

WHITE PAPER FOR BLUE RIVER, OREGON

EXECUTIVE SUMMARY

BLUE RIVER CDC 501 (c) (3)
April 12, 2010

The phoenix is a mythical bird that is reborn from its ashes and serves as a metaphor for this white paper. The follow is a summary of the history, current status, needs, capacity and vision of Blue River, Oregon. A longer narrative is attached. The support of the Lane County Commissioners is a keystone in the success of the economic rebirth of the rural unincorporated community of Blue River, OR and we look forward to a fruitful partnership.

Historical Context

- *Phoenix I: Native Americans on the McKenzie**
- *Phoenix II: The Pioneer Period and Gold 1860's-1920's**
- *Phoenix III: Post WWII and Timber 1940-1960**
- *Phoenix IV: Timber and Dams 1960's-1980**
- *Phoenix V: Decline of Timber and Forest Service**
- *Phoenix VI: 2010 A New Vision**

Contemporary Context

- *1980's-2008 Slow decline of the town, schools and community**
- *2008 Community capacity remains and has recently increased**

Needs Assessment

- *What exists (Empirical)**
- *What should exist (Normative)**
- *Gaps or needs as defined by Empirical compared to Normative**

Community Capacity for Change: Human and Financial Resources for the Blue River Community

- *Community businesses, organizations, schools, groups and Ford Institute Leadership Program**

Future Vision for Blue River, Oregon

- *Phoenix VI: Tourism and Retirement Community**

Lane County Commissioners and the rebirth of Blue River, OR

- *Specific assistance that would facilitate the vision for the community of Blue River**

White Paper

Blue River and Phoenix

Draft 4-7-2008

HISTORICAL CONTEXT

The phoenix is a mythical bird with beautiful red and gold plumage. At the end of its lifecycle it builds a nest of twigs and ignites the nest. Both the bird and the nest are reduced to ashes and from the ashes a new, young phoenix arises. Like the phoenix, the Blue River Community has risen at least three times based on Gold, Timber, and Dams. What is the basis for the next rising? The next economic phoenix rising will have an element of sustainability that includes tourism and retiring baby boomers.

Phoenix I: Native Americans on the McKenzie

Phoenix II: The Pioneer Period and Gold! Before the 1860's the native Indians, early trappers and explorers pretty much had the upper McKenzie valley to themselves. In the early 1860's the area was explored and in 1863 gold was discovered on Gold Hill near what is now Blue River. Blue River was named for the blue-green color of the clear water in the river and the blue rocks in the river. The Blue River post office was established in 1886 and other businesses were established in response to the Lucky Boy mine and other mines. In the 1890's the Powers store was built and the Watt's addition provided building lots. In 1903 the first Blue River School was built and in 1904 the Forest Service established a presence. In 1911 the Spark's addition provide building lots and what is now Cascade Park, Blue River was on the way to being a community.

From the 1860's to the 1920's the community of Blue River grew. A stage and mail route connected Blue River with the Willamette valley. Pioneer settlers established homesteads, sawmills were built and there was an increase in tourism (fishing, hunting, hot springs) but gold mines remained the backbone of the economy. The gold mines became less profitable in the early 1900's and the first boom wound down and so did the pioneer period.

Phoenix III: Post WWII and Timber! From 1940 to the 1960's Blue River once again grew. Rosboro Lumber Company moved from Arkansas to Oregon and established in 1940 the Springfield Plywood Mill. Rosboro also built logging camps and one was located at Finn Rock only a few miles from Blue River. In 1941 the Blue River School District 68 was established and a new school was built. The local economy once again boomed based on logging, saw mills, forest service, and tourism. In the late 1950's the Blue River Ranger District was formed from a part of the McKenzie Ranger Station because there was so much logging, road building, recreation and other demands placed on the local forest service. The Blue River Ranger Station was built just west of Blue River and provided housing for many of the professional staff.

Phoenix IV: Timber and Dams. In the early 1960's Blue River boomed with the construction of the Cougar Reservoir dam. The town now had two grocery stores, three gas stations, the Blue River Tavern, the White Water Café, the Forest Glen Restaurant and Cougar Room, a laundromat and wall-to-wall mobile homes. The construction of the Cougar dam was completed

in the mid-1960's but soon afterward the Blue River Reservoir dam was built and sustained the boom. By 1980 the dams were completed and many of the local saw mills were closed. Logging on forest service lands was winding down and the mission of the forest service was being redefined. Blue River was declining.

