

## RESOLUTION NO. 3272

### A RESOLUTION FOR A TEMPORARY REDUCTION IN EMPLOYMENT REQUIREMENTS IN THE BEND ENTERPRISE ZONE

#### Findings

- A. The City of Bend sponsors the Bend Enterprise Zone, which was renewed effective June 16, 2021.
- B. Traded-sector businesses that access an enterprise zone property tax abatement for three or five years are required to meet certain criteria, including increasing their full-time, permanent employment of the firm inside the enterprise zone by the greater of one new job or 10%. There are existing businesses participating in the enterprise zone that have been unable to create or fill new positions as a result of COVID-19 and its economic impacts, meaning some businesses may not meet the criteria of the Enterprise Zone, which may result in taxation of the businesses under the existing Enterprise Zone requirements.
- C. On July 19, 2021, Governor Brown signed House Bill 2343. This new law allows an enterprise zone sponsor to adopt a resolution relaxing enterprise zone employment requirements otherwise imposed on authorized business firms for either or both of property tax years beginning on July 1, 2021, and July 1, 2022, if the company reduced employment due to the COVID-19 pandemic. The law takes effect on September 25, 2021.
- D. This resolution implements HB 2343, suspending the obligation of a qualified business firm to meet the employment requirements of ORS 285C.200, if the reduced employment or financial distress of the business is a result of the COVID-19 pandemic. This resolution will allow qualified businesses to continue to receive the property tax exemption of the Enterprise Zone, if the business meets the other requirements set forth in this resolution and the other applicable Enterprise Zone requirements.
- E. To promote and sustain job creation, the Council strongly encourages the business seeking continuation of the enterprise zone property tax exemption under this Resolution to maintain at least 80% of its annual average number of employees from the period prior to the impacts of COVID-19, throughout the tax years covered by this Resolution.

Based on these findings,

THE CITY OF BEND RESOLVES AS FOLLOWS:

- Section 1. The obligation of a qualified business firm to meet the employment requirements of ORS 285C.200, are hereby suspended for the 2021-2022 and 2022-2023 tax years, if the reduced employment or financial distress

of the firm is a result of the COVID-19 pandemic for which the Governor declared a state of emergency on March 8, 2020, and the qualified business firm otherwise meets the requirements of the Bend Enterprise Zone.


- Section 2. A business firm seeking an exemption from the employment requirements of ORS 285C.200 and the Bend Enterprise Zone, otherwise qualified for the Bend Enterprise Zone property tax exemption, must certify that one or more of the following criteria resulted in the inability of the business to meet the employment requirements of ORS 285C.200 and the Bend Enterprise Zone:
- a. Compliance with mandatory public health safety measures or closures,
  - b. Mandatory limitations on facility capacity,
  - c. At least a 20% decrease in receipts,
  - d. At least a 20% reduction in sales,
  - e. Disruption in the business's access to markets or supply chain, or
  - f. Other measurable factors attributable to the COVID-19 pandemic that resulted in a loss of employment or inability to create or fill jobs at the business.
- Section 3. As set forth in HB 2343, this Resolution has the following effects:
- a. Tolling the deadline for claiming exemption for additional property under ORS 285C.225 (3)(b) until after the period of suspension has ended, if so provided in the resolution.
  - b. Converting the denial under ORS 285C.175 of an exemption on qualified property that would otherwise have begun on July 1, 2021, into a one-year period of suspension beginning on that date.
- Section 4. Economic Development of Oregon (EDCO), the zone manager for the Bend Enterprise Zone, is hereby authorized to review the certification of the business for compliance with this Resolution and compliance with the other requirements of the Bend Enterprise Zone.
- Section 5. City staff are directed to provide a copy of this resolution to the Deschutes County assessor, the Oregon Department of Revenue, and the Oregon Business Development Department within 30 days of the date of adoption.

This resolution takes effect on September 25, 2021.

Adopted on September 15, 2021.

YES: Mayor Sally Russell  
Mayor Pro Tem Gena Goodman Campbell  
Councilor Barb Campbell  
Councilor Melanie Kebler  
Councilor Anthony Broadman  
Councilor Megan Perkins  
Councilor Rita Schenkelberg

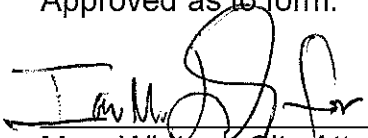
NO: none

  
\_\_\_\_\_  
Sally Russell, Mayor

ATTEST:

  
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Robyn Christie, City Recorder

Approved as to form:

  
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Mary Winters, City Attorney

