

Oregon Department of Transportation
Immediate Opportunity Fund Guidelines
(Updated August 2021)

Purpose

The purpose of the Immediate Opportunity Fund (IOF) program is to support economic development through roadway improvements. The 1987 Oregon Legislature created state funding for immediate economic opportunities funded by motor vehicle gas-taxes.

The IOF program is discretionary and may only be used when other sources of financial support have been exhausted. The IOF program is not a replacement or substitute for other funding sources.

Objectives:

The objectives of the IOF program are to:

- provide funds in order to respond quickly to economic development opportunities;
- provide funding for needed roadway improvements in order to influence the location, relocation, or retention of a business in Oregon;
- entice local public agencies and private companies to utilize the IOF program when all other funding sources have been exhausted;
- ensure IOF-funded roadway improvements create new job opportunities by readying key employment land sites and/or revitalizing business or industrial centers.

Funding Limits

Funding will be \$5 million per biennium starting July 1, 2021. Funding disbursement is on a first-come, first-serve basis. Maximum amount for Type A projects is \$1,000,000 and \$500,000 for Type B.

Types of Projects

Type A – Specific economic development projects that affirm job retention and job creation opportunities.

Type B –

- Preparation of Oregon Certified Project Ready Industrial Sites; or
- Preparation of Regionally Significant Industrial Areas; or
- Revitalization of business or industrial centers to support economic development; or
- Preparation of Regionally Significant Industrial Site.

Project Criteria

All projects must meet the following criteria to be eligible for IOF funding:

1. The project requires an immediate commitment of funds to address an existing transportation problem or to prevent a future transportation problem. The problem must be identifiable and the proposed project must demonstrate how it will solve the problem.
2. The roadway improvements must be on a public right-of-way. The local public agency will assume ownership and must acquire the property before project completion. The local public agency must also demonstrate how it will maintain the improvements.

Note: Unless a project is part of a jurisdictional transfer, ODOT will maintain right-of-way sections on the state highway.

3. The improvements must serve general transportation needs and must conform to ODOT's access management policies.
4. No more than 50% of the cost of the project will be covered by IOF funding. Local public agencies or private sources must pay the balance of the cost of the project. Donations of right-of-way may be considered as part of the required match.
5. The local public agency must demonstrate that all other funds necessary for the successful completion of the project have been secured.
6. The project must meet all necessary land use and environmental requirements and must have, or be able to obtain, all necessary permits.
7. Arrangements for other infrastructure needed for successful development (such as water, sewer, police, fire, etc.) have been addressed.
8. The project must be consistent with regional priorities for community and economic development established by the relevant Regional Solutions Advisory Committee.
9. Local public agencies must show how their project will impact socially vulnerable groups (i.e. historically excluded and disadvantaged populations like minorities, women, people with disabilities, etc.). Local public agencies should consider multiple factors such as impacts from project location, procurement, and hiring, etc.

Project Criteria Specific to Project Type

In addition to the criteria listed above, proposed projects must meet the following additional requirements:

Type A Projects: (Projects must meet both criteria)

1. A business's decision to locate, relocate, expand, or remain in Oregon hinges on an immediate commitment of road construction resources to construct the roadway improvement.

2. The direct benefits in terms of primary jobs created or retained by the development through the construction of a roadway improvement have been demonstrated. The jobs created by the development must be “primary” jobs, such as manufacturing, production, warehousing, distribution, or others that create new wealth for the Oregon economy and support development of at least one of the state of Oregon’s strategic key industries, which have been identified by the Oregon Business Development Commission as being key to the state’s economic vitality, growth and diversification. Normally, retail and service jobs do not meet this definition.

