

DATE: May 19, 2017

TO: Joint Ways and Means Capital Construction Subcommittee

FROM: Chris Cummings
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Oregon Business Development Department

SUBJECT: Lottery Bond Request
SB 5530
Special Public Works Fund
Regional Infrastructure Fund

Special Public Works Fund

The Governor's Recommended Budget proposes to fund the Special Public Works Fund (SPWF) with \$50,794,349 from Lottery backed bond proceeds for the 2017-2019 biennium. The SPWF assists local communities with financing necessary to address critical infrastructure needs necessary for economic and community development. Of the \$50,000,000 requested for SPWF, \$10,000,000 is designated funding that addresses the emerging need for levee inspection, repair, certification, and accreditation for the many entity types that have levee ownership obligations.

SPWF

The SPWF is a revolving loan fund which provides funds for publically owned facilities that support community and economic development in Oregon – primarily in rural communities. Additionally, the SPWF provides state match for federally funded infrastructure programs, emergency aid associated with Federal Emergency Management Administration (FEMA) declarations, and job creation/retention related projects. The SPWF is overseen by the legislatively designated, governor appointed Infrastructure Finance Authority (IFA) board.

For the current biennium, over \$89 million has been awarded from the SPWF for 102 projects. Oregon Business Development Department's (OBDD) target annual award amount is \$45 million. Over \$16 million projects exist on the project pending list with more in development. Based on improved economic conditions, as well as approximately 90 planning projects over the last three years, OBDD expects to meet the target annual award. OBDD forecasts being able to meet its annual award target through only 2019. Thus, severely limiting the ability of rural communities to access funding for crucial infrastructure projects beyond 2019.

The SPWF has been an extremely valuable tool for rural Oregon communities with 89% of the current biennium's funding awarded to rural municipalities. Examples of SPWF funded projects includes industrial lands readiness studies and infrastructure, water and wastewater facilities, airport and marine port improvements, transportation facilities, firm business commitment funding, and emergency repair assistance.

Levee

In the 2015 Legislative session the Oregon Legislature approved a \$5,000,000 set-aside from the SPWF for projects related to levee certification and accreditation by the Federal Emergency Management

Agency (FEMA). Areas protected by non-accredited levees are at risk of being mapped by the National Flood Insurance Program (NFIP) as high-risk flood zones; resulting in mandatory flood insurance requirements and the possibility of local jurisdictions imposing development restrictions.

In Oregon there are approximately 330 levee miles residing with 213 different authorities. Of these, the US Army Corp of Engineers (USACE) has determined that 35% are in unacceptable condition and 43% are minimally acceptable. Only 45 miles (13.5%) of levees within five communities are currently accredited by FEMA. A Levee Ready Columbia survey conducted in 2015 determined an average cost of \$11 million per levee mile for rehabilitation to meet current federal levee safety standards. Levee Ready Columbia is a consortium of public and private-sector dedicated to finding solutions for addressing levee needs in the Portland area.

Regional Infrastructure Fund

The Governor's budget further requests \$11,000,000 to capitalize the Regional Infrastructure Fund (RIF). The RIF is used exclusively for funding associated for Regional Solutions Team (RST) projects.

The RIF supports projects identified by the Governor's Regional Solutions Advisory Committees. Regional Solutions is an innovative, collaborative approach to community and economic development in Oregon that promotes public-private partnerships. Interagency Regional Solutions Teams work collaboratively to solve problems, streamline government, and identify resources from public, private, and philanthropic partners. While RST projects do not always leverage RIF, Regional Solutions Advisory Committees recommend funding certain projects through the RIF in order to catalyze additional investment by partners. For the current biennium RIF/RST funded twenty-two projects with \$11,586,200. (See attached project list)

SUMMARY

SB 5530 authorizes the issuance of lottery backed bonds for investment in Oregon's rural infrastructure with the primary purposes of community development and expanding economic opportunities.

Regional Infrastructure Fund Projects
2015 – 2017
April 2017

#	Region	Recipient	Project Name	Funding	Date Contract Executed	Planning or Permitting Stage*	Percent Implemented or Constructed*
1	Central	Central Oregon Intergovernmental Council	Central OR Transformational Transportation Network	\$738,000	01/03/2017	Underway	Will break ground later this year
2	Central	Oregon State University	Innovation Center for Entrepreneurship OSU Cascades	\$524,800	06/13/2016	Done	50%
3	Greater Eastern	Grant County	Biomass Breakdown Facility	\$811,800	04/26/2017	Underway	0%
4	Greater Eastern	City of Hermiston	Regional Water System Delivery Improvement-Port of Umatilla	\$664,200	12/16/2015		100%
5	Metro	Multnomah County	Columbia River Corridor Levee Improvements	\$300,000	01/13/2016		50%
6	Metro	Port of Portland	Neighborhood Brownfields Revitalization Initiative/Cully Park Parking Lot	\$100,000	ETA 05/2017	Done	ETA Fall 2017/Jan 2018
7	Metro	Port of Portland	TRIP Phase II Infrastructure, Earthwork & Wetland	\$1,140,000	05/02/2016		100%
8	Mid-Valley	Marion County	Career Technical Education Facility Salem	\$900,000	ETA 05/2017	on-going	40%
9	Mid-Valley	City of Newberg	Crestview Drive Improvements Newberg	\$740,000		on-going	0%
10	North Central	City of Hood River	Attainable Workforce Housing	\$410,000		Underway	0%
11	North Central	Sherman County	Sherman County Broadband	\$820,000			100%
12	North Central	City of Maupin	Wasco County Broadband Fiber Project	\$410,000	02/22/2016		55%
13	North Coast	Pending Contract	Dike and Levee Repair	\$160,000		0	0%
14	North Coast	Tillamook County	Neskowin Emergency Access Road Project	\$150,000	09/15/2015	Done	Looking at federal grants
15	North Coast	City of Warrenton	North Coast Pacific Seafood Dock Project	\$150,000			Dock under construction
16	North Coast	Tillamook County	Southern Flow Corridor Flood Mitigation	\$500,000	09/15/2015		100%

