



March 15, 2013

**Senator Lee Beyer, Chair**  
**Senate Committee on Business and Transportation**

**Testimony of the City of Salem In Support of SB 253**

The City of Salem supports SB 253 to establish the Oregon Industrial Site Readiness Program which would make grants available to support due diligence activities and assessments in preparing industrial sites greater than 25 acres in size. Our primary interest in SB 253 is the opportunity this funding assistance would afford in the ongoing analysis and assessment requirements to prepare the 550 acres of developable acreage at the Mill Creek Corporate Center for traded sector businesses, \$400 million in private sector investment, and the more than 5,000 jobs anticipated for the Mid-Willamette Valley region.

At the Mill Creek Corporate Center, the City of Salem and State of Oregon are working in collaboration to prepare 550 acres for development. Performing due diligence activities in advance of developer interest in properties removes risk and reduces costs. While almost 134 acres are certified as "shovel ready" in the Industrial Site Certification Program, the remaining parcels range from approximately 25 to 76 acres in size and require detailed analyses such as environmental assessments to become certified. Little, if any, funding is available for the assessments to bring a site to shovel ready status. In addition, the partners face the challenge of funding periodic impact assessments of the 550 acres as it relates to the Mill Creek Corporate Center's Urban Growth Area Permit. For example, an update to the 2004 traffic impact analysis will help to fine tune the transportation improvements required in the area surrounding the site.

The State's funding is constrained to the proceeds of property sales and the City's funding is constrained to tax increment financing, contingent on property sales and lagging behind the resulting development. In effect, the ability of the partners to fund these types of due diligence assessments is constrained by the very property sales the "shovel ready" status would make easier.

If SB 253 was enacted into law, the City would have greater assurance of its ability to meet the funding requirements for the due diligence studies and assessments necessary to ensure development readiness of parcels at the Mill Creek Corporate Center needed to support growth, development and traded sector jobs to benefit the Mid-Willamette Valley Region.

Thank you.

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