February 18, 2025 House Committee on Emergency Management, General Government, and Veterans Oregon State Legislature 900 Court Street NE Salem, OR 97301

Re: House Bill 2726, Issuance of lottery bonds to fund Columbia Corridor flood safety projects

Chair Tran and Members of the Committee,

The Urban Flood Safety and Water Quality District (the District) operates a flood safety system—levees, pumps, and conveyance—that keep Oregonians safe from flooding and allows for one of the state's economic generators to flourish. Located across the northern section of Multnomah County along the Columbia Corridor—the state's largest business and industrial zone—state investment in this vibrant part of Oregon will keep thousands of businesses open, tens of thousands of jobs protected, and thousands of residents safe at night. Please support HB 2763 to help fund flood safety improvements to the Columbia Corridor flood safety system operated by the District.

The District's flood safety system protects Portland International Airport, two Interstate bridges, three Interstate highways, Oregon Air National Guard Base, back-up drinking water for the region, and other critical infrastructure. The Columbia Corridor behind the levees is a statewide employment hub with more than 2,500 businesses employing nearly 60,000 jobs including 50% of our region's transportation and warehousing jobs and \$16 billion in annual economic activity. Additionally, 8,000 residents call the managed floodplain home and hundreds of acres of natural areas, parks, and so much more are protected. While the District has been vigilant in the operation and maintenance of the system, capital investments are needed to protect lives, jobs, and the environment.

The Problem

A long-standing local, state, and federal partnership has invested years, thousands of hours, and millions of dollars to assess the levee system's safety and to prepare for the growing risk of flooding and costly new regulations. Engineering studies conducted with the US Army Corps of Engineers and using FEMA federal standards identified projects necessary to bring our flood safety system up to federal safety standards. The system requires nearly \$300 million of improvements to bolster its resiliency, meet modern flood safety standards, and continue to keep Oregonians safe. With more than half—\$150 million—now committed from the local voter-approved general obligation bond and \$100 million authorized from the federal government, this capital package needs an additional \$45 million from the State of Oregon to complete the projects. This \$45 million investment will complete necessary flood safety projects and ensure future federal funding priority for our lifesaving flood safety system.

The Solution

To complete the list of needed improvements to the flood safety system, the coalition supporting this work is seeking an allocation of \$20 million in lottery funds during the 2025-2027 biennium and another \$25 million in the 2027-2029 biennium through the issuance of lottery bonds to fund the



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Columbia Corridor flood safety projects. This \$45 million investment will upgrade levees, pumps, conveyance, and much more to better protect the people, property, and businesses of Oregon, and ensure their contributions to the state's economy continue.

The state's investment comes with a great return on investment: primarily, the lives of Oregonians are protected; additionally, mitigating flood risk is much less expensive than rebuilding; the businesses and employees that rely on the levee system contribute to state taxes; and without these improvements property owners behind the levees could lose access to flood insurance from the system losing FEMA accreditation.

The Urgency

The safe operation of our flood safety system depends on state investment. This funding empowers the District to make necessary infrastructure improvements that meet federal safety standards while unlocking more than \$100 million of federal funding. State investment demonstrates to the federal government that our state remains committed to protecting Oregonians from flooding—especially in this economically vital part of the state. State support completes a funding package leveraged at the local, regional, state, and federal levels to upgrade and improve the flood safety system and better positions our federally cost-shared projects.

The creation of the District in 2019 by the Oregon Legislature recognized the need to increase flood safety, prepare for climate change, advance natural floodplain restoration, contribute to water quality, embed equity in flood safety operations, and celebrate the diverse cultural history of the managed floodplain. Major floods are increasing with climate change, and this century-old system requires capital improvements. Major floods will cost lives and homes, damage the natural environment, and affect tens of thousands of jobs behind the managed floodplain.

Flood risk along the Columbia River in greater Portland is real and growing. The threat of storms, atmospheric rivers, and rain-on-snow events is increasing. With changes to operations of the Columbia River, upstream storage is less predictable. With increasing atmospheric river rain events, the heart of our manufacturing and warehouse sectors face internal and external flood risk. Extreme weather events and historic floods are happening around the world. It is only a matter of time until the Portland region experiences such an event. State investment will prepare Oregonians for the inevitable.

Thank you for your ongoing support for the flood safety district and for your consideration of this important request. With additional capital funds from the State, the District will deliver the flood safety needed by the community to be better prepared for an uncertain future. Please support HB 2726.

Sincerely,

Jim Middaugh

Jim Middaugh (Feb 18, 2025 09:19 PST)

Executive Director

Urban Flood Safety and Water Quality District

