

March 24, 2015

The Honorable Mark Hass, Chair  
Senate Finance and Revenue Committee  
900 Court St. NE S-207  
Salem, Oregon 97301

Dear Senator Hass:

I represent the City of Gresham, and we support the improvements to the Strategic Investment Program/Gain Share provided by Senate Bill 129. The Strategic Investment Program and Gain Share are critical pieces of Oregon's efforts to attract major investment, produce jobs, and generate income and revenue that support public services statewide, in addition to helping local businesses and spawning new companies needed to support the bigger ones.

Oregon leans heavily on local communities for economic development, primarily through the Strategic Investment Program (SIP), which relies on cities and counties to carry the primary revenue burden necessary to attract major economic investment, which benefits the entire state. Gain share represents a partnership between the state and local governments to incentivize the use of the Strategic Investment Program, and give local government the opportunity to share in new income tax revenue generated as a result of the property tax abatement.

The program has attracted and retained companies in Oregon that could have located anywhere in the world, bringing some of the state's biggest employers – including Intel and Genentech in the Portland metro area, along with wind farms in rural Eastern Oregon and the Wauna paper mill near the coast – providing well-paying jobs that benefit all Oregonians.

The City of Gresham does not currently benefit directly from Gain Share, but we recognize its importance in our future economic development work, and the positive ancillary value it has provided our city when other jurisdictions have been able to use it effectively to attract new economic investment, successfully bringing new businesses and investment to Oregon in an internationally-competitive marketplace.

Under Senate Bill SB 129, jurisdictions that would receive the most money from Gain Share will share the proceeds by dedicating funds for local and statewide education and for economic development in distressed counties. These changes are anticipated to double the state's current resources available for economic development in rural Oregon, adding an estimated \$19 million to the Oregon Opportunity Fund for distressed counties on a biennial basis, as well as providing millions more to the state's K-12 schools.

I respectfully request that you support SB 129. We recognize its importance in continuing economic development efforts that provide benefits for all Oregonians.

Sincerely,



Eric Chambers  
Government Affairs Director