

MINUTES

TOWN HALL MEETING
OF
NOVEMBER 30, 2015
5:30 P.M.

MID-COLUMBIA SENIOR CENTER
THE DALLES, OREGON

COUNCIL PRESENT: Mayor Steve Lawrence, Linda Miller, Russ Brown, Taner Elliott,
Tim McGlothlin

COUNCIL ABSENT: Dan Spatz

STAFF PRESENT: Interim City Manager Julie Krueger, City Attorney Gene Parker,
Project Coordinator Daniel Hunter, Public Works Director Dave
Anderson, Planning Director Dick Gassman, Police Chief Jay
Waterbury

Art Fish, Business Oregon, Wasco County Commission Chair
Scott Hege, Wasco County Assessor Jill Amery

CALL TO ORDER/WELCOME

Mayor Lawrence called the meeting to order at 5:30 p.m. and welcomed everyone in attendance.

PRESENTATION REGARDING ENTERPRISE ZONES

Project Coordinator and Enterprise Zone Manager Daniel Hunter provided an overview of Rural Enterprises Zones in Oregon. He said there were 66 zones in Oregon; 51 being rural and 15 urban. Hunter reviewed local roles, saying the City of The Dalles and Wasco County were the sponsors of the program while he served as the Enterprise Zone Manager.

Hunter provided an explanation of the tax abatement periods and limitations; providing criteria for Standard, Extended, and Long Term abatements. He provided a list of the current participants and which abatement program they were participating in.

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Rodger Nichols said he understood that a company had to meet two criteria to apply for the abatement. He said he thought 80% of the population in our area had to fall below 50% of State average income and that our unemployment rate had to be 2% higher than State average. Art Fish, Business Oregon, said that was criteria for how an area could qualify for creation of an abatement zone, but that only one of those criteria were required to be eligible. He said the zones were approved for 10 year periods and an area would need to re-apply and continue to meet the criteria for an extension. Mr. Fish noted the City/County zone was in its third iteration.

In response to a question from the audience, Mr. Fish said the Enterprise Zones were a unique business investment tool. He said there was no substitute for the program, though some very large companies may qualify for the State's Strategic Investment Program (SIP). He said most companies who used the SIP were technology and wind farms.

A question was asked regarding how the duration of an abatement was determined. Enterprise Zone Manager Hunter said each type of abatement had different criteria that had to be met. Mr. Fish added that the standard and extended abatements were mostly geared toward the trade sector and manufacturing, with some areas including hotels and resorts. He said the long term abatement had additional criteria to meet such as minimum levels of employment and compensation and the terms were negotiated with the sponsor.

Carolyn Wood asked what would happen if a company no longer met the criteria of their abatement agreement. Hunter said if the criteria could not be met, the company would not be eligible for abatement that year and would be responsible to pay the full taxes.

County Assessor Jill Amery said Wasco County was responsible to assist the Enterprise Zone Manager with a check list and valuation and to monitor on an annual basis to ensure companies were in compliance.

A member of the audience said he believed the Enterprise Zone program was good for the community, in bringing in business, but that it wasn't helpful to continue adding incentive agreements for one company.

Mr. Fish said the long term, 15 year agreements, were very special and not used frequently. He said it was a big trade off for a community, but also a very big payback. He said it was a positive impact for the community and that because they were very large developments, the fees paid per the agreements probably had a similar value to what would have been paid in property taxes by a smaller development.

John Nelson asked if an agreement could be extended beyond 15 years, and if there were many amendments to the Oregon Revised Statutes related to Enterprise Zones. Mr. Fish said there were no extensions beyond the 15 year agreements. He said the State Legislature did look at the law from time to time, but there had been no major changes to the program since 1999.

Mr. Nelson said Representative Huffman had believed our Enterprise Zone fees were unfairly distributed and was going to propose amendments that would not allow local officials so much control over how the fees were distributed. Mr. Fish said local officials/sponsors of the zones had the discretion on what fees, if any were established, and how they would be used.

In response to a question from the audience, Mr. Fish said it was very unlikely a large company would put a major investment into a community and then leave when the abatement program expired.

Representative John Huffman clarified that he had no intention on proposing changes that would change how fees were allocated. He said as a citizen, he suggested a more open process to allow all local taxing entities to share in the decision making.

Wasco County Commission Chair Hege said the sponsors had recently met with all but two of the taxing districts to discuss their ideas, projects, and needs. He said they would be meeting with School District representatives in the near future. He said the process was on-going, but that when decisions were made, they would be for the good of the community and he noted that the County and City had to agree on the distribution.

Corliss Marsh said she didn't believe the Library District had been included. Mr. Hege said they had met with the Librarian as part of the process.

ADJOURNMENT

The meeting adjourned at 6:40p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:


Stephen E. Lawrence, Mayor

ATTEST:


Julie Krueger, MMC, City Clerk