



Enterprise Zones in Oregon: Local Sponsorship

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Introduction

This guidebook serves local governments in creating, running and expanding Oregon enterprise zones, which offer a unique resource to all types of communities, big and small, rural and metropolitan. Besides tax abatement, an enterprise zone lends visibility and focus to local economic development efforts.

Cities, ports, counties and Tribes have successfully used enterprise zones since 1986. In the course of temporarily forgiving property taxes on new plant & equipment, enterprise zones have led to thousands of new jobs through investment by businesses.

Although such incentives for private investment and employment can boost economic growth and diversification in a variety of localities and situations, an enterprise zone is neither a prerequisite nor a cure-all for economic development. Some communities have greater need or are better able to exploit an enterprise zone in comparison to other places, and a commitment to promote the zone is indispensable for its success.

In addition, an enterprise zone does not alter land-use zoning, even if recognized as part of local comprehensive plans. The enterprise zone's primary influence is on long-term industrial development and certain forms of commercial development, in contrast to the general growth of urbanized areas.

By 1989, Oregon's Governor had designated the first 30 enterprise zones. In 1993, the director of what is now Business Oregon was charged with making designations, and seven additional zones were authorized, followed by 10 more in both 1999 and 2005, and eight in 2012. These are all in addition to designations based on a federal enterprise zone or on tribal authority. The 2011 Legislature extended the overall program to 2025, and in 2015, the statewide lid was lifted on total enterprise zones for local governments and the power to designate vested with the zone sponsor.

The **sponsor** of an enterprise zone consists of the city, port, county or Tribe, or combination of such governments that initiated the zone or joined through a subsequent amendment to its boundary. In general, the sponsor comprises all jurisdictions, in which any part of the zone is located, but in certain cases an overlapping city, port or county might merely consent to the zone in its territory. Some enterprise zones have a single sponsor, and two cities plus the county is common, but any number of co-sponsor permutations are possible.

Enterprise zones in Oregon come in many shapes, are often noncontiguous, and typically embrace all land—whether vacant or with existing structures—that eligible businesses might use throughout the community. Only in metropolitan cities is a zone more likely to be limited within the sponsoring jurisdiction(s).

Though subject to local control, an enterprise zone designation still needs to satisfy certain statutory provisions, including a measure of local economic hardship, consultation with local taxing districts, geographic parameters, and boundary delineation and mapping. Similar requirements govern subsequent changes to the zone boundary.

Tribal enterprise zones

Special provisions relate to the creation and geography of [reservation enterprise and partnership zones](#), for which aside from information about zone sponsorship, this guidebook is **not** generally applicable.

Rural renewable energy development zones (RREDZ)

This is a [special designation of an entire jurisdiction](#), which Business Oregon designates at the request of a city, county or contiguous counties. A RREDZ is **not** an enterprise zone, but it operates like one for purposes of (only) the standard exemption for facilities related to biofuels or to generating electricity from renewable sources like geothermal, solar or wind power.

Rural or Urban?

Oregon enterprise zones are categorized depending on whether they are located (entirely) inside or outside the urban growth boundary (UGB) surrounding the titular city or cities at the core of a federal metropolitan statistical area or MSA, including any jointly or commonly determined (regional) UGB. Reservation enterprise zones are rural zones that may include any of the Tribe's territory on reservation and/or land in or pending trust status, throughout Oregon.

Business Oregon

The agency's [regional Business Development Officers](#) are a critical resource for understanding the general usefulness of having an enterprise zone. For specific questions or guidance concerning subjects in this guidebook, please contact the agency's [Business Incentives Coordinator](#) at 503-986-0140.

Summary of enterprise zone tax incentives

- [Standard exemption program](#)—this 100% exemption from the property taxes normally assessed on significant new plant & equipment is the mainstay of the enterprise zone system. It goes for 3 to 5 years beginning after the property is first placed in service and may be preceded by up to two years of construction-in-process tax abatement.
- [Electronic commerce](#)—in combination with the standard exemption, a state income tax credit based on capital investments for e-commerce operations is available in an enterprise zone that has one of these 15 overlay designations.
- [Long-term rural facility incentives](#)—under a distinct program, an entire qualifying facility may be exempt during construction and then for 7 to 15 years (and it would be eligible for corporate excise tax credits subject to special limitations). The rural enterprise zone needs to be in a county with chronic unemployment, low-income levels or out-migration.

The local zone manager and the county tax assessor administer the property tax abatement programs, with help in marketing from other entities. These local players largely handle their duties by advising interested businesses, authorizing them, and exempting qualified property. Business Oregon and the Oregon Department of Revenue jointly coordinate the enterprise zone system and provide technical assistance to local partners and practitioners, as well as businesses/taxpayers.

Duties and Choices

Additional information on being a zone sponsor can be found in administrative rule (see OAR [123-668](#)), as well as [ORS 285C.070](#), [285C.105](#), [285C.110](#) & [285C.150](#).

Sponsor roles

Although enterprise zones are largely self-functioning—and the property tax exemption that they offer is often automatic—local sponsorship of an enterprise zone entails both opportunities and responsibilities to:

- Appoint a local zone manager, and otherwise help businesses to use the zone and verify their compliance with legal requirements.
- Assist the county assessor at any time.
- Devise, implement and update policies, marketing plans, etc., possibly including business application filing fees and a package of local incentives.
- Facilitate eligible business firms in acquiring publicly-owned real estate that is unused, undedicated, suitably zoned.
- Establish local policy and standards for other employment-related conditions that are consistently imposed with all 3- to 5-year exemptions—but only in the case of an **urban** enterprise zone.
- Enter into written agreements with businesses to extend the standard exemption period to four or five years in total—or to certify long-term tax incentives for facilities in most rural enterprise zones—subject to special statutory criteria and to local additional requirements as negotiated with the agreement.
- Adopt resolutions for waivers to allow zone employment to be less than the standard exemption's required 110% of the firm's existing number of full-time jobs (potentially with additional conditions), in the case of a business that:
 - invests \$25 million or more, or
 - measurably modernizes operations and funds workforce training.
- At designation, exercise the option to allow hotel–resort businesses to be eligible for standard exemptions in the zone respective to city or county jurisdictions.
- Change the enterprise zone boundary, or even elect to terminate the zone prematurely.

Except for local incentives and the hotel–resort option, multiple cosponsors of a single enterprise zone must effectively take joint and common action across the zone.

In the case of local additional requirements that are or will be normally imposed with written agreements or waivers—or for an urban enterprise zone policy—the sponsor is obligated to notify the county assessor, Oregon Department of Revenue, Business Oregon and local publicly funded job training providers about such requirements/policies.

An urban enterprise zone policy imposing other conditions on standard exemptions of any length also entails submitting ... *“a written report every four years to the Legislative Assembly concerning the application and effects of the conditions on business firms within the enterprise zone.”* [ORS 285C.150 \(6\)](#).

The filing fee might be charged to any eligible business applying for authorization, according to a consistent local policy, which is established as a matter of practice if implemented simply and straightforwardly, or otherwise through formal instruments. The law caps the fee at no more than \$200 or 0.1 percent of estimated investment costs.

Pursuant to zone designation

Though they would need to be revisited or updated periodically, especially with boundary changes, the following are particular responsibilities to be addressed with or directly following re/designation of an enterprise zone:

- Oregon law stipulates appointment of the local zone manager (see below) by written notice to the county assessor, Oregon Department of Revenue and Business Oregon. Resolutions are generally not necessary, but rather an official letter or email.
- The election to allow hotel–resort business to be eligible (see below) in the zone may be revisited or revised (only) during the first six months after the designation takes effect.
- Statutes also specifically obligate the zone sponsor to maintain:
 - Plan for marketing the enterprise zone. Among other things, this might involve a complementary package of local business incentives (fee reductions, waivers, special services, etc.–see below) within each sponsoring jurisdiction’s part of the zone.
 - Information on available publicly owned buildings or land in the enterprise zone, such as a list or highlighted map. (Under ORS 285C.110, any real estate owned by the state or any municipal government inside the zone boundary must be made available for lease or sale to an authorized business, if such real estate is zoned appropriately and not otherwise used or specifically intended for a public purpose.)
 - Street index of all sites inside any **urban** enterprise zone, which might summarily generalize residential and other ineligible areas. An online property locator that indicates enterprise zone status would certainly fulfill this responsibility.

