

**Testimony of Commissioner Tootie Smith
Clackamas County Board of Commissioners**

**Public Hearing on SB 716
Senate Committee on Environment & Natural Resources
Monday, April 6, 2015**

Chair Edwards and Members of the Committee: For the record my name is Commissioner Tootie Smith, representing the Clackamas County Board of Commissioners. Thank you for the opportunity to appear before you today on behalf of the Clackamas County Board of Commissioners in support of SB 716. I commend Sen. Roblan for bringing this bill forward to encourage a creative dialogue about the future of our employment lands.

SB 716 establishes a regional pilot program to address the need for large-lot industrial land to support traded-sector job growth. Specifically, SB 716 affords a county the ability to designate one large-lot industrial reserve between 150 to 500 acres adjacent to the Urban Growth Boundary (UGB) that has unique site characteristics to the region and is suitable to support and develop traded-sector industries. Equally important, SB 716 requires a mitigation component to ensure there is no net increase in urban reserves or net decrease in rural reserves.

Recognizing the impact of traded-sector firms, their investment and employment, it's imperative that we have the tools and conditions necessary to support these opportunities. As such, having an adequate supply of usable, large-lot industrial land is critical to creating living-wage jobs and bolstering Clackamas County's economy.

Unfortunately, Clackamas County lags in comparison to our neighbors with respect to job growth and overall development and investment. SB 716 helps Clackamas County address this problem by providing a targeted tool to easily identify large-lot industrial land to respond to job creation and investment opportunities. This legislation would allow Clackamas County and the region to better market itself when a company looks to expand its operations or when recruiting employers evaluating Oregon as a possible location. As a result, we could attract new investment, create and retain jobs, and ensure the type of economic prosperity that we desire for the region and the entire state.

Once again, we urge you to pass SB 716. Thank you very much for the opportunity to testify before you today and for your leadership and concern for our economic landscape. I would be happy to answer any questions.



March 30, 2015

Senator Chris Edwards
Chair, Senate Environment & Natural Resources Committee
Oregon State Capitol
900 Court Street NE
Salem, OR 97301

Dear Chair Edwards:

In 2011, Business Oregon, Metro, the Oregon chapter of NAIOP (the Commercial Real Estate Development Association), the Port of Portland, and Portland Business Alliance began a comprehensive review of the market-readiness of the Portland region's inventory of industrial sites of 25 acres or more. The goal of this project was to study the challenges, costs and benefits associated with the development of these large industrial sites to accommodate the expansion and recruitment of traded-sector companies.

Traded-sector firms sell goods and services to buyers outside of a region, state or country and in doing so create new incomes and additional spending power for the community in which they operate. Attracting and retaining traded-sector industrial companies is important for the state's long-term economic prosperity as these jobs typically pay higher wages and better benefits than non-traded sector jobs, particularly for those workers without a high school or college degree.

Portland-Metro's Traded Sector, a 2012 Value of Jobs Report issued by Portland Business Alliance, found that on average a traded-sector worker in the Portland metropolitan area earns 42% more than a local-sector worker in the Portland metropolitan region. Promoting traded-sector job creation also spurs the local economy with a multiplier of 2.5 local-sector jobs created for each high-skilled traded-sector job.

The availability of large and market-ready industrial sites is critical to expanding and attracting traded-sector businesses and growing middle-income jobs.

Our state has the potential to grow the base of high-paying manufacturing and other traded-sector jobs, but the sites required for these new facilities often need investment to make them ready for large employers in a timely fashion. These investments include regulatory approvals (policy changes, permitting, mitigation), infrastructure (sewer, water, transportation, fill), aggregation of sites, brownfields clean-up, and state/local actions (land division, rezoning, annexation).

The recent studies of industrial land readiness in the Portland region demonstrate that there are very few sites that could be "development-ready" within six months and most of the remaining sites have many constraints to their development and will require significant investments, policy actions and time to make them ready for development.

Mission: To enhance the region's economy and quality of life by providing efficient cargo and air passenger access to national and global markets, and by promoting industrial development.

7200 NE Airport Way Portland OR 97218
Box 3529 Portland OR 97208
503 415 6000

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To address the shortfall of industrial sites that are ready for development, public and private entities throughout Oregon have joined together to identify potential industrial sites and to develop financing tools that can attract investment in new industrial facilities.

Identifying constraints to development readiness and investing in site preparation are critical to ensuring a competitive supply of industrial lands for business expansion and recruitment of traded-sector companies to Oregon as the economy rebounds. The unrealized state economic benefit from successful traded-sector development (direct and indirect jobs, income and property tax revenues) is significant. In fact, growth in income tax revenues would make the state's general fund the largest beneficiary from an increase in traded-sector industrial jobs.

Ensuring our state has "development-ready" industrial lands for new and growing companies is a responsibility of many partners: local, regional and state governments and the private sector. For this reason, we urge your attention and support for those bills that provide a foundation for "development ready" industrial land.

Sincerely,

A handwritten signature in cursive script that reads "Bill Wyatt".

Bill Wyatt
Executive Director