

# WOODBURN- GERVAIS ENTERPRISE ZONE PROGRAM

The Woodburn-Gervais Enterprise Zone (E-Zone), which includes the entire city limits of both cities, encourages economic development by waiving property taxes on capital investments for eligible businesses for three years. The property tax waiver may be extended to five years if a qualifying business creates jobs compensated at 150% of the Marion County annual wage, as published by the Oregon Employment Department. The E-Zone was established in 2010 and expanded to serve Gervais in 2014.

Enterprise zones have proven to be key in retaining existing businesses by encouraging upgrading and expansion through capital investment. The program is also designed to attract new businesses to locate within enterprise zones by offering these same incentives.

Woodburn and Gervais want to help your business succeed and our communities prosper.

***Check out the Woodburn-Gervais E-Zone!***

## PROGRAM AND BENEFITS

The Woodburn-Gervais Enterprise Zone includes all land within the city limits of both cities. Originally approved in July, 2010, the program offers tax and other incentives to encourage additional investment and employment by non-retail businesses, such as manufacturing and industrially-oriented facilities serving other businesses.

Enterprise zones have proven to be one of Oregon's key programs for encouraging business reinvestment, expansion, and growth. Their effectiveness is due to the short-term benefit for project cash flow.

**Eligible businesses:** Businesses that provide goods, products or services to other business operations. This includes not only conventional manufacturing and industrial activities, but also processing plants, distribution centers, maintenance facilities, warehouses and, in some cases, operations that handle bulk clerical tasks or after-sales technical support.

Participation in the Enterprise Zone:

- **Provides** a 100% abatement from property taxes on new capital investments for a period of 3-5 years;
- **Encourages** business investment;
- **Spurs** economic growth and frees up capital for local industry; and
- Lends **greater visibility** and focus to local development statewide and nationally by being included on the state's inventory of Enterprise Zones.

## ELIGIBILITY

Enterprise Zone policy focuses on "for profit" business operations that do not compete significantly with the local economy. Eligible business firms provide goods, products or services to other business operations or organizations. This includes not only conventional manufacturing and industrial activities, but also processing plants, distribution centers, maintenance facilities, warehouses and even operations that handle bulk clerical tasks or post-sale technical support.

Eligible businesses must invest in new property or equipment not already on the county's tax rolls. The property must be owned or leased by the business firm and located within the Woodburn-Gervais Enterprise Zone boundary.

- Investment cost must be \$50,000 or more, in total, for qualified "real property", which includes newly constructed buildings or structures; new additions or modifications to existing buildings or structures; heavy/affixed machinery and equipment.
- Land, non-inventory supplies, vehicles, rolling stock, and motor-propelled devices do not qualify.

Existing firms must increase and maintain an employment increase by the greater of one person or ten percent of full time employees. New firms

| Qualifying Criteria                                                             | Three Years (Standard)            | Five Years (Extended)             |
|---------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Investment                                                                      | \$50,000                          | \$50,000                          |
| New employment for existing company                                             | 10% increase 1 <sup>st</sup> year | 10% increase 1 <sup>st</sup> year |
| Average compensation per employee                                               | No minimum                        | \$58,269*                         |
| * Compensation may include non-mandatory benefits, overtime and profit sharing. |                                   |                                   |

## ENTERPRISE ZONE (E-ZONE)

### CERTIFICATION REQUIREMENTS:

- Increase full-time, permanent employment by the greater of one new job or 10 %, whichever is greater;
- Maintenance of employment levels during exemption period (minimum of three years);
- No concurrent job losses outside of zone boundary;
- Application approval and written agreement with the City of Woodburn;
- Enter into a first-source hiring agreement with local job training providers required; and
- Satisfy pre-existing local zone conditions.

