



October 31, 2016

South Central Regional Solutions Small Communities Planning and Technical Assistance

The South Central Regional Solutions Advisory Committee is seeking to provide funding assistance to rural communities in Klamath and Lake Counties. A total of \$205,000 is available to support design and/or construction of community infrastructure that supports job retention or expansion.

Program Goals:

- Support community infrastructure projects with strong economic development connections.
- Align with, or leverage, other investments in community infrastructure.

Implementation Strategy

This document covers the following topics:

1. Eligible “Community Infrastructure Construction Projects”
2. Project Selection
3. Timeline

1. Eligible Projects

Because the source of funding is bonded debt, eligible expenditures are only capital construction.¹ Examples include: construction or renovation of water systems, wastewater treatment systems, transmission lines, buildings, docks, trails, roads, bridges, etc.

¹ Capital construction means the construction, modification, replacement, repair, remodeling or renovation of a structure, or addition to a structure, that is expected to have a useful life of more than one year, and includes, but is not limited to:

- (i) Acquisition of land, or a legal interest in land, in conjunction with the capital construction of a structure.
- (ii) Acquisition, installation of machinery or equipment, furnishings or materials that will become an integral part of a structure.
- (iii) Activities related to the capital construction, including planning, design, authorizing, issuing, carrying or repaying interim or permanent financing, research, land use and environmental impact studies, acquisition of permits or licenses or other services connected with the construction.

In addition, the construction project must create “community infrastructure” per the legislative intent. Any capital construction project by a local government creating or renovating a publically-owned asset is assumed to be community infrastructure.

Other infrastructure projects carried out by “other organizations” must be sponsored by a local government entity and be of significance to the community either by supporting a key regional economic driver or by creating an asset that is open to and can be enjoyed by the public.

Local government means a city, county, authority or entity organized under state statute or city or county charter, and includes any council of governments.

Use of funds: Funding provided to recipients through this program may only be expended on construction of the community infrastructure asset itself and related costs. (See footnote 1.)

A total of up to \$205,000 will be made available to such projects. The Advisory Committee is likely to award at least one project per county (Klamath and Lake).

2) Project Selection

- a. Pre-application process: Interested applicants should send a 1-2 page (maximum!) description of a proposed project by **December 30, 2016**. Description should include clear identification of need and solution; amount of grant request; total cost of capital construction project and sources of funds.
- b. Invitation to complete application. The Advisory Committee will review pre-applications and invite applications. The Advisory Committee will determine at this time whether to award all \$205,000 through this process.
- c. Evaluation criteria
 - i. Impact of capital project on one or more adopted South Central Regional Solutions Priorities (25 pts)
 - ii. Does the project result in the retention/creation of jobs in the region; does the project remove impediments to job retention/creation? (25 pts)
 - iii. Alignment with and leverage of other funding sources (15 pts)

(iv) Acquisition of existing structures, or legal interests in structures, in conjunction with the capital construction. Capital construction does not include: (i) Maintenance and repairs, the need for which could be reasonably anticipated; (ii) Supplies and equipment that are not intrinsic to the structure; or (iii) Furnishings, unless the furnishings are acquired in connection with the acquisition, construction, remodeling or renovation of a structure, or the repair of a structure that is required because of damage or destruction of the structure.

- i. Is the project ready to proceed (20 pts)
- ii. Does the project have community support? (15 pts)

Those projects that are ready to proceed immediately, are technically and financially feasible, cost-efficient, have strong community support, and capable project management capabilities will receive higher priority.

b. Final selection process

- i. RST staff score applications versus evaluation criteria
- ii. These scores will inform/guide discussion, not make the final determination
- iii. The South Central Regional Solutions Advisory Committee, with staff support, will review applications and their assigned scores
- iv. The committee will take into consideration regional balance in project selection
- v. Committee recommendation will be made available to the public. There will be opportunity for public comment
- vi. Committee approves final list

5) Pilot Program Timeline

- a. Deadline for pre-application: December 30, 2016
- b. Regional Solutions Team/Advisory Committee reviews pre - applications February 2017
- c. Invite full applications: March 1, 2017
- d. Applications due: April 15, 2017
- e. Committee meeting hear public input and select projects: May-June 2017
- f. Develop/finalize grant agreement: June - July 2017

Please direct any questions about this funding opportunity to: Annette Liebe, Regional Solutions Coordinator, South Central Oregon Region, Office of Governor Kate Brown, (541) 610-7215/ annette.liebe@oregon.gov or, Mary Baker, Regional Coordinator, Infrastructure Finance Division, Business Oregon, (541) 882-1340/ mary.a.baker@oregon.gov.

South Central Regional Solutions Priorities
Updated October 2016

High Focus Priorities

- 1) Infrastructure
 - a. Water systems (Chiloquin, Malin, Merrill)
 - b. Wastewater/Sewer (Crescent, Bonanza)
 - c. Natural gas (Lakeview)
 - d. Broadband
- 2) Availability and marketability of industrial land
- 3) Business retention, expansion and attraction
 - a. Support entrepreneurship and small businesses
 - b. Renewable energy and energy efficiency
 - c. Food processing/value added agriculture
 - d. Remove air quality impediments to economic development
- 4) Regulatory integration/streamlining

“High Focus Priorities” – the committee, coordinator and team will actively engage in seeking solutions and projects that contribute to successful outcomes for the priority.

Support Priorities

- 1) Water storage for agriculture
- 2) Transportation (rail, highways, airports, and local roads)
- 3) Workforce training
- 4) Workforce housing
- 5) Downtown revitalization
- 6) Improve forest health and access federal timber resources

“Support Priorities” - the committee, coordinator and team will monitor, engage and support as needed and requested. The coordinator/team will continue working with communities opportunistically to address these priorities and to serve as a catalyst for their successful accomplishment.