

RESOLUTION No. 36934

Authorize the submittal of Enterprise Zone and Electronic Commerce applications to the State of Oregon and adopt the East Portland Enterprise Zone Policy (Resolution)

WHEREAS, the Oregon Enterprise Zone Act, ORS 285C.045-250, authorizes the designation of Enterprise Zones in urban areas and provides that property tax abatements, job creation, and local municipal incentives are desirable to stimulate economic development in economically depressed areas;

WHEREAS, the Enterprise Zone ("E-Zone") program allows for industrial and other qualifying firms making substantial new capital investments an exemption of 100% of real property taxes attributable to the new investment(s) for a five-year period;

WHEREAS, the E-Zone program has been very successful and has become one of the City of Portland's most effective economic development tools in that it incents businesses to make significant capital investments within the E-Zone boundaries through the abatement of property taxes on qualifying property for up to five years;

WHEREAS, the Electronic Commerce ("E-Commerce") designation expands E-Zone eligibility to include certain firms engaged in software and those conducting a majority of their business through online transactions;

WHEREAS, the E-Commerce designation also allows a business qualifying for the E-Zone property tax exemption to be able to claim a tax credit on its state income/excise tax return equaling the lesser of \$2 million or 25 percent of the total investment in E-Commerce operations in the zone;

WHEREAS, during the 2012 session the State legislature passed HB 4093-A which authorized the designation of five additional urban E-Zones and applications for those are due June 15, 2012;

WHEREAS, the proposed East Portland E-Zone, with an E-Commerce designation, encompasses industrial, commercial and employment-zoned property predominantly east of Cesar Chavez Boulevard (39th Avenue) to the City of Portland limits bordering Gresham, as shown on the map attached hereto as Exhibit A;

WHEREAS, the proposed East Portland E-Zone is located in an area that meets the requirements as set forth by ORS 285C.090;

WHEREAS, the East Portland E-Zone will advance objectives of the 2009 City of Portland Economic Development Strategy, the 2011 Neighborhood Economic Development Strategy and the PDC Strategic Plan, all of which emphasize making investments that create jobs and maximize competitiveness;

WHEREAS, the East Portland E-Zone will advance objectives of the recently-adopted Portland

Plan which focuses on prosperity, education, health and equity;

WHEREAS, a local policy must be adopted by the zone sponsor that establishes standards for any zone sponsor-required conditions, as contemplated by ORS 285C.150(4); and

WHEREAS, the proposed East Portland E-Zone Policy (the "Policy") is substantially based upon the adopted policy for the existing Portland E-Zone, with minor modifications necessary to address scriveners' errors and reflect to the geography of the East Portland E-Zone.

NOW, THEREFORE, BE IT RESOLVED, that the Portland City Council ("Council") requests as a sponsor of the East Portland Enterprise Zone, within the area shown in the map attached hereto as Exhibit A, be designated by the Director of the Oregon Business Development Department as an Enterprise Zone pursuant to ORS 285C.065(3);

BE IT FURTHER RESOLVED, that the City of Portland requests as a sponsor of the East Portland Enterprise Zone that the Director of the Oregon Business Development Department also designate this as an E-Commerce zone pursuant to ORS 285.095;

BE IT FURTHER RESOLVED, that the Council authorizes the Portland Development Commission (the "PDC") to submit applications on behalf of the City to the State of Oregon for designation of the East Portland E-Zone and E-Commerce;

BE IT FURTHER RESOLVED, that the City, as E-Zone Sponsor, will give priority to the use in a designated zone of any economic development or job training funds received directly or indirectly from the federal government;

BE IT FURTHER RESOLVED, that the City will comply with ORS 285C.105 and will fulfill its duties as E-Zone Sponsor under ORS 285C.050 to 285C.250;

BE IT FURTHER RESOLVED, that the Council appoints the PDC as zone manager of the proposed East Portland E-Zone;

BE IT FURTHER RESOLVED, that the City has consulted, through the PDC on behalf of the City of Portland, with local taxing jurisdictions in compliance with ORS 285C.067;

BE IT FURTHER RESOLVED, that the Council approves the Policy in a form substantially in accordance with Exhibit B; and

BE IT FURTHER RESOLVED, that the Policy is adopted by this resolution as binding policy.

Adopted by the Council: JUN 14 2012

Mayor Adams

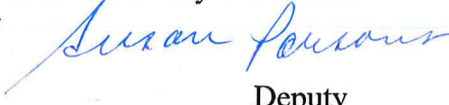
Prepared by: Morgan Masterman

Date Prepared: May 29, 2012

LaVonne Griffin-Valade

Auditor of the City of Portland

By



Deputy

698
Agenda No. **36934**
RESOLUTION NO.

Title

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<p>INTRODUCED BY Commissioner/Auditor: Mayor Adams</p>	<p>CLERK USE: DATE FILED <u>JUN 08 2012</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p style="text-align: right;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u>[Signature]</u> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Portland Development Commission</p> <p>Bureau Head: Patrick Quinton</p>	<p>ACTION TAKEN:</p>
<p>Prepared by: Morgan Masterman Date Prepared: May 21, 2012</p>	
<p>Financial Impact & Public Involvement Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	
<p>Council Meeting Date 6-14-12</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan</p>	

AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/> Start time: <u>3:00 pm</u> <u>2 hr</u></p> <p>Total amount of time needed: 30 min (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	_____	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	