

February 13, 2023

Senate Natural Resources Committee
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Re: Senate Bill 634, Continued Support of the Statewide Levee Grant Program

Chair Golden and Members of the Committee,

Levees were built across the country throughout the 20th century to help protect lands from flooding. In Oregon, there are well over one thousand miles of levees throughout the state. These levees provide critical protection to urban and rural areas alike. This infrastructure exists everywhere from Vale to Warrenton, Klamath Falls to Portland, Milton-Freewater to Turner, and everywhere in between. Unfortunately, local jurisdictions that operate these systems struggle to keep up with the necessary maintenance and capital investments needed to bring this critical infrastructure up to the modern-day federal safety levee standards that have evolved following Hurricane Katrina and Superstorm Sandy.

In 2015, the Oregon State Legislature recognized the importance of levee infrastructure 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 helpful to the jurisdictions with the financial capacity to make debt payments, many jurisdictions were unable to take advantage of the funding because they could not meet the debt obligation, even at the IFA's modest interest rates. In 2019, the State Legislature created the Levee Grant Program and allocated \$15 million in lottery bond sales to the fund (HB 5030). Due to the COVID-19 pandemic, this bond sale did not move forward. In the 2021 session, the Legislature again allocated \$15M in lottery bond sales to the fund. Business Oregon completed the rulemaking and has awarded or obligated most of these funds, supporting levee operators throughout the state.

This grant program provides vital funding to communities, allowing them to make critical improvements to their flood safety infrastructure. Business Oregon has commitments for the full \$15 million available through the 2021 allocation. With continued need to adapt to a changing climate that brings stronger and more frequent storms and changes in federal flood safety regulations, the need remains strong for continued investment by the state in the Levee Grant Program.

Many communities eagerly await the opportunity to apply for this grant funding. Senate Bill 634 of the 2023 Legislative Session allocates \$15 million in net proceeds from lottery bond sales to the Levee Grant Fund to continue supporting the investigation, planning, and construction of levee safety improvement projects.

With continued grant dollars available for flood safety projects, more communities will be able to work on evaluating and improving this important public safety infrastructure. This will reduce the risk of flooding across Oregon, making our communities more resilient while providing important protection to people, property, and businesses, as well as parks, open spaces, and fish and wildlife around the state.

Sadly, there are too many examples of what happens when our levees cannot withstand floodwaters. Many people know about the tragic 1948 flood that washed away the City of Vanport, killing at least 15 people and leaving

another 18,000 without homes. In 2020, the Umatilla River overtook a levee in Pendleton, wreaking havoc on the community and damaging over 500 buildings, as well as closing parts of Interstate 84.

Thank you for your previous support of levee operators and communities across Oregon. Please direct \$15 million in lottery bond sales to the Levee Grant Program through your support of Senate Bill 634. This is a much-needed resource for critical flood safety infrastructure throughout our state.

Sincerely yours,



City of Portland



Metro

Metro



Multnomah County



Port of Portland



Levee Ready Columbia