

A RESOLUTION APPROVING AN EXTENDED PROPERTY TAX ABATEMENT AGREEMENT AND WAIVING EMPLOYMENT REQUIREMENT ON SHORT-TERM EXEMPTION FOR INVESTMENT OF AT LEAST \$25 MILLION IN AN OREGON ENTERPRISE ZONE BETWEEN LINN COUNTY, A COSPONSOR OF THE SOUTH SANTIAM ENTERPRISE ZONE, AND BETA SEED, INC.

WHEREAS, Beta Seed, Inc., is expanding and investing plant construction and equipment; and

WHEREAS, Beta Seed, Inc., intends to add no new employees; and

WHEREAS, Beta Seed, Inc., anticipates providing average pay and benefits to these employees equal to or greater than 150 percent of the Linn County average, as required under ORS 285C.160; and

WHEREAS, Beta Seed, Inc., which is located in Linn County, has applied to extend the property tax abatement for which it qualifies through its inclusion in the South Santiam Enterprise Zone; and

WHEREAS, Beta Seed, Inc., intends to invest an estimated \$29 million in capital improvements for the Linn County facility, starting in June 2013; and

WHEREAS, Beta Seed, Inc., has applied for authorization in the Enterprise Zone for the aforementioned investment; and

WHEREAS, under ORS 285C.155 and 285C.200(2), the enterprise zone sponsor may provide by resolution for authorization of an eligible business firm, such that it may qualify for the exemption on qualified property in the zone without increasing zone employment as normally required, if the firm's total investment in qualified property costs \$25 million or more, and it maintains a minimum number of full-time employees in the zone (as established by the zone sponsor), and it satisfies other reasonable requirements as the zone sponsor also may establish; and

WHEREAS, Beta Seed, Inc., has 60 full-time employees throughout the South Santiam Enterprise Zone as averaged over the past 12 months; and

WHEREAS, Linn County has requested support of this agreement from the other cosponsors of the South Santiam Enterprise Zone;

WHEREAS, Linn County is a cosponsor of the South Santiam Enterprise Zone.

NOW, THEREFORE, BE IT RESOLVED that the attached Extended Abatement and Employment Waiver Agreement is hereby approved by the Albany City Council and that Beta Seed, Inc., is hereby authorized to qualify in accordance with ORS 285C.200 for purposes of the exemption on qualified property under ORS 285C.175, provided that:

1. The investment at the Beta Seed, Inc., Linn County facility in qualified property, for which the exemption is claimed over one to five years, costs \$25 million or more in total; and
2. The number of full-time, year-round employees of Beta Seed, Inc., in the South Santiam Enterprise Zone is maintained at or above 60, on average, for each calendar year of the exemption period.

DATED AND EFFECTIVE THIS 26TH DAY OF FEBRUARY 2014.

ATTEST:


  
*Mary A. Dibble*
  
 \_\_\_\_\_
   
 City Clerk


  
 \_\_\_\_\_
   
 Mayor

**Agreement for Oregon Enterprise Zone Extended Abatement  
And  
Waiver of Employment Requirement**

**AGREEMENT WITH THE SOUTH SANTIAM ENTERPRISE ZONE SPONSORS TO  
EXTEND PROPERTY TAX EXEMPTION TO FIVE CONSECUTIVE YEARS IN TOTAL  
FOR CAPITAL INVESTMENT BY BETA SEED, INC. Linn County**

The sponsors of the South Santiam Enterprise Zone comprising the governing bodies of the City of Albany, City of Lebanon, City of Millersburg and Linn County (hereinafter "The Zone Sponsor") and Beta Seed, 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, 2014 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.

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 Zone Sponsor and The Firm agree that there are no additional requirements besides the statutory requirements.

#### **WAIVER OF EMPLOYMENT REQUIREMENT ON SHORT-TERM EXEMPTION FOR INVESTMENT OF AT LEAST \$25 MILLION IN AN OREGON ENTERPRISE ZONE.**

The Firm intends to invest an estimated \$29 million in capital improvements for the Beta Seed Inc. Linn County ,Oregon, starting in June 2013; and

The Beta Seed facility is located within the South Santiam Enterprise Zone, which is sponsored by the City of Albany, City of Lebanon, City of Millersburg and Linn County; and

The Firm has applied for authorization in the Enterprise Zone for the aforementioned investment; and

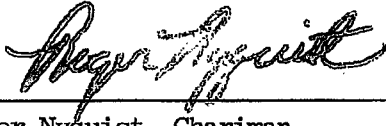
Under ORS 285C.155 and 285C.200(2) the enterprise zone sponsor may provide by resolution for authorization of an eligible business firm, such that it may qualify for the exemption on qualified property in the zone without increasing zone employment as normally required, if the firm's total investment in qualified property costs \$25 million or more, and it maintains a minimum number of full-time employees in the zone (as established by the zone sponsor), and it satisfies other reasonable requirements as the zone sponsor also may establish; and

Beta Seed Linn County has 60 full-time employees throughout the South Santiam Enterprise Zone as averaged over the past 12 months.

Beta Seed, Inc. Linn County is hereby authorized to qualify in accordance with ORS 285C.200 for purposes of the exemption on qualified property under ORS 285C.175, provided that:

1. the investment at the Beta Seed, Inc. Linn County plant in qualified property, for which the exemption is claimed over one to five years, costs \$25 million or more in total; and
2. the number of full-time, year-round employees of Beta Seed, Inc. Linn County in the South Santiam Enterprise Zone is maintained at or above 60 average, for each calendar year of the exemption period.

ACCEPTING FOR LINN COUNTY, A ZONE SPONSOR OF  
THE SOUTH SANTIAM ENTERPRISE ZONE:



Roger Nyquist, Chariman  
LINN COUNTY BOARD OF COMMISSIONERS

ACCEPTING FOR BETA SEED, INC.



The City of Albany, City of Lebanon and City of Millersburg, zone co-sponsors, approve this Agreement by passing separate Resolutions. Copies of which are attached.