

THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE

URA RESOLUTION NO. 315

A RESOLUTION OF THE CITY OF WILSONVILLE URBAN RENEWAL AGENCY AUTHORIZING A DEVELOPMENT AGREEMENT ESTABLISHING THE CONDITIONS OF THE WILSONVILLE INVESTMENT NOW (WIN) PROGRAM BENEFITS BETWEEN THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE AND TWIST BIOSCIENCE CORPORATION.

WHEREAS, on December 17, 2012, the Wilsonville City Council approved Resolution No. 2390, referring the Ballot Title “Business Incentive Program for Investment and Job Creation by Manufacturers” to the citizens of Wilsonville for an advisory vote in March of 2013; and

WHEREAS, on March 12, 2013, the citizens of Wilsonville voted to approve the economic development incentive; and

WHEREAS, on May 6, 2013, City Council approved Resolution No. 2417 authorizing staff to take necessary steps to create multiple single-property urban renewal districts to be called Tax Increment Finance (TIF) Zones; and

WHEREAS, all of the designated TIF Zones expired on November 4, 2019 and City Council gave staff direction to pursue modifications to the program with involvement of the Urban Renewal Task Force; and

WHEREAS, the City’s Urban Renewal Task Force met on July 22, 2020 to discuss a revised approach to single-property urban renewal areas known as the Wilsonville Investment Now (WIN) Program, and provided unanimous feedback that the WIN Program is a good direction to take a tax increment finance zone program; and

WHEREAS, Wilsonville is not eligible for traditional Enterprise Zones due to maximum thresholds for unemployment and median family income, and seeks tools to position Wilsonville as competitive with other jurisdictions that offer Enterprise Zones to incent investment; and

WHEREAS, establishment of a WIN Zone or zones will make the City more competitive with business recruitment, expansion and retention efforts; and

WHEREAS, on October 19, 2020, City Council approved Resolution No. 2856 establishing Administrative Rules for the Wilsonville Investment Now (WIN) Program, a new local economic development program that seeks to incentivize high-value, high-wage job projects to operate in Wilsonville by providing urban renewal tax rebates for qualifying development projects outside of the City's existing urban renewal areas; and

WHEREAS, Oregon Revised Statutes (ORS) 457 authorizes municipalities in Oregon to establish urban renewal areas, including the authority to raise funds for the purpose of funding economic development projects through the use of tax increment financing; and

WHEREAS, on February 16, 2021, staff received a qualifying WIN application from Twist Bioscience Corporation committing to \$70 million in capital investment, including tenant improvements and equipment, and the creation of 200 new jobs in Wilsonville within the first year of operation; and

WHEREAS, on February 23, 2021, City of Wilsonville staff held a pre-approval meeting with Twist Bioscience Corporation to confirm details of the applicant's WIN application; and

WHEREAS, as per the WIN Administrative Rules in Resolution No. 2856, upon staff approval, the City will prepare a Development Agreement with qualifying applicant that stipulates the conditions the applicant must achieve to receive WIN Program benefits in future years, and stipulates the City's obligations to provide property tax reimbursement payments to the applicant; and

WHEREAS, upon final agreement and execution of the Development Agreement, the City will prepare a WIN Zone Plan for consideration by the City of Wilsonville Urban Renewal Agency to authorize the creation of a single-property urban renewal district to be called the Twist Bioscience Wilsonville Investment Now (WIN) Zone; and

NOW THEREFORE, BE IT RESOLVED BY THE WILSONVILLE URBAN RENEWAL AGENCY THAT:

1. The City Manager is authorized to execute on behalf of the City of Wilsonville Urban Renewal Agency the attached Development Agreement establishing the conditions of the Wilsonville Investment Now (WIN) program benefits between the City of Wilsonville Urban Renewal Agency and Twist Bioscience Corporation.

2. The City Manager has the authority to negotiate any minor changes to the Development Agreement with the City of Wilsonville Urban Renewal Agency and Twist Bioscience Corporation subject to approval of the City Attorney as to the final form.
3. This resolution is effective upon adoption.

ADOPTED by the City of Wilsonville Urban Renewal Agency at a regular meeting thereof this 7th day of June, 2021, and filed with the Wilsonville City Recorder this date.

DocuSigned by:
Julie Fitzgerald
8A974AF3ADE042E...

JULIE FITZGERALD, Chair

ATTEST:

DocuSigned by:
Kimberly Veliz
E781DE10276B498...

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Chair Fitzgerald	Yes
Board Member Akervall	Yes
Board Member Linville	Yes
Board Member Lehan	Yes
Board Member West	Yes

Exhibit:

A. Twist Bioscience WIN Zone Development Agreement

DEVELOPMENT AGREEMENT

Between

THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE

and

TWIST BIOSCIENCE CORPORATION

Dated

June 7, 2021

**DEVELOPMENT AGREEMENT BETWEEN
THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE AND
TWIST BIOSCIENCE CORPORATION**

This Development Agreement (“Agreement”) is made and entered into by and between the **Urban Renewal Agency of the City of Wilsonville**, an Oregon municipal corporation (“Agency”), and **Twist Bioscience Corporation**, a Delaware corporation (“Developer”). The effective date of this Agreement is the _____ day of _____, 2021 (“Effective Date”). The Agency and Developer may be referred to herein individually as a “Party” or collectively as the “Parties.”

