

ANNOTATED MINUTES

Monday, July 17, 1995 - 7:00 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PUBLIC HEARING

Chair Beverly Stein convened the hearing at 7:03 p.m., with Vice-Chair Sharron Kelley, Commissioners Gary Hansen, Tanya Collier and Dan Saltzman present on behalf of Multnomah County; Mayor Gussie McRobert, Councilors Jack Gallagher, Royal Harshman and Claudiette LaVert present on behalf of the City of Gresham, Councilor Robert Moore and Debbie Noah excused, and Council President Dave Eichner arriving at 8:05 p.m.

PH-1 The Multnomah County Board of Commissioners and the Gresham City Council Will Convene for the Purpose of Receiving Public Testimony on the Proposed Abatement Contract Between Multnomah County, the City of Gresham and Fujitsu Microelectronics, Inc., to Exempt Portions of Fujitsu Microelectronics' Proposed Project from Property Tax Assessments Under the Strategic Investment Program (SIP) Pursuant to ORS 285.330 and Multnomah County's Strategic Investment Program Policy, as Adopted by Resolution 95-77. Public Testimony is Limited to Three Minutes Per Person. The Gresham City Council May Take Action on the Contract Agreement At the Conclusion of the Public Hearing.

COMMISSIONER SALTZMAN CORRECTION TO ERRONEOUS OREGONIAN ARTICLE. DICK ROMANO PRESENTATION OF FUJITSU CORPORATE POSITION STATEMENT AND RESPONSE TO QUESTIONS AND COMMENTS OF CHAIR STEIN AND MAYOR McROBERT. PFM CONSULTANT PAT CLANCEY FINANCIAL OVERVIEW PRESENTATION AND RESPONSE TO BOARD QUESTIONS. PSU PROFESSOR TOM POTIOWSKY ECONOMIC IMPACT ANALYSIS PRESENTATION AND RESPONSE TO BOARD QUESTIONS. COUNTY COUNSEL SANDRA DUFFY CONTRACT AND FIRST SOURCE AGREEMENT PRESENTATION, DISCUSSION OF PROPOSED CHANGES AND RESPONSE TO BOARD QUESTIONS. COMMISSIONER TANYA

**COLLIER NEGOTIATING TEAM
PRESENTATION. GRESHAM NEGOTIATOR ROB
FUSSELL PRESENTATION IN SUPPORT OF
FUJITSU TAX ABATEMENT.**

**BOB ROBISON, ON BEHALF OF PORTLAND
COMMISSIONER GRETCHEN KAFOURY,
WRITTEN AND ORAL TESTIMONY IN
OPPOSITION TO TAX ABATEMENT. PAUL
THALHOFER TESTIMONY IN SUPPORT. JEAN
RIDINGS WRITTEN AND ORAL TESTIMONY IN
OPPOSITION. SUE O'HALLORAN AND JERRY
GILLHAM TESTIMONY IN SUPPORT. DICK
MANLEY TESTIMONY IN OPPOSITION. DAVID
MAZZA WRITTEN AND ORAL TESTIMONY IN
OPPOSITION. RON CRAIG WRITTEN AND ORAL
TESTIMONY IN SUPPORT. PATRICK
WHITCOMB TESTIMONY IN OPPOSITION.
BERTHA FERRÁN WRITTEN AND ORAL
TESTIMONY IN SUPPORT. TOM USTACH
TESTIMONY IN OPPOSITION. NEIL BEROZ
TESTIMONY IN SUPPORT. STEPHEN PRICE
TESTIMONY IN OPPOSITION. TERRY McCALL
TESTIMONY IN SUPPORT. ZACK SEMKE
TESTIMONY IN OPPOSITION. MICHAEL
DILLON TESTIMONY IN SUPPORT. BARBARA
DAVIS TESTIMONY IN OPPOSITION. SHAR
GIRARD TESTIMONY IN SUPPORT. ROSE MARY
JOSLIN AND EVERETT ANTILA TESTIMONY IN
OPPOSITION. DUANE ROBINSON TESTIMONY
IN SUPPORT. LISA TELLEFSON TESTIMONY IN
OPPOSITION. MARK NUISMER TESTIMONY IN
OPPOSITION. HAROLD WILLIAMS TESTIMONY
IN SUPPORT. TOM CROPPER, GERRI PECK,
FRANK GEARHART, BILL RESNICK, JOHN
MARKS, JENNIFER JORDAN, TERI DUFFY,
BONNIE MARINO-BLAIR, WILLIS BLAIR AND
LOUISE WEIDLICH TESTIMONY IN
OPPOSITION. DAN HARMON TESTIMONY IN
SUPPORT. DAN VIZZINI WRITTEN AND ORAL
TESTIMONY IN OPPOSITION. JIM
WORTHINGTON TESTIMONY IN SUPPORT.**

There being no further public testimony, Chair Stein recessed the joint hearing at 9:45 p.m. and Mayor McRobert convened the Gresham City Council meeting at 9:53 p.m.

SANDRA DUFFY, DICK ROMANO, RON CRAIG, PAT CLANCY, TANYA COLLIER, DAN SALTZMAN, CAROL POPE AND ROB FUSSELL EXPLANATION AND RESPONSE TO COUNCIL QUESTIONS, COMMENTS AND DISCUSSION. COUNCIL STATEMENTS IN SUPPORT OF TAX ABATEMENT AND EFFORTS OF FUJITSU AND NEGOTIATING TEAM.

COUNCILOR GALLAGHER MOVED AND COUNCILOR EICHNER SECONDED, TO APPROVE AND RECOMMEND TO MULTNOMAH COUNTY, THE STRATEGIC INVESTMENT PROGRAM AGREEMENT BETWEEN MULTNOMAH COUNTY, THE CITY OF GRESHAM AND FUJITSU, AND TO AUTHORIZE THE MAYOR AND THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY OF GRESHAM, WITH THE AMENDMENTS LISTED IN DRAFT 16, AND THE AMENDMENTS OF COMMISSIONER SALTZMAN AS FOLLOWS: PAGE 1, COMMUNITY SERVICE FEE, DELETE PARAGRAPH B "RELATED TO THE FACILITY"; PAGE 14, LINE 6, REFERRING TO THE \$500,000 HOUSING PAYMENT, CHANGE "COUNTY" TO "BOARD OF COUNTY COMMISSIONERS", AND ADD "CONSULTATION WITH THE GRESHAM CITY COUNCIL AND THE GRESHAM COMMUNITY DEVELOPMENT HOUSING CORPORATION AND THE COUNTYWIDE HCDC". MOTION UNANIMOUSLY APPROVED.

There being no further business, the meeting was adjourned at 11:00 p.m.

Tuesday, July 18, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BOARD BRIEFINGS

- B-1 Presentation of the Mt. Hood Cable Regulatory Commission Staff Report on Community Needs Ascertainment for Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village; and the Paragon Cable Franchise Renewal. Presented by David Olson and Julie Omelchuck.

POSTPONED TO 9:30 AM, TUESDAY, AUGUST 15, 1995.

- B-2 Status Update on the Proposed Willamette River Bridge Financing Package. Presented by Kathy Busse.

KATHY BUSSE, SHARRON M. WOOD AND STAN GHEZZI SLIDE PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION.

Tuesday, July 18, 1995 - 10:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

REGULAR MEETING

Chair Beverly Stein convened the regular meeting at 10:35 a.m., with Vice-Chair Sharron Kelley, Commissioners Gary Hansen, Tanya Collier and Dan Saltzman present.

- R-1 Request for Ratification of Abatement Contract Between Multnomah County, the City of Gresham and Fujitsu Microelectronics, Inc., to Exempt Portions of Fujitsu Microelectronics' Proposed Project from Property Tax Assessments Under the Strategic Investment Program (SIP) Pursuant to ORS 285.330 and Multnomah County's Strategic Investment Program Policy, as Adopted by Resolution 95-77

PAT CLANCY FINANCIAL OVERVIEW, SANDRA DUFFY CONTRACT DETAIL, AND PAMELA WEV

RELATED BENCHMARKS PRESENTATION. MS. DUFFY RESPONSE TO BOARD QUESTIONS. COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF STRATEGIC INVESTMENT PROGRAM AGREEMENT BETWEEN MULTNOMAH COUNTY, CITY OF GRESHAM AND FUJITSU MICROELECTRONICS AND TO EXECUTE THE AGREEMENT ON BEHALF OF MULTNOMAH COUNTY.

BONNIE MARINO-BLAIR WRITTEN AND ORAL TESTIMONY IN OPPOSITION TO TAX ABATEMENT. ALAN JONES TESTIMONY IN SUPPORT OF TAX ABATEMENT.

COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECOND, APPROVAL OF THE FOLLOWING AMENDMENTS: DELETE "MHCC BUDGET" AND REPLACE WITH "STRATEGIC WORKFORCE DEVELOPMENT PROGRAM" FROM EXHIBIT SECTION; REMOVE "RELATED TO THE FACILITY" FROM PAGE 1, SECTION B; ADD "OPERATORS 229, TECHNICIANS 124, ENGINEERS 48, ADMINISTRATIVE 74, SUPERVISORS 60" TO 1995 MATRIX FIGURES TO PAGE 3; ADD "FMI SHALL PROVIDE SUPERVISORS OF TEMPORARY OPERATORS AND OPERATOR I WITH PERFORMANCE CRITERIA SO THAT IF ANY EMPLOYEE FAILS TO MEET THESE THEY WILL BE REFERRED TO THE DEPARTMENT OF HUMAN RESOURCES BEFORE DISCIPLINARY ACTION. FMI'S DEPARTMENT OF HUMAN RESOURCES SHALL CONNECT AN EMPLOYEE FROM THE TARGETED POPULATION WITH THE APPROPRIATE PROVIDER OF COUNSELING SUPPORT AS IDENTIFIED BY THE COUNTY. THIS ADDITIONAL COOPERATIVE EFFORT INCLUDING EMPLOYEES WHO ARE AT THE RISK OF BEING TERMINATED FOR CAUSE

WHICH IS INTENDED TO IMPROVE EMPLOYEE RETENTION FIGURES SHALL BE TAKEN FOR THE FIRST YEAR OF EMPLOYMENT INCLUDING THE TEMPORARY PERIOD ON BEHALF OF AN EMPLOYEE FROM THE TARGETED POPULATION. NOTHING IN THIS PROVISION OVERRIDES FMI'S STANDARDS FOR EMPLOYMENT AS SET BY FMI'S PERSONNEL POLICIES AND PROCEDURES. THE EMPLOYEES FROM THE TARGETED POPULATION SHALL HAVE NO SPECIAL OR ADDITIONAL RIGHTS ARISING FROM THE FSA" TO PAGE 5; ADDING SECTION O, TUITION REIMBURSEMENT TO PAGE 7; ADD THE WORD "PROPERTY" PRIOR TO "TAX ABATEMENT" IN SECOND PARAGRAPH, PAGE 7; DELETE THE WORD "FOLLOWS" FROM MIDDLE PARAGRAPH, PAGE 11; DELETE PARAGRAPH B LANGUAGE AND SECOND FOOTNOTE AT BOTTOM OF PAGE AND ADD "SCHEDULE OF PERSONNEL FOR THE ENTIRE PROJECT FOR EACH FIRM. THE SCHEDULE OF PERSONNEL FOR THE PROJECT FOR FMI SHALL BE", FROM PAGE 12; ADD SCHOOL TO WORK LANGUAGE TO SECTION 2, PAGE 13; DELETE THE WORDS "EITHER" AND "REGULAR" AND ADD THE WORD "TEMPORARIES" FROM THE FIRST PARAGRAPH, PAGE 15; REPLACE THE WORD "COUNTY" WITH "THE BOARD OF COUNTY COMMISSIONERS" AND ADD "IN CONSULTATION WITH GRESHAM CITY COUNCIL AND THE GRESHAM COMMUNITY DEVELOPMENT HOUSING CORPORATION AND THE COUNTYWIDE HCDC" FROM SECTION 2, PAGE 15; NUMBER CHANGES TO PAGE 16; CHANGE "FMI REPORTING REQUIREMENTS" TO "REPORTING REQUIREMENTS" ON PAGE 19; DELETE "THESE WHICH ARE SUBMITTED TO THE COUNTY", "THEM" AND "THESE" "WHICH" AND "CONTAIN" AND ADD "FMI PROPRIETARY INFORMATION CONTAINED IN REPORTS AND DOCUMENTS SUBMITTED BY

FMI TO THE COUNTY IN SUPPORT OF THE REPORT IS SUBMITTED IN CONFIDENCE. COUNTY AGREES TO TREAT PROPRIETORY INFORMATION IN A CONFIDENTIAL MANNER WHILE ANY SUCH DOCUMENTS SUBMITTED TO THE COUNTY BECOMES PUBLIC RECORDS" TO PAGE 20; DELETE "THE NUMBER OF EMPLOYEES WHO" FROM C, PAGE 22; DELETE "WHETHER IT IS" AND ADD "THE NUMBER OF EMPLOYEES RECEIVING" TO 2, PAGE 22; DELETE "HOW MANY" AND ADD "THE NUMBER OF CHILDREN" TO 7, PAGE 23; DELETE SECTION B, TRANSPORTATION, ON PAGE 23; DELETE VARIOUS WORDS FROM SECTIONS D AND F, PAGE 24 AND RELETTER SECTIONS C, D, E AND F; ADD SPECIFIC LANGUAGE REGARDING ENVIRONMENTAL MANAGEMENT PLAN TO PAGE 27; ADD "THE COUNTY SHALL ALSO PREPARE AN ANNUAL REPORT TO THE PUBLIC DESCRIBING FMI'S COMPLIANCE WITH THE TERMS OF THIS AGREEMENT" TO 5, PAGE 28; DELETE THE WORD "EXEMPTION" AND ADD THE WORD "ABATEMENT" TO PAGE 29; REPLACE THE WORD "COUNTY" WITH "THE BOARD OF COUNTY COMMISSIONERS AFTER CONSULTATION WITH THE CITY OF GRESHAM" TO PAGE 37; REMOVE THE WORD "IS" AND ADD "THE ATTACHED EXHIBITS ARE" FROM D, PAGE 38. AMENDMENTS UNANIMOUSLY APPROVED.

COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF EXCLUSIVE FULL-SERVICE FIRST SOURCE HIRING AGREEMENT BETWEEN FUJITSU MICROELECTRONICS, PORTLAND DEVELOPMENT COMMISSION AND MULTNOMAH COUNTY, REVIEWED BY CITY OF GRESHAM. COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF THE FOLLOWING

AMENDMENTS: PAGE 2, DELETE "MULTNOMAH EDUCATIONAL SERVICE DISTRICT"; PAGE 3, DELETE "AND COUNTY" AND ADD "AS AN INDIVIDUAL WHO POSSESSES CORE COMPETENCIES, ABILITIES, TRAINING OR EXPERIENCE WHICH ARE CONSISTENT WITH THE JOB DESCRIPTION FOR THE SPECIFIC POSITION. CRITERIA FOR IDENTIFYING A QUALIFIED APPLICANT SHALL BE CONSISTENT WITH FMI JOB DESCRIPTIONS AND THIS AGREEMENT."; PAGE 4, NUMBER 12, DELETE "MULTNOMAH COUNTY SHALL DEVELOP A WORKING DEFINITION OF THIS TERM." AND ADD THE DEFINITION OF THE TERM UNDEREMPLOYED: "PERSONS EMPLOYED FOR UNDER 35 HOURS PER WEEK WHO DESIRE FULLTIME EMPLOYMENT AND/OR PERSONS WORKING FULLTIME AT A POSITION BELOW THEIR SKILL LEVEL."; PAGE 5, NUMBER 3, DELETE "MULTNOMAH EDUCATIONAL SERVICE DISTRICT"; PAGE 6, NUMBER 7, DELETE "AFTER FMI HAS HIRED AN APPLICANT REFERRED BY JOBNET, JOBNET SHALL NOT BE RESPONSIBLE FOR THE EMPLOYEES ACTIONS." AND ADD "JOBNET SHALL NOT BE RESPONSIBLE FOR AN APPLICANT'S ACTIONS DURING ANY PORTION OF THE REFERRAL OR EMPLOYMENT PROCESS."; PAGE 7, NUMBER F(2) ADD "OR IF JOBNET AND COUNTY FAIL TO ARRIVE AT A MUTUALLY SATISFACTORY AGREEMENT."; PAGE 9, G, DELETE "ACT AS A CONTACT FOR REFERRAL FOR FMI SUPERVISORS WHO IDENTIFY TARGETED POPULATION EMPLOYEES AS A HAVING A PROBLEM WHICH INTERFERES WITH THEIR EMPLOYMENT." AMENDMENTS UNANIMOUSLY APPROVED. COMMISSIONER KELLEY DISCUSSED CONCERNS WITH JOBNET RECRUITMENT LANGUAGE ON PAGE 4. MICHAEL DILLON OF MT. HOOD COMMUNITY COLLEGE AND MICHAEL OGAN OF PORTLAND DEVELOPMENT

COMMISSION COMMENTS IN RESPONSE.
COMMISSIONER COLLIER, SANDRA DUFFY,
ROB FUSSELL AND PAT CLANCY EXPLANATION
IN RESPONSE TO BOARD QUESTIONS AND
DISCUSSION. FIRST SOURCE HIRING
AGREEMENT UNANIMOUSLY APPROVED, AS
AMENDED. MS. DUFFY CLARIFIED THAT
COUNTY IS ACCEPTING THIRD PARTY
BENEFICIARY STATUS UNDER THIS
AGREEMENT.

COMMISSIONERS SALTZMAN, KELLEY,
HANSEN AND COLLIER PRESENTED
STATEMENTS AND COMMENTS IN SUPPORT OF
STRATEGIC INVESTMENT PROGRAM
AGREEMENT AND ACKNOWLEDGED EFFORTS
OF NEGOTIATING TEAM. CHAIR STEIN
ACKNOWLEDGED CONTRIBUTIONS OF
NEGOTIATING TEAM AND PRESENTED
STATEMENT IN OPPOSITION TO GRANTING A
PROPERTY TAX ABATEMENT. AGREEMENT
APPROVED, WITH COMMISSIONERS KELLEY,
HANSEN, COLLIER AND SALTZMAN VOTING
AYE, AND CHAIR STEIN VOTING NO.

There being no further business, the meeting was adjourned at 11:50 a.m.

Tuesday, July 18, 1995 - 1:30 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PLANNING ITEMS

Chair Beverly Stein convened the planning meeting at 1:31 p.m., with
Vice-Chair Sharron Kelley, Commissioners Gary Hansen and Tanya Collier present,
and Dan Saltzman present at 1:35 p.m.

P-1 ORDER in the Matter of Multnomah County Appointing Planning and
Zoning Hearings Officers

**UPON MOTION OF COMMISSIONER KELLEY,
SECONDED BY COMMISSIONER COLLIER,
ORDER 95-146 WAS UNANIMOUSLY APPROVED.**

Commissioner Saltzman arrived at 1:35 p.m.

- P-2 First Reading of a Proposed ORDINANCE Amending Comprehensive Framework Plan Policy 34, Trafficways, and the Accompanying Functional Classification of Trafficways Map

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF FIRST READING. ED PICKERING EXPLANATION. NO ONE WISHED TO TESTIFY. FIRST READING UNANIMOUSLY APPROVED. SECOND READING THURSDAY, JULY 27, 1995.

- P-3 SEC 8-94 DE NOVO HEARING, with Testimony Limited to 20 Minutes Per Side, Including Rebuttal, in the Matter of an Appeal of the April 3, 1995 Hearings Officer Decision AFFIRMING AND MODIFYING the Planning Director Decision and DENYING an Appeal in the Matter of APPROVING, Subject to Conditions, a Requested Significant Environmental Concern (SEC) Permit for an Addition to an Existing Single Family Dwelling, for Property Located at 5830 NW CORNELL ROAD. (Continued from May 23, 1995 and June 27, 1995)

PLANNER MARK HESS PRESENTED STAFF REPORT. HEARINGS OFFICER JOAN CHAMBERS EXPLANATION OF CRITERIA, APPLICABLE PROVISIONS, FINDINGS, KEY ISSUES, INTERPRETATION AND OTHER ISSUES LEADING TO DECISION. TO UPHOLD PLANNING DIRECTOR DECISION. APPELLANT DAN MCKENZIE PRESENTED ORAL AND WRITTEN TESTIMONY AND EXHIBITS IN OPPOSITION TO PLANNING DIRECTOR AND HEARINGS OFFICER DECISIONS. RALPH ROSENLUND TESTIMONY IN SUPPORT OF AFFIRMING PLANNING DIRECTOR AND HEARINGS OFFICER DECISIONS AND SEC PERMIT. ARNOLD

ROCHLIN PRESENTED ORAL AND WRITTEN TESTIMONY IN SUPPORT OF AFFIRMING PLANNING DIRECTOR AND HEARINGS OFFICER DECISIONS AND SEC PERMIT, AND REQUESTED TIME TO REVIEW APPELLANT'S SUBMITTALS. SCOTT ROSENLUND AND NANCY ROSENLUND TESTIMONY IN SUPPORT OF AFFIRMING PLANNING DIRECTOR AND HEARINGS OFFICER DECISIONS. MR. MCKENZIE REBUTTAL TO ISSUES RAISED IN MR. ROCHLIN'S TESTIMONY. IN RESPONSE TO A QUESTION OF CHAIR STEIN, COUNTY COUNSEL JOHN DuBAY SUGGESTED A RECESS WHILE THE BOARD AND PARTIES REVIEW MR. MCKENZIE'S EXHIBITS AND THE BOARD DETERMINES WHETHER THEY MAY BE ADDED TO THE RECORD.

The hearing was recessed at 2:37 p.m. and reconvened at 2:47 p.m.

MR. HESS EXPLAINED THAT THE COMPLETE SEC 8-94 FILE REFERRED TO IN HIS INTRODUCTORY COMMENTS INCLUDES THE HEARINGS OFFICER PROCEDURE, PRIOR PROCEEDINGS FOR THE ADMINISTRATIVE DECISION, AND THE ZONING VIOLATION FILE ZV 29-94, AND WAS SUBMITTED TO THE OFFICE OF THE BOARD CLERK ON MAY 22, 1995. THERE BEING NO REQUEST FOR CONTINUANCE OR OBJECTION TO ANY ASPECT OF THE HEARING, CHAIR STEIN CLOSED THE HEARING. COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, TO UPHOLD THE HEARINGS OFFICER DECISION, DENY THE APPEAL AND APPROVE THE APPLICATION. MOTION UNANIMOUSLY APPROVED.

FINAL ORDER 95-147 IN THE MATTER OF THE REVIEW OF THE HEARINGS OFFICER DECISION WHICH APPROVED SEC 8-94, A SIGNIFICANT ENVIRONMENTAL CONCERN (SEC) PERMIT FOR THE "ROSENLUND ADDITION" FILED

**WITH BOARD CLERK ON THURSDAY, JULY 20,
1995.**

There being no further business, the planning meeting was adjourned at
2:50 p.m.

Thursday, July 20, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

REGULAR MEETING

Chair Beverly Stein convened the regular meeting at 9:31 a.m., with Vice-Chair Sharron Kelley, Commissioners Gary Hansen and Dan Saltzman present, and Commissioner Tanya Collier excused.

**CHAIR STEIN INTRODUCED AND THE BOARD
GREETED ST. ANDREWS SUMMER DAY CAMP
VISITORS.**

CONSENT CALENDAR

**UPON MOTION OF COMMISSIONER KELLEY
SECONDED BY COMMISSIONER HANSEN, THE
CONSENT CALENDAR (ITEMS C-1 THROUGH C-
20) WAS UNANIMOUSLY APPROVED.**

NON-DEPARTMENTAL

C-1 In the Matter of the Re-Appointment of John Wight to the MERIT CIVIL
SERVICE COUNCIL

DEPARTMENT OF ENVIRONMENTAL SERVICES

C-2 ORDER in the Matter of Purchase and Sale Agreement for the Sale of
Certain Real Property to Fiona Erika Dady

ORDER 95-148.

C-3 ORDER in the Matter of the Execution of Deed D951196 for Repurchase
of Tax Acquired Property to Former Owner Homestead Holding Co. Inc.

ORDER 95-149.

- C-4 ORDER in the Matter of the Execution of Deed D951198 Upon Complete Performance of a Contract to Melissa Nolind

ORDER 95-150.

- C-5 ORDER in the Matter of the Execution of Deed D951202 for Certain Tax Acquired Property to Michael J. Bross

ORDER 95-151.

- C-6 ORDER in the Matter of the Execution of Deed D951203 Upon Complete Performance of a Contract to Charles L. Williams and Leslee Williams, Husband and Wife

ORDER 95-152.

- C-7 ORDER in the Matter of the Execution of Deed D951205 Upon Complete Performance of a Contract to Richard Renton and Roxanne Renton

ORDER 95-153.

- C-8 ORDER in the Matter of the Execution of Deed D951207 Upon Complete Performance of a Contract to Dwight M. Shank and Shirley F. Shank

ORDER 95-154.

- C-9 ORDER in the Matter of the Execution of Deed D951208 Upon Complete Performance of a Contract to Heritage Properties, Inc. 1/2 and Gary and Mary Arlene Moberly 1/2

ORDER 95-155.

- C-10 ORDER in the Matter of the Execution of Deed D951209 for Repurchase of Tax Acquired Property to Former Owner Margaret McGee

ORDER 95-156.

- C-11 ORDER in the Matter of Approval of Contract 15779 for the Sale of Certain Tax Foreclosed Real Property to Former Owner Thomas E. Miller

ORDER 95-157.

- C-12 ORDER in the Matter of Contract 15793 for the Sale of Certain Real Property to G & B Investments

ORDER 95-158.

- C-13 ORDER in the Matter of Contract 15794 for the Sale of Certain Real Property to Ronald Engesether, Jr.

ORDER 95-159.

- C-14 ORDER in the Matter of Contract 15796 for the Sale of Certain Real Property to Karl H. Keener and Linda Ann Keener

ORDER 95-160.

- C-15 ORDER in the Matter of Contract 15797 for the Sale of Certain Real Property to Jeffrey Fish

ORDER 95-161.

- C-16 Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 301694 Between the Oregon Department of Transportation, Multnomah County and Tri-Met, Allowing Tri-Met to Bid and Award the Construction Project for Pedestrian Shelters and Bicycle Storage Facilities at 9 East County Light Rail Stations

DEPARTMENT OF COMMUNITY CORRECTIONS

- C-17 Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 900265 Between the City of Portland and Multnomah County, Wherein City Funds \$107,152 to Participate in Contract with the Council for Prostitution Alternatives, Inc., Providing Services for Women Leaving Prostitution

DEPARTMENT OF JUVENILE JUSTICE SERVICES

- C-18 Ratification of Intergovernmental Agreement Contract 700076 Between the City of Portland and Multnomah County, Providing the Stipend for a

Weekly Restitution Program Entitled "Payback" Wherein Adjudicated and Diverted Youth Perform Maintenance Work at City Water Bureau Sites

- C-19 Budget Modification JJD 2 Requesting Authorization to Add \$7,000 in City of Portland Revenues to the Detention Division Budget for the Project "Payback" Program

DEPARTMENT OF COMMUNITY AND FAMILY SERVICES

- C-20 Ratification of Intergovernmental Agreement Contract 104715 Between the Oregon Department of Human Resources, Children's Services Division and Multnomah County, Providing \$170,040 in Funding for Substance Abuse Services for Clients of the Multi-Agency Family Support Team Project, for the Period July 1, 1995 through June 30, 1997

REGULAR AGENDA

PUBLIC COMMENT

- R-1 Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.

RICHARD KOENIG PRESENTED WRITTEN AND ORAL COMMENTS REGARDING FAMILY SERVICES MEDIATION PROGRAM.

NON-DEPARTMENTAL

- R-2 Presentation of Employee Service Awards Honoring 28 Multnomah County Employees with Five to Twenty Years of Service

BOARD GREETED, ACKNOWLEDGED AND PRESENTED 5 YEAR AWARDS TO BRUCE LLOYD, ANNETTE POTTS, BRIAN SCAZZAFAVO, JAMES SURRENCY AND DONNA WALTMAN OF ASD; MARIE GRIFFITHS OF DCC; PATRICIA FRAHLER OF DES; KARL JOHNSON OF JJD; AND NANCY McCOY, CAROL WARD AND JERRY WALKER OF NOND. 10 YEAR AWARDS TO LESLIE BRUNTON OF DA; JERRY BUCHANAN, GAIL McKEEL, STEVEN MILES AND CAROL NICHOLS OF DES. 15 YEAR AWARDS TO JANET

HENDRY OF DCC; RICKIE GILMORE, JOHN LOCKHART, SANDRA McFARLAND, SHARYN MIDDLETON, EDGARDO RIVERA AND TERESA RUTLEDGE OF DES; AND MARY BOYER OF NOND. 20 YEAR AWARDS TO MICHAEL BUFTON, SHIRLEY BURLINGHAM AND RALPH SCHAFFER, JR. OF DES.

DEPARTMENT OF COMMUNITY CORRECTIONS

- R-3 Presentation of Multnomah County Department of Community Corrections Employee Recognition Awards to Employee of the Year: Kathleen Treb; Highest Professional Standards: Dave Landis, Peter Sturdevant, Carl Goodman and Robin Rossmiller; Meritorious Service: Bill Bender, OB Addy, Kwame Boateng, Mike Grimes, Gloria Maier and Karen Rhein; and Community Recognition: Matthew Delenikos and Katy Gallagher

UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, PROCLAMATION 95-162 IN THE MATTER OF RECOGNIZING THE CONTRIBUTIONS OF KATHY TREB, DAVE LANDIS, PETER STURDEVANT, CARL GOODMAN, ROBIN ROSSMILLER, BILL BENDER, OB ADDY, KWAME BOATENG, MIKE GRIMES, GLORIA MAIER AND KAREN RHEIN WAS UNANIMOUSLY APPROVED. TAMARA HOLDEN PRESENTATION AND STAFF INTRODUCTIONS AS BOARD GREETED AND ACKNOWLEDGED EMPLOYEES.

NON-DEPARTMENTAL

- R-4 First Reading of a Proposed ORDINANCE Amending Ordinance Nos. 720 and 771 to Make Changes in the Bylaws of the Metropolitan Human Rights Commission

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF THE FIRST READING. HELEN CHEEK EXPLANATION. NO

**ONE WISHED TO TESTIFY. FIRST READING
UNANIMOUSLY APPROVED. SECOND READING
THURSDAY, JULY 27, 1995.**

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-5 First Reading of a Proposed ORDINANCE Amending Fees for Action Proceedings and Administrative Actions Under MCC 5.10 and Moving County Surveyor Fees from MCC 11.45 to MCC 5.10

**PROPOSED ORDINANCE READ BY TITLE ONLY.
COPIES AVAILABLE. COMMISSIONER KELLEY
MOVED AND COMMISSIONER HANSEN
SECONDED, APPROVAL OF THE FIRST
READING. JOHN DORST INTRODUCED NEW
SURVEYOR ROBERT HOVDEN. MR. DORST
EXPLANATION AND RESPONSE TO BOARD
QUESTIONS. NO ONE WISHED TO TESTIFY.
FIRST READING UNANIMOUSLY APPROVED.
SECOND READING THURSDAY, JULY 27, 1995.**

- R-6 Ratification of Intergovernmental Agreement Contract 300186 Between Multnomah County and the Port of Portland, Addressing Procedures to Improve Collection of Property Taxes Owing on Account of Port Agreements with Taxable Entities

**COMMISSIONER KELLEY MOVED AND
COMMISSIONER SALTZMAN SECONDED,
APPROVAL OF R-6. KATHY TUNEBERG
EXPLANATION. SANDRA DUFFY RESPONSE TO
BOARD QUESTIONS. AGREEMENT
UNANIMOUSLY APPROVED.**

- R-7 ORDER in the Matter of Authorizing a Public Sale of Properties Acquired by Multnomah County through the Foreclosure of Liens for Delinquent Taxes

**COMMISSIONER KELLEY MOVED AND
COMMISSIONER SALTZMAN SECONDED,
APPROVAL OF R-7. MS. TUNEBERG
EXPLANATION AND RESPONSE TO BOARD
QUESTIONS. MS. TUNEBERG TO PROVIDE**

COMMISSIONER KELLEY WITH ADDITIONAL INFORMATION. UPON MOTION OF COMMISSIONER SALTZMAN, SECONDED BY COMMISSIONER KELLEY, IT WAS UNANIMOUSLY APPROVED THAT LANGUAGE REFERRING TO ORDINANCE 795 BE DELETED FROM THE ORDER. ORDER 95-163 UNANIMOUSLY APPROVED, AS AMENDED.

DEPARTMENT OF HEALTH

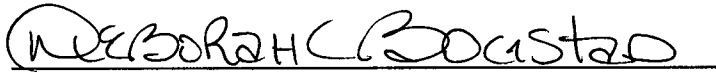
- R-8 Request for Approval of Contract 200726 Between Multnomah County and Buck Medical Services, dba American Medical Response, Northwest (AMR), Providing Exclusive Ambulance Franchise Services through 9-1-1 ALS Response, for the Period August 14, 1995 through August 14, 2000 (Continued from July 6, 1995)

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-8. BILL COLLINS EXPLANATION AND DISCUSSION OF FINAL CONTRACT CHANGES PURSUANT TO HIS JULY 19 MEMORANDUM. BETH BAUGHMAN OF COMMUNITY AMBULANCE PRESENTED WRITTEN AND ORAL TESTIMONY IN OPPOSITION TO CONTRACT. LORI HAMM OF CARE AMBULANCE PRESENTED WRITTEN AND ORAL TESTIMONY IN OPPOSITION TO CONTRACT AND RESPONDED TO BOARD QUESTIONS. MR. COLLINS AND COUNTY COUNSEL LARRY KRESSEL RESPONSE TO BOARD QUESTIONS AND DISCUSSION. MR. KRESSEL AND CHAIR STEIN RESPONSE TO CONCERNS OF CARE AMBULANCE. MR. COLLINS RESPONSE TO QUESTIONS OF COMMISSIONER SALTZMAN. UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER SALTZMAN, THE THREE AMENDMENTS PROPOSED VIA MR. COLLINS' MEMORANDUM OF JULY 19, 1995 REGARDING DISPOSABLE SUPPLIES REIMBURSEMENT RATES AND THE 90 SECOND BOEC DISPATCH

**POLICY WERE UNANIMOUSLY APPROVED.
CONTRACT UNANIMOUSLY APPROVED, AS
AMENDED.**

There being no further business, the meeting was adjourned at 10:26 a.m.

OFFICE OF THE BOARD CLERK
FOR MULTNOMAH COUNTY, OREGON



Deborah L. Bogstad



MULTNOMAH COUNTY OREGON

OFFICE OF THE BOARD CLERK
SUITE 1510, PORTLAND BUILDING
1120 S.W. FIFTH AVENUE
PORTLAND, OREGON 97204

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR • 248-3308
DAN SALTZMAN • DISTRICT 1 • 248-5220
GARY HANSEN • DISTRICT 2 • 248-5219
TANYA COLLIER • DISTRICT 3 • 248-5217
SHARRON KELLEY • DISTRICT 4 • 248-5213
CLERK'S OFFICE • 248-3277 • 248-5222

AGENDA

MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS

FOR THE WEEK OF

JULY 17, 1995 - JULY 21, 1995

| | |
|--|--------|
| Monday, July 17, 1995 - 7:00 PM - SIP Public Hearing | Page 2 |
| Tuesday, July 18, 1995 - 9:30 AM - Board Briefing | Page 2 |
| Tuesday, July 18, 1995 - 10:30 AM - Regular Meeting | Page 2 |
| Tuesday, July 18, 1995 - 1:30 PM - Planning Items | Page 3 |
| Tuesday, July 18, 1995 - PM - Board Briefing | Page 3 |
| <u>(IMMEDIATELY FOLLOWING PLANNING ITEMS)</u> | |
| Thursday, July 20, 1995 - 9:30 AM - Regular Meeting | Page 3 |

Thursday Meetings of the Multnomah County Board of Commissioners are
cablecast live and taped and can be seen by Cable subscribers in Multnomah County
at the following times:

Thursday, 9:30 AM, (LIVE) Channel 30
Friday, 10:00 PM, Channel 30
Sunday, 1:00 PM, Channel 30

Produced through Multnomah Community Television

**INDIVIDUALS WITH DISABILITIES MAY CALL THE OFFICE OF THE BOARD
CLERK AT 248-3277 OR 248-5222, OR MULTNOMAH COUNTY TDD PHONE 248-
5040, FOR INFORMATION ON AVAILABLE SERVICES AND ACCESSIBILITY.**

Monday, July 17, 1995 - 7:00 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PUBLIC HEARING

- PH-1 *The Multnomah County Board of Commissioners and the Gresham City Council Will Convene for the Purpose of Receiving Public Testimony on the Proposed Abatement Contract Between Multnomah County, the City of Gresham and Fujitsu Microelectronics, Inc., to Exempt Portions of Fujitsu Microelectronics' Proposed Project from Property Tax Assessments Under the Strategic Investment Program (SIP) Pursuant to ORS 285.330 and Multnomah County's Strategic Investment Program Policy, as Adopted by Resolution 95-77. Public Testimony is Limited to Three Minutes Per Person. The Gresham City Council May Take Action on the Contract Agreement At the Conclusion of the Public Hearing.*
-

Tuesday, July 18, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BOARD BRIEFING

- B-1 *Presentation of the Mt. Hood Cable Regulatory Commission Staff Report on Community Needs Ascertainment for Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village; and the Paragon Cable Franchise Renewal. Presented by David Olson and Julie Omelchuck. 1 HOUR REQUESTED.*
-

Tuesday, July 18, 1995 - 10:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

REGULAR MEETING

- R-1 *Request for Ratification of Abatement Contract Between Multnomah County, the City of Gresham and Fujitsu Microelectronics, Inc., to Exempt Portions of Fujitsu Microelectronics' Proposed Project from Property Tax Assessments Under the Strategic Investment Program (SIP) Pursuant to ORS 285.330 and Multnomah County's Strategic Investment Program Policy, as Adopted by Resolution 95-77*
-

Tuesday, July 18, 1995 - 1:30 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PLANNING ITEMS

- P-1 *ORDER in the Matter of Multnomah County Appointing Planning and Zoning Hearings Officers*
- P-2 *First Reading of a Proposed ORDINANCE Amending Comprehensive Framework Plan Policy 34, Trafficways, and the Accompanying Functional Classification of Trafficways Map*
- P-3 *SEC 8-94 DE NOVO HEARING, with Testimony Limited to 20 Minutes Per Side, Including Rebuttal, in the Matter of an Appeal of the April 3, 1995 Hearings Officer Decision AFFIRMING AND MODIFYING the Planning Director Decision and DENYING an Appeal in the Matter of APPROVING, Subject to Conditions, a Requested Significant Environmental Concern (SEC) Permit for an Addition to an Existing Single Family Dwelling, for Property Located at 5830 NW CORNELL ROAD. (Continued from May 23, 1995 and June 27, 1995)*
-

Tuesday, July 18, 1995 - PM
(IMMEDIATELY FOLLOWING PLANNING ITEMS)
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BOARD BRIEFING

- B-2 *Status Update on the Proposed Willamette River Bridge Financing Package. Presented by Kathy Busse. 45 MINUTES REQUESTED.*
-

Thursday, July 20, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

REGULAR MEETING

CONSENT CALENDAR

NON-DEPARTMENTAL

- C-1 *In the Matter of the Re-Appointment of John Wight to the MERIT CIVIL SERVICE COUNCIL*

DEPARTMENT OF ENVIRONMENTAL SERVICES

- C-2 *ORDER in the Matter of Purchase and Sale Agreement for the Sale of Certain Real Property to Fiona Erika Dady*
- C-3 *ORDER in the Matter of the Execution of Deed D951196 for Repurchase of Tax Acquired Property to Former Owner Homestead Holding Co. Inc.*
- C-4 *ORDER in the Matter of the Execution of Deed D951198 Upon Complete Performance of a Contract to Melissa Noland*
- C-5 *ORDER in the Matter of the Execution of Deed D951202 for Certain Tax Acquired Property to Michael J. Bross*
- C-6 *ORDER in the Matter of the Execution of Deed D951203 Upon Complete Performance of a Contract to Charles L. Williams and Leslee Williams, Husband and Wife*
- C-7 *ORDER in the Matter of the Execution of Deed D951205 Upon Complete Performance of a Contract to Richard Renton and Roxanne Renton*
- C-8 *ORDER in the Matter of the Execution of Deed D951207 Upon Complete Performance of a Contract to Dwight M. Shank and Shirley F. Shank*
- C-9 *ORDER in the Matter of the Execution of Deed D951208 Upon Complete Performance of a Contract to Heritage Properties, Inc. 1/2 and Gary and Mary Arlene Moberly 1/2*
- C-10 *ORDER in the Matter of the Execution of Deed D951209 for Repurchase of Tax Acquired Property to Former Owner Margaret McGee*
- C-11 *ORDER in the Matter of Approval of Contract 15779 for the Sale of Certain Tax Foreclosed Real Property to Former Owner Thomas E. Miller*
- C-12 *ORDER in the Matter of Contract 15793 for the Sale of Certain Real Property to G & B Investments*
- C-13 *ORDER in the Matter of Contract 15794 for the Sale of Certain Real Property to Ronald Engesether, Jr.*
- C-14 *ORDER in the Matter of Contract 15796 for the Sale of Certain Real Property to Karl H. Keener and Linda Ann Keener*
- C-15 *ORDER in the Matter of Contract 15797 for the Sale of Certain Real Property to Jeffrey Fish*
- C-16 *Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 301694 Between the Oregon Department of Transportation, Multnomah County and Tri-Met, Allowing Tri-Met to Bid and Award the Construction Project for Pedestrian Shelters and Bicycle Storage Facilities at 9 East County Light Rail*

Stations

DEPARTMENT OF COMMUNITY CORRECTIONS

- C-17 *Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 900265 Between the City of Portland and Multnomah County, Wherein City Funds \$107,152 to Participate in Contract with the Council for Prostitution Alternatives, Inc., Providing Services for Women Leaving Prostitution*

DEPARTMENT OF JUVENILE JUSTICE SERVICES

- C-18 *Ratification of Intergovernmental Agreement Contract 700076 Between the City of Portland and Multnomah County, Providing the Stipend for a Weekly Restitution Program Entitled "Payback" Wherein Adjudicated and Diverted Youth Perform Maintenance Work at City Water Bureau Sites*
- C-19 *Budget Modification JJD 2 Requesting Authorization to Add \$7,000 in City of Portland Revenues to the Detention Division Budget for the Project "Payback" Program*

DEPARTMENT OF COMMUNITY AND FAMILY SERVICES

- C-20 *Ratification of Intergovernmental Agreement Contract 104715 Between the Oregon Department of Human Resources, Children's Services Division and Multnomah County, Providing \$170,040 in Funding for Substance Abuse Services for Clients of the Multi-Agency Family Support Team Project, for the Period July 1, 1995 through June 30, 1997*

REGULAR AGENDA

PUBLIC COMMENT

- R-1 *Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.*

NON-DEPARTMENTAL

- R-2 *Presentation of Employee Service Awards Honoring 27 Multnomah County Employees with Five to Twenty Years of Service*

DEPARTMENT OF COMMUNITY CORRECTIONS

- R-3 *Presentation of Multnomah County Department of Community Corrections Employee Recognition Awards to Employee of the Year: Kathleen Treb; Highest Professional Standards: Dave Landis, Peter Sturdevant, Carl Goodman and Robin Rossmiller; Meritorious Service: Bill Bender, OB Addy, Kwame Boateng, Mike Grimes, Gloria Maier and Karen Rhein; and Community Recognition: Matthew Delenikos and Katy Gallagher*

NON-DEPARTMENTAL

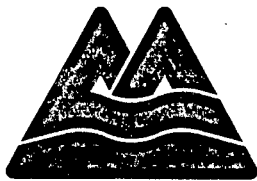
- R-4 *First Reading of a Proposed ORDINANCE Amending Ordinance Nos. 720 and 771 to Make Changes in the Bylaws of the Metropolitan Human Rights Commission*

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-5 *First Reading of a Proposed ORDINANCE Amending Fees for Action Proceedings and Administrative Actions Under MCC 5.10 and Moving County Surveyor Fees from MCC 11.45 to MCC 5.10*
- R-6 *Ratification of Intergovernmental Agreement Contract 300186 Between Multnomah County and the Port of Portland, Addressing Procedures to Improve Collection of Property Taxes Owing on Account of Port Agreements with Taxable Entities*
- R-7 *ORDER in the Matter of Authorizing a Public Sale of Properties Acquired by Multnomah County through the Foreclosure of Liens for Delinquent Taxes*

DEPARTMENT OF HEALTH

- R-8 *Request for Approval of Contract 200726 Between Multnomah County and Buck Medical Services, dba American Medical Response, Northwest (AMR), Providing Exclusive Ambulance Franchise Services through 9-1-1 ALS Response, for the Period August 14, 1995 through August 14, 2000 (Continued from July 6, 1995)*



MULTNOMAH COUNTY OREGON

OFFICE OF THE BOARD CLERK
SUITE 1510, PORTLAND BUILDING
1120 S.W. FIFTH AVENUE
PORTLAND, OREGON 97204

BOARD OF COUNTY COMMISSIONERS
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CLERK'S OFFICE • 248-3277 • 248-5222

MULTNOMAH COUNTY COMMISSION **MEETING** **AGENDA CHANGES**

Tuesday, July 18, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BOARD BRIEFING

- B-1** *Presentation of the Mt. Hood Cable Regulatory Commission Staff Report on Community Needs Ascertainment for Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village; and the Paragon Cable Franchise Renewal. Presented by David Olson and Julie Omelchuck. 1 HOUR REQUESTED.*

POSTPONED TO 9:30 AM, TUESDAY, AUGUST 15, 1995.

Tuesday, July 18, 1995 - PM
(IMMEDIATELY FOLLOWING PLANNING ITEMS)
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BOARD BRIEFING

- B-2** *Status Update on the Proposed Willamette River Bridge Financing Package. Presented by Kathy Busse. 45 MINUTES REQUESTED.*

MOVED UP TO 9:30 AM, TUESDAY, JULY 18, 1995.

1995-3.AGE/12/dlb
7/13/95

MEETING DATE JUL 17 1995
AGENDA NUMBER PH-1

AGENDA PLACEMENT FORM

SUBJECT: PUBLIC HEARING ON PROPOSED FUJITSU ABATEMENT AGREEMENT

BOARD BRIEFING: Date Requested: Monday, July 17, 1995

Amount of Time Needed: 30 minutes plus public testimony (estimated 2 hours)

REGULAR MEETING: Date Requested: _____

Amount of Time Needed: _____

DEPARTMENT: Management Support Services DIVISION Budget & Quality

CONTACT: Barry Crook TELEPHONE : 248-3575

BLDG/ROOM: 106/1400

PERSON(S) MAKING PRESENTATION: Commissioner Tanya Collier

Sandra Duffy, Multnomah County Pat Clancy, Public Financial Management

Tom Potiowsky, Portland State University & Public Financial Management

ACTION REQUESTED

☒ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☐ APPROVAL ☐ OTHER

SUMMARY (Statement of rationale for action requested, personnel and fiscal/budgetary impacts, if applicable):

The Multnomah County Board of Commissioners, in conjunction with the Gresham City Council, is requested to schedule a public hearing for the purpose of receiving public testimony on the proposed abatement contract between Fujitsu Microelectronics, Inc., Multnomah County and the City of Gresham to exempt portions of their proposed project from property tax assessments as permitted under the Strategic Investment Program (SIP) as set out in ORS 285.330 et. seq., and the County's Strategic Investment Program Policy, adopted by Resolution 95-77. Such public hearing to take place in Room 602 of the Multnomah County Courthouse on Monday, July 17, 1995 at 7:00 PM.

BOARD OF
COMMISSIONERS
JUL 12 PM 1:12
MULTNOMAH COUNTY
OREGON

Fujitsu's project will increase the assessed value base by \$100 million, which is expected to decrease taxes paid by the average property by \$20 per year. In addition, Fujitsu will make payments directly to Multnomah County equal to the lesser of 25% of the abated taxes or \$2 million in each year the abatement is in effect, as a Community Service Fee, as authorized by the state statute. This results in over \$8 million in payments to the County. The County's use of the Community Service Fee is not specified in the contract. Fujitsu has committed to provide the County with \$500,000 as a one-time payment for the County to use to develop affordable housing. Fujitsu has also agreed in the contract to pay for all impacts on local infrastructure as a result of the project.

SIGNATURES REQUIRED:

ELECTED OFFICIAL: _____

OR

DEPARTMENT MANAGER:  _____

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES

Any Questions: Call the Office of the Board Clerk 248-3277/248-5222



MULTNOMAH COUNTY, OREGON

BOARD OF COUNTY COMMISSIONERS

BEVERLY STEIN
DAN SALTZMAN
GARY HANSEN
TANYA COLLIER
SHARRON KELLEY

BUDGET & QUALITY OFFICE

PORTLAND BUILDING
1120 S.W. FIFTH - ROOM 1400
P. O. BOX 14700
PORTLAND, OR 97214
PHONE (503)248-3883

TO: Board of County Commissioners

FROM: Barry Crook, Budget & Quality Manager

TODAY'S DATE: July 11, 1995

REQUESTED PLACEMENT DATE: Monday, July 17, 1995

SUBJECT: Public Hearing on Proposed Fujitsu Microelectronics SIP Agreement

I. Recommendation / Action Requested:

The Multnomah County Board of Commissioners, in conjunction with the Gresham City Council, is requested to schedule a public hearing for the purpose of receiving public testimony on the proposed abatement contract between Fujitsu Microelectronics, Inc., Multnomah County and the City of Gresham to exempt portions of their proposed project from property tax assessments as permitted under the Strategic Investment Program (SIP) as set out in ORS 285.330 et. seq., and the County's Strategic Investment Program Policy, adopted by Resolution 95-77. Such public hearing to take place in Room 602 of the Multnomah County Courthouse on Monday, July 17, 1995 at 7:00 PM.

II. Background / Analysis:

The County's Negotiation Team, headed by Commissioner Tanya Collier, has completed negotiations on the terms of a contract granting tax abatement for the proposed expansion of Fujitsu's Gresham plant. They are proposing a major expansion of the plant in two phases. The first phase would include investment of \$500 million and the second phase would include investment of \$350 million. In addition, Fujitsu expects additional investment to bring the total investment to over \$1 billion by 2011. Under the terms of the Strategic Investment Policy, the County will agree to cap the assessed valuation of the new facilities identified in the application at \$100 million. This valuation grows at 4% per year.

The County's SIP directs recipients of the abatement to make efforts to achieve the County's goals in a number of areas. The County's program directed the contract to engage the recipients in a comprehensive program targeted toward welfare, underemployed and unemployed residents of Multnomah County. The contract represents a sincere commitment on the behalf of Fujitsu to become a leader in job creation and support of those County residents who have not become successful participants in The County's economic health. The contract seeks to get to a specific population with jobs, to provide services to those people in terms of child care, housing and transportation to assure that they will not find those impediments to job success. Additionally, the contract seeks to make certain contributions to the community at large.

III. Financial Impact:

Fujitsu's project will increase the assessed value base by \$100 million, which is expected to decrease taxes paid by the average property by \$20 per year. In addition, Fujitsu will make payments directly to Multnomah County equal to the lesser of 25% of the abated taxes or \$2 million in each year the abatement is in effect, as a Community Service Fee, as authorized by the state statute. This results in over \$8 million in payments to the County. The County's use of the Community Service Fee is not specified in the contract. Fujitsu has committed to provide the County with \$500,000 as a one-time payment for the County to use to develop affordable housing. Fujitsu has also agreed in the contract to pay for all impacts on local infrastructure as a result of the project.

IV. Legal Issues:

The contract is a binding agreement between the County and Fujitsu and sets forth a number of commitments by Fujitsu which must be met in order to retain the full benefit of the tax abatement. These commitments are in the following areas: investment, payment of the Community Service Fee, job creation, training, child care, housing, environmental protection, and mitigation of impacts on public infrastructure. In addition to the contract between Fujitsu and Multnomah County, a key element of the implementation of the goals set forth in the County's SIP policy and in the contract recitals, is the First Source Agreement (FSA) between the Portland Development Commission's (PDC) JobNet and Fujitsu. This contract, developed jointly by PDC and the County, requires Fujitsu to hire all of its jobs which require less than 2 years of college through JobNet. jobs requiring more than 2 years of college are jointly recruited by Fujitsu and JobNet. The FSA sets forth a number of steps and requirements for ensuring the targeted population finds its way into the positions created under that tax abatement program..

V. Controversial Issues:

There has been considerable debate within the community over the equity and wisdom of granting firms the tax abatement permitted by the State enabling legislation.

VI. Link to Current County Policies:

This proposed contract agreement has been negotiated in accordance with the policy established by the Board on April 13, 1995 under Resolution 95-77.

VII. Citizen Participation:

The public hearing being requested represents the opportunity for the public to comment on the proposed agreement. The policy under which this contract was negotiated was likewise subject to public comment prior to its adoption.

VIII. Other Government Participation:

The City of Gresham has participated as a working member of the negotiation team and will be part of the convening body for this public hearing. They will also be required to approve the terms of the contract. The Oregon Economic Development Department has acted as a sponsor for the applicant, Fujitsu Microelectronics, Inc., and prepared their application which was submitted to the County on May 8, 1995. The Portland Development Commission's JobNet is a party to the First Source Agreement which is an integral part of the implementation of the County's SIP goals.

Notice of Public Hearing

Monday, July 17, 1995

7:00 PM

Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

The Gresham City Council may take action on the contract agreement after the conclusion of the public hearing.

The Multnomah County Board of Commissioners and the Gresham City Council Will Convene for the Purpose of Receiving Public Testimony on the Proposed Abatement Contract Between Fujitsu Microelectronics, Inc.; Multnomah County; and the City of Gresham to Exempt Portions of their Proposed Project from Property Tax Assessments Under the Strategic Investment Program (SIP) as Set Out in ORS 285.330 et. seq., and the County's Strategic Investment Program Policy, as Adopted by Resolution 95-77. A Copy of Fujitsu's Application Under the County's Strategic Investment Program (Including Supplemental Materials), the Consultant Report to the Board of County Commissioners, and the Proposed Contract Agreement May be Inspected or Obtained On or After July 3rd at the Office of the Clerk of the Board for Multnomah County, Room 1510 of the Portland Building, 1120 SW 5th Avenue, Portland OR, Between the Hours of 9:00 AM and 5:00 PM Monday thru Friday; and at the Office of City Recorder for the City of Gresham (669-2301), 1333 NW Eastman Parkway, Gresham OR, Between the Hours of 8:00 AM and 5:00 PM Monday thru Friday.

The Board of County Commissioners is Scheduled to Take Action Regarding the Proposed Contract Agreement at a Meeting on Tuesday, July 18, 1995 at 10:30 AM in the Multnomah County Courthouse, Room 602, 1021 SW Fourth Avenue, Portland OR

Governing Body Chairperson, Beverly Stein
July 3, 1995



PUBLIC FINANCIAL MANAGEMENT, INC.

Financial and Investment Advisors

1000 SW Broadway, Suite 1500
Portland, Oregon 97205-3067
503-223-3383 (Fax) 503-223-7002

Fujitsu Microelectronics Strategic Investment Plan Contract Analysis

Multnomah County and Fujitsu Microelectronics Inc. (Fujitsu) completed negotiations on the terms of a contract granting tax abatements for the proposed expansion of Fujitsu's Gresham plant. Fujitsu develops, manufactures and markets a broad range of semiconductors. The Gresham Manufacturing Division opened in 1988 with 225,000 square feet of building. They are proposing a major expansion of the Gresham plant in two phases. The first phase would include investment of \$500 million and the second phase would include investment of \$350 million. In addition, Fujitsu expects additional investments to bring the total investment to over a billion dollars by 2011. The new plants will produce the next generation of Dynamic Random Access Memory microchips (DRAMs) and Erasable Programmable Read Only Memory (EPROM) chips, replacing the products currently manufactured at the existing plant. Fujitsu remains uncommitted as to the use of the old plant once the new ones are built but has expressed some plans for retrofitting to produce yet-undetermined products. Under the terms of the Strategic Investment Policy, the County will agree to cap the assessed valuation of the new facilities identified in the application at \$100 million. This valuation grows at 4 percent per year.

The County's SIP directs recipients of the abatement to make efforts to achieve the County's goals in a number of areas. This is different than the programs implemented elsewhere. Traditional SIP contracts have only specified mitigation of impact, up front payments and job creation. Multnomah County's program directed the contract to engage the recipients in a comprehensive program targeted toward welfare, underemployed and unemployed residents of Multnomah County. We are pleased with the outcome of the negotiations. The contract represents a sincere commitment on the behalf of Fujitsu to become a leader in job creation and support of those County residents who have not become successful participants in the County's economic health. The contract seeks to get to a specific population with jobs, to provide services to those people in terms of child care, housing and transportation to assure that they will not find those areas impediments to job success. Additionally, the contract seeks to make certain contributions to the community at large.

The contract is a binding agreement between the County and Fujitsu and sets forth a number of commitments by Fujitsu which must be met in order to retain the full benefit of the tax abatement. These commitments are in the following areas: Investment, Payment of the Community Service Fee, Job Creation, Training, Child Care, Housing, Environmental Protection and Mitigation of Impacts on Public Infrastructure. In addition to these contractual commitments, Fujitsu's expansion in Gresham will add \$100 million to the assessed value base in Gresham. This addition is expected to decrease taxes paid by the average property tax payer by \$20 per year.

In addition to the contract between Fujitsu and Multnomah County, a key element of the implementation of the goals is the First Source Agreement (FSA) between PDC's Job Net and Fujitsu. This contract, developed jointly by PDC and Multnomah County, requires Fujitsu to hire all of its jobs which require less than 2 years of college through Job Net. Jobs requiring more than 2 years of college are jointly recruited by Fujitsu and Job Net. The FSA sets forth a number of steps and requirements for ensuring the targeted population finds its way into the positions created under the tax abatement program.

Investment

In order to benefit from the tax abatement program, Fujitsu must investment in capital improvements to the manufacturing plant in Gresham. Since the assessed value under the SIP will be capped at \$100



million, Fujitsu must invest more than that to begin enjoying the benefits of the program. As noted, this results in the first part of the investment accruing to the tax roles in Multnomah County. Since the County is not limited in its property tax collections in the area where the plant will be built, additional assessed value does not result in increased tax revenues but rather results in lower taxes paid by the County's taxpayers. Without the expansion, taxes would be unchanged, with the expansion, taxpayers will pay less taxes. At the end of the 15 year abatement period, all of the assessed value will be on the County's tax rolls.

