



**CORVALLIS CITY COUNCIL
AND
BENTON COUNTY
BOARD OF COMMISSIONERS**



JOINT PUBLIC MEETING

AGENDA

**August 12, 2010
5:00 pm**

**Downtown Fire Station
400 NW Harrison Boulevard**

I. CALL TO ORDER

II. UNFINISHED BUSINESS

A. Enterprise Zone Expansion

1. Welcome and Introductions
2. June 3, 2010 Joint Meeting Minutes
3. Overview of Proposed Two-Phased Enterprise Zone Expansion Process
4. Questions Regarding the Phase I Expansion
5. Public Comment
6. Deliberations and Actions
*ACTION: Resolutions adopting a boundary change to the Benton/
Corvallis Enterprise Zone*

III. ADJOURNMENT

**CITY OF CORVALLIS CITY COUNCIL
AND
BENTON COUNTY BOARD OF COMMISSIONERS
JOINT MEETING MINUTES**

June 3, 2010

The joint meeting of the City Council of the City of Corvallis, Oregon, and the Board of Commissioners of Benton County, Oregon, was called to order at 5:31 pm on June 3, 2010, in the Downtown Fire Station, 400 NW Harrison Boulevard, Corvallis, Oregon, with Mayor Tomlinson presiding.

I. ROLL CALL

PRESENT:

City Council: Mayor Tomlinson, Councilors, O'Brien, Hervey, Raymond, Brauner, Hamby, Brown, Hirsch (5:34 pm), Beilstein, Daniels

County Board of Commissioners: Jaramillo, Dixon, Modrell

II. UNFINISHED BUSINESS

A. Enterprise Zone Expansion

1. Welcome and Introductions

Audience members introduced themselves, including City Community Development Director Gibb, Enterprise Zone Advisory Committee (EZAC) member York, County Community Project Coordinator McAdams, Corvallis-Benton Chamber Coalition (Chamber) Economic Development Committee Chair Hutchens, Chamber President Rusk, Chamber Economic Development Specialist Sechrest, and Oregon State University (OSU) Federal Credit Union Vice President of Administration McKinney.

2. March 30, 2010, Joint Informational Meeting Minutes

The following minutes corrections were requested:

Councilor Daniels: page 6; Jennifer Ayotte's name is misspelled twice (no 'u').

Councilor Hervey: The minutes do not indicate his inquiry regarding why the issue is not being referred to the EZAC, since the discussions differ from the Committee's recommendation. *(This inquiry will be included in the minutes.)*

(Councilor Hirsch arrived at this time.)

Councilor Raymond: She requested clarification of her statement that property taxes would not decrease, but the statement is incorrectly stated on page 9. She would like the sentence deleted and re-addressed later.

Councilor O'Brien: page 7; His name is mis-spelled in the third full paragraph (no 't').

3. Neighborhood Analysis from Corvallis-Benton Chamber Coalition

Ms. Rusk stated that the neighborhood analysis data has not changed and was derived from the same database used for the initial Enterprise Zone (EZ) application. The data indicates disadvantaged households in neighborhoods throughout Corvallis and near each of the industrial zones being considered for the EZ expansion. She clarified for Commissioner Jaramillo that the Chamber reviewed all industrial areas in Corvallis that could be considered for expansion of the EZ and compared the areas to the Census tracts by blocks. This indicated at least 12 block groups near industrial zones that met the same poverty test as was met under the initial EZ application.

Councilor Raymond requested clarification regarding the ability of property taxes to decrease or increase. She asked whether replacing all equipment in a building would result in a decrease in taxes.

Chamber Economic Development Specialist Sechrest explained that taxes would be abated for three to five years on capital investments. Land value could change because of zoning designations, resulting in a change in real property taxes. Capital investment can involve buildings or equipment; personal property taxes on these investments would be abated for three to five years, after which the taxes would be assessed. It is possible that a business could bring in new equipment and leave with all of the equipment at the end of the abatement period, leaving the property with the same value as prior to the EZ designation. Typically, land and building values increase, and equipment installations require building upgrades. In most cases, a building will be constructed or remodeled, resulting in a higher property value; at the end of the tax abatement, the abated taxes will be assessed. In an EZ situation, tax values always increase, but tax revenues are delayed.

Commissioner Dixon offered to obtain additional taxing information from Benton County Assessor Hillpot, who was unable to attend tonight's meeting.

Commissioner Jaramillo commented that the removal of personal property would result in a decrease in personal property tax revenue. New personal property would be eligible for personal property tax abatement. This would result in an initial decrease in property taxes.

Councilor Raymond asked whether property zoned for mixed uses but without any industrially used property would be included in the expanded EZ.

Ms. Rusk explained that EZ regulations require that participating properties be zoned for industrial uses. She was uncertain whether property zoned for mixed-use commercial activity that allows industrial use would be affected by an EZ.

Mr. Sechrest added that he was aware of only one Mixed-Use Transitional (MUT) zone designation (the Evanite property), and it would qualify for EZ designation because the zone classification allows industrial use. However, the designation would only apply to the industrial properties within the zone and only for business

uses that meet the traded sector application. A non-traded sector business sited within the zone would not qualify for the EZ tax abatements.

Councilor Beilstein surmised that the Evanite property was zoned MUT because it was expected to transition from commercial/industrial use to residential use. New residential developments within that zone would not benefit from the tax abatement.

Ms. Rusk confirmed. She deferred additional zoning questions to the City's Community Development Department staff.

Councilor Beilstein further surmised that the previously proposed urban renewal district (URD) may have caused some confusion in terms of tax abatements and property valuation freezings. The EZ pertains only to industrial investment and not total property value.

Ms. Rusk confirmed, noting that the Chamber developed a comparison of an URD, which is primarily for blighted and retail areas, and an EZ, which is focused strictly on traded sector industrial activity.

Councilor Raymond asked the length of an abatement that would be granted to businesses applying for inclusion in the EZ.

Mr. Sechrest explained that applicants typically request a three- or five-year abatement. Businesses apply for inclusion in the EZ program and apply for a tax abatement each year. Applicants can request shorter abatement periods. The last two years of the abatement period include sustainability criteria and require approval from the City Council and the County Board of Commissioners (BOC). Businesses would not be granted tax abatements for ten years.

City Manager Nelson added that Art Fish of Oregon Business Development said the EZ program, as statutorily allowed, typically lasts ten years. Additional enabling legislation will be needed for the entire program. The tax abatements for individual businesses last three to five years.

Mr. Sechrest further explained that the local entity is authorized by the State to offer abatements for a ten-year period. The community could then apply for another EZ designation. Companies applying for abatement during the tenth year of the EZ could apply for a three- or five-year abatement, which could extend beyond the termination of the EZ designation.

In response to Commissioner Modrell's inquiry, Ms. Rusk explained that the table on page 13 of the data packet indicates that 51 percent (621) of the 1,225 households in Block Group 3, Census Tract 8.02, were below the poverty level. The tables in the data placket reflect census block groups with at least 17 percent of the households below the poverty level. The poverty level is set at an income level per number of people within the household.

Councilor Beilstein noted that poverty data was required with the initial EZ application to the State but is not required for an expansion of the EZ. He does not believe the poverty level in adjacent areas is critical to the value of an EZ, which is expected to provide employment throughout Benton County. The property taxes that will result from the increased capital investment within the EZ will benefit the entire county and not just the adjacent neighborhood. He was pleased to see the information about areas of poverty within the community, but the information is not critical or required regarding expanding the EZ.

Commissioner Modrell referenced page 6 of the March 30 work session minutes and Mr. Fish's statement that there is some latitude in expanding the EZ to other areas, but the law intended to avoid bringing in very wealthy areas to the detriment of the original EZ. Therefore, she believes it is a matter of how the expansion affects the original EZ, rather than how the expansion affects the surrounding zones. She noted Bill York's statement that the EZ Advisory Committee (EZAC) recommended that the City and County governments conduct an income test, as was required in establishing the EZ.

Councilor Raymond asked what portion of the Hewlett-Packard (HP) campus would be included in the EZ expansion.

Ms. Rusk said the Council and BOC must decide what portion of HP's campus to include in the EZ expansion. She believes it would be difficult to include a building and not the surrounding land; some amount of expansion would require access to adjacent land.

Mr. Sechrest added that the EZAC expressed a preference for including all industrially zoned properties in an area, rather than picking and choosing properties to include. Existing businesses in the area would not be affected by the EZ expansion, but including all of the properties would create a sense of fairness and ease processing the EZ. Therefore, he believes all of HP's campus and possibly the neighboring industrially zoned properties should be included in the EZ expansion. He believes the HP campus is fully developed to the company's plan, so he does not expect new buildings on the HP campus as a result of an EZ expansion.

In response to Councilor Raymond's inquiry, Mr. Sechrest said the McFadden property southeast of the HP campus is outside the City Limits and must be annexed into the City to obtain City services (water, sewer, etc.) that would sustain industrial uses. From an EZ perspective, he believes it is appropriate to include the McFadden property as part of the HP portion of the EZ expansion. The McFadden property is zoned for industrial use.

Ms. Rusk added that property northeast of HP is within a 100-year floodplain and outside the City's Urban Growth Boundary (UGB); therefore, it cannot be considered for EZ expansion. The McFadden property is approximately 70 to 75 acres in size. Smaller parcels of industrial land are adjacent to the north side of HP's campus (including properties occupied by Videx, ATS, Korvis Automation, and some vacant land). The Chamber did not support an earlier proposal to develop

the McFadden property for residential and retail uses, believing the property was more valuable for industrial uses.

Councilor Brauner clarified that the McFadden property is south and west of the HP campus; the property east of HP is outside the City's UGB, within a floodplain, and undevelopable.

Councilor Hervey referenced Mr. Sechrest's statement that the EZAC preferred that properties surrounding identified properties be included for fairness of the EZ benefits. He recalled that the EZAC did not reach consensus on most issues and asked about the Committee's position on this issue.

Mr. Seurest recalled that the EZAC was close to a consensus on the issue of including surrounding properties. The Chamber asked the EZAC its preference of picking and choosing properties to include in the EZ expansion or including regions; the EZAC preferred including regions.

4. Distance and Size Maximums
and
5. Questions Regarding the Proposed Expansion

Mr. Nelson emphasized that the Council's and BOC's directions regarding expanding the EZ must meet State-required means testing, including distance from the existing EZ and total maximum EZ size in terms of square miles. The EZ expansion areas must be within five miles of the original EZ, and the entire EZ must not exceed 12 square miles. All potential industrial property, except one in the Lewisburg area, meet the distance test.

