

CROOK COUNTY ENTERPRISE ZONE

OVERVIEW

The Crook County Enterprise Zone program is intended to create new jobs in Crook County by encouraging capital investment. Both new businesses and expansion of existing businesses may qualify for this property tax abatement. For either Standard or Long-Term Rural Enterprise Zones, only new facilities, new equipment, or improvements on existing facilities not yet on the tax roll are eligible for this property tax incentive.



TAX INCENTIVES

Standard Enterprise Zone

This economic development incentive is intended to grow the local economy through job creation and business investment. The Enterprise Zone offers 100% property tax exemption on qualified traded-sector investments. The period of exemption ranges from a minimum of three years to a maximum of five years. All industrial and commercial-zoned land inside the Prineville Urban Growth Boundary (UGB) is within the zone, as well as some designated areas outside of the city's UGB for potential destination resorts or large scale industrial development projects.

Long-Term Rural Enterprise Zone

The Long-Term Rural Enterprise Zone allows the zone sponsor to exempt more capital intensive projects for a longer period of seven to 15 years. Any type of business activity is eligible, but these incentives depend on local approval and minimum levels of investment size, job creation and employee compensation. This program is typically utilized for large-scale industrial projects, high-technology data centers, and destination resorts in Oregon.



ELIGIBILITY

Standard Enterprise Zone

New employers to Oregon or the region are eligible, as well as existing primary employers. Existing companies must add at least 10% to their existing workforce in the zone to qualify. The minimum investment for qualifying projects is \$50,000. Four to five year exemptions require a company to compensate their employees at 130% of the county's average wage, which is \$59,359 at 130% of Crook County's 2020 average of \$45,661.

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Long-Term Rural Enterprise Zone

Both new and existing businesses are eligible to participate, provided they do not compete significantly with the local economy's industry and they bring in investment from outside of the zone. Minimum investment and job creation criteria to qualify for the Crook County Long-Term Rural Enterprise Zone is below:

QUALIFYING CRITERIA	LONG-TERM RURAL E-ZONE
Minimum Investment	\$12.5 million or >\$200 mil.
Minimum New Employment	35 jobs or 10 jobs
Minimum Compensation per Employee	\$59,359*

*130% of Crook County average annual wage effective 1/1/20

Additionally, the minimum state tax payment before claiming tax credits (which reduces the total amount of taxes owed) would be the lesser of \$1 million or the product of \$12,500 multiplied by the number of new employees.



APPLICATION PROCESS

To receive investment incentives, eligible businesses must schedule a Enterprise Zone pre-certification meeting with the local zone manager prior to any construction or operation of eligible investments. For more information about the local zone and project eligibility, contact Kelsey Lucas, the Crook County Enterprise Zone Manager.

INCENTIVE SAVINGS

ORIGINAL INVESTMENT	SAVINGS (EX.)	
	OVER 3 YRS	OVER 5 YRS
\$1 million	\$49,247	\$82,079
\$5 million	\$246,237	\$410,395

FAQS

Does the Enterprise Zone take away from the existing tax base?

No, the Legislature, in coordination with cities and counties across Oregon, has structured the Enterprise Zone to ensure that no property (land, buildings, equipment) previously on the tax rolls can be removed through an exemption process. Only new investment qualified by an application process with the local Enterprise Zone manager, and coordinated with the County Assessor, can be exempted, unless the company has been approved by the zone sponsor(s) for an extended abatement.

My company is eligible for the e-zone, but I've already started construction. Can my facilities be exempted?

Typically, not. Companies wishing to access the program need to complete a simple, two page pre-certification application prior to breaking ground on new or expanding facilities. It is suggested that pre-certification occur when building permits are prepared.

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FAQS

Are commercial developments eligible for Enterprise Zone exemptions?

No, with the exception of hotel, motel and destination resort developments in Prineville/Crook County, only primary employers are eligible. The threshold for commercial versus primary or industrial is that 75% of a company's products or services must be sold or delivered outside the region.

When the exemption period expires, does my property (building and equipment) come back on the tax roll?

Yes. Buildings and equipment are assessed throughout the exemption period, but come back on the tax rolls at a depreciated value. During the period that a company participates in the Enterprise Zone, property taxes on real and personal property are exempted, not deferred.

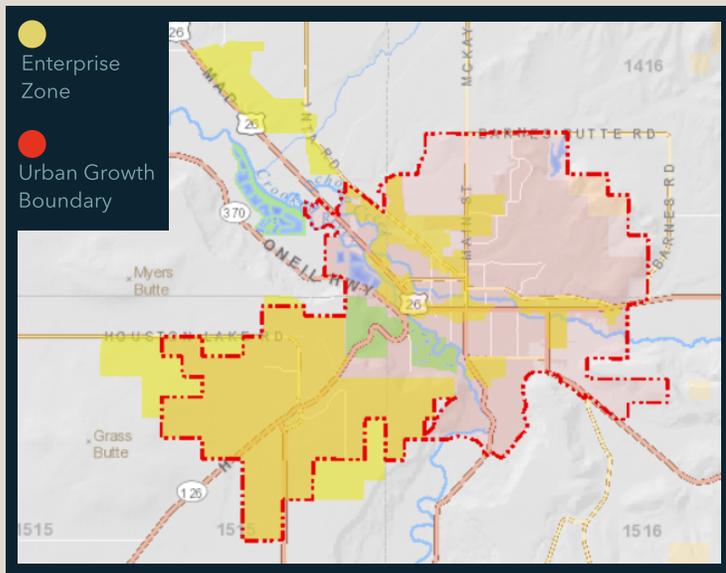
May my company use the Enterprise Zone multiple times for future expansions?

Yes. Expansion projects for qualifying employers are eligible as long as the employer adds at least 10% to their existing workforce each time the program is used and invests a minimum of \$50,000.

Can eligible employers who rent their facilities qualify?

Yes. If a facility has not been previously occupied or is a build-to-suit for an eligible company, landlords are required to pass on savings resulting from property tax exemptions to their qualified tenants.

CROOK COUNTY ENTERPRISE ZONE MAP



Economic Development for Central Oregon (EDCO) is a private, non-profit organization, dedicated to diversifying the regional economy by supporting primary employers. EDCO attracts permanent, family-wage jobs by recruiting new companies and helping existing companies expand.



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