

**DRAFT
PORTLAND DEVELOPMENT COMMISSION
ENTERPRISE ZONE
TAX ABATEMENT CONTRACT**

This Enterprise Zone Tax Abatement contract (“Contract”) is entered into this ____ day of _____, _____(the “Effective Date”), between **COMPANY NAME**, its affiliates and subsidiaries (“Company”) and the City of Portland (“City”) acting by and through its duly designated urban renewal agency, the **Portland Development Commission** (“PDC”).

RECITALS

- A. Pursuant to the Oregon Enterprise Zone Act established under Oregon Revised Statutes 285C.050 to 285C.250 (“Act”) and the City’s Enterprise Zone Investment Strategy, the City has the authority to establish, and has established conditions under which it may pre-certify qualified companies for a five-year property tax abatement as authorized by the Act;
- B. The City sponsors the N/NE Enterprise Zone which is generally located west of I-205, east of Forest Park, north of I-84 and south of the Columbia River in Portland, Oregon (“Zone”);
- C. The City has designated PDC as the manager of the Zone;
- D. The Company plans to acquire/has acquired property at **ADDRESS** the “Qualified Facility”) and intends to invest **\$TOTAL INVESTMENT. SUMMARY OF PROJECT**
- E. Company desires to participate in the Zone tax abatement program in exchange for contributions to certain program goals of the Act and of the City which may include making real property improvements and making a financial community contribution.
- F. In consideration of the mutual benefits accorded each party under this Contract, the Company and PDC agree as follows.

AGREEMENT

The parties agree as follows:

1. DEFINITIONS.

- 1.1. City’s Cost of Service.** The City’s estimated General Fund “Cost of Service” for the Company’s Qualified Facility is 30% of the sum of the property taxes abated annually during the period of abatement. The Cost of Service fee will either be covered in full by new General Fund revenues that directly result from the Project or by a direct payment of any deficiency by the Company.
- 1.2. City’s General Fund Revenues.** The City’s General Fund revenues in any given City fiscal year which are generated by Company’s Qualified Facility are the sum of:

- 1.2.1. City Business License Fees attributable to the Qualified Facility and paid during the City's fiscal year;
 - 1.2.2. City Utility Franchise Fees resulting from the Company's Qualified Facility activity during the City's fiscal year (calculated as utility charges times City utility franchise fee rate); and
 - 1.2.3. Any other City General Fund revenues documented as generated by the Company's Qualified Facility.
- 1.3. **Community Contributions.** Community Contribution means a monetary contribution to projects benefiting the City's Inner N/NE Target Area and the Company's Project.
 - 1.4. **Covered Position.** A Covered Position is defined as all of the Company's jobs at its locations within the Enterprise Zone and as otherwise negotiated under the Company's First Source Agreement.
 - 1.5. **Electronic Commerce (or E-Commerce)** means engaging in commercial or retail transactions predominately over the Internet or computer network utilizing the Internet as a platform for transacting business, or facilitating the use of the Internet by other persons for business transactions, and may be further defined by the Economic and Community Development Department by rule. For the purposes of this Zone, E-Commerce refers to sales-based E-Commerce activity exceeding 50 percent commercial activity as measured by receipts, number of orders, or clients served (or an equivalent qualitative determination). For the purposes of eligibility in this Zone, investments made in internal Intranet systems used to fill orders taken by telephone or other non-Internet transaction methods are not eligible E-Commerce investments.
 - 1.6. **First Source Agreement.** The mandatory contract that Company will enter into with Worksystems, Inc. ("WSI") concurrently with this Agreement that must remain in effect during the period of the tax abatement. WSI will generally serve as a resource to Company for recruitment, referral and placement of personnel in Covered Positions. Any proceeds generated under the First Source Agreement will be applied to promote workforce development strategies in the N/NE Portland Enterprise Zone.
 - 1.7. **Hiring Credits.** A Hiring Credit results when the following occurs: During the period covered by the First Source Agreement with PDC, the Company has hired an employee to fill a regular full-time job with the Company and the employee hired has completed 90 consecutive calendar days with the Company or the Company's established probation period, whichever is greater. Hiring Credits are counted for the sole purpose of determining the amount of Community Contributions that the Company will make to PDC.
 - 1.8. **Non-governmentally mandated benefit.** Employment benefits offered to all regular full-time employees at the Qualified Facility after one year of Company employment that are not mandated by any government as of the date of this contract. "Non-governmentally mandated benefits" for purposes of this contract exclude (1) social security contributions, (2) worker's compensation insurance, (3) unemployment insurance, (4) shift pay, and (5) premium pay. All other documented non-governmentally mandated employee benefits are included.

In cases where the benefit contribution by the Company is determined by employee participation, the calculation of benefit costs to the Company will include its maximum liability for benefits payments

in the calculation of the level of benefits provided to employees. In cases where the employee benefits offered increase with length of employment, the benefit level used for calculations in this contract are the benefits as of three years of employment greater than 32 hours per week.

- 1.9. Recruited Position.** A Recruited Position is a job that the Company creates in fulfillment of the First Source Agreement.
- 1.10. Regular Full-time Job.** A non-seasonal or non-temporary job directly with Company exceeding an annual average of 32 hours per week.
- 1.11. Total compensation costs.** The total amount of company costs for direct compensation of employees as defined by the U.S. Bureau of Labor Statistics Employment Cost Trends, U.S. Department of Commerce (<http://stats.bls.gov/news.release/ecec.t14.htm>).

2. PDC OBLIGATIONS.

- 2.1.** PDC will work with the Company for the duration of the period of tax abatement in order to foster the success of all parties in this undertaking.
- 2.2.** PDC shall file the Enterprise Zone Application form in a timely manner with the Oregon Community and Economic Development Department.
- 2.3.** PDC will exercise its best efforts in promoting and advancing Company's recommended job training and employment support programs.
- 2.4.** PDC will provide technical assistance, including skills assessment advice, to the Company related to hiring and screening of employees as required under the terms of this Contract and under the First Source Agreement.
- 2.5.** PDC will coordinate all parties necessary to achieve real property tax abatement on the Company's Qualified Facility for an abatement estimated to commence in fiscal year **2008** continuing through fiscal year **2013** provided that the Company discharges its obligations under this Contract.
- 2.6.** PDC will determine Company eligibility for any State of Oregon E-Commerce tax credits.

3. COMPANY OBLIGATIONS. In consideration for the property tax abatement granted pursuant to the Act, the Company shall perform the obligations set forth in this Section. Under no circumstances will the aggregate of Enterprise Zone Application fees, fees for the City's Cost of Service and Community Contributions paid by Company exceed the property tax savings resulting from the property tax abatement granted to the Company's Enterprise Zone Project.

- 3.1. Asset Contribution.** The Company will invest the estimated sum of **\$4,050,000 in** assets. This sum will be reflected in the new real property tax assessment value for Multnomah County. The PDC and the Company agree that the Total five year Net Tax Effect of the Project is estimated at **\$221,366**.
- 3.2. Minimum Employment Goal.** The Company will endeavor in good faith to hire no fewer than **10** regular full-time workers from the Effective Date of this Agreement through the last day of the term of its period of tax abatement.

- 3.3. Employment Level.** In accordance with ORS 285C.200(7)(a) the “annual average employment” of Company within the Zone will increase by 10 percent of the average for the 12 month period preceding the date in which pre-certification takes place. In the event Company is newly established and cannot generate the 12 month average information, it hereby covenants to retain at least 15% of its peak employment during the entire abatement period; or employment will not fall below 50% of its peak employment for more than one year as measured at the end of each tax year.
- 3.4. Covered Position Retention.** 50% of all new employees that attain permanent employment status following a probationary period must continue to be employed for a minimum period of two years following, and inclusive of the probationary period. PDC will confirm compliance with this requirement during years four and five pursuant to Section 4.5 below.
- 3.5. Community Contribution.** Based upon estimates in Exhibit C, it is estimated that the Company will be required to make a Community Contribution in the amount of \$64163 pursuant to the terms of Section 3.10 below.
- 3.6. Job Quality Commitments.** From the Effective Date of this Agreement throughout the period Company enjoys the real property Tax Exemption, Company will either:
- 3.6.1. Not decrease benefits for Covered Positions below **33.4%** of the hourly wage in accordance with the attached Exhibit B; **or**
 - 3.6.2. Ensure that employees in Covered Positions are offered non-governmentally mandated employee benefits (including non-production bonuses) with an hourly value equal or greater than **33.4%** of the average hourly salary (www.bls.gov/news.release/ecec.t0c.htm); and
 - 3.6.3. Ensure that 85% of Company’s regular full-time jobs in the Qualified Facility pay regular hourly wages after one year of employment greater than or equal to 150% of the existing Oregon minimum wage (at the time of measurement); and
 - 3.6.4. Ensure that Company’s training support and advancement opportunities for its regular full-time workers at the Qualified Facility are not materially diminished from that which exist as of the date of this Agreement or as made in representations to PDC for the purpose of obtaining Project Pre-certification.
- 3.7. N/NE Enterprise Zone Business Procurement Plan Requirements.** Company will perform the following activities throughout the period of tax abatement in order to generate employment opportunities throughout N/NE Portland for Inner N/NE target area residents:
- 3.7.1. Company will develop and implement a procurement plan intended to increasingly expand the Company’s procurement from N/NE Enterprise Zone businesses. The procurement plan must be approved by PDC within 60 days following the Effective Date and will be effective thereafter throughout the period of tax abatement. The plan will include goals against which to evaluate the Company’s performance and will generally follow the outline attached as Exhibit D.
 - 3.7.2. Company’s Procurement Plan will be annually assessed by PDC to determine what improvements are warranted, if any. Company will make sufficient information available to PDC to perform this monitoring and analysis.

3.8. Minority/Women/Emerging Small Business; Disadvantaged Construction Workforce Contracting Requirements. The Company will comply with PDC's requirements to increase Project participation of minority-owned, women-owned, and emerging small businesses and to maximize the utilization of women, minorities, and disadvantaged individuals in the construction workforce. These requirements are defined by the Workforce Training and Hiring Program, the Minority/Women/ Emerging Small Business (M/W/ESB) Good Faith Effort Program, and the Equal Employment Opportunity (EEO) Certification [information on EEO certification may be obtained online at www.ci.portland.or.us/purchase/purchase.htm]. For more detailed information on the program requirements described at this Section 3.8 and 3.9, please contact PDC Compliance Officer, John Classen at (503) 823-3667.

