



John Day Aquatic Center

1 message

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To: chrislabhart@gmail.com <chrislabhart@gmail.com>
Cc: Nicholas Green <greenn@grantcounty-or.gov>

Tue, Dec 6, 2022 at 10:07 AM

Chris –

This e-mail is to follow up on our conversation this morning.

My understanding is that the City of John Day is in the process of reevaluating the Aquatic Center project and would like to know what options are available for retaining the \$2M authorized for the project in SB 5534 (2021). The local ballot measure(s) intended to raise additional funds needed for the project were not successful.

Our team considers several factors in determining if a project is ready to proceed and a grant agreement can be executed. Several of the primary factors we consider include IRS regulations related to expending tax-exempt bond proceeds, legislative intent when awards are made to communities, other secured funding sources, total project costs and project timeline.

In general, lottery bond proceeds must be spent within three years of issuance, must comply with legislative intent, and produce an asset.

The language specific to this award indicates the funds are to be used for “the construction of the John Day Aquatics Center”.

If the City of John Day creates a feasible plan to construct a scaled down Aquatic Center within existing resources, we could proceed with a grant agreement and issue bonds for this project in April 2023. For this to occur we would need to know details about the new project, such as reduced project scope, total cost, other funding sources (if any), and timeline. We are aiming to have grant agreements finalized and signed in mid-February.

Alternatively, if the City would like additional time to formulate a new project plan, the City could request that the funds be reauthorized for the 2023-25 biennium. This is ultimately a legislative decision, and DAS staff are not able to guarantee funds will be reauthorized.

Please let me know if you have additional questions.

Thanks,

Renee F

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