

**A RESOLUTION APPROVING AN EXTENDED PROPERTY TAX ABATEMENT AGREEMENT BETWEEN THE COSPONSORS OF THE SOUTH SANTIAM ENTERPRISE ZONE AND AMTEK RESEARCH INTERNATIONAL, LLC**

WHEREAS, Amtek Research International, LLC, has purchased and will purchase new capital equipment needed for manufacturing purposes; and

WHEREAS, Amtek Research intends to hire up to 20 new employees; and

WHEREAS, Amtek Research anticipates providing average pay and benefits to these employees equal to or greater than 150 percent of the Linn County average; and

WHEREAS, Amtek, which is located in the city of Lebanon, has applied to extend the property tax abatement for which it qualifies through its inclusion in the South Santiam Enterprise Zone; and

WHEREAS, the City of Lebanon has requested the support of this application from the other cosponsors of the South Santiam Enterprise Zone; and

WHEREAS, the City of Albany is a cosponsor of the South Santiam Enterprise Zone.

NOW, THEREFORE, BE IT RESOLVED that the attached Extended Abatement Agreement of December 13, 2000, is herein approved by the Albany City Council.

DATED THIS 28TH DAY OF FEBRUARY 2001.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Recorder

AGREEMENT FOR ENTERPRISE ZONE EXTENDED ABATEMENT

WRITTEN AGREEMENT WITH THE SOUTH SANTIAM ENTERPRISE ZONE SPONSOR TO EXTEND PROPERTY TAX EXEMPTION TO FIVE CONSECUTIVE YEARS IN TOTAL FOR CAPITAL INVESTMENT BY AMTEK RESEARCH INTERNATIONAL, LLC.

The sponsor of the South Santiam Enterprise Zone comprising the governing bodies of the City of Lebanon, Oregon and Linn County (hereinafter "The Zone Sponsor") and Amtek Research, LLC (hereinafter "The Firm") do hereby enter into an agreement for extending the period of time in which The Firm shall receive an exemption on its investments in qualified property in the South Santiam Enterprise Zone contingent on certain special requirements.

The Zone Sponsor and The Firm jointly acknowledge that subject to [timely submission and approval of an application for precertification and] the satisfaction of [other] requirements under ORS 285B.650 to 285B.728 (1997), The Firm is eligible for three years of complete exemption on its qualified property; that nothing in this agreement shall modify or infringe on this 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 the exemption.

The Zone Sponsor extends The Firm's property tax exemption an additional [two] year(s) on all property that initially qualifies in the South Santiam Enterprise Zone in or before the assessment year beginning on January 1, 2001 and, thus, sets a total period of exemption of [five] consecutive years during which statutory requirements for the standard three-year enterprise zone exemption must also be satisfied and maintained.

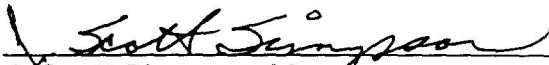
In order to receive the additional [two] year(s) of enterprise zone exemption granted herein, The Firm agrees herewith pursuant to ORS 285B.710(6)(a)(1997) that for each year of the exemption, all of The Firm's new employees shall receive an average level of compensation equal to or greater than 150 percent of the county average annual wage, in accordance with the definitions and guidelines in Oregon Administrative Rules (OAR), Chapter 123, Division 065, which provides that:

1. Such compensation may include non-mandatory benefits that can be monetized;
2. The county average annual wage is set at the time of precertification according to the 1997 Linn County average annual payroll rate of \$27,413, for which 150 percent equals \$41,119;

3. Only employees working at jobs filled for the first time after the application for precertification but prior to July 1 following the first full year of the exemption and performed within the current boundaries of the South Santiam Enterprise Zone are counted; and
4. Only full-time, year-round and non-temporary employees engaged a majority of their time in The Firm's eligible operations under ORS 285B.707 are counted, regardless if such employees are leased, contracted for or otherwise obtained through an external agency or are employed directly by The Firm.

The Zone Sponsor does not request any requirement of The Firm and relinquishes all rights to make the additional [two] years of property tax exemption granted herein contingent on additional requirements that might otherwise be reasonably requested under ORS 285B.710(6)(b)(1997).

Accepting for the Sponsor of the South Santiam Enterprise Zone:

  
 \_\_\_\_\_  
 J. Scott Simpson, Mayor

  
 \_\_\_\_\_  
 John E. Hitt, City Administrator

\_\_\_\_\_

(Include printed name(s), title(s), date(s), and name(s) of sponsoring jurisdiction(s), and cite source of authority (e.g., resolutions) as needed, and possibly counsel endorsement)

Accepting for AMTEK Research International, LLC:

  
 \_\_\_\_\_  
 Daniel Powell, V. P. of Finance

\_\_\_\_\_

\_\_\_\_\_

(Include printed name, title and date, and cite authorization as needed (e.g., attached letter from the owner or an appropriate executive officer, if agreement is accepted by an attorney or other indirect representative)

# OREGON ENTERPRISE ZONE PRECERTIFICATION APPLICATION

• Complete form and submit to the local enterprise zone manager before breaking ground or beginning work at the site. • Please type or print neatly.

