

Good afternoon Chair Holvey, Vice Chairs Grayber and Bonham and members of the committee, for the record, I am Mark Gamba, Mayor of the City of Milwaukie and I here today to testify on behalf of the city and the Metropolitan Mayors Consortium, which represents the mayors of twenty-four cities in the Portland Metro Area, collectively home to over 1.7 million Oregonians. I'm here today to testify on behalf of the MMC in support of HB 2743.

I think the best way I can illustrate why this is such an important bill is to talk about a large project in Milwaukie that we are financing and how much money we could have saved had a municipal bank been an option:

The city went through a robust process to determine the system of sidewalks, multiuse paths, greenways, signalized crossings etc, that would allow the families of Milwaukie to be able to choose to walk or bike safely anywhere in the city. It would also build out all of our tier one ADA requirements. We called it our SAFE program and the total cost is estimated to be around \$52 million. In order to pay for it we created a small fee on the water bill which will be paid over the next 20 years or so. Obviously, we want the kids who want to be able to walk or bike to school today to have that opportunity as soon as possible, not in 20 years when they are starting families of their own. We determined that we could physically build out this system in 9 years.

So, we broke the project list up into three parts and went out for a Full Faith and Credit Bond for the first third – roughly \$21 million in actual projects for which the taxpayers of Milwaukie will spend around \$39 million. In other words, \$18 million dollars of hard earned money, from hard working families, goes into the pockets of Wall Street bankers and not into the infrastructure they are asking for, nor does it go back into their community in any way.

If that's how we have to finance the whole system, depending on all the variables, we could literally spend over \$100 million.

Twice as much infrastructure could be constructed with that money, or affordable housing could be built or parks or any number of other critical and desired infrastructure.

With, a municipal bank which is chartered in the first place to serve the public good rather than maximize investor profits- let's call it the Infrastructure Bank of Clackamas, that first tranche of money – very conservatively, could save the city over \$5 million in interest and another \$3 million would be interest that stays local and would help build that bank for future infrastructure projects. That's 8 million dollars that stays in our community. And as I said, that's a very conservative estimate.

At any given time, a medium size city like Milwaukie has around \$50 million in the Local Government Investment Pool. If instead, several cities deposited their funds in the Infrastructure Bank - loans could be made to build out all the infrastructure that cities and counties have to build like streets, water and sewage treatment plants, court houses and yes sidewalks for much lower finance costs and much of it would stay local to be invested in our communities.