Payment of the Community Service Fee

The SIP requires Fujitsu to make payments directly to Multnomah County equal to 25% of the abated taxes. This results in over \$8 million in payments to the County. The County's use of the Community Service Fee is not specified in the contract.

Job Creation

The County sought to create a wide range of jobs with career advancement opportunities. We believe this goal has been attained.

The contract commits Fujitsu to the creation of 445 jobs. Over 330 of these jobs will be the type of job which presents an entry level opportunity for welfare, un- and under- employed residents of Multnomah County. Since it is not legal to require residency in Multnomah County, we have involved Job Net of the Portland Development Commission to be the exclusive recruiting agent of Fujitsu. Under a direct contract with the County and City, Job Net will seek applicants from mid-Multnomah County. They will develop a strategy to reach the population identified by the County. Fujitsu will be required to hire from this population to the extent Job Net can produce qualified applicants. This commitment to use the Job Net process will run during the entire period of the abatement.

Additionally, Fujitsu has committed to develop a program to track the career path of all newly hired workers to make sure targeted populations are supported in ways that allow them to progress professionally.

Fujitsu has committed to maintain both wages and benefits comparable to the present program. It expects, however, due to competition for workers, both wages and benefits will rise during the next decade.

In addition to the committed jobs, another 300 jobs are expected to be created in Multnomah County as indirect results of this expansion and several hundred construction jobs during the construction periods.

First Source Agreement

The contract requires Fujitsu to enter into an "Exclusive Full Service First Source Agreement" with Job Net. The FSA provides that all openings be advertised through Job Net. Positions requiring more than 2 years of college may, upon mutual agreement between Job Net and Fujitsu, be advertised outside of the Job Net process. The FSA sets forth a process through which the targeted population in Multnomah County is notified of the jobs. The FSA also sets forth a process for outreach to the Mid- and East-County residents to make them aware of job and training opportunities. The FSA is attached as an exhibit to the contract. The contract provides for payments equal to \$180,000 over the first three years and \$300 per job placement thereafter.

Training

The County sought to make sure that the targeted population would be qualified for jobs created under the SIP. This requires readiness skills in specific job related skills. We believe the contract has accomplished this goal.

Fujitsu acknowledged that it will be challenging to find 445 qualified people for their jobs. In order to accomplish the goal of hiring the County's targeted population Fujitsu has committed to participating in a

comprehensive skill development program to be designed cooperatively by East County schools, Mt. Hood Community College, Multnomah County and other major microelectronics firms. The program will involve the job readiness program at Mt. Hood Community College, the School to Work program and various other projects of the Consortium. The Mid-County Superintendents and Mike Dillion of MHCC have already begun meeting with Fujitsu to design and implement the program. They have committed to developing the program and funding up to 1/2 of the cost of such a program. The training program is expected to begin before the plant is completed. This will result in Fujitsu making payments prior to receiving the benefit of the abatement.

Once potential employees are identified by Fujitsu, they have committed to providing a paid, two week job training program to increase the beginning success of people being newly hired into the industry. Once on the job, Fujitsu has committed to maintaining various continuing education opportunities they already provide.

Lastly, Fujitsu has committed to providing 10 scholarships to MHCC and PCC a year for 15 years.

The total expected cost of the training component of the contract is approximately \$1.5 million over 15 years.

Child Care

The County sought to create a work environment which include child care options so that child care is not an obstacle to a career. We believe the contract has achieved this goal.

Fujitsu provides substantial child care subsidies to its employees. While its current program is somewhat limited in that it focuses on a single provider near the plant and that provider is only open during weekdays, the company has agreed to expand options to assure that no one has difficulties in taking or keeping a job due to child care concerns. This has involved a commitment to allow a preference for those needing child care for day shifts, and a commitment to fund alternative child care during the weekends and nights as necessary. Additionally, the child care subsidy has been increased for families making below the County's mean income.

The combined estimated cost to the company for new child care programs and subsidies is approximately \$1.1 million.

Housing

The County's goal in the area of housing was to remove housing costs as a barrier to employment and to increase the stock of affordable housing. We believe both of these goals have been met.

Fujitsu has committed to provide the County with \$500,000 as a one time payment for the County to use to develop affordable housing. Additionally, Fujitsu has committed to a rental subsidy program which will subsidize the cost of housing (up to \$200 per month) for families making below the County's mean wage. The expected cost of this program is \$650,000. To the extent that this program is not utilized by Fujitsu's employees, the unused portion will be contributed to the County for additional affordable housing. The entire housing related package is estimated at \$1.15 million.

Transportation

The County has sought to eliminate the lack of transportation as a barrier to employment and to encourage use of modes of transportation other than single occupancy vehicles. We believe this goal has been met.

Fujitsu has proposed three programs to address this concern. The first program is to provide shuttle service to and from the nearest light rail station for shift changes when Tri-Met is not running on Stark (in front of the plant). This really addresses two shift changes on which occur on Saturday and Sunday early mornings. The second is to subsidize the purchase of bus passes by paying half the cost of the pass.

The third initiative is to provide payments to van pool drivers to encourage the use of van pools. In addition to these specific programs, Fujitsu will be developing a traffic management plan aimed at trip reduction in conjunction with its permitting process in Gresham. This will include a plan to encourage more transit use, designation of prime parking spaces for car pools, provision of bike racks and shift scheduling to avoid traffic peaks.

Environmental Protection

The County sought to have Fujitsu take leadership in protecting the environment and reducing waste. We believe this goal has been met.

Fujitsu has a well documented history of complying with environmental regulations. They have regularly exceeded the minimum standards set by regulatory agencies. Fujitsu has agreed to revisit the extensive plan they have developed to include a more comprehensive program aimed not at compliance but at continued reduction of all toxins and waste products. Under this agreement, Fujitsu will use all new technology to reduce waste and consumption as it becomes available.

Impact Mitigation

The County sought to have all impacts on local infrastructure mitigated. This goal has been achieved.

The contract specifies that Fujitsu will pay for all impacts on local infrastructure as a result of this project. Those impacts are not specifically known at this time due to the fact that site plans have not been formally filed with Gresham. Gresham's normal process will evaluate all the impact on both Gresham's services and the County's services and assess appropriate costs before granting the necessary permits to complete the project.

Summary

We believe all the goals of Multnomah County's SIP have been addressed in this contract. The contract has been written toward outcomes rather than dollar figures. Fujitsu must achieve results, not just spend money. To the extent that they can achieve goals in efficient means, the contract allows them to spend less. To the extent that goals are not being achieved, the contract specifies no maximum amounts of money that must be spent. Fujitsu must provide a training program to get people ready to work, they must hire through Job Net, they must support those hired through on-going training, addressing housing, child care, transportation needs as well as wages and benefits above the industry norm. They must act as an environmental steward and make contributions to the community at large through payment of property taxes, community service fees and contributions to a community wide affordable housing fund.

EXCLUSIVE FULL-SERVICE FIRST SOURCE HIRING AGREEMENT

FUJITSU MICROELECTRONICS, INC.

I. PARTIES

This Exclusive Full-Service First Source Hiring Agreement (FSA) is for the recruitment, referral and placement of employees in covered positions and is between Portland Development Commission JobNet Program (PDCJNP) and Fujitsu Microelectronics, Inc., Gresham, Oregon (FMI). Multnomah County (County) and City of Gresham (City) are Third Party Beneficiaries (TPB) of this FSA and are entitled to enforce its terms. By executing this FSA, County and City accept TPB status.

II. RECITALS

- A. On April 13, 1995, County adopted a Strategic Investment Program (SIP) Policy pursuant to the provisions of ORS 285.330 et seq. and ORS 307.123. This Policy provides procedures, goals and standards to evaluate SIP applications.
- B. The County, City and FMI must sign an SIP Contract setting out the additional reasonable requirements that FMI will meet in order for the County to request State financing for FMI's proposed Project. The Contract and the State financing are prerequisites for FMI qualifying for a Property Tax Abatement.
- C. A provision of the SIP Contract requires that FMI enter into an FSA with PDCJNP.
- D. PDCJNP is the entity designated as the publicly funded job training provider with which FMI must enter into a first-source hiring agreement pursuant to ORS 285.323.
- E. Amid regional growth and economic prosperity, too many citizens of Multnomah County live in poverty; a disproportionate share of them are women. Over 14% of families with children under the age of 18 have incomes below the poverty level; sixty percent of these households are headed by women. The County seeks to link the job creation benefits of industrial expansion to disadvantaged residents, ensuring access to new jobs by that population. The County also recognizes that in order to ensure the success of such residents in family wage jobs, private and public resources must be dedicated to the support of families during their transition from poverty to self-sufficiency.

- F. FMI and PDCJNP commit to work together and in partnership with Mount Hood Community College (MHCC), Portland Community College (PCC), other institutions of higher learning, Public School Districts, Multnomah Educational Service District, Oregon State Employment Department (OSED), Adult and Family Services (AFS), Private Industry Council (PIC), churches and social services infrastructure to identify, train and refer a targeted population of potential FMI employees to FMI for regular employment with career advancement opportunities.
- G. The targeted population includes welfare recipients, unemployed, underemployed, students in a School-to-Work Program and Oregon graduates of high schools, vocational and technical schools, two year and four year colleges and universities.
- H. The Multnomah County East Branch of AFS is the largest branch in the State providing services and welfare benefits for over 4000 families.
- I. There are a substantial number of unemployed and underemployed in Outer Southeast and East County.
- J. The parties recognize that this targeted population may have less financial, social and emotional support to cope with impediments to employment. The Parties commit to a strong collaborative effort to overcome these impediments by marshalling support services which will allow recruiting, training, referring and employing these persons.

THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

III. TERMS AND CONDITIONS

A. Definitions

1. Applicant: Persons who apply for employment with FMI, whether referred by PDCJNP or another referral source or self-referred.
2. Contract Worker: Persons hired on a temporary or permanent basis who are self-employed or employees of a business other than FMI who perform under a contract for services.
3. Covered Positions: Regular Jobs of FMI in the Portland Metropolitan area. There are two categories of covered positions:

- (1) Category One: Jobs which require less than a two year college degree or certificate which are not highly technical nor managerial in nature.
- (2) Category Two: Jobs which require a two year college certificate or degree, two or more years of college or are highly technical or managerial in nature.
4. Internal Hire: FMI positions which are filled by FMI regular employees by internal promotion, transfer or recall of a laid off employee.
5. Potential Applicant: Anyone who is a member of the targeted population or any other person who comes to PDCJNP to apply for a position with FMI.
6. Qualified Applicant: FMI, PDCJNP and County shall determine minimum threshold objective criteria for identifying a "qualified applicant" as an individual who possesses core competencies, abilities, training or experience which are consistent with the job description for the specific position. Criteria for identifying a qualified applicant shall be consistent with FMI job descriptions and this Agreement.
7. Regular Employee: Full-time regular employee on the regular payroll of FMI entitled to employer-paid benefits.
8. Regular Job: Full-time and part-time regular positions on the regular payroll entitled to employer-paid benefits.
9. School-to-Work: This is a program created pursuant to the Oregon Educational Act for the 21st Century which encourages educational institutions and businesses to develop programs related to School-to-Work transitions and work experience internships. ORS 329.885.
10. Targeted Population: A person who is a welfare recipient, unemployed, underemployed, school-to-work participant and graduates of local vocational and semiconductor training programs and other Oregon institutions of higher education.
11. Temporary Operator: An entry level operator who is a payrolled temporary employee hired with the intention that he/she will become a regular

employee. Such an employee can be hired for a regular position at any time during the nine month probationary period, but if not hired by the end of the nine months is not permitted to remain employed at FMI, unless there are no positions open at the end of the nine month probationary period. If such an employee is passed over for hiring when positions come open, FMI may terminate such an employee.

12. Underemployed: Multnomah County shall develop a working definition of this term.
13. Unemployed: Persons without a job that pays compensation or who is receiving unemployment compensation.
14. Welfare Recipients: Persons receiving support payments from AFS.

B. Recruitment

1. Exclusive Recruiting Through PDCJNP

- a. FMI shall recruit potential applicants for Category One covered positions exclusively through PDCJNP, except for internal hires.

It is agreed that FMI shall provide PDCJNP with an advanced notice a minimum of eight (8) weeks prior to the anticipated hire date for all planned hiring activity. If PDCJNP is unable to supply sufficient candidates by four weeks prior to the date of hiring, FMI will be authorized to pursue applicants from any other source of their choice.

If the eight week minimum notice is not reasonably possible, PDCJNP and FMI will work together to assure FMI meets its hiring requirement in the most effective manner.

- b. PDCJNP may share FMI job openings for all covered positions with its JobNet partners and affiliated agencies, including but not limited to the OSED, Department of Vocational Rehabilitation and AFS; PCC; Clackamas Community College; MHCC; PIC; and Employment, Training and Business Services.

2. PDCJNP Outreach to Targeted Population

- a. PDCJNP shall work with MHCC, OSED, social service agencies, churches, schools and others to identify potential applicants for all FMI covered positions.
- b. PDCJNP shall develop and implement recruitment processes for all covered positions.

3. Workforce Development

- a. FMI shall work with PDCJNP, MHCC, local public school districts, Multnomah Educational Service District and other education and training providers to develop training systems related to the semiconductor industry which will result in the targeted population acquiring the education and skills necessary for students to be certified as qualified applicants and meet FMI's employment needs.
- b. FMI shall assist in creating industry standards and a certification process for operators and technicians.
- c. FMI shall work with local education and training providers to develop cooperative education and internship programs for high school, community colleges and college/university students. FMI shall expend reasonable efforts to identify intern positions which students enrolled in microelectronics or semiconductor related training programs can fill.
- d. FMI shall help PDCJNP create screening and assessment tools for the targeted population. FMI shall not disqualify any potential training candidate on the basis of prior work history. FMI shall provide personnel to advise and screen candidates for semiconductor training programs at MHCC and local high schools. In the event the screening and assessment tools become obsolete, FMI agrees to initiate appropriate revisions

4. Notification of Open Covered Positions

FMI shall notify PDCJNP of its hiring schedule, position qualifications, wages offered, shifts

needed and other relevant job related information as soon as FMI becomes aware of the need for new employees in all covered positions. FMI shall provide job descriptions and qualifications for all positions in order to facilitate PDCJNP's determination of qualified applicants upon request from PDCJNP.

C. Referral and Hiring

1. PDCJNP shall process for referral any qualified applicant who applies or is referred for any covered position when an opening exists at FMI.
2. PDCJNP shall screen all applicants for openings for covered positions using the developed objective criteria determined pursuant to Section III (A)(6) to decide who is a "qualified applicant." FMI specifically agrees that successful completion of the MHCC training program which FMI established or approved and FMI's two-week training program will substitute for any requirement of a stable work history. However, FMI shall not be required to hire such an applicant if the applicant does not otherwise meet FMI's hiring criteria as established under Section III (A)(6) of this agreement.
3. PDCJNP shall refer applicants to FMI who meet the developed objective criteria FMI notified PDCJNP of openings for covered positions.
4. FMI shall request a specific number of applicants for each job opening and FMI shall conduct a personal interview with every qualified job applicant referred to FMI at FMI's request.
5. FMI shall make the final hiring decision on any job applicant but shall select employees for Category One covered positions from among the qualified persons referred by PDCJNP.
6. For Category Two position openings, FMI agrees to consider qualified applicants referred by PDCJNP and to make a good faith effort to maximize hiring from qualified local residents, graduates of local vocational and semiconductor training programs and local two and four year colleges and universities.
7. After FMI has hired an applicant referred by PDCJNP, PDCJNP shall not be responsible for the employee's actions.

8. FMI shall provide supervisors of Temporary Operators and Operators I with performance criteria so that if any employee fails to meet these they will be referred to the Department of Human Resources before disciplinary action. FMI's Department of Human Resources shall connect an employee from the targeted population with the appropriate provider of counseling support as identified by the County. This additional cooperative effort, as required under Section II (A)(3)(b) of the SIP contract (including employees who are at risk of being terminated for cause), which is intended to improve employee retention figures, shall be taken for the first year of employment, including the temporary period, on behalf of an employee from the targeted population. Nothing in this provision overrides FMI's standards for employment as set by FMI's personnel policies and procedures. The employees from the targeted population shall have no special or additional rights arising from the FSA.

D. Reporting Requirements

1. FMI, PDCJNP and the County shall work together to create reporting forms for the reporting requirements set out in Section II(C) of the SIP Contract between FMI and County/City.
2. FMI and PDCJNP shall work together to determine a process of disseminating employee surveys which will be used for evaluating how well the County goals are being met through the FMI, PDCJNP, County and City partnership.

E. Controlling Regulations and Laws

1. FMI and PDC shall comply with all federal, state and local laws, regulations, and ordinances relative to employment. If this Agreement conflicts with any labor laws or other governmental regulations, the laws or regulations shall prevail.
2. FMI and PDC agree to comply with Title VII of the Civil Rights Act of 1964, and with Section V of the Rehabilitation Act of 1973, as amended or with any successor statutes. No individual shall be excluded from participation in, denied the benefits of or subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of race,

color, sex, national origin, marital status, age, or religion.

F. Assignments and Modifications

1. If, during the term of this FSA, FMI should transfer possession of all or a portion of its business concerns affected by this FSA to any other party by lease, sale or assignment or otherwise, FMI, as a condition of transfer shall require the party taking possession to agree, in writing, to the terms of this FSA.
2. If PDCJNP's federal, state or local grants are suspended or terminated before or during the contract period, this FSA may be assigned to another member of JobNet mutually selected by FMI and County.
3. FMI and County may mutually agree to modify this agreement in order to improve the working relationship described herein.

G. Payment for Services

1. Compensation

FMI shall pay to the County, for PDCJNP's services, \$60,000 each year beginning August 1, 1995, and continuing through July 31, 1998. For the remaining years of this agreement, beginning August 1, 1998, FMI shall pay to the County, for PDCJNP's services, an annual amount computed as follows: (a) \$300 for each Category One job opening which occurred at FMI and posted with JobNet; and, (b) \$300 for each Category Two job placement which occurs at FMI through JobNet, in the prior fiscal year, July 1-June 30. A lump sum annual payment will be made to the County Finance Department by September 1 of each year.

2. Scope of Work

A summary of the scope of the work which will be provided to FMI by PDCJNP follows:

- a. Develop with FMI the objective criteria for "qualified applicant."

- b. Develop and implement recruitment processes for all FMI covered positions.
 - (1) Identify and locate the targeted population.
 - (2) Announce all job openings through PDCJNP's network.
 - (3) Perform preliminary screening and assessment based on agreed upon criteria.
- c. Develop with FMI the report forms necessary for quarterly and annual compliance reports.
- d. Develop employee survey and work with FMI to create a dissemination and collection process.
- e. Develop surveys and evaluation criteria for applicants from the targeted population who do not accept employment.
- f. Evaluate surveys, track targeted population and prepare report to County.
- g. Act as a contact for referral for FMI supervisors who have identified targeted population employees as having a problem which interferes with their employment.
- h. Evaluate job related portions of quarterly and annual FMI reports received from County and report back to County on compliance issues.
- i. Expand JobNet's contacts in outer southeast and East county.
- j. Assist in efforts to develop workforce strategies to increase education, training and job opportunities.
- k. Assist in creating a social services infrastructure in outer southeast and East Multnomah County.

3. Credit for participation by other SIP firms

In the event other firms enter into an SIP contract with the County, it is the intent of PDCJNP to fairly apportion the costs of its services between the firms. A ratio for apportionment will be created based upon the annual hiring commitment of

each company. PDCJNP will determine the additional marginal costs attributable to the addition firm(s). The total costs will be apportioned between all of the firms. FMI's maximum potential liability is limited to \$60,000 each of the first three years of this agreement, but it could receive a credit to the extent FMI's proportional share is less than \$60,000 in any one year. This provision does not apply after the first three years of the FSA.

H. Sanctions

A breach of the FSA is a breach of the SIP Contract. The sanctions set forth therein are applicable. Additionally, any actual costs incurred by PDCJNP on account of a breach, including administrative time of the staff, shall be paid by FMI to PDCJNP upon demand. In the event of a dispute regarding this provision, the Arbitration provisions of Section K. of this FSA apply.

I. Incorporation of SIP contract.

1. The SIP contract is incorporated into this FSA by this reference. To the extent there are any conflicts between the SIP contract and the FSA, the SIP contract controls.
2. However, this FSA is intended to implement the job creation and retention provisions of the SIP contract by providing further specificity regarding FMI's good faith efforts to hire from a targeted population.
3. To the extent that this FSA places additional obligations on FMI, it is not inconsistent with the SIP contract.

J. Effective Date

This FSA shall take effect when the Multnomah County Board of County Commissioners approves the SIP Contract.

K. Arbitration

If any breach or disputed term or condition of this FSA cannot be resolved to the mutual satisfaction of the parties, the binding arbitration procedure set out in Section IV A(6) et seq. of the SIP contract shall be used to resolve the matter.

L. Term

This FSA shall be in effect until the end of the property tax abatement period for FMI which is expected to include tax year 2011/12, ending June 30, 2012.

IT IS SO AGREED:

By _____
Fujitsu Microelectronics, Inc.
Office: _____
Dated: _____

By _____
Jan Burreson
Executive Director

Dated: _____

APPROVED AS TO FORM:

By _____
Portland Development Commission
Legal Counsel

Dated: _____

By _____
Beverly Stein, Chair
Multnomah County
Board of Commissioners

Dated: _____

REVIEWED:

By _____
Sandra N. Duffy
Assistant County Counsel

Dated: _____

By _____
Gussie McRoberts, Mayor
City of Gresham

Dated: _____

REVIEWED:

By _____
Richard Faus, Assistant City Attorney
City of Gresham

Dated: _____

F:\DATA\COUNSEL\WPDATA\SDX\263SND.CON\mw

STRATEGIC INVESTMENT PROGRAM CONTRACT

BETWEEN

MULTNOMAH COUNTY, OREGON,

CITY OF GRESHAM, OREGON,

AND

FUJITSU MICROELECTRONICS, INC.

JULY ___, 1995

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- C. Educational Career Progression in
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AGREEMENT

This Agreement is by and between Multnomah County (the County), the City of Gresham (the City) and Fujitsu Microelectronics, Inc. (FMI), 21015 SE Stark Street, Gresham, Oregon 97030.

RECITALS

A. The 1993 Oregon Legislature adopted House Bill (HB) 3686 to establish the Strategic Investment Program (SIP) by amending ORS 285.330 *et seq.* and 307.123. The SIP provides, upon approval and recommendation of the county in which the facility is located, incentives for the development of industrial facilities for statutorily defined "key industries". The SIP provides state revenue bond financing for eligible facilities. With County approval the value for property tax purposes of eligible facilities is limited initially to \$100 million while such bonds are outstanding (but no longer than 15 years).

B. In consideration of the state financing and the limits to property taxation, a company and the affected county and city, if the facility is located within a city, are required to enter into an agreement which specifies the conditions which must be met by the company, including, but not limited to, making special efforts to hire employees from within the county and payment of a Community Service Fee (CSF) to offset the costs of public services related to the facility. The governing body of the county and the city may impose additional reasonable requirements on an applicant for the SIP.

C. On April 13, 1995, the County adopted Resolution 95-77, which provides a process and criteria for the evaluation of applications for participation in the SIP. On May 8, 1995, FMI submitted an application for expansion of FMI's Gresham Manufacturing Division for manufacturing silicon wafers (The Project) pursuant to Resolution 95-77.

D. The County has reviewed the application of FMI and has relied on the application and on submittal of additional information by FMI to find that the application demonstrates compliance with the criteria and evaluation guidelines adopted by Resolution 95-77.

E. The City has reviewed the application of FMI and has relied upon said application and on submittal of additional information by FMI to find that the Project merits approval under the SIP.

F. This Agreement provides the terms under which the County and the City agree to recommend to the State of Oregon that the Project to be undertaken by FMI be financed under the terms of the

SIP and receive other benefits as authorized by law and as provided by this Agreement.

TERMS AND CONDITIONS

Now therefore, in consideration of the following mutual promises, the parties agree as follows:

I. DEVELOPMENT OF PROJECT BY MEANS OF STRATEGIC INVESTMENT PROGRAM

A. FAB II Investment

The Project, identified as FAB II by FMI, represents an investment of approximately \$1.032 billion.

B. Use of State of Oregon Industrial Development Revenue Bonds

FMI intends to apply for, and will take such actions as are required by the State of Oregon for, issuance of industrial development revenue bonds (the Bonds) to finance at least 5% of the costs of the Project as more specifically described in FMI's SIP application to the County dated May 8, 1995. The actual scheduling of the Project will be subject to the provisions of the agreements between FMI and the State of Oregon regarding issuance of the Bonds.

II. OBLIGATIONS OF FMI

In consideration of the County's and City's actions to approve an abatement of property taxes for FAB II presently estimated at approximately \$32 million (the property tax abatement), FMI has agreed to fill the role of an exemplary corporate citizen in Multnomah County. Such a citizen provides resources to prepare the unemployed and underemployed, including welfare recipients and school-to-work students, for entry level jobs which provide career paths, family wages, excellent benefits including child care, transportation and housing which assure the success of the employee in those jobs. An exemplary corporate citizen also leads the business community by progressing toward a goal to have no negative impact on the environment through state-of-the-art transportation and environmental programs. And, an exemplary corporate citizen positively affects the educational and economic well-being of the community in which it resides by directing its efforts and resources to the benefit of its community's citizens and businesses. In meeting these performance requirements, FMI agrees as follows:

A. Job Creation, Compensation, Retention and Career Paths

County goal: It is the Goal of Multnomah County to create long term jobs with family wages, benefits and working conditions for County residents or creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or underemployed, with a clear career track from entry-level jobs to family wage jobs.

1. First Source Agreement

In order to target the County's unemployed and underemployed population, FMI shall enter into an Exclusive Full-Service First Source Hiring Agreement (FSA), with the Portland Development Commission Job Net Program (PDCJNP). An executed copy of the FSA is attached to this Agreement as Exhibit A.

2. Creation of New Jobs

- a. FMI employs 535 FTE in its present Gresham facility (FAB I). This number is a baseline from which to calculate the number of new jobs added by FAB II. The job classifications for FAB I, the wage range, and the number of employees in each classification are set out below:

| Classifications | Wage Range | 1995 |
|-----------------|-----------------------|------|
| Operator | \$6.75- 16.97/hr. | |
| Technician | \$10.28- 24.84/hr. | |
| Engineer | \$578- 1,534/wk. | |
| Administrative | \$7.32- 24.34/hr. | |
| Supervisors | \$635- 1,267/wk. | |
| TOTAL | --- | 535 |

- b. FMI shall, as a result of development of the FAB II Project, create and retain, as described below, no less than 445 new jobs with benefits. "New Jobs" are defined as full time permanent positions on the regular payroll that are in addition to the 535 jobs identified above as an employment baseline

above which are assigned to the Project after the date of execution of this Agreement and meet retention and compensation requirements set out below. The phasing, number, and classification of such jobs shall be as follows:

Projected Full Time Employee Hiring Schedule

| Classifications | Wage Range | 1996 | 1997 | 1998 | Total |
|-----------------|-----------------------|------|------|------|-------|
| Operator | \$6.75- 16.97/hr | 32 | 149 | 149 | 330 |
| Technician | \$10.28- 24.84/hr. | 36 | 22 | --- | 58 |
| Engineer | \$578- 1,534/wk. | 9 | 20 | 8 | 37 |
| Administrative | \$7.32- 24.37/hr. | --- | 10 | --- | 10 |
| Supervisors | \$635- 1,267/wk. | --- | 10 | --- | 10 |
| TOTAL | --- | 77 | 211 | 157 | 445 |

FMI shall create, at a minimum, the total number of new jobs set out in the chart above for each of the identified years (the New Jobs). Each year's minimum shall be created by December 30 of the relevant year. A New Job is "created" when someone is hired as a regular full-time employee.

At present there are 48 contract employees at FAB I in non-production positions. It is anticipated that additional contract employees may be hired during the start-up period for FAB II which may include some production positions. The start-up period will end December 30, 1998. Permanent contract employees shall not be hired as regular full-time production employees. The number of permanent contract employees for non-production positions at FAB II shall not exceed 10% of the number of New Jobs at FAB II.

3. Job Retention and Career Paths

a. Retention of 445 Jobs

It is the intent of the parties that FMI create and retain 445 New Jobs after construction of FAB II. The retention of that number of New Jobs for each year of the

fifteen (15) years of the Property Tax Abatement is a specific condition of the Property Tax Abatement. Whether a failure to maintain the yearly minimum number of jobs is a breach of the agreement shall be determined under the procedures set out in Section IV A, which includes a provision for the County to waive the sanction for a breach, if it is determined that industry-wide conditions have made retention of job positions economically infeasible.

b. Retention of Individual Employees in a Specific Job and Advancement on Career Path

(1) Long-Term Employees

It is the intent of the parties that employees hired in New Jobs and employees hired for FAB I to replace employees transferred or promoted to FAB II be retained long term either in the initial position or in progressively more responsible positions within FMI. FMI shall demonstrate that 70% of all of its regular full-time employees as long-term employees. An employee whose employment with FMI terminates in less than two years will not be considered a long-term employee. The following employees will not be counted as a less than two-year employee: (1) those terminated for cause; and (2) those who voluntarily terminate employment other than for reasons of inadequacy of child care, transportation or housing.

(2) Promotional Practices

Current promotional practices have resulted in 69% of operators being promoted and 55% of technicians being promoted. To meet the County's goal of encouraging local employment that provides clear career paths, FMI shall, during the term of the Property Tax Abatement, maintain as a baseline the present promotion percentages and make good faith efforts to increase those percentages.

4. Wage Scales by Job Type

Beginning the sixth year of the Tax Abatement, and all subsequent years the Property Tax Abatement is in effect, 50% or more of the 445 New Jobs created shall pay an amount at or above the mean annual covered wage in Multnomah County as determined by the most recent data from the Oregon Employment Department.

5. Employer-Paid Benefits

FMI now provides its regular full-time employees, and part-time employees on a pro rata basis, with the following benefits:

- a. Medical insurance
- b. Dental insurance
- c. Vision insurance
- d. An Employee Assistance Plan
- e. Pension Plan
- f. 401K Plan
- g. Life insurance
- h. AD&D
- i. Long-term disability
- j. Bonus options
- k. Leave options
- l. Vacation
- m. \$ 125 Federal Dependent Care Reimbursement
- n. 30% Subsidy at Children's World Child Care Center or an equivalent service

For operators and technicians, these benefits represent 41% of salary. County/City recognizes that these benefits exceed the microelectronics industry standard. The parties also recognize that market conditions (e.g. health costs) may dictate a change in employee contributions or a redesign of benefits where such benefits become cost prohibitive.

County/City requires that FMI, during the period of the Tax Abatement, continue to provide benefits which represent the same percent of salary and which exceed its industry standard. The data to be used to determine the industry standard is Radford Consulting Group Survey of High Technology Companies, or its equivalent.

If, during the Property Tax Abatement, the industry standard provides health insurance benefits not, on the whole, equal to those provided under the Oregon Health Plan (OHP), then OHP (or its successor plan) shall be the minimum standard for an employee

health plan. Any such health insurance plan of FMI must also allow other employees not covered by the plan, and members of employees' families, to purchase health insurance at or below cost to the extent that FMI's health-insurance carrier will write coverage for such persons.

FMI specifically agrees that any future increases in required employee contributions for benefits based upon increases in premiums shall be on a pro rata basis, with employee and employer assuming a proportional share of the increase.

6. Child Care

County Goal: To provide support for all parents needing child care, especially entry-level parents.

To meet the County's goal and assure that no applicant for employment be unable to accept employment because of the unavailability of affordable child care, FMI shall provide all of its regular employees at FAB I and FAB II the following child care benefits:

- a. Shift assignment preference shall be given to any employee, regardless of job classification, who demonstrates in writing that a particular work shift will resolve or alleviate child care problems.
- b. Child care subsidies shall be paid for all FAB I or FAB II covered employees with children below the age of 14 whose gross family earnings fall below 75% of the average county wage level (\$20,800 per year 1994). Such qualified employees shall have the cost of their child care at Children's World Child Care Center subsidized at 50% of the market rate. All other employees with child care needs shall continue to receive the currently available 30% subsidy on the market cost of that child care at Children's World Child Care Center.
- c. FMI shall continue to provide child care resource and referral services through Metro Childcare Resources and Referral Agency (MCRRA) for all employees.
- d. FMI shall contract with MCRRA or an equivalent agency to accomplish a reasonable child care solution for every employee. It is

anticipated that night and weekend child care will be the most difficult to accommodate. FMI agrees to financially support the most cost-effective solution for its employees, including, but not limited to subsidizing expanded hours at an existing day care facility.

- e. If the County's goal cannot be met solely by subsidies to Children's World, then FMI must broaden its child care subsidy program to other MCRRRA providers in order to meet the goal.
- f. County will determine whether its goal has been met based on applicant and employee surveys conducted in a manner to be agreed upon by FMI and PDCJNP.

7. Transportation

County Goal: To encourage employees to use transit, carpools, vanpools, or alternative modes of transportation.

To meet the County's goal which is intended to lessen the harmful environmental impact of traffic and to assure that no applicant for employment be unable to accept employment because of the unavailability of affordable transportation, FMI agrees to the following transportation plan for regular employees hired for New Jobs:

- a. FMI shall provide a 50% subsidy of bus passes.
- b. FMI shall establish, through its on-site ride sharing coordinator, a program which matches employees by their location for the purpose of carpooling. Additionally, FMI shall pay a cash payment of \$35 per month for the driver of the vehicle who carpools with another FMI employee more than 80% of the work days in any one calendar month.
- c. FMI shall reserve ten of the most convenient spaces to the facility for carpool parking. This number shall be expanded if needed, or reduced after one year if not used.
- d. FMI shall negotiate and contract with Tri-Met or other transportation entity for the provision of additional outlying schedules which coincide with plant shift schedules.

- e. FMI shall provide bike racks.
- f. FMI shall provide shower and locker facilities to facilitate use of alternate modes of transportation.
- g. FMI shall guarantee rides home for those who work overtime or miss their carpool or vanpool.
- h. FMI shall continue to work with the City and Tri-Met to facilitate and encourage employee utilization of public transportation and to create a written transportation program.

Each applicant for a job with FMI shall be provided with a written statement which explains these benefits, as well as all other benefits that FMI will make available to those applicants who become employees.

B. Community Obligations

1. Community Service Fee

a. 25% up to \$2 million

For each year in which FMI receives the Property Tax Abatement, FMI shall pay to the County a Community Service Fee (CSF), as provided by ORS 285.330 (5) (b), equal to 25 percent of the property taxes abated in such tax year, but not exceeding \$2 million.

b. By November 15

Such payment shall be made to the County Finance Manager no later than November 15, beginning the first tax year of the Property Tax Exemption. Payment shall be made based on an invoice submitted by the County to FMI in such form and according to such method as shall be agreed to by the parties prior to November 15 of the tax year in which the Project is assessed and taxed. The payment shall be sent to:

Name: Dave Boyer
 Position Title: County Finance Manager
 Address: 1120 SW Fifth, Suite 1430
 Portland, OR 97204

c. Statement 30 Days in Advance

County shall provide FMI with a statement of the CSF due no less than 30 days prior to the due date.

d. CFS Not a Tax

Any increase in amounts paid by FMI as provided herein resulting from a change in property values shall not be considered a change in tax or tax rate.

2. Additional Contributions

FMI shall make additional monetary and in-kind contributions to the County in the amounts and at the times described herein. The in-kind contributions may consist of the allocation of staff time, facilities, equipment and/or any other activity on the part of FMI that furthers the program objectives of the County and FMI, as described herein.

a. Job Training

County Goals:

- ◆ *To build a world-class workforce that provides the full range of skills necessary to attract and sustain competitive, high performance companies.*
- ◆ *To graduate all children from high school with skills enabling them to succeed in the workforce and/or in post-secondary education, including the fundamental ability to read, write, communicate and reason.*
- ◆ *To establish stronger educational programs beyond the secondary level to meet the region's needs for accessible education, expanded graduate programs, high-quality research, technology transfer and economic development.*

- ◆ *To provide educational opportunities to enhance upward mobility for both technical and management roles.*

FMI shall make additional contributions to programs and facilities for training and education in the high tech industry as follows:

(1) Strategic Workforce Development Program

FMI will help establish the training programs and criteria for the training to be provided through the Strategic Workforce Development Program.

FMI shall make additional monetary contributions for start up and ongoing training costs for an East County Microelectronics Center related to education and training for the high tech industry.

The amount of these contributions shall be determined in the following manner:

(a) A Budget Committee comprised of representatives from MHCC, a superintendent of a school district member of Mt. Hood Regional Cooperative Consortium (MHRCC), the County and each microelectronics firm located in the County which has entered into an SIP contract with the County/City shall determine a Training Center start-up budget and an annual operating budget;¹

(b) After the budget is agreed upon by a majority of the committee, the funding for the budget shall be apportioned between the

¹ The public entities will enter into an ORS Chapter 190 Intergovernmental Agreement to authorize this partnership.

microelectronics firms which have entered into SIP contracts with County/City. The apportionment is based on a ratio of the SIP personnel commitment for the entire project for each firm.² Payments will be scheduled by the Budget Committee. Compliance by FMI with those scheduled payments, is compliance with this Agreement.

(2) School-to-Work

The Strategic Workforce Development Program will include the School-to-Work Program which operates in conjunction with local high schools.

Good faith efforts shall be made by FMI, along with other local semiconductor companies, to increase meaningful participation in the Program through the building blocks of implementation strategies identified and illustrated in the chart created by the Semiconductor Workforce Consortium (SWC) and attached as Exhibit B.

(3) Scholarships

FMI shall provide ten (10) scholarships of \$2,500 each for each year of the Property Tax Abatement to support students in the fields of engineering and science. Five scholarships shall be awarded at Mt. Hood Community College and five scholarships shall be awarded at Portland Community College. The scholarship money shall be paid to each school on or before January 1 of each year of the Property Tax Abatement. These scholarships shall be awarded

²

If Firm A has made a personnel commitment for its entire project of 500 employees and Firm B has made a personnel commitment for 1000 employees, Firm A will pay an amount equal to 1/3 of the budget and Firm B will pay 2/3 of the budget.

through each school's Financial Aid Office on a needs basis using applicable federal or state regulations to determine the need.

(4) Entry Level On-the-Job Training

FMI shall provide a minimum of two weeks (80 hours) on-site or off-site job training for each employee hired as an operator at no cost to the employee. The employee shall be paid at least Oregon minimum wage during the training period.

(5) Ongoing Education of Employees

FMI provides tuition reimbursement for its employees who take classes related to improving their on-the-job skills, or which lead to a certificate or degree relevant to the microelectronics industry. FMI shall make good faith efforts to identify and support employees for career paths through education in a manner demonstrated in the PDC chart attached as Exhibit C. This is an FMI employee benefit which shall continue under the terms and conditions set out in Section II A (5) above.

b. Housing Program

County Goal: To provide assistance securing affordable housing.

(1) For Employees

In addition to the County's general goal, the County wants to assure that no potential FMI employee be unable to accept a job due to the unavailability of affordable housing. In furtherance of the County's goal, FMI shall establish a program to provide affordable housing subsidies for all regular employees

holding New Jobs either special temp or regular who are wage earners with dependent children whose household earnings are below 75% of the average county wage (\$20,800 per year for 1994). The subsidy that FMI shall offer is as follows:

For any employee meeting the eligibility requirements as stated above, whose earnings are from \$6.75 per hour to \$8.00 an hour, FMI shall provide a housing subsidy of \$200 per month. For employees earning from \$8.01 per hour to \$9.30 per hour FMI shall provide \$100 in a monthly housing subsidy.

Each applicant for a job with FMI shall be provided with a written statement which explains this benefit, as well as all other benefits that FMI will make available to those applicants who become employees.

(2) For the Multnomah County Community

FMI shall make a one-time payment of \$500,000, on or before July 1, 1996, to the County Finance Department to be used to increase the inventory of affordable low-income housing in Multnomah County. The County will determine which community program will receive the funds.

Additionally, to the extent that the individual employee housing subsidies provided in Section II B (2)(b)(1) and individual employee relocation payments provided in Section II A (7)(b) do not total the estimated annual expenditures set out below, the difference shall be paid to the County Finance Department to be added to the community housing funds for affordable low-income housing.

SIP PROGRAM

| Year | Housing Subsidy | Year | Housing Subsidy |
|-------|-----------------|---------|-----------------|
| 1996 | 3,333 | 2004 | 32,050 |
| 1997 | 101,600 | 2005 | 32,542 |
| 1998 | 101,950 | 2006 | 33,059 |
| 1999 | 29,918 | 2007 | 33,602 |
| 2000 | 32,303 | 2008 | 34,172 |
| 2001 | 29,709 | 2009 | 34,711 |
| 2002 | 31,134 | 2010 | 35,400 |
| 2003 | 31,581 | 2011 | 37,060 |
| TOTAL | | 633,189 | |

c. Procure Locally Produced or Sold Goods and Services

County Goal: To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.

- (1) FMI shall have a written local procurement plan for expanding procurement of local goods and services. The plan will identify:
 - a. The types of goods and services which FMI purchases in the conduct of its business.
 - b. Those goods and services unavailable within the County and/or state.
 - c. The types of vendors with whom it presently contracts.
 - d. The solicitation efforts it can make to expand local procurement including, but not limited to

educating potential local suppliers through the Gresham and Troutdale and Portland Area Chambers of Commerce (notifications in their monthly newsletters, at bi-monthly noon forums, at Business AM's hosted by FMI and Expo-East & After Hour Showcase), working with Oregon Association of Minority Entrepreneurs to assure solicitation of Women's Business Enterprises (WBE), Minority Business Enterprises (MBE), and utilization of the Oregon Market Place which works with buyers seeking Oregon-based suppliers.

- e. A separate analysis of the construction expenditures for the Project which can be made locally through a contractual agreement with FMI's construction contractor in which the contractor makes a commitment to:

- (i) Purchase locally where the cost is the same or lower than non-local goods and services if quality specifications meet or exceed those of the non-local goods and services; and

- (ii) Hire local labor and craftsmen.

- (2) In 1994, \$1 million of FMI's monthly expenditures for goods and services were made within the State of Oregon, and of that amount, \$900,000 of its monthly expenditures were within Multnomah County. Using those figures as a baseline, it is FMI's goal to materially increase these expenditures annually. subject to FMI's ability to find local suppliers whose products meet FMI's specifications and quality standards and whose products cost the same or lower than non-local goods and services. FAB II construction expenditures are not credited against these figures.

d. Environmental Management Plan

County Goal: To approve tax abatements only for firms that demonstrate a commitment to environmental protection.

To meet the County goal, FMI must demonstrate its commitment to the environment by writing, adopting and implementing an exemplary Environmental Management Program (EMP) that has as its goal that FMI have no adverse impact on the environment to which it is a steward.

FMI's EMP shall be a systematic Environmental Management Plan which identifies baseline measures in each of the following categories: (1) toxic and hazardous materials; (2) water conservation, reuse and waste water discharge; (3) air quality; (4) waste reduction and recycling; and (5) energy conservation. The EMP shall include an evaluation matrix to measure progress toward eliminating FMI's environmental impact under the EMP over time.

FMI shall consult with Oregon Department of Environmental Quality employee Phil Berry, or his successor, and other consultants in drafting its EMP.

An acceptable EMP which meets the exemplary standard in the microelectronics industry as determined by DEQ, shall be submitted to the County on or before December 31, 1995. Compliance with this requirement is mandatory. The sanction for failure to comply, set out in Section IV B(10) is intended to disgorge a significant portion of the tax abatement until compliance occurs.

e. Infrastructure and Public Services

County Goal: To have no unmitigated adverse impacts on the level of services provided to existing residents of the County and City involving transportation infrastructure, utility infrastructure and public safety.

FMI shall comply with all applicable City and County development requirements to mitigate adverse impacts on the level of services to existing residents of the County and City which involve transportation and utility infrastructure and public safety. Failure to comply with these state or local development requirements is a breach of this Agreement.

C. FMI Reporting Requirements

1. FMI to Report Contract Compliance to County

FMI shall prepare and submit to County Budget and Quality quarterly reports on the jobs created under this contract, including compensation and job retention information. FMI shall prepare and submit to County Budget and Quality annual reports demonstrating compliance with all other aspects of this contract. The annual report shall include the quarterly report information on the jobs information for the quarter ending September 30. No separate quarterly report is required. The report is to be sent to the following address:

Barry Crook
Multnomah County Office of Budget & Quality
1120 SW Fifth Avenue, Suite 1400
Portland, OR 97204

2. Confidentiality of Reports

These reports and any documents in support of the report, which are submitted to the County are submitted in confidence. County agrees to treat them in a confidential manner. While any such

documents submitted to the County become public records, it is the intention of the parties to assert an exemption to disclosure for those documents under the Public Records Law, ORS 192.502(3). This contract is intended as the written request from FMI for confidentiality as well as the County's assurance it will treat the documents as confidential. These documents contain proprietary information which may give competitors an undue advantage which are also entitled to nondisclosure protection under ORS 192.501(2), and contain employee survey information of a private nature, exempt from disclosure under ORS 192.502(2).

FMI understands and agrees that the County may send portions of the report to other governmental entities for review, for example, the portion of the report on compliance with the EMP may be sent to DEQ for review. The confidentiality of the documents is intended to extend to them in the hands of all other governmental agencies. ORS 192.502(9) contemplates continued confidentiality for documents transferred by a public body to another public body.

3. Quarterly Reports on Job Creation, Compensation and Retention

Beginning the first year of the Property Tax Abatement, FMI shall prepare and deliver within 45 days of the close of each fiscal quarter (March 31, June 30, September 30 and December 31), a report addressing the number of jobs which have been created in the prior quarter, the compensation paid for those jobs and the retention percentage of jobs created prior to the prior quarter. These quarterly reports shall contain the following information:

- a. Hiring activity for the prior quarter for FAB II, including day of hire, title and level and starting compensation.
- b. Percent of FAB II employees hired before the prior quarter and who remain employed by FMI, those who have left and a classification of the reasons the employees, if any, left FMI.

- c. Hiring and termination activity of new employees of FAB I to demonstrate retention of the 535 FAB I jobs identified in Section II A (2) of this Agreement. This should include date of hire or termination; title, level, compensation and classification of reasons for termination.
- d. Number of promotions of operators within the classification promotions of operators to technicians within the classification and number of promotions from technician to other than a technician.
- e. The average amount of time of employees in each classification.

4. Annual Reports

FMI shall prepare and deliver by November 15 of the tax year following the tax abatement year, a report which addresses each of the reporting requirements listed below:

a. Benefits

FMI shall compile statistical data of the employee benefits provided for operator classifications. The data shall include FMI's actual costs to provide each of those benefits and the value of any tax credits or tax deductions, if any, applicable to any of those business expenses.

The report shall include industry data from which a meaningful comparison can be made to determine whether FMI has continued to provide 41% of salary as benefits for all employee classifications and to exceed the industry standard for employee benefits.

FMI, County and PDCJNP will work together to determine the form of report necessary to

track benefits of the targeted population. To the extent possible, data compilations generated and used by FMI in its operations will be used for the report to the County.

b. Hiring Outside of FSA

The report shall include information regarding employee hires made outside of the FSA. It shall include the date of hire, job classification, wage scale and residency (state, county, city) at, or just prior to, time of hire. A report form shall be created by County and/or City with FMI.

c. Child Care

FMI shall report the number of employee's who:

- (1) Receive child care subsidies;
- (2) Whether it is a 30% subsidy or a 50% subsidy;
- (3) The number of FMI employee children at each participating child care facility;
- (4) The efforts used to inform employees of their child care benefits (booklets or brochures should be attached);
- (5) The number of requests for alternative providers or alternative child care help.
- (6) The number of requests for a particular shift to accommodate child care needs. The number of requests granted, the number denied, the number put on a waiting list.
- (7) How many children, on the average, are provided child care benefits for a child on the 6 p.m.-to-6 a.m. shift? On

weekends during the day; on weekends during the night?

- (8) What was the total actual cost to FMI for direct subsidies to employees?

d. Transportation

The state may require companies to prepare Traffic Management Plans (TMP). The County will accept that report in lieu of the reporting requirements set out below to the extent the TMP covers the matter.

FMI shall report:

(1) Employee Transportation Matters:

- a. Total number of monthly bus passes subsidized for year for all employees (FAB I and FAB II).
- b. How many employees received the southeast relocation benefit for the year? Identify prior location for each employee and distance from plant. What was the median total cost per relocation? What was the median monthly rent (only) amount per relocation?
- c. Describe the FMI program which matches employees by their location for carpooling. Submit any written material which has been created in the implementation of the program. How many employee matches were made this year? How many payments of \$35 were made to drivers? What procedures are used to evaluate the plan? What program changes have been or will be made to improve employee participation? Any tax benefits? Net cost to FMI?

- d. Describe the results of negotiations with Tri-Met for provision of additional schedules for employees. What actual costs, if any, did FMI have for additional service? Any tax benefits? Net cost to FMI?
- e. FMI shall monitor reserved carpool parking spaces twice a day, one hour after shift change, for a week once a quarter to determine usage of carpool spaces. Please report those findings. Describe expansion or intent to decrease spaces, if any.
- f. FMI shall monitor bike racks and make a report in the same manner as for carpool spaces. What was FMI's net cost (after tax advantages) for this benefit?
- g. FMI shall report number of "guaranteed rides" provided pursuant to Section II C(4)(d) of this agreement? What was FMI's net cost (after tax advantages) for this benefit?

2. Community Transportation Matters:

Describe what progress has been made in the last year to facilitate and encourage utilization of public transportation and to create a written program. What does the program contemplate for the near and long future to continue progress toward the County/City goal of substantially decreasing reliance on single occupant automobiles by FMI employees?

e. Job Training

FMI shall report on:

- (1) Payments to Mt. Hood Community College for East County Microelectronics Training

Center

FMI shall report the amount of its payment to Mt. Hood Community College for its budgeted program share of capital and operating costs for the East County Microelectronics Training Center for the year and the date it was made.

(2) Scholarships

FMI shall report the amount of its scholarship contributions, the beneficiaries and the date made.

(3) Entry Level On-the-Job Training

FMI shall report the number of production entry-level employees who have had on-the-job training; the length of such training and the completion rate of the training.

(5) Ongoing Education of Employees

FMI shall report on its efforts to inform its employees of ongoing educational opportunities; the number of employees who received tuition reimbursements during the year; and, a comparison to the prior year. The reimbursement reporting should identify the type of program the employee was in, whether post-graduate degree, four-year degree, two-year degree, certification program, individual training or enrichment without certificate or degree goal.

f. Employee Housing Subsidy

FMI shall report on:

- (1) The number of employees receiving affordable housing subsidies in prior

years;

- (2) The total number of \$100 monthly subsidies;
- (3) The total number of \$200 monthly subsidies;
- (4) Net cost to FMI (after tax advantages) for program.

g. Community Housing Payments

FMI shall report on the amount of payment made and date of payment.

h. Local Procurement

FMI shall report:

- (1) Progress toward a written Local Procurement Plan, or amendments to the Plan.
- (2) The amount of FMI expenditures in Oregon.
- (3) The amount of expenditures in Multnomah County
- (4) The percent increase of expenditures over prior year.
- (5) All solicitation efforts to identify local providers of goods and services to propose bids.

i. Infrastructure and Public Service

- (1) FMI shall provide a copy of its development approval, including conditions of approval, within 30 days of the approval, so that the County/City can identify development impacts which have been or will be mitigated through development conditions and those which will have to be mitigated separately under this Agreement.
- (2) FMI shall report on its compliance with the conditions of approval for its development permit as it relates to transportation and utility infrastructure and public safety.
- (3) FMI shall report on its compliance with additional requirements for mitigation imposed under this Agreement.

D. Cooperation With Oregon Department of Revenue

FMI shall comply with the requirements of the Oregon Department of Revenue for designating and describing the improvements and equipment that are being financed, in whole or in part, by the Bonds and which shall be subject to the property tax exemption as described in this Agreement.

III. OBLIGATIONS OF COUNTY AND CITY

A. Findings

In consideration of the actions of FMI as described in this Agreement the County and the City find that:

1. Development of the Project will foster the economic growth and legislative policy as set forth in ORS 285.310.
2. The Project is consistent with the City of Gresham's Comprehensive Plan acknowledged by the Land Conservation and Development Commission pursuant to ORS chapter 197.

3. The completion of the Project in the County and the City would be in the best interest of the citizens of Multnomah County and the City of Gresham.

B. The County and City Agree as follows:

1. Approval of Provisions Related to Property Tax Exemption

The County and the City approve the provisions of this Agreement related to the Property Tax Exemption by execution of this Agreement. The County agrees to approve the application of FMI by official action of its governing body in compliance with ORS 285.330 et seq.

2. Request for Undertaking of Project

The County agrees to request that the state, acting through the State Treasurer authorize and issue revenue bonds in accordance with ORS 285.310 to 285.397 to finance, in whole or in part, the costs of the Project and lease the Project to FMI.

3. Property Tax Exemption

Upon issuance of the Bonds and leasing of the Project by the state, the Project shall be subject to assessment and taxation as provided in ORS 307.123.

IV. REMEDIES OF THE COUNTY

- A. Procedure to Determine if a Breach of Agreement by FMI Has Occurred

1. Multnomah County's Office of Budget and Quality (Budget) shall have the duty to monitor compliance by FMI with the terms of this Agreement.
2. If Budget has substantial evidence to believe that FMI has failed to comply with any term of this

Agreement, it will confer with City and take whatever action is necessary to aid in a preliminary determination of whether a breach has occurred. FMI shall have the burden of documenting compliance with this Agreement. FMI shall provide to the County such documentation or information as County requires to verify compliance with the Agreement.

3. If Budget determines that a breach has occurred, it shall send a notice to FMI that it is not in compliance with this Agreement. The notice shall be in writing and shall be sent to FMI at the following address:

Richard Romano
Fujitsu Microelectronics, Inc.
21015 SE Stark Street
Gresham, Oregon 97030

4. FMI shall have 30 days to respond in writing to any notice of noncompliance. If FMI's written response fails to satisfy the County that a breach has not occurred, the County may retain an outside consultant, or the County Auditor may be used to verify FMI's compliance. The City in which the Project is located may submit substantial evidence of a contract breach to Budget which shall commence this breach determination procedure. FMI shall provide access to the facility and to necessary records to aid in the determination.
5. If the County concludes that a breach of this Agreement has occurred, these procedures shall be followed:
 - a. If FMI agrees that a breach has occurred, it can enter into a compliance agreement to cure the breach.
 - b. If FMI does not agree that a breach has occurred, the parties shall mediate the matter with a professional mediation service recognized by and used by legal practitioners in the community. If there is an agreement that FMI has not breached the agreement, the

matter is concluded. If there is an agreement that FMI did breach the agreement, the parties shall enter into a compliance agreement. The terms of the compliance agreement are subject to the mediation and binding arbitration provisions of this Agreement.

- c. If no agreement is reached in mediation, the parties shall submit the matter to binding arbitration.
- 6. The parties shall use an arbitrator with the American Arbitration Association, or shall, by mutual agreement, choose an arbitrator from the official arbitrator list maintained by Multnomah County Circuit Court. If the parties cannot agree on an arbitrator, they shall submit the determination to the Presiding Judge of the Circuit Court.
- 7. In determining whether a breach of this Agreement has occurred, an arbitrator will have to interpret the terms of this Agreement. The arbitrator is charged with a duty to make a decision based on the plain meaning language of this Agreement and the evidence presented. In interpreting the non-objective performance standards set forth in this Agreement, the arbitrator shall interpret such standards in light of the County's goals set forth in Resolution 95-77. The arbitrator shall be guided by equitable principles as applied by courts of equity in order to arrive at to a fair result.
- 8. If the arbitrator determines that FMI has breached this agreement he/she shall:
 - a. Prepare a compliance agreement which sets a reasonable period of time for FMI to cure its breach; or
 - b. Impose the appropriate sanction provided in this Agreement. In the event a sanction for a breach is not specifically provided for in this Agreement, the arbitrator shall determine the sanction. The goal of the sanction is to disgorge any benefit FMI realized from the breach and imposing a 100% penalty (i.e. the payment due is two times what FMI should have

spent to comply with the agreement), but not to exceed 75% of the tax abatement value in the year of the breach; or

c. Determine whether the breach was on account of an industry-wide problem and beyond the control of FMI.

(1) The burden of proof to show that an industry-wide problem has prevented compliance with the terms of this Agreement is on FMI. This burden is met by a preponderance of the evidence. Even if an industry-wide problem exists in the area of employment, i.e. the industry is terminating employees and not hiring new employees, FMI's job-creation requirements are not excused unless there is no net hiring by FMI of regular full-time production employees in any of its plants wherever located.

(2) If there was no industry-wide problem which accounts for the breach of the Agreement by FMI, the appropriate sanction under this Agreement shall be imposed.

(3) If there was an industry-wide problem which resulted in the breach of this Agreement, the County, with input from the City, may waive the breach or the arbitrator may equitably mitigate the sanction, in whole or in part, balancing the best interests of the citizens of Multnomah County in the continued economic viability of FMI with the right of County citizens to have the benefit of the County's bargain in which substantial property taxes were foregone.

9. The decision of the arbitrator is final and binding on the parties. The arbitrator's decision shall be enforced as provided by the law of the State of Oregon.

10. The costs of the investigation and verification on a breach of this Agreement shall be paid by FMI if a breach has occurred. If no breach is determined to have occurred, the County/City shall pay for the investigation.

B. Specific Remedies for Specific Breaches

It is the intent of the parties that good faith efforts will be made to comply with all the terms of this Agreement. However, in such a large Project, over a long period of time (15 years) it is difficult to anticipate all contingencies with accuracy. In a spirit of fairness and recognizing the cyclical vagaries of business, the County/City are willing to waive sanctions where the variance from numerically ascertainable terms varies by a plus or minus 5%. For example, the requirement that job benefits represent 41% of salary can vary by 5%-- which means benefits can be 38.95% of salary (i.e. -5% variance) one year, and no sanction will be imposed. The variance is not cumulative (i.e. in the example above, in the year following the -5% variance, 41% remains the contract term which must be met and the variance, if any, is calculated from that). This waiver applies to Sections 2, 5 and 8 below.

If FMI breaches any provision of this agreement, the sanction for each breach is as set forth below:

1. Failure to Pay CSF

If, in any tax year, FMI fails to pay the CSF required under Section II B(1), or any portion thereof, the County may collect the amount of the delinquency plus a penalty equal to 100% of the delinquent CSF (i.e. twice the amount of the delinquency).

2. Failure to Create and Retain Jobs

If FMI fails to meet the job creation or job retention requirements of this Agreement, FMI shall pay an amount equal to twice the average gross annual salary plus benefits for operators and technicians in the year of the breach for every job not created or job not retained.

