

Port of Portland Testimony in Support of HB 5030 Lottery Bond Authorizations
Joint Ways and Means Subcommittee on Capital Construction
May 15, 2015

House Members

Co-Chair Rep. Tobias Read

Speaker Tina Kotek

Rep. Val Hoyle

Rep. Greg Smith

Rep. John Huffman

Senate Members

Co-Chair Senator Fred Girod

Senate President Peter Courtney

Senator Richard Devlin

The Port of Portland is a member of the Industrial Land Coalition, Brownfields Coalition, and Oregon Freight Advisory Committee with a strong interest in the overall health of our economy and transportation system. The Port of Portland would like to voice our support for increased lottery bonding authorization for the Oregon Business Development Department. With the backdrop of this week's revenue forecast and Oregon's growing economy, now is the time to make strategic investments in Oregon's aging infrastructure and industrial site readiness.

While the Port is supportive of the department's budget in its entirety, the following three key areas are of particular interest and importance:

1. **\$21 M** lottery bonds for the **Special Public Works Fund** to support:
 - a. **Levee inspection and repair of our aging flood management infrastructure** protecting recognized cultural, historical, and economic engines across Oregon (e.g., Sauvie Island, Reedsport, Warrenton, Pendleton, Springfield, Tillamook, and the Columbia Corridor in Portland); and
 - b. **Patient capital for site readiness investments in regionally significant industrial sites** across Oregon supporting a diversity of site readiness needs – including sewer, water and transportation infrastructure, natural resource mitigation (flood plain, slope, wetlands), state and local planning actions (annexation, zoning, concept planning), aggregation and cleanup. Investing in site preparation is critical to ensuring a competitive supply of industrial lands for business expansion and recruitment of traded-sector companies in Oregon. Traded-sector companies bring new money to the state, pay higher wages, and provide tax base for schools and other public services. While local governments typically provide most of the financing and due diligence and site preparation, the major benefit from siting a company goes to the state general fund in the form of personal income taxes. This funding would support the Industrial Site Readiness Program approved by the 2013 Legislature.
 - c. The availability of development-ready industrial sites is critical to recapitalization of the **brownfield redevelopment program for brownfield remediation** to spur community revitalization and economic development. Oregon has 13,501 brownfields – only 35% of these have been assessed or worked on to date.

2. **\$58.6 M in Connect Oregon VI lottery bonds** to support non-highway, multi-modal transportation projects that promote economic development in Oregon. Funding for this program over the past five cycles has supported critical rail, port/marine, aviation, and transit projects in the state that would not have happened but for this funding, including the new parallel runway at Hillsboro Airport that opened on April 30. While lottery bonding for this program has decreased from \$100 M to \$42 M, the demand for funding for the program and eligible list of projects (with the addition of bike and pedestrian projects) has increased. The Port and Oregon Freight Advisory Committee urge your full support of \$58.6 M in lottery funding for this program to help reduce the gap between demand and resources. The success of this program speaks for itself with over \$340 M in funding for 203 projects, leveraging nearly \$500 M in matching funds. These projects collectively have helped reduce transportation costs for Oregon businesses, improve access to jobs and sources of labor, and provide critical transportation linkages and economic benefits.

3. **\$14 M in lottery bonds to support priorities identified by the 11 Regional Solutions region's priorities** that require state agency coordination and technical assistance. Bill Wyatt, the executive director of the Port of Portland, is the chair of the Portland Metro Advisory Committee comprised of diverse, regional leaders and staffed by a representative from the Governor's office, and five state agencies. Our region's sees tremendous value in the Metro Regional Solutions Team. One of the projects that this region has adopted as a priority is industrial site readiness. Working with the region and local jurisdiction partners, the team identified three priority areas for industrial site certification and advocacy over an 18 month period:
 - North Hillsboro Industrial Area
 - Clackamas Development Agency Industrial site in Clackamas
 - Troutdale Reynolds Industrial Park (one of the largest brownfield redevelopment sites in the state) and Gresham Vista Business Park

Not only did the team secure site certification for these three industrial properties, they advocated successfully for \$24 M in regional transportation funding to support access to these sites. The team also worked with sister state and federal agencies to address environmental mitigation, cultural resources, and other site development challenges for these sites. Along with assistance on levee re-accreditation in the Columbia Corridor, the Metro region continues to advocate for site readiness including redevelopment of the 700 acre Troutdale Reynolds Industrial Park owned by the Port of Portland – a Superfund site that has undergone cleanup and is being developed in three phases to support traded-sector jobs in East Multnomah County.

For the 2015-17 biennium, each of the Regional Solution Teams has identified economic and community development priorities for the next two years and the budget before this subcommittee reflects those priorities. We urge your support for the catalytic funding proposed in the Regional Solutions Team budget.

Contacts:

Lise Glancy, Regional Affairs Manager, Port of Portland, 503.415.6519
Kathryn Williams, State Affairs Manager, Port of Portland, 503.415.6018