



April 22, 2021

Co-Chairs Senator Johnson, Senator Steiner-Hayward, and Representative Rayfield
Joint Committee on Ways and Means
Oregon Legislature
900 Court Street NE
Salem, OR 97301

Please accept the following testimony on behalf of the City of Eugene related to HB 5555, the State Budget Bill. Eugene thanks you for your time today to gather testimony specific to the 4th Congressional District, and for your interest in what we believe is a once in a generation opportunity to make a difference for Oregonians.

As you have likely heard from comments of my colleague mayors from across the state, the opportunity we as a state have before us, in regard to how we invest the American Rescue Plan Act (ARPA), provides us a chance to change the course of a few critical challenges we are all facing. For clarity, I am talking about the challenge of homelessness, the housing crisis, economic recovery from the COVID-19 pandemic, and building community resiliency to an increasingly unstable environment.

I am asking you, as members of the Ways and Means Committee, who are the framers and decision makers for our state's budget to consider three aspects of your work. Recently, the Brookings Institution issued a recommended framework for how local leaders, including state and local governments, use their ARPA funding. This framework is simple, yet very powerful. It focuses on three core principles, of **STABILIZE, STRATEGIZE, AND ORGANIZE**.

STABILIZE. Both at the state and at the local level, we are all looking at how to utilize ARPA funding to address the budget gaps our organizations face. This gap is likely a short-term circumstance, but we all must be careful not to mistake some of the infrastructural gaps we faced before the pandemic, with the impacts of pandemic. As we all work on building our budgets for future years, we can utilize a portion of the ARPA to address those pandemic related budget gaps, and recognize that this one-time money should not try and cover those on-going pre-pandemic budget challenges. In other words, this ARPA funding is not fixing the budget challenge that local governments faced prior to the pandemic. Nor should it. We must continue to work on revenue reform in this state. Your Co-Chair budget framework incorporates this approach, as does the City's proposed FY22 budget.

STRATEGIZE. This aspect is about investing in infrastructure and programs that support workers and small businesses. We must focus on *immediacy, inclusivity, future prosperity, and complementarity* as guidelines for our investments. Truly, this is a now and later approach. The City of Eugene's ARPA funding requests to the state align with this approach, and I encourage you all to consider utilizing some level of this criteria as you decide on where to invest ARPA funds. This is a critical issue and one

that I cannot over emphasize, we must leverage ALL of the available federal funding in a complementary approach to make a difference. We have to answer the question on how to utilize a portion of Eugene's direct allocation, along with the states, along with existing program resources, and other funding opportunities to access the remainder of the \$1.9 trillion-dollar package. We should be strategizing together to prepare our state to be competitive for a future infrastructure package, as outlined in the American Jobs Plan.

ORGANIZE. We all have weathered the past year of a global pandemic and the bumps in the road as we figured out how to govern in a pandemic. We must take the lessons learned from that experience, and to build back better. I don't think anyone felt that the Coronavirus Relief Fund process was perfect. We can do better. Cities, Counties, business, non-profits, philanthropy, service providers; all can bring resources and energy to a broader discussion on investing ARPA funds. We have the time to do this right and for the benefit of all Oregonians. Join with your partners in local government to leverage our assets.

Thank you for the opportunity to share my thoughts on how we can all work better together. Please focus your budget work on extending the greatest benefit to the greatest number. Oregon deserves this.

Sincerely,

A handwritten signature in blue ink that reads "Lucy Vinis". The signature is written in a cursive, flowing style.

Lucy Vinis, Mayor