

May 29, 2023

Joint Committee on Tax Expenditures
Oregon State Legislature
900 Court Street NE
Salem, Oregon 97301

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Erik Andersson

2022-2023
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RE: Support for HB 2062 and SB 138

Co-Chair Meek, Co-Chair Nathanson and Committee Members:

The Strategic Economic Development Corporation (SEDCOR) strongly and without hesitation supports House Bill 2062 and Senate Bill 138, which would extend the sunset for programs such as the Marion County Rural Industrial Development Exemption. Using that program, Marion County has attracted over \$30 million in investment to date, creating and protecting nearly 300 jobs. Extension of these programs will continue to provide the Mid-Willamette Valley region, and our state, a valuable tool with which to support rural industries, employers, and communities.

SEDCOR is a 501(c)(6) nonprofit organization, providing economic development services to the Mid-Willamette Valley region of Marion, Polk, and Yamhill Counties. Two of our most important industries, agriculture, and food/beverage manufacturing, have been cornerstones in the region's economy for more than 100 years. With nearly 200 crops grown on over 6,000 farms, our three-county region produces nearly a quarter of the state's gross farm sales. Agriculture businesses compete on an international scale but have limited support programs which provide resources to increase productivity and efficiency. Sponsored by Marion County, the Rural Industrial Development Exemption helps these businesses to make those necessary investments by abating local property tax on those important incremental investments for three years.

The program has allowed Marion County food processors and growers to invest in critical facility improvements. One company's investment allowed for more automated equipment, not only increasing production but also increasing the skills of existing workers to run that new machinery. Another used the incentive to make much-needed improvements to increase its production efficiency to be more successful in a highly competitive market. Building improvements and new equipment allowed the company to retain its existing workforce and add another 30 jobs. Other projects have added storage capacity for key agriculture products and expansion of a machinery and equipment manufacturing business serving farmers and processors. The SEDCOR team is currently working on a \$30 million project in rural Marion County that will preserve 125 jobs with the potential to create another 20 family-wage jobs. This company had been considering moving its operation out of state.

SEDCOR is proud of the example Marion County has set for other counties to follow in support of our rural employers and communities with this exemption program. We deeply support House Bill 2062 and Senate Bill 138, which would extend the sunset for programs such as the Marion County Rural Industrial Development Exemption. Thank you for your consideration.

Sincerely,



Erik Andersson