

For years, Oregon has ranked among the lowest cost states for businesses according to several independent research organizations including:

- The Tax Foundation
- American Institute for Economic Research
- Ernst & Young
- Forbes

Despite this recognition, which typically does not factor the value of cost savings from economic development incentive programs, Oregon has more tools to encourage job growth and investment than any state in on the West Coast or that borders it.

For employers that qualify, Oregon can offer through incentives, both in the short and long term, a virtually tax-free operating environment. Often overlooked, Oregon’s “single sales factor” for determining state corporate income taxes favors employers that sell their products outside the state. It’s a contributing reason that Intel has its largest operation in world in Oregon and that multi-national companies like Nike, Columbia Sportswear, and Precision Castparts Corp.

The table below outlines some, not all, of the tools at our disposal to help Central Oregon a new home for your company:

CENTRAL OREGON INCENTIVE SUMMARY				
Incentive	What it does	Qualifying Criteria	Approval Process	Cities, Counties Available
<a href="#"><u>Standard Enterprise Zone</u></a>	Exempts 100% of real property and equipment used in the production of tangible, intangible goods for three years	Must invest at least \$50,000 or \$1,000 for equipment used directly in production of goods, services. Companies new to zone must create at least one job, existing employers must increase employment by 10% and sustain.	As of right. Approval provided by local zone managers and county assessor	All cities, most rural industrial property within all three counties
<a href="#"><u>Extended Enterprise Zone</u></a>	Exempts 100% of real property and equipment used in the production of tangible, intangible goods for five (5) years	Same as Standard Enterprise Zone, but the average total compensation of all new jobs must be at least 150% of the average wage for all jobs in the county. Total compensation can include all non-mandatory benefits (health ins. premiums, retirement, vacation pay, etc.)	Discretionary. Approval provided by the zone sponsors (cities, counties), zone manager and assessor. Approximate 20-40 day process.	All cities, most industrial property within all three counties
<a href="#"><u>Long Term Enterprise Zone (LTREZ)</u></a>	Exempts 100% of property tax on real and personal property for up to 15 years  Provides up to 15 years of Oregon corporate income tax credits	Must invest minimum (\$9.05m) – Crook Co., \$12.5m – Deschutes Co., \$9.4m Jefferson Co.) in capital investments (plant, equipment, personal property) and create at least 50 FT jobs in Deschutes and 35 FT jobs in Crook and Jefferson with average total compensation of at least 150% of average wage within the county.	Discretionary. Approval is provided local by agreement with the company enterprise zone sponsors: Approx. 30-60 day process. Income tax credits approved by Governor	All cities except Bend and most rural industrial property within all three counties

<a href="#"><u>Rural Renewable Energy Development Zone (RREDZ)</u></a>	Provides the same 100% property tax exemptions of enterprise zones for renewable energy development (generation) projects.	Companies must qualify for the standard enterprise zone in order to be eligible for property tax exemptions as well as have an eligible renewable energy project (i.e. wind, solar, biomass, etc)	As of right. Approval provided by local zone managers and county assessor.	All unincorporated areas within Crook and Jefferson counties
<a href="#"><u>Oregon Investment Advantage (OIA)</u></a>	Exempts Oregon income taxes for 8 years following 24 months of operation	Must create at least 5 new jobs with average total compensation of at least 150% of average wage of all jobs within the county	Approval by staff at Business Oregon. Approximate 30 day approval.	All cities except Bend within tri-county area
<a href="#"><u>Immediate Opportunity Fund (IOF)</u></a>	Reduces the cost of needed transportation infrastructure for job-creation projects	Must have job creation component. Merits of each project (community, industry, company, type of jobs) determine award. Awards can only be made to public entities (i.e. city, county, etc.), and must pay for public road development or improvement.	Preliminary approval by the Business Oregon Development Dept., final approval by Oregon Transportation Commission. Approximate 45-90 day approval process.	All areas within the region
<a href="#"><u>On-the-Job Training (OJT) Grant</u></a>	Cash reimbursement for on-the-job training for specific employer-needed skills	Complete training in at least six months at wage of at least \$10/hr., retain employee	Approved by local workforce development agency Central Oregon Intergovernmental Council (COIC). Approximate 20 day approval process.	All areas within the region
Deschutes County Forgivable Loan Fund	Cash incentive for job creation	Create at least 5 new, well-paying jobs in Deschutes County	Approved by Deschutes County Commissioners. Average approval process: 30-45 days	All areas within Deschutes County
Incentive Rate Industrial Land	Below-market industrial land for qualifying projects	Criteria vary by community, but typically new job creation and capital investment are major considerations. Job density per acre can also be a criterion.	Approved by local elected leaders (city or county)	Madras, Prineville, La Pine, Redmond
<a href="#"><u>Oregon Trade Promotion Program (STEP)</u></a>	Reimbursement of up the lesser of \$5,000 or 50% of international trade show costs	Employ fewer than 500 people, 75% of which must be in Oregon; exhibit Oregon services or goods at an international trade show or Oregon trade mission.	Approved by Business Oregon administration.	All areas within the region
<a href="#"><u>Oregon Energy Trust</u></a>	Rebates and tax credits for energy efficiency projects	New or existing businesses are eligible. Program areas include: energy efficient equipment & lighting, custom capital/O&M investments, strategic energy management, renewable energy production. Programs apply for new construction or renovation/retrofit.	Approved by the Energy Trust. Depending on complexity, applications can be approved in a matter of days or weeks.	All areas within the region served by either Pacific Power or Cascade Natural Gas
<a href="#"><u>Oregon Manufacturing Extension Partnership (OMEP)</u></a>	Subsidized training and consulting services to help small to medium size companies with production efficiency and continuous improvement	Programs include: Business Innovation Workshop (BIW), Small Business Initiative (SBI). Both offer consulting services at 25% of value (75% discount) for financial, continuous improvement, and marketing. Subsidy limit for BIW: \$7,500, SBI: \$24,000	Approved by OMEP. Review and approval process after complete application: 14 days.	All areas within the region