



Mar. 11, 2015

Honorable Caddy McKeown, Chair  
House Committee on Transportation and Economic Development  
900 Court St. NE  
Salem, Or 97301

RE: House Bill 2643 Streamlines Enterprise Zone process and removes cap number of Zones

Dear Chair McKeown and Members of the Transportation and Economic Development Committee:

I am writing to express the City of Beaverton's support of House Bill 2643. HB 2643 authorizes designation of enterprise zone and zone and city for electronic commerce, addition of zone cosponsor and change of enterprise zone boundary without application process. Since the original designation for Beaverton's Enterprise Zone (E-Zone) in June 2012, the city has gone through two boundary expansions. While the city took measures during the latest expansion to ensure we pulled in as much eligible land as possible, this bill would significantly streamline our work by not having to go through the same arduous process in the future.

During the same two-year timeframe, the city applied separately for an Electronic Commerce (E-Commerce) overlay to the existing E-Zone. As it turned out, a number of the companies inquiring about E-Zone also had E-Commerce eligibility, which provided a much more robust economic incentive for them. Some barriers we experienced were:

- The wait for the E-Commerce application process to open up for new community applications caused some of our local companies to miss the opportunity for their impending investments to receive the incentive.
- To submit an eligible application, a company had to commit to the investment upfront. This "bird in the hand" approach prolonged the city's ability to apply for overlay.

This bill will help Beaverton, and other local jurisdictions, by:

- Streamlining the overall application process for local jurisdictions to implement these state economic development tools which helps cities focus on the needs of businesses in their communities.

- Making the state economic development tools more accessible to local jurisdictions levels the playing field within the state so that cities are not competing against neighbors, but instead working to bring jobs, talent and new infrastructure to the region as a whole—an overall benefit to the state.

Beaverton did successfully apply for the E-Commerce overlay and was awarded the overlay in July 2014. Within two months the city had its first E-Commerce applicant and the city is now working with a second applicant. The city urges you to move this bill forward and continue to support this valuable economic development tool. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alma Flores', written in a cursive style.

Alma Flores  
Economic Development Manager