



# ENTERPRISE ZONES

Three- to five-year tax abatement for new investment and equipment

Clackamas County & City of Milwaukie economic development staff market and manage the **Milwaukie Enterprise Zone** to encourage investment through property tax exemption for new or expanding non-retail businesses that strive to hire local and create above minimum wage jobs.

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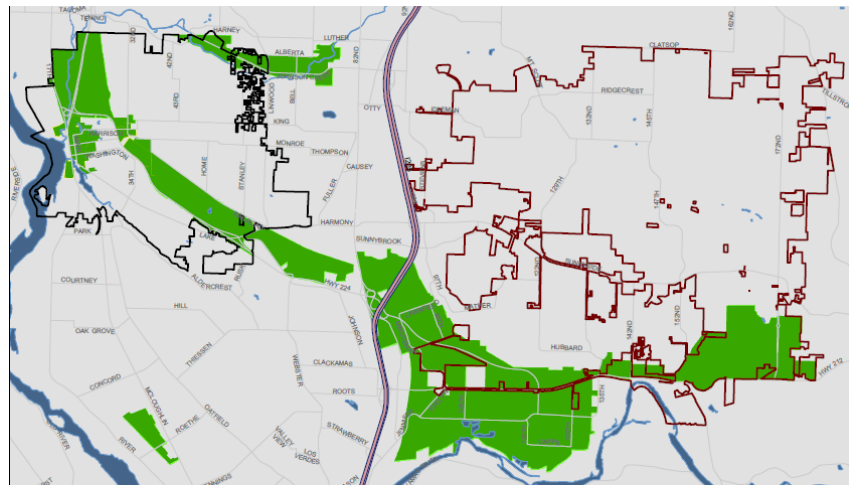
Enterprise Zones

**Enterprise Zones** are designed to encourage business investment through property tax relief in specific areas throughout the state. When locating or expanding into an Enterprise Zone, eligible businesses (generally non-retail) receive an exemption from the property taxes assessed on new investment, including building improvements, construction, machinery and equipment, for a period of three to five years.

Standard incentives are available to eligible businesses locating in an enterprise zone, subject to authorization timely filings, and employment criteria.

Standard incentives include:

- Construction-in-Process Enterprise Zone Exemption—up to two years before qualified property is placed in service, it can be exempt from local taxes. For most authorized businesses this provides broader benefit than the regular exemption for commercial facilities under construction.
- Three to five consecutive years of property tax exemption on qualified property, after it is in service.



North Urban Clackamas County Enterprise Zone

- City of Milwaukie
- City of Happy Valley
- North Urban Clackamas County Enterprise Zone

Data Sources: City of Milwaukie GIS, Clackamas County GIS, Metro Data Resource Center  
Date: Thursday, December 22, 2016

The information depicted on this map is for general reference only. The City of Milwaukie cannot accept any responsibility for errors, omissions or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of errors will be appreciated.

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## BUSINESS ELIGIBILITY

Prior to building construction/improvements or machinery/equipment installation begin on-site, the **Zone Manager** must receive and approve an *Application for Authorization*, which contains pertinent process information.

Eligible businesses include manufacturers, processors, shippers, and a variety of operations that serve other organizations, as well as call centers and headquarter-type facilities. Hotel/resort businesses are not eligible in the Milwaukie Enterprise Zone; nor are retail, construction, financial, or other defined businesses.

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## QUALIFIED PROPERTY

A new building/structure, structural modifications or additions, or newly installed machinery and equipment qualify for exemption. Nonqualified items include land, previously used property value, and miscellaneous personal items.

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## CRITERIA FOR QUALIFYING PROJECTS

For the standard, **three-year enterprise zone exemption**, the business should meet the following criteria:

- Increase full-time permanent employment by 10%
- Pay employees at least 150% of the State minimum wage (benefits can be used to reach this pay level)
- Maintain minimum employment level during the exemption period
- Enter into a first-source hiring agreement with local job training providers
- Pay an application fee of 0.1% of the proposed total investment.

Criteria for the extended **five-year exemption** the business should meet all criteria for the three-year enterprise zone exemption as well as the following:

- Compensation of new workers must be at or above 150% of the County average wage (benefits can be used to reach this pay level)
- There must be local approval by written agreement with the local zone sponsor
- The Company must meet any additional requirements that the local zone sponsor may reasonably request.

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## APPLICATION

Businesses or developers interested in locating or expanding in Enterprise Zones within Milwaukie can obtain the State application online at <http://www.oregon.com/gov/dor/PTD/docs/303-029.pdf> or from the Zone Manager at Clackamas County:

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