

Choose a Zone ENTERPRISE ZONE WRITTEN AGREEMENT
BETWEEN
PROSPER PORTLAND
AND
Add company name.

This Choose a Zone. Enterprise Zone Written Agreement (“Agreement”) is entered into this _____ day of _____, Choose a year. (the “Effective Date”), by and between Add company name., its affiliates, and subsidiaries (individually and collectively, the “Company”), and the City of Portland (“City”), acting by and through Prosper Portland, the economic development and urban renewal agency of the City of Portland.

RECITALS

- A. Pursuant to the Oregon Enterprise Zone Act established under Oregon Revised Statutes 285C.050 to 285C.250 (“Act”) and the *City of Portland Enterprise Zone and Electronic Commerce Policy* dated September 13, 2017 and adopted by the City on October 11, 2017 (the “City E-Zone Policy”), the City has the authority to establish, and has established, conditions under which it will certify qualified companies for an extended four or five-year property tax abatement as authorized by the Act.
- B. The City has designated Prosper Portland as the manager of the Choose a zone. enterprise zone and of the City E-Zone Policy.
- C. This Agreement is intended to implement the City E-Zone Policy.

PROJECT OVERVIEW

- A. **Investment Details.** The Company’s intended investment, as stated in the Authorization Application, is in the following amounts:

Real Property Investment: \$ Enter amount.
Machinery and Equipment Investment: \$ Enter amount.
Personal Property Investment: \$ Enter amount.
TOTAL INVESTMENT: \$ Enter amount.

- B. **Project Definition.** The Company is investing in Enter text.
- C. **Project Site.** Enter text.
- D. **Point-of-Contact.** The Company’s designated point-of-contact for purposes of this Agreement and matters related to this Agreement (“Point of Contact”) is:

NAME: Enter text.
TITLE: Enter text.
ADDRESS: Enter text.
CITY: Enter text. **STATE:** Enter text. **ZIP:** Enter text.
EMAIL: Enter text.
PHONE: Enter text.

The Company must immediately notify Prosper Portland of any change in the Point of Contact or their contact information.

COMPANY OBLIGATIONS

In consideration for the property tax abatement granted pursuant to the Act, the Company must perform the obligations set forth in this Agreement.

- A. **Application Fee.** The Company must pay the Application Fee of \$ **Enter amount** in full by or before **Enter due date**. The Enterprise Zone Manager will have no obligation to sign the Authorization Approval form if the Application Fee has not been timely paid in full.
- B. **City of Portland Business License.** The Company must maintain a current and active City of Portland Business License, as of the date of this Agreement and during the entire tax abatement period.
- C. **Job Quality Commitments.** All full-time jobs at the Company's project site must meet the following minimum quality levels during the entire period of the exemption:
 - 1. Either one hundred percent (100%) of basic wages must exceed the greater of \$15.45 per hour or the minimum legal wage per hour after one year of employment, or combined total compensation (wages and benefits) must exceed a combined \$20.00 per hour. (Employee benefits shall be calculated using the national average of non-governmentally mandated benefits for the size and type of business based on information supplied by the U.S. Department of Labor (www.bls.gov/news.release/ecec.t06.htm). In cases where the benefit contribution by the business is determined by employee participation, the calculation of benefit costs to the business will include its maximum liability for benefits payments in the calculation of the level of benefits provided to employees. In cases where the employee benefits offered increase with length of employment, the benefit level used for calculations in this contract are the benefits as of three (3) years of employment greater than 32 hours per week).
 - 2. Employers must demonstrate a good faith effort to create career ladder opportunities for their employees by providing Prosper Portland with a plan that documents their efforts.
- D. **Prosper Portland Construction Business and Workforce Equity Policy.** Construction equity policies, such as Prosper Portland's Construction Business and Workforce Equity Policy ("CBWE Policy"), are important tools used in construction projects where State or City financial resources and/or tax abatements are made available to companies, to help ensure an equitable distribution of benefits within the affected communities. As such, the Company is strongly encouraged to comply with all applicable provisions of the Prosper Portland Equity Policy and CBWE Policy in effect at the time the Company submits a formal Oregon E-Zone Authorization Application to the E-Zone Manager.
- E. **Procurement Plan.** The Company must submit to Prosper Portland an E-Zone Business Procurement Plan ("Plan") within six months of receiving authorization from Prosper Portland. The Plan must outline how good faith efforts will be made to increase the amount of goods and services purchased from businesses located within Portland and specifically from businesses owned by individuals that have faced discriminatory barriers to participation in the marketplace and businesses in priority neighborhoods designated by

Prosper Portland. The Plan is not intended to require a business to replace key regional suppliers of products and/or services. The Company must consider, in good faith, input from Prosper Portland in the creation of the Plan, and upon the Company's request, Prosper Portland will provide the Company with an acceptable template that it can use to develop its Plan.