3. Failure to Retain Long-Term Employees

If FMI fails to retain long-term employees, as defined by this agreement, FMI shall work with PDCJNP to identify the problem(s) and to fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

4. Failure to Meet Promotion Requirements

If FMI fails to meet promotion requirements, FMI shall meet with PDCJNP to identify the problem(s) and fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

5. Failure to Maintain Compensation Levels, Including Benefits

If FMI fails to maintain wage levels, including benefits, except as otherwise provided in this Agreement, FMI shall pay twice the amount of the monetary benefit realized by FMI on account of its breach.

6. Failure to Use FSA

If FMI fails to perform its obligations under the provisions of the FSA, FMI shall pay 75% of the Property Tax Abatement for that year.

7. Failure to Meet Child Care Subsidy, Housing Subsidy, Transportation Costs or Other Employer Paid Benefit Requirements

If FMI fails to meet the child care subsidy, housing subsidy or other employer-paid benefits requirements under this Agreement, FMI shall pay an amount twice the subsidy payment or the cost which has been foregone from the time of the breach until time compliance begins.

8. Failure to Meet Procurement of Locally Produced

Goods and Services Requirements

If FMI fails to meet local procurement requirements, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goals.

9. Failure to Meet Reporting Requirements

If FMI fails to meet reporting requirements under this Agreement, FMI shall pay twice the amount necessary to have an auditor investigate and prepare the report, or any portion thereof which has been omitted.

10. Failure to Meet Any Environmental Objectives

If FMI, after submitting an acceptable EMP, fails to make material progress toward the objectives of its Environmental Management Plan, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

If FMI fails to submit an acceptable plan by December 31, 1995, or intentionally violates federal, state or local civil or criminal environmental laws, FMI shall pay 75% of the tax abatement for the tax year in which the failure or the act occurred.

11. Failure to Pay the Costs of Unmitigated Costs to Transportation and Utility Infrastructure and Public Safety

If FMI fails to meet any costs of unmitigated costs to transportation and utility infrastructure and public safety, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

12. Failure to Meet Job Training Requirements

a. Strategic Workforce Development Program

If FMI fails to make its payments to the SWD Program, the County shall collect an amount equal to twice the amount of the foregone payment.

b. School-to-Work

If FMI fails to meet its obligations in the School-to-Work Program, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goal.

c. Scholarships

If FMI fails to make scholarship contributions the County shall collect an amount equal to twice the amount of the foregone contributions.

d. Entry Level On-the-Job Training

If FMI fails to provide job training or pay wages during the training period, the County shall collect an amount equal to twice the amount of the foregone wages and the reasonable market value of the training.

e. Ongoing Education of Employees

If FMI fails to provide ongoing education of employees, the County shall collect an amount equal to twice the amount of tuition reimbursements paid in 1995.

C. Non-Applicability

These remedies shall not apply to any year for which FMI

has paid ad valorem property taxes on the full market value of the Project, due to cancellation or disqualification of the property tax exemption provided for by ORS 307.123.

No sanction or combination of sanctions shall exceed 75% of the total tax abatement for any single tax year. A tax year begins on July 1 and ends on the following June 30.

D. Allocation of Funds Paid by FMI for Failure to Comply with Agreement

Any funds collected under Sections IV B above, shall be paid to the County Finance Manager and held in a segregated fund. The funds shall be distributed by the County to a program or project in the area of public policy most directly related to the failure to comply.

V. REMEDIES OF FMI

If the City or County breaches this Agreement, FMI shall be entitled to exercise any of its legal or equitable remedies, either through the arbitration process set forth in Section IV A or through administrative or judicial processes.

VI. TERM OF AGREEMENT

This Agreement shall commence on the date of execution by the parties and terminate on the completion of the obligations of all parties after the conclusion of the final year of the Property Tax Abatement.

VII. ELECTION TO NOT CONSTRUCT OR TO DELAY PHASE 2

In the event that FMI elects not to commence construction of Phase 2 of the Project by January 1, 1997, or elects by January 1, 1997 to defer construction of Phase 2 to a later date, then the total number of New Jobs to be provided will be reduced by 234, and the rights and obligations under this Agreement of the parties will be proportionately reduced, except any monies already paid in excess of the proportional

amount does not have to be repaid, and this Agreement shall apply only to Phase 1.

If FMI does not commence construction of Phase 2 of the Project by January 1, 1997, but such a decision is only to defer construction of Phase 2 to a later date, then FMI shall so notify the County in Writing. If Phase 2 is constructed, then Phase 2 shall be taxed pursuant to ORS 307.123; provided however, that upon the completion of construction of Phase 2 FMI shall be obligated to provide an additional 211 New Jobs (445-234 in Phase 1) along with the other benefits and contributions which are otherwise required by this Agreement with respect to the additional 211 New Jobs.

VIII. MISCELLANEOUS TERMS

- A. No persons shall be denied or subject to discrimination in receipt of the benefits of any services or activities made possible by or resulting from the Agreement on the grounds of sex, race, color, creed, marital status, age, national origin, mental health or physical handicap, disabled or Vietnam era veteran status (except where there are bona fide occupational qualifications). Any violation of this provision shall be considered a material violation of the Agreement.
- B. All requirements of the Oregon Revised Statutes Nos. 279.320 through 279.430, Public Contracting, as applicable, are incorporated herein by reference.
- C. This Agreement shall be governed by the law of the State of Oregon. Any actions or suits commenced in connection with this Agreement shall be in Circuit Court of Multnomah County or Federal District Court for Oregon.
- D. This Agreement is the complete and exclusive statement of the Agreement between the parties relevant to the purpose described above and supersedes all prior agreements or proposals, oral or written, and all other communication between the parties relating to the subject matter of this Agreement. No modifications of the Agreement will be binding on any party except as a written addendum signed by authorized agents of each party. In the event that there is no tax abatement for any year within the 15-year abatement period, the parties may negotiate to modify the term of the Agreement. An arbitrator's

written determination under Section IV A of this Agreement is specifically included as part of this Agreement.

- E. All rights and remedies of each party shall be cumulative and may be exercised successively or concurrently. The foregoing is without limitation to or waiver of any other rights or remedies of either party according to law.
- F. The parties acknowledge that any payments required under this Agreement do not constitute property taxes and are not subject to the limits under Section II.B. Article XI of the Oregon Constitution.
- G. FMI acknowledges that its compliance with this agreement will be an important consideration for local government approval of any future applications seeking property tax exemptions.
- H. This agreement shall bind the successors and assigns of the parties.

DATED this _____ day of _____, 1995.

MULTNOMAH COUNTY

FUJITSU MICROELECTRONICS, INC.
(FMI)

Beverly Stein, Chairman
Board of Commissioners

Vice President

REVIEWED:

Sandra N. Duffy
Assistant County Counsel

CITY OF GRESHAM

Mayor

City Recorder

REVIEWED:

City Attorney

F:\DATA\COUNSEL\WPDATA\SDX\265SND.CON\mw

FSA

between

PORTLAND DEVELOPMENT COMMISSION
JOB NET PROGRAM

and

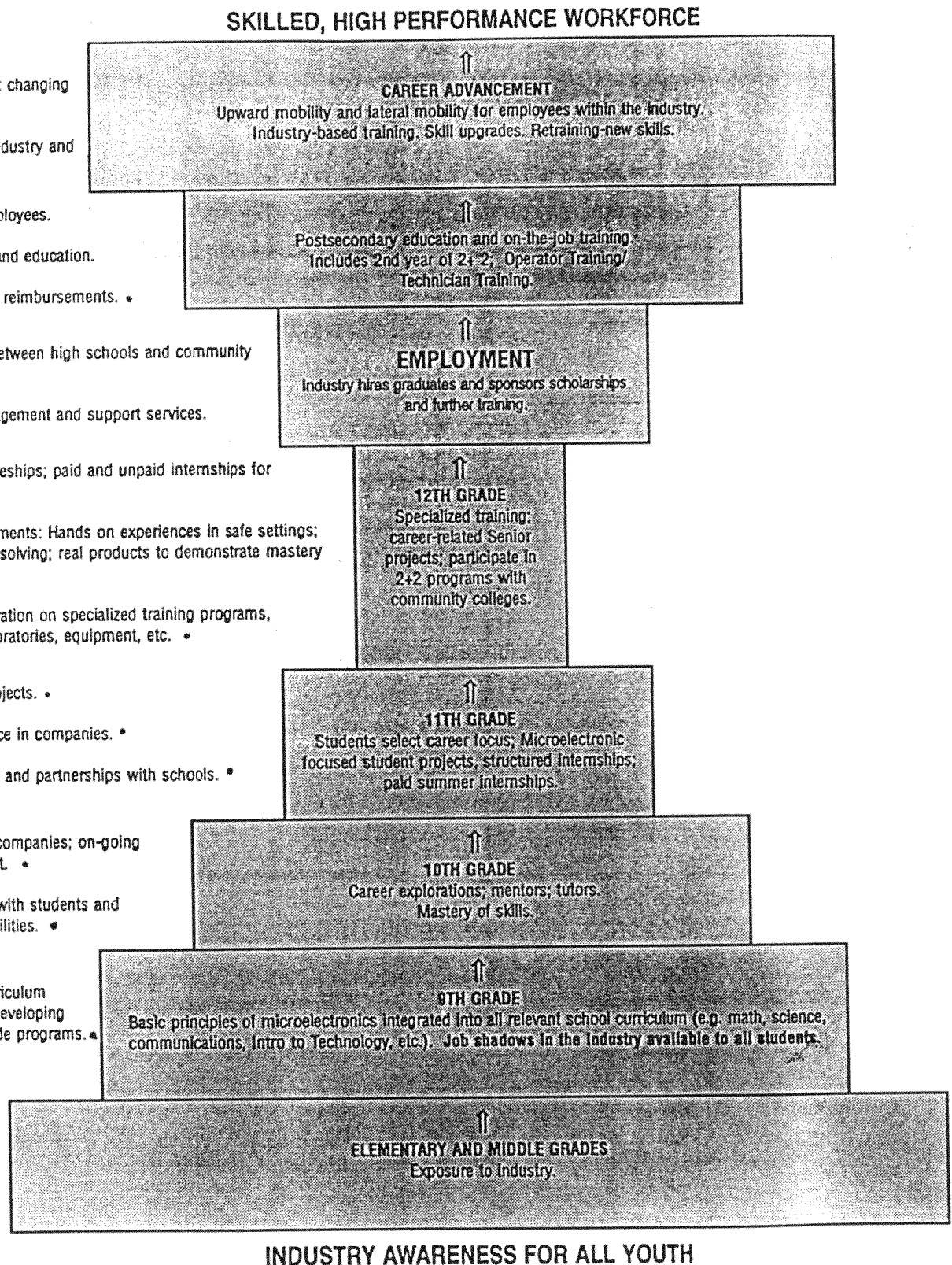
FUJITSU MICROELECTRONICS, INC.

SCHOOL-TO-WORK PLAN

SCHOOL-TO-WORK BUILDING BLOCKS FOR THE SEMICONDUCTOR INDUSTRY

Suggested Implementation Strategies:

- Targeted training to meet changing workforce needs.
- Ongoing evaluation by industry and educators.
- Ongoing training for employees.
- Non-traditional training and education.
- Scholarships and tuition reimbursements.
- Articulated curriculum between high schools and community colleges.
- Job retention/case management and support services.
- Company-paid apprenticeships; paid and unpaid internships for students.
- Simulated work environments: Hands on experiences in safe settings; real tools; real problem-solving; real products to demonstrate mastery of skills.
- Industry/school collaboration on specialized training programs, curriculum options, laboratories, equipment, etc.
- Work-based student projects.
- Summer work experience in companies.
- Employer commitments and partnerships with schools.
- Teacher internships in companies; on-going curriculum development.
- Company connections with students and teachers: Many possibilities.
- Industry/education curriculum development teams: Developing 9th, 10th, 11th, 12th grade programs.
- Marketing industry concepts: Field trips, classroom projects, etc.

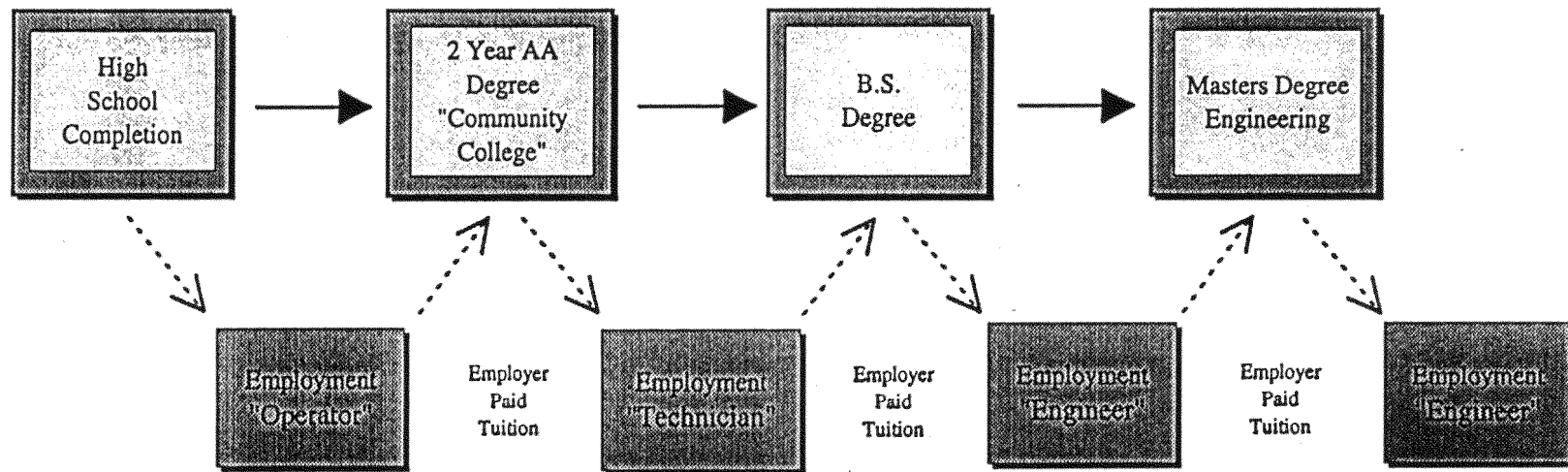


EDUCATIONAL CAREER PROGRESSION
IN
SEMICONDUCTOR INDUSTRY CHART

CAREER PROGRESSION IN THE SEMICONDUCTOR INDUSTRY

EXHIBIT C

EDUCATION ROUTE



EMPLOYMENT/ON-THE-JOB TRAINING ROUTE

Source: Portland Development Commission.

CHART 5

BOGSTAD Deborah L

From: BOGSTAD Deborah L
To: STEIN Beverly E; KELLEY Sharron E; COLLIER Tanya D; HANSEN Gary D; SALTZMAN Dan S
Cc: FARRELL Delma D; SCHOLLES Rhys R
Subject: Seating for Joint SIP Public Hearing
Date: Wednesday, July 12, 1995 4:55PM

Gresham City Recorder Phyllis Brough advises me the Mayor and all 6 council members will be attending the Monday night hearing. After discussion with Rhys, Tanya and Dan, and in an effort to seat all 12 elected officials as equitably and comfortably as possible, the following is my seating arrangement suggestion:

Place 6 chairs at the dais for Debbie Noah, Dave Eichner, Gussie McRobert, Beverly Stein, Jack Gallagher and Dan Saltzman.

Arrange 6 chairs at the oval table - facing the audience - for Tanya Collier, Royal Harshman, Sharron Kelley, Gary Hansen, Claudiette LaVert and Bob Moore.

Phyllis is sending the Council name plates and we'll use our travel name plates for the Commissioners seated at the oval table.

Let me know if this is okay with you or if you want some other arrangement - it's whatever you all feel comfortable with. Thanks.



CITY OF GRESHAM

Office of the City Manager
1333 N.W. Eastman Parkway
Gresham, OR 97030-3813
(503) 669-2535
FAX (503) 665-7692

July 13, 1995

Deb Bogstad
1120 SW Fifth Ave.
Room 1510
Portland, OR 97204

Dear Ms. Bogstad:

Please find enclosed the name tents for the City of Gresham Mayor and Council, as you requested. This is a copy set that you may keep.

Sincerely,

Phyllis R. Brough
City Recorder

PRB/cs
Enclosure

facsimile

TRANSMITTAL

BOARD OF
COUNTY COMMISSIONERS

1995 JUL 14 PM 2:28

MULTNOMAH COUNTY
OREGON

to: Mayor McRobert and City Councilors

re: (1) July 17 Joint Meeting with Multnomah County Commissioners Regarding Fujitsu Microelectronics, Inc.'s Strategic Investment Program Application; and (2) Meeting Date for LSI's Application

date: July 14, 1995

pages: 1, including cover sheet.

(1) The following motion for the July 17 meeting is REVISED from the one sent to you, via memo from me, with the documentation for the above-referenced meeting. This new motion includes a recommendation to Multnomah County.

The Gresham City Council moves to approve and recommend to Multnomah County the Strategic Investment Program agreement between Multnomah County, City of Gresham, and Fujitsu Microelectronics, Inc., and to authorize the Mayor and City Manager to execute the agreement on behalf of the City of Gresham.

Following the closing of the public hearing on July 17, Council, separate from the Multnomah County Commission, may take action. Multnomah County does not plan on taking action until its business meeting on July 18.

You may want to take this memo with you to the July 17 meeting.

(2) The joint meeting of Council and County Commission regarding LSI's SIP Application is set for August 2, 1995, 7pm, at the County Courthouse, Room 602.

ccmtg/aditemcc.prb

From the desk of...

Phyllis R. Brough
City Recorder
City of Gresham
1333 NW Eastman Parkway
Gresham, OR 97030

(503)669-2301
Fax: (503)665-4553

| | | |
|--|----------------------------|----------------|
| Post-It™ brand fax transmittal memo 7671 | | # of pages ▶ 1 |
| To <i>Deb</i> | From <i>Phyllis Brough</i> | |
| Co. | Co. | |
| Dept. | Phone # | |
| Fax # <i>248-5262</i> | Fax # | |



CITY OF
PORTLAND, OREGON
OFFICE OF PUBLIC UTILITIES

Mike Lindberg, Commissioner
1220 S.W. Fifth Avenue
Portland, Oregon 97204
(503) 823-4145
FAX: (503) 823-3017

July 17, 1995

TO: Members of the Multnomah County Commission
Members of the Gresham City Council

FROM: Mike Lindberg, Portland Public Utilities Commissioner

MDL
(JC)

RE: Tax Incentive Decision

As I'm unable to attend tonight's hearing, I very much appreciate the opportunity to comment briefly in writing.

I would like to reiterate one element of my testimony last January to the Multnomah County Board as it formulated a general policy on tax incentives for high technology firms. As the *Oregonian* explained at some length yesterday, this industry consumes an extraordinarily high quantity of fresh potable water. If we are to enjoy the economic benefits of expanded high-tech enterprise without placing unsustainable demands on our water system, we have to use every available means to encourage the most efficient possible consumption of this finite resource. Some existing plants have already used conservation and water re-use strategies to reduce dramatically their total consumption. I very much hope that new firms in the area will do the same.

I believe that implementation of state-of-the-art water conservation and re-use technologies is a sound and reasonable condition to require of firms seeking favorable tax treatment. My hope is that any decision in the applicant's favor would be conditioned in this fashion.

The Portland Water Bureau has encouraged and assisted the conservation efforts of several of its large industrial customers in recent years. If we can be of any assistance in developing the specifics of a water conservation requirement, please contact my office.

Thank you very much for the opportunity to highlight my earlier comment on this critically important issue.

cc: Mike Rosenberger, Portland Water Bureau Administrator



Gresham-Barlow School District

Serving the Communities of Boring, Damascus, Gresham and Orient

James D. Carlile, Superintendent

1331 NW Eastman Parkway, Gresham, Oregon, 97030-3825 • FAX 503-661-1589 • PHONE 503-669-2450

July 17, 1995

Ms. Bev Stein, County Chair
and Members of the Multnomah County Board of Commissioners
P.O. Box 14600
Portland, Oregon 97204

On behalf of the Gresham-Barlow School District, I'd like to thank you for the opportunity to comment on the request by Fujitsu Microelectronics, Inc., for abatement of their property taxes under the Strategic Investment Program. Although no formal action has been taken by the school board I serve, I believe I can represent the district's positions as follows:

1. The Gresham-Barlow School District supports efforts to develop a strong economic base for the East Multnomah County area, and we believe economic growth and development are critical to the overall health of the community the District serves.
2. We believe the projections that East Multnomah County will experience a considerable increase in population during the next decade are accurate. Given that growth will occur, we believe it is in the best interest of the public schools and their students, as well as of the community at large, that new jobs created in this area be family wage jobs. If the Strategic Investment Program can be implemented in a way that ensures the creation of such jobs, we are supportive of it.
3. Because a strong public school system is vital to the overall health of the community, because the public schools stand to be impacted in a significant way by the influx of new families and students, and because of the uncertainties involved with the level of school funding in Oregon, we urge that the majority of the community service fee which companies benefiting from tax abatement must contribute be directed to the preparation of an adequate workforce in this area.

With that hope in mind, the superintendents of all of the school districts in East Multnomah County have already met with representatives of Mt. Hood Community College to discuss ways in which we might work collaboratively to make optimum use of the community service fee or any other funds which might be forthcoming.

4. With respect to the current request by Fujitsu Microelectronics for tax abatement, we urge approval by both the County Commission and the Gresham City Council. We believe denial of the request could result in a delay of the planned expansion, a delay which could be detrimental to the momentum favoring economic growth which has been developing in recent months. We also wish to go on record as acknowledging the many contributions made by Fujitsu to the community, and particularly to the Gresham-Barlow School District, since that company began operation in this area in 1988. Fujitsu has an excellent record of past performance as a corporate citizen.

In summary, if our communities and East Multnomah County are to grow, we believe it is wise public policy to encourage good corporate citizens to invest here. We believe that such investment can be encouraged and that the public school systems in this area can benefit from such investment if the right decisions are made in advance.

Sincerely,

James D. Carlile

James D. Carlile, Supt.
Gresham-Barlow School District

c: Board Members



COLUMBIA CORRIDOR
ASSOCIATION

July 18, 1995

Commissioner Beverly Stein
1120 SW Fifth Avenue, Room 1410
Portland, OR 97204

Dear Chair Stein and Multnomah County Commissioners:

The Columbia Corridor Association has reviewed the Strategic Investment Program (SIP) policy and endorses the application of SIP where economic opportunity and community development are enhanced as a result of the investment.

The principles of the Strategic Investment Program legislation were sound policy when written into law in 1993, and they remain so today. First, the policy recognized that industries that make extraordinary capital investments in plant and equipment were deterred from locating plants in Oregon because of the property tax consequences, and that Oregonians would lose job opportunities in emerging industries as the state diversifies from its dominant natural resource based economy. Next, the legislation laid out a clear path to local approval of a policy, leading to specific application of a negotiated agreement.

It is our conclusion, then, that our community must negotiate an agreement that, when weighed over the long term, makes us better off for having done it. Investments that create good paying jobs, a growing tax base, and competitive global economy are not to be taken lightly; those opportunities, as we have learned from the hardship of the past, don't come down the road very often. We believe the SIP puts Oregon in a position to reveal a bright future in the industries of tomorrow.

Sincerely,

Deane Funk
President



CITY OF

PORTLAND, OREGON

#1 Bob Robinson
SUBMITTAL 7/17/95

Gretchen Miller Kafoury, Commissioner
1220 S.W. 5th Avenue
Portland, Oregon 97204
Telephone: (503) 823-4151

The Fujitsu Tax Break

Gretchen Kafoury,
Portland City Council

The Tax Break Is Not Necessary

I urge you to reconsider the Strategic Investment Policy based on the new information that Fujitsu will expand without the \$23 million tax break.

You already know of my deep concern about local governments competing with one another to give huge tax-breaks to big companies. Such competition is bad policy at the national, state, and local level.

I expressed my concerns when you adopted the SIP Policy, and I repeat them here --

These plants will come to Portland anyway -- for our pure water, cheap power, and quality workforce. We don't need to subsidize highly-profitable companies with huge tax breaks.

Portland is growing fast enough without having to lure factories that don't want to pay their fair share of taxes. Our unemployment rate remains lower than the national average. The SIP will accelerate growth while we give away the taxing authority needed to manage growth.

This tax break continues to shift taxes to homeowners from business. Since Fujitsu will expand anyway, the tax break will cost the average homeowner about \$50 per year! (This is according to your own consulting economists.)

Homeowners are still waiting for the property tax relief for which they thought they voted. Voters do not want to pay higher taxes to subsidize successful companies. Keeping property taxes low for homeowners will increase the likelihood that voters will support future obligations that benefit the entire community -- not just one company.

IF YOU MUST GRANT THIS TAX BREAK...

Look to The Housing and Community Development Commission (HCDC) To Help Invest the Housing Funds

I commend you for recognizing the impact of growth on the cost of housing. Your draft contract includes a \$500,000 one-time payment for programs that build affordable housing. You have bound the company to help their lower-paid employees with the cost of housing.

If you approve the contract, I strongly urge you to consider the recommendations brought by the HCDC. They recommend adjustments to the housing program that will make it fair for all Fujitsu employees. The HCDC is also the proper group for advice on how to wisely invest the \$500,000 for housing for the greater community.

Assure that Jobs Go to Those Who Need Them Most

The stated purpose of Multnomah County's policy is to create jobs for current residents who are unemployed or underemployed. Several of you have spoken of your dream to create jobs for welfare moms.

This will not be easy -- especially since the Attorney General opined that local hiring requirements are unconstitutional.

The staff at the Portland Development Commission tell us they can do this by targeting where they recruit. I don't know if this will succeed or not.

I urge you to independently evaluate whether local residents are getting the jobs, and that the jobs are going to those who need them. If not, please let the City Council know, and we will work with you to sharpen the PDC's Job Net program.

Thanks For A Deal That Is More Than A Simple Giveaway

Again, I am fundamentally opposed to tax give-aways for profitable companies. It is corporate welfare subsidized by smaller businesses and homeowners.

However, I want to commend you on crafting a contract that gets something for the plant workers and the community. Your proposed contract covers these important areas: hiring and retention, environmental impacts, child care, housing, transportation, and local procurement. The contract includes penalties for non-compliance.

Thanks for your hard work to get something back for the taxes given away.

GOAL 1: CITIZEN INVOLVEMENT

To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

The governing body charged with preparing and adopting a comprehensive plan shall adopt and publicize a program for citizen involvement that clearly defines the procedures by which the general public will be involved in the on-going land-use planning process.

The citizen involvement program shall be appropriate to the scale of the planning effort. The program shall provide for continuity of citizen participation and of information that enables citizens to identify and comprehend the issues.

Federal, state and regional agencies, and special-purpose districts shall coordinate their planning efforts with the affected governing bodies and make use of existing local citizen involvement programs established by counties and cities.

The citizen involvement program shall incorporate the following components:

1. Citizen Involvement -- To provide for widespread citizen involvement.

The citizen involvement program shall involve a cross-section of affected citizens in all phases of the planning process. As a component, the program for citizen involvement shall include an officially recognized committee for citizen involvement (CCI) broadly representative of geographic areas and interests related to land use and land-use decisions. Committee members shall be selected by an open, well-publicized public process.

The committee for citizen involvement shall be responsible for assisting the governing body with the development of a program that promotes and enhances citizen involvement in land-use planning, assisting in the implementation of the citizen involvement program, and evaluating the process being used for citizen involvement.

If the governing body wishes to assume the responsibility for development as well as adoption and implementation of the citizen involvement program or to assign such responsibilities to a planning commission, a letter shall be submitted to the Land Conservation and Development Commission for the state Citizen Involvement Advisory Committee's review and recommendation stating the rationale for selecting this option, as well as indicating the mechanism to be used for

an evaluation of the citizen involvement program. If the planning commission is to be used in lieu of an independent CCI, its members shall be selected by an open, well-publicized public process.

2. Communication -- To assure effective two-way communication with citizens.

Mechanisms shall be established which provide for effective communication between citizens and elected and appointed officials.

3. Citizen Influence -- To provide the opportunity for citizens to be involved in all phases of the planning process.

Citizens shall have the opportunity to be involved in the phases of the planning process as set forth and defined in the goals and guidelines for Land Use Planning, including Preparation of Plans and Implementation Measures, Plan Content, Plan Adoption, Minor Changes and Major Revisions in the Plan, and Implementation Measures.

4. Technical Information -- To assure that technical information is available in an understandable form.

Information necessary to reach policy decisions shall be available in a simplified, understandable form. Assistance shall be provided to interpret and effectively use technical information. A copy of all technical information shall be available at a local public library or other location open to the public.

5. Feedback Mechanisms -- To assure that citizens will receive a response from policy-makers.

Recommendations resulting from the citizen involvement program shall be retained and made available for public assessment. Citizens who have participated in this program shall receive a response from policy-makers. The rationale used to reach land-use policy decisions shall be available in the form of a written record.

6. Financial Support -- To insure funding for the citizen involvement program.

Adequate human, financial, and informational resources shall be allocated for the citizen involvement program. These allocations shall be an integral component of the planning budget. The governing body shall be responsible for obtaining and providing these resources.

GUIDELINES FOR GOAL 1

A. CITIZEN INVOLVEMENT

1. A program for stimulating citizen involvement should be developed using a range of available media (including television, radio, newspapers, mailings and meetings).
2. Universities, colleges, community colleges, secondary and primary educational institutions and other agencies and institutions with interests in land-use planning should provide information on land-use education to citizens, as well as develop and offer courses in land-use education which provide for a diversity of educational backgrounds in land-use planning.
3. In the selection of members for the committee for citizen involvement, the following selection process should be observed: citizens should receive notice they can understand of the opportunity to serve on the CCI; committee appointees should receive official notification of their selection; and committee appointments should be well publicized.

B. COMMUNICATION

Newsletters, mailings, posters, mail-back questionnaires, and other available media should be used in the citizen involvement program.

C. CITIZEN INFLUENCE

1. **Data Collection** - The general public through the local citizen involvement programs should have the opportunity to be involved in inventorying, recording, mapping, describing, analyzing and evaluating the elements necessary for the development of the plans.
2. **Plan Preparation** - The general public, through the local citizen involvement programs, should have the opportunity to participate in developing a body of sound information to identify public goals, develop policy guidelines, and evaluate alternative land conservation and development plans for the preparation of the comprehensive land-use plans.
3. **Adoption Process** - The general public, through the local citizen involvement programs, should have the opportunity to review and recommend changes to the proposed comprehensive land-use plans prior to the public hearing process to adopt comprehensive land-use plans.
4. **Implementation** - The general public, through the local citizen involvement programs, should have the opportunity to participate in the development, adoption, and application of legislation that is needed to carry out a comprehensive land-use plan.

The general public, through the local citizen involvement programs, should have the opportunity to review each proposal and application for a land conservation and development action prior to the formal consideration of such proposal and application.

5. **Evaluation** - The general public, through the local citizen involvement programs, should have the opportunity to be involved in the evaluation of the comprehensive land use plans.
6. **Revision** - The general public, through the local citizen involvement programs, should have the opportunity to review and make recommendations on proposed changes in comprehensive land-use plans prior to the public hearing process to formally consider the proposed changes.

D. TECHNICAL INFORMATION

1. Agencies that either evaluate or implement public projects or programs (such as, but not limited to, road, sewer, and water construction, transportation, subdivision studies, and zone changes) should provide assistance to the citizen involvement program. The roles, responsibilities and timeline in the planning process of these agencies should be clearly defined and publicized.
2. Technical information should include, but not be limited to, energy, natural environment, political, legal, economic and social data, and places of cultural significance, as well as those maps and photos necessary for effective planning.

E. FEEDBACK MECHANISM

1. At the onset of the citizen involvement program, the governing body should clearly state the mechanism through which the citizens will receive a response from the policy-makers.
2. A process for quantifying and synthesizing citizens' attitudes should be developed and reported to the general public.

F. FINANCIAL SUPPORT

1. The level of funding and human resources allocated to the citizen involvement program should be sufficient to make citizen involvement an integral part of the planning process.

❖ ❖ ❖

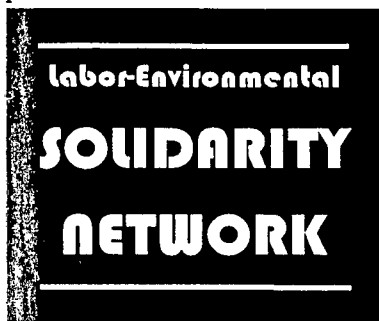
#3 JEAN RIDING'S
SUBMITTAL 7/17/95

MULTNOMAH COUNTY, OREGON
PRINCIPAL TAXPAYERS
June 30, 1994
(amounts expressed in thousands)
(unaudited)

| <u>Taxpayer account</u> | <u>Type of business</u> | <u>1994 Assessed Valuation</u> | <u>Percentage of total assessed Valuation (1)</u> |
|--------------------------------------|-------------------------|--|---|
| U. S. WEST | Telephone Utility | \$ 416,156 | 1.5 % |
| PacifiCorp (Pacific Power and Light) | Electric Utility | 192,368 | 0.7 |
| Portland General Electric | Electric Utility | 170,023 | 0.6 |
| Boeing Company | Airline | 141,240 | 0.5 |
| US Bancorp | Banking | 132,549 | 0.5 |
| Northwest Natural Gas | Natural Gas Utility | 110,094 | 0.4 |
| SI - Lloyd Associates | Property Management | 94,000 | 0.3 |
| Oregon Steel Mills | Plate Steel Mfg. | 90,345 | 0.3 |
| Delta Air Lines, Inc. | Airline | 71,086 | 0.3 |
| Union Pacific Railroad | Railroad | 70,545 | 0.3 |
| America Airlines, Inc. | Airline | 66,389 | 0.2 |
| | | <u>\$ 1,554,795</u> | <u>5.6 %</u> |

(1) The 1994 real market valuation for Multnomah County is \$27,500,141.

Source: Multnomah County Division of Assessment and Taxation.



- working together -

#7 7/17/95 Submittal
DAVID MAZZA

**Testimony of David A. Mazza, Chair
of the Labor-Environmental Solidarity Network,
before the Multnomah County Board of Commissioners
on July 17, 1995**

Chairperson Stein and Commissioners:

The Labor-Environmental Solidarity Network (LESN) is opposed to the proposed \$23.3 million tax abatement for Fujitsu Microelectronics, Inc. and urges the board to vote no on this proposal. LESN believes that this proposal fails to meet the basic criteria set down earlier this year by the county, is being advanced without adequate consideration of the full impacts of this and other plant sitings on the greater metropolitan area, and is seriously undermining long-cherished principles in Oregon about how we contribute to the common welfare of the community and how we decide the way in which each person contributes.

In light of Fujitsu executive Jun Nakano's remarks last week about the likelihood of Fujitsu locating in Oregon without any tax abatement, it should be clear that the negotiated proposal for a \$23.3 million abatement no longer meets the requirement established by this body that abatements be granted "to secure investments that would not otherwise take place." Mr. Nakano has confirmed what economists, community leaders, and many county voters have been saying for months - tax breaks are merely icing on the cake for high-tech companies, not the deciding factor in their choice of locations. Access to natural resources, and the existence of an adequate infrastructure, are what is drawing high-tech firms to Oregon.

The Fujitsu proposal is being moved forward without fully considering the impacts of the broader strategy of which this proposal is only a part. High-tech firms are attracted to our region due to the perception that Oregon enjoys unlimited supplies of clean water. Fujitsu currently uses over one million gallons of Bull Run water daily - equal to the amount of 3000 households - and will double usage rates through this expansion. LSI Logic Corp. is in negotiations for an abatement for a Gresham plant, and Samsung, Toshiba, and NEC may be waiting in the wings to demand their tax breaks and their demands on our water supply. Creating an industrial base with the daily water consumption rate of a Tigard or Tualatin without fully assessing the ability of our region to meet their needs and the needs of all other water users can only be viewed as reckless.

Lastly, the Fujitsu proposal represents another step in a trend which runs contrary to the values of this community. Oregonians are proud of their tradition of fair taxation with representation.

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E-Mail: damazza@lge.opc.org

We expect individuals or corporations to pay according to their ability - those possessing greater wealth paying more than those who own little. The Portland Development Commission - a body not responsible to the voters - would have you turn that principle on its head. For the PDC tax equity means letting a transnational corporation with assets in the billions be taxed by a different yardstick than the average citizen. Should Fujitsu be paying according to a different set of rules than the local entrepreneur trying to revive the economy in his or her community, or even than the homeowner working in the Fujitsu plant.

We should, furthermore, make these long-reaching decisions about fairness in taxation with full public discourse and involvement. The Strategic Investment Program was rushed through the legislature with little public awareness. The county's abatement policy was passed after only a few hearings. We are now being asked to accept the Fujitsu proposal - and your vote on that issue - after months of negotiations behind closed doors to which the public was not privy, followed by only two weeks for the public to digest the more than 300 pages of the abatement proposal. This telescoping of time for citizen involvement in not just the use of public dollars but in deciding the paths our community should take is sending a chilling message: government is best kept in the hands of appointed bureaucrats, corporate executives, and a handful of elected officials.

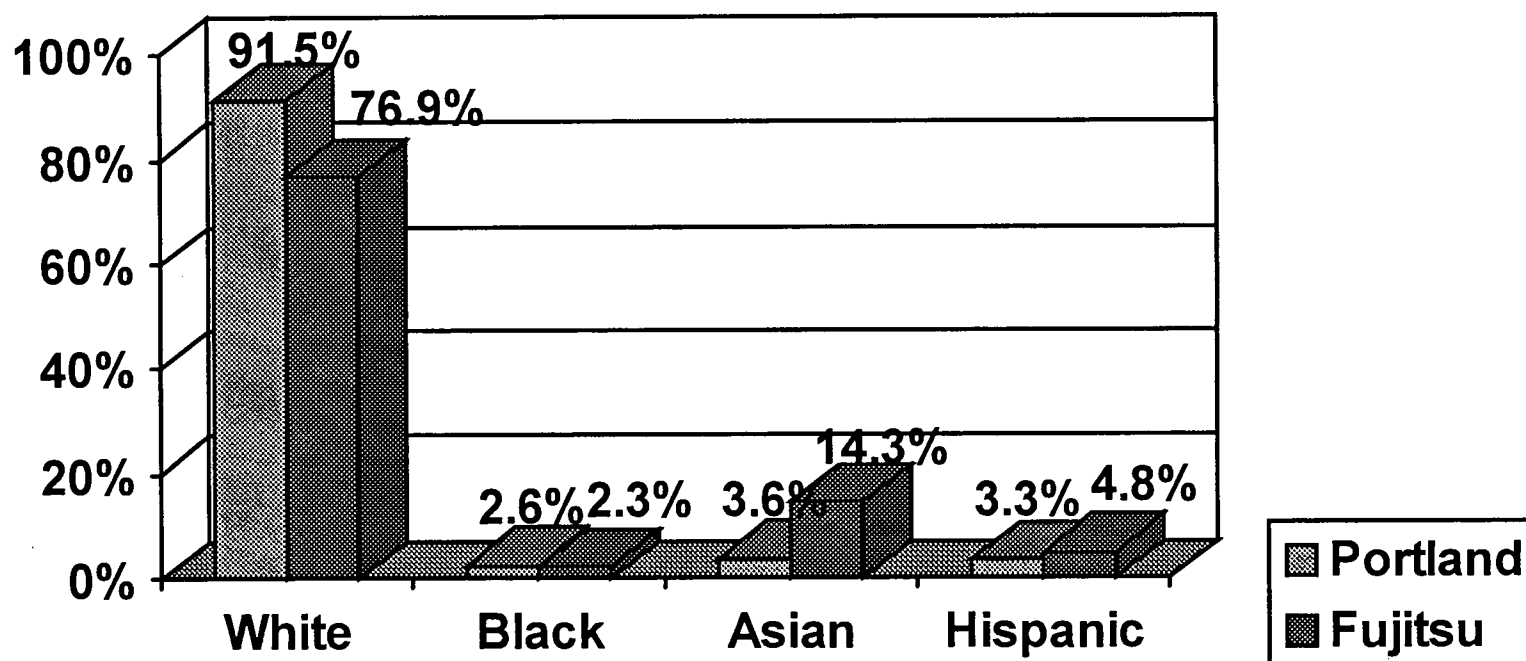
For all these reasons and many more you'll hear this evening, LESN urges you to take the following actions:

1. Vote no on the Fujitsu proposal.
2. Agree to take no action on any future abatement proposals until a full assessment has been made of the cumulative impact of these firms on the region's water quality, water supply, air quality, growth, and other crucial factors in maintaining the long-term health of the region's environment and economy.
3. Conduct new public hearings throughout the county to assess residents' support for the county's tax abatement program and to develop a meaningful public discussion of what is now lacking in the county's policy for economic development incentives.

Thank you.

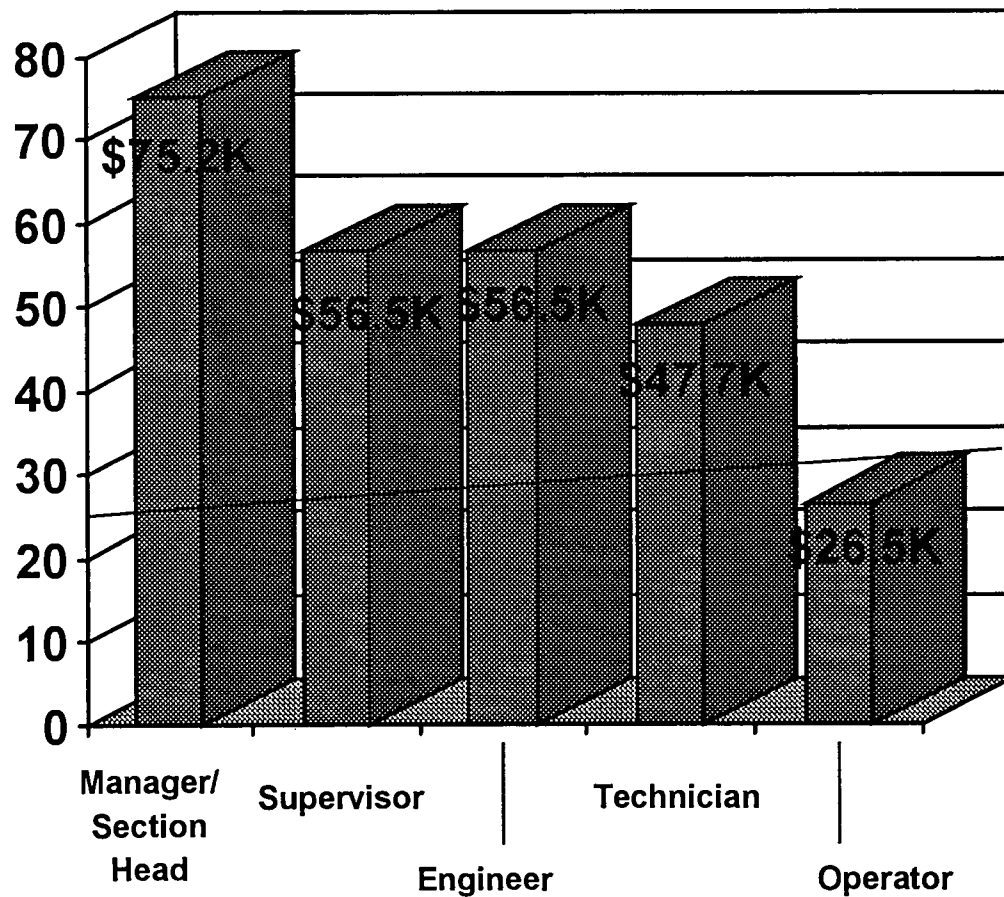
#8 7/17/95 Ron Craig
Submission

Fujitsu Workforce Profile



Worker racial makeup as compared to the overall Portland workforce profile

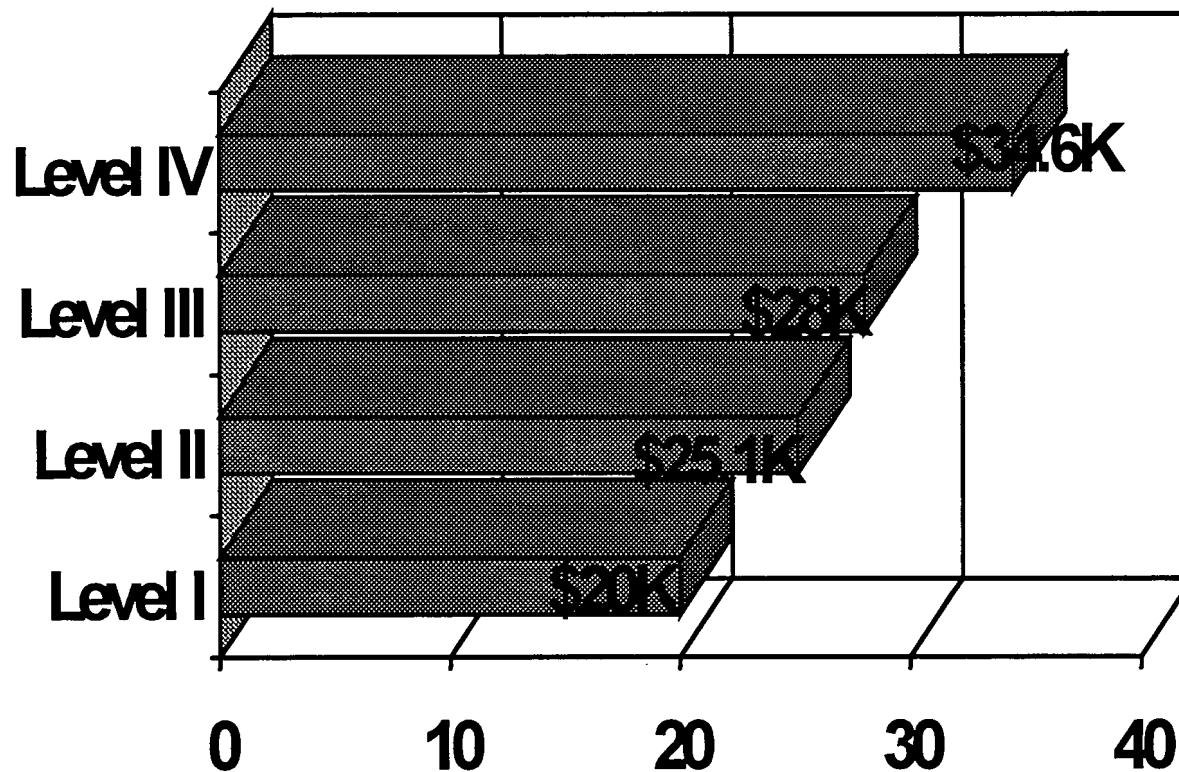
Average Annual Pay by Job Family



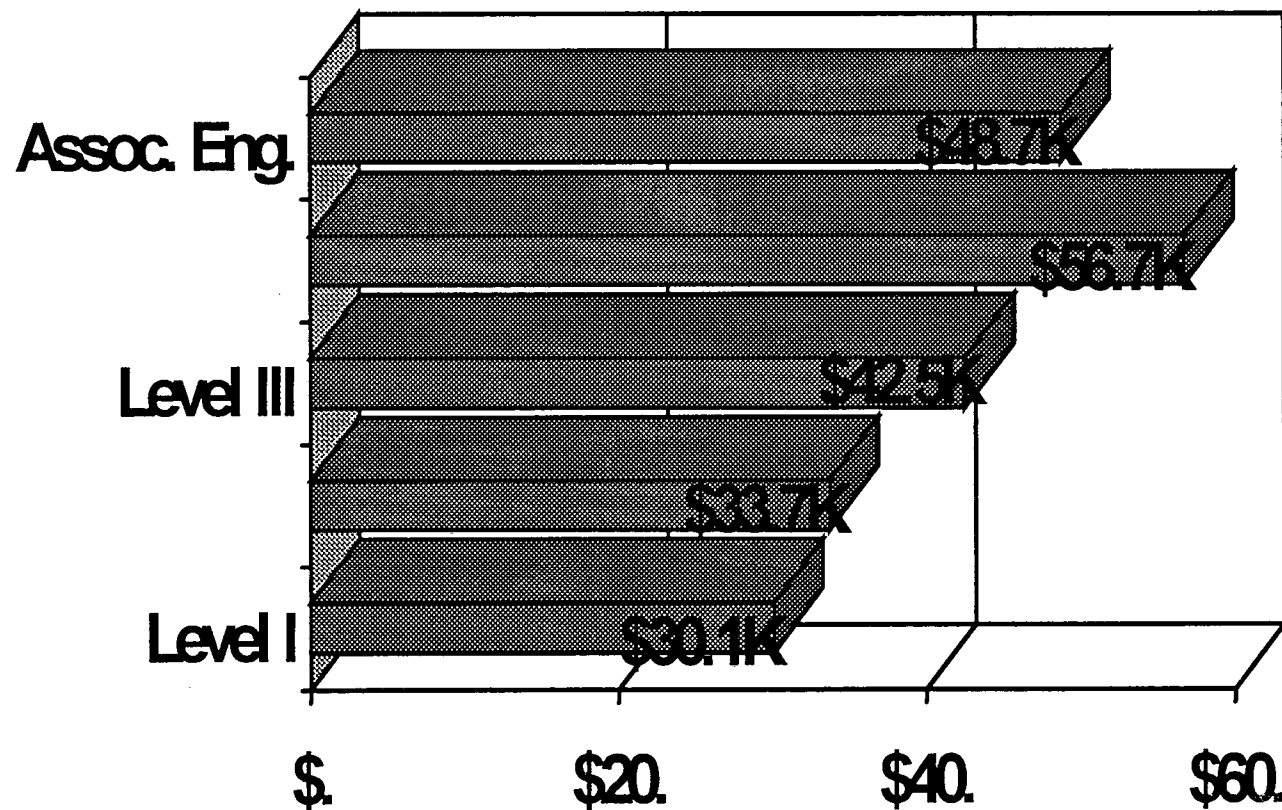
68% of Employees
earn more than
County average
wage

27K

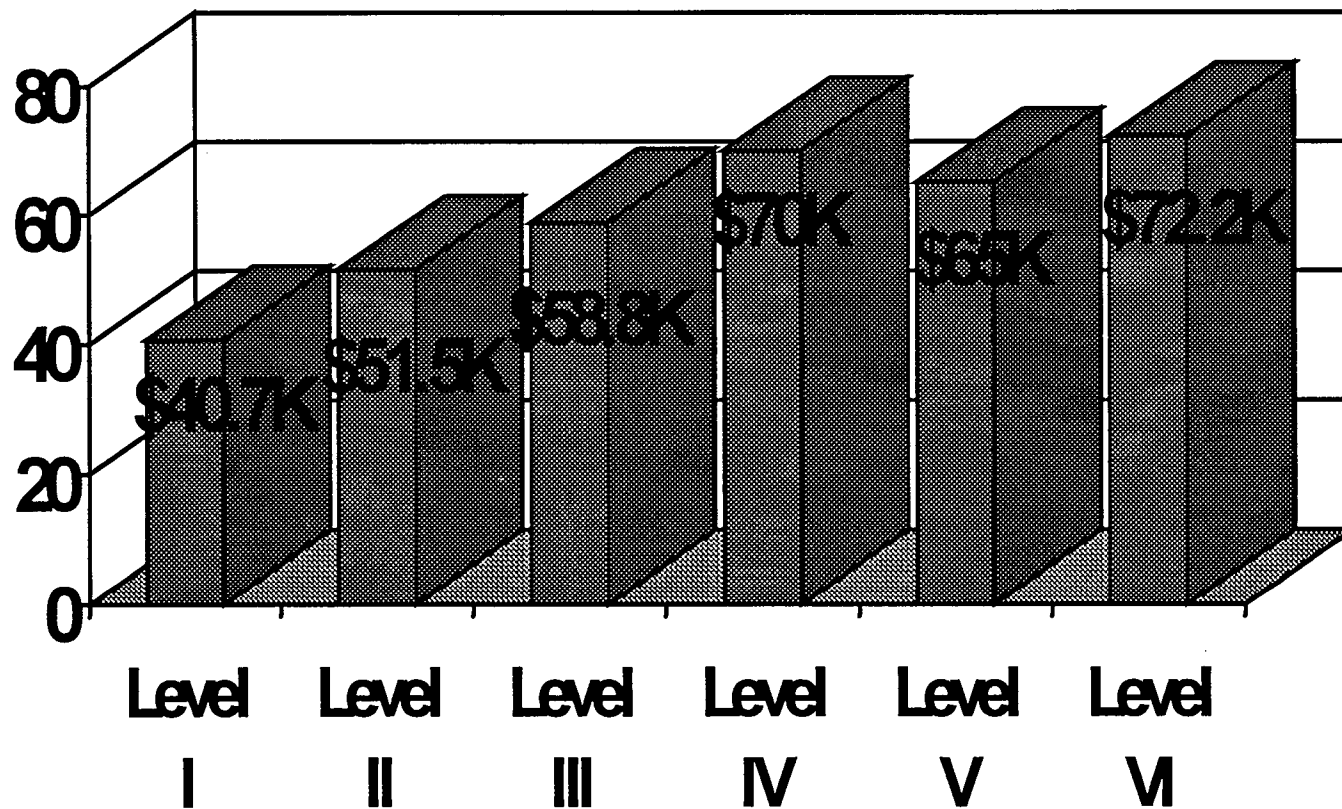
Average Pay vs. Experience for Operator Job Family



