



Eugene City Council

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EUGENE CITY COUNCIL AGENDA

June 8, 2016

12:00 PM CITY COUNCIL WORK SESSION

Harris Hall

125 East 8th Avenue

Eugene, Oregon 97401

Meeting of June 8, 2016;
Her Honor Mayor Kitty Piercy Presiding

Councilors

George Brown, President

Pat Farr, Vice President

Mike Clark

George Poling

Chris Pryor

Claire Syrett

Betty Taylor

Alan Zelenka

**CITY COUNCIL WORK SESSION and
MEETING OF THE EUGENE URBAN RENEWAL AGENCY
Harris Hall**

12:00 p.m. A. **ACTION:
West Eugene Enterprise Zone & E-Commerce Zone Re-Designation**

12:15 p.m. B. **URBAN RENEWAL AGENCY EXECUTIVE SESSION:
Pursuant to ORS 192.660(2)(e)**

Mayor: The Eugene City Council will now meet in Executive Session to consult with counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed. The executive Session is held pursuant to ORS 192.660(2)(h).

Representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No decision may be made in executive session. At the end of the executive session, we will return to open session and welcome the audience back into the room.

**time approximate*

The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. For the hearing impaired, FM assistive-listening devices are available or an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

City Council meetings and work sessions are broadcast live on the City's Web site. In addition to the live broadcasts, an indexed archive of past City Council webcasts is also available. To access past and present meeting webcasts, locate the links at the bottom of the City's main Web page (www.eugene-or.gov).

El Consejo de la Ciudad de Eugene aprecia su interés en estos asuntos de la agenda. El sitio de la reunión tiene acceso para sillas de ruedas. Hay accesorios disponibles para personas con afecciones del oído, o se les puede proveer un interprete avisando con 48 horas de anticipación. También se provee el servicio de interpretes en idioma español avisando con 48 horas de anticipación. Para reservar estos servicios llame a la recepcionista al 541-682-5010. Todas las reuniones del consejo estan gravados en vivo en Metro Television, canal 21 de Comcast y despues en la semana se pasan de nuevo.

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EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: West Eugene Enterprise Zone & E-Commerce Zone Re-Designation

Meeting Date: June 8, 2016
 Department: Planning and Development Department
www.eugene-or.gov

Agenda Item Number: A
 Staff Contact: Denny Braud
 Contact Telephone Number: 541-682-5536

ISSUE STATEMENT

The West Eugene Enterprise Zone program (WEEZ) is set to expire on June 30, 2016. The council will be asked to consider a resolution authorizing application for re-designation. If re-designated, the WEEZ program would continue for 10 years. The Electronic Commerce (E-Commerce) Zone overlay will also expire along with the WEEZ. A resolution for re-designation of the E-Commerce Zone will also be considered. The council will also be asked to consider a motion establishing a review process for the WEEZ local Public Benefit Criteria consistent with the City/County process used in 2005.

BACKGROUND

West Eugene Enterprise Zone

The Oregon Enterprise Zone program is a State program established by the legislature in 1985 for the primary purposes of job creation, encouraging new investment, diversification, and competitiveness. The program offers a three-year property tax exemption for new buildings, renovation and expansion of buildings, and equipment investments made by qualified businesses located within a designated area defined by the zone sponsor. The exemption is designed to encourage new investment via a short-term property tax exemption, with the long-term goal of job creation and increased tax revenue for taxing districts after the exemption period. A qualified business is a (non-retail) manufacturing, processing, call-center, headquarters, distribution, or warehousing business that will increase its base employment by at least 10 percent. The short-term property tax exemption is limited to new, authorized investments that a qualified business makes in the WEEZ.

Currently, there are 69 designated enterprise zones throughout the State, and there is no longer a limit on the number of enterprise zones that may be designated state-wide. Lane County zones include Eugene, Springfield, Oakridge/Westfir, Cottage Grove/Creswell/South Lane, Florence, Veneta, and Junction City/Harrisburg (Lane and Linn County).

The existing WEEZ was designated in 2005 and is jointly sponsored by the City of Eugene and Lane County. The WEEZ boundary includes approximately 7.53 square miles in West Eugene (See Attachment A map). Lane County is a co-sponsor because a portion of the boundary is within the

Urban Growth Boundary. The boundary includes most of the industrial-zoned property in West Eugene. The boundary was expanded in 2010 to take in a small area that included Oakshire Brewing and Hop Valley Brewing.

State law allows zone sponsors to adopt local criteria for businesses authorized for participation in the enterprise zone program. Prior to 2005, when the City and County were seeking enterprise zone designation, they undertook a process to develop and adopt Public Benefit Criteria for the WEEZ. The process began with the convening of a joint City/County committee composed of two elected officials from each governing body and a total of four community representatives, two of whom were appointed by each governing body. The committee met through January, 2006, providing opportunities for stakeholder participation and community involvement, including public hearings, and developed a proposal for public benefit criteria as contained in Ordinance No. 20368 (See Attachment C). The additional local criteria is listed in Exhibit A of Ordinance No. 20368 and include factors such as the following:

- Attractive wages;
- Employer-provided benefits (health insurance, paid time-off, childcare, life insurance, retirement, profit-sharing etc.);
- Support for small business;
- Redevelopment of existing facilities;
- Local referral agency hiring;
- Responsible construction goals; and
- Size of investment.

