



Date: Feb 28, 2023

To: Chair and Members of the House Committee on Economic Development and Small Business
From: Scott Bruun, OBI
RE: Testimony in support of HB 2258 & HB 2663 / Industrial Site Readiness

Good afternoon, Madame Chair and Committee,

Thank you for the opportunity to testify. OBI supports both HB 2663 and HB 2258, the extension and funding of Oregon's Industrial Site Readiness Program. We are grateful to the various sponsors for bringing these bills.

One of the bigger challenges for job creation in Oregon is the cost and complexity of business starts and business expansion. That's the same everywhere, but in Oregon it's particularly acute due to the relative scarcity of industrial lands related to our stringent land use system, and the subsequent costs that scarcity creates.

In addition, the hard costs of converting lands, once they are commercially zoned, into shovel ready sites, are often prohibitive. Regulatory costs, permitting costs, engineering costs, environmental study and remediation costs, impact statement costs, and the extraordinary costs of new transportation and utility infrastructure.

These challenges make it very difficult for site readiness to occur on a timely or competitive manner. Neither HB 2663 nor HB 2258 would remove these systemic challenges, but they would provide an essential bridge. Simply put, the state's existing site readiness program – if funded like it would be with both HB 2258 and HB 2663 – can help local projects and local governments turn zoned land into actual usable land by providing resources to help them get there.

The exorbitant costs to get a site ready for industrial purposes are often too heavy for local governments to bear. Given that state regulatory and land use policies are a significant driver of those costs, it makes sense that the state help bridge the gap. And that's what these bills do.

We believe this is an important tool for economic development purposes, for industrial and manufacturing job creation, and for strategic positioning – including better positioning ourselves to compete for federal CHIPS Act investments. While the dollars currently allocated in these two bills falls short of the dollars recommended for site readiness by the Oregon Semiconductor Task Force, it is still a start and a very important conversation to have.

We urge your support.

Thank you.

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