



April 22, 2015

Mr. Scott Aycock,
Manager, Community & Economic Development
Central Oregon Intergovernmental Council (COIC)
334 NE Hawthorne Ave.,
Bend, OR 97701

Scott:

The purpose of this letter is to confirm the consistency and compatibility with the Central Oregon Large Lot Industrial (LLI) pilot program for the proposed inclusion of a 900-acre parcel on the southern border of Redmond's current Urban Growth Boundary. Under this pilot program, EDCO, the tri-county region's economic development organization focused on business development, is required.

EDCO's approval is based on the ability of specific parcels to have the following elements:

- Plausibility for future development including proximity to necessary infrastructure (water, sewer, transportation, power, natural gas, etc.);
- Marketability of the site for large-scale traded sector development;
- Property owner(s) with available resources to extend necessary infrastructure and other property development requirements;
- Motivated property owner(s) that are willing to offer large acreage land at competitive market prices; and
- Regionally significant properties that have the potential to accommodate larger projects that will have multi-jurisdictional economic impacts in terms of jobs, capital investment and industry development.

EDCO believes that the properties proposed by the City of Redmond for inclusion in the 200+ acre category meet all of the requirements above. The 945 acre parcel owned by Oregon Department of State Lands (DSL) and 80 acre parcel owned by Oregon Department of Parks & Recreation (ODPR) both represent two well-funded entities with large-scale development experience. The parcels are situated adjacent to existing public and private infrastructure needed for efficient development. DSL is a motivated property owner due to the mission of the department to move properties within their inventory for the benefit of the Common Schools Fund. They also have considerable resources to extend needed infrastructure to the site for future job-creation projects.

Perhaps most importantly, these parcels lie near the geographic center of the tri-county area, which is also approximates the center of the region's workforce. This physical location, combined with the fact that it is very near existing transportation infrastructure (highways, rail, the region's commercial airport) makes it an extremely attractive tract of land for larger-scale projects needing significant

land. Not surprisingly, this property was the catalyst for the LLI pilot program for Central Oregon, which was more than three years in the making.

It is our understanding that if approved for inclusion to the City of Redmond UGB, DSL will move forward on having the site enlisted to Business Oregon's Certified Sites program. In order to achieve certification, properties must demonstrate that they are prepared for construction by end-users within a short timeline and that the properties are offered at market prices, among other criteria.

Should you have any questions about EDCO's support of these parcels to the LLI, please do not hesitate to contact me.

Sincerely,



Roger J. Lee
Executive Director

Cc: Heather Richards, Community Development Director, City of Redmond
Peter Gutowsky, Planning Manager, Deschutes County