Local zone managers

This person is critical to both the promotional and ministerial operation of the enterprise zone. He or she is the contact and day-to-day representative for the sponsor, serving as every business’s principal resource in seeking to invest in the zone and coauthorizing eligible businesses for standard exemptions in tandem with the county assessor’s office.

Thought should be given to this appointment and the support that it will receive. At the same time, it is not a full-time job unto itself, but rather an assignment that might best complement other existing responsibilities. Two co-managers are permitted, and many zones officially have an assistant manager, who handles most tasks.

In addition, it is common and may often be a good idea to appoint a position or organization in general as opposed to a named individual. Persons filling the role of zone manager have come from a wide variety of backgrounds and regular jobs. Zone managers are often a development official with a sponsoring city or county or an executive at a regional (nonprofit) economic development organization.

The following outlines most of the appointee's functions, in that the zone manager:

- Handles outreach to and inquiries from businesses with regard to the enterprise zone and its benefits ..., giving guidance, etc.
- Processes applications for authorization from all eligible businesses that commit to requisite employment increases—"ministerial" action.
- Arranges for first-source hiring agreement between authorized business and the contact agency (Worksource Oregon) for local publicly funded job training providers.
- Coordinates procedural, logistical and related matters for the sponsor.
- Serves as the zone's point of contact to state agencies and the county assessor's office.
- Helps with matters of compliance by businesses, especially on employment issues.
- May assist the assessor's office in checking tax exemption claims.
- Stays aware of applicable publicly-owned real estate in the zone that could be available to authorized businesses and would help to see that they can acquire it.

Enterprise zone association

When there are three or more cosponsors, enterprise zones have formed special committees. This type of *public body* is termed here as an "association."

With administrative matters, a zone association would authoritatively direct and support the local zone manager on a regular basis. An association is also a way to engage local stakeholders formally in the enterprise zone, such as the county assessor, business community, special districts and so forth, as a forum to advance community knowledge and dialog about how best to utilize the zone and to otherwise ensure coordination. It might also build on or bolster other regional initiatives related to economic development.

The authority and protocol of the association would be best established in an intergovernmental agreement (IGA) among the sponsoring governments to define: Mission & objectives, membership, voting procedures (sponsor representatives and non-sponsor participants), zone manager/ex officio role, meeting schedule, and delegated functions respective to [figure 1](#).

Local incentives

Sponsoring governments may at any time institute policies that offer special local incentives to authorized and qualified businesses:

- The ability to deliver such incentives, in the context of marketing the enterprise zone, ought to be given serious attention.
- Over the years, many enterprise zone sponsors have successfully bundled such incentives as a package, in order to better promote their zones and give extra, layered inducement for business projects to get underway.
- They may include special public services and regulatory assistance that do not undermine health and safety standards, as well as waivers or discounts on local fees, charges, etc.
- Local incentives may certainly vary among cosponsors, in terms of their effect and how they function, in that what can be done will naturally differ by municipality.

Discretionary zone sponsor responsibilities at local level				
Issue	Action	Instrument	ORS 285C.	Potential Function of Zone Association*
Local zone manager	Appoint and direct person	Formal notice to state and assessor	...105(1)(a)	Make appointment
Marketing, promotion	Adopt/update plans, strategies	Official plan, resources, events	...105(1)(e)	Essentially undertake
Available public real estate for businesses	Ensuring can be bought/leased	Maps, list, arrangements with owners	...105(1)(g) & ...110	Implement
Binding local incentives	Policies by sponsoring jurisdictions	Local ordinances and other documents, etc.	...105(1)(b)	Develop package & strategy; oversee assistance/provision to businesses
Authorization filing fee	Determine applicability, level	Policy material or precedent	...140(1)(c)	Administer
Extended Abatement (4 or 5 years of property tax relief instead of 3)	Approve business to receive, set additional requirements	Written agreement (prior to authorization) with business; general policy & criteria	...160	Endorse agreement, with or without consulting cosponsor as delegated, or facilitate agreement by cosponsors; policy development; verify compliance
Long-Term Rural Facility Incentives (special 7– 15–year exemption) †	Same as above	Similar to above, plus coordinate resolution(s) by city/county containing facility	...403(3)(c)	Same as above
Waiver of 10% employment increase	Determine to grant waiver; set job minimum & other conditions	Resolution(s) by sponsoring governments	...155, ...200(2) & ...205	Discussion, recommendation to cosponsors; facilitate resolutions; verify compliance
Changing zone boundary	Submission to state for positive determination in favor	Resolution(s) by sponsoring governments; documentation to state	...115 & ...117	Discussion, recommendation to cosponsors, facilitate resolutions, and oversee preparations & materials
<p>* Examples, which might be best delegated from governing bodies of local government cosponsors through IGA, resolutions or the like, but in some ways such roles may be more or less implied.</p> <p>† Most rural enterprise zones can offer these incentives for certain business projects.</p>				

Figure 1

- Statutory authority for making these incentives a binding part of the enterprise zone's benefits would allow special latitude with stipulations normally controlling, for example, building permits or system development charges.
- As such, however, the sponsor is supposed to help all businesses to use the incentives equally, although hotel–resort businesses could be treated differently.
- In curtailing or rescinding any such binding incentive, the sponsor must either balance out the value of what had been offered with other adjustments, or account for how corrections were indispensable to resolve public policy or fiscal needs.

Hotels, motels and destination resorts

Generally, only non-retail operations are eligible for enterprise zone exemptions. Nevertheless, cities and counties have a one-time opportunity when designating the zone to exercise the option to allow qualified property of hotel, motel and resort businesses to receive the standard property tax exemption. Besides investments in lodgings, this can cover other activities or amenities for overnight guests in more resort-like settings.

To make this election, resolutions of each city and county government sponsor must expressly state that such businesses will be eligible in the enterprise zone. The option may apply selectively among the city and county jurisdictions containing the zone. Resolutions should clearly speak to any such inter-jurisdictional exception. Moreover, the basic hotel-resort election, and any such exception to it, may be revised and finalized by resolutions up to six months following the effective date of designation.

A new city or county joining (or consenting to) an enterprise zone with a boundary change also may be excluded from a hotel-resort option that is already in place. If, however, the zone sponsor did not previously elect to make hotel-resort businesses eligible, then a new cosponsor may not elect to have them be so, even within its own jurisdiction. The sponsor may irreversibly rescind the overall hotel-resort option at any time while the zone exists.

With re-designation, a previously exercised option is not automatically retained, so that each city and county cosponsor would need to again reelect to take this option in re-designating the enterprise zone.

Designation by Cities, Ports and Counties

Communities anywhere in Oregon may designate an enterprise zone at any time or re-designate a zone that has or will soon terminate by operation of law. Statewide, there is no limit on the total number of designations, but almost all cities, for example, may contain only one enterprise zone at a time.

After formally advising and consulting with Business Oregon about what to do and the implications of having an enterprise zone, the sponsor needs to actively consult with local taxing districts, adopt resolution(s), complete a [short form](#), and prepare mapping, GIS shape file and a narrative description of the zone boundary.

Regular procedures in adopting requisite resolutions will presumably inspire significant public discourse on the desirability and importance of an enterprise zone for the local community. Further public or community involvement, even when advisable, is not mandatory for designation—aside from consultation with local taxing districts.

