

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER AND RESOLUTION
NO: 15-04-14-08

IN THE MATTER OF AUTHORIZING THE
COUNTY ADMINISTRATOR TO SIGN
AGREEMENTS WITH CITY OF
SPRINGFIELD AND THE SWANSON
GROUP MANUFACTURING LLC TO
EXTEND THE PROPERTY TAX
EXEMPTION TWO YEARS FOR A VENEER
PEELING AND PLYWOOD LAYUP MILL IN
THE DOWNTOWN SPRINGFIELD AREA.

WHEREAS, the Swanson Group Manufacturing, LLC (Swanson Group) could receive a property tax exemption under ORS 285C.160 because it is an eligible business firm; and

WHEREAS, the Swanson group agrees

- (a) To compensate during the entire enterprise zone tax exemption period all new employees at an average rate of not less than 150 percent (\$57,530) of Lane County's prevailing average annual wage (\$38,353) at the time of applying for authorization; and
- (b) To comply with all requirements of the Agreement for the Oregon Enterprise Zone Extended Abatement
- (c) To comply with all applicable requirements of ORS 285C

WHEREAS, the Swanson group anticipates it will complete construction of its veneer peeling and plywood layup operation in 2016; and

WHEREAS, the Swanson Group has filed an authorization application form with the Springfield Enterprise Zone Manager;

WHEREAS, the Swanson Group will negotiate a First Source agreement with the Oregon Employment Division for referring qualified candidates to the Swanson Group for new job openings with the Springfield Community Enterprise Zone until the end of the exemption period;

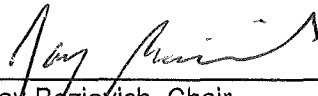
WHEREAS, the Lane County Board of Commissioners would like to encourage reinvestment in new Springfield manufacturing and high technology facilities, increase both the number of family wage jobs and the wages paid to its citizens in new economic sectors, assist in the diversification of manufacturing and high technology in the local economy, ensure competitiveness in future Springfield businesses, and provide support for the long-term operation of Swanson Group's Springfield facilities.

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

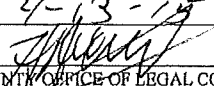
1. As the governing body of one of the sponsors of the Springfield Community Enterprise Zone, approves extending the property tax benefits to the Springfield Community Enterprise Zone for two years to the Swanson Group, as requesting in Exhibit A and incorporated herein by reference for a possible \$44.85 to \$54.75 million veneer peeling and plywood layup operation to replace the facility lost to fire in July 2014;

2. The County Administrator is authorized to sign agreements with the City of Springfield, the co-sponsor of the Springfield Community Enterprise Zone, and the Swanson Group to the terms described herein and provided that the Swanson Group Corporation meet the terms of ORS 285C; and
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 14th day of April, 2015.



Jay Bozievich, Chair
Lane County Board of Commissioners

APPROVED AS TO FORM
Date 4-13-15


LANE COUNTY OFFICE OF LEGAL COUNSEL

EXHIBIT A

Project Outline

Swanson Group will build a new veneer peeling and plywood layup operation.

Equipment:

1. Lathe Line and Associated Equipment - \$6-8M
2. Veneer Dryers and Associated Equipment - \$9-10M
3. Spreader Lines (x3) and Associated Equipment - \$.75-1.25M
4. Presses (x6) and Associated Equipment - \$4-5M
5. Plywood Sander, saw line and Associated Equipment - \$3-3.75M
6. Veneer Composition and Associated Equipment - \$2.5-3M
7. By products Handling Equipment - \$2-2.5M
8. Building installed -\$8-9M
9. Log processing repairs -\$1.5-2M
10. Air and steam piping and associated equipment-\$.75-.1.25M
11. Mechanical and electrical Systems - \$7-8.5M
12. Communications Systems/IT - \$.35-.5M

TOTAL: \$44.85-54.75M