



April 8, 2019

House Committee on Business and Labor
900 Court Street NE
Salem, OR 97301

RE: House Bill 2408: Defines "funds of a public agency," for purposes of applying prevailing rate of wage to projects for public works, to include tax credits or tax abatements that contractor engaged in public works project receives from state in connection with project.

Dear Chair Barker, Vice-Chair Barreto, Vice-Chair Bynum, and members of the House Committee on Business and Labor,

On behalf of the City of Beaverton, I am writing to oppose House Bill 2408. In 2012, the Beaverton Enterprise Zone was designated as a local enterprise zone program by Business Oregon. The program is designed to encourage business investment through local tax abatements within the enterprise zone boundary, established to incentivize economic revitalization within economically distressed areas. Much of Beaverton's enterprise zones are located within transit-oriented and mixed use commercial areas.

Since the designation, 171 jobs have been added by five companies participating in the program with more than \$15,000,000 invested within the enterprise zone boundary. House Bill 2408 would create an economic risk for Oregon enterprise zones by offsetting tax savings that would be received given the increases in construction, reporting and compliance costs due to prevailing wage mandates proposed in the bill. Requiring privately invested projects to undergo public procurement requirements like prevailing wage would halt local enterprise zone investments that would otherwise be catalytic to the revitalization of our community.

I urge you to oppose House Bill 2408 and the -4 amendment and retain the ability for local governments to offer targeted and effective investment incentives that foster job growth and vibrant communities.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in blue ink that reads "Cheryl Twete".

Cheryl Twete
Community Development Director