RECITALS

- A. Agency is an urban renewal agency created under ORS Chapter 457 and granted certain powers attendant with eliminating blight and stimulating economic redevelopment in the community; and
- B. On October 19, 2020, the Wilsonville City Council adopted Resolution No. 2856 establishing the Wilsonville Investment Now (WIN) Program and associated Administrative Rules more particularly described below; and
- C. The WIN Program is a new local economic development program that seeks to incentivize businesses to operate in Wilsonville by providing site specific urban renewal tax rebates for qualifying development projects located outside of the Agency’s otherwise designated urban renewal areas; and
- D. WIN aims to attract high-value investments to the Wilsonville community that strengthen the local economy by:
 - Retaining and expanding local businesses.
 - Attracting new businesses.
 - Retaining and expanding high-wage jobs.
 - Contributing to long-term growth in the property tax base through capital investment; and
- E. On February 16, 2021, City of Wilsonville staff received a qualifying WIN application from California-based Twist Bioscience Corporation, specializing in synthetic DNA (“Developer”). Developer intends to invest \$70 million in capital investment, including tenant improvements and equipment; and
- F. On February 23, 2021, City of Wilsonville staff held a pre-approval meeting with Developer to confirm details of Developer’s WIN application; and
- G. Developer plans to lease approximately 190,519 square feet at ParkWorks Industry Center (formerly called Parkway Woods) at 26600 SW Parkway Avenue in Wilsonville, Oregon (“subject property”); and

- H. Developer's Wilsonville expansion is expected to become operational in 2022 and is anticipated to bring up to 200 jobs within the first year of operation; and
- I. Developer's Wilsonville expansion is expected to more than double Developer's manufacturing capacity, increase speed of production, and enable enhanced product offerings in the synthetic biology and biopharma market; and
- J. The Agency plans to establish a WIN Zone over Developer's facilities located on the subject property; and
- K. Developer's WIN Zone will function as an urban renewal plan area, and must be adopted in accordance with ORS Chapter 457. This process includes a recommendation by the Wilsonville Urban Renewal Agency, and an affirmative finding from the Wilsonville Planning Commission that adoption of the WIN Zone is not in conflict with any provision of the Wilsonville Comprehensive Plan in conformance with ORS 457.095(2)(c). This process includes public hearings, and requires the City to consult and confer with all affected taxing districts; and
- L. Adoption of the proposed WIN Zone by a non-emergency ordinance approved by the Wilsonville City Council as per ORS 457.095(1) is the final step in the WIN Program approval process.

NOW, THEREFORE, incorporating all of the above Recitals by reference, as if fully set forth below, the Agency and Developer agree as follows:

AGREEMENT

I. PROPOSED DEVELOPMENT

Section 1.1 – Overview

Developer intends to invest \$70 million in capital improvements in a new manufacturing facility ("Development"), to be located in a WIN Zone within the ParkWorks Industry Center, 26600 SW Parkway Avenue in Wilsonville, Oregon. The WIN Zone is depicted on **Exhibit A** and is incorporated by reference herein.

It is anticipated that the Development will create 200 new Wilsonville jobs, with an average wage of \$70,000 per year, within one year of beginning operations. Developer's WIN application received a total score of 220 points, per criteria defined in Administrative Rules established by Wilsonville City Council adoption of Resolution No. 2856, qualifying Developer for a 7-year rebate, estimated to be worth approximately \$597,800, less the City's 10% administrative fee, in the initial rebate year. The estimated rebate amount is based on projected tax increment finance (TIF) revenue generated by Developer's \$70 million capital investment in the WIN Zone. The actual amount of reimbursement is limited to the amount of tax increment finance (TIF) revenue received by the Agency for the proposed WIN Zone, established on behalf of the qualified business, minus administrative costs. Developer may still be eligible for the rebate if, in the future, it elects to sublease some of the space, as long as Developer is able to

maintain the total point score upon doing so. Developer’s Application is attached hereto as **Exhibit B** and incorporated by reference herein.

Section 1.2 – WIN Administrative Rules

Both the Agency and Developer shall at all times strictly adhere to the Wilsonville Investment Now Program Administrative Rules, attached hereto as **Exhibit C** and incorporated by reference herein (“WIN Rules”), and this Agreement.

II. DEVELOPER’S OBLIGATIONS

Section 2.1 – Description of Developer Obligations

Developer agrees to perform the obligations outlined in its WIN Application which include, among other provisions, a SEVENTY MILLION DOLLAR (\$70,000,000) capital investment and the creation of 200 new jobs, with an average wage of \$70,000 per year, in the WIN Zone within one year of beginning operations in the WIN Zone. Per the Developer’s WIN Application, the capital investment is expected to include the following:

<u>Value of Capital Investment Detail</u>	
V1. Real Property: Value of Building or Structure to be Newly Constructed	\$0
V2. Real Property: Value of New Addition to or Modification of an Existing Building or Structure	\$40,000,000
V3. Real Property: Value of Heavy or Affixed Machinery and Equipment	\$30,000,000
V4. Personal Property: Value of all Personal Property	\$0
V5. Total Value of Capital Investment Add Lines V1 through V4	\$70,000,000

Section 2.2 – Verification of Developer Obligations

By January 31st of each year, Developer must provide the City with all reporting documentation for the prior tax year, as generally described in the WIN Rules and more particularly described as follows:

TAX PAYMENT VERIFICATION:

- Copy of property tax bill and proof of payment.

