77th OREGON LEGISLATIVE ASSEMBLY--2013 Regular Session

Enrolled Senate Bill 253

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CHAPTER

AN ACT

Relating to development of large industrial sites; and appropriating money.

Be It Enacted by the People of the State of Oregon:

SECTION 1. The Legislative Assembly finds that:

(1) A competitive supply of market-ready regionally significant industrial sites is critical to the expansion and recruitment of traded sector industries in this state.

(2) Traded sector industries are the foundation of state and regional economic development strategies for long-term prosperity and job creation.

(3) There is a shortage of market-ready regionally significant industrial sites in this state and limited financial tools and developers available to facilitate the development of regionally significant industrial sites in this state.

(4) Financial assistance is required to facilitate the determination of necessary actions, costs and development-related constraints involved in ensuring the availability of a competitive supply of market-ready regionally significant industrial sites suitable for industrial use and development in this state.

SECTION 2. As used in sections 1 to 4 of this 2013 Act:

(1) "Due diligence assessment" means an assessment of the actions, costs and time frames involved in bringing regionally significant industrial sites to market-ready status, including but not limited to wetland delineation, geotechnical investigation, environmental assessment and traffic analysis.

(2) "Economic development district" means one of the following:

(a) The Affiliated Tribes of Northwest Indians Economic Development Corporation, serving tribal members of the Burns-Paiute Tribe, the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, the Confederated Tribes of Grand Ronde, the Confederated Tribes of Siletz Indians, the Confederated Tribes of the Umatilla Indian Reservation, the Confederated Tribes of the Warm Springs Reservation of Oregon, the Coquille Indian Tribe, the Cow Creek Band of Umpqua Tribe of Indians and the Klamath Tribes.

(b) The Cascades West Economic Development District, serving Benton, Lane, Lincoln and Linn Counties.

(c) The Columbia-Pacific Economic Development District, serving Clatsop, Columbia and Tillamook Counties and western Washington County.

(d) The CCD Business Development Corporation, serving Coos, Curry and Douglas Counties.

(e) The Greater Eastern Oregon Development Corporation, serving Gilliam, Grant, Morrow, Umatilla, Wheeler, Harney and Malheur Counties.

(f) The Central Oregon Intergovernmental Council, serving Crook, Deschutes and Jefferson Counties.

(g) The Mid-Columbia Economic Development District, serving Hood River, Wasco and Sherman Counties.

(h) The Mid-Willamette Valley Council of Governments, serving Marion, Polk and Yamhill Counties.

(i) The South Central Oregon Economic Development District, serving Lake and Klamath Counties.

(j) The Northeast Oregon Economic Development District serving Baker, Union and Wallowa Counties.

(k) Southern Oregon Regional Economic Development, Inc., serving Jackson and Josephine Counties.

(L) Greater Portland, Inc.—Portland-Vancouver Economic Development District, serving Multnomah, Clackamas and Washington Counties.

(3) "Industrial use" means employment activities, including but not limited to manufacturing, assembly, fabrication, processing, storage, logistics, warehousing, importation, distribution, transshipment and research and development, that generate income from the production, handling or distribution of goods or services, including goods or services in the traded sector.

(4) "Local government" has the meaning given that term in ORS 197.015.

(5) "Market-ready" means that a regionally significant industrial site has been issued all appropriate and necessary building permits.

(6) "Region" means an economic development district, a port district as defined in ORS 285A.666 or an area within the jurisdiction of a local government.

(7) "Regional industrial land inventory" means an inventory of regionally significant industrial sites in a region that identifies development-related constraints and opportunities to develop regionally significant industrial sites and that rates the sites based on marketready status.

(8) "Regionally significant industrial site" means an area planned and zoned for industrial use that:

(a)(A) Contains a site or sites, including brownfields, that are suitable for the location of new industrial uses or the expansion of existing industrial uses and that can provide significant additional employment in the region;

(B) Has site characteristics that give the area significant competitive advantages that are difficult or impossible to replicate in the region; and

(C) Has superior access to transportation and freight infrastructure, including but not limited to rail, port, airport, multimodal freight or transshipment facilities and other major transportation facilities or routes; or

(b) Is land designated by Metro, as defined in ORS 197.015, as a regionally significant industrial area.

