

PASSED

IN THE BOARD OF COUNTY COMMISSIONERS
OF LANE COUNTY, OREGON

RESOLUTION AND ORDER NO. 07-9-12- 9) IN THE MATTER OF AUTHORIZING
) THE APPLICATION TO THE STATE OF
) OREGON FOR EXPANSION OF THE
) WEST EUGENE ENTERPRISE ZONE

WHEREAS, Lane County, in conjunction with the City of Eugene, created the West Eugene Enterprise Zone to encourage new business investment, job creation, higher incomes for local residents, and greater diversity of economic activity; and

WHEREAS, Lane County appreciates the impacts that the enterprise zone has for eligible business firms; and

WHEREAS, Lane County in conjunction with the City of Eugene, has adopted job quality standards applicable to eligible business firms seeking the enterprise zone tax exemption, with the intent to impose a public benefit contribution of up to twenty-five percent of the value of the tax exemption from eligible business firms based on their conformance with specific job quality standards.

WHEREAS, Glorybee Foods, a local natural foods company, is asking Lane County and the City of Eugene to consider a West Eugene Enterprise Zone boundary expansion that would include a 62-acre parcel that is immediately adjacent to the existing West Eugene Enterprise Zone boundary; and

WHEREAS, Under ORS 285C.115 the sponsor of an enterprise zone may submit a request to the Economic and Community Development Department to change the boundary of the enterprise zone, and

WHEREAS, an expansion of an enterprise zone does not grant or imply permission to develop land within the enterprise zone without complying with prevailing zoning, regulatory and permitting processes and restrictions for applicable jurisdictions; nor does it indicate any intent to modify those processes or restrictions, except possibly as otherwise in accordance with Comprehensive Plans; and

WHEREAS, written notification of the proposed change has been sent to each local taxing district having territory in the proposed zone;

NOW, THEREFORE IT IS HEREBY RESOLVED AND ORDERED:

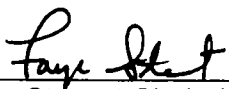
1. The Lane County Board of Commissioners adopts as its findings the recitals stated above.

2. Lane County proposes and applies for the expansion of the West Eugene Enterprise Zone, comprised of the area described in Exhibit A attached hereto, said application to be in conjunction with the City of Eugene.

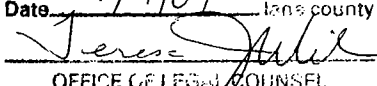
3. The County Administrator is authorized to submit the application for Lane County, and to make technical changes to the application materials, as necessary, after adoption of this order, and is further authorized to delegate authority to the City Manager of Eugene, to make such submittal or changes in the application on his behalf.

4. The County declares that the County and City as applicants will continue to comply with ORS 285C.105 and perform any other duties of the Enterprise Zone sponsor under ORS 285C.050 to 285C.250.

DATED this 12th day of September, 2006.



