

**RESOLUTION NO. 21-14**

**A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT  
BEWTWEEN THE COLUMBIA RIVER ENTERPRIZE ZONE III SPONSORS  
AND THE CITY OF IRRIGON**

**WHEREAS**, Morrow County and the Port of Morrow are sponsors of the Columbia River Zone III (CREZ III); and

**WHEREAS**, the Columbia River Zone III (CREZ III) was established in 2020; and

**WHEREAS**, the Columbia River Zone III (CREZ III) is governed by an Intergovernmental Agreement (IGA) which sets forth governance; and

**WHEREAS**, the Columbia River Zone III (CREZ III) Board has negotiated with the City of Irrigon for the purpose of managing projects that are within a city area of influence as identified on Exhibit B; and

**WHEREAS**, the Columbia River Zone III (CREZ III) Board and Manager recommend approval of the Agreement; and


**WHEREAS**, the City of Irrigon has submitted any necessary application to the Columbia River Zone III (CREZ III) Manager.

**NOW, THEREFORE BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF IRRIGON THAT:** the IGA as negotiated by the Columbia River Zone III (CREZ III) Board with the City of Irrigon on July 20, 2021, and to approve Signature of the Intergovernmental Agreement.


**BE IT FURTHER RESOLVED**, the city designates the Mayor and City Manager as the city's representatives and the Mayor Pro Tem as the alternate.

**PASSED BY THE COMMON COUNCIL AND SIGNED ON THIS 20th DAY OF JULY, 2021.**

**SIGNED:**

  
Margaret Anderson, Mayor

**ATTEST:**

  
Aaron Palmquist, City Manager

**INTERGOVERNMENTAL AGREEMENT FOR  
THE COLUMBIA RIVER ENTERPRISE ZONE III,  
WITHIN A CITY AREA OF INFLUENCE  
INCLUDING APPOINTMENT OF THE BOARD OF DIRECTORS  
AND DUTIES OF THE BOARD**

THIS INTERGOVERNMENTAL AGREEMENT (IGA) is made and entered into pursuant to Oregon Revised Statute (ORS) Chapter 190 by and between Morrow County, the Port of Morrow and CITY hereafter referred to as the "Entities." The Sponsors of CREZ III are Morrow County and Port of Morrow as defined by ORS 285C.050(19). This IGA is for the purpose of establishing a Board of Directors which will manage the CREZ III when a project lies within a city area of influence as identified on Exhibit B attached. This IGA will be attached as Exhibit C to the IGA between Port and Morrow County that creates and manages the CREZ III. Each party to this agreement has the following common objectives:

- Provide more jobs in new and existing industries for all of our residents.
- Increase the diversity of the economy, reducing the effect of economic fluctuations in single industries.
- Increase diversification of job opportunities, to provide workers greater choice for advancement.
- Raise the general level of income of residents.
- Expand the tax base to share the costs of providing schools, public improvements and other local government services.

The Entities desire to create an intergovernmental entity which will govern, supervise, manage and implement the operation of the CREZ III when a project lies within a city area of influence to fulfill the objectives as listed above.

The name of this intergovernmental entity shall be the CREZ III Board of Directors, hereinafter referred to as the Board.

**I. Organization of the Board:**

**A. Appointment of Individuals to the Board of Directors:**

To accomplish the objectives set forth in this Intergovernmental Agreement, when a project is within a city area of influence, CREZ III shall be governed by a Board of Directors comprised of nine (9) Directors. Each Board member shall have one (1) vote. Each Entity and city located in a project's zone of influence shall appoint three (3) Directors, at least one (1) of whom shall be an elected official, to serve on the Board. The Board will determine voting approval by requiring majority vote by each sponsor entity and city in a project's zone of influence (i.e., for an affirmative or approval vote for the CREZ III, County would need to have at least 2 County appointed Directors vote in favor of affirming or approving an action). The minimum vote allowed for approval of any action shall be 6 out of 9 (2 votes to approve from each sponsor entity and city in a project's zone of influence).