(9) "Willing property owner" means a public or private property owner that is committed to bringing a regionally significant industrial site to a state of market-readiness and pursuing development of the site for industrial use.

<u>SECTION 3.</u> (1) The Oregon Business Development Department shall establish and administer the Oregon Industrial Site Readiness Assessment Program. The purpose of the program is to provide grants on a competitive basis from funds that are available in the Oregon Industrial Site Readiness Assessment Program Fund established in section 4 of this 2013 Act, to: (a) Public owners of regionally significant industrial sites or public entities that have entered into development agreements or other agreements with private owners with respect to regionally significant industrial sites, to perform due diligence assessments, define development-related constraints and create detailed development plans to move the site toward a state of market-readiness; and

(b) Public owners of regionally significant industrial sites or public entities that have entered into development agreements or other agreements with private owners with respect to regionally significant industrial sites, acting on behalf of regions for the purposes of performing regional industrial land inventories and prioritizing sites for due diligence assessment and site preparation assistance.

(2) In each fiscal year of a biennium:

(a) Eighty percent of all moneys available for making grants under this section is reserved for grants to be made pursuant to subsection (1)(a) of this section; and

(b) Twenty percent of all moneys available for making grants under this section is reserved for grants to be made pursuant to subsection (1)(b) of this section.

(3) The department may prioritize grants to be made under this section based on established targets for regional allocations.

(4) Public owners of regionally significant industrial sites or public entities that have entered into development agreements or other agreements with private owners with respect to regionally significant industrial sites may apply to participate in the program by submitting an application in writing in a form prescribed by the department by rule.

(5) The department shall establish by rule criteria and standards for successful applicants under the program. At a minimum, the applicant must demonstrate that:

(a) For grants made under subsection (1)(a) of this section:

(A) The applicant has obtained a willing property owner;

(B) The applicant has received the support of the region in which the regionally significant industrial site is located, or the regionally significant industrial site is located in an area that has been designated a regionally significant industrial area as defined in ORS 197.722;

(C) The regionally significant industrial site is not currently market-ready and has not been certified by the department as ready for development within six months or less as of the date on which the application is submitted; and

(D) The applicant can provide matching funds in an amount to be determined by the department.

(b) For grants made under subsection (1)(b) of this section:

(A) The applicant is committed and has the ability to perform regional industrial land inventories for a specific region;

(B) The applicant is committed and has the ability to prioritize regionally significant industrial sites in a region for due diligence assessment and site preparation funding; and

(C) The applicant can provide matching funds in an amount to be determined by the department.

(6) Grants made under subsection (1)(a) of this section may not exceed \$100,000 per site. Grants made under subsection (1)(b) of this section may not exceed \$50,000 per region.

<u>SECTION 4.</u> The Oregon Industrial Site Readiness Assessment Program Fund is established in the State Treasury, separate and distinct from the General Fund. The Oregon Industrial Site Readiness Assessment Program Fund consists of moneys appropriated, allocated, deposited or transferred to the fund by the Legislative Assembly and interest earned on moneys in the fund. Amounts in the fund are continuously appropriated to the Oregon Business Development Department for the purposes of making grants under section 3 of this 2013 Act and to implement and administer sections 1 to 4 of this 2013 Act. Interest earned on the fund shall be deposited into the fund. <u>SECTION 5.</u> The Legislative Assembly finds that the implementation and administration of the Oregon Industrial Site Readiness Assessment Program under sections 1 to 4 of this 2013 Act will further economic development by facilitating the development of regionally significant industrial sites that are market-ready in this state.

<u>SECTION 6.</u> The Oregon Business Development Department shall report on the Oregon Industrial Site Readiness Assessment Program to the committees of the Seventy-eighth Legislative Assembly with authority over the subject area of economic development during the 2015 regular session.

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| Approved: |
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| John Kitzhaber, Governor |
| Filed in Office of Secretary of State: |
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Kate Brown, Secretary of State