



February 10, 2026

Senate Committee on Finance and Revenue
Oregon State Legislature
900 Court Street NE
Salem, Oregon 97301

RE: Support for SB 1585 — Matching Grant Caps for Small Cities

Dear Chair and Members of the Committee,

The City of Rivergrove writes in strong support of Senate Bill 1585, which would cap matching fund requirements for state grants to small incorporated cities for capital construction and municipal infrastructure.

Rivergrove is among the smallest incorporated cities in Oregon, with a population of approximately 575 and an annual general fund budget of approximately \$150,000. We have one part-time employee. We have no public works department, no engineering staff, and no dedicated capital reserves. We are, in short, exactly the kind of city that state infrastructure grant programs are designed to help—and exactly the kind of city that current match requirements effectively shut out.

The impact of high match requirements on cities our size cannot be overstated. When a state grant program requires even a modest match, a city operating on \$150,000 faces a fundamentally different calculus than a city with a \$50 million budget. A 25 percent match on a \$100,000 grant consumes one-sixth of our entire annual budget. A 50 percent match on a \$200,000 grant—not uncommon in state infrastructure programs—would consume two-thirds. The result is not that we struggle to meet the match. The result is that we do not apply at all.

Under SB 1585, that same \$200,000 grant would require a match of no more than 3 to 5 percent, or approximately \$6,000 to \$10,000. That is the difference between a program that exists for us only on paper and one we can actually use to serve our residents.

The bill's provision allowing grant funds to be used for all project phases—including engineering, planning, and support, not just construction—addresses a separate but related barrier. Small cities often lack the upfront resources to complete the planning and engineering work required before a construction grant can even be awarded. Allowing grant funds to cover these phases means small cities can participate in the process from the beginning, rather than being priced out before a shovel ever touches the ground.

We note that this bill builds on the work of HB 3654 from the 2025 session, which passed the House with broad support before expiring in the Senate Committee on Rules. SB 1585 reflects the same bipartisan recognition that small cities face structural barriers to accessing state infrastructure funding, and we are encouraged to see it return with strong sponsorship from both chambers and both parties.

Rivergrove urges the Committee to advance SB 1585. Small cities across Oregon are doing their best to maintain and improve infrastructure with extremely limited resources. This bill does not ask for special treatment. It asks that state grant programs be structured in a way that makes them genuinely accessible to the communities they were designed to serve.

Respectfully submitted
On behalf of the Rivergrove City Council,

A handwritten signature in blue ink, appearing to read "Chris Barhyte".

Chris Barhyte
Mayor, City of Rivergrove