

The Portland Enterprise Zone (“Portland E-Zone”) is a five-year property tax abatement program for industrial-based firms planning to invest a substantial amount in property assets (in construction and equipment), and create new or additional employment opportunities. Once a qualified firm enters into the program it will receive full tax abatement on all qualified property for five years, consecutively, as long as annual compliance with program requirements is met.

Contact Andy Reed, E-Zone Program Manager, at (503) 823-7053 or [reed@pdc.us](mailto:reed@pdc.us) for more information or request a copy of the *Portland Enterprise Zone Policy*.

## ***State Requirements***

### **Written Agreement**

Company is required to enter into a Written Agreement with Portland Development Commission (“PDC”) that will be based on the terms of the company’s Authorization Application, Oregon Statute and Administrative Rules, and the Portland Enterprise Zone Policy.

### **Application Fee**

Prior to the PDC entering into the Written Agreement and the Enterprise Zone Manager signing the Authorization Approval form, the eligible company will pay the application fee in full. The application fee is a minimum of \$200; or one-tenth of one percent (.1%) of the estimated qualifying investment.

### **First Source Hiring Agreement (“FSA”)**

Prior to or concurrently with the execution of this Written Agreement, Company shall enter into a FSA with WorkSource Portland– Employment Department (“WESD”) for all employees hired at the Qualified Facility throughout the project’s construction and tax exemption period.

### **Employment Qualifications**

By the first exemption filing, Company must increase employment (and then maintain it throughout the exemption period) at the Qualified Facility by 10 percent of the annual average employment of the Company.

### **Minimum Employment Goal**

Company will maintain at least the above minimum level as an annual average employment during the exemption period.

## ***PDC Requirements***

### **Job Quality Commitments**

Eighty-five percent (85%) of jobs' basic wages must exceed one hundred fifty percent (150%) of Oregon minimum wage after one year of employment; or Employee benefits must meet the national average of Non-Governmentally Mandated Benefits for the size and type of company based on information supplied by the U.S. Department of Labor. The Company shall not materially diminish the training support and advancement opportunities for its regular full-time employees at the Qualified Facility.

### **New Hire Job Retention**

Fifty percent (50%) of all employees that have made it through the Company's probation period must continue to be employed for a minimum period of two (2) years following, and inclusive of, the Company's probationary period.

### **City of Portland Business License**

Company must maintain a current City of Portland Business License as of the date of the Written Agreement and during the entire tax abatement period.

### **Workforce Training and Business Development Fund**

Company shall pay to PDC an amount equal to fifteen percent (15%) of the total abatement, which amount shall be placed in the Workforce Training and Business Development Fund and used to benefit residents and businesses in the E-Zone and nearby areas.

### **Business Procurement Plan**

Company shall create and execute a Procurement Plan with the goal of increasing local purchases by a minimum of five percent (5%) per year from businesses located within Portland, with exceptions for periods of slow growth and/or recessions.

### **City's Basic Service Costs**

If the Company's revenue contributions to the City are not equal to or greater than the City's Basic Service Costs, the Company shall make a payment to the City in an amount equal to the difference between the Company's eligible revenue contributions and the City's Basic Service Costs.