

**A RESOLUTION APPROVING AN EXTENDED  
PROPERTY TAX ABATEMENT AGREEMENT  
BETWEEN CITY OF ALBANY, A COSPONSOR OF  
THE SOUTH SANTIAM ENTERPRISE ZONE, AND  
VIPER NORTHWEST, INC.**

**RESOLUTION NO. 2014-16**

WHEREAS, VIPER NORTHWEST, INC is expanding and investing in plant construction and equipment; and

WHEREAS, VIPER NORTHWEST, INC intends to add 10 new employees; and

WHEREAS, VIPER NORTHWEST, INC anticipates providing average pay and benefits to these employees equal to or greater than 150% of the Linn County average, as required under ORS 285C.160; and

WHEREAS, VIPER NORTHWEST, INC., which is located in the City of Albany, has applied to extend the property tax abatement for which it qualifies through its inclusion in the South Santiam Enterprise Zone; and

WHEREAS, the City of Albany has requested support of this agreement from the other cosponsors of the South Santiam Enterprise Zone; and

WHEREAS, the City of Lebanon is a cosponsor of the South Santiam Enterprise Zone.

**THEREFORE, BE IT RESOLVED BY THE LEBANON CITY COUNCIL:**

**Section 1:** That the attached Extended Abatement Agreement is hereby approved by the Lebanon City Council.

**Section 2:** This resolution is effective immediately upon passage.

Passed by the Lebanon City Council and executed by the Mayor on this 23<sup>rd</sup> day of April, 2014 by a vote of 5 yeas and 0 nays.

CITY OF LEBANON, OREGON

  
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Paul R. Aziz, Mayor   
Bob Elliott, Council President

ATTESTED:

  
\_\_\_\_\_  
Linda Kaser, City Clerk

## Agreement for Oregon Enterprise Zone Extended Abatement

### AGREEMENT WITH THE SOUTH SANTIAM ENTERPRISE ZONE SPONSORS TO EXTEND PROPERTY TAX EXEMPTION TO FIVE CONSECUTIVE YEARS IN TOTAL FOR CAPITAL INVESTMENT BY VIPER NORTHWEST, INC.

The sponsors of the South Santiam Enterprise Zone comprising the governing bodies of the Cities of Albany, Lebanon, Millersburg and Linn County (hereinafter "The Zone Sponsor") and Viper Northwest, Inc. (hereinafter "The Firm") do hereby enter into an agreement for extending the period of time in which The Firm shall receive an exemption on its investment in qualified property in the South Santiam Enterprise Zone contingent on certain special requirements, under ORS 285C.160 (2003).

The Zone Sponsor and The Firm jointly acknowledge: that subject to submission and approval of an application for authorization and the satisfaction of other requirements under ORS 285C.050 to 285C.250, The Firm is eligible for three years of complete exemption on its qualified property; that nothing in this agreement shall modify or infringe on this three-year exemption or the requirements thereof, and that this agreement becomes null and void if The Firm does not qualify for these three years of the exemption.

The Zone Sponsor extends The Firm's property tax exemption an additional two years on all property that initially qualifies in the South Santiam Enterprise Zone in the assessment year beginning on January 1, 2015 and, thus, sets a total period of exemption of five consecutive years during which statutory requirements for the standard three-year enterprise zone exemption must also be satisfied and maintained.

#### CONFIRMATION OF STATUTORY PROVISIONS

In order to receive the additional two years of enterprise zone exemption granted herein, The Firm agrees herewith under 285C.160(3)(a)(A) that for each year of the entire exemption period, all of The Firm's new employees shall receive an average level of compensation equal to or greater than 150 percent of the county average annual wage, in accordance with the specific definitions and guidelines in Oregon Administrative Rules (OAR), Chapter 123, Division 65 (123-065-41##), which provides that:

1. Such compensation may include non-mandatory benefits that can be monetized;
2. The county average annual wage is set at the time of authorization, except as pursuant to ORS 285C.160(4), according to the 2014\* Linn County average annual wage rate of \$ 36,987 for which 150 percent equals \$ 55,481.

\* Note: 2014 is the year this rate applies; it is published by the Oregon Employment Dept. as Average Annual Wage by County- 2012.

3. Only employees working at jobs filled for the first time after the application for authorization but by December 31 of the first full year of the initial exemption and performed within the current boundaries of the South Santiam Enterprise Zone are counted; and

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

**LOCAL ADDITIONAL REQUIREMENTS**

For The Firm to receive the additional two years of enterprise zone exemption granted herein, The City of Albany, a Zone Sponsor and The Firm agree that no additional requirements in addition to statutory requirements are being requested by The Zone Sponsor under ORS 285C.160(a)(B).

ACCEPTING FOR THE CITY of ALBANY, A ZONE SPONSOR OF  
THE SOUTH SANTIAM ENTERPRISE ZONE:

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ACCEPTING FOR VIPER NORTHWEST, INC.:

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The other Zone Sponsors; City of Lebanon, City of Millersburg and Linn County approve this Agreement by passing separate Resolutions. Copies of which are attached.