



February 4, 2021

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

Re: House Bill 2343, Oregon Enterprise Zone Employment Threshold – COVID-19 Response

Dear Chair Holvey,

Redmond Economic Development Inc. (REDI) fully supports HB 2343 which would provide relief to authorized Oregon businesses using the Oregon Enterprise Zone Program from meeting required employment thresholds due to the ongoing COVID-19 Pandemic.

The Oregon Enterprise Zone is an incentive that encourages investment in Oregon across more than 60 jurisdictions across the state. Multiple companies in Redmond utilizing this program have been adversely affected by COVID-19, resulting in significant revenue losses. Predominantly these are companies that serve the restaurant and bar, hospitality and commercial aviation industries.

REDI manages the Greater Redmond Enterprise Zone. The local companies affected by COVID-19 did everything they were expected to do under the program by creating statutorily required jobs, meeting compensation standards where necessary and/or making investments in buildings and/or equipment related to their respective authorizations. Due to revenue losses resulting from the pandemic, however, these businesses had to reduce employment below the required thresholds and are now facing penalties for repayment of taxes at a time when their revenues have yet to rebound.

HB 2343 suggests allowing local Zone Sponsors the authority to waive employment thresholds due to the impact of COVID-19, which would provide much needed relief from impending claw backs associated with current statutes. In addition to relieving the employment thresholds, consideration will also need to be given to the tax roll certification dates and the timing of the potential enactment of this bill.

Please help us support companies across Oregon who have been affected by COVID-19 by passing this bill.

Sincerely,

A handwritten signature in black ink that reads 'Jon Starks'. The signature is written in a cursive style with a long, sweeping underline.

Sr. Director
Redmond Economic Development Inc.