

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER AND RESOLUTION  
NO: 17-11-07-02

IN THE MATTER OF AMENDING THE WEST  
EUGENE ENTERPRISE ZONE PUBLIC  
BENEFIT CRITERIA AND SCORING  
SYSTEM

**WHEREAS**, the Board of Commissioners and the Eugene City Council are joint sponsors of the West Eugene Enterprise Zone; and

**WHEREAS**, the Board of Commissioners and the Eugene City Council agreed to form a task force to review and update the public benefit criteria associated with the West Eugene Enterprise Zone; and

**WHEREAS**, during the summer of 2016, a joint City/County task force comprised of two city councilors, two county commissioners, and four community members was convened for the purpose of reviewing the West Eugene Enterprise Zone Public Benefit Criteria and scoring system that had been previously adopted. The task force met through April 2017, providing opportunities for stakeholder participation and community involvement, including a public hearing and developed a proposal for amendments to the Public Benefit Criteria and scoring system; and

**WHEREAS**, in developing its recommendation the task force gave consideration to the support of existing business and retention of existing jobs as important elements of the West Eugene Enterprise Zone.

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

1. Based on the above findings which are adopted, the local Public Benefit Criteria and scoring system for the West Eugene Enterprise Zone are amended and attached to this Order.
2. Public benefit contributions shall be distributed on an annual basis to the following entities:
  - a. 20% to Lane County
  - b. 20% to the City of Eugene; and
  - c. 60% to support local education. The amount shall be distributed proportionally (based on permanent tax rates) to K-12 education, Lane ESD, and Lane Community College. The K-12 contribution shall be distributed to the 4-J and Bethel School Districts in amounts proportional to the districts' enrollments.

3. This Order shall become effective immediately upon adoption.

ADOPTED this 7th day of November, 2017.



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Pat Farr, Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM

Date

10/27/17

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LANE COUNTY OFFICE OF LEGAL COUNSEL



**West Eugene Enterprise Zone  
Public Benefit Criteria – Final Changes**

This document shows the final changes made to the Public Benefit Criteria, which Eugene City Council voted to amend at their July 24 meeting. The Criteria below incorporate both the Task Force and Council’s changes.

Businesses who participate in the West Eugene Enterprise Zone (the Zone) are required to meet additional Public Benefit Criteria in order to qualify for the full tax exemption<sup>1</sup>. The Criteria encourage businesses to take steps towards achieving certain community goals and priorities.

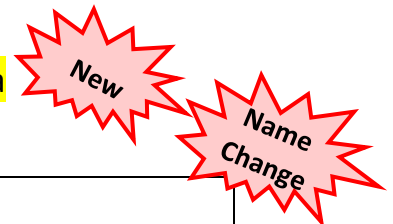
Step 1 outlines the nine public benefit categories. Step 2 outlines the job cap criteria that limits the amount of tax exemption a business can get depending on the number of jobs created.

**Step 1**

*A business needs to get 25 points or more to qualify for the full exemption*

**Tier 1 Criteria**

A business needs to score at least 15 points through Tier 1 Criteria



<p><b>1. Business Type</b></p> <p>This category takes into account the possibility that businesses may have a harder time earning points in other categories due to funding and resource limitations.</p>	
<p>Indicate the number of permanent, full-time employees at submission of the Oregon Enterprise Zone Claim.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Less than 25 employees = 9 points</li> <li><input type="checkbox"/> Between 25-49 employees = 7 points</li> <li><input type="checkbox"/> Between 50 and 99 employees = 5 points</li> <li><input type="checkbox"/> Between 100 and 499 employees = 2 points</li> </ul>	<p>Up to 9 points</p>
<p>Business is a minority-owned, women-owned, or disadvantaged business enterprise.*</p>	<p>1 point</p>



\*Business will be asked to provide additional information for points claimed

<sup>1</sup> Authorized by ORS 285C.150

## 2. Wages

This category rewards businesses that offer high wages to all employees. Since the Enterprise Zones is designed to incentivize investments among traded sector\* industries, the threshold is median wages\*\* for traded sector industries.

\*Traded sector industries include manufacturing, wholesale trade, & transportation/warehousing (defined by the OR Employment Dept.)