3.8.1. The M/W/ESB requirements apply to a portion of the construction Project in a dollar amount equal to 20% of the public benefit amount. If this 20% goal is not met, the Company must submit to PDC the documentation of the process used to demonstrate a good faith effort to contract with M/W/ESB requirements. Company's goal for M/W/ESB is **\$40,840** although no goals are required for minority and women-owned firms, PDC encourages highest utilization possible and information will be required and tracked for PDC's assessment of its diversity in contracting programs. The M/W/ESB Recruitment Guidelines/Good Faith Effort attached hereto as Exhibit G provides detailed information on tracking this requirement.

3.8.2. Workforce Training and Hiring Program: Applies to all Enterprise Zone construction projects with prime construction contracts of \$1,000,000 or more and to subcontracts of \$100,000 or greater. Unlike the M/W/ESB/Good Faith Effort requirements, this program applies to the entire Project, not just the public benefit portion. The goals of the Workforce Training and Hiring Program are to ensure that the PDC does business with companies whose workforce reflects the diversity of the workforce found in the City of Portland, and to ensure that the PDC's contracting dollars are leveraged to provide fair and equal opportunity to the City's diverse population. In support of these objectives, companies are required to hire and train the maximum ratio of apprentices to journey workers allowed in each trade. Companies must also show efforts to recruit women and minorities into apprenticeship positions. The Workforce Hiring & Training Program guidelines attached hereto as Exhibit H provides detailed information on tracking this requirement.

3.9. Equal Employment Opportunity Certification. General or prime Company performing construction work on the Company's Enterprise Zone Project shall become EEO certified by the City of Portland within 30 days after entering into any construction contract. EEO certification information is attached in Exhibit E.

3.10. Community Contributions. The purpose of the Community Contribution is (1) to enhance the ability of the City and the N/NE Portland community to provide and support qualified Inner NE Portland employees to the Company and/or (2) to enhance the ability of N/NE small businesses to be competitive suppliers to the Company and other firms. The factors that determine whether Company will make a monetary Community Contribution and the method of calculating such a Contribution are set forth as follows:

3.10.1. If Company's "Net Tax Effect" becomes greater than \$10,000 per Hiring Credit earned by Company, a Community Contribution will be due and payable to PDC. Company shall make the payment within 90 days of its receipt of an invoice unless otherwise agreed by the parties. Late Contribution payments will be subject to a 1% per month penalty.

- 3.10.2. PDC and Company currently estimates that Company will owe a Community Contribution in the total amount of **\$64,163** as detailed in the attached Exhibit C, and that the Contribution will become due and payable during the tax abatement period according to the payment schedule in Exhibit C.
- 3.10.3. Notwithstanding anything to the contrary in this section, Company will not be obligated to make a Community Contribution payment in excess of 125% of the Community Contribution estimate generated by PDC at the time of Company's application for Zone tax abatement. If Community Contributions paid under Section 3.10.2 exceed the final amount due following the calculations in Section 3.10.4, Company will not receive any refund or other compensatory consideration for the excess payments.
- 3.10.4. The final accounting and billing for Company's Community Contribution will occur in the manner outlined below. Company will provide final hire reports to PDC on or before **August 31, 2012** in order for PDC to calculate the final Community Contribution payment based on actual employment data. PDC will invoice Company on or before **October 31, 2012**, with payment due and payable in full on or before **December 31, 2012**. A detailed calculation is provided in attached Exhibit C.
- 3.10.5. At the end of the tax abatement period, PDC's Zone Manager will determine the total number of Hiring Credits earned by the Company during the period from Pre-Certification to the end of the tax abatement period; and the final Net Tax Effect of the Project. The final number of Hiring Credits will include regular full-time hiring in the last six months of the last tax abatement year for employees that complete company probation periods and are still employed as of the fourth month of the first tax year following the tax abatement period. The discount rate for computing the final Net Tax Effect calculation will be 6.1%. (The discount rate is used to adjust the net local tax impact to **2007** dollars).

3.11. Payment of City Cost of Service Fee. During the first 90 days of the year following a tax abatement year, PDC, the Company and the City's Office of Finance & Administration will calculate:

- 3.11.1. The City's General Fund "Cost of Service" for the Company's Qualified Facility; and
- 3.11.2. The City's General Fund revenues generated by Company's Qualified Facility including utility fees, city business license and other general fund revenues generated by the Project. In connection with generating this calculation, Company will authorize the City's License Bureau to make the relevant Business License Fee figures available to PDC and will provide PDC with Oregon quarterly employer payroll records (excluding the social security numbers). Confidentiality of such records will be protected to the extent permitted by law. Company will comply with all information requests from the PDC, the City or their respective agents within 30 working days.
- 3.11.3. Upon Company's receipt of the calculation statement from PDC, Company will pay to the City of Portland a fee equivalent to the shortfall between the City's Cost of Service for the Zone facility and the General Fund revenues generated by the Project. The City's estimated General Fund "Cost of Service" for the Company's Qualified Facility will be calculated as 30% of the City's actual tax abatement earned by Company.

- 3.12. Obligations Pursuant To a First Source Agreement.** The Company will utilize WSI's program for employee hiring at Zone operations throughout the Project construction and tax exemption period. A "First Source Agreement" is executed with WSI, which determines performance standards for WSI recruitment activities. Positions to be hired through WSI are negotiated. WSI will focus its initial recruitment efforts on residents of N/NE Portland.
- 3.13. City of Portland Business License.** The Company must maintain a current and active City of Portland Business License as of the contract execution date and during the entire tax abatement period.
- 3.14 Childcare Support for Company's Employees (for companies with \$2 million or greater in exemption).** Company will make childcare support available to all regular full-time employees meeting upon their first day of work beginning with the first year of tax exemption at the minimum levels described in 3.14.1 through 3.14.7. Alternative qualifying childcare support expenditures are detailed in 3.14.3.
- 3.14.1. For employees earning less than 30 percent of median family income as defined by the federal government, Company shall make available childcare support in an amount equal to the greater of \$375/month per employee with a child 0-5 years old (this amount will be increased each year of exemption based upon the Consumer Price Index). Employees with 2 or more children in this age group shall be eligible for \$475/month in childcare support. Employees will be reimbursed by company within 10 business days after receipts are submitted. Employees must utilize licensed childcare provider services. Childcare support will be available beginning with the first day of work. However, the childcare support payment shall not exceed the actual costs to the employee.
- 3.14.2. For employees earning less than 50 percent of median family income as defined by the federal government, Company shall make available childcare support in an amount equal to the greater of \$275/month per employee with a child 0-5 years old (this amount will be increased each year of exemption based upon the Consumer Price Index). Employees with 2 or more children in this age group shall be eligible for \$375/month in childcare support. Employees will be reimbursed by company within 10 business days after receipts are submitted. Employees must utilize licensed childcare provider services. Childcare support will be available beginning the first day of work. However, the childcare support payment shall not exceed the actual costs to the employee.
- 3.14.3. For employees earning less than 30 percent of median family income as defined by the federal government, Company shall make available childcare support in an amount equal to the greater of \$225/month per employee with a child 6-12 years old (this amount will be increased each year of exemption based upon the Consumer Price Index). Employees with 2 or more children in this age group shall be eligible for \$325/month in childcare support. Employees will be reimbursed by company within 10 business days after receipts are submitted. Employees must utilize licensed childcare provider services. Childcare support will be available beginning with the first day of work. However, the childcare support payment shall not exceed the actual costs to the employee.
- 3.14.4. For employees earning less than 50 percent of median family income as defined by the federal government, Company shall make available childcare support in an amount equal to the greater

of \$175/month per employee with a child 6-12 years old (this amount will be increased each year of exemption based upon the Consumer Price Index). Employees with 2 or more children in this age group shall be eligible for up to \$275/month in childcare support. Employees will be reimbursed by company within 10 business days after receipts are submitted. Employees must utilize licensed childcare provider services. Childcare support will be available beginning with the first day of work. However, the childcare support payment shall not exceed the actual costs to the employee.

- 3.14.5 For employees earning less than 30 percent of median family income as defined by the federal government, and working shifts where more than 50% of the hours worked are between 6PM and 7AM or on weekends or holidays, Company shall make available childcare support in an amount equal to the greater of \$375/month per employee with one child 0-12 years old (this amount will be increased each year of exemption based upon the Consumer Price Index). Employees with 2 or more children in this age group shall be eligible for \$525/month in childcare support. Employees will be reimbursed by company within 10 business days after receipts are submitted. Employees must utilize licensed childcare provider services. Childcare support will be available beginning with the first day of work. However, the childcare support payment shall not exceed the actual costs to the employee.

Licensed child care providers who offer care during swing shifts are extremely rare. If your company has employees with children who work these hours, we recommend that your company work with the Portland Childcare Improvement Project to develop care appropriate to your company and employees. The Childcare Improvement Project can be contacted through Marilyn States 503.524.3245 or mstates@nhweb.org.

- 3.14.6 For employees earning less than 50 percent of median family income as defined by the federal government and working shifts where more than 50% of the hours worked are between 6PM and 7AM or on weekends or holidays, Company shall make available childcare support in an amount equal to the greater of \$275/month per employee with a one child 0-12 years old (this amount will be increased each year of exemption based upon the Consumer Price Index). Employees with 2 or more children in this age group shall be eligible for \$375/month in childcare support. Employees will be reimbursed by company within 10 business days after receipts are submitted. Employees must utilize licensed childcare provider services. Childcare support will be available beginning with the first day of work. However, the childcare support payment shall not exceed the actual costs to the employee.

Licensed child care providers who offer care during swing shifts are extremely rare. If your company has employees with children who work these hours, we recommend that your company work with the Portland Childcare Improvement Project to develop care appropriate to your company and employees. The Childcare Improvement Project can be contacted through **Marilyn States 503.524.3245 or mstates@nhweb.org**.

- 3.14.7 Comparable company investments in a childcare facility which qualifies for federal/Oregon dependent care assistance tax credits and is available to Company's employees may be substituted on a dollar for dollar basis for the direct support requirements in 3.13.1 through 3.13.6.

A "comparable investment" is an annual donation to a day care center of the maximum employee contribution listed in 3.13.1 through 3.13.6 for each employee and child meeting the description of those sections.

3.14.8 Childcare support costs shall not exceed 15% of Company's Enterprise Zone tax abatement in any given tax year. If childcare costs are estimated to be above this 15% threshold on any given exemption year, the lowest income employees will receive childcare subsidies prior to those with higher incomes (i.e. – employees earning \$17,000 and \$21,000 per year may receive subsidies, while an employee earning \$25,000 might not).

Upon request by Company, PDC may provide written authorization for adjustment of the requirements of this section to insure that Company does not annually expend more than 15% of annual Enterprise Zone tax exemption to fulfill the requirements of this contract.

