



# Changing The Boundary of An Oregon Enterprise Zone and Related Materials

**July 2010**

## **Preface**

This handbook serves local communities that would like to expand, shrink or alter the area within an existing Oregon enterprise zone by changing the zone's boundary. Inside an enterprise zone, an eligible business firm making a qualifying investment or expansion may receive a three- to five-year abatement on the property taxes otherwise levied on new plant and equipment. Longer-term incentives are available for special investments in many rural zones, as well. Amending the area/boundary of an enterprise zone is not only a useful and relatively straightforward way to bring this tax incentive to parts of the state needing help in spurring business activity and in creating good manufacturing jobs, but it also can facilitate cooperation among neighboring jurisdictions in pursuing economic development. This document is directed at city and county governments that already sponsor an enterprise zone or that would join a zone as a cosponsor in conjunction with the boundary change. Local zone managers will be the primary users of this handbook, although it should be of interest to county assessors, planners and the public. Users of this document should bear in mind, however, that legal requirements and provisions are subject to revision.

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**Also see in the [Appendix](#):**

- Required Sponsorship for Enterprise Zones
- Enterprise Zone Configurations
- Maximum Distances in Rural Enterprise Zones Entirely or Partially Inside “Sparsely Populated Counties”

## Basic Steps In Changing An Enterprise Zone Boundary

1. **Determine what areas would be added or removed ...**
  - Will the amended enterprise zone be within maximum parameters for area and for distance amongst parts of the zone? (See graphics in appendix on permissible configurations and distances)
  - Will another jurisdiction be affected, necessitating a new cosponsor or at least another city/port/county government's consent? (See sponsorship chart in appendix; if no, skip to Part 3 below)
  - Do proposed changes to the zone boundary present any potential conflicts with other legal requirements? (See Oregon statutes, laws and administrative rules)
  
2. **If a new local government will be added as a cosponsor, consider ...**
  - New methods for jointly managing and marketing the enterprise zone: Who will be the **local zone manager**? ... How could resources be pooled?
  - Whether the enterprise zone might be officially re-named (e.g., to be more regionally oriented)
  - Local incentives (e.g., fee waivers, credits, regulatory flexibility) or enhanced public services for enterprise zone businesses inside the amended zone boundary and the new jurisdiction, to be made binding by the new cosponsor
  - If hotel/resort businesses are eligible in the zone, whether this will not pertain to the new cosponsor's jurisdiction (as must be indicated in all resolutions)
  - An intergovernmental agreement (**ORS Ch. 190**) establishing an **Enterprise Zone Association** comprised of representatives from each sponsoring government, and possibly other local entities—for purposes of making or facilitating certain decisions related to the enterprise zone. (See discussion)
  
3. **Make arrangements for and schedule the following:**
  - An item on an upcoming agenda for the city council(s) and/or board of county or port commissioners of each cosponsor or would-be cosponsor (or consentor) to adopt requisite resolution of approval or consent
  - Public involvement, information, meetings and so forth—as appropriate.
  
4. **Provide notice to all local taxing districts in current or future zone:**
  - At least 21 days prior to the vote by the county commission (or the largest city if county does not sponsor), send special explanation and invitation to comment on boundary change to all local taxing districts that levy taxes on property anywhere in the amended enterprise zone, including schools, governments and special service districts (See sample).
  - Furnish copy of the notice and mailing list—
    - Attn: Government Affairs
    - Special Districts Association of Oregon (SDAO)
    - PO Box 12613
    - Salem OR 97309–0613

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- Coordinate notice with related steps here, and make it the basis of any further/special communication/feedback steps for especially significant amendments to the enterprise zone.

**5. See to *preparation* of the following:**

- Resolutions for adoption by each city or county ([See](#) sample)
- Maps and legal descriptions of specific areas added to or removed from zone
- High-quality map and legal description of the entire enterprise zone, as it will exist with all of the proposed changes to the boundary, including electronic image and GIS shape files
- A cover memorandum of request to **Business Oregon** ([See](#) outline)
- Estimate of the total area of the modified enterprise zone to the nearest 0.1 square miles—the amended zone may not exceed 12.0 square miles
- Other documentation/attachments (e.g., on residential areas, public process, rationale for request), as applicable or appropriate. ([See](#) checklist)

**6. Conduct ...**

- Public meetings, information campaigns and so forth—as appropriate
- Public notice for resolution votes consistent with normal local requirements and procedures for such business by governing body/bodies of zone sponsor
- Hearings and work sessions for city council(s)/board of county commissioners to adopt resolutions.

**7. Assemble the submission for the boundary change request, including:**

- The [cover](#) memorandum (with attachments) addressing key issues of the proposed enterprise zone boundary and its conformity with legal requirements
- The final maps and legal descriptions
- Copy of adopted city/county resolution(s)
- Copy of taxing district notice, mailing list and responses.

