



September 19, 2019

Board of County Commissioners  
 Clackamas County

Members of the Board:

Approval of a Resolution to Support Designation of the  
North Urban Clackamas County Enterprise Zone

<b>Purpose/Outcomes</b>	Approve a resolution to designate the North Urban Clackamas County Enterprise Zone (NUCCEZ) jointly with the City of Milwaukie, the City of Gladstone, and the Port of Portland. Enterprise zones are designed to encourage business investment through property tax exemption.
<b>Dollar Amount and Fiscal Impact</b>	Businesses locating or expanding in an Enterprise Zone may be eligible for abatement of property taxes for up to five years on eligible portions of new investments.
<b>Funding Source</b>	Applicants pay an application fee of 0.1% of the proposed total investment. Application fee revenue supports administration of the Enterprise Zone program within the Business and Community Services (BCS) Economic Development division.
<b>Duration</b>	The statewide Enterprise Zone program is currently slated to sunset on June 30, 2025. Without reauthorization by the State, the NUCCEZ will expire on this date (although any participants authorized before this date would be eligible for the full term of property tax abatement).  With appropriate program reauthorization by the State, the NUCEZZ could remain in effect through June 30, 2030.
<b>Strategic Plan Alignment</b>	<ul style="list-style-type: none"> <li>• Build public trust through good government</li> <li>• Grow a vibrant economy</li> </ul>
<b>Previous Board Action</b>	March 19, 1998 - Original zone approval March 27, 2008 - Re-designated January 27, 2011 - Expanded December 1, 2016 - Expanded
<b>Counsel Review</b>	This Resolution has been reviewed and approved as to form by County Counsel on August 28, 2019.
<b>Contact Person</b>	Cindy Moore, BCS Economic Development Coordinator, 503-742-4328

**BACKGROUND:**

Enterprise zones are part of a state-initiated tax-abatement program available to businesses looking to locate or expand in a designated area. Qualified businesses may be eligible to receive exemption from local property taxes on new investments, including building construction and improvements, machinery, and equipment for a period of three to five years.

The NUCCEZ was originally established in 1998 as the Milwaukie/North Clackamas Enterprise Zone. It was later re-designated and expanded in 2008 to include the Clackamas Industrial Area. In 2011, the zone was expanded to include the City of Happy Valley and was renamed the NUCCEZ.

The current designation for the NUCCEZ expired on June 30, 2019. The Clackamas County Economic Development Division of Business & Community Services is working with co-sponsors from the City of Gladstone and the City of Milwaukie to re-map and designate the NUCCEZ. The City of Happy Valley was removed from consideration in the proposed designation of the NUCCEZ because the current income levels in the City exceed thresholds for participation in the Enterprise Zone program. The City of Gladstone and additional areas of unincorporated Clackamas County meeting the required demographic criteria have been added to the NUCCEZ. The proposed zone boundary map is attached as Exhibit B.

Notice has been distributed to the taxing districts in the proposed boundary, which included an invitation to a public meeting on September 10, 2019 to answer questions on this program.

In order to designate the NUCCEZ, all sponsoring governments must adopt designation resolutions. The anticipated timeline for sponsoring governments to consider resolutions is as follows:

- September 17, 2019 - Milwaukie City Council
- September 17, 2019 - Clackamas Board of County Commissioners
- October 8, 2019 - Gladstone City Council
- October 9, 2019 - Port of Portland Commission

Once the resolutions are adopted by all sponsoring governments, BCS Economic Development will submit the final application to Business Oregon for review and approval.

**RECOMMENDATION:**

Staff respectfully recommends approval of the Resolution to support designation of the North Urban Clackamas County Enterprise Zone.

Respectfully submitted,



Laura Zentner  
Director, Business & Community Services

**ATTACHMENTS:**

- Exhibit A: Resolution designating the North Urban Clackamas County Enterprise Zone
- Exhibit B: Proposed NUCCEZ boundary map

**BEFORE THE BOARD OF COUNTY COMMISSIONERS**  
**OF CLACKAMAS COUNTY, STATE OF OREGON**

In the Matter of Designating the  
North Urban Clackamas County  
Enterprise Zone



Resolution No. \_\_\_\_\_  
*Page 1 of 2*

**WHEREAS** Clackamas County is committed to encouraging economic development activity to retain existing businesses and attract new businesses; and

**WHEREAS**, the North Urban Clackamas County Enterprise Zone (NUCCEZ) expired on June 30, 2019; and

**WHEREAS**, Clackamas County, the City of Milwaukie, the City of Gladstone and the Port of Portland are co-sponsoring an application to Business Oregon, the State of Oregon Economic Development Department, to designate and the NUCCEZ; and

**WHEREAS**, the Clackamas County and the co-sponsors support designation of the NUCCEZ which includes eligible industrial and commercial zoned parcels, which meet other statutory limitations on size and configuration, and is depicted on a map (Exhibit A); and

**WHEREAS**, Clackamas County has sent notices to the municipal corporations, school districts, and special service districts, that receive operating revenue through the levying of ad valorem taxes on real and personal property in any area of the NUCCEZ to invite these agencies to a public meeting regarding the re-designation and boundary change on September 10, 2019 in order for the sponsoring governments to consult with these other local taxing districts; and

**WHEREAS**, Clackamas County will fulfill its duties and implement provisions jointly with other co-sponsors under Oregon Revised Statute (ORS) Chapter 285C and related parts of Oregon law to re-designate the boundary; and

**WHEREAS**, the NUCCEZ does not grant or imply permission to develop land within the zone without complying with prevailing zoning, regulatory and permitting processes, and restrictions for applicable jurisdictions; nor does it indicate any intent to modify those processes or restrictions, except as otherwise stated in accordance with comprehensive plans as acknowledged by the State of Oregon Land Conservation and Development Commission.

