

## ANALYSIS

### Item 35: Parks and Recreation Department

#### Main Street Revitalization

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**Analyst:** April McDonald

**Request:** Increase Other Funds expenditure limitation for the Oregon Parks and Recreation Department by \$10,000,000 for the Main Street Revitalization grant program.

**Analysis:** The Main Street Revitalization grant program, operated through the Oregon Parks and Recreation Department (OPRD), provides funding to acquire, rehabilitate, and construct buildings on properties in designated downtown areas statewide. The program is designed to facilitate community revitalization in order to foster private investment, job creation or retention, establish or expand viable businesses, or create a stronger tax base.

During the 2023 legislative session, \$10 million in net lottery revenue bond proceeds were authorized to be transferred to OPRD for the Main Street Revitalization grant program. The bond sale took place in May 2025, and OPRD requests \$10 million in Other Funds expenditure limitation for grant delivery in the current biennium. OPRD has executed grant agreements with subgrantees based on the bond proceeds, and the expenditure limitation is necessary to fully disburse awards in accordance with program commitments and timelines.

**Recommendation:** The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means recommend including an increase of \$10,000,000 in Other Funds expenditure limitation for the Oregon Parks and Recreation Department in a budget reconciliation bill during the 2026 legislative session for the Main Street Revitalization grant program.

**Request:** Increase Other Funds expenditure limitation by \$10,000,000 to allow for the use of bond proceeds to support the Main Street Revitalization program.

**Recommendation:** Approve the request during the 2026 Legislative Session.

**Discussion:** Senate Bill 5506 (2023) provided the Parks and Recreation Department (OPRD) with \$10,155,705 Other Funds expenditure limitation for support of the Oregon Main Street Program (Program). The Program is a Main Street America coordinating program which helps communities participating in the Main Street America Network to make use of the Main Street Four-Point Approach (Approach) to downtown revitalization. The Approach is a preservation-based economic development tool that enables communities to enhance downtown and neighborhood business districts by leveraging local assets.

The Program was funded using lottery revenue bonds, with \$155,705 for costs associated with the issuance of the bonds and \$10,000,000 for grants awarded through the Program. Because the bond sale occurred in the spring of 2025, OPRD will need Other Funds expenditure limitation of \$10.0 million to support grants made by the Program in the 2025-27 biennium. OPRD has executed grant agreements for the use of the bond proceeds.

**Legal Reference:** Increase the Other Funds expenditure limitation established by chapter 524, section 2(5), Oregon Laws 2025, for the Department of Parks and Recreation, Community support and grants, by \$10,000,000 for the 2025-27 biennium.



# Oregon

Tina Kotek, Governor

## Parks and Recreation Department

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December 08, 2025



**Senator Kate Lieber**

**Representative Tawna Sanchez**

Co-Chairs, Joint Committee on Ways and Means  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

**Subject:** OPRD Request for 2026 Regular Session – Main Street Limitation Adjustment

Dear Co-Chairs Lieber and Sanchez,

The Oregon Parks and Recreation Department (OPRD) respectfully requests an increase in Other Funds expenditure limitation for the Main Street Revitalization program for consideration during the 2026 regular legislative session.

### Nature of Request

This request supports the full expenditure of bond proceeds sold in Spring 2025 as part of the 2023–25 biennium. These funds were allocated to support local revitalization efforts through the Main Street program.

### Agency Action

OPRD has executed grant agreements with subgrantees based on the bond proceeds. This limitation adjustment is necessary to ensure that all awarded funds can be fully disbursed in accordance with program commitments and timelines.

### Action Requested

Increase Other Funds limitation by \$10,000,000 to allow full expenditure of awarded Main Street grants.

We appreciate your consideration of this request and are available to provide any additional information needed.

*Lisa Sumption*

Lisa Sumption (Dec 8, 2025 15:49:37 PST)

### Lisa Sumption

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