EMPLOYMENT VERIFICATION:

- Certified payroll records showing the name and title of each employee; date hired and date terminated (if no longer employed at time of reporting); wages paid for each employee listed during the prior calendar year. Documentation should also include Oregon quarterly payroll tax reports.

INVESTMENT VERIFICATION:

- Information deemed sufficient by the Agency to document the total cost of all improvements made by Developer in the WIN Zone, which would include detailed receipts for qualifying equipment, goods or services, or other relevant proof of qualifying expenditures.

Section 2.3 – Failure to Perform Developer Obligations

Developer shall at all times adhere to the requirements of the WIN Zone Plan, WIN Administrative Rules, and this Agreement. Failure to do so may be declared a default under this Agreement and may result in termination of this Agreement, or loss of some or all of the rebate, as more particularly described in Section 3.2 below.

III. AGENCY’S OBLIGATIONS

Section 3.1 – Description of Agency Obligations

The tax increment finance revenue (TIF) for the proposed WIN Zone will be collected by the County Assessor and distributed to the Agency as it is paid by property owners citywide. At the conclusion of each fiscal year (June 30), the Agency will account for all WIN Zone TIF revenue received, subtract annual administrative expenses agreed to be 10%, and determine the amount of property tax reimbursement Developer is entitled to receive. Upon review of all annual reporting documents, and determination that Developer is in compliance with the terms of the WIN Program and this Agreement, the Agency will provide the reimbursement payment to Developer no later than July 31st each year. If all documentation is not in order, payment may be delayed.

When the first TIF rebate will be paid depends on when Developer completes construction and otherwise meets Developer’s obligations to receive the TIF rebate. For example only, if Developer would start construction in July of 2021 and receive their certificate of occupancy and begin operations by May of 2022, meeting the WIN Zone requirements, the tax assessor would not assess the improvements until January of 2023. That means that FYE 2023-24 would be the first year that Developer would be paying taxes on the qualifying TIF investments, and also the first year that Developer’s tax payments would be eligible to receive a TIF rebate, to be paid no later than July 31, 2024.

The TIF revenue generated by the WIN Zone will not equal the amount of annual property taxes paid by Developer. It is based on the incremental tax revenue generated by the product of the incremental assessed value added by Developer’s improvements and the consolidated permanent property tax rates imposed by overlapping taxing districts. Oregon Revised Statutes (ORS) Chapter 457 specifies the process for determining the amount of TIF revenue generated by urban renewal areas, including Developer’s WIN Zone.

The Agency will deduct 10% of the TIF rebate to reimburse the Agency’s administrative expenditures for the WIN Zone.

Section 3.2 – Failure to Meet Obligations or Default

Failure to adhere to obligations of the WIN Zone Plan, WIN Rules, and this Agreement may result in termination of this Agreement, or loss of some or all of the rebate. If actual capital investment, jobs, and wage levels are lower than expected but still meet the eligibility threshold of the WIN Program requirements, as per the Administrative Rules, this may result in a shorter duration of rebate eligibility. If actual capital investment levels are higher than expected, this may result in a higher rebate amount.

IV. DISPUTE RESOLUTION

Section 4.1 – All Other Disputes

4.1.1. Mediation. All disputes arising out of this Agreement shall first be submitted to mediation. Any Party desiring mediation shall provide the other Party with a written notice (the “Request to Mediate”), which shall set forth the nature of the dispute. The Parties shall in good faith cooperate in the selection of a mediator and may adopt any procedural format that seems appropriate for the particular dispute. In the event a written settlement agreement is not executed by the Parties, in the Parties’ sole discretion, within twenty (20) days from the date of the Request to Mediate, or such longer time frame as may be agreed upon in writing by the Parties, any Party may make demand for arbitration or litigation pursuant to the following paragraph.

4.1.2. Voluntary Arbitration or Litigation. Any dispute arising under Section 4.1.1 of this Agreement which is not resolved through mediation, upon mutual agreement of the Parties, may be submitted to arbitration, to be conducted in Wilsonville, Oregon before a single arbitrator selected by mutual agreement of the Parties. The arbitrator shall have substantial experience in contract disputes. If the Parties fail to agree upon arbitration, or fail to select an arbitrator, within twenty (20) days of either Party requesting arbitration, then either Party may file an action in Clackamas County Circuit Court in lieu of arbitration and there will be no obligation to arbitrate. If arbitrated, judgment upon the arbitrator’s award may be entered in any court having jurisdiction of the matter.

4.1.3. Equitable Remedies. Even if the Parties undergo mediation or arbitration, the City may still move the Circuit Court for immediate equitable remedies of either specific performance or injunctive relief to occur while mediation or arbitration is pending or ongoing.

V. MISCELLANEOUS PROVISIONS

Section 5.1 – Further Assurances

Each Party will cooperate and perform such acts and things reasonably necessary in connection with the performance of its obligations hereunder, in good faith to carry out the intent of the Parties hereto.