Average Pay vs. Experience for Technician Job Family

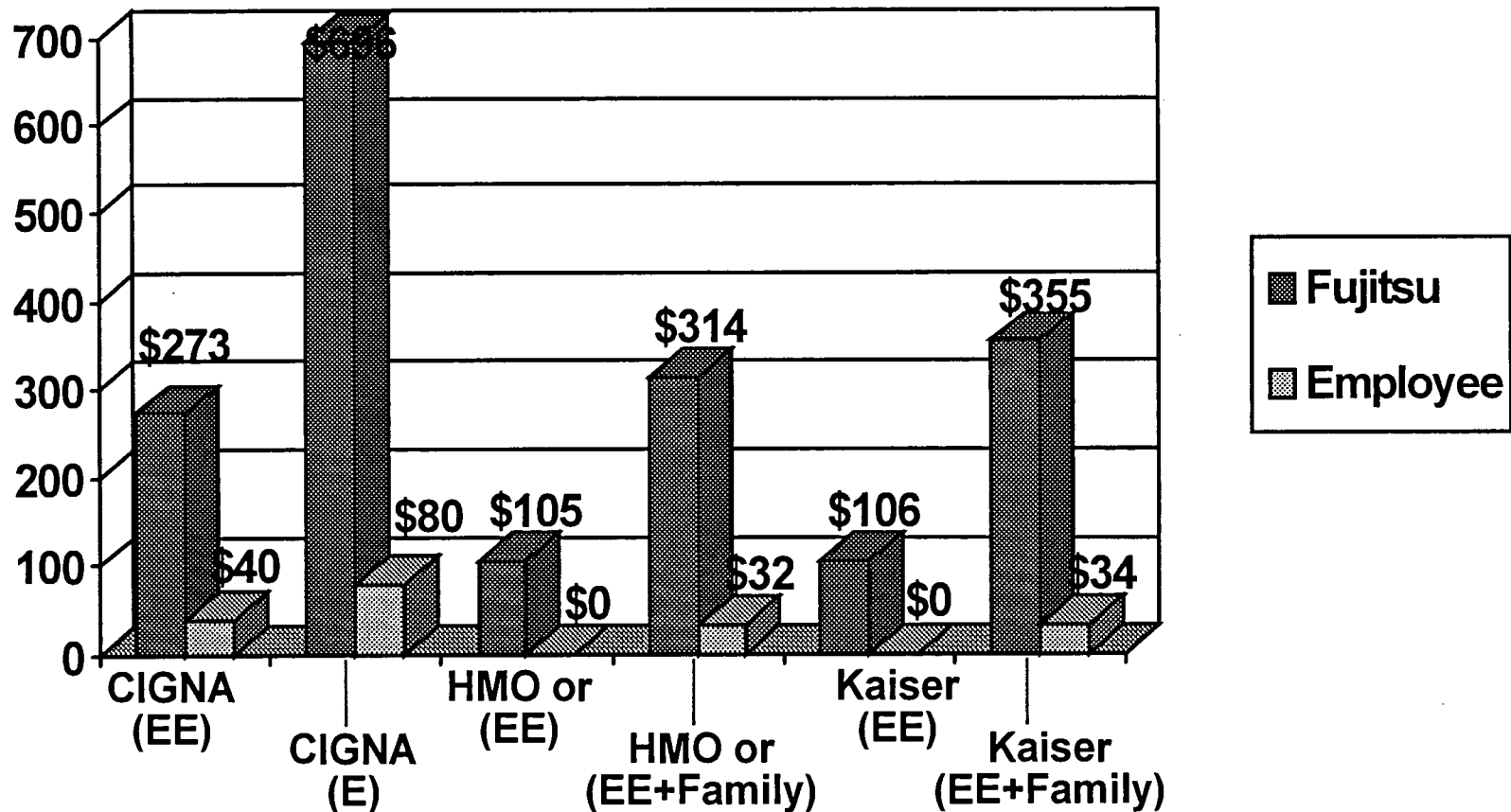


Average Pay vs. Experience for Engineer Job Family



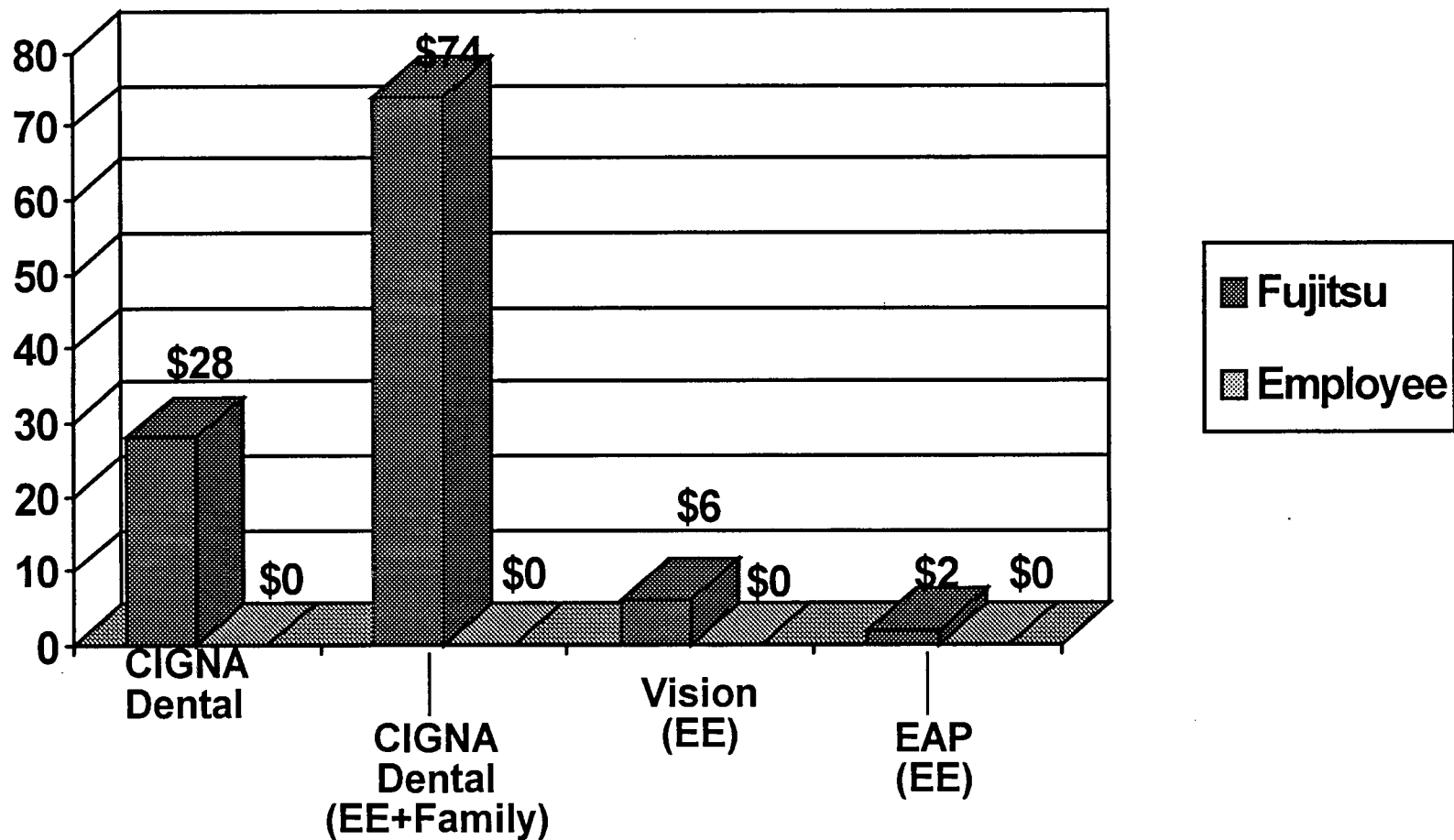
Medical Benefits

Monthly Costs for Employees & Fujitsu



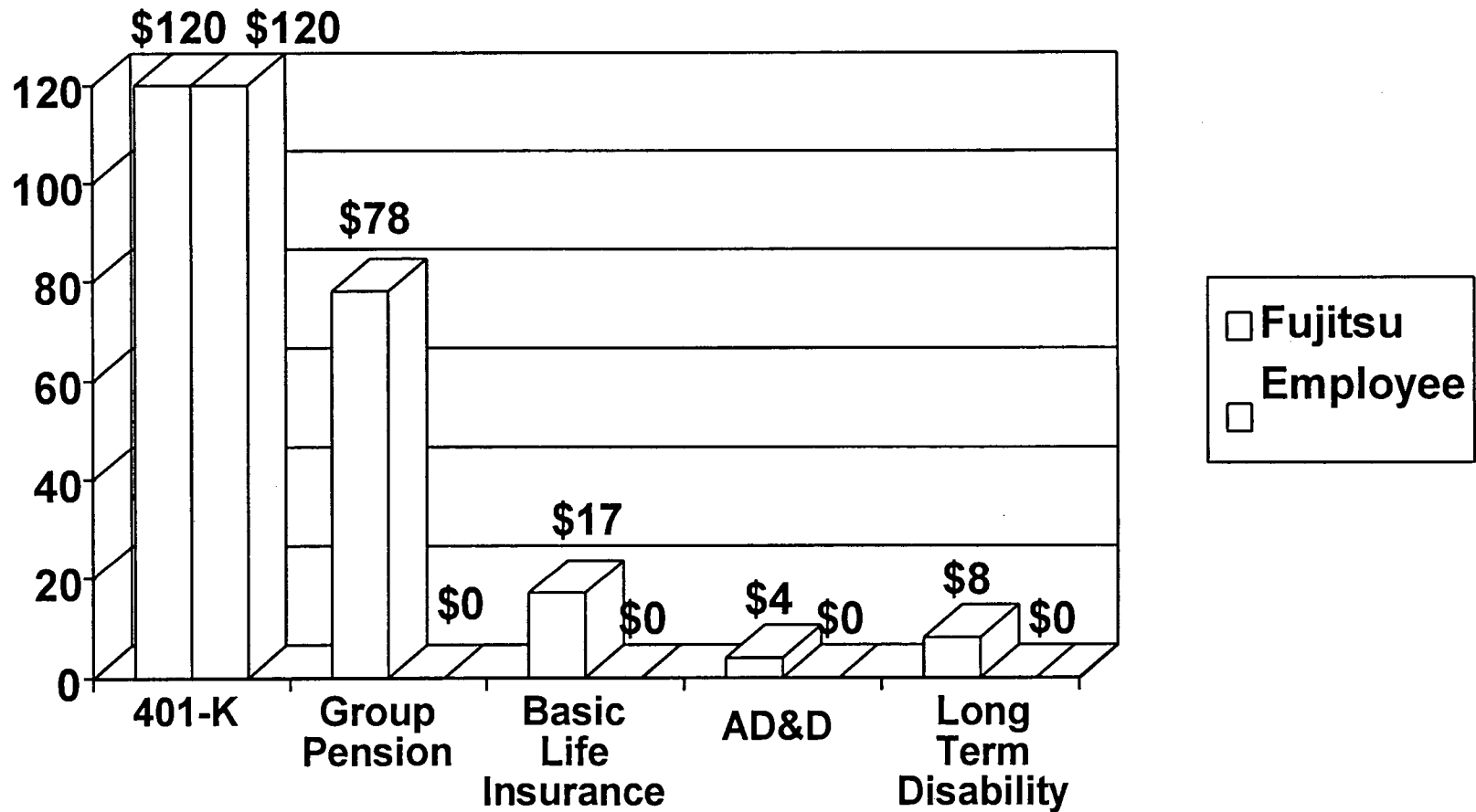
Dental/Vision/EAP

Monthly Costs for Employees & Fujitsu



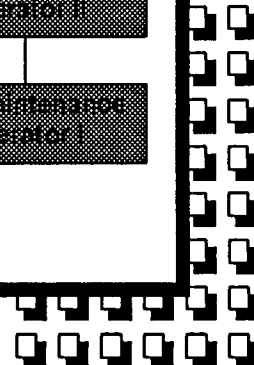
Retirement/Insurance

Monthly Costs for Employees & Fujitsu





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Promotions

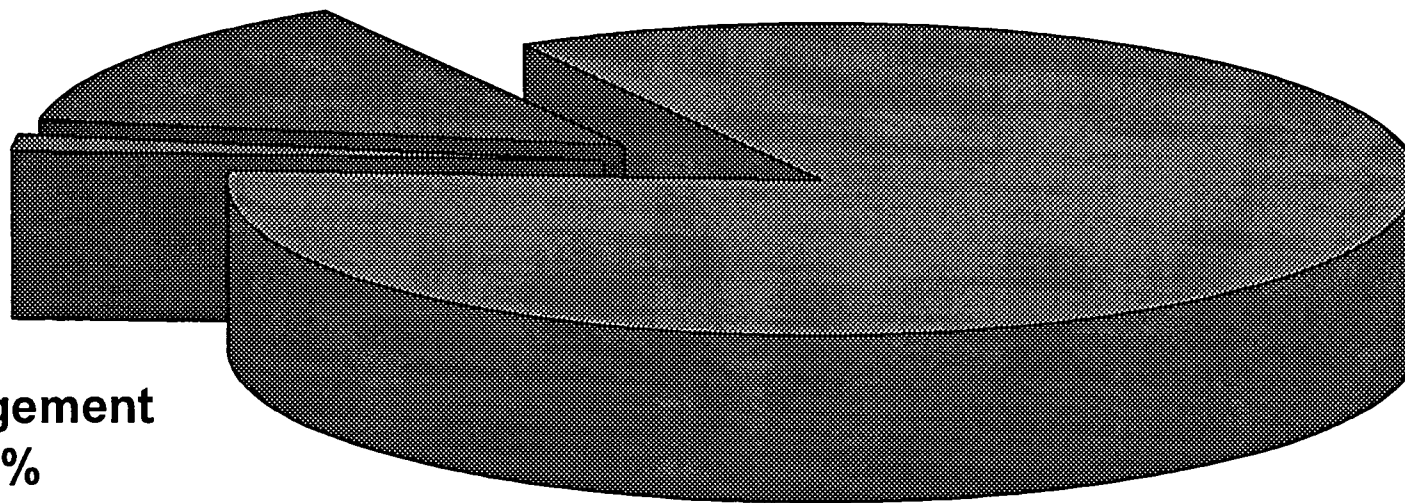
Within the Past Year

188 total promotions

Exempt
14%

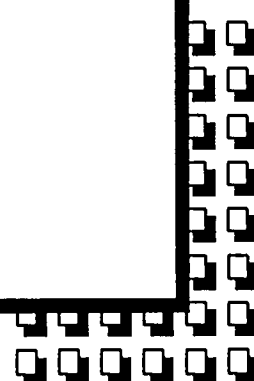
Management
2%

Non-Exempt
85%





Professional/Technical Staffing

- ☐ **Local candidates are *always* our preference (75% of employees hired from 1993 to date were local)**
 - ☐ **Entry-level engineer recruitment at Oregon & Pacific NW Universities**
 - ☐ **Co-op program with Mt. Hood Community College for Equipment Maintenance Technicians**
- 

HOUSING & COMMUNITY DEVELOPMENT COMMISSION



c/o Bureau of Housing and Community Development
808 SW Third Avenue • Room 600
Portland, Oregon 97204-1966

Testimony for the Hearing on the Application by Fujitsu Microelectronics, Inc. for the Strategic Investment Program Property Tax Abatement

Before the
Multnomah County Board of Commissioners
Monday, July 17, 1995
Multnomah County Courthouse

When the Housing and Community Development Commission (HCDC) testified at your April 11 hearing to consider the adoption of the Strategic Investment Program, we stressed the need to address the issues of housing affordability and the impact of a major plant expansion on the local housing market. After the County Board adopted the program and associated policies, HCDC staff provided a methodology to help gauge the impacts on the housing market by a significant plant expansion such as the one Fujitsu is planning in Gresham.

HCDC is pleased to see that the methodology was used and that addressing the impacts of subsidized economic growth on the housing market has been acknowledged along with other important community service needs in the County. HCDC applauds the precedent set by the negotiators who have succeeded in obtaining the proposed housing subsidies and monetary contribution described in Draft 13 of the SIP contract.

Questions and Clarifications

Members of HCDC's Advocacy Committee have been directed by HCDC to review the contract. Advocacy Committee members have done so and wish to relay the following comments. While endorsing the approach that Fujitsu is taking on the housing issues, we have questions about the details of several elements of the package and would hope that clarifications can be made which ensure the good faith performance by all parties in meeting the terms of the contract.

Overall Impact Analysis

In determining the potential affordability gap between the operator's salary and the average two bedroom-one bath apartment in the Gresham area, a "blended calculation of median wage" is used (Attachment 3 of the *Analysis of Fujitsu's Application* by Public Financial Management, Inc.). Using these figures results in no apparent affordability gap. What is undetermined is the presence of an affordability gap for the lowest wage earners. Such an analysis, in conjunction with the relative levels of regional unemployment and local apartment vacancy rates, will lead to

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City of Portland



Multnomah County



City of Gresham

different conclusions for the lower entry level wage earners. For example, a wage earner at \$8.00 per hour could afford a monthly rent of \$477. This results in an affordability gap of \$115 using the assumptions in the Attachment 3 table.

Household Qualifications for Monthly Housing Subsidy

Members of the HCDC Advocacy Committee also raise the following questions: Why is the income qualification for households eligible for the monthly housing subsidy set at 75 percent of the average annual County income? Why isn't the 80 percent of the area median family income for a household of two (\$27,350 for 1995) used, which is the standard income qualification for many housing programs? Why is the subsidy limited to households with dependents?

For example, according to the proposed contract, a qualified *household* income cannot exceed 75 percent of the average County wage (\$20,800 for 1994). This works out to an annual wage of \$15,600 or \$7.50 per hour ($\$15,600 \div 2080$ hours). It would appear that households earning wages above \$7.50 an hour would not benefit from this subsidy. Yet the analysis above shows that there is an affordability gap at the \$8.00 per hour wage.

Families with two wage earners appear to be excluded entirely. One person households would not qualify by definition.

If there is any issue which the HCDC Advocacy Committee would like to see re-negotiated it would be a wider availability of the monthly housing subsidy.

The Nature of the Subsidy

Would the subsidy be a cash payment? A voucher? Is it a taxed benefit? Who pays the taxes? Can the subsidy be applied to a mortgage payment or accumulated for a downpayment?

We understand that the cash contribution to affordable housing and the monthly subsidies are in addition to the \$2 million community service fee. Is this assumption accurate?

Will qualifying hourly wages be annually adjusted for inflation?

The Uses of the Cash Contribution

As a Countywide housing advisory commission, HCDC will be available to advise the County Board on the appropriate uses of the \$500,000 contribution. Potential uses for the contribution are several and we understand that this decision is not part of the contract under review in this hearing. However, one principle to consider is

that the use of the funds should be directed to the jurisdiction in which the plant is located.

Compliance Monitoring

While we understand the desire for confidentiality in the annual reporting procedure set out in the contract, HCDC requests that the governments involved in the contract share with interested parties, including HCDC, the information related to the numbers of employees that benefit annually from the housing subsidies.

In conclusion, HCDC believes that this is an important and positive first step in linking public economic development initiatives with affordable housing needs. Should the County Board of Commissioners grant the requested property tax abatement for Fujitsu, we endorse the approach as an appropriate mechanism to establish this linkage recognizing that there is further work to be done in assessing the impact of publicly subsidized economic growth on the local housing market.

We thank the County Board of Commissioners for this opportunity to comment on this significant policy issue and look forward to working with the jurisdictions on furthering affordable housing opportunities.

#15 7/17/95 Submittal
ZACK SEMKE

Testimony to the Board of County Commissioners

July 17, 1995

Esteemed County Commissioners,

Thank you for the chance to speak to you tonight. I am Zack Semke, Coordinator for the Coalition for a Livable Future, and I am here to testify on the Coalition's behalf. The Coalition for a Livable Future is an association of 27 environmental protection, land-use planning, community development, and social equity organizations.

I am here to urge you to oppose the proposed SIP agreement with Fujitsu. Based on the recent news that Fujitsu will likely expand in Multnomah County even without tax incentives, the proposal simply doesn't make sense.

First of all, the proposed agreement highlights the fundamental flaws in the Strategic Investment Policy:

First, companies like Fujitsu will locate in Multnomah County anyway. Our cheap electricity, clean water, and quality workforce attract them -- not our tax breaks.

Second, growth in the County is high already. There is no need to give breaks to companies that won't pay their share of taxes.

Third, by shifting taxes from business to the County's homeowners this tax break amounts to corporate welfare. Raising homeowners' taxes to subsidize already-successful businesses is not likely to be a popular move among the County's citizens.

Furthermore, the proposed contract with Fujitsu is a bad deal for Multnomah County:

First, while attempts to address the impact on affordable housing by companies like Fujitsu were a step in the right direction, the current solution is inadequate. A one-time payment of \$500,000 to increase the inventory of affordable housing would create 20 affordable apartments -- not nearly enough to house Fujitsu's low-wage workers. On the other hand, the \$3.2 million generated by the 10% guideline would have created 128 apartments.

Second, Fujitsu's operator jobs call for a four-day week with twelve-hour shifts. Working families will be hard-pressed to arrange daycare for these long hours. We are concerned about the health of the children who have to spend twelve hour days in daycare. These shift requirements are destructive to our families and stressful to our community.

Third, we still don't know how many low-wage jobs or how many living wage jobs Fujitsu actually plans to create. Data in the contract from Fujitsu puts the vast majority of its projected job creation in the category of Operator, with a wage range of from \$6.75 to \$16.97 per hour. \$16.97 per hour sounds great, but how many operators will really be at or close to that wage level? With such a wide wage range, we cannot determine how many decent wage jobs Fujitsu will actually create. Furthermore, the contract's lack of any detailed employment information from the existing Fujitsu plant makes establishing any sort of baseline impossible.

Finally, the two weeks given to analyze the contract and its supporting data was too short. Issues involving such large levels of public subsidy should be given careful consideration. The review process for agreements like these should be extended.

I appreciate your attempts to make this agreement a good one for Multnomah County. Nevertheless, the current proposed contract with Fujitsu would encourage the kind of growth that hurts Multnomah County rather than the kind that helps us.

Please oppose the proposed agreement.

Thank you.

Testimony to the Board of County Commissioners
from the
Community Development Network
July 16, 1995

Esteemed County Commissioners,

I am Terri Duffy, a staff member of Northeast Community Development Corporation. I am here tonight to testify on behalf of the Community Development Network (CDN). The CDN is an association of about twenty community development organizations working to build stable families and communities through the development of affordable housing.

The CDN testified at earlier hearing on guidelines for implementing the Strategic Investment Program. We testified that those guidelines should include establishment of a County Housing Trust Fund. We argued for the modest proposal that ten percent of the value of any particular tax abatement--half from the community service fee and half as an additional fee--should go into this fund to compensate for the impact on housing affordability that would be caused by projects granted the abatement.

This proposal was defeated. Indeed, we heard that the County was determined to drive a hard bargain, even a "tough" bargain, and shouldn't have its hands tied by such guidelines. So we have returned tonight to analyze the question: **Did the County drive a tough bargain?**

- First, the agreement proposes a one-time payment of \$500,000 to be used to increase the inventory of affordable housing. Since it takes a subsidy of about \$25,000 to create an apartment affordable to families at 50-60% of median income, this fund will create only about 20 affordable apartments. This compares to \$3.2 million that would have been put into the Trust Fund if the 10% guideline was adopted, enough to create 128 apartments.
- Second, the agreement proposes affordable housing subsidies under special conditions. The employee must be: a direct employee rather than a contract employee; a full time employee rather than a part time employee; and a parent of dependent children. Finally, an employee must meet a household income rule that essentially requires that he or she is the sole wage earner in his or her family. For example, an employee earning \$8/hour and working four shifts/week would not qualify if his or her child or spouse earns over \$3/day. An employee who clears these hurdles would receive a subsidy of about \$.50-\$1/hr.
- Third, the agreement proposes a relocation benefit. The employee must be a direct employee and a full time employee, must live more than 15 miles from the plant, and must move within 4 miles of the plant. If an employee meets all of these conditions, the benefit consists of one month's rent, rental deposits, and the cost of a moving van. Finally, if the expenditures on the employee housing subsidies and relocation benefits are below the estimated budget, the balance will go to the County to fund affordable housing.

Do these three benefits adequately address the impact on housing? The first benefit does set a good precedent in creating an affordable housing subsidy on top of the Community Service Fee. However, the subsidy is small; 20 units is not enough. Using a very simple model, which I've attached, the Fujitsu expansion would create a demand for at least 134 affordable apartments. In addition, the employee housing subsidy is highly restricted and the relocation benefit is really just that, a relocation benefit and not a housing subsidy. Indeed, the relocation benefit, while a nice fringe benefit, could actually increase pressure on the housing market rather than relieve it.

Thus, in our estimation, the proposal negotiated by the County is inadequate. Indeed, the subsidies for affordable housing fall short of the modest original proposal for a Housing Trust Fund. The County does not seem to have obtained the "tough" agreement it sought to pursue.

Moreover, we have two other concerns about substance and process: First, we worry about the health of children who will have to be in day care while their parents work 12-hour shifts. Such shift requirements are destructive for families and outweigh the value of the family housing benefits proposed in the contract. Second, we are also concerned about the inadequacy of the wage data provided in the Fujitsu application--it is impossible to establish how many people are likely to be hired at what wage--and of the short time that has been provided to the public to analyze this data. It is appropriate to give thoughtful consideration to issues involving this level of public subsidy and we doubt that the calendar for the review process has encouraged such consideration.

In closing, let me note that the affordability of housing is a huge issue in Multnomah County. The Community Development Network is willing to work closely with County leaders to develop programs that will help ensure that every family can live in a decent home in a decent neighborhood.

Simple Estimate of Housing Demand

The Fujitsu expansion will inevitably have an impact on the demand for affordable housing. The challenge is to estimate that impact. In this instance, neither sufficient time nor data has been provided for a sophisticated model of that impact. Nevertheless, a simple model may be more useful because the assumptions are few and comprehensible.

A simple model:

The impact on housing takes four basic forms. First, there are new full time employees who need housing. Second, there are new contract workers and part time workers who need housing. Third, there are new secondary workers (new employees at companies who sell products to Fujitsu) who need housing. Fourth, there are existing residents of the County who, as the new Fujitsu work force drives up rents in the housing market, need affordable housing.

Let's make three basic assumptions:

- 1) Only one of ten new Fujitsu workers will need an affordable apartment. This is a wildly conservative assumption. Consider the conclusion reached in the analysis of Fujitsu's proposal prepared by Public Financial Management: "Fujitsu will have a significant impact on the affordable housing stock in Multnomah County in that the majority of the employees will not be able to pay market rents using acceptable percentages of their take home pay."
- 2) For every new Fujitsu worker in need of an affordable apartment, there will be only one part-time worker or contract worker or secondary market worker who will also need an affordable apartment. Since part time and contract workers mostly earn lower wages than those provided in full-time manufacturing jobs, this is also a conservative assumption.
- 3) For every new Fujitsu worker in need of an affordable apartment, there will be only one other resident family priced out of the market. This is also conservative. There are already many families paying over one third of their income for housing so even slight rent increases can put them over the edge. Furthermore, such rent increases are highly likely in a market where there is already low unemployment and a low vacancy rate.

Using this simple model, every 100 new jobs at Fujitsu will create a demand for 30 affordable apartments. Since Fujitsu is anticipated to create 445 new jobs, it is likely that the Fujitsu expansion will create a demand for at least 134 affordable apartments.

If one combines this with the basic guideline that a subsidy of about \$25,000 is required for each apartment that is affordable to families at 50-60% of median income, then to compensate for its impact on housing demand, Fujitsu should provide a subsidy of at least \$3.35 million. This is considerably greater than the housing subsidy of \$500,000 provided in the proposed contract with Fujitsu.

Argued March 1, re-argued November 15, 1972,
affirmed March 2, 1973

**FASANO ET AL, Respondents, v. BOARD OF
COUNTY COMMISSIONERS OF
WASHINGTON COUNTY ET AL,
Petitioners.**

507 P2d 23

Homeowners filed petition for writ of review to set aside granting of zone change by county board of commissioners. The Circuit Court, Washington County, J. S. Bohannon, J., entered judgment for petitioners, and the board and party requesting change appealed. The Court of Appeals, Fort, J., 489 P2d 693, affirmed. The Supreme Court granted review, and that court, Howell, J., held that staff report of county planning department, which found that requested use did not conform to residential designation of plan of development and which further found that proposed use reflected urbanization of county and necessity to provide increased densities and different types of housing to meet needs of urbanization over that allowed by the existing zoning, was too conclusory and superficial to support zoning change.

Affirmed.

Bryson, J., specially concurring and filed opinion.

Zoning—Judicial review of change

1. Judicial review of county commissioners' determination to change zoning of particular property is not limited to a determination whether the change was arbitrary and capricious. ORS 215.050, 215.055, 215.110 (1).

Zoning—Planning commission plan and county zoning ordinances closely related

2. Under Oregon statutes, plan adopted by planning commission and zoning ordinances enacted by county governing body are closely related; both are intended to be parts of a single integrated procedure for land use control; the plan embodies policy determinations and guiding principles; the zoning ordinance provided a detailed means of giving effect to those principles. ORS 215.050, 215.055, 215.110 (1).

Zoning—Legislature conditioned county's power

3. Legislature, in enacting statutes relating to comprehensive plan, has conditioned county's power to zone upon prerequisite that zoning attempt to further general welfare of community through consciousness, in a prospective sense, of the factors set forth therein. ORS 215.050, 215.055, 215.110 (1).

Cite as 264 Or. 574

Zoning—Proving need for zone change

4. In proving that a zone change is in conformance with comprehensive plan, proof, at minimum, should show that there was a public need for a change of kind in question, that need would be best served by changing the classification of the particular piece of property in question as compared with other available property. ORS 215.050, 215.055, 215.110 (1).

Zoning—Justification for rezoning

5. A physical change of circumstances within rezoned neighborhood is not only justification for rezoning. ORS 215.055.

Zoning—Burden of proof on one seeking change

6. Because action of county commissioners in approving zoning change is in exercise of judicial authority, burden of proof should be placed upon the one seeking the change; the more drastic the change, the greater will be the burden of showing that it is in conformance with comprehensive plan as implemented by ordinance, that there is a public need for kind of change in question, and that need is best met by the proposal under consideration; as degree of change increases, burden of showing that potential impact upon area in question was carefully considered and weighed will also increase. ORS 215.050, 215.055, 215.110 (1).

Zoning—Need for change must be shown

7. If other areas have previously been designated for particular type of development, it must be shown why it is necessary to introduce it into an area not previously contemplated and why the property owners there should bear burden of the departure. ORS 215.050, 215.055, 215.110 (1).

Zoning—Relevant factors in requesting change

8. Although zoning changes may be justified without a showing of mistake in original comprehensive plan or ordinance, or of changes in physical characteristics of an affected area, any of these factors which are present in a particular case would be relevant; their importance would depend upon nature of the precise change under consideration. ORS 215.050, 215.055, 215.110 (1).

Zoning—Hearing on proposed changes

9. Parties, at hearing on proposed zoning changes before county governing body, are entitled to an opportunity to be heard, to an opportunity to present and rebut evidence, to a tribunal which is impartial in the matter, i.e., having had no prehearing or ex parte contacts concerning the question at issue, and to a record made and adequate findings executed.

#33
WILLIS BLAIR
Submitted 7/17/95

against the dangers of the almost irresistible pressures that can be asserted by private economic interests on local government, we believe that the latter dangers are more to be feared.

9. What we have said above is necessarily general, as the approach we adopt contains no absolute standards or mechanical tests. We believe, however, that it is adequate to provide meaningful guidance for local governments making zoning decisions and for trial courts called upon to review them. With future cases in mind, it is appropriate to add some brief remarks on questions of procedure. Parties at the hearing before the county governing body are entitled to an opportunity to be heard, to an opportunity to present and rebut evidence, to a tribunal which is impartial in the matter—i.e., having had no pre-hearing or ex parte contacts concerning the question at issue—and to a record made and adequate findings executed. Comment, *Zoning Amendments—The Product of Judicial or Quasi-Judicial Action*, 33 Ohio St L J 130-143 (1972).

10. 11. When we apply the standards we have adopted to the present case, we find that the burden was not sustained before the commission. The record now before us is insufficient to ascertain whether there was a justifiable basis for the decision. The only evidence in the record, that of the staff report of the Washington County Planning Department, is too conclusory and superficial to support the zoning change. It merely states:

The staff finds that the requested use does conform to the residential designation of the Plan of Development. It further finds that the proposed use reflects the urbanization of the County and the necessity to provide increased densities and differ-

ent types of housing to meet the needs of urbanization over that allowed by the existing zoning.

Such generalizations and conclusions, without any statement of the facts on which they are based, are insufficient to justify a change of use. Moreover, no portions of the comprehensive plan of Washington County are before us, and we feel it would be improper for us to take judicial notice of the plan without at least some reference to its specifics by counsel.

As there has not been an adequate showing that the change was in accord with the plan, or that the factors listed in ORS 215.055 were given proper consideration, the judgment is affirmed.

BRYSON, J., specially concurring.

The basic facts in this case exemplify the prohibitive cost and extended uncertainty to a homeowner when a governmental body decides to change or modify a zoning ordinance or comprehensive plan affecting such owner's real property.

This controversy has proceeded through the following steps:

1. The respondent opposed the zone change before the Washington County Planning Department and Planning Commission.
2. The County Commission, after a hearing, allowed the change.
3. The trial court reversed (disallowed the change).
4. The Court of Appeals affirmed the trial court.
5. We ordered reargument and additional briefs.
6. This court affirmed.

demonstrate by affidavit that the notice was given. ORS 197.763(8). Also, the local government may give notice by additional means, including posting, newspaper publication, radio, and television. See ORS 197.763(8).

Local ordinances may contain additional notice requirements. Also, special notice requirements apply for hearings on applications for zone changes affecting properties in the vicinity of public use airports (ORS 227.175(6), 215.223(4)) and applications for zone changes that include all or part of a mobile home park (ORS 227.175(8)).

Different notification requirements apply for hearings other than quasi-judicial hearings on applications for land use decisions. See ORS 215.223 (specific notification requirements for hearings on the adoption of county zoning ordinances); ORS 227.175 (notice and procedural requirements for zone changes in cities). Finally, local ordinances usually contain notification and other procedural requirements for hearings on legislative matters.

C. (§10.12) Time for Notice

Notice of quasi-judicial hearings must be mailed at least 20 days before the evidentiary hearing or, if two or more evidentiary hearings are allowed, 10 days before the first evidentiary hearing. ORS 197.763(1)(f).

ORS 215.223(1) requires at least 10 days' advance public notice of each hearing on the adoption of a zoning ordinance. There is no equivalent statute for cities, except for specific provisions dealing with zone changes affecting airports or mobile home parks. See §10.11, *supra*.

D. (§10.13) Type of Notice

The type of notice required for a particular case depends on the type of hearing and the jurisdiction involved. For legislative matters, counties must give published notice. ORS 215.223(1). See Chapter 2, *supra*, regarding Statewide Planning Goals 1 and 2, for additional information on notice requirements for hearings on various legislative matters.

For quasi-judicial hearings on applications for land use decisions, the notice must:

- (1) Explain the nature of the application and the proposed use or uses that could be authorized;
- (2) List the applicable criteria from the ordinance and the plan that apply to the application at issue;

- (3) Set forth the street address or other easily understood geographical reference to the subject property;
- (4) State the date, time, and location of the hearing;
- (5) State that failure to raise an issue in a hearing, in person or by letter, or failure to provide sufficient specificity to afford the decision maker an opportunity to respond to the issue, precludes appeal to LUBA based on that issue;
- (6) Include the name of a local government representative to contact and the telephone number where additional information may be obtained;
- (7) State that a copy of the application, all documents and evidence relied on by the applicant, and applicable criteria are available for inspection at no cost and will be provided at reasonable cost; and
- (8) Include a general explanation of the requirements for submitting testimony and the procedure for conducting hearings. ORS 197.763(3).

If the notice fails to identify an applicable approval criterion, issues related to that criterion may be raised for the first time on an appeal to LUBA. *Neuenschwander v. City of Ashland*, 20 Or LUBA 144 (1990).

E. Evidence

1. (§10.14) Opportunity to Present and Rebut Evidence and Cross-Examination

The Oregon Supreme Court stated in *Fasano v. Washington Co. Comm.*, 264 Or 574, 588, 507 P2d 23 (1973), that parties at a quasi-judicial hearing are entitled to an opportunity to present and rebut evidence. However, the manner of presentation and rebuttal may be affected and limited by local procedures. Additionally, the opportunity to present and rebut evidence is protected by the procedural requirements contained in ORS 197.763 (*see* §10.21, *infra*). See also §10.23, *infra*, regarding "raise it or waive it" requirements.

PRACTICE TIP: All demonstrative exhibits should be received, and the hearings body should determine whether they are reliable, probative, and substantial. Demonstrative evidence should be marked and identified to facilitate judicial review. References to maps or similar exhibits should be made with future state agency or judicial review in mind.

The right to rebut evidence does not extend to oral statements made by a staff member of the local jurisdiction after the close of a public hearing when the statements were based on evidence already in the record. *Dickas v. City of Beaverton*, 92 Or App 168, 172-173, 757 P2d 451 (1988). See also *Linebarger v. City of The Dalles*, 24 Or LUBA 91 (1992). See also the discussion of ex parte contacts in §§10.17-10.18, *infra*.

The hearings body may decide how the right to rebut may be exercised. Failure to allow for oral cross-examination did not invalidate a land use decision for failure to meet minimal procedural safeguards. *Sunnyside Neighborhood v. Clackamas Co. Comm.*, 27 Or App 647, 663, 557 P2d 1375 (1976), *rev'd on other grounds*, 280 Or 3 (1977). In *Sunnyside*, the parties were able to submit written rebuttal or cross-examination questions to the board of county commissioners. This opportunity to draw the board's attention to any objections, along with an opportunity for rebuttal, was a sufficient replacement for cross-examination. The court of appeals still holds to this view, *Clinkscales v. City of Lake Oswego*, 47 Or App 1117, 1123, 615 P2d 1164 (1980), but to date the issue has not been presented to the Oregon Supreme Court.

A right to cross-examine under a local ordinance is procedural, and a party must assert that right with specificity before the local hearings body. *Sills v. Josephine County*, 9 Or LUBA 122, 128 (1983). Also, an opportunity to rebut or to cross-examine in writing may render denial of oral cross-examination harmless error. *Younger v. City of Portland*, 15 Or LUBA 210 (1987), *rev'd on other grounds*, 305 Or 346 (1988).

On remand from an appellate body, a local decision maker may revise and supplement findings without providing notice and opportunity to be heard only if the decision maker confines itself entirely to the original record. If the decision maker takes official notice of additional facts or otherwise allows the record to be supplemented, the affected parties must have an opportunity for rebuttal. Failure to afford such opportunity is "a deprivation of the due process of law." *Feitelson v. Salem*, 2 Or LUBA 168, 172 (1981).

The opportunity to rebut evidence is further protected by ORS 197.763(4), which provides that all documents or evidence relied on by the applicant must be submitted to the local government and be made available to the public at the time the notice required by ORS 197.763(3) is provided. ORS 197.763(4)(a). Any staff report used at the hearing must be available at least seven days before the hearing. ORS 197.763(4)(b). If additional documents or evidence is provided in support of the

§10.15 / Administrative Law

application, any party is entitled to a continuance of the hearing. ORS 197.763(4)(b). See *1000 Friends of Oregon v. Lane County*, 102 Or App 68, 73, 793 P2d 885 (1990).

2. (§10.15) Hearsay and Formal Rules of Evidence

In general, land use hearings are not governed by formal rules of evidence unless the rules established by the governing body so provide. Courts have given a fair amount of discretion to local hearing bodies in determining what is reliable evidence. Staff reports, reports of experts representing the parties, and scientific studies are usually considered reliable. See *McGowan v. City of Eugene*, 18 Or LUBA 299 (1989), *aff'd*, 102 Or App 512 (1990); *Miller v. City of Ashland*, 17 Or LUBA 147 (1988). Hearsay evidence has survived judicial scrutiny, at least in the absence of proper objection. See *Damascus Comm. Church v. Clackamas Co.*, 32 Or App 3, 573 P2d 726, *rev. denied*, 283 Or 99 (1978). Evidence that is not relevant to the particular action should not be relied on by the decision maker. *McCrystal v. Polk County*, 1 Or LUBA 145, 149 (1980).

Unsupported assertions in letters or oral remarks may be admissible before the initial factfinder but may carry little weight on review. See, e.g., *Brown v. AFSD*, 75 Or App 98, 705 P2d 236 (1985) ("opinion of one person whose background, basis of knowledge, and personal interests are not in the record" is not substantial evidence). See also *1000 Friends of Oregon v. LCDL (Lane Co.)*, 305 Or 384, 405-406, 752 P2d 271 (1988) ("Lane County is not required to develop its record only on sworn testimony from witnesses, lay or expert, but the county cannot expect that any unsupported assertion that is entered in the record can be used to justify a planning decision").

The need for evidence to support expert and lay opinions is heightened by the supreme court's ruling that LUBA is to review for substantial evidence in the whole record, considering evidence that detracts from a local determination of fact as well as evidence that supports it. *Younger v. City of Portland*, 15 Or LUBA 210 (1987), *rev'd on other grounds*, 305 Or 346 (1988) (rejecting line of LUBA and court of appeals decisions, based on *Home Builders v. Metro Service Dist.*, 54 Or App 60, 633 P2d 1320 (1981), in which only supporting evidence must be considered under substantial evidence test). On the other hand, a decision maker may choose between either of two credible expert witnesses. *Columbia River Television v. Multnomah Co.*, 14 Or LUBA 179, 185, *aff'd without opinion*, 78 Or App 669 (1986).

The case law relating to ex parte contacts in quasi-judicial land use proceedings has been largely superseded by statutory requirements on how ex parte contacts are to be handled. ORS 215.422(3)–(5) provides:

(3) No decision or action of a planning commission or county governing body shall be invalid due to ex parte contact or bias resulting from ex parte contact with a member of the decision-making body, if the member of the decision-making body receiving the contact:

(a) Places on the record the substance of any written or oral ex parte communications concerning the decision or action; and

(b) Has a public announcement of the content of the communication and of the parties' right to rebut the substance of the communication made at the first hearing following the communication where action will be considered or taken on the subject to which the communication related.

(4) A communication between county staff and the planning commission or governing body shall not be considered an ex parte contact for the purposes of subsection (3) of this section.

(5) Subsection (3) of this section does not apply to ex parte contact with a hearings officer approved under ORS 215.406(1).

While contacts between the decision-making body and the local government staff are not ex parte contacts, issues can arise if a party suspects that staff is biased. See *Schmaltz v. City of Hood River*, 21 Or LUBA 563 (1991); *Adler v. City of Portland*, 25 Or LUBA 546 (1993).

Equivalent provisions applicable to cities are contained in ORS 227.180(3)–(5). See also ORS 197.835(10)–(11) (LUBA authority to remand decisions due to ex parte contacts); *Angel v. City of Portland*, 21 Or LUBA 1 (1991); *Horizon Construction, Inc. v. City of Newberg*, *supra*.

PRACTICE TIP: This rule does not prevent proponents and opponents from submitting demonstrative evidence and materials to the hearings body before the hearing, provided that (1) copies are made available to all parties; (2) all members of the hearings body receive the materials; and (3) the material is included in the record made at the hearing for public availability. Demonstrative materials should be sent to the administrative staff of the governing body for distribution or review. Local procedural rules may set forth the manner in which materials may be presented before the hearing. By definition, contacts with the local government staff are not ex parte contacts, see *Dickas v. City of Beaverton*, 16 Or LUBA 574, 581, *aff'd*, 92 Or App 168 (1988), but this conclusion might not hold true

3. (§10.16) Personal Knowledge

The general rule is that a decision may be supported by personal knowledge of the decision makers if their knowledge is made a part of the hearing record. ALI MODEL LAND DEVELOPMENT CODE §2.304(12) (1975). Personal knowledge might be acquired from long-standing familiarity with the area, or from specific investigations such as site visits before the hearing on an application. A decision maker's failure to disclose personal knowledge used in reviewing applications is procedural error, and is grounds for a remand.

Respondents correctly state we have held that in order to obtain reversal or remand of an appealed decision, petitioners must demonstrate how their substantial rights have been prejudiced due to procedural errors. *See, e.g., Holder v. Josephine Co.*, 14 Or LUBA 454, 460 (1986). However, where the right in question is that of rebutting evidence placed before the decision maker through ex parte contacts and site observations, an uncontroverted allegation that a party was provided *no opportunity* to rebut such evidence is sufficient to demonstrate prejudice to that party's substantial rights.

Angel v. City of Portland, 21 Or LUBA 1, 8-9 (1991).

F. Impartial Tribunal

1. (§10.17) Ex Parte Contacts in a Quasi-Judicial Context

Parties to a quasi-judicial land use decision are entitled to an impartial tribunal. *Fasano v. Washington Co. Comm.*, 264 Or 574, 588, 507 P2d 23 (1973). Impartiality can be threatened by financial conflicts and other biases; however, ex parte contacts have been the major concern of local government in this area of the law. Ex parte contacts jeopardize a proceeding because they deny the decision maker the benefit of both views on any given issue.

[E]x parte contact includes all information relevant to the matter at hand gained outside the formal proceedings and not in the record. While ex parte contacts may affect the tribunal's partiality, the risk to the integrity of quasi-judicial proceedings from ex parte contacts is that the decision may be made on the basis of facts not disclosed in the record. The risk is reduced when information gained ex parte is made part of the record by disclosure in the proceeding. The function of disclosure is therefore corrective. Failure to disclose information gathered ex parte, on the other hand, will invalidate the decision.

1000 Friends of Oregon v. Wasco Co. & Knapp, 14 Or LUBA 315, 321 (1986) (citations, footnotes, and emphases in original omitted). *See also Horizon Construction, Inc. v. City of Newberg*, 23 Or LUBA 159, rev'd, 114 Or App 249 (1992).

The right to rebut evidence does not extend to oral statements made by a staff member of the local jurisdiction after the close of a public hearing when the statements were based on evidence already in the record. *Dickas v. City of Beaverton*, 92 Or App 168, 172-173, 757 P2d 451 (1988). See also *Linebarger v. City of The Dalles*, 24 Or LUBA 91 (1992). See also the discussion of ex parte contacts in §§10.17-10.18, *infra*.

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Regarding: "Strategic Investment Program
for Fujitsu and...others to come?"

July 17, 1995

Resubmit January 23, 1995 letter.

Beverly Stein, Chair
Members of the County Commission
Multnomah County Court House
1021 S.W. 5th Avenue, 6th floor
Portland, Oregon 97201

Dear Chairperson Stein, Commissioner Saltsman, Commissioner Hanson,
Commissioner Collier, & Commissioner Kelly:

The United States of America was founded upon "liberty and justice for all." What is fair about this? How can a company—a foreign company that has never paid taxes on what they plan to build in the future, provided by the tax-paying citizens of Multnomah County?

The Oregon State Constitution, under Article I, Section 20 states:

Section 20. Equality of privileges and immunities of citizens. No law shall be passed granting to any citizen or class of citizens privileges, or immunities, which, upon the same terms, shall not equally belong to all citizens.—

THIS IS CORPORATE WELFARE to a foreign corporation, while our tax-paying citizens foot the bill!! Is this the Trojan Horse of Troy, in the 20th Century??? All businesses should be treated fairly, and the tax payers should not subsidize any business!

We were pleased to see The Oregonian come out editorially against the subsidy with good reasons, surprisingly at that. It seems that Fujitsu would consider expanding anyway, without it! How many are there who feel that they have a ghost of a chance to oppose such a program? Money talks, and big money talks bigger and bigger! Also, we have seen no figures as to what kind of money will be needed for such services as schools, police and fire protection, housing, and other services needed???

WHAT PRICE FIGURES ARE WE TALKING ABOUT?? We see where Yamhill County Commissioners turned down a proposal involving an \$8 million tax break in Newburg. They said "it was unfair to give a tax break to a company that made \$616.1 million last year. Nothing would prevent Sumitomo from locating the site in Newburg, without a property tax break." (Oregonian June 1, 1995, page C5) Fujitsu is talking about a \$1 Billion expansion. How does that come out dollar wise, especially with the lower U.S. dollar compared to the Japanese yen? We would like to know what this will cost Multnomah County taxpayers!!!!??? We wish to commend Chairperson Stein for her position on this issue. We hope the rest of you will use your common sense! Words of Abe Lincoln: **The Approach of Danger.**

(Extract from the Springfield address in 1848. Continued from preceding page.)

At what point shall we expect the approach of danger? Shall we expect some transatlantic military giant to step the ocean and crush us at a blow? Never! All the armies of Europe, Asia, and Africa combined, with all the treasures of the earth (our own excepted) in their military chest, with a Bonaparte for a commander, could not, by force, take a drink from the Ohio, or make a track on the Blue Ridge, in a trial of a thousand years. At what point, then, is this approach of danger to be expected? I answer: If it ever reaches us, it must spring up amongst us. It cannot come from abroad. If destruction be our lot, we must ourselves be its author and finisher. As a nation of freemen, we must live through all time or die by suicide.

Earnestly yours,

Louise Weidlich
(Mrs.) Louise Weidlich, Director

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Louise Weidlich
(Mrs.) Louise Weidlich, Director

Multnomah County Democratic Central Committee
711 S.W. Alder #306, Portland, Oregon 97205-3416

February 9, 1995

To the Multnomah County Democratic Central Committee,

RESOLUTION AGAINST THE "Strategic Investment Program"-Fujitsu.

WHEREAS the "Strategic Investment Program" being considered by the Multnomah County Commission will increase the taxes on all taxpayers and business people in Multnomah County, we oppose it being built.

WHEREAS we, the taxpayers, do not know how much it will cost us, we are opposed to it, and its being welfare subsidized by the taxpayers.
Corporate Welfare!!

WHEREAS, it violates the Oregon State Constitution; **Preamble Article**
Article I Bill of Rights

Section 20. Equality of privileges and immunities of citizens. No law shall be passed granting to any citizen or class of citizens privileges, or immunities, which, upon the same terms, shall not equally belong to all citizens.—

THEREFORE we resolve to oppose this Multnomah County agreement with Fujitsu, and others considering the same tax breaks, without having paid any taxes at present, or into the future for a number of years. We will send this message to the Oregon Delegation in Washington, D.C., to the members of the Multnomah County Commission, and to our state legislators, expressing our opposition to such an agreement.

approved by the
Multnomah County
Democratic Central
Committee

Submitted by,

Louise Weidlich
(Mrs) Louise Weidlich
Precinct Committee Person
Number 1207

Copies to others

REPEAL NAFTA NOW! SUPPORT H.R. 499

A bipartisan populist coalition in the House of Representatives is calling for the repeal of NAFTA.

Dear Friend of American Sovereignty:

NAFTA isn't a disaster WAITING to happen.

It's HAPPENING.

That's why Rep. Peter DeFazio (D-Ore.) and a group of his House colleagues have introduced critical new legislation, H.R. 499. This bill needs our IMMEDIATE support . . .

H.R. 499 WOULD WITHDRAW THE U.S. FROM NAFTA.

This measure MUST be enacted by Congress.

The GOP big shots on Capitol Hill also bear part of the blame. As DeFazio points out, "There's also a conspiracy of silence on the part of the Republican leadership in Congress who provided the votes needed to pass this turkey."

Rep. Marcy Kaptur, the dynamic Ohio Democrat who was one of NAFTA's most outspoken foes, has joined Rep. DeFazio in cosponsoring H.R. 499.

According to Rep. Kaptur: "One U.S. factory has closed every day since the enactment of NAFTA. From Vermont to Pennsylvania to California to Alabama to Florida, people who had jobs now do not because of NAFTA."

"Good jobs have disappeared and are replaced by temporary and part-time work with no benefits," she says. "As families are forever disrupted, NAFTA is wreaking economic havoc on these families—and for our country, NAFTA remains death by pin pricks."

"This time last year," says Kaptur, "every special interest politician, every reporter from the Wall Street Journal and the big business magnates who read it could not stop gushing about NAFTA. Today Washington is whispering about how the U.S. is bailing out Mexico."

"The U.S. government and U.S. banks are spending your money to prop up the Mexican peso, in a country that has never known true democracy, and the multinationals and megabanks that have moved there."

According to Rep. Kaptur, NAFTA's promoters promised 60,000 U.S.-manufactured vehicles would be exported to Mexico in 1994, but in reality only 28,000 were sent while the U.S. imported 278,000 cars from Mexico.

"The Big Three corporations have used NAFTA to downsize their labor forces in the U.S., hold down wages and invest heavily in Mexico," she says.

EXCLUSIVE TO THE SPOTLIGHT

BY TRISHA KATSON

Rep. Peter DeFazio (D-Ore.) has introduced a measure, H.R. 499, to repeal NAFTA, which is cosponsored by Democrats Marcy Kaptur, Jim Traficant and Sherrod Brown of Ohio; others

The bill reads:

Section 1. Short Title: This Act may be cited as the NAFTA Withdrawal Act of 1995.

Section 2. Withdrawal from NAFTA. Pursuant to Article 2205 of NAFTA, the President of the United States shall, not later than 90 days after the date of the enactment of this Act, notify the Government of Canada and the Government of the United Mexican States of the withdrawal of the Government of the United States from that Agreement.

Section 3. Modifications to United States Law. The President shall, not later than 90 days after the date of the enactment of this Act, submit to the Congress proposed legislation making those changes to the United States law that are necessary to make effective the withdrawal of the United States from NAFTA.

DeFazio predicted that as U.S.-Mexico trade figures worsen and the cost of the peso bailout increases, support for repealing the trade pact will grow dramatically.

THE SPOTLIGHT

300 Independence Ave. SE, Washington, D.C. 20003

THE AMERICAN'S CREED



I believe in the United States of America, as a government of the people, by the people, for the people; whose just powers are derived from the consent of the governed; a democracy in a republic; a sovereign nation of many sovereign states; a perfect union, one and inseparable; established upon those principles of freedom, equality, justice and humanity for which American patriots sacrificed their lives and fortunes.

I therefore believe it is my duty to my country to love it, to support its constitution, to obey its laws, to respect its flag, and to defend it against all enemies.

The American's Creed by William Tyler Page was adopted by an Act of Congress, April 6, 1918.

THE CONSTITUTION

The Constitution of the United States of America establishes a republican form of government with separate executive, legislative, and judicial branches. An understanding of the principles which it embodies is essential to any real understanding of American history. Adopted in 1788 and put into effect in 1789, it is particularly notable for its brevity and elasticity. This copy contains the original spelling and capitalization. The first ten amendments to the Constitution, often called the "Bill of Rights," follow the main body.

Article III.

Section. 3. Treason against the United States, shall consist only in levying War against them, or in adhering to their Enemies, giving them Aid and Comfort. No Person shall be convicted of Treason unless on the Testimony of two Witnesses to the same overt Act, or on Confession in open Court.

The Congress shall have Power to declare the Punishment of Treason, but no Attainder of Treason shall work Corruption of Blood, or Forfeiture except during the Life of the Person attainted.

Louise Weidlich

(Mrs.) Louise Weidlich, Director

Neighborhoods Protective Association
P.O.Box 19224, Portland, Oregon 97219

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CASCADE POLICY INSTITUTE



MEDIA RELEASE

For More Information Contact:
Steve Buckstein, Cascade (503) 242-0900
William B. Conerly, Ph.D. (503) 225-3942

February 16, 1995
For Immediate Release

The Unseen Costs of Ribbon-Cutting Losses from Economic Development Programs

One of Oregon's top business economists, William B. Conerly, Ph.D., released a policy paper today arguing that efforts by the state of Oregon to improve the business climate and raise Oregonians' standard of living may actually do more harm than good. His key points include:

- * When a governor or mayor cuts the ribbon of a new factory made possible through government funding, the "seen" benefits are loudly touted. Unfortunately, the "unseen" private sector losses are usually greater than the "seen" gains.
- * Government support for economic development programs replaces the discipline of the market with the judgment of politicians and bureaucrats. Is it any wonder that the costs outweigh the benefits?
- * Is the Lottery a Tax? No one is forced to play the lottery. However, no one is forced to buy liquor, but we still call the liquor tax a tax. The key element of taxation is the extraction of resources by use of force. The force here is the criminal prosecution of lottery competitors. Indeed, the lottery is a tax.
- * If new jobs are created by *taxing* Oregonians, how many of those jobs will be *filled* by Oregonians? National research shows that 4 out of every 5 jobs will go to outside residents who later move here.
- * Businesses learn to focus on winning government grants and tax breaks, rather than focus on competitiveness and serving customers.

Dr. Conerly concludes his paper with three recommendations:

1. Eliminate the Oregon Economic Development Department.
2. Ease the regulatory burden on businesses.
3. Oregon should have low taxes across the board to build our business climate.

Copies of the four-page report, *The Unseen Costs of Ribbon-Cutting: Losses from Economic Development Programs*, are available at no charge from Cascade Policy Institute.

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813 SW Alder, Suite 707

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Portland, Oregon 97205

Strategic Investment and the Child Care Infrastructure

Testimony presented to the Multnomah County Board of Commissioners
by Daniel G. Vizzini, 13830 Verte Court, Lake Oswego, Oregon
July 17, 1995

Good evening Commissioner Stein and members of the County Commission. For the record, my name is Dan Vizzini, a private citizen, former Chairman of the Oregon Commission for Child Care and advocate for Multnomah County's emerging public-private infrastructure of support for children, youth and families. Thank you for providing this opportunity to comment on the draft SIP agreement between Multnomah County and Fujitsu Microelectronics, Inc.

With all due respect to representatives of the County and Fujitsu, the child care provisions of the draft agreement do little more than perpetuate existing corporate policies and programs. The draft agreement fails to address the short-comings of existing child care programs at FMI, and is silent on FMI's involvement in community efforts to achieve child-care-dependent benchmarks. Our community desires more from its investment in the tax abatement. Multnomah County should press FMI to become an active corporate citizen and join on-going community efforts to build an infrastructure of supporting service for children and families.

Allow me to offer the following observations and suggestions for action:

1. Honor Parental Choice. Fujitsu should be applauded for recognizing that inadequate child care is a significant obstacle to a productive workforce. Their current efforts are far better than the benign neglect that confronts the majority of working families in Multnomah County. However, the FMI solution is unresponsive to the varied work-family demands of their workforce. At FMI, a low wage employee has access to subsidized care only if the employee uses FMI's sole-source provider, and only if the employee happens to work when the sole-provider is in operation. This system is unfair to the lowest paid employees and does little to promote parental choice in the selection of appropriate child care.

Action Steps: Revise the draft agreement to require that FMI begin with a detailed survey of the work-family issues of the workforce. Once complete, FMI should develop a comprehensive set of family-friendly policies and programs that include flexible work schedules, family-leave, sliding-scale subsidies, and investments in the community child care infrastructure. Make parental choice, equity and flexibility the foundation of a responsive work-family policy at FMI.

2. Join Efforts to Build a Caring Community. Resolution 95-77 states that strategic improvement plans should promote progress on community goals, particularly the County's urgent benchmarks. Despite this requirement, the child care provisions of the draft agreement are very narrowly drawn to respond to child care as an obstacle to the employment of parents. The agreement is completely silent about child care as a necessary prerequisite to the successful attainment of the County's benchmarks, particularly those included in the disadvantaged citizens, economic prosperity, educated citizens and family support sections of the Portland-Multnomah Benchmarks.

Action Steps: Require FMI to participate in at least one on-going community initiative to improve the accessibility, availability, affordability and quality of the County's child care marketplace. There are many initiatives that would benefit from the direct involvement of a major employer like Fujitsu. At present, groups are working to increase the training of providers, improve the quality of facilities, improve the skills of parents, and recruit child care supply where it is desperately needed. FMI can find out more about these efforts from such community organizations as Metro Child Care Resource and Referral, and the Oregon Child Development Fund. FMI's involvement should include investments of both money and manpower, and should be sustained over the life of the tax abatement.

Strategic Investment and the Child Care Infrastructure
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My observations and suggested action steps are consistent with a growing movement in Multnomah County and throughout Oregon on behalf of children and families. For the past ten years, Oregon has been nurturing an emerging, decentralized system of public and private resources and services. These resources and services are targeted to benefit children, parents, providers, employers and communities. The emerging system promotes cooperation and coordination, recognizes the need to leverage scarce resources, targets investments based on solid information, and uses measurable outcomes and benchmarks to guide future decisions. The FMI development comes at a auspicious time in the development of the child care infrastructure, and offers a new opportunity for bringing major employers into partnership with community organizations and government.

Multnomah County should not let this opportunity slip by. Resolution 95-77 clearly gives the County significant authority to pursue community goals and benchmarks. FMI is clearly an employer who already recognizes the connection between child care and the economy. Metro Child Care Resource and Referral, and other community organizations, stand ready to match FMI's interests and goals with those of the community. The County Commission need only move beyond the narrowly drawn child-care requirements in the draft agreement. In so doing, you will establish a significant precedent for future SIP agreements in Multnomah County. And your actions will ripple out to counties throughout Oregon.

Thank you for considering my remarks. I stand ready, with many others in the County, to welcome FMI's participation in building our community's child care infrastructure.

Sendin Duffy

SIP

Contract

7/17/95

SAWERA
DUFFY
SUBMITTAL

fifteen (15) years of the Property Tax Abatement is a specific condition of the Property Tax Abatement. Whether a failure to maintain the yearly minimum number of jobs is a breach of the agreement shall be determined under the procedures set out in Section IV A, which includes a provision for the County to waive the sanction for a breach, if it is determined that industry-wide conditions have made retention of job positions economically infeasible.

(b.)

Retention of Individual Employees in a Specific Job and Advancement on Career Path

(1) Long-Term Employees

Underlined
material is new.

Shaded material
is deleted.

It is the intent of the parties that employees hired in New Jobs and employees hired for FAB I to replace employees transferred or promoted to FAB II be retained long term either in the initial position or in progressively more responsible positions within FMI. FMI shall demonstrate that 70% of all of its regular full-time employees are long-term employees. An employee whose employment with FMI terminates in less than two years will not be considered a long-term employee. The following employees will not be counted as a less than two-year employee: (1) those terminated for cause; and (2) those who voluntarily terminate employment other than for reasons of inadequacy of child care, transportation or housing.

(2) Employee Counseling Referral

FMI shall provide supervisors of Temporary Operators and Operators I with performance criteria so that if any employee fails to meet these they will be referred to the Department of Human Resources before disciplinary action. FMI's Department of Human Resources shall connect an employee from the targeted population with the appropriate provider of counseling support as identified by the County. This additional cooperative effort (including employees who are at risk of being terminated for cause), which is intended to improve employee retention figures, shall be taken for the

first year of employment, including the temporary period, on behalf of an employee from the targeted population. Nothing in this provision overrides FMI's standards for employment as set by FMI's personnel policies and procedures. The employees from the targeted population shall have no special or additional rights arising from the FSA.

(3) Promotional Practices

Current promotional practices have resulted in 69% of operators being promoted and 55% of technicians being promoted. To meet the County's goal of encouraging local employment that provides clear career paths, FMI shall, during the term of the Property Tax Abatement, maintain as a baseline the present promotion percentages and make good faith efforts to increase those percentages.

4. Wage Scales by Job Type

Beginning the sixth year of the Tax Abatement, and all subsequent years the Property Tax Abatement is in effect, 50% or more of the 445 New Jobs created shall pay an amount at or above the mean annual covered wage in Multnomah County as determined by the most recent data from the Oregon Employment Department.