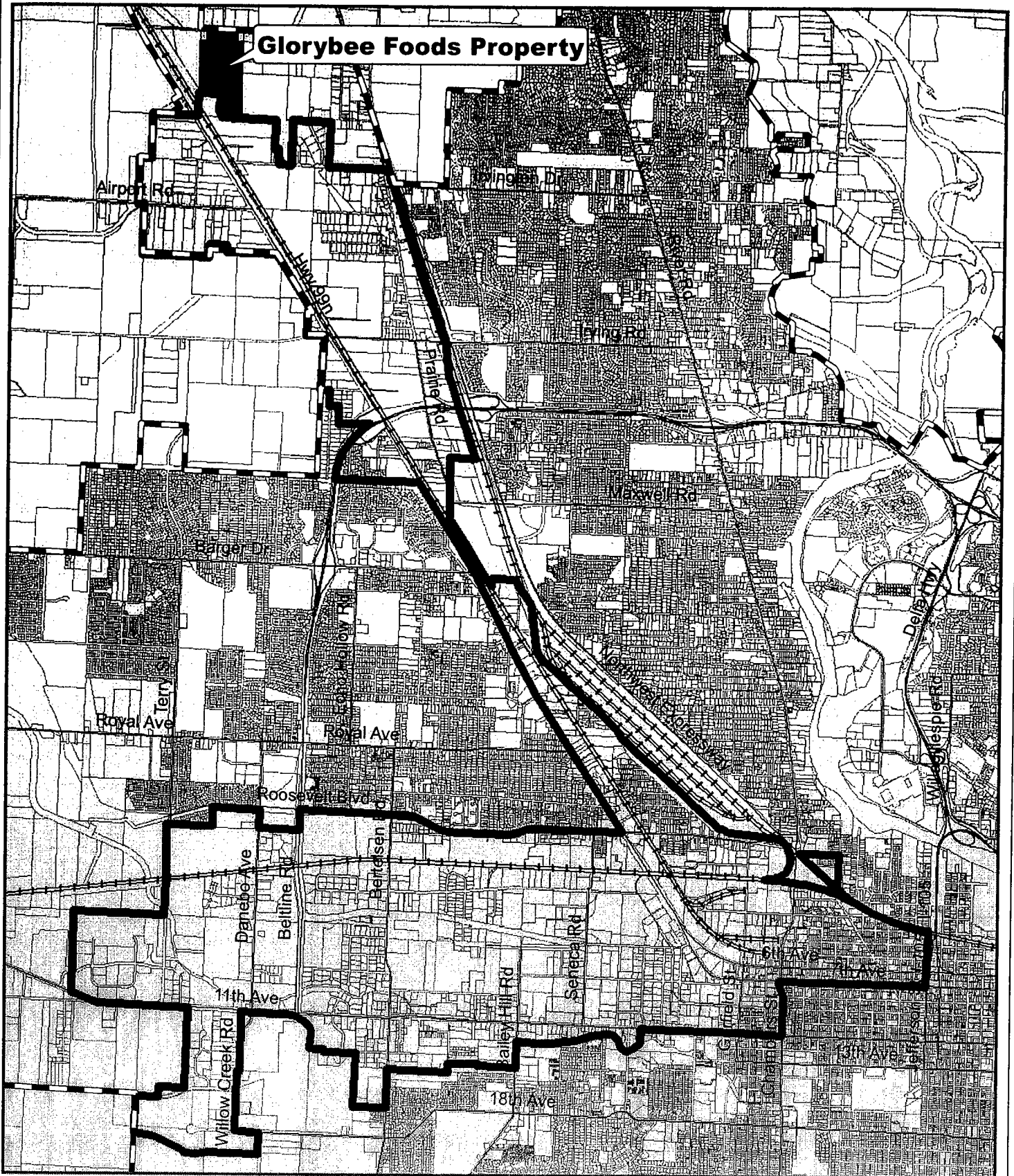
Faye Stewart Chair, Lane County Board of
Commissioners

APPROVED AS TO FORM
Date 9/4/07 Lane County


OFFICE OF LEGAL COUNSEL

West Eugene Enterprise Zone

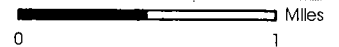
Exhibit A



 Eugene Urban Growth Boundary  Glorybee Foods Property

 West Eugene Enterprise Zone



 Miles
0 1

City of Eugene
Planning and Development
Community Development Division
July 25, 2007



Caution: This map is based on imprecise source data which is subject to change.
It is for general graphical reference and is not intended for legal, engineering or surveying purposes.

August 20, 2007

Lane Rural Fine & Rescue
29999 Hallett Street
Eugene, OR 97402

This letter provides notice that the City of Eugene and Lane County are considering an expansion of the West Eugene Enterprise Zone (see attached map). Glorybee Foods, a local natural foods company, is asking the City of Eugene and Lane County to consider an enterprise zone boundary expansion that would include a 62 acre parcel immediately adjacent to the existing West Eugene Enterprise Zone boundary. Because the proposed expansion would provide a short-term tax exemption for new investment within the zone, future property tax collections for your district's operating levy could be affected.

