

AGENDA ITEM FOR ADMINISTRATIVE MEETING ( ) Discussion only  
( X ) Action

FROM (DEPT/ DIVISION): County Counsel

SUBJECT: Pendleton/Pilot Rock Enterprise Zone

<p>Background:</p> <p>The Oregon Legislature enacted legislation to allow sponsors of enterprise zones to waive employment requirements for businesses impacted by COVID-19 and unable to meet the hiring requirements. The sponsors are required to adopt implementing process if the exemption is to be applicable to the zone. The City of Pendleton is requesting each of the sponsors for the Pendleton/Pilot Rock Enterprise zone to take action so that the exemption can be available to eligible businesses within the zone.</p>	<p>Requested Action:</p> <p>Adopt Order No. BCC2022-036</p>
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ATTACHMENTS: Proposed Order

\*\*\*\*\*For Internal Use Only\*\*\*\*\*

Checkoffs:

- ( ) Dept. Heard (copy)
- ( ) Human Resources (copy)
- ( X ) Legal (copy)
- ( ) (Other - List:)

To be notified of Meeting:

Needed at Meeting:

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Scheduled for meeting on: May 4, 2022

Action taken:

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Follow-up:

THE BOARD OF COMMISSIONERS OF UMATILLA COUNTY

STATE OF OREGON

In the Matter of Suspending )  
Employment Requirements for ) Order No. BCC2022-036  
Pendleton/Pilot Rock Enterprise )  
Zone )

WHEREAS, as permitted by ORS Chapter 285C, the City of Pendleton and Pilot Rock, along with Umatilla County, are the co-sponsors of an Enterprise Zone program, which provides tax incentives to eligible businesses on new qualified capital assets within the designated enterprise zone for a three to five year period in exchange for capital investments and certain levels of job creation; and

WHEREAS the COVID-19 pandemic has resulted in record-breaking unemployment levels and a general economic downturn that has prevented some businesses within Pendleton/Pilot Rock's Enterprise Zone from meeting their job creation obligations under the Enterprise Zone Program; and

WHEREAS during the 2021 regular session (2021), the Oregon Legislature enacted HB 2343, which authorizes Enterprise Zone sponsors to suspend employment requirements as long as the failure to meet such requirements was directly related to COVID-19; and

WHEREAS the sponsors of the Pendleton/Pilot Rock Enterprise Zone desire to implement HB 2343 to create a process for suspending Enterprise Zone employment requirements for fiscal years 2021-2022 and 2022-2023 if a business failed to reach their job creation numbers due to the COVID-19 pandemic.

NOW THEREFORE, the Board of Commissioners orders as follows:

1. That pursuant to section 3, chapter 522, Oregon Laws 2021 (HB 2343), the following procedures are established to determine whether an individual company may continue to receive enterprise zone exemption benefits without meeting its employment requirements under the company's Enterprise Zone agreement:

A. The business must submit a letter requesting the continued exemption to the Pendleton City Manager.

B. The letter must provide sufficient information and supporting documentation to demonstrate that the number of individuals employed by the business within the Pendleton/Pilot Rock Enterprise Zone is equal to or greater than the minimum number of employees necessary to avoid substantial curtailment under ORS 285C.200 and 285C.210 and its enterprise zone agreement.

C. The letter must provide sufficient information and supporting documentation to demonstrate that the company's failure to meet the employment requirements during the applicable time period was due to factors attributable to the COVID-19 pandemic, including, but not limited to:

- Compliance with mandatory public health safety measures or closures,
- Mandatory limitations on facility capacity,
- A decrease in receipts,
- A reduction in sales,
- Disruption of the firm's access to markets or supply chains, or
- Any other factors attributable to the COVID-19 pandemic

2. The Pendleton City Manager or the Manager's designee is authorized to grant an exemption after a determination that the information required by Section 1 of this Resolution and demonstrates that the company is qualified to continue to receive enterprise zone exemption benefits without meeting its employment requirements under the company's enterprise zone agreement. The Manager or the Manager's designee shall notify the Umatilla County Assessor as soon as practical but in no event more than 30 days after an exemption is granted.

3. The County Counsel is directed to send a copy of this resolution to the Cities of Pendleton and Pilot Rock, Department of Revenue and Oregon Business Development Department within 30 days of its adoption.

DATED this 4<sup>th</sup> day of May, 2022.

UMATILLA COUNTY BOARD OF COMMISSIONERS

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John M. Shafer, Chair

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Daniel N. Dorran, Commissioner

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George L. Murdock, Commissioner

ATTEST:  
OFFICE OF COUNTY RECORDS

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Records Officer