

Economic and Community Development

PROGRAM AREA AGENCIES

OREGON ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT BENCHMARKS	E-3
OREGON ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT	E-5
EMPLOYMENT DEPARTMENT	E-8
FAIR AND EXPOSITION CENTER, OREGON STATE.....	E-10
HOUSING AND COMMUNITY SERVICES DEPARTMENT	E-12
VETERANS' AFFAIRS, DEPARTMENT OF	E-14

	1999-2001 Actuals	2001-03 Legislatively Approved	2001-03 Legislatively Approved through Fifth Special Session	2003-05 Governor's Balanced
General Fund	\$32,222,964	\$29,612,796	\$18,892,557	\$27,084,884
Lottery Funds	69,458,532	102,058,709	85,967,789	112,952,092
Other Funds	162,852,675	291,140,538	306,513,586	300,606,619
Federal Funds	241,034,701	379,727,409	396,832,303	409,984,123
Other Funds (Nonlimited)	2,910,831,618	3,168,444,686	3,878,250,038	3,541,417,318
Federal Funds (Nonlimited)	60,035,725	153,000,000	153,000,000	94,117,000
Total Funds	\$3,476,426,215	4,123,984,138	4,839,456,273	4,486,162,036
Positions	1,997	2,046	2,025	1,969
Full-time Equivalent	1,887.87	1,939.53	1,915.24	1,868.51

Note: The budget total includes funding for Oregon Public Broadcasting and the Oregon Historical Society.

Overview

Agencies in the Economic and Community Development Program Area aid businesses, communities, and people in providing economic and cultural enhancement throughout the state. Economic development activities include job creation, placement, and retention services; housing and infrastructure financing; business loans; training; promotion of Oregon and its products; and technical assistance to individuals, businesses, and communities.

Balanced Budget

The Governor's balanced budget will focus economic development efforts on retaining and expanding business investment. Agencies in this program area will work to ensure dollars spent on the economy are generating the maximum benefit. While several agencies in this program unit identified opportunities to utilize remaining Lottery revenue bonding capacity, these requests will be evaluated in the context of economic recovery and long-term budget stability. No additional Lottery bonding is included in the Governor's balanced budget for this program area.

Economic and Community Development

The key elements of the Governor's balanced budget for the Economic and Community Development Program Area can be found below, by agency.

The Oregon Economic and Community Development Department budget:

- Incorporates Lottery Funds reductions made by the Legislature in its 2002 Fifth Special Session. The reductions result in elimination of positions and diminished funding capacity for several department programs, including community infrastructure and tourism investments, as well as film and video and arts activities.
- Provides approximately \$28.6 million Lottery Funds, \$223.0 million Other Funds, and \$39.2 million Federal Funds for the Community Development Program. Under the traditional approach, the bulk of these funds would have been focused on statewide infrastructure projects. However, the agency will work with stakeholders to direct these dollars towards investments that generate the maximum economic benefit. This may result in different spending priorities throughout the agency.
- Includes \$50.6 million in Lottery Funds debt service for outstanding bonds (including issuance scheduled for Spring 2003).
- Avoids inclusion of any new General Fund or Lottery Funds packages.

The Oregon Employment Department (OED) budget:

- Restores the \$1.75 million General Fund reduction taken from the Child Care Division.
- Reduces the 2003-05 funding for the state Child Care Resource and Referral Network due to General Fund constraints.
- Provides funding to deal with the increased Unemployment Insurance (UI) claims activity and adds three positions to expand UI fraud control efforts.
- Continues 25 limited-duration positions to work on employment-related grants and contracts.

The State Fair budget:

- Reduces \$100,842 General Fund, maintaining core services with additional resources supporting the new pavilion.

The Housing and Community Service Department budget:

- Adds federal resources for low-income energy assistance, community development, low-income weatherization assistance, homelessness, and AmeriCorps programs.
- Reduces funding for affordable housing due to General Fund constraints, resulting in the loss of approximately \$33 million in leveraged resources and elimination of 378 affordable rental housing units.
- Increases Other Funded personnel to deal with the increased workload.

The Department of Veterans' Affairs budget:

- Continues existing services, including assistance to county and veterans' service organizations, but at a reduced level.
- Eliminates positions in the agency due to reduced activity in the Loan Program.

Economic and Community Development

The Oregon Historical Society and Oregon Public Broadcasting budgets are largely unchanged from the 2001-03 biennium.