

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended, Be Printed Engrossed, and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	5 - 1 - 0
Yeas:	Edwards, Girod, Monroe, Starr, Beyer
Nays:	Thomsen
Exc.:	0
Prepared By:	Patrick Brennan, Administrator
Meeting Dates:	3/18, 4/15

WHAT THE MEASURE DOES: Establishes Oregon Industrial Site Readiness Program Fund and continuously appropriates moneys from Fund to Oregon Business Development Department. Directs Department to establish and administer Oregon Industrial Site Readiness Program to enter into tax reimbursement arrangements with, and to make loans to, qualified project sponsors for development of certified, regionally significant industrial sites. Allows Department to forgive portions of loans in cases where project sponsor contracts with eligible employer. Limits loans forgiveness to lesser of percentage of eligible site preparation costs or estimated incremental income tax revenues. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Impact of limited supply of large industrial sites
- Findings of study on site readiness in Portland metro area and statewide
- Potential economic and job growth of improved industrial site availability
- Potential environmental impacts

EFFECT OF COMMITTEE AMENDMENT: Replaces references to “state and regional industrial sites” with “regional industrial sites.” Revises definitions of “project sponsor” and “regionally significant industrial site.” Allows Department to enter into tax reimbursement arrangements with qualified project sponsors. Revises qualification for regionally significant site for purposes of measure. Extends from five years to seven years the time limit for forgiveness of loan when a project sponsor enters into a contract to conduct business with an eligible employer in the traded sector industry on a regionally significant industrial site.

BACKGROUND: Currently, there is a lack of large sites available for industrial development in Oregon. Such sites are considered an integral part of efforts to expand and improve the state’s economy and to attracting and retaining large employers to the state. There has been a consistent interest in potential sites for industrial development of 50 acres and up, even through the recent recession. Senate Bill 766 (2011) sought to address this by providing a process for expediting the review and permitting process for significant industrial sites.

Senate Bill 246-A establishes the Industrial Site Readiness Program, which includes a fund through which the Oregon Business Development Department would be able to make loans or provide tax reimbursement for development of industrial sites designated as regionally significant.