



**Testimony by City of Wilsonville Mayor Tim Knapp in Support of SB 34:
*Changes to Business Program Can Facilitate State Assistance to Local
Governments to Develop Industrial Sites for High-Wage Income Jobs***

Scheduled for public hearing on January 31, 2019, before the Senate
Committee on Business and General Government

Chair Riley and Members of the Committee:

The City of Wilsonville supports modifications of Senate Bill 34 proposed for Business Oregon's relatively new Industrial Site Readiness Program as recommended by the Governor's Office. As a new program, a few adjustments may be anticipated at the outset.

The proposal to reduce the average annual wage threshold from 150% to 130% of county/state average annual wage is a realistic program adjustment and one that benefits rural communities that tend to have a lower average annual wage.

The proposal to reduce the required number of jobs to participate in the program to 50 new jobs in an urban area is again an adjustment to market realities. An Oregon Employment Dept. report on Wilsonville employment projections for the period 2012-2022 shows that the average number of new industrial employee-jobs per firm is expected to be 34.

As a municipality that works closely with private-sector businesses, developers have expressed interest to us in SB 34's proposed limited, private property-owner reimbursement of up to 50% of site-readiness costs. The City of Wilsonville is diligently working with developers and other government entities to promote new industrial development that produces high-wage/income-tax producing jobs in the Coffee Creek and Basalt Creek areas in or near Wilsonville.

Specifically, Wilsonville is working with Business Oregon to look at the tax-reimbursement portion of the Industrial Site Readiness Program for the Metro-designated, regionally significant 225-acre Coffee Creek Industrial Area. In Wilsonville's Coffee Creek case, extensive work to aggregate smaller, privately-owned parcels and extend public infrastructure are costly obstacles to advancing timely shovel-ready sites for industrial firms to produce an estimated 1,500 family-wage jobs with a direct annual payroll over \$95 million.

And finally, while not a component of SB 34, we support the Oregon Economic Development Association's proposed \$5 million state investment to capitalize the loan portion of the RSIS program, thereby allowing both smaller, rural communities and larger local governments with more revenue and debt capacity to potentially participate.

The City of Wilsonville respectfully urges a DO PASS vote on SB 34. Thank you.

Sincerely,

Tim Knapp, Mayor
City of Wilsonville