3.15 Transit Support (For companies with \$2 million or greater in exemption)

3.15.1 Transit support will be available beginning the first day of work for all employees earning less than \$24,000/year (this amount will be increased each year of exemption based upon the Consumer Price Index). The minimum transit support required is company payment of at least 75% of the monthly transit pass costs for all eligible employees who choose to utilize public transit for transportation to and/or from the Company's Zone facility.

3.15.2 Company will make public transit support available for all regular full-time and part-time workers who have passed the probationary period at the Zone facility throughout the exemption period. The minimum transit support required is company payment of at least 75% of the monthly transit pass costs for employees who choose to utilize public transit for transportation to and/or from the Company's Zone facility.

3.15.3 Transit support costs shall not exceed 10% of Company's Enterprise Zone tax abatement in any given tax year. If transit support costs are estimated to be above this 10% threshold on any given exemption year, the lowest income employees will receive transit support prior to those with higher incomes (i.e. – employees earning \$17,000 and \$21,000 per year may receive subsidies, while an employee earning \$25,000 might not).

Company is encouraged to develop efforts and programs to breakdown transit related barriers to employment, such as rideshare and vanpool programs. By encouraging use of public transportation, the Company will be assisting in the creation of job opportunities for Zone residents lacking personal transportation, while at the same time contributing to the reduction of air pollution as outlined in the Oregon Department of Environmental Quality's ECO Rule (see **Attachment E**).

3.16. Productivity Increase. The Company meets the productivity increase requirement of ORS 285C.205 and requirements of ORS 285C.200 (2)(b)(B), if the qualified Company does the following:

3.16.1. The firm demonstrates at least a 10 percent increase in productivity no later than 18 months following January 1 of the first assessment year for which an exemption under ORS 285C.175 is claimed. Unless further specified by the sponsor of the enterprise zone through a resolution adopted under ORS 285C.155:

3.16.1.1. The increase must be in business operations of the firm that are using qualified exempt property;

- 3.16.1.2. Productivity is measured by dividing physical units or quantity of output by the number of labor hours engaged in the operations that produced the physical units or quantity of output; and
- 3.16.1.3. The base level of productivity shall be established over a minimum 12-month period preceding the date on which the qualified exempt property is placed in service.
- 3.16.2. The Company maintains or exceeds the 10 percent increase in productivity under subsection (1) of this section as an annual average rate for each subsequent assessment year during the remainder of the exemption period.
- 3.16.3. On or before April 1 of each of the first three assessment years for which an exemption is claimed, the Company deposits into an account established by the sponsor an amount equal to 25 percent of the estimated tax savings arising from the exemption for that year. The sponsor may adopt additional specifications or requirements applicable to this subsection pursuant to ORS 285C.155. Consistent with this subsection and any additional specifications or requirements adopted by the sponsor:
 - 3.16.3.1. For up to 30 months following the relevant April 1 date for which a deposit is made, the Company may draw from the account amounts equal to any expense incurred for training or retraining employees to promote or facilitate productivity increases under this section, except that the total amount withdrawn from the account for that deposit may not exceed \$3,500 per trained employee;
 - 3.16.3.2. Any amount attributable to the deposit that remains in the account after the 30-month period in which Company withdrawals may be made under paragraph (a) of this subsection shall be transferred to a special fund for use by local publicly funded job training providers; and
 - 3.16.3.3. No more than 18 months after the deposit, the estimated tax savings on which the deposit was based shall be reconciled with the actual tax savings arising from the exemption. The reconciliation shall be accomplished by the Company immediately making a further deposit into the account to cover any shortfall or by being reimbursed from the account for any surplus. A deposit or reimbursement made pursuant to this paragraph does not affect withdrawals or transfers that occur as a result of section 3.16.3.1 and 3.16.3.2.

4. REMEDIES.

- 4.1. If Company fails to perform its obligations under this contract, PDC may, at its discretion, pursue one or more of the following remedies. Additionally, PDC's failure to exercise its remedies does not waive PDC's claim(s) for breach of contract or Company's duty to fulfill its obligations under the contract.
- 4.2. Under no circumstances will the total of monetary remedies, application fees, fees for the City's Cost of Service and Community Contributions paid by Company exceed the property tax savings resulting from the property tax exemption granted to the Company's Enterprise Zone Project.
- 4.3. Remedy for non-performance of Employment related obligations.

If employment levels are not met in accordance with Section 3.3 of this Contract, the property shall

be subject to the penalties described in ORS 285B.728. In addition, Company will lose all E-Commerce tax credits for that fiscal year. Company will notify the tax assessor and PDC that they are disqualified from tax exemption for the tax year in which failure occurred, as specified under ORS 285B.728(1),(b)(c) and (3). Company may avoid disqualification from the Enterprise Zone program by paying PDC one year's worth of the exemption. See OAR 123-065-0830.

4.4. Remedy for non-performance of Job Quality obligations.

4.4.1. If Company does not perform the requirements of Section 3.6, Company shall be disqualified from obtaining a tax exemption for that fiscal year, as well as all E-Commerce tax credits.

4.5. Remedy for non-performance of Retention related obligations.

4.5.1. During the first 90 days of the fourth year of Company's tax exemption, PDC and Company shall measure the success of Company in retaining First Source Agreement Covered Position hires through the third year of tax exemption.

4.5.2. If Company has not retained 50% of its Covered Position hires for two consecutive years of employment, Company shall pay to PDC a fee in the amount of \$10,000 times the number of hires the Company is short of the 50% level.

4.5.3. For example, if Company has 100 Covered Position hires but only 45 were retained for two consecutive years, Company's fee would be $5 \times \$10,000 = \$50,000$.

Fee payment to PDC shall be completed by the end of the fourth year of tax exemption. The maximum fee in this section shall be 50% of Company's property tax exemption during the fourth year of exemption.

During the first 90 days of the fifth year of Company's tax exemption, PDC and Company shall measure the success of Company in retaining Covered Position hires through the fourth year of tax exemption.

If Company has not retained 50% of its Covered Position hires for two consecutive years of employment, Company shall pay to PDC a fee in the amount of \$10,000 times the number of hires the Company is short of the 50% level.

For example, if Company has 100 Covered Position hires but only 45 were retained for two consecutive years, Company's fee would be $5 \times \$10,000 = \$50,000$.

Fee payment shall be completed by the end of the fifth year of tax exemption. The maximum fee in this section shall be 50% of Company's property tax exemption during the fifth year of exemption.

4.6. Remedy for non-performance of M/W/ESB and N/NE Enterprise Zone Business Procurement Plan obligations.

4.6.1. If Company does not substantially perform the requirements of Sections 3.7 and 3.8, Company shall pay to PDC a fee equivalent to 25% of the tax exemption during each tax exemption year of non-performance. The payment shall be due to PDC by December 31 of

the tax year following the tax year in which the failure to perform occurred.

4.7. Remedy for non-performance of Community Contributions Obligations.

4.7.1. If Community Contributions are not paid to PDC in accordance with Section 3.10 and Exhibit C of this contract, PDC will notify the tax assessor that the Company is disqualified from tax exemption for the tax year in which the Contributions were due.

4.7.2. If the final payment of Community Contributions due is not paid to PDC in accordance with this contract, Company will provide to PDC liquidated damages equivalent to the amount of tax exemption in the fifth year of the tax exemption period. The payment shall be due to PDC by December 31 of the tax year following the tax year in which the failure to perform occurred.

4.8. Remedy for non-performance of City Cost of Service Fees Obligations.

4.8.1. If Company does not perform the obligations contained in Section 3.11, Company shall provide liquidated damages to PDC equivalent to the amount of City of Portland taxes exempted during the tax year pertaining to the non-performance. The payment shall be due to PDC by December 31 of the tax year following the tax year in which the failure to perform occurred.

4.9. Remedy for non-performance of Obligations pursuant to a First Source Agreement.

4.9.1. Non-performance of Section 3.12 shall result in the PDC notifying the Assessor that the Company is disqualified to receive a tax exemption.

The City of Portland acting by and through
the **PORTLAND DEVELOPMENT COMMISSION**

By: Bruce A. Warner
Its: Executive Director

[Company Name] , an Oregon [Insert entity type]

By: _____
Its: _____

EXHIBIT A

CALCULATION OF THE ESTIMATED NET TAX EFFECT & CALCULATION OF THE ACTUAL NET TAX EFFECT

I. NET TAX EFFECT: DEFINITION

The Net Tax Effect is calculated solely for the purpose of determining whether Company will provide Community Contributions to the PDC in order to earn the full tax abatement available under the Act.

The Net Tax Effect is defined as:

"The net present value of the total tax abatement less City general fund revenues generated by the Project during the abatement period above the direct City general fund costs during the abatement period (estimated as 30% of the City tax abatement)."

II. CALCULATION OF THE ESTIMATED NET TAX EFFECT

The Net Tax Effect has been estimated utilizing the following formulas and estimates from the Company based on the State Ezone application filled out by the Company:

1. Discount rate of 6.1% that discounts all values to **2007**.
2. Investment and depreciation schedule provided by Company **October, 2007**.
3. Property tax rate of **15.82** mills. (Based on Measure 5 tax rate of \$5 schools \$10 government plus cost of outstanding bonds)
4. Excess general fund revenues above City costs will be **\$32,203**. (*If \$0, there will not be excess general fund revenues*).
5. First tax abatement phase begins **July 1, 2008**.

The formula is as follows (**assumes total XH Industries's investment of \$4,050,000**).

ESTIMATED NTE = Net Present Value of the sum of (tax abatement estimated for year one) + (tax abatement estimated for year two) + (tax abatement estimated for year three) + (tax abatement estimated for year four) + (tax abatement estimated for year five).

The actual using the assumed investment numbers are:

ESTIMATED NTE = Net Present Value of the sum of (**\$60,605 + \$57,139 + \$53,672 + \$50,206 + \$46,740 = \$268,362**)

This depends upon the determination of the Discount Rate – one used is 6.1%.

III. CALCULATION OF THE ACTUAL NET TAX EFFECT

Calculation of the actual Net Tax Effect (NTE) shall occur following the end of the **final** year of tax abatement using actual figures for the formulas above. All figures shall be discounted to **2007** dollars using the 6.1% discount rate.

The formula is as follows:

NTE = 2007 dollar value of the sum of (tax abatement earned for year one less General Fund Revenues from the Pre-certified Zone Project above City's Estimated Costs) + (tax abatement

earned for year two less General Fund Revenues from the Pre-certified Zone Project above City's Estimated Costs) + (tax abatement earned for year three less General Fund Revenues from the Pre-certified Zone Project above City's Estimated Costs) + (tax abatement earned for year four less General Fund Revenues from the Pre-certified Zone Project above City's Estimated Costs) + (tax abatement earned for year five less General Fund Revenues from the Pre-certified Zone Project above City's Estimated Costs).

