Reducing Flood Risk in Oregon with State Funding for Flood Safety Infrastructure HB 2885/SB 622



THE PROBLEM: AGING LEVEE INFRASTRUCTURE & COSTLY FEDERAL REQUIREMENTS

Levees, also called dikes, were built around the country throughout the 20th century to help reduce the risk of flooding on lands adjacent to oceans, rivers, and streams. In Oregon, there are well over one thousand miles of levees across the state. These levees were built in urban and rural areas alike, from Burns to Klamath Falls, Pendleton to Portland, Reedsport to Warrenton, and everywhere in between. Unfortunately, in most of these communities, local jurisdictions struggle to keep up with the necessary maintenance, let alone completing the work required to comply with new federal safety standards for levees.

Meeting federal safety standards set by the US Army Corps of Engineers (USACE) and Federal Emergency Management Agency (FEMA) provides communities with access to federal aid in the event of a flood and the ability to access more affordable flood insurance through FEMA's National Flood Insurance Program.

Whether you live in a community with levees or not, this vital infrastructure is crucial to the way our state operates. For instance, the 27-mile levee system that runs along the Columbia River in the Portland metro area, protects essential infrastructure like the Portland International Airport, drinking water for nearly one million Oregonians, and multiple railroads, interstate highways, and distribution centers that help to move goods in, out, and around our state. Levees play an essential role in providing public safety and reducing the risk of flooding while furthering economic development and protecting parks, beaches, watersheds and native fish and wildlife within Oregon.

Sadly, we have too many examples of what happens when our levees cannot withstand the floodwaters they are meant to hold back. Many people have heard about the tragic 1948 flood that washed away the City of Vanport, killing at least 15 people and leaving another 18,000 more without homes. But just a year ago, Umatilla River floodwaters overtook a levee in Pendleton, wreaking havoc and damaging over 500 buildings.



Levees in Oregon according to the USACE National Levee Database, which catalogs levees that the Corps: had a role in constructing, helps maintain, or has enrolled in the Rehabilitation & Inspection Program. Unfortunately, they are missing data for Central Oregon.



When levee systems fail: the aftermath of the 1948 Vanport Flood and the 2020 Pendleton Flood

THE SOLUTION: STATE FUNDING FOR FLOOD SAFETY

In 2015, the Oregon State Legislature recognized the importance of levee infrastructure in Oregon by creating a levee-related loan fund under the Special Public Works Fund (SPWF) of Business Oregon's Infrastructure Finance Authority (IFA). Although the loan fund proved immensely helpful to the jurisdictions that were able to finance a loan, many were unable to take advantage of the funding because they could not afford to pay back a loan over time, even at the IFA's modest interest rates. Due to this, the State Legislature took another positive step in 2019 by creating the Levee Grant Program within the IFA and allocating \$15 million in lottery bond sales to the fund (HB 5030). Unfortunately, due to the COVID-19 pandemic, the State was unable to issue lottery bonds in 2020. As a result, there has been no funding available through this program. Meanwhile, levee projects remain incomplete, putting more residents and businesses at risk.

Many communities are eagerly awaiting the opportunity to apply for this grant funding so they can afford to make critical improvements to their flood safety infrastructure. **House Bill 2885/Senate Bill 622** allocate \$10 million in net proceeds from lottery bond sales to the Levee Grant Fund to support the planning and execution of levee improvement projects along with levee investigations to identify their adequacy for federal certification and accreditation.

The bills require that at least 60% of the dollar value of grants awarded from the fund in each biennium be used to help rural or distressed areas, which is consistent with the rules of Business Oregon's Special Public Works Fund. It also makes a modest change to the definition of "levee project" by adding some more specific language to ensure all communities with levees and associated flood safety infrastructure are eligible for this funding.

The overall program permits public entities that operate and maintain levees and related infrastructure to access up to \$2 million per year with a minimum 20% local match to do the critical planning and make the necessary capital improvements while seeking certification and accreditation from the Federal Emergency Management Agency.

FOR MORE INFORMATION, PLEASE CONTACT:

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The Levee Ready Columbia partnership is made up of over twenty public, private, nonprofit, and neighborhood organizations working collaboratively to reduce the risk of flooding along the Columbia River in Multnomah County by ensuring the local 27-mile levee system meets federal safety standards and establishing a more modern and sustainable way of managing and funding the infrastructure and landscape. For additional information about LRC, please visit <u>www.LeveeReadyColumbia.org</u>.