

Sample Agreement for Oregon Enterprise Zone Extended Abatement

[Applicable for nonurban enterprise zones and urban enterprise zones outside Portland metropolitan area]

(The Economic and Community Development Department provides this sample only to facilitate local processes and discussions between independent parties, who are advised to work with legal counsel. The department assumes no liability for legal enforceability or consequences associated with any agreements based on this samples or associated with it)

WRITTEN AGREEMENT WITH THE _____ ENTERPRISE ZONE SPONSOR TO EXTEND PROPERTY TAX EXEMPTION TO [FOUR/FIVE] CONSECUTIVE YEARS IN TOTAL FOR CAPITAL INVESTMENT BY _____, [INC.]

The sponsor of the _____ Enterprise Zone comprising the governing bodies of [the City of _____, _____ _____ and _____ County] (hereinafter "The Zone Sponsor") and _____ [Inc.] (hereinafter "The Firm") do hereby enter into an agreement for extending the period of time in which The Firm shall receive an exemption on its [proposed] investment[s] in qualified property in the _____ Enterprise Zone contingent on certain special requirements, under ORS 285C.160 (2003).

The Zone Sponsor and The Firm jointly acknowledge: that subject to [timely submission and approval of an application for authorization and] the satisfaction of [other] requirements under ORS 285C.050 to 285C.250, The Firm is eligible for three years of complete exemption on its qualified property; that nothing in this agreement shall modify or infringe on this three-year exemption or the requirements thereof, and that this agreement becomes null and void if The Firm does not qualify for these three years of the exemption.

The Zone Sponsor extends The Firm's property tax exemption an additional [one/two] year[s] on all property that initially qualifies in the _____ Enterprise Zone [in [or] / before / after] the assessment year beginning on January 1, 20____ and, thus, sets a total period of exemption of [four/five] consecutive years during which statutory requirements for the standard three-year enterprise zone exemption must also be satisfied and maintained.

CONFIRMATION OF STATUTORY PROVISIONS

In order to receive the additional [one/two] year[s] of enterprise zone exemption granted herein, The Firm agrees herewith under 285C.160(3)(a)(A) that for each year of the entire exemption period, all of The Firm's new employees shall receive an average level of compensation equal to or greater than 150 percent of the county average annual wage, in accordance with the specific definitions and guidelines in Oregon Administrative Rules (OAR), Chapter 123, Division 65 (123-065-41##), which provides that:

1. Such compensation may include non-mandatory benefits that can be monetized;
2. The county average annual wage is set at the time of authorization, except as pursuant to ORS 285C.160(4), according to the 200_ _____ [name of] _____ County average annual payroll rate of \$ _____, for which 150 percent equals \$ _____;

3. Only employees working at jobs filled for the first time after the application for authorization but **by December 31 of** the first full year of the initial exemption and performed within the current boundaries of the _____ Enterprise Zone are counted; and

4. Only full-time, year-round and non-temporary employees engaged a majority of their time in The Firm's eligible operations consistent with ORS 285C.135 & 285C.200(3) are counted, regardless if such employees are leased, contracted for or otherwise obtained through an external agency or are employed directly by The Firm.

LOCAL ADDITIONAL REQUIREMENTS

[The Zone Sponsor does not request any requirement of The Firm and relinquishes all rights to make the additional [one/two] years of property tax exemption granted herein contingent on additional requirements that might otherwise be reasonably requested under ORS 285C.160(a)(B).]

[or/]

[For The Firm to receive the additional [one/two] year[s] of enterprise zone exemption granted herein, The Zone Sponsor and The Firm agree that The Firm shall [meet the following additional requirement[s]/do the following in addition to statutory requirements] as reasonably requested by The Zone Sponsor under ORS 285C.160(a)(B):

[1.

[2. . . .?]

ACCEPTING FOR THE SPONSOR OF
THE _____ ENTERPRISE
ZONE:

ACCEPTING FOR [name of firm] ,
[INC.]:

[By:X] _____

[By:X] _____

[include printed name(s), title(s) and date(s); as needed, cite and attach source of authority from sponsoring jurisdiction(s) (e.g., resolutions, samples are available), and possibly counsel endorsement]

[include printed name, title and date, and cite legal authorization as needed (e.g., attached letter from the owner or an appropriate executive officer, if agreement is accepted by an attorney or other indirect representative)]