

April 27, 2011

Joint Committee on Tax Credits HRA State Capitol Salem Oregon

Dear Co-Chair Senator Burdick, Co-Chair Representative Bailey, and Co-chair Representative Berger and Members of the Joint Committee on Tax Credits:

I would like to take this opportunity to encourage you to support the Long Term Enterprise Zone Facility Tax Credit (HB 3173). Rural areas in our state clearly need tools to assist in attracting business investment outside metropolitan urban areas. Rural enterprise zones have been a tremendous benefit in our efforts to attract industry and create much needed family-wage jobs.

The Columbia River Enterprise Zone has been a great example of success in utilizing this type of incentive to attract hundreds of millions in investments and many family wage jobs along with that assistance.

We continue to need these incentives to be able to have an opportunity to encourage industry to consider locating in our Rural areas throughout the state of Oregon. Now is the time to carry on those efforts, we should be adding additional tools to attract jobs, we most certainly do not need to remove or reduce the tools.

This tax credit program complements the property tax abatement received under the long term Enterprise Zone Program. This is targeted at large projects with investments greater that \$25 million and compensating the work force at least 50% greater than the average family wage of the county the facility is to be located.

We know also that in order to receive the Tax Credit, the Governor also has to approve this before it can be utilized, and therefore will be limited to those projects with specific circumstances the Governor deems appropriate to allow Oregon to stay competitive in attracting that major investment to a Rural Oregon Enterprise Zone.

This additional tool could very well make a difference in siting a Business in areas of the state that otherwise would not have the opportunity to compete with Metropolitan locations.

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Please vote to approve this bill to help Rural areas of our State in our efforts to attract Industry for all of Oregon.

Gary Neal

Sincerely,

Gary Neal

General Manager