Additional information on re-/designating a zone can be found in administrative rule (see OAR [123-650](#)), as well as [ORS 285C.050](#), [285C.065](#), [285C.066](#), [285C.067](#), [285C.074](#), [285C.078](#), [285C.090](#) & [285C.250](#).

Please Note

The basic three-year period of the standard tax exemption on new property is effectively automatic and not discretionary. Rather, it is an as-of-right benefit to eligible business firms that increase their employment, and thus affords a degree of certainty to various business situations throughout Oregon. Cities, ports or counties averse to at least three years of such property tax abatement for qualified firms, should not designate an enterprise zone.

Impacts of an enterprise zone

Combined with upgrading local capacity (e.g., infrastructure, industrial sites), an Oregon enterprise zone is meant to induce additional private-sector investment and jobs by signaling a receptive business climate, primarily through a significant but short-term infusion for the project's cash flow, in order to:

- encourage homegrown entrepreneurs and businesses to start up and grow
- prompt bigger re/investment than might otherwise occur
- accelerate investments and hiring compared to an ordinary rate
- expand employment (business must increase full-time, year-round jobs in the zone)
- help needier regions overcome economic dislocations and structural deficiencies
- retain and attract operations that would move or locate elsewhere
- buttress the early success of traded-sector business projects, and
- stimulate higher levels of employee compensation with the 5-year abatement.

Enterprise zone exemptions do not necessarily affect available resources for local public services, depending on statewide equalization of school funding and prevailing limitations on tax rates and levies that pertain to new industrial property in particular tax codes. Enterprise zone incentives can even enlarge the local tax base, which under the current property tax system would increase future revenues, due to the introduction of new property that is taxable for many years after the period of exemption.

Steps for zone designation

- Getting started:** (a) ascertain the cities, ports and counties that will or must participate in or consent to the enterprise zone (see [Appendix A](#)), along with assigning someone who will organize and prepare documentation; (b) begin working out the zone's dimensions and the areas, land and key industrial sites it will encompass (see [Appendix B](#)); (c) initiate research into data for demonstrating local economic hardship, and (d) contact [Art Fish](#), Business Incentives Coordinator, 503-986-0140, to make formal advisory to Business Oregon and consult about designating and having an enterprise zone.
- Getting organized:** (a) schedule or reserve dates for city/port/county governing bodies to consider the adoption of resolutions; (b) identify all other local taxing districts that levy taxes on property inside the greatest potential enterprise zone area that is being contemplated, and (c) determine how to produce description, maps, GIS data and estimates of the zone boundary, area and distances (see [Appendix B](#)).
- Notice of public meeting:** (a) develop list of local taxing district contacts/addresses; (b) establish date, place and time for meeting, **seven or more days** before adoption of the first sponsoring resolution (not applicable to any consent resolution); (c) prepare informative notice/meeting invitation (see [Appendix C](#)), and (d) at least **21 days** before the meeting date, distribute it to the list of district contacts and the county assessor, and send a copy with list to SDAO in Salem (see [below](#)).
- Further outreach:** (a) solicit interest from eligible businesses that might effectively expand and hire in the zone, as feasible; (b) undertake public information and involvement with worker training/education organizations, community groups and the

media, as appropriate; (c) field inquiries, etc, from districts and other attendees, as warranted, and (d) finalize meeting agenda, ready proposed zone map and hold meeting.

- Meeting follow-up:** (a) afterwards, prepare minutes/summary for distribution to local taxing districts and other invitees or attendees; (b) undertake other consultative discussions, analysis, etc, as called for, and (c) assemble lists of contacts & attendees, notice template, written comments, final agenda, meeting summary/minutes, any post-designation plan, etc., for submission.
- Wrap-up:** (a) prepare final map, description, shape file and area & distance estimates of the enterprise zone boundary; (b) draft resolutions (see [Appendix D](#)) for adoption according to normal practice—no sooner than seven days after the meeting, but not more than six months before (re)submission to Business Oregon or the effective date of designation, whichever is later, and (c) finalize information in four-page [submission form](#) and associated attachments.
- Submission:** not less than 45 days after the advisory in the first step above, send complete documentation to Business Oregon (according to the form), preferably before the July 1 termination date in the case of re-designation.

Taxing district consultations

For many years, various special service districts expressed concern about state statutes affecting property taxation, including enterprise zones. Since 2005, the law has demanded consultation with all local taxing districts prior to zone designation. Their approval, explicitly or otherwise, is **not** required for designation or for consequent exemptions on business property. The chance to learn and comment is effectively quite sufficient.

Local taxing districts—these encompass all school districts, special service districts, etc. (other than districts with boards equivalent to a sponsoring government's) that levy *ad valorem* taxes on property in a tax code area that could be at least partially inside the enterprise zone boundary. The county assessor can help ascertain all such districts and their contacts. Some districts (e.g., emergency services) may be relatively more interested. So, strive to coordinate with them regarding meeting dates, etc. Contacts would consist of board chairs or others in addition to lead staff or executives.

Meeting open to the public—administrative rules prescribe at least one such event, according to the time frame stated above. This is the minimum for enterprise zone designation, but other local efforts could be warranted (see below). Other than notifying relevant districts and the assessor, the meeting does not need to be publicized: It is neither a hearing nor necessarily an occasion for feedback from the general public. Nevertheless:

- A formal agenda and a person to conduct the meeting, who is capable of answering diverse questions about the proposed zone, are crucial.
- Elected or executive proponents with sponsoring governments are urged to attend.
- Record taking for preparation of minutes or a meeting summary is essential.
- Presenting the latest map of the proposed zone boundary and an outline of future designation steps are key agenda items.
- Time should be allotted for recognizing any written commentary received and for statements by district representatives in attendance.

Dozens of such meetings have been held in communities around the state, and though sometimes lightly attended, they are usually robust gatherings involving informal discussions and greatly contributing to local appreciation regarding the zone.

Notice—this must be sent within a year of the designation’s effective date or (re)submission to Business Oregon, whichever is earlier, and it needs to include (see [Appendix C](#)):

- an invitation to participate and discuss issues,
- specific location, date and time (e.g., two hours in the early evening), related logistical instructions and a preliminary agenda,
- date(s) when each sponsoring government is expected to adopt resolutions, and
- sponsor contact information for questions and sending written comments.

Also concurrently, send a copy of notice and mailing list to—Attn: Government Affairs, **Special Districts Association of Oregon (SDAO)**, PO Box 12613, Salem, OR 97309-0613. (Do not copy Business Oregon at this time, but rather enclose with submission.)

Issues and dialog—at the public meeting and/or through other efforts, matters to be addressed could, for example, relate to:

- perceived benefit, need and function of an enterprise zone designation,
- potential effects of business projects and general development on service demands, costs and risk factors,
- possible/probable new business or industrial property with or without the zone,
- capacity related to private industry for emergency preparedness, public safety, fire suppression, transportation and other infrastructure, and
- role that building standards, permits, design review, land-use zoning and other mechanisms can play in mitigating or managing impacts or risks.

Local service districts often lack specialized financial staff, so that valuable context could also entail analysis of (hypothetical) impacts in terms of “dollar & cents” that an enterprise zone might have on assessment and taxation, in terms of property types, exemption period, and the benefits & costs over the longer term.

Other efforts or results—extra interaction might be undertaken with local taxing districts, including the following additional obligations, in that the zone sponsor should:

- furnish a timely copy of meeting minutes/summary to all districts,
- respond within two weeks to a request for a special meeting or for answers to specific, written questions, from any district, and
- give due consideration to district input in deciding to designate the zone.