**8. Submit request through Business Oregon’s “coordinator” for enterprise zones:**

Arthur Fish, Business Oregon  
775 Summer St NE, Suite 200, Salem OR 97301-1280  
Ph. 503–986–0140, Fax 503–581–5115, [arthur.fish@state.or.us](mailto:arthur.fish@state.or.us).

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**Business Oregon** will proceed to approve requests for amending an enterprise zone boundary based on the requirements of the law—possibly in only a few days—as officially authorized through a codified *Director's Order*.

**Warning:** Business investments in any new area of an enterprise zone may **not** receive exemption from property taxes, on any property:

- a. In the process of construction, modifications or installation ...
  - b. On the county assessment roll for that location ...
- ... Before the effective date of the boundary change.

(The business's submission of an authorization application must also precede work, as normal, but it may be submitted and even approved pending the boundary change)

As warranted, the Director's Order may take effect retroactively, as far back as—but **not** earlier than—the date, on which agency staff received a **complete** request

## Checklist and Outline For Cover of Request To Change Enterprise Zone Boundary

{OAR 123–650–7000—see ORS 285C.115}

- Enclosed copy of recently adopted resolutions by:
  - All of the zone’s currently sponsoring city/port/county governments
  - Any new, would-be cosponsor of the enterprise zone
- Statement of any change in the zone’s official name
- Enclosed map(s) and legal description(s) of specific area(s) to be added (or removed)\*
- Enclosed **unified** map and legal description of **entire** enterprise zone boundary, pursuant to requested changes\*
- Estimate of what the surface area of the enterprise zone would be, as changed, to the nearest tenth of (0.1) square mile(s)\*
- Copy of notice, mailing list and replies, with respect to local taxing districts, both existing and newly added with boundary change {OAR 123–650–5500}
- As necessary, commentary, explanations or enclosures: {OAR 123–650–7100/–7200}
  - Useable land being added, and not removing useable land or any sponsor
  - Any addition of area outside of an urban growth boundary (only if rural)
  - Other public involvement (e.g., notices, meetings, news coverage) as appropriate
- Description or data for economic hardship conditions in residential areas added (or immediately affected) by the boundary change, and how they compare to the original enterprise zone {ORS 285C.115(2)(c) | OAR 123–650–7300}
- Stated confirmation of:
  - Sponsorship (or consent) by all included local governments {OAR 123–650–0500}
  - Conformance with maximum size and distance {OAR 123–650–1000/–1100}
  - Not removing 50% of original zone or the site of any active business firm
  - Local incentives of a new cosponsor (in its resolution, too) {ORS 285C.115(7)(a)}
  - Exclusion (in its resolution, too) that a new cosponsor is excluded from enterprise zone’s prevailing election for hotel/resort eligibility {ORS 285C.115(7)(b)}
  - Waiver (here and in all resolutions) to exceed maximum distance (rural enterprise zone in sparsely populated county) {ORS 285C.120}
- Discussion of how this boundary change complements or might contribute to the strategic vision or marketing associated with the enterprise zone (optional)
- Brief narrative on immediate justification or compelling reason for boundary change (optional, but critical if adding land outside urban growth boundary to rural zone)
  - Prospective investment and why it is especially noteworthy
  - Other opportunities in terms of development, new sponsoring jurisdiction, &c.

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\*{OAR 123–650–1500}

## Sample Resolution For Enterprise Zone Boundary Change

As required from each “City/Port/County” that does or would sponsor the amended zone:

**[Resolution No., standard heading and indication of purpose/subject]**

### FINDINGS: WHEREAS ...

In [year]\_\_\_\_, the \_\_\_\_\_[, \_\_\_\_\_] and \_\_\_\_\_ successfully applied for an enterprise zone, which was designated as the \_\_\_\_\_ Enterprise Zone by the Director of **Business Oregon** on \_\_\_\_\_, \_\_\_\_\_

The designation of an enterprise zone does not grant or imply permission to develop land within the Zone without complying with all prevailing zoning, regulatory and permitting processes and restrictions of any and all local jurisdictions; nor does it indicate any public intent to modify those processes or restrictions, unless otherwise in agreement with applicable comprehensive land use plans

This Enterprise Zone and the three- to five-year property tax exemption that it offers for new investments in plant and equipment by eligible business firms are critical elements of local efforts to increase employment opportunities, to raise local incomes, to attract investments by new and existing businesses and to secure and diversify the local economic base

[Because of/In order to \_\_\_\_\_, the name of the current \_\_\_\_\_ Enterprise Zone is to be known henceforth as the “\_\_\_\_\_ Enterprise Zone”]

