



## FOR IMMEDIATE RELEASE

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### SORED I Announces Grand Opening of Hilton Hampton Inn & Suites, Grants Pass - June 25, 2019

Southern Oregon Regional Economic Development, Inc. is pleased to announce that the Hampton Inn & Suites by Hilton, located at 110 NE Morgan Lane (Exit 58) in Grants Pass will have a grand opening celebration on Tuesday, June 25 from 4:30 - 6:30 pm. This new 101-room hotel, 64,200 s/f development replaces the former Royal Vue Motor Hotel. Located adjacent to In & Out Burger, the Hampton Inn & Suites represents a multi-million dollar new capital investment project for Grants Pass and employs nearly 30.



Enterprise zones were established by the Oregon Legislature in the mid-1990's. Hotel and motel developments are included in this incentive, if selected by the zone sponsors. This hotel project was initiated in mid-2016 and is receiving enterprise zone property tax abatement through the formerly established Rogue Enterprise Zone. The Rogue Zone was split into two distinct zones in July 2018 after Grants Pass became recognized as an urban community.

This is the first hotel development in Josephine County to receive the incentive. According to Bill Bagley, partner in the development, "this investment in Grants Pass was made possible with the enterprise zone benefit. SOREDI worked hard on our behalf to ensure the application was complete enabling us to reduce bottom line operating costs for several years."

In May 2016, the Eagle Point Chalets at the Eagle Point Golf Club became the first hotel development to request the incentive for its hotel development. In Medford, one other hotel development has opened with a grand opening is expected soon. Another Medford-based hotel project has also submitted its application for the incentive with completion plans slated for 2021 and another prospective resort development is being considered in Grants Pass along the Rogue River. Colleen Padilla, Executive Director for SOREDI notes that "not all enterprise zones in

Oregon offer the incentive to hotel development; given the region's high number of tourists and visitors for various sporting events, it makes sense for the region and we are pleased to assist these new businesses in their development."

Enterprise zone property tax abatement is one of the few incentives offered to primarily traded-sector companies and headquarters. Zone sponsors in Southern Oregon - including the Medford Urban, the Grants Pass Urban, Josephine County Rural and Jackson County Rural - have all approved hotel development as an eligible use for the incentive. Applicants seeking the investment must create at least 10% new jobs; the abatement only applies to new capital investment and does not apply to the land.

To date, SOREDI, the zone manager since 1997, has processed nearly 170 enterprise zone applications, worth an estimated \$403 million in new investment. The 4 hotel developments with applications to date represent over \$33.5 million in of that expected investment and the promise of minimally more than 80 hospitality jobs. Most enterprise zone applicants receive the standard 3-year exemption on property tax associated with the new capital investment. Eligible companies that can demonstrate that the average non-mandatory compensation package for their new employees reaches a minimal threshold of 150% of the county's average - \$53,861 in Josephine County, and \$62,123 in Jackson County - may be eligible for a 4<sup>th</sup> and 5<sup>th</sup> year of property tax abatement. More information about the worth of the enterprise zone in Southern Oregon may be reviewed here: <https://soredi.org/notes-from-colleens-desk-enterprise-zones-whats-it-worth-to-you-403-million/>

New and expanding companies are urged to contact SOREDI before beginning any new development. The incentive is not retroactive and prospective new applicants must submit an application to SOREDI for the incentive before breaking ground or adding new equipment and machinery. Other restrictions apply. For more information about Enterprise Zone benefits, please contact SOREDI - (541) 773-8946.

**About SOREDI:** SOREDI is a private, membership-based, non-profit organization, governed by a board of directors. Its eight-person staff is charged with local business expansion and new business recruitment efforts, financial assistance to start-up companies through its business loan fund, and management of Enterprise Zones in Jackson and Josephine Counties. The agency was formed as a regional economic development agency in 1987. Learn more at <https://www.soredi.org>.