

Analysis

Item 8: Oregon Business Development Department

Municipal Wildfire Assistance

Analyst: Matt Stayner

Request: Appropriate \$2,000,000 General Fund to the Oregon Business Development Department for the establishment of a municipal wildfire financial assistance program.

Analysis: The request proposes the funding of a financial assistance program for local governments to aid in the short and long-term efforts to recover from the 2020 wildfire season. The program would be run on a reimbursement basis. However, a portion of the funding may be made immediately available to municipalities depending on their cash needs. Program funding will be initially allocated equally between impacted counties but, depending on the basis of need, may be adjusted if gaps are identified.

The funding will be used by municipalities to obtain human resources and contracted services for activities including, but not limited to, land use planning, infrastructure planning, FEMA applications, building permit application processing, financial and administrative program support, translation services, etc. The Oregon Business Development Department will use existing staff and resources for the administration of the program.

Legislative Fiscal Office Recommendation: The Legislative Fiscal Office recommends that the Emergency Board establish a General Fund appropriation by allocating \$2,000,000 General Fund from the special purpose appropriation made to the Emergency Board during the 3rd special session of 2020 for the state's wildfire recovery, prevention, and preparedness activities to the Oregon Business Development Department to fund a program providing direct financial assistance to municipalities impacted by 2020 wildfires.

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Oregon Business Development Department
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Request: Allocate \$2.0 million from the State Emergency Fund for the Municipal Wildfire Assistance Program.

Recommendation: Approve the request with the following modification: Allocate \$2.0 million from the special purpose appropriation made the Emergency Board for the state's wildfire recovery, prevention, and preparedness activities to support the Municipal Wildfire Assistance Program.

Discussion: The purpose of the Municipal Wildfire Assistance Program is to provide assistance to municipalities impacted by the 2020 Wildfire Season. Municipalities will be able to utilize the funding to meet local needs, such as land use planning, infrastructure planning, completion of Federal Emergency Management Agency (FEMA) applications, translation services, and more.

Oregon Business Development Department will allocate funding equitably over the impacted regions working closely with impacted municipalities and Regional Solutions Teams. The Department will utilize existing staff to administer the program and to assist communities with identifying other financial resources for recovery.

Legal Reference: Allocation of \$2,000,000 from the State Emergency Fund, set aside by the Special Purpose Appropriation under section 3, chapter _____, Oregon Laws 2020 (third special session) (Enrolled Senate Bill SB 5731) to supplement the appropriation made by chapter 522, section 1(2), Oregon Laws 2019, for the Oregon Business Development Department emergency student aid for the 2019-21 biennium.



January 4, 2021

The Honorable Senator Peter Courtney, Co-Chair
The Honorable Representative Tina Kotek, Co-Chair
State Emergency Board
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

Nature of the Request

The Oregon Business Development Department (Department) respectfully requests an increase in General Fund appropriation in the amount of \$2M for business, innovation and trade, for the Municipal Wildfire Assistance Program.

Agency Action

Background

The 2020 wildfire season had devastating impacts on municipal governments' ability to carry out traditional duties, but also on their ability to meet the demands of recovery efforts. Communities have identified the reality of limited staffing and other resources at the local level as an immediate and fundamental obstacle to recovery efforts. Impacted communities are overwhelmed by complex post-fire responsibilities.

Cities and communities need the opportunity to stabilize current operations to be better prepared for long-term recovery. Immediate, short-term (3 -12 months) funding will help stabilize local jurisdiction's efforts. This initiative will create a strong, locally-driven foundation to better prepare municipalities to receive recovery investments. The use of funds will be tailored to the particular needs of each region.

Program

- **Municipal Wildfire Assistance Program \$2 Million**

The purpose of the Municipal Wildfire Assistance Program is to provide human capacity assistance to municipalities that have been impacted by the 2020 Labor Day Wildfires. The program will provide direct financial assistance to municipalities to obtain human resources necessary for short- and long-term recovery efforts. Municipalities will be able to utilize these funds to meet local needs such as land use planning, infrastructure planning, completion of FEMA applications, translation services, and more.

Business Oregon will allocate amounts equitably over the impacted regions. The Department will then work with each region through one-on-one conversations and existing Regional Solutions Teams to identify individual needs and eligible expenses. The Department will utilize existing staff to administer this program and to assist communities with identifying other financial resources for recovery, working with all relevant partners as it normally does.

Business Oregon will work with municipalities to ensure local demographic and geographic equity is considered. The Department will rely on its network of technical assistance providers to assist with program guidance.

Action Requested

The Department respectfully requests the Emergency Board approve the increase in General Fund appropriation in the amount of \$2M for business, innovation and trade, for the Wildfire Capacity Assistance Program.

Total request is \$2,000,000 General Fund.

Legislation Affected

Increase the General Fund appropriation established by chapter 522, Section 1(2), Oregon Laws 2019 for the Oregon Business Development Department for Business, Innovation and Trade by \$2,000,000.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Cummings", with a stylized flourish at the end.

Chris Cummings
Interim Director