



Joint Subcommittee on Capital Construction
Oregon State Legislature

May 9, 2025

RE: SB 5531 Lottery Bond Authorization

Dear Committee Chairs and Co-Chairs,

On behalf of the Oregon Museum of Science and Industry (OMSI) and our public, Tribal, nonprofit, and private-sector partners, I want to express our deep appreciation for your previous investment in the OMSI District. Your leadership and commitment to this one-of-a-kind neighborhood centered on innovation, inclusion, and science learning have laid the foundation for transformative change. We write today to share the significant progress we have made thanks to your support, and to request your help in closing a critical infrastructure funding gap that threatens to stall momentum at a pivotal moment.

OMSI serves over 1.2 million children and families across Oregon every year, providing high-quality science education that equips the next generation to navigate and lead in an increasingly complex world. The OMSI District is our bold vision to ensure these opportunities grow through building self-sustaining revenue streams for OMSI and our partners. Spanning 10 city blocks along the Willamette River, this mixed-use neighborhood will include affordable housing, public green space, Tribal partnership, and a new waterfront education park that will restore Indigenous presence on the riverfront and advance climate and community resilience.

At the heart of unlocking this vision is critical infrastructure: the construction of a New Water Avenue and essential district-wide utilities. These investments will enable vertical development, maximize density, and support housing, education and innovation facilities that benefit Oregonians statewide.

Thanks to your support and strong partnerships, we have made major progress, including:

- Securing \$15.4 million from the City of Portland towards district infrastructure, which includes \$10.9 million for New Water Avenue construction;
- Acquiring land for roadway right-of-way from Portland General Electric, TriMet, and Oregon Pacific Railroad, including moving a rail spur and relocating railcars;
- Completing environmental testing on all roadway right-of-way parcels;
- Establishing an agreement framework with the Oregon Department of Transportation to vacate surplus easements intersecting with the new roadway; and
- Reaching the 60% design milestone for New Water Avenue and district utilities in March 2025.

However, despite rigorous value engineering and cost-control efforts, the current expected gap for construction funding is estimated to be \$16 million. This gap is primarily due to steep material and labor cost escalation, and significant economic uncertainty driving increased contingency in the project construction budget. Without closing this gap, we risk costly delays and the loss of hard-won momentum.

We are actively pursuing multiple funding strategies, including philanthropy and private partnerships. But we need the State's support once again to stay on track for construction to begin in 2026. The return on investment is significant. Already we are:

- Launching design for the district's first 80-100 affordable housing units, in partnership with Edlen & Co., Hacienda CDC, Holst Architecture, and Colas Construction;
- Advancing the co-development of the waterfront education park with the Columbia River Inter-Tribal Fish Commission;
- Collaborating with the Northwest Native Chamber and Center for Tribal Nations Advisory Committee to advance planning for a new Center for Tribal Nations in the district;
- Engaging future tenants, including startup accelerators and advanced manufacturing technology centers; and
- Building out OMSI's comprehensive campaign to bring private philanthropic investments into public amenities in the district that will serve the state.

This is not just a Portland project – it is an Oregon investment in education, equity, economic development, and climate resilience. With your renewed support, we can realize a once-in-a-generation opportunity to build a dynamic, inclusive district that reflects our state's values and vision for the future.

Thank you for your leadership, and for considering this critical next investment in the OMSI District.

Sincerely,



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