



April 21, 2021

Subject: Redesignation of the Cascade Locks/Hood River Enterprise Zone

This letter is to inform you that the cities of Cascade Locks and Hood River, ports of Cascade Locks and Hood River, and Hood River County are proposing to redesignate the Cascade Locks/Hood River Enterprise Zone. We will submit documentation to Business Oregon (Oregon's Business Development Department) for it to determine that the enterprise zone satisfies statutory requirements. The current designation was made effective on July 1, 2010, and sunsets on June 30, 2021. MCEDD serves as the Zone Manager.

Your district is being notified of this redesignation 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 (personal or real) that they invest in the zone.

Notice and Invitation to Public Meeting

The redesignation process will be discussed at a meeting on **Wednesday, May 12, 2021 from 3pm to 4pm**. Due to COVID-19 safety protocols, the meeting will be held virtually. Please RSVP to Alice at alice@mcedd.org. The meeting information is included in the agenda below.

Please send one or more representatives to this special public meeting to learn more about the enterprise zone redesignation process and provide feedback on the proposed zone. At the meeting, zone staff will provide an overview of the enterprise zone program as well as a the proposed map of the zone boundary. A preliminary agenda is enclosed.

In addition to participating in this meeting, your organization can submit written comments. These comments and a summary of the meeting will be shared with Zone Sponsors as well as the State. For questions or providing written comment, please contact Alice zaWitt at alice@mcedd.org.

Resolutions

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

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- County of Hood River: Monday June 21 at 6PM
- City of Cascade Locks: Monday, June 14 at 7PM
- City of Hood River: Monday, June 14 at 6PM
- Port of Hood River: Tuesday, June 15 at 5PM
- Port of Cascade Locks: Wednesday, June 16 at 6PM

An Enterprise Zone and Property Tax Abatement

These zones in Oregon are discrete areas up to 15 square miles in size and have been in existence since the mid-1980s. Each designation lasts up to 11 years. State law does not limit or cap how many may be designated statewide with local government sponsorship.

Enterprise zones 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/TaxIncentives/Enterprise-Zones/.

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. Extensions of the exemption period to four or five years in total are possible, subject to written agreement with the governments sponsoring the zone, higher compensation for new employees, and additional local requirements if determined by the zone sponsors.

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.

Enterprise Zones are an important tool that encourages investment in our local economy to support long term community health and success. In the short term, there are forgone revenues for the improvements made but these investments provide a foundation for long-term increases in the tax base of Hood River County. Please reach out with any questions or comments ahead of the meeting date.

Sincerely,



Alice zaWitt

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Cascade Locks/Hood River Enterprise Zone Redesignation

Taxing District Consultation Public Meeting

AGENDA

Wednesday, May 12 3PM -4PM

Zoom Link: <https://zoom.us/j/93936989888>

Zoom Meeting ID: 939 3698 9888

Time	Topic
3:00 pm	Welcome & Process Overview
3:05 pm	Enterprise Zone Overview and Historical Impacts
3:10 pm	Proposed Redesignated Enterprise Zone and Economic Criteria
3:30 pm	Open Time for Questions and Discussion
4:00 pm	Adjourn

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