Ongoing arrangements might present themselves as worthwhile, for example, through a memorandum of understanding between the sponsor and one or more local taxing districts, which is executed as part of or after designation. Examples of future outreach and so forth with one or more districts might involve:

- regularly scheduled (e.g., annual) meetings or updates regarding business activity,
- notification of or by businesses as part of authorization process,

- ongoing assessment of relevant, local development regulations, and
- integrating additional business conditions related to direct repercussions on service providers into zone policies or negotiations, as applicable and reasonable.

Mandatory economics

Something that continues to set enterprise zones apart is the statutes' necessitating that a newly (re-)designated zone's "local area" exhibit significant hardship, in terms of at least **one economic measure** below. The statutes offer flexibility in demonstrating such economic need, as described further in administrative rule.

This requirement, of course, somewhat restricts where enterprise zones will exist, but in reality it has proven to be not overly severe, such that ways have been found to justify enterprise zones in various places throughout Oregon. Naturally, Business Oregon has experience and analytical tools in these regards and would be pleased to assist zone sponsors ahead of their submitting final documentation.

Specific measures for a zone to qualify are:

- unemployment rate, two percentage points or more above the statewide rate,
- income level of 80 percent or less of the equivalent income level for the state in terms of per capita, median household or comparable figures,
- percentage of persons or families below the federal poverty level that is at least five percentage points higher than the statewide poverty incidence rate, or
- ten-year change in population that is at least 15 percentage points below the state's corresponding population change.

The zone sponsor may submit equally severe indicators that substitute for those specified above, such as recent job losses, for evaluation by Business Oregon.

Instead of state data, an enterprise zone (urban or rural) located entirely within a federally determined metropolitan statistical area may use equivalent **MSA** data as the basis of comparison to the zone (regardless if the MSA includes non-Oregon counties) for employment, income, poverty or other economic measure except population change.

Enterprise zone data must be **annual** (not monthly or quarterly) values from an official source, such as the American Community Survey (ACS), other U.S. government, Oregon Employment Department, Population Research Center (PRC) at Portland State University or the like, or based on special surveying or studies subject to comparable standards. The submission form has space to cite sources and to label attachments consisting of copies, details, computations, etc. ACS data are mainly accessed through [American FactFinder](#).

The department can accept only the **most recently available** data from the particular source, based on the time of (re)submission to Business Oregon or the effective date of the zone's designation, whichever is earlier. Recentness need not be a factor in choosing between distinct sources of economic data. (Even though the U.S. decennial census now lacks certain statistics, using 2000 Census figures would be unacceptable, except at present, as the base year of 10-year change in population.)

Lastly, there is the question of what geographical level of data to use in representing economic conditions in the enterprise zone's **local area**? This choice may vary among the economic measures in the submission, and it largely depends on source availability, what is advantageous to qualify the zone, and the following restrictions:

- MSA data—only for an urban zone.
- County data—only for a rural zone that includes a sponsoring county's most populous city and has an estimated population equal to at least 25% of county population.
- City data—only for a zone that covers or exists throughout/in most parts of that sponsoring city, or at least 25% of city population resides inside or within the immediate vicinity of the enterprise zone boundary.

While not necessarily the most convenient, using **zone-specific** data is always an option, even when one of the above choices is permissible. Zone-specific data are aggregated across census tracts, block groups or other such units that proximally capture the enterprise zone and its immediate environs, by either combining raw sample-population numbers or calculating a weighted average in some cases.

A visual assessment of the zone boundary overlaying the census units will normally suffice in reasonably discerning which ones to include or not for analysis. Moreover:

- City-wide data as indicated above may be combined with other units or similarly aggregated among multiple cities.
- Adjacent units that do not actually overlap the enterprise zone may be incorporated in the analysis, if they validly demonstrate local hardship.
- Much more expansive units may be excluded if containing only an inconsequential part of the zone.
- The zone sponsor may employ special methods to estimate or infer numbers for the relevant parts of units or areas intersected by the boundary.
- An urban enterprise zone may incorporate data from an extensive residential area that is proximate to but even well outside the zone boundary, and that has a populace, whom the sponsor explicitly intends to help through employment opportunities and relevant public or private efforts or programs in relation to the zone.

Effective dates and businesses

After receiving a submission of designation, Business Oregon will promptly examine the documentation and work with the zone sponsor, in order to issue a positive determination in favor that accurately characterizes features of the new or re-designated enterprise zone.

The effective date of designation shall be based on the adoption date of the last resolution by a sponsoring or consenting government, except that it is:

- July 1 for re-designation concurrent with a former zone's termination, if that last resolution was adopted earlier.
- The date that Business Oregon receives a complete, major resubmission of documentation pursuant to a negative determination.

Minor corrections or additions to documentation that quickly lead to the reversal of a pending or even formally issued negative determination can be accepted without altering what would otherwise be the effective date of designation.

A business' qualified property may not be exempt, if prior to that effective date, it was already:

- assessed anywhere in the county,
- in existence inside the zone boundary, or
- in the process of being actually constructed, reconstructed, modified or installed inside the enterprise zone.

Nevertheless, the local zone manager may accept and even process applications from businesses for authorization before the effective date, which would even allow site preparation leading directly to construction to commence.

Boundary Changes and Termination

Amending the area/boundary of an enterprise zone is a straightforward way to extend zone benefits to new sites and opportunities, as well as other parts of the larger community or region needing help to spur business activity. It can facilitate collaboration among neighboring jurisdictions in pursuing economic development, especially whenever a new cosponsor joins the zone, which has been a frequent occurrence.

Moreover, while sunset or expiration is inevitable for every zone, the sponsor is able to collectively terminate it at any time.

Additional information on amending or terminating a zone can be found in administrative rule (see OAR [123-650](#)), as well as [ORS 285C.050](#), [285C.115](#), [285C.117](#) & [285C.245](#).

Compared to zone designation

Much of the preceding instructions for designating a zone apply equivalently to a boundary change, and as such, they should be read and may be relied on, insofar as they are basically relevant and not specifically qualified elsewhere in this guidebook. Among the differences between designation and modifying an existing enterprise zone:

- No pre-submission advisory with Business Oregon is necessary—even though heads-up or questions are certainly welcome.
- No public meeting or consultation with local taxing districts is required—notice must still be sent to all existing and new districts 21 days before (county) resolution adoption, and in some cases, further outreach may be advisable.
- Adoption date of any consent resolution has no bearing on when the boundary change takes effect—only the last resolution of a sponsoring government will primarily matter.
- The aforementioned economic criteria in comparison to the state or metropolitan statistical area do **not** at all apply—instead, should it appear to be an issue, the specific area(s) to be added are compared to the enterprise zone as it was originally (re-)designated, in order to satisfy ORS 285C.115(2)(c):

The amended enterprise zone shall ... [a]dd residential areas or nonresidential areas that are adjacent to residential areas only if the level of economic hardship in the areas to be added is at least as severe as the conditions that existed at the time the original enterprise zone was designated or that currently exist in the original enterprise zone; —also see OAR 123-650-4500

- No submission form is prescribed—rather, the local zone manager or preparer would simply assemble copies of requisite materials, with a **cover memo** that:
 1. gives a little background about the amendments or removals,
 2. confirms change to or continuity of the zone’s name and sponsorship,
 3. estimates distances and total area within the modified enterprise zone, and explains any request for a distance waiver as applicable,
 4. attends to any special issue if relevant—see OAR 123-650-4600, and
 5. lists the documents or files that are enclosed or will be transmitted separately.