It is understood that the Plan may provide flexibility to address specific business needs and operating conditions of the participating company.

- F. **City Cost of Service.** It is anticipated that each participating business may annually provide tax or fee revenues to the City, from sources other than property tax payments, in excess of the estimated costs of the City's basic services provided to the business, such as police and fire. Prior to submitting its E-Zone Application and signing this Agreement, Prosper Portland will analyze the anticipated payments to be made to the City from other sources, such as City Business and Utility License fees, and determine if the anticipated costs of City services will be fully covered by such other payments. If Prosper Portland estimates that such payments will not be sufficient to cover such costs, the Company must make additional payments to Prosper Portland to fully cover such anticipated costs.
- G. **Workforce Training and Business Development Fund ("WTBDF") and Employee Support Fund ("ESF").**
- a. **WTBDF.** The Company must contribute 18% of its tax savings into the WTBDF as directed by Prosper Portland.
 - b. **ESF.** If the Company will receive more than \$1,000,000.00 in aggregate tax savings, the Company must contribute an additional 5% of its aggregate tax savings into the ESF as directed by Prosper Portland.
 - c. **Use of Funds.** Prosper Portland manages and uses funds contributed to the WTBDF and ESF pursuant to the City E-Zone Policy, as it may change from time to time. Before Prosper Portland designates how contributions made to these funds will be used, Prosper Portland will first discuss with the Company its employees' needs, focusing principally on their transit and childcare needs. Notwithstanding the foregoing, the decision as to how WTBDF and ESF funds may be used is within the sole discretion of Prosper Portland, and Prosper Portland has the right to use any collected funds to meet other needs of the City, consistent with the City E-Zone Policy.
 - d. **WTBDF and ESF Payment Timing.** Prosper Portland may negotiate with the Company the timing of when funds will be contributed to the WTBDF and the ESF, but in any event the Company must make all such payments before the date that is nine (9) months after the date on which the Company made a claim for its enterprise zone tax abatement.

If Prosper Portland permits the Company to make accelerated payments to the funds based on the Company's estimated, rather than actual, tax abatements received (such as to take advantage of employee training opportunities/resources), the Company will not be entitled to a refund in the event the actual tax benefits received are less than estimated. The Company recognizes and acknowledges that it will not be entitled to any refund of funds paid into the WTBDF or the ESF in the event any or all of the tax abatements are not received or if the Company is required by law to refund tax abatements previously received.

H. **Additional Public Benefits.** Prosper Portland and the Company agree that the Company's estimated tax savings are **between \$50,000.00 and \$500,000.00**, and that the Company must therefore provide the following public benefits:

- a. **Enter text.**
- b. **Enter text.**
- c. **Enter text.**
- d. **Enter text.**

The Company will take these actions during the entirety of the tax abatement period, starting no later than the inception date of **Enter Date**, intended to give the Company time to implement new programming as needed.

COMPLIANCE

On at least an annual basis, Prosper Portland will review the Company's compliance with all legal requirements including all requirements of the City E-Zone Policy, the Act, and this Agreement. The Company must provide Prosper Portland with all records or reports reasonably requested by Prosper Portland. The Company must keep proper books of account and records of all activities associated with the requirements of this Agreement, including, but not limited to, records sufficient to demonstrate compliance with Section C, D, and H of this Agreement. The Company must permit Prosper Portland to inspect, review, and make excerpts and transcripts of such records.

If the Company fails to perform any obligation under this Agreement, including but not limited to any City E-Zone Policy obligation, Prosper Portland may pursue any one or more of the following remedies, at any times, whether consecutively or simultaneously: 1) to notify Multnomah County that the Company is disqualified from receiving a tax exemption (ORS 285C.240); 2) to use all legal means to collect funds; 3) to require the Company to cure the default; and 4) to require the Company to provide additional or enhanced public benefits. In addition, if the Company is not in compliance with any of its obligations pursuant to this Agreement in any year it receives a tax exemption, Prosper Portland may assess liquidated damages in the amount of 33 percent of the tax savings in that year, less cash payments received by Prosper Portland under section G above. The Company and Prosper Portland recognize and agree that actual damages for such breaches are difficult to accurately estimate at the time of entering into this Agreement and that liquidated damages calculated as provided above are a reasonable estimate of the harm that would result to Prosper Portland as a result of the Company's breaches.

[Signature page follows]

SIGNATURES

The City of Portland, acting by and through Prosper Portland

By: _____
Kimberly Branam, Executive Director

Approved as to Form:

Prosper Portland Legal Counsel

Add Company Name, and its affiliates and subsidiaries

By: _____
Add name and title.