[[The] \_\_\_\_\_"\_\_\_\_\_ is currently not a sponsoring government of the \_\_\_\_\_ Enterprise Zone; this proposed change in the zone boundary includes areas within the jurisdiction of [the] \_\_\_\_\_"\_\_\_\_\_, and [the] \_\_\_\_\_"\_\_\_\_\_ is requesting to join the \_\_\_\_\_ Enterprise Zone as a cosponsor]

Officials of the \_\_\_\_\_[, \_\_\_\_\_] [, \_\_\_\_\_"\_\_\_\_\_] and \_\_\_\_\_ are agreed in requesting a change in the boundary of the \_\_\_\_\_ Enterprise Zone that would add the areas indicated in the attached map(s) (Exhibit \_\_\_) and legal description (Exhibit \_\_\_), such that the amended Enterprise Zone would be configured according to the attached map and description (Exhibits \_\_\_ & \_\_\_)

Special notification was sent to all affected taxing districts that the zone {see next section} and ... and

[A public meeting was held in \_\_\_\_\_ on \_\_\_\_\_, 20\_\_\_\_, to hear the response of the citizenry to the proposed change in the \_\_\_\_\_ Enterprise Zone requested herein, and ...]

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[This change in the boundary of the \_\_\_\_\_ Enterprise Zone would allow \_\_\_\_\_, which would benefit the local area through \_\_\_\_\_; and] ...].

**CONCLUSIONS: THEREFORE, BE IT RESOLVED THAT . . .**

1. [The] \_\_\_\_\_ requests a change in the boundary of the \_\_\_\_\_ Enterprise Zone as shown in the attached maps and legal descriptions (Exhibits \_\_ to \_\_)

-. [[The] \_\_\_\_\_ requests that the name of the \_\_\_\_\_ Enterprise Zone be changed to the “\_\_\_\_\_ Enterprise Zone”]

-. [[The] \_\_\_\_\_ requests [to be]/[that the \_\_\_\_\_ " \_\_\_\_\_ be] added to the \_\_\_\_\_ Enterprise Zone as a cosponsor of the zone]

-. [The \_\_\_\_\_ " \_\_\_\_\_ makes a binding proposal to provide, within that portion of the \_\_\_\_\_ Enterprise Zone under its jurisdictions, the enhanced public services and the local incentives and regulatory flexibility to qualified and authorized business firms, as delineated in the attached Exhibit \_\_, in addition to the incentives of the other cosponsors]

-. \_\_\_\_\_, \_\_\_\_\_ [Local Zone Manager] \_\_\_\_\_, is hereby authorized to prepare and submit technical memoranda to the **Business Oregon**, along with this resolution and other necessary documents, verifying that the requested boundary change to the \_\_\_\_\_ Enterprise Zone complies with the requirements of ORS 285C.115, so that the request herein may be approved by order of the department’s Director] and

-. [[The]\_\_\_\_\_ requests that the Director of **Business Oregon** waive the distance maximum of 25 miles overall and/or of 15 miles between separate areas within the \_\_\_\_\_ Enterprise Zone pursuant to this requested boundary change (available only for rural zone entirely in sparsely populated county)].

-. [[The]\_\_\_\_\_ \_\_\_\_\_, in joining the sponsorship of the \_\_\_\_\_ Enterprise Zone shall be excluded from the zone’s election, by which a hotel, motel or destination resort is an eligible business firm.

**[Standard closing, endorsements, copies, authorization, etc.]**

## Sample Notice To Local Taxing District About Enterprise Zone Boundary Change

{OAR 123-065-0330 & 123-065-1050}

[DATE]

[contact person,  
district/agency  
address, etc.]

**Subject:** Expansion of the \_\_\_\_\_ Enterprise Zone

Dear \_\_\_\_\_:

This letter would inform you of the exciting opportunity available to our region for improving the local economic base, business climate and long-run community development. [The City/cities/Port of \_\_\_\_\_/and/ \_\_\_\_\_ County] are seeking to add \_\_\_\_\_ to the \_\_\_\_\_ Enterprise Zone [, which the City/Port of \_\_\_\_\_ would also join as a cosponsor]. The boundary change request will be submitted to Business Oregon for approval.

At its hearing on \_\_\_\_\_ at \_\_\_\_\_ [AM/PM], in \_\_\_\_\_, the [\_\_\_\_ City Council/\_\_\_\_ County Commission—*(Should be county, unless there is no county sponsorship then Port or largest city)*] is expected to consider a resolution requesting boundary amendment.

The current \_\_\_\_\_ Enterprise Zone or proposed areas to be added include relevant tax codes, such that the zones could affect future property tax collections in your district. Therefore, you are being asked to comment on this proposal, either at the hearing or by sending comments to either to me or to \_\_\_\_\_, by \_\_\_\_\_.

