

June 19, 2019

OEDA Members,

With session ending in the next several days its **critical** to reach out to legislators to support OEDA's critical infrastructure and workforce priorities.

Please reach out to [your legislator](#) and members of the [Capital Construction](#) committee and urge them to support the following requests:

- **Special Public Works Fund (SPWF): \$80 million** in Lottery Bonds to recapitalize fund for critical community infrastructure like water and wastewater storage facilities and certain transportation projects. This is critical to help communities finance infrastructure and address capacity for housing and business growth.
- **Brownfields Redevelopment Fund: \$10.0 million** in Lottery Bonds to recapitalize fund. This will facilitate addressing contaminated sites, bringing them back to productive use and generating local property tax revenue.
- **Regionally Significant Industrial Site (RSIS) Fund: \$5.0 million** in Lottery Bonds to capitalize fund for bringing industrial properties to shovel-ready status, attracting new, well-paying manufacturing investment and long-term jobs in our communities.
- **Regional Infrastructure Fund (RIF): \$15.0 million** in Lottery Bonds to fund the regional projects identified by local regional solutions teams.

\*\*See "*OEDA Coalition Testimony for Business Oregon Budget SB 5524*" pages 2-3 for additional messaging regarding the above programs.

- **Governor's Workforce Initiatives: \$4.1** in General Fund to develop initiatives for on-the-job training, internships, work experience, pre-apprenticeship and apprenticeship programs. This investment leverages federal and local workforce development resources, supports Oregonians seeking working, and supports employers desperate to find qualified workers.

**PLEASE REACH OUT TO THESE LEGISLATORS TODAY TO EXPRESS SUPPORT FOR THESE CRITICAL ECONOMIC DEVELOPMENT PROGRAMS!**

Sincerely,

**OEDA Government Affairs Committee**

Kristin Retherford, City of Salem

**Committee Chair**

Sara Long, City of Salem

**Committee Vice Chair**

## **SB 5524: OEDA & OEDA Members Support**

### **Business Oregon Budget and Key Policy Option Packages Within Budget**

We urge continued investment in the Oregon Business Development Department's (OBDD) biennial budget. OBDD, generally referred to as Business Oregon, is responsible for providing economic and community development enhancement throughout the state—*the work this agency does is relied upon by all of our organizations.*

Business Oregon administers critical programs that assist businesses, local governments, and communities across the state to grow Oregon businesses and jobs. *We understand that lottery dollars are always in short supply and there is great competition for these dollars—these are our priority budget requests as these appropriations will each fill critical economic development needs:*

#### **POP 104: Special Public Works Fund (SPWF): \$85 million in Lottery Bonds to recapitalize fund**

- This fund provides market rate and below market rate loans and some grants for municipal infrastructure and other facilities that support economic and community development. Specifically, the fund is used to build/rebuild essential infrastructure including levees, water systems, sewer systems, fiber/broadband, and roads. Without infrastructure, there is not capacity for business growth nor housing for employee growth.
- The fund money is also used to leverage more federal dollars by supporting the local match requirements for the Safe Drinking Water program, Community Development Block Grant program, and FEMA emergency funding. CDBG awards need a 2% match for state administration of the federal program. Similarly, SPWF provides the necessary 20% state match for Safe Drinking Water Fund projects and needed match for FEMA emergency projects. We can't afford to leave federal money on the table and SPWF provides critical match funding.
- Much of Oregon's infrastructure is over 70 years old and is failing-- upgrades are greatly needed. We can't afford to get further behind on infrastructure upgrades and replacements – without them businesses and communities can't grow. SPWF is the key state fund for infrastructure financing.
- We request the appropriation to this fund be made without restrictions, i.e. without ear-marked SPWF projects. Unrestricted funds will ensure that project requests meet program requirements throughout the biennium and that Business Oregon will have appropriate flexibility within its programs and resources to finance projects.
- *Significant recapitalization is needed this session as both construction costs and infrastructure needs continue to rise, and the fund has been depleted in recent biennium.*
- Note: this requested amount is slightly above the Governor's Recommended Budget (GRB), but the request is consistent with the initial agency request and economic development community needs.

#### **POP 107: Brownfields Redevelopment Fund: \$10.0 million in Lottery Bonds to recapitalize fund**

- The Brownfield Redevelopment Fund provides loans and some grants to communities to support industrial/employment land readiness, affordable housing development, reuse of underutilized properties, and other community and public infrastructure investments on brownfield sites.
- Our state is littered with thousands of brownfield sites (some small and some large industrial sites) and this fund is critical to revitalization efforts of brownfield properties.

#### **POP 108: Regionally Significant Industrial Site (RSIS) Fund: \$5.0 million in Lottery Bonds to capitalize fund**

- There is a shortage of shovel-ready industrial sites in Oregon. Capitalization of the RSIS loan fund will enable Business Oregon to help expand the supply and readiness of shovel-ready industrial sites, leading to job creation and improving local economies.
- The RSIS program was created in 2013 and both SB 34 (bill that makes program improvements) and the funding of this program are OEDA priorities this session because without more ready industrial sites, industry cannot

grow. There are 17 potential sites across the state that have expressed interest in applying for the loan program, if funded.

- Note: this budget line was not in the Governor's Recommended Budget, but the request is consistent with the initial agency request and economic development community needs.

**POP 110: Regional Infrastructure Fund (RIF): \$15.0 million in Lottery Bonds to fund regional projects**

- The Governor's Regional Solutions Teams work locally to identify priorities, solve problems, and seize opportunities to get key economic and community development projects done.
- RIF money is used to fill funding gaps for priority regional projects.

Each of these policy option package investments will support long-term economic growth, particularly in rural Oregon by focusing on infrastructure needs that directly support business expansion and job expansion. We urge your support.