APPLICANT			
Enterprise Zone (where business firm and property will be located) <b>SOUTH SANTIAM ENTERPRISE ZONE</b>		County <b>LINN</b>	
Name of Business Firm <b>AMTEK RESEARCH INTERNATIONAL LLC</b>		Telephone Number <b>(541) 259-3901</b>	
Mailing Address <b>250 N. HANFORD AVE</b>	City <b>LEBANON</b>	State <b>OR</b>	ZIP Code <b>97355</b>
Location of Property (street address if different from above)		City	State ZIP Code
Map and Tax Lot No. of Site	Contact Person <b>DAN POWELL</b>	Title <b>VP-FINANCE</b>	

My firm expects to apply for this property tax exemption in the following year(s): 2001

Check here if you have, or have had, other exemptions in this enterprise zone. Give the first year(s) of the exemptions you have received, are receiving, or expect to receive: \_\_\_\_\_

### ELIGIBILITY

- Eligible Activity** — Check all activities that apply within the enterprise zone:
- |   |                                      |                                   |
|---|--------------------------------------|-----------------------------------|
| <input checked="" type="checkbox"/> Manufacturing | <input type="checkbox"/> Fabrication | <input type="checkbox"/> Shipping |
| <input type="checkbox"/> Assembly                 | <input type="checkbox"/> Processing  | <input type="checkbox"/> Storage  |
- Other — describe the activities that provide goods, products or services to other businesses (or to other operations of your firm): \_\_\_\_\_
- Check here if your business firm engages in **ineligible activities** (such as retail sales, health care or construction). Describe below (or in an attachment) these activities and how they are physically separate from "eligible" activities checked above: \_\_\_\_\_
- Check here if a hotel, motel or destination resort in an applicable enterprise zone.
- Check here if a retail/financial call center. Indicate expected percent of customers in local calling area: \_\_\_\_\_ %
- Check here if a "headquarters" facility. (Zone sponsor must find that operations are generally not local and are significant.)

### EMPLOYMENT

- Do not count** temporary, seasonal, construction, FTE or part-time jobs (32 hours or less per week), or employees working at ineligible operations.
- New Employees** —
- Hiring is expected to begin on (date or month and year) . . . . . \_\_\_\_\_
  - Hiring is expected to be completed by (month and year) . . . . . \_\_\_\_\_
  - Estimated total number of new employees to be hired with this investment is . . . . . **\*\* SEE ATTACHED SHEETS**

**First-Source Hiring Agreement** —

Check here that your firm is entering into this agreement before hiring new eligible employees. (This mandatory agreement entails an obligation to consider referrals from local job training providers for openings within the zone.)

**Commitments** — By checking both boxes below you agree to the following commitments as required by law for precertification:

- I will hire one or more new employees in the zone on or before April 1 of the first year of exemption, and I will not substantially curtail employment within the zone during the exemption period; and
- By April 1 of the first year of exemption I will increase existing employment within the zone by 110 percent, and I will maintain at least that level as an annual average during the exemption period.

My firm's average annual employment within the zone over the 12 months prior to precertification was 8 existing jobs.\*

**Jobs Outside of the Enterprise Zone** — Check any that apply:

- Check here if your firm or a commonly controlled firm is, or will be, closing or curtailing operations in the state beyond 30 miles of the zone's boundary. If any operations are transferred to the zone, indicate timing, county and number of any job losses: \_\_\_\_\_
- Check here if you are moving any operations into the zone from site(s) within 30 miles of the boundary (existing businesses only):
- My firm's average annual employment within the zone and at the site(s) for the 12 months prior to precertification was \_\_\_\_\_ existing jobs.\*
  - My firm's total employment within the zone and 30 miles thereof by April 1 of the initial year of exemption will be \_\_\_\_\_ jobs. (estimate)

**INVESTMENT**

**Anticipated Timing — Dates or months/years.**

Action	Site		Building Construction / Modification**	Machinery and Equipment		
	Preparation**	Occupancy		Procurement	Installation**	Usage
To commence or begin on				**	SEE ATTACHED SHEETS	
To be completed by						

\*\*Must begin no sooner than the submission of this application and be completed by Dec. 31 before the initial year of the exemption.

Check here for building acquired/leased after (re)construction that began prior to this application (attach executed lease).