Councilor Brauner asked whether the Lewisburg property is within five miles of the HP campus or whether it would be excluded regardless of the HP property.

Mr. Nelson expressed his understanding that an EZ expansion area must be within five miles of the original EZ boundary. The community can have more than one EZ; a separate process would be required to meet the size and distance criteria for each EZ.

In response to Councilor Raymond's inquiry, Mr. Nelson said he did not know whether there were legal problems in picking and choosing properties to include in an EZ expansion, rather than including a region. If the Council and the BOC approve expanding the EZ, City and County staff would prepare appropriate resolutions and an application, which would be reviewed by the City Attorney's Office, County Counsel, and the State.

Councilor Brauner stated that "picking and choosing" refers to each census block and area (e.g., the HP campus but not surrounding properties) but does not refer to including the Sunset Research Park (SRP) site but not the HP campus.

Councilor Raymond requested further clarification and staff input regarding the issue of fairness and legality in terms of picking and choosing properties to include in an EZ expansion.

In response to Commissioner Modrell's inquiry, Mr. Sechrest stated that the EZ is classified as "urban" and, therefore, cannot extend beyond the City's UGB. The southern boundary of the current EZ is the City's UGB at the southern edge of Corvallis Municipal Airport, which is just north of Llewellyn Road. A rural EZ would be required to include properties outside the City's UGB.

Councilor Raymond noted that the Council and BOC were considering several areas for inclusion in an EZ expansion; each area has adjacent industrially zoned properties that might be included. She inquired whether properties could be selected from within each proposed expansion area, or whether areas could be selected.

Mr. Fish, who had just joined the meeting, explained that there are no restrictions regarding properties that can be included or not included in an EZ expansion. Creating an EZ involves greater freedom in terms of what properties are included. EZ boundary changes restrict removing properties from the Zone, such as properties that are usable or more than 50 percent of the original Zone area. Zone additions involve balancing details and complexities, such as "islands," versus a general Zone boundary and not including parcels in the middle of an area that is economically compatible with the rest of the Zone. He did not find in the data packet any Census tracts with notable poverty rates that would make them comparable to the existing EZ. He suggested including in the EZ expansion as many contiguous parcels as possible to reduce the complexity of administering the EZ. There are no legal restrictions for including properties in an EZ expansion.

Mr. Nelson reviewed that the BOC will ask Mr. Hillpot about the tax impacts of replacement equipment.

6. Public Comment

Bill York was a member of the EZAC. He said he previously reported that the Committee did not have a recommendation regarding expanding the EZ; the Committee has not met since his previous report. He recalled that the EZAC almost unanimously preferred not picking and choosing properties to include in an EZ expansion; if the EZ was expanded to include HP's campus, it would also include similarly zoned adjacent properties. The EZAC reached consensus on the belief that new incentives should be provided for the South Corvallis Zone area to give it a modest, competitive advantage. The Committee did not discuss possible incentives.

Ms. Rusk quoted from the EZAC's last meeting minutes:

"Concern: If you are going to expand, it does not make sense to cherry pick individual properties. Aim for whole areas. All of the research park and all of HP.

"Agreement: All or nothing on each area. If you do Nypro, you should do everything in the research park. If you do HP, you should do all of HP including surrounding like-zoned properties.

"Reasoning: We want to eliminate gerrymandering and to create fairness between property owners in a zone. Creates more opportunities and options for making the EZ work."

Mr. Sechrest asked that Mr. Fish explain whether the Lewisburg industrial property could be included in an EZ expansion and the distance limit between EZ properties.

Mr. Fish responded that including the Lewisburg property, which is outside the City Limits but within the City's UGB would require including the HP campus in the EZ expansion. The five-mile distance limit is applied among the various EZ areas; for an urban EZ, all properties must be within a 12 mile radius. Any new EZ area could be used as an intermediate area to enable properties farther from the original EZ to be included in the expanded EZ expansion. The intermediate and distant properties can be included in one EZ expansion process to create the proposed, final EZ.

Mr. Nelson noted that Mr. Fish's explanation negated his earlier statement regarding the distance requirement for EZ expansion.

In response to Commissioner Modrell's inquiry, Mr. Sechrest said Marys River Lumber at Oregon State Highway 99 West and NE Elliott Circle is within the Lewisburg industrial area, which is the subject of possible EZ expansion; the area extends from NE Elliott Circle to NW Lewisburg Avenue, which is the City's UGB.

Lyle Hutchens said his firm has two projects that would be within the areas proposed for EZ expansion, and the expansion is important to the projects because of the potential for property tax abatement and the "message" to the development community. He encouraged the Council and BOC to expand the EZ to the extent possible.

7. Discussion and Direction

a. Keep current boundaries

Councilor O'Brien expressed a desire to expand the EZ to include all industrial properties within the City's UGB. Based upon Mr. Fish's explanation, it would be best to take this action and include the Lewisburg industrial property.

Councilor Hirsch concurred.

Councilor Brauner also concurred. If the EZ is expanded, he questioned why one area should be selected over another for inclusion. Land within an expanded EZ must simply be zoned for industrial use and be within the City's UGB.

Councilor Hervey suggested that the question of whose interests the Council and BOC were considering in terms of property tax abatements would be better addressed during the Council's June 14 work session. He was hesitant to use the term "fairness" in discussions regarding definitive actions, noting that fairness can have vastly different meanings for different people, depending upon the situation. He would prefer a discussion regarding what is in the best interests of the community. The Land Development Code (LDC) is the City's guide for how land is used, but applications are reviewed in terms of zoning requirements and what is best for the citizenry, not necessarily what is fair for one party.

Councilor Hervey concurred that it is unfair if one property or business owner is included in an EZ expansion but the adjacent property or business owner is not included. Considering the purpose of the LDC, the City must determine its intent by expanding the EZ, the criteria for the expansion, and potential properties for inclusion in the expansion. He considered it premature to include all industrial land; he would prefer reviewing criteria regarding the intended achievement of the EZ expansion.

Councilor Hervey noted that the original EZ had specific goals, including stimulating South Corvallis development to a level similar to other areas of the community. He acknowledged that other areas of Corvallis have depressed economies. The EZAC suggested that there may be other ways to give incentives to the original EZ area, and he would like this suggestion considered to maintain the spirit of the original EZ.

Councilor Hervey opined that the Council presented a good argument for expanding the EZ to include some existing buildings, particularly for high-technology industries; this would be advantageous to the City. He is not ready to take the larger step of including in the EZ all industrial property within the City's UGB.

Councilor Raymond said she still had questions regarding property taxes. She does not want the Council to take actions when the City is facing a difficult budget situation and is reducing positions and services. Expanding the EZ would involve not taxing new and expanded industrial areas from their current value levels. She noted that the City postponed land use application deadlines for another year, possibly delaying assessment of development fees, giving a benefit to developers. The proposed EZ expansion would postpone property tax revenue for three to five years. She questioned whether the Council and the BOC had thoroughly considered these factors.

Commissioner Dixon noted that the BOC and the Council were to discuss tonight whether to retain the current EZ boundaries or have further discussions regarding expanding the EZ. He concurred with Councilors O'Brien and Brauner to include all industrial property within the City's UGB.

Mayor Tomlinson clarified that the Council and BOC would not decide tonight whether to expand the EZ; the groups are to decide whether to conduct public hearings with taxing jurisdictions and then deliberate regarding expansion.

Councilor Brown concurred with expanding the EZ to include all industrial property within the City's UGB. His main concern involved the land within the current EZ not being suitable for many companies that might want to build or develop industrial sites in Corvallis. Expanding the EZ would create more options for businesses that need more amenities.

Councilor Beilstein expressed support for the proposal. He believes there is value in siting an EZ in a specific location, which was addressed through the original application. It was believed that developing the City's property at the Airport industrial area would be valuable. If other industrial areas are added to the EZ, it is fair to provide the incentives to all industrial property owners, rather than selecting sites to benefit. He supports including in an expanded EZ all industrial land within the City's UGB.

Councilor Daniels clarified that the Council approved extending land use application deadlines but is still requiring development fees. Mr. Nelson confirmed, adding that development fees are not being abated by the Council's action.

Councilor Daniels concurred with scheduling a meeting to discuss expanding the EZ.

Councilor Hamby concurred with proceeding to expand the EZ to include all industrially zoned property within the City's UGB.

Commissioner Modrell concurred with expanding the EZ to include all industrially zoned property within the City's UGB. She noted that property taxes would not be foregone unless a business is developed that meets the EZ criteria and brings more jobs; property taxes would be abated for no longer than five years. The EZ would terminate after ten years unless it is re-approved by the State.

Councilor Hirsch concurred.

Commissioner Jaramillo requested a map of all industrially zoned lands within the City Limits and the City's UGB.

Councilor O'Brien said he would like discussion or information regarding increasing incentives for the original EZ area in South Corvallis.

Mr. Nelson described incentives he observed in other communities, including percentage discounts on water fees and development application fees and utility, permit, and business license fee abatements.

Mr. Fish noted that the Benton/Corvallis EZ includes additional conditions regarding business within the Zone; these conditions can be differentiated by area. Local incentives can be attached to an EZ and considered binding; in this case, they would need to be consistent throughout the EZ. The EZ ordinance could state specific incentives for one area of the EZ. He discouraged reducing public utility charges within the EZ. Some EZs have credits, abatements, and partial discounts for various permits and fees. Any incentive that is part of the general EZ package should be applied consistently throughout the EZ.

b. Expand – If so, schedule next meeting

Mayor Tomlinson suggested that the Council and BOC direct staff to schedule a public hearing for taxing jurisdictions, notice the public hearing to all the industrial properties within the City's UGB to provide maximum flexibility in deciding how and where to expand the EZ. He suggested a joint Council/BOC public hearing to hear public comment and taxing jurisdiction input once. The timeline for noticing a public hearing would begin as soon as practicable. Council and BOC members indicated consensus.

In response to Commissioner Jaramillo's request, and her indication that BOC members will be at a conference during mid-July, Mr. Fish explained that the taxing jurisdictions must be notified at least 21 days before the governing bodies adopt resolutions. The Council and BOC can determine the timeline for notifying taxing jurisdictions of a special meeting. Many EZ boundary changes do not require public hearings.

c. Continue discussion

Councilor Hervey said he generally supported the proposal to proceed with a public hearing, noting that an expanded EZ may result in more jobs. He referenced the Council's June 14 work session discussion regarding funding City services. He requested additional analysis of the impact of expanding the EZ on the City financially. Some of the industrial properties will need additional infrastructure, which will be paid by the City pending reimbursement through systems development charges. He would like to know what the City will gain – and what the City will pay – by a business developing a multi-million-dollar facility in the EZ.