EXHIBIT B
CALCULATION OF EMPLOYEE NON-MANDATED BENEFITS

B.1. Measurement of the adequacy of employee benefits under Section 3.3. of this contract shall occur in the following way:

DEFINITIONS:

(1) “Non-mandated benefits” for the purpose of the N/NE Enterprise Zone include paid leave (vacations, holidays, sick leave, other leave), company-provided insurance (health, life, sickness & accident, etc.), contributions to retirement or savings plans, severance pay or supplemental unemployment benefits, or other benefits consistently offered employees. Not included are (1) “mandated” benefits of worker’s compensation insurance, social security taxes and unemployment insurance or (2) supplemental pay (overtime or premium pay).

(2) “Entry-level wages” are the wages offered to employees at the time of hire as a regular employee after completing any company probation periods.

PROCESS:

Qualifying the company for Pre-certification under this contract will occur in the process detailed in B.1.1-B.1.4 below. If the company decreases its benefits offered to employees between the date of this contract and the end of the tax abatement period, the process in B.1.1-B.1.4 will again be used to determine if the company meets the requirements of this contract. If the company does not decrease benefits during the abatement period, this contract only requires annual written verification by a company executive that benefits have not decreased. The letter will be provided to PDC between July 1 and August 1 following a fiscal year of tax abatement.

The process below is designed to compare the hourly value of eligible company benefits to the average of hourly wages offered to regular full-time jobs covered by the First Source Agreement. (i.e. Covered Positions).

B.1.1. HOURLY WAGE AVERAGE: The average wages paid to Covered Positions shall be averaged in the following manner: The hourly wages of Company’s Covered Positions are averaged. No attention is given to how many Hiring Credits or Covered Position Hires are anticipated for each position.

EXAMPLE: Company has 4 Covered Positions; Average wages are \$12, \$13, \$14 and \$16. The average is $((12+13+14+16) / 4) = \$13.75$.

B.1.2. The eligible non-mandated employee benefits made available to these Covered Positions by Company are added together, using Company's most recent annual costs of providing the benefits. The annual cost is divided by 1664 hours worked per year (32 hours per week) to determine the hourly value of the eligible non-mandatory benefits.

Non-production bonuses such as profit sharing are eligible but premium pay or shift pay is excluded. Optional benefits (such as tuition reimbursement) are included in the calculation as though the employee takes maximum advantage of Company's benefit programs.

EXAMPLE: EMPLOYEE BENEFITS - hourly average value:

1.	Medical	\$5,534	
2.	Ad&D	\$102	
3.	Disability	\$380	
4.	Days off (33 @ \$13.5/hr.)	\$3,564	(holidays, vacation, sick)
5.	Retirement	\$680	
6.	Profit Sharing	\$500	(average of last five years)

TOTAL: \$10,760

HOURLY VALUE: $\$10,760 / 1664 \text{ hours} = \$6.47 / \text{hr.}$

B.1.3 The national average for non-governmental prescribed benefits is listed by the US Department of Labor through the agency's website. PDC uses the Percent of Average Employee Compensation by Major Industry Group table, column heading All Service Providing. This number is then reduced by the percentage amount of legally required benefits under the same table and column heading

B.1.4 The hourly value of Company's eligible non-mandated benefits (B.1.2 above) is divided by the average hourly wages of the Covered Positions (B.1.1 above). The ratio must equal or exceed **32%** (B.1.3 above).

EXAMPLE: $\$6.47/\text{hr. benefits divided by } \$13.75/\text{hr. wages} = \mathbf{47\%}$

B.2. Measurement of the adequacy of employee wages under Section 3.6. of this contract shall occur in the following way:

B.2.1. Between July 1 and August 1 following a fiscal year of tax abatement, the company shall provide PDC with written documentation that 85% of all full-time (minimum 32 hours per week) jobs at the Zone facility, which are filled by employees of at least one year continuous employment, are, as of the date of the documentation, providing regular wages greater than or equal to 150% of Oregon's minimum wage at the time.

EXHIBIT C
COMMUNITY CONTRIBUTION CALCULATIONS AND PAYMENT SCHEDULE

EXHIBIT D

N/NE BUSINESS PROCUREMENT PLAN OUTLINE

It is the intent of the N/NE business contracting element of this agreement to increase the dollar amount of products and services purchased by the Company from N/NE businesses which are located within the bounds of Portland's N/NE Enterprise Zone.

This agreement specifies that the Company develops a procurement plan that demonstrates a best effort to increase purchases from companies located within the Enterprise Zone. This recognizes that the Company is in the best position to determine how to achieve these results.

A Company developed procurement plan provides flexibility that can address the specific company needs and operating conditions. While this agreement does not specify how the Company is to meet the N/NE business contracting requirements, the N/NE Business Procurement Plan should contain or address the following elements:

- A list of the products and services which the Company currently purchases or anticipates purchasing, which have the potential for being purchased from enterprise zone companies.

The Portland Development Commission (PDC) can provide the Company information that can assist in responding to this list. If the Company provides PDC with a list of the products and services that the Company purchases, or anticipates purchasing, PDC will provide the Company with a listing of companies located within the enterprise zone that may be able to provide those products and/or services. This should not be the only resource used by the Company to identify potential suppliers.

Companies with existing operations in the Zone should also provide a breakdown of products and services currently purchased from companies located in the Zone, and the dollar amount of those purchases.

- A description of how the Company will increase the dollar value of goods and services purchased from businesses within the Enterprise Zone. This plan should include specific actions that the Company will undertake such as outreach strategies, seminars, technical assistance, mentorships, etc., which will provide increased availability to and support for Enterprise Zone companies to capture increased sales. The Company's implementation of the actions and outreach strategies will be the basis for evaluation of the Company's best effort in compliance with the plan.
- The Company should contact sources such as industry associations, purchasing agents, Oregon Association of Minority Entrepreneurs, Columbia Corridor Association, or other organizations that represent or are associated with small businesses in the Zone.
- A statement of numeric or percentage goals that reflect an increasing level of local purchases over the period of the abatement and would provide annual benchmarks to evaluate the plan's effectiveness.

EXHIBIT E
EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

The Portland Development Commission requires EEO certification of all vendors and contractors doing business in excess of \$2,500 with the Commission annually (July 1 through June 30). For projects supported by Portland Development Commission funding, all Prime Contractors are required to be EEO certified.

The Portland Development Commission's Equal Employment Opportunity (EEO) certification program is administered by the City of Portland Bureau of Purchases. In order to be EEO certified, your company must submit a form stating that it does not discriminate against any employee or applicant on the basis of race, religion, color, sex, marital status, national origin, age, mental or physical disability, sexual orientation, gender identity or source of income in violation of Portland City Code Chapter 23.01. Your company must also take steps to ensure equal opportunity in all aspects of employment. These aspects include, but are not limited to hiring, promotion, transfer, advertising, layoff, termination, rates of pay, training (including apprenticeship), and terms and conditions of employment.

We ask most of our vendors and contractors to renew their EEO certification every two years. Construction firms meeting the criteria for the Large Local certification--that is, firms located in the Portland metro and Vancouver area and employing more than 25 people--are asked to renew annually.

HOW TO BECOME CERTIFIED

You can register online. Just go to:

<http://cityofportland.ebidsystems.com>, click on "Vendor EEO Registration," and follow the instructions on the screen.

Questions may be directed to 503.823.6855 or email Anne Hawley, ahawley@ci.portland.or.us.

EXHIBIT F
NOTICE OF OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY ECO RULE

THIS IS A NOTICE ONLY: THE PORTLAND DEVELOPMENT COMMISSION IS NOT REQUESTING
THIS FORM BE FILLED OUT AS PART OF THE EZONE PROGRAM REQUIREMENTS

The ECO Rule was developed by the Oregon Department of Environmental Quality (DEQ) to improve air quality in the region. Its goal is to reduce the number of auto trips used for commuting. (Over 50% of air pollution is caused by vehicle emissions.) The rule will become a part of the Department of Environmental Quality's (DEQ) regional air quality maintenance plan needed for compliance with the Federal Clean Air Act. This region chose to focus on reducing commuter auto trips instead of increasing limits on industrial air pollution sources.

The ECO Rule affects employers located within the Portland Air Quality Maintenance Area (PAQMA) and with a total of **50 or more people at any one work site**. The PAQMA encompasses most of Multnomah, Washington, and Clackamas counties. It requires affected employers to implement programs that encourage their employees to use alternatives to driving alone. After implementing a program, an employer has three years to achieve a 10% reduction in the number of commuter auto trips taken to work sites.

An employer has two options for complying--one is "prescriptive based," the other is "performance based." Under both options, the employer must conduct a baseline survey to document how employees commute before the program begins. The employer then administers a follow-up survey each year to measure progress towards compliance. DEQ will not accept less than a 75% response rate on these surveys.

Prescriptive -- An employer who chooses this option will file a commute trip reduction plan with DEQ for approval. The plan outlines how the employer intends to meet its trip reduction target. Once approved, the employer implements the plan. DEQ will consider an employer in compliance with the rule as long as it submits and implements an approved plan, whether or not it fully achieves its trip reduction target.

Performance -- An employer who chooses this option does not file a plan with DEQ. Instead, it implements a commute trip reduction program the employer feels will work for the site. If the employer is not able to meet its trip reduction target, it must demonstrate to DEQ that a "good faith effort" was made to do so. No evidence of "good faith effort" is needed if the employer meets its trip reduction target.

EXHIBIT G
M/W/ESB RECRUITMENT GUIDELINES

1.1 GOOD FAITH EFFORT PROCESS REQUIREMENTS

1. PURPOSE OF THE PROGRAM

The Portland Development Commission (the “Commission”) has a compelling interest to ensure that our contracts provide employment opportunities for minority, women, and emerging small businesses in order to promote economic growth, to increase capacity and to expand competition in the market. **Therefore, if you have not achieved the 20% M/W/ESB (Minority-Owned, Women-Owned and Emerging Small Business) utilization goal, the company through their prime contractor is required to submit proof showing that a good faith effort has been made to contract with M/W/ESB subcontractors. The 20% utilization is based on the public benefit.**

2. EFFORTS REQUIRED REGARDING M/W/ESBs

The company through their Prime Contractors are required to make good faith efforts to contract with M/W/ESB firms for each division of work to be performed by a subcontractor.

Prime Contractors are not required to contact M/W/ESB firms for any division of work that will be performed by the prime contractors own forces.