CONTEMPORARY CONTEXT

The Oregon Highway 126 corridor extends nearly 80 miles east from I-5 to the Santiam Junction, linking the southern Willamette Valley to central Oregon. Highway 126 parallels the McKenzie River for many miles and provides access to many natural resources and recreational opportunities such as fishing, hunting, rafting, boating, hiking, mountain biking, cycling, and skiing. There are a number of small unincorporated communities along the corridor but the largest and most centrally located is Blue River.

Land uses near the Blue River community include rural residential, farm and forest land. The community of Blue River is at Milepost 41 and is almost surrounded by the Willamette National Forest. Blue River has a population of about 300 and the "Interim Corridor Strategy's" buildable residential lands inventory estimates that the community could add 24 additional dwellings under current zoning. In the 1960's a highway bypass was constructed from Milepost 39 to Milepost 41 and traffic was routed from through the town to around the town. The bypass had a significant impact on the local economy.

From the 1980's to 2008 many small, rural communities in Oregon struggled to establish a sustainable economic base. Blue River was not incorporated and while various community groups and individuals did their best to assist the community there was a slow decline. When Hwy. 126 by-passed the town the Forest Glen Restaurant and Cougar Room near the new highway brought visitors into the town. Unfortunately, the Forest Glen Restaurant and Cougar Room burned in 1993 and the Blue River Tavern burned December 2, 2000. The Blue River Ranger District closed in 2003 and all of the employees transferred. By 2008 Meyer's General Store and Pete's Automotive were still open, but the laundromat and the White Water Café were closed and the town was often described as shabby and uninviting. The decline of the community was also reflected in the enrollment of the McKenzie Schools which cut faculty, staff and curriculum as the student population declined. For the school year of 2008-09 the school has further reduced it's budget because of declining enrollment.

The good news is that Blue River has maintained essential community components. The McKenzie River Clinic is flourishing, there is a new Post Office, we have a community library staffed by dedicated volunteers, Blue River Water District provides water and fire services. The McKenzie Schools District 68 is a vital component of the community. The Meyer's General Store and Liquor has expanded their grocery offerings. Pete's Automotive has new owners and offers auto repair, wrecker service as well as fuel. The Blue River Ranger Station (McKenzie River Mountain Resort) is owned by a group of private investors that wish to develop it and adjacent property into a tourist facility. The White Water Café has new owners who would like to open the restaurant. In addition to the owners of Meyer's General Store and Pete's Automotive there are a number of individuals and community groups who are energized and wish for Blue River to "rise up" again.

The potential of the Blue River community has been further enhanced by: the Blue River CDC and the McKenzie Stewardship Contracting Group, the McKenzie Valley Committee for Substance Free Youth and the Ford Institute Leadership Program (begun in January, 2008 with 36 participants). There are a number of 501 (c) (3) non-profits and community groups that also contribute to the vitality of the community: McKenzie Arts Forum (MAF), McKenzie Community Track and Field (MCTF), McKenzie Educational Foundation (MEF), and the Home and Garden Tour.

A Future Vision for Blue River

Phoenix VI: Tourism and Retirement. In the past the Phoenix rise has been based predominately on natural assets such as gold, timber or dams. Perhaps this time the force will be internal and sustainable. One of the consistent threads of the Blue River economy has been tourism and the retirement of affluent individuals to the McKenzie Valley. Blue River is fortunate to be situated in a natural setting of mountains, rivers and recreational opportunities that offers many things to it's residents and tourists. With the coming wave of baby-boomers beginning in 2008 the Blue River community may have an economic force that may be sustainable.

Our community vision for Blue River involves transforming it into a safe, well-planned, compact, charming and economically viable community that compliments the beautiful natural setting. The dominant basis of the economy would be year-around tourism (fishing, rafting and kayaking, hunting, hiking, cycling, hot springs, boating, camping, skiing both Nordic and Alpine, shopping for local art and products, etc) but would be diversified to include the retirement community, home-based businesses, commuters into Springfield and Eugene, local residents, and those who pass through on Hwy. 126.

The focus would be on the core of the community in the "downtown" area but would also expand to the boundaries of the fire and water district which extend from the triangle on the east end of town and the McKenzie Schools on the west end of town, a distance of about 1 mile. The Downtown Core would be mixed usage and would have some higher density housing. New vitality could be brought to the core by attracting stores with living quarters above, apartments, townhouses and single-family houses to the heart of the town.

