



HILLSBORO ENTERPRISE ZONE PROGRAM

OVERVIEW

The Hillsboro Enterprise Zone program allows a 100% property tax abatement for eligible businesses on new development (land and existing improvements do not qualify) within the designated enterprise zone for a three to five year period.

ELIGIBLE BUSINESS

Eligible businesses are primarily firms that provide goods, products, or services to businesses or other organizations through, but not limited to, manufacturing, processing, shipping, assembly, and fabrication. In addition, businesses engaged in retail or financial services are eligible if (1) the activity serves customers by responding to orders or requests received only by telephone, computer, the Internet or similar means of telecommunications; and (2) not less than 90 percent of the customers or orders are located and originate in an area from which long distance phone charges would apply if the order were placed by phone.

The business use must meet the current zoning regulations for the site under consideration within the enterprise zone and the property must be annexed to the City of Hillsboro.

PROGRAM REQUIREMENTS

State

- Increase full time, permanent employment of the firm within the enterprise zone by the greater of one new job (new businesses to Hillsboro) or 10 percent (expansion of existing Hillsboro businesses)
- No concurrent job losses more than 30 miles from the zone
- Maintain employment levels during exemption period
- Enter into first-source agreement with local job training providers (For Hillsboro, the job training provider is Worksource Oregon/Oregon Employment Department)
- Satisfy local additional conditions (See below)

Hillsboro (a separate contract with the City of Hillsboro must be signed)

- **Minimum Investment** of \$1 million is required in the North Industrial Enterprise Zone Area and a minimum of \$250,000 investment in the Downtown and South Industrial Enterprise Zone Areas.
- **Procurement Plan** that increases purchases from Hillsboro-based companies by 10% annually.
- **Job Quality/Wages:** (1) average of all hourly wages must be at least 150% of Oregon minimum wage for a 3 year tax abatement (2) at least 75% of hourly wages must exceed 200% of Oregon minimum wage for a 4-5 year tax abatement; (3) benefits are provided at an hourly value equal or greater than 20.2% of the average hourly salary for all years of exemption and (4) training and advancement opportunities will be offered to all employees.
- **Application Fee** will be paid to the City of Hillsboro in the amount equal to 0.1% of the total estimated value of investment; fee capped at \$25,000.
- **Community Service Fee** applies to businesses seeking a 4-5 year exemption. The fee will be calculated at a rate of 25% of the abated taxes for years 4 and 5 and is paid to the City of Hillsboro annually.

APPLICATION

Businesses interested in the Hillsboro Enterprise Zone program can obtain the State application on line at <http://egov.oregon.gov/DOR/PTD/docs/303-029.pdf> or from Valerie Okada at 503-681-6112 or via email at valo@ci.hillsboro.or.us.

MAPS

Investment must occur within the boundary of the enterprise zone. See map at www.ci.hillsboro.or.us/EconomicDevelopment/Enterprisezone.aspx.