If a WEEZ business receives a property tax exemption but fails to meet enough of the additional local criteria, then the business would be required to pay back up to 25 percent of the property tax exemption benefit. Additionally, the local criteria caps the tax exemption benefit at \$32,000 per year per job. If the investments exceed the cap, the excess above the cap is repaid as a public benefit contribution. The maximum contribution under the cap is one-third of the tax exemption. State statutes limits the amount of tax exemption that can be recaptured (“clawed-back”) to one-third of the tax exemption.

At the May 23 work session, the council provided direction to establish a process for reviewing the Public Benefit Criteria that was adopted in 2006. Staff is recommending that the same City/County committee format used in 2005 be used to review and update the Public Benefit Criteria as needed. (See proposed committee process outline in Attachment D).

E-Commerce Zone Overlay

In 2012, the City and County successfully applied for an E-Commerce overlay zone in the WEEZ. Although the E-Commerce zone is fairly new, it will expire when the WEEZ expires on June 30, 2016. State law (ORS 285C.095) limits the number of E-Commerce zones to 15. Since there are 69 designated enterprise zones in the state, the E-Commerce zone designation is highly-competitive.

Once designated, the E-Commerce zone program applies to all of an existing enterprise zone boundary. E-commerce is defined as engaging predominantly in transactions via the internet or

an internet-based computer platform. These transactions can include taking orders, closing sales, making purchases, providing customer service or undertaking other activities that serve the business's overall purpose. The most significant feature of these E-Commerce designations is that qualifying businesses may receive a state income tax credit against the business's annual state income or corporate excise tax liability.

The state income tax credit that is available to qualified e-commerce businesses equals 25 percent of the investment cost made in capital assets used in e-commerce operations inside the enterprise zone. The annual maximum credit amount is \$2 million per year. Unused tax credit amounts may be carried forward over the next five years. The credit is claimed directly on corporate or individual tax returns. To be eligible for the credit, companies must be in compliance with the enterprise zone eligibility criteria. There have been no qualified E-Commerce projects within the WEEZ to date.

The following enterprise zones currently have E-Commerce designations: Beaverton, Bend, East Portland, Dallas/Independence/Monmouth, Greater Redmond Area, Gresham, Hillsboro, Hermiston, Jackson County, Medford Urban, Portland, Rogue, Salem, Springfield Community, and West Eugene.

NEXT STEPS

If the council passes the proposed resolutions, the Lane County Board of Commissioners will be asked to pass similar resolutions. With the resolutions in place, the City Manager will put together the requisite application materials and submit the WEEZ and E-Commerce applications to the State of Oregon. The enterprise zone and E-Commerce re-designations will be effective as soon as the state approves the application.

The council has also requested that staff propose a process for reviewing the local WEEZ Public Benefit Criteria. The proposed City/County committee would convene following application and re-designation of the WEEZ. Any updated criteria would need to be approved jointly by the council and County Board of Commissioners. The existing Public Benefit Criteria would remain effective until any new criteria is adopted.

RELATED CITY POLICIES

The enterprise zone and E-Commerce designations encourage economic development activity targeted in the core area that supports adopted planning and policy goals and objectives. Examples include:

Envision Eugene Pillars

Provide ample economic opportunities for all community members

1(a). Plan for an employment growth rate of 1.4 percent. This growth rate translates into an increase of 35,800 jobs over 20 years.

1(c). Work with property owners of current vacant or developed industrial lands, especially those larger than 25 acres, to reduce the financial and regulatory obstacles to development, with a goal of making these sites ready for development.

Regional Prosperity Economic Development Plan

- *By 2020, create 20,000 net new jobs in the chosen economic opportunity areas; reduce the local unemployment rate to, or below the state average; and increase the average wage to or above the state average.*

- *Strengthen Key Industries*
 - Identify strategies to address unique and logistical needs of existing and emerging industries
 - Develop associations or networks among targeted cluster businesses for innovative networking, information-sharing and provide opportunities for business growth
 - Pursue opportunities to expand and recruit businesses, ideas, and entrepreneurs into our region
 - Enhance our existing business and community

COUNCIL OPTIONS

1. Approve the resolutions directing the City Manager to apply for re-designation of the WEEZ and E-Commerce Zone, and move forward with a process to review the local WEEZ Public Benefit Criteria consistent with the City/County committee process used in 2005 and outlined in Attachment D.
2. Do not approve the resolutions.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends approval of the WEEZ and E-Commerce resolutions, and moving forward with a process to review the local WEEZ Public Benefit Criteria consistent with the City/County committee process used in 2005 and outlined in Attachment D.

SUGGESTED MOTIONS

1. Move to adopt Resolution No. _____.
2. Move to adopt Resolution No. _____.
3. Direct the City Manager to move forward with a process to review the local WEEZ Public Benefit Criteria consistent with the City/County committee process used in 2005 and outlined in Attachment D, and bring back recommendations for updating the criteria following the committee's review.

ATTACHMENTS

- A. Resolution No. ____
- B. Resolution No. ____
- C. Ordinance adopting local Public Benefit Criteria
- D. Public Benefit Criteria Review Committee Outline

FOR MORE INFORMATION

Staff Contact: Denny Braud
Telephone: 541-682-5536
Staff E-Mail: Denny.Braud@ci.eugene.or.us

RESOLUTION NO. ____**A RESOLUTION AUTHORIZING THE CITY MANAGER TO MAKE APPLICATION TO THE STATE OF OREGON FOR RE-DESIGNATION OF A WEST EUGENE ENTERPRISE ZONE.****The City Council of the City of Eugene finds that:**

A. The City of Eugene and Lane County are jointly sponsoring an application for re-designation of an enterprise zone.

B. The City of Eugene and Lane County have formally advised and received consultation from the Oregon Business Development Department (OBDD) according to ORS 285C.078.

