

**A RESOLUTION GRANTING AN ENTERPRISE ZONE EXEMPTION TO WILLAMETTE INDUSTRIES, INC., FOR PAPER MILL INVESTMENT**

WHEREAS, Willamette Industries, Inc. has commenced construction on \$125 million of capital improvements to the recovery, secondary fiber, and cogeneration systems at the Albany Pulp and Paper Mill in Millersburg, Oregon; and

WHEREAS, the construction is located within the former Albany-Millersburg Enterprise Zone, which was sponsored by Linn County, the City of Albany, and the City of Millersburg and which terminated on July 1, 1996; and

WHEREAS, the construction will be completed in phases in 1999 and 2000; and

WHEREAS, Willamette Industries, Inc., has a current property tax exemption within the Albany-Millersburg Enterprise Zone on its laminated veneer lumber mill; and

WHEREAS, ORS 285B.704 (2) empowers enterprise zone sponsors to extend property tax exemptions to firms investing more than \$25 million when the firm's employment increase does not reach the 10 percent threshold required in ORS 285B.704 (1) by local resolution of each sponsoring government waiving the requirement; and

WHEREAS, Section 3c (2)(a), Chapter 1104, Oregon Laws 1999, further empowers enterprise zone sponsors to extend property tax exemptions to firms investing more than \$50 million in up to three consecutive years even if construction commenced prior to the precertification application; and

WHEREAS, Second 3c (2)(b), Chapter 1104, Oregon Laws 1999, further empowers enterprise zone sponsors to extend property tax exemptions to firms investing more than \$50 million in up to three consecutive years regardless of the total cost of equipment that is completed or begins operating in a single year; and

WHEREAS, Section 3c (2)(c), Chapter 1104, Oregon Laws 1999, further empowers enterprise zone sponsors to extend property tax exemptions to firms investing more than \$50 million in up to three consecutive years in a terminated enterprise zone, if the firm is grandfathered, regardless of the firms status under which the ongoing exemption was qualified; and

WHEREAS, Willamette Industries, Inc. agrees to maintain an annual average of at least 775 full-time equivalent employees at all of its operations within the former Albany-Millersburg Enterprise Zone throughout the duration of the exemption sought; and

WHEREAS, local governments will not be burdened with any additional service demands as a result of these investments, but the investments will ultimately provide nearly \$1 million in additional tax revenue to Linn County governments per year; and

WHEREAS, approval of this resolution will allow the local government sponsors to consider potential future investments by Willamette Industries, Inc. in the former Albany-Millersburg Enterprise Zone in accordance with ORS 285B.686 (b).

NOW, THEREFORE, BE IT RESOLVED that Willamette Industries, Inc.'s request for a three-year property tax exemption under Oregon enterprise zone law (ORS 285B.650 to 285B.731) on its \$125 million of capital improvements, currently under construction, is approved as provided under ORS 285B.704(2) and Section 3c (2), Chapter 1104, Oregon Laws 1999.

DATED THIS 27TH DAY OF OCTOBER 1999.

  
Mayor

ATTEST:

  
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City Recorder

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