



City Council

**AGENDA ITEM TYPE:** Consent

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IGA Contract No. 312981 with Gresham Barlow School District to Collect and Remit the Enterprise Zone School Support Fee

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Meeting Date: June 17, 2025  
Service Area: Economic Development

Staff Member: Erika Fitzgerald  
Agenda Item Number: C-5

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**Requested Council Action and Suggested Motion:**

Move to approve Intergovernmental Agreement Contract No. 312981 with Gresham Barlow School District to collect and remit the Enterprise Zone Program school support fee.

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**Public Purpose, Community Outcome, and Strategic Plan Alignment:**

This item will allow the City to collect the required Enterprise Zone Program school support fees on behalf of the Gresham Barlow School District to reduce the administrative responsibility of the school district.

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**Background:**

On February 4, 2025, the Gresham City Council adopted Resolution No. 3632 authorizing and accepting the 15% Enterprise Zone Program school support fee resolutions adopted by the three respective school boards – Gresham Barlow, Reynolds, and Centennial.

During the 2023 Legislative Session, House Bill 2009 was passed and signed into law. The bill included provisions that created a new “school support fee” to be paid to school districts in lieu of property tax by businesses that are granted property tax exemptions in standard Enterprise Zones. The school support fee applies to years 4 and 5 of a standard Enterprise Zone property tax abatement period.

The school support fee rate was set by Gresham Barlow School District via Resolution No. 2025-10 on December 4, 2024, at 15% of the amount the qualifying business would have otherwise paid in property taxes in the years the fee applies. Therefore, if a business receives a \$10,000 Enterprise Zone property tax abatement, that business will now pay a school support fee of \$1,500 to Gresham Barlow School District.

HB 2009 allows school districts to partner with another agency to collect the school support fee on behalf of the districts in years four and five of the property tax abatement period. Gresham Barlow School District requested that the City of Gresham invoice the fee on their behalf. Intergovernmental Agreement Contract No. 312981 will allow for the City to invoice companies, approved for a five-year property tax abatement via the Enterprise Zone program, for the school support fee.

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**Recommendation and Alternatives:****Recommendation:**

Move to approve the attached Intergovernmental Agreement Contract No. 312981 with Gresham Barlow School District to collect and remit the Enterprise Zone program school support fee.

**Alternatives:**

Council may choose not to approve the attached Intergovernmental Agreement Contract No. 312981 with Gresham Barlow School District to collect and remit the Enterprise Zone program school support fee.

This would require the Gresham Barlow School District to invoice and collect the fee from companies approved for the extended five-year Enterprise Zone program in years four and five of the abatement period.

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**Budget/Financial Impact:**

The Gresham Barlow School District has requested to enter into an intergovernmental agreement (IGA) with the City of Gresham to invoice the school support fees on its behalf. This option is permitted via state statute. The City will charge a one percent (1%) administrative fee for the service of invoicing enterprise zone companies for the school support fee.

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**Public Involvement:**

The Gresham Barlow School District held a hearing for adoption of the Enterprise Zone school support fee at its school board meeting on December 4, 2024. No public comments were received on the items.

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**Attachments:**

A. Intergovernmental Agreement Contract No. 312981 with Gresham Barlow School District

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**Reviewed Through:**

Justin Douglas, Economic Development Director  
Elizabeth McCann, Director of Budget & Finance  
Ellen Van Riper, City Attorney  
Christina Still, City Recorder