Regional Infrastructure Fund Projects
2015 – 2017
April 2017

17	North Coast	City of Rainier	Rainier Rail Safety	\$60,000		Done	Construction 2018
18	Northeast	Union County	Baum Industrial Property Infrastructure Improvements	\$1,066,000	04/21/2016	Done	0%
19	South Central	Pending Contract	Small Communities Planning, Technical Assistance	\$250,000		RSAC reviewing projects	
20	South Coast	MULTIPLE - Youth Workforce	Youth Workforce Development & Community Infrastructure Project	\$820,000		Projects selected, contracting in process	
21	Southern	Josephine County	East Side Parallel Taxiway Planning	\$344,400	10/27/2016	Done	Construction Summer 2017
22	Southern	Rogue Valley Council of Governments	Fry Family Farm Food Hub	\$395,000	10/07/2015		100%
23	Southern	Jackson Soil & Water Conservation District	Little Butte Creek Watershed Efficiency	\$282,000			

* RIF dollars are only a portion of the funding for each project, the information listed under the last two columns – “Planning Stage” and “Percent Implemented” – refer to the project as a whole rather than the portion of the project funded through Regional Solutions. “Planning stage” generally means a shovel hasn’t hit the ground and under “percent implemented” we’ve indicated *approximately* how far along the project is to completion.

**Special Public Works Fund
2015-2017 Awards**

Client Name	Short Description	Approved Amount
City of Albany	Downtown Albany Streetscape	\$8,400,000
City of Astoria	Shoreline Erosion & Waterline Bank Stabiliz (FEMA)	\$73,187
City of Aurora	Wastewater Facilities Plan	\$20,000
City of Baker City	Wastewater Facility Plan Update	\$20,000
City of Boardman	Wastewater Facility Plan	\$20,000
City of Canby	SE 4th Ave & S Mulino Rd Infrastructure Imprvmts	\$323,900
City of Canby	SE 4th Ave & S Mulino Rd Infrastructure Imprvmts	\$500,000
City of Canyonville	Wastewater Treatment Improvements Phase II	\$800,000
City of Canyonville	Wastewater Treatment Improvements Phase II	\$1,000,000
City of Carlton	Wastewater Facilities Plan	\$20,000
City of Carlton	Wastewater Facilities Plan	\$40,000
City of Coburg	Water Master Plan Update	\$20,000
City of Condon	Water System Master Plan Update	\$20,000
City of Condon	Wastewater Collection System Study Update	\$20,000
City of Donald	Industrial Park Water Transmission Line	\$200,000
City of Drain	Wastewater Improvement Project	\$750,000
City of Drain	Wastewater Improvement Project	\$4,875,000
City of Dufur	Water System Master Plan	\$20,000
City of Dufur	Wastewater Facility Plan	\$20,000
City of Falls City	Water Master Plan	\$20,000
City of Falls City	Dutch Creek Crossing Permanent Repairs (FEMA)	\$62,500
City of Garibaldi	Arizona Way Bridge Construction (FEMA Match)	\$74,500
City of Gold Hill	Water Treatment Plant Improvements	\$159,229
City of Gold Hill	Water Treatment Plant Improvements	\$159,231
City of Harrisburg	Drinking Water Treatment Feasibility Study	\$20,000
City of Hermiston	S Hermiston Reg Assess of Indust Sewer Expansion	\$29,750
City of Hillsboro	Technology Park Huffman St Water Line Extension	\$500,000
City of Independence	Independence Landing Infrastructure	\$2,654,580
City of Irrigon	Wastewater Facility Plan	\$20,000
City of John Day	Wastewater Facility Plan	\$20,000
City of John Day	Wastewater Treatment Plant - OR Pine Property Acqu	\$519,000
City of Lebanon	Water Treatment Plant	\$11,000,000
City of Madras	Madras Municipal Airport West Access Road	\$150,000
City of Maupin	Fiber Optic Boardband System Engineering	\$28,504
City of Millersburg	Sanitary Sewer Master Plan Update	\$20,000
City of Mosier	Water System Planning Project	\$20,000
City of Mount Vernon	Wastewater System Improvements	\$286,222
City of Mount Vernon	Wastewater System Improvements	\$286,223
City of Oakland	Raw Water Intake Engineering - FEMA	\$21,125
City of Oakland	WWTP Effluent Engineering - FEMA	\$7,500
City of Oregon City	Beavercreek Road Infrastructure Final Design	\$60,000
City of Pendleton	E Airport Industrial Wtr Sys Impr (Hill Meat Exp)	\$150,000
City of Philomath	Wastewater System Facility Plan Update	\$20,000
City of Philomath	Water System Master Plan Update	\$20,000

