

A-Engrossed
Senate Bill 1027

Ordered by the Senate May 17
Including Senate Amendments dated May 17

Sponsored by COMMITTEE ON BUSINESS, TRANSPORTATION AND WORKFORCE DEVELOPMENT (at the request of Port of Hood River)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Establishes Hood River Waterfront Employment Project Fund. Continuously appropriates monies in fund to Economic and Community Development Department for development of commercial property owned by Port of Hood River. Provides for issuance of lottery bonds for fund.

Declares emergency, effective July 1, 2007.

A BILL FOR AN ACT

1
2 Relating to Hood River Waterfront Employment Project Fund; appropriating money; and declaring
3 an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. As used in sections 1 to 4 of this 2007 Act:**

6 (1) **"Hood River Waterfront Employment Project" means the project for design, con-**
7 **struction, installation, financing and procurement of improvements or equipment to con-**
8 **struct or reconstruct one or more commercial buildings on property owned by the Port of**
9 **Hood River.**

10 (2) **"Port" means the Port of Hood River.**

11 **SECTION 2. The Legislative Assembly finds that:**

12 (1) **The development and operation of the Hood River Waterfront Employment Project**
13 **will accomplish the purpose of creating jobs and furthering economic development in Oregon,**
14 **because:**

15 (a) **Construction and operation of the Hood River Waterfront Employment Project will**
16 **provide facilities to attract commercial or industrial firms to the Hood River area and retain**
17 **those firms;**

18 (b) **Construction and operation of the Hood River Waterfront Employment Project will**
19 **support the opportunity to create new family wage jobs for Oregon's workforce; and**

20 (c) **Authorization for the issuance of lottery bonds for the Hood River Waterfront Em-**
21 **ployment Project will increase the likelihood of additional private investment in Hood River**
22 **and will provide revenues that will directly benefit Oregon's construction industry.**

23 (2) **The factors described in subsection (1) of this section will encourage and promote**
24 **economic development within the state, and the issuance of lottery bonds to finance the**
25 **Hood River Waterfront Employment Project is therefore an appropriate use of state lottery**
26 **funds to pay the amounts specified in section 4 of this 2007 Act, under section 4, Article XV**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 of the Oregon Constitution, and under ORS 461.510. Neither the faith and credit nor any of
2 the taxing power of the state is pledged or otherwise committed by sections 1 to 4 of this 2007
3 Act, and the commitments of the state under sections 1 to 4 of this 2007 Act and ORS 777.277
4 to 777.287 and the grant agreement described in section 3 (3)(a) of this 2007 Act do not con-
5 stitute a debt or liability of the state within the meaning of section 7, Article XI of the
6 Oregon Constitution.

7 **SECTION 3.** (1) The Hood River Waterfront Employment Project Fund is established
8 separate and distinct from the General Fund. Interest earned by the Hood River Waterfront
9 Employment Project Fund shall be credited to the fund. The moneys in the Hood River
10 Waterfront Employment Project Fund are continuously appropriated to the Economic and
11 Community Development Department for the purposes described in sections 1 to 4 of this
12 2007 Act. The fund shall consist of moneys deposited in the fund under section 4 of this 2007
13 Act and may include fees, moneys or other revenues available for payment of expenses of the
14 Hood River Waterfront Employment Project.

15 (2) Subject to subsection (3) of this section, moneys in the fund shall be available for
16 immediate distribution to the port to pay expenses of the project.

17 (3)(a) The Director of the Economic and Community Development Department shall enter
18 into a grant agreement with the Port of Hood River that requires the department to dis-
19 burse, over the course of the project, the principal amount of \$2 million plus interest
20 earnings from the fund to pay for the Hood River Waterfront Employment Project. Dis-
21 bursements from the fund shall be made as soon as sufficient deposits accrue in the fund
22 and shall commence when the director determines that the Port of Hood River has provided
23 satisfactory documentation that the port will have sufficient funds to complete the project.

24 (b) Upon satisfaction of the conditions described in paragraph (a) of this subsection, the
25 director shall disburse \$2 million plus interest earnings from the fund to the port.

26 (4) The state is not liable to the lenders, vendors or contractors of the Port of Hood River
27 for any action or omission under sections 1 to 4 of this 2007 Act or under the grant agree-
28 ment described in subsection (3)(a) of this section.

29 **SECTION 4.** (1) For the biennium beginning July 1, 2007, the State Treasurer is author-
30 ized to issue lottery bonds pursuant to ORS 286.560 to 286.580 in the amount of \$2 million for
31 payment of the expenses of the Hood River Waterfront Employment Project, plus an addi-
32 tional amount to be estimated by the State Treasurer for payment of bond-related costs of
33 the Economic and Community Development Department and the State Treasurer.

34 (2) Lottery bonds issued under this section may be issued no later than June 30, 2008,
35 at the request of the Director of the Economic and Community Development Department in
36 accordance with the grant agreement as described in section 3 (3)(a) of this 2007 Act. Lottery
37 bonds issued pursuant this section shall be issued only at the request of the director. The
38 director may not request the issuance of lottery bonds pursuant to this section until the Port
39 of Hood River provides documentation satisfactory to the director that the port will have
40 sufficient funds to complete the project.

41 (3) Net proceeds of lottery bonds issued under this section in the amount of \$2 million
42 shall be deposited in the Hood River Waterfront Employment Project Fund established by
43 section 3 of this 2007 Act.

44 (4) The bond-related costs of the Economic and Community Development Department,
45 the Oregon Department of Administrative Services and the State Treasurer for the lottery

1 **bonds authorized by this section may be paid from the gross proceeds of the lottery bonds**
2 **and from allocations for the purposes of ORS 286.576 (1)(c).**

3 **(5) Lottery bonds issued under this section are exempt from ORS 286.505 to 286.545.**

4 **SECTION 5. This 2007 Act being necessary for the immediate preservation of the public**
5 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
6 **July 1, 2007.**

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