5. Employer-Paid Benefits

FMI now provides its regular full-time employees, and part-time employees on a pro rata basis, with the following benefits:

- a. Medical insurance
- b. Dental insurance
- c. Vision insurance
- d. An Employee Assistance Plan
- e. Pension Plan
- f. 401K Plan
- g. Life insurance
- h. AD&D
- i. Long-term disability
- j. Bonus options
- k. Leave options
- l. Vacation
- m. \$ 125 Federal Dependent Care Reimbursement

The amount of these contributions shall be determined in the following manner:

(a) A Budget Committee comprised of representatives from MHCC, a superintendent of a school district member of Mt. Hood Regional Cooperative Consortium (MHRCC), the County and each microelectronics firm located in the County which has entered into an SIP contract with the County/City shall determine a Training Center start-up budget and an annual operating budget;¹

77%

(b) After the budget is agreed upon by a majority of the committee, the funding for the budget shall be apportioned between the microelectronics firms which have entered into SIP contracts with County/City. The apportionment is based on a ratio of the SIP personnel commitment for the entire project for each firm.² schedule of personnel for the entire project for each firm. The Schedule of personnel for the Project for FMI shall be:

16-18%

| <u>Years</u> | <u>Total Number of Employees at Project</u> |
|--------------|---|
| <u>1996</u> | <u>77</u> |
| <u>1997</u> | <u>288</u> |
| <u>1998</u> | <u>445</u> |
| <u>1999</u> | <u>445</u> |
| <u>2000</u> | <u>445</u> |

¹ The public entities will enter into an ORS Chapter 190 Intergovernmental Agreement to authorize this partnership.

² If Firm A has made a personnel commitment for its entire project of 500 employees and Firm B has made a personnel commitment for 1000 employees, Firm A will pay an amount equal to 1/3 of the budget and Firm B will pay 2/3 of the budget.

| | |
|-------------|------------|
| <u>2001</u> | <u>445</u> |
| <u>2002</u> | <u>445</u> |
| <u>2003</u> | <u>445</u> |
| <u>2004</u> | <u>445</u> |
| <u>2005</u> | <u>445</u> |
| <u>2006</u> | <u>445</u> |
| <u>2007</u> | <u>445</u> |
| <u>2008</u> | <u>445</u> |
| <u>2009</u> | <u>445</u> |
| <u>2010</u> | <u>445</u> |
| <u>2011</u> | <u>445</u> |

Payments will be scheduled by the Budget Committee. Compliance by FMI with those scheduled payments, is compliance with this Agreement.

(2) School-to-Work

The Strategic Workforce Development Program will include the School-to-Work Program which operates in conjunction with local high schools.

Good faith efforts shall be made by FMI, along with other local semiconductor companies, to increase meaningful participation in the School-to-Work Program through the building blocks of implementation strategies identified and illustrated in the chart created by the Semiconductor Workforce Consortium (SWC) and attached as Exhibit B.

(3) Scholarships

FMI shall provide ten (10) scholarships of \$2,500 each for each year of the Property Tax Abatement to support students in the fields of engineering and science. Five scholarships shall be awarded at Mt. Hood Community College and five scholarships shall be awarded at

SIP PROGRAM

| Year | Housing Subsidy | Year | Housing Subsidy |
|-------|------------------------------|---------|-----------------------------|
| 1996 | 3,333 | 2004 | 32,050 38,050 |
| 1997 | 101,600 77,934 | 2005 | 32,542 38,542 |
| 1998 | 101,950 78,284 | 2006 | 33,059 39,059 |
| 1999 | 29,918 6,351 | 2007 | 33,602 39,602 |
| 2000 | 32,303 38,303 | 2008 | 34,172 40,172 |
| 2001 | 29,709 35,709 | 2009 | 34,711 40,711 |
| 2002 | 31,134 37,134 | 2010 | 35,400 41,400 |
| 2003 | 31,581 37,581 | 2011 | 37,060 42,060 |
| TOTAL | | 633,189 | |

c. Procure Locally Produced or Sold Goods and Services

County Goal: To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.

(1) FMI shall have a written local procurement plan for expanding procurement of local goods and services. The plan will identify:

a. The types of goods and services which FMI purchases in the conduct of its business.

- (5) All solicitation efforts to identify local providers of goods and services to propose bids.



Infrastructure and Public Service

- (1) FMI shall provide a copy of its development approval, including conditions of approval, within 30 days of the approval, so that the County/City can identify development impacts which have been or will be mitigated through development conditions and those which will have to be mitigated separately under this Agreement.
- (2) FMI shall report on its compliance with the conditions of approval for its development permit as it relates to transportation and utility infrastructure and public safety.
- (3) FMI shall report on its compliance with additional requirements for mitigation imposed under this Agreement.

i. Environmental Management Plan

- (1) FMI shall report on its progress under its EMP toward the County's goal to eliminate environmental impact.
- (2) FMI shall report on any violations of environmental laws at the Project which occurred in the prior year and, if there were any, whether the appropriate environmental agency approved the clean-up measures.

D. Cooperation With Oregon Department of Revenue

FMI shall comply with the requirements of the Oregon Department of Revenue for designating and describing the improvements and equipment that are being financed, in

EXCLUSIVE FULL-SERVICE FIRST SOURCE HIRING AGREEMENT

FUJITSU MICROELECTRONICS, INC.

I. PARTIES

This Exclusive Full-Service First Source Hiring Agreement (FSA) is for the recruitment, referral and placement of employees in covered positions and is between Portland Development Commission JobNet Program (PDCJNP) and Fujitsu Microelectronics, Inc., Gresham, Oregon (FMI). Multnomah County (County) and City of Gresham (City) are Third Party Beneficiaries (TPB) of this FSA and are entitled to enforce its terms. By executing this FSA, County and City accept TPB status.

II. RECITALS

- A. On April 13, 1995, County adopted a Strategic Investment Program (SIP) Policy pursuant to the provisions of ORS 285.330 et seq. and ORS 307.123. This Policy provides procedures, goals and standards to evaluate SIP applications.
- B. The County, City and FMI must sign an SIP Contract setting out the additional reasonable requirements that FMI will meet in order for the County to request State financing for FMI's proposed Project. The Contract and the State financing are prerequisites for FMI qualifying for a Property Tax Abatement.
- C. A provision of the SIP Contract requires that FMI enter into an FSA with PDCJNP.
- D. PDCJNP is the entity designated as the publicly funded job training provider with which FMI must enter into a first-source hiring agreement pursuant to ORS 285.323.
- E. Amid regional growth and economic prosperity, too many citizens of Multnomah County live in poverty; a disproportionate share of them are women. Over 14% of families with children under the age of 18 have incomes below the poverty level; sixty percent of these households are headed by women. The County seeks to link the job creation benefits of industrial expansion to disadvantaged residents, ensuring access to new jobs by that population. The County also recognizes that in order to ensure the success of such residents in family wage jobs, private and public resources must be dedicated to the support of families during their transition from poverty to self-sufficiency.

- F. FMI and PDCJNP commit to work together and in partnership with Mount Hood Community College (MHCC), Portland Community College (PCC), other institutions of higher learning, Public School Districts, Multnomah Educational Service District, Oregon State Employment Department (OSED), Adult and Family Services (AFS), Private Industry Council (PIC), churches and social services infrastructure to identify, train and refer a targeted population of potential FMI employees to FMI for regular employment with career advancement opportunities.
- G. The targeted population includes welfare recipients, unemployed, underemployed, students in a School-to-Work Program and Oregon graduates of high schools, vocational and technical schools, two year and four year colleges and universities.
- H. The Multnomah County East Branch of AFS is the largest branch in the State providing services and welfare benefits for over 4000 families.
- I. There are a substantial number of unemployed and underemployed in Outer Southeast and East County.
- J. The parties recognize that this targeted population may have less financial, social and emotional support to cope with impediments to employment. The Parties commit to a strong collaborative effort to overcome these impediments by marshalling support services which will allow recruiting, training, referring and employing these persons.

THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

III. TERMS AND CONDITIONS

A. Definitions

1. Applicant: Persons who apply for employment with FMI, whether referred by PDCJNP or another referral source or self-referred.
2. Contract Worker: Persons hired on a temporary or permanent basis who are self-employed or employees of a business other than FMI who perform under a contract for services.
3. Covered Positions: Regular Jobs of FMI in the Portland Metropolitan area. There are two categories of covered positions:

- (1) Category One: Jobs which require less than a two year college degree or certificate which are not highly technical nor managerial in nature.
- (2) Category Two: Jobs which require a two year college certificate or degree, two or more years of college or are highly technical or managerial in nature.
4. Internal Hire: FMI positions which are filled by FMI regular employees by internal promotion, transfer or recall of a laid off employee.
5. Potential Applicant: Anyone who is a member of the targeted population or any other person who comes to PDCJNP to apply for a position with FMI.
6. Qualified Applicant: FMI, PDCJNP ~~and County~~ shall determine minimum threshold objective criteria for identifying a "qualified applicant" as an individual who possesses core competencies, abilities, training or experience which are consistent with the job description for the specific position. Criteria for identifying a qualified applicant shall be consistent with FMI job descriptions and this Agreement. } new addition
7. Regular Employee: Full-time regular employee on the regular payroll of FMI entitled to employer-paid benefits.
8. Regular Job: Full-time and part-time regular positions on the regular payroll entitled to employer-paid benefits.
9. School-to-Work: This is a program created pursuant to the Oregon Educational Act for the 21st Century which encourages educational institutions and businesses to develop programs related to School-to-Work transitions and work experience internships. ORS 329.885.
10. Targeted Population: A person who is a welfare recipient, unemployed, underemployed, school-to-work participant and graduates of local vocational and semiconductor training programs and other Oregon institutions of higher education.
11. Temporary Operator: An entry level operator who is a payrolled temporary employee hired with the intention that he/she will become a regular

employee. Such an employee can be hired for a regular position at any time during the nine month probationary period, but if not hired by the end of the nine months is not permitted to remain employed at FMI, unless there are no positions open at the end of the nine month probationary period. If such an employee is passed over for hiring when positions come open, FMI may terminate such an employee.

12. Underemployed: Multnomah County shall develop a working definition of this term. Persons employed for under 35 hours per week, who desire full-time employment, and./or persons working full-time at a position below their skill level.
13. Unemployed: Persons without a job that pays compensation or who is receiving unemployment compensation.
14. Welfare Recipients: Persons receiving support payments from AFS.

B. Recruitment

1. Exclusive Recruiting Through PDCJNP

- a. FMI shall recruit potential applicants for Category One covered positions exclusively through PDCJNP, except for internal hires.

It is agreed that FMI shall provide PDCJNP with an advanced notice a minimum of eight (8) weeks prior to the anticipated hire date for all planned hiring activity. If PDCJNP is unable to supply sufficient candidates by four weeks prior to the date of hiring, FMI will be authorized to pursue applicants from any other source of their choice.

If the eight week minimum notice is not reasonably possible, PDCJNP and FMI will work together to assure FMI meets its hiring requirement in the most effective manner.

- b. PDCJNP may share FMI job openings for all covered positions with its JobNet partners and affiliated agencies, including but not limited to the OSRD, Department of Vocational Rehabilitation and AFS; PCC; Clackamas Community College; MHCC; PIC; and Employment, Training and Business Services.

2. PDCJNP Outreach to Targeted Population

- a. PDCJNP shall work with MHCC, OSED, social service agencies, churches, schools and others to identify potential applicants for all FMI covered positions.
- b. PDCJNP shall develop and implement recruitment processes for all covered positions.

3. Workforce Development

- a. FMI shall work with PDCJNP, MHCC, local public school districts, Multnomah Educational Service District and other education and training providers to develop training systems related to the semiconductor industry which will result in the targeted population acquiring the education and skills necessary for students to be certified as qualified applicants and meet FMI's employment needs.
- b. FMI shall assist in creating industry standards and a certification process for operators and technicians.
- c. FMI shall work with local education and training providers to develop cooperative education and internship programs for high school, community colleges and college/university students. FMI shall expend reasonable efforts to identify intern positions which students enrolled in microelectronics or semiconductor related training programs can fill.
- d. FMI shall help PDCJNP create screening and assessment tools for the targeted population. FMI shall not disqualify any potential training candidate on the basis of prior work history. FMI shall provide personnel to advise and screen candidates for semiconductor training programs at MHCC and local high schools. In the event the screening and assessment tools become obsolete, FMI agrees to initiate appropriate revisions.

4. Notification of Open Covered Positions

FMI shall notify PDCJNP of its hiring schedule, position qualifications, wages offered, shifts needed and other relevant job related information

as soon as FMI becomes aware of the need for new employees in all covered positions. FMI shall provide job descriptions and qualifications for all positions in order to facilitate PDCJNP's determination of qualified applicants upon request from PDCJNP.

C. Referral and Hiring

1. PDCJNP shall process for referral any qualified applicant who applies or is referred for any covered position when an opening exists at FMI.
2. PDCJNP shall screen all applicants for openings for covered positions using the developed objective criteria determined pursuant to Section III.A.6. to decide who is a "qualified applicant." FMI specifically agrees that successful completion of the MHCC training program which FMI established or approved and FMI's two-week training program will substitute for any requirement of a stable work history. However, FMI shall not be required to hire such an applicant if the applicant does not otherwise meet FMI's hiring criteria as established under Section III.A.6. of this agreement.
3. PDCJNP shall refer qualified applicants to FMI who meet the developed objective criteria after FMI notifies PDCJNP of openings for covered positions.
4. FMI shall request a specific number of applicants for each job opening and FMI shall conduct a personal interview with every qualified job applicant referred to FMI at FMI's request.
5. FMI shall make the final hiring decision on any job applicant but shall select employees for Category One covered positions from among the qualified persons referred by PDCJNP.
6. For Category Two position openings, FMI agrees to consider qualified applicants referred by PDCJNP and to make a good faith effort to maximize hiring from qualified local residents, graduates of local vocational and semiconductor training programs and local two and four year colleges and universities.
7. After FMI has hired an applicant referred by PDCJNP, PDCJNP shall not be responsible for the employee's actions. PDCJNP shall not be responsible for an applicant's actions during any portion of the referral or employment process.

8. FMI shall provide supervisors of Temporary Operators and Operators I with performance criteria so that if any employee fails to meet these they will be referred to the Department of Human Resources before disciplinary action. FMI's Department of Human Resources shall connect an employee from the targeted population with the appropriate provider of counseling support as identified by the County. This additional cooperative effort, as required under Section II (A)(3)(b) of the SIP contract (including employees who are at risk of being terminated for cause), which is intended to improve employee retention figures, shall be taken for the first year of employment, including the temporary period, on behalf of an employee from the targeted population. Nothing in this provision overrides FMI's standards for employment as set by FMI's personnel policies and procedures. The employees from the targeted population shall have no special or additional rights arising from the FSA.

D. Reporting Requirements

1. FMI, PDCJNP and the County shall work together to create reporting forms for the reporting requirements set out in Section II.C. of the SIP Contract between FMI and County/City.
2. FMI and PDCJNP shall work together to determine a process of disseminating employee surveys which will be used for evaluating how well the County goals are being met through the FMI, PDCJNP, County and City partnership.

E. Controlling Regulations and Laws

1. FMI and PDC shall comply with all federal, state and local laws, regulations, and ordinances relative to employment. If this Agreement conflicts with any labor laws or other governmental regulations, the laws or regulations shall prevail.
2. FMI and PDC agree to comply with Title VII of the Civil Rights Act of 1964, and with Section V of the Rehabilitation Act of 1973, as amended or with any successor statutes. No individual shall be excluded from participation in, denied the benefits of or subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of race,

color, sex, national origin, marital status, age, or religion.

F. Assignments and Modifications

1. If, during the term of this FSA, FMI should transfer possession of all or a portion of its business concerns affected by this FSA to any other party by lease, sale or assignment or otherwise, FMI, as a condition of transfer shall require the party taking possession to agree, in writing, to the terms of this FSA.
2. If PDCJNP's federal, state or local grants are suspended or terminated before or during the contract period, this FSA may be assigned to another member of JobNet mutually selected by FMI and County.
3. FMI and County may mutually agree to modify this agreement in order to improve the working relationship described herein.

G. Payment for Services

1. Compensation

FMI shall pay to the County, for PDCJNP's services, \$60,000 each year beginning August 1, 1995, and continuing through July 31, 1998. For the remaining years of this agreement, beginning August 1, 1998, FMI shall pay to the County, for PDCJNP's services, an annual amount computed as follows: (a) \$300 for each Category One job opening which occurred at FMI and posted with JobNet; and, (b) \$300 for each Category Two job placement which occurs at FMI through JobNet, in the prior fiscal year, July 1-June 30. A lump sum annual payment will be made to the County Finance Department by September 1 of each year.

2. Scope of Work

A summary of the scope of the work which will be provided to FMI by PDCJNP follows:

- a. Develop with FMI the objective criteria for "qualified applicant."

- b. Develop and implement recruitment processes for all FMI covered positions.
 - (1) Identify and locate the targeted population.
 - (2) Announce all job openings through PDCJNP's network.
 - (3) Perform preliminary screening and assessment based on agreed upon criteria.
- c. Develop with FMI the report forms necessary for quarterly and annual compliance reports.
- d. Develop employee survey and work with FMI to create a dissemination and collection process.
- e. Develop surveys and evaluation criteria for applicants from the targeted population who do not accept employment.
- f. Evaluate surveys, track targeted population and prepare report to County.
- g. Act as a contact for referral for FMI supervisors who have identified targeted population employees as having a problem which interferes with their employment.
- g. Evaluate job related portions of quarterly and annual FMI reports received from County and report back to County on compliance issues.
- h. Expand JobNet's contacts in outer southeast and East county.
- i. Assist in efforts to develop workforce strategies to increase education, training and job opportunities.
- j. Assist in creating a social services infrastructure in outer southeast and East Multnomah County.

3. Credit for participation by other SIP firms

In the event other firms enter into an SIP contract with the County, it is the intent of PDCJNP to fairly apportion the costs of its services between the firms. A ratio for apportionment will be created based upon the annual hiring commitment of

each company. PDCJNP will determine the additional marginal costs attributable to the addition firm(s). The total costs will be apportioned between all of the firms. FMI's maximum potential liability is limited to \$60,000 each of the first three years of this agreement, but it could receive a credit to the extent FMI's proportional share is less than \$60,000 in any one year. This provision does not apply after the first three years of the FSA.

H. Sanctions

A breach of the FSA is a breach of the SIP Contract. The sanctions set forth therein are applicable. Additionally, any actual costs incurred by PDCJNP on account of a breach, including administrative time of the staff, shall be paid by FMI to PDCJNP upon demand. In the event of a dispute regarding this provision, the Arbitration provisions of Section K. of this FSA apply.

I. Incorporation of SIP contract.

1. The SIP contract is incorporated into this FSA by this reference. To the extent there are any conflicts between the SIP contract and the FSA, the SIP contract controls.
2. However, this FSA is intended to implement the job creation and retention provisions of the SIP contract by providing further specificity regarding FMI's good faith efforts to hire from a targeted population.
3. To the extent that this FSA places additional obligations on FMI, it is not inconsistent with the SIP contract.

J. Effective Date

This FSA shall take effect when the Multnomah County Board of County Commissioners approves the SIP Contract.

K. Arbitration

If any breach or disputed term or condition of this FSA cannot be resolved to the mutual satisfaction of the parties, the binding arbitration procedure set out in Section IV.A.6. et seq. of the SIP contract shall be used to resolve the matter.

L. Term

This FSA shall be in effect until the end of the property tax abatement period for FMI which is expected to include tax year 2011/12, ending June 30, 2012.

IT IS SO AGREED:

By _____
Fujitsu Microelectronics, Inc.
Office: _____

Dated: _____

By _____
Jan Burreson
Executive Director
Portland Development Commission

Dated: _____

APPROVED AS TO FORM:

By _____
Portland Development Commission
Legal Counsel

Dated: _____

By _____
Beverly Stein, Chair
Multnomah County
Board of Commissioners

Dated: _____

REVIEWED:

By _____
Sandra N. Duffy
Assistant County Counsel

Dated: _____

By _____
Gussie McRobert, Mayor
City of Gresham

Dated: _____

REVIEWED:

By _____
Richard D. Faus, Assistant City Attorney
City of Gresham

Dated: _____

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DAN SALTZMAN, Multnomah County Commissioner, District One

1120 S.W. Fifth Avenue, Suite 1500 • Portland, Oregon 97204 • (503) 248-5220 • FAX (503) 248-5440

POSSIBLE SALTZMAN AMENDMENTS
TO THE FUJITSU SIP CONTRACT

There are several areas within the draft contract with Fujitsu which might benefit from clarification. While I have not decided to propose these amendments as yet, I offer them for comment from the public and my colleagues.

PAGE 1, lines 7/8 of Recital B:

DELETE "...related to the facility."

The Community Service Fee is intended to be used by the relevant jurisdictions for public benefit, as determined by those jurisdictions. The phrase "related to the facility" seems to suggest that there should be a direct connection between the impact of the facility and the expenditure of the CSF. This inappropriately limits the discretion of elected bodies to respond to community needs through use of the CSF.

PAGE 14, line 6 of (2) "For the Multnomah County Community"

CHANGE "The County" to "The Board of County Commissioners"

This change would clarify that the dispersal of the \$500,000 will be decided by a vote of the Board of County Commissioners, as opposed to an administrative decision.

PAGE 17, beginning of last paragraph of d. "Environmental Management Plan"

CLARIFY "An acceptable EMP..."

Who will determine the "acceptability" of the EMP?

PAGE 19, 2. "Confidentiality of Reports"

ADD an additional paragraph: "The County shall also prepare an annual report to the public describing FMI's compliance with the terms of this contract."

CLARIFY the extent of confidentiality.

This potential amendment reflects my greatest substantive concern. My reading of this section is that it is a blanket granting of confidentiality for all reports and supporting documentation provided by the Company for compliance purposes. I recognize the legitimate need to shield truly proprietary information. But surely the public deserves the opportunity to evaluate the Company's compliance with this contract beyond the Board of County Commissioner's say-so. This language should be modified to make clear that the County may offer non-proprietary information on contract compliance for public perusal, and should offer a process for the Company to distinguish what is and isn't proprietary, thus being an appropriate exception to public records laws.

PAGE 35, line 4 of D. "Allocation of Funds Paid by FMI for Failure to Comply with Agreement"

CHANGE "County" to "Board of County Commissioners"

This change would clarify that the distribution of funds will be decided by a vote of the Board of County Commissioners, as opposed to an administrative decision.

Strategic Investment Program

**Agreement
between**

**Multnomah County
City of Gresham**

and

Fujitsu Microelectronics, Inc.

**Under
ORS 285.330 et. seq
Multnomah County Resolution 95-77**

DOCUMENTS

**Application and Supplements
Consultant Report
Proposed Contract Documents
SIP Policy**

BOARD OF
COUNTY COMMISSIONERS

1995 JUL -3 PM 4:13

MULTNOMAH COUNTY
OREGON

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

In the Matter of Adopting a) RESOLUTION
County Policy for the Strategic) 95-77
Investment Program)

WHEREAS, capital-intensive industries are especially desirable to a region because they tend to invest heavily in developing the skill levels of their employees, pay their employees well, and contribute in other ways to the economic development of a region; and

WHEREAS, such industries have purportedly been reluctant to locate in Oregon because of the reliance on property taxes to fund schools and local governments which burden capital-intensive industries more than a typical production facility but impose the same costs on local government service providers; and

WHEREAS, the 1993 Oregon Legislature passed House Bill 3686 in order to encourage additional investment and employment within the State by capital-intensive firms; and

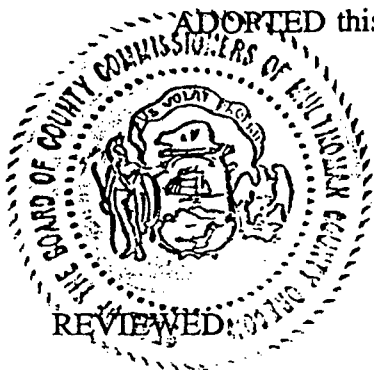
WHEREAS, House Bill 3686 allows counties and cities to elect, under certain conditions, to exempt portions of projects funded by Economic Development Revenue Bonds from property tax assessments under the Strategic Investment Program (SIP) set out in ORS 285.330 et seq.; and

WHEREAS, House Bill 3686 specified that the governing body of an Oregon county may impose additional reasonable requirements on an SIP applicant, the County has created a policy setting out those additional requirements which will ensure that abatements of taxes are granted only to firms that share the County's goals; now therefore

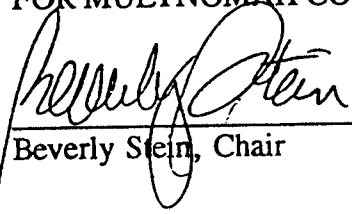
IT IS HEREBY RESOLVED that the attached **MULTNOMAH COUNTY STRATEGIC INVESTMENT PROGRAM POLICY** be the guiding document to be used by the County to review applications from firms seeking tax abatements under the SIP; and

IT IS FURTHER RESOLVED that applications for tax abatements only be approved for firms that demonstrate that their developments will promote the policies set out therein.

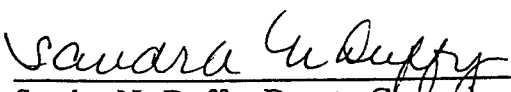
ADOPTED this 13th day of April, 1995.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON


Beverly Stein, Chair

LAURENCE KRESSEL, COUNTY COUNSEL
MULTNOMAH COUNTY, OREGON


Sandra N. Duffy, Deputy Counsel

MULTNOMAH COUNTY STRATEGIC INVESTMENT PROGRAM

I. Background

On a nationwide basis, there is a growing gap in incomes between households: the lower 80 percent of households by income have received only two percent of income growth over the past 15 years. The Secretary of Labor has stated that this gap can be addressed nationally through the adaptation to a new economy driven by advanced technologies and global competition in which productive skills are the key to success. This adaptation will require job training in technical skills and the encouragement of companies that treat their workers not as costs to be cut but as assets to be developed: training workers, providing responsibility and job security.

In Oregon, wages are currently only 88 percent of the national average. As part of its Workforce Development plans, the State of Oregon has submitted the vision that it will have the best educated and prepared workforce in the nation by the year 2000 and a workforce equal to any in the world by the year 2010. This vision includes the goals of quality employment for all Oregonians through investments in education, training and experience in the workforce.

Locally, within the Portland metropolitan area, the per capita income of Multnomah County residents has not kept pace with income growth in the neighboring counties. In the manufacturing sector in Multnomah County, the number of jobs has declined over the last 15 years while it has grown in neighboring counties.

Among the Community Goals set forth in the January 1995 Report of the Portland-Multnomah Progress Board are the following:

- *Attract internationally competitive companies that support well compensated jobs with long-term potential.
- *Build a world-class workforce that provides the full range of skills necessary to attract and sustain competitive, high performance companies.
- *Ensure that all residents, particularly low-income and unemployed people, have the opportunity to benefit from business growth.
- *Graduate all children from high school with skills enabling them to succeed in the work force and/or in post-secondary education, including the fundamental ability to read, write, communicate, and reason.
- *Establish stronger educational programs beyond the secondary level to meet the region's needs for accessible education, expanded graduate programs, high quality research, technology transfer, and economic development.

Among its Urgent Benchmarks, the Progress Board has adopted the following measures for which improvement is sought:

- *Average annual payroll per non-farm worker;
- *Percentage of citizens with incomes above 100 percent of the poverty level;
- *Percentage of children 0-17 living above 100 percent of the poverty level;
- *Percentage of citizens who have economic access to basic health care.

The characteristics of the semiconductor and metals industries make them desirable as part of the strategy to achieve these goals. These characteristics include: high investment per job; a highly trained workforce earning wages well above average, coupled with opportunities for initial entry and career/skill advancement for lower skilled members of Oregon's existing labor force; high multiplier effect of additional investment created via supplier and service companies throughout the state; and low impact on property tax financed local services per dollar of investment. Firms in capital-intensive industries generally are especially desirable to a region because they tend to invest heavily in developing the skill levels of their employees, pay their employees well, and contribute in other ways to the economic development of the region.

II. Purpose

The purpose of this Implementing Policy is to ensure that:

- the SIP is implemented in a fair and open manner;
- only projects that would not otherwise locate in Multnomah County receive property tax abatements under the SIP;
- benefits are enjoyed by current county residents, especially those who are unemployed or underemployed, and the region as a whole benefits;
- the implementation of the County's SIP results in the creation of a reasonable number of long-term jobs that lead to economic self sufficiency in relation to the amount of taxes abated;
- the implementation of the County's SIP is consistent with the County's land use, development, and environmental goals and promotes progress as measured by the County's Urgent Benchmarks.

III. Limits

This implementing policy will sunset after two years. The County Board will appoint an independent body to evaluate the effectiveness of this implementing policy and to recommend its continuation, reform, or elimination. The duration of the sunset review will be limited to 60 days and review may be initiated up to 60 days prior to sunset.

The Board will not approve abatement contracts based upon applications that fail to meet the Standards set forth in this Implementing Policy. The Board also may refuse to ratify an abatement contract that, in its judgment, would not meet the Goals set forth in this policy or because the extent to which it meets the Goals does not justify the value of the abatement. Section IV of this policy describes the process by which the Board reviews and makes decisions on SIP abatements.

The Board will grant abatements only to companies that have demonstrated a commitment to obeying all applicable laws and regulations including, but not limited to, environmental laws, labor laws, laws requiring notice before layoffs, land use laws, and tax laws.

Each and every provision of an abatement contract entered into under this policy is binding on any and all successors-in-interest to the applicant by virtue of sale, lease, assignment, merger, or any other transfer of any interests in the applicant corporation to any other person or entity.

In the event of a corporate dissolution or a bankruptcy proceeding under Chapter 7, the full real market value of the development project shall be placed on the tax roll as taxable property.

IV. Procedures for Review and Negotiation

A. Application fee and deposit

A deposit of \$10,000, to cover the full cost of review and processing by all public agencies and consultants will be collected at the time of application. The deposit will be collected by the Multnomah County Budget and Quality Office. Any amount collected in excess of actual cost will be reimbursed. Actual costs in excess of the deposit collected will be billed and paid by the applicant.

B. Summary of the application procedure

A pre-application exchange of information between prospective applicants and relevant agencies is expected. State and local economic development

agencies may facilitate this exchange. The better prepared the review agencies are in advance of application, the more quickly the application may be reviewed.

Multnomah County will retain, with approval from the City in which the proposed project will be located, independent consultants to coordinate the review of the application for compliance with this Implementing Policy. State and local agencies will contribute information and analysis as appropriate. With direction from Multnomah County, the independent consultants will coordinate negotiations with the applicant. Local agencies may evaluate the application in light of the consultants' reports and make recommendations to the Board.

This process can be completed within approximately 42 days of application if the application is complete when presented, not including the time required for negotiations.

C. Sequence and timeline for review

Pre-application (begins two weeks or more in advance of application)

- The prospective applicant will become informed about the process, necessary participants, and information requirements of review agencies and will use that information to draft the application in a way that expedites review. County and City personnel will become familiar with the applicant's proposed project and will begin to identify issues and information requirements associated with that project.
- The prospective applicant will inform Multnomah County as soon as possible of the date it intends to submit an application.
- The prospective applicant may choose to expedite the review process by paying the deposit in advance of making application, thereby permitting the County to retain the consultants and the County Chair to recommend and the Board to approve a negotiating team.

Application

- Applicant submits 20 copies of application to the Multnomah County Budget and Quality Office and pays deposit (if not already paid).

- The Multnomah County Budget and Quality Office distributes the copies and, if it has not already done so under the expedited process, begins hiring the consultants.
- If a negotiating team has not already been appointed under the expedited process, the County Chair will recommend and the Board will approve one.

Review (approximately 21 days plus time for negotiations)

- The County will have retained the consultants within seven days of receipt of the deposit. The consultants will make a determination of completeness within seven days of the date of application. If an application is deemed incomplete, the County and applicant will be advised as to what additional information is needed.
- Within seven days from the date the application is deemed complete, the consultants will submit a report to the Board on the compliance of the application with this Implementing Policy including the findings of the fiscal and economic impact studies.
- Negotiations may begin at any time after the date of application, but no later than seven days after the County receives the consultants' report.
- During the period of negotiation between the negotiating team and the applicant, the Board of County Commissioners will receive a progress report no less than once a week during the course of negotiations.
- When negotiations are complete, the negotiating team will submit a draft of the contract between the County and the applicant, along with the consultants' report, to the County Board. The contract document will follow the process for a Class II contract as outlined in the County's Administrative Manual except that Board Approval will be required. The County Board will forward a copy to the City Council of the affected city. Public notice will be given.

Public Review and County Approval (approximately 21 days)

- No less than 14 days after public notice, a joint City/County public hearing will be held. The County Board will take action on the contract within seven days after the hearing. The Board may vote to
 - accept the contract as submitted.

- accept the contract with conditions that, if agreed to by the applicant, will not require further negotiations.
- refer the contract back for further negotiation with instructions to the negotiators.
- reject the contract and provide reasons for rejection.

D. Negotiating Team

The County's negotiating team will be recommended by the County Chair and approved by the Board. The City in which the project will be located will appoint a representative who will be a part of the negotiating team.

The negotiating team will have access to and will make use of the consultants and parties.

V. Contents of Application

A. General Information

The applicant will describe itself and the proposed project.

B. Compliance with Standards and consistency with Goals

Section VIII of this policy lists for each of several categories Goals and related Standards. The Standards are clear and measurable and must be met in advance of an application being approved. The Goals are less clearly defined and, in many cases, progress toward their attainment cannot be measured until after a project is operational. The Abatement Contract will contain negotiated terms and conditions that specify measures of attainment appropriate to the applicant's operations as well as repayment terms should agreed-upon performance not be achieved. Performance measures corresponding to the policy Benchmarks will be established and used to instruct the negotiating team.

The applicant will demonstrate that it meets every Standard by including sufficient evidence in the application. For each Standard, this implementing policy describes a repayment provision in general terms, which will be defined more specifically during negotiations.

The applicant will describe how the proposed project will advance each of the County's Goals. Statements made in the application regarding the applicant's commitment to meeting these Goals may become a part of the

Abatement Contract, which will contain negotiated terms and conditions that specify measures of attainment appropriate to the applicant's operations as well as repayment terms should agreed-upon performance not be achieved.

C. Past practices

Multnomah County is interested in encouraging the location of companies that will help the County to achieve its goals and will bring benefits to the community. Learning about the applicant's experience in other communities will allow Multnomah County to have confidence that the applicant will be a beneficial addition to the community.

The applicant will report any sanctions or consent agreements related to violations of U.S. federal or state laws or rules relating to environmental protection, worker safety, or labor relations. The applicant also will report all prior and existing tax abatement agreements in other U.S. jurisdictions so that the County may verify that the applicant has upheld the terms of those agreements.

VI. Compliance Auditing, Enforcement, Repayment, and Changes to the Contract

Once an Abatement Contract is in place, the applicant will report annually on how it is meeting each of the terms and conditions of the contract. Measures of attainment for each of these will have been agreed to as part of the contract and the contract will describe a specific format for annual reports that will include a high degree of specificity for each of the terms and conditions. If the County receives information indicating a potential violation of the contract terms, it may ask the applicant for a written response. In the event that the applicant's written response fails to satisfy the County, the County may retain an outside firm or the County Auditor to verify compliance. The City in which the project is located may also investigate complaints. The applicant will provide access to necessary records.

In the event a violation is found, the costs of such verification would be billed and paid by the applicant, over and above the application fee and community service fee. If no violation is found, the County and City will pay for the investigation.

In the event of non-compliance, repayment of abated taxes (i.e. penalties) must be equal to or greater than the savings the company would realize by not meeting the requirement. Specific terms for repayment will be negotiated for each standard and condition and included in the Abatement

Contract. In any case, total repayment for non-compliance will not exceed 75 percent of the total abatement for the year the penalty is cited. Repaid funds will be directed to the area of public policy most directly related to the failure to comply.

Conditions beyond the control of the parties may lead to renegotiation of the contract upon agreement of both parties.

VII. Process for Establishing Use of Community Service Fee

Consistent with State law, a Community Service Fee equal to the lesser of \$2 million or 25 percent of abated taxes will be paid to the County by the applicant or its successors each year abatement is in effect.

The County Board will agree to establish criteria and a process for allocating the Community Service Fee after consultation with elected officials from all cities within the County. The fee may be used for:

- mitigating potential impacts of the project.
- collaborative efforts among City agencies, County agencies, school districts, and community groups to achieve progress as measured by Portland-Multnomah Benchmarks.
- other uses in the interest of the community.

In addition to the Community Service Fee, the County may ask for financial contributions from the applicant to address the goals of this policy as part of the terms and conditions of the contract negotiated under this policy.

VIII. SIP Goals and Standards

The following goals and standards fit within the framework of related Portland-Multnomah Benchmarks.

A. Need for the exemption

Multnomah County Goal:

- Abatements will be granted to secure investments that would otherwise not take place within Multnomah County.

Standard:

- Applicant will describe why an abatement is needed and state that they would not locate here otherwise.

B. Hiring, Wages, Benefits, Training, and Retention

Multnomah County Goals:

- The creation of long-term jobs with family wages, benefits, and working conditions for residents of Multnomah County or the creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or under-employed, with a clear career track from entry-level jobs to family-wage jobs.
- Company will do a child care impact study and respond by providing support for all parents needing child care, especially entry-level parents.
- Provide educational opportunities to enhance upward mobility for both technical and management roles.
- Minimize the number of contracted on-site jobs that pay low wages.

Standards:

Multnomah County wishes to attract firms that will pay especially high wages and will employ large numbers of area residents who are unemployed or underemployed, but understands that jobs that pay especially high wages generally require skills that large numbers of unemployed or underemployed area residents are unlikely to possess. In recognition of the fact that projects eligible for the SIP are likely to fall into two broad categories—research-oriented facilities that pay high wages but are unlikely to employ large numbers of current area residents and production-oriented facilities that can employ significant numbers of current area residents but at wages that are high only in relation to other production jobs—this policy provides two parallel sets of standards.

The following standard will be met by an applicant offering primarily high-wage jobs:

- The applicant will make assurance that 75 percent of regular employees (counted on an FTE basis) will be paid more than the mean covered payroll per employee in Multnomah County.

The following standards will be met by an applicant offering a full spectrum of jobs (an applicant not meeting the above standard):

- The applicant will agree to a minimum number of jobs to be created through the project as part of the terms and conditions of the abatement contract.
- The applicant will demonstrate that a clear path exists for advancement from entry-level positions to positions that provide higher pay, including positions that pay more than the mean covered payroll per employee in the county.
- The applicant will describe its wage scale for occupations with entry-level positions and describe how an entry-level employee might typically move through pay levels and job classifications.
- The applicant will agree to negotiate contract terms and conditions appropriate to its operations and to the local labor market that will specify minimum percentages for hiring current residents of the region.
- The applicant will describe how their employment practices facilitate the retention of employees and will agree to negotiate contract terms that specify appropriate measures and standards for employee retention.
- The applicant will describe a credible program to assist employees who need child care, taking into account the hours and shifts that employees will work, and will make assurance that such a program will be implemented. This standard applies only to employers that will be offering a substantial number of below-family-wage jobs.

The following standards will be met by all applicants:

- The applicant will describe by category (e.g., entry-level production, skilled production, technical and professional, management, administrative and support, sales, clerical, maintenance, security, shipping and receiving, food service, etc.) the number of jobs and wage scales of those jobs that the project will create at the facility. The applicant also will specify which of these are regular full time, part time, temporary, or contract positions.
- The applicant will agree to enter into an exclusive Full Service First Source Agreement to use Job Net or an equivalent sourcing arrangement.

- The applicant will describe training and education programs available to entry-level employees and training and education programs available to other employees. In-house programs, tuition assistance for job-related training and education, or contracts directly with community colleges or universities would meet this standard.
- The applicant will describe the benefits offered to employees, making clear what the employer's contribution is and which employees qualify.
- The applicant will demonstrate its commitment to all full-time, long-term employees by describing employer-paid benefits, which may include: health insurance, dental insurance, life insurance, accidental death insurance, disability insurance, retirement, profit sharing, employee ownership/stock purchase, educational assistance, day care, and transportation assistance. As a part of these benefits, the applicant must provide employer-paid health insurance equal to or better on the whole than the Oregon Health Plan, and must allow other employees and members of employees' families to purchase health insurance at or below cost, to the extent that the applicant's health-insurance carrier will write coverage for such persons.

C. Housing and Transportation

Multnomah County Goals:

- Provide assistance securing affordable housing.
- Encourage employees to use transit, car pools, van pools, or alternative modes of transportation.

Standards:

- The County will place a percentage of the Community Service Fee aside to address the need for assistance with home ownership and the creation of low and moderate rental units.
- The County will work with the City in which the project will be located, other cities in the region, and Metro to assess the applicants impact on the availability of affordable housing in the region and, if an adverse impact is predicted, the applicant will agree in negotiations to fund an appropriate company- or community-operated program.
- The applicant will describe a credible program to encourage employees to use transit, car pools, van pools, or alternative modes of

transportation and will make assurance that such a program will be implemented.

D. Infrastructure and Public Services

Multnomah County Goals:

- No unmitigated adverse impacts on the level of services provided to existing residents of Multnomah County and the region.

Standards:

As part of its application, the applicant will describe impacts in the following areas and what it has committed to do to mitigate negative impacts. The applicant will provide statements from the relevant agencies that there will be no unmitigated adverse impacts on the level of service or infrastructure or that describe what unmitigated adverse impacts will result from the project. Remedies for unmitigated adverse impacts will be negotiated as part of the terms and conditions of the contract.

- Transportation infrastructure (including traffic and congestion, transit, port, rail, air, multi-modal).
- Utility infrastructure (water and sewer capacity; solid and hazardous waste disposal).
- Public safety (police, fire, emergency medical services, disaster preparedness).

E. Environmental Protection

Multnomah County Goal:

- To grant abatements only to firms that demonstrate a commitment to environmental protection.

Standards:

The applicant will describe credible programs in each of the following areas, will present verification by the relevant regulatory authorities that these programs are reasonable, and will demonstrate a commitment to ongoing monitoring.

- Reducing the use of toxic and hazardous materials.

- Water conservation, reuse, and waste water discharge.
- Air quality.
- Waste reduction and recycling.
- Energy conservation.

F. Stimulation of Local Economy

Multnomah County Goal:

- To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.

Standards:

- The applicant will have a plan to identify for procurement locally-produced or sold goods and services and to solicit bids from local suppliers.

IX. Impact analysis

The impact analysis will be assembled by the consultants primarily from components provided by other agencies and included in the application. It will address the following points:

- A. Fiscal Impacts (impacts on revenues and capacity constraints). This analysis will show property-tax revenues under each of three scenarios and will calculate their differences from each other: (1) without the project, (2) with the project without abatement, and (3) with the project with abatement. Community service fees will be shown separately and will not be counted as property tax revenue.
 1. Education Districts.
 2. County.
 3. City.
 4. Special Districts.
 5. Impacts on existing property tax payers (tax bills relative to no development and relative to no abatement).

6. Cumulative fiscal impacts including those of SIP abatements already granted.

B. Economic Impacts

1. Labor market impacts (number and types of jobs; incomes; impacts on other employers).
2. Indirect and induced business activity (additional demand for locally-produced goods and services; resulting changes in employment and income).
3. Competitive impacts on existing businesses (would abatements give new firm unfair advantage over direct competitors already located here?)
4. Dollars of abated taxes per job created.
5. Jobs per acre.

X. Glossary of Terms

Abatement of Taxes means the exemption of real or personal property from taxation for key industry development projects under ORS 307.123.

Abatement Contract means the contract between the applicant and the County that specifies the terms and conditions under which property taxes will be abated.

Abatement Value means the amount of property taxes projected to be abated over the repayment period of the revenue bonds issued to finance a particular project as determined by the Division of Assessment and Taxation of Multnomah County.

Actual Cost of Review and Processing includes the cost of administrative time expended by personnel of relevant agencies (defined below) to investigate, review, and report on the applicant's compliance with adopted County policies. Those costs are to be calculated based on the number of hours expended by each employee at a rate representing actual gross salary per hour plus benefits at the time the service is provided. Other costs, including but not limited to reproduction, fax, telephone, and experts, are to be calculated at the actual cost to the relevant agency.

Benchmarks are long-range, measurable quality of life goals. The benchmarks referred to in this policy were adopted by the Portland-Multnomah Progress Board.

Complete Application means an application that addresses each and every policy in this policy document as adopted by resolution by the Board of County Commissioners. The application must identify each goal separately and describe with particularity how the proposed project is consistent with that specific goal. Additionally, every standard which is set out in the policy document which is designed to meet a specific goal must be addressed in the application. The Budget and Quality office director will determine whether the application is complete, i.e., if every policy, goal, and standard has been addressed and whether it is supported by sufficient detail or documentation to allow an analysis of compliance with the policies. A County representative can request additional information upon the sole discretion of the consultant and will notify the applicant in writing of the date the application was determined to be complete.

County Board means the Multnomah County Board of Commissioners.

Covered Employment means the number of employees covered by unemployment insurance and is defined by federal law and reported by the Oregon Employment Division.

Covered Payroll means the total wages earned by employees who are covered by unemployment insurance and is defined by federal law and reported by the Oregon Employment Division.

Full Spectrum of Jobs means that an applicant will be hiring employees with wages higher than the mean covered payroll per employee in Multnomah County, as well as production and entry-level employees with lower wages.

Mean Covered Payroll per Employee in Multnomah County currently means \$27,298 per year as reported by the Oregon Employment Division for calendar year 1993. This figure will be adjusted annually to reflect the most current-available statistics. The mean covered payroll for a year is calculated by dividing the total covered payroll in the county for that year by average covered employment in the county during that year.

Negotiating Team means those persons appointed by the Chair of the Board of County Commissioners pursuant to section IV(C) of the County's adopted SIP policy and approved by at least two other commissioners plus one person appointed by the City in which the project will be located.

Offering Primarily Higher-Wage Jobs means that at least 75 percent of the employees operating the applicant's project will be paid more than the mean covered payroll per employee in Multnomah County as defined below.

Relevant Agencies are those agencies identified by the County or the City in which the applicant's project is proposed to be located.

Repayment means the payment due by the applicant to the unsegregated property tax fund of Multnomah County on account of a breach of the negotiated agreement setting the special provisions which induced the County's, and City's, if any, approval of and request for applicant's project to be funded by revenue bonds pursuant to ORS 285.330, resulting in property tax abatement.



May 8, 1995

Beverly Stein, Chair
Multnomah County Commission
1120 S.W. Fifth Avenue, Suite 1515
Portland, OR 97204

**Re: Confidential Application/Strategic Investment Program
Fujitsu Microelectronics, Inc. - Gresham Expansion**

Dear Chair Stein:

On behalf of Fujitsu Microelectronics, Inc., I am pleased to submit to you a confidential application for approval under the county's newly adopted Strategic Investment Program for Fujitsu's Gresham expansion. Fujitsu has been a cooperative and active partner in industry-wide efforts regarding workforce training and development, and maintains high standards not only for technology, but for educational investment in its employees, community participation, and employee benefits. This billion-dollar-plus project will increase Fujitsu's employment by over 400 people and, if approved under the Strategic Investment Program, will serve as the basis for future expansion by the company.

The information in the application was developed by Fujitsu and submitted to the Oregon Economic Development Department in confidence, and the Department is committed to keeping this information confidential. The application and any reports developed by the consultants hired by Multnomah County are part of the negotiation process contemplated in the county's Strategic Investment Program. Until the consultant develops the draft contract that is submitted, along with a report, to the Board of County Commissioners, the negotiation process is ongoing. The application, the substance of the negotiations and any records developed in the process of negotiations are confidential under ORS 285.050 (8) and ORS 192.502 (8). Confidentiality must be maintained by Multnomah County under ORS 192.501 (2), 192.502 (3) & (9).



We have appreciated the opportunity to work with the county staff in the development of the Strategic Investment Program policy, and look forward to working with the county and Gresham as your consultants and negotiating team review the enclosed materials.

Please feel free to call me directly at (503) 986-0106 in Salem, or Marcy Jacobs, Regional Development Officer at (503) 229-5625 in Portland.

Sincerely,

A handwritten signature in cursive script, appearing to read "Wm C Scott".

William C. Scott
Director

**CONFIDENTIAL APPLICATION FOR
MULTNOMAH COUNTY
STRATEGIC INVESTMENT PROGRAM (SIP)**

Submitted by:

Oregon Economic Development Department

On behalf of:

Fujitsu Microelectronics, Inc.
Gresham Manufacturing Division (GMD)

May 8, 1995

PREFACE

This document contains an application for Multnomah County's Strategic Investment Program (SIP) submitted on behalf of Fujitsu Microelectronics, Inc. The application is intended for review by Multnomah County and consultants retained by Multnomah County, and then to serve as a basis for negotiations between the applicant and the County.

The application is organized to address requirements of Multnomah County's adopted Strategic Investment Program. Referenced in the application are a variety of exhibits which are attached.

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I. GENERAL INFORMATION

Fujitsu Microelectronics, Inc. (FMI) develops, designs, manufactures and markets a broad selection of semiconductors and other advanced electronic components. The Gresham Manufacturing Division (GMD) opened in October 1988, with 225,000 square feet of building area on a 200 acre site.

Fujitsu's GMD is proposing a major expansion of its current plant. FMI currently employs 540 at its Gresham campus. With expanded facilities, another 445 employees are expected to be hired by the end of 1998.

Proceeding with this planned expansion is predicated on approval of an application to Multnomah County pursuant to the Strategic Investment Program (SIP). This application is organized to address state enabling legislation (HB 3686) adopted by the 1993 Oregon Legislature together with the goals and standards of the adopted Multnomah County Strategic Investment Program.

A. COMPANY BACKGROUND

Fujitsu Ltd., a Japanese company, is the second largest computer company in the world, and a leading manufacturer of telecommunications and semiconductor products. Fujitsu Microelectronics, Inc. (FMI) is a wholly owned subsidiary of Fujitsu Ltd. and is an American corporation that develops, manufactures, and markets a variety of semiconductor products.

Within the State of Oregon, FMI now operates a wafer fabrication plant employing 540 employees. This plant is located on a 200 acre campus in the city of Gresham in Multnomah County. The success of the current and proposed plant facilities will lead to future expansion on this campus.

The Gresham Manufacturing Division (GMD) of FMI was established in 1988. The land was originally purchased in 1984 and actual construction began in 1987. Original product lines included Application Specific Integrated Circuits (ASICs), custom made microchips, and later was changed to Dynamic Random Access Memory microchips (DRAMs). Currently GMD manufactures 4 Megabit DRAMs as well as a variety of EPROM (Erasable Programmable Read Only Memory) devices.

Corporate headquarters for FMI are located in San Jose, California. In fiscal year 1994, it is estimated that FMI will post \$740 million in sales of which \$132 million is generated from the Gresham Manufacturing Division (GMD). The Gresham operation is an integral part of Fujitsu's global manufacturing network, producing standard memory products for worldwide distribution. Approximately 72% of GMD products were exported in fiscal year 1994.

The current memory products are fabricated on 6-inch silicon wafers. A maximum of 215 microchips can be produced on a 6-inch wafer. The new manufacturing facility under consideration is intended to provide a state-of-the-art wafer fabrication process capable of processing 8-inch silicon wafers of 16 Megabit DRAMs at the onset and 64 Megabit DRAMs in the future. An 8-inch wafer can accommodate a maximum of 470 microchips, more than double the current capacity.

The new products will be marketed to leading personal and mainframe computers as well as manufacturers of automated equipment. Expectations are that an additional \$635 million annual revenue will be generated when the expansion is fully completed. The first phase is estimated to begin in the second half of 1995. The second phase would begin after initial ramp-up of approximately 18 months.

B. PROJECT SPECIFICATIONS

As noted in the table, the total anticipated investment through the year 2011 exceeds \$1 billion. The project will include two phases, totalling \$850 million. Another \$182 million will be invested in replacement equipment over the life of the proposed tax abatement.

Investment Schedule (in millions of dollars)

| Year | Land | Building | Process Support | Equipment | Total |
|--|--------------|----------------|-----------------|----------------|------------------|
| First Phase: | | | | | |
| 1995 | \$0.0 | \$25.0 | | | \$25.0 |
| 1996 | | \$75.0 | \$75.0 | \$125.0 | \$275.0 |
| 1997 | | | \$75.0 | \$125.0 | \$200.0 |
| Second Phase: | | | | | |
| 1998 | | | | \$350.0 | \$350.0 |
| Subsequent Replacement Equipment: | | | | | |
| 1999 | | | | \$14.0 | \$14.0 |
| 2000 | | | | \$14.0 | \$14.0 |
| 2001 | | | | \$14.0 | \$14.0 |
| 2002 | | | | \$14.0 | \$14.0 |
| 2003 | | | | \$14.0 | \$14.0 |
| 2004 | | | | \$14.0 | \$14.0 |
| 2005 | | | | \$14.0 | \$14.0 |
| 2006 | | | | \$14.0 | \$14.0 |
| 2007 | | | | \$14.0 | \$14.0 |
| 2008 | | | | \$14.0 | \$14.0 |
| 2009 | | | | \$14.0 | \$14.0 |
| 2010 | | | | \$14.0 | \$14.0 |
| 2011 | | | | \$14.0 | \$14.0 |
| Total | \$0.0 | \$100.0 | \$150.0 | \$782.0 | \$1,032.0 |

Construction Employment: Will average between 350-500 people per day.

Regular Full Time Employment: Employment at start-up is expected to be approximately 200 and then gradually rise to 445 by the completion of Phase II in the second half of 1998. The jobs created as a result of this new facility expansion will be in similar job classifications now utilized in the existing fabrication plant. The average wages, including shift differentials and regular bonus pay, for these new jobs are as follows:

Projected Employee Hiring Schedule

| Classifications | 1996 | 1997 | 1998 | Total |
|-----------------|------|------|------|-------|
| Operator | 32 | 149 | 149 | 330 |
| Technician | 36 | 22 | --- | 58 |
| Engineer | 9 | 20 | 8 | 37 |
| Administrative | --- | 10 | --- | 10 |
| Supervisors | --- | 10 | --- | 10 |
| Total | 77 | 211 | 157 | 445 |

The average wages for these new jobs are as follows:

| Classifications | Average Total Pay Annually | Annual Median Earnings | Education Required |
|-----------------------------------|----------------------------|------------------------|--------------------|
| Operators | \$26.5K | \$26.2K | H.S. |
| Technicians | \$47.6K | \$48.8K | A.A. |
| Engineers | \$56.4K | \$54.4K | B.S. |
| Administrative (exempt positions) | \$41.0K | \$40.8K | A.A./B.S. |
| Supervisors (Production) | \$56.5K | \$56.1K | A.A./B.S. |

Note: Wage estimates are in thousands of dollars.

Economic Impact

This \$1 billion+ investment for the Fujitsu GMD plant is expected to have the following economic impact after total ramp-up:

- 445 regular employees
- A payroll of over \$17 million per year
- Personal income tax collections of \$1.5 million per year. *Note:* Corporate income taxes represent an additional amount.
- Cumulative property tax payments of \$30.9 million over the 15 year life of the program.
- Cumulative estimated community service fee of \$8.2 million.
- Cumulative savings to the company of \$23.4 million over the 15 year life of the program.

Additional features and benefits associated with this investment for Fujitsu, Multnomah County and Oregon are summarized as follows:

1. Because 8-inch wafers require more materials and expendable tools (approx. 1.3 times more than 6-inch wafers) at higher costs per item, local purchasing will be increased generating secondary jobs and added personal income for Oregonians.
2. The Gresham expansion will pay for user fees such as sewer and water hookup and increase consumption of electricity (13-18 MW) utilizing a new dedicated substation established on the GMD campus.
3. GMD's new facility will possess state-of-the-art environmental safeguards. Water conservation recycling currently utilized in Fab I will be expanded to Fab II, as well as a new chemical reclamation program.
4. A larger-critical mass of microchip manufacturing in Oregon will encourage other related industry to locate here (including other microchip firms as well as vendors and customers).
5. GMD's expansion will promote the concept of establishing an East County Microelectronics Training Center to facilitate local hiring and training for the Semiconductor Industry. GMD is already pursuing the feasibility of such a center through partnership with state and local public agencies.
6. GMD has made a concerted effort to expand local procurement for goods and services. This effort includes qualified small and minority businesses as well as major suppliers of production materials. The expansion of Fab II will further facilitate the opportunity to allow local businesses to participate in GMD supplier relationships.

II. PAST PRACTICES

Fujitsu is a company with an established record of performance in Multnomah County. This section specifically addresses four areas of past practices: environmental protection, worker safety, labor relations, and prior and existing tax abatement agreements.

A. ENVIRONMENTAL PROTECTION

Fujitsu has an excellent compliance record to date. Violations have been minor and have been quickly corrected to the satisfaction of the regulatory agencies. Following is a list of those violations:

1. DEQ Request for Noise Compliance Plan, August 10, 1988. The request was a DEQ response to concern from neighbors regarding noise levels.

Corrective measures taken to reduce operating noise:

- 1) Construction of sound attenuating wall for the cooling towers.
- 2) Installation of continuous noise monitoring system.
- 3) Installation of additional sound insulation in utility building walls and in equipment.
- 4) Relocation of emergency generator.
- 5) Enhanced landscaping on the east side of utility building, to buffer sound next to residential area.

A DEQ letter of full compliance with noise control regulations was received November 3, 1989. No further concerns have been expressed by neighbors.

2. DEQ Noncompliance Notice, February 18, 1992. All items corrected to agency's satisfaction. No further action by the agency. No fines were levied against Fujitsu.
3. DEQ Notice of Noncompliance, Stormwater, February 8, 1995. Stormwater violation for oil and grease, 1993. No citation issued and 1994 stormwater testing in full compliance. (Note: Fujitsu conducts extensive testing of stormwater runoff exceeding state requirements).
4. DEQ Annual Air Quality Inspection, April 6, 1995. The inspection included investigation of a February 10, 1995 neighbor complaint to the DEQ of a fertilizer odor. Notice of the complaint was received by Fujitsu on April 6, the day of the inspection. No odors were detected by the DEQ compliance officer and the DEQ inspection report states "It is not possible to identify Fujitsu as the source of the 2/10/95 complaint's odor". A full investigation has subsequently been completed by Fujitsu with no evidence of any malfunction or upset condition that would have been a source for the odors. Additional stack testing is planned to confirm the investigation findings.

5. City of Gresham, Notice of Noncompliance. Industrial wastewater discharge. February 8, 1993. Violation of fluoride limits. No penalty issued. (Note: Currently there are no state or federal regulations which require Fujitsu to remove fluorides. This is a city requirement only, which is not in effect for other similar companies or municipalities).
6. City of Gresham, Notice of Noncompliance. Industrial wastewater discharge.

| | |
|--------------------|--------------------------|
| April 7, 1994 | pH Excursion |
| September 15, 1994 | pH Excursion |
| October 10, 1994 | pH Excursion |
| November 30, 1994 | pH Excursion |
| December 7, 1994 | pH Excursion |
| March 10, 1994 | pH Excursion - rescinded |
| Total penalties: | \$750.00 |

Fujitsu has submitted a corrective action plan to the City for the pH excursion problems. This includes the installation of an autosampler which will pull a sample of water for analysis immediately whenever an excursion is detected. However, it should be noted that the above excursions do not represent any increase in non compliance, but a change in how the permit is interpreted and administered. Past records demonstrate that no notices of noncompliance were issued in the past for short term exceedences of less than one hour. All of the above exceedences were limited to a few minutes, well below one hour.