Each entity shall appoint its members of the Board, including alternate members and replacement members, for such terms and under such conditions as each Entity deems appropriate. Each Board member serves at the pleasure of the Entity which

appoints them. It shall be the responsibility of each Entity to arrange for an alternative Board member in case of their absence.  
Boundaries for determining any specific and local municipality involvement or voting authority will be determined by designated area of influence around each city, as described in map identified as Exhibit B.

B. Selection and Duties of the Board's Chair and Vice-Chair:

The Chair and Vice-Chair to serve in the Chair's absence, will be those appointed in the IGA governing CREZ III between the Port and Morrow County.

**II. Management of the Board:**

A. Duties of the Board:

The duties of the Board shall include those required by law as outlined in ORS 285C governing enterprise zones, as listed below.

- Notify the Oregon Business Development Department, the County Assessor and the Department of Revenue of the appointed Enterprise Zone Manager.
- Provide enhanced local public services, local incentives and local regulatory flexibility to authorized or qualified business firms.
- Review and approve or deny applications for authorization.
- Assist the County Assessor in administering the property tax exemption and in performing other duties assigned to the Assessor under pertinent statute or rule.
- Maintain, implement and periodically update a plan for marketing the CREZ III to include strategies for retention, expansion, start-up and recruitment of eligible business firms.
- Manage the CREZ III in accordance with governing statute.
- Maintain a record of property within the CREZ III. Develop and maintain policies by which the CREZ III Board will operate when negotiating with businesses and share those policies with other partners in the enterprise zone program.
- Conduct, as needed or requested, annual reporting of activity within the CREZ III for the County Assessor or the Oregon Business Development Department.

B. Enterprise Zone Staff:

The Board will have the following staff as appointed by the CREZ III IGA between the Port and Morrow County: Enterprise Zone Manager, County Assessor and legal counsel.

1. Duties of the Enterprise Zone Manager:

- Be advisory and serve in an ex-officio capacity at all Board meetings.
- Those required by law including the duties of the zone sponsor as outlined in ORS governing enterprise zones.
- Maintain the official documents and records of the CREZ III. These will include the minutes, agreements and orders produced by the Board. All documents will be maintained in a secure fire-safe location to be determined by the Board.

2. Duties of the County Assessor:
  - Provides essential advisory duties.
  - Provide information and data related to the assessment and taxation of various industries and companies that engage in the various tax abatement programs administered under this IGA.
3. Duties of Legal Counsel:
  - Provide agreements with businesses.
  - Provide amendments to this Intergovernmental Agreement.
  - Use of legal counsel shall be authorized on a case-by-case basis by the Board.
4. Duties of Fiscal Agent:
  - Hold funds for use by the Board.
  - Maintaining both the application fees and the company paid funds.
  - Distribute both the application fee and the company paid funds as directed by Order(s) passed by the Board.

C. Meetings of the Board:

1. Meeting Schedule:

Meetings of the Board may be called by the Enterprise Zone Manager, Chairman or any five (5) Directors.

Notice of general meetings shall be provided by email to each Director and interested individuals in a timely manner, generally more than seventy-two (72) hours prior to the meeting. Notice of special meetings shall be given to each Director and interested individuals by email at least twenty-four (24) hours prior to the meeting.

The location of such meeting(s) shall be in Morrow County, Oregon and designated within the meeting notice. Meetings will generally be held at the Port of Morrow facilities in Boardman, however, meetings can be held in alternate Morrow County locations. Telephonic or other alternate electronic device(s) options will be available, when requested, to facilitate attendance of all Directors.

2. Public Meetings Process:

Meetings of the Board are considered "Public" as defined by ORS 192 and shall be noticed as such. Negotiations with companies may be done under the Executive Session criteria found at ORS 192.660. Executive Sessions shall be announced at the beginning, citing the statutory allowance, and after closure, a statement shall be made concerning the outcome.

Notice shall be provided to the media and other interested parties of all meetings held.

Minutes shall be taken by a designee of the Board and then held by the Enterprise Zone Manager.

*When a project is in a city's area of influence as identified in Exhibit B:*  
A quorum for a meeting shall be constituted when six (6) Directors, 2 from each entity, are present in person, by alternate, by telephone or by other alternate electronic device(s) and when each Entity is represented at a meeting at which notice is properly given. Any member may waive the notice requirement either by writing or by appearing at the meeting.

