that they get together with Mike Miller and see if there couldn't be some media attention brought to this good news. They will work on that today.

*Great!  
Complete with  
action to state  
this w/agency  
agenda?*

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Attached is a draft press release for the upcoming announcement of September unemployment figures in the state of Oregon.

LA This will be released about 2 p.m. on 10/14. Have reviewed the press release with Denny Miles. Ray Thorne was most cooperative and will work to at least highlight some of the positive signs. For the most part the press release will go as indicated.

LA OLCC Grand Jury: Bob Oliver testified before the Grand Jury on 10/11. I had one brief conversation with Stan Long without asking specific questions which would not be appropriate. He did indicate things were going well and we should not be too concerned.

Security concerns JK-18  
Attached is a questionnaire sent to you by the AASCU. I asked Bob Oliver to review and draft the response. Please review to see if we are in agreement with your philosophy. When you sign off, we will return.

Returned to Bob O. - 10/15 Bjm