

RESOLUTION No. 37073

Authorize the Submittal of a Boundary Change Request to the State of Oregon to add 1.61 acres to the 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 2008, after a request by the Portland City Council ("Council"), the Director of Business Oregon designated the 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, ISITE Design is proposing an investment of \$2 million at 2030 NW Pettygrove St. and 1335 NW 20th Ave. as they intend to expand their headquarter to an adjacent building in order to accommodate its rapid growth;

WHEREAS, ISITE Design is currently headquartered in Portland and has full-service web solutions for 200 clients ranging from startups, non-profits and small businesses to Fortune 25 industry leaders including Moda Health, Columbia Sportswear, OHSU, and Harvard University;

WHEREAS, Portland Development Commission ("PDC") and is working with ISITE Design 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, the City of Portland has received a request from Metro to support a project in the Central Eastside Industrial District ("CES") at 240 SE Clay St.;

WHEREAS, On May 9th, 2014, Metro approved \$300,000 in Transit Oriented Development (TOD) funding to support the proposed development, a planned creative/industrial office building in Portland's Central Eastside;

WHEREAS, Metro and PDC is interested in seeing this site be brought back to productive use, as a TOD site with design elements uniquely suited to Portland's burgeoning tech/creative-class and light industrial industries;

WHEREAS, the owner of the site, Killian Pacific, has advanced significant design, engineering and costing work and has full local support from the Central Eastside Industrial Council;

WHEREAS, there is a very limited supply of sites in the CES for higher-value, traded-sector urban manufacturing and software development firms and adding this site to the E-Zone will boost the attractiveness to this site for cluster firms;

WHEREAS, the Port has previously consented to the creation of the E-Zone and will hold a public hearing on May 14, 2014 addressing 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 the properties at 2030 NW Pettygrove St. and 1335 NW 20th Ave. and at 240 SE Clay St. 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:

MAY 21 2014

Mayor Hales

Prepared by: Reed, Andy

Date Prepared: May 21, 2014

LaVonne Griffin-Valade

Auditor of the City of Portland

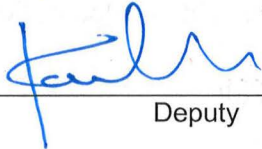

By



Deputy

Agenda No.
RESOLUTION NO. 37073
 Title

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INTRODUCED BY Commissioner/Auditor: Mayor Hales	CLERK USE: DATE FILED <u>MAY 16 2014</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Hales Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Novick	LaVonne Griffin-Valade Auditor of the City of Portland By:  Deputy
BUREAU APPROVAL Bureau: Portland Development Commission Bureau Head: Patrick Quinton  Prepared by: Andy Reed, Date Prepared: May 15, 2014 Financial Impact & Public Involvement 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"/> Council Meeting Date May 21, 2014 City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan	ACTION TAKEN:

AGENDA
TIME CERTAIN <input type="checkbox"/> Start time: Total amount of time needed: (for presentation, testimony and discussion)
CONSENT <input checked="" type="checkbox"/>
REGULAR <input type="checkbox"/> Total amount of time needed: (for presentation, testimony and discussion)

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	✓	