These requirements are contractual obligations and are included in the Enterprise Zone agreement. Failure to comply may result in a finding of breach of contract, and or a fine for non-compliance as specified in the Enterprise Zone agreement.

Who to contact

For *each* division of work identified in these documents that will be performed by a subcontractor, the Prime Contractor must contact:

Every M/W/ESB firm that attended the pre-bid meeting (if one was held) which specializes in a division of work that will be subcontracted, *and*

In addition to the above, a minimum of three (3) M/W/ESB firms from the Office of Minority, Women and Emerging Small Business Certification list must be contacted in each division of work identified for subcontracting. If there are less than 3 firms listed for a particular division of work, *all* of the contractors in that division must be contacted.

How to contact

First Contact: Prime Contractors shall contact M/W/ESB subcontractors by letter, fax or E-mail to advise them of potential subcontracting opportunities. Contact must be made early enough to allow the M/W/ESB subcontractor sufficient time to prepare and submit a sub-bid.

Follow-up: Prime Contractors shall follow up with telephone calls to each M/W/ESB firm contacted to determine if a sub-bid will be submitted or if further information is required. A firm need not be contacted if that firm responds to the first contact with a statement that the firm will not sub-bid on this project.

What information must be provided

Prime Contractors must provide project information, including dates and times of sub-bids due, to M/W/ESB firms. Sufficient sub-bid preparation time must be given to subcontractors to allow for equal sub-bid opportunities.

3. SUBSTITUTION OR ADDITION OF SUBCONTRACTORS

The Prime Contractor will not be permitted to substitute a new subcontractor for an M/W/ESB subcontractor without the written consent of the Commission.

If any subcontractor is added or replaced after the Enterprise Zone agreement with the Commission, the Prime Contractor shall make good faith efforts to contract with an M/W/ESB for the work to be performed by that subcontractor. Documentation of these efforts is required, and must be submitted to the Commission upon request. If the Prime Contractor finds cause to replace an MBE or WBE, the Commission strongly encourages substitution with either an MBE or WBE subcontractor. The Prime Contractor shall report substitutions to the Commission for the purposes of tracking and reporting overall M/W/ESB utilization.

4. DOCUMENTATION OF GOOD FAITH EFFORTS

The following documents shall be submitted prior to Beginning Construction:

- Compliance Form (FORM 1) Submit signed Compliance Form.
- Subcontracting Plan (FORM 2) Submit a Subcontracting Plan on FORM 2 (or equivalent) showing all first-tier subcontractors and first-tier material suppliers to be used on this contract.

If unable to meet the 20% M/W/ESB requirement, the following forms are due prior to Beginning Construction:

- Log of contacts with M/W/ESB firms (FORM 3) Submit a completed log of contacts with M/W/ESB firms on FORM 3 (or equivalent).
- Copy of letter, email or fax sent to M/W/ESB firms. Submit one copy of the letter, email or fax sent to M/W/ESB firms to solicit sub-bids for this project. If more than one form of letter, email or fax was sent, submit a copy of each form sent.
- List of M/W/ESB Bids (FORM 4): Submit FORM 4 (or equivalent) providing the requested information.

Documentation to be submitted during project:

- Updated Subcontracting Plan (Form 2): After the Subcontracting Plan (Form 2) has been submitted, any additional subcontracting, deleted subcontracting or adjustments to contracts greater than 20% must be reported on an updated Form 2.

Documents to be submitted upon project completion:

- Final subcontractor Utilization Report (FORM 5) *All first-tier subcontractors and first-tier material suppliers* (including M/W/ESB firms) shall be reported on the form as well as contract amounts.

5. OPTIONAL GOOD FAITH EFFORTS

Prime Contractors should also consider efforts such as:

1. Advertisements in M/W/ESB newspapers.
2. Alternative methods of participation in Minority, Women or Emerging small businesses through arrangements such as joint ventures, negotiated subcontract agreements and competitive bids.
3. Utilization of M/W/ESB 2nd tier subcontractors and 2nd tier suppliers will not be calculated as part of the 20% M/W/ESB utilization but may be considered as part of the good faith effort requirements if 20% goal is not attained.

COMPLIANCE FORM (Company)
(FORM 1)

By signing this document the Company hereby certifies and understands that:

1. It has not discriminated against any M/W/ESB firms in awarding subcontracts for this project and will not do so in the future.
2. The good faith effort requirements are contractual obligations that must be fulfilled whether or not listed on this form.
3. Form 1, Compliance Form, must be signed and submitted with the Enterprise Zone contract.
4. Form 2, Subcontracting Plan, must be completed and submitted prior to start of construction.
5. If unable to meet the 20% M/W/ESB goal, Compliance Form 3 and Compliance Form 4 and copy of the letter, email or fax sent to M/W/ESB firms are due prior to beginning construction.
6. Additional documentation to verify or clarify good faith efforts must be provided upon request.
7. After the Subcontracting Plan (Form 2) has been submitted, any additional subcontracting, deleted subcontracting or adjustments to contracts greater than 20% must be reported on an updated Form 2.
8. Form 5, the Final Subcontractor Utilization Report, shall be provided upon completion of project.
9. Replacement of an M/W/ESB subcontractor before contract award or during contract performance without a) obtaining the prior written consent of the Commission and b) subsequent good faith efforts in selection of a replacement, is prohibited and a breach of contract.
10. Consideration was given to waiving bonding requirements for M/W/ESB subcontractors. In addition, all subcontractor's bids have been treated the same for purposes of bonding requirements.

And, Executes this Compliance Agreement as:

Company Name: _____

Address: _____

Phone _____ Fax _____

By: _____
Signature of Authorized Owner or Representative Title Date

Print Name: _____

COMPLIANCE FORM (Prime Contractor)
(FORM 1)

By signing this document the Prime Contractor hereby certifies and understands that:

1. It has not discriminated against any M/W/ESB firms in awarding subcontracts for this project and will not do so in the future.
2. The good faith effort requirements are contractual obligations that must be fulfilled whether or not listed on this form.
3. Form 1, Compliance Form, must be signed and submitted with the Enterprise Zone contract.
4. Form 2, Subcontracting Plan, must be completed and submitted prior to start of construction.
5. If unable to meet the 20% M/W/ESB goal, Compliance Form 3 and Compliance Form 4 and copy of the letter, email or fax sent to M/W/ESB firms are due prior to beginning construction.
6. Additional documentation to verify or clarify good faith efforts must be provided upon request.
7. After the Subcontracting Plan (Form 2) has been submitted, any additional subcontracting, deleted subcontracting or adjustments to contracts greater than 20% must be reported on an updated Form 2.
8. Form 5, the Final Subcontractor Utilization Report, shall be provided upon completion of project.
9. Replacement of an M/W/ESB subcontractor before contract award or during contract performance without a) obtaining the prior written consent of the Commission and b) subsequent good faith efforts in selection of a replacement, is prohibited and a breach of contract.
10. Consideration was given to waiving bonding requirements for M/W/ESB subcontractors. In addition, all subcontractor's bids have been treated the same for purposes of bonding requirements.

And, Executes this Compliance Agreement as:

Company Name _____

Address _____

Phone _____ Fax _____

By _____

Signature of Authorized Owner or Representative Title Date

Print Name _____

**SUBCONTRACTING PLAN
(FORM 2)**

Prime Contractor Name _____ Total Contract Amount\$ _____

Project Name _____

We have elected to subcontract work in the following areas to the following first-tier subcontractors and first-tier material suppliers. List ALL first-tier subcontractors and first-tier material suppliers (including M/W/ESBs), their telephone numbers, the type of work to be done and the dollar amount of the subcontract.

Subcontractors (Please Print)	Scope Of Work	Dollar Amount Of Subcontract	Certified Firms M/W/ESB Yes/No		
			MBE	WBE	ESB
Name Address City/St/Zip Phone# CCB#					
			Cert#		
Name Address City/St/Zip Phone# CCB#					
			Cert#		
Name Address City/St/Zip Phone# CCB#					
			Cert#		
Name Address City/St/Zip Phone# CCB#					
			Cert#		
Name Address City/St/Zip Phone# CCB#					
			Cert#		

Minority, Women and Emerging Small Business Utilization

Total Amount of M/W/ESB subcontract dollars
Total public benefit
M/W/ESB as a percent of the total public benefit

\$ _____
\$ _____
\$ _____
(goal = 20 %)

To verify MWESB certification or to receive information on obtaining names of certified firms contact:
Office of Minority, Women, and Emerging Small Businesses
State of Oregon, Executive Department
www.cbs.state.or.us/omwesb/
Portland Field Office (503) 887-4349
Salem Office (503) 947-7922

John Classen, Program Specialist
Portland Development Commission
222 NW 5th Ave.
Portland, OR 97209
(503)823-3667 Fax (503) 823-3368

SUBCONTRACTING PLAN (FORM 2)

(Additional Page To Be Used as Needed)

Subcontractors (Please Print)	Scope Of Work	Dollar Amount Of Subcontract	Certified M/W/ESB Yes/No		
			MBE	WBE	ESB
Name Address City/St/Zip Phone# CCB#					
			Cert#		
Name Address City/St/Zip Phone# CCB#					
			Cert#		
Name Address City/St/Zip Phone# CCB#					
			Cert#		
Name Address City/St/Zip Phone# CCB#					
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Name Address City/St/Zip Phone# CCB#					
			Cert#		
Name Address City/St/Zip Phone# CCB#					
			Cert#		

M/W/ESB CONTACT LOG
(FORM 3)

Prime Contractor Name _____ **Project Name** _____

Prime Contractors should record their contacts with potential M/W/ESB subcontractors through use of this log or equivalent. Additional forms may be copied if needed.

Name of Subcontractor	Certified Firms M/W/ESB Yes/No			Date of Fax/Letter	Phone Contact				Made Contact		Submitting Quote		Quote Received		Notes
	MBE	WBE	ESB		Date of Call	Time of Call	Name of Person Placing Call	Name of Person Receiving Call	Yes	No	Yes	No	Yes	No	

Submit to: Project Program Specialist, Portland Development Commission, 222 NW 5th Ave. Portland, OR 97209 (503) 823-3667 Fax# (503) 823-3368

FINAL SUBCONTRACTOR UTILIZATION REPORT (FORM 5)

Project Name _____ Prime Contractor _____

Prime Contract Amount \$ _____ Report Dates (Beginning & Ending) _____

List All First-Tier Sub-Contracts	MBE, WBE, OR ESB	Scope Of The Work	Original Subcontract \$Amount	Changes To The Sub-Contract \$Amount	Total Sub-Contract \$Amount	Comments

IT IS HEREBY CERTIFIED THAT THE ABOVE LISTED FIRMS HAVE BEEN UTILIZED BY OUR COMPANY IN THE AMOUNTS REPRESENTED ABOVE AND THAT THE INFORMATION CONTAINED HEREIN IS COMPLETE AND ACCURATE.

