Association of Oregon Counties

HB 5028
Oregon Business Development Department Budget
Ways and Means Subcommittee on Transportation and Economic Development
March 14, 2013

The Association of Oregon Counties supports the Governor's Recommended Budget for the Oregon Business Development Department (OBDD). Job creation/retention and boosting personal income and property values rank as very high priorities for counties.

Successful community and economic development requires a close partnership that includes not only the state and local governments but also businesses, chambers of commerce, economic development districts, Small Business Development Centers, Community Colleges, ports and others. Counties work closely with OBDD on a number of fronts including:

- Recruiting and retaining businesses
- Resolving roadblocks and expediting permits
- Building and funding infrastructure
- Supporting business growth
- Providing local incentives such as enterprise zones and loan funds
- Identifying available sites for industrial development

Recapitalizing the Special Public Works Fund is critical for much needed financing infrastructure projects such as water/sewer structures, community facilities, and technical feasibility studies. Recently, these funds have benefited counties including:

- Community Development Block Grant housing rehabilitation grants to Linn, Jackson, Wallowa and Morrow counties ($400,000 each)

- Special Public Works Fund loan to Union County to acquire industrial land ($445,000)

- Special Public Works Fund grant to Douglas County to determine the best means to provide Gardner with waste water treatment services ($46,780)

- Community Development Block Grant funding for microenterprise loan funds in Baker, Lincoln, and Union Counties ($40,000 each)

We commend the Infrastructure Finance Authority's success with reducing the timelines. We support their request to address rural capacity needs to package and administer complicated loan and grant programs.

Counties support the Regional Solutions/Infrastructure allocation of $50 million of lottery revenue bond proceeds. Counties are co-sponsors and active participants of the regional solutions network. Regional steering committees have been meeting over the past year and ½ to identify projects that deal with each region's key issues. This funding will help the region leverage other funds from business, local government and the foundation community to help solve these problems and enhance the economy of the state.

The Strategic Reserve has been instrumental as an incentive to lure a business or resolve a thorny issue that will result in retaining and creating jobs. We have been very supportive of OBDD's efforts to certify industrial sites.

OBDD's business loan funds provide critical loans to small and medium size businesses at a time when capital is too often scarce. This will, in turn, reaps returns both locally and statewide with more jobs and tax revenue.

In summary, AOC urges your support for the Governor's Recommended Budget for OBDD.