Section 5.2 – Modification or Amendment

No amendment, change, or modification of this Agreement will be valid unless in writing and signed by the Parties hereto.

Section 5.3 – Relationship

Nothing herein may be construed to create an agency relationship or a partnership or joint venture between the Parties.

Section 5.4 – Burden and Benefit

The covenants and agreements contained herein shall be binding upon and inure to the benefit of the Parties and their successors and assigns.

Section 5.5 – No Continuing Waiver

The waiver by any Party of any breach of this Agreement will not operate or be construed to be a waiver of any subsequent breach.

Section 5.6 – Applicable Law

This Agreement shall be governed by and construed under the laws of the State of Oregon. Jurisdiction is in Clackamas County, Oregon.

Section 5.8 – Time of Essence

Time is expressly declared to be of the essence of this Agreement.

Section 5.9 – Notices

All notices, demands, consents, approvals, and other communications which are required or desired to be given by any Party to each other hereunder shall be in writing and shall be faxed, hand delivered, or sent by overnight courier or United States Mail at its address set forth below, or at such other address as such Party shall have last designated by notice to the other. Notices, demands, consents, approvals, and other communications shall be deemed given when delivered, three (3) days after mailing by United States Mail, or upon receipt if sent by personal delivery:

To Agency: City of Wilsonville
 Attn: City Attorney
 29799 SW Town Center Loop East
 Wilsonville, OR 97070

To Developer: Twist Bioscience Corporation
 Attn: Patrick Weiss
 681 Gateway Boulevard
 South San Francisco, CA 94080

Section 5.10 – Rights Cumulative

All rights, remedies, powers, and privileges conferred under this Agreement on the Parties shall be cumulative of and in addition to, but not restrictive of or in lieu of, those conferred by law.

Section 5.11 – Counterparts

This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

Section 5.12 – No Third-Party Beneficiaries and No Assignment

None of the duties and obligations of any Party under this Agreement shall in any way or in any manner be deemed to create any rights in any person or entity other than the Parties hereto or their respective heirs, successors, and assigns. Developer may not assign its rights under this Development Agreement without the prior express written consent of the Agency, which may be granted or denied in the Agency’s sole discretion.

Section 5.13 – Representations and Warranties

Each Party signing on behalf of Developer and the Agency hereby warrants actual authority to bind his/her respective Party. The Parties signing below also hereby warrant that entry into this Agreement and the enforcement of its terms will not violate any loan covenants or other agreements pertaining to any of the land or improvements impacted hereby.

Section 5.14 – Legal Review

All of the Parties to this Agreement hereby affirm that they have been represented in the negotiation hereof by their own independent legal counsel, who have reviewed this Agreement and advised their respective client concerning the same. Therefore, it shall be interpreted accordingly and shall not be construed against the drafter.

IN WITNESS WHEREOF, the Parties have hereunto set their hands as of the day and year first written above.

