

Agreement for Oregon Enterprise Zone Extended Abatement

AGREEMENT WITH THE LINN COUNTY ENTERPRISE ZONE SPONSORS TO EXTEND PROPERTY TAX EXEMPTION TO FIVE CONSECUTIVE YEARS IN TOTAL FOR CAPITAL INVESTMENT BY ATI SAC.

The sponsors of the Linn County Enterprise Zone comprising the governing bodies of the City of Millersburg and Linn County (hereinafter "The Zone Sponsor") and ATI SAC (hereinafter "The Firm") do hereby enter into an agreement for extending the period of time in which The Firm shall receive an exemption from ad valorem taxes on its investment in qualified property in the Linn County Enterprise Zone contingent on certain special requirements, under ORS 285C.160.

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 under ORS 285C.175(2)(a); nothing in this agreement shall modify or infringe on that 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 exemption on some such property.

The Zone Sponsor does hereby grant to The Firm an extension to that property tax abatement, as allowed under ORS.285C.175(2)(b), of an additional two

years on the property that initially qualifies in the Linn County Enterprise Zone

in the assessment year beginning on January 1, 2024 and, thus, sets a total period of exemption of five consecutive years in total, during which statutory requirements for the standard three-year enterprise zone exemption must also continue to be satisfied.

CONFIRMATION OF STATUTORY PROVISIONS

In order for qualified property to be exempt from ad valorem taxes for the additional two years of enterprise zone exemption as granted herein, The Firm agrees herewith that under 285C.160(3)(a)(A)(i) or (ii) and (b), in accordance with OAR 123-674-0060:

1. For each year of the entire exemption period, 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, such that:

a. Compensation includes benefits such as employer provided insurance that can be monetized and do not arise from a payroll tax or similar government mandate. and

b. Except as revised under ORS 285C.160(4), the county wage is set at the time of authorization, accordingly, the 2022* average wage for Linn County is \$51,902 for which 150% equals \$77,853.

* Note: this is the year of the study, the rate applies until August 2024; it is published by the Oregon Employment Dept. as Average Annual Wage by County- 10/25/2023.

2. During the additional two years, the average annual wage received by The Firm's new employees shall also be equal to or greater than the current county average wage based on the most recent, final figure at the time.

3. The Firm's 'new employees' for the purposes of these requirements comprise only employees hired for and working full-time, year-round, non-temporary jobs that are created and filled for the first time after the date of application for authorization but on or before December 31 of the first full year of initial exemption, and that are performed within the current boundaries of the Linn County Enterprise Zone and engaged a majority of their time in The Firm's eligible operations according to ORS 285C.135 and 285C.200(7), regardless if any such employee is leased, contracted for or otherwise obtained through an external agent, provided that they are hired by and employed directly by The Firm.

4. That under ORS 285C.160(2):

School Support Fee

- a. The Firm shall pay to the Greater Albany Public School District (hereinafter, "the district") in [each of] the additional [year/two years] an amount equal to the entirety of the property taxes not owed in such year by the Firm due to the exemption, multiplied by the rate for the school support fee established between the district and The Zone Sponsor for purposes of chapter 298, Oregon Laws 2023, which is 15 percent.

The school support fee amount shall be based on information provided each year by The Zone Sponsor, and The Firm shall expect notice from the district by December 1 of each year about making payment.

Payment of the school support fee shall be due in full on December 31 of each year, such that after 60 days, payment is deemed delinquent.

If more than 60 days following the date of delinquency, the delinquent fee payment has not been cured, the school district will give written notice to the office of the assessor for Linn County, and any outstanding fee amount, and future taxes on property otherwise still subject to exemption shall be due to the county tax collector or payable through subsequent property tax bill.

Delinquency is cured if the school district receives payment in full by April 15th.

5. That under ORS 123-668-3000:

Requisite Openness & Communication

- a. This written agreement has been posted online on the Linn County website for the required 21 days prior to execution and becoming effective.

LOCAL ADDITIONAL REQUIREMENTS

For The Firm to receive the five years of enterprise zone abatement granted herein, The Zone Sponsor and The Firm agree that The Firm shall meet the following additional requirement(s) as reasonably requested by The Zone Sponsor under ORS 285C.160(a)(B):

The Firm will make a payment, as described in #4 below, as a public safety fee, on the assessed value of the new investment effected by the approval of this abatement each year of the total abatement (five years).

Public safety includes police, fire, and EMS services paid for by the City of Millersburg.

Payment must be received by April 1st of each year of the abatement. If payment is not received, The Firm is not eligible for the tax abatement for the year the financial contribution is not made.

Funds will be paid to the City of Millersburg based on \$2.61/\$1000 of the abated assessed value for the provision of public safety service, as set at the time of this authorization, for the duration of this agreement.

This Agreement becomes effective on the date the Firm signs it.

ACCEPTING FOR THE CITY OF MILLERSBURG, A ZONE SPONSOR OF
THE LINN COUNTY ENTERPRISE ZONE:

Signature

Date Signed

ACCEPTING FOR ATI SAC

Signature

Date Signed

The other Zone Sponsor: Linn County has approved this Agreement by passing a separate Resolution.