



March 7, 2013

House Transportation and Economic Development Committee
900 Court St, NE, HR E
Salem, Oregon, 97301

RE: Support of HB 2284

Dear Honorable Chair Read and Committee Member:

The Regional Industrial Site Readiness Project identified a lack of market ready sites in the Portland metro region. Of the 56 sites identified in the Project, only 9 were Tier 1 (development ready), meaning all the other 47 sites had various constraints that required between 7 and 30 months (Tier 2), or greater than 30 months (Tier 3) to address in order for the sites to be development ready. The barriers to development included public infrastructure, transportation, brownfields, wetland mitigation, site aggregation, and others.

HB 2284 would establish a funding mechanism available to local jurisdictions and other development authorities to pay for specific projects to address the constraints and prepare the sites for development, effectively assisting in making the sites Tier 1 ready. Having development ready sites is an issue state wide for communities. It is critical to have sites development ready in order to meet the shorter time frames that companies now have to work within to bring products to market. This is an issue for both business expansion/retention as well as business recruitment.

The city of Hillsboro includes over 650 acres of land that are presently available or being planned for future industrial development in the North Hillsboro Industrial Area south of Hwy. 26. This land has the potential for over 9000 direct high paying jobs in the technology and advanced manufacturing sectors. It is anticipated that the investment and companies that will develop on these properties will reflect the existing manufacturing profile in North Hillsboro that includes firms such as Intel, Solar World, Genentech, FEI, Oracle and others.

The companies that are currently located in the North Hillsboro industrial area employ over 30,000 people, with an average wage of \$104,000, which is 59% higher than the state average. Property tax revenues generated by these existing companies are \$32 million annually. This is a conservative number because it does not include high value manufacturing equipment that is present in many of these manufacturing facilities. These revenues go to support local government services and K-12 schools.

The work completed in the Regional Industrial Site Readiness Project identified the potential for in excess of \$56 million annually in payroll taxes to the state if full development occurs in just a portion of the North Industrial Area (436 acres of the 650 acres).

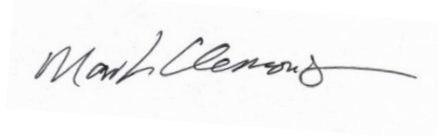
The City is currently working with public partners, including Washington County, Metro, and the State of Oregon, as well as private partners such as Portland General Electric to prepare the 650 acres for new investment that will create high paying jobs and tax revenue for the regional and state economy. Initial cost estimates for the public infrastructure for the North Hillsboro Industrial Area are in the neighborhood of \$50 million. Private infrastructure e.g. electricity, natural gas, communications, are also planning major investments.

The City of Hillsboro has embarked on a comprehensive funding strategy to bring infrastructure and transportation improvements to this industrial area. A variety of tools will be necessary to make the area development ready. HB 2284 would be a critical and important new tool to aid in this effort. We strongly support this bill as it establishes a partnership between state and local government to achieve the goal of development ready sites for critically important job and revenue creating companies.

Thank you for your consideration of this issue and please contact me if I can provide additional information that would assist in your deliberations.

Sincerely,

CITY OF HILLSBORO

A handwritten signature in black ink, reading "Mark Clemons", is centered on a light gray rectangular background. The signature is written in a cursive style with a long horizontal flourish extending to the right.

Mark Clemons
Economic Development Director