

April 11, 1984

APR 16 1984  
Governor Atiyeh

Running update for the Governor

March 21. George Cross called regarding the planned steamengine trip to New Orleans. If you will recall this is the economic development effort sponsored by Mayor Ivancie to feature all Oregon products at the New Orleans Exposition. It seems as though the train is due to arrive in Los Angeles on May 5. The Los Angeles Pops Symphony is scheduled to make an appearance to promote the trip. George and the City of Portland were trying to raise money to pay the Los Angeles Pops as well as provide invitations and posters. Their request was for the state to help provide that money.

There were no dollars available. And besides, with such short notice there was very little any of us could do. Furthermore, it is obvious that Mayor Ivancie is out in front on a trip where Portland businessmen are beginning to back away, no longer are willing to contribute any more dollars, and the state had no role in the planned trip.

March 21st. For some reason we cannot seem to bring a closure to the Boeing property for the Morrow request for lease. I had a meeting with Saryl Austin, Everett Faw, Bob Oliver, Pat Amedeo, and officials from the Port of Morrow on March 21st to discuss the progress of the proposed lease. The Port of Morrow is asking that we take the matter to the April Emergency Board. We reviewed the current draft of the lease and agreed that there were some changes left to be made. At the close of our meeting Wayne Schwant of the Port of Morrow agreed that many of our objections to the current wording of the lease were correct, that he was willing to take it back to his port for further discussion at which time there would be another meeting to complete the draft of the lease for presentation to you for approval.

March 26. John Anderson asked for my permission to petition a Japanese company to allow the state of Oregon to be considered for their expansion needs. Apparently the site teams had completed their investigations and Oregon had received no consideration nor were we even aware of the efforts being made by the company. The company is a Hiroshima-based car manufacturer known in Japan as Toyo Kogyo (Mazda). They are currently considering sites in South Carolina, Nebraska, and an existing Ford plant in Michigan. They are particularly interested in South Carolina and Nebraska because those are both right-to-work states. I instructed John Anderson to work with the Port of Portland because they would obviously have the only property available for such an operation since this has become a joint effort between the state and the port and it appears we may get a request granted to make a bid for a site.

April 11. Received a call from Larry Wolfard, Chairman of the Economic Development Commission. The first in the series of regional economic development hearings was conducted last evening in Lane County. Larry reports that they received a lot of heated testimony. It is obvious that Lane County citizens feel they have been abused and ignored by the state. They are asking for representation on the commission.

Furthermore, Stub Stewart became angry because John Anderson was not there for the hearing. He felt that was an insult to the Lane County officials. Apparently, John Anderson had an important speech to the Rotary Club in Portland. Larry Wolfard also sees more need to tie education more closely to economic development efforts. Previously I had asked Larry to meet with Bud Davis and the community colleges regarding this very subject. Larry had met with community colleges and likes some of their ideas; and now he will have a personal meeting with Bud Davis.

Because Larry reported Stub Stewart to be very angry I immediately called Stub. He basically confirmed what Larry Wolfard had reported. He did indicate that they would like some representation on the Economic Development Commission or at least some of the subcommittees that the commission has. I told him that I would review that possibility. I did remind him that of those he recommended to us for the commission, two were not chosen and Les Anderson (one of your top choices) turned us down.

April 11th. Governor, Chang Sohn who has been invited to accompany you on your Taiwan/Korea trade mission is apparently becoming a real pill. He was invited as a member of the Oregon-Korea Economic Development Council. I held the invitation until an opportunity to visit with Bob Smith because I wanted to make it clear that this was not a state expense-paid trip; that he was being invited under the same auspices as all other members of the same commission as well as the businessmen attending. I made it clear to Bob Smith that there was only a five-member official party — that includes you, Dolores (if she goes), Senator and Mrs. Jernstedt, as well as an Economic Development staff person.

Apparently, this is not satisfying Chang. He has gotten very aggressive with our International people and hopefully we can slow him down. You and I need to talk about this further.

April 11th. Jerry Bollen from Weyerhaeuser called. It is his feeling that the North Spit development in Coos Bay is proceeding nicely except for the Corps of Engineers (wouldn't you know it). Apparently the Corps feels they must go out to public notice to which there are 30 days for response. Also, EPA has issued every concern nameful, many of which are not even within their jurisdiction. I have asked Jerry to send me a copy of their letter outlining those concerns.

Bolin wanted to remind us that the critical date for the development is June 1. All permits must be completed by that date in order to go out for contracts. Our own DEQ may have to also create delay; we are not sure what this is but they have made that indication to Weyerhaeuser. I am currently checking into it.

April 11th. Stan Bunn called. As you know, he is hoping to get the appointment to fill Bill Rutherford's vacated legislative seat in McMinnville. Stan Bunn has no opponents on either the Democrat or Republican ballot; however, a Democrat is currently mounting a write-in campaign.

The county commissioners are mostly Democrat and there is considerable pressure upon them to appoint a Democrat to the seat. As you know, they cannot legally appoint a Democrat. It must be a Republican. Therefore, Stan's fear is that the county commissioners will follow the law to the "t." Their purpose would be to avoid making a re-appointment by following the law which says if the appointment is not done by the county commissioners by the end of the 30th day following the elected officials' resignation, the Governor must then make the appointment.

The other choice the county commissioners may lean toward is looking at an interim appointment. If they don't make the appointment, the pressure will be on you to make that interim appointment. Stan Bunn wanted me to let you know that he is interested in the appointment and he is hopeful that you have no problems with him. If you do have a problem and it appears that the appointment will fall in your lap, he would like an opportunity to visit with you.

Gt/dr