



CENTRAL OREGON CITIES ORGANIZATION

BEND, CULVER, LA PINE, MADRAS, MAUPIN
METOLIUS, PRINEVILLE, REDMOND, SISTERS

January 12, 2012

Co-Chair Phil Barnhart
Co-Chair Vicki Berger
Chair Ginny Burdick
House Revenue Committee/Senate Finance Committee
900 Court Street
Salem, Oregon 97301

Dear Co-Chairs:

We are writing to express our strong support for legislation to clarify the central assessment issues impacting data centers in our state.

As you know, we are facing an economic crisis in Central Oregon, with unemployment pushing 20% in many areas. Local governments and economic development agencies are working on a strategy to bring jobs to our region, and one opportunity is to site data centers.

For over thirty years, state tax policy with regard to central assessment was clear. Recently, however, the Department of Revenue inexplicably announced that they would centrally assess data centers within Enterprise Zones. This dramatic change in policy could eliminate our ability to attract these state of the art centers, and the jobs and economic development they help create. Since our area offers unique characteristics that could attract numerous such centers, we need the legislature to act quickly to re-affirm that Oregon is "open for data center business."

Representative Mike McLane has proposed legislation to resolve this situation. We ask that you take immediate action on this legislation during the February 2011 legislative session. The bill is supported by business, labor, technology, and government organizations, and is a responsible solution to the threat of a new Department of Revenue tax policy.

Again, thank you for your thoughtful consideration of this request.

Sincerely,

for Lon Kellstrom, Chair
Central Oregon Cities Organization

LON KELLSTROM, CHAIR
CENTRAL OREGON CITIES ORGANIZATION
(541) 480-9975
lkellstrom@cl.sisters.or.us

DOUG RIGGS, LOBBYIST
NW GRASSROOTS & COMMUNICATIONS
(503) 702-5120
doug@ngrc.com