

Legislative Fiscal Office

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Joint Committee on Ways and Means

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Rep. Dan Rayfield, House Co-Chair

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Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Capital Construction Subcommittee

From: Amanda Beitel, Legislative Fiscal Office

Date: June 25, 2019

Subject: HB 5005 – Bond Authorization
Work Session Recommendations

HB 5005 limits the maximum amount of bonds and third-party financing agreements that state agencies may issue, and the amount of revenue state agencies may raise from such issuance. The proceeds from the issuance of bonds are included as revenues in agency budgets. The bill also allocates the federal tax-exempt private activity bond volume cap.

The -2 amendment replaces the bill with the final general obligation bonds, revenue bonds, and other financing agreements authorized to be issued during the 2019-21 biennium.

Bond authorizations include:

- \$75.3 million of Article XI-G bonds to finance 11 community college projects.
- \$121.5 million of Article XI-M and Article XI-N bonds for seismic rehabilitation grants to schools and emergency services facilities.
- \$126.1 million of Article XI-P bonds to fund matching grants to school districts for capital improvements.
- \$151.6 million of Article XI-Q bonds for the Local Innovation and Fast Track (LIFT) Housing program.
- \$50.7 million of Article XI-Q bonds for permanent supportive housing that combines affordable housing with support services.
- \$168.8 million of Article XI-Q bonds to finance the capital costs of state property, including deferred maintenance on state-owned facilities and information technology projects.
- \$173.4 million of Article XI-Q bonds for Clackamas County, Lane County, and Linn County courthouse replacement projects, Multnomah County Courthouse furnishings and equipment, and renovation of the Supreme Court building.
- \$78.6 million of Article XI-Q bonds to finance public university facilities capital improvement and renewal and a building and research equipment at the Oregon Manufacturing Innovation Center R&D campus.
- \$302.5 million of lottery revenue bonds to support projects authorized in HB 5030.

A summary of general obligation bonds included in the -2 amendment is attached. General Fund debt service on the approved bonds is estimated to be \$27.4 million in the 2019-21 biennium and \$164.4 million in the 2021-23 biennium. Lottery Funds debt service is estimated to be \$48.3 million in the 2021-23 biennium.

If the -2 amendment is approved, remaining debt capacity for General Fund supported bonds will be approximately \$315.1 million and Lottery Bonds will be approximately \$30.5 million.

Recommended Changes

LFO recommends adoption of the -2 amendment.

MOTION: I move adoption of the -2 amendment to HB 5005. (VOTE)

Final Subcommittee Action

LFO recommends that HB 5005, as amended by the -2 amendment, to be moved to the Ways and Means Full Committee.