B. WORKER SAFETY

Fujitsu has a safety record which meets or exceeds industry experience in Oregon, as indicated by a more detailed review of safety information attached as Exhibit A. Fujitsu GMD has been involved in two worker safety issues. Both items have been corrected:

1. OSHA Citation, December 10, 1992. Violation of fall protection standards. Three violations noted, all corrected to agency satisfaction, two of three items corrected at time of inspection. Total penalty: \$300.00
2. OSHA Citation, April 21, 1994. Violation of hazardous materials storage standards. Item corrected at time of inspection. Total penalty: \$240.00

C. LABOR RELATIONS

Fujitsu Microelectronics, Inc. Gresham Manufacturing Division operates under employment policies and practices which are designed to insure that the environment is free of any discrimination based on race, sex, national origin or religion and free of harassment in any form.

To substantiate the claim that Fujitsu provides a high quality employment environment, free of these issues, a synopsis of those recent filings of discrimination against the company is offered. These filings represent those actions taken by employees in the form of complaints filed with the Bureau of Labor and Industries (BOLI), Civil Rights Division.

During the past five calendar years, 1991, 1992, 1993, 1994 and 1995 year-to-date, Fujitsu Microelectronics, Inc. Gresham Manufacturing Division has had a total of six complaints filed. Three have been complaints based on discrimination against an individual who has or claims to have physical disability under the definition of disability provided by the Americans with Disability Act or ADA. Two of the claims have been for racial discrimination, discrimination based on race, as defined under the EEOC guidelines on Equal Employment Opportunity. One of the claims has been based upon sexual discrimination under the same EEOC guidelines and the final claim was based on age as defined by the Age Discrimination and Employment Act of 1967, ADEA.

There are seven cases referenced as one of the claims was a dual claim for both race and sex discrimination. Of these claims, five have been closed by the Bureau of Labor and Industries (BOLI) or withdrawn by the claimant. In those cases where the claims have been closed by BOLI, the findings cite that the claims were closed because no basis existed for the claim.

The one remaining case recently has been filed against the company, and it is too early in the process to determine whether or not BOLI will pursue this claim. The company is preparing a response and anticipates this claim will be closed for lack of basis, as with previous claims.

The low level of claims files and the lack of actionable filings bear out Fujitsu's record of fair and equal treatment to employees. As noted, discussions with representatives of the Civil Rights Division of the Bureau of Labor and Industries indicate that this number of claims during this period of time is better than average in comparison with other manufacturing organizations of similar size.

D. PRIOR & EXISTING TAX ABATEMENT AGREEMENTS

Fujitsu has not asked for or received other tax abatements in the United States (whether in or outside of Oregon).

III. MULTNOMAH COUNTY GOALS & STANDARDS

This section provides a response to Multnomah County SIP goals and standards. For each topic, a narrative is provided that describes GMD's approach to achieving County adopted goals. This is followed by a more specific response to the SIP policy standards.

A. NEED FOR THE EXEMPTION

Multnomah County Goal:

- **Abatements will be granted to secure investments that would otherwise not take place within Multnomah County.**

In addressing this goal, it is useful to provide a perspective on the rapidly changing and competitive nature of the industry in which Fujitsu operates. The semiconductor industry represents a dynamic evolution of continuous development and advances in technology. In addition, the rapid advancement of technology impacts the life of each product device and, subsequently, the facilities that produce them.

Technological improvements have led to a continuing trend of more sophisticated products, fueling the electronics revolution that significantly impacts every aspect of modern society. In effect, the first four decades of the semiconductor era have seen a maturing industry emerging to world dominance.

Technological improvements fall into two broad categories: process and structure. Process improvements are those that allow the fabrication of microchips in ever higher density, quantity, and reliability. Structure improvements are the invention of new chip designs that allow greater circuit performance, power control, and reliability.

The advancement of chip density and concurrent reduction in the size of individual circuit components has been a focus of technological advancement. There are several benefits to the reduction of the component size and its increased circuit density. These include increased speed, less power requirements, less cost to consumers, and tremendous expansion in applications and marketing potential.

The most significant effect of these improvements is reflected in the cost of the chips. Chip prices have constantly declined, even as the performance of chips have increased. To offset the decline in chip prices while delivering a more sophisticated circuit, the semiconductor industry has had to continually make dramatic improvements in processing technology.

The essence of the marketing game in this industry is to design a new chip and ride the sales curve up before the competition can bring out a competing design. Concurrently, in the

fabrication area, process engineers must labor to keep up with higher yields (good die per wafer), shrinking die-size, and volume requirements.

Marketplace pressures and trends in semiconductor processing have led to higher levels of automation in the fabrication process. Automatic machines, for the most part, load wafers, process them through predetermined steps, and return them to transfer carriers with the push of a button. Sophisticated automation is absolutely critical in the production of advanced chips. As chip designs advance, so must the fabrication automation required to produce them. Many industry experts feel that automation is the key to dominance in the worldwide semiconductor industry.

Currently, GMD produces 4 Mg DRAMs (Dynamic Random Access Memory) and a variety of densities of EPROMs (Erasable Programmable Read Only Memory) in a very sophisticated automated fabrication plant. The 4 Mg DRAM is currently at the peak of the sales curve and has been stabilized at this point for some time due to the recent recession recovery. The EPROM devices are somewhat similar in status. It is anticipated that both of these devices should have another four or more years of respectable margins, even though prices will probably begin to decline sometime in the latter part of FY 1995.

In order to compete with the next generation of memory device design (16 Mg DRAM, 64 Mg DRAM), Fujitsu must establish a new fabrication plant to accommodate the next level of automation required to produce them. The firm cannot produce the next generation of product with the current facility/equipment. To compete in the marketplace at the front end of the sales curve when profit margins are in keeping with the high capital investment required, timing is absolutely critical.

All forecasts of the industry indicate the front end of the sales curve for 16 Mg DRAMs and 64 Mg DRAMs will be early 1997. Considering the magnitude of constructing a new fabrication plant, the lead time required, weather conditions and any other infringements on construction, it is absolutely critical to begin the process of construction immediately in order to be in production by early 1997.

The 16 Mg DRAM is anticipated to peak on the sales curve sometime in FY 1997 or 1998, and should remain profitable five years out from that point. The 64 Mg DRAM should peak around the year 2001 or 2002, and remain profitable more than five years out.

Industry analysts are predicting these higher density chips will have much longer life cycles than previous lower density devices. The next generation of memory chip will be the 256 Mg DRAM, and that will most likely require the construction of a new fabrication facility.

Changing product cycles and market conditions will affect Fujitsu's existing facility (Fab I) needs. It is anticipated that GMD will continue to produce the 4 Mg DRAM and EPROMs to the

end of their life cycles. Beyond that point, it is anticipated that GMD will convert production in Fab I to either standard logic or application specific devices.

These latter products have much different life cycles. In particular, standard logic devices are generally used in computer controller functions and do not require many continuous revisions. Their product life can be as much as ten years. The Application Specific devices are semi-custom made chips for specific customer application and are affected by individual contracted agreements in terms of life cycle.

It is also anticipated that in future years GMD may develop a Research & Development Design capability and generate product development on site in accordance with future market trends.

Standard:

- **Applicant will describe why an abatement is needed and state that they would not locate here otherwise.**

GMD has scrutinized other locations in the world as possible locations for the new fab plant expansion. This includes sites in Great Britain as well as Japan. Although many factors influence a location decision, this project will not take place in Gresham without approval by Multnomah County under the Strategic Investment Program (SIP).

B. HIRING, WAGES, BENEFITS, TRAINING & RETENTION

The Fab II expansion by Fujitsu Microelectronics, Inc. supports and meets each of the four goals outlined by Multnomah County. This project will create a total of 445 full time, permanent jobs with benefits. Fujitsu Microelectronics is also committed to enhancing employee advancement through education, training and promotion programs and opportunities.

Multnomah County Goals:

- **The creation of long-term jobs with family wages, benefits, and working conditions for residents of Multnomah County or the creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or underemployed, with a clear career track from entry-level jobs to family-wage jobs.**
- **Company will do a child care impact study and respond by providing support for all parents needing child care, especially entry-level parents.**
- **Provide educational opportunities to enhance upward mobility for both technical and management roles.**
- **Minimize the number of contracted on-site jobs that pay low wages.**

Staffing of the Fab II expansion will be done in two phases over three years. The result of this hiring plan will be a staff of 445 full time regular positions. In addition, GMD plans that there will be a limited number of contract and temporary employees associated with this expansion. The general hiring plan will proceed according to the following schedule.

Projected Full Time Employee Hiring Schedule

| Classifications | 1996 | 1997 | 1998 | Total |
|-----------------|------|------|------|-------|
| Operator | 32 | 149 | 149 | 330 |
| Technician | 36 | 22 | --- | 58 |
| Engineer | 9 | 20 | 8 | 37 |
| Administrative | --- | 10 | --- | 10 |
| Supervisors | --- | 10 | --- | 10 |
| Total | 77 | 211 | 157 | 445 |

Initial hiring will be done in the period just prior to March of 1996. In this period, the company will create 77 new positions. Those positions will be comprised of 32 production operators, 16 equipment maintenance technicians, 20 process technicians, and 9 equipment and process engineers. The second phase of the hiring plan will be from March 1996 - March 1997. At the close of the second phase of the hiring plan, employment will reach a total of 445, distributed across categories of operator, technician, engineering and administrative.

Currently, average annual earnings of the four primary employment categories ranges from \$26,500-\$56,400, based upon today's compensation practices:

| Classifications | Average Total Pay Annually | Annual Median Earnings | Education Required |
|-----------------------------------|----------------------------|------------------------|--------------------|
| Operators | \$26.5K | \$26.2K | H.S. |
| Technicians | \$47.6K | \$48.8K | A.A. |
| Engineers | \$56.4K | \$54.4K | B.S. |
| Administrative (exempt positions) | \$41.0K | \$40.8K | A.A./B.S. |
| Supervisors (Production) | \$56.5K | \$56.1K | A.A./B.S. |

Note: Earnings are in thousands of dollars.

These earnings represent a total of all cash compensation paid to include base hourly rate or salary as applicable and all regularly scheduled overtime, average additional overtime worked by these positions, shift differentials, lead pay where applicable and cash bonuses paid. In addition to these primary categories, there will also be 10 production and management positions created with average annual total earnings of \$56,500, and 10 administrative positions with an average annual salary of \$41,000.

It is noted that earnings of Fujitsu hourly employees are impacted by 12-hour production work schedules wherein employees work 1.59 hours of scheduled overtime each work shift. The standard workday for all GMD production workers is ten hours of straight time or regular hours and 1.59 hours at premium pay (base hourly rate times 1.5).

This 12-hour work schedule creates a situation in which all production employees' actual regular earnings are enhanced, giving them an effective rate of pay which is 6.8% higher than their nominal base rate of pay. This differential is illustrated in the following table:

| Position | Average Hourly Base Rate | Average Hourly Effective Rate |
|------------|--------------------------|-------------------------------|
| Operator | \$10.22 | \$10.92 |
| Technician | \$17.80 | \$19.02 |

Applicable programs and specifics of this project proposal for Fujitsu GMD are provided below for each of the *standards* under this section.

Optional Standards (for High Wage vs. Full Spectrum of Jobs):

"Multnomah County wishes to attract firms that will pay especially high wages and will employ large numbers of area residents who are unemployed or underemployed, but understands that jobs that pay especially high wages generally require skills that large numbers of unemployed or underemployed area residents are unlikely to possess. In recognition of the fact that projects eligible for the SIP are likely to fall into two broad categories -- research-oriented facilities that pay high wages but are unlikely to employ large numbers of current area residents and production-oriented facilities that can employ significant numbers of current area residents but at wages that are high only in relation to other production jobs -- this policy provides two parallel sets of standards." -- *excerpted from Multnomah County adopted SIP Policy.*

The following standard may be met by an applicant offering primarily *high-wage* jobs:

- **The applicant will make assurance that 75% of regular employees (counted on an FTE basis) will be paid more than the mean covered payroll per employee in Multnomah County.**

This standard does not apply to the Fujitsu GMD application. Consistent with the Multnomah County Strategic Investment Program, Fujitsu GMD will address the following alternative standards applicable to applicants providing a *full spectrum* of jobs:

- **The applicant will agree to a minimum number of jobs to be created through the project as part of the terms and conditions of the abatement contract.**

Fujitsu Microelectronics, Inc. agrees that the expansion of its existing operations in Gresham will create an additional 445 full time regular positions in several phases after completion of both

phases of the project. It is anticipated that a creation of these jobs will provide a significant number of advancement opportunities to the company's existing workforce in Fab I.

As selected members of the existing workforce are transferred to the new facility, an equal number of job opportunities will be created in the existing facility. This will represent significant opportunity to the community, as employees transferring into Fab II will have a high likelihood of promotional advancement via transfer, thereby increasing their wages or potential wages. Positions which are then available in the existing facility will offer an opportunity for a current resident to find employment with Fujitsu GMD.

- **The applicant will demonstrate that a clear path exists for advancement from entry-level positions to positions that provide higher pay, including positions that pay more than the mean covered payroll per employee in the county.**

Fujitsu Microelectronics, Inc. has a well established internal opportunities program comprised of a job posting program designed to advance employees through promotional opportunities as they become qualified to hold positions of higher responsibility. Attached Exhibit B details the hierarchies and the movement of employees into advanced positions through those job ranks. Employees have full access to this system for all non-exempt positions and professional exempt positions below the level of Section Head.

Advancement opportunities within the Fab II expansion will be governed by the same policies and practices as currently exist in Fab I. Fujitsu anticipates that job advancement in the new facility will continue to track the same experiential levels and offer newly promoted employees earnings which are equivalent to those currently being paid to individuals in those job categories.

- **The applicant will describe its wage scale for occupations with entry-level positions and describe how an entry-level employee might typically move through pay levels and job classifications.**

The general pattern of progression for entry level positions in the organization begins with special temporary trainee positions. These jobs, which pay a base rate of \$6.75 an hour, are also eligible for shift differentials and earn overtime pay as well. In addition, they are granted medical benefits, holiday pay and bonuses.

A typical employee will graduate from the Special Temporary program in just slightly over four months, advancing to the position of a regular Level I production operator. The current retention or success rate for this conversion is 77%. At that time, employee wages increase to a total annual average of \$19,983, with eligibility for all Fujitsu Microelectronics, Inc. employee benefits programs. At this time, the employee is also given prior service credit for any temporary time towards eligibility for participation in the group retirement plan and 401K savings plan.

Typical production operator job advancement, given acceptable job performance, a normal learning curve and acceptable attendance, will be promotion to a Level II operator between 12 and 18 months after becoming a full time regular employee. At that time the individual is eligible for a salary increase to an annual average of \$25,111. In some cases, the individual salary may be adjusted above that level. Again, these positions include regularly scheduled overtime, additional overtime as necessary, shift differentials, lead differentials and cash bonus payments.

A Level II operator has access to promotional opportunities in other departments such as Equipment Maintenance, Process Engineering and the Training Dept. If the operator chooses to remain a Production Operator, the individual would be eligible for promotion within 1-2 additional years of service depending upon performance and job skills. At that time, this employee would be eligible for an average annual cash compensation of \$28,034.

However, these employees have other options and would be eligible to bid for positions the Equipment Maintenance or Process Engineering. At this point in time the individual has total annual earnings in excess of a mean covered payroll of Multnomah County and access to numerous other promotional opportunities based upon their own ambition and job skill development.

Fujitsu Microelectronics, Inc., Gresham Manufacturing Division, has a clear preference for local hiring from the Oregon Labor Market whenever that is possible and practical. Fujitsu feels strongly that hiring local employees provides a significantly better opportunity for success and long term retention. The secondary option to recruit and hire individuals from other locales and relocate them to this area has proven in the past to be expensive and less than desirable from a retention standpoint.

The firm has taken steps to improve its ability to attract, hire and retain individuals from the local labor market through the establishment of a cooperative educational program with Mt. Hood Community College for Equipment Maintenance Technicians. This program offers students at Mt. Hood Community College who are working on degrees which are relevant to the semiconductor industry, opportunity to work part-time while completing their education with the goal of full-time regular employment at the completion of their degree. The company has also begun an aggressive college recruitment program throughout the State of Oregon, for entry level engineering candidates with a goal of meeting 60% to 75% of all future engineering staffing requirements through these sources.

- **The applicant will agree to negotiate contract terms and conditions appropriate to its operations and to the local labor market that will specify minimum percentages for hiring current residents of the region.**

Fujitsu Microelectronics, Inc. agrees to enter into a Full Service First Source Hiring Agreement with the Portland Development Commission's JobNet program to insure that hiring opportunities for applicants from the local community are maximized. It is understood that JobNet will utilize

its network of affiliate organizations to target specific populations of interest to Multnomah County.

To assist in targeting newly created jobs to the local community, Fujitsu will sign a "First Source Hiring Agreement" with JobNet. This will cover new positions created at the facility and any openings that result from employee transfers.

Fujitsu understands that JobNet will target job announcements to key contacts in Multnomah County including employment and training agencies, colleges, schools, community and religious organizations, and over 200 related private and non-profit organizations. Through JobNet, the State Employment Department will also match each position opening with their data base of local register job applicants. These systems will allow local residents first access to newly created jobs.

- **The applicant will describe how their employment practices facilitate the retention of employees and will agree to negotiate contract terms that specify appropriate measures and standards for employee retention.**

Fujitsu Microelectronics, Inc. offers a full array of benefits to its employees which are designed to retain employees for a long term employment relationship. The company is fully cognizant that a highly skilled and stable employee is important to a productive workforce, which in turn enables the company to be significantly more profitable and viable into the future. Fujitsu's benefit programs, therefore, are designed to retain employees by developing their job skills through an educational reimbursement policy which allows employees to pursue additional education through institutions of higher learning of their choice.

The company also offers an Associates of Arts Degree in Microelectronics Technology which is available to all GMD employees. Classes are held on site and are attended by approximately 20% of the current workforce.

This program was designed to give people the job skills and training that they need to advance within the organization. The company recognizes that they are much more likely to retain employees who are able to advance in the positions of higher skill and responsibility and who have an opportunity to enhance their earnings via those promotional opportunities.

In addition to these programs, the company offers a complete set of employee benefits which are designed to meet most if not all of an employee's insurance needs as well as provide a sense of security. These benefits are available to all employees as described in further detail as part of the response to General Standards (which follow).

Fujitsu Microelectronics, Inc. agrees to negotiate appropriate measures and standards for employee retention as part of the SIP abatement contract.

- **The applicant will describe a credible program to assist employees who need child care, taking into account the hours and shifts that employees will work, and will make assurance that such a program will be implemented. This standard applies only to employers that will be offering a substantial number of below-family-wage jobs.**

Fujitsu Microelectronics, Inc. has entered into negotiations with Children's World Inc. to expand the existing child care assistance program. The current assistance program provides a subsidy of 15% of cost for all employees who desire to use Children's World. Fujitsu has negotiated an additional discount of 15% for employees who use facilities of Children's World.

In addition, GMD provides a child care referral service through Metro Child Care Resource and Referral for those employees who do not wish to use Children's World and would like to make other arrangements. The cost of that referral service is borne totally by the company. Correspondence from Children's World documenting this relationship is provided as Exhibit C.

In light of plans to enhance child care subsidies, GMD will investigate the ability to extend child care to a 24 hour per day, 7 day per week operation with Children's World, depending on economic viability for the provider. This option may become more viable pending the interest or location of other similar firms in the area.

GMD is hopeful that this can be accomplished as the firm is cognizant that the nature of manufacturing operations requires that employees seek child care at times which are not standard in the current child care industry. In addition to these measures, Fujitsu Microelectronics, Inc. will consider increasing the child care subsidy for those employees whose earnings fall below the current mean covered payroll for Multnomah County.

General Standards (for All Applicants):

- **The applicant will describe by category (e.g. entry-level production, skilled production, technical and professional, management, administrative and support, sales, clerical, maintenance, security, shipping and receiving, food service, etc.) the number of jobs and wage scales of those jobs that the project will create at the facility. The applicant also will specify which of these are regular full time, part time, temporary, or contract positions.**

The following table describes by category the number of full time positions, entry level production, skilled production, technical, professional, management, administrative and support positions that will be created by the expansion of Fab II.

Projected Employee Hiring Schedule

| Classifications | 1996 | 1997 | 1998 | Total |
|-----------------|------|------|------|-------|
| Operator | 32 | 149 | 149 | 330 |
| Technician | 36 | 22 | --- | 58 |
| Engineer | 9 | 20 | 8 | 37 |
| Administrative | --- | 10 | --- | 10 |
| Supervisors | --- | 10 | --- | 10 |
| Total | 77 | 211 | 157 | 445 |

An analysis of current levels of total cash compensation indicates that 71% of all FMI regular employees earn more than the mean covered payroll of Multnomah County (of approximately \$27,000 annually). Just over 63% of the non-exempt workforce earn above that level. And 100% of the exempt/professional workforce has earnings above that level.

All of the positions described in this table are regular full time positions. As noted in the discussion under the Standard describing the advancement path available to entry level positions, initial entry to operator positions is through a special temporary trainee position. The special trainee position is used as a probationary training and screening mechanism prior to regular employment.

Contract Services at Fujitsu GMD *

| Vendor | Service | # of Employees | Health Benefits |
|---------------------|---------------------------------|----------------|-----------------|
| Marriot | Cafeteria | 5 | Yes |
| CBM | Janitorial | 11 | Yes |
| Northwest Landscape | Groundskeeper | 5 | Yes |
| Guardsmark | Security | 16 | Yes |
| Edwards | Facility Engineer | 6 | Yes |
| VTEK | Equipment Maintenance Engineers | 5 | Yes |
| Total | | 48 | |

* Note: Contractors have provided wage information to GMD, but this wage information is proprietary and not for public disclosure.

Fujitsu Microelectronics, Inc.'s existing Fab I operations includes 48 persons who provide on-site services which are contracted from a number of local firms. Contracted services include cafeteria, janitorial, groundskeeping, security, facility engineering, and equipment maintenance.

All of the firms which provide contracted services through on-site employees provide these employees health care benefits. *Note:* Information on wages for these positions is not available. Each of the firms with which Fujitsu Microelectronics, Inc. contracts for on-site services has

stated that providing wage information will place them at a competitive disadvantage within the marketplace, particularly in regard to competition for future contracts with Fujitsu Microelectronics, Inc.

It is anticipated that GMD will continue to utilize the above mentioned contractors with a slight increase in the number of employees (maximum 10% increase). GMD does not anticipate using any other contract help at this time.

- **The applicant will agree to enter into an exclusive Full Service First Source Agreement to use Job Net or an equivalent sourcing arrangement.**

As previously indicated, Fujitsu Microelectronics, Inc. agrees to enter into a Full Service First Source Hiring Agreement with the Portland Development Commission to use its JobNet program.

- **The applicant will describe training and education programs available to entry-level employees and training and education programs available to other employees. In-house programs, tuition assistance for job-related training and education, or contracts directly with community colleges or universities would meet this standard.**

Fujitsu Microelectronics' Gresham Manufacturing Division (GMD) is committed to providing high quality education and training to its employees and encourages career advancements through internal training programs and the pursuit of higher education. All employees receive customized on the job training based upon their job responsibilities. At company expense employees may also earn an Associate of Applied Science Degree in the Microelectronics Technology.

Offered in partnership with Mount Hood Community College (MHCC), this program presents fully accredited college courses on the GMD campus as well as at MHCC. Currently 100 employees are enrolled in Spring Term courses. The effectiveness of this type of training partnership is illustrated by press coverage, as per the *Gresham Outlook* article (attached as Exhibit D).

Employees may also register for these classes without earning a degree. To encourage graduates of this program to continue their studies and earn a Bachelors degree, the GMD is linked with Oregon Institute of Technology (OIT) to provide a seamless transition from the GMD/MHCC Microelectronics Technology Associate Degree to OIT's Manufacturing Technology Bachelor Degree program.

Employees may also pursue college courses and degrees at other local colleges and universities through the GMD Educational Assistance Program. Fifteen employees to date have earned college degrees through this program. In 1994, GMD invested over \$1 million in education and training for GMD employees.

Summary of Employee Development Programs

| Job Classification | New Hire Orientation | Initial Development | Ongoing Learning |
|---------------------------------------|--|---|--|
| Entry Level and Experienced Operators | 40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits. | 2-6 Weeks of on the job training leading to formal certification at a first level of competence on equipment, process and operations. | Cross training on equipment, processes and operations. Gresham Manufacturing Division / Mount Hood Community College Microelectronics Technology Associate Degree classes are open to all employees. Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also noted are: workshops on technical operations; cross functional team training; and pre-management classes planned for the summer 1995. |
| Technicians | 40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits. | On the job training and classroom training provided by company trainers, seminars, vendors and workshops. | Gresham Manufacturing Division / Mount Hood Community College Microelectronics Technology Associate Degree classes are open to all employees. Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also available are: workshops on technical operations; cross functional team training; and pre-management classes planned for the summer 1995. |
| Engineers | 40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits. | Training provided through company seminars, vendors and workshops. Professional association workshops and seminars. | Gresham Manufacturing Division / Mount Hood Community College Microelectronics Technology Associate Degree classes are open to all employees. Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also available are: workshops on technical operations; cross functional team training; and pre-management classes planned for the summer 1995. |

| Job Classification | New Hire Orientation | Initial Development | Ongoing Learning |
|---------------------------|---|---|---|
| Supervisors | 40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits. New Supervisor Orientation: One week program provides overviews of all GMD Departments. | Training provided through company seminars, vendors and workshops. Professional association workshops and seminars. | Gresham Manufacturing Division / Mount Hood Community College Microelectronics Technology Associate Degree classes are open to all employees. Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also available are: problem solving workshops; and GMD Frontline Leadership - 18 4-hour workshops on basic supervisory and communication skills; together with management workshops and technical operations training. |
| Managers | 40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits. New Supervisor Orientation: One week program provides overviews of all GMD Departments. | Training provided through company seminars, vendors and workshops. Professional association workshops and seminars. | Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also available are problem solving workshops; and management workshops and technical operations training. |

Summary of GMD Education Partnerships

Mount Hood Community College: MHCC

GMD/MHCC Microelectronics Technology Associate Degree Program

- Courses are open to all employees.
- Approximately 100 employees are enrolled in program courses for Spring Term.
- The program features a custom designed manufacturing curriculum presented by MHCC Instructors and GMD staff.
- Courses are held on the company campus at convenient times for employees.
- Educational counselling is available for all employees with a coordinator who is stationed at GMD.

GMD/MHCC Equipment Maintenance Co-Op Program

- To establish a career link for MHCC students and to secure a pool of potential and future employees, GMD has established a cooperative education intern program between the Electronics Department at Mount Hood Community College and the Equipment Maintenance Section at GMD.
- Co-Op students are scheduled to work 25 hours per week and must be attending school full time. The company reimburses 50% of each academic term's tuition when satisfactory grades are achieved.

Clackamas Community College: CCC

- Provides team training for employees.
- CCC presents customized Supervisor and Lead Training programs.

Portland State University: PSU

- A Customized Management Development Program was co-developed by PSU and GMD Management.

Oregon Institute of Technology: OIT

- The GMD is a partner with OIT in the Advanced Research Project Administration Grant.
- As part of its commitment to career enhancement, GMD is participating in a project funded by Advanced Research Project Administration to provide pathways to advanced degrees at the Oregon Institute of Technology. Additionally GMD, Mount Hood Community College and the Oregon Institute of Technology are working together to identify a potential base of unemployed Oregon workers and to develop assessment tools for placement in the semiconductor workforce.
- GMD has paid the matching half of the Advanced Research Project Administration Grant which funds the half salary of a Mount Hood Community College instructor who assists in the development of the GMD/MHCC Microelectronics Technology Associate Degree Program and provides counselling services to employees who are planning college degree activities.

Future Training and Education

In Partnership with Mount Hood Community College, the GMD has received a grant from the Metro Regional Strategies Board to develop an education and training needs assessment and a business plan to determine the advisability of establishing an East County High Technology Training Center.

This center proposal is an idea developed by GMD to round out the availability of high tech and semiconductor industry training for the people of Metropolitan Portland, Gresham and beyond. The center is intended to complete the design of three major high technology training centers spanning the metro area: The Capital Center on the West Side, The Wacker/Benson Center in Portland and the proposed East Multnomah County Center.

This assessment has the support of the Semiconductor Workforce Consortium. The Semiconductor Workforce Consortium designs regional training strategies with the goal of employing as many Oregonians as possible in the semiconductor industry. The Chair of the Semiconductor Workforce Consortium is Shawn Fisher, a Fujitsu employee, who is also responsible for education and training at GMD.

The center might have several purposes. First, it will prepare individuals for employment at GMD or other semiconductor industry companies. The Semiconductor Workforce Consortium Report released in April 1995 conservatively projects the number of new jobs in the semiconductor industry in the next five years to be 7,000.

The second proposed purpose of the center is to act as a school-to-work training center for East Multnomah County. And finally, the center might serve to act as a magnet to attract other high technology companies to locate in the east Multnomah County area.

Japanese Word Processors

GMD has donated one Japanese word processor to each of the following three high schools:

- Gresham High School
- Sam Barlow High School
- Reynolds High School

Grade School - The GMD/Clear Creek Middle School Robotics Project

- GMD has donated and installed a Robotics Learning System at Clear Creek Middle School's Technology Education Lab. The Technology Education Lab introduces six, seventh and eight grade students to high technology education in the following areas: aerodynamics, computers, lasers, propulsion, robotics, and television programming and recording. Clear Creek Middle School is located on property adjacent to the GMD campus.
- **The applicant will describe the benefits offered to employees, making clear what the employer's contribution is and which employees qualify.**

Fujitsu Microelectronics, Inc. offers a complete benefits program to all of its regular full time employees. These benefits are detailed according to the table below. The table also illustrates respective employer/employee contributions for each of the identified benefits.

| Benefit | Company Contribution \$/Month | Employee Contribution \$/Month |
|--------------------------|--|---|
| Medical Insurance | | |
| CIGNA | | |
| EE Only | \$273.00 | \$40.00 |
| EE + Family | \$696.00 | \$80.00 |

| Benefit | Company Contribution \$/Month | Employee Contribution \$/Month |
|----------------------------------|--|---|
| HMO Oregon | | |
| EE Only | \$105.00 | \$0.00 |
| EE + Family | \$314.00 | \$32.00 |
| Kaiser | | |
| EE Only | \$106.00 | \$0.00 |
| EE + Family | \$355.00 | \$34.00 |
| Dental | | |
| EE Only | \$28.00 | \$0.00 |
| EE + Family | \$74.00 | \$0.00 |
| Vision | | |
| EE Only | \$6.00 | \$0.00 |
| EAP | | |
| EE + Family | \$2.00 | \$0.00 |
| 401K* (Voluntary) | \$120.00 | \$120.00 (Co. matching funds) |
| Pension | \$78.00 | \$0.00 |
| Life | \$17.00 | \$0.00 |
| AD&D | \$4.00 | \$0.00 |
| LTD | \$8.00 | \$0.00 |
| Vacation | 2 weeks paid time depending on length of service | |
| Personal Time | 10 paid days per year No-fault program | |
| Holiday | 12 paid holidays per year no-fault program | |
| Productivity Bonus | Up to 18 days pay annually based on company results | |
| Service Awards | 1 week's pay at 5 years service | |
| Child Care Subsidy | Discount of 30% of child care costs at Children's World | |
| Lump Sum Shift Payments | \$100, \$200 or \$400 per quarter depending on shift assignment | |
| Shift Differentials | 15% of base of night shifts 8% of base for modified shifts | |
| Annual Merit Increases | Annual salary increases based on performance (average 4.5% year) | |
| Perfect Attendance Bonus | Up to \$200 per quarter depending on number of consecutive quarters | |
| Lead Pay | 10% of base for lead 5% of base for assistant lead | |
| Educational Reimbursement | Up to \$3,500 per year | |

* Note: Calculated based on 3.5% of average company salary on monthly basis.

Many of the employee benefits are provided essentially as a 100% contribution from GMD; family contributions typically involve some co-pay payment.

- **The applicant will demonstrate its commitment to all full-time, long-term employees by describing employer-paid benefits, which may include: health insurance, dental insurance, life insurance, accidental death insurance, disability insurance, retirement, profit sharing, employee ownership/stock purchase, educational assistance, day care, and transportation assistance. As a part of these benefits, the applicant must provide employer-paid health insurance equal to or better on the whole than the Oregon Health Plan, and must allow other employees and members of employees' families to purchase health insurance at or below cost, to the extent that the applicant's health insurance carrier will write coverage for such persons.**

Fujitsu Microelectronics, Inc. demonstrates its commitment to full time, long term employees through the use of extensive benefit plans. Details of these benefit plans are described for the prior standard. For comparative purposes, a summary of the Oregon Health Plan is provided as Exhibit E. The company provides benefits substantially above those indicated in the Oregon Health Plan.

C. HOUSING & TRANSPORTATION

Working with the City of Gresham and Multnomah County, Fujitsu GMD is prepared to participate in addressing Multnomah County goals for housing and transportation.

Multnomah County Goals:

- **Provide assistance securing affordable housing.**
- **Encourage employees to use transit, car pools, van pools, or alternative modes of transportation.**

Fujitsu Microelectronics, Inc. recognizes the County's goal to provide Multnomah County Citizens assistance in locating and securing affordable housing, and will cooperate in assessing the extent to which Fab II expansion may impact affordable housing availability. It is assumed the County is particularly concerned about employees whose total annual compensation would be below \$27,258.

Fujitsu has a proven record of paying uniquely high wages evidenced by the fact that the lowest employment classification, Operator, currently carries an average total compensation of nearly \$27,000 annually. Fujitsu agrees to provide any information at its disposal regarding residence location of its current workforce in anticipation that additional members of the workforce will be distributed in like manner.

With regard to transportation, Fujitsu has worked for several years with the City of Gresham and Tri-Met to facilitate and encourage employee utilization of the public transit system. In conjunction with MAX light rail, Tri-Met has implemented a timed transfer and feeder bus system to create more efficient bus scheduling, transfers, and route coverage.

Fujitsu is committed to working with the City of Gresham to encourage reduction of single-driver trips and increased car pooling. To improve on its existing efforts Fujitsu has made contact with Tri-Met to seek involvement of specialists experienced in developing "Employee Transportation Programs".

Standards:

- **The County will place a percentage of the Community Service Fee aside to address the need for assistance with home ownership and the creation of low and moderate rental units.**

Fujitsu understands it is a County objective to set aside a percentage of the Community Service Fee specifically to assist county patrons with home ownership and creation of low and moderate rental units. Fujitsu endorses this action.

Fujitsu Microelectronics, Inc. agrees to provide to Gresham any information at its disposal regarding the residence location of its current workforce in anticipation that all additional members of the workforce will likely be located in a similar manner. Current analysis of the existing workforce demonstrated that 27% resides within the city limits of Gresham and more than 60% of that workforce resides within Multnomah County. Exhibit F (Zip Code Map) illustrates the residence distribution of the current GMD workforce.

- **The County will work with the City in which the project will be located, other cities in the region, and Metro to assess the applicant's impact on the availability of affordable housing in the region and, if an adverse impact is predicted, the applicant will agree in negotiations to fund an appropriate company- or community-operated program.**

Fujitsu, being sensitive to this high priority of the County, has worked diligently to evaluate possible impacts of its expansion. After careful review of the facts associated with this issue, Fujitsu has concluded that its Fab II expansion will have minimal long-term measurable impact on the availability of affordable housing in Multnomah County. This determination is based on three specific findings associated with this subject:

1. *Given that a large percentage of new employees will already be living in the region, it is unlikely many will have the need to purchase or rent new housing on their own.* Using the current workforce Zip Code distribution as a guideline, new entry level employees will come from jurisdictions spread widely throughout Multnomah County and metro area. The largest percentages will come from the Gresham, Troutdale, Wood Village, Fairview and Sandy

areas. Some will certainly represent second family incomes already living in residences throughout the region.

Based on Fujitsu's plan to utilize services of Portland Development Commission's JobNet program, it is even more likely that jobs will be filled with existing residents. This is in line with Fujitsu's experience and Oregon Economic Development projections that as much as 90% of operator positions can be filled from existing Oregon residents. As noted, Exhibit F (zip code map) illustrates the residence distribution of the current workforce.

2. *Compared to the entire metro area, the Gresham/East County area is designated as having an inadequate existing job base to serve its residential population.* This finding would indicate a general jobs deficiency in the area lending credence to the anticipation that new hires from the Gresham area are likely to come from existing residences. Exhibit G comprises a *Jobs-to-Household Analysis for Gresham Area as Compared to the Metro Area*, a report prepared by E.D. Hovee & Company using Metro data, April, 26, 1995.

It is Fujitsu's hope that creation of additional employment base in Multnomah County will attract Gresham area residents who would take advantage of the option to work closer to home, if available. More locally available jobs can also be expected to reduce length of worker trip commutes and vehicle miles traveled (VMT).

3. *Issues of housing affordability will be limited to the early hiring and training period of operators.* As described in the discussion of employee career path, the typical operator will graduate from a Special Temporary program in just over four months. At that time, compensation increases to \$19,983. After an additional 12-18 months, the typical production operator will be promoted to a Level II position with an average annual compensation of \$25,111.

This equates to more than 90% of the mean statewide and Multnomah County wage for non farm wage and salary employees. Consequently, within less than a two year time period, all Fujitsu employees are experiencing earnings consistent with mid to upper level incomes to achieve objectives of housing choice and affordability.

- **The applicant will describe a credible program to encourage employees to use transit, car pools, van pools, or alternative modes of transportation and will make assurances that such a program will be implemented.**

Fujitsu Microelectronics, Inc. will be working in conjunction with the City of Gresham and Tri-Met to establish a program which will encourage employee use of alternative modes of transportation, including public transportation and car pooling. The company will explore the viability of establishing company sponsored van pools for those employees living at a distance of greater than 20 miles from the plant. In addition, the company will offer incentives to its

employees such as reserved parking places and special recognition for those employees who participate in traffic abatement and alternative transportation programs.

Fujitsu will designate a key employee as Transportation Coordinator. This person will work with Tri-Met to develop a multi-dimensional transportation plan for the company focused on encouraging employee use of alternative modes of transportation.

Fujitsu will conduct an on-site company sponsored "Transportation Fair" and supply all new employees with Tri-Met's "World's Greatest Transit Stuff" kit. Fujitsu will cooperate with other area companies in transportation programs addressing common issues of concern to the companies, local jurisdictions and Tri-Met.

D. INFRASTRUCTURE & PUBLIC SERVICES

Fujitsu is cooperating with the City of Gresham to assure adequacy of current and planned infrastructure and public services. A letter from the Gresham City Manager verifies infrastructure capacity and is attached as Exhibit H.

Multnomah County Goal:

- **No unmitigated adverse impacts on the level of services provided to existing residents of Multnomah County and the region.**

Fujitsu Microelectronics, Inc. has met with The City of Gresham Community Development Department staff on several occasions during the past few weeks to go over all details of the proposed development. It has been determined that no unmitigated adverse impacts are associated with the proposed project.

The facility will be built on land which is zoned light-industrial, already owned by the company and appropriate for the proposed purpose. The company agrees to meet all requirements of the site design, review, permitting and building process. It will submit necessary building plans and comply with any and all development standards set forth by the City. To facilitate a prompt and efficient inspection process, the company has agreed to provide on-site office space for City inspectors.

Standards:

"As part of its application, the applicant will describe impacts in the following areas and what it has committed to do to mitigate negative impacts. The applicant will provide statements from the relevant agencies that there will be no unmitigated adverse impacts on the level of service or infrastructure or that describe what unmitigated adverse impacts will result from the project. Remedies for unmitigated adverse impacts will be negotiated as part of the terms and conditions of the contract." -- *excerpted from Multnomah County adopted SIP policy.*

- **Transportation infrastructure (including traffic and congestion, transit, port, rail, air, multi-modal).**

During the GMD construction phase, it is anticipated there will be no noticeable impact on traffic flow. Based on information available at the time of this application, there are no known traffic impacts associated with the development itself.

If any improvements are deemed necessary such as roads, signal lights, etc., Fujitsu will pay the full cost of their impact on the City. The City operates on the basis of 100% cost recovery. There should be no unmitigated impacts on City assets or services.

- **Utility infrastructure (water and sewer capacity; solid and hazardous waste disposal).**

Water to the site is supplied by Portland's Bull Run system distributed by the Rockwood Water District. The water service need has been submitted to Rockwood and there is sufficient capacity to service the new operation.

No additional water lines are anticipated. If any are required, full expense of installation will be borne by Fujitsu. If necessary, Gresham's water system could also serve Fujitsu's needs. *Note:* Because Fujitsu expects to install a state of the art water recycling system, water needs will be reduced substantially.

Sewer services will be supplied by The City of Gresham. Wastewater needs have been submitted and evaluated by the City. No expansion of the current system is necessary to accommodate this new requirement.

Solid and hazardous waste disposal practices have been coordinated with the City of Gresham and the Oregon Department of Environmental Quality. GMD is involved in efforts to recycle or reuse a wide variety of materials, including solvent, oils, mercury vapor lamps, batteries, cardboard and paper. The company has acquired a trash compactor to reduce the volume of trash that is landfilled. Confirmation of the City of Gresham's working relationship with GMD for toxic waste reduction is provided by Exhibit I.

- **Public safety (police, fire, emergency medical services, disaster preparedness).**

Public Safety issues have been evaluated by the City of Gresham and current service levels are deemed sufficient and ample to handle the expansion. Fujitsu meets and/or exceeds all hazardous waste and emergency service requirements.

E. ENVIRONMENTAL PROTECTION

Consistent with its past practices, Fujitsu GMD remains committed to a record of compliance with regulatory requirements and exemplary practices for protection of the natural environment.

Multnomah County Goal:

- **To grant abatements only to firms that demonstrate a commitment to environmental protection.**

Environmental protection standards for a semiconductor manufacturing facility are extensively regulated by city, state and federal laws, statutes and ordinances. Compliance with these regulations requires regular thorough and well documented monitoring as well as a number of annual comprehensive reports that must be submitted to regulatory agencies documenting environmental protection activities for air, water, groundwater, toxic chemical use and waste reduction and recycling.

Programs are described below. Verification of compliance is demonstrated by the attached inspection and compliance reports and verification statements contained in Section II of this application describing past practices.

Standards:

"The applicant will describe credible programs in each of the following areas, will present verification by the relevant regulatory authorities that these programs are reasonable, and will demonstrate a commitment to ongoing monitoring." -- *excerpted from Multnomah County adopted SIP policy.*

- **Reducing the use of toxic and hazardous materials.**

Goal: The Gresham Manufacturing Division (GMD) of Fujitsu Microelectronics, Inc. is committed to reducing the use of toxic substances in the workplace. In instances where toxic substances cannot be totally eliminated, GMD minimizes the amount of hazardous waste generated and disposes of the waste in a manner that minimizes undesirable effects in the environment.

A copy of the Oregon Department of Environmental Quality (DEQ) acknowledgement of GMD's *Toxic Use Reduction Plan* is presented as Exhibit J. GMD's policy had been formalized and posted for all GMD employees to read.

Summary of Plan: GMD management has committed to an overall reduction of 50% toxic chemical usage by 2001. Chemicals targeted for reduction include:

| | |
|---|---|
| S-50 rinse OFPR 8600 photoresist TSMR 8900 photoresist ZPP 3200 photoresist Isopropyl Alcohol | OMR-502 Hydrofluoric Acid Sulfuric Acid Nitric Acid Phosphoric Acid Ammonium Hydroxide |
|---|---|

Summary of Progress: GMD has made considerable progress in achieving toxic use reduction goals. The GMD goal for 2001 of 50% reduction was achieved by mid-1992, over eight years ahead of schedule.

Furthermore, glycol ethers, a group of chemicals associated with reproductive and other health risks are in the process of elimination. Other toxic chemicals eliminated include xylene and phenol. In order to maintain the level of reductions achieved, GMD will continue toward reducing the use of toxic chemicals wherever feasible.

Verification: (a) Statement, City of Gresham, April 14, 1995, Exhibit I.
(b) DEQ Letter, February 22, 1994, Exhibit J.

- **Water conservation, reuse, and waste water discharge.**

Description: A part of its commitment to resource conservation, GMD has implemented water reuse and on-site wastewater treatment systems. The goal of these systems is to minimize the amount of water used and to ensure water leaving the facility exceeds the water quality standards set by the community and by industry.

Wastewater Treatment Overview: All non-domestic use water at the facility is treated by one of two systems prior to discharge to the City of Gresham Publicly Owned Treatment Works (POTW). At the POTW the water undergoes additional treatment prior to discharge to the Columbia River.

At the facility all non-fluoride contaminated wastewater is piped to GMD's Acid Waste Neutralization System (AWN). The system measures the pH of the wastewater, adjusts the pH to a neutral level, and then rechecks pH again prior to discharge.

Fluoride contaminated wastewater is piped to a separate system and is treated by a process known as precipitation. In this process, lime is added to the wastewater to react with the fluoride in the wastewater. The solid "flock" which is created by the reaction is then separated from the wastewater and disposed of as a solid, nontoxic waste.

The pH of this wastewater is also evaluated and adjusted to a neutral level prior to discharge. In addition, continuous monitoring instruments that are a part of GMD's wastewater treatment

systems, bi-weekly grab and composite samples are collected and analyzed by an outside lab to verify wastewater quality.

Proper operation of wastewater treatment systems is ensured by continuous monitoring. The facility's management control system continuously monitors operational parameters and notifies the control room staff immediately when an operating condition has been violated. A member from the round the clock facilities maintenance team will immediately assess the problem at the piece of equipment of concern.

Water Reuse Overview: In 1992 as part of its commitment to resource conservation, GMD implemented a wastewater reuse program. Storage tanks were installed to hold reject water from the reverse osmosis/deionization process (a process used to generate ultra pure water).

Whereas previously this water was discharged directly to POTW, it is now used throughout the facility as general purpose wastewater. This water reuse program saves approximately 200,000 gallons of water per day. GMD is continuously looking for other innovative ways to minimize or reuse water.

Verification: City of Gresham, Inspection Reports, dated November 1, 1994, Exhibit K. Note: The latest report notes a pH excursion issue. According to Fujitsu records, this is not a change in compliance, but a difference of interpretation of the permit parameters at the City of Gresham. To meet the more stringent current requirements, an autosampler has been installed.

- **Air quality.**

Air Pollution Control Equipment: GMD is committed to minimizing the amount of pollutants discharged to the atmosphere. In 1993 GMD eliminated all chlorofluorocarbons (CFC) from its manufacturing process. CFCs are gasses known to deplete ozone from the atmosphere.

GMD treats all acid emissions with wet scrubbers prior to discharge to the air. A wet scrubber uses water to remove any water soluble compounds from the air emission stream by stripping it out. The result is a transfer of the pollutant from the air into water. The water is then sent to treatment systems where its hazardous characteristics are eliminated.

Additional air quality pollution control devices include a state of the art brownian diffusion filter used to remove aerosol sized nitric acid particulates from air streams. GMD's implementation in 1991 was the first of its kind to be implemented at a semiconductor manufacturer.

Scrubber Maintenance and Operations: All pollution control equipment at the facility is monitored 24 hours a day, 365 days per year in the facilities control center. The facilities management control system continuously monitors operational parameters and notifies the control room staff immediately when an operating condition has been violated. A member from

the round the clock facilities maintenance team will immediately access the problem at the piece of equipment of concern.

In addition to round the clock monitoring, all pollution control equipment is regularly maintained in accordance with a maintenance schedule. This schedule meets or exceeds the maintenance requirements set forth by the manufacturer. A written log of all scheduled and unscheduled maintenance is kept by the GMD facilities department.

While not a requirement by the Environmental Protection Agency or the Oregon Department of Environmental Quality, GMD performs an annual stack sampling in accordance with U.S. Environmental Protection Agency Protocols to verify proper operation of the scrubbers.

Fujitsu submitted an Air Contaminant Discharge Permit (ACDP) renewal application on July 1, 1995. The DEQ is extending the terms and conditions of the current permit pending receipt of Fujitsu's Clean Air Act permit application due September 15, 1995. Fujitsu intends to apply for a ACDP permit with synthetic minor source status and to submit the ACDP permit application along with a Notice of Intent to Construct to the DEQ in May of 1995.

Verification: DEQ Annual Air Quality Inspection, Exhibit L, dated April 6, 1995.

- **Waste reduction and recycling.**

Description: GMD sends all spent solvents for fuel recovery. Oils are sent for recycling or fuel recovery. Mercury vapor lamps and batteries are sent for recycling. Treatment of waste acids is addressed in section 2.0. Cardboard and paper are recycled, and this past year GMD acquired a trash compactor to reduce the volume of trash sent to landfill.

Verification: Van Waters and Rogers Letter, Exhibit M, dated April 17, 1995.

- **Energy conservation.**

Description: In 1992 GMD put together a team of facilities representatives to create and implement solutions to decrease electricity consumption. Since that time the team has replaced all retrofitted nearly all light fixtures with electronic ballasts and high efficiency light bulbs.

GMD efforts have resulted in approximately \$40,000 in rebates from Portland General Electric for energy conservation. The Energy conservation team is also replacing many pump and blower motors (from wastewater treatment and air handling systems) with variable frequency drive (VFD) motors. GMD expects to receive \$50,000 in credits from the VFD program.

The new facility will be designed with additional energy saving features including high efficiency motors and reduced airflow in the Fab.

F. STIMULATION OF LOCAL ECONOMY

Fujitsu GMD has a track record of procurement from local vendors as part of an ongoing effort to stimulate local economic benefits. Broader economic and fiscal effects are addressed in the state impact analysis (next section). This section focuses on GMD procurement practices in relationship to Multnomah County objectives.

Multnomah County Goal:

- **To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.**

Fujitsu is a global company that has a philosophy of decentralized procurement practices. This allows Fujitsu GMD to purchase goods and services from local resources. Local vendors are an important facet of the procurement source selection and the company will not limit participation to the smaller or simpler jobs, providing the vendor has the capabilities and resources to properly provide the necessary requirements in the best interest of company objectives.

For these reasons, Fujitsu values a strong local base. To illustrate this effort the following information indicates actual dollars spent by GMD for goods and service over the past nine months:

Total Expenditures = \$42.5 Million

State of Oregon Expenditures = \$9.7 Million

Multnomah County Expenditures = \$8.3 Million

* Services = \$6.2 Million

* Goods (materials) = \$2.1 Million

Total Oregon Vendors = 428

Standards:

- **The applicant will have a plan to identify for procurement locally-produced or sold goods and services and to solicit bids from local suppliers.**

It is the policy of Fujitsu to encourage meaningful participation from local vendors wherever possible to provide useful and acceptable quality and services at competitive prices. Buyers endeavor to place orders locally in Multnomah County and within the state of Oregon before looking elsewhere.

It is recognized that the primary objective of the purchasing function is the timely acquisition of goods and services at the lowest total cost. Elements of total cost in addition to basic price include transportation, storage, service, technical assistance and willingness to stock material for GMD requirements.

Fujitsu will cooperate with the Gresham and Troutdale Area Chambers of Commerce to hold a workshop for Multnomah County businesses focusing on "how to become a Fujitsu supplier." Fujitsu will make special effort to contact minority and woman owned businesses from the Portland metro area. Fujitsu will advertise in appropriate Portland area publications including the Gresham Area Chamber of Commerce Newsletter, inviting local businesses to request bid opportunities.

IV. IMPACT ANALYSIS

This final section of the Fujitsu SIP application contains information as provided by the Oregon Economic Development Department and Oregon Department of Revenue. Subsequent to the following narrative, fiscal and then economic impacts are summarized as per the outline contained in the Multnomah County SIP policy.

A. STATE AGENCY ANALYSIS

Economic Impact Summarized

By the year 2001, the proposed project is expected to have invested over \$850 million and increased its employment by over 400 employees in the high technology industry, one of Oregon's "key industries." The project's investment is expected to have the following statewide impacts by the year 2001:

- Total wage and salary employment increased by 1,023 (multiplier effect of 2.3).
- Personal income increased by \$37.3 million.
- Property values increased by a minimum of \$117 million.
- Population increased by 646.
- Income tax collections increased by \$1.5 million.

The majority of this impact is expected to occur in Multnomah County and the Portland metro area, with minor impacts statewide. The following impacts are anticipated for the Portland metropolitan area:

- Wage and salary employment increased by 921.
- Personal income increased by \$33.6 million.
- Property values increased by a minimum of \$117 million.

During the course of the fifteen year period during which the company could obtain tax abatements from the Strategic Investment Program, the company's investment in the proposed facility is projected to generate \$30.9 million in property tax payments by the company, an additional \$8.2 million in community service fee payments by the company, and a savings to the company of \$23.4 million.

1. Project Description

Investment Schedule

The investment is expected to occur in two phases. The first phase involves the construction of a building and purchase of manufacturing equipment. This phase is set to begin in late 1995 and to

be completed by early 1997. The second phase involves the purchase of additional equipment occurring in 1997. Table 1 below shows the project's anticipated investment schedule, which includes reinvestment in equipment throughout the foreseeable future.

Table 1. Project Investment Schedule (\$ millions)

| Calendar Year | Land | Building | Process Support | Equipment | Total |
|---------------|-------|----------|-----------------|-----------|-----------|
| 1995 | \$0.0 | \$25.0 | | | \$25.0 |
| 1996 | | \$75.0 | \$75.0 | \$125.0 | \$275.0 |
| 1997 | | | \$75.0 | \$125.0 | \$200.0 |
| 1998 | | | | \$350.0 | \$350.0 |
| 1999 | | | | \$14.0 | \$14.0 |
| 2000 | | | | \$14.0 | \$14.0 |
| 2001 | | | | \$14.0 | \$14.0 |
| 2002 | | | | \$14.0 | \$14.0 |
| 2003 | | | | \$14.0 | \$14.0 |
| 2004 | | | | \$14.0 | \$14.0 |
| 2005 | | | | \$14.0 | \$14.0 |
| 2006 | | | | \$14.0 | \$14.0 |
| 2007 | | | | \$14.0 | \$14.0 |
| 2008 | | | | \$14.0 | \$14.0 |
| 2009 | | | | \$14.0 | \$14.0 |
| 2010 | | | | \$14.0 | \$14.0 |
| 2011 | | | | \$14.0 | \$14.0 |
| Total | \$0.0 | \$100.0 | \$150.0 | \$782.0 | \$1,032.0 |

Assessed Value of Property

The investment will increase the amount of assessed value of property in the community, the county, and the state. However, the assessed value of property will not increase by the investment amounts shown above. Instead, the investment amounts are adjusted for depreciation before being added to the property tax rolls. And, under the Strategic Investments Program, the assessed value of a project is capped at \$100 million dollars in its first year on the tax rolls. The \$100 million cap floats upward each year - this analysis uses a 4% annual increase in the \$100 million cap.

The project's impact on assessed value is shown in Table 2. This table shows only the projected assessed value of the project itself, and does not include the increased assessed value in residential property and other business property that is likely to occur due to the development of the project. The table shows the total projected assessed value of the facility without the Strategic Investments Program (SIP) and with the SIP.

Table 2. Increase in Assessed Value Due to the Project (\$ Millions)

| Tax Year | Without SIP* | With SIP |
|-----------------|---------------------|-----------------|
| 1995 | 0.0 | 0.0 |
| 1996 | 0.0 | 0.0 |
| 1997 | 396.9 | 100.0 |
| 1998 | 328.4 | 104.0 |
| 1999 | 516.7 | 108.2 |
| 2000 | 403.5 | 112.5 |
| 2001 | 320.9 | 117.0 |
| 2002 | 266.9 | 121.7 |
| 2003 | 237.2 | 126.5 |
| 2004 | 228.4 | 131.6 |
| 2005 | 221.2 | 136.9 |
| 2006 | 214.0 | 142.3 |
| 2007 | 208.2 | 148.0 |
| 2008 | 202.6 | 153.9 |
| 2009 | 196.0 | 160.1 |
| 2010 | 191.1 | 166.5 |
| 2011 | 188.9 | 173.2 |
| 2012 | 186.9 | 186.9 |

* Note: SIP is the Strategic Investment Program. Without SIP, this analysis assumes the project investment still occurs despite the lack of the proposed tax abatement. However, as indicated by Fujitsu, the SIP is required for this investment to occur. If no project investment occurred, there would be no assessed valuation impact.

Tax Savings by Company

The increase in assessed value of property serves to increase some taxing district property tax revenues and to decrease other taxing district property tax rates. These impacts are discussed in Section 5 below.

The capping of the facility's assessed value lowers the company's property tax liability. The company must also pay a community service fee equal to one quarter of the forgiven property taxes (or a maximum of \$2 million per year) and incurs certain "other" costs associated with participating in the Strategic Investments Program.

These impacts, from the company's point of view, are shown in Table 3 below. Not shown in this table are any potential ongoing costs of compliance with local or state program rules. Also not shown in the table is any impact on the company's federal or state corporate excise taxes, which might be higher than otherwise due to a reduction in property tax liability.

Table 3. Tax Impact of Strategic Investments Program on Company (\$ thousands)

| Payments with SIP | | | | | | | |
|--------------------|-----------------|----------------|---------|--------|----------------------------|--------------------------|---------------|
| Tax Year | Property Tax | Service Fee | Other** | Total | Property Tax w/o SIP | 1995 \$ Value Savings | of Savings*** |
| During CIP* | | | | | | | |
| 1995 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1996 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| During SIP* | | | | | | | |
| 1997 | 1,539 | 1,142 | 107 | 2,788 | 5,924 | 3,136 | 2,688 |
| 1998 | 1,601 | 864 | 0 | 2,465 | 4,945 | 2,480 | 1,969 |
| 1999 | 1,665 | 1,573 | 0 | 3,238 | 7,666 | 4,428 | 3,255 |
| 2000 | 1,732 | 1,120 | 0 | 2,852 | 6,057 | 3,204 | 2,181 |
| 2001 | 1,802 | 785 | 0 | 2,587 | 4,858 | 2,271 | 1,431 |
| 2002 | 1,874 | 559 | 0 | 2,434 | 4,065 | 1,631 | 952 |
| 2003 | 1,950 | 426 | 0 | 2,376 | 3,623 | 1,248 | 674 |
| 2004 | 2,028 | 373 | 0 | 2,401 | 3,496 | 1,095 | 548 |
| 2005 | 2,109 | 325 | 0 | 2,434 | 3,389 | 955 | 442 |
| 2006 | 2,194 | 276 | 0 | 2,470 | 3,283 | 813 | 349 |
| 2007 | 2,282 | 232 | 0 | 2,515 | 3,199 | 685 | 272 |
| 2008 | 2,374 | 187 | 0 | 2,562 | 3,115 | 554 | 204 |
| 2009 | 2,469 | 138 | 0 | 2,608 | 3,017 | 409 | 139 |
| 2010 | 2,569 | 95 | 0 | 2,664 | 2,945 | 281 | 89 |
| 2011 | 2,672 | 61 | 0 | 2,733 | 2,913 | 180 | 53 |
| SIP* Sum | 30,861 | 8,157 | 107 | 39,125 | 62,494 | 23,370 | 15,245 |
| After SIP* | | | | | | | |
| 2012 | 2,884 | 0 | 0 | 2,884 | 2,884 | 0 | 0 |

Notes: * CIP is the construction-in-progress property tax exemption; SIP is the strategic investment program property tax exemption.
 ** Other costs include bond related expense. Not directly identified is the ongoing cost of annual compliance to the company.
 *** Savings are discounted to 1995 dollars at an 8% annual rate.