Steps for changing zone boundary

- Getting started:** (a) identify the land or industrial sites to be added, any area for removal, and the resulting size of the zone (see [Appendix B](#)); (b) ascertain if an existing consentor or any new city, port or county is affected and would also need to participate in or (re)consent to the enterprise zone (see [Appendix A](#)); (c) check for conflicts with other, more unusual legal requirements, especially if removing any land or adding non-business areas (see OAR 123-650-4600), and (d) research the residential character and economic conditions of areas to be added relative to the original enterprise zone, which may merit contacting Business Oregon for assistance.
- Getting organized:** (a) schedule dates for city/port/county governing bodies to consider adoption of resolutions; (b) develop list of contacts/addresses for all other local taxing districts that levy taxes on property inside the current and any potentially new zone area, and (c) determine how to produce description, maps, GIS data and estimates of modified zone boundary/area, along with illustrating specific changes being made, and if a distance waiver by the director of Business Oregon may and must be requested (see [Appendix B](#) and OAR 123-650-1100 & 123-650-1500).
- Notice and outreach:** (a) prepare informative notice to and invitation for comments from local taxing districts (see [Appendix E](#)); (b) distribute it to list of district contacts and send copy with list to SDAO (see [above](#)), at least **21 days** before the date when either the sponsoring county would vote on its resolution, or any sponsor government would vote if there is no county cosponsor; (c) solicit interest from eligible businesses that might effectively expand and hire in areas to be added to the zone, as feasible; (d) initiate public information or community involvement efforts, as appropriate, and (e) field inquiries, etc, from districts and others, as warranted.
- New cosponsor and zone policies:** the following could be topics for review and adjustment, if the boundary change adds one or more new sponsoring governments, greatly expands the zone, or fundamentally alters its character—
 - zone name (would need to be changed by all sponsor resolutions),
 - coordination among cosponsors and joint zone management or marketing,
 - local incentives, especially within a new sponsoring jurisdiction, and

Effect on Businesses

Business investments in any new area of an enterprise zone may not receive abatement from property taxes, if already:

- in existence or in the process of actual construction, modification or installation in the amended zone, or
- on the county assessment roll, ... prior to the effective date of the boundary change.

(The business’s authorization application must also precede project work, including direct site preparation, but it may be received by the zone manager and even approved pending the amendment.)

- excluding new city or county jurisdiction from prevailing hotel–resort election (would need to be clearly indicated in all resolutions).
- Wrap-up:** (a) prepare final new map, description, shape file and estimates of the overall zone area/boundary, pursuant to all changes, as well as maps and other information specifically showing areas added/removed; (b) draft resolutions (see [Appendix F](#)) for adoption according to normal practice—not more than nine months before (re)submission to Business Oregon or the effective date of the boundary change, whichever is later, and (c) prepare memo and assemble materials—
 - copy of executed resolutions
 - template of local taxing district notice and contact list
 - relative economic/residential character of newly added areas, as needed, and
 - any other issue worth addressing.
- Submission:** send complete documentation to:
Enterprise Zones, Business Oregon, 775 Summer St NE Suite 200, Salem, OR 97301
Fax 503-581-5115, arthur.fish@oregon.gov.

Enterprise zone termination

Ten to eleven years after designation, each enterprise zone terminates by operation of law (sunset). Boundary changes and other intervening events in no way affect these sunset provisions.

In addition, the zone sponsor may always adopt resolutions and submit them to the department requesting the director of Business Oregon to issue an order of termination. Such a request must pertain to the entire enterprise zone and include all of its sponsoring local governments. Similarly, the director of Business Oregon might order termination of an enterprise zone, because the sponsor is unable or unwilling to fulfill its duties. Termination under either of these circumstances precludes the community from having another enterprise zone for the next 10 years.

Finally, effective June 30, 2025, all non-tribal enterprise zones expire under current law, along with their ability to approve future tax incentives (programmatic sunset).

Appendices

Appendix A—Required local zone sponsorship or consent

Any city or cities, port or ports, and/or county or counties may designate an enterprise zone for an economically qualifying area, including the sponsors of zones that have or will terminate by operation of law. There are only miscellaneous exceptions, such as:

1. A community/sponsor of a zone that terminated for any reason other than by operation of law may not again seek designation for 10 years.
2. Only if its population is 100,000 or more may a city contain two different enterprise zones at one time.

The local jurisdictions, in which any part of the zone is located, normally must sponsor it through resolutions that designate the zone or change its boundary, as duly adopted by the governing bodies of each city, port and county. There are exceptions to this as explained in administrative rule. For example:

1. The county does not need to be a cosponsor of an enterprise zone located entirely inside city limits.
2. A reservation enterprise zone consisting only of tribal land does not need local government sponsorship, but if it were amended to bring in areas beyond tribal land, then such sponsorship would be required and normal distance and other limitations would likewise apply.

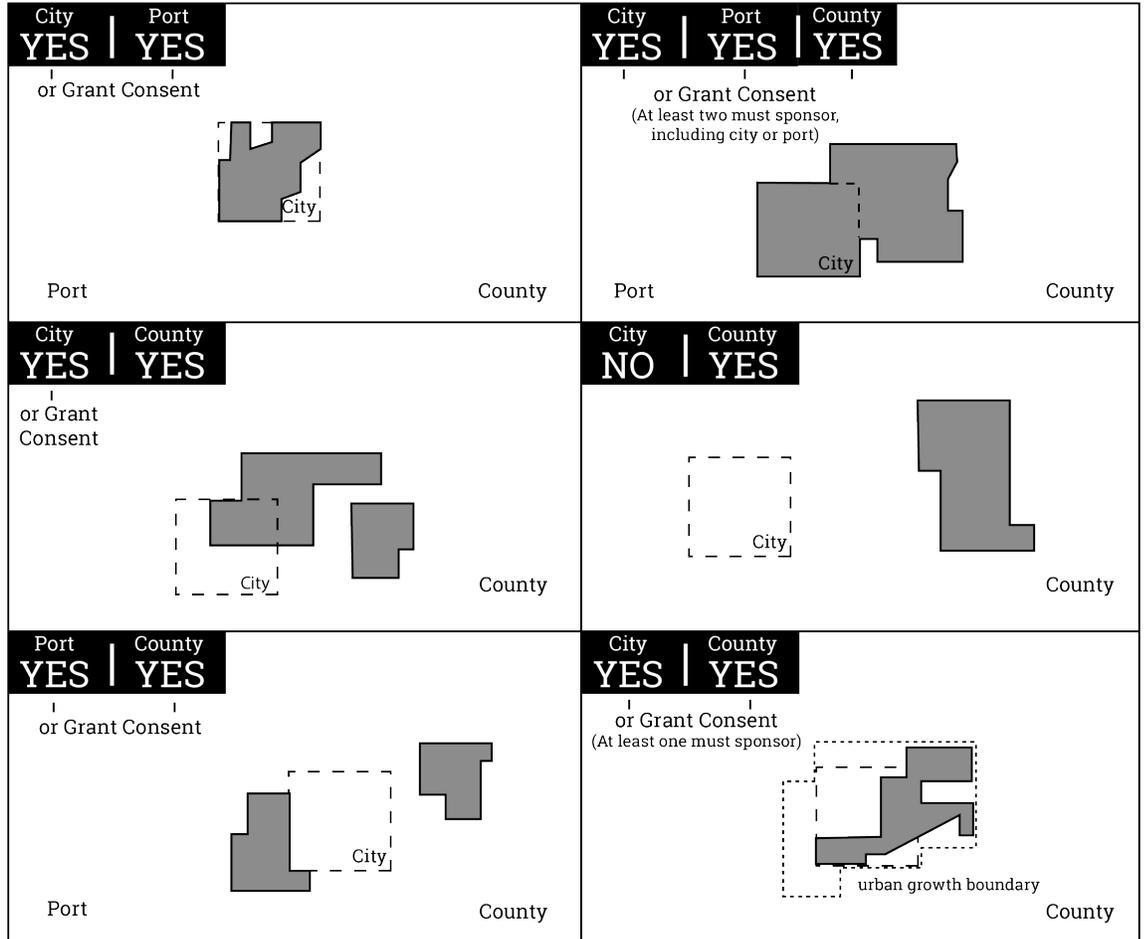
In addition, by adopting a resolution of “consent,” a government that would otherwise have to sponsor may approve of the enterprise zone, allowing another overlapping jurisdiction to sponsor the zone on its behalf. In this way, the consenting government is not subsequently involved in operational decisions related to the enterprise zone, other than further additions of its territory to the zone. Special cases where this applies are for:

1. A city to consent, if the county or port sponsor the zone (provided that the zone is not entirely within the city, or that the zone does not cover most of the city).
2. A port to consent, if a city/county sponsors the zone.
3. A county to consent, if the port sponsors the zone, or the zone’s only unincorporated area is inside the urban growth boundary (UGB) of a sponsoring city.