C. The municipal corporations, school districts, special service districts, that receive operating revenue through the levying of ad valorem taxes on real and personal property in any area of this enterprise zone were sent notice on March 10, 2016, and invited to a public meeting on April 1, 2016 regarding its re-designation, in order for the sponsoring governments to effectively consult with these other local taxing districts.

D. This enterprise zone has a total area of 7.53 square miles; it meets other statutory limitations on size and configuration, and it is depicted on a drawn-to-scale map attached as Exhibit A, and its boundary is described in Exhibit B attached to this Resolution.

E. The proposed enterprise zone contains significant land that is designated for industrial use as indicated by the land use map(s) from Comprehensive Plan(s) acknowledged by the Land Conservation and Development Commission, and included in the application, and such industrial sites are accessible, serviced or serviceable, and otherwise ready for use and further development.

F. The City of Eugene shall fulfill its duties and implement provisions jointly with Lane County under ORS 285C.105 or elsewhere in ORS Chapter 285C and related parts of Oregon Law, including but not limited to continuing the appointment of the local enterprise zone manager, and to preparing a list or map of local, publicly owned lands and buildings in this enterprise zone for purposes of ORS 285C.110.

G. Re-designation of this enterprise zone does not grant or imply permission to develop land inside it without complying with jurisdictional zoning, regulatory and permitting processes and restrictions; nor does it indicate any intent to alter those processes or restrictions, except as otherwise done in accordance with Comprehensive Plans as acknowledged by the state of Oregon Land Conservation and Development Commission (LCDC).

H. The City of Eugene is interested in re-designating the enterprise zone to encourage new business investment, job creation, higher incomes for local residents, and greater diversity of economic activity. In accordance with ORS 285C.150, the City of Eugene has adopted Public Benefit Criteria applicable to eligible business firms seeking the enterprise zone tax exemption, with the intent to impose a public benefit contribution of up to twenty-five percent of the value of the tax exemption from eligible business firms based on their conformance with specific job quality and other standards.

I. The City of Eugene appreciates the impacts that the designated enterprise zone would have and the property tax exemptions that eligible business firms might receive therein.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Under ORS 285C.065, the City of Eugene does hereby re-designate an Oregon enterprise zone named “The West Eugene Enterprise Zone,” jointly with Lane County, the boundary and area which are described in attached Exhibits A and B.

Section 2. The City Manager is authorized to submit documentation of this enterprise zone re-designation to the OBDD on behalf of the zone sponsor for purposes of a positive determination in favor under ORS 285C.074.

Section 3. Re-designation of this enterprise zone takes effect on July 1, 2016, (or later, as so stipulated by OBDD in its determination pursuant to any revision and resubmission of documentation).

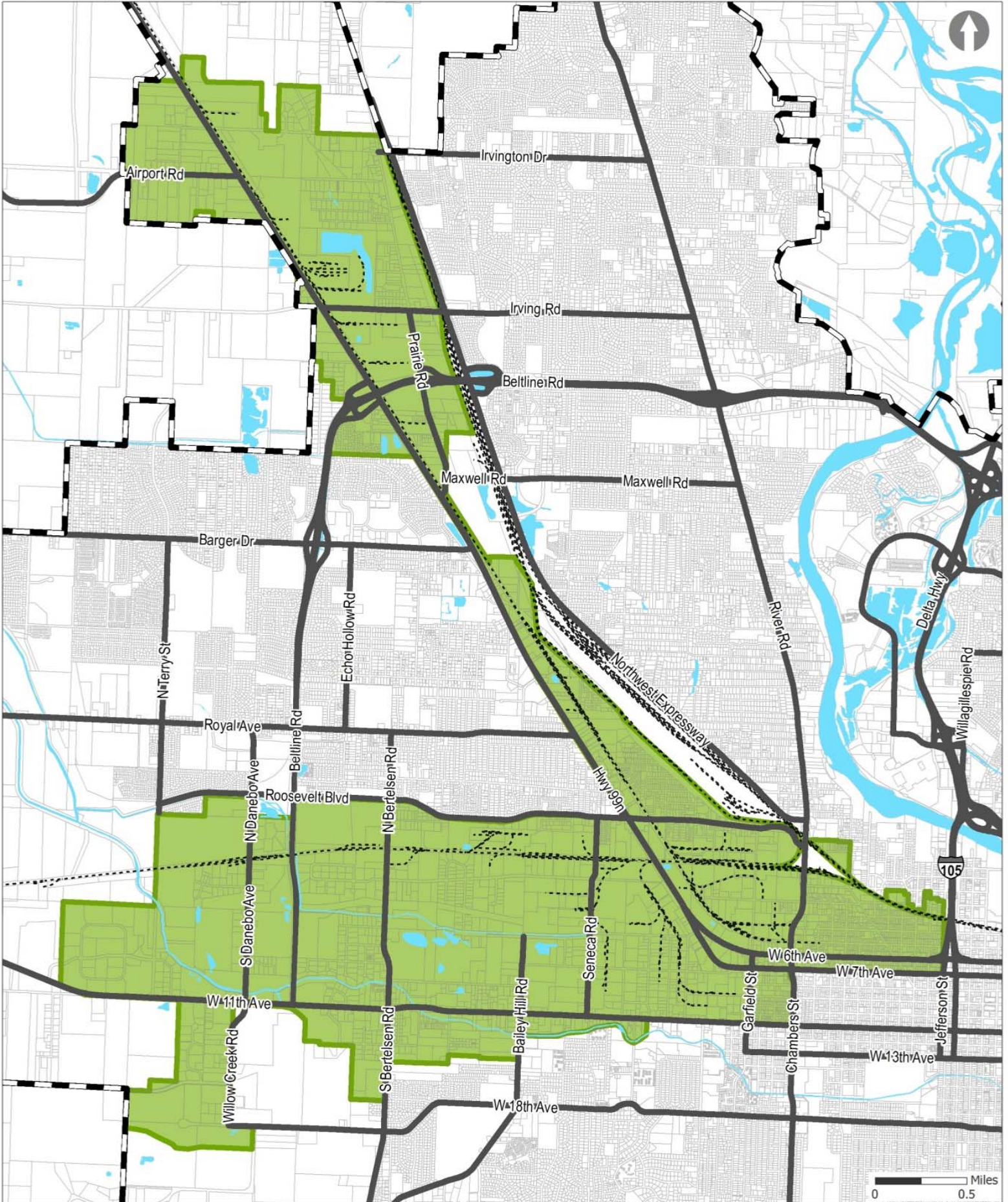
Section 4. The City of Eugene commits to prepare, within six months of re-designation, a list or map of local lands and buildings owned by the state or by municipal corporations within the enterprise zone that are not being used or designated for a public purpose and that have appropriate land use zoning, and to strive in making such real property available for lease or purchase by authorized business firms pursuant to ORS 285C.110


