



Economic Solutions Group

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Adobe Systems Incorporated

Hillsboro Oregon Data Center Project



Critical Client Objectives:

- To successfully secure maximum incentive opportunities for Adobe Systems Inc. associated with the construction of a new 80,000 square foot data center.

Action Taken:

- Performed detailed due diligence and exploratory discussions on possible incentive structures for dozens of target sites in 5 separate states throughout the western United States.
- Created detailed tax and incentive proformas for each site.
- Secured confidentiality agreements with each target government authority prior to engaging in detailed exploratory discussions.
- Successfully created and presented a detailed project summary prospectus to each municipality and state government authority under consideration to motivate them to offer maximum incentives.
- Negotiated independent and confidential financial incentive proposals for each of Adobe's target sites.
- Presented Adobe's leadership with detailed analyses on possible incentives for each short listed site.
- Successfully negotiated and secured all local and state government contractual commitments for the target site in Hillsboro Oregon.

Successful Results:

- \$90 million in total potential incentives through Year 2037, in the form of:
 - \$40 million in State of Oregon/City of Hillsboro Enterprise Zone Real and Personal Property Tax Abatements through Year 2037, and
 - \$50 million in potential State of Oregon corporate income tax abatements negotiated through enhanced Electronic Commerce Credits.
- Successfully eliminated uncertain central property assessment risk for Adobe by securing a private letter ruling from the Oregon Department of Revenue ensuring the project would not be assessed as a communications utility.

Ongoing Responsibilities

- Successfully negotiate and manage annual incentive compliance submittals to each government entity, including:
 - Coordinating normal real and personal property tax assessment reporting procedures for the project.
 - Creating and submitting annual reporting efforts to ensure the project remains compliant with all required incentive commitments.
 - Ensure all tax incentives are successfully reflected in tax notices delivered to the project.