

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON**

**In the Matter of Authorizing Re-designation)
Of the Lower Columbia Maritime Enterprise)
Zone)**

RESOLUTION NO. 37-2019

WHEREAS, the Lower Columbia Maritime Enterprise Zone has four (4) co-sponsors¹, the City of Rainier, the City of Clatskanie, the Port of Columbia County and Columbia County offering economic incentives through property tax relief to businesses and industries providing capital investments resulting in job growth; and

WHEREAS, the Executive Director of the Columbia County Economic Team has been designated as manager of the Lower Columbia Maritime Enterprise Zone; and

WHEREAS, the municipal corporations, school districts and special service districts within the Lower Columbia Maritime Enterprise Zone that receive operating revenue through the levying of ad valorem taxes on real and personal property in any area of this enterprise zone were sent notice on April 25, 2019 and invited to a public meeting on May 16, 2019 regarding its designation, in order for the co-sponsoring governments to effectively consult with the other local taxing districts; and

WHEREAS, the Lower Columbia Maritime Enterprise Zone has a total qualified area of 7.4 square miles; it meets other statutory limitations on size and configuration, as shown in the map which is attached hereto as Attachment 1, and is incorporated herein by this reference; and

WHEREAS, the co-sponsors shall fulfill their duties and implement provisions under ORS 285C.105 or elsewhere in ORS Chapter 285C and related parts of Oregon Law, including but not limited to appointing a local enterprise zone manager, and to preparing a list or map of local, publically owned lands and buildings in this enterprise zone for purposes of ORS 285C.110; and

WHEREAS, designation of this enterprise zone does not grant or imply permission to develop land inside it without complying with jurisdictional zoning, regulatory and permitting processes and restrictions; nor does it indicate and intent to alter those processes or restrictions, except as otherwise done in accordance with

¹ Previously Clatsop County was also a zone sponsor

Comprehensive Plans as acknowledged by the State of Oregon Land Conservation and Development (LCDC); and

WHEREAS, the availability of enterprise zone exemptions to businesses that operate hotels, motels or destination resorts would help diversify local economic activity and facilitate the expansion of accommodations for visitors, who in turn will spend time and money in the area for business, recreation or other purpose; and

WHEREAS, the co-sponsors are interested in encouraging new business investment, job creation, higher incomes for local residents and greater diversity of economic activity; and

WHEREAS, the co-sponsors appreciate the impacts that the designated enterprise zone would have and the property tax exemptions that eligible firms might receive therein;

NOW, THEREFORE, BE IT RESOLVED, as follows:

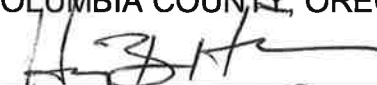
1. Columbia County does hereby jointly in cooperation with the other co-sponsors re-designate the Lower Columbia Maritime Enterprise Zone, the boundary and area of which are shown in Attachment 1, and that the Executive Director of the Columbia County Economic Team shall be re-appointed as local zone manager for the Lower Columbia Maritime Enterprise Zone, and that the Columbia County Economic Team (CCET) is authorized to submit documentation of this enterprise zone re-designation to Oregon Department of Business Development (OBDD) on behalf of the zone sponsor for purposes of a positive determination in favor under ORS 285C.074, and ORS 285C.070 election to permit hotels, motels or destination resorts as eligible and that re-designation of this enterprise zone takes effect on July 1, 2019, or later as so stipulated by OBDD in its determination pursuant to any revision and resubmission of documentation.

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2. Columbia County exercises its option herewith under ORS 285C.070 that qualified property of and operated by a qualified business firm as a hotel, motel or destination resort may receive a property tax exemption in the zone, and that such business firms are eligible for purposes of authorization upon the effective designation of the zone.

Dates this 5th day of June, 2019.