Most rural enterprise zones encompass entire incorporated/urban-growth areas of one or more (smaller) cities, as well as sites outside UGBs. In Oregon’s larger cities, an “urban” zone must remain entirely within the so-called “regional or metropolitan UGB” (see [Appendix B](#)), and the enterprise zone might typically contain only portions of such a city.

For further information, see [ORS 285C.050](#), [285C.065](#) & [285C.066](#), [OAR 123-650-0500](#) to [123-650-0700](#), and the diagram on the next page.

Sponsorship for Enterprise Zones
(suppositional zones defined by solid line and shading)



Appendix B—Allowed enterprise zone size & dimensions

Oregon's enterprise zones are discrete areas, the boundaries of which do not need to conform to jurisdictional borders or to any former/terminating enterprise zone, although these may represent convenient means to define the zone. Priorities in fashioning a new zone's boundaries might be to incorporate areas that:

1. Best demonstrate local economic need—although too severe of economic hardship conditions at designation can hamper future amendments, and
2. Will attract investments in order to generate the desired mix of new jobs.

See administrative rules for more details about ways to do the boundary description, as is required in addition to maps and GIS data, which among other things, must be to scale and include a complete overview depiction of the zone as a PDF file and in a single shape file. Zone area and distances must be estimated to the nearest 0.1 square/miles.

State statutes establish limits on an enterprise zone's total area and the straight-line distances within it ("as the crow flies"), such that an enterprise zone may:

- Have a total area of no more than—
 - 15 square miles for any rural zone,* or
 - 12 square miles for any urban zone.*
- Stretch from one end to another, not more than—
 - 25 miles in a rural zone wholly within a county or counties of 100 or fewer persons per square mile, †
 - 20 miles in a rural zone partially inside such a county, †
 - 15 miles in a rural zone wholly within more densely populated counties, ‡ or
 - 12 miles in the case of any urban zone.
- Include separate areas that are no more than—
 - 5 miles from another such part of the zone, or
 - 15 miles from another part of a rural zone, for an area inside a county of 100 or fewer persons per square mile. †
- Not overlap another enterprise zone that is not terminating at the time of the zone's designation.

Geographically, enterprise zones are permitted anywhere in the state. Zones are exclusively rural or urban, however, so that no zone may be designated or amended if crossing the so-called regional or metropolitan urban growth boundary (UGB). These are UGBs surrounding the titular or core cities of a federally determined metropolitan statistical area (MSA) and any other city or area within the same UGB that has been jointly determined under common comprehensive planning, including the Portland-Metro UGB. This rural-urban distinction affects businesses using the zone, with respect to what tax benefits, requirements and locally adopted policies are relevant.

For further information, see [ORS 285C.050](#), [285C.090](#) & [285C.120](#), [OAR 123-650-0700](#) to [123-650-1500](#), and the diagrams on the next two pages.

* Above navigable water bodies' ordinary high water mark, below which any area within the boundary is still part of the zone, but it does not count against this maximum.

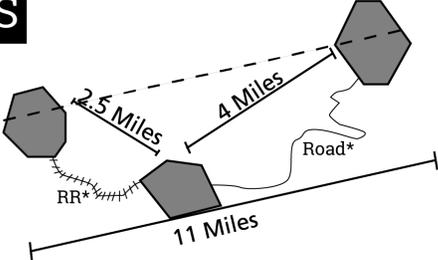
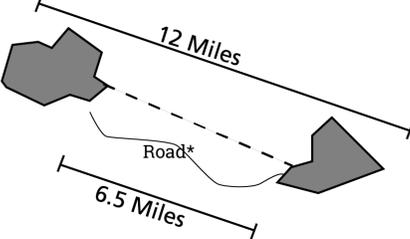
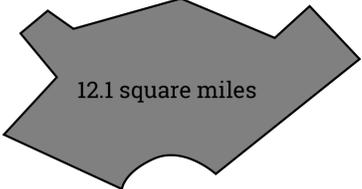
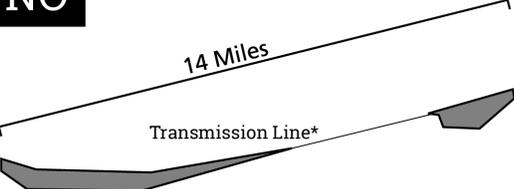
† If requested and explained in submission, agency director may waive these upper-bound limitations.

‡ Currently, these are Benton, Clackamas, Marion, Multnomah, Polk, Washington or Yamhill counties.

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 15 lineal miles of overall distance.
 See next page for even greater distances allowed in many rural designations.

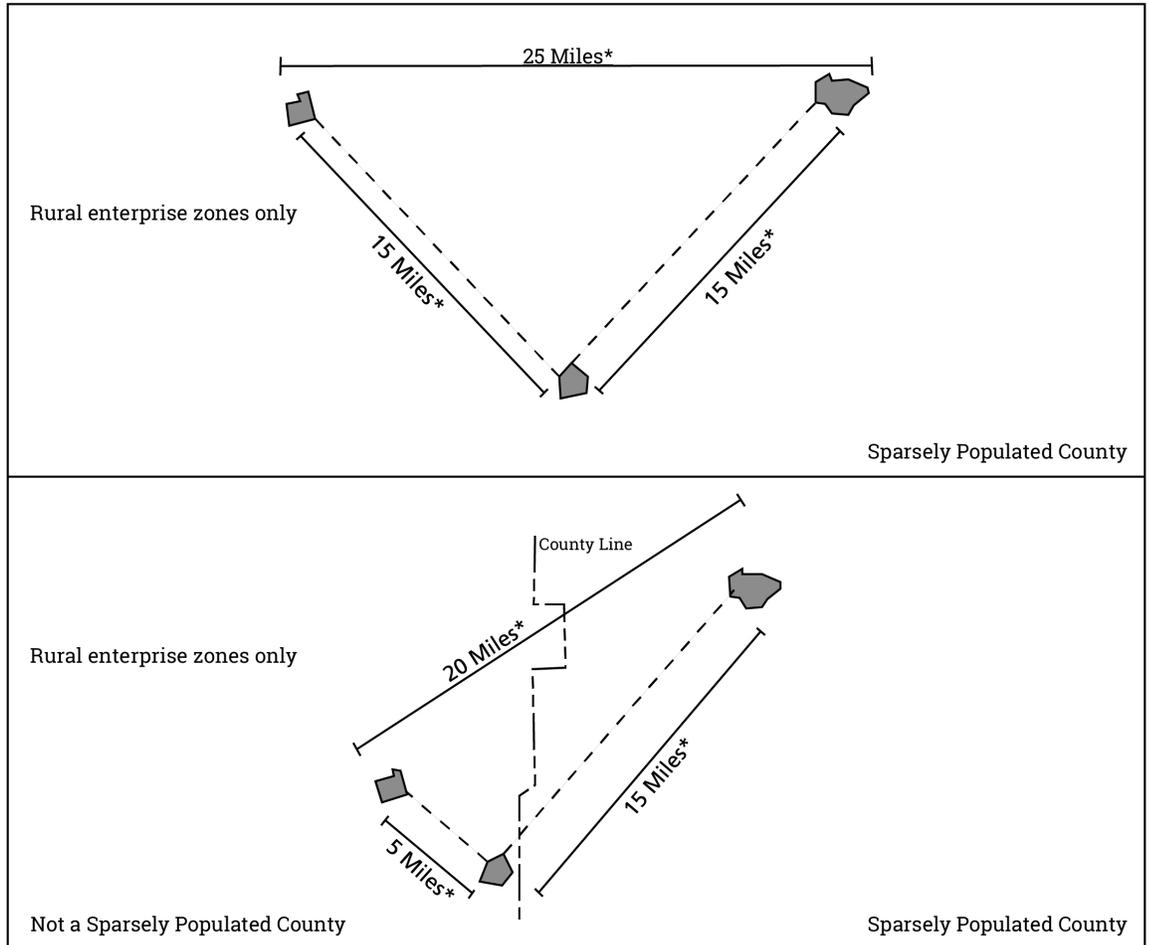
<p>YES</p> 	<p>YES</p> 
<p>YES</p> 	<p>NO</p>  <p>Distance between separate areas too great—more than 5 miles</p>
<p>NO</p>  <p>Too much total area—area greater than 12.0 square miles*†</p>	<p>NO</p>  <p>Distance between two points too great—more than 12 miles</p>

