



To: Chair Barnhart, Vice Chairs Smith Warner and Bentz, and members of the House
Committee on Revenue
Date: February 1st, 2016
Re: HB 4084, tax incentives for brownfield cleanups

According to a 2012 inventory completed by Metro, the Portland metropolitan area has approximately 2,300 brownfield sites, the majority of which are located in Multnomah County. In Portland alone there are 910 acres of likely brownfields, with an estimated cleanup cost of \$240 million. These sites are public health concerns and environmental hazards, as well as underutilized and often blighted properties in our neighborhoods.

The Metro brownfield assessment also found that brownfields sites are three times more likely to be located in historically underserved communities that bear a disproportionate burden of threats to people's health and well-being. When the environmental and health hazards from a brownfield are mitigated, on the other hand, these sites can serve as opportunities to improve neighborhood livability and catalyze economic development.

This bill would authorize certain local governments such as a city, county or port to adopt an ordinance or resolution that would allow special property tax assessments to incentivize the cleanup of brownfield sites.

HB 4084 includes controls designed to prevent the misuse of the tax benefit. For example it precludes the original polluter or contributing polluter from participating in the program, excludes properties already involved in cleanup programs, such as federal superfund sites, and limits the total benefit of the special assessment to the actual cost of cleanup. The bill requires land owners to follow existing standard assessment and cleanup protocol through the Oregon Department of Environmental Quality. Additionally, the bill allows for claw back provisions for property owners that are not following the required protocol.

Just as local jurisdictions can choose to exercise this tax benefit by majority vote, they can also choose to require public health and community based benefits such as affordable housing requirements, MWESB contracting and clean fuels contracting for cleanup activities.

HB 4084 will provide local governments with an important tool to promote the cleanup of brownfield sites that may contain toxic substances posing potential harm to surrounding communities, and longer term, to begin the process of redevelopment into uses that benefit the community.

Multnomah County urges passage of HB 4084.

If you have questions regarding Multnomah County's support for tax incentives for brownfield cleanups, please contact Chris Fick in Multnomah County's Office of Government Relations at 443-564-3402 or at chris.fick@multco.us.