Please understand that an enterprise zone exempts only new property that a job-creating business might build or install in the enterprise zone at some future time. In addition, an enterprise zone exemption is temporary, usually lasting only three years, after which time the property induced by these incentives is available for assessment. An extension to four or five years in total is possible in some cases. For rather exceptional investments, longer-term incentives might be available in a rural enterprise zone, but only if our county meets certain economic criteria; these longer-term incentives also may include a state tax credit, which triggers annual payments to local taxing districts by the state government. Both the extension and the long-term incentives need approval from the local city (ies)/county that sponsor the \_\_\_\_\_ Enterprise Zone.

Finally, none of these property tax exemptions would be available to just any business. Most commercial/retail operations would not be eligible. Rather, the primary beneficiaries of enterprise zone benefits are manufacturing and other more industrially oriented facilities serving other businesses [, for which new investments have become increasingly rare around here.]

Feel free to contact me by \_\_\_\_\_.

[Closing, copies, etc.]

## Relevant Oregon Revised Statutes (ORS), Laws (OrLaw) and Administrative Rules (OAR)

### ORS Chapter 285C <sup>1</sup>

Enterprise zones in general.....	285C.050 to 285C.250
Sponsorship per original application guidelines .....	285C.065
State enterprise zones based on federal designations .....	285C.085
Allowable size and distances.....	285C.090 (2)–(4)
Duties of zone sponsor .....	285C.105
Main boundary change law .....	285C.115
Waiver for greater distances allowed for most rural zones .....	285C.120

### OAR Chapter 123, Divisions 650 <sup>2</sup>

123-650-...

Specifics about sponsorship .....	0500
Urban/rural distinctions.....	0700
Maximum size and dimensions .....	1000 & 1100
Main set of specific guidelines.....	7000 – 7400
Maps, legal description and taxing district notice.....	1500 & 5500

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1. [www.leg.state.or.us/ors/285c.html](http://www.leg.state.or.us/ors/285c.html)

2. [arcweb.sos.state.or.us/pages/rules/oars\\_100/oar\\_123/123\\_tofc.html#635](http://arcweb.sos.state.or.us/pages/rules/oars_100/oar_123/123_tofc.html#635)

## Follow-Up Matters After A Zone’s Designation

{OAR 123–668}

The points are noted below, because in some cases, similar considerations could arise, or be follow-up, for (major) amendments to the boundary of an existing enterprise zone, as well, especially with a new city, port or county cosponsor:

2. Oregon law requires formal appointment of the **local zone manager** by written notice to the county assessor, Oregon Department of Revenue and **Business Oregon** (resolution(s) are generally not necessary)—ORS 285C.105(1)(a) | OAR **123–668**-1000.
3. Election of hotel/resort eligibility within the enterprise zone or restrictions amongst the sponsoring jurisdictions must be affirmed by resolution (subject to reversal only during the first six months after zone’s designation took effect)—ORS 285C.070. (This is **not** applicable to boundary changes, insofar as only a negative restriction by a new city/county cosponsor is possible and may not be reconsidered)
4. Sponsoring jurisdictions should see to final delineation of actual local business incentives (fee reductions, waivers, special services, &c.) within each jurisdiction’s part of the zone by sending **Business Oregon** copies of implementation instruments (ordinances), not otherwise included with submissions for the enterprise zone’s designation/boundary change. Any proposed incentives must be provided to all business firms using the zone—ORS 285C.105(1)(b)—although administrative rules allow for different treatment for hotel/resort businesses—see OAR **123–668**–1300. The zone sponsor may modify applicable binding incentives until six months after the effective date of the designation/amendment.
5. Formal accords and implementation of arrangements, as agreed to with one or more local taxing districts from consultations held in preparing application, need to be documented, such as regular meetings, analyses, updates and so forth.
6. The zone sponsor is obligated to maintain information on available publicly owned buildings or land in the enterprise zone, which might be sufficiently handled by handwritten marks on a boundary map—ORS 285C.105(1)(g). Under ORS 285C.110, any real estate owned by the state government or by any municipality inside the zone boundary must be made available for lease or sale to an authorized enterprise zone business firm, if such real estate is not otherwise intended for a public purpose and is “zoned” appropriately (e.g., industrial land)—see OAR **123–668**–1400.
7. Urban enterprise zones must maintain a street index of all sites in the zone, but might summarily generalize about residential and other ineligible areas—ORS 285C.105(1)(h).
8. At least once a year, on November 1, the **local zone manager** sends **Business Oregon**:
  - a. Copies, samples and so forth of any new or revised informational materials or marketing efforts related to the enterprise zone, description of recent/ongoing assistance to county assessor—ORS 285C.105(1)(c)–(f), and
  - b. A brief letter listing outstanding authorized business firms—i.e., application for authorization is approved; firm not yet begun the property tax exemption, but it is still expected to complete the proposed investment—ORS 285C.105(1)(j).