TWIST BIOSCIENCE CORPORATION,
a Delaware corporation

URBAN RENEWAL AGENCY OF THE CITY
OF WILSONVILLE, a municipal corporation

By: _____
Patrick Weiss
As Its: Chief Operating Officer

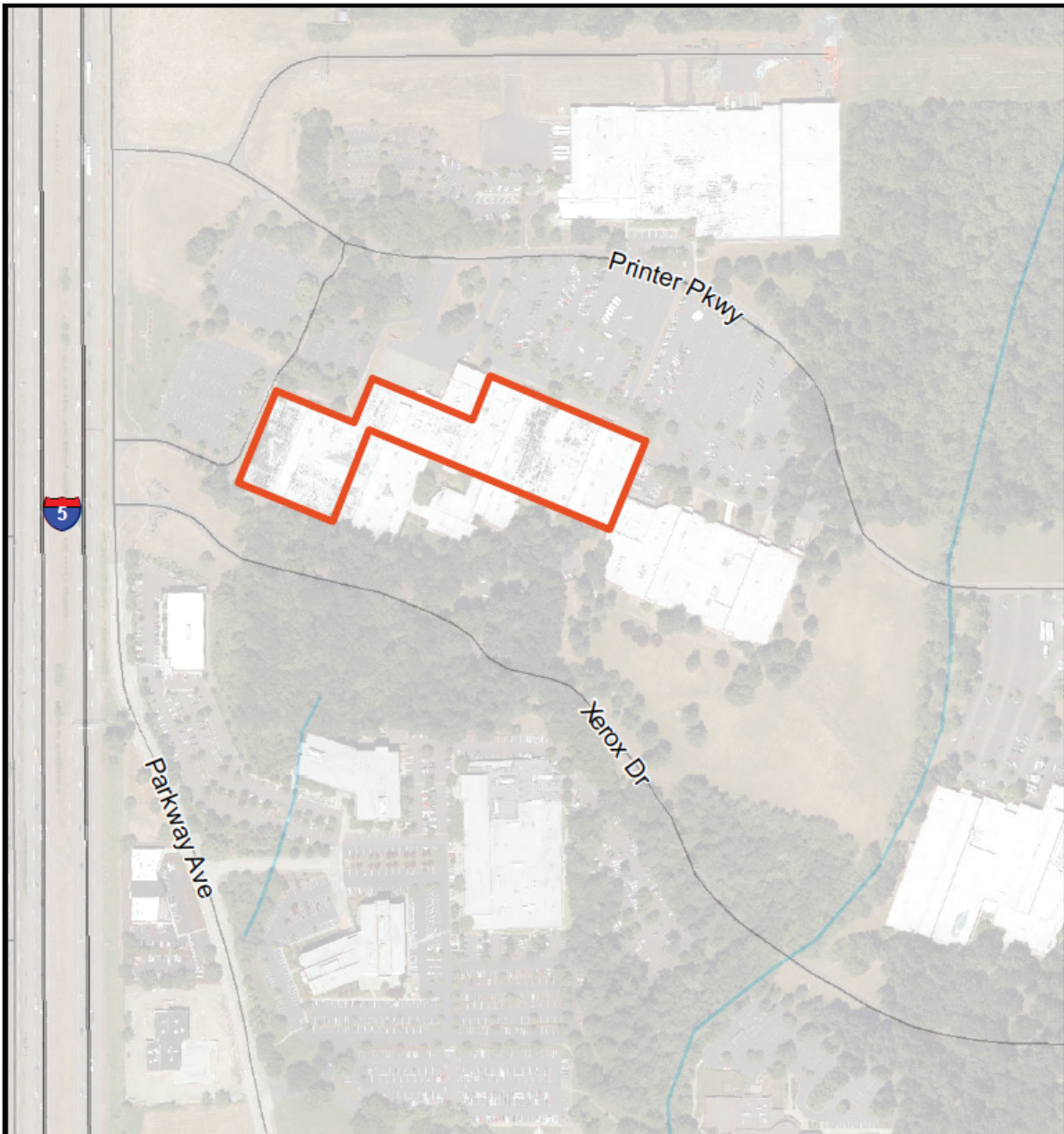
By: _____
Bryan Cosgrove
As Its: City Manager

APPROVED AS TO FORM:

Barbara A. Jacobson, City Attorney

EXHIBIT A

Map of Proposed Twist Bioscience WIN Zone



The City of Wilsonville, Oregon
Clackamas and Washington Counties



 **Proposed Twist Bioscience WIN Zone**

Location: ParkWorks Industry Center

Address: 26600 S.W. Parkway Ave
Wilsonville, OR 97070

Size: 190,519 square feet or 4.4 acres



5/17/2021

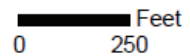


EXHIBIT B**Twist Bioscience WIN Application**

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PAGE 1

**Wilsonville Investment Now (WIN) Program Calculator**

Wilsonville Investment Now (WIN) is a local incentive program that provides tax rebates for qualifying development projects outside of the City's existing urban renewal areas. The exact amount depends on the value of the project but the WIN program will rebate 100% of the property tax increment finance revenue generated by the new investment, less the costs to the City of administering the program. Qualifying investments must score at least 60 points for a partial incentive and at least 80 points for a full incentive.

Use this calculator to determine whether a new development is eligible for WIN Program benefits.

Please fill out all BLUE CELLS. All other cells are automatically calculated.

Business Name			Date	
Twist Bioscience Corporation			2/15/2021	
Contact Name	Contact Email	Contact Phone		
Patrick Weiss	pweiss@twistbioscience.com	(800) 719-0671		
Street Address of Development	City	County	Taxlot ID(s)	
26600 SW Parkway Avenue	Wilsonville	Clackamas	31W12 00511	
Description of Development				
Twist Bioscience Corp, a California-based firm specializing in synthetic DNA, will lease 110,000 square feet at ParkWorks Industry Center at 26600 S.W. Parkway Ave. in Wilsonville, Oregon. The facility is expected to become operational in 2022 and potentially bring up to 400 jobs to the region over several years. The Wilsonville expansion is expected to more than double Twist's manufacturing capacity, increase speed of production and enable enhanced product offerings in the synthetic biology and biopharma market.				

Application Inputs

1. Capital Investment. Total value of capital investment (from detail on next page)	\$70,000,000
2. Jobs. Total full time employees within 1 year of construction	200
3. Average Salary. Average annual salary of new employees within 1 year of construction	\$70,000
4. Local Wilsonville Business Status. Years of verified operation in Wilsonville	0
5. Diversity, Equity, and Inclusion. Meets DEI requirements (from detail on next page)	No
6. Annual Average Wage, County of Development, 2019	\$54,802
<i>If development is in Clackamas County:</i> \$54,802	
<i>If development is in Washington County:</i> \$73,226	
7. Divide Line 3 by Line 6 (salary as a percent of county average)	128%
8. Points per job, based on the table below:	0.4
<i>If Line 7 is less than 100%:</i> 0	
<i>If Line 7 is in the 100% to 124% range:</i> 0.2	
<i>If Line 7 is in the 125% to 149% range:</i> 0.4	
<i>If Line 7 is 150% or above:</i> 0.6	

