

# GRESHAM

## REDEVELOPMENT COMMISSION

### AGENDA ITEM TYPE: DECISION

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### New Industries Grant Application: Owens Corning

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**Meeting Date:** September 17, 2019

**Agenda Item Number:** C-1

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#### REQUESTED COMMISSION ACTION

Move to approve a New Industries Grant of up to **\$75,000** to Owens Corning for new construction to be built and machinery and equipment to be installed at 18456 NE Wilkes Road, Gresham, OR 97230.

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#### PUBLIC PURPOSE AND COMMUNITY OUTCOME

The Gresham Redevelopment Commission (GRDC) created the New Industries Grant Program in 2006 to provide an incentive to industrial companies to make capital investments and create jobs in the Rockwood West-Gresham Urban Renewal Area (URA). The grant aims to help defray the cost of capital investments that increase the assessed value of property by improving upon the existing facilities and/or equipment. The increase in assessed value generates greater property tax revenue, which funds community improvement projects in the URA. Grant payments are made upon completion of agreed upon improvements and documentation that all other conditions of the grant are met.

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#### BACKGROUND

Owens Corning manufactures foam insulation products for residential and commercial use. The company headquarters are in Toledo, Ohio. Owens Corning was founded in 1938 and has manufacturing plants around the world. The Gresham facility, which was built in 2005, serves the Western United States and Western Canada. New Canadian regulations require Owens Corning to produce extruded polystyrene foam insulation for the Canadian building products market with different raw materials than US building products.

The proposed project will include the addition of a 400-square-foot building, tank storage systems, pumping systems and safety systems at an investment of \$5,800,000. This project will allow Owens Corning to continue to support the Canadian building products market beyond 2020. Their ability to supply product to the Canadian market is critical to the viability of the Gresham facility and retention of their 41 employees.

#### Grant Calculation

The maximum grant award for the New Industries Grant is equal to twice the GRDC's estimate of the first year of tax increment generated by the new investment, up to a

maximum of \$75,000. The project investment will total \$5.8 million. Staff recommends the maximum grant amount of up to \$75,000, estimating that construction and investments in machinery and equipment will generate roughly \$93,856 in property tax revenue in the first tax year after completion.

The grant will be paid out in one payment to the Grantee upon completion of their improvements, and after the Grantee provides satisfactory documentation of its capital investment in the property.

Located at 18456 NE Wilkes Rd, Gresham, OR 97230:



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## RECOMMENDATION AND ALTERNATIVES

Recommendation:

Move to approve a New Industries Grant of up to **\$75,000** to Owens Corning for new construction to be built and machinery and equipment to be installed at 18456 NE Wilkes Road, Gresham, OR 97230.

Alternative options include:

1. Deny the application
2. Request additional information and reconsider the application at a future GRDC meeting.

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## BUDGET / FINANCIAL IMPACT

Sufficient funds are budgeted within the Urban Renewal Support Fund to award the recommended grant. No budget adjustments are necessary.

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## PUBLIC INVOLVEMENT

No public involvement specific to this grant application has been undertaken.

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**NEXT STEPS**

If the GRDC approves the grant application, staff will prepare a Letter of Commitment detailing the terms and conditions of the grant. Payment of the grant occurs once documentation is received and costs incurred by the grantee for eligible capital improvements are verified.

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**ATTACHMENTS**

- A. Cover Letter
  - B. Grant Application
  - C. Construction Schedule
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**FROM**

Marlene Myers, New Industries Grant Coordinator

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**REVIEWED THROUGH**

Josh Fuhrer, GRDC Executive Director  
Office of Governance and Management  
Sharron Monohon, Budget and Financial Planning Director  
David Ross, Senior Assistant City Attorney

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**FOR MORE INFORMATION**

Staff Contact: Marlene Myers  
Telephone: (503) 618-2640  
Staff E-Mail: [marlene.myers@greshamoregon.gov](mailto:marlene.myers@greshamoregon.gov)  
Website: [GreshamOregon.gov/UrbanRenewal](http://GreshamOregon.gov/UrbanRenewal)

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Marlene Myers

Economic Development Specialist  
New Industries Grant Coordinator  
Gresham Redevelopment Commission  
133 NW Eastman Parkway  
Gresham, Oregon 97030

Dear Marlene,

Attached is our completed New Industries Grant Application. Please evaluate for consideration for public funding assistance.

