

**Testimony by Wilsonville Mayor Tim Knapp  
in Support of SB 1565 A-Engrossed:  
Proposed Legislation Provides Local Option to  
Encourage Higher-Wage Industrial Development  
that Strengthens Local Economy**



For Public Hearing Scheduled on Feb. 25, 2016,  
Before the House Committee on Revenue

**To Honorable Chair Barnhart, Vice-Chairs Bentz and Smith Warner, and  
Members of the Committee:**

The City of Wilsonville supports SB 1565 A-Engrossed that provides a permissive tool for optional use by local governments to develop a property-tax exemption or deferral program for qualifying industrial investments. The City supports new economic-development tools that local governments may elect to use; encouraging private-sector investment in industrial facilities that create higher-wage jobs in appropriate locations with infrastructure is a laudable public-policy objective.

The City understands that amendments may be proposed that would extend public-sector prevailing-wage rules designed for public projects to these private-sector industrial investments. Such an amendment would be inappropriate to apply public-sector prevailing wages onto a non-public, private investment. This kind of provision may defeat the purpose of the investment incentive of a tax exemption/deferral by increasing labor costs that decrease or remove the incentive value.

The City respectfully urges a “Do Pass” vote on SB 1565 A-Engrossed as presented. Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink that reads "Tim Knapp".

Tim Knapp, Mayor  
City of Wilsonville