

From C.K. Patterson
32574 SW Riviera Lane
Wilsonville, Oregon

MEASURE: SB 904
EXHIBIT: F
Senate Finance and Revenue 76th Session
DATE: 05-12-2011 PAGES: 2
SUBMITTED BY: Charles K. Patterson

Senator Burdick, members of the committee, my name is Charles Patterson. I'm a resident of Wilsonville, Oregon. I am opposed to the expansion of The Department of Aviation's capital improvement budget through Tax Increment financing for Aurora airport.

First, Aurora is not a Rural Airport. It is two minutes more distant from Portland City Hall than Portland International airport.

Secondly, because Aurora airport is neither blighted nor stagnating. It is growing robustly without this measure..

Tax increment financing has long been a vital tool for **cities** where, as intended, it makes possible re-development of blighted areas, and infrastructure expansions required to handle required population growth. SB 904 does not fit those purposes.

This bill is little more than an effort to find new public money to grab as State budgets run into the reality of our economy.

Airports in Oregon have, it seems, primarily used state revenues to finance airport development by Department of Aviation. Fuel taxes, user fees, legislative allocations, and federal grants.

Comes now a season in which this Legislature is confronted with too little income to finance even essential functions. And so we have SB 904. It should be labeled the "measure to have our non flying neighbors pay for new Aviation facilities." Because the cash will come from desperately needed taxes for Canby schools, local police, fire, street and parks departments.

Oh, sure, each jurisdiction has the right to say "no" to being part of such districts. But in the political reality of local politics, each opponent will be isolated and pressured to

conform "for the good of the area;" Especially now, after Wilsonville has been run over by Portland because citizens had the temerity to ask for a **vote** on whether our city council was correctly reading community support. In a matter of two weeks, promised Solar industry jobs and investment were moved, with the full support of state government.

The message left behind for small communities is this: Shut up! Get out of the way, and out of the room. Leave your wallets on the table so we can access money we can't find in state or federal government."

Any jurisdiction trying to keep local tax revenue in school, city or county coffers will be hammered with the "look what happened to Wilsonville" story. Tax increment districts will proliferate. Airport developers who should sit down with their bankers to finance infrastructure will instead be able to take money from children's education and vital local services through obscure tax increment districts.

Is this how responsible Legislators solve a budget problem? Simply foist it off on local government? It's an ugly, negative version of the trickle down theory.

Please, take a more patient, thoughtful approach. Don't act here in haste. The Department of Aviation can increase user fees, landing fees, and fuel taxes to fund improvements.

If business development makes good economic sense, it will happen. Not every investor needs a handy public tax pocket from which to draw capital. When business makes good business sense, financing is assured by the market. Let's be patient and allow the private capital markets to evaluate and respond to perceived opportunities.

Don't use a tool intended for urban renewal to make growth of a **suburban**, not rural, Aurora airport easier. The necessarily tough budget proposals in this Legislature are inflicting more than enough pain on local governments and schools. Please don't add this rock to their pockets while they tread water in search of solid footing.

Thank you for allowing me to be heard.