



Business Oregon Budget

The LOC supports the historic level of spending found in the Governor's recommended budget for Business Oregon. Cities have been on the front line of the economic response to the COVID-19 pandemic and Business Oregon has been a strong partner in these efforts. Above all, the agency has proven to be nimble, best demonstrated by their ability to get needed support out quickly to main street businesses across the state while still keeping up with day to day work cities rely on including critical assistance with infrastructure funding. These investments will be invaluable to the state's recovery.

The Governor's recommended budget includes several items of particular importance to cities. We hope the legislature will fully fund these items, included but not limited to:

- \$50 million in lottery bonds for the Special Public Works Fund for addressing public works and regional infrastructure needs around the state through loans and limited grants to public agencies for planning and construction.
- \$10 million in lottery bonds for the Brownfield Redevelopment Fund needed for fund capitalization to allow public and private owners to continue the work of cleaning these properties and returning them to productive use.
- \$100 million in general obligation Bonds for broadband infrastructure to allow the Broadband Office to provide infrastructure grants and loans that would provide communities with matching grants for federal dollars and provide a path for smaller communities to fund broadband strategic planning. Fiber broadband connections will be the backbone of newer technology, investment now is needed so the digital divide is not exacerbated and areas without a broadband connection do not continue to be left behind. The [2020 Oregon Broadband Study](#) estimates that it would cost \$1.32 billion to connect all unserved and underserved areas with fiber, the time to begin is now.

There are two items of concern for cities in the recommended budget:

- Proposed cuts to the states Small Business Development Centers of \$1.8 million have been identified by city leaders as a particular area of concern. These centers provide business counseling and training to emerging small businesses and have proven to be especially valuable in rural areas of the state.
- Overall staffing levels, including the reduction of the industrial lands specialist, could make it challenging for the agency to successfully manage the level of work proposed in the budget. The LOC truly appreciates the work of management and staff during this challenging time, and we would have expected to see some increase in staffing levels given the size of the overall budget increase. Cities need this agency to succeed.

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