Table 3 shows that the company can expect to save about \$23.4 million in current dollars, or \$15.2 million in 1995 constant dollars, due to using the Strategic Investment Program.

2. Employment Impacts

Employment at the project is expected begin as early as the first quarter of 1996, gradually rise to 445 by the end of 1998, and remain at that level. Construction jobs involved in the project could reach an average of 500 in mid-1996.

The average wage level (total compensation) of the new jobs at the project (excluding construction jobs) is expected to begin at about \$33,000 in 1996 and to rise gradually over time with inflation. By comparison, the 1996 projected statewide average wage (total compensation) is \$27,250 for non farm wage and salary employees.

The Portland metropolitan area and the state have historically low unemployment rates (4.2% and 5.4% respectively, as of March 1995). This implies that there is a general shortage of qualified labor in the local labor market. Also, the technical nature of some of the permanent jobs in this industry means that the company will be recruiting some people who have specialized skills and who are generally in short supply in the nation's economy.

Human resources experts familiar with this industry indicate that, in the current labor market, high technology companies in Oregon can expect to hire current Oregonians for 90% of their administrator and operator positions, 50% of their technician positions, and 10% of their engineer positions.

Although the company may be able to hire current Oregonians for a large portion of the new positions created, some of these new hires may be leaving jobs that are then filled by non-Oregonians. Considering such back-filling by non-Oregonians is important to understanding the impact of the potential facility on the state's total population, employment, and personal income. This analysis conservatively assumes that 10% of the new Oregon jobs in engineering and technician positions and 50% of the new Oregon jobs in operator and administrative positions will be filled either directly (at the project) or indirectly (at other Oregon facilities losing employees to the project) by current Oregonians.

This may be a conservative estimate; actual hiring may result in more employment of Oregonians and less in-migration. Under the conservative assumption, the influx of new workers is expected to boost statewide population by about 646 by the year 2001. Much of this population increase would occur in residential areas within commuting distance of the project.

The overall effect of the investment on the state economy can be estimated using the state econometric model (see Table 4). This computer model is used by state government to forecast the state's economy, including personal income and employment. In forecasting the economic impacts of investments, the model uses information on historical relationships between economic variables such as between employment and population, or between wages and personal income. Specific situations may vary from historical averages, and thus may cause slightly greater or lesser economic impacts than shown in this analysis.

Figures shown in Table 4 for years 1996 to 2001 are directly from the econometric model; figures for years after 2001 were held constant or adjusted for inflation (at 4% per year). Wage and salary employment is expected to be 1,023 higher by the year 2001 as a result of the project. This means that the 445 jobs created at the facility are expected to support an additional 658 jobs in other companies.

These additional jobs are due to local spending by the company and the company's employees. Most of these additional jobs are expected to be spread through the service-producing sectors with the biggest gains coming in services (about 231 jobs) and retail trade (about 122 jobs).

Table 4. Statewide Economic Impact of the Project 1995-2001
with 2002-2012 forecasted separately

| Year | Wage & Salary Employment | High Tech Employment | Construction Employment | Personal Income (\$ MM) | Population |
|------|-----------------------------|-------------------------|----------------------------|----------------------------|------------|
| 1995 | 113 | 0 | 113 | 3.3 | 0 |
| 1996 | 706 | 33 | 470 | 20.7 | 49 |
| 1997 | 556 | 189 | 121 | 18.2 | 259 |
| 1998 | 797 | 385 | 16 | 26.6 | 494 |
| 1999 | 995 | 460 | 22 | 32.4 | 588 |
| 2000 | 1,023 | 463 | 27 | 34.8 | 617 |
| 2001 | 1,023 | 464 | 30 | 37.3 | 646 |
| 2002 | 1,023 | 464 | 30 | 38.8 | 646 |
| 2003 | 1,023 | 464 | 30 | 40.4 | 646 |
| 2004 | 1,023 | 464 | 30 | 42.0 | 646 |
| 2005 | 1,023 | 464 | 30 | 43.7 | 646 |
| 2006 | 1,023 | 464 | 30 | 45.4 | 646 |
| 2007 | 1,023 | 464 | 30 | 47.2 | 646 |
| 2008 | 1,023 | 464 | 30 | 49.1 | 646 |
| 2009 | 1,023 | 464 | 30 | 51.1 | 646 |
| 2010 | 1,023 | 464 | 30 | 53.1 | 646 |
| 2011 | 1,023 | 464 | 30 | 55.3 | 646 |
| 2012 | 1,023 | 464 | 30 | 57.5 | 646 |

The direct and indirect effects of the project are expected to increase the state's population by just under 650 by the year 2001.

The Portland metropolitan area is expected to capture most of the direct employment gains and a majority of the secondary impacts. Of the more than 1,000 direct and secondary jobs expected to be created by the project in 2001, over 900 are expected to occur in the Portland metropolitan area. This estimate is based on the assumption that 90% of the secondary jobs generated by the project are located in the Portland metro area.

3. Income Effects

The project is expected to boost statewide wage and salary income, increasing state residents' total annual income. In 2001, over \$17 million in salaries is expected to go directly to workers at the project. Another \$16 million in salaries is expected to go to other workers whose jobs were

generated by the economic activity of the project. Total personal income in 2001 in the state is expected to be \$37.3 million higher than it would have been without to the project.

The impact on the regional economy can be approximated by assuming that 90% of the income effects will occur in the four county Portland metropolitan area (of which Multnomah County is a part). This calculation leads to a total personal income gain of \$33.6 million in the Portland metro area.

4. Property Values

Property values will rise directly due to the project and indirectly due to employment and migration effects. Indirect assessed property effects are not estimated in this analysis. Therefore, this analysis understates the increase in property values and the reduction in general government taxing district property tax rates and the increase in educational district property tax collections. The impact of the project itself on assessed property values was shown earlier in Table 2.

Technological change is expected to lead to rapid depreciation of the semiconductor wafer fabrication equipment. Clean room and process support equipment is expected to depreciate more slowly. The appraised value of the building shell is expected to decline in value even more slowly. The value of the project without the Strategic Investments Program is expected to peak in 1999 at \$516.7 million.

Table 2 presents the increase in local assessed value of property due to the project both without and with the Strategic Investments Program. The column labelled "With SIP" presents the increase in the assessed value of the property under the Strategic Investments Program, after a "construction-in-progress" property tax exemption at the beginning of phase one. This value begins at \$100 million in the first year of the bond (1997), and rises by 4% per year throughout the fifteen years of the bond.

For the purpose of estimating the impact of property tax rates and taxing district revenues, the following analysis ignores the impact on rates and revenues of the indirect assessed values associated with the investment. This results in a more conservative estimate of the project's impact on property tax rates and revenues than would be the case if the likely increase in indirect assessed value was included in the calculations.

5. Revenue Effects

Increased Personal Income Tax Collections

Personal income tax collections, all of which accrue to the state General Fund, average 4% of total personal income. This implies that the \$37.3 million increase in personal income in 2001 will generate \$1.5 million in additional personal income taxes for the year 2001.

Increased Revenue for Multnomah County Taxing Districts

The project, even under the Strategic Investment Program, will add substantial assessed value to the tax rolls of several taxing districts. The addition of assessed value to general government taxing districts, which are not in Measure 5 tax rate compression, will not change the amount of property taxes that can be collected by the districts (this is limited by the districts' levies); rather, it will lower the property tax rates in those districts from what the rates would have been without the project.

In contrast, the addition of assessed value to educational taxing districts, which are in Measure 5 tax rate compression, will increase the amount of property taxes that can be collected by the districts; however, educational districts can expect to see a compensating reduction in revenues from state basic school support, after adjusting for changes in school enrollment. Thus, local taxing districts can expect to see no real change in their revenues from taxes, after adjusting tax rates or basic school support revenue. However, local taxing districts can expect to see an increase in revenue due to the collection of an annual community service fee from the project during the period of time in which the project receives a property tax reduction due to the Strategic Investment Program.

Reduced Property Tax Rates for Multnomah County Residents

For Multnomah County residents, the project is expected to reduce property tax rates from what they would have been without the investment. The exact amount of the reduction varies from property to property depending upon the taxing districts in which the properties occur.

The following paragraphs and tables are based on an analysis which uses data on assessed value of property, property tax levies, and property tax rates from the Oregon Department of Revenue and the Multnomah County Tax Supervising and Conservation Commission. Tax rates are assumed to remain constant without the project.

Table 3, on the next page, shows the likely tax and revenue effects of the project on the two major categories of taxing districts from 1995 through 2000 (years 2001 through 2012 are presented on following pages). Table 3 shows that the local taxing districts receive more revenue if the investment is made (financed under the Strategic Investment Program) than if the investment is not made.

This increase in taxing district revenue is due in part to the Community Service Fee which is outside Measure 5 limitations and is not subject to the 6% growth limitation on property tax levies. It is also due in part to higher assessed values in school districts with fixed tax rates (after Measure 5 property tax rate compression); however, higher school district property tax revenues are likely to be offset by lower basic school support revenues. This likely reduction in basic school support is not shown in the table, but should be expected to offset fully the increase in educational district property tax revenues.

Table 3a, following Table 3, shows the likely tax impacts on homeowners. Table 3a shows that a homeowner with a home located in the same taxing districts and valued at \$100,000 (appreciating in value at 4% per year) would have annual property taxes about \$20 to \$25 lower throughout most of the next fifteen years due to the reduction in property tax rates from additional assessed values in the taxing districts (this analysis uses only the assessed value of the project to calculate property tax rates; additional indirect assessed value due to the project may lower rates further). *Note:* The assumption of an annual average 4% rate of increase in assessed valuation corresponds closely to actual experience of all property accounts in Multnomah County over the 1984-1994 period.

Increased Sales for Portland Area Businesses

Construction of the facilities would involve large purchases from local construction companies. The project includes investment of about \$100 million in the construction of a building. Much of the site preparation and construction work would be likely to be done by Portland metropolitan area construction companies.

These investment-related purchases would help add to the employment and profits of local companies and to the earned income of Multnomah County and Portland metropolitan area residents. The county's additional employees and residents would also add to the sales revenue of Multnomah County and Portland area businesses.

Table 3. Effect of Investment on Taxing Districts and Property Owners, Tax Years 1994 - 2000
(all figures in thousands of dollars except taxes on home)

| In Thousands of Dollars: | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|---|---------|---------|---------|---------|---------|---------|---------|
| District Revenues without Facility | | | | | | | |
| Multnomah County | 125,346 | 132,867 | 140,839 | 149,289 | 158,246 | 167,741 | 177,806 |
| Portland J Port | 2,343 | 2,484 | 2,633 | 2,791 | 2,958 | 3,136 | 3,324 |
| Metro J Service | 5,928 | 6,283 | 6,660 | 7,060 | 7,484 | 7,933 | 8,408 |
| Tri-Met Transit | 5,503 | 5,833 | 6,183 | 6,554 | 6,948 | 7,364 | 7,806 |
| Rockwood Utility | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gresham City | 16,485 | 17,474 | 18,523 | 19,634 | 20,812 | 22,061 | 23,384 |
| Gresham-Barlow 26J School | 13,739 | 9,829 | 10,419 | 11,044 | 11,706 | 12,409 | 13,153 |
| Gresham 26 (Gresham 4 Bond) | 2,293 | 2,431 | 2,577 | 2,731 | 2,895 | 3,069 | 3,253 |
| Multnomah (E) ESD | 13,088 | 9,249 | 9,804 | 10,392 | 11,015 | 11,676 | 12,377 |
| Multnomah (H) ESD | 6,469 | 4,572 | 4,846 | 5,137 | 5,445 | 5,771 | 6,118 |
| Mt Hood Comm College | 6,445 | 4,739 | 5,024 | 5,325 | 5,644 | 5,983 | 6,342 |
| Company's Payments | 0 | 0 | 0 | 2,681 | 2,465 | 3,238 | 2,852 |
| Facility Property Taxes | 0 | 0 | 0 | 1,539 | 1,601 | 1,665 | 1,732 |
| Facility Comm. Service Fee | 0 | 0 | 0 | 1,142 | 864 | 1,573 | 1,120 |
| District Rate Changes Per Thousand | | | | | | | |
| Multnomah County | 0.0000 | 0.0000 | 0.0000 | -0.0111 | -0.0109 | -0.0107 | -0.0105 |
| Portland J Port | 0.0000 | 0.0000 | 0.0000 | -0.0002 | -0.0002 | -0.0002 | -0.0002 |
| Metro J Service | 0.0000 | 0.0000 | 0.0000 | -0.0005 | -0.0005 | -0.0005 | -0.0005 |
| Tri-Met Transit | 0.0000 | 0.0000 | 0.0000 | -0.0005 | -0.0005 | -0.0005 | -0.0005 |
| Rockwood Utility | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Gresham City | 0.0000 | 0.0000 | 0.0000 | -0.1090 | -0.1070 | -0.1050 | -0.1031 |
| Educational Districts | 0.0000 | -0.0000 | -0.0000 | -0.0515 | -0.0505 | -0.0496 | -0.0487 |
| Total | 0.0000 | -0.0000 | -0.0000 | -0.1728 | -0.1696 | -0.1665 | -0.1634 |
| District Revenue Changes | | | | | | | |
| General Government Districts | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gresham-Barlow 26J School | (0) | 0 | (0) | 217 | 226 | 235 | 244 |
| Gresham 26 (Gresham 4 Bond) | (0) | (0) | (0) | 0 | 0 | 0 | (0) |
| Multnomah (E) ESD | 0 | 0 | (0) | 212 | 220 | 229 | 239 |
| Multnomah (H) ESD | (0) | (0) | 0 | 105 | 109 | 113 | 118 |
| Mt Hood Comm College | 0 | 0 | (0) | 96 | 100 | 104 | 108 |
| Community Service Fee | 0 | 0 | 0 | 1,142 | 864 | 1,573 | 1,120 |
| Total | (0) | 0 | (0) | 1,772 | 1,519 | 2,254 | 1,829 |

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 3. Effect of Investment on Taxing Districts and Property Owners, Tax Years 2001 - 2007
(all figures in thousands of dollars except taxes on home)

| In Thousands of Dollars: | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| District Revenues without Facility | | | | | | | |
| Multnomah County | 188,474 | 199,782 | 211,769 | 224,475 | 237,944 | 252,221 | 267,354 |
| Portland J Port | 3,523 | 3,735 | 3,959 | 4,196 | 4,448 | 4,715 | 4,998 |
| Metro J Service | 8,913 | 9,448 | 10,015 | 10,615 | 11,252 | 11,928 | 12,643 |
| Tri-Met Transit | 8,275 | 8,771 | 9,297 | 9,855 | 10,447 | 11,073 | 11,738 |
| Rockwood Utility | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gresham City | 24,787 | 26,275 | 27,851 | 29,522 | 31,293 | 33,171 | 35,161 |
| Gresham-Barlow 26J School | 13,943 | 14,779 | 15,666 | 16,606 | 17,602 | 18,658 | 19,778 |
| Gresham 26 (Gresham 4 Bond) | 3,448 | 3,655 | 3,874 | 4,107 | 4,353 | 4,614 | 4,891 |
| Multnomah (E) ESD | 13,119 | 13,906 | 14,741 | 15,625 | 16,563 | 17,557 | 18,610 |
| Multnomah (H) ESD | 6,485 | 6,874 | 7,286 | 7,724 | 8,187 | 8,678 | 9,199 |
| Mt Hood Comm College | 6,723 | 7,126 | 7,554 | 8,007 | 8,487 | 8,996 | 9,536 |
| Company's Payments | | | | | | | |
| Facility Property Taxes | 2,587 | 2,434 | 2,376 | 2,401 | 2,434 | 2,470 | 2,515 |
| Facility Comm. Service Fee | 1,802 | 1,874 | 1,950 | 2,028 | 2,109 | 2,194 | 2,282 |
| | 785 | 559 | 426 | 373 | 325 | 276 | 232 |
| District Rate Changes | | | | | | | |
| Multnomah County | -0.0103 | -0.0101 | -0.0099 | -0.0097 | -0.0096 | -0.0094 | -0.0092 |
| Portland J Port | -0.0002 | -0.0002 | -0.0002 | -0.0002 | -0.0002 | -0.0002 | -0.0002 |
| Metro J Service | -0.0005 | -0.0005 | -0.0005 | -0.0005 | -0.0005 | -0.0005 | -0.0004 |
| Tri-Met Transit | -0.0005 | -0.0005 | -0.0004 | -0.0004 | -0.0004 | -0.0004 | -0.0004 |
| Rockwood Utility | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Gresham City | -0.1011 | -0.0993 | -0.0974 | -0.0956 | -0.0939 | -0.0921 | -0.0904 |
| Educational Districts | -0.0478 | -0.0469 | -0.0461 | -0.0453 | -0.0444 | -0.0436 | -0.0428 |
| Total | -0.1604 | -0.1575 | -0.1546 | -0.1517 | -0.1489 | -0.1462 | -0.1435 |
| District Revenue Changes | | | | | | | |
| General Government Districts | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gresham-Barlow 26J School | 254 | 264 | 275 | 286 | 297 | 309 | 322 |
| Gresham 26 (Gresham 4 Bond) | (0) | 0 | 0 | 0 | (0) | (0) | (0) |
| Multnomah (E) ESD | 248 | 258 | 268 | 279 | 290 | 302 | 314 |
| Multnomah (H) ESD | 123 | 128 | 133 | 138 | 144 | 149 | 155 |
| Mt Hood Comm College | 112 | 117 | 121 | 126 | 131 | 137 | 142 |
| Community Service Fee | 785 | 559 | 426 | 373 | 325 | 276 | 232 |
| Total | 1,522 | 1,326 | 1,223 | 1,202 | 1,188 | 1,173 | 1,165 |

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 3. Effect of Investment on Taxing Districts and Property Owners, Tax Years 2008 - 2012
(all figures in thousands of dollars except taxes on home)

| In Thousands of Dollars: | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|----------------|----------------|----------------|----------------|----------------|
| District Revenues without Facility | | | | | |
| Multnomah County | 283,395 | 300,399 | 318,423 | 337,528 | 357,780 |
| Portland J Port | 5,298 | 5,616 | 5,953 | 6,310 | 6,689 |
| Metro J Service | 13,402 | 14,206 | 15,058 | 15,962 | 16,919 |
| Tri-Met Transit | 12,442 | 13,188 | 13,980 | 14,819 | 15,708 |
| Rockwood Utility | 0 | 0 | 0 | 0 | 0 |
| Gresham City | 37,271 | 39,507 | 41,878 | 44,390 | 47,054 |
| Gresham-Barlow 26J School | 20,965 | 22,222 | 23,556 | 24,969 | 26,467 |
| Gresham 26 (Gresham 4 Bond) | 5,185 | 5,496 | 5,825 | 6,175 | 6,545 |
| Multnomah (E) ESD | 19,727 | 20,910 | 22,165 | 23,495 | 24,904 |
| Multnomah (H) ESD | 9,751 | 10,336 | 10,956 | 11,613 | 12,310 |
| Mt Hood Comm College | 10,108 | 10,715 | 11,358 | 12,039 | 12,761 |
| Company's Payments | 2,562 | 2,608 | 2,664 | 2,733 | 2,884 |
| Facility Property Taxes | 2,374 | 2,469 | 2,569 | 2,672 | 2,884 |
| Facility Comm. Service Fee | 187 | 138 | 95 | 61 | 0 |
| District Rate Changes | | | | | |
| Multnomah County | -0.0090 | -0.0089 | -0.0087 | -0.0085 | -0.0087 |
| Portland J Port | -0.0002 | -0.0002 | -0.0002 | -0.0002 | -0.0002 |
| Metro J Service | -0.0004 | -0.0004 | -0.0004 | -0.0004 | -0.0004 |
| Tri-Met Transit | -0.0004 | -0.0004 | -0.0004 | -0.0004 | -0.0004 |
| Rockwood Utility | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Gresham City | -0.0888 | -0.0871 | -0.0855 | -0.0839 | -0.0854 |
| Educational Districts | -0.0420 | -0.0413 | -0.0405 | -0.0398 | -0.0405 |
| Total | -0.1408 | -0.1382 | -0.1357 | -0.1332 | -0.1356 |
| District Revenue Changes | | | | | |
| General Government Districts | 0 | 0 | 0 | 0 | 0 |
| Gresham-Barlow 26J School | 335 | 348 | 362 | 376 | 406 |
| Gresham 26 (Gresham 4 Bond) | (0) | 0 | 0 | (0) | (0) |
| Multnomah (E) ESD | 327 | 340 | 354 | 368 | 397 |
| Multnomah (H) ESD | 162 | 168 | 175 | 182 | 196 |
| Mt Hood Comm College | 148 | 154 | 160 | 166 | 180 |
| Community Service Fee | 187 | 138 | 95 | 61 | 0 |
| Total | 1,158 | 1,148 | 1,145 | 1,153 | 1,179 |

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 3a. Impact on Home Property Taxes Tax Years 1994 to 2012

| | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| In Current Dollars (4% growth rate): | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
| Sample Home Value | 100,000 | 104,000 | 108,160 | 112,486 | 116,986 | 121,665 | 126,532 |
| Prop. Taxes without Facility | 1,806 | 1,618 | 1,683 | 1,751 | 1,821 | 1,893 | 1,969 |
| Prop. Taxes with Facility w/o SIP | 1,806 | 1,618 | 1,683 | 1,679 | 1,761 | 1,805 | 1,899 |
| Change with Facility w/o SIP | 0 | 0 | 0 | (72) | (59) | (88) | (70) |
| Tax Savings with Facility w/ SIP | 1,806 | 1,618 | 1,683 | 1,731 | 1,801 | 1,873 | 1,948 |
| Change with Facility w/ SIP | 0 | 0 | 0 | (19) | (20) | (20) | (21) |
| In 1995 Constant Dollars: | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
| Sample Home Value | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Prop. Taxes without Facility | 1,806 | 1,556 | 1,556 | 1,556 | 1,556 | 1,556 | 1,556 |
| Prop. Taxes with Facility w/o SIP | 1,806 | 1,556 | 1,556 | 1,493 | 1,506 | 1,484 | 1,501 |
| Change with Facility w/o SIP | 0 | 0 | 0 | (64) | (51) | (73) | (55) |
| Tax Savings with Facility w/ SIP | 1,806 | 1,556 | 1,556 | 1,539 | 1,539 | 1,540 | 1,540 |
| Change with Facility w/ SIP | 0 | 0 | 0 | (17) | (17) | (17) | (16) |
| In Current Dollars (4% growth rate): | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| Sample Home Value | 131,593 | 136,857 | 142,331 | 148,024 | 153,945 | 160,103 | 166,507 |
| Prop. Taxes without Facility | 2,048 | 2,130 | 2,215 | 2,304 | 2,396 | 2,492 | 2,591 |
| Prop. Taxes with Facility w/o SIP | 1,992 | 2,084 | 2,175 | 2,265 | 2,359 | 2,457 | 2,558 |
| Change with Facility w/o SIP | (56) | (46) | (40) | (38) | (37) | (35) | (33) |
| Tax Savings with Facility w/ SIP | 2,027 | 2,108 | 2,193 | 2,281 | 2,373 | 2,468 | 2,567 |
| Change with Facility w/ SIP | (21) | (22) | (22) | (22) | (23) | (23) | (24) |
| In 1995 Constant Dollars: | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| Sample Home Value | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Prop. Taxes without Facility | 1,556 | 1,556 | 1,556 | 1,556 | 1,556 | 1,556 | 1,556 |
| Prop. Taxes with Facility w/o SIP | 1,514 | 1,523 | 1,528 | 1,530 | 1,533 | 1,535 | 1,536 |
| Change with Facility w/o SIP | (42) | (34) | (28) | (26) | (24) | (22) | (20) |
| Tax Savings with Facility w/ SIP | 1,540 | 1,540 | 1,541 | 1,541 | 1,541 | 1,542 | 1,542 |
| Change with Facility w/ SIP | (16) | (16) | (15) | (15) | (15) | (15) | (14) |
| In Current Dollars (4% growth rate): | 2008 | 2009 | 2010 | 2011 | 2012 | | |
| Sample Home Value | 173,168 | 180,094 | 187,298 | 194,790 | 202,582 | | |
| Prop. Taxes without Facility | 2,695 | 2,803 | 2,915 | 3,031 | 3,153 | | |
| Prop. Taxes with Facility w/o SIP | 2,663 | 2,772 | 2,886 | 3,003 | 3,125 | | |
| Change with Facility w/o SIP | (32) | (30) | (29) | (28) | (27) | | |
| Tax Savings with Facility w/ SIP | 2,671 | 2,778 | 2,889 | 3,005 | 3,125 | | |
| Change with Facility w/ SIP | (24) | (25) | (25) | (26) | (27) | | |
| In 1995 Constant Dollars: | 2008 | 2009 | 2010 | 2011 | 2012 | | |
| Sample Home Value | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | | |
| Prop. Taxes without Facility | 1,556 | 1,556 | 1,556 | 1,556 | 1,556 | | |
| Prop. Taxes with Facility w/o SIP | 1,538 | 1,539 | 1,541 | 1,542 | 1,543 | | |
| Change with Facility w/o SIP | (18) | (17) | (16) | (15) | (14) | | |
| Tax Savings with Facility w/ SIP | 1,542 | 1,542 | 1,543 | 1,543 | 1,543 | | |
| Change with Facility w/ SIP | (14) | (14) | (14) | (13) | (14) | | |

B. FISCAL IMPACT SUMMARY

"This analysis will show property-tax revenues under each of three scenarios and will calculate their differences from each other: (1) without the project; (2) with the project without abatement; and (3) with the project with abatement. Community service fees will be shown separately and will not be counted as property tax revenue." -- *excerpted from Multnomah County adopted SIP policy.*

This section summarizes impacts based on the state agency analysis provided above. It is anticipated that this analysis is subject to further review by Multnomah County.

It is noted that: (1) without the project, no additional (or incremental) tax revenues are expected; (2) the practical effects of the project without abatement are identical to option (1) as Fujitsu's planned investment would not occur; and (3) with the project, property tax revenues will increase and/or tax rates decline, as is further summarized below.

1. Education Districts

Starting in 1997, Gresham-Barlow 26J Schools receive \$217,000 more in property tax revenue, increasing to \$406,000 by 2012. Multnomah ESD and Mt. Hood Community College also received added tax revenues. As noted, these calculations do not include potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

2. County

The project with abatement is not expected to affect Multnomah County property tax revenues, but rather to lower property tax rates by \$.0111 per \$1,000 tax assessed valuation in 1997 (and by varying amounts for each year thereafter).

3. City

Similarly, the project with tax abatement is forecast to reduce the City of Gresham tax rate by \$.1090 per \$1,000 taxable assessed valuation as of 1997.

4. Special Districts

Special districts would also experience reduced tax rates. Affected taxing districts include Port of Portland, Metro, Tri-Met, Rockwood Utility and Educational Districts.

5. Impacts on existing property tax payers (tax bills relative to no development and relative to no abatement)

With abatement, the owner of a home valued at \$100,000 would benefit from reduction in property taxes of about \$20-\$25 per year throughout most of the next 15 years due to the reduction in property tax rates from added assessed values generated for the affected taxing districts.

6. Cumulative fiscal impacts including those of SIP abatements already granted

During the course of the 15 year period during which Fujitsu GMD could obtain SIP-related tax abatements, the company's investment in the proposed facility is expected to generate \$30.9 million in property tax payments and an additional \$8.2 million in community service fee payments by the company. The multi-year cumulative savings to the company is projected to be \$23.4 million.

C. ECONOMIC IMPACT SUMMARY

Consistent with the adopted Multnomah County SIP policy, economic impacts reviewed are fivefold:

1. Labor market impacts (number and types of jobs; incomes; impacts on other employers)

The project will generate an additional 445 direct jobs. Total added direct and indirect wage and salary employment is 1,023 (with a multiplier effect of 2.3). As detailed in this application, staffing of the GMD Fab II expansion will involve hiring of operators, technicians, engineers, administrators, and supervisors. With the exception of engineers, between 50%-90% of persons hired are expected to be current Oregonians.

2. Indirect and induced business activity (additional demand for locally-produced goods and services; resulting changes in employment and income)

Approximately 23% of total GMD procurement is from existing Oregon firms (i.e. a base of 428 vendors). Expansion of GMD will result in added purchases of locally produced goods and services, and further broadening of the Oregon vendor base, including outreach to minority and women owned businesses from the Portland metro area.

As noted, the total employment multiplier is 2.3. That is, for every new job created at GMD, another 1.3 jobs are expected to be created statewide in supporting industries and services.

3. Competitive impacts on existing businesses (would abatements give new firm unfair advantage over direct competitors already located here?)

Fujitsu GMD is marketing products on a worldwide basis. As a "footloose" company, a semiconductor firm has the opportunity to locate anywhere. Competition occurs globally rather than locally.

As an existing Oregon company, expansion of Fujitsu GMD made possible with SIP will help to maintain and bolster the company's competitive position globally for the next generation of semiconductor products. Given the interconnected nature of Oregon's semiconductor industry (both suppliers and customers), other existing Oregon businesses can be expected to experience considerable net economic benefit (as evidenced by the economic multiplier information noted above).

4. Dollars of abated taxes per job created

Over the 15 year life of the project, the company will save a total of \$23.4 million. When compared to the 445 jobs created, this equates to \$52,600 per job (or an annual average of approximately \$3,500 per direct job created). When indirect jobs are added, the annual tax abatement drops to a range of \$1,500 (per direct plus indirect job).

5. Jobs per acre

The Fujitsu GMD site has a total of 160 net usable acres (i.e. 200 acres total less 40 acres of lake and wetland area). With 540 employees on a site of 160 net usable acres, current employment density equates to 3.4 jobs per acre. Addition of Fab II (and 445 employees) will increase total site density to 6.2 jobs per acre. Further increases in employment density are possible with future expansions predicated on the success of Fab I and proposed Fab II facilities.

APPLICATION EXHIBITS

Exhibit A. SIP Safety Information

Exhibit B. Wafer Fab Job Progression

Exhibit C. Correspondence from Children's World

Exhibit D. Fujitsu/MHCC Training Program (Gresham Outlook News Article)

Exhibit E. Summary of Oregon Health Plan

Exhibit F. Residence Location of Current Fujitsu Workforce

Exhibit G. Jobs-to-Housing Analysis for Gresham Area as Compared to the Metro Area

Exhibit H. City of Gresham Verification of Infrastructure Capacity

Exhibit I. City of Gresham Correspondence Regarding Toxic Waste Reduction Program

Exhibit J. DEQ Verification of Toxic Use Reduction

Exhibit K. City of Gresham Inspection Report

Exhibit L. DEQ Annual Air Quality Inspection

Exhibit M. Waste Reduction & Recycling Verification

EXHIBIT A.
SIP SAFETY INFORMATION

MEMO

FUJITSU

May 1, 1995

To: Dick Romano

From: June Ann Cole *gash*
Safety and Environmental Control

Subject: SIP Safety Information

The most recent accident statistics published for OSHA for the State of Oregon are for the year 1992. I did call and get the incident rate and lost work day rate for the semiconductor industry for 1993, however, this is not yet in print.

According to 1992 data, the electronics industry is the second safest industry listed on a list of 16 industries as determined by lost workday cases. The incidence rate ranges from a low of 1.2 per 100 workers to a high of 10.1 per 100 workers. The electronics industry is second at 2.5 lost workday cases per 100 workers. The rate for GMD for 1992 was 1 lost workday case per 100 workers. The Oregon rate for lost workday cases for 1993 was 2.3. The GMD rate was 2.0 cases.

OSHA also reports occupational injuries and illnesses in terms of the total number of cases reported. This rate of total cases of occupational injuries/illness for the semiconductor industry in the State of Oregon was 3 cases per 100 workers in 1992 and 4.4 cases per 100 workers in 1993. GMD had a rate of 3 cases per 100 workers in 1992 and 4 cases per 100 workers in 1993.

Another measure of safety performance is the worker's compensation experience rating. Average is 1.0 or 100%. Any percentage below that represents better than average performance and percentages in excess of 100% represent worse than average performance. The experience modification rating for Fujitsu (all of Oregon) as of 3/31/95 is 75%, much better than average.

Please let me know if you need any additional measures of safety performance. Thank you.

FUJITSU MICROELECTRONICS, INC.

EXHIBIT B.
WAFER FAB JOB PROGRESSION

Wafer Fab Job Progression

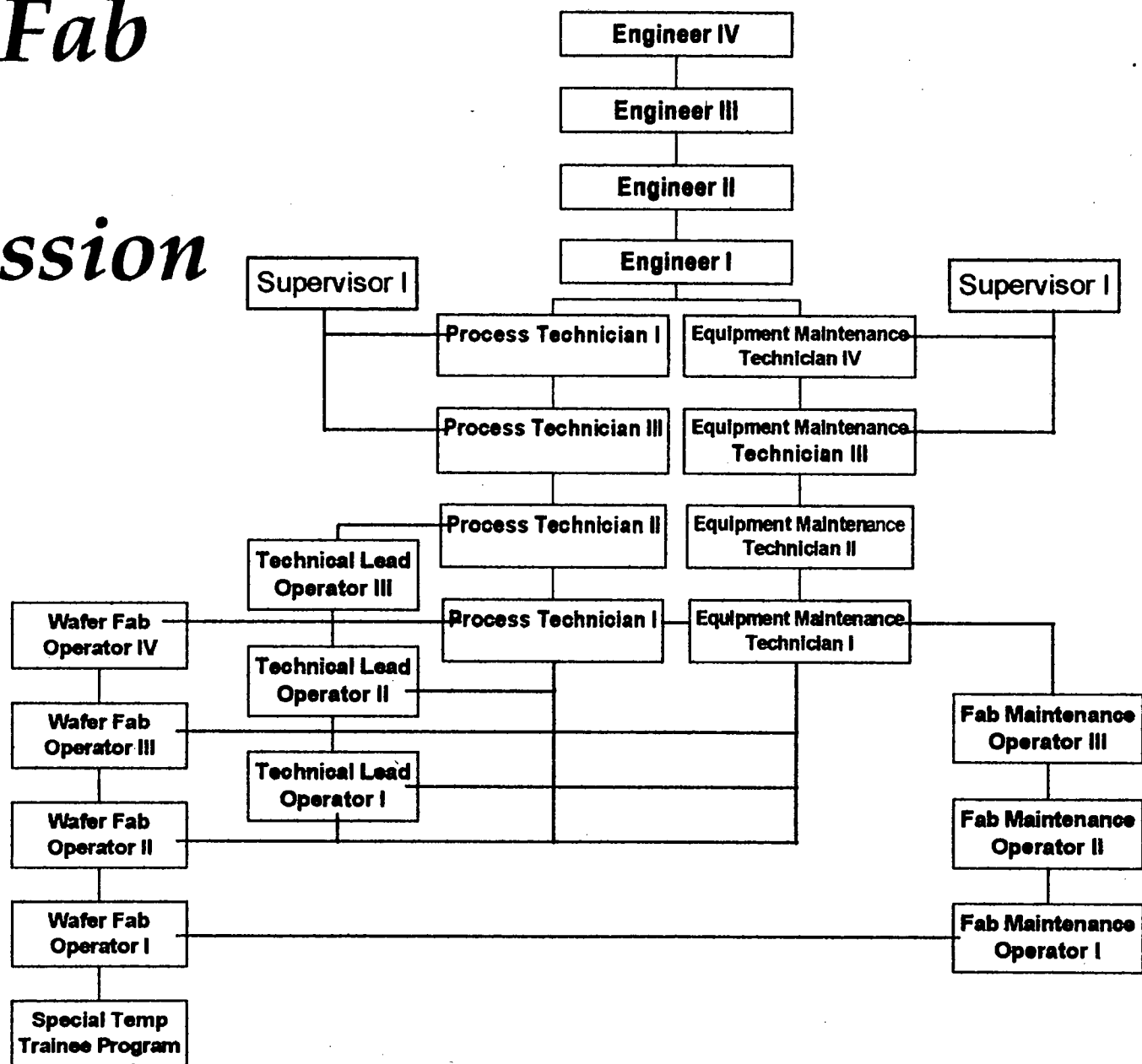


EXHIBIT C.
CORRESPONDENCE FROM CHILDREN'S WORLD



Children's World
LEARNING CENTERS®

1505 SE 122nd Avenue
Portland, OR 97233
(503) 254-9654
Fax (503) 254-9711

April 20, 1995

Duane Watari
Senior Human Resources Administrator
Fujitsu Microelectronics, Inc.
21015 SE Stark Street
Gresham, OR. 97030-2099

Dear Duane:

Children's World Learning Centers appreciates the opportunity of providing your employees with the best in quality early childhood education and school-age child care. For the past three years, our combined 30% subsidy (15% from Children's World) has allowed families to bridge the gap between quality and affordability.

As we have discussed in the past, Children's World will be available to Fujitsu Microelectronics to discuss additional child care needs of your employees. Specifically, we are interested in addressing the needs of extended hours. Currently our centers are open from 5:30am to 6:00pm.

Duane, please let me know if I can be of assistance to you in the future. My direct line phone number is (360) 254-9655. It has been a pleasure working with you.

Sincerely,

A handwritten signature in cursive script that reads "Tammy Marquez".

Tammy Marquez
Work/Family District Representative

EXHIBIT D.
FUJITSU/MHCC TRAINING PROGRAM
(GRESHAM OUTLOOK NEWS ARTICLE)



JOHN HENDERER/The Outlook

Steve Rennie and Laura Moore, both students at Mt. Hood Community College, have nearly completed their degrees and paid internship technicians at Fujitsu Microelectronics through a new cooperative program. Both say they hope to get full time jobs at the company.

Future of Fujitsu at MHCC

□ Internships provide firm with highly trained employees

by JOHN HENDERER
of The Outlook staff

Students Laura Moore and Steve Rennie have a hankering to fix and maintain multi-million dollar machines that manufacture computer chips for Fujitsu Microelectronics in Gresham.

Unlike most others, they already have experience at it.

In May, they will finish a one-year internship with the company through Mt. Hood Community College.

Moore, 30, a former computer programmer and mother of two, and Rennie, 32, a single, former military air traffic controller earned, \$8.50 an hour as interns at Fujitsu while finishing the

second year of their degrees.

Over the past year, they worked with experienced technicians repairing and maintaining equipment and machinery that works at the atomic level to manufacture computer memory chips.

Students typically attended class for about five hours a day, then went to work at Fujitsu for about as many hours, donning dust inhibiting "bunny suits."

Rennie worked in a "physical vapor deprivation" sector in which metal for circuits is "sputtered" through an acceleration tube and slammed onto silicon wafers.

Moore worked in a section which

— similar to photo lithography — etched away portions of the silicon wafers to produce minute transistors after the wafers had been exposed to light through a screen similar to a film negative.

Both said they hope to become full time employees at Fujitsu, where beginning technicians typically earn about \$12 an hour, according to Verr Hartshorn, MHCC program coordinator.

"I've always liked electronics," Moore said.

Last week, they prepped classmates in Mt. Hood's Electronic Systems Technology program for a recruiting

Turn to INTERNS, Page 2A

Fujitsu advertising for employees

□ Company targeting workers used to fast-paced activity

by **JOHN HENDERER**
of *The Outlook* staff

"Burned out on fast food work? You may not have realized it, but your fast-food or production/assembly line experience may have prepared you for a rewarding career in the high-tech industry."

With this advertisement on March 5, Gresham's Fujitsu Microelectronics invited people to become computer chip fabrication operators, earning \$6.75 an hour.

Fujitsu may soon offer several hundred more similar jobs if the county approves a tax break application and the company builds a new plant estimated to cost between \$700 million and \$800 million.

These wages fall short of those hoped for by County Chairwoman

Beverly Stein, who cast the only vote against a tax break plan for huge high-tech industrial expansions.

Stein lobbied unsuccessfully to require wages equal to the mean covered county payroll costs of 1993, \$27,298, for at least half the new jobs created. But she acknowledges the issue is "problematic."

Officials at Fujitsu declined to elaborate on job salaries at the firm, except to say they are "competitive."

Information made public by high-tech companies elsewhere can offer indicators of what might be expected of new high tech jobs here.

In Hillsboro, 500 of 975 new positions at IDT's \$800 million expansion are expected to be fab operators, lower-skilled workers who typically comprise half a high tech manufacturing company's work force, according to information in the company's application to Washington County for a tax break.

At IDT, entry level fab operators earn \$6.49 an hour, ranging up to

\$12.89 for experienced workers, or \$13,500 to \$26,800 a year.

The average salary for all high-tech positions statewide is \$39,300, while all other employers pay an average \$24,100 wage, according to the Oregon Employment Division.

Although fab operators start out at relatively low salaries, they have opportunity for advancement and they receive fringe benefits such as health care or child care. Employees can also earn extra pay for working a graveyard shift and through bonuses.

"Salary level is important," acknowledged Rob Fussell, Gresham's economic development manager, "but ... a lot of the lower paying jobs don't have anywhere to go. After six months at McDonald's are they that much more down a career path, or are they just a better hamburger flipper?"

Fujitsu is expected to apply for a tax break on May 5.

Interns

Continued from Page 1A.

visit from Fujitsu officials, offering glowing reviews.

"Where are you going to have the opportunity to get experience in a company, get paid for it and have your schedule arranged so you can do it?" Rennie asked students.

Hartshorn said Fujitsu's goal is to have a "ready employee" as a technician at the end of the internship program.

Technicians form a more specialized core of workers at high tech manufacturing firms, comprising approximately 15 percent of the workforce. Job training for employees is on-going and vitally important, say educators and officials who track the industry.

Fujitsu learned the hard way how important it is to develop a solid labor force, and the internship program is one of two ventures with the college which attempt to learn from mistakes.

"We do not want to go through the painful experience that we did when we started up this operation" in 1988, said Dick Romano, Fujitsu vice president of administration.

Fujitsu recruited and hired employees from as far away as Texas, Utah and Arizona, but lost many who perhaps did not expect the region's rainy seasons.

"For whatever reason, it wasn't a good investment," Romano said. "We're looking at every avenue possible to hire from the local area. That's the only way we're going to have a stable work force."

"This is not a thing where (employers tell workers), 'I want you to stamp the box here and stamp it as fast as you can.' This industry can't survive with that," said Lynne St. Jean, project manager of workforce and target industries at the Portland Development Commission.

Fujitsu approached the college for help in 1993 to obtain additional training, at the company's expense, for employees. College officials helped design courses specific to the semiconductor industry, beginning a venture that has grown to enroll about 60 workers in an associate's degree program in microelectronics technology.

Last Fall, Fujitsu asked the college if any students might be interested in a paid internship program.

College officials were ecstatic. Finally, the electronics program could rival MHCC's automotive technology which offers internships with Ford, Chrysler and Mazda.

Fujitsu offered internships to three people this year and is expected to offer between six and 10 for next year.

Interest in the college program is growing. Already, over 30 people — about double this time last year — have applied for acceptance into the electronic systems technology program for fall.

"Your linkages with industry are where your success rests," said Hartshorn at MHCC. "I was telling my wife — 'It's kind of neat to think my kid could get a job at something other than Burger King out here'."

People interested in more information about the college's program can call 667-7342 to register or receive an information packet.

EXHIBIT E.
SUMMARY OF OREGON HEALTH PLAN

Oregon Health Plan

Highlights/Fact Sheet

• **What it is:** The Oregon Health Plan is a blueprint for universal access to basic and affordable health coverage. It offers:

- A basic health care package for low-income persons
- Health insurance for individuals who have been denied coverage for medical reasons
- Future expansion through an "employer mandate," requiring employers to cover workers
- Two voluntary group insurance plans available to small employers — one offers low premiums, the other guarantees availability
- Reforms to make insurance more affordable
- Assessment of new technologies and their need in particular geographic regions
- Assessment of service expansions and cost-containment

A bi-partisan plan, it was created by the people of Oregon through community, business, labor and government participation. The 1993 Legislature funded the state's share to finance the plan for the 1993-95 biennium.

• **Why it is needed:** Oregonians spent more than \$10 billion on health care in 1993, double the

1988 figure. Oregon health insurance premiums were rising 20 percent annually while the number of uninsured Oregonians grew by 5 percent annually. More than 600,000 Oregonians had either inadequate or no health insurance. One in five Oregonians who returned to welfare did so to obtain medical coverage.

• **Who benefits:** A *high-risk pool* covers more than 3,000 Oregonians who could not otherwise buy insurance because of pre-existing medical conditions.

An affordable *small-business insurance package* went on the market March 1, 1993.

An *employment-based plan* affecting the 300,000 working uninsured is scheduled to go into effect for large employers beginning March 31, 1997, and for small employers on Jan. 1, 1998. It requires employers either to provide group insurance to permanent employees working 17½ hours weekly (and their dependents), or to pay into a state insurance pool. Small employers who start coverage before July '95 receive tax credits.

The first phase of a *Medicaid reform and expansion*, which began on February 1, 1994, extended a Basic Health Care Package to more than 100,000 individuals, who joined about 180,000 Oregonians who previously



qualified for Medicaid. It covers most people below the federal poverty level, and pregnant women and young children up to 133 percent of poverty level.

The second phase of the Medicaid expansion, which began January 1, 1995, added many seniors and persons with disabilities, and foster children, (all of whom already were eligible for Medicaid) to those who receive the Basic Health Care Package.

- **How it's managed:** The plan's five-year Medicaid demonstration is managed by the Office of Medical Assistance Programs in the Oregon Department of Human Resources. The U.S. Health Care Financing Administration is monitoring the project. About 20 prepaid health plans are participating, offering managed care in nearly all of Oregon's 36 counties.

The Oregon Health Plan Administrator coordinates Oregon health care reform, including developing potential alternatives to the employer mandate. An Oregon Health Reform Implementation Group has been formed with several task forces to study the economic impact of the Oregon Health Plan and a variety of issues related to the employer mandate.

The tax credit program is the responsibility of the Insurance Pool Governing Board. The high-risk pool is managed by the Oregon Medical Insurance Pool.

- **What the Medicaid expansion covers:** The Basic Health Care Package is based on a priority list of health services created by the Oregon Health Services Commission. The package stresses prevention, with services such as maternity and newborn care, immunizations, well-child

exams and preventive dental care. It also covers all major diseases of women and children, reasonable diagnostic services, dental services, prescription drugs, many transplants, hospice care, mammograms. Beginning in 1995, outpatient chemical dependency services were added to the package, and mental health services were expanded for about 25 percent of OHP-eligibles (to be phased in to 100 percent by July 1996).

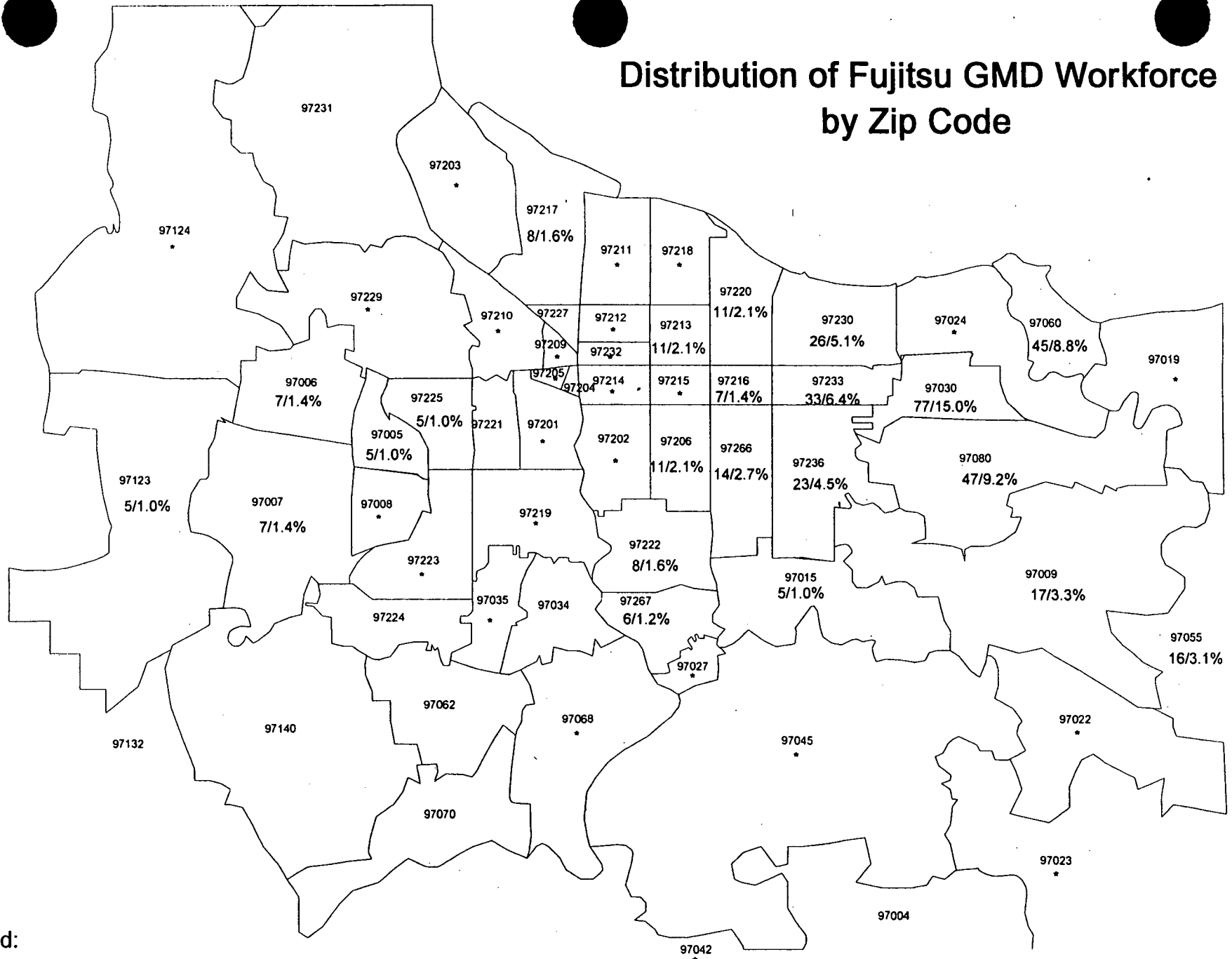
- **What isn't covered:** The Basic Health Care Package does not pay to treat conditions that get better on their own; conditions for which home treatments are effective; cosmetic conditions; and conditions for which treatment is generally ineffective (such as advanced cancer) although in such cases comfort care is provided.

- **How it's financed:** Costs of the Medicaid plan are divided roughly 62 percent federal, 38 percent state. To pay the increased state share of \$65 million during the 1993-95 biennium, the Legislature approved a combination of state general funds and a 10-cent-a-pack increase in the state cigarette tax.

The Medicaid expansion is expected to slow the climb of health care costs by giving low-income Oregonians a regular family health care provider. The plan emphasizes managed care, paying health plans a fixed amount every month to treat a stipulated number of enrolled patients. Before the plan, about 85,000 Medicaid clients received services through managed care; as of January 1, 1995, more than 225,000 are enrolled in prepaid plans

EXHIBIT F.
RESIDENCE LOCATION OF
CURRENT FUJITSU WORKFORCE

Distribution of Fujitsu GMD Workforce by Zip Code



Legend:

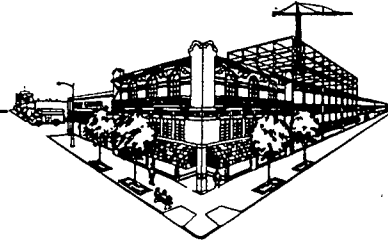
Shown are codes for residence locations of Fujitsu employees of 1% or more of GMD workforce.

For example, the figures 47/9.2% indicate number of employees/% of total.

An asterisk (*) indicates employment of less than 1% of company total.

Employment for zip code areas not shown on the map has not been included.

EXHIBIT G.
JOBS-TO-HOUSING ANALYSIS FOR GRESHAM AREA
AS COMPARED TO THE METRO AREA



MEMORANDUM

To: Rob Fussell, Economic Development Manager
City of Gresham

From: Eric Hovee

Subject: Gresham Jobs/Housing Balance Analysis

Date: May 5, 1995

Our firm is currently involved as part of a consultant team conducting a *Gresham Land Use Alternatives Study* for the City of Gresham Community Development Department. The purpose of the project is to evaluate different land use designations, densities and design standards in order to reduce automobile trips and support alternative modes of transportation. The study also is intended to address relevant land use provisions of the state Transportation Planning Rule.

One of the specific objectives of the study is to evaluate the effectiveness of proposed land use alternatives in supporting jobs-housing balance. Preliminary analysis conducted by our firm is based on census tract employment and household data available from Metro.

For definitional purposes, several items are noted:

- Consistent with Metro data, comparisons are made between *jobs* and *households* (rather than housing units).
- We have compared 1992 with projected 2015 conditions based on Metro's published *The Regional Forecast*, November 1993.
- A surplus of jobs to households is calculated based on a comparison of localized conditions with the four-county metropolitan area (Multnomah, Washington, Clackamas, Clark). A figure of over 100% indicates a relatively high proportion of jobs to households; a figure of less than 100% indicates a relative jobs deficiency.

Attachments to this memorandum include a jobs-to-household worksheet and a map illustrating job surplus/deficit relative to the entire Portland metro area. What follows is a brief analysis of the results:

- Compared to the entire metro area, the Gresham/east Multnomah County generally has an inadequate existing job base to serve its residential population. At a ratio of 1.12 jobs-to-households, the Gresham/east county ratio is only 75% that of the regionwide job-to-housing ratio (of 1.49).
- Metro's Regional Forecast anticipates some improvement in the Gresham area's jobs-to-household balance, from 75% of the metro average in 1992 to 88% in 2015.
- There are significant disparities in the jobs-to-household ratios within the Gresham area, when considered on a census tract level. Census tract 102 (Columbia South Shore) has a jobs-to-household ratio that is 397% of the regional average (due to a significant employment base and relatively few housing units). In contrast, census tract 99.01 (south of Powell, west of Eastman) has a jobs-to-household ratio only 11% that of the regional average (with a very nominal employment base located in a heavily residential tract).
- Even when census tracts are aggregated to form three larger districts, there are significant differences in the extent to which Gresham households are served by nearby places of employment. The northern Gresham area (generally north of Stark/Burnside) has a jobs-to-household ratio that is roughly in balance with the entire region. In contrast, southern and eastern Gresham are employment deficient with job-to-household ratios that are only 60%-65% of the regional average. These ratios are not expected to improve appreciably over the next 20 years. While there are commercial development opportunities, there is relatively little industrially designated land in the southern Gresham area.
- From a policy perspective, an important transportation and growth management (TGM) question is whether additional land use planning provisions should be made to encourage additional employment-related development in the southern and/or eastern Gresham areas. The appropriate planning response may be different in southern versus eastern Gresham. Much of the eastern Gresham area (census tracts 104.02 and 105) lies east of the city and urban growth boundary, and so may not be suitable for significant industrial or commercial development despite lack of a local employment base. An alternative might be to consider encouraging small-scale home occupation uses in these more rural areas, as well as encouraging additional larger scale employment development on lands currently designated throughout the Gresham area for industrial and commercial use.

I hope that this information is useful in summarizing the need for development of additional employment opportunities in the Gresham/east Multnomah County area. If there are questions regarding any aspect of this analysis, please give me a call.

EH:jm

enclosures

Jobs-to-Household Analysis for Gresham Area as Compared to the Metro Area

| Census Tract | 1992 Estimated | | Ratio Jobs:HH | % of Metro* | 2015 Estimated | | Ratio Jobs:HH | % of Metro* |
|---------------------|----------------|---------|------------------|----------------|----------------|---------|------------------|----------------|
| | Jobs | Hhlds | | | Jobs | Hhlds | | |
| 96.02 | 3,975 | 2,802 | 1.42 | 95.1% | 4,777 | 3,113 | 1.53 | 97.4% |
| 98.01 | 1,417 | 1,052 | 1.35 | 90.3% | 3,659 | 1,260 | 2.90 | 184.4% |
| 98.02 | 1,504 | 2,714 | 0.55 | 37.1% | 3,446 | 3,741 | 0.92 | 58.5% |
| 99.01 | 306 | 1,894 | 0.16 | 10.8% | 595 | 1,984 | 0.30 | 19.0% |
| 99.02 | 2,074 | 2,136 | 0.97 | 65.1% | 1,671 | 5,504 | 0.30 | 19.3% |
| 99.03 | 256 | 1,185 | 0.22 | 14.5% | 303 | 2,250 | 0.13 | 8.6% |
| 100 | 5,782 | 2,386 | 2.42 | 162.4% | 9,006 | 3,111 | 2.89 | 183.8% |
| 101 | 1,417 | 2,000 | 0.71 | 47.5% | 3,692 | 2,746 | 1.34 | 85.4% |
| 102 | 6,426 | 1,085 | 5.92 | 396.9% | 17,343 | 4,746 | 3.65 | 232.1% |
| 103.01 | 2,368 | 2,220 | 1.07 | 71.5% | 9,232 | 3,452 | 2.67 | 169.8% |
| 103.02 | 701 | 1,610 | 0.44 | 29.2% | 1,077 | 2,550 | 0.42 | 26.8% |
| 104.02 | 1,882 | 1,448 | 1.30 | 87.1% | 5,224 | 5,191 | 1.01 | 63.9% |
| 104.04 | 983 | 2,145 | 0.46 | 30.7% | 5,844 | 4,979 | 1.17 | 74.5% |
| 104.05 | 2,080 | 1,787 | 1.16 | 78.0% | 2,655 | 1,787 | 1.49 | 94.3% |
| 104.06 | 2,224 | 2,552 | 0.87 | 58.4% | 2,825 | 3,021 | 0.94 | 59.4% |
| 104.07 | 1,532 | 1,544 | 0.99 | 66.5% | 2,095 | 2,645 | 0.79 | 50.3% |
| 105 | 601 | 1,240 | 0.48 | 32.5% | 484 | 1,377 | 0.35 | 22.3% |
| Gresham Sub Total | 35,528 | 31,800 | 1.12 | 74.9% | 73,928 | 53,457 | 1.38 | 87.8% |
| Northern Gresham | 14,887 | 9,717 | 1.53 | 102.7% | 36,121 | 16,607 | 2.18 | 138.1% |
| Southern Gresham | 18,158 | 19,395 | 0.94 | 62.7% | 32,099 | 30,282 | 1.06 | 67.3% |
| Eastern Gresham | 2,483 | 2,688 | 0.92 | 61.9% | 5,708 | 6,568 | 0.87 | 55.2% |
| Portland Metro Area | 863,943 | 578,982 | 1.49 | -- | 1,337,318 | 849,234 | 1.57 | -- |

Source: E.D. Hovee & Company using METRO Data.