The Lane County Board of Commissioners is scheduled to discuss the expansion on September 12th, and a Eugene City Council meeting is to be scheduled in October. You are being asked to comment on this expansion proposal by sending comments to me at the following address by September 11, 2007:

Denny Braud
City of Eugene
Planning & Development Department
99W. 10th Avenue
Eugene, OR 97401

It is important to understand that the enterprise zone tax exemption is only applicable to new property investments (buildings, machinery, equipment) made in the future within the zone. The tax exemption is temporary, lasting only three years, after which time the property induced by the tax exemption incentive is available for assessment. An extension of four or five years in total is possible in some special cases, subject to an agreement of the local governments sponsoring the zone. The goal of the short-term tax exemption is to encourage new investments that create new jobs, and ultimately result in a long-term increase in the tax base.

Finally, the tax exemption benefits are strategically targeted to investments made by other firms within the zone that are engaged in manufacturing, processing, shipping and other operations that serve other businesses. Otherwise, retail, construction, financial, residential and certain other activities are explicitly ineligible under the statutes.

Additional background information on the enterprise zone and the Glorybee Foods expansion project are attached. If you have any questions, please contact me at 682-5536 (denny.braud@ci.eugene.or.us).

Sincerely,

Denny Braud
Planning & Development

(2) Enclosures

GloryBee plan widens scope of sustainability

Published: Saturday, April 7, 2007

By Sherri Buri McDonald

The Register-Guard

Sustainability is quite the buzzword in business circles, but a locally owned natural foods distributor plans to take sustainability to a whole new level.

Dick and Pat Turanski, owners of GloryBee Foods, plan to create a sustainable business park on 62 acres off Awbrey Lane, just east of Highway 99, near the Eugene Airport. They bought the property last year for about \$1.8 million. The land, zoned light industrial, is outside Eugene's city limits but inside its urban growth boundary.

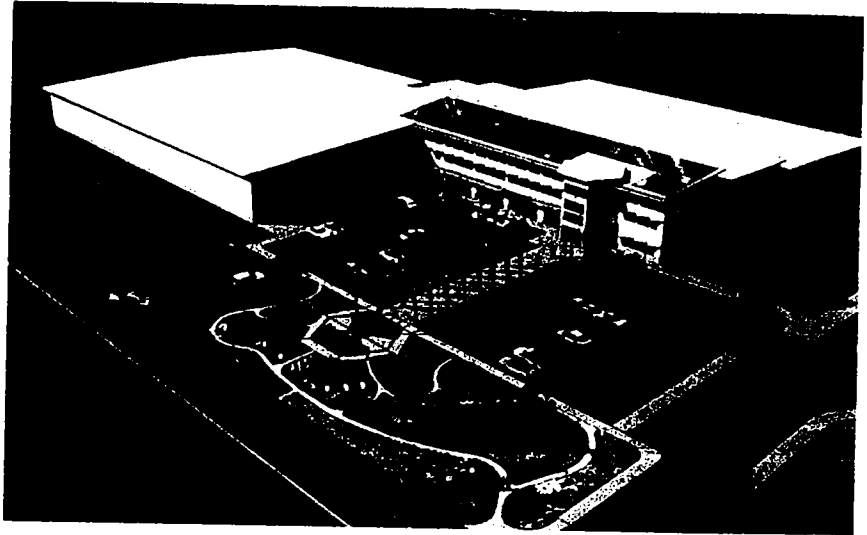
GloryBee wants to build an \$11 million-plus, 118,000-square-foot facility on about 15 of those acres and divide the rest of the property into nine lots, ranging from about 2 acres to about 8 acres, said the owners' son Alan Turanski, who is GloryBee's operations manager.

The company hopes to break ground this summer and complete the building a year later, he said.

Lane County Commissioner Bobby Green said Friday that he was very happy about the project.

