



ALEX CUYLER

Intergovernmental Relations Manager
Alex.Cuyler@co.lane.or.us

DATE: May 12, 2017

TO: Joint Committee on Ways and Means, Capital Construction Sub-Committee

RE: SB 5505, relating state financial administration

Co-chairs Senator Girod, Representative Holvey and members of the Sub-Committee:

Lane County is seeking Article XI-Q bond authorization in the amount of \$5M for its courthouse replacement project for a bond sale which would occur in spring, 2019. Lane County expects to use its own capital to purchase a full city block in downtown Eugene for the site of a new Circuit Court facility and this purchase will serve as the County's matching requirement for the bond we are requesting. The county match is a statutorily required element of accessing the Oregon Courthouse Capital Construction Improvement Fund for purposes of replacing a county courthouse.

The Lane County courthouse replacement project was initiated in 2014. It was selected by the Chief Justice as an eligible project through a collaborative project to vet and queue courthouse improvements and replacements established in 2014 by the Association of Oregon Counties and the Oregon Judicial Department. The Oregon Legislature previously approved the project for a \$1.4M bond sale which occurred in late February of this year.

Over the past six months, the project significantly advanced after a disciplined public process between Lane County and the city of Eugene to formally review downtown Eugene development efforts. The Eugene City Hall and the County Courthouse are pending construction projects, and the siting of these facilities was thoroughly explored during this effort. In December, 2016 the respective governing bodies passed similar motions directing their staffs to appraise two sites each entity owns, for the purpose of exploring mutual sales and purchase agreements. That work is complete, and is scheduled for public meetings later this month. It is expected that the next direction from the governing bodies will be to enter into negotiations in order to finalize these transactions.

As the Sub-Committee is aware, one challenge for replacing a courthouse is the once in a biennium availability of these funds. The projects must advance at a pace that can predictably take advantage of funding that will not be available until two years in the future, and the phasing, size, and complexity of these projects can easily result in a eight to ten year concept to completion timeline. Lane County is well aware of these challenges and is prepared to make an investment in the preferred building site for the new facility this year. In order to continue towards a 2019-21 construction schedule, it seeks the \$5M bond authorization in order to ready the site for construction and to finalize the facility design, budget, and necessary permitting in advance of the 19-21 biennium.

SUBMITTED ELECTRONICALLY