Mr. Nelson invited Councilors and Commissioners to submit to him specific questions for research in preparation for future meetings. He characterized as art, rather than fact, the debates involving growth no growth, return on property taxes, and services. The City does not have staffing available to provide definitive answers to these questions, since future impacts are not known.

Mr. Fish added that it is difficult to define facts. Industrial and commercial properties tend to "pay their way." The EZ may encourage more industrial development for large developments that produce a net win to the community. The strain for most local governments involves maintaining the services residents demand in relation to what residents are paying.

III. ADJOURNMENT

The meeting was adjourned at 6:49 pm.

APPROVED:

MAYOR

ATTEST:

CITY RECORDER

*** * * M E M O R A N D U M * * ***

AUGUST 3, 2010

**TO: MAYOR AND CITY COUNCIL
BENTON COUNTY BOARD OF COMMISSIONERS**

FROM: JON S. NELSON, CITY MANAGER *Jon*

SUBJECT: ENTERPRISE ZONE EXPANSION

I. BACKGROUND

The Council and Commissioners held previous discussions on expanding the current Benton/Corvallis Enterprise Zone on March 30, 2010, and June 3, 2010. The purpose of the August 12, 2010, meeting is to consider a two-phased approach in expanding the Enterprise Zone. If you concur with this approach or a variation, respective resolutions (Attachment 1) for expanding the Enterprise Zone are included in the staff report.

II. DISCUSSION

Phase I of the Enterprise Zone expansion involves the Sunset Research and Technology Park properties and the Hewlett Packard campus and surrounding industrial-zoned properties (Exhibit A). Should the resolutions be approved, Exhibit A will be revised to delete the ineligible public-owned properties.

Phase II of the Enterprise Zone expansion includes considering all other industrial-zoned properties in the Urban Growth Boundary. Application material and associated work on Phase II would begin in 2011 and may involve additional resource investments by the City and Benton County (mailings, meetings, mapping, legal descriptions.)

There is not an application form for expanding an Enterprise Zone; however, the attached checklist (Attachment 2) provides information on the material to be submitted to Business Oregon if the Council and Commissioners direct staff to proceed through passage of the respective resolutions.

An example of the required notice, mailing list, and replies (taxing districts and properties) are attached (Attachment 3).

The staff reports and minutes from the March 30, 2010, and June 3, 2010, meetings are available for your information by contacting Assistant to City Manager/City Recorder Kathy Louie in the City Manager's Office. In the interest of brevity, they are not included in this report; however, parts may be used to meet requirements on the checklist, should Council and Commissioners decide to move forward.

III. FISCAL IMPACT

Phase I application may be made within existing resources. Ongoing administration of an expanded Enterprise Zone would be provided by the Corvallis-Benton Chamber Coalition. The Coalition is the County's and City's Enterprise Zone administrator under contract through June 30, 2011.

Phase II, as stated previously, may require additional investments. A follow-up report on next steps will be provided by year-end.

IV. ALTERNATIVES

At this time, and after approximately one year of community and elected official review and discussion, a decision on an expanded Enterprise Zone is appropriate. Not expanding or postponing consideration of expanding the Enterprise Zone are alternatives to an expanded Enterprise Zone.

V. RECOMMENDATION

Staff recommends the City Council and Board of Commissioners pass resolutions requesting Business Oregon to expand the Benton/Corvallis Enterprise Zone.

Attachments

1037

RESOLUTION 2010-_____

Minutes of the meeting of August 12, 2010, Corvallis City Council meeting, continued.

A resolution submitted by Councilor _____.

WHEREAS, the County of Benton and the City of Corvallis successfully applied for an enterprise zone, which was designated as the Benton/Corvallis Enterprise Zone by the Director of Business Oregon (Oregon Business Development Department) on June 24, 2008; and

WHEREAS, the designation of an enterprise zone does not grant or imply permission to develop land within the Zone without complying with all prevailing zoning, regulatory, and permitting processes and restrictions of any and all local jurisdictions; nor does it indicate any public intent to modify those processes or restrictions, unless otherwise in agreement with applicable comprehensive land use plans; and

WHEREAS, the Enterprise Zone and the three- to five-year property tax exemption that it offers for new investments in plant and equipment by eligible business firms are critical elements of local efforts to increase employment opportunities, to raise local incomes, to attract investments by new and existing businesses, and to secure and diversify the local economic base; and

WHEREAS, officials of Benton County and the City of Corvallis agreed to request a change in the boundary of the Benton/Corvallis Enterprise Zone that would add the areas indicated in the attached maps (Exhibit A) with associated legal descriptions, and an amended and expanded Enterprise Zone map and description to be submitted to Business Oregon with Exhibit A; and

WHEREAS, special notification was sent to all affected taxing districts that the Zone might be expanded; and a public meeting was held in Corvallis on August 12, 2010, to hear the response of the citizenry to the proposed change in the boundary of the Benton/Corvallis Enterprise Zone, which would benefit the local area through additional development opportunities.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CORVALLIS RESOLVES that the City of Corvallis requests a change in the boundary of the Benton/Corvallis Enterprise Zone as shown in Exhibit A.

IT IS FURTHER RESOLVED that Jon S. Nelson, City Manager for the City of Corvallis, is hereby authorized to prepare and submit technical memoranda to Business Oregon (Oregon Business Development Department), along with this Resolution and other necessary documents, verifying that the requested boundary change to the Benton/Corvallis Enterprise Zone complies with the requirements of ORS 2185C.115, so that the request herein may be approved by order of the Department's Director.

Councilor

Upon motion duly made and seconded, the foregoing resolution was adopted, and the Mayor thereupon declared said resolution to be adopted.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR THE STATE OF OREGON, FOR THE COUNTY OF BENTON**

In the Matter of a Resolution to Create) RESOLUTION R2010-_____
The Benton/Corvallis Enterprise Zone)

WHEREAS, the County of Benton and the City of Corvallis successfully applied for an enterprise zone, which was designated as the Benton/Corvallis Enterprise Zone by the Director of Business Oregon (Oregon Business Development Department) on June 24, 2008; and

WHEREAS, the designation of an enterprise zone does not grant or imply permission to develop land within the Zone without complying with all prevailing zoning, regulatory, and permitting processes and restrictions of any and all local jurisdictions; nor does it indicate any public intent to modify those processes or restrictions, unless otherwise in agreement with applicable comprehensive land use plans; and

WHEREAS, the Enterprise Zone and the three- to five-year property tax exemption that it offers for new investments in plant and equipment by eligible business firms are essential elements of local efforts to increase employment opportunities, to raise local incomes, to attract investments by new and existing businesses, and to secure and diversify the local economic base; and

WHEREAS, officials of Benton County and the City of Corvallis agreed to request a change in the boundary of the Benton/Corvallis Enterprise Zone that would add the areas indicated in the attached maps (Exhibit A) with associated legal descriptions, and an amended and expanded Enterprise Zone map and description to be submitted to Business Oregon with Exhibit A; and

WHEREAS, special notification was sent to all affected taxing districts that the Zone might be expanded; and a public meeting was held in Corvallis on August 12, 2010, to hear the response of the citizenry to the proposed change in the boundary of the Benton/Corvallis Enterprise Zone, which would benefit the local area through additional development opportunities.

NOW, THEREFORE, BENTON COUNTY BOARD OF COMMISSIONERS RESOLVES that Benton County requests a change in the boundary of the Benton/Corvallis Enterprise Zone as shown in the attached maps and legal descriptions (Exhibits A to D).

IT IS FURTHER RESOLVED that Annabelle Jaramillo, Benton County Commissioner, Chair, in concert with Jon S. Nelson, City Manager, is authorized to submit technical memoranda to Business Oregon (Oregon Business Development Department), along with

this Resolution and other necessary documents, verifying that the requested boundary change to the Benton/Corvallis Enterprise Zone complies with the requirements of ORS 2185C.115, so that the request herein may be approved by order of the Department's Director.

Adopted this ___th day of August, 2010.

Signed this ___th day of August, 2010.

Board of County Commissioners

Chair

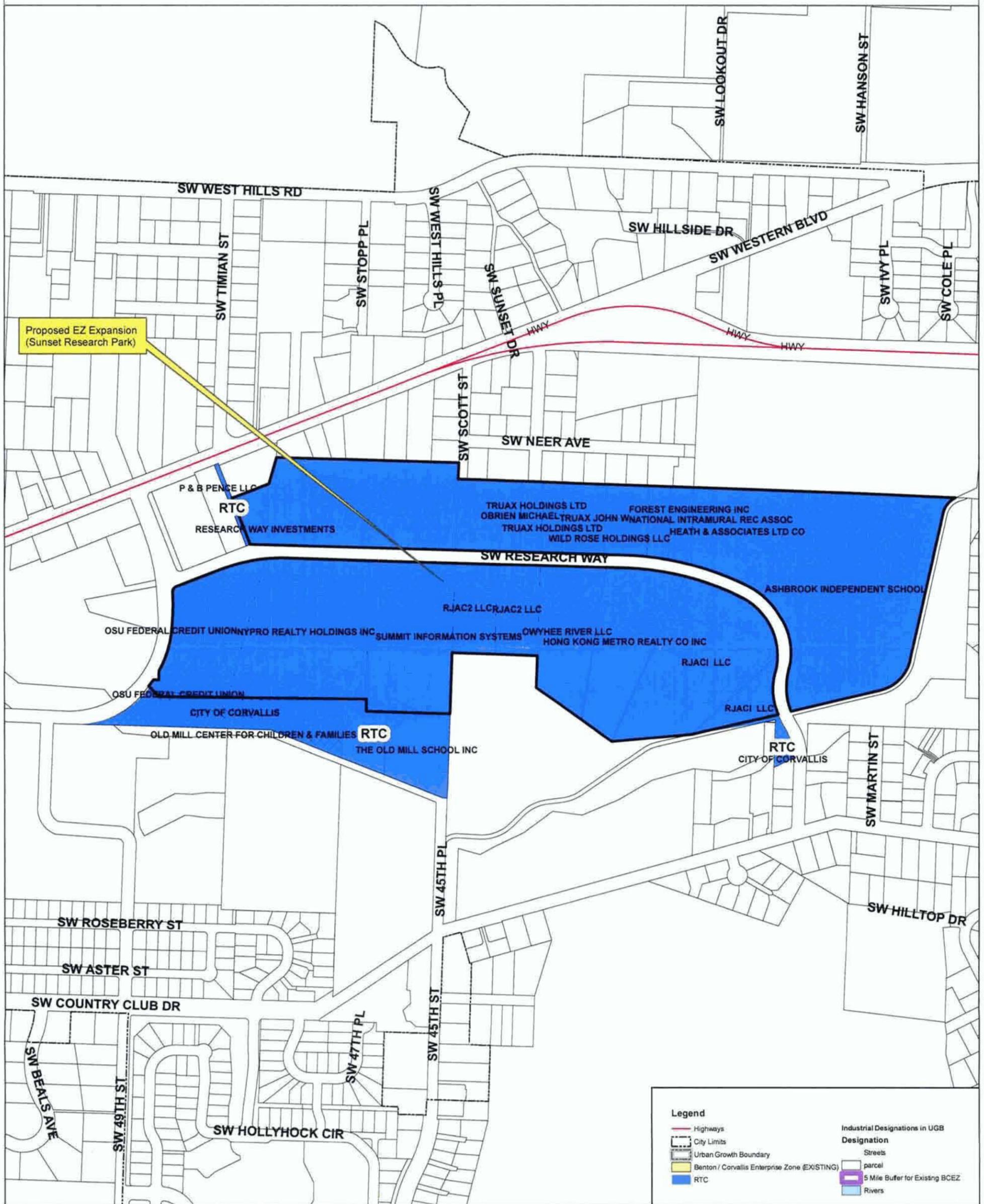
:

