

RESOLUTION NO. 4451

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

**WHEREAS, Willamette Industries, Inc., is constructing approximately \$108 million of capital improvements to its manufacturing facilities located within the former Albany-Millersburg Enterprise Zone. These improvements include but are not limited to a continuous kraft digester, a kraft pulp washing system, a lime kiln and liquor plant, and a cogeneration system; and**

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

**WHEREAS, the construction will be completed in phases in 2001, 2002, and 2003; and**

**WHEREAS, Willamette Industries, Inc., has a current property tax exemption within the former Albany-Millersburg Enterprise Zone on various pulp mill improvements at its pulp and paper mill authorized by the Board of Commissioners for Linn County and the City Councils for the Cities of Albany and Millersburg effective October 1999; and**

**WHEREAS, O.R.S. 285B.704 (2) empowers enterprise zone sponsors to extend property tax exemptions to firms investing \$25 million or more when the firm's employment increase does not reach the 10 percent threshold required in O.R.S. 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 \$50 million or more over three consecutive years, even if construction commenced prior to the precertification application; and**

**WHEREAS, Section 3c (2)(b), Chapter 1104, Oregon Laws 1999, further empowers enterprise zone sponsors to extend property tax exemptions to firms investing \$50 million or more over three consecutive years regardless of the cost of any portion of the total investment that initially qualifies in any 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 \$50 million or more over three consecutive years in a terminated enterprise zone, if the firm is grandfathered, regardless of the firm's 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 including no fewer than 115 full-time-equivalent employees at Willamette's Western Regional Office 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 O.R.S. 285B.686 (2)(b).

NOW, THEREFORE, BE IT RESOLVED that Willamette Industries, Inc.'s, request for a three-year property tax exemption under Oregon enterprise zone law (O.R.S. 285B.650 to 285B.731) on its approximately \$108 million of capital improvements being constructed as described above is approved as provided under O.R.S. 285B.704(2) and Section 3c (2), Chapter 1104, Oregon Laws 1999.

DATED THIS 27<sup>TH</sup> DAY OF JUNE 2001.

  
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Mayor

ATTEST:

  
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City Recorder