8. The zone sponsor needs to formally apprise the county assessor, local first-source “contact agency,” and state agencies about changes in its policy, standards or current actions for imposing any additional condition or requirement on an enterprise zone exemptions under applicable circumstances (the sponsor is responsible for implementation, verification and enforcement)—ORS 285C.105(1)(i).
  9. No mandatory timing governs the policy for an authorization filing fee, which may be (consistently) charged to any business applying for authorization in the zone, but the zone sponsor needs to establish a local policy—ORS 285C.140(1)(c) | OAR [123-668-1700](#).
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## **Local Enterprise Zone Manager**

The “local zone manager” is pivotal in both the marketing and ministerial operation of the enterprise zone. He or she is the “contact” and representative for the zone sponsor.

Careful consideration should be given to this appointment and the support that it will receive. At the same time, it is in no way a full-time job, but an assignment that may more or less complement other existing responsibilities. Two co-managers are permitted, and many zones effectively have assistant managers who handle various day-to-day tasks. In addition, it is common, and may often be a good idea to appoint not a named individual, but rather a position or organization in general.

The persons acting of local zone manager have come from a wide variety of backgrounds and regular jobs. The typical zone manager is an executive or development official with a sponsoring city or county. The chiefs of local (nonprofit) development organizations are common, too.

For purposes of information, the following summarizes the role of the local zone manager:

1. Handles “outreach” to and inquiries from business firms with regard to the enterprise zone and its benefits, providing advice and so forth
  2. Process applications for authorization for all eligible business firms committing to necessary employment increases—“ministerial” action
  3. Arrange for first-source hiring agreement between authorized business firm and local “contact agency”
  4. Handle administrative/logistical matters for local sponsor
  5. Communicate with and provide some annual update information to **Business Oregon**
  6. Serves as point of contact for state agencies and county assessor’s office for the zone
  7. Helps with matters of legal compliance by business firms, especially employment issues
  8. Other duties, as listed in ORS 285C.105 on behalf of zone sponsor, such as:
    - Provision of local incentives—ORS 285C.105(1)(b)
    - Assisting county assessor with tax exemption claims—ORS 285C.105(1)(d)
    - Identification of publicly owned real estate in the zone that is available to authorized business firms and helping to see that they can buy or lease it—ORS 285C.110
  9. And similar functions.
-

## An Enterprise Zone Association

Several enterprise zones have formed special committees or commissions that meet more or less regularly to address enterprise zone business. This type of *public body* is termed here as an “association.”

An enterprise zone association might be of particular value if there are three or more cosponsors. It may also serve or augment other regional initiatives related to economic development, and offers a way to involve local stakeholders formally in the enterprise zone, such as the county assessor, local port district, business community, special districts.

Ideally, the authority and protocol of the association is established by intergovernmental agreement among the sponsoring governments (**ORS Ch. 190**). The agreement would define the following matters: Mission & objectives, membership, organization, voting procedures (sponsor & non-sponsor participants), *ex officio*/zone manager roles, meeting schedule and duties & delegated functions as suggested by the following and in the **TABLE** below:

1. Handle the formal appointment a zone manager in terms of issuing notice to state agencies and assessor’s office (**See** above).
2. Preparation, implementation and updating of marketing plan and other strategies.
3. Facilitate and expedite (through discussion and by recommendations to the sponsoring governments) requests to the state to **change** the zone’s boundary.
4. Receive authority from sponsoring governments (in all or certain circumstances) to enter into the written agreement with a business firm to extend the three–year exemption to four or five years consecutive years (“extended abatement”).
5. Handle administrative issues that may arise from the enterprise zone, by directing and supporting local zone manager’s efforts, and properly setting policies for authorization application filing fees and other such matters
6. Provide a forum if the assessor’s office needs help with zone issues, or to address issues with community groups, business associations and other entities, as well as to further community knowledge about the zone and discussions on how best to take advantage of it
7. Ensuring the provision of enhanced local public services, local incentives and regulatory flexibility as associated with designation of the enterprise zone
8. Guarantee coordination among city/county cosponsors of the enterprise zone
9. Other possibilities, inasmuch as delegation by sponsoring government for such matters is recognized and reasonably well established, or is implicit.

