

## **RESOLUTION NO.2115**

### **A RESOLUTION REAUTHORIZING THE BUSINESS INCENTIVE PROGRAM AND MAKING REVISIONS**

#### **THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:**

1. Due to the continued slow economic recovery, commercial and industrial areas in Troutdale are plagued by high vacancy rates.
2. High vacancy rates negatively affect the activity of surrounding businesses and threaten even further decline.
3. Establishing and expanding businesses within empty commercial buildings will bring new customers and activity that benefit existing businesses but current economic conditions are making it very difficult for business entrepreneurs to set up or expand their business.
4. The City adopted an incentive program on May 25, 2010 to reduce financial barriers for business entrepreneurs in order to encourage them to start or expand a business in Troutdale. This program is scheduled to sunset on June 30, 2011 unless extended by resolution of the City Council.
5. The City Council is convinced that this program has been effective in attracting several new businesses to Troutdale as well as allowing existing businesses to expand that would not otherwise be able to do so.
6. The City Council has determined that the program should be reauthorized and extended with a modified level of fee subsidy given to eligible businesses.

#### **NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE**

**Section 1.** The City Council hereby reauthorizes the Business Incentive Program and establishes the program requirements as follows:

- A. To qualify for the Business Incentive Program, a business must:
  1. Locate within an area of the city that is designated Commercial or Industrial on the Troutdale Comprehensive Land Use Plan Map, except that vacant suites within the Columbia Gorge Premium Outlet mall are not eligible for this program;
  2. Be moving into existing vacant commercial building space that received approval of a final building inspection on or before March 31, 2010 and that has been vacant at least 90 days prior to the date

- that the application for Business Incentive Program relief has been submitted;
3. Not be currently located in Troutdale or be an existing business located in Troutdale that is:
    - a. Expanding into adjacent vacant commercial building space, or
    - b. Opening a new satellite location in vacant commercial building space, or
    - c. Relocating to a vacant new site and is increasing its square footage;
  4. Receive a permanent Certificate of Occupancy for a Commercial Tenant Improvement within 180 days of the initial tenant improvement building permit and the initial permit is issued between July 1, 2011 and June 30, 2012.
- B. Notwithstanding Section 1A, a business does not qualify for the Business Incentive Program if the business:
1. Is currently located in Troutdale and expands into adjacent existing commercial building space or relocates to a vacant new site but increases its square footage size by less than ten percent of its current size;
  2. Excludes minors at all hours of the day;
  3. Expands its existing commercial building space by new construction that adds square footage;
  4. Converts occupied or vacant residential building space to commercial space; however, the owner of vacant upper floor commercial space within the Central Business District zone qualifies for the Business Incentive Program when converting this vacant commercial space to a residential use.
  5. Does not commence construction within thirty days of issuance of the initial Tenant Improvement building permit, fails to continuously perform the tenant improvement construction work, or fails to obtain a permanent Certificate of Occupancy within 180 days of issuance of the initial Tenant Improvement building permit;
  6. Is a non-profit entity that is exempt from paying property taxes and is buying rather than leasing the building space it will occupy;
  7. Must obtain a Type III land use permit in order to occupy the building space.
- C. Reductions or subsidizing of fees and charges for a business that qualifies for the Business Incentive Program or for allowed conversions to residential use shall be as described in Attachment A.
- D. To receive the benefits of the program a qualifying business shall execute an agreement with the City. The applicant shall certify that the business qualifies for the Business Incentive Program. The agreement shall also include the provision that if the business does not meet program

qualifications, the business will pay all applicable fees and charges before issuance of a temporary or permanent Certificate of Occupancy.


**Section 2.** This resolution shall take effect July 1, 2011.

**Section 3.** This program shall automatically sunset on June 30, 2012 unless extended by resolution of the City Council.

**YEAS: 7**  
**NAYS: 0**  
**ABSTAINED: 0**

  
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**Mayor Jim Kight**

  
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**Date**

  
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**Sarah Skroch, Deputy City Recorder**  
**Adopted: June 14, 2011**

**BUSINESS INCENTIVE PROGRAM  
AFFECTED FEES AND CHARGES**

A. A business that has a possessory right in, or control over vacant building space to be newly occupied, and that has complied with program requirements and has executed a Business Incentive Program Agreement, shall be entitled to have up to \$5,000 total of the following fees and charges, as applicable, paid by the City.

B. Conversion of vacant upper floor commercial space to residential within the Central Business District zone that has complied with program requirements and has executed a Business Incentive Program Agreement shall be entitled to have up to \$5,000 total of the following fees and charges, as applicable, paid by the City.

C. Fees and charges that are to be paid from the City's General Fund under the Business Incentive Program are:

**Fee or Charge**

Land Use Review, including sign permits

Building Permits\*

Plan Review

Transportation SDC

Sewer SDC

Water SDC

Stormwater SDC

Public Works Permit

Engineering Plan Review

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\* Building permit fees include various surcharges and taxes imposed by other governmental entities but are collected by the City on their behalf. The following fees must be paid in full by the applicant.

- State surcharge on building permits
- Metro Construction Excise Tax
- Reynolds School District Construction Excise Tax