

RESOLUTION No. 37259

Authorize the submittal of a boundary change request to the State of Oregon to add .92 acres to the East Portland Enterprise Zone (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, in 2012, after a request by the Portland City Council ("Council"), the Director of Business Oregon designated the East Portland Enterprise Zone ("E-Zone"), incenting businesses to make significant capital investments in the E-Zone boundary through the abatement of property taxes on qualifying property for up to five years;

WHEREAS, the E-Zone program has been very successful and has become one of the City's most effective economic development tools to encourage investment and job creation;

WHEREAS, ORS 285C.115 authorizes the Council, as E-Zone sponsor, to amend the E-Zone boundary, and the E-Zone can be expanded up to a total size of 12 square miles;

WHEREAS, Salt and Straw ("S&S") is headquartered in Portland and is either considering major expansion of its headquarters & production in Portland or parceling out its production and headquarters in California, Seattle, and Portland but prefers to locate its expansion next to its existing office in Portland;

WHEREAS, S&S has announced its intention to expand its Ice Cream Production Kitchen to create a home base for hiring, training, food manufacturing, and artisan incubation which currently is located in Portland, Oregon;

WHEREAS, S&S is proposing an investment of \$2 million at 110 SE 2nd Ave. as they intend to expand their headquarter facility near their existing location and workforce in order to accommodate its rapid growth;

WHEREAS, Portland Development Commission and is working with S&S as they are conditionally committed to making a significant investment but has indicated that the tax benefits associated with the E-Zone would make their new site competitive for future job growth opportunities and future expansion;

WHEREAS, S&S has multiple sites on the west coast and could expand in various locations, but would strongly prefer to locate near their existing research and development office in Portland;

WHEREAS, the investment would create 40-60 new permanent full-time jobs averaging \$58,000 a year plus benefits;

WHEREAS, in addition to the investment and job creation benefits listed above, and in addition to the other regulatory requirements from the E-Zone, S&S is willing to sign a public benefit

agreement that would establish the company's willingness to provide enhanced benefits that include partnering with the local startup artisan food community on inclusive entrepreneurship programs, identification of career ladder opportunities for underrepresented populations, and diversity goals around hiring and training underrepresented populations;

WHEREAS, this project meets many of Portland's goals to grow an innovation economy by mentoring, incubating and providing financial assistance to small startup firms and providing them with an anchor firm to test and deploy their technology; and

WHEREAS, the Port of Portland has previously consented to the creation of the E-Zone and held a public hearing on Wednesday, December 14, 2016, consenting to the boundary amendment request.

NOW, THEREFORE, BE IT RESOLVED, that the Council, as the E-Zone sponsor, authorizes the Portland Development Commission, as the E-Zone manager, to complete and submit a request on behalf of the City to the State of Oregon to amend the E-Zone boundary, adding property at 110 SE 2nd Ave. to the E-Zone as shown in the map attached hereto as Exhibit A; and

BE IT FURTHER RESOLVED, that the City has complied with ORS 285C.115 and OAR 123-650-7000.

Adopted by the Council: DEC 21 2016

Mayor Hales

Prepared by: Andy Reed

Date Prepared: December 7, 2016

Mary Hull Caballero

Auditor of the City of Portland

By



Deputy


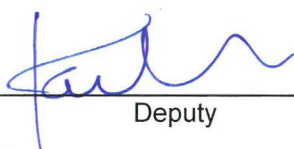
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Agenda No.

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Title

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INTRODUCED BY Commissioner/Auditor: Mayor Hales	CLERK USE: DATE FILED DEC 13 2016
COMMISSIONER APPROVAL  Mayor—Finance and Administration - Hales	Mary Hull Caballero Auditor of the City of Portland By:  Deputy ACTION TAKEN:
Position 1/Utilities - Fritz	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Novick	
BUREAU APPROVAL Bureau: Portland Development Commission Bureau Head: Kimberly Branam Prepared by: Andy Reed Date Prepared: 12/7/16	
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan	
Council Meeting Date 12/21/16	

AGENDA TIME CERTAIN <input type="checkbox"/> Start time: 10:45am Total amount of time needed: ____ (for presentation, testimony and discussion) CONSENT <input type="checkbox"/> REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 15 (for presentation, testimony and discussion)
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FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Novick	4. Novick	✓	
Hales	Hales	✓	