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**TABLE: Discretionary Actions and Responsibilities at Local Level for Rural Enterprise Zones\***

Selected Issue	Action	Instrument	ORS 285C. ...	Role of a Zone Association <sup>†</sup>
Marketing, Promotion	Adopt/update plans, strategies	Any type of document, \$, events, processes	105(1)(e)	Essentially undertake
Identify available public land	Ensuring can be bought/leased	Maps, list, policy, arrangements with owners	105(1)(g) & 110	Do
Local zone manager	Appoint and direct individual(s)	Formal notice to state/assessor	105(1)(a)	Do
Extended Abatement (4 or 5 consecutive years of property tax relief instead of usual 3-year)	Approve firm to receive, set additional requirements; establish general policy, criteria, ...	Written agreement (prior to authorization approval) between firm & sponsor; precedent, policy documentation	160	Endorse agreement, with or without consultation with cosponsor as delegated; or simply facilitate agreement (and resolutions) in some cases; policy development
Long-Term Rural Tax Incentives (special 7- to 15-year exemption) ‡	Same as above, also interact with Governor's office on Tax Credit	Similar to above, plus necessary resolution from location jurisdiction(s)	403(3)	Same as above, see to other issues as well
Binding Local Incentives	Programs, plans for provision	Documents, materials	105(1)(b)	Oversee in terms of general zone management
Authorization Filing Fee	Determine applicability, level	Policy material	140(1)(c)	Handle directly
Waiver of 10% employment increase, with \$25m investment	Determine whether to grant waiver, set alternative job level & other conditions	Resolution(s) by sponsoring governments	155, 200(2) & 205	Discuss issue, recommend to cosponsors, facilitate resolution adoption, verify compliance
Changing zone boundary	Make request to state	Resolution(s) by sponsoring governments, new mapping, legal description, etc.	115	Discuss issue, recommend to cosponsors, facilitate resolution adoption, oversee preparation of request materials
Terminating the zone	Request to state	Resolution(s) by sponsoring governments	245(4)	Discuss issue, recommend to cosponsors, facilitate resolution adoption

\* Urban zones have largely the same, plus an additional feature of local sponsor discretion—ORS 285C.150.

† Examples, best delegated from governing bodies of local government cosponsors through intergovernmental agreement (ORS 190), resolutions, etc., but in some ways it may be more or less implied.

‡ Only some (most) rural enterprise zones may offer these incentives.

## Termination of An Enterprise Zone

Ten to eleven years after designation, an enterprise zone terminates by operation of law (“sunsets”); boundary changes in no way affect these sunset provisions.

Likewise by operation of law, if no business firm has used the enterprise zone after more than six years, then it terminates.

At any time, however, the director of **Business Oregon** might be compelled to terminate an enterprise zone, because the zone sponsor was unable or unwilling to fulfill its duties.

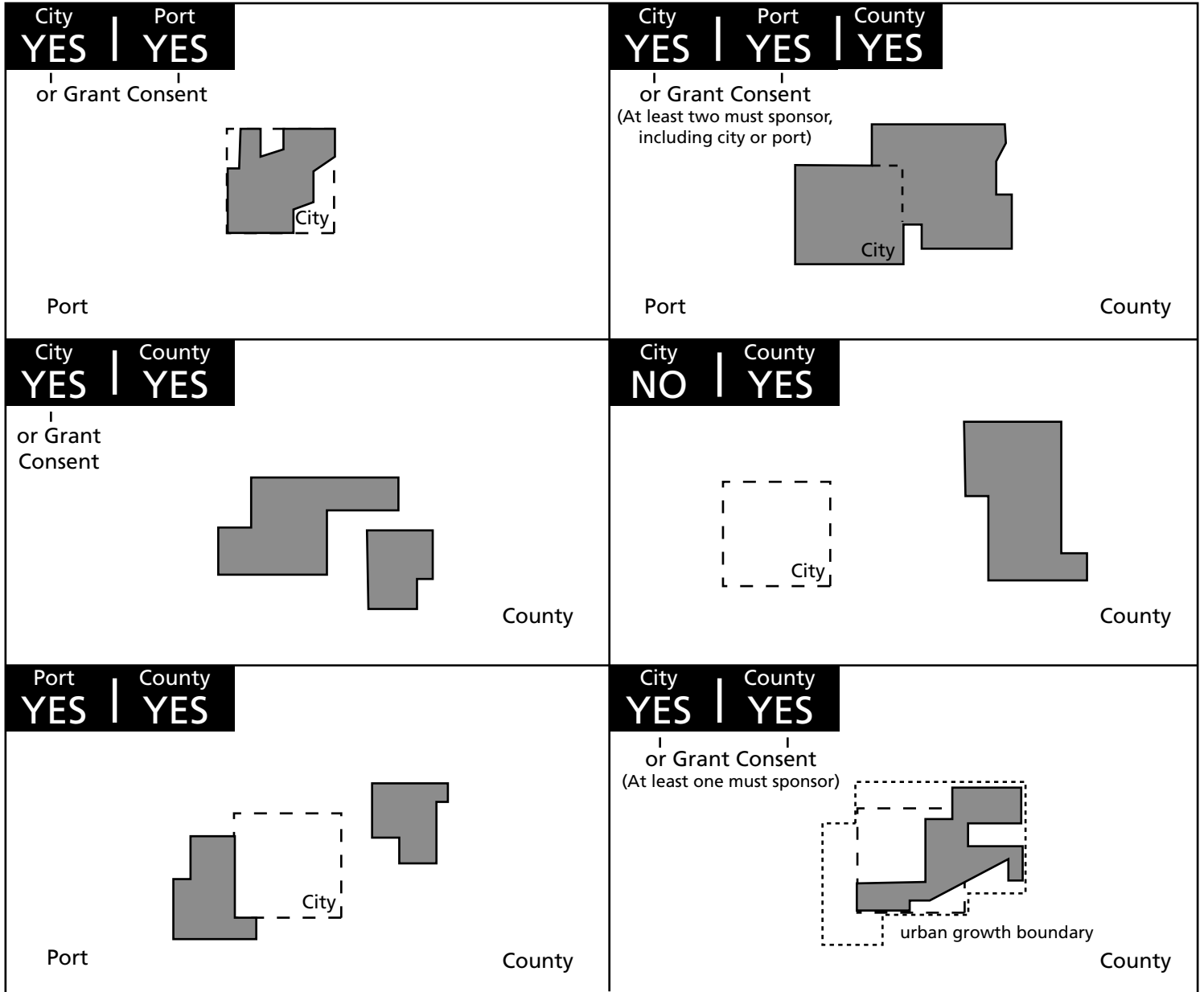
Also, the sponsor may terminate the enterprise zone at any time. This action must pertain to the entire zone and include all of the sponsoring local governments. As such, it is like a boundary change in that the zone sponsor adopts resolution(s) requesting termination and submits the request to the department. The director of the department then issues a formal order.