**NOW, THEREFORE**, the Clackamas County Board of Commissioners do hereby resolve and affirm that

Under ORS 285C.065 Clackamas County does hereby designate the North Urban Clackamas County Enterprise Zone jointly with the City of Milwaukie, the City of Gladstone and the Port of Portland. The NUCCEZ boundary and area of which are described in the exhibit A.

The NUCCEZ manager is authorized to submit documentation of this designation to the Oregon Business Development Department on behalf of the zone sponsors for purposes of a positive determination in favor under ORS 285C.074.

The change of the NUCCEZ boundary takes effect on the date that this resolution is adopted (or later, as so stipulated by Business Oregon in its determination following any revision or resubmission documentation).

**DATED** this 19<sup>th</sup> day of September, 2019.

**CLACKAMAS COUNTY BOARD OF COMMISSIONERS**

---

Chair

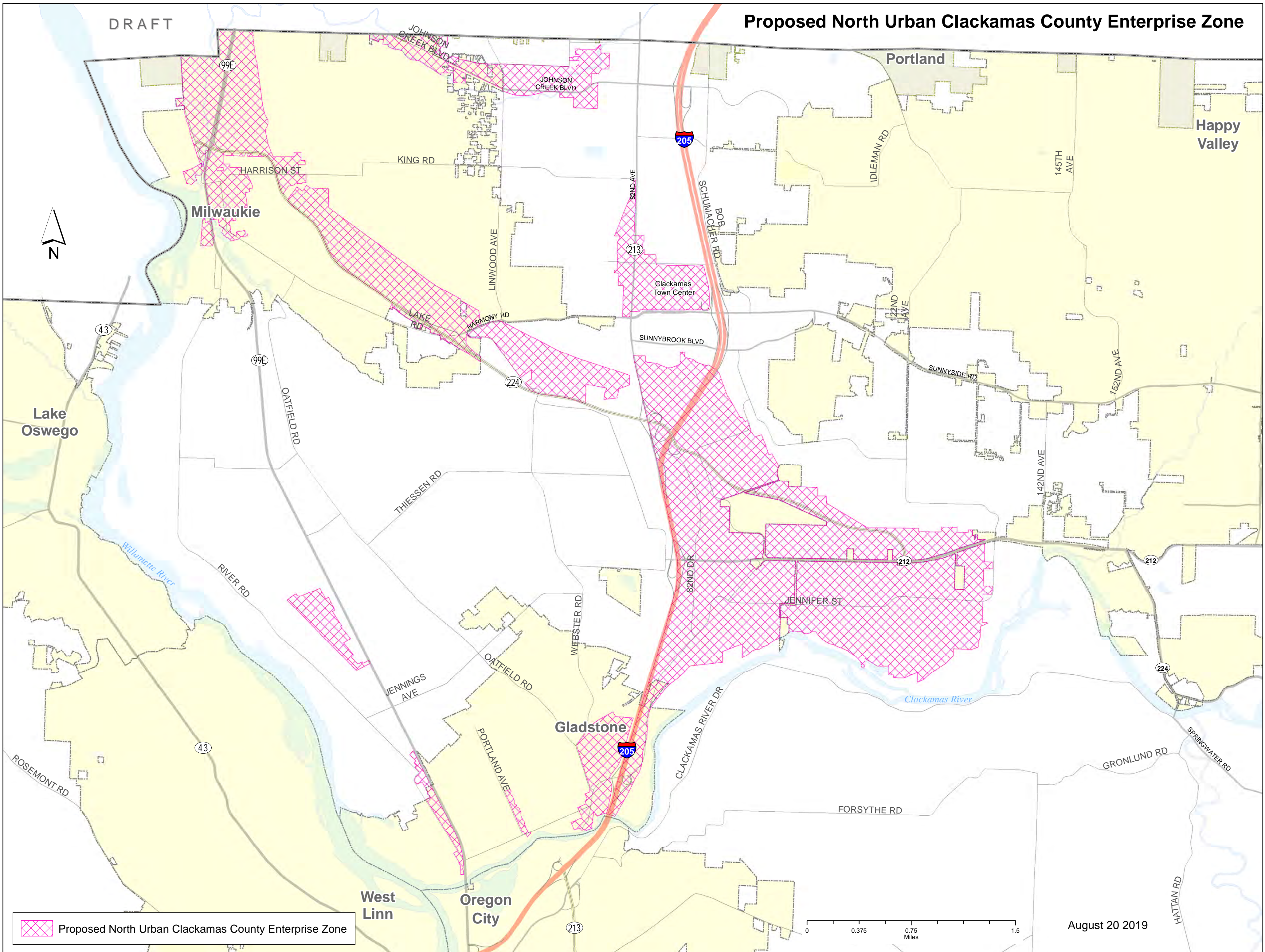
---

Recording Secretary

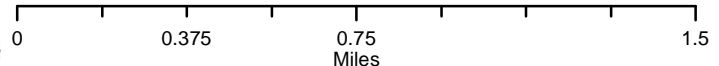


DRAFT

# Proposed North Urban Clackamas County Enterprise Zone

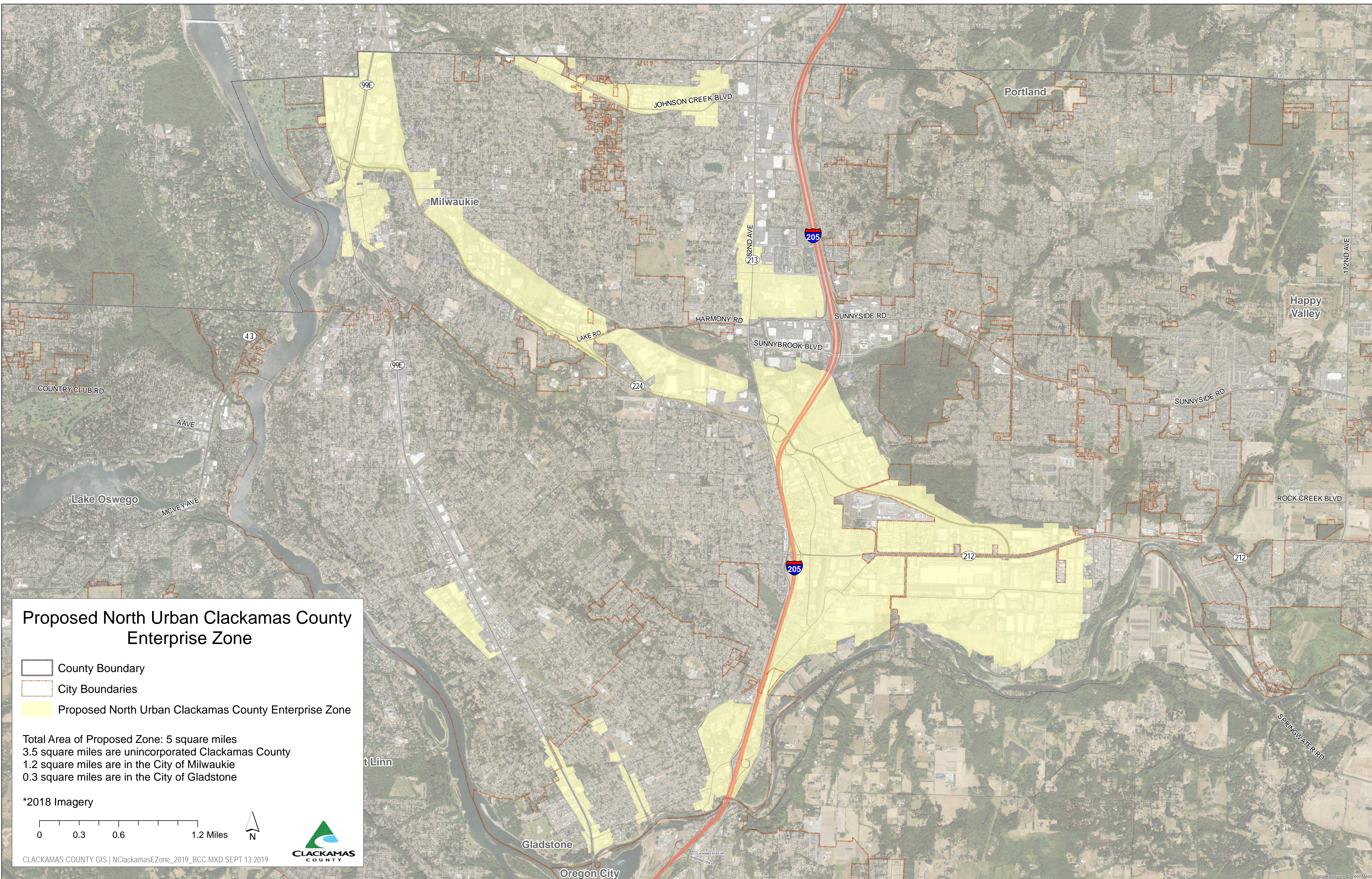


 Proposed North Urban Clackamas County Enterprise Zone



August 20 2019





### Proposed North Urban Clackamas County Enterprise Zone

-  County Boundary
-  City Boundaries
-  Proposed North Urban Clackamas County Enterprise Zone

Total Area of Proposed Zone: 5 square miles  
 3.5 square miles are unincorporated Clackamas County  
 1.2 square miles are in the City of Milwaukie  
 0.3 square miles are in the City of Gladstone

\*2018 Imagery