MOTION: I move HB 5005, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

**General Obligation Bonds
2019-21 Legislatively Adopted Budget**

		Bond Program	Project Amount	Cost of Issuance	Bond Par Value
General Fund Supported					
HECC	All Universities - Capital Improvement and Renewal	XI-Q	65,000,000	715,000	65,715,000
HECC	OIT - OMIC R&D Rapid Toolmaking Center, Rapid Prototyping Education Lab, and Sinter HIP Equipment	XI-Q	12,700,000	205,000	12,905,000
			77,700,000	920,000	78,620,000
HECC	Blue Mountain CC - Facility for Agricultural Resource Management (carryover)	XI-G	6,500,000	115,000	6,615,000
HECC	Central Oregon CC - Classroom Building Redmond Campus	XI-G	8,000,000	125,000	8,125,000
HECC	Clatsop CC - Maritime Science Building (carryover)	XI-G	7,996,994	123,006	8,120,000
HECC	Klamath CC - Apprenticeship & Industrial Trades Center	XI-G	3,910,000	55,000	3,965,000
HECC	Lane CC - Health Care Village Facility (carryover)	XI-G	8,000,000	125,000	8,125,000
HECC	Mt. Hood CC - Maywood Park Center (carryover)	XI-G	8,000,000	125,000	8,125,000
HECC	Oregon Coast CC - Workforce Education and Resiliency Center (carryover)	XI-G	8,000,000	125,000	8,125,000
HECC	Portland CC - Health Technology Building Renovation (carryover)	XI-G	8,000,000	125,000	8,125,000
HECC	Southwestern Oregon CC - Sumner and Coaledo Halls Remodel (carryover)	XI-G	2,749,997	50,003	2,800,000
HECC	Treasure Valley CC - Nursing-Allied Health Professions Center	XI-G	4,950,000	65,000	5,015,000
HECC	Umpqua CC - Industrial Technology Building (carryover)	XI-G	8,000,000	125,000	8,125,000
			74,106,991	1,158,009	75,265,000
OBDD	Seismic Rehabilitation Grant Program - Schools	XI-M	100,000,000	1,240,000	101,240,000
OBDD	Seismic Rehabilitation Grant Program - Emergency Services Buildings	XI-N	20,000,000	270,000	20,270,000
ODE	Oregon School Capital Improvement Matching Program	XI-P	125,000,000	1,090,000	126,090,000
HCSD	Local Innovation and Fast Track (LIFT) Housing Program	XI-Q	150,000,000	1,550,000	151,550,000
HCSD	Permanent Supportive Housing	XI-Q	50,000,000	730,000	50,730,000
DAS	State Fair Horse Barn	XI-Q	3,000,000	50,000	3,050,000
DAS	State Fair Poultry Barn	XI-Q	2,000,000	45,000	2,045,000
DAS	State Fair Facilities Capital Improvements	XI-Q	5,325,925	104,075	5,430,000
DEQ	Environmental Data Management System	XI-Q	5,000,000	65,000	5,065,000
DHS	ONE Integrated Eligibility and Medicaid Eligibility System	XI-Q	37,500,000	665,000	38,165,000
DOC	Camera System	XI-Q	8,633,804	156,196	8,790,000
DOC	Capital Improvement and Renewal	XI-Q	24,478,039	331,961	24,810,000
DOC	Radio System	XI-Q	13,998,225	236,775	14,235,000
LAC	Document Publishing and Management System	XI-Q	9,127,000	153,000	9,280,000
ODF	Toledo Facility Replacement (GF)	XI-Q	1,227,446	21,777	1,249,223
OMD	Portland Jackson Armory Service Life Extension	XI-Q	4,275,000	60,000	4,335,000
OMD	Salem Owen Summers and Anderson Readiness Center Service Life Extension	XI-Q	5,800,000	110,000	5,910,000
OMD	Oregon Military Museum	XI-Q	2,000,000	45,000	2,045,000
OMD	Salem and Pendleton Aviation Facility Emergency Enhancement	XI-Q	9,852,000	133,000	9,985,000
OYA	Control Room Renovations	XI-Q	1,772,500	77,500	1,850,000
OYA	MacLaren Infirmary and Pharmacy Renovation and Expansion	XI-Q	1,804,000	71,000	1,875,000
OYA	MacLaren West Cottages Renovation	XI-Q	14,100,000	225,000	14,325,000
OYA	Oak Creek Medical and Dental Renovations	XI-Q	1,271,202	73,798	1,345,000
OYA	Rogue Valley Facility Improvements	XI-Q	7,978,465	156,535	8,135,000
OYA	Tillamook Medical and Dental Renovations	XI-Q	1,521,875	73,125	1,595,000
OYA	Capital Improvements	XI-Q	5,207,249	97,751	5,305,000
			165,872,730	2,951,493	168,824,223

**General Obligation Bonds
2019-21 Legislatively Adopted Budget**

		Bond Program	Project Amount	Cost of Issuance	Bond Par Value
OJD	Clackamas County Courthouse	XI-Q	31,500,000	435,000	31,935,000
OJD	Lane County Courthouse	XI-Q	87,600,000	855,000	88,455,000
OJD	Linn County Courthouse	XI-Q	15,900,000	280,000	16,180,000
OJD	Multnomah County Courthouse (FFE)	XI-Q	8,500,000	125,000	8,625,000
OJD	Oregon Supreme Court Building Renovation	XI-Q	27,820,000	410,000	28,230,000
			171,320,000	2,105,000	173,425,000
Total General Fund Obligations			933,999,721	12,014,502	946,014,223
Other Funds Supported (non-capacity)					
ODVA	Veterans' Home Loan Program	XI-A	180,000,000		180,000,000
DEQ	Clean Water State Revolving Fund	XI-H	10,000,000		10,000,000
HCSD	Elderly & Disabled Housing Program	XI-I(2)	50,000,000		50,000,000
DAS	Justice Building Exterior Renovations	XI-Q	5,000,000	105,000	5,105,000
DAS	Portland State Office Building Improvements	XI-Q	8,600,000	125,000	8,725,000
DAS	Revenue Building Electrical System Upgrades	XI-Q	10,000,000	240,000	10,240,000
DAS	Wilsonville Building Purchase	XI-Q	24,000,000	330,000	24,330,000
ODF	Toledo Facility Replacement	XI-Q	1,705,519	30,258	1,735,777
			49,305,519	830,258	50,135,777
DAS	Other Financing Agreements (Lease Purchase)	OFA	80,000,000		80,000,000
Total Dedicated Fund Obligations			369,305,519	830,258	370,135,777