GloryBee has "grown in a way that you would like local businesses to grow," he said. The company's steady expansion has been the result of a growing market, here and abroad, for its products. It is family owned, with a tradition of promoting from within, and it is committed to sustainability, Green said.

Driven by the surge in the organics and natural food industry, GloryBee's business grew 19 percent last



year, Turanski said, and "we're continuing to grow at that clip this year." The company does not release annual financial data.

GloryBee has 120 employees and expects to add 15 to 20 employees a year, he said.

The Turanskis plan to sell the lots in the business park to other businesses that are committed to the principles of sustainability, Turanski said.

GloryBee has not drafted the conditions for businesses in the park, which the family believes will be the first of its kind in the state, Turanski said. The timing for that will be dictated by how quickly other businesses step forward to buy the lots after the subdivision secures the necessary approvals, he said.

Turanski acknowledges that it probably would be easier to sell the land without any restrictions. But, he said, "When you're enlightened to a better way of doing things, you have to do your best to do those."

GloryBee's own building will have many "green" features, including a photovoltaic system on the roof that will cover about one-sixth of the facility's energy consumption. Other elements include using as much daylight as possible and circulating cool night air through the building instead of relying on air conditioning.

GloryBee will continue other sustainable practices such as buying wind-powered electricity through the Eugene Water and Electric Board and filling the tanks of its fleet of trucks with biodiesel.



GloryBee, a low-profile company that has mainly stuck to its own business for the past 33 years, didn't set out to start a sustainable business park. Four years ago, the Turanskis started looking for land for GloryBee's expansion and couldn't find the right site. They looked as far afield as Glenwood, Cottage Grove, Harrisburg and Junction City, Turanski said.

"We really wanted to stay in the Eugene-Springfield area where we've been the whole time," he said.

Then they came across the Awbrey Lane property, which was priced reasonably and had rail access.

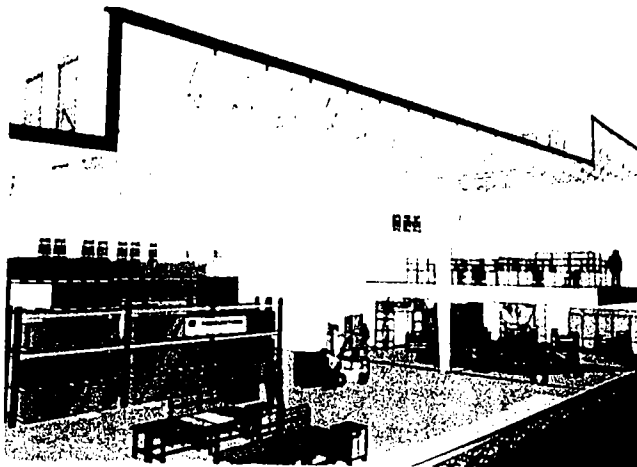
"Our first thought was, well, we don't need 62 acres," Turanski said.

They asked if they could buy just a piece of the property, and were told no. But they discovered that the property could be subdivided.

About the same time, GloryBee was involved in discussions associated with Eugene Mayor Kitty Piercy's Sustainable Business Initiative. And, as part of those, someone raised the idea of a sustainable business park.

"That first thought resonated with us," Turanski said. "We thought maybe this is more than an opportunity to have a home for GloryBee."

The company had hoped to break ground last fall, but ran into unexpected hurdles. Low-quality wetlands were found on the site where GloryBee wants to build, so the company plans to mitigate 11 acres offsite through a wetlands bank, Turanski said. It also is preserving less than two acres of wetlands on its site.



The company's request to fill wetlands must be approved by federal regulators - a process that includes public comment.

To help with the costs of its project, GloryBee will seek out incentives.

Commissioner Green said he would support an application by GloryBee to have the land included in Eugene's enterprise zone.

"This is the type of business that was made for an enterprise zone," Green said. State aid, through an opportunity fund, also might be available for the project, he said.

Business editor Ilene Aleshire contributed to this report.