Commissioner

Commissioner

Benton / Corvallis Enterprise Zone Sunset Research Park Study Area

EXHIBIT A

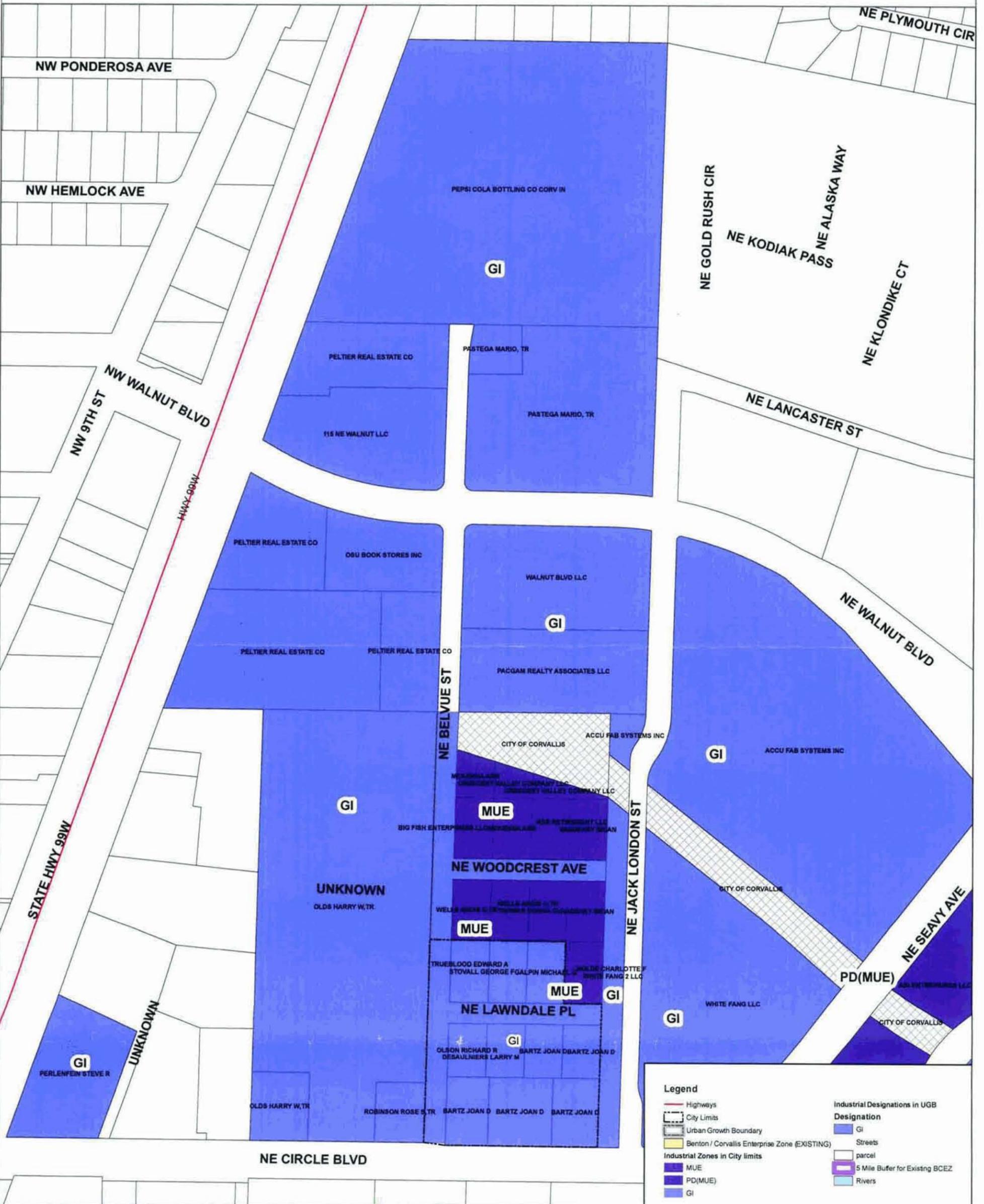


Map Author: City of Corvallis - Community Development Department

0 0.05 0.1 0.2 Miles



Benton / Corvallis Enterprise Zone HP Campus and Vicinity Study Area



Legend

- Highways
- City Limits
- Urban Growth Boundary
- Benton / Corvallis Enterprise Zone (EXISTING)
- Industrial Zones in City limits
- MUE
- PD(MUE)
- GI

Industrial Designations in UGB

- GI
- Streets
- parcel
- 5 Mile Buffer for Existing BCEZ
- Rivers

Map Author: City of Corvallis - Community Development Department



CHECKLIST AND OUTLINE FOR COVER OF REQUEST TO CHANGE ENTERPRISE ZONE BOUNDARY

{OAR 123-065-0310 – *see* ORS 285C.115}

- Enclosed copy of recently adopted resolutions by:
 - All of the zone’s currently sponsoring city/port/county governments
 - Any new, would-be cosponsor of the enterprise zone
- Statement of any change in the zone’s official name
- Enclosed map(s) and legal description(s) of specific area(s) to be added (or removed)*
- Enclosed **unified** map and legal description of **entire** enterprise zone boundary, pursuant to requested changes*
- Estimate of what the surface area of the enterprise zone would be, as changed, to the nearest tenth of (0.1) square mile(s)*
- Copy of notice, mailing list and replies, with respect to local taxing districts, both existing and newly added with boundary change {OAR 123-065-1050}
- As necessary, commentary, explanations or enclosures: {OAR 123-065-0320/-0330}
 - Useable land being added, and not removing useable land or any sponsor
 - Any addition of area outside of an urban growth boundary (only if rural)
 - Other public involvement (*e.g.*, notices, meetings, news coverage) as appropriate
- Description or data for economic hardship conditions in residential areas added (or immediately affected) by the boundary change, and how they compare to the original enterprise zone {ORS 285C.115(2)(c) | OAR 123-065-0365}
- Stated confirmation of:
 - Sponsorship (or consent) by all included local governments {OAR 123-65-0010}
 - Conformance with maximum size and distance {OAR 123-065-0080/-0090}
 - Not removing 50 percent of original zone or the site of any active business firm
 - Local incentives of a new cosponsor (in its resolution, too) {ORS 285C.115(7)(a)}
 - Exclusion (in its resolution, too) that a new cosponsor is excluded from enterprise zone’s prevailing election for hotel/resort eligibility {ORS 285C.115(7)(b)}
 - Waiver (here and in all resolutions) to exceed maximum distance (rural enterprise zone in sparsely populated county) {ORS 285C.120 | OAR 123-065-0095}
- Discussion of how this boundary change complements or might contribute to the strategic vision or marketing associated with the enterprise zone (optional)
- Brief narrative on immediate justification or compelling reason for boundary change (optional, but critical if adding land outside urban growth boundary to rural zone)
 - Prospective investment and why it is especially noteworthy
 - Other opportunities in terms of development, new sponsoring jurisdiction, &c.

*{OAR 123-065-1000}

BUSINESS OREGON (Oregon Business Development Department) will proceed to approve requests for amending an enterprise zone boundary based on the requirements of the law—possibly in only a few days—as officially authorized through a codified *Director's Order*.

WARNING: Business investments in any new area of an enterprise zone may *not* receive exemption from property taxes, on any property:

- a. **In the process of construction, modifications or installation ...**
- b. **On the county assessment roll for that location ...**

... Before the effective date of the boundary change.

(The business firm's submission of an authorization application must also precede work, as normal, but it may be submitted and even approved pending the boundary change)

As warranted, the Director's Order may take effect retroactively, as far back as – but not earlier than – the date, on which agency staff received a COMPLETE request



July 16, 2010

RE: Expansion of the Benton/Corvallis Enterprise Zone and Public Meeting Invitation

Dear Taxing Jurisdictions and Neighbors:

The Benton County Board of Commissioners and the City of Corvallis City Council are holding a joint public meeting on August 12, at 5:00 pm in the Downtown Fire Station meeting room to consider an expansion of the Benton/Corvallis Enterprise Zone.

The expansion areas under consideration are the Hewlett Packard campus and surrounding industrially zoned lands and Sunset Research and Technology Park. The current Enterprise Zone boundary is in South Corvallis and predominantly a greenfield site. The proposed expansion areas are primarily sites with existing buildings and substantial square footage availability.

It is anticipated that the Benton County Board of Commissioners and the Corvallis City Council will consider resolutions requesting a boundary amendment during this meeting. The boundary change request will then be submitted to Business Oregon (Oregon Economic and Community Development Department) for approval.

The current Benton/Corvallis Enterprise Zone or proposed areas to be added to the Zone include relevant tax codes, such that the zones could affect future property tax collections in your district. Therefore, you are being asked to comment on this proposal, either at the meeting or by sending comments to us, c/o City Manager's Office, PO Box 1083, Corvallis, Oregon 97339 by 5:00 pm, Wednesday, August 4, 2010.

