

May 19, 2023

Joint Committee on Tax Expenditures  
Oregon State Legislature  
900 Court Street NE Salem, OR 97301

Chair Meek and Members of the Committee,

I am writing to express the City of Gresham’s opposition to HB 2199A.

Communities with Enterprise Zone programs are able to help companies make major investments and reinvestments in their facilities, helping both attract them to communities in Oregon and to keep them here. The program changes proposed in HB 2199A would severely compromise the viability of the program.

Over the past 17 years, the Gresham Enterprise Zone program has been used by nearly 30 companies, in varying industries. The program has been used to support the recruitment of companies to the city including Lightbox Jewelry, who constructed a \$94 million lab grown diamond manufacturing facility in Gresham. The facility has brought over 75 new family wage jobs to the city.

The program has also been used to support ongoing investments at many of Gresham’s largest employers including Microchip Technology, ON Semiconductor, Boeing and Teeny Foods. These companies provide great examples of manufacturers that work closely with K-12 and community college partners to provide employment opportunities to East Multnomah County residents and ongoing training for existing employees to support growth potential and career pathways.

Overall, the Gresham Enterprise Zone program has supported nearly \$1 billion in new investment and the creation of over a thousand family wage jobs. With the proposed changes to the Enterprise Zone program which undercut the value of the tool, Gresham could lose an important competitive edge in the economic development arena, and Oregon would lose out on substantial new investment and jobs to communities elsewhere in the nation.

Passage of this bill would pull the rug out from under the gains that were made with the passage of SB 4 which aligned with the recommendations of the Semiconductor Task Force. Passage of HB 2199A would negatively impact our semiconductor industry’s ability to secure federal CHIPS funding through demonstration that the State of Oregon is not supportive of maintaining and increasing our competitive advantage in this critical industry through preservation of the Enterprise Zone program’s viability and certainty.

I urge your opposition of HB 2199A to ensure the Enterprise Zone program’s ongoing viability.

Sincerely,



Shannon Stadey  
Director of Economic & Development Services  
City of Gresham