Section 5. This Resolution shall become effective immediately upon its adoption.


The foregoing Resolution adopted the ___ day of _____, 2016.

City Recorder

West Eugene Enterprise Zone



 Eugene UGB
  West Eugene Enterprise Zone
 --- Railroads

City of Eugene
 Planning and Development
 October 15, 2012
 

West Eugene Enterprise Zone Description

A tract of land located in Sections 30 & 31 in Township 17 South, Range 3 West, Sections 3,4,5,8,9,10,15,16,22,23,25,26,27,28,32,33,34,35,36 in Township 17 South, Range 4 West, Sections 4 & 5 in Township 18 South, Range 4 West, all in the Willamette Meridian all in Eugene, Lane County, Oregon being more particularly described as follows;

Beginning at the centerline intersection of 7th street and Jefferson Street, North along the centerline of said Jefferson Street to the North right of way line of the Union Pacific Railroad; thence Northwesterly along said right of way line to a point of intersection with the extended westerly Right-of-Way line of Jefferson Street; thence North along said Right-of-Way line of Jefferson to the Northeast corner of Lot 8, Block6, Cheshire Addition to Eugene City as platted and recorded in Volume T, Page 605 Lane County Oregon Plat Records in Lane County, Oregon; thence West along the North line of lots 7 and 8, Block 6 of said Cheshire Addition to Eugene and along the North line of Lot 3, Block 4 of Rees' Addition to Eugene as platted and recorded in Volume W, page 397, Lane County Oregon Plat Records, in Lane County, Oregon to the West line of Lot 3, Block 4 of said Rees' Addition to Eugene; thence North along said west line of said Lot 3, Block 4 to the Northeast corner of said Lot 3; thence West along the North line of said Lot 3 and it's extension to the West Right-of-Way line of Madison Street; thence North along said Right-of-Way to the Northeast corner of Lot 1, Block 2 of said Rees' Addition to Eugene also being the South Right-of-Way line of First Street; thence West along said Right-of-Way line of First Street to the Northwest corner of Lot 1, Block 3 of Rees' Addition to Eugene as platted and record in Volume W, page 397, Lane County Oregon Plat Records, in Lane County, Oregon; thence South along the West line of Blocks 2 and 3 of said Rees' Addition to the Southwest corner of Lot 4 Block B of Mayhew Addition to Eugene City as platted and recorded in Volume W, page 57 Lane County Oregon Plat Records in Lane County, Oregon; thence West along the South line of Lot 3 of said Mayhew Addition to the East Right-of-Way line Monroe Street; thence South along said East Right-of-Way line to the centerline Union Pacific Railroad; thence Westerly along said railroad centerline to a point the intersects the easterly line when extended of the west boundary of said Mayhew Addition; thence leaving said railroad centerline and run North along the west boundary of said Mayhew Addition to a point on the South Right-of-Way line of Second Street; thence Westerly along said South Right-of-Way line to a point of intersection with the West Right-of-Way line of Adam Street; thence North along the East Right-of-Way line of said Adam Street to the Southeast corner of said Lot20, Block 3 of Riverwood Subdivision as platted and recorded in 9, page 21 Lane County Oregon Plat Records, in Lane County, Oregon; thence West along the south line of lots 20 and 19 to the Southwest corner of said Lot 19 of said Riverwood Subdivision; thence North along the west line of said Lot 19 to the northwest corner of said Lot 19 and also being the south Right-of-Way line of First Street; thence West along said south Right-of-Way line of said First Street to a point being 98 feet West of the centerline intersection of the vacated Jackson Street and said South Right-of-Way line of said First Street; thence leaving said South Right-of-Way line of First Street and run South to the centerline of the Union Pacific Railroad Right-of-Way; thence Westerly along the centerline of said Union Pacific Railroad Right-of-Way to a point that intersects the centerline of Polk Street to the north; thence leaving said railroad right of way line and running along said centerline of Polk Street, North to a point that if extended intersects the north plat boundary of Anderson Court as platted and recorded in Book 11, page 31, Lane