BOARD OF COUNTY COMMISSIONERS
FOR COLUMBIA COUNTY, OREGON

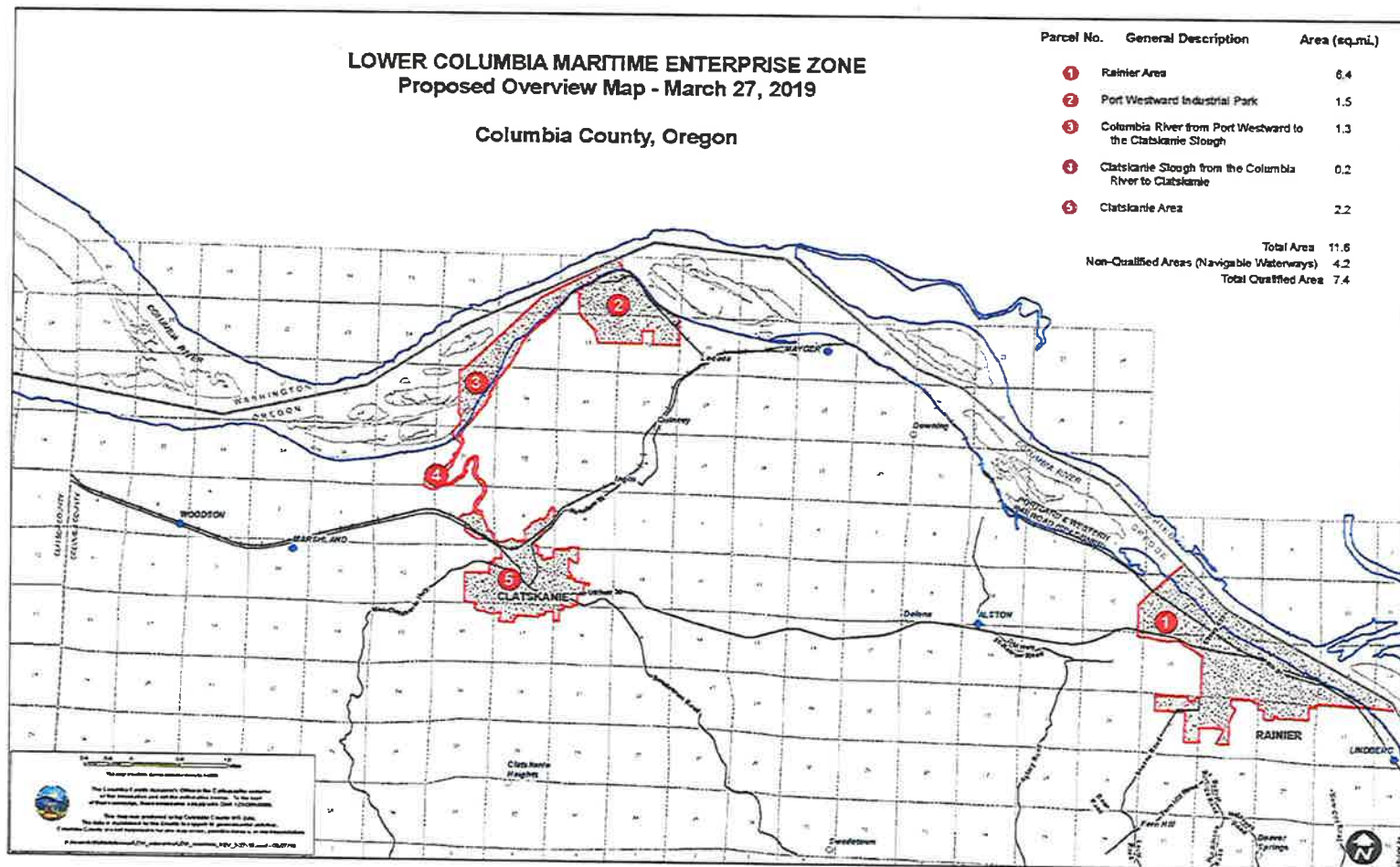
By: 
Henry Heimuller, Chair

By: 
Margaret Magruder, Commissioner

By: 
Alex Tardif, Commissioner

Approved as to form

By: 
Office of County Counsel



Meeting Minutes

Purpose: Lower Columbia Maritime Enterprise Zone Meeting to discuss renewal of Enterprise Zone	Date: 5-16-19	Meeting Minutes:
	Time: 6pm to 7pm	Location: Clatskanie Cultural Center 75 S Nehalem St. Clatskanie, OR 97016
Attendees: Chuck Daughtry, CCET; Greg Hinkelman, City of Clatskanie; David Leader, Columbia County Assessor; Steve Shank, Clatskanie Fire; Cathy Horowitz; Bob Brajeich, City of Clatskanie; Michael Greison, Columbia River Fire & Rescue; Chip Bubr, OSU Extension Services; Doug Hayes, Port of Columbia County.		

