

**FILED**

AUG 01 1994

BOOK 154 PAGE 1771

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

COUNTY CLERK  
BY Pat Miller

ORDER NO. 94-7-13-21	)	IN THE MATTER OF APPROVING A
	)	MEMORANDUM OF UNDERSTANDING
	)	REGARDING INDUSTRIAL DEVELOPMENT
	)	FOR MONACO COACH CORPORATION


WHEREAS, the State of Oregon, Lane County, City of Coburg, Eugene-Springfield Metro Partnership, and Monaco Coach Corporation have been working together to assist Monaco expand its manufacturing operations, and

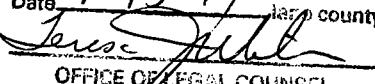
WHEREAS, the attached Memorandum of Understanding reflects the parties' intent, now therefore, it is hereby

ORDERED that the Memorandum of Understanding attached hereto as Exhibit A is approved; and it is further

ORDERED that the County Administrator is delegated authority to execute the Memorandum of Understanding.

Dated this 13th day of July, 1994.

  
 \_\_\_\_\_  
 Chair, Lane County Board of Commissioners

APPROVED AS TO FORM  
 Date 7-13-94 Lane County  
  
 OFFICE OF LEGAL COUNSEL

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MEMORANDUM OF UNDERSTANDING

Regarding Industrial Development

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PARTIES: THE STATE OF OREGON ("the State");  
LANE COUNTY, OREGON ("Lane County");  
CITY OF COBURG ("Coburg");  
EUGENE/SPRINGFIELD METRO PARTNERSHIP ("ESMP"); and  
MONACO COACH CORPORATION, a Delaware corporation ("Monaco").

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This Memorandum of Understanding ("Memorandum") is executed in respect of the following facts:

- A. The purpose of this Memorandum is to declare the understanding and mutual intent of the parties to enter into agreements for Monaco to expand its manufacturing operations in Lane County, Oregon.
- B. The public policy of the State, Lane County, Coburg, and ESMP is to encourage the development and expansion of business, industry, and commerce in order to reduce unemployment and to improve the public health, safety, welfare, and future prosperity of the citizens of the State, the region, Lane County, and Coburg.
- C. The goals of the State, ESMP, and Coburg would be met by providing certain incentives and assistance to Monaco in expanding its manufacturing operations in the State and Lane County.
- D. Monaco wishes to enhance its business by constructing and operating a facility which will require Monaco to make substantial community and site investments and to hire, train, and develop skilled employees and managers.
- E. The parties have entered into certain discussions regarding Monaco's selection of the State and Lane County for the continued operation and expansion of a motor coach manufacturing and maintenance facility, the construction and operation of which will be supported by certain incentives and assistance to be provided or facilitated by the State, Lane County, Coburg, and ESMP.
- F. The parties wish to cooperate in this endeavor for the betterment of the citizens of the State, the region, Lane County, and Coburg, and to commence a long term investment relationship.

Accordingly, the parties agree in principle to the following:

## 1. LAND ACQUISITION

Monaco will purchase approximately 32 acres of land located in the Coburg Industrial Park ("the Site").

## 2. INVESTMENT BY MONACO

Monaco will invest a minimum of \$5,000,000 in land, equipment, buildings, and other improvements (collectively, "Plant Facilities") at the Site.

## 3. EMPLOYMENT LEVEL

Monaco will maintain its current Lane County employment level of 345 employees, will add a minimum of 65 full time employees within 18 months after completion of the Plant Facilities, and will maintain a total employment level of 410 employees for at least one year after such level is first achieved.

## 4. SEWERAGE SYSTEM

- 4.1. Monaco will provide temporary on-site sewerage capacity until a city system is available.
- 4.2. The estimated time for completing the design, permitting, and construction of a city system is 30 to 36 months.
- 4.3. Monaco wishes to connect the Plant Facilities to the city sewerage system as soon as possible. Connecting to the city's system will be the best solution if any problem arises with Monaco's temporary on-site sewerage system.
- 4.4. Letters acknowledging these facts will be provided to Monaco by the following parties: the Economic Development Department of the State of Oregon ("OEDD"), Lane County, Coburg, and the Oregon Department of Environmental Quality.
- 4.5. OEDD will assist Coburg in designing, permitting, and funding construction and implementation of the industrial park sanitary sewerage system.
- 4.6. Due to the additional costs that Monaco will incur for the temporary sewerage system, the additional land necessary, and the future removal of the system, OEDD agrees to provide financial assistance to Monaco in the amount of \$200,000 for funding the cost of the temporary system.

## 5. ENTERPRISE ZONE

OEDD will coordinate with and assist Coburg in pursuing the city's application for a new "Enterprise Zone" designation for Coburg in accordance with Enterprise Zone statutes ORS 285.570 to ORS 285.617 and the applicable Administrative Rules 123-65-000 to 123-65-060.

## 6. COBURG'S UNDERTAKINGS

Coburg will do each of the following:

- 6.1. Release Coburg's right, if any such right exists, to permit the public to use the existing roadway on the southern portion of the Site.

- 6.2. Coordinate with, and assist the electricity provider in obtaining an underground easement to serve the Site from the south.
- 6.3. Coordinate with the Muddy Creek Drainage District to provide for a crossing of the ditch, if necessary or desirable, and to provide Monaco the right to use the drainage district for storm water discharge for the Plant Facilities.
- 6.4. Waive a portion of the city's usual charges for systems development fees and water and sewer hook-up fees, with the resulting actual charges being as follows:
  - (a) Sewer system local improvement district not to exceed \$80,000
  - (b) Sewer hook-up fee - 0 -
  - (c) Water hook-up fee: 8" main 6,000
  - (d) Systems Development Fee (normally \$65,000) 32,500
- 6.5. Provide to Monaco the rights of access to and use of the Coburg water system upon payment of the hook-up fee stated above.

7. FORMAL DOCUMENTATION

The undertakings by each of the parties to this Memorandum are subject to and predicated upon the occurrence of various actions and events herein described, and the parties shall enter into more definitive agreements and execute other formal documents as may reasonably be required in order to effectuate the terms, conditions, and purposes reflected in this Memorandum.

8. COOPERATION

The parties shall use their best efforts and cooperate with each other in implementing the provisions of this Memorandum and achieving the purposes herein stated.

9. NONBINDING EFFECT

This Memorandum is intended to fairly represent the intentions of the parties, but shall not constitute a legally binding commitment or agreement by any party.

State of Oregon,  
Economic Development Department

Dated: \_\_\_\_\_, 1994

By: \_\_\_\_\_

Its: \_\_\_\_\_

Lane County

Dated: \_\_\_\_\_, 1994

By: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_, 1994

City of Coburg

By: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_, 1994

Eugene/Springfield Metro Partnership

By: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_, 1994

Monaco Coach Corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_