Score Calculation

9. Capital Investment Score. Divide Line 1 by 500,000 (1 point per \$500,000) - round up	140
10. Job Creation Score. Multiply line 3 by line 7 - round up	80
11. Local Business Score. 0.5 points for each verified year of operation in Wilsonville (maximum 4 points) ..	0.0
12. Diversity, Equity, and Inclusion Score. 4 points if Line 5 is "Yes".....	0
13. Total points. Add Lines 9 through 12	220.0
14. Does project qualify for incentives?	Yes
<i>If Line 14 is less than 60:</i> No	
<i>If Line 14 is greater than or equal to 60, but less than 80:</i> Partial	
<i>If Line 14 is greater than or equal to 80:</i> Yes	

Phone 503-682-4960
Fax 503-682-7025

CITY OF WILSONVILLE
COMMUNITY DEVELOPMENT

www.ci.wilsonville.or.us
info@ci.wilsonville.or.us



Wilsonville Investment Now (WIN) Program Calculator

Please fill out all **BLUE CELLS**. All other cells are automatically calculated.

Diversity, Equity, and Inclusion Criteria

Select "Yes" for each criterion met. Select "No" for each criterion not met.

D1. Criterion 1:	Certified by the State of Oregon as having one or more of the following ownership certifications: a. Minority Business Enterprise (MBE) b. Women Business Enterprise (WBE) c. Disadvantaged Business Enterprise (DBE) d. Service-Disabled Veteran (SDV)	No
D2. Criterion 2:	Certified by the State of Oregon as a B Corporation	No
D3. Criterion 3:	Enters into a signed agreement with the City of Wilsonville (requires annual reporting) to implement a DEI Procurement Plan, making a good-faith effort to increase goods and services purchased in the State of Oregon from businesses owned by people of color, women, disadvantaged individuals, and service-disabled veterans	No
D4. Criterion 4:	Enters into a signed agreement with the City of Wilsonville (requires annual reporting) to implement a Workforce Development Plan, making a good-faith effort to: a. Promote job openings to a wider group of candidates through recruitment agencies, job fairs, and other approaches targeting people of color and former felons from the Coffee Creek Correctional Facility. b. Provide career pathways to higher-wage jobs, including ongoing training, professional development and opportunities for promotion to higher-level positions. c. Engage Wilsonville youth through internships, mentoring, and educational opportunities on career pathways in partnership with the West Linn-Wilsonville School District, Clackamas Community College and Oregon Institute of Technology.	No
D5. Criterion 5:	to implementing a company program on diversity, equity and inclusion (requires annual reporting)	No
D6. Criterion 6:	Provides on-site employer-provided childcare (requires annual reporting)	No

DEI Calculation

D7. Total DEI Criteria Met. Sum of "Yes" in Lines D1 through D6	0
D8. Are DEI requirements met?	No
If Line D8 is greater than or equal to 2: Yes	
If Line D8 is less than 2: No	

Value of Capital Investment Detail

V1. Real Property: Value of Building or Structure to be Newly Constructed	\$0
V2. Real Property: Value of New Addition to or Modification of an Existing Building or Structure	\$40,000,000
V3. Real Property: Value of Heavy or Affixed Machinery and Equipment	\$30,000,000
V4. Personal Property: Value of all Personal Property	\$0
V5. Total Value of Capital Investment Add Lines V1 through V4	\$70,000,000

Signature

I declare this Application to be true, correct, and complete.

By:  and Authorized Agent
 As Its: COO

EXHIBIT C

Resolution No. 2856 – WIN Administrative Rules

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RESOLUTION NO. 2856

A RESOLUTION OF THE WILSONVILLE CITY COUNCIL ESTABLISHING THE WILSONVILLE INVESTMENT NOW (WIN) PROGRAM ADMINISTRATIVE RULES.

WHEREAS, on December 17, 2012, the Wilsonville City Council approved Resolution No. 2390, referring the Ballot Title “Business Incentive Program for Investment and Job Creation by Manufacturers” to the citizens of Wilsonville for an advisory vote in March of 2013; and

WHEREAS, on March 12, 2013, the citizens of Wilsonville voted to approve the Ballot Title; and

WHEREAS, on March 20, 2013, the City’s Economic Development Task Force completed its recommendations to City Council on economic development incentives and business attributes; and

WHEREAS, on April 15, 2013, City Council approved Resolution No. 2413 adopting the recommendations of the Economic Development Strategy Task Force on business attributes and incentives; and

WHEREAS, on April 15, 2013, the Wilsonville Urban Renewal Agency approved URA Resolution No. 230 recommending that the City Council create multiple single-property urban renewal districts referred to as TIF Zones as a tool to provide incentives for economic development and authorizing staff to begin work necessary to create the Tax Increment Finance Zones; and

WHEREAS, on May 6, 2013, City Council approved Resolution No. 2417 authorizing staff to take necessary steps to create multiple single-property urban renewal districts to be called TIF Zones; and

WHEREAS, on September 5, 2013, the Wilsonville Urban Renewal Agency approved URA Resolution No. 234, recommending that City Council adopt an ordinance to create five single-property urban renewal districts to be called TIF Zones; and

WHEREAS, on October 7th, 2013, the Wilsonville Urban Renewal Agency approved URA Resolutions No. 236, recommending that City Council amend URA Resolution No. 234 to

include a sixth single-property urban renewal district to be called the Building 83 - 26440 SW Parkway Avenue TIF Zone; and