Authorized Signature of Contractor Representative _____ Date _____

Instructions: Submit to: Program Specialist, Portland Development Commission, 222 NW 5th Ave. Portland, OR 97209
(503) 823-3667 Fax# (503) 823-3368

INSTRUCTIONS FOR COMPLETING THE SUBCONTRACTOR UTILIZATION REPORT

1. **PROJECT NAME:** Indicate the project name as shown on the contract document.
2. **PRIME CONTRACTOR:** Indicate the name of the prime contractor.
3. **PRIME CONTRACT AMOUNT:** Indicate the total dollar amount of the prime contract.
4. **REPORT DATES:** Indicate the beginning and ending dates corresponding to the progress payment period or use calendar month.
Example: 1/1/95 thru 1/31/95. Reports should be sequential and not overlap.
5. **SUBCONTRACTOR NAME:** List the names of all first-tier subcontractors and first-tier material suppliers having performed work or paid on this project during the reporting period.
6. **STATUS:** Indicate the appropriate M/W/ESB status of each contractor listed in item 7. Enter State M/W/ESB Certification number. **Note:** Designations should be consistent with how firms were certified by the state at time of contract award. Only one designation may be used for credit and will be applied accordingly. Leave blank for non certified firms.
7. **SCOPE OF WORK:** Briefly describe subcontractors work. Example: Landscaping, electrical supplier, electrical contractor, remove and replace inlets, furnish and install catch basins, etc.
8. **ORIGINAL CONTRACT AMOUNT:** Indicate the dollar amount for each subcontract at time of award.
9. **CHANGES TO CONTRACT:** Indicate the cumulative dollar value of any changes to subcontracts. Additions to the contract should be shown using a plus sign in front of the amount and reductions in contract amounts using the minus sign. Examples: additions +\$3,050.50, reductions -\$3,050.50. Also please explain any changes in space provided below for comments.
10. **TOTAL SUBCONTRACT AMOUNT:** This amount should be the total dollar value (current contract amount) plus or minus changes indicated in column 11.

Verification of M/W/ESB certification or information on obtaining names of certified M/W/ESB firms may be obtained from:

Office of Minority, Women and Emerging Small Business Portland Field Office (503)
887-4349
State of Oregon, Executive Department Salem Office (503) 947-7922
www.cbs.state.or.us/omwesb/
For additional Information:

John Classen, Program Specialist (503) 823-3368 Fax (503) 823-3667
e-mail: classenj@pdc.us

John Classen, Contracts Compliance Coordinator (503) 823-3368 Fax (503) 823-3315
Portland Development Commission e-mail: henryt@pdc.us
222 NW 5th Ave. Portland, OR 97209

EXHIBIT H

Workforce Training & Hiring Program

This program applies to prime contracts of \$200,000 or greater and on Commission's construction related projects other than direct bid construction of \$1,000,000 or more and subcontracts of \$100,000 or more.

The following Workforce Training & Hiring Requirements are a summary of the key contractual obligations of contractors working on City funded public works projects, development agreements or Enterprise Zone benefits. It is the contractor's responsibility to read and fully understand this section of the bid specifications and to comply with all provisions of the program, regardless of whether they appear on this checklist. The City administers this program for Multnomah County, Portland Development Commission, Tri-Met, Portland Community College and the Housing Authority of Portland.

CHECKLIST:

1. Prime Contractor:

- **A. Submit Projected Hiring Needs form (Exhibit 2) to Owner within 15 calendar days after bid opening or prior to contract award, whichever occurs first.**
- **B. Ensure compliance by all subcontractors with subcontracts of \$100,000 or more, and provide them with a copy of the Workforce Program section of the specifications.**

2. Subcontractors, at all tiers, with contracts of \$100,000 or more :

- **Submit Projected Hiring Needs form (Exhibit 2) prior to beginning work on the project or within 5 days of signing subcontracts, whichever occurs first.**

3. Prime and all subcontractors with contracts of \$100,000 or more must:

- **A. Throughout the duration of the project:** Ensure that a minimum of 20% of labor hours in each apprenticeable trade performed by the prime and subcontractors of \$100,000 or more are worked by state-registered apprentices.
- **B. Before starting work on this project:** Submit proof of registration as a Training Agent with the Bureau of Labor & Industry, Apprenticeship & Training Division (ATD) in each trade employed. For assistance, contact the City Workforce Program (503) 823-6850 or ATD (503) 731-4072.
- **C. Throughout the duration of the project:** Make all reasonable and necessary efforts to employ a workforce that reflects the diversity of the City of Portland, including recruitment of a diverse workforce through the unions, the apprenticeship programs and other community resources, as described in this section of the specifications.
- **D. Throughout the duration of the project:** Maintain written documentation of all requests for workers from the unions, apprenticeship programs, and community organizations.
- **E. When an apprentice is hired:** Notify the City Workforce Program.
- **F. By the 5th of each month to the Owner's Project Manager and the City Workforce Program, submit Monthly Employment Report (Exhibit 4).**

Please consult the Workforce Training & Hiring Requirements for additional information or call the City Workforce Program at (503) 823-6850 if you have questions. Thanks.

WORKFORCE TRAINING AND HIRING PROGRAM REQUIREMENTS

I. PURPOSE OF WORKFORCE SPECIFICATIONS

A. General Program Description

The Portland City Council has directed that all Bureaus and Departments maximize apprenticeship and employment opportunities for minorities, women and economically disadvantaged workers in the construction trades. (City Ordinance No. 167374, Feb. 16, 1994 and County Ordinance No. 861, July 11, 1996) Their goals include a) ensuring that the City do business with contractors whose workforce reflects the diversity of the workforce found in the City of Portland, and b) that their contracting dollars provide fair and equal opportunities to the jurisdictions' diverse populations.

The City Workforce Training & Hiring Program ("Workforce Program") is administered for the City of Portland, Portland Development Commission (PDC), Multnomah County, and Tri-Met, and the Housing Authority of Portland by the City of Portland, Bureau of Purchases. The Workforce Program applies to all prime Contracts of \$200,000 or more and to each subcontractor having a subcontract of \$100,000 or more on the project. The Contractor and all subcontractors are encouraged to fulfill the program requirements even if their contracts are less than these amounts.

Contractors shall make reasonable efforts to ensure that their workforce reflects the diversity of the City of Portland.

One way Contractors can make reasonable efforts to ensure that their workforce is diverse is to recruit, train and employ minorities and women whenever possible. This portion of the contract establishes requirements regarding that recruitment, training and employment.

For purposes of the Workforce Specifications, the following definitions shall apply:

"The contract" shall mean the contract awarded as a result of these bid specifications.

"Contractor" shall mean the bidder to whom a contract is awarded.

The term "minorities" shall include members of either sex who are African-Americans, Hispanic Americans, Asians or Pacific Islanders, Native Americans or Alaskan Native Americans.

"Owner" shall mean the government agency that awarded the contract, or leveraged public involvement in the project through a loan, development agreement or Enterprise Zone program.

"The project" shall include all work performed pursuant to the contract.

B. Organization of Program Requirements

The Workforce Specifications are divided into several parts.

Section II refers to the action that bidders must take in order to be eligible for an award of a contract.

Section III lists the actions that must be taken by the Contractor.

Section IV refers to remedies available to the Owner if a Contractor fails to meet the requirements of the Workforce Specifications.

Section V refers to the Owner's ability to monitor compliance with the Workforce Specification by examination of contractor and subcontractor records.

II. ACTION REQUIRED OF ALL BIDDERS

- A. All Bidders shall thoroughly read this Workforce Program specification and commit to perform all requirements described herein. The Apparent Low Bidder shall submit Exhibit 2, Projected Hiring Needs within fifteen (15) calendar days after bid opening or prior to award of the contract, whichever occurs first. The Exhibit shall provide complete information. The Projected Hiring Needs must demonstrate how the workforce on this project will fulfill all program requirements, including utilization of apprentices.

In the event that the Apparent Low Bid is nonresponsive, the next lowest Bidder considered for contract award shall submit Exhibit 2 within fifteen (15) days after bid opening or within two (2) days of notification by the Owner, whichever occurs last.

For PDC development agreements, Exhibit 2 shall be submitted by the prime Contractor within fifteen (15) calendar days after its selection.

III. ACTIONS NECESSARY TO SATISFY CONTRACT REQUIREMENTS

A. Make Reasonable Efforts to Have Diverse Workforce

A Contractor must make all necessary and reasonable efforts to have a workforce that reflects the diversity of the City of Portland and is reasonably consistent with the availability of qualified women and minorities based on Equal Employment Opportunity data supplied by the City. This requirement is in addition to any other requirement of this portion of the contract.

The Contractor shall demonstrate that it is an EEO employer with a diverse workforce, or that it is making serious efforts to become one, as follows:

1. The Contractor and each affected subcontractor shall submit a copy of its "A" level EEO certification letter from the City of Portland EEO Program. An "A" level EEO certification demonstrates that the Contractor is not underutilized by trade, race, and gender in its companywide workforce based on availability data from the 1990 census and the City's EEO statistical summary; or
2. Provide written documentation of its good faith recruitment efforts. If the Contractor is unable to verify that it employs a diverse workforce based on the standards described in the paragraph above, then the Contractor must follow the process for recruiting apprentices and journey workers described in Sections III F and III G of this specification. This process is considered by the Owner to be the minimum effort to recruit a diverse workforce.

NOTE: A Contractor seeking an "A" level EEO certification may wish to consider utilizing the Recommended Good Faith Recruitment & Retention Practices, attached as Exhibit 5.

3. The failure by a union with whom the Contractor has a collective bargaining agreement to refer either minorities or women shall not excuse the Contractor's obligations under this section of the specifications.

B. Ensure Compliance By Certain Subcontractors

1. The contractor shall ensure that each subcontractor having a subcontract of \$100,000 or more, at all tiers shall comply with all of the provisions of the workforce specifications. Contractors shall include in their bid all costs associated with this requirement. No change order will be executed in order for the contractor to comply with this section.

2. The Contractor shall provide a copy of this Workforce Program specification to all subcontractors with contracts of \$100,000 or more executed for the project.
- C. Register As A Training Agent

The Contractor shall register with the Oregon Bureau of Labor and Industries (BOLI) as a Training Agent and ensure that all subcontractors who have contracts in the amount of \$100,000 or more are registered as Training Agents. However, registration as a Training Agent in a specific trade is not required if there are no training opportunities in that trade on the project, based on the maximum ratio allowed by BOLI.