Please understand that an enterprise zone exempts only new property that a job-creating business might build or install in the enterprise zone at some future time. Also, an enterprise zone exemption is temporary, usually lasting only three years, after which the property induced by these incentives is available for assessment. An extension to four or five years in total is possible in some cases, and needs approval from the City of Corvallis and Benton County, which sponsor the Benton/Corvallis Enterprise Zone.

Finally, none of these property tax exemptions would be available to just any business. Most commercial or retail operations would not be eligible. Rather, the primary beneficiaries of enterprise zone benefits are manufacturing or other more-industrially oriented facilities serving other businesses.

Proposed Enterprise Zone Boundary Change
Page 2
July 16, 2010

We are excited about the opportunity available to our region for improving the local economic base, business climate, and long-term community development. You are welcome to contact us via e-mail (charles.tomlinson@ci.corvallis.or.us or annabelle.e.jaramillo@co.benton.or.us) or telephone (541-766-6985 or 541-766-6800) regarding the proposed expansion of the Benton/Corvallis Enterprise Zone.

Sincerely,


Charles C. Tomlinson, Mayor
City of Corvallis

Sincerely,


Annabelle E. Jaramillo, Chair
Benton County Board of Commissioners

Phase_I_Mailing list

7/15/10

SITUS	OWNER	MAILING	MAIL CITY	MAIL STATE	MAIL ZIP	NAME
	TENANT	4100 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4311 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4275 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4257 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4221 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4239 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4203 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4175 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4149 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4077 SW RESEARCH WAY	CORVALLIS	OR	97333	
	NUSCALE POWER INC	201 NW 3RD ST	CORVALLIS	OR	97330	JOSE REYES
	AVERILL SYLVIA	1340 NE 2ND ST	CORVALLIS	OR	97330	
	TEN PAS KATHLEEN J,TR	7730 SE 30TH AVE	PORTLAND	OR	97202	
	BENTON COUNTY	110 SW 4TH ST	CORVALLIS	OR	97333	MARY OTLEY, FINANCE MGR
	BENTON COUNTY SOIL AND WATER CONSERVATION DIST	400 SW 4TH ST	CORVALLIS	OR	97333	
	BENTON COUNTY LIBRARY DISTRICT	110 SW 4TH ST	CORVALLIS	OR	97333	
	SOUTH THIRD COUNTY SERVICE	110 SW 4TH ST	CORVALLIS	OR	97333	

Phase_I_Mailing list

SITUS	OWNER	MAILING	MAIL CITY	MAIL STATE	MAIL ZIP	NAME
	DISTRICT 509J	1555 SW 35TH ST	CORVALLIS	OR	97333	DAWN TARZIAN, SUPT CORVALLIS SCHOOL
	CORVALLIS RURAL FIRE PROTECTION DISTRICT	1540 NW LEWISBURG AVE	CORVALLIS	OR	97330	
	LINN-BENTON COMMUNITY COLLEGE	6500 PACIFIC BLVD SW	ALBANY	OR	97321	DR GREGORY HAMAN, PRES
	LINN-BENTON-LINCOLN EDUCATION SERVICES DIST	905 4TH AVE SE	ALBANY	OR	97321	
	BENTON COUNTY BOARD OF COMMISSIONERS	408 SW MADISON AVE	CORVALLIS	OR	97333	
	SDAO	PO BOX 12613	SALEM	OR	97309	GOVERNMENT AFFAIRS
	LEAGUE OF WOMEN VOTERS	PO BOX 1679	CORVALLIS	OR	97339-1679	ANNETTE MILLS
	CORVALLIS-BENTON CHAMBER COALITION	420 NW 2ND ST	CORVALLIS	OR	97330	MARCY EASTHAM, PRESIDENT
	PROSPERITY THAT FITS CMTE - CH2M HILL	2300 NW WALNUT BLVD	CORVALLIS	OR	97330	C/O ELIZABETH FRENCH
	ENTERPRISE ZONE ADVISORY COMMITTEE	420 NW 2ND ST	CORVALLIS	OR	97330	C/O JOHN SECHREST
4750 SW 3RD ST	TORGERSON KARESSA	4750 SW 3RD ST	CORVALLIS	OR	97333	
5010 SW 3RD ST	WINLUND JON MARK,TR	P O BOX 2025	CORVALLIS	OR	97339-2025	
4920 SW 3RD ST	WINLUND J MARK	6600 SW RESERVOIR AVE	CORVALLIS	OR	97333	

Phase_I_Mailing list

SITUS	OWNER	MAILING	MAIL CITY	MAIL STATE	MAIL ZIP	NAME
4770 SW 3RD ST	WARNELL JONES ANN	4770 SW 3RD ST	CORVALLIS	OR	97333-9240	
625 SW HERBERT AVE	HORTON EUGENIE M,TR	3303 NW JACKSON AVE	CORVALLIS	OR	97330-5072	
635 SW HERBERT AVE	HANEY ANGELA M	635 SW HERBERT AVE	CORVALLIS	OR	97333	
	TENANT	4500 SW RESEARCH WAY	CORVALLIS	OR	97333	
655 SW HERBERT AVE	FULLER GEORGE,TR	655 SW HERBERT AVE	CORVALLIS	OR	97333-9211	
4220 SW 3RD ST	FLETCHER CHRISTINE D	4220 SW 3RD ST	CORVALLIS	OR	97333	
4230 SW 3RD ST	BATCHELOR LYNETTE N	PO BOX 2215	CORVALLIS	OR	97339-2215	
4240 SW 3RD ST	RAMSEY LINDA ANN	4240 SW 3RD ST	CORVALLIS	OR	97333-9240	
UNASSIGNED	CHINTIMINI LAND INC	30742 VENELL LN	CORVALLIS	OR	97333-9218	
4730 SW 3RD ST	WALTER GARY GLEE,TR	4730 SW 3RD ST	CORVALLIS	OR	97333	
4710 SW 3RD ST	WALTER SUSAN M	4710 SW 3RD ST	CORVALLIS	OR	97333	
4680 SW 3RD ST	HOLSETH VELDA M	4680 SW 3RD ST	CORVALLIS	OR	97330-9240	
2000 TO 2200 SW HERBERT AVE	THE LOR RENE ACRES FMLY PRTN	2000 SW HERBERT AVE	CORVALLIS	OR	97333-9211	
UNASSIGNED	KRAUSE ELWELL M	3680 SW 3RD ST	CORVALLIS	OR	97333-9240	
550 TO 570 SW WAKE ROBIN AVE	K & H RV STORAGE LLC	550 SW WAKE ROBIN AVE	CORVALLIS	OR	97339	
620 SW WAKE ROBIN AVE	LAUX RON AG	4038 NE FAIR ACRES DR	CORVALLIS	OR	97330	
720 SW WAKE ROBIN AVE	JEAN MOORE INC	720 SW WAKE ROBIN AVE	CORVALLIS	OR	97333	
660 SW WAKE ROBIN AVE	RILEY JUANITA F	790 NW SUNDANCE CIR	CORVALLIS	OR	97330	
728 TO 730 SW WAKE ROBIN AVE	SCHABERG J STEVE	4751 LONG RIDGE PL	MARANA	AZ	85653	
1350 TO 1520 NE HWY 20	MCFADDEN ARTHUR L	401 SW ALDER ST	PORTLAND	OR	97204	

Phase_I_Mailing list

SITUS	OWNER	MAILING	MAIL CITY	MAIL STATE	MAIL ZIP	NAME
UNASSIGNED	OSU FEDERAL CREDIT UNION	P O BOX 306	CORVALLIS	OR	97339-0306	
4700 SW RESEARCH WAY	NYPRO REALTY HOLDINGS INC	4700 SW RESEARCH WAY	CORVALLIS	OR	97333	
	HEWLETT PACKARD CO	1000 NE CIRCLE BLVD	CORVALLIS	OR	97330	
	TENANT	4575 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4314 SW RESEARCH WAY	CORVALLIS	OR	97333	
4500 SW RESEARCH WAY	SUMMIT INFORMATION SYSTEMS	P O BOX 3003	CORVALLIS	OR	97339	
UNASSIGNED	PASTEGA MARIO, TR	7015 NW CONCORD DR	CORVALLIS	OR	97330	
2325 NE BELVUE ST	CRESCENT VALLEY COMPANY LLC	P O BOX 173	ALBANY	OR	97321-0051	
815 TO 825 NE WOODCREST AVE	BIG FISH ENTERPRISES LLC	1770 NW SULPHUR SPRINGS RD	CORVALLIS	OR	97330	
855 TO 865 NE WOODCREST AVE	RDS RETIREMENT LLC	P O BOX 857	GILCHREST	OR	97737	
2636 NE BELVUE ST	PEPSI COLA BOTTLING CO CORV IN	P O BOX 1103	CORVALLIS	OR	97339-1103	
300 NE WALNUT BLVD	OSU BOOK STORES INC	P O BOX 489	CORVALLIS	OR	97339-0489	
850 NE WALNUT BLVD	WALNUT BLVD LLC	3975 NW LINCOLN AVE	CORVALLIS	OR	97330-2361	
2121 NE JACK LONDON ST BLDG A-B	ACCU FAB SYSTEMS INC	2121 NE JACK LONDON ST	CORVALLIS	OR	97330	
110 NE WALNUT BLVD	PELTIER REAL ESTATE CO	110 NE WALNUT BLVD	CORVALLIS	OR	97330	
2555 NE BELVUE ST	PACGAM REALTY ASSOCIATES LLC	10 RYE RIDGE PLAZA STE 200	RYE BROOK	NY	10573	