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County Oregon Plat Records in Lane County, Oregon; thence leaving said centerline and running along said north boundary of Anderson Court to the Northwest corner of said Anderson Court; thence North 26.5 feet to a point being 300.3 feet north of the north right of way line of Cross Street; thence west running 300.3 feet parallel when measured perpendicularly to said north right of way line of said Cross Street to a point that intersects the west right of way line of said Union Pacific Railroad; thence running Southeasterly along said west right of way line of said Union Pacific Railroad to a point that intersects the centerline of the Coos Bay Branch line of the Union Pacific Railroad; thence westerly along said centerline of the Coos Bay Branch line of the Union Pacific Railroad 2500 feet more or less to a railroad frog; thence Northeasterly along the centerline of the railway connecting the Coos Bay Branch line to the Mainline of the Union Pacific Railroad to a point of intersection with the south boundary of the Union Pacific operating railroad property; thence along the westerly boundary of said Union Pacific operating railroad property Northwesterly to a point intersecting the north plat line of Kintrye subdivision as platting and recorded in Book 4, page 12 Lane County Oregon Plat Records in Lane County, Oregon; thence Westerly along said North plat boundary of Kintrye subdivision to the Northwest corner of said plat; thence continuing Westerly on the extension of the north plat boundary of Kintrye subdivision, 280.5 feet; thence South 185.85 feet more or less to the easterly right of way line of the Oregon Electric Railroad right of way; thence running along said easterly right of way line of the Oregon Electric Railroad right of way to a point that intersects the centerline of Prairie Road; thence leaving said railroad right of way and running North along the centerline of said Prairie Road also being the west line of the J. McCabe Donation Land Claim No. 46 to the Northeast corner of Lot 15 of the Oaks Subdivision as platted and recorded in Book 4, page 106 Lane County Oregon Plat Records in Lane County, Oregon; thence running East along South plat boundary of said Oaks subdivision to a point of intersection with the westerly boundary of the Union Pacific Railroad operating property; thence Northwesterly along said westerly boundary of the Union Pacific Railroad operating property 2500 feet; thence Northerly along the westerly side of a pave access road to a point of intersection with the centerline of Irving Road and the Westerly right of way line of the Union Pacific Railroad; thence along said westerly boundary of the Union Pacific Railroad to a point the intersects of extended the centerline of Enid Road and the westerly boundary of said Union Pacific Railroad right of way; thence leaving said right of way line and running along the extension and actual centerline of Enid Road to a point of intersection with the east boundary if extended Larane I subdivision as platted and recorded in File 75, Slides 700-703, Lane County Oregon Plat Records in Lane County, Oregon; thence along the east boundary of said Larane I subdivision to the Northeast corner of Lot 8 in said Larane I subdivision; thence Westerly along the north line of said Lot 8 and the centerline of Auction Way to the west boundary of said Larane I subdivision; thence Southerly along said west boundary of said Larane I subdivision and the west boundary of Warehouse City subdivision as platted and recorded in File 71, Slide 17, Lane County Oregon Plat Records in Lane County, Oregon to the centerline of said Enid Road; thence along the centerline of said Enid Road, West 355 feet; thence leaving said centerline, run North 466 feet; thence West 140 feet; thence North 854 feet to the east-west centerline of Section 4 in Township 17 South, Range 4 West of the Willamette Meridian; thence run along said centerline, West 1548 feet to a point being 1923.52 feet west of the center of said Section 4; thence leaving said east-west centerline of Section 4, North 34°27'13" West 87.61 feet; thence along a 305.19 foot radius curve to the right (the long chord of which bears North 17°39'00" West 176.29 feet) a distance of 178.84 feet; thence North 0°52'46" West 482.21 feet; thence North 89°44'16" West 622.43 feet to the west