City of Reedsport	Levee Certification	\$50,000
City of Saint Paul	Water Feasibility Study	\$19,500
City of Salem	Renewable Energy & Technology Center Improvements	\$500,000
City of Salem	Renewable Energy & Technology Center Improvements	\$1,700,000
City of Scappoose	West Lane Road Frontage Improvements	\$345,000
City of Scappoose	Water Master Plan	\$20,000
City of Seneca	Wastewater System Improvements	\$500,000
City of Seneca	Wastewater System Improvements	\$500,000
City of Stanfield	Water System Master Plan	\$20,000
City of Stanfield	Water System Master Plan	\$60,000
City of Stayton	Wilco Road Industrial Area Infra Improv Planning	\$27,000
City of Toledo	Water Master Plan	\$20,000
City of Umatilla	Recycled Industrial Water Pipeline Final Design	\$403,000
City of Vale	Water System Improvements	\$496,000
City of Vale	Water System Improvements	\$496,000
City of Vale	Rhinehart Transmission Line Improvements	\$254,000
City of Vale	Rhinehart Transmission Line Improvements	\$254,000
City of Veneta	Wastewater Contaminant Testing	\$20,000
City of Waldport	Acquisition of Public Works Shop and Land	\$500,000
City of Waldport	Waldport Industrial Area Feasibility Study	\$60,000
City of Warrenton	Inflow and Infiltration Reduction Study	\$20,000
City of Warrenton	Inflow and Infiltration Reduction Study	\$35,000
City of Warrenton	Industrial User Agreement	\$46,580
City of Warrenton	Water Master Plan	\$20,000
City of Woodburn	SW Industrial Reserve Area Infrastructure Planning	\$60,000
Coos County Airport District	Building Purchase	\$2,216,766
Coos County Airport District	DHS Facility	\$11,500,895
Deschutes Valley Water District	Opal Springs Fish Passage and Hydro Improvements	\$6,000,000
Harney County	Juntura Cutoff Road Final Design & Construction	\$315,000
Heceta Water People's Utility District	Collard Lake Rd Waterline Improv Emergency Repair	\$663,500
Heceta Water People's Utility District	Collard Lake Road Waterline Improvements - FEMA	\$210,447
Heceta Water People's Utility District	Collard Lake Road Waterline Improvements - FEMA	\$372,970
Malheur County	Onion Disposal	\$11,500
Multnomah County	Levee Accreditation Evaluation (MCDD & SDIC)	\$1,499,880
Multnomah County	Levee Accreditation Evaluation (MCDD & SDIC)	\$1,967,832
Multnomah County	Levee Accreditation Evaluation (MCDD & SDIC)	\$100,000
Multnomah County	Sauvie Island Levee Accreditation Evaluatn (SIDIC)	\$50,000
Multnomah County	Sauvie Island Levee Accreditation Evaluatn (SIDIC)	\$141,400
Multnomah County	Sauvie Island Levee Accreditation Evaluatn (SIDIC)	\$191,400
Ochoco West Water and Sanitary Authority	Water Supply Feasibility Study	\$20,000

Port of Alsea	Dredging and Debris Boom Repair (FEMA Match)	\$149,809
Port of Brookings Harbor	Commercial Receiving Dock Renovation	\$1,562,157
Port of Cascade Locks	Industrial Bldgs 2 & 4 Herman Creek Lane Biz Cmplx	\$1,888,000
Port of Morrow	Wastewater System Improvements	\$12,618,567
Port of Newport	International Terminal Shipping Facility	\$2,000,000
Port of Saint Helens	McNulty Industrial Park Planning Project	\$51,000
Port of Saint Helens	Multnomah Building "B" Improvements	\$100,000
Port of Saint Helens	Multnomah Building "B" Improvements	\$150,000
Port of Saint Helens	Rainshadow Warehouse	\$200,000
RUSA - Roseburg Urban Sanitary Authority	Back Nine Services Planning	\$60,000
Scappoose Drainage Improvement Company	FEMA Levee Accreditation	\$90,175
Scappoose Drainage Improvement Company	FEMA Levee Accreditation	\$140,175
Scappoose Drainage Improvement Company	FEMA Levee Accreditation	\$50,000
Tillamook County	Public Works Road Repairs (FEMA Match)	\$500,000
Town of Lakeview	Water Master Plan Update	\$20,000
Town of Lakeview	Sewer and Water Extensions for Red Rock Biofuels	\$97,635
Town of Lakeview	Sewer and Water Extensions for Red Rock Biofuels	\$155,000
Union County	Airport Rappel Base Building	\$4,000,000
		\$88,970,639