This project is being undertaken due to changes in Canadian regulations. These regulations will require us to produce extruded polystyrene foam insulation for the Canadian building products market with different raw materials than US building products. This project will allow us to continue to support the Canadian building products market beyond 2020. Being able to supply product to the Canadian market is critical to the viability of our Gresham facility.

Our proposed project will include the addition of a building (400 sq ft), tank storage systems, pumping systems, and safety systems. This project is expected to be completed in the 3<sup>rd</sup> quarter of 2020. This project will not result in the hiring of additional employees.

Regards,

Ross Laver

Maintenance Leader  
Owens Corning Foamular  
18456 NE Wilkes Rd  
Gresham, Oregon 97230  
[Ross.laver@owenscorning.com](mailto:Ross.laver@owenscorning.com)  
Tel#: 503-405-1012



**New Industries Grant**

**Application**

**BUSINESS INFORMATION**

Business Name		
Mailing Address		
Physical Building Address		
City	State	Zip
Website URL	Years in Business	Years in Business in Gresham
Ownership Structure: <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Sole Proprietorship		
Are your business taxes current? <input type="checkbox"/> Y <input type="checkbox"/> N		Have firm or major owners ever filed for bankruptcy? <input type="checkbox"/> Y <input type="checkbox"/> N

**CONTACT INFORMATION**

Contact Name		Contact Title
Phone Number	Fax Number	Email Address

**MAJOR OWNERS (Interest of greater than 20%)**

Name	Title	Name	Title
Address		Address	
Phone		Phone	
Fax		Fax	
Email		Email	

**BUSINESS DESCRIPTION**

Product or Service
Geographic Area Served

**SITE LOCATION OF NEW OR EXPANDING FACILITY**

Tax Lot Number		
Address		
City	State	Zip
Square footage of new or expanding facility.		

**OWNER OF PROPERTY (IF NOT APPLICANT)**

Name		
Contact Name		
Address		
City	State	Zip
Phone Number		

If the applicant is not the owner of the property, provide written evidence that the owner authorizes this work to be undertaken. (Typically, this is in the form of a lease or other written permission.)

**PROJECT COSTS**

Costs counting toward grant award:

New Construction	\$
Building Renovation	\$
Tenant Improvements (Impacts Assessed Value of Property)	\$
Machinery/Equipment/Installation	\$
Other (Please Specify)	\$
<b>TOTAL:</b>	\$

Costs not counting toward grant award:

Land Purchase	\$
Building Purchase	\$
Working Capital	\$
Other (Please Specify)	\$
<b>TOTAL:</b>	\$

**CURRENT AND PROJECTED EMPLOYMENT**

Job Type or Classification (Owner(s) compensation excluded)	Currently employed at project location		Projected new employment one year after completion*		Projected new employment beyond one year	
	Number of Positions	Average Wage	Number of Positions	Average Wage	Number of Positions	Average Wage
1.		\$		\$		\$
2.		\$		\$		\$
3.		\$		\$		\$
4.		\$		\$		\$
5.		\$		\$		\$
6.		\$		\$		\$

7.		\$		\$		\$
8.		\$		\$		\$
TOTALS:		\$		\$		\$

Please note the number of your current positions that are full-time or part-time, permanent or temporary (6 months or less).	Permanent		Temporary	
	Full-time	Part-time	Full-time	Part-time

Describe any employment benefits you offer.
Describe the criteria that qualify employees for benefits (i.e. job classification, hours, etc.)
How many of your current employees qualify for benefits?