Blue River would develop a sustainable economy that can support the community, businesses and the school. It would be ideal to have a "green" Blue River that reflects the best elements of being green. We would like to have a community with affordable housing and livable wages that grow with time. We want a diverse community population that supports our local businesses and schools.

To be sustainable the Blue River Community needs temporary and affordable permanent housing, an infrastructure that includes a sewer system and streets with sidewalks and lighting, a viable tourist and permanent population, essential services and businesses, a qualified work force and jobs within an attractive town.

Needs Assessment.

The **Blue River Community** is defined as the area encompassed by the water and fire district boundaries that are approximately from Milepost 40 to 41. The **Downtown Core** is the area that presently contains the businesses, post office and clinic and is bounded by the Blue River and Hwy.126. Being a rural community Blue River provides services both east and west of the community for a distance of about thirty miles. The **Larger Blue River Community** is defined as the McKenzie School District #68 boundaries and extends from mile post 23 to past mile post 55.

For the purpose of this paper a need is defined as the gap between what exists (empirical) and what should exist (normative). The first step is to establish what exists; secondly, what should exist; thirdly, what the gap is, and, finally, how the gap can be closed. Each of these steps will be addressed in the following narrative.

What Exists

1. **Population.** The Blue River Community has about 100 homes and a population of about 300 and is served by the Blue River Water and Fire District. The McKenzie School District #68 has about 200 students in grades K-12. The Larger Blue River Community has a population of about 2,600.
2. **Community Services.** Currently Blue River has a water district that also provides fire services but no sewer system. The lack of a sewer system constrains the development of the Downtown Core lots and requires the use of septic systems in the Blue River Community. The Eugene Water & Electric Board (EWEB) is concerned about the impact of septic fields on the water quality of the McKenzie River and currently has a program to evaluate the septic systems in Blue River. EWEB would be invited to be a partner in the development of a wastewater treatment system.
3. **Businesses and Services.** Meyer's General Store is a grocery and liquor store. Pete's Automotive is an auto repair and gas station. The McKenzie River Clinic provides medical services primarily through two Nurse Practitioners. Blue River Post Office and the Blue River Library are open and viable. The Cascade Park in Blue River has picnic, play facilities, basketball and tennis facilities, a baseball field and great potential! The Ford Family Leadership Institute participants currently plan a "river

walk” trail on the west side of Blue River that would enhance the area along the Blue River between Hwy. 126 and Blue River Drive.

4. **Streets and Sidewalks.** Blue River Drive (old Hwy 126) is the main street in Blue River and is in reasonable repair. The streets in the downtown area are in poor condition and there are no sidewalks. Existing lighting is minimal.
5. **Development Possibilities.** The old Blue River Ranger Station has sold and a request for rezoning the property has been submitted to Lane County. The new owners of the property also have an option on the six acres to the west and would like to develop that property. The Forest Service will be selling some houses and a large warehouse located on property zoned F-1 north of the Blue River Ranger Station in the coming year or so. The houses and the warehouse are in the south ¼ of the 40 acres and could be partitioned for rezoning. A number of the lots in the Downtown Core and in the Larger Blue River Community could be developed contingent upon rezoning and implementation of a sewer system.
6. **Zoning.** The current zoning does not permit mixed usage or higher density usage. At present, individual attempts to rezone each piece of property are time-consuming and expensive. Zoning is perceived as a roadblock to the growth of the community. The current zoning encourages sprawl!
7. **Housing.** Housing in the Blue River Community is limited and often unaffordable. Some of the current housing is marginal and there are no low cost alternatives. The lack of affordable housing forces many employees working in the forest service buildings and the school to commute from Springfield and Eugene. The lack of affordable or low-cost housing also limits the number of working-class families available to be employed by the local businesses.
8. **Employment.** Employment is a major issue. The lack of affordable housing impedes families from locating in the Blue River community. Currently employees at the McKenzie River Ranger Station and the McKenzie Schools commute from the Springfield-Eugene area since affordable housing is not available. The development of businesses in Blue River will generate employment but will be impacted by affordable housing. Living wage jobs, affordable housing, quality educational opportunities for children and a quality of life must be the foundation of an economic revival for Blue River.

