

**CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS**  
**Staff Presentation Worksheet**

Presentation Date: Tuesday, March 1<sup>st</sup>, 2011    Time: 3:00pm    Length: 30 Minutes

Presentation Title: SoloPower project update

Department: Business and Community Services – Business and Economic Development

Staff: Gary Barth, Director, Business & Community Services; Catherine Comer, Manager, Business & Economic Development; Cindy Hagen, Business & Economic Development; Scot Sideras, Department of Transportation & Development.

Guest: Chad Freeman, Business Development Officer, Oregon Business Development Department

**POLICY QUESTION**

This study session is a briefing with regards to an upcoming business meeting agenda item. There is no policy decision required at this time.

**ISSUE & BACKGROUND**

SoloPower Inc. is a California based manufacturer of flexible, thin solar panels for roofs and other surfaces. Business Oregon, the City of Wilsonville, and Clackamas County worked in partnership to recruit the company to locate their new manufacturing operation in Wilsonville and redevelop a former distribution center. The firm is projecting a \$250 million capital investment in the facility creating more than 400 family-wage jobs over a 5 to 10-year period. Two components of the proposed incentive package require County involvement. They include:

1. *Creation of an Urban Renewal District:* The conversion of a vacant distribution center into a state-of-the-art solar manufacturing facility will require significant capital investment by SoloPower. Under the existing tax structure, this would result in a significant tax assessment to the firm. To be competitive, Wilsonville needed to provide tax incentives or rebates to the firm. Since Wilsonville does not qualify for an Enterprise Zone, they are proposing to form a new site specific Urban Renewal District to provide these tax incentives.
2. *Advance Guarantee:* In addition to the tax incentives, the City has proposed a \$4 million advance from the City's general fund to aid in the initial capital investment in the vacant distribution center. This advance would be repaid by future anticipated tax receipts. The City is requesting that Clackamas County guarantee 50% of this general fund advance not to exceed \$2 million.

**QUESTION(S) PRESENTED FOR CONSIDERATION**

1. Does the County, as an overlapping taxing district, support Wilsonville's creation of a site specific Urban Renewal District for SoloPower?
2. Is the County willing to provide the guarantee for half of the general fund advance as requested by the City and outlined above?

**OPTIONS AVAILABLE**

1. To support or not support the creation of the site specific Urban Renewal District.
2. To provide or not provide a guarantee.

**RECOMMENDATIONS**

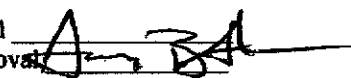
We recommend supporting the creation of the City's site specific Urban Renewal District and providing the guarantee.

**SUBMITTED BY:**

Division Director/Head Approval \_\_\_\_\_

Department Director/Head Approval \_\_\_\_\_

County Administrator Approval \_\_\_\_\_



For information on this issue or copies of attachments, please contact Cindy Hagen @ 503.742-4328.