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Support Special Public Works Fund (SPWF)

SB 5530 (lottery bond bill)

The League of Oregon Cities urges the recapitalization of the Special Public Works Fund (SPWF). **The SPWF provides grants and below-market loans to cities, counties and ports for infrastructure projects (e.g. water, wastewater, roads, rail, emergency services, airports, fiber, etc.) which support economic and community development.**

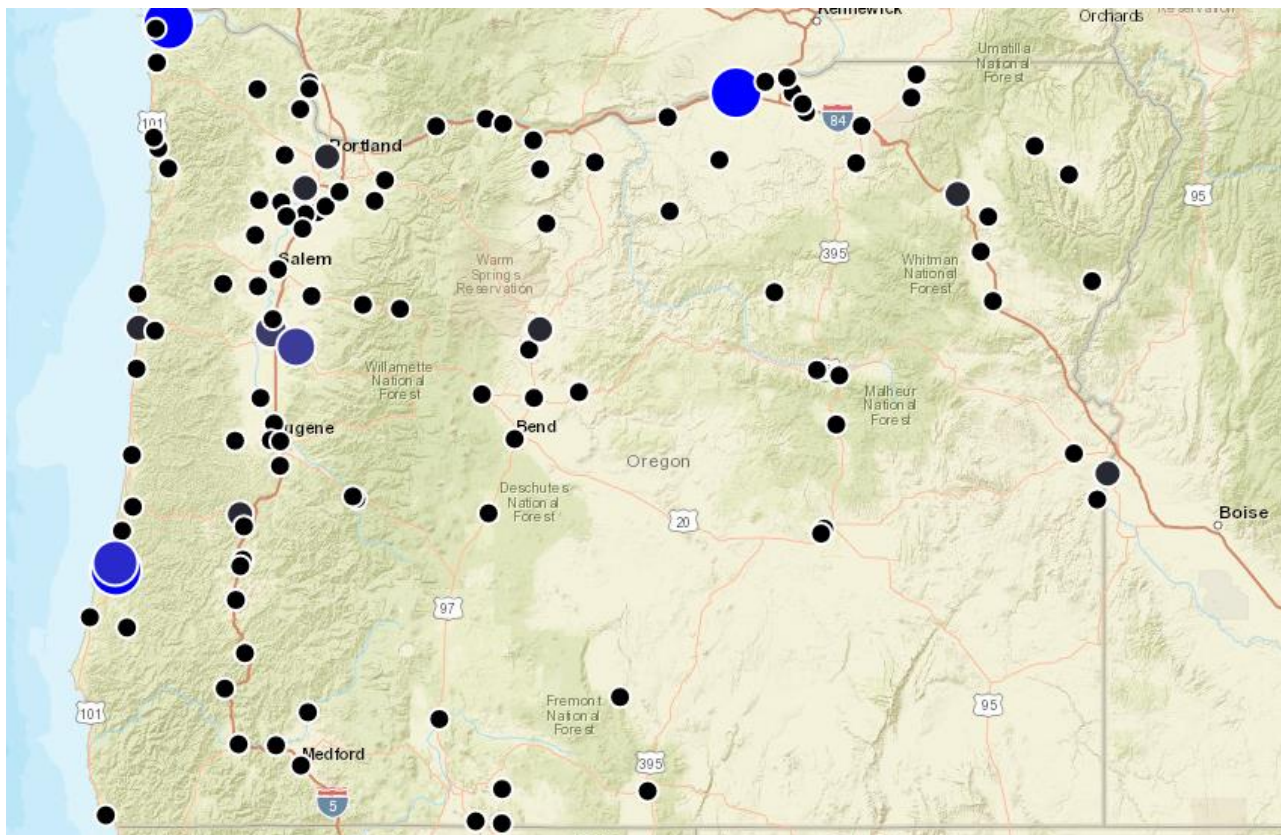
This fund is crucial for cities needing to finance costly projects and pay for planning. There are few other funding sources for such projects and this fund is often a key part of a finance package. Without recapitalization of the fund this year, distributions will decrease in the years ahead as most of the remaining balance has already been allocated to projects. Much of Oregon's infrastructure is more than 70 years old and failing; upgrades are greatly needed. The League maintains that the communities statewide cannot afford to get further behind on infrastructure upgrades and replacements – without them businesses and communities cannot grow. Cities are the engines of Oregon's economy and the state must work in partnership with cities.

The League understands that the state is expected to authorize approximately \$220 million in lottery bonds this biennium, but there is stiff competition for those funds. **For the Special Public Works Fund (SPWF), \$50 million is being requested, of which \$10 million would be designated for levees.** We maintain that the appropriation in SB 5530 (found in Sections 1 and 2 of the bill) and recommended by Governor Kate Brown is a wise investment. **In addition, appropriations through this fund come with the financial oversight and expertise of Business Oregon that is key to successful results.**

This fund is used by cities all over the state—rural and urban.

“The Special Public Works Fund is a vital tool for the City of Irrigon as we prepare to upgrade and improve our wastewater system. Infrastructure funding opportunities are already limited. Cutting or eliminating the Special Public Works Fund will threaten our project and many others across Eastern Oregon.” --City of Irrigon

The map below depicts the SPWF recipients from 2010-2017. Note that these are traditional SPWF and Water/Waste Water Fund grant and loan money recipients. **The number of cities would be much larger if we included those that received grants and loans from federal programs of which SPWF provided the necessary state match.** The SPWF program money leverages the following federal matching program funds: Community Development Block Grants (CDBG), FEMA grants and Safe Drinking Water Fund grants. CDBG awards need a two percent match for state administration of the federal program. Similarly, SPWF provides the necessary 20% state match for Safe Drinking Water Fund projects and needed match for FEMA emergency projects. **We can't afford to leave federal money on the table for these vital funds. Recapitalization now is crucial.**



The above map is in an interactive format on the League's website: <https://data.orcities.org/City-Financial-Data/Public-Works-Awards-Map/snpk-xnd3> You can click on each dot there to see the city name and the total award amounts from 2010-2017.

A more detailed dataset can also be viewed here: <https://data.orcities.org/City-Financial-Data/Public-Works-Awards-Detailed/k56y-efr5/data>