\*\* If all salaries were arranged in order, the median wage would be the one with exactly half the data above it and half below it. The median wage is considered to be a more accurate reflection of the 'average' wage because it discounts extremes at either ends of the scale.

<p><b>Companies with 25 or more employees:</b></p> <p><input type="checkbox"/> The median wage for ALL employees is <b>equal to or greater than 100%</b> of the median wage for the traded sector industries within Lane County</p>	<p><b>Companies with fewer than 25 employees:</b></p> <p><input type="checkbox"/> The median wage for ALL employees is <b>equal to or greater than 85%</b> of the median wage for traded sector industries in Lane County</p>	<p>9 points</p>
<p><input type="checkbox"/> The median wage for ALL employees is <b>equal to or greater than 120%</b> of the median wage for the traded sector industries within Lane County</p>	<p><input type="checkbox"/> The median wage for ALL employees is <b>equal to or greater than 100%</b> of the median wage for the traded sector industries within Lane County</p>	<p>1 point</p>
<p>85% of 2016 Median Wage = \$15.39 per hour          100% of 2016 Median Wage = \$18.11 per hour          120% of 2016 Median Wage = \$21.73 per hour</p>		
<p>If the Lane County traded sector median wage drops below 120% of the minimum wage, then all companies should offer wages at or above 120% of the minimum wage to receive points. In 2016, 120% of Lane County's minimum wage is \$11.10 per hour.</p>		





### 3. Local Hiring and Sourcing

This category emphasizes the importance of using available local resources and networks for business operations. It focuses on using programs and practices that offer employment services and training to local jobseekers. These programs also work with employers to identify good matches for specific positions. The category also encourages businesses to source their operational materials from within the region if possible. **Maximum total of 9 points.**

<p>The company has created a procurement plan* that demonstrates their intention to source materials needed for regular business operations from:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> within Oregon = 1 point</li> <li><input type="checkbox"/> within Lane County = 2 points</li> </ul>	<p>Up to 2 points</p>
<p><input type="checkbox"/> The company utilized State approved (Oregon Apprenticeship and Training Division) apprenticeship programs during construction of the exempt investment. *</p>	<p>1 point</p>
<p><input type="checkbox"/> After consultation with the City of Eugene’s Minority and Women Business Enterprise Contracting Specialists, the business has created a policy or program for contracting with more MWBE businesses.</p>	<p>2 points</p>
<p>A percentage of the company’s new hires have been through local training/referral agencies:*</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Greater than 10% = 1 point</li> <li><input type="checkbox"/> Greater than 30% = 2 points</li> <li><input type="checkbox"/> Greater than 50% = 3 points</li> </ul>	<p>Up to 3 points</p>
<p><input type="checkbox"/> Company has a diversity or equity plan or policy that outlines the steps they are taking to integrate diversity into the workplace and the hiring process.*</p>	<p>1 point</p>



\*Business will be asked to provide additional information for points claimed

### 4. Employee Benefits

This category is designed to encourage businesses to offer additional benefits that are not mandated but can create a more positive work environment for all employees.\*

<p><input type="checkbox"/> Childcare</p>	<p>1 point</p>
<p><input type="checkbox"/> Life Insurance</p>	<p>1 point</p>
<p><input type="checkbox"/> Employer Paid Time Off (a minimum of 10 days; includes holiday, vacation, sick leave, undesignated leave)</p>	<p>1 point</p>
<p><input type="checkbox"/> Profit Sharing</p>	<p>1 point</p>
<p><input type="checkbox"/> Retirement Plan</p>	<p>1 point</p>
<p><input type="checkbox"/> Transportation</p>	<p>1 point</p>
<p><input type="checkbox"/> Wellness Program</p>	<p>1 point</p>



\*Business will be asked to provide additional information for points claimed

## Tier 2 Criteria

Points will be combined with Tier 1 points for total points and a business needs to score at least 6 points from Tier 2 Criteria.