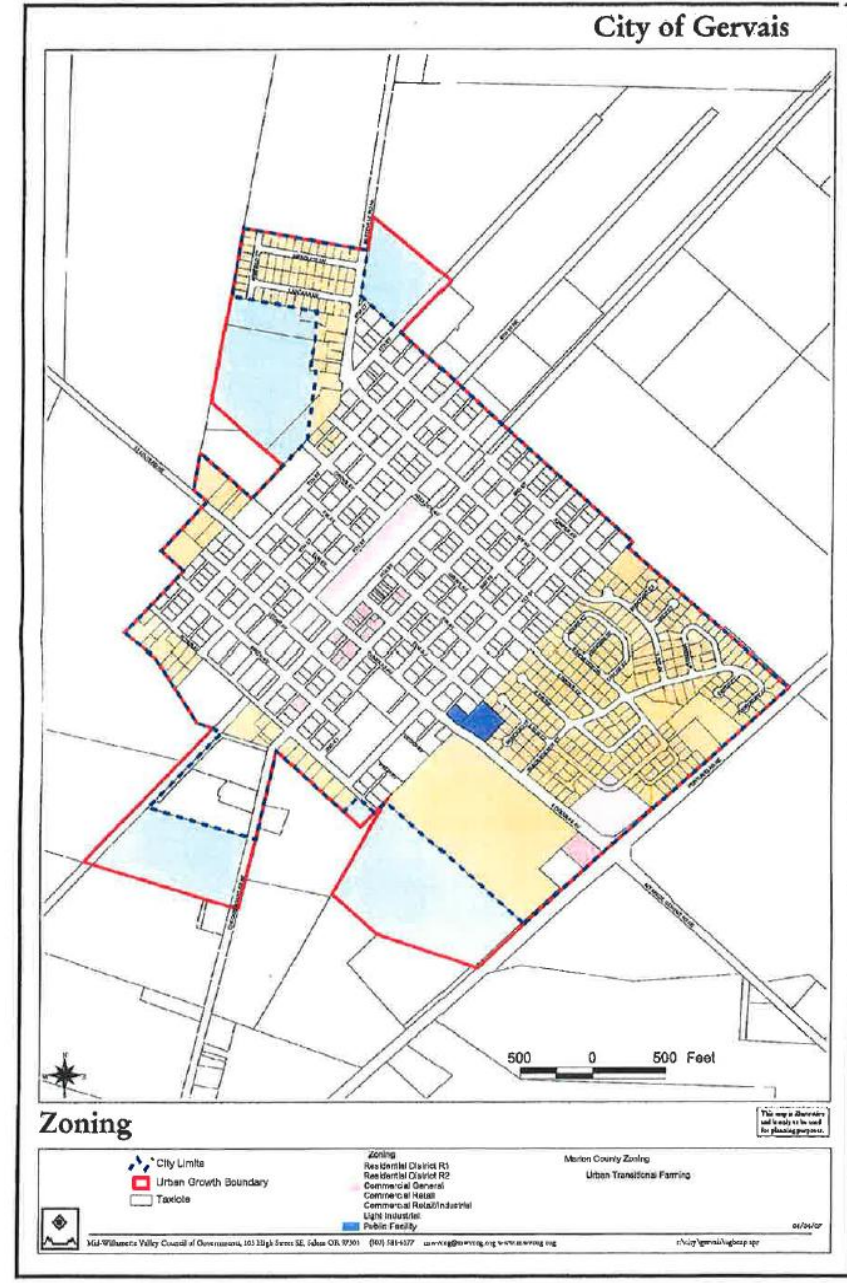
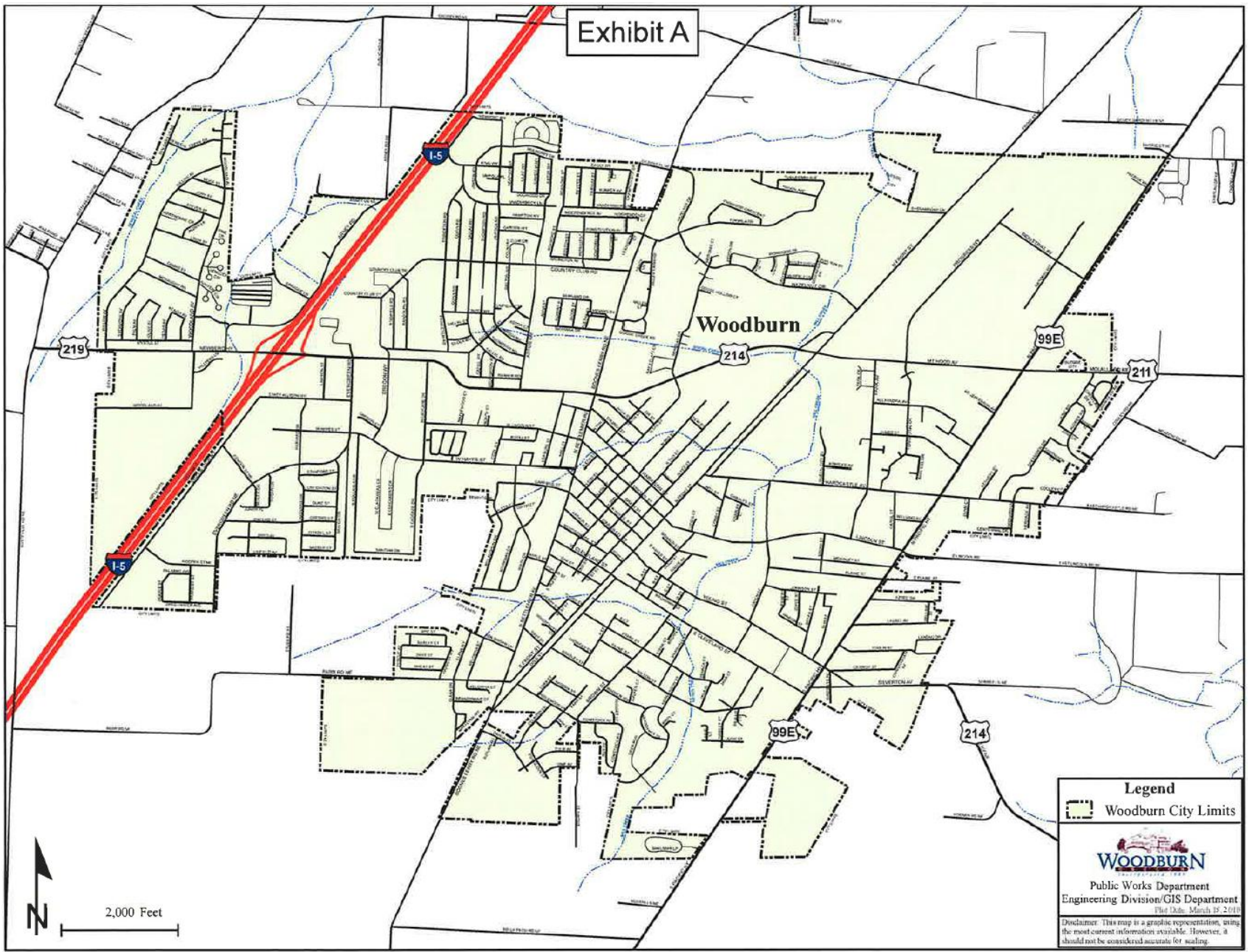
### APPLICATION CHECKLIST

- ✓ Businesses *must* file an Enterprise Zone Authorization application with local zone manager Jim Hendryx, and be approved PRIOR to any eligible investments.

### FOR MORE INFORMATION CONTACT THE ZONE MANAGER:

James N.P. Hendryx, Economic & Development Service Director  
City of Woodburn  
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Woodburn, OR 97071  
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# WOODBURN-GERVAIS ENTERPRISE ZONE



Map with City limits and highlighted zones that are eligible under the Enterprise Program