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To: [LRO](#)
Cc: todd@arcticiceoforegon.com; [Tom Burdett \(thomascburdett@gmail.com\)](mailto:TomBurdett@gmail.com)
Subject: HB 4010--A Comment in Opposition
Date: Tuesday, February 11, 2020 10:35:01 AM

RE: BACC Opposes HB 4010

2020 Oregon Legislature,

The Bay Area Chamber of Commerce, with its over 530 member businesses, strongly opposes HB 4010 which would cause a disconnect by the state from the Opportunity Zone (OZ) program.

OZ's create an incentive for investors to invest capital in communities by allowing a deferral of the capital gains taxes. This encourages investors to re-deploy capital rather than hold assets to avoid being taxed. OZ's seek to seed capital in these disadvantaged communities through "Opportunity Funds." These funds hold newly acquired assets such as capital in a corporation or partnership, or in real-estate holdings. This facilitates investment in local businesses, as well as real-estate development, that spurs construction jobs and increased property tax revenues to local communities across Oregon.

While the federal Opportunity Zone Incentive Program is a federal tax incentive to entice investment in the poorest of census tracts, it also provides some limited state advantages. Quoting from the Oregon Economic Development Association information on the matter, "Disconnecting from federal rules will create added complexity and confusion for investors and make it more difficult for local and regional agencies to establish programs that leverage the incentive to achieve broadly targeted goals. HB 4010 would treat Oregon investors differently, and will not give Oregonians investing in their own communities the same benefits as those who invest elsewhere, or out-of-state investors spending the same money in our communities."

Coos Bay has two projects underway in the designated opportunity zone in the Empire District, one is a multi-housing project and the other is the 400 home manufactured home park. According to the developers, both projects are

moving forward in large part due to the opportunity zone incentives.

So why would the state want to dilute one of the few economic incentives that are currently available and being used in our community? We understood the State's plan was for all Oregon, both urban and rural, to move forward economically. HB 4010 does not promote that expectation.

Again, we ask you to **oppose HB 4010!**

Timm Slater

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Success is our Agenda!