### PROJECT FINANCING

Owner/Company Contribution	\$		
Bank (estimated)	\$	Term	Rate
Other (Please Specify)	\$	Term	Rate
Urban Renewal Grant Contribution (estimated)	\$		
TOTAL:	\$		

### ADDITIONAL INFORMATION

In addition to this completed and signed application, the following materials must be submitted:

- A Cover Letter that describes the project to be undertaken, including details of proposed capital improvements (type, square footage, purpose), and anticipated job creation information (number of new positions, hire date, wage levels). Explain the need for public funding to complete this project. Cover letter must be signed by applicant.
- Complete, detailed construction budget

### OTHER

The applicant understands that the Gresham Redevelopment Commission must approve the proposed improvements. Any work commenced prior to receipt of a complete application will not be eligible for reimbursement, and any work deviating from the approved work must be *pre-approved* by Gresham Redevelopment Commission to be eligible for reimbursement. Reimbursement will only be given for those expenses for which proof of payment can be shown.

**CERTIFICATION BY APPLICANT**

The applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining a grant and is true and complete to the best of the applicant’s knowledge and belief.

The applicant further acknowledges and agrees to the following:

- The Gresham Redevelopment Commission and the City of Gresham will not be responsible or liable in any way for injury or damage to third parties or property resulting from the conduct or actions of the applicant or agents of the applicant relating to the program or project funded under this grant.
- The applicant agrees to indemnify and hold the Gresham Redevelopment Commission and the City of Gresham harmless for any/all claims arising out of the activities funded under the terms of this grant.

Verification of any of the information contained in this application may be obtained by the Gresham Redevelopment Commission and the City of Gresham from any available source. By signing this application, the applicant authorizes the Gresham Redevelopment Commission or the City of Gresham to perform any necessary credit and background checks.

The information provided by the applicant and in any supplements thereto is submitted voluntarily and in confidence to the Gresham Redevelopment Commission and the City of Gresham. It is understood that non-exempt information contained in this application is subject to disclosure under Oregon Public Records Law, ORS 192.501 (21).

Print name of applicant	Title
Signature	Date

**PLEASE RETURN THIS APPLICATION WITH ALL ATTACHED DOCUMENTS TO:**

Marlene Myers  
 Economic Development Specialist  
 New Industries Grant Coordinator  
 Gresham Redevelopment Commission  
 1333 NW Eastman Parkway  
 Gresham, Oregon 97030  
 (503) 618-2640 – Phone  
 (503) 618-3301 – Fax



## OWENS CORNING CONSTRUCTION SCHEDULE

- On Site Construction Start – 3/2/2020
- Building Construction Start – 5/4/2020
- Building Construction Complete – 6/29/2020
- Mechanical / Electrical Equipment Complete – 9/7/2020

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# GRESHAM

## REDEVELOPMENT COMMISSION

### AGENDA ITEM TYPE: DECISION

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### Gresham Redevelopment Commission Meeting Minutes

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**Meeting Date:** September 17, 2019

**Agenda Item Number:** C-2

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#### REQUESTED COMMISSION ACTION

Move to approve minutes from the Gresham Redevelopment Commission meetings of May 21, 2019 and June 18, 2019.

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#### ATTACHMENTS

- A. Meeting Minutes: May 21, 2019
  - B. Meeting Minutes: June 18, 2019
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#### FROM

Cecille Turley, Program Technician

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#### REVIEWED THROUGH

Josh Fuhrer, Gresham Redevelopment Commission Executive Director

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#### FOR MORE INFORMATION

Staff Contact: Cecille Turley, Program Technician  
Telephone: (503) 618-2545  
Staff E-Mail: [Cecille.Turley@GreshamOregon.gov](mailto:Cecille.Turley@GreshamOregon.gov)  
Website: [www.GreshamOregon.gov/UrbanRenewal](http://www.GreshamOregon.gov/UrbanRenewal)

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