EXECUTIVE COMMITTEE

PRESIDENT & CHAIR NORM EDER CFM Strategic Communications

Secretary Jack Orchard Ball Janik LLP

Treasurer Jonae Armstong Washington Square

Allyson Anderson Legacy Meridian Park Medical Center

JIM EDWARDS Colliers International Matt Felton

Felton Properties Inc. Ed Trompke Jordan Ramis PC

Directors Morgan Anderson Intel Frank Angelo

Angelo Planning Group Steve Barragar Harsch Investment Properties David Bennett Landye Bennett Blumstein LLP Jeff Borlaug NAI Norris Beggs & Simpson

Mark Charpentier Kaiser Permanente

CAROL DILLIN PORTLAND GENERAL ELECTRIC LOIS DITMARS PETERKORT TOWNE SQUARE RICH FOLEY UMPQUA BANK

MARK GARBER COMMUNITY NEWSPAPERS

Alex Jackson Providence Health & Services

KYLE LATTA KG INVESTMENT MANAGEMENT INC.

Alex Miller NW Natural

MIKE MOREY STANCORP MORTGAGE INVESTORS LLC

Tim Parker Melvin Mark Companies Michael Salas Nike Inc Mike Wells

CBRE Chairman Andy Duyck

WASHINGTON COUNTY MAYOR CRAIG DIRKSEN

CITY OF TIGARD MAYOR DENNY DOYLE

CITY OF BEAVERTON MAYOR LOU OGDEN

CITY OF TUALATIN

MAYOR JERRY WILLEY CITY OF HILLSBORO IONATHAN SCHLUETER

WESTSIDE ECONOMIC ALLIANCE

SUSTAINING MEMBERS

Comcast Felton Properties Inc. Fred Meyer Stores Genentech

HARSCH INVESTMENT PROPERTIES INTEL KAISER PERMANENTE KG INVESTMENT MANAGEMENT INC. MELVIN MARK COMPANIES NIKE INC. PACTRUST PORTIAND GENERAL ELECTRIC PROVIDENCE HEALTH & SERVICES PS BUSINESS PARKS SOLARWORLD THE STANDARD WASHINGTON SQUARE



February 13, 2013

Senate Committee on Rural Communities and Economic Development Oregon State Capitol 900 Court Street NE Salem, Oregon 97301

Dear Chair Roblan and Committee Members:

RE: SB 19, Relating to Defining "Rural Area" in the State Strategic Investment Program (SIP)

On behalf of the Westside Economic Alliance (WEA), please accept this testimony opposing SB 19, aimed at limiting application of the Rural Strategic Investment Program (SIP). Limiting the use of the Rural SIP program erodes Oregon's competitiveness in economic development at a time when job creation and economic growth are critical priorities for our state.

SB 19 would limit the use of the SIP only to areas outside the Urban Growth Boundary (UGB) at the time an application for a Rural SIP is filed. If passed, this bill would prevent the application of the Rural SIP to areas added to the UGB for industrial use since 2002. This would impact over one thousand acres of prime industrial land in Washington County.

The Rural SIP program's \$25M investment threshold provides a great opportunity for mid-size tech firms, major high tech suppliers and spin-off companies to take advantage of local property tax abatements on equipment and other capital investments. Thus, it is a valuable local economic development tool for our state.

Restricting the use of this tool by limiting its application is harmful to the region and state of Oregon. It is particularly troublesome in light of the fact that the industrial land located in Washington County serves as part of a regional and statewide employment center which provides jobs to thousands of employees living across the region. Recent statistics show that over 70% of workers employed in Hillsboro live and commute from throughout the Portland Metropolitan Area.

Therefore, limiting the use of the Rural SIP negatively impacts the economic health and competiveness of not only Hillsboro and Washington County, but also the Portland Metro Region and the State of Oregon.



In today's competitive economic climate, where Oregon must compete with areas throughout the U.S. and around the world, restricting our tools for job creation and economic development is counterproductive at best, and simply not a wise policy for our state to pursue.

It is for these reasons, and for the economic health of Oregon's future, that the WEA strongly opposes SB 19.

Sincerely,

Norm Eder President and Chairman

amele IS Jun

Pamela Treece Executive Director