

RESOLUTION FOR GRANTING AN ENTERPRISE ZONE EXEMPTION TO OREGON METALLURGICAL CORPORATION BY WAIVING STATUTORY EMPLOYMENT REQUIREMENT TO INCREASE EMPLOYMENT BY TEN PERCENT ON SHORT-TERM EXEMPTION FOR INVESTMENT OF AT LEAST \$25 MILLION IN AN OREGON ENTERPRISE ZONE

WHEREAS, Oregon Metallurgical Corporation intends to invest an estimated \$35 million in capital improvements for the Allvac plant in Albany, Oregon, starting in July 2007; and

WHEREAS, the Allvac plant is located within the South Santiam Enterprise Zone, which is sponsored by Linn County and Cities of Albany, Lebanon, and Millersburg; and

WHEREAS, Oregon Metallurgical Corporation 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, Oregon Metallurgical Corporation and Wah Chang have 1,345 full-time employees throughout the South Santiam Enterprise Zone as averaged over the past 12 months.

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that Oregon Metallurgical Corporation and Wah Chang are 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 Allvac – Albany plant in qualified property, for which the exemption is claimed over one to three years – costs \$25 million or more in total; and
2. The number of full-time, year-round employees of Allvac – Albany and Wah Chang – in the South Santiam Enterprise Zone is maintained at or above 1,210, on average, for each calendar year of the exemption period.

DATED AND EFFECTIVE THIS 25TH DAY OF APRIL 2007.


Mayor

ATTEST:


City Clerk