1. Only training programs approved by and registered with BOLI may be used to fulfill training requirements under the workforce specifications.
2. Training is intended to be primarily on-the-job training in apprenticeable crafts, and does not include classifications such as flag person, timekeeper, office engineer, estimator, bookkeeper, clerk/typist, fire fighter, or secretary. Hours performed in crafts, which are not apprenticeable occupations, such as truck driving, are exempt from the training requirements.
3. Exemptions to the training requirements must be approved by the Owner in writing prior to starting work on the project. Written requests for exemptions related to the training requirements will be considered by the Owner during the course of the project, only for extreme circumstances, and must also be approved in writing. All requests to exempt all or any portion of the work on a project shall be submitted to the Bureau (14) days before any work on the project begins. Requests for exemptions should be directed to the City Workforce Training & Hiring Program Compliance Specialist for the project.

Requests for exemptions shall be approved by the City Workforce Training & Hiring Program Coordinator.

D. Submit Documentation

The contractor shall submit documentation regarding the following subjects to the Owner. The Owner's failure to object to documentation submitted by the Contractor or subcontractor shall not relieve them of the requirements of this section.

1. Training Agent Status

The Contractor and all required subcontractors must submit proof to the Workforce Program that they are registered Training Agents with BOLI prior to beginning any work on the project.

2. Subcontractor Workforce Information

Exhibit 2, Projected Hiring Needs, must also be submitted for each subcontractor required to register as a Training Agent prior to beginning work on the project or within 5 calendar days after the execution of the applicable subcontract, whichever occurs first. Work by a subcontractor shall not begin prior to submission of such documentation.

3. Contractor and Subcontractor Reports After Work Begins

The Monthly Employment Report (Exhibit 4) must be submitted by the prime Contractor and any subcontractor having a subcontract of \$100,000 or more to the Workforce Program by the 5th day of each month, with a copy to the Owner's project manager. The Contractor shall follow the submittal instructions on the report form. All hours subject to prevailing wage rates on public projects, in addition to supervisors, foremen, and superintendents, shall be reported on Exhibit 4.

4. A copy of certified payroll reports may be requested by the Owner to verify information in the Report. The payroll reports shall be provided within 7 days of the date when the contractor receives the request for the payroll.

E. Use of Apprentices

The Contractor shall:

1. Ensure that a minimum of 20% of labor hours in each apprenticeable trade performed on the project by the prime contractor, and subcontractors with subcontracts of \$100,000 or more, are worked by state registered apprentices throughout the duration of the project. Contractors and subcontractors shall fulfill the 20% apprenticeship hour's requirement without exceeding the apprentice ratios approved by the applicable apprenticeship program.
2. Pay all apprentices the wages required by any applicable collective bargaining contract or pursuant to state or federal law and regulations.
3. Not use workers previously employed at journey-level or those who have successfully completed a training course leading to journey-level status to satisfy the requirements of these provisions.
4. Notify the Workforce Program when an apprentice is hired for this project.
5. Count apprentice hours as follows:
 - (a) Hours worked on the project by apprentices enrolled in state-approved apprenticeship programs. If the Contractor is unable to fulfill its 20% requirement, then the Contractor may also use methods (b) and (c) below;
 - (b) Hours worked on the project by apprentices who are required to be away from the job site for related training during the course of the project, but only if the apprentice is rehired by the same employer after completion of training; and
 - (c) Hours worked on the project by graduates of state-registered apprenticeship programs, provided that such hours are worked within the 12-month period following the apprentice's completion date.

F. Use Apprenticeship Programs for Referrals

A Contractor that does not have an "A" level EEO certification must follow all of these steps in seeking apprentice referrals:

1. Contact the appropriate apprenticeship program or dispatch center to request apprentices who are enrolled in the apprenticeship program; and
2. Request female or minority apprentices from the union or open shop apprenticeship program if such an action will help meet Equal Employment Opportunity (EEO) certification requirements or remedy historical underutilization in the Contractor's workforce; and
3. Keep a written record of the request for apprentices, including name of contact person at apprenticeship program, phone, fax, date, time, job location, start date, etc.; and
4. Make reasonable and necessary efforts to recruit apprentice applicants from community organizations/recruitment resources, and seek to enroll them into an apprenticeship program, if the apprenticeship program is unable to supply an apprentice (or if no women or minorities are available to meet EEO needs), and if the program is open for applications or allows direct entry from community resources.

NOTE: Contractors may contact the Workforce Program for assistance regarding the apprentice referral process, or may utilize Exhibit 3, Request For Apprentice form, to document their efforts. A list of community organizations/recruitment resources is also available. Instructions are on the last page of this section of the specifications.

G. Utilize Unions and Community Organizations When Recruiting For Any Positions on this Project

When hiring, requesting, recruiting, or replacing workers for this project, the Contractor that does not have an "A" level EEO certification shall:

1. Make reasonable and necessary efforts to employ a diverse workforce, especially to correct any potential EEO certification problems. Such actions should include requests for minority and female applicants. Contractors are notified that direct hiring of employees (such as "walk-ons") without providing notification of that job opportunity, in accordance with paragraph G.2. below, may not constitute a reasonable effort.
2. Document its employment efforts. Documentation should be sufficient to establish the Contractor's efforts, and should include:
 - a) Requests to union halls for signatory contractors;
 - b) Requests to union or open shop apprenticeship programs;
 - c) **Requests to community resources who assist contractors with recruitment and referral of workers.**

Documentation will be requested by the Owner from Contractors that are not "A" level EEO certified if it appears that the Contractor has not made reasonable and necessary efforts to acquire a diverse workforce. When requested, the Contractor shall provide that documentation to the Workforce Program within 7 calendar days.

IV. CONSEQUENCES OF NONCOMPLIANCE WITH WORKFORCE REQUIREMENTS

The Owner's commitment to this program is reflected, in part, by the cost of administering the program. Failure to meet the requirements of this section of the specifications negates such funding and impairs the Owner's efforts to promote workforce diversity and to provide fair and equal opportunities to the public as a whole as a result of the expenditure of public funds. Therefore, the parties mutually agree that failure to meet the requirements of this section of the specifications, including but not limited to the submission of required documentation, constitutes a material breach of contract.

In the event of a breach of this section of the contract, the Owner may take any or all of the following actions:

A. Withholding Progress Payments

The Owner may withhold all or part of any progress payment or payments until the Contractor has remedied the breach of contract. In the event that progress payments are withheld, the contractor shall not be entitled to interest on said payments.

If a subcontractor(s) is responsible for noncompliance with the Workforce Program requirements, the Owner may choose to withhold only their portion of the progress payment.

B. Retain sums as damages for failure to comply with Workforce Specifications

The parties mutually agree that it would be difficult, if not impossible, to assess the actual damage incurred by the Owner for the Contractor's failure to comply with the Workforce Specifications. The parties further agree that it is difficult, if not impossible, to determine the cost to the Owner when workforce opportunities are not provided.

Therefore, if the Contractor fails to comply with the workforce provisions of this contract, the Contractor agrees to pay the sum of \$250 per day for each day of missed apprenticeship hours or until the breach of contract is remedied. Damages may be assessed for failure to meet the 20% apprenticeship training requirements by the prime and each required subcontractor in each trade employed. Damages will be calculated based on the training hours

not provided to the Owner at a rate of \$250 per day. For example, if the Contractor was required to provide 200 hours of carpenter training (20% of 1,000 total carpenter hours), and the Contractor only provided 150 training hours, then the difference (50 hours) is divided by 8 (one day of work) to determine number of days of undelivered training. ($50/8 = 6.25 \times \$250 = \$1,562.5$).

Damages may also be assessed for failure to fulfill the inclusive hiring process described in sections IIIF and IIIG.

These damages are independent of any liquidated damages that may be assessed due to any delay in the project caused by the Contractor's failure to comply with the Workforce provisions of the contract.

C. Retain sums as liquidated damages for delay

The Contractor agrees that any delay to the specified contract time as a result of the Contractor's failure to comply with the requirements of this section shall subject the Contractor to the amount of liquidated damages specified elsewhere in the contract.

D. Notification of Possible Debarment

By executing this contract, the contractor agrees that it has been notified that failure to comply with the requirements of this portion of the contract may lead to the Contractor's disqualification from bidding on and receiving other Owner contracts.

E. Other Remedies

The remedies that are noted above do not limit any other remedies available to the Owner in the event that the Contractor fails to meet the requirements of the Workforce Specifications.

V. REVIEW OF RECORDS

In the event that the Owner reasonably believes that a violation of the requirements of this section has occurred, the Owner is entitled to review the books and records of the Contractor and any subcontractors employed on the project to whom the requirements of this section are applicable to determine whether such a violation has or has not occurred.

In the event that the Contractor or any subcontractor fails to provide the books and records for inspection and copying when requested, such failure shall constitute a material breach of this contract and permit the imposition of any of the remedies noted in Section IV above, including the withholding of all or part of any progress payment.

ATTACHMENTS:

Exhibit 1: Recommended Recruitment & Retention Practices

Exhibit 2: Projected Hiring Needs

Exhibit 3: Request For Apprentice form

Exhibit 4: Monthly Employment/Training Report

Exhibit 5: Apprenticeship Ratio Data

Community Organizations/Recruitment Resources

A list of community resources that assist with construction recruitment is available upon request by calling the Workforce Program at (503) 823-6850.

The list is also available by calling the City of Portland Purchasing Buyline at (503) 823-6855. Then choose Fax On Demand and order document 20307. This service is available 24 hours daily.

Questions Regarding Apprenticeship:

Bureau of Labor & Industries
Apprenticeship & Training Division
800 N.E. Oregon St. # 32
Portland, OR 97232
(971) 673-0761

Questions Regarding City/County

Workforce Training and Hiring Program
City of Portland/Bureau of Purchases
1120 S.W. Fifth Ave., Room 750
Portland, OR 97204
(503) 823-6850 or (503) 823-6855
Fax: (503) 823-5539.

