

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

In the Matter of a Resolution Approving) Amended
Deferral of an Enterprise Zone Exemption) Resolution No. 36 - 2010
for Cascade Kelly Holdings LLC Under)
House Bill 3609)

WHEREAS, the zone sponsors of the Lower Columbia Maritime Enterprise Zone entered into an Extended Enterprise Zone Exemption Agreement with Cascade Grain Products, LLC, INC. (“Cascade Grain”) on October 7, 1999; and

WHEREAS, the zone sponsors entered into the First Amendment to the Extended Enterprise Zone Exemption Agreement on September 30, 2003 (together, the “Agreement”); and

WHEREAS, pursuant to the Agreement, the Zone Sponsors agreed to give Cascade Grain a five year real property Enterprise Zone tax exemption pursuant to ORS Chapter 285C; and

WHEREAS, Enterprise Zone property was purchased out of bankruptcy proceedings by Cascade Kelly Holding LLC (“Kelly”); and

WHEREAS, Kelly is facing disqualification of its enterprise zone exemption; and

WHEREAS, House Bill 3609, effective May 27, 2010, permits the zone sponsors to grant a deferral of the tax exemption for a period of one or two years if certain condition have been met, upon payment of taxes for the years of deferral; and

WHEREAS, pursuant to ORS 285C.200, the following conditions are met:

1. There has been a decline for two or more consecutive quarters in the last 12 months in seasonally adjusted nonfarm payroll employment; and
2. The unemployment rate in Columbia County is at least two percentage points greater than the comparable unemployment rate for Oregon, as defined by the most recently available data published or officially provided and verified by the United States Government or the Employment Department; and

WHEREAS, the Lower Columbia Enterprise Zone Zone Manager, by letter dated May 7, 2010, to Kelly, indicated that the zone sponsor is prepared to grant a deferral for one year, with a minimum level of employment of the firm at 3 employees, and advising Kelly that all zone sponsors must approve the deferral by resolution within 60 days of the letter; and

WHEREAS, pursuant Section 2 of House Bill 3609, the actions of the zone sponsor must be set forth in a resolution adopted by the governing body of each zone sponsor within 60 days of taking the actions; and

WHEREAS, also pursuant to Section 2 of House Bill 3609, the resolution of the zone sponsor may be revoked or modified at the request of the zone sponsor at any time during the exemption period as extended herein; and

WHEREAS, on June 30, 2010, the Board of County Commissioners approved Resolution No. 36-2010, agreeing to the deferral of the tax exemption period, but referencing the incorrect deferral year, which was a scrivener’s error and which is herein corrected for clarification;

NOW, THEREFORE, BE IT RESOLVED as follows:


1. The Board of County Commissioners approves a deferral of Kelly’s enterprise zone exemption, as follows:
 - A. Kelly shall maintain a minimum of three employees throughout the exemption period.
 - B. The period of time for which Kelly’s qualified property may continue to be exempt from taxation under ORS 285.175 is extended for a period of one year.
 - C. This approval is contingent upon Kelly’s payment of all ad valorem taxes properly assessed against the property for the 10-11 tax year.
 - D. The five year property tax exemption shall recommence for the tax year 2011-2012, and shall continue through tax year 2014-2015, provided that all requirements of the Agreement and applicable law continue to be met.
2. This resolution and all actions taken by the County as a zone sponsor shall be read and interpreted in accordance with ORS Chapter 285C, as amended by House Bill 3609, and any administrative rules adopted by the Oregon Business Development Department, and any amendments thereto.


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3. This resolution shall not be read or interpreted to be a contract between Kelly and the County and the County does not waive any rights under any applicable law in adopting this resolution.

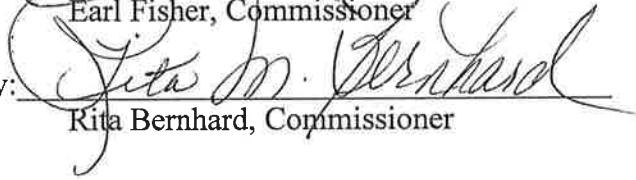
DATED this 15th day of September, 2010.

BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

By: 
Anthony Hyde, Chair

Approved as to form:
By: 
Office of County Counsel

By: 
Earl Fisher, Commissioner

By: 
Rita Bernhard, Commissioner