WHEREAS, on November 4, 2013, City Council adopted Ordinance No. 725 approving a single-property urban renewal plan known as the 26755 SW 95th Avenue TIF Zone; and

WHEREAS, on November 4, 2013, City Council adopted Ordinance No. 726 approving a single-property urban renewal plan known as the 9805 SW Boeckman Road TIF Zone; and

WHEREAS, on November 4, 2013, City Council adopted Ordinance No. 727 approving a single-property urban renewal plan known as the 25600 SW Parkway Center Drive TIF Zone; and

WHEREAS, on November 4, 2013, City Council adopted Ordinance No. 728 approving a single-property urban renewal plan known as the 27255 SW 95th Avenue TIF Zone; and

WHEREAS, on November 4, 2013, City Council adopted Ordinance No. 729 approving a single-property urban renewal plan known as the 29899 SW Boones Ferry Road TIF Zone; and

WHEREAS, on November 4, 2013, City Council adopted Ordinance NO. 730 approving a single-property urban renewal plan known as the Bldg. 83 – 26440 SW Parkway Avenue TIF Zone; and

WHEREAS, each TIF Zone single-property urban renewal plan included a provision that the Plan will terminate within five years of the effective date of the Plan if no qualifying investment has been made in the Area; and

WHEREAS, all of the TIF Zone single-property urban renewal plans have been terminated, as no qualifying investments were made in any of the TIF Zone areas prior to the termination dates stipulated in the urban renewal plans; and

WHEREAS, the City Comprehensive Plan Goal 4.1 is “to have an attractive, functional, economically vital community with a balance of different types of land uses;” and

WHEREAS, the City Comprehensive Plan Policy 4.1.3 states “City of Wilsonville shall encourage light industry compatible with the residential and urban nature of the City;” and

WHEREAS, the City Comprehensive Plan Implementation Measure 4.1.3.b is to “Maintain high-quality industrial development that enhances the livability of the area and promotes diversified economic growth and a broad tax base;” and

WHEREAS, the City Comprehensive Plan Implementation Measure 4.1.3.c is to “Favor capital intensive, rather than labor intensive, industries within the City;” and

WHEREAS, Oregon Revised Statutes (ORS) 457 authorizes municipalities in Oregon to establish urban renewal areas, including the authority to raise funds for the purpose of funding economic development projects through the use of tax increment financing; and

WHEREAS, strict eligibility criteria and limited geographic applicability are two factors that restricted the utility of previous single-property urban renewal areas adopted by City Council; and

WHEREAS, following expiration of all of the designated TIF Zones the City's Urban Renewal Task Force met on July 22, 2020 to discuss a revised approach to single-property urban renewal areas known as the Wilsonville Investment Now (WIN) Program, and provided unanimous feedback that the WIN Program is a good direction to take a tax increment finance zone program, and will make the City more competitive with business recruitment, expansion and retention efforts; and

WHEREAS, the City's Urban Renewal Task Force on July 22, 2020 asked the City to consider additional factors in the WIN Program, including (1) diversity, equity, and inclusion; (2) local business expansion; (3) traffic impacts; and (4) traded-sector industry restrictions; and

WHEREAS, on September 10, 2020 City Council gave staff direction to incorporate (1) diversity, equity, and inclusion and (2) local business expansion into the WIN Program as "extra credit" considerations; and

WHEREAS, the economic recession brought on by the Covid-19 pandemic has imposed additional hardships on residents, employees, and businesses in the City of Wilsonville;

NOW THEREFORE, BE IT RESOLVED BY THE WILSONVILLE CITY COUNCIL THAT:

1. The Wilsonville City Council hereby establishes the Wilsonville Investment Now (WIN) Program, intended to provide temporary property tax reimbursement to qualifying businesses based on the following criteria:
 - A) Value of new capital improvements on site
 - B) Number of new employees on site
 - C) Value of compensation of new employees on site
 - D) Commitment to the advancement of diversity, equity, and inclusion goals

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- E) Prioritizing the expansion of local businesses that have already invested in Wilsonville
- 2. The Wilsonville City Council directs staff to further develop parameters of the WIN Program through the adoption of Administrative Rules.
- 3. The Wilsonville City Council directs staff to take the necessary steps to prepare single-property urban renewal plans for City Council consideration for any and all successful applicants to the WIN Program.
- 4. This resolution is effective upon adoption.


ADOPTED by the Wilsonville City Council at a regular meeting thereof this 19th day of October, 2020, and filed with the Wilsonville City Recorder this date.

DocuSigned by:

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Tim Knapp, Mayor

ATTEST:

DocuSigned by:

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Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp	YES
Council President Akervall	YES
Councilor Lehan	YES
Councilor West	YES
Councilor Linville	YES

Exhibit:

- A. Wilsonville Investment Now (WIN) Program Administrative Rules



Wilsonville Investment Now Program, Administrative Rules

Section 1: Purpose

These administrative rules establish the parameters of the Wilsonville Investment Now (WIN) Program.

