

Enterprise Zone

Tax Abatement Program Overview



The North Urban Clackamas County Enterprise Zone provides tax abatement as a financial incentive for industrial investment and job creation.

Tax abatement is available to companies expanding or relocating on industrially zoned land in North Urban Clackamas County as shown on the map on the reverse side. Investments in new buildings, expansions or upgrades to existing buildings and equipment are eligible for 100% property tax abatement for a three or five year period. Land is not eligible.

Eligible firms include manufacturing, assembly, fabrication, processing, distribution, maintenance, warehousing, or other industrial firms that meet the criteria listed below.

Requirements for a three-year tax abatement

A qualifying company is eligible for a 100-percent property tax abatement on its new plant and equipment if it meets the following criteria:

- Increase permanent, full-time employment by 10 percent and maintain it for three consecutive years.
- Pay new employees at least 150 percent of the state minimum wage (\$12.75/hour through December 2011). *Benefits may be used to reach this pay level.*
- Sign a First Source Hiring Agreement with the Oregon Employment Department, committing the company to consider local applicants for new jobs being created.
- Pay an application fee of 0.1 percent of the proposed total investment made.

Requirements for a five-year tax abatement

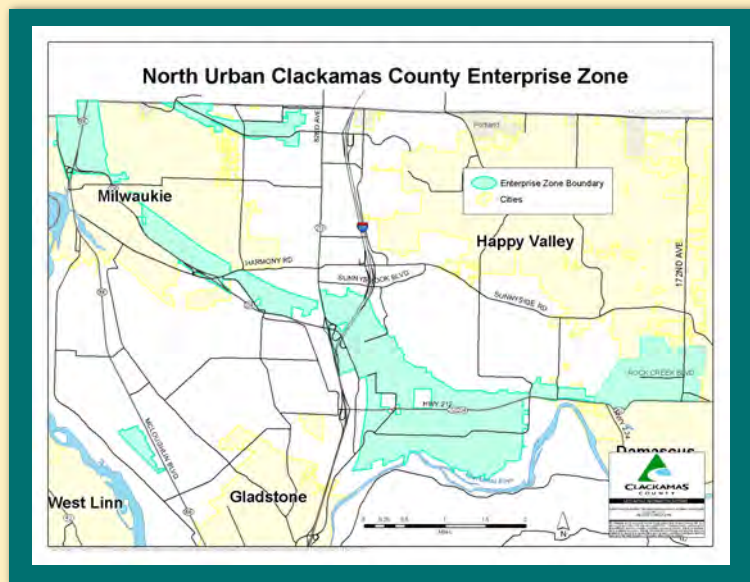
To qualify for an additional two-year tax abatement, a company must meet all of the requirements of the three-year program as well as the following:

- Pay 150 percent of the average Clackamas County wage (\$29.85/hour or \$62,092/year) for the new jobs created. *Benefits may be used to achieve this pay level.*
- Maintain the higher wages and employment levels for five consecutive years.

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North Urban Clackamas County Enterprise Zone

Application Process

- 1) Contact Zone Manager Jamie Johnk at 503-742-4413 or jamiiejoh@co.clackamas.or.us to discuss the project and determine eligibility.
- 2) Once it is determined that a company meets the job creation, new investment and location requirements, they are encouraged to fill out the Oregon Enterprise Zone Authorization Application at <http://www.oregon.gov/DOR/PTD/docs/303-029.pdf>. The application must be submitted and approved before building excavation/construction or installation of equipment begins.
- 3) The company should submit the application form and a check for the application fee (0.1% of the investment) payable to "Clackamas County".
- 4) The company will be invited to a meeting with representatives from the Tax Assessor Office, Oregon Employment Department, Clackamas County, the City of Milwaukie or Happy Valley (if applicable) to discuss the project and address any concerns.
- 5) If all agree that the applicant meets the criteria of the program, the Zone Manager and Assessor officially approve and sign the Oregon Enterprise Zone Authorization Application. The First Source Hiring Agreement can be signed at that time as well.
- 6) The company proceeds to expand its existing facility, construct a new facility or install eligible equipment.
- 7) In January the following year, all pre-certified companies that have completed construction by the end of December will receive a reminder notice and Oregon Enterprise Zone Tax Exemption Application Form.
Or see: <http://www.oregon.gov/DOR/PTD/docs/310-075.pdf>
- 8) The pre-certified company files the Oregon Enterprise Zone Tax Exemption Application form with the County Assessor by April 1, following each year of the tax abatement period.
- 9) The business receives the tax exemption from the County Assessor for the tax year beginning the following July 1st.

For more information, contact:

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