EXHIBIT 1

**RECOMMENDED GOOD FAITH RECRUITMENT &
RETENTION PRACTICES**

A. Recruitment Efforts

Good faith recruitment efforts are those intense, aggressive, sincere, and result-oriented actions taken by the Contractor designed to accomplish the objectives of the City Workforce Training & Hiring, and Equal Employment Opportunity Programs. These efforts may assist the Contractor in achieving an "A" level EEO certification. Good faith recruitment efforts include, but are not limited to:

1. Work aggressively with Contractor's Joint Apprenticeship Training Committee (JATC) to recruit minorities, women and disadvantaged individuals. Provide evidence of these efforts.
2. Assist the JATC by conducting a workshop with minority and women employees to enlist their assistance as recruiters and request their ideas on how to increase employment of underutilized groups.
3. Support the efforts of the Contractor's JATC by giving all apprentices referred to the Contractor a fair chance to perform successfully, allowing for possible lack of previous experience. Recognize that the Contractor is responsible for providing on-the-job training, and that all apprentices should not be expected to have previous experience.
4. Participate in job fairs, school-to-work, and community events to recruit minorities, women, and disadvantaged individuals into the construction trades.
5. Allow scheduled job site visits by participants in community programs, as safety allows, to increase awareness of job and training opportunities in the construction trades.
6. Keep applications of those not selected for an opening. Contact when opening occurs.

B. Retention Efforts

The Contractor shall endeavor to retain minorities, women, and disadvantaged individuals by implementing steps such as the following:

1. Maintain a harassment-free work place.
2. Ensure that employees are knowledgeable about the company's policies if they need to report a harassment problem.
3. Make reasonable attempts to keep apprentices working and train them in all work processes described in the apprenticeship standards.
4. Review and disseminate, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions.
5. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.
6. Take steps to reduce feelings of isolation among minorities and women to curb hostile attitudes and behavior (e.g., have several minorities and women at the job site, provide access to support group system).
7. Provide adequate toilet facilities for women on the job site.
8. Match minority, female, or disadvantaged apprentices who may need support to complete their apprenticeship programs with a journey-level mentor.

EXHIBIT 2

PROJECTED HIRING NEEDS

This form must be completed thoroughly by the prime and each subcontractor with a subcontract of \$100,000 or more.

Please state how you plan to perform the work on this project, indicating the number of journey workers and apprentices by trade. This workforce plan must demonstrate how your company will fulfill all Workforce Program requirements, including utilization of apprentices. **Complete all columns, with project-specific information.**

BID# _____ PROJECT NAME: _____
 Federal ID # _____ Prime Contractor Subcontractor

Trade	Total # of Journey Workers	# of Apprentices	# of New Positions (indicate Journey or Apprentices)	Anticipated Start Date	Estimated Total Hours (all workers in each trade)

Please list the apprentices who will work on this project. If you need more space, attach an additional sheet of paper. The Workforce Program compliance staff must approve all apprentices on the project.

Name of Apprentice	Trade	Race	Gender	Date of Hire	Staff use only (Initial:Approved Notified, Docs)		

If no current apprentices, indicate when and how they will be hired.

Person in your company who does hiring: _____

COMPANY: _____ CCB# _____ PHONE: _____ FAX: _____

Are you a registered Training Agent? Yes No Are you a Union Open Shop contractor?

With which JATCs are you registered to train apprentices? _____

Apprentice committee or union contact person who dispatches apprentices to your company:

Name: _____ Phone: _____ Fax: _____

Name: _____ Phone: _____ Fax: _____

PREPARED BY: _____ / _____ DATE: _____
 (sign and print)

Prime contractor must complete and submit to Owner within 15 calendar days after bid opening or prior to award of contract, whichever occurs first.

Subcontractors with contracts of \$100,000 or more must submit prior to beginning work on the project or within five (5) days of signing subcontract, whichever occurs first, to Prime Contractor. **Prime Contractor must submit to: Workforce Program, Bureau of Purchases, 1120 S.W. Fifth Avenue #750, Portland, OR 97204 Phone (503) 823-6850 or FAX (503) 823-5539**

EXHIBIT 3

Request For Apprentice

The contractor may use this form to document efforts when recruiting apprentices.

FAX To: _____ / _____
(Apprenticeship Committee) (Contact/ Dispatcher)

Fax Number : _____ Number of Pages _____

Request From:

Company Name _____ / _____
(Registered Training Agent) (Contact Person)

Phone _____ Fax _____

Date: _____ Time: _____

Apprentice Request:

As a registered Training Agent, I am using this form to request referral of an apprentice for employment with my company in cooperation with the City/County/PDC Workforce Training & Hiring Program. I would like to continue to diversify my workforce. Therefore, please refer ethnic minorities and women for my consideration. If I am unable to receive a referral from my apprenticeship program within a reasonable time, and my apprenticeship program is open for applications or allows direct entry, I may use this form to request a referral to the apprenticeship program from community recruitment resources.

Apprentice referral is needed by this date: _____ Work Starts: _____

Job Site Location: _____ Expected Length of Employment: _____

Project _____ Owner (City of Portland) _____

Number of Apprentices: _____ Trade/Occupation: _____

Number of Apprentices: _____ Trade/Occupation: _____

Minimum qualifications (if different from apprenticeship standards): _____

Safety needs: ___ Hard hat ___ Gloves ___ Hard-toed boots Other? _____

Please fax this Request For Apprentice form to your apprenticeship committee.

To document your good faith efforts, copies may also be sent to:

City Workforce Training & Hiring
1120 SW 5th Ave. Rm 750
Portland, OR 97204
Phone: (503) 823-6850
FAX: (503) 823-5539

For Apprenticeship Program Only

Please check the appropriate box and fax to City Workforce Program:

I was able to dispatch an apprentice to the project listed above.

Name of Apprentice: _____ Rae _____ Gender _____

I was unable to dispatch an apprentice to the project listed above because _____

Fax this form with dispatch information to (503) 823-5539. Thank you.

EXHIBIT 4

Prime Contractor Subcontractor

2 Federal ID # _____

MONTHLY EMPLOYMENT REPORT

Workforce Training & Hiring Program Project Name: _____

CCB# _____

Bid #: _____

Indicate here if final report _____

The Monthly Employment/Training Report must be completed by the prime contractor and all subcontractors with contracts of \$100,000 or more, and signed by a responsible official of the company. The prime contractor shall submit a report for its workforce on the project. Each subcontractor shall separately submit a report for its workforce on the project. It is the responsibility of the prime contractor to assure that all Monthly Employment Reports are submitted in a timely manner.

The reports are due on the 5th day of the month following each month of employment during the term of the contract.

Either on the form below or on a contractor-provided form approved by the City Workforce Training & Hiring Program, complete all categories for each employee working on the project during the reporting period.

Dates from: _____ to: _____ Company Name: _____ Phone: _____ Fax: _____

NAME (PLEASE PRINT OR TYPE)	ZIP CODE	SOCIAL SECURITY NUMBER	TRADE	LEVEL (Journey, Apprentice, Apprentice Grad) J or A or G	*RACE	SEX M/F	HOURS WORKED this PERIOD

Submit to: City Workforce Program
Bureau of Purchases
1120 SW 5th Ave #750
Portland, OR 97204
FAX: (503) 823-5539

Send copy to: Developer and Owner's Project Manager

* Race includes the following minorities:
AA - African American - having origins in any of the black racial groups of Africa;
H - Hispanic American - person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish or Portuguese culture or origin;
A - Asian American - having origins in any of the original people of the Far East, Southeast Asia, Indian subcontinent or the Pacific Islands;
NA - Native American - American Indian or Alaskan Native, having origins in any of the original peoples of North America;
C - Caucasian.

Signature: _____ Print Name: _____ Title: _____

NOTE: Apprentice hours spent in the classroom during the course of the project can be submitted as hours worked.

EXHIBIT 5

APPRENTICESHIP RATIO DATA*

The following data may be used to determine the ratio of apprentices on a jobsite in proportion to journey-level workers on the jobsite. The ratios that apply are those listed in the standards of the apprenticeship committee to which the Training Agent (Contractor) is a member. If the applicable trade is not listed, contact the Bureau of Labor and Industries at (503) 731-4072 or your apprenticeship committee.

*Ratios may change pursuant to actions taken by the Oregon State Apprenticeship & Training Council/BOLI. For the purposes of this contract, the ratios approved by BOLI on the date the bid is advertised shall prevail.

<u>TRADE</u>	3 APPRENTICE TO JOURNEY RATIO*		
	<u>1st Apprentice</u>	<u>2nd Apprentice</u>	<u>Max</u>
Asbestos/Insulation Workers	1/1	1/4	
Brick/Marble/Terrazzo/Tile Finisher	1/1	1/3	
Bricklayer/Masonry	1/1	1/5	
Carpenter (Portland)	1/1	1/1 (1/5 union)	Additional apprentices authorized a 1/5 (union). Open shop and City of Portland industrial 1/1 for first three apprentices; 1/5 after.
Carpet Installers/Floorlayers	1/1	1/3	
Cement Masons	1/2	1/3	
Drywall Applicator (Ext/Int Specialists)	1/3	1/5	
Drywall Finisher (Taper)	1/1	1/3	
Electricians			
Inside	1/1	1/3 union (1/2 open shop)	
Outside	1/6	1/6	
Limited Energy/Limited Residential	1/1	1/1 union (1/2 open shop)	
Construction Lineman	1/1	1/1	
Limited Maintenance	1/1	1/2	
Stationary Engineer	1/1	1/3	
Elevator Contractor	1/1	1/1	1/1 for first two apprentices; 1/2 after
Environmental Control System (HVAC)	1/1	1/1	
Glass Installer (Glazier)	1/1	1/3	
Hod Carrier/Mason Tender	1/1	1/5 union (1/3 open shop)	
Iron Worker	1/1	1/6	
Laborer (Construction)	1/1	1/5 union (1/3 open shop)	
Landscape Laborer/Technician	1/1	1/5 union (1/3 open shop)	
Maintenance Mechanic	1/1	1/3	
Millwright	1/5 (1/3 open shop)	1/5 union (1/3 open shop)	
Operating Engineer (Heavy)	1/1-4	2/5-9	3/10-19 4/20-24 5/25-29 30 or more 1/for each 5 additional operators
Painting & Sandblasting	1/1	1/3	
Painting (Traffic Control)	1/1	1/4	
Pile Drivers	1/3	1/5	
Pipe Fitters/Steam Fitters	1/1	1/3	1/1 for first two apprentices

Exhibit A
Resolution, Dated 02.01.06
Re: N/NE Enterprise Zone Contract Amendment

Plasterers	1/1	1/3	
Plumber	1/1	1/1	1/1 for first two apprentices, 1/3 after
Roofer	1/1	1/1	
Scaffold Erector	1/1	1/1	1/1 for first five apprentices, 1/5 after
Sheet Metal Worker	1/1	1/1	1/1 for first two apprentices, 1/3 after
Sheet metal Worker (Residential)	1/1	1/1	
Sign Maker/Erector	1/1	1/1	
Sprinkler Fitter	1/1	1/1	
Structural Fabricator	1/1	1/3	
Terrazzo Worker	1/1	1/3	
Tile/Marble Setter	1/1	1/3	