

Memorandum Date: October 1, 2013

TO: Board of County Commissioners
DEPARTMENT: CAO / Community & Economic Development Division
PRESENTED BY: Glenda Poling, Manager

SUMMARY MEMO:

APEL Extrusions is an aluminum extrusion business that is expanding its west coast operations and is moving to Coburg from Springfield. With APEL's move to Coburg the company plans to create about 25-30 employees to its 55-person workforce.

In a previous Board Order \$100,000 was awarded to APEL for the purpose of off-setting their building permit fees for the install of mechanical equipment. The amount would be confirmed with and paid to the City of Coburg for use by APEL.

It was recently learned that APEL Extrusions has contracted with EPUD to complete Electrical Utility upgrades into the Coburg site. Some of this work will benefit all users in the industrial site as well as specific permanent upgrades that are required to support the equipment APEL will install in 2014. Costs incurred to the immediate work are \$200,125 – these funds have been paid to EPUD as work began this week. Additional work will require the installation of transformers with an estimated cost of \$75,000 plus install and electrical routing work. The total cost for electrical utility upgrades for APEL will be in the realm of \$300,000.

After several discussions with Mike Flynn of APEL it seemed prudent and appropriate to use of the incentive dollars as reimbursement to APEL in the amount of \$100,000 for the cost of electrical capacity upgrades.

As Mike Flynn indicated, building electrical capacity to the Coburg North will benefit not only all users in the industrial park, but citizens as well. When incentives can be used for such items as electrical infrastructure, it delivers a message to the Business that we value their investment in Lane County and their commitment to create quality high wage jobs - an additional benefit in this case is that it also serves the greater public good.

Recommendation: Approve use of the incentive in the amount of \$100,000 previously granted by BO #133-07-23 07 to APEL for the purpose of reimbursing costs incurred for electrical utility infrastructure/upgrades

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO: 13-07-23-07

IN THE MATTER OF CONSIDERING
LANE METRO PARTNERSHIP'S
\$100,000 INCENTIVE REQUEST
FOR APEL

WHEREAS, the Board of Commissioners established a policy for distributing video lottery economic development funds that is adopted in Lane Manual Chapter 4, and

WHEREAS, the Board of Commissioners have authority to authorize incentives for the Economic Development recruitment and/or retention projects

WHEREAS, the Economic Development Standing Committee has forwarded the request for the Board's consideration

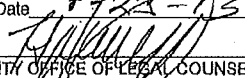
WHEREAS, the Lane County Board of Commissioners have taken into consideration the Economic Development Standing Committee's conditioned recommendation as noted in the Board Memo and have determined it is in the public interest to prioritize incentives to Apel

NOW, THEREFORE, the Board of County Commissioners of Lane County **ORDERS** as follows:
Award incentive funds for the above named project in an amount not to exceed \$100,000 and authorizing the County Administrator to sign the negotiated contract.

ADOPTED this 23rd day of July, 2013



Sid Leiken, Chair
Lane County Board of Commissioners

APPROVED AS TO FORM
Date 7-23-13


LANE COUNTY OFFICE OF LEGAL COUNSEL