

**PROPOSED AMENDMENTS TO
SENATE BILL 246**

1 On page 1 of the printed bill, line 11, delete “state and”.

2 In line 16, delete “state and”.

3 In line 25, delete “state and”.

4 On page 2, line 6, delete “state and”.

5 Delete lines 10 through 45.

6 On page 3, delete lines 1 through 20 and insert:

7 “(4) ‘Industrial use’ means employment activities, including but not lim-
8 ited to manufacturing, assembly, fabrication, processing, storage, logistics,
9 warehousing, importation, distribution, transshipment and research and de-
10 velopment, that generate income from the production, handling or distrib-
11 ution of goods or services, including goods or services in the traded sector.

12 “(5) ‘Project sponsor’ means:

13 “(a) A public owner of a regionally significant industrial site that is in-
14 vesting in preparation of the site for industrial use by a third party; or

15 “(b) A public entity that has entered into a development or other agree-
16 ment with the private owner of a regionally significant industrial site to
17 prepare the site for industrial use.

18 “(6) ‘Regionally significant industrial site’ means an area planned and
19 zoned for industrial use that:

20 “(a)(A) Contains a site or sites, including brownfields, that are suitable
21 for the location of new industrial uses or the expansion of existing industrial
22 uses and that can provide significant additional employment in the region;

1 “(B) Has site characteristics that give the area significant competitive
2 advantages that are difficult or impossible to replicate in the region; and

3 “(C) Has superior access to transportation and freight infrastructure, in-
4 cluding but not limited to rail, port, airport, multimodal freight or trans-
5 shipment facilities and other major transportation facilities or routes; or

6 “(b) Is land designated by Metro, as defined in ORS 197.015, as a re-
7 gionally significant industrial area.

8 “(7) ‘Traded sector’ has the meaning given that term in ORS 285A.010.

9 **“SECTION 3. (1) In consultation with the Department of Revenue,**
10 **the Oregon Business Development Department shall establish and ad-**
11 **minister the Oregon Industrial Site Readiness Program. The purpose**
12 **of the program is to:**

13 **“(a) Enter into tax reimbursement arrangements with qualified**
14 **project sponsors pursuant to subsection (5) of this section; or**

15 **“(b) Provide loans, including forgivable loans, to qualified project**
16 **sponsors pursuant to subsection (5) of this section.**

17 **“(2)(a) Subject to standards and procedures that the Oregon Busi-**
18 **ness Development Department shall establish by rule, the department**
19 **shall certify regionally significant industrial sites for inclusion in the**
20 **program.**

21 **“(b) A regionally significant industrial site certified under this sec-**
22 **tion must be an industrial site that is planned and zoned for industrial**
23 **use.**

24 **“(3) A project sponsor may apply to participate in the program by**
25 **submitting an application and development plan in writing in a form**
26 **prescribed by the department by rule.**

27 **“(4) The department shall establish by rule criteria and standards**
28 **for the qualification of project sponsors to participate in the program.**

29 **“(5) Upon qualification of a project sponsor under this section, the**
30 **department may:**

1 **“(a) Enter into a tax reimbursement arrangement with the project**
2 **sponsor pursuant to which the project sponsor shall receive 50 percent**
3 **of the estimated incremental income tax revenues generated by an**
4 **eligible employer per tax year until the total investment of the quali-**
5 **fied project sponsor in the eligible site preparation costs established**
6 **under subsection (7) of this section has been recovered. The tax re-**
7 **imbursement arrangement shall end upon recovery of all eligible site**
8 **preparation costs, including interest.**

9 **“(b) Enter into a loan agreement with the project sponsor under**
10 **terms and conditions specified and required by the department. The**
11 **agreement may specify that a portion of the loan may be forgiven if**
12 **the project sponsor enters into a contract with an eligible employer**
13 **to conduct a business in the traded sector industry on a regionally**
14 **significant industrial site within seven years after the project sponsor**
15 **was qualified under this section.**

16 **“(6) The total amount of the loan forgiveness that may be allowed**
17 **under subsection (5) of this section is the lesser of:**

18 **“(a) 50 percent of the total cost of eligible site preparation costs;**
19 **or**

20 **“(b) 50 percent of the amount of the estimated incremental income**
21 **tax revenues for the eligible employer.**

22 **“(7) The department shall establish, by rule, eligible site prepara-**
23 **tion costs including, but not limited to, some or all of the following:**

24 **“(a) Acquisition and assembly costs associated with creating large**
25 **development parcels.**

26 **“(b) Transportation improvements such as access roads, inter-**
27 **sections, turning lanes, signals, sidewalks, curbs, transit stops and**
28 **storm drains.**

29 **“(c) Water and sewer infrastructure.**

30 **“(d) Natural resource mitigation.**

1 “(e) Site grading activities.

2 “(f) Environmental remediation and mitigation activities to address
3 brownfields issues in accordance with state and federally approved re-
4 mediation plans.

5 “(g) Planning, engineering and administrative costs associated with
6 applying for necessary local, state and federal permits.

7 “(h) Interest-carrying costs incurred by a project sponsor for bor-
8 rowing undertaken to develop a regionally significant industrial site,
9 not to exceed 20 percent of the total amount forgiven, if any, under
10 subsection (5) of this section.

11 “SECTION 4. The Director of the Oregon Business Development
12 Department, in consultation with the Director of the Department of
13 Revenue, shall:

14 “(1) Determine the amount of estimated incremental income tax
15 revenues attributable to each certified regionally significant industrial
16 site.

17 “(2) Rely on reasonable techniques of estimation in making the de-
18 termination under subsection (1) of this section.

19 “(3) Transfer 50 percent of the amount determined under subsection
20 (1) of this section to the Oregon Industrial Site Readiness Program
21 Fund established in section 5 of this 2013 Act.

22 “(4) Disburse moneys to eligible project sponsors from the Oregon
23 Industrial Site Readiness Program Fund as provided in the tax re-
24 imbursement arrangements or loan agreements entered into under
25 section 3 of this 2013 Act.

26 “(5) Adopt rules to administer and implement the provisions of this
27 section.”.

28 In line 25, delete “making the loans” and insert “entering into tax re-
29 imbursement arrangements and making loans”.

30