Phase_I_Mailing list

SITUS	OWNER	MAILING	MAIL CITY	MAIL STATE	MAIL ZIP	NAME
2325 TO 2335 NE BELVUE ST	MCKENNA ARN	1755 NW LEWISBURG AVE	CORVALLIS	OR	97330-9724	
	TENANT	4272 SW RESEARCH WAY	CORVALLIS	OR	97333	
	TENANT	4238 SW RESEARCH WAY	CORVALLIS	OR	97333	
2101 NE JACK LONDON ST	WHITE FANG LLC	2101 NE JACK LONDON ST	CORVALLIS	OR	97330	
810 TO 820 NE WOODCREST AVE	WELLS ARDIS C,TR	P O BOX 2106	CORVALLIS	OR	97339	
860 TO 870 NE WOODCREST AVE	THOMAS DONNA C	34361 RIVERSIDE DR	ALBANY	OR	97321-9452	
825 NE LAWNSDALE PL	STOVALL GEORGE F	825 NE LAWNSDALE PL	CORVALLIS	OR	97330	
855 NE LAWNSDALE PL	GALPIN MICHAEL G	7906 NE 131ST ST	KIRKLAND	WA	98034	
911 NE LAWNSDALE PL	NOLDE CHARLOTTE F	911 NE LAWNSDALE PL	CORVALLIS	OR	97330-4219	
1105 NE CIRCLE BLVD	DAVIS PAUL R	1105 NE CIRCLE BLVD	CORVALLIS	OR	97330-4255	
325 NE CIRCLE BLVD	PERLENFEIN STEVE R	631 KOUNS DR NW	ALBANY	OR	97321	
875 TO 885 NE WOODCREST AVE	VANDEHEY BRIAN	875 NE WOODCREST AVE	CORVALLIS	OR	97330	
UNASSIGNED	ABI ENTERPRISES LLC	2604 NW GARRYANNA DR	CORVALLIS	OR	97330	
UNASSIGNED	ANDERSON DAVID MARK	3650 HILYARD AVE	KLAMATH FALLS	OR	97603	
703 TO 725 NE CIRCLE BLVD	OLDS HARRY W,TR	9104 PINTAIL LOOP	BLAINE	WA	98230	
777 TO 797 NE CIRCLE BLVD	ROBINSON ROSE S,TR	P O BOX 100	NORTH PLAINS	OR	97133	
1000 NE CIRCLE BLVD	HEWLETT PACKARD CO	P O BOX 105005	ATLANTA	GA	30348	

Phase_I_Mailing list

SITUS	OWNER	MAILING	MAIL CITY	MAIL STATE	MAIL ZIP	NAME
115 NE WALNUT BLVD	115 NE WALNUT LLC	115 NE WALNUT BLVD	CORVALLIS	OR	97330-4258	
815 NE LAWNSDALE PL	TRUEBLOOD EDWARD A	815 NE LAWNSDALE PL	CORVALLIS	OR	97330	
810 NE LAWNSDALE PL	OLSON RICHARD R	4340 NE HWY 20	CORVALLIS	OR	97330-9627	
830 NE LAWNSDALE PL	DESAULNIERS LARRY M	830 NE LAWNSDALE PL	CORVALLIS	OR	97330-4218	
850 NE LAWNSDALE PL	BARTZ JOAN D	35335 RIVERSIDE DR NW	ALBANY	OR	97321-9405	
1650 SW 45TH PL	THE OLD MILL SCHOOL INC	4515 SW COUNTRY CLUB DR	CORVALLIS	OR	97333	
5530 SW 3RD ST	MCALLISTER LEONARD, TR	5530 SW 3RD ST	CORVALLIS	OR	97333-9240	
5470 SW 3RD ST	KRAUSE JOHN H	5470 SW 3RD ST	CORVALLIS	OR	97333	
UNASSIGNED	C BAR S LLC	28874 DORR RD	CORVALLIS	OR	97330	
1985 SW AIRPORT AVE	OREGON RUBBER CO	3595 W 1ST	EUGENE	OR	97402	
1965 SW AIRPORT AVE	RCBEC LLC	7250 NE AVALON DR	CORVALLIS	OR	97330	
1863 SW AIRPORT AVE	RODGERS GARY A	950 NE ANGELEE PL	CORVALLIS	OR	97330	
1801 SW AIRPORT AVE	CARPENTER FAMILY LTD PTN	605 NW 5TH ST STE 2C	CORVALLIS	OR	97330-6420	
1749 SW AIRPORT AVE	AVI BIO PHARMA INC	4575 SW RESEARCH WAY SUITE 200	CORVALLIS	OR	97333	
5070 SW HOUT ST	PLASTECH INC	5070 SW HOUT ST	CORVALLIS	OR	97333	
5010 SW HOUT ST	BURNSIDE ETHAN R	5010 SW HOUT ST	CORVALLIS	OR	97333-9530	
4950 SW HOUT ST	RAMSAY DALE B, TR	6711 SW RANDALL WAY	CORVALLIS	OR	97333-9353	
5025 SW HOUT ST	WESTERN PULP PRODUCTS CO	P O BOX 968	CORVALLIS	OR	97339-0968	
5125 SW HOUT ST	WKL INVESTMENTS HOUT LLC (LH)	5200 SW MEADOWS RD STE B-100	LAKE OSWEGO	OR	97035	

Phase_I_Mailing list

SITUS	OWNER	MAILING	MAIL CITY	MAIL STATE	MAIL ZIP	NAME
1850 NE FOUR ACRE PL	CORVALLIS STATION LLC	901 NE GLISAN ST	PORTLAND	OR	97232	
121 SW MC KENZIE AVE	WILLAMETTE GRAYSTONE INC	P O BOX 7816	EUGENE	OR	97401	
3550 SW DESCHUTES ST	KELSAY DAYTON & KELSAY LLC	P O BOX 1066	ROSEBURG	OR	97470	
1915 NE FOUR ACRE ST	BRANDIS SDC PARTNERSHIP	601 N LAMAR BLVD STE 301	AUSTIN	TX	78703	
750 NE CIRCLE BLVD	CARMIKE CINEMAS INC	1301 1ST AVE	COLUMBUS	GA	31901	
5570 SW PLUMLEY ST	LOWTHER FRED R,TR	P O BOX 339	CORVALLIS	OR	97339-0339	
5800 SW PLUMLEY ST	AVIA FLIGHT SERVICE INC	5695 AIRPORT PLACE	CORVALLIS	OR	97333	
4575 SW RESEARCH WAY	RESEARCH WAY INVESTMENTS	P O BOX 1833	PASO ROBLES	CA	93447	
UNASSIGNED	P & B PENCE LLC	3781 SHROPSHIRE WAY S	SALEM	OR	97302	
4045 SW RESEARCH WAY	ASHBROOK INDEPENDENT SCHOOL	4045 SW RESEARCH WAY	CORVALLIS	OR	97333	
4272 SW RESEARCH WAY	RJAC2 LLC	7250 NE AVALON DR	CORVALLIS	OR	97330	
4238 SW RESEARCH WAY	OWYHEE RIVER LLC	P O BOX 1082	CORVALLIS	OR	97339	
4170 SW RESEARCH WAY	HONG KONG METRO REALTY CO INC	4610 UNIVERSITY AVE STE 1018	MADISON	WI	53705	
4100 SW RESEARCH WAY	RJACI LLC	7250 NE AVALON DR	CORVALLIS	OR	97330	
4311 SW RESEARCH WAY	OBRIEN PATRICE	3038 NW SNOWBERRY PL	CORVALLIS	OR	97330-3518	
4257 SW RESEARCH WAY	TRUAX HOLDINGS LTD	P O BOX 3002	CORVALLIS	OR	97339	
4221 TO 4239 SW RESEARCH WAY	TRUAX JOHN W	P O BOX 3002	CORVALLIS	OR	97339	

Phase_I_Mailing list

SITUS	OWNER	MAILING	MAIL CITY	MAIL STATE	MAIL ZIP	NAME
4185 TO 4203 SW RESEARCH WAY	NATIONAL INTRAMURAL REC ASSOC	4185 SW RESEARCH WAY	CORVALLIS	OR	97333-1067	
1780 NE FOUR ACRE PL	HOME DEPOT USA INC	P O BOX 105842	ATLANTA	GA	30348	
4175 SW RESEARCH WAY	WILD ROSE HOLDINGS LLC	7055 NW GRANDVIEW DR	CORVALLIS	OR	97330	
4149 SW RESEARCH WAY	FOREST ENGINEERING INC	620 SW 4TH ST	CORVALLIS	OR	97333-4428	
4077 SW RESEARCH WAY	HEATH & ASSOCIATES LTD CO	2710 SW FAIRMONT AVE	CORVALLIS	OR	97333	
420 TO 450 SW WAKE ROBIN AVE	OLSON INVESTMENT PROPERTIES	P O BOX 40337	EUGENE	OR	97404-0049	
350 TO 360 SW WAKE ROBIN AVE	WAKE ROBIN PROPERTIES LLC	P O BOX 758	CORVALLIS	OR	97339	
342 SW WAKE ROBIN AVE	KAUFFMAN KENNETH L	342 SW WAKE ROBIN AVE	CORVALLIS	OR	97333-1619	
2910 SW 3RD ST	FINSTAD PROPERTIES LLC	4665 SE BOONEVILLE DR	CORVALLIS	OR	97333	
2936 SW 3RD ST	SOUTH 3RD PROPERTIES LLC	4665 SE BOONEVILLE DR	CORVALLIS	OR	97333	
2960 SW 3RD ST	HOFFMAN D IRENE,TR	2960 SW 3RD ST	CORVALLIS	OR	97333-9240	
UNASSIGNED	CORVALLIS INDUSTRIAL PARK LLC	PO BOX 912	SILVERTON	OR	97381	
UNASSIGNED	SLAYDEN BRUCE	P O BOX 912	SILVERTON	OR	97381	
3430 SW DESCHUTES ST	FISHER HOLDING COMPANY LLC	901 N BRUTSCHER ST STE 205	NEWBERG	OR	97132	
3440 SW 3RD ST	CORVALLIS DRILLING CO INC	3440 SW 3RD ST	CORVALLIS	OR	97333-9240	
3444 SW 3RD ST	SEVEN J, LLC	29400 SANTIAM HWY	LEBANON	OR	97355	
3658 SW DESCHUTES ST	TAMAMOI LLC	229 NW 7TH ST	CORVALLIS	OR	97330	

Phase_I_Mailing list

SITUS	OWNER	MAILING	MAIL CITY	MAIL STATE	MAIL ZIP	NAME
3664 SW 3RD ST	ABNEY CATHY J	1151 NW ALDER CREEK DR	CORVALLIS	OR	97330	
3676 SW 3RD ST	SCHONING MICHELLE A	4363 NW HONEYSUCKLE DR	CORVALLIS	OR	97330-3354	
3665 SW DESCHUTES ST	WOLFF ERNEST G	1990 NW BROWNLY HEIGHTS DR	CORVALLIS	OR	97330	
UNASSIGNED	CRLP LIMITED PARTNERSHIP	30742 VENELL PL	CORVALLIS	OR	97333	
2200 SW HERBERT AVE	HERBERT DONALD V & CONNIE L	2200 SW HERBERT AVE	CORVALLIS	OR	97333	
UNASSIGNED	OLD MILL CENTER FOR CHILDREN & FAMILIES	4515 SW COUNTRY CLUB DR	CORVALLIS	OR	97333	
UNASSIGNED	CALDWELL SOUTH FARM LLC	2773 SW TITLEIST CIR	CORVALLIS	OR	97333-1183	

Rec'd 7/26/10
/mc

To: City Council and Mayor and Benton County Commission
From: Councilor Mark O'Brien
Date: July 18, 2010
RE: Enterprise Zone Expansion

I strongly encourage the Corvallis City Council and the Benton County Commission to take all steps necessary to complete the proposed phase one expansion of the Sustainable Enterprise Zone (EZ) and to do so in the most expeditious manner possible. The phase one expansion should include at least the Sunset Research Park and the Hewlett Packard campus. As we are all aware, there are a number of worthwhile projects awaiting our action in this matter and time is of the essence.