Type B Projects: (Projects must meet at least one criteria)

1. The site to be served by the roadway improvement must be appropriate for development of at least one of the state of Oregon’s strategic key industries, which have been identified by the Oregon Business Development Commission as being key to the state’s economic vitality, growth, and diversification.
2. The roadway improvement must be completed in order for the industrial site to meet, or continue to meet, the certification standards under the State of Oregon’s Certified Industrial Site program.
3. The roadway improvement must be the only remaining issue needing to be addressed before the industrial site meets, or is able to continue to meet, the certification standards under the State of Oregon’s Certified Industrial Site program.
4. The proposed industrial site must meet Business Oregon’s marketability criteria. If the project does not currently meet the marketability criterion, the Regional Development Officer must conclude that completion of the roadway improvement will result in the industrial site meeting the marketability criterion of “ease of access.” The marketability criteria will consider:
 - Utilities availability
 - Buildability, configuration, soil, terrain, and current usage/conditions
 - Ease of access
 - Attractiveness of site
 - Compatibility of neighborhood
 - Local labor market conditions
 - Site economics, pricing, incentives, property taxes, and site preparation costs
 - Site and community marketing/promotional materials
 - The competitive real estate marketplace
5. The owner of the industrial site must commit to obtaining certification of the site served by the roadway improvement under the State of Oregon’s Certified Industrial Site program within three (3) months of completion of the roadway improvement.
6. The project must comprehensively address the transportation needs and issues of the Regionally Significant Industrial Area (“RSIA”) or Regionally Significant Industrial Site in accordance with ORS 285B.625-642. A RSIA that has a current designation in accordance with ORS 197.722 to 197.728, or the project is a specifically defined phase (including phases for separate sites) in a comprehensive plan that fully addresses the transportation needs and issues of the RSIA; as defined by a transportation analysis (acceptable to ODOT) or

documented conditions related to transportation. The project may include enhancements and safety improvements needed as a result of RSIA designation on nearby portions of the State Highway System.

7. For redevelopment projects, identify benefits in terms of development in a revitalized central business district or industrial center through the construction of a roadway improvement.
8. For industrial site certification, the agreement will require the local public agency sponsor to obtain certification of the site served by the roadway improvements under the State of Oregon's Certified Industrial Site program within three (3) months of completion of the roadway improvements or repayment of the IOF award will be required. If certification of the industrial site is not obtained by the deadline due to a Business Oregon delay, an extension for the deadline may be approved through mutual agreement of the Director of Business Oregon and the Director of ODOT.

IOF Request Process

For projects to be eligible for IOF, private businesses or their local public agency sponsor should request assistance from Business Oregon early in the process.

The request process is as follows:

1. Business Oregon Regional Development Officer receives a request, evaluates for job impact and other economic merit as described above, provides the appropriate Regional Solutions Team an opportunity to review and comment on the proposed project, and forwards recommendation to ODOT Region IOF Coordinator.
2. ODOT Region IOF Coordinator will review the project request for transportation eligibility and merit, social equity impacts and benefits, and, with Business Oregon, jointly recommend action to ODOT Region Manager for approval.
3. Business Oregon Director receives ODOT Region Manager and Business Oregon Regional Development Officer joint recommendation and makes a formal recommendation on the validity of the data and the project proposal to the ODOT Director for approval.
4. Upon approval, ODOT notifies the Business Oregon Director and the local public agency sponsor of the IOF award approval or denial.

Decision and Implementation

ODOT will consider the size of each project in relation to the availability of IOF funds, local community support, private participation, proportion of matching funds, scheduling of the development project and other factors such as employment generation, revitalization, improved industrial site access, certification of industrial sites, and regional priorities. Preference will be given to projects having a positive impact on safety, operation and/or capacity of the state highway system.

ODOT's Director will decide the commitment of funds within thirty (30) days of a request received from the Business Oregon Director. If approved, a project agreement between ODOT

and the local public agency sponsor will then be developed. The agreement will cover factors such as, but not limited to, project engineering, contracting, land use and environmental approvals, funding, and future maintenance and use.

The agreement will also provide for reimbursement to ODOT by the local public agency sponsor if the project objectives are not achieved. This may occur on a pro-rated basis, and time extensions may be allowed. When the Business Oregon Director indicates, in writing, that business conditions for the firm(s) cited in an IOF agreement have changed significantly, ODOT may re-negotiate the agreement terms, and amend the agreement to address the change. Re-negotiation must be approved, in writing, by the ODOT Director.

References

ORS 285B.625 to 285B.642

ORS 197.722 to 197.728

[Business Oregon - Region Development OfficersOfficer](#)