*Only nominal connector, not required for contiguity, and does not take up or use any zone area.
 †Above ordinary high water mark of navigable bodies of water, so that area below that mark is in the zone but does not apply to maximum.

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.

Appendix C—Sample Notice to Local Taxing Districts for Enterprise Zone Designation and Public Meeting Invitation

[DATE]

[Contact person/title
District/agency
Address, ...]

Subject: Designation of [the _____] Enterprise Zone

Dear _____:

This letter is to inform you that [the city/cities of _____ Port/ports of _____/and/_____ County] [is/are] proposing to [re-]designate [a (to-be-named) enterprise zone/the _____ Enterprise Zone]. We will submit documentation to Business Oregon (state Business Development Department) for it to determine that the enterprise zone satisfies statutory requirements.

Notice and Invitation to Public Meeting

Your district is being notified of this designation, because the enterprise zone as proposed would include all or parts of one or more tax code areas, in which your district levies taxes on property value. In an enterprise zone, certain types of businesses that create new jobs may receive exemptions of limited duration on qualified new property that they invest in the zone.

In particular, we are asking every such local taxing district to send one or more representatives to a special public meeting to discuss the enterprise zone. At the meeting, there will be a proposed map of the zone boundary and other information for presentation and review.

The meeting will be on _____, 201_, at _____, from _____ to _____ p.m. A preliminary agenda is enclosed.

Besides sending participants to this meeting, your district's board is welcome to submit written comments. For questions or providing commentary:

[Contact] _____

_____ Phone: _____

Resolutions

Not less than seven days after this meeting, the sponsoring governments would adopt the requisite resolutions to designate the enterprise zone. The following are anticipated times and dates for consideration of these resolutions:

- _____ City Council, on _____ at _____
- _____
- _____ County Board of Commissioners, on _____ at _____

An Enterprise Zone and Property Tax Abatement

These zones in Oregon are discrete areas up to 12 or 15 square miles in size and have been in existence since the mid-1980s. Each designation lasts up to 11 years. State law no longer sets a limit or cap on how many may be designated statewide with local government sponsorship.

They are intended to induce additional investment and employment by non-retail businesses in areas meeting certain measures of economic hardship. They have proven to be Oregon's key offering in the pursuit of business growth and expansion. Their effectiveness is due to a typically short-term but immediate benefit for the business project's cash flow.

General information is available online at: www.oregon4biz.com/Oregon-Business/Tax-Incentives/Enterprise-Zones/.

[This proposed enterprise zone would consist of about ____ square miles, encompassing area in _____ including the [underutilized] industrial sites of _____.]

An Oregon enterprise zone exempts only new property that an eligible business might build or install in the zone at some future time. A qualifying investment under the standard exemption program entails the creation of new full-time employment in the zone—greater of one new job or a 10 percent increase.

A standard enterprise zone exemption is temporary, usually lasting only three years, after which time the property induced by these incentives is available for assessment, possibly for decades. Extensions of the exemption period to four or five years in total (or even longer under a different rural facility program) are possible, subject to written agreement with the governments sponsoring the zone, higher compensation for new employees, and possibly additional local requirements.

These property tax exemptions are not available to just any business. Most commercial or retail operations that compete locally are ineligible. Rather, the primary recipients of enterprise zone benefits are manufacturing and other types of facilities serving other business operations [, for which new investments have been increasingly rare around here].

[Policy and Economic Reasons for Seeking Enterprise Zone

The sponsoring governments have decided to pursue an enterprise zone designation ... [any further good explanation]]

[Closing]

Encl.: Preliminary Agenda
C: Special Districts Association of Oregon

Appendix D—Sample Resolution to Designate an Enterprise Zone

Resolution No. & Standard Heading With Appropriate Indication of Purpose

{Findings [“Whereas ... ” clauses]}

The [City of _____ Council / Port of _____ Board of Directors / _____ County Board of Commissioners/Court] ([City/Port/County]) is sponsoring an enterprise zone designation [jointly with the city of _____ ... and _____ County].

The [City/Port/County/sponsoring governments] [has/have] formally advised and received consultation from the Oregon Business Development Department (OBDD) according to ORS 285C.078.

The municipal corporations, school districts, special service districts, 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 and invited to a public meeting [on _____] regarding its designation, in order for the sponsoring governments to effectively consult with these other local taxing districts.

This enterprise zone has a total area of 00.0 square miles; it meets other statutory limitations on size and configuration, and it is depicted here on a drawn-to-scale map (Exhibit _), and its boundary is here described (Exhibit _).

The [City/Port/County] shall fulfill its duties and implement provisions [jointly with other cosponsors] under ORS 285C.105 or elsewhere in ORS Chapter 285C and related parts of Oregon Law, including but not limited to [having appointed/promptly appointing] a local enterprise zone manager, and to preparing a list or map of local, publicly owned lands and buildings in this enterprise zone for purposes of ORS 285C.110.

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 any intent to alter those processes or restrictions, except as otherwise done in accordance with Comprehensive Plans as acknowledged by the state of Oregon Land Conservation and Development Commission (LCDC).

{If exercising option below} [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 purposes.]

{Other findings (e.g., reasons or justifications; public involvement and support; local incentives; local conditions if an urban zone; circumstances of original/current designation), such as:}

[The [City/Port/County] is interested in encouraging new business investment, job creation, higher incomes for local residents, greater diversity of economic activity, and ...

[The [City/Port/County] appreciates the impacts that the designated enterprise zone would have and the property tax exemptions that eligible business firms might receive therein.]

{Conclusions [“Now Therefore ... Be It ... Resolved ... that”]}

Under ORS [285C.065/285C.245], the [City/Port/County] does hereby [re-]designate an Oregon enterprise zone to be named: The _____ Enterprise Zone [, jointly with the city of ...], the boundary and area of which are described in the exhibits.

_____ (Name/title) is authorized to submit documentation of this enterprise zone [re-]designation to OBDD on behalf of the zone sponsor for purposes of a positive determination in favor under ORS 285C.074.

[Re-d/D]esignation of this enterprise zone takes effect on [[July 1, 20__] / [the date that this resolution/the latest resolution of a sponsoring or consenting government is adopted]], (or later, as so stipulated by OBDD in its determination pursuant to any revision and resubmission of documentation).

[_____ (Name/title) is [jointly] appointed as the local zone manager for this enterprise zone.]

{Resolution may also include the following [“Be it so resolved ... that”]}

[Subject to grant of approval by the director of OBDD, the [City/Port/County] would [jointly] waive the distance maximum of [25/20 miles overall /and/ 15 miles between separate areas] within the _____ Enterprise Zone under ORS 285C.120 (2) for purposes of this [re-]designation.]