Except when it occurs by operation of law, termination of an enterprise zone precludes the area from having an enterprise zone ever again.

## Appendix

# Sponsorship for Enterprise Zones



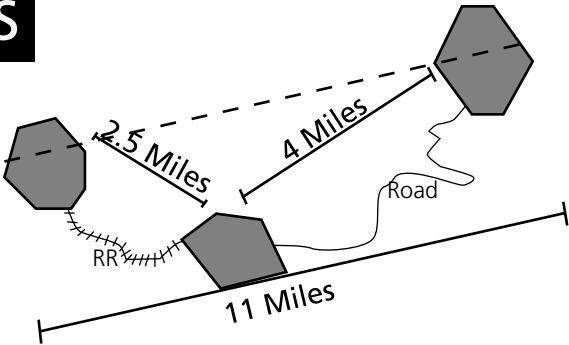
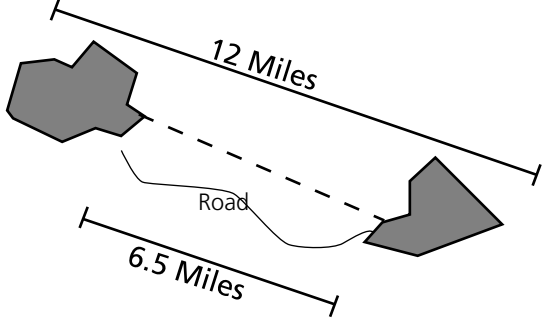
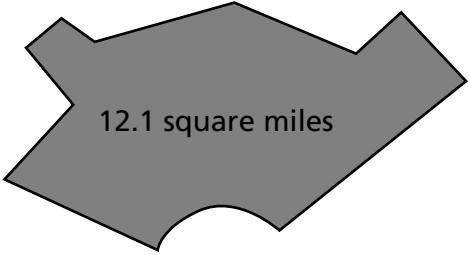
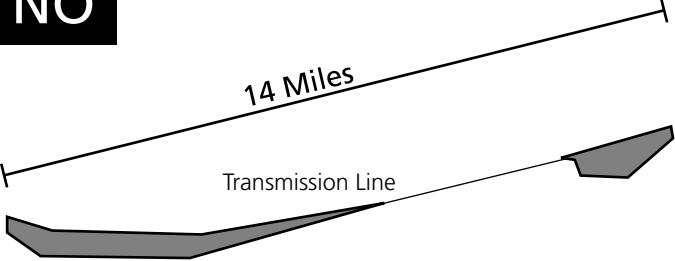
(suppositional zones defined by solid line and shading)



# Enterprise Zones Configurations

## (scale varies among examples)

Only urban zones are limited by the specific maximums shown here.  
 In rural zones, 15 square miles is the maximum for area and overall distance.  
 See next page for greater distances allowed in many rural designations.