At our July 6th, 2010 City Council meeting there was discussion as to whether or not to include parcels carrying a zoning designation of Mixed Use Transitional (MUT) in a possible phase two EZ expansion. As it happens, the only property designated with a MUT zoning is that currently occupied by Evanite Fiber Co. The city manager's June 30th, 2010 staff report to Council "Expanded Enterprise Zone (EZ) Direction" rightfully calls out the potential for community concern regarding the provision of an incentive for continuing and expanded industrial use of that site. Several Councilors expressed a preference that the Evanite property not be considered in an EZ expansion. I must disagree with that position.

Evanite is and has been a valuable member of the Corvallis community for many decades. Purposefully excluding it from consideration in an EZ expansion while blithely including every other industrially zoned property in the city would be an incredibly disrespectful action on our parts. I can see no reason to send such a patently negative message to one of our most important tax paying entities.

Evanite paid over 390K in property taxes to support our local governmental entities in 2009 making it the #5 taxpayer that year. In 2008 it paid over 400K and were #3. Evanite employs approximately 135 people in its Corvallis operation. As a traded sector manufacturing firm its operations bring much needed capital into our community from beyond our borders. Evanite's operations are a going concern and there is little reason to suppose that they will be fading away any time soon. Thank goodness.

Having discussed the matter with Evanite's director I can tell you that he believes Evanite should be included in an expanded EZ. And further, purposeful failure to include it will send yet another undeniably unfriendly message that they are not welcome here. Why on earth would we want to do that? Remember the riverfront path debacle?

Inclusion of Evanite in the zone would open the door for a much needed expansion of employment opportunities and manufacturing activity by a firm engaged in what the director described as the “creation of clean air and water”. It is his position that they are a “green” company and I am inclined to agree. Inclusion of Evanite will also send a message that we appreciate its contribution to our economy and community. I urge you each to consider the implications of our actions as they pertain to one of our best customers/taxpayers. In light of our current budget situation I would hope that we would be very thoughtful about how we deliver our service to and what kind of messages we would like to send to one of our best customers.

Sincerely,
Mark O'Brien
Councilor, Ward 1

RECEIVED

JUL 28 2010

CITY MANAGERS
OFFICE

July 19, 2010

Dear City Manager's Office:

I received your letter dated July 16 regarding the expansion of the enterprise zone. I fully support this zone expansion as long as it does not encourage current businesses to move from existing buildings in the city to new facilities, remodel, and get tax breaks due to the fact they moved. There should be at least equal encouragement for them to stay where they are and expand.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gary Rodgers".

Gary Rodgers

Corvallis, OR 97330

Tomlinson, Charles

From: Jose Reyes
Sent: Wednesday, July 21, 2010 8:50 AM
To: Tomlinson, Charles; JARAMILLO Annabelle E
Cc: Jay Surina; Paul Lorenzini
Subject: Expansion of Enterprise Zone and Public Meeting

Dear Mayor Tomlinson:

Thank you for the invitation to participate in the public meeting on August 12 at 5:00 pm in the Downtown Fire Station. NuScale Power is growing rapidly. Thus far, our company has brought over 50 high paying engineering jobs to Corvallis. We expect to double that number by the end of the year. We would be pleased to provide a very brief overview of our company at that meeting if this would be helpful.

As the company continues to grow, we have been considering numerous options for our headquarters. We are currently finalizing the terms of a lease to move the NuScale Power engineering group to the HP facilities. An incentive for this decision is the potential for making the HP Campus an Enterprise zone. Therefore, NuScale is very supportive of this initiative.

We look forward to the meeting. Our goal is to learn more about the timing of a decision to expand the Enterprise Zone and to identify the specific tax benefits that may be available to NuScale and other job creating enterprises.

Best Regards,

Dr. José N. Reyes, Jr.
Chief Technical Officer
NuScale Power Incorporated
201 NW 3rd Street
Corvallis, OR 97330
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Louie, Kathy

Subject: RE: Proposed Enterprise Zone,

From: Tomlinson, Charles
Sent: Monday, August 02, 2010 10:32 AM
To: Louie, Kathy
Subject: FW: Proposed Enterprise Zone
Kathy, For the EZ packet. cct

From: Bill Ten Pas
Sent: Monday, August 02, 2010 7:34 AM
To: '
Subject: Proposed Enterprise Zone

Charlie,

Thank you for your phone message. I hope you got mine. I would like the packet that lays out the proposed changes to the HP area. We are very concerned about the livability of the area already with the water treatment plant and other city facilities.(fire tower, communications tower, facilities yard, the trucks from the landfill with leachant to be processed). The area around HP is prime farmland. These are also the only open and green areas for our area of Corvallis. Our concern also is around maintenance after designation. The city put in a lot of money and time preparing the second entrance to Corvallis. It has fallen into disrepair. Plants have died, blackberries have grown up, and litter is a very common sighting. We pick up a lot of it on our property. Also, the city property directly behind our property has been let go. We have no complained because we realize the financial state the city is in. However, enlarging your footprint, is of great concern.

Bill

William Ten Pas
Sr Vice President
ODS
(
<http://www.odskompanies.com>

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8/2/2010

Enterprise Zone Advisory Committee

Recommendation

August 12, 2010

If you chose to expand the Enterprise Zone, the Phase I proposal in the staff report is a very reasonable approach.

- It incorporates large blocks of land suitable for new or expanded industrial uses
- It will be relatively easy to manage
- It treats owners/developers of similar adjoining properties equitably

You are reminded that an original intent of the Enterprise Zone was to encourage investment in South Corvallis. The EZ has been successful on this count. However, providing the same incentives for properties in more prosperous or desirable areas will have to make South Corvallis less attractive to investors.

To keep the South Corvallis EZ from being at competitive disadvantage, we recommend additional incentives such as:

- Initiate planning and installation of additional electrical capacity beginning with the allocation and purchase of land for a new substation
- Waive or reduce plan check and permit fees for development in the South Corvallis EZ area
- Substantially reduce lease rates for selected business types at the Airport and in the AIP



LWV Corvallis

PO Box 1679 Corvallis, OR 97339-1679
541-758-2922 • <http://www.lwv.Corvallis.or.us>

DATE: August 12, 2010

TO: Corvallis Mayor and City Council
Benton County Board of Commissioners

FROM: Annette Mills, President *AM*
League of Women Voters of Corvallis

RE: Expansion of Benton/Corvallis Enterprise Zone

The League of Women Voters of Corvallis supports urbanization policies that foster complete, healthy and diverse communities where people can live, work, shop, and play.

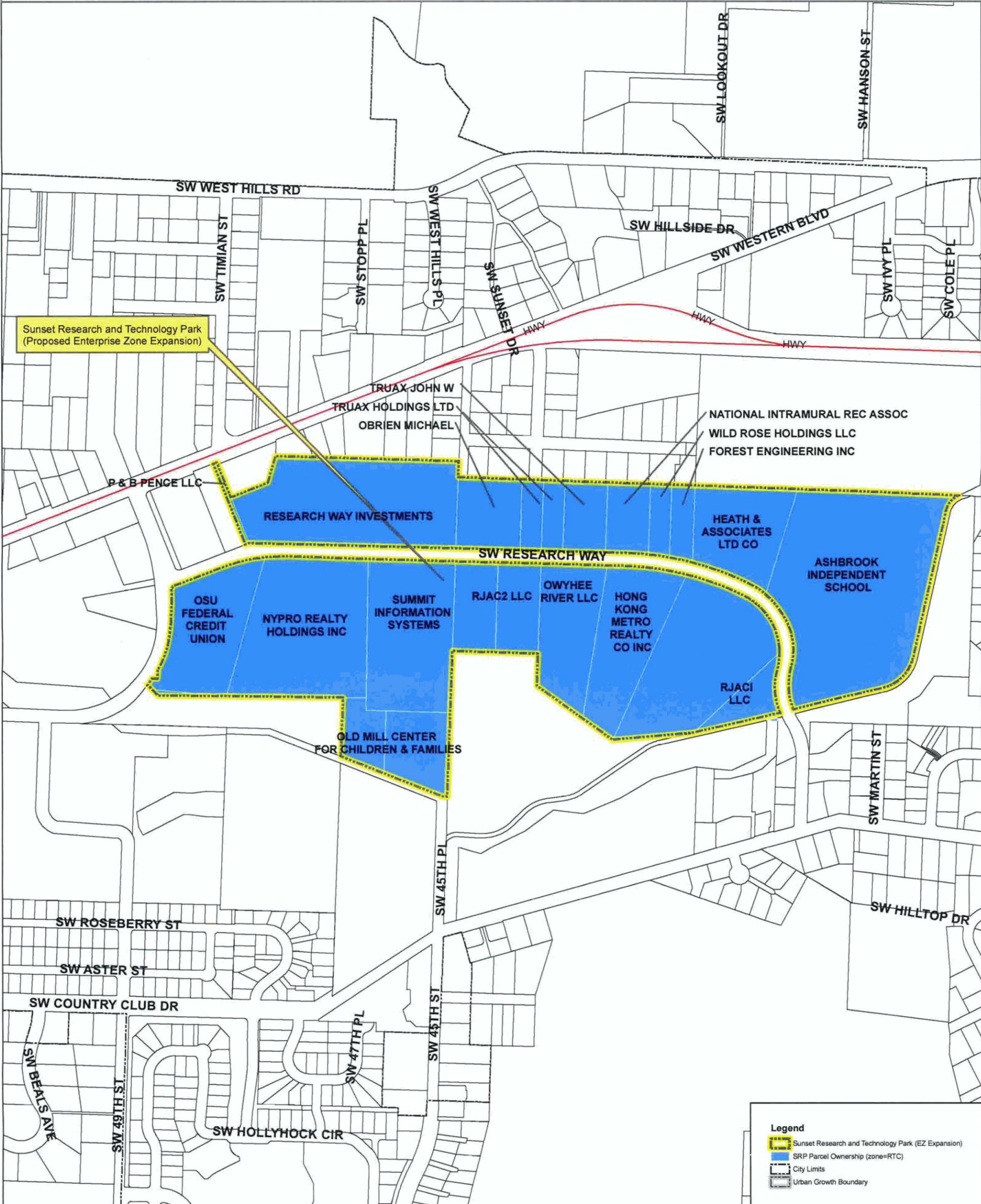
As you may be aware, the League arrives at advocacy positions only after in-depth study and reaching member agreement. Although we have never studied Enterprise Zones specifically and, therefore, cannot take a position on the proposed expansion, we do believe that taxation policies - tax abatement in this case - must support our comprehensive land use plan and land development code. Therefore, we strongly support the second paragraph of the proposed resolution which begins with, "Whereas the designation of an enterprise zone does not grant or imply permission to develop land within the Zone without complying with all prevailing zoning, regulatory, and permitting processes and restrictions of any local jurisdiction, nor does it indicate any public intent to modify those processes or restrictions unless otherwise in agreement with applicable comprehensive land use plans..."

