

June 4, 2020

Mayor Chuck Bennett  
Salem City Council  
555 Liberty Street SE, Room 220  
Salem, OR 97301

**President**  
Erik Andersson

**2019-2020  
Executive Council**

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Daryl Knox  
The Aldrich Group

**Secretary/Treasurer**  
Michael Fowler  
Cabinet Door Service

**Past Chair**  
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Johnnie & Hoyt, LLP

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Marion County  
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Rich Duncan Construction

Nathan Levin  
N. Levin Industrial Real Estate

Steve Powers  
City of Salem

Steve VanArsdale  
Garmin AT, Inc.

RE: Support for Salem Enterprise Zone Re-Designation

Dear Mayor Bennett and City Council Members:

I am writing on behalf of SEDCOR, the Strategic Economic Development Corporation, to offer our strong support for the re-designation of the City of Salem Enterprise Zone. Enterprise Zones are one of Oregon's best tools for attracting investment in local communities. The City of Salem, the sponsor the Enterprise Zone, plays an important role in the region's economic development success by being able to offer local tax abatements to encourage new and expanding businesses to invest and create jobs here in Salem.

The program is truly a job creation program as the businesses receiving Enterprise Zone tax abatements must add (and maintain) jobs to qualify. Its importance in local economic development is apparent from the variety of businesses who have been assisted by the Enterprise Zone program. The Enterprise Zone program is much more than a recruitment tool; most of the participants in the program over the past few years are local companies investing in their facilities and expanding their employment base as a result.

In my time at SEDCOR, all but one of the Enterprise Zone projects that we have worked with have been businesses who were expanding their operations in Salem, including West Salem Machine, Rich Duncan Construction, ATI, Garmin and Henningsen Cold Storage. While Amazon's Mill Creek distribution facility is the only recent recruitment project using the Enterprise Zone program, it remains an important tool to have in our toolbox of resources as we work to rebuild after the significant impacts of the pandemic-related closures that have reverberated through the economy. Recent Business Oregon prospects seeking potential sites in Oregon have generally specified the Enterprise Zone as a site requirement.

SEDCOR plays the role of manager of the Enterprise Zone for the City of Salem, so we work directly with the applicants, the Marion County Assessor's Office and the Oregon Employment Department to ensure the projects are eligible and the required documentation is completed and filed in the required manner. Our current roster of active projects, including expansions of Reser/Don Pancho Foods, Cabinet Door and Chang Tuh Corporation, reflect the strength and resiliency of the Salem economy; we have been grateful for stories of expansion over the past weeks of economic challenges.

As we move forward in the coming years, we see even more opportunity to grow existing businesses and complete links in our regional supply chains, especially around food products. With recent changes in the landscape of the regional food processing industry, the region's growers look to SEDCOR and our partners to help draw more processing opportunities for the variety of crops grown in the Willamette Valley. The supply chain around agriculture is

surprisingly broad, incorporating growers, processors, machinery manufacturers, cold storage and transportation opportunities for future business development. SEDCOR staff believes that Salem and the region will benefit from the renewed public interest in food security and supply chains, and the Enterprise Zone will be an important tool to help recruit and grow businesses to strengthen and further diversify our economy.

SEDCOR staff looks forward to working with the City of Salem on the Enterprise Zone program and other endeavors to strengthen the economic well-being of the community and its residents. Thank you for your consideration of our strong support for the re-designation of the Salem Enterprise Zone.

Sincerely,

A handwritten signature in black ink, appearing to read 'Erik Andersson', with a stylized, cursive script.

Erik Andersson  
President