Gaps and What Should Exist. Each of the above will be addressed:

1. **Population.** The current population of the Blue River Community is marginal

in terms of supporting current and future businesses. The current owners of the White Water Restaurant would open if they perceived there was a large enough customer base. Pete's Automotive needs a larger customer base. The McKenzie School District #68 continues to have a declining enrollment and faces a major budget cut in 2008-09.

The population is marginal for both the Blue River Community businesses and the School. The population for the Downtown Core, the Blue River Community and the Large Blue River Community needs to increase to support viable businesses and schools. The population increase could include snowbirds (the wave of baby boomers) as well as working families that would provide the necessary services for the community. Potential customers using Hwy. 126 need to be enticed into the Downtown Core.

2. **Community Services.** Fire and water services are adequate but the current use of septic systems is not prudent due to the environmental impact and the limitation they impose on community growth. A feasibility study of a wastewater treatment system should be conducted and should lead to construction of a new facility for the Blue River Community.

Having fire, water and sewer systems provides an opportunity to change from a Rural Unincorporated Community to an Urban Unincorporated Community. Once Blue River was an Urban Unincorporated Community the community could work with Lane County to enact a plan amendment and revise the zoning to achieve compact development in the Downtown Core.

3. **Businesses and Services.** The current Library, McKenzie River Clinic, Post Office, telephone and DSL and McKenzie Schools provide some of the basic community services. The grocery and liquor store and auto and gas station are important businesses but for a sustainable community several other businesses need to be added. The first business addition should be a restaurant. Other businesses could be a laundromat (one exists but is closed), a beauty/barbershop, an antique/gift shop, an outdoor/fishing equipment shop, a bakery, etc. There is a lack of positive alternatives for the youth in the community so a business might offer something that would serve the local youth. The Cascade Park utilization should be increased and facilities built that meet the needs of the community.
4. **Streets and Sidewalks.** Blue River Drive (Main Street) could be attractively defined with sidewalks and clear pedestrian crosswalks. Side streets and sidewalks need major improvement. If the street system were well designed with sidewalks then the whole Downtown Core would be accessible. Attractive streets, sidewalks and lighting would put all of the services and businesses within easy walking distance (1-4 blocks). An attractive and safe pedestrian/bicycle path should connect the Downtown Core on the east with the McKenzie Schools on the west. The focus should be on a community in which one can safely walk to any of the businesses, schools or services.

5. **Development Possibilities.** If the Blue River Ranger Station and the west six acres are rezoned to allow tourist housing then it will provide both local jobs as well as customers for the local businesses. The sale and rezoning of the forest service houses and warehouse (currently F-1) offers additional possibilities. The houses and the warehouse could be separated onto a 10 acre or so parcel and rezoned. A sewer system would open the possibility of building affordable and possibly low cost housing in the Downtown Core as well as the Blue River Community. Mixed-use zoning would encourage small businesses to locate in the Downtown Core.

The approximately 28 acres less than one mile west of the Downtown Core and about ¼ east of the McKenzie Schools is owned by Aaron Jones and could be rezoned from industrial to residential. A well planned residential area with nicely crafted homes on lots landscaped with native plants that blended with the natural setting would assist in anchoring the west end of the Blue River Community. To the west of the Jones property would be the McKenzie Community Track and Field (MCTF) comprising about 12.8 acres that includes a track, soccer fields and an educational and accessible wetlands. The McKenzie Schools are ¼ mile west of the MCTF.

6. **Zoning.** Zoning is a keystone in the growth of the Blue River Community. A comprehensive look at all of the current zoning within the Blue River Community needs to occur so that there is a cogent plan for the future of the community.
7. **Housing.** With a septic system, comprehensive rezoning that would allow for mix usage and higher density housing it would be financially feasible for affordable and perhaps low cost housing to be built in Blue River.
8. **Employment.** Employment opportunities in Blue River will be based on the McKenzie Schools, McKenzie River Ranger Station, local businesses and individual entrepreneurs. The community needs to attract the employees that currently commute to live in the community. We need to attract retirees to live and participate in our community. We need to attract tourists to stop and participate in our natural beauty and opportunities. If we as a community retain and attract the target populations we will have the basis for living wage jobs. We face a chicken and egg dilemma; if we have a dynamite community we will attract people, jobs, grow our schools and have a sustainable community. Which comes first, the quality community or the affordable housing, living wage jobs, etc?

Human and Financial Resources for the Blue River Community

The Blue River Community Development Committee has been working on the development of Blue River for years and in December held a meeting asking the thirty or so people who attended what their vision for Blue River is. The response was clear and focused: they want a safe, healthy and vibrant Blue River community in tune with its natural surrounds.

