

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER AND RESOLUTION
NO: 16-08-16-07

IN THE MATTER OF AUTHORIZING THE
COUNTY ADMINISTRATOR TO SIGN
AGREEMENTS WITH THE CITY OF
EUGENE AND AVAGO TECHNOLOGIES TO
EXTEND THE PROPERTY TAX
EXEMPTION TWO YEARS FOR
REDEVELOPMENT OF PROPERTY
OWNED IN WEST EUGENE.

WHEREAS, The City of Eugene and Lane County are co-sponsors of the West Eugene Enterprise Zone, which became effective July 1, 2016,

WHEREAS, Avago Technologies Wireless USA Manufacturing Inc. (Avago) is an eligible business firm as provided in ORS 285C.135 and has the right under ORS 285C.175 to seek property tax exemptions in the enterprise zone; and

WHEREAS, Avago has filed an authorization application with the West Eugene Enterprise Zone Manager seeking a three-year property tax exemption for its operations in the West Eugene Enterprise Zone under ORS 285C.200(1). That application will be approved, if at all, by the West Eugene Enterprise Zone Manager and the Lane County Assessor; and

WHEREAS, Avago also seeks a two-year extension to the tax exemption, for a total five-year exemption.

NOW, THEREFORE, the Board of County Commissioners of Lane County **ORDERS and RESOLVES** as follows:

1. Pursuant to ORS 285C.160, the Board of Commissioners approves Avago's request for an additional two-year tax exemption at the end of any tax exemption period authorized by the West Eugene Enterprise Zone Manager and the Lane County Assessor pursuant to ORS 285C.140, provided that Avago complies with the following conditions for each year of the entire exemption period:
 - a. All of Avago's new employees receive an average level of compensation equal to or greater than 150 percent of the county average annual wage, in accordance with the specific definitions and guidelines in Oregon Administrative Rules (OAR), Chapter 123, Division 674 (123-674-0600) which provides that:
 - i. Such compensation may include non-mandatory benefits that can be monetized;
 - ii. The county average annual wage is set at the time of authorization, except as pursuant to ORS 285C.160(4), according to the 2014 Lane County average annual payroll rate of \$39,382, for which 150 percent equals \$59,073;
 - iii. Average level of compensation is calculated for new jobs, which is defined as jobs filled for the first time after submission of the authorization application and on or before December 31 of the first year from which an exemption is claimed and whose duties are performed within the current boundaries of the West Eugene Enterprise Zone; and
 - iv. Only full-time, year round and non-temporary employees are engaged in a majority of their time in Avago's eligible operations consistent with ORS 285C.135 & 285C.200(3) are counted, regardless if such employees are leased, contracted for or otherwise obtained through an external agency or are employed directly by Avago.

- b. Avago shall meet the following additional requirements as reasonably requested by the Zone Managers under ORS 285C.160(a)(B):
 - i. Avago shall maintain a mandatory minimum level of full-time employees in the West Eugene Enterprise Zone equal to an annual average of 229 employees at all times during the exemption period. With each annual exemption claim, Avago must demonstrate they maintained the minimum annual average employment level of 229 employees during the previous calendar year.
 - ii. Avago shall pay to Lane Workforce Partnership \$500,000 in \$100,000 annual installments to be paid by July 1st in each of the 5 years of enterprise zone exemption to contribute to the following community benefits:
 - 1. Support youth employment readiness programs (examples: Lane Workforce Partnership's pre-apprenticeship program, paid work experience opportunities, National Career Readiness Certificate classes); and
 - 2. Support Science, Technology, Engineering, and Math programming in schools (examples: Lane Educational Services District's STEM Hub, grants, teacher training).
- 2. The County Administrator is authorized to sign agreements with the City of Eugene, the co-sponsor of the West Eugene Enterprise Zone, and Avago to the terms described herein only if the following two conditions are met:
 - a. The West Eugene Enterprise Zone Manager and the Lane County Assessor approve the application for authorization for the initial three-year property tax exemption; and
 - b. Avago accepts conditions outlined herein
- 3. The County Administrator is authorized to take appropriate action to facilitate the extension of the property tax exemption as described herein.
- 4. This resolution shall take effect upon adoption by the Board of Commissioners.

ADOPTED this 16th day of August, 2016.

Faye Stewart

Faye Stewart, Chair

Lane County Board of Commissioners

APPROVED AS TO FORM
Date 8/17/16
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