

J. ROTE
911 & 911 OP
2543 SHASTA WAY
KLAMATH FALLS, OR 97601



March 4, 2024

SUBJECT: Notice of Boundary Change to North Klamath County Enterprise Zone

Dear District Manager,

This letter is to inform you that Klamath County is proposing a change to the boundary designation of the Klamath County Enterprise Zone. There is potential for development in an area that was not originally included in the boundary when established in 2021. We will submit documentation to Business Oregon, state Business Development Department, for it to determine that enterprise zone satisfies statutory requirements.

The proposed change consists of the addition of 0.40 square miles in north Klamath County with 0.36 square miles near Diamond Lake Jct. and a parcel located near Beaver Marsh, Oregon the size of 0.04 square miles. *The total area in the existing zone is 1.27sq. mi.*

Notice

Your district is being notified of this boundary change because the Enterprise Zone as amended would include all or parts of one or more tax code areas, in which your district levies taxes on property value. In an enterprise zone, certain types of businesses that create new jobs may receive exemptions of limited duration on qualified new property that they invest in the zone. Your district's board is welcome to submit written comments. For questions or providing commentary please contact the Zone Manager:

Julie Matthews, KCEDA Zone Manager Ph:541-882-9600, julie@teamklamath.com

Anticipated time and date for the sponsoring government to consider resolutions to modify the enterprise zone is:

Klamath County Commissioner Meeting on April 2, 2024 at 1:15pm
305 Main St., Klamath Falls OR.97601 Room 219.

An Enterprise Zone and Property Tax Abatement

Cities and counties in Oregon have joined to create enterprise zones to foster employment opportunities. These zones in Oregon are discrete areas up to 12 or 15 square miles in size and have been in existence since the mid-1980s. Each designation lasts up to 11 years. State law no longer sets a limit or cap on how many may be designated statewide with local government sponsorship.

The zones are intended to induce additional investment and employment by non-retail businesses in areas meeting certain measures of economic hardship. **They have proven to be Oregon's key offering in the pursuit of business growth and expansion. Their effectiveness is due to a typically short-term but immediate benefit for the business project's cash flow.**

An Oregon enterprise zone exempts only new property that an eligible business might build or install in the zone at some future time. A qualifying investment under the standard exemption program entails the creation of new full-time employment in the zone-greater of one new job or a 10 percent increase.

A standard enterprise zone exemption is temporary, usually lasting only three years, after which time the property is available for assessment. Extensions of the exemption period to four or five years in total (or even longer under a different rural facility program) are possible subject to a written agreement with the government sponsoring the zone requiring higher compensation for new employees and possibly additional local requirements.

These property tax exemptions are not available to any business. Most commercial or retail operations that compete locally are ineligible. Rather, the primary recipients of enterprise zone benefits are manufacturing (traded sector) and other types of facilities serving other business operations.

General information is available online at Business Oregon/Programs/enterprise zones/standard: LINK

<https://www.oregon.gov/biz/programs/enterprisezones/standardenterprisezone/pages/default.aspx>

Respectfully,

Julie Matthews

Julie Matthews
KCEDA Enterprise Zone Manager



Partnership with:
Business Oregon the Program Administrator, Klamath County the Zone Sponsor & KCEDA is the Local Zone Manager

C: Special Districts Association of Oregon
enc: Draft Map

KLAMATH COUNTY

North County

Enterprise Zone




Klamath County GIS

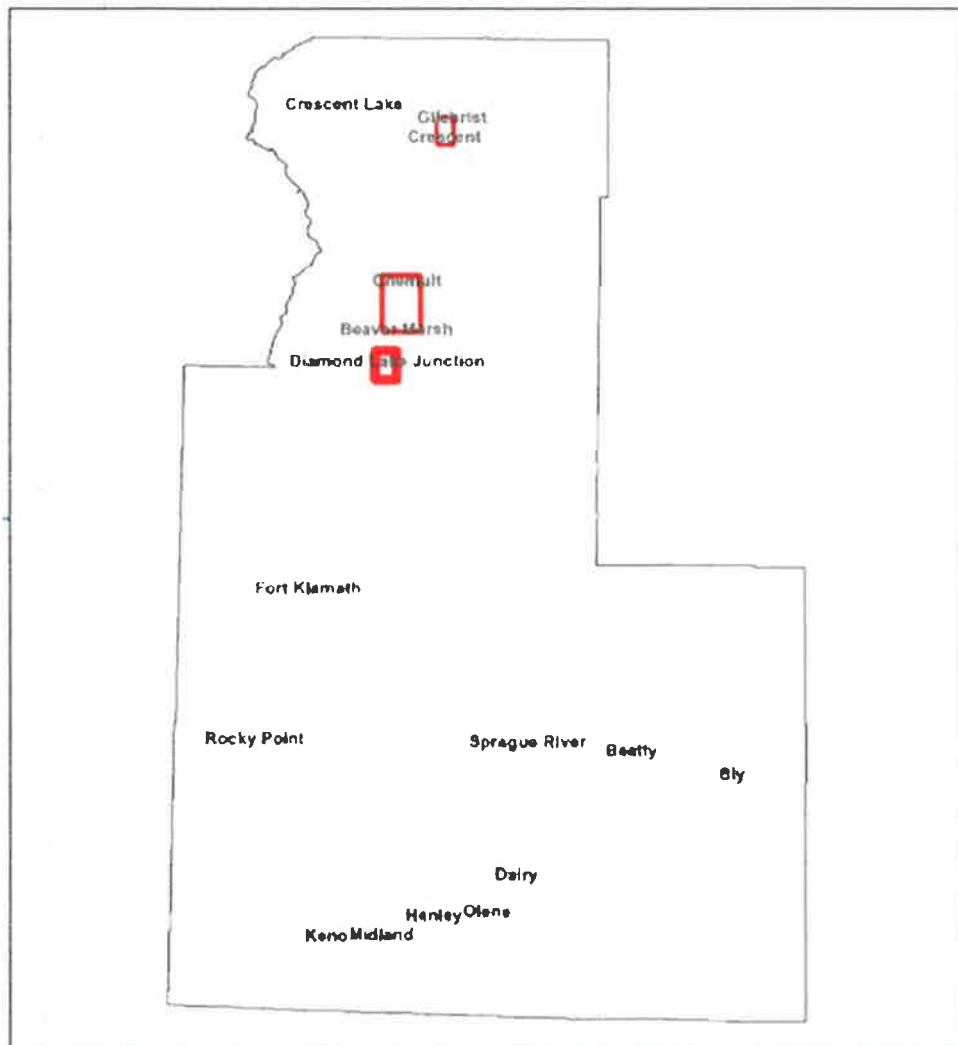
Date: 2/21/2024

Total Existing: 1.27 sq. mi.

Proposed: 0.40 sq. mi.



-  Community Boundary
- North Klamath County, Oregon Enterprise Zone**
-  Approved
-  Pending



KLAMATH COUNTY North County Enterprise Zone

Klamath County GIS

Date: 2/21/2024

Total Existing: 1.27 sq. mi.
Proposed: 0.40 sq. mi.



- Community boundary
- North Klamath County, Oregon Enterprise Zone
- Approval
- Pending