As the result of the death of one of our young men, who would have been a senior this year at McKenzie High School, a community group, the McKenzie Valley Committee for Substance Free Youth, has come together to provide drug and alcohol education, as well as positive alternatives for local youth.

The McKenzie Community Track and Field (MCTF) has raised over \$1,000,000 toward the MCTF project and anticipate completing the project in 2009. This demonstrates that our rural community can accomplish big tasks.

The Ford Institute Leadership Program began in January of 2008 with 36 participants. The five-plus years of commitment from the Ford Family Foundation provides an ongoing push for the community. The Blue River Riverwalk project of the first leadership class will be completed in the summer of 2010 and represents fundraising of \$15,000-20,000 and considerable volunteer work.

A number of churches and community groups can provide considerable community support.

Non-profits such as MAF, MEF and MCTF are interested in the community and can provide assistance with projects.

ACTION AGENDA

Get local businesses and schools to define their roles in achieving community goals.

Develop a fundraising plan for achieving goals.

Pursue government and foundation funding.

Secure a grant for a feasibility study for a sewer and wastewater treatment facility.

Apply for an Economic Development grant.

Apply for funding from The Ford Family Foundation as community development needs are identified.

Contact the University of Oregon Landscape Architecture Department to request that a student design studio work on developing a Master Plan for Blue River. Work with architects on developing plans for housing that would complement the natural setting of Blue River.

Seek consultation on affordable housing from the agencies, groups and individuals that have experience in the area.

Organize community workdays to help achieve community betterment goals.

Move from a designation of “rural unincorporated community” to “urban unincorporated community”.

Develop a Blue River community organization that pulls together existing groups so that comprehensive community planning can occur.

Work with Lane County to enact a plan amendment and revise the zoning to accommodate compact development in the center of town and appropriate zoning for the larger Blue River community. A mixed-use zone for the center of town would be appropriate.

CONCLUSION

The Blue River community of the future needs to be a sustainable community that provides the infrastructure for a vibrant economy, quality housing, jobs and local schools. The population of the community needs to be diverse and include those in the retirement phase of life as well as young families with children. The community setting needs to be safe, attractive and provide the services that would attract permanent residents as well as tourists that pass through and enjoy the recreational opportunities.

Comments can be e mailed to George Letchworth Geoletch@aol.com

DRAFT (8-16-2015)

McKenzie Community Accomplishments: 2000-Present

Hi All In 2008 I wrote a short piece that addressed the upper McKenzie valley, especially Blue River. The attached paper now contains outdated material but it still might be helpful to our RARE and Hatfield folks. What is missing is what has been accomplished in the past 7 years and this needs to be recognized and shared with the community.

The past seven years since 2008 have been eventful years for our community and we should probably document some of the community building events. From 2008 to 2014 we had the Ford Institute Leadership Program (FILP) with over 100 participants and the three community projects (RiverWalk, Community signs, Blue River Park restoration and Bridge). Following FILP we established the McKenzie Action Team in November, 2014 and it is actively pursuing community building. We now have a RARE AmeriCorps participant and two Hatfield Fellows. In the spring of 2011 we had the Oregon Rural Tourism Studio Project (RTS) which provided eight tourism related workshops. Growing out of RTS we developed the Tourism Committee which is now a part of the McKenzie River Chamber of Commerce. The Tourism Committee is quite active and some of the accomplishments include: five festivals, bicycle tourism, trail development, tourism binders placed in all lodging accommodations, grant writing, etc.

Another significant accomplishment that occurred from 2003 to now is the McKenzie Community Track and Field (MCTF). MCTF hosts the McKenzie Chainsaw and Art Festival and just completed the third year.

The Blue River CDC has nurtured and supported many of the initiatives in the past seven years and is now working on a wastewater treatment program for Blue River.

In response to an initiative by EWEB local citizens formed the McKenzie Clear Water Coalition that is active in representing the interests of property owners in the McKenzie watershed.

The McKenzie High School has no counselor and an ASPIRE program that began in 2002 has grown into one that is recognized as outstanding at the state level. Will and George do a blog for the state ASPIRE program and McKenzie ASPIRE has a web site.

I have only mentioned a few of the community accomplishments since 2008. We should probably spend some time documenting and sharing the accomplishments with the larger community. Perhaps Mary S. can assist in this as we reach out to the community.