



February 5, 2014

**Representative Jules Bailey, Chair
House Energy and Environment Committee**

Testimony of the City of Salem In Support of HB 4041

The City of Salem supports HB 4041 to expand Oregon's energy improvement program by authorizing local governments to facilitate private financing of energy improvements for multi-family, commercial, or industrial buildings. HB 4041 provides an additional financing tool for the City to offer private property owners, to encourage redevelopment and re-use. Energy improvement funding could be used to leverage existing Urban Renewal Area loans and grants, in particular for older buildings in the City's Riverfront-Downtown, North Gateway, and West Salem urban renewal areas.

If HB 4041 is enacted into law, the City of Salem and cities across Oregon will have an additional financing option to incent private investment in older, underutilized buildings, attracting new uses and jobs, and improving property values. Older, inefficient buildings are often costly to maintain, even in a vacant condition. Energy improvements will reduce property owner's long term operating costs and improve the overall comfort and enjoyment of buildings.

The City of Salem has experienced the benefit of financing for energy improvements in our own facilities. As a result of American Recovery and Reinvestment Act (AARA) funding, the City completed nearly \$1,500,000 in improvements, aimed at reducing energy consumption city-wide, including new lighting, heating and cooling systems, and solar compacting trash cans. We strongly support efforts to strengthen these efforts across our City and throughout Oregon.

Thank you,

A handwritten signature in blue ink, appearing to read "Douglas R. Rux", is written over a horizontal line.

Douglas R. Rux
Assistant Director
Urban Development Department

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