

February 6, 2024

House Committee on Economic Development and Small Business
Oregon State Legislature
900 Court Street NE Salem, OR 97301

Chair Bynum and Members of the Committee,

I am writing to express the City of Gresham's support for HB 4042 to capitalize the Regionally Significant Industrial Sites (RSIS) program.

The availability of market-ready industrial sites is a key asset for areas hoping to expand or attract traded-sector jobs. However, many regions of the state lack an adequate supply of such sites. Even when land is zoned, planned and designated for future industrial jobs, significant capital investments (e.g., infrastructure, brownfield cleanup, wetland mitigation and site aggregation) may be required to make it market ready. Many local jurisdictions, including Gresham, are not in a financial position to make these investments or to incur significant up-front costs by themselves.

In 2013, the Legislature addressed this problem by creating the Oregon Industrial Site Readiness Program which authorized Business Oregon to offer partially forgivable loans or reimbursement of project costs to help public sector sponsors remove constraints to market readiness on regionally significant industrial sites in exchange for job creation commitments. These loans and reimbursements would be funded by a portion of the income taxes generated by new employment made possible by the project.

The potential economic benefit from successful traded-sector development (direct and indirect jobs, income and property tax revenues) that remains unrealized due to site constraints is significant. Growth in income tax revenues would make the state's general fund the largest beneficiary from an increase in traded-sector industrial jobs. By capitalizing the RSIS program, passage of HB 4042 will benefit both the state and local governments.

I urge your support of HB 4042 to ensure the Regional Industrial Site Readiness program's ongoing viability to improve the state's competitive advantage through the availability of shovel ready industrial sites in Oregon.

Sincerely,

Erika Fitzgerald
Economic Development
City of Gresham