WIN is a local incentive program that provides tax rebates for qualifying development projects outside of the City's existing urban renewal areas. The program aims to attract high-value investments in the Wilsonville community that strengthen the local economy by:

- Retaining and expanding local businesses
- Attracting new businesses
- Retaining and expanding high-wage jobs
- Contributing to long-term growth in the property tax base through capital investment

Section 2: Definitions

Capital investment includes:

- Newly constructed buildings or structures.
- New additions to or modification of an existing building or structure.
- Heavy or affixed machinery and equipment.
- Personal property items costing \$50,000 or more.
- Personal property items costing \$1,000 or more that are used exclusively for production of tangible goods.

Qualified jobs includes new full-time, on-site employees within 1 year of construction, and excludes temporary, seasonal, construction, or part-time (32 hours or less per week) employees.

Section 3: Benefits

3.1 Overview of Benefits

The WIN Program provides qualified businesses with a partial reimbursement of property tax payments. The program establishes two tiers of benefits.

3.2 Tiers and Duration of Benefits

Businesses that qualify for full benefits are eligible for partial reimbursement of property tax payments for a period of seven (7) years. Businesses that qualify for partial benefits are eligible for partial reimbursement of property tax payments for a period of (4) years.

3.3 Amount of Reimbursement

The annual amount of reimbursement is limited to the amount of tax increment finance (TIF) revenue received by the Wilsonville Urban Renewal Agency (“Agency”) for the WIN Zone established on behalf of the qualified business.

Annual TIF revenue generated by a WIN Zone does not equal the amount of annual property taxes paid by a qualified business. Oregon Revised Statutes (ORS) Chapter 457 specifies the process for determining the amount of TIF revenue generated by urban renewal areas, including WIN Zones.

The Agency may deduct administrative costs of the WIN Program from annual TIF revenue before calculating the annual amount of reimbursement.

Section 4: Eligibility

4.1 Scoring Criteria

Qualified businesses must achieve a minimum score, based on the following criteria:

- **New Capital Investment**
 - 1.0 point per \$500,000 of investment
- **New Employment**
 - Points per qualified job, based on average annual wage as a percentage of County average:
 - Average annual wage less than 100% of County average: 0 points per qualified job
 - Average annual wage more than 100%, but less than 125%, of County average: 0.2 points per qualified job
 - Average annual wage more than 125%, but less than 150%, of County average: 0.4 points per qualified job
 - Average annual wage more than 150% of County average: 0.6 points per qualified job
- **Local Business Tenure**
 - 0.5 points for each verified year of business operations in the City of Wilsonville. Maximum of four (4) points.

4.3 Geographic Restrictions

To be eligible for the WIN Program, businesses must be located within the City of Wilsonville and outside of any existing urban renewal areas, including any other WIN Zones.

Section 5: Approval Process

5.1 Initial Application

Applicants must complete the WIN Program Application Form in Excel, with information on the proposed investment, and submit the completed form to City of Wilsonville staff for review.

5.2 Pre-Approval Meeting

After reviewing the WIN Program Application Form, City staff will offer to meet with the Applicant to answer any questions about the program, review key aspects of the application, and request any necessary supporting documents.

5.3 Staff Approval

After the pre-approval meeting, and pending review of any requested supporting documents, City staff will make an initial determination of whether or not the proposed investment qualifies for WIN Program benefits. Staff will notify the Applicant in writing of this decision.

5.4 Development Agreement

Upon Staff approval, the City will provide the Applicant with a Development Agreement that stipulates the conditions the Applicant must achieve to receive WIN Program benefits in future years, and stipulates the City's obligations to provide property tax reimbursement payments to the Applicant.

Upon final agreement and execution of the Development Agreement, the City will prepare a WIN Zone Plan for consideration by City Council.

5.5 Plan Adoption

The WIN Zone Plan functions as an urban renewal plan, and must be adopted in accordance with ORS Chapter 457. This process includes approval by the Wilsonville Urban Renewal Agency, the Wilsonville Planning Commission, and the Wilsonville City Council. This process includes a public hearing and requires the City to consult and confer with all affected taxing districts.

Adoption of the WIN Zone Plan by a non-emergency ordinance approved by City Council is the final step in the WIN Program approval process. City Council will prioritize projects that contribute to the long-term growth in the property tax base of the City, and may use their discretion in approving projects that are too heavily weighted toward equipment likely to depreciate over time or become obsolete with a new user.

Section 6: Annual Reporting

By January 31 of each year, a Qualified Business must provide the City with all reporting documentation for the prior calendar year, as required in the Development Agreement. This documentation may include:

- Copy of property tax bill and proof of payment.

- Proof of number of employees and wages.
- Proof of compliance with DEI criteria (if applicable).

Section 7: Payment of Benefits

Tax increment finance revenue for each WIN Zone will be collected by the County Assessor and distributed to the Agency as it is paid by property owners citywide. After the conclusion of each fiscal year on June 30, the Agency will account for all TIF revenue received, subtract annual administrative expenses, and determine the amount of property tax reimbursement available for each Qualified Business.

Upon review of all annual reporting documents, and determination that a Qualified Business is in compliance with the terms of the WIN Program and the applicable Development Agreement, the Agency will provide the reimbursement payment to a Qualified Business no later than July 31 each year.

Section 8: Dispute Resolution

The protocol for dispute resolution will be as set forth in the Development Agreement.