



CITY of THE DALLES

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April 27, 2011

TO: Joint Tax Credit Committee, 2011 Oregon Legislative Session  
FROM: Dan Durow, Enterprise Zone Manager, City of The Dalles  
RE: Letter of Support for HB 3173; Long Term Tax Credit for Rural Enterprise Zones

MEASURE: HB 3173  
EXHIBIT: M  
Joint Committee on Tax Credits 76<sup>th</sup> Session  
DATE: 04-28-2011 PAGES: 1  
SUBMITTED BY: Daniel C. Durow

The Dalles and Wasco County have been administering the local Enterprise Zone program since 1987. Over the years, many existing and new businesses have been able to make investments in our community because of this valuable program, adding significantly to the employment and tax base of the area.

Due in large part to the Enterprise Zone program, The Dalles and Wasco County have gone from an unemployment rate that for years was chronically above the State and Federal averages to a rate, starting after the economic collapse in 2008, that has been consistently below the State and Federal averages. In addition, the City's property tax revenues have remained relatively flat since the 2008 collapse as well, a much better condition than most Oregon Cities. These statistics represent a remarkable turn-around spurred on by the investments made through the enterprise zone program.

The most significant new business to locate in The Dalles, due to this effective business recruitment tool, was Google. The Google project had to have a minimum investment of \$25,000,000, hire at least 35 new employees, and compensate workers by 150 percent of the County average. They have considerably exceeded all of these criteria. An important part of the incentives package for Google to locate in The Dalles included the Governor's approval for the employment tax credit.

It is a fact that without the incentives provided by the Enterprise Zone program, the economy of The Dalles and Wasco County would resemble more of its consistent, historical situation; not one to be envied.

Thank you for this opportunity to support HB 3173.

Sincerely yours,

Daniel C. Durow  
Community Development Director