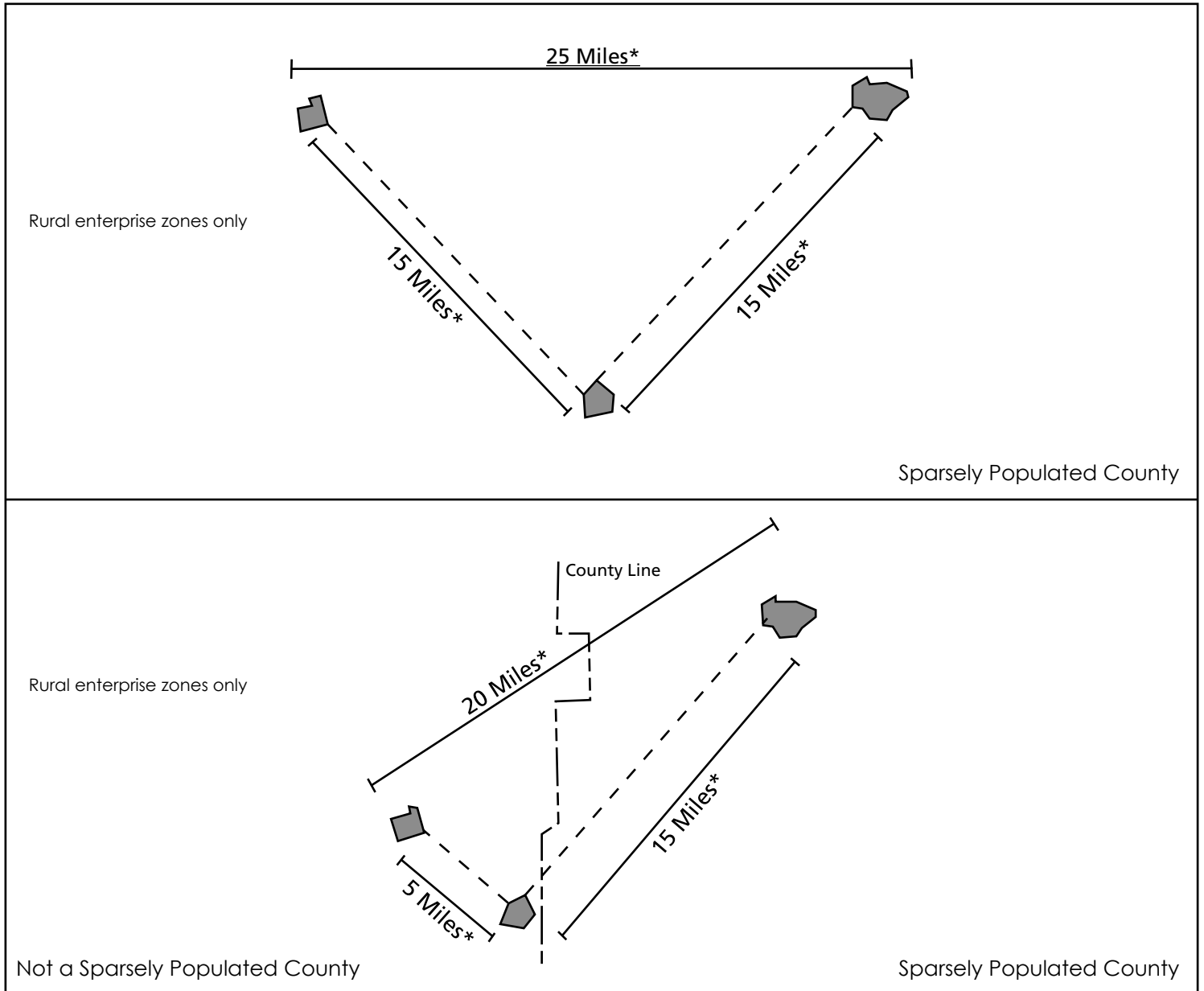
<p><b>YES</b></p>  <p>1 Mile</p> <p>12 Miles</p>	<p><b>YES</b></p>  <p>3.4 Miles</p> <p>3.4 Miles</p>
<p><b>YES</b></p>  <p>2.5 Miles</p> <p>4 Miles</p> <p>11 Miles</p> <p>Road</p> <p>RR</p>	<p><b>NO</b></p>  <p>12 Miles</p> <p>6.5 Miles</p> <p>Road</p> <p>Distance between separate areas too great—more than 5 miles</p>
<p><b>NO</b></p>  <p>12.1 square miles</p> <p>Too much total area—area greater than 12.0 square miles*</p>	<p><b>NO</b></p>  <p>14 Miles</p> <p>Transmission Line</p> <p>Distance between two points too great—more than 12 miles</p>

\*Above ordinary high water mark of navigable bodies of water.

Maximum distances in rural enterprise zones beyond the default limitations of ‘15’ and ‘5’ lineal miles, if entirely or partially inside “sparsely populated counties.”

“Sparsely populated county”= Any Oregon county except Benton, Clackamas, Marion, Multnomah, Polk, Washington or Yamhill counties.

No rural zone may exceed 15 square miles in total area (above ordinary high water mark of navigable bodies of water).



\*Director of Business Oregon may waive these maximum distances for applicable rural enterprise zones with justification.