line of said Section 4; thence South along said west line of Section 4 to the West one-quarter corner of said Section 4; thence West along the east-west centerline of Section 5 in Township 17 South, Range 4 West of the Willamette Meridian to the Northwest corner of the Northeast Quarter of the Southeast Quarter of said Section 5; thence South along the west line of said Northeast Quarter of the Southeast Quarter of said Section 5 to the Southwest corner of said Northeast Quarter of the Southeast Quarter of said Section 5; thence West to the Northwest corner of the east one-half of the Northeast quarter of the Southwest quarter of the Southeast Quarter; thence South along said West line and it's extension to the south right of way line of Airport Road; thence East along said south right of way line to the Northwest corner of Land Partition Plat No. 2002-P1526 as recorded in the Lane County Official Records; thence South along the west line of said Land Partition Plat No. 2002-P1526 to the Southwest corner of said Partition; thence East along the south boundary of said partition and it's extension to a point being 500 feet east of the east line of Section 8 in Township 17 South, Range 4 West of the Willamette Meridian; thence North 420 feet to a point the intersects if extended the North line of Parcel 3 of Land Partition Plat No. 99-P1268 as recorded in the Lane County Official Records; thence East along the north boundary of said Parcel 3 to the Northeast corner of said Parcel 3; thence South along the East boundary of said Parcel 3 to the Southeast corner of said Parcel 3, said corner also being on the South line of the North one-half of the Northwest Quarter of said Section 9; thence East along said South line to the intersection with the west right of way line of Pacific Highway 99; thence Southeasterly along said right of way line to a point that intersects the west line of the James Peck Sr. Donation Land Claim No. 50; thence leaving said right of way line and running South along said west line of the Peck DLC to a point that intersects the north right of way line of Clear Lake Road; thence East along said north right of way line of Clear Lake Road to the intersection if extended the centerline of Pitzer's Road; thence South along the centerline of said Pitzer's Road to a point the intersects if extended the centerline of Theona Drive; thence West along the centerline and extension of Theona Drive to the centerline intersection of Wilber Avenue; thence South along the centerline of Wilber Avenue to a point that intersects if extended the north line of Lot 36 of Irvingdale subdivision as platted and recorded in Book 12, Page 15 Lane County Oregon Plat Records in Lane County, Oregon; thence along said north line of Lot 36 to the Northeast corner of said Lot 36; thence South to the Southwest corner of Lot 8 of said Irvingdale subdivision; thence east along the south line and it's extension of said Lot 8 to a point that intersects the centerline of West Beltline Highway; thence Southwesterly along the centerline of West Beltline Highway to a point that intersects if extended the centerline of Jessen Drive; thence East along the centerline of said Jessen Drive to West right of way line of Pacific Highway 99; thence Southeasterly along said west right of way line of Pacific Highway 99 to the intersection with the centerline of Roosevelt Boulevard; thence West along said centerline of Roosevelt Boulevard to the centerline of West Beltline Highway; thence South along said centerline of West Beltline Highway to the east-west centerline of Section 28 in Township 17 South, Range 4 West of the Willamette Meridian; thence West along said centerline of Section 28 to the centerline of Danebo Avenue; thence North along said centerline of Danebo Avenue to the centerline of the A-1 Floodway Channel; thence West along the centerline of the A-1 Floodway Channel to the East boundary of Second Addition to Flatbush as platted and recorded in File 73, Slides 249-250 Lane County Oregon Plat Records in Lane County Oregon; thence South along said east boundary of Second Addition to Flatbush to the Southeast corner of said Second Addition to Flatbush; thence West along the south boundary of said Second Addition to Flatbush to the west line of Second 28 in Township 17 South, Range 4

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West of the Willamette Meridian; thence South along said west line of Section 28 to the Southwest corner of said Section 28; thence West along the north line of Section 32 in Township 17 South, Range 4 West of the Willamette Meridian to North one-quarter corner of said Section 32; thence South along the north-south centerline of said Section 32 to the centerline of West 11th Avenue; thence Easterly along the centerline of said West 11th Avenue to the Northwest corner of Westec Business Park as platted and recorded in File 75, Slides 366-369; thence South along the west boundary of said Westec Business Park to the Southwest corner of said Westec Business Park and also being on the North line of Madrona Hills Business Park as platted and recorded in File 73, Slides 547-548 Lane County Oregon Plat Records in Lane County, Oregon; thence West along the north boundary of said Madrona Hills Business Park to the Northwest corner of Lot 1, Block 1 of said Madrona Hills Business Park; thence South along the west boundary of said Lot 1 to the north right of way line of Pitchford Avenue; thence along said north right of way line of Pitchford Avenue to the west boundary of said Madrona Hills Business Park; thence South along the west boundary of said Madrona Hills Business Park 1084 feet; thence South 82°15'13" East 354 feet; thence South 77°37'48" East 270 feet; thence South 62°41'36" East 386 feet; thence South 64°47'05" East 433 feet; thence South 41°42'28" East 164 feet; thence South 84°35'24" East 345 feet; thence North 79°43'39" East 358 feet; thence South 88°21'54" East 576 feet; thence South 87°31'18" East 905 feet to the west right of way line of Willow Creek Road; thence North along the west right of way line of said Willow Creek Road to the south right of way line of West 18th Avenue; thence West along the south right of way line of West 18th Avenue to the west right of way line of Willow Creek Road if extended; thence North along the west right of way line of Willow Creek Road point when measured opposite and perpendicularly from the Northwest corner of Parcel 3 of Land Partition Plat No. 94-P0477 in the Lane County Oregon Official Records; thence East to said Northwest corner of Parcel 3 of Land Partition Plat No. 94-P0477 in the Lane County Oregon Official Records, said point also being on the east right of way line of said Willow Creek Road; thence North along said east right of way line of Willow Creek Road and extended northerly to the Northwest corner of Parcel 1 of Land Partition Plat No. 2000-P1398 in the Lane County Oregon Official Records, said northwest corner also being on the south right of way line of West 11th Avenue; thence East along said south right of way line of West 11th Avenue to the intersection of the centerline of Willow Creek; thence Southeasterly along the centerline of said Willow Creek to the west line of Parcel 1 of Land Partition Plat No. 2001-P1494; thence following said west line of said Parcel 1 southerly to the Southwest corner of said Parcel 1; thence along the south boundary of said Land Partition Plat No. 2001-P1494 to the South Southeast corner of said Land Partition Plat No. 2001-P1494, said point also being on the south right of way line of 13th Avenue; thence East along the south right of way line of said 13th Avenue to a point that intersects the west easement line of the Eugene-Goshen power line easement; thence Southerly along said Eugene-Goshen power line easement to a point that intersects if extended the north line of Henry II Subdivision as platted and recorded in File 73, slide 734 Lane County Oregon Plat Records in Lane County, Oregon; thence East along the extension and actual north line of said Henry II Subdivision to the centerline of Bertelsen Road; thence North along said centerline of Bertelsen Road to a point that is south 469 feet from the intersection of Bertelsen Road and 13th Avenue; thence East to the centerline of Wallis Street; thence North along the centerline of Wallis street 250 feet; thence East 893 feet; thence South 49 feet; thence East 1123 feet to the centerline of Bailey Hill Road; thence North along the centerline of Bailey Hill Road to the centerline of the Amazon Creek; thence Easterly along the centerline of said Amazon Creek to a point that is when measured

perpendicularly is 375 feet east of the centerline of Oak Patch Road; thence North parallel to said Oak Patch Road to the centerline of West 11th Avenue; thence East to the centerline intersection of West 11th Avenue and Chambers Street; thence North along the centerline of said Chamber Street to the centerline intersection of Chambers Street and 7th Avenue; thence East along the centerline of said 7th Avenue to the centerline intersection of 7th Avenue and Jefferson Street, also being the point of beginning of the herein description and there ending, all in Eugene, Lane County, Oregon.

