

**TESTIMONY OF DOUGLAS C. MACCOURT  
PARTNER, ATER WYNNE LLP  
CO-CHAIR, FINANCE COMMITTEE, OREGON BROWNFIELD COALITION  
PORTLAND, OREGON  
In Support of SB 5525  
Recapitalization of the Oregon Brownfields Redevelopment Fund, Business Oregon  
Before the Joint Committee on Ways and Means Subcommittee on Transportation and  
Economic Development**

**March 19, 2015**

Good afternoon Chairs Gomberg and Johnson and members of the Committee. My name is Doug MacCourt. I live in Portland, Oregon. I am a Partner in the law firm of Ater Wynne in Portland; I lead the firm's Land Use and Redevelopment Group and I am Co-Chair of the Oregon Brownfield Coalition Finance Committee tasked with developing and supporting financial incentives and programs for brownfields redevelopment in this 2015 Legislative Session. Thank you for the opportunity to testify today in support of HB 5525 and specifically in support of Business Oregon's proposal to recapitalize the Oregon Brownfields Redevelopment Fund (the "Fund").

My work helping local governments, industry, Indian tribes and small businesses to clean up and redevelop brownfield sites over the last 25 years has taken me to every corner of the state and across the nation. From that experience, I want to share three important reasons to support the Business Oregon recapitalization request:

1. The Fund Works.
2. The Fund meets a critical need that is not addressed by the private sector or by federal or local governments in Oregon.
3. The Fund is efficiently and fairly administered to rural and urban areas across Oregon.

The Fund works because it requires collaboration with the Oregon Department of Environmental Quality to ensure cleanups are in compliance with Oregon law. It works because the loans and grants require a verifiable commitment to the creation of jobs, tax revenues. And it works because the loans and grants actually create jobs and revenues. I was a member of the Brownfields Funding Task Force established by the 1995 Oregon Assembly through HB 3352. We returned in 1997 to propose HB 3724, which created the Oregon Brownfields Redevelopment Fund. The recent study performed by Maul Foster Alongi for the Oregon

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Brownfield Coalition shows that from 1990 to 2013, \$1 of state investment in brownfield cleanup leveraged \$116 in other funds generating 8,900 on-site and indirect jobs.

The Fund does not duplicate private, federal or local funding sources. Lenders make loans to revenues, and against assets. As you know, even though our state and national economy is slowly improving, credit and funds for brownfield cleanup and redevelopment is still very tight. Even at the height of the economic boom prior to 2008, early stage capital for resolving environmental contamination and liability issues was and remains scarce, and these problems are typically balance sheet financed for those few entities that can afford it. You heard the story of Ava Roasteria. I know that story very well because they are my client. Ava's success comes down to a \$107,000 loan and flexible loan repayment terms from the Fund.

The Fund is meeting needs from Baker City to Coos County, from Astoria to Josephine County and everywhere in between as shown in the attached summary of loans and grants from the Fund. With approximately 80% of the money in the Fund distributed in the form of loans, the Fund is not a hand out. As in the case of Ava Roasteria, loans from the Fund are the glue that bind together commitments for future financing of redevelopment and business operations on former brownfield sites.

The recapitalization of the Oregon Brownfields Redevelopment Fund is the number one priority of the Oregon Brownfields Coalition in the 2015 Legislative Session. On behalf of the Coalition, I urge your support for HB 5525.

Thank you for your time and I will be happy to answer any questions you might have.

Very truly yours,



Douglas C. MacCourt

**Business Oregon**  
**Total Brownfields Program Funding By County**

County	# of Grant Awards	Total Grant \$ Awarded		# of Loan Awards	Total \$ Loan Awarded	Total \$ Awarded to County
Baker	1	\$ 200,000.00		0	\$ -	\$ 200,000.00
Benton	2	\$ 82,500.00		0		\$ 82,500.00
Clackamas	4	\$ 415,000.00		1	\$ 474,000.00	\$ 889,000.00
Clatsop	2	\$ 137,900.00		0		\$ 137,900.00
Columbia	2	\$ 85,000.00		0		\$ 85,000.00
Coos	3	\$ 86,918.00		0		\$ 86,918.00
Crook	2	\$ 87,320.00		0		\$ 87,320.00
Curry	0			0		\$ -
Deschutes	2	\$ 27,403.00		0		\$ 27,403.00
Douglas	2	\$ 120,000.00		0		\$ 120,000.00
Gilliam	7	\$ 368,473.00		0		\$ 368,473.00
Grant	3	\$ 99,404.00		0		\$ 99,404.00
Harney	1	\$ 3,389.00		0		\$ 3,389.00
Hood River	0			0		\$ -
Jackson	0			0		\$ -
Jefferson	1	\$ 99,000.00		0		\$ 99,000.00
Josephine	5	\$ 374,739.00		1	\$ 1,500,000.00	\$ 1,874,739.00
Klamath	0			0		\$ -
Lake	0			0		\$ -
Lane	3	\$ 322,528.00		2	\$ 150,000.00	\$ 472,528.00
Lincoln	7	\$ 821,125.00		1	\$ 1,300,000.00	\$ 2,121,125.00
Linn	4	\$ 211,186.00		0		\$ 211,186.00
Malheur	0			0		\$ -
Marion	5	\$ 166,939.00		1	\$ 20,000.00	\$ 186,939.00
Morrow	1	\$ 17,600.00		0		\$ 17,600.00
Multnomah	12	\$ 444,678.00		7	\$ 9,607,579.00	\$ 10,052,257.00
Polk	0			0		\$ -
Sherman	0			0		\$ -
Tillamook	3	\$ 107,943.00		0		\$ 107,943.00
Umatilla	0			0		\$ -
Union	1	\$ 233,775.00		0		\$ 233,775.00
Wallowa	0			0		\$ -
Wasco	2	\$ 58,333.00		0		\$ 58,333.00
Washington	6	\$ 359,672.00		4	\$ 546,239.00	\$ 905,911.00
Wheeler	1	\$ 7,730.00		0		\$ 7,730.00
Yamhill	3	\$ 55,940.00		0		\$ 55,940.00
<b>Total Projects</b>	<b>85</b>	<b>\$ 4,994,495.00</b>		<b>17</b>	<b>\$ 13,597,818.00</b>	<b>\$ 18,592,313.00</b>