### **III. Powers of the Board:**

The entities delegate to the Board the powers set forth below and as provided in this agreement.

#### **A. Applications:**

The Board, through the Enterprise Zone Manager, shall receive and review requests for tax abatement from eligible businesses. The intent is to act promptly on applications deemed complete by the Enterprise Zone Manager and finalize negotiations within 90 days.

Policies adopted by the Board will provide guidance to applicant companies as to how offers should be submitted and the local objectives of the enterprise zone program.

#### **B. Negotiations:**

The Board shall negotiate the terms of any enterprise zone request as allowed by enterprise zone rules that govern the statewide program, and is authorized to approve or deny a tax exemption request extending benefits to authorized companies beyond the standard three (3) years and enter into the binding agreement. This Intergovernmental Agreement grants authority for binding agreements with authorized companies.

After binding agreement has been entered into, sponsor entities and city agree to approve or deny adopting resolutions within 30 days of being notified of the agreement by CREZ III.

Recommendations and requests from affected Special Districts of potential impacts involving the service provided by said Districts, including but not limited to, fire protection and public safety, may be considered.

Policies guiding negotiations will also be adopted to achieve transparency and to maintain consistency in the negotiations process. Adopted policies will be aligned with enterprise zone rules that govern the statewide program.

#### **C. Distribution of Fees:**

Company paid fees will be distributed by the Board of Directors, including city if applicable project is in an area of influence as depicted on attached Exhibit B with the following considerations:

- Distribution will be consistent with company agreements when applicable.

- Distribution will be done at least annually.
- Distribution in future years does not have to reflect distribution patterns set in previous years.
- Distribution will be carried out by the Fiscal Agent based on Order(s) passed and approved.
- Distribution formulas for community or economic development groups may use the Portland State University population numbers.
- Distribution of funds is only done during a meeting that the full Board is represented. In addition to the above requirement, at least two affirmative votes from each entity shall be required to pass a motion regarding distribution of funds.
- If at least one affirmative vote is not cast from each entity and the motion fails, nothing shall prevent the Board from attempting to distribute said money in a future vote.
- If an agreement for distribution cannot be reached, the Board shall vote to indicate that an impasse has been reached and the motion shall specifically identify the funds that are subject to the impasse and the source of those funds.

#### **IV. Amendments:**

Amendments to this Intergovernmental Agreement may be initiated by the Board or by any Sponsor Entity with written notice to the other Sponsor Entities. Proposed amendments to the Intergovernmental Agreement can only be adopted with approval of the two Sponsor Entities and partnering entities.

Should any term or provision of this Intergovernmental Agreement be affected by changes in state law or rule; or be determined illegal by a court of competent jurisdiction, the validity of the remaining terms and provisions shall not be affected and shall remain in effect.

#### **V. Termination of this Area of Influence IGA**

This Intergovernmental Agreement as it governs negotiations with eligible firms with a city area of influence, terminates upon the Expiration of the CREZ III designation as provided in the 2020 Director's Confirmation of Positive Determination dated October 2, 2020. The date the CREZ III expires is June 30, 2025.

This Intergovernmental Agreement may need to be extended and/or may be reviewed and amended. Should the Entities desire to terminate the Zone prior to its expiration, the procedures outlined in Oregon Revised Statute and Oregon Administrative Rule shall be followed.

Company paid funds will continue to be collected beyond the current life of the CREZ III. This Intergovernmental Agreement will continue to govern the distribution of those payments until all negotiated agreements are fulfilled, unless this Intergovernmental Agreement is replaced with a subsequent agreement to direct those company paid fees according to statute and rule governing the statewide enterprise zone program.

IN WITNESS WHEREOF, the Parties, by their respective duly authorized representatives, have executed this Intergovernmental Agreement. This Intergovernmental Agreement can be executed in parts and is effective on the date the last Sponsor Entity signs.