RESOLUTION NO. _____

A RESOLUTION OF EUGENE REQUESTING THAT THE WEST EUGENE ENTERPRISE ZONE BE RE-DESIGNATED FOR ELECTRONIC COMMERCE.

The City Council of the City of Eugene finds that:

A. The City of Eugene and Lane County are co-sponsors of the West Eugene Enterprise Zone previously authorized and approved by the State of Oregon.

B. The West Eugene Enterprise Zone is a successful economic development tool for the City of Eugene, contributing to the establishment and expansion of diverse businesses and the creation of family wage jobs.

C. The City of Eugene has established itself as a community that can support businesses engaged in electronic commerce, particularly in west Eugene.

D. The Eugene City Council finds that such designation will provide additional incentives for qualified business firms to engage in electronic commerce within the boundaries of the West Eugene Enterprise Zone.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. The City of Eugene requests the State of Oregon Business Development Department to re-designate the West Eugene Enterprise Zone as an Electronic Commerce Zone.

Section 2. The City Manager or his designee is authorized to submit this resolution, together with a similar resolution from the Lane County Board of Commissioners, as part of the application for the Electronic Commerce re-designation for the West Eugene Enterprise Zone.

Section 3. This Resolution is effective immediately upon its passage by the City Council.

The foregoing Resolution adopted the ____ day of _____, 2016.

City Recorder

ATTACHMENT C



COUNCIL ORDINANCE NUMBER 20368

COUNCIL BILL NUMBER 4923

AN ORDINANCE ESTABLISHING LOCAL CRITERIA APPLICABLE IN THE WEST EUGENE ENTERPRISE ZONE AND ADOPTING A PUBLIC BENEFIT SCORING SYSTEM; REPEALING RESOLUTION 4851; AND PROVIDING AN EFFECTIVE DATE.

ADOPTED: May 22, 2006

PASSED: 6:2

REJECTED:

OPPOSED: Bettman, Taylor

ABSENT:

EFFECTIVE: June 23, 2006

ORDINANCE NO. 20368

AN ORDINANCE ESTABLISHING LOCAL CRITERIA APPLICABLE IN THE WEST EUGENE ENTERPRISE ZONE AND ADOPTING A PUBLIC BENEFIT SCORING SYSTEM; REPEALING RESOLUTION 4851; AND PROVIDING AN EFFECTIVE DATE.

The City Council of the City of Eugene finds that:

A. On April 20, 2005, the City Council adopted Resolution No. 4832 authorizing the City Manager to make application to the State of Oregon for designation of a West Eugene Enterprise Zone.

B. On August 2, 2005, the Board of Commissioners adopted Order #05-8-2-5, and on August 8, 2005, the City Council adopted Resolution 4851, in which the Board and Council adopted interim local criteria.

C. On June 28, 2005, by Director's Order No. DO-05-130, the Oregon Economic and Community Development Department approved the application and designated the West Eugene Enterprise Zone, effective July 1, 2005.

D. As provided by Resolution 4851, the City of Eugene and Lane County undertook a process to develop and adopt permanent standards and public benefit criteria for the West Eugene Enterprise Zone. The process began with the convening of a joint City/County committee composed of two elected officials from each governing body and a total of four community representatives, two of whom were appointed by each governing body. The committee met through January, 2006, providing opportunities for stakeholder participation and community involvement, including public hearings, and developed a proposal for permanent standards and public benefit criteria, which is attached as Exhibit A.

E. In developing its recommendation the Committee gave consideration to the support of existing businesses and retention of existing jobs as important elements of the West Eugene Enterprise Zone.

NOW, THEREFORE,

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Based on the above findings, which are hereby adopted, the City Council hereby establishes the Local Public Benefit Criteria and Scoring System for the West Eugene Enterprise Zone, as set forth in Exhibit A attached hereto.

Section 2. Public benefit contributions shall be distributed on an annual basis to the following entities:

- 20% to Lane County;
- 20% to the City of Eugene; and
- 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.

Section 3. Enterprise Zone data will be reported to the Eugene City Council and the Lane County Board of Commissioners on an annual basis and will include information on new investments, tax exemptions granted, job creation, and public benefit criteria.

Section 4. Resolution 4851 is repealed upon the effective date of this Ordinance.

Section 5. Notwithstanding the effective date of Ordinances as provided in the Eugene Charter of 2002, this Ordinance shall become effective 30 days from the date of its adoption by the Council and approval by the Mayor or upon the adoption of a Resolution or Order of the Lane County Board of Commissioners containing substantially similar provisions, whichever date is later.

