

RESOLUTION NO. 2021-57

**RESOLUTION APPROVING RETURN OF AN ENTERPRISE ZONE PAYMENT
IN-LIEU OF DISQUALIFICATION (PILOD) PAYMENT FROM THE
CITY OF CORNELIUS TO EAGLE PRECISION SHEET METAL, INC.**

WHEREAS, the City of Forest Grove cosponsors the Cornelius Forest Grove Enterprise Zone, along with the City of Cornelius; and

WHEREAS, HB 2343 allowed an enterprise zone sponsor to relax enterprise zone employment requirements otherwise imposed on an authorized business firm if the company reduced employment due to the COVID-19 pandemic to include refunding a PILOD; and

WHEREAS, Eagle Precision Sheet Metal, Inc., EPSM paid \$11,041, one hundred percent of the PILOD, to the City of Cornelius under ORS 285C.240(6) for purposes of the 2020–21 tax year; and

WHEREAS, the Cornelius City Council determined it is in the best interests of the City of Cornelius and EPSM to refund to EPSM the \$11,041 PILOD by December 31, 2021, as allowed by HB 2343; and

WHEREAS, the City of Forest Grove as a co-sponsor of the enterprise zone must also approve the refund of the PILOD to EPSM.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS:

Section 1. The refund of the PILOD to EPSM as approved by the City of Cornelius on October 4, 2021, is hereby approved by the City of Forest Grove as co-sponsor of the enterprise zone.

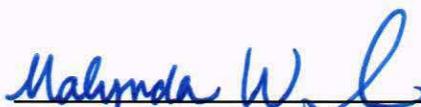
Section 2. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 25th day of October, 2021.



Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 25th day of October, 2021.



Malynnda Wenzl, Council President



A place where families and businesses thrive.

CITY RECORDER USE ONLY:

AGENDA ITEM #: 6.
MEETING DATE: 10/25/2021
FINAL ACTION: RESO 2021-57

CITY COUNCIL STAFF REPORT

TO: *City Council*

FROM: *Jesse VanderZanden, City Manager*

MEETING DATE: *October 25, 2021*

PROJECT TEAM: *Paul Downey, Assistant City Manager/Finance Director*

SUBJECT TITLE: *Return of PILOD Funds to Cornelius Business*

ACTION REQUESTED:

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Ordinance	Order	X	Resolution	Motion	Informational

X all that apply

ISSUE STATEMENT: Forest Grove and Cornelius co-sponsor an enterprise zone that grants property tax exemptions for business that qualify under the requirements of the enterprise zone. One business in Cornelius did not meet the required employment count and paid a Payment In-Lieu of Disqualification (PILOD) to the City of Cornelius. Cornelius as allowed by House Bill 2343 has chosen to refund the PILOD to that business and has approved a resolution to refund the PILOD. As a co-sponsor of the enterprise zone, Forest Grove must also approve the refund. Staff has prepared a resolution for Council consideration to approve the refund.

BACKGROUND: The Oregon Legislature passed House Bill 2343 allowing local governments to consider giving funds back to an Enterprise Zone property owner who paid a Payment In-Lieu of Disqualification (PILOD) when the property owner could not meet the required employee count due to COVID-19. House Bill 2343 allows Enterprise Zone sponsors to temporarily waive employment requirements and consider refunding a business firm’s PILOD. Cornelius went through the process required by HB 2343 and has approved refunding the PILOD to the business.

FISCAL IMPACT: There is no fiscal impact to Forest Grove as the refund will be paid by the City of Cornelius.

STAFF RECOMMENDATION: Staff recommends that the City Council approve the attached resolution authorizing the refund payment by the City of Cornelius.

ATTACHMENT(s): Resolution Approving Return Of An Enterprise Zone Payment In-Lieu Of Disqualification (PILOD) Payment From The City Of Cornelius To Eagle Precision Sheet Metal, Inc.