
COUNCIL RESOLUTION NO. 5347

**A RESOLUTION APPROVING A TWO-YEAR EXTENSION
REQUEST FOR A PROPERTY TAX EXEMPTION TO
PETERSON PACIFIC CORP. FOR ITS OPERATIONS IN THE
WEST EUGENE ENTERPRISE ZONE**

PASSED: 8:0

REJECTED:

OPPOSED:

ABSENT:

CONSIDERED: February 16, 2022



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A RESOLUTION APPROVING A TWO-YEAR EXTENSION REQUEST FOR A PROPERTY TAX EXEMPTION TO PETERSON PACIFIC CORP. FOR ITS OPERATIONS IN THE WEST EUGENE ENTERPRISE ZONE.

The City Council of the City of Eugene finds as follows:

A. The City of Eugene and Lane County are co-sponsors of the West Eugene Enterprise Zone, which became effective on July 1, 2016.

B. Peterson Pacific Corp. (“Peterson”) is an eligible business firm as provided in ORS 285C.135 and has the right under ORS 285C.175 to seek property tax exemptions in the enterprise zone.

C. Peterson has filed an authorization application with the West Eugene Enterprise Zone Manager seeking a three-year property tax exemption for its operations in the West Eugene Enterprise Zone under ORS 285C.175. That application will be approved, if at all, by the West Eugene Enterprise Zone Manager and the Lane County Assessor.

D. Peterson also seeks a two-year extension to the tax exemption, for a total five-year exemption.

E. If the Council approves the two-year extension, the request would then be considered by the Lane County Board of Commissioners.

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. Pursuant to ORS 285C.160, the City Council approves Peterson’s request for an additional two-year tax exemption at the end of any tax exemption period authorized by the West Eugene Enterprise Zone Manager and the Lane County Assessor pursuant to ORS 285C.140, provided that Peterson complies with the following conditions for each year of the entire exemption period:

(a) Peterson will annually compensate all new employees hired by Peterson at a rate of at least 150 percent of the county average annual wage for each assessment year during the tax exemption period, in accordance with the specific definitions and guidelines in Oregon Administrative Rules (OAR), Chapter 123, Division 674 (OAR 123-674-0600).

(1) The county average annual wage is set at the time of authorization, except as provided in ORS 285C.160(4). According to the “Annual Average Wage

by County by Year” created by Business Oregon using data collected by the Oregon Employment Department, the 2020 Lane County average annual wage was \$49,503; 150 percent of which equals \$74,255.

(2) Average level of compensation is calculated for new jobs, which is defined as jobs filled for the first time between the date of December 22, 2020, which was the date of submission of the authorization application, and December 31 of the first year for which an exemption is claimed and whose duties are performed within the current boundaries of the West Eugene Enterprise Zone; and

(3) Only full-time, year-round and non-temporary employees engaged in a majority of their time in Peterson’s eligible operations consistent with ORS 285C.135 and 285C.200(3) are counted, regardless of whether such employees are leased, contracted for or otherwise obtained through an external agency or are employed directly by Peterson.

(b) Peterson shall meet the following additional requirements as reasonably requested by the Zone Sponsors under ORS 285C.160(a)(B):

(1) Peterson shall partner with Lane Community College through its Cooperative Education Internship program to offer welding students up to five paid, part-time (20 hours per week) on-the-job training opportunities each year of the tax abatement. Peterson will also pay for the hired students’ tuition and will offer the students a base wage of at least \$16.35 per hour. Each position will last for a minimum of nine weeks.

(2) If the investment is spread out over several years, such that the exemption may be spread out over up to eight years, Peterson’s total contribution will still be consistent with the commitment described above, all of which must be provided during the first five years of the tax exemption period.

Section 2. The City Manager is authorized to sign agreements with Lane County, the co-sponsor of the West Eugene Enterprise Zone, and Peterson incorporating the terms described in this Resolution only if the following two conditions are met:

(a) The West Eugene Enterprise Zone Manager and the Lane County Assessor approve the application for authorization for the initial three-year property tax exemption; and

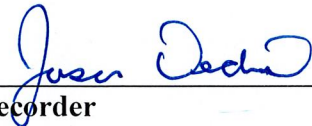
(b) Peterson accepts the conditions outlined in this Resolution.

Section 3. The City Manager is authorized to take appropriate action to facilitate the extension of the property tax exemption as described in this Resolution.

Section 4. In the event that Peterson fails to comply with any of the conditions in Sections 1 and 2 of this Resolution, the City Manager shall notify the Lane County Assessor that Peterson has become unqualified for the exemption.

Section 5. This Resolution is effective immediately upon its passage by the City Council.

The foregoing Resolution adopted the 16th day of February, 2022.



City Recorder