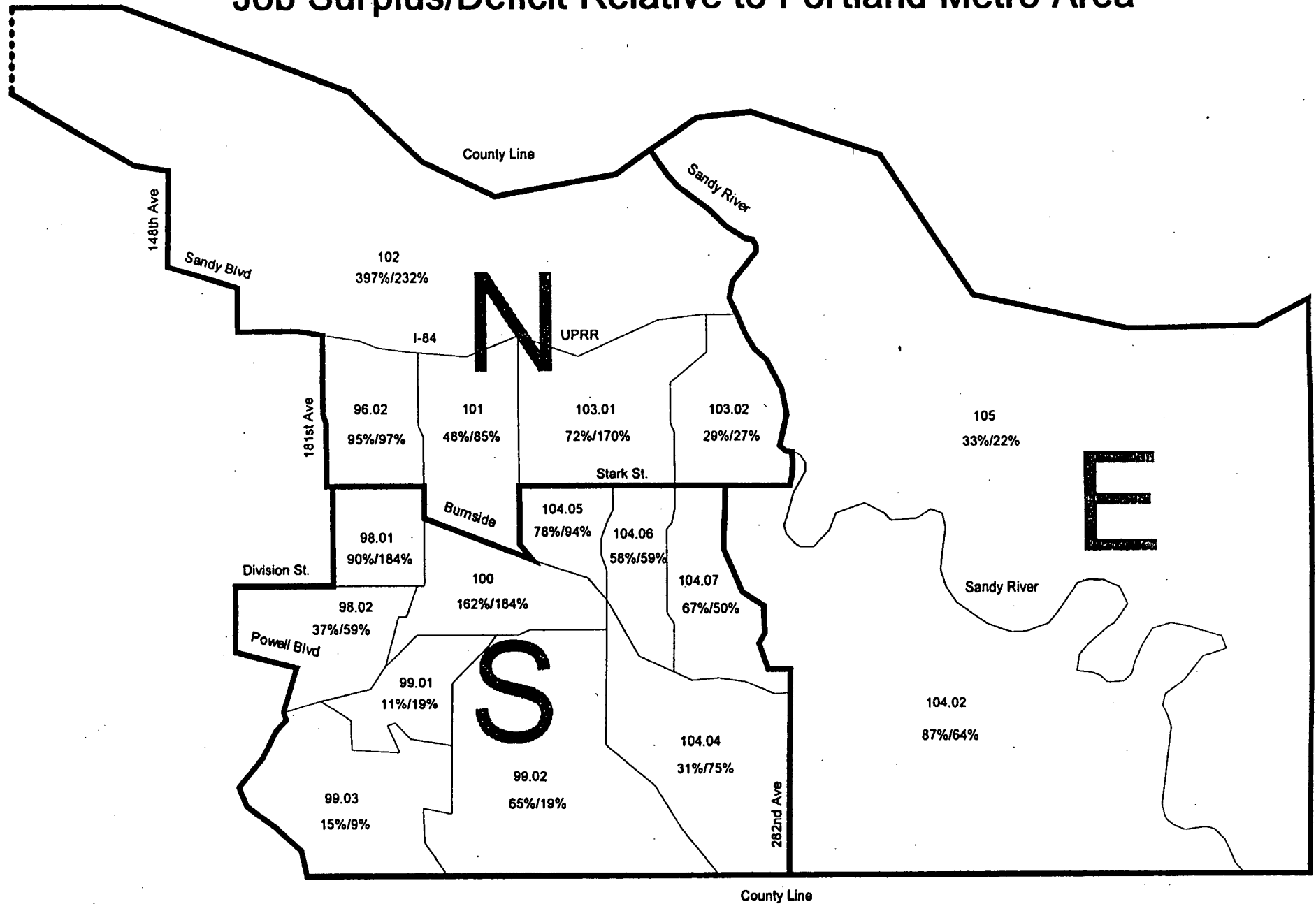
Note: Northern Gresham includes Census Tracts 96.02, 101, 102, 103.01, and 103.02.

Southern Gresham includes Census Tracts 98.01, 98.02, 99.01, 99.02, 99.03, 100, 103.01, 103.02, 104.04, 104.05, 104.06 and 104.07.

Eastern Gresham includes Census Tracts 104.02 and 105.

* Note: Compared to 4-County Portland Metro Area.

Job Surplus/Deficit Relative to Portland Metro Area



Note: Percentage figures in each tract indicate the jobs-to-household ratio for the Portland metro area. The first of each pair of percentage figures indicates 1992 conditions, the second the 2015 Metro-based projection.

Source: Metro data, interpolated by E.D. Hovee & Company, April 1995.

EXHIBIT H.
CITY OF GRESHAM VERIFICATION OF
INFRASTRUCTURE CAPACITY



Administration

Bonnie R. Kraft
City Manager

Nina D. Regor
Asst. City Manager

Judith M. Ure
Executive Assistant

Citizen Involvement

Kay Foetisch
Citizen Involvement
Coordinator

Anndy Wiselogle
Mediation Specialist

Public Affairs

John Mills
Public Affairs Officer

Recording Services

Phyllis R. Brough
City Recorder

Connie Otto
Staff Assistant

Support

Janelle Serniotti
Executive Secretary,
City Manager
John Landavazo
Executive Secretary,
Assistant City Manager

Molly Cafferty
Executive Secretary,
Council

Cecille Turley
Senior Secretary,
Citizen
Involvement/
Mediation

Faye Simon
Central Receptionist

Jana Suter
Central Receptionist

CITY OF GRESHAM

Office of the City Manager
1333 N.W. Eastman Parkway
Gresham, OR 97030-3813
(503) 669-2660
FAX (503) 665-7692

May 8, 1995.

The Honorable Beverly Stein
Chair, Multnomah County Commission
1120 SW Fifth Avenue, Room 1515
Portland, OR 97204

Dear Commissioner Stein:

The City of Gresham is pleased to be a part of this SIP application. We have evaluated the proposed Fujitsu expansion and determined there are no known adverse impacts on public facilities, nor are there any expected adverse impacts to public safety.

The project would increase the total site-generated flows to the sanitary sewer system to about 2.0 million gallons per day. The actual quantity will depend upon the percentage of wastewater recycling attained. There is adequate capacity in the interceptor sewerlines and adequate treatment capacity in the wastewater treatment plant to handle the additional projected flows.

Mike Baker of Rockwood PUD has verified that the existing distribution waterlines and reservoir capacity are adequate to serve the proposed expansion. A new metering facility will be required. The City of Gresham water system also has significant capacity to act as a back up in case of an emergency or a maintenance shutdown.

An analysis of the traffic impact from the expansion will be required with the development permit application. The existing signalized access to Stark Street is likely to function at an acceptable level of service. Additional cost, if any, will be borne by Fujitsu.

Underground stormwater detention facilities were provided with the first phase of development. A similar system (or surface storage) will be feasible to serve the proposed expansion.

The City of Gresham has enjoyed an eight-year relationship with Fujitsu. They have proved to be a conscientious corporate citizen. This expansion will create living-wage jobs for our citizens and help maintain Gresham's quality of life. We look forward to this new phase in our partnership with Fujitsu.

Regards,

Bonnie R. Kraft

Bonnie R. Kraft
City Manager

BK:RF/kl/js

EXHIBIT I.
CITY OF GRESHAM CORRESPONDENCE
REGARDING TOXIC WASTE REDUCTION PROGRAM



CITY OF GRESHAM

Fire Department
1333 N.W. Eastman Parkway
Gresham, OR 97030-3813
(503) 661-3000

April 14, 1995

Ms. Beverly Stein, Chair
Multnomah County Commission
1120 SW 5th, room 1515
Portland, OR 97204

Dear Ms. Stein:

The staff of Fujitsu Microelectronics, Inc.'s Gresham facility has asked that I write to you to confirm our working relationship with that company regarding their toxic waste reduction program. As the Hazardous Materials Planner for the City of Gresham, I work closely with Fujitsu on a variety of hazardous materials issues, and have always found them to be extremely cooperative, concerned about compliance with federal, state and local legislation, and continually searching for environmentally safe alternatives in their industrial processes. Their plans and reports are complete and on time, they solicit assistance from this Department when needed, and are prompt with implementing our recommendations.

We have every confidence that Fujitsu will continue their exemplary approach to environmental issues and cooperation with local governments. Please feel free to call me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard J. Sandstrom".

Richard J. Sandstrom
Hazardous Materials Planner

cc. Parrott
Cole

EXHIBIT J.
DEQ VERIFICATION OF TOXIC USE REDUCTION

February 22, 1994

DEPARTMENT OF
ENVIRONMENTAL
QUALITY

NORTHWEST REGION

Ms. June Ann Cole
Fujitsu Microelectronics, Inc.
21015 S.E. Stark Street
Gresham, Oregon, 97030

Re: Toxic Use Reduction/Hazardous Waste Reduction
Plan for Facility with EPA ID # ORD987166204
and TRIS # 97030FJSM21015

Dear Ms. Cole:

Thank you for the efforts you have devoted to preparing your facility's Toxics Use Reduction and Hazardous Waste Reduction (TURHWR) Plan. Completion of the TURHWR Plan and the Annual Progress Reports (APR) fulfill two of the major requirements of Oregon's Toxics Use Reduction and Hazardous Waste Reduction Law. The TURHWR rules also require that the plans be maintained at each facility and that the completed plan be made available to the Department of Environmental Quality (DEQ) upon request (OAR 340-135-090). DEQ periodically reviews plans for completeness and to gather information about the quality of TURHWR planning in Oregon.

As part of this endeavor, DEQ's Northwest Regional Office will review the TURHWR plan and APR's for your facility in the near future. It is our goal to make the review of your TURHWR plan as simple as possible for both DEQ and the industrial facilities involved. You can select from two plan review options:

Option 1: You can voluntarily send a copy of your plan to DEQ for review. If you choose this option, your plan will be maintained as confidential while in our possession and, if you desire, will be returned to you after our review is completed.

If you choose Option 1, please send one (1) copy of your plan to my attention at DEQ's Northwest Regional Office. To help us handle your plan as a confidential document please send it by registered mail, return receipt requested, or by some other method requiring a verifiable signature from the person accepting the document, such as Federal Express or a courier. If you do not send the document using this type of delivery, we cannot guarantee that the plan will be held confidential for the entire time it is in our possession.

Option 2: DEQ staff have the statutory authority to review the plan at your facility. If you would prefer that we come to your facility to review the plan, then no action is required on your part.



2020 SW Fourth Avenue
Suite 400
Portland, OR 97201-4987
(503) 229-5263 Voice/TDI
DEQ-1

Ms. June Ann Cole
February 22, 1994
Page 2

If you choose Option 2, DEQ staff will contact you to set up an appointment to visit your facility and review your plan. As required by law, DEQ will notify you at least five days in advance of our review.

If the Department finds that your plan is not complete or if you do not have a plan, your facility will receive a Notice of Deficiency (NOD) requiring that the deficiency be corrected within 90 days (OAR 340-135-050 [3]). After this period, the Department may require a public hearing to resolve uncorrected discrepancies. There are no penalties or fines in this program, however, by law, any discrepancies automatically become public record.

Thank you in advance for your cooperation. Should you have any questions regarding the review of your facility's TURHWR plan or DEQ's planning requirements please contact Peter Myling of my staff at 229-5534.

Sincerely,

Fredrick Moore
for

David St. Louis, Manager
Hazardous Waste Reduction and Permitting

DSL:psb

EXHIBIT K.
CITY OF GRESHAM INSPECTION REPORT



Gregory E. DiLoreto
Director

Parks & Recreation
Division
Conway
Manager

Sanitary Sewer &
Wastewater Treatment
Division
Ott
Manager

Stormwater Division
Krause
Manager

Transportation Division
Rouse
Manager

Public Works Division
Anderson
Manager

Office of Solid Waste &
Recycling
Kottke
Manager

Office of Customer
Relations
Lane
Manager

Information Services
Zigler
Manager

CITY OF GRESHAM

Department of Environmental Services
1333 N.W. Eastman Parkway
Gresham, OR 97030-3813
(503) 669-2549
FAX (503) 661-5927
November 1, 1994

FILE COPY

COPY

June Ann Cole
Safety and Environmental Control
Fujitsu Microelectronics, Inc.
21015 S.E. Stark Street
Gresham, Oregon 97030

Dear Ms. Cole:

RE: SEPTEMBER 23, 1994 INSPECTION

Enclosed is Fujitsu's facility inspection Report for September 23, 1994.
Please review the report for completeness and accuracy.

I appreciated the accompaniment of Blair Collins during the inspection. He was helpful in responding to my inquiries. Although the facility is obviously being managed with a great concern toward environmental regulations, please respond to the City by November 30, 1994 with the following required actions:

Required Action No. 1:

Recent sampling and analysis results have been indicating a trend toward non-compliance with pH limit requirements at the combined monitoring location. Due to the large volume of wastewater being discharged from the facility, the compliance with pH requirements must be met to ensure POTW worker health and safety. Please provide the City with operating procedures for the chemical loading area located west of the pretreatment plant. Recent occurrences indicate that this area has the potential for slug discharges of unwanted materials into the collection system, due to the manually operated discharge valve.

Required Action No. 2:

Communications during the inspection indicated that the pretreatment plant was undergoing modifications that may have been a factor in a recent pH excursion. Provide the City with a description of the modifications. Are the changes modifications, improvements, capacity increases, changes in treatment techniques, etc.?

If you have any questions, you may phone me at 669-2431.

Sincerely,

Alan Johnston

Alan P. Johnston
Pretreatment Coordinator

cc: Gregory DiLoreto, Director
Gareth Ott, Sanitary Sewer and WWTW Division Manager
Susan Kalotay, Pretreatment Specialist
Mike Re, OMI, Project Manager

Printed on recycled paper



CITY OF GRESHAM
DEPARTMENT OF ENVIRONMENTAL SERVICES
INDUSTRIAL PRETREATMENT PROGRAM
INSPECTION FORM

I. GENERAL

FACILITY NAME: Fujitsu Microelectronics, Inc.
LOCATION ADDRESS: 21015 SE Stark Street
MAILING ADDRESS: 21015 SE Stark Street, Gresham, OR 97030
CONTACT PERSON: June Anne Cole
TITLE: Section Head, Safety
TELEPHONE NUMBER: 669-6061
PERMIT NO: 333
EXPIRATION DATE: 04/17/95
OBSERVATION DATE: 09/23/94
BUSINESS TYPE: Manufacturer of Integrated Circuits
CATEGORICAL DISCHARGER: Y/N: Yes 40 CFR: 469 Subpart A
SIC CODE: 3674
NUMBER OF SHIFTS: 2 (175 Day: 11:30am - 12:00am / 175 Night: 11:30pm - 12:00pm) 7 Days/wk
NUMBER OF EMPLOYEES PER SHIFT: 450 total

WATER FLOW SCHEMATIC: On file

WASTE GENERATING PROCESSES:

1. NAME: Acid Waste Neutralization Units
DESCRIPTION: Neutralization units for wastewater from scrubbers, chemical handling area, process, RO/ DI and utility building
AMOUNT: 792,000 gpd max., (300 gpd average)
CHEMICAL NATURE: Sodium Hydroxide, Sulfuric Acid
FREQUENCY OF DISCHARGE: Continuous
DESTINATION: Sanitary sewer
2. NAME: HF Treatment System
DESCRIPTION: Pretreatment for Hydrofluoric Acid
AMOUNT: 172,800 gpd max. (100 gpd Average)
CHEMICAL NATURE: Calcium Hydroxide, Aluminum Sulfate, Polymer Calcium Fluoride
FREQUENCY OF DISCHARGE: Continuous
DESTINATION: Sanitary sewer
3. NAME: Scrubbers
DESCRIPTION: Recirculation of water and additives. Scrubbers exhaust from system. In basement of process building
AMOUNT: 108,000 gpd max.
CHEMICAL NATURE: Caustics, Acids
FREQUENCY OF DISCHARGE: Continuous at low flow rate
DESTINATION: Acid neutralization unit

INDUSTRIAL PRETREATMENT INSPECTION FORM

4. NAME: Chemical Handling
 DESCRIPTION: Pump filters the high purity chemicals. No solvents used.
 AMOUNT: 14,400 gpd max.
 CHEMICAL NATURE: Acids and Bases
 FREQUENCY OF DISCHARGE: Batch discharge
 DESTINATION: Acid neutralization unit
5. NAME: Reverse Osmosis / DeIonization (RO/DI)
 DESCRIPTION: RO/DI units regenerated approximately 1 bed/week. Bed size: 50-100 ccf of resin. 9 ion exchange system on site.
 AMOUNT: 288,000 gpd max during regeneration process
 CHEMICAL NATURE: Hydrochloric Acid, Sodium Hydroxide
 FREQUENCY OF DISCHARGE: Batch from regeneration process. Continuous from RO units
 DESTINATION: Acid neutralization unit
6. NAME: Boilers Blowdown
 DESCRIPTION: 3 gas or oil fired boilers 5,000 to 10,000 lb/hr. avg. 7,000 lb.
 AMOUNT: 2,160 gpd max
 CHEMICAL NATURE: Caustic (for alkalinity), O2 scavenger, Inhibitor
 FREQUENCY OF DISCHARGE: Approximate daily blowdown
 DESTINATION: Sanitary Sewer
7. NAME: Process Vacuum Units
 DESCRIPTION: 2 units, pumps gases from vacuum lines
 AMOUNT: 14,400 gpd max
 CHEMICAL NATURE: None
 FREQUENCY OF DISCHARGE: Continuous
 DESTINATION: Acid neutralization unit
8. NAME: Cooling Towers
 DESCRIPTION: Induced draft cooling towers
 AMOUNT: 74,880 gpd max
 CHEMICAL NATURE: byocide (Sodium Hypochloride), 351 inhibitor
 FREQUENCY OF DISCHARGE: Continuous
 DESTINATION: Sanitary Sewer
9. NAME: Solvent Storage
 DESCRIPTION: Storage for solvent inventory
 AMOUNT: None
 CHEMICAL NATURE: Solvents
 FREQUENCY OF DISCHARGE: None
 DESTINATION: No direct discharge
10. NAME: Cafeteria
 DESCRIPTION: Food service, no deep fryer
 AMOUNT: None
 CHEMICAL NATURE: None
 FREQUENCY OF DISCHARGE: Continuous
 DESTINATION: Sanitary Sewer

INDUSTRIAL PRETREATMENT INSPECTION FORM

11. NAME: Domestic
 DESCRIPTION: Domestic use
 AMOUNT: N/A
 CHEMICAL NATURE: Domestic
 FREQUENCY OF DISCHARGE: Continuous
 DESTINATION: Sanitary Sewer

12. NAME: Arsenic Source
 DESCRIPTION: Used in manufacture of wafers
 AMOUNT: Small amounts of gas used in process
 CHEMICAL NATURE: Arsene gas
 FREQUENCY OF DISCHARGE: Small amounts used occasionally
 DESTINATION: Arsene gas is collected and filtered through carbon and then discharged through the air scrubbers and on to the sanitary sewer

PRODUCT LINE:
 PROCESS: Manufacturer of Integrated Circuit Wafers
 FLOW DIAGRAM: N/A

PRETREATMENT FACILITIES:
 PROCESS: 1. 2 acid waste neutralization units
2. 1 HF treatment unit
 FLOW DIAGRAM: On file with discharge application

CHEMICALS:

| NAME | (Primary Ingredients) | STORED ON SITE | DISCHARGED TO SEWER | EPA HAZ. WASTE |
|---|-----------------------|-------------------|------------------------|----------------------|
| Process: | | | | |
| Sulfuric Acid | | X | | |
| Nitric Acid | | X | | |
| Hydrogen Peroxide | | X | | |
| Ammonium Hydroxide | | X | | |
| Phosphoric Acid | | X | | |
| Hydrochloric Acid | | X | | |
| Hydrofluoric Acid | | X | | |
| Nitric/Hydrofluoric Acid Mixture | | X | | |
| Ammonium Fluoride/Hydrofluoric Acid Mixture | | X | | |
| Tetramethylammonium Hydroxide | | X | | |
| RO/DI System: | | | | |
| Hydrochloric Acid | | X | | |
| Sodium Hydroxide | | X | | |
| Acid Neutralization System: | | | | |
| Sodium Hydroxide | | X | X | |
| Sulfuric Acid | | X | X | |
| HF Waste Treatment System: | | | | |
| Calcium Hydroxide | | X | X | |
| Aluminum Sulfate | | X | X | |
| Polymer | | X | X | |

SAMPLING LOCATION:

PROCESS STREAM: Manholes at HF treatment and Acid Waste Neutralization AreaCOMBINED STREAM: Parshall flume at NW corner of the facility

II. PREINSPECTION MEETING

OVERVIEW:

PURPOSE/OBJECTIVES: Compliance with industrial wastewater permit. Conformance with federal Pretreatment requirements. Assist Industry with Pretreatment Program.ORDER OF INSPECTION: Process flow

ACCOMPANIMENT:

NAME: Blair Collins TITLE: EnvironmentalMEETINGS SCHEDULED: 2/yearPROCESS INFORMATION CONFIDENTIALITY: Wastewater constituents quantity on fileWWTP'S INTENT: Maintain treatment operations; maintain ability to dispose of sludge in beneficial manner; ensure worker safety in collection and treatment system; protect water quality of receiving stream.

INFORMATION TO BE COLLECTED:

LIST OF RECORDS: None

PERMIT VERIFICATION:

REVIEW PERMIT: Y/N: YesMODIFICATION: None

WRITTEN INFORMATION:

TRANSMITTED: NoneRECEIVED: NoneNEW REQUIREMENTS: NoneSAFETY REQUIREMENTS OF OBSERVER: NoneSPLIT SAMPLES: NonePHOTOGRAPHS: NoneQUESTIONS & COMMENTS: None

III. ON SITE INSPECTION

PERIPHERAL EXAMINATION:

SIZE: _____

ADDITIONAL BUILDINGS: NoneOUTSIDE CHEMICAL STORAGE: Empty clean drums, loading area

LOCATION OF SANITARY SEWER: _____

OBSERVED PHYSICAL CHARACTERISTICS OF WASTESTREAM:

LOCATION: Parshal flumeCOLOR: ClearSOLIDS: SomeSMELL: NoneLOCATION CONTACT PERSON: June Anne ColeAVAILABILITY OF SAMPLING RESULTS: From June Anne Cole

LOCATION OF SAMPLING POINTS: _____

AS DESCRIBED IN SECTION I: Y/N: YWWTP SAMPLING AT THIS TIME: Y/N: YPROXIMITY OF CHEMICAL STORAGE TO FLOOR DRAINS: None observedFLOOR DRAINS DISCHARGE TO STORM OR SANITARY: None observed

SPILL CONTROL PRACTICES:

PAST SPILLS: Acid waste to drainUNUSUAL DISCHARGES: pH Spikes-Sensor failure - Other

TEMPORARY PROBLEMS: _____

IMPLEMENTATION OF ACCIDENTAL SPILL CONTROL PROGRAM: Y/N: Y

AIR POLLUTION CONTROL EQUIPMENT:

WASTEWATER: N/A

POLLUTANTS: _____

VOLUME: _____

WASTE RESIDUALS:

STORED: HF treat system precipitate stored on siteDISPOSED: Landfill

HAZARDOUS WASTE GENERATION:

Y/N: YDISPOSAL DESTINATION: Either Chempro in Kent, WA, Romac in East Palo Alto, CA, or USPCI in Clive, Utah.DISPOSAL COMPANY: Managed by Van Waters and Rogers

RECENT PROCESS CHANGES:

PROPOSED: Addition of heat tape control system to verify current to the system. Also, all heat tape electrical requirements put on backup electrical.

OPERATIONAL PROBLEMS:

SHUTDOWNS: None

FOLLOW-UP ACTIVITIES:

LETTER OK:

Cover letter.

LETTER W/ REQUIREMENTS:

LETTER OTHER:

DATE

11/1/94

OBSERVER SIGNATURE:

Alan Johnston

November 28, 1994

Alan Johnston
Pretreatment Coordinator
City of Gresham
Department of Environmental Services
1333 N.W. Eastman Parkway
Gresham, OR 97030-2549

Dear Mr. Johnston:

This letter is to address the action items presented in your memo dated November 1, 1994. The action items were identified during an audit performed on September 23, 1994. Our responses are as follows:

Action Item 1: - *"Recent sampling and analysis results have been indicating a trend toward non-compliance with pH limit requirements at the combined monitoring location. Due to the large volume of wastewater being discharged from the facility, the compliance with pH requirements must be met to ensure POTW worker health and safety. Please provide the city with operating procedures for the chemical loading area located west of the pretreatment plant. Recent occurrences indicate that this area has the potential for slug discharges of unwanted materials into the collection system due to the manually operated discharge valve."*

Fujitsu understands that as a high volume generator of wastewater we must be concerned with the potential to discharge wastewater out of compliance. Part of this concern stems from a pH excursion which resulted from activities in the chemical loading area. Fujitsu has procedures and guidelines set forth in our *Site Contingency Plan* for controlling water collected in the chemical loading area. These procedures are included as Attachment I. Despite having procedures in place, a discharge of low pH water accumulated in the chemical loading area did occur. A worker responsible for loading dock activities was under the false notion that water from the chemical loading area exits the facility through the acid waste neutralization (AWN) system. Subsequent to the incident the procedure for discharging accumulated water has been reviewed and the responsible employee subject to corrective action.

Action Item 2: *"Communications during the inspection indicated that the pretreatment plant was undergoing modifications that may have been a factor in a recent pH excursion. Provide the city with a description of the modifications. Are the changes modifications, improvements, capacity increases, changes in treatment techniques, etc.?"*

As you are aware, pH excursions to the combined effluent have occurred during recent modifications to our AWN system. The primary cause of the excursions was improper switching over

ATTACHMENT 1

Spill Prevention Control and Countermeasure Plan (Part of Fujitsu's Contingency Plan)
Procedure for Releasing Water from the Chemical Loading Area

Unloading Areas

Fuel oil is unloaded into the 10,000 gallon tank at an unloading pad adjacent to the storage tank. The pad has a drain line that discharges to the storm drain system. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area. The hose connection for the tank truck is capped and the block valve is kept shut except when oil is received.

Bulk acid and caustic is unloaded into the appropriate tanks at an unloading pad adjacent to the acid and caustic bulk tanks. The truck unloading pad has a drain line that discharges directly in to the City of Gresham Sewer line. This line has a block valve that is normally closed. The area is drained when it is determined that the water is uncontaminated or will not cause an exceedance of the City of Gresham Wastewater permit discharge limits. The hose connections for the tank truck are located within the containment area. These connections are capped and the block valve is kept shut except when chemicals are received.

Utility Building chemicals are unloaded from trucks near the UB roll up door. The chemicals are immediately transported to their respective storage and use locations. There is no secondary containment for the truck. Any spill is immediately contained via temporary means would be discharged offsite via the storm drain system.

CSS and other Fab Chemicals are received in drums, bottles or canisters. They are unloaded at the Chemical Dock near the CSS building. The chemicals are immediately transported to their respective storage and use locations. The dock has a trench drain that discharges to the storm drain system. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area.

The Main Receiving Dock also has a trench drain. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area.

Spill Prevention Practices

The stormwater discharge structure has an underflow weir to prevent the discharge of floating oil and debris. If oil is not trapped by this weir, it can be expected to collect in the ponds where it could be removed prior to offsite discharge.

All chemical storage areas and tanks are regularly inspected as part of normal facility operation. Normal inspections consist of visual inspections for leaks and the containment integrity. Whenever a leak or spill is found, the spilled material is cleaned up and the source of the spill is identified and corrected. The tank or area is not used until the problem is corrected. Once

EXHIBIT L.
DEQ ANNUAL AIR QUALITY INSPECTION

State of Oregon
Department of Environmental Quality

Memorandum

Date: April 6, 1995

To: Files/AQ-Multnomah County #26-3240
From: David Sellers - NWR *DS*
Subject: Annual Inspection - Fujitsu, Gresham, April 6, 1995

Facility Information

Fujitsu Microelectronics, Inc
21015 SE Stark Street
Gresham, OR 97030

Permit Information

ACDP 26-3240, Expired 9/1/93
Renewal submitted on 7/1/93
Title V Call in Date 9/15/95

Facility Contacts

June Ann Cole, Safety and Env. Control
Dave Schrott,
Phone - 229-6000

Inspection Summary

The facility was inspected on April 6, 1995, and found to be in compliance with Oregon air pollution rules and permit conditions in Air Contaminant Discharge Permit (ACDP) 26-3240. An odor survey prior to entering the plant found no odors. Volatile organic compound records show compliance with the plant site emission limit for VOC. The facility is meeting reporting requirements in its ACDP.

Facility Description

Fujitsu produces semiconductor integrated circuits at its Gresham facility. Volatile organic compounds (VOC) are emitted due to evaporation of organic solvents in wafer coating and cleaning compounds. Inorganic gases (ammonia and acid gases) are released from various processes and are controlled by wet scrubbers.

Plant Site Emission Limits (PSELs)

The annual VOC PSEL is 27 tons. The short term VOC PSEL is 6 pounds per hour. The 1994 annual report shows compliance with the annual PSEL. 1994 VOC emissions totalled 19 tons. VOC emissions are determined based on mass balance of material used and hazardous waste removed from the plant. Starting in 1995 waste will be hauled the second week of each month to make the mass balance calculation easier and more accurate.

Memo To: Files/AQ-Multnomah County #26-3240
April 6, 1995
Page 3

Permit Modification

Fujitsu submitted an ACDP renewal application on July 1, 1993. The Department has not acted on the renewal. Fujitsu plans to submit a modification application to increase the VOC PSEL to allow increased use of existing capacity, and to make the facility a synthetic minor source.

cc: Air Quality Division - DEQ
June Ann Cole, Fujitsu Microelectronics

COUNTY: Multnomah

SOURCE INSPECTION FORM

☐ SW☒ AQ☐ NC

SOURCE NAME: Fujitsu Microelectronics Inc.

SOURCE ADDRESS: 2115 SE 7th St
Portland OR 97230OFFICIAL CONTACTED: June Ann Cole
503-227-1000

| TABLE A PARA | PREP. TIME | TRANS TIME | INSPECTION TIME | PAPER TIME |
|-----------------|---------------|---------------|--------------------|---------------|
| 613 | 10 | 10 | 20 | 15 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| PERMIT NUMBER | | POINT | ACTION | | | DATE SCHEDULED | | | DATE ACHIEVED | | | RESULT | INSP. NO. |
|---------------|--------|-------|--------|---|------|----------------|-----|-----|---------------|-----|-----|--------|-----------|
| CO. | SOURCE | | NO. | | TYPE | MO. | DAY | YR. | MO. | DAY | YR. | | |
| 50 | 3240 | | | 7 | 07 | | | | | | | X | 1545 |

8.1

8.2

8.3

8.4

COMPLIANCE STATUS (RESULT CODE)

| | IN COMP. | NOT IN COMPLI- ANCE | ON SCHEDULE |
|------------------------|-------------------------------------|----------------------------|----------------------------|
| All permit conditions | <input checked="" type="checkbox"/> | | |
| Permit emission limits | <input type="checkbox"/> R | <input type="checkbox"/> A | <input type="checkbox"/> I |
| Emission standards | <input type="checkbox"/> S | <input type="checkbox"/> B | <input type="checkbox"/> J |
| Performance reqts. | <input type="checkbox"/> T | <input type="checkbox"/> C | <input type="checkbox"/> K |
| Monitoring & Reporting | <input type="checkbox"/> U | <input type="checkbox"/> D | <input type="checkbox"/> L |
| Open burning limits | <input type="checkbox"/> V | <input type="checkbox"/> E | <input type="checkbox"/> M |
| Procedural Reqts. | <input type="checkbox"/> W | <input type="checkbox"/> F | <input type="checkbox"/> N |
| Fugitive emissions | <input type="checkbox"/> X | <input type="checkbox"/> G | <input type="checkbox"/> O |
| Other | <input type="checkbox"/> Y | <input type="checkbox"/> H | <input type="checkbox"/> P |

TREATMENT/PROCESS EQUIPMENT – ADDITIONAL REMARKS – OPERATING CONDITIONS

Attached Inspection Report Memo

SOURCES IN VIOLATION & LIMITS VIOLATED

Signature of Inspector and Date

Signature of Person Interviewed and Date

EXHIBIT M.
WASTE REDUCTION & RECYCLING VERIFICATION

Van Waters & Rogers Inc.

subsidiary of Univar

3950 N.W. YEON AVE.
PORTLAND, OR 97210-1412
PHONE (503) 222-1721
FAX (503) 222-2714

April 17, 1995

FAX (503) 669-6109

Mr. Dick Romano
Fujitsu Microelectronics
21015 S.E. Stark
Gresham, Oregon 97030

Dear Dick:

We have been your primary waste management vendor since Fujitsu Microelectronics opened its doors in Gresham. We appreciate the long relationship and I believe we have served you well over these years. It is my understanding that, as a part of the process of considering future expansion in Gresham, you are reviewing the current state of regulatory compliance at FMI-Gresham. Here is a brief discussion of this issue relative to VW&R and your RCRA & CERCLA regulatory requirements.

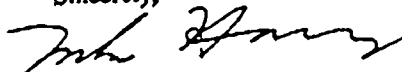
All hazardous waste shipped via our ChemCare waste management program has been disposed of in compliance with all federal, state, and local statutes, regulations, and caselaw. VW&R has chosen or suggested Treatment Storage and Disposal facilities very carefully because our handling agreement requires us to indemnify FMI-Gresham for any and all future CERCLA liability resulting from the disposal of your waste at these sites. Thus, the long-term and short-term interests of FMI-Gresham and VW&R are exactly the same.

In all cases, where we sought (with your in-house environmental professionals) to determine the best disposal method for your hazardous wastes, we attempted to recycle the waste as the first priority. Where this has been both technologically and economically practical, your waste has been recycled. Where recycling of the waste was not possible, the next option evaluated was Alternative Fuel Blending. This technology utilizes the waste as a fuel alternative to natural gas for use in Cement Kiln operations. The waste is burned and does not become a part of any aggregate or secondary product. Finally, your unrecyclable hazardous waste with high solids content has been disposed of via destructive incineration.

Every shipment of hazardous waste shipped under our ChemCare program is covered by our contractual indemnification that protects FMI from all future CERCLA-based cleanup costs as well as any attorney fees resulting from waste shipped under our program. There is not, at this time, comparable indemnification available from any other company.

We appreciate your business and will continue to work hard to serve you. If you have additional questions, please let me know. Thank you.

Sincerely,



Michael Harvey
Account Executive





MULTNOMAH COUNTY, OREGON

BOARD OF COUNTY COMMISSIONERS

BEVERLY STEIN
DAN SALTZMAN
GARY HANSEN
TANYA COLLIER
SHARRON KELLEY

BUDGET & QUALITY

PORTLAND BUILDING
1120 S.W. FIFTH - ROOM 1400
P. O. BOX 14700
PORTLAND, OR 97214
PHONE (503) 248-3883

TO: Beverly Stein, Chair of the Board of County Commissioners
Dan Saltzman, Board of County Commissioners
Gary Hansen, Board of County Commissioners
Tanya Collier, Board of County Commissioners
Sharron Kelley, Board of County Commissioners
Pat Clancy, Public Financial Management

FROM: Barry Crook, Budget and Quality Manager
Budget & Quality Office

DATE: May 24, 1995

SUBJECT: Supplemental Information from SIP Applicant #1

Attached is the additional information that I had requested in order to declare the application from Fujitsu complete. After consultation with the consultant team and Tanya Collier, lead negotiator, I have determined that the information contained in these supplemental materials is sufficient to render the application complete. I have informed the applicant of that decision today. According to the policy guidelines, I have seven days to prepare a report from the consultant team on this application. So I intend to prepare and deliver that report to the Board of County Commissioners by next Wednesday, May 31st.

In the packet dated May 19, 1995, in response to our request for additional information, but which is not necessary in order to declare the application complete, and in response to question #8, on page 3 of the response, the company has informed me of a typographical error. The third sentence should indicate that the applicant, over the last two years, has hired 74.5% of its employees locally, and 24.5% were non-local hires.

If you have any questions, please call me at 248-3575.

R. Barry Crook
Budget & Quality Manager



May 17, 1995

R. Barry Crook
Budget and Quality Manager
Multnomah County - Budget and Quality Office
1120 S.W. Fifth, Suite 1400
Portland, OR 97204

Re: **Confidential Response/Strategic Investment Program
Fujitsu Microelectronics, Inc. - Gresham Expansion**

Dear Barry:

On behalf of Fujitsu Microelectronics, Inc., I am pleased to transmit responses to your May 12, 1995 request for additional information to complete the confidential Fujitsu application. With this submittal, we hope that Fujitsu application under the Strategic Investment Program for Multnomah County will be complete, and that negotiations can commence.

I appreciate the work of your consulting team in reviewing the application, and look forward to assisting the process in any way that I can.

Sincerely,

A handwritten signature in cursive script that reads "Marcy Jacobs".

Marcy Jacobs
Regional Development Officer

cc: Richard Romano, Fujitsu Microelectronic, Inc.
Mike Ogan, PDC



**RESPONSES TO COMPLETE APPLICATION FOR
MULTNOMAH COUNTY
STRATEGIC INVESTMENT PROGRAM (SIP)**

Submittal #2

Submitted by:

Oregon Economic Development Department

On behalf of:

Fujitsu Microelectronics, Inc.
Gresham Manufacturing Division (GMD)

May 17, 1995

PREFACE

This report provides responses to questions raised in the May 12, 1995 Multnomah County review of a Confidential Application for Multnomah County Strategic Investment Program (SIP) previously submitted on May 8, 1995 by the Oregon Economic Development Department on behalf of Fujitsu Microelectronics, Inc.

Responses are organized in the order presented by the May 12 letter from R. Barry Crook, Budget and Quality Manager for Multnomah County. It is intended that these responses provide the information required for the SIP application to be deemed complete.

A response to Additional Information Requested (needed to evaluate the Application but not to deem it complete) will be provided under separate cover.

Questions regarding any aspect of this response report can be addressed to either:

Richard Romano
Vice President, Administration
Fujitsu Microelectronics
Gresham Manufacturing Division
21015 S.E. Stark Street
Gresham, Oregon 97030
(503) 669-6005

or

Marcy Jacobs
Regional Business Development Officer
Oregon Economic Development Department
One World Trade Center
121 S.W. Salmon Street, Suite 300
Portland, Oregon 97204
(503) 229-5625

Responses Needed to Complete Application

This report provides responses needed to complete the application of Fujitsu Microelectronics, as stipulated by correspondence dated May 12, 1995 from R. Barry Crook, Budget and Quality Manager for Multnomah County. For each item, the information requested is quoted in **boldface** type. The response from Fujitsu and the Oregon Economic Development Department (OEDD) follows. Several exhibits providing additional detail are attached as noted.

- 1. No clear answer was given as to why the abatement was needed. What are some of the factors which influence your decision to locate here and how is the abatement a significant feature of that decision? How does the Gresham facility compare relative to other sites being considered? (Page reference your application, page 10.)**

Expansion possibilities at three existing Fujitsu manufacturing facilities are considered the strongest alternatives. These sites are located in Durham, England, Iwate, Japan and Gresham, Oregon. A comparison of relevant data is presented below:

| | FJ - Iwate | FMI - GMD | FML - Durham |
|---|------------|-----------|--------------|
| Property Tax Rate | 1.4% | 1.5% | 0.4% |
| Tax on \$1 billion additional capacity (\$ million) | \$14.0* | \$15.0 | \$4.0 |
| Operator/Technician Labor Cost Index** | 1.2 | 1.0 | 0.7 |

Notes: * Iwate location currently offers 100%, three-year property tax exemption for new building, land improvements and manufacturing equipment.

 ** Labor costs of different plant sites are shown in relation to the Fujitsu-GMD (Gresham) operation.

Given equivalent costs of plant construction and procurement of new process equipment, property tax exemptions must be obtained to make expansion at the Gresham facility competitive with other alternatives.

- 2. The Application requires demonstration of a clear career path for advancement. While a title hierarchy was provided, no demonstration of advancement was included. Please submit an analysis of career path advancement using current and historical employee data. (Page reference your application, page 13.)**

Examination of the number of promotions by job title indicates that since May 1, 1993 the Fujitsu Microelectronics Gresham Manufacturing Division (GMD) has had 152 wafer fab operator promotions, which is equal to 69% of that job classification being promoted. GMD also has had 55 technician promotions which represents 55% of that job classification

receiving promotions and 22 engineering promotions representing 48% of those individuals being promoted.

Additional information will be provided during the negotiation period. The company is trying to obtain more information regarding the level of detail required by the county.

3. **The Application requires submission of a wage scale. Please provide a wage scale for each job classification, clearly indicating base salaries as separated from other payments. (Page reference your application, page 13.)**

This information is included as Exhibit B.

4. **The Application requires a comparison of health benefits provided by the Company to the Oregon Health Plan. A specific listing of benefits provided by the Company's major medical insurance provider is required. This should include at minimum: a description of types of benefits available to each class of employee, a description of items covered under the Company's health benefits program and a description of Company requirements to receive health benefits. (Page reference your application, page 24.)**

Fujitsu is providing a summary of benefit plans (as Exhibit C) and a comparison of medical plans (as Exhibit D) for review. As with all of the company's benefits, those listed in the comparisons are available to all full-time regular employees. Eligibility for these benefits typically begins on the date of employment, except for the 401K plan and LTD coverage which require that an individual be employed by the company for three months prior to enrollment.

5. **The Application failed to describe a credible program for child care and failed to agree to do a child care impact study as required in the SIP. (Page reference your application, page 16.) The Company must agree, in writing, to conduct a child care impact study.**

Fujitsu maintains a child care program with two basic elements. The first of these elements is a child care referral program. Fujitsu has contracted with Metro Child Care Resource and Referral to provide its employees with information regarding child care services which are available in the greater Portland metropolitan area.

The second aspect of the GMD program is an ongoing agreement with Children's World to provide employees with a 30% discount on the cost of child care and free registration fee. Children's World provides 15% of the discount and Fujitsu pays for the remaining 15%.

To address the child care needs which will be created by the expansion, Fujitsu GMD will survey its workforce upon hiring to determine the child care impact implications. The company will address those implications through the following measures:

- GMD will negotiate with Children's World as was indicated in the original application to extend their hours of operation through a 24 hour a day, 7 day per week operation.
 - In addition, Fujitsu is willing to negotiate an amount of subsidy in addition to the discounts already offered for those employees whose earnings fall below the average wage of Multnomah County.
6. **The Application requires demonstration of commitment to employees through the Benefits Plan. The benefits are not clearly described as to who is eligible and who is not eligible for benefits. (Page reference your application, page 24.)**

As has been indicated in prior responses, all full-time regular employees are eligible for the Fujitsu benefits package. A full-time regular employee is an employee employed directly by the company on a continuing basis for more than 30 hours per week.

As of this writing, only one employee out of GMD's 540 regular employees works a modified shift of less than 30 hours per week and therefore is not eligible for company medical benefits. This employee, however, enjoys all other benefits on a pro-rated basis.

Please refer to benefit plan Summary Plan Descriptions booklets in back of the Employee Handbook for a detailed description of eligibility requirements and specific coverages offered under each benefit. *Note:* The entire Employee Handbook is being submitted with this response report as Exhibit E. Due to its length, one original copy is transmitted. Additional copies are available on request.

7. **The Application requires a commitment to fund an "appropriate Company - or community operated program" if an adverse impact of housing affordability is predicted by an impact study. The Company has not done so in the Application. A written statement affirming the Company's willingness to negotiate in good faith based on the need identified through the impact study is required. (Page reference your application, page 25.)**

Consistent with the standard referenced on page 25 of the May 8 application, Fujitsu GMD anticipates cooperating with Multnomah County, the City of Gresham, other cities in the region and Metro to assess impacts of the GMD plant expansion on the availability of affordable housing in the region. If an adverse impact is predicted, the company is willing to negotiate in good faith based on the need identified to fund an appropriate company or community oriented program.

8. **The Application requires a description of a credible program to encourage employees to use alternative modes of transportation. This standard was not met. The following will be required to have the application deemed complete: (a) provide a copy of the DEQ**

required trip reduction plan showing how the Company plans to comply with the requirement to reduce work related trips; (b) a written commitment to develop a credible program concurrent with the plant expansion; and (c) submission of the name and title of the "key employee" who will be named as Transportation Coordinator.

Responses to this question are organized in the order indicated:

- (a) It is the understanding of Fujitsu and OEDD that DEQ does not yet have a trip reduction plan requirement in place. The 1994 Oregon State Legislature adopted legislation to implement such a plan as part of the adopted Transportation Planning Rule. Implementing regulations have been drafted but not yet adopted by DEQ.

It is understood that trip reduction plans may be required of employers in the future. Fujitsu GMD will proceed to prepare and implement a plan in cooperation with DEQ, Tri-Met, the City of Gresham, Multnomah County and other appropriate jurisdictions once a requirement is in place.

- (b) In the meantime, Fujitsu agrees to commit to developing a credible program concurrent with plant expansion to encourage employees to use transit, carpools, vanpools or other modes of transportation. As noted on pages 26-27 of the May 8 application, Fujitsu currently has in place an informal program to assist employees in securing alternative transportation. This program involves the use of Tri-Met's promotional materials and the ability to match employees by zip code location for carpooling through the use of our Human Resource Information System.

- (c) Fujitsu GMD has identified a key employee in the Human Resources Department, Ms. Beverly Wilkinson, who has acted in the role of informal transportation coordinator for the last three years. Over the last three years, Fujitsu GMD has worked with Tri-Met to encourage increasing the frequency and improving the timing of public transportation that is available to the plant site. Given the current GMD workforce, Tri-Met has not found it feasible to respond on either of these transit service objectives.

- 9. The Application requires statements from relevant agencies that there will be no unmitigated adverse impacts (related to infrastructure) due to the project. The Application contains no such statements from Multnomah County regarding roads or public safety. Such a statement is required.**

These items are being addressed by correspondence from the Multnomah County transportation office and sheriff's department, as per Exhibits F and G.

- 10. The Application requires a plan for identifying local suppliers. No plan was presented. The Company will need to agree to develop such a plan during negotiations.**

Pages 33-34 of the May 8 application address local procurement activities currently underway as part of Fujitsu corporate policies and plans for the future. With expansion of GMD, the company agrees to develop a more detailed local procurement plan during project negotiations.

- 11. Fiscal impact study lacks an impact analysis of the project assuming the project is built but no abatement is granted. This analysis is a required part of the Application.**

This additional analysis has been completed by Art Ayre, Oregon Economic Development Department, and is attached to this set of response items as Exhibit H.

LIST OF EXHIBITS

Exhibit A. Fujitsu GMD Employee Promotion Data

Exhibit B. Wage Scale

Exhibit C. 1995 Summary of Benefit Plans

Exhibit D. Comparison of Fujitsu GMD Benefit Plans

Exhibit E. Fujitsu Employee Handbook (one copy attached)

Exhibit F. Multnomah County Road Evaluation

Exhibit G. Multnomah County Public Safety Evaluation

Exhibit H. Expanded Fiscal Impact Study (with project completion but no abatement)

Exhibit A.
Fujitsu GMD Employee Promotion Data
(To be provided during the negotiation period)

Exhibit B.
Wage Scale

EXEMPT BASE SALARY STRUCTURE

| GRADE | MAX MIDPT MIN | MANUFACTURING | PRODUCTION SUPPORT |
|-------|----------------------------|---|--|
| E10 | \$1689 \$1407 \$1126 | Asst to Mgr, Ops Engrg | |
| E9 | \$1534 \$1279 \$1023 | Engineer IV/Equip Engineer IV/Industrial Engineer IV/Process Supervising Engr IV/Equip Engrg Supervising Engr IV/Ops Engrg | Engineer IV/Facilities Engineer IV/Q.A. Engineer IV/Q.A. Audit Engineer IV/Test Supervising Engr II/Facilities Supervising Engr II/Integr Engrg Supervising Engr II/Device Supervising Engr II/Test |
| E8 | \$1394 \$1162 \$ 930 | | Supervisor/Facilities Analytical Svcs |
| E7 | \$1267 \$1056 \$ 845 | Area Supervisor Engineer III/Equip Engineer III/Industrial Engineer III/Process Supervisor II/Equip Mtc Supervising Engr I/Ops Engrg Supervising Engr I/Equip Supervising Engr I/Process | Engineer III/Facilities Engineer III/Q.A. Engineer III/Test Supervisor III/Facilities Mtc |
| E6 | \$1152 \$ 960 \$ 768 | Sr Technical Liaison/Wafer Fab | Chemist III Test Area Supervisor Supervisor, Material Cntl/Planner Sr Prod & Mtl Cntl Planner Supervisor II/Facilities Mtc Supervisor II/Q.A. Training Supervisor |
| E5 | \$1048 \$ 874 \$ 699 | Engineer II/Equip Engineer II/Industrial Engineer II/Process Supervisor II/Wafer Fab Supervisor I/Equip Mtc | Engineer II/Facilities Engineer II/Q.A. Engineer II/Test Prod & Mtl Cntl Planner Supervisor II/Test |
| E4 | \$ 963 \$ 794 \$ 635 | Supervisor I/Wafer Fab | Chemist II Supervisor I/Facilities Mtc Supervisor I/Q.A. Supervisor I/Test |
| E3 | \$ 867 \$ 723 \$ 578 | Engineer I/Equip Engineer I/Industrial Engineer I/Process | Engineer I/Facilities Engineer I/Q.A. Engineer I/Test Assoc Material Planner |
| E2 | \$ 788 \$ 657 \$ 525 | | Chemist I |

Effective: 3/27/95

Revised: 2/28/95

NON-EXEMPT BASE SALARY STRUCTURE

| GRADE | MAX MIDPT MIN | MANUFACTURING | PRODUCTION SUPPORT |
|-------|-------------------------------|--|---|
| N34 | \$27.32 \$22.77 \$18.22 | Assoc Engineer/Equip | |
| N33 | \$24.84 \$20.70 \$16.56 | Assoc Engineer/Process Equip Mtc Tech IV Equip Engrg Tech Spclt II | Assoc Engineer/Q.A. Facilities Mtc Tech IV Test Tech IV |
| N32 | \$22.68 \$18.82 \$15.06 | Process Eng Tech IV | Q.A. Tech IV |
| N31 | \$20.53 \$17.11 \$13.69 | Equip Mtc Tech III Equip Engrg Tech Spclt I Process Eng Tech III Sr PROMIS Spclt | Facilities Mtc Tech III Test Tech III |
| N30 | \$18.66 \$16.56 \$12.44 | PROMIS Spclt II Trainer IV (Wafer Fab) | Laboratory Tech III Q.A. Tech III Q.A. Inspector IV Trainer IV (Test) Tool Room Attendant |
| N29 | \$16.97 \$14.14 \$11.31 | Equip Mtc Tech II Process Eng Tech II PROMIS Spclt I Technical Lead Opr III* Wafer Fab Opr IV Wafer Fab Scheduler III | Facilities Mtc Tech II Test Tech II Laboratory Tech II Q.A. Tech II Test Opr IV Material Control Spclt Stock Control Clerk II |
| N28 | \$15.42 \$12.85 \$10.28 | Equip Mtc Tech I Fab Mtc Opr III Process Eng Tech I Technical Lead Opr II* Trainer III (Wafer Fab) Wafer Fab Scheduler II | Facilities Mtc Tech I Probe Card Repair Spclt II Q.A. Inspector III Test Tech I Prod Control Clerk III Trainer III (Test) Stock Control Clerk I |
| N27 | \$13.83 \$11.68 \$ 9.63 | Fab Mtc Opr II Wafer Fab Opr III Wafer Fab Scheduler I | Q.A. Tech I Test Opr III Material Handler III Prod Control Clerk II |
| N26 | \$12.67 \$10.62 \$ 8.67 | Engrg Support Spclt Fab Mtc Opr I Technical Lead Opr I* Parts Clerk II Wafer Fab Opr II Trainer II (Wafer Fab) | Q.A. Inspector II Probe Card Repair Spclt I Material Handler II Trainer II (Test) |
| N25 | \$11.27 \$ 9.66 \$ 8.06 | | Test Opr II Prod Control Clerk I |
| N24 | \$10.25 \$ 8.78 \$ 7.32 | Trainer I (Wafer Fab) Parts Clerk I | Q.A. Inspector I Material Handler I Trainer I (Test) |
| N23 | \$ 8.71 \$ 7.98 \$ 7.25 | Wafer Fab Opr I | Test Opr I |
| S.T. | — \$ 6.76 — | Wafer Fab Opr-Trainee | Q.A. Inspector-Trainee Test Opr-Trainee |

Effective: 3/27/96

*Plus 10% Lead Pay Differential

Exhibit C.
1995 Summary of Benefit Plans

1995 SUMMARY OF BENEFIT PLANS

FUJITSU

HEALTH CARE INSURANCE

All medical and dental benefits begin on date of hire and end on date of termination. There is a small pre-tax contribution for employee and/or dependent coverage based on the plan selected and the actual monthly premium. 1995 contribution rates:

| | <u>HMO OREGON</u> | <u>KAISER</u> | <u>Plan A</u> | <u>CIGNA Plan B</u> | <u>Plan C</u> |
|----------------------|-------------------|---------------|---------------|-------------------------|---------------|
| Employee Only | \$ 0.00 | \$ 0.00 | \$40.00 | \$20.00 | \$ 0.00 |
| 1 Dependent | \$16.00 | \$17.00 | \$60.00 | \$40.00 | \$20.00 |
| 2 or more Dependents | \$32.00 | \$34.00 | \$80.00 | \$60.00 | \$40.00 |

Medical

- HMO Oregon • HMO; network of physicians; no deductible; \$5.00 co-payment per visit; \$5.00 cost per prescription; free mail-order "maintenance" prescriptions.
- Kaiser • HMO; no deductible; \$1.00 co-payment per visit; \$3.00 cost per prescription.
- Cigna • Indemnity Plan -
 - Plan A: \$100 individual/\$200 family annual deductible; plan pays 80% of reasonable and customary charges; \$1,000 out-of-pocket maximum.
 - Plan B: \$200 individual/\$400 family annual deductible; plan pays 70% of reasonable and customary charges; \$2,000 out-of-pocket maximum.
 - Plan C: \$300 individual/\$600 family annual deductible; plan pays 70% of reasonable and customary charges; \$3,000 out-of-pocket maximum.
- Preferred Provider - Network of physicians; All Plans; \$10.00 co-payment per visit, then plan pays 90% of reasonable and customary charges.
- Prescriptions - PCS Card for \$5 generic co-payment and \$10 name brand co-payment at participating pharmacies; 60% reimbursement at non-participating pharmacies.

Dental

- Cigna • \$50/\$100 annual deductible; \$1,500 maximum per person per year; preventative care (routine check-ups) covered at 100% of reasonable and customary charges twice per calendar year.
- Orthodontia - \$50 per person deductible; \$1,000 per person maximum lifetime coverage.

Vision

- Vision Service Plan • \$10 deductible for eye exam, once per year; eligible for new lenses once every other year, if needed.
- Fujitsu pays employee premium; no dependent coverage available.

EAP

- Cascade Centers • Employee Assistance Program provides confidential consultation, information and counseling for you and/or your dependents.

OTHER INSURANCE (Company Paid Premiums)

Life Insurance

- Three times annual base salary
- Fujitsu pays employee premium

(over)

Exhibit D.
Comparison of Fujitsu GMD Benefit Plans

FUJITSU MICROELECTRONICS, INC.
GRESHAM MANUFACTURING DIVISION

CIGNA

KAISER

BLUE CROSS/BLUE SHIELD HMO

| | CIGNA | | KAISER | BLUE CROSS/BLUE SHIELD HMO |
|-------------------------------|--|--|--|--|
| | INDEMNITY PLAN | PREFERRED PROVIDER SERVICE | | |
| DEPENDENT ELIGIBILITY | To age 21, or age 25 if full-time student. | To age 21, or age 25 if full-time student. | To age 21, or age 25 if full-time student. | To age 21, or age 25 if full-time student. |
| OFFICE VISITS | A B/C *80% 70% | \$10 copayment per visit, 100% thereafter | Member pays \$1 each visit | \$5 copayment each visit |
| DEDUCTIBLE/ | A = \$100/\$200 per family B = \$200/\$400 per family C = \$300/\$600 per family | A = \$100/\$200 per family B = \$200/\$400 per family C = \$300/\$600 per family | No deductible No coinsurance | No deductible No coinsurance |
| PATIENT OUT-OF-POCKET MAXIMUM | A = \$1,000 per year B = \$2,000 per year C = \$3,000 per year | A = \$1,000 per year B = \$2,000 per year C = \$3,000 per year | \$600 per person/\$1,200 per family | \$1,000 per person per calendar year |
| ROUTINE PHYSICAL EXAMS | \$200 (100% no deductible) Covers employee only | \$200 (100% no deductible) Covers employee only | Member pays \$1 each visit | \$5 copayment per visit (subject to frequency limitations) |
| WELL CHILD EXAMS | *80% = A; 70% = B/C per visit based on American Pediatric Association schedule | *90% per visit based on American Pediatric Assoc. schedule | Member pays \$1 each visit | \$5 copayment per visit (subject to frequency limitations) |
| X-RAY & LAB | A B/C *80% *70% | *90% | No Charge | No Charge |
| PRE-ADMISSION TESTING | *80% *70% | *90% | Covered in Full | Covered in Full |
| OUTPATIENT SURGERY | *80% *70% | *90% | Member pays \$1 each visit | Covered in Full |
| ACCIDENT | *80%, *70% Subject to deductible | *90%, subject to deductible | \$1 per visit Non-Kaiser facilities-Member pays 50% of 1st \$100 and all supplemental charges for qualifying emergency care | Covered as any other condition Emergency Room-Member pays 50% of 1st \$100 up to \$50 maximum; charge is waived if admitted to hospital |
| HOSPICE BENEFITS | \$100 per day to \$10,000 lifetime | \$100 per day to \$10,000 lifetime | Covered in full for terminal illness with a life expectancy of 6 months or less | Lifetime maximum \$15,000 per enrollee. |

FUJITSU MICROELECTRONICS, INC.
GRESHAM MANUFACTURING DIVISION

| | CIGNA | KAISER | