



# Oregon

Tina Kotek, Governor

Department of Administrative Services

Chief Financial Office

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Salem, OR 97301

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April 13, 2026

Jamie Mason  
Central Oregon Coast Fire and Rescue District  
145 NW Alsea Way  
Waldport, OR 97394

**Re: Central Oregon Coast Fire and Rescue Fire Hall Acquisition and Capital Improvements Grant Funding from State of Oregon**

Dear Jamie Mason:

The 2026 Legislature authorized the issuance of lottery bonds for the Central Oregon Coast Fire and Rescue Fire Hall Acquisition and Capital Improvements project, through Senate Bill 5701 (2026). This funding will be provided as a grant to Central Oregon Coast Fire and Rescue District in the amount of \$1,100,000, to be financed by the issuance of State of Oregon Lottery Revenue Bonds which are expected to be issued in March 2027, so long as lottery revenues are sufficient to cover the indenture requirements of four-times revenue to debt service coverage ratio.

I have included our Grantee Guide for Lottery Revenue Bond recipients. Please take some time to review the guide, as it provides helpful information about our timelines, processes, and requirements related to the use of bond proceeds, and what types of information we will need from grantees as the sale approaches.

A few important highlights from the Grantee Guide are included below.

Your organization will be expected to enter into a grant agreement with the Department of Administrative Services (DAS) in January 2027 for your project to be included in the March 2027 Lottery Revenue Bond issuance. An example of the agreement template is included in the Grantee Guide - please expressly review all of Section 6 – Covenants of Grantee, including the prevailing wage requirements in section 6.L., to ensure your organization is prepared to comply with the requirements.

Several months prior to the bond issuance, we will reach out to begin our due diligence tax review, as Lottery Revenue Bonds are typically issued as tax-exempt bonds. Prior to the bond issuance, we must ensure the proceeds will be spent in compliance with IRS guidelines, be reasonably sure the proceeds will be spent within 36 months of issuance, be used for a capital construction project that meets legislative intent and produces an asset. Grantees will need to confirm that a majority of funds necessary to complete the project have been secured. If the project is ready to proceed, we will develop a grant agreement specific to your project and send it to you for review and signature. The grant will be provided on a reimbursement basis, as described in the template grant agreement.

If your organization plans to spend money on the project before the state bonds are issued, and later use the bond proceeds to reimburse itself, you will need to request DAS to prepare and execute a *Declaration of Official Intent to Reimburse Capital Costs with Oregon Lottery Revenue Bonds* (Intent). If you would like us to execute an Intent, please let us know so we can provide instructions on the request process.

The grant funds cannot be used to pay off a tax-exempt borrowing and cannot be used to pay interest costs on interim financing for the project. In addition, grant funds can only be used to repay principal of an interim financing with the **prior** written consent of DAS, as described in the grant agreement. If your organization plans to utilize an interim financing to begin the project, please contact DAS as soon as possible to obtain consent.

If you have any questions, please contact Renee Frazier, who will be your primary point of contact. Renee can be reached by e-mail at [renee.k.frazier@das.oregon.gov](mailto:renee.k.frazier@das.oregon.gov) or by phone at 503-877-8125. Renee will be following up with you to obtain any information she needs to develop the grant agreement. If there is someone else in your organization with whom Renee should work directly with, please provide contact information.

Congratulations on this authorized funding. We look forward to working with you to support the successful completion of your organization's project.

Sincerely,



Rhonda Nelson  
Capital Finance Manager

CC: Renee K. Frazier, Capital Finance Analyst