Passed by the City Council this

22nd day of May, 2006



 City Recorder

Approved by the Mayor this

24 day of May, 2006



 Mayor

Public Benefit Criteria West Eugene Enterprise Zone (est. 2005)

1.	Small Business	9 points maximum
<p>Number of permanent, full-time employees after project completion, at submission of the Oregon Enterprise Zone Claim.</p> <p style="margin-left: 40px;">Less than 25 employees = 9 points Between 25 and 49 employees = 7 points Between 50 and 99 employees = 5 points Between 100 and 499 employees = 2 points</p>		

2.	Health Insurance	7 points maximum
<p>. Medical benefits for all eligible employees * = 4 points (Employer pays not less than 70% of the premium)</p> <p>. Medical benefits for family = 3 points (Employer pays not less than 50% of the premium)</p> <p style="margin-left: 40px;">* An eligible employee works 32 hours or more per week in a permanent position and has completed all necessary probation period.</p>		

3.	Training & Advancement Opportunities	7 points maximum
<p>. Annual training expenditure greater than or equal to the U.S. average (as a percentage of total payroll).</p> <p style="margin-left: 40px;">Annual training expenditure $\geq 2.34\%$ = 4 points <i>(Benchmark source: American Society for Training and Development)</i></p> <p>. Company has a comprehensive written policy for wage or position advancement.</p> <p style="margin-left: 40px;">Written advancement policy = 3 points <i>(Shall include details such as job descriptions, position classifications, regular performance evaluations, step advancement, progression pay schedule)</i></p>		

4. Wages	7 points
<p>. For companies with 25 or more employees, median wage for ALL employees is equal to or greater than the median wage for the traded sector industries* within Lane County.</p> <p style="text-align: center;">2005 Median wage = \$ 14.95 per hour</p> <p>. For companies with less than 25 employees, median wage for ALL employees is equal to or greater than 85% of the median wage for the traded sector industries within Lane County.</p> <p style="text-align: center;">85% of 2005 Median wage = \$ 12.70 per hour</p> <p><i>* Traded sector industries include manufacturing, wholesale trade, and transportation / warehousing as defined by the Oregon Employment Department.</i></p>	

5. Employee Benefits	6 points maximum
<p>Company provides non-mandated employee benefit(s) to all employees.</p> <p style="margin-left: 40px;">Childcare = 1 point Life Insurance = 1 point Employer Paid Time Off * = 1 point Profit Sharing = 1 point Retirement Plan = 1 point Transportation = 1 point</p> <p><i>* Includes holiday, vacation, sick leave, undesignated leave (minimum of 10 days)</i></p>	

6. Redevelopment	5 points
<p>New investment is an expansion of the current site or a redevelopment of a brownfield or vacant building(s).</p>	

7. Referral Agency Hiring	3 points maximum
<p>Percentage of new jobs hired through local, training/referral agencies.</p> <p style="margin-left: 40px;">Greater than 10% = 1 point Greater than 30% = 2 points Greater than 50% = 3 points</p> <p><i>Examples: Department of Human Services, Catholic Community Services, Goodwill Industries, Lane Workforce Partnership, Lane Community College, local unions, Oregon Employment Department,</i></p>	

Private Rehabilitation Agencies, St. Vincent de Paul, Salvation Army, Vocational Rehabilitation, other.

8.	Construction	3 points maximum
<p>Company takes steps to ensure a positive work environment during construction of a qualified enterprise zone investment.</p> <ul style="list-style-type: none"> . Utilization of State approved (Oregon Apprenticeship and Training Division) apprenticeship programs for construction trades during construction. 2 points . Qualified firm signs a “Build Oregon Responsibly” agreement. 1 point 		

9.	Investment Size	2 points maximum
<p>Size of new investment.</p> <ul style="list-style-type: none"> Assessed value equal to or greater than \$2,500,000 1 point Assessed value equal to or greater than \$5,000,000 2 points 		

The criteria above will determine if a company is required to make a Public Benefit Contribution. Companies scoring below 25 points will be required to make a Public Benefit Contribution. The formula for calculating the Public Benefit Contribution is described below.

Calculating the Public Benefit Contribution

Companies that score below 25 points will make a public benefit contribution based on the following formula:

25 - Criteria Points Earned	x Tax Exemption	=	Public Benefit Contribution
100			

Example

If a company scores 20 points and has a tax exemption of \$100,000, the company will make a \$5,000 Public Benefit Contribution (5% of the tax exemption).

25 - 20	x Tax Exemption	=	Public Benefit Contribution
100			

$$\frac{25 - 20}{100} \times \$ 100,000 = \$ 5,000$$

Job Creation Cap – Additional Public Benefit 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. Public benefit contribution payments made with the criteria points formula (above) will be credited towards the payment required by the job creation cap. The maximum public benefit payment shall be one-third of the tax exemption benefit.

Item A.

Attachment D**West Eugene Enterprise Zone**

Public Benefit Criteria Review Committee

Purpose

Review the Public Benefit Criteria adopted in 2006, consider modifications, and make recommendations to Eugene City Council and Lane County Board of Commissioners regarding updated criteria.

Membership

- 2 Eugene City Councilors
- 2 Lane County Board of Commissioners
- 2 Community members appointed by Eugene City Council
- 2 Community members appointed by Lane County Board of Commissioners

Preliminary Schedule

July – October 2016

- Committee members appointed
- Meeting #1 - Review existing criteria, identify goals and data needed
- Meeting #2 - Identification of possible criteria modifications
- Meeting #3 – Review initial draft
- Public Hearing
- Meeting #4 – Finalize recommendations
- City Council consideration of updated ordinance
- Lane County Board consideration of updated ordinance
- New Public Benefit Criteria effective for all new investments

