

# **Enterprise Zone Agreement**

## **Community Enhancement Plan Concept**

League of Women Voters Forum

April 18, 2019

# What is an Enterprise Zone?

- It is a state-regulated economic development tool.
- It exempts businesses from local taxes for new investment.
- The tax exemption is a minimum of 3 years and can be up to 15 years.
- There are 73 in Oregon. Three-quarters are in rural communities.
- <https://www.oregon4biz.com/Oregon-Business/Tax-Incentives/Enterprise-Zones/>



# The Bay Area Enterprise Zone

- Coos County
- Oregon International Port of Coos Bay
- City of North Bend
- City of Coos Bay
- <http://www.co.coos.or.us/Departments/Assessors/EnterpriseZones.aspx>

## **Standard Exemption** - Total exemption from local taxes

- Two years during construction
- 3 to 5 years once operational

## **Long-term Rural Exemption**

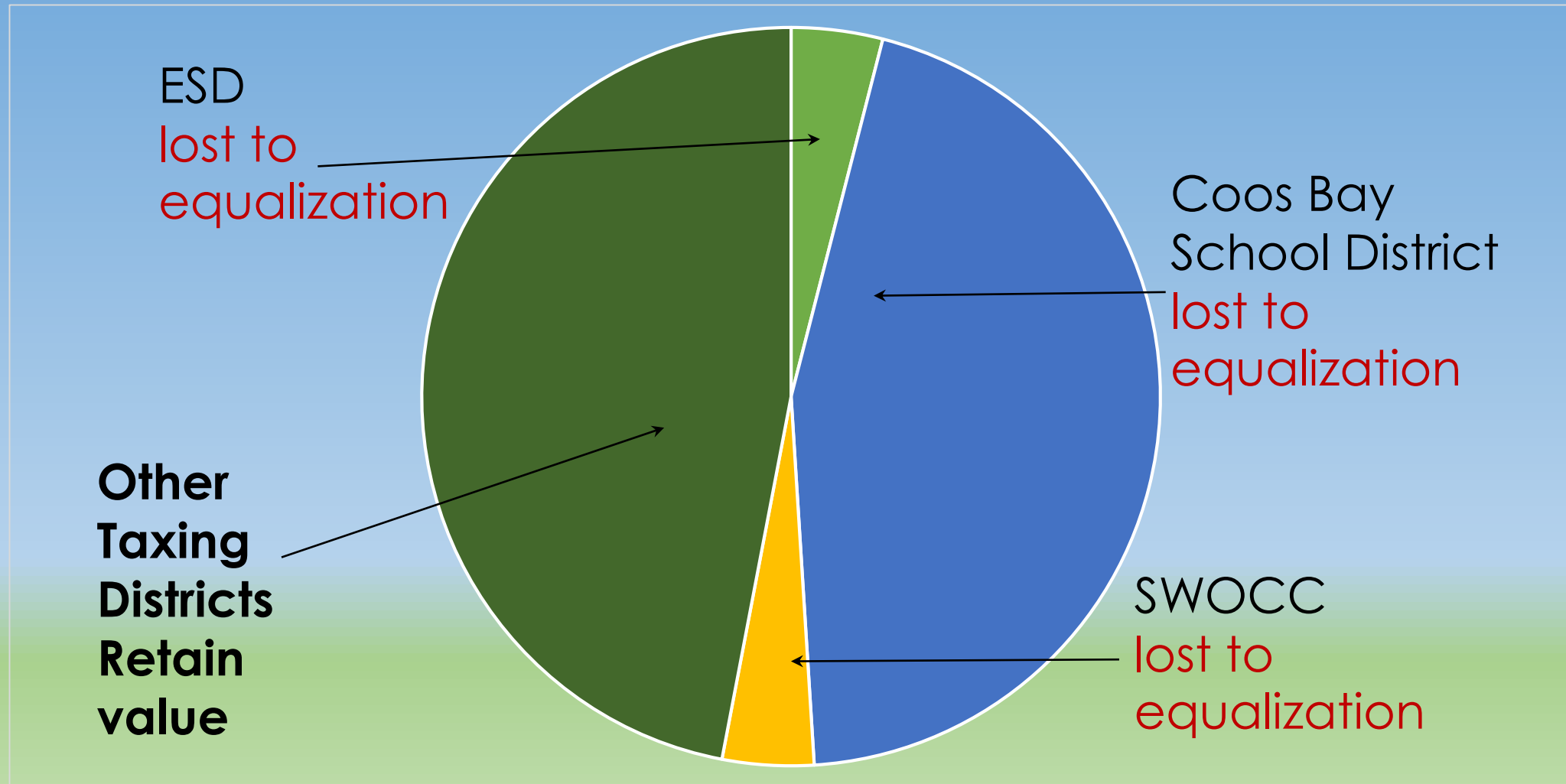
- 7 to 15 years exemption in 39 rural enterprise zones
- Areas with issues around long-standing unemployment

# Schools

- Voters capped property taxes. Oregon created equitable funding formula in the 1991.
- In the late 1990s, the Legislature created opportunity for levies to support operations.
- Now, communities find many ways to support schools outside the funding formula.

# If we do nothing, schools lose

What happens without an agreement?



# Community Service Fee

Sponsors agree on Education, taxing district portions