Item	Detail	Action
Welcome and Overview of Meeting		Meeting began at 6:05pm Introductions and statement of purpose of meeting
Presentation by C. Daughtry, Zone Manager	<ul style="list-style-type: none"> - Map of Enterprise Zone - Description - Contrast Oregon & Washington - List of Co-Sponsors - Overlapping Taxing Districts - Standard Program - Extended Program <ul style="list-style-type: none"> o Why offer? o Betterment Fund 	Discussion Daughtry presented information from attached handout.
Discussion & Recommendations	<ul style="list-style-type: none"> - Amendments to existing policy require approval by each co-sponsors elected board 	Discussion about impacts on local jurisdictions from deferring property tax collection through enterprise zone abatements and urban renewal districts. General support for enterprise zone not to exceed 7 years. No support for long term enterprise zone. Discussion of next steps in process.
Open Forum/Other Items		
		Meeting adjourned at 7:25pm

Columbia County Economic Team

Lower Columbia Maritime Enterprise Zone

May 16, 2019

Clatskanie Cultural Center

Oregon Enterprise Zones

- Exempts “qualified” businesses from local property taxes on new investment for a specified amount of time.
- Authorized by Oregon State Statute and the State Legislature
 - 69 existing enterprise zones in Oregon
- Managed by local governments
 - CCET Executive Director designated as Zone Manager
- Focal point for local economic development efforts

Lower Columbia Maritime Enterprise Zone Co-Sponsors

- City of Rainer
 - City of Clatskanie
 - Port of St. Helens
 - Columbia County
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- NOTE: Clatsop County was formerly a Co-Sponsor but has created their own Enterprise Zone.

Overlapping Taxing Districts - SCCEZ

- Columbia County
- Clatskanie Library
- Clatskanie Parks & Rec.
- Columbia 911
- Columbia Drainage Vector
- Port of Columbia County
- NW Regional EDS
- Rainier Cemetery District
- City of Rainier
- City of Clatskanie
- Clatskanie School District
- Columbia County 4-H & Extension
- Soil & Water Conservation District
- Columbia River Fire & Rescue
- Rainier School District
- Rainier Economic Dev. Council

16 Separate Overlapping Districts

Standard Enterprise Zone Program

- Business Eligibility
 - Must locate within a designated Enterprise Zone
 - Eligible businesses include manufacturers, processors, shippers and other non-retail businesses
 - Ineligible businesses include tourism, retail food, entertainment, childcare, retail sales, healthcare, professional services.
- Qualified Investment
 - New building, structural modifications, installed machinery
 - Not land investment (including site preparation, engineering, etc.)

Standard Enterprise Zone Program

- Qualified Projects (3 year standard exemption)
 - 10% increase in employment for existing business
 - Maintain minimum employment level for 3 years
 - No approval necessary from Enterprise Zone Co-Sponsors
- Work in Process
 - Business may request additional 2 years abatement during construction.

“Extended” Enterprise Zone Program

- Receive additional two years of abatement (5 total)
- Must meet criteria for Standard Enterprise Zone Program
- Additional criteria
 - Written agreement with Business approved by all Co-Sponsors
 - Enter into first source agreement with Oregon Employment Office
 - Compensate new workers at or above 150% of the County Average wage
 - Rebate 10% of abatement as Betterment Fund
 - Shared 50/50 with local City and CCET.

Why would we approve the extended benefit?

- Good project
- Encouraging businesses to growth
- Promoting a bigger investment than what my otherwise occur
- Accelerating investments and hiring
- Retaining and attracting operations that might move elsewhere
- Sending a positive message that we are open for business
- Creating a cluster of like businesses
- Stimulate higher levels of employee compensation.

Washington to Oregon Tax Comparison

	Washington	Oregon
State Income Tax	None	Approximately 10%
Sales Tax	8%	None
Property Tax	Approx \$15 per \$1k assessment	Approximately \$18 per \$1 assessment

Note: Washington does not offer Enterprise Zones.