

April 29, 2019

Senate Committee on Workforce
Oregon State Capitol
900 Court Se. NE
Salem, OR 97301

RE: HB 2408

Chair Taylor and Members of the Senate Workforce Committee:

The City of Boardman is firmly opposed to HB 2408 which would apply prevailing wage rate requirements to private construction.

Cities only have few economic development tools in their toolbox to attract private investment. One of the few tools local governments use are enterprise zones. Cities rely on local enterprise zone investments to revitalize communities, create jobs, generate additional state income tax and local property tax revenues, and invest in economically distressed and underserved areas. Enterprise zones allow cities to be competitive for private investments especially when companies are choosing between Oregon and elsewhere. HB 2408 would create additional cost and administrative burden for companies. If companies decide to locate elsewhere, we would see a loss in potential job creation for construction trades that work on the project and for the permanent long-term jobs created through the enterprise zone.

Small cities like ours benefit from the enterprise zone due to our geographical location. Without the enterprise zone, the City of Boardman would not have seen the growth in population, business industry, and housing. New businesses negotiate with our Columbia River Enterprise Zone Board for tax deferral in exchange for funds to local entities that benefit our community. Some examples of how the enterprise zone agreements have specifically helped our community are:

- **\$5,000 Home Buyers Grant to individuals who purchases a primary residence within the Boardman city limits. 2019 YTD – 18 home buyers grants have been given for a total of \$90,000.**
- **Up to \$25,000 Business Grant for local business owners to assist in opening a new business or making improvements to existing businesses.**
- **\$75,000 grant to pay for a portion of the School Resource Officer's salary to keep our students and schools safe.**
- **\$50,000 grant to purchase an additional police vehicle and upgrade the radio system.**

Privately invested projects should not be subject to undergo public procurement requirements like prevailing wage. Enterprise zones should not be restricted so that local governments can continue to compete, attract private investments, and promote job growth in our communities. Please protect this valuable economic development tool and oppose HB 2408.

Sincerely,



Karen Pettigrew, City of Boardman City Manager