

WILLAMETTE VALLEY VINEYARDS

Rural Industrial Improvement Property Tax Exemption Renewal SB 138/HB 2062

The Rural Industrial Improvement Property Tax Exemption is an economic development tool to encourage industrial improvements and investments in rural areas that result in job creation. Local governments can choose whether to adopt the program to incentivize industrial improvements located in unincorporated territory or outside the urban growth boundary of cities with a population of 40,000 or more.

Here's how it works:

- Cities and Counties may adopt an ordinance to offer the exemption or deferral.
- Applicants must be investing in capital improvements valued between \$1M and \$25M.
- The improvements must be responsible for creating jobs.
- The value of the improvement will be exempt from property tax for three years.
- The exemption cannot be approved unless the taxing districts representing at least 75 percent of the applicable property taxes agree.

Since its creation in 2016, the Rural Industrial Improvement Tax Exemption has been adopted by Marion County. Marion County has provided the exemption to four projects and is currently developing a fifth. If the program is extended, multiple other counties are considering adopting the program to help incentivize economic expansion and job growth in rural areas.

Willamette Valley supports this rural agricultural economic development tool for local governments and encourages its legislative renewal through passage of SH 138 or HB 2062.

<p>Project 1 – Cold storage for agricultural, added-value product.</p> <p>Cost of project – \$7 – 8 million.</p> <p>Jobs created – 4</p> <p>Jobs preserved – 20</p>	
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**Project 2 –
Food processing
facility improvements
for efficiency and
operations**

Cost of project –
\$15 million

Jobs created – 30

Jobs preserved - 175



**Project 3 – Distribution
Facility – Agriculture
inputs for crop
production.**

Cost \$4 million

Jobs created – 8

Jobs preserved -15



**Project 4 –
Manufacturing facility –
Produces agricultural
processing equipment.**

Cost \$6-7 million

Jobs created – 7

Jobs preserved –
25