{Available only for rural zones in sparsely populated county}

[The [City/County] as a sponsor of the _____ Enterprise Zone exercises its option herewith under ORS 285C.070 that qualified property of and operated by a qualified business as a hotel, motel or destination resort shall receive the property tax exemption in the Zone, and that such business firms are eligible for purposes of authorization in the Zone [; this option does not apply within _____] / [Hotels, motels or destination resorts are excluded from being eligible businesses in the _____ Enterprise Zone within this [City/County]'s [unincorporated] jurisdiction under ORS 285C.070 (4), notwithstanding their eligibility within the sponsoring jurisdiction[s] of _____ ...].

{May be altered or done up to six months after designation with another resolution}

Standard closing, vote tally, certification, list of exhibits

Appendix E—Sample Notice to Local Taxing Districts for Enterprise Zone Boundary Change

[DATE]

[Contact person/title
District/agency
Address, ...]

Subject: Change to the _____ Enterprise Zone Boundary

Dear _____:

This letter is to inform you that [the city/cities of _____ Port/ports of _____ /and/ _____ County] [is/are] proposing to modify the _____ Enterprise Zone [, for which _____ would also join the zone sponsor in the process]. We will submit documentation to Business Oregon (state Business Development Department) for it to determine that the boundary change satisfies statutory requirements.

Notice

Your district is being notified of this boundary change, because the enterprise zone as amended would include all or parts of one or more tax code areas, in which your district levies taxes on property value. In an enterprise zone, certain types of businesses that create new jobs may receive exemptions of limited duration on qualified new property that they invest in the zone.

Your district's board is welcome to submit written comments. For questions or providing commentary:

[Contact] _____

_____ Phone: _____

Anticipated times and dates for the sponsoring governments to consider resolutions to modify the enterprise zone are as follows:

- _____ City Council, on _____ at _____
- _____
- _____ County Board of Commissioners, on _____ at _____

An Enterprise Zone and Property Tax Abatement

These zones in Oregon are discrete areas up to 12 or 15 square miles in size and have been in existence since the mid-1980s. Each designation lasts up to 11 years. State law no longer sets a limit or cap on how many may be designated statewide with local government sponsorship.

They are intended to induce additional investment and employment by non-retail businesses in areas meeting certain measures of economic hardship. They have proven to be Oregon's key offering in the pursuit of business growth and expansion. Their effectiveness is due to a typically short-term but immediate benefit for the business project's cash flow.

General information is available online at: www.oregon4biz.com/Oregon-Business/Tax-Incentives/Enterprise-Zones/.

[This enterprise zone with the proposed changes would consist of about _____ square miles, with the addition of area in _____ including the [underutilized] industrial sites of _____.]

An Oregon enterprise zone exempts only new property that an eligible business might build or install in the zone at some future time. A qualifying investment under the standard exemption program entails the creation of new full-time employment in the zone—greater of one new job or a 10 percent increase.

A standard enterprise zone exemption is temporary, usually lasting only three years, after which time the property induced by these incentives is available for assessment, possibly for decades. Extensions of the exemption period to four or five years in total (or even longer under a different rural facility program) are possible subject to written agreement with the governments sponsoring the zone, higher compensation for new employees, and possibly additional local requirements.

These property tax exemptions are not available to just any business. Most commercial or retail operations that compete locally are ineligible. Rather, the primary recipients of enterprise zone benefits are manufacturing and other types of facilities serving other business operations [, for which new investments have been increasingly rare around here].

[Policy and Economic Reasons for Seeking Enterprise Zone

The sponsoring governments have decided to pursue an enterprise zone amendment ... [any further good explanation]]

[Closing]

C: Special Districts Association of Oregon

Appendix F—Sample Resolution to Change Boundary of an Enterprise Zone

Resolution No. & Standard Heading With Appropriate Indication of Purpose

{Findings [“Whereas ... ” clauses]}

The [City of _____ Council / Port of _____ Board of Directors / _____ County Board of Commissioners/Court] ([City/Port/County]) [sponsors/will sponsor] the [currently named] _____ enterprise zone [, jointly with the city of _____ ... and _____ County,] and have determined to modify its boundary.

The municipal corporations, school districts, special service districts, and so forth that receive operating revenue through the levying of ad valorem taxes on real and personal property in any area of this enterprise zone, as amended, were sent notice regarding this boundary change.

This enterprise zone, as amended, has a total area of 00.0 square miles; it meets other statutory limitations on size and configuration, and it is depicted here on a drawn-to-scale map (Exhibit _), and its boundary is here described (Exhibit _).

The [City/Port/County] shall continue fulfill its duties and implement provisions [jointly with other cosponsors] under ORS 285C.105 or elsewhere in ORS Chapter 285C and related parts of Oregon Law.

Modification 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 any intent to alter those processes or restrictions, except as otherwise done in accordance with Comprehensive Plans as acknowledged by the State of Oregon Land Conservation and Development Commission (LCDC).

{Other findings (e.g., reasons or justifications; public involvement and support; circumstances of current designation, recounting zone history), such as :}

[The [City/Port/County] is interested in encouraging new business investment, job creation, higher incomes for local residents, greater diversity of economic activity, and ...

[The [City/Port/County] appreciates the impacts that the designated enterprise zone would have and the property tax exemptions that eligible business firms might receive therein.]

{Conclusions [“Now Therefore ... Be It ... Resolved ... that”]}

[The name of the current enterprise zone is changed to: The _____ Enterprise Zone.]

[The [_____ / [City/Port/County] does hereby join the _____ Enterprise Zone as a new cosponsor.]

Under ORS 285C.115, the [City/Port/County] does hereby change the boundary of the _____ Enterprise Zone [, jointly with the city of ...], as described in the exhibits.

_____ (Name/title) is authorized to submit documentation for this enterprise zone boundary change to the Oregon Business Development Department (OBDD) on behalf of the zone sponsor for purposes of a positive determination in favor under ORS 285C.117.

This enterprise zone boundary change takes effect on the date that [this resolution/the latest resolution of a sponsoring government] is adopted, (or later, as so stipulated by OBDD in its determination pursuant to any revision and resubmission of documentation).

{Resolution may also include the following ["Be it so resolved ... that"]}

[Subject to grant of approval by the director of OBDD, the [City/Port/County] would [jointly] waive the distance maximum of [25/20 miles overall /and/ 15 miles between separate areas] within the _____ Enterprise Zone under ORS 285C.120 (2) for purposes of this boundary change.]

{Available only for rural zones in sparsely populated county}

[The [City of _____ County] / [City/County], in joining the sponsorship of this enterprise zone, [is excluded/excludes itself] under ORS 285C.070 (4) and 285C.115 (7) from the zone's existing election, by which a hotel, motel or destination resort is an eligible business elsewhere in the zone.]

Standard closing, vote tally, certification, list of exhibits

Referenced web addresses

Business Oregon

- Incentives www.oregon4biz.com/
- Enterprise Zones www.oregon4biz.com/Oregon-Business/Tax-Incentives/
- Business Development Officers www.oregon4biz.com/Oregon-Business/Tax-Incentives/Enterprise-Zones/
- Business Incentive Coordinator www.oregon4biz.com/directory.php?d=1#bdo
arthur.fish@oregon.gov

Administrative Rules

- OAR 123-650 arcweb.sos.state.or.us/pages/rules/oars_100/oar_123/123_650.html
- OAR 123-668 arcweb.sos.state.or.us/pages/rules/oars_100/oar_123/123_668.html

Legislative

- ORS 285C https://www.oregonlegislature.gov/bills_laws/ors/ors285C.html
- IGA https://www.oregonlegislature.gov/bills_laws/ors/ors190.html

Disclaimer

In preparing this guidebook, Business Oregon made every appropriate effort to present accurate and straightforward information, in complete accordance with current Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OAR). Users of this document are advised that legal requirements and provisions are subject to change.