



# Hermiston Enterprise Zone

Incentives at a glance

## Incentive

The Hermiston Enterprise Zone is largely contiguous to Hermiston's city limits, and is one of several Oregon Enterprise Zones. The zone allows eligible (generally non-retail) businesses that expand into the area, to receive total exemption from the property taxes normally assessed on new plant and equipment for three years.

## Qualified Property

A new building/structure, structural modifications or additions, or newly installed machinery and equipment qualify for exemption, but not land, previously used property value and miscellaneous personal items.

## Business Eligibility

Eligible businesses include shippers, manufacturers, processors and a variety of operations that serve other organizations, as well as call-centers and headquarter-type facilities. Retail, construction, financial and certain other activities are not eligible.

## Criteria for Qualifying Projects

For the basic three-year property tax exemption, the business needs to:

- Increase full-time, permanent employment of the firm inside of Hermiston by one new job, or 10%, whichever is greater.
- Have no concurrent job losses outside of Hermiston, but inside of Oregon.
- Maintain employment level during the exemption period.

## Criteria for Extended Tax Abatement

Some projects which meet the basic three-year exemption, may also qualify for an additional one to two years of tax exemption if they meet the following:

- Compensation of new workers must be at or above 150% of Umatilla County's average wage. The 2011 threshold was \$51,839 per year.
- There must be approval by written agreement with the City of Hermiston.

## Hermiston Enterprise Zone

Mark Morgan, Zone Administrator  
(541) 667-5003  
[mmorgan@hermiston.or.us](mailto:mmorgan@hermiston.or.us)

City of Hermiston  
180 NE 2<sup>nd</sup> Street  
Hermiston, OR 97838