

HB 5024: Cities Support for Business Oregon 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 cities across Oregon.*

Business Oregon administers critical programs that assist businesses, local governments, and communities across the state to grow Oregon housing, 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 115 & POP116: Special Public Works Fund (SPWF): \$100 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.
- Note: this requested amount is slightly above the Governor's Recommended Budget (GRB), but the request is consistent with economic development community needs.

POP 118: Industrial Site Loan Fund: \$40 million in Lottery Bonds

- Funding for proposed Industrial Site Loan Fund created in HB 2411 to address a lack of adequate market ready industrial sites to support existing and prospective business manufacturers.
- Oregon's cities have many parcels zoned for industrial development, but those lands need to be improved to make them buildable, and many jurisdictions lack the funding. Employment lands play a key role for local governments, providing stable revenue for essential services such as roads, water and sewer, public safety, schools, libraries and parks.
- 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 123: Oregon Broadband Office

Provides the Oregon Broadband Office (OBO) the authority to spend anticipated federal funding for broadband planning, deployment, mapping, equity, and adoption activities. This placeholder POP was introduced to provide spending limitations for the Broadband Equity, Access and Deployment (BEAD) and Digital Equity (DE) programs. The OBO anticipates \$9.4 million in Federal Funds spending limitations for DE program administration and awards, and \$278.1 million in Federal Fund spending limitations for the BEAD program administration and awards.

POP 500: Housing Infrastructure and Site Readiness: \$100 million in Lottery Bonds

Funding for a housing infrastructure program in HB 3031 that supports water, wastewater, stormwater, and transportation improvements to address the state's current housing shortage.

POP 501: Brownfields Redevelopment Fund: \$10.0 million in Lottery Bonds to recapitalize fund

POP 502: Brownfields Properties Revitalization Fund: \$5.0 million in Lottery Bonds to capitalize 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.

We urge your support.



CITY OF BEND