**Qualifying Property — Estimates of cost (please attach a preliminary list of machinery and equipment).**

Type of Property		Expected Estimated Cost
New building(s) or structure(s) each costing \$25,000 or more		\$
Additions to/modification of existing building or structure (total cost at least \$25,000 per single building/structure)		\$
Machinery and Equipment (please attach list)	Real property (attached to building or other real property/not readily movable)	\$
	Personal property items costing \$50,000 or more	\$
	Personal property items costing \$1,000 or more and used exclusively in tangible production	\$
<b>TOTAL ESTIMATED COST OF INVESTMENT (minimum \$25,000)</b>		<b>\$ SEE ATTACHED SHEETS</b>

**Summary Description —** in addition to what is explained elsewhere, briefly comment below (or in an attachment) on the scope of your investment, the particular operations and output that are planned, and the intended uses of the qualifying property.

AMTEK WILL BE INSTALLING AND OPERATING 2 NEW MANUFACTURING LINES FOR THE PRODUCTION OF LITHIUM BATTERY SEPARATORS

**SPECIAL CASES (see instructions)**

**Extended Abatement —**

Check here if you are requesting up to 2 additional years of exemption and committing to the accompanying requirements. If the request is granted, the local zone manager will attach the written agreement with the zone sponsor and fill out the following:

For Zone Manager Use Only	Total length of exemption: _____ years.	150% of county average annual wage: \$ _____ (except for urban zones in the Portland area)	Additional reasonable requirements requested by the zone sponsor? <input type="checkbox"/> Yes <input type="checkbox"/> No
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**Additional Urban Conditions —**

Check here if you are subject to additional conditions imposed under the policy/standards set by the sponsor of an urban enterprise zone. (If so, the local zone manager must attach a form detailing these conditions and your firm's related commitments.)

**Other Allowed Circumstances —** Check all that apply, for general information, and include appropriate attachments:

- Tax exemption for construction-in-process (CIP/separate application).
- Leasing of any qualifying property.
- Incentives of local sponsoring jurisdiction(s) to be provided.
- Public real estate available for sale or lease.
- Two corporations under common ownership treated as one firm.
- Partial occupancy of a qualifying building or structure.
- Investment of \$25 million or more by existing business not meeting employment requirements (attach resolutions).
- Investment subject to a change in the zone boundary.
- Site located inside of a terminated zone and business firm is "grandfathered" by prior ongoing investment/exemption.

Briefly explain checked items: AMTEK APPLIES FOR ALL INCENTIVES PROVIDED BY LOCAL SPONSORING JURISDICTION

**DECLARATION**

I declare under penalties of false swearing (ORS 305.990(4)) that I have examined this document and attachments, and to the best of my knowledge, they are true, correct and complete. If any information changes, I will notify the zone manager and the county assessor and submit appropriate written amendments. I understand that my business firm will receive the tax exemption for property in the enterprise zone, only if my firm satisfies statutory requirements (ORS Chapter 285 B) and complies with all local, Oregon and federal laws that are applicable to my business.

Signature of Authorized Representative of Business Firm <u>X [Signature]</u>	Date <u>11/03/00</u>
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Local enterprise zone manager and county assessor must approve this application (with form 150-303-082, the precertification approval).

Amtek Research International LLC  
Lebanon, OR 97355

### Capital Equipment — Teklon Line #2

#### > \$50 K

36 mm extruder	215,000
2" Die Package w/ oscillation & ai	93,000
Tower, idler rolls, and Collapse Fi	124,000
Capacitance bubble thick. gauge	102,000
Extractor & Dryer	195,000
Tenterette & Oven	415,000
Fixed Center Winder	215,000
Drives & Control System	66,700

**SUBTOTAL** 1,425,700

#### < \$50 K

Loss in weight feeder	21,794
melt pump	25,000
auto screen changer	30,000
Mix platform w/ slurry delivery	32,500
Koch mixer	7,000
Heating elements ( 2 x 1000 ea)	2,000
TCE ancillary equipment	40,000
Trim removal system	5,000
Anti-stat system	4,000
Web guidance system	20,000
Roll Handling system	9,500

**SUBTOTAL** 196,794

**TOTAL** 1,622,494

Amtek Research International LLC  
Lebanon, OR 97355

### Capital Equipment — Teklon Line #1

#### > \$50 K

36 mm extruder	215,000
150 gal mix tank	67,000
2" Die Package w/ oscillation & ai	93,000
Tower, idler rolls, and Collapse Fi	164,000
Extractor & Dryer	195,000
TCE ancillary equipment	60,000
Tenterette & Oven	415,000
Fixed Center Winder	215,000
Drives & Control System	66,700
Offline slitter/rewinder	95,000

**SUBTOTAL** 1,585,700

#### < \$50 K

Loss in weight feeder	21,794
Melt pump	25,000
Auto screen changer	30,000
Barcode system	18,000
Koch mixer	7,000
Vacuum pump system	3,500
Heating elements ( 2 x 1000 ea)	2,000
Trim removal system	5,000
Emveco measurement system	7,000
Gurley/ Permeability instrument	18,000
Anti-stat system	4,000
Web guidance system	20,000

**SUBTOTAL** 161,294

**TOTAL** 1,746,994