### 5. Sustainability

This category awards points to businesses who have made an effort to reduce their impact on the environment. This supports the City's efforts to address climate change and energy challenges. The criteria aligns with the City's Climate Recovery Ordinance and Action Plan which aim to reduce carbon pollution and the community's fossil fuel use. The criteria focuses on enrollment in BRING's RE:think program, as it provides a comprehensive consultation that covers a number of areas. The criteria also includes points for businesses that reduce their operational and employee impact on the region's transportation system.



<input type="checkbox"/> The company is certified in BRING's RE:think Business program.	2 points	
The business meets at least one of the following: <ul style="list-style-type: none"> <li><input type="checkbox"/> Participates in LTD's Point2Point program</li> <li><input type="checkbox"/> Has entered into a Transportation Demand Management Agreement with the City of Eugene</li> </ul>	1 point max	
The business has one of the following: <ul style="list-style-type: none"> <li><input type="checkbox"/> After consultation with the City, a plan to reduce their impact on the transportation system, or</li> <li><input type="checkbox"/> After consultation with the City's Waste Prevention Green Building department, a plan to reduce energy consumption.</li> </ul>	1 point max	
The business meets at least one of the following: <ul style="list-style-type: none"> <li><input type="checkbox"/> A business that is exempt from stormwater management requirements but has implemented on-site stormwater management</li> <li><input type="checkbox"/> A business who has gotten a reduction in SDCs and/or user fees by managing stormwater on-site beyond the minimum requirements</li> </ul>	1 point max	
<input type="checkbox"/> The company participates in the City of Eugene's Love Food, Not Waste program (if applicable)	1 point	

\*Business will be asked to provide additional information for points claimed

### 6. Redevelopment

This category aligns with the community's infill and redevelopment goals. Its purpose is to encourage the reuse of underutilized sites and to increase the productivity of already developed sites. The remediation criteria awards points to businesses that have taken steps to address on-site contamination.

<input type="checkbox"/> The exempted investment is either <ul style="list-style-type: none"> <li>• Expansion of the current site, OR</li> <li>• Redevelopment of a brownfield, OR</li> <li>• Redevelopment of vacant building(s)</li> </ul>	5 points	
<input type="checkbox"/> The company remediated environmental contamination during the investment.*	1 point	

\*Business will be asked to provide additional information for points claimed

<b>7. Health Insurance</b>	
This category awards points to companies who offer more healthcare coverage than is required by law. As of January 2017, businesses with 50 or more employees are required to offer healthcare coverage to their employees.	
<b>For businesses with fewer than 50 employees:</b>	
<input type="checkbox"/> Offer medical benefits for all eligible employees (employer pays at least 70% of premium)	2 points
<b>For all businesses:</b>	
<input type="checkbox"/> Offers medical benefits for families (employer pays at least 60% of premium)	3 points



<b>8. Training and Advancement</b>	
This category is designed to encourage businesses to provide training and advancement opportunities to their employees.*	
<input type="checkbox"/> Annual training expenditure greater than or equal to the U.S. average (as a percentage of total payroll): Annual training expenditure $\geq$ 3.2 % (Benchmark source: American Society for Training and Development)	1 point
<input type="checkbox"/> Company has a comprehensive written policy for wage or position advancement. (Should include items such as job descriptions, position classifications, regular performance evaluations, step advancement, progression pay schedule)	1 point
<input type="checkbox"/> Company offers a diversity or equity training for employees	1 point
<input type="checkbox"/> Company has signed a Letter of Support for the National Career Readiness Certificate with Lane Workforce Partnership	1 point



\*Business will be asked to provide additional information for points claimed

<b>9. Investment Size</b>	
This category awards points to businesses that made a significantly large investment within the Enterprise Zone. This acknowledges that these businesses will be contributing large property tax payments once the investments come onto the tax rolls after the exemption.	
Size of new investment:	
<input type="checkbox"/> Assessed value equal to or greater than \$2,500,000 = 2 points <b>OR</b>	4 points max
<input type="checkbox"/> Assessed value equal to or greater than \$5,000,000 = 4 points	

**Step 2.**

*Job Cap Criteria*

The three-year tax exemption benefit shall be limited to a maximum of \$96,000 per job created or \$32,000 per job created per year, whichever is less. Tax exemption benefits in excess of that amount shall be paid as a public benefit contribution.