Further, we are impressed by the sustainability criteria that were established for the initial Enterprise Zone in south Corvallis, and we believe that these criteria should apply to businesses wishing to receive tax abatement in the proposed expansion areas, as well.

We have a question, however, regarding the list of sustainability criteria: Why is it that the item related to toxic and hazardous materials (i.e., "Has completed a chemical inventory that ranks toxic and hazardous materials and developed a plan to eliminate all persistent bio toxins [PBTs]") is not a requirement for all businesses, rather than simply one of many items that may or may not be selected? **We strongly recommend that this and other sustainability criteria be applied to all businesses in the expanded Enterprise Zone.**

Thank you for notifying the League of this hearing and for providing us an opportunity to raise this important question regarding the proposed Enterprise Zone expansion.

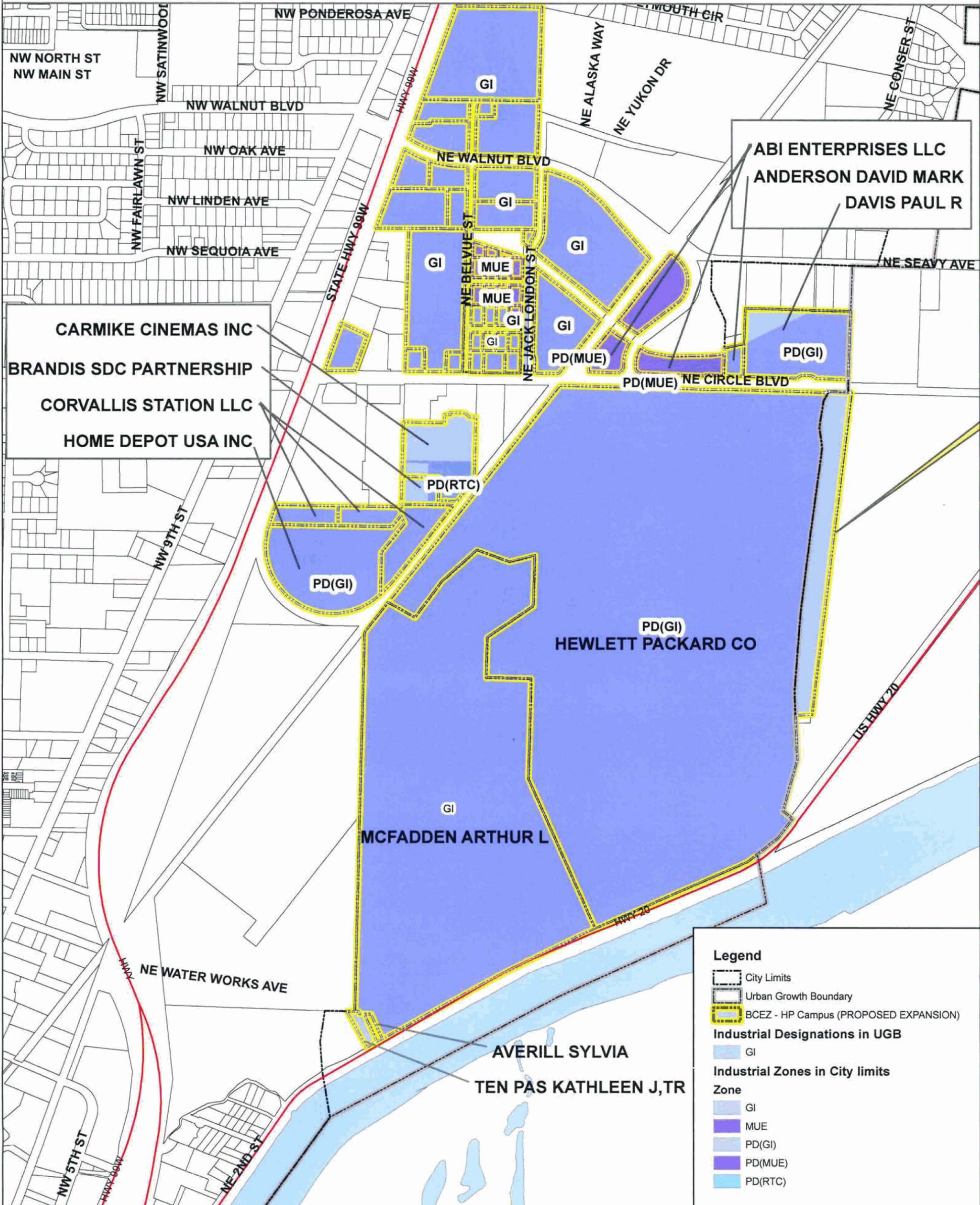
Benton / Corvallis Enterprise Zone Sunset Research and Technology Park Study Area



Map Author: City of Corvallis - Community Development Department
Sunset Research and Technology Park Study Area: 0.1282 sq. mi.



Benton / Corvallis Enterprise Zone HP Campus and Vicinity Study Area



Map Author: City of Corvallis - Community Development Department
 HP Campus and Vicinity Study Area: 0.5796 sq. mi.
 Page 1 of 2

0 0.05 0.1 0.2
 Miles



Benton / Corvallis Enterprise Zone HP Campus and Vicinity Study Area

Legend

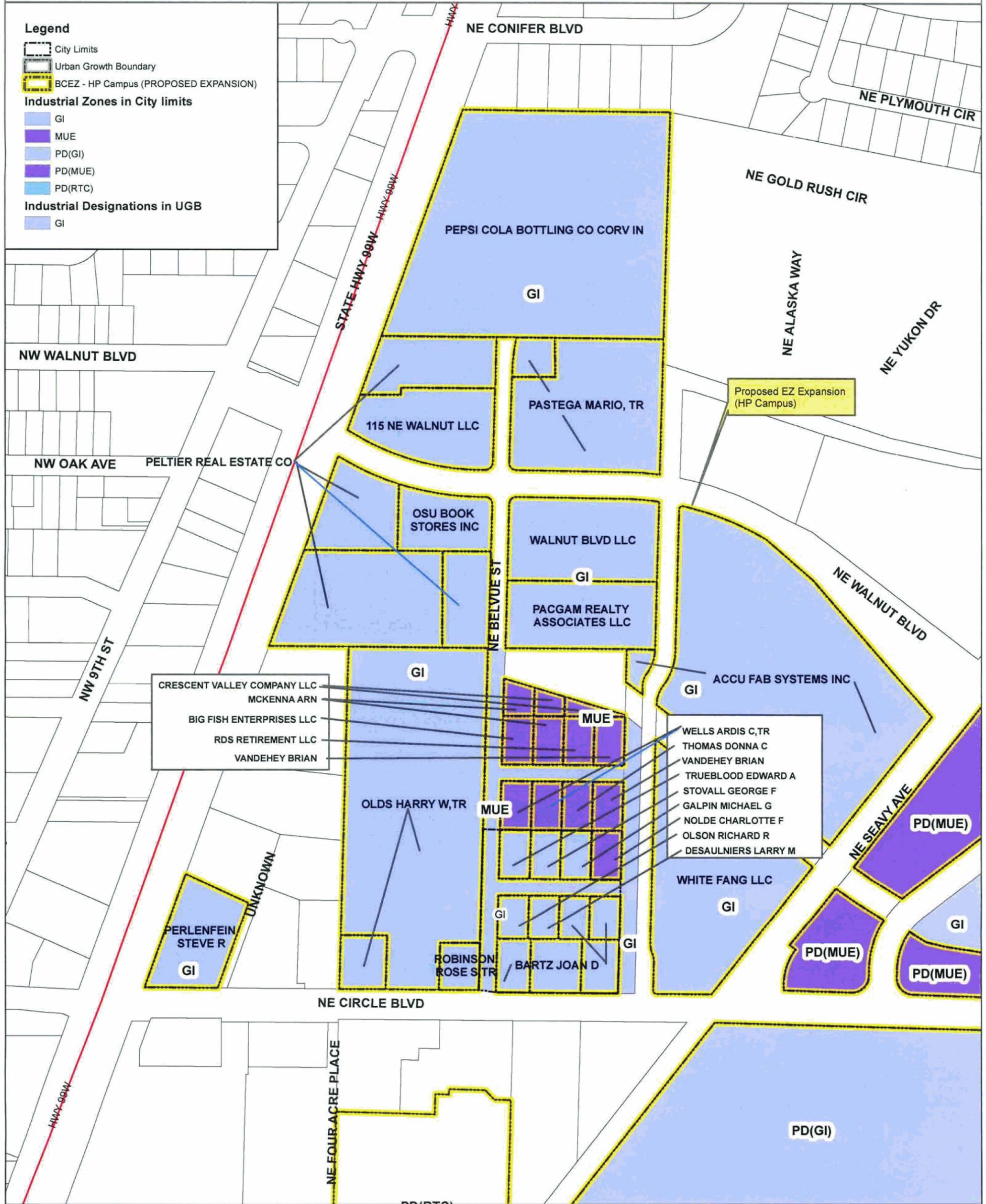
- City Limits
- Urban Growth Boundary
- BCEZ - HP Campus (PROPOSED EXPANSION)

Industrial Zones in City limits

- GI
- MUE
- PD(GI)
- PD(MUE)
- PD(RTC)

Industrial Designations in UGB

- GI



Map Author: City of Corvallis - Community Development Department
 HP Campus and Vicinity Study Area: 0.5796 sq. mi.
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