
MEMORANDUM

Legislative Fiscal Office
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To: *Capital Construction Subcommittee*

From: *Krista McDowell, Legislative Fiscal Office*
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Date: July 3, 2015

Subject: *HB 3526*
Work Session Recommendations

HB 3526 - A relates to Oregon Main Street Revitalization Grant Program. The bill establishes the Oregon Main Street Revitalization Grant Program within the Oregon Parks and Recreation Department (OPRD) for the purpose of awarding annual competitive grants for preservation-based community revitalization and economic development.

The measure was previously heard in the House Committee on Transportation and Economic Development, as well as the House Committee on Rules.

Funding for the Oregon Main Street Revitalization Grant Program is anticipated to be supported by the issuance of lottery bonds sufficient enough to produce \$2.5 million in funding, which will be authorized in the Lottery Bond Bill (HB 5030). Administrative costs for the program are anticipated to be absorbed by the agency with existing budgetary resources for the 2015-17 biennium, however the agency may return in the February 2016 session should additional resources be necessary.

Amendment

The proposed – A4 amendment to the measure strikes Section 3 of the bill which relates to bonding authority. The bonding authority will be authorized in HB 5030.

Motion: Move the –A4 amendment to HB 3526 .

Measure as Modified

The measure, as amended, is recommended to be moved to the full Committee on Joint Ways and Means.

Motion: Move HB 3526 to the full committee with a “do pass” recommendation, as amended.

Assignment of Carriers

Full: _____

1st Chamber: _____

2nd Chamber: _____

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3526 - A4

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Krista McDowell
Reviewed by: Linda Gilbert, John Borden, Daron Hill, Steve Bender, Julie Neburka
Date: 7/1/2015

Measure Description:

Establishes Oregon Main Street Revitalization Grant Program within State Parks and Recreation Department for purpose of awarding grants to acquire, rehabilitate and construct buildings in designated downtown areas statewide and to facilitate community revitalization.

Government Unit(s) Affected:

Oregon State Treasurer, Bonding, Oregon Parks and Recreation Department (OPRD), Business Development Department (Business Oregon), Oregon Department of Transportation (ODOT)

Summary of Expenditure Impact:

Other Funds	\$94,288	\$263,313
Total Funds	\$94,288	\$263,313
Positions	1	2
FTE	0.50	1.50

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The bill establishes the Oregon Main Street Revitalization Grant Program within the Oregon Parks and Recreation Department (OPRD) for the purpose of awarding annual competitive grants for preservation-based community revitalization and economic development. OPRD would also be required to provide regular updates to other state agencies that have an interest in the implementation and administration of the grant program, including but not limited to the Oregon Business Development Department and the Department of Transportation.

Funding for the Oregon Main Street Revitalization Grant Program is anticipated to be supported by the issuance of \$2.5 million in lottery bonds, which will be authorized in the Lottery Bond bill (HB 5030). The bond sale is expected to take place in the spring of 2017; therefore no debt service is anticipated until the 2017-19 biennium. Other Funds expenditure limitation to pay cost of issuance for the lottery bonds related to this legislation, and to pay for grant awards, will be added in the Emergency Board financial administration bill (HB 5507). Administrative costs for the program are anticipated to be absorbed by the agency with existing budgetary resources for the 2015-17 biennium, however the agency may return in the February 2016 session should additional resources be necessary. Proceeds remaining after the deduction of costs for issuance will be used for grant awards.

To establish and administer the grant program OPRD anticipates the need for one limited-duration Program Analyst 2 (0.50 FTE) position for a projected cost of \$94,288 Other Funds (OF) in the 2015-17 biennium and (1.00FTE) for a cost of \$177,577 OF in the 2017-19 biennium. To carry out the financial responsibilities associated with the grant program and conduct debt service work, OPRD requests one limited-duration Accountant 2 (0.50 FTE) position for a cost of \$85,736 OF for the 2017-19 biennium. Rulemaking costs to OPRD are assumed to be absorbable within existing parameters of the agency budget.

The fiscal impact is minimal and absorbable within the existing parameters of the budget for the following agencies: Oregon State Treasurer, Business Development Department (Business Oregon), and the Oregon Department of Transportation (ODOT).

HB 3526-A4
(LC 4213)
7/1/15 (BLS/ps)

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 3526**

1 On page 1 of the printed A-engrossed bill, line 4, delete “sections 2 and
2 3” and insert “section 2”.

3 On page 3, line 7, delete “under section 3 of this 2015 Act”.

4 Delete lines 14 through 28.

5 In line 29, delete “4” and insert “3”.

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