**Morrow County Board of Commissioners**

Dated this \_\_\_\_ Day of \_\_\_\_\_ 2021

\_\_\_\_\_  
Don Russell, Chair

\_\_\_\_\_  
Jim Doherty, Commissioner

\_\_\_\_\_  
Melissa Lindsay, Commissioner

**Port of Morrow**

Dated: \_\_\_\_\_

\_\_\_\_\_  
R. A. Stokoe, President

ATTEST:

\_\_\_\_\_  
Joe Taylor, Secretary

**City of Irrigon**

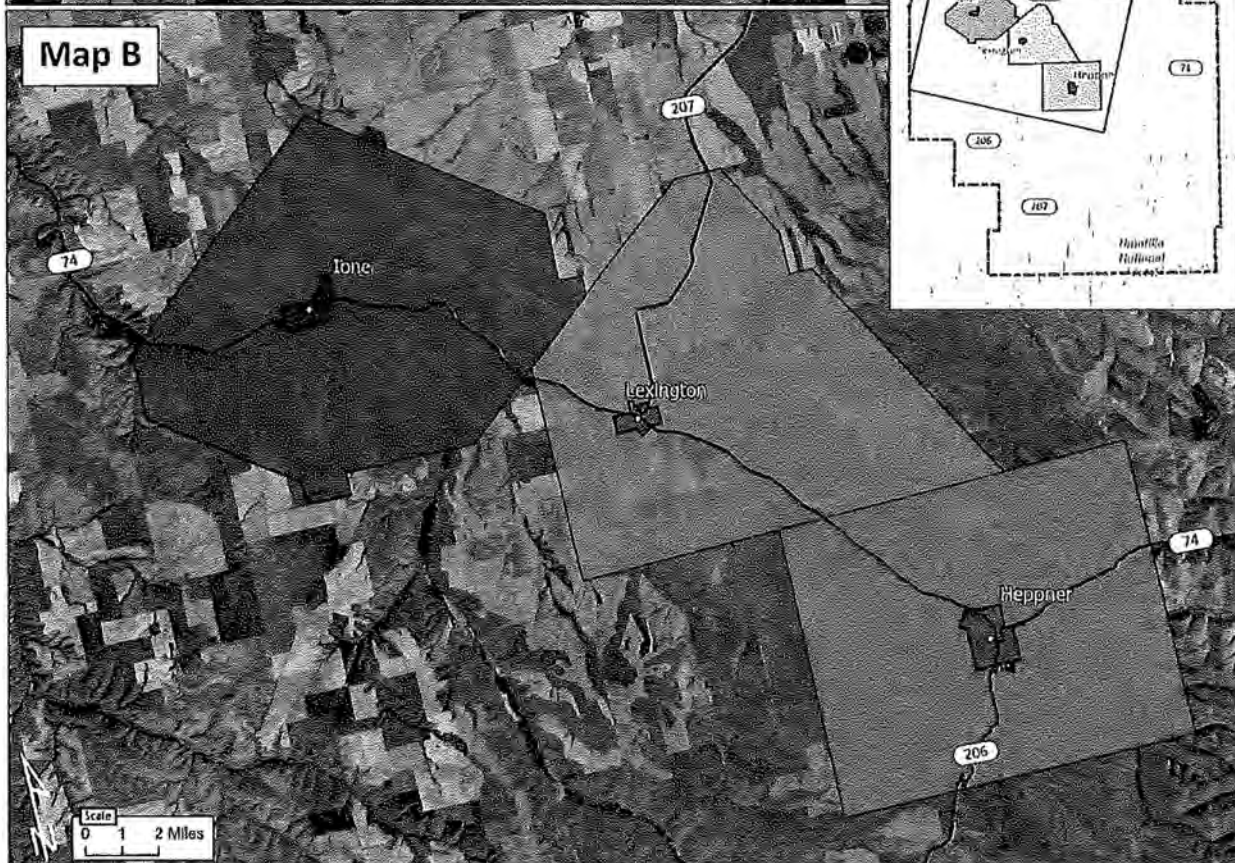
\_\_\_\_\_  
Margaret Anderson, Mayor

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Aaron Palmquist, City Manager

Dated: \_\_\_\_\_









**CREZ Boundaries**

**Legend**

City Limits

2020 CREZ Boundary

Tax Lots

Corography By: Stephen Wires  
 Morrow County Planning Department  
 Geographic System: NAD83, Oregon GCS, Lambert II  
 Datum: North American 1983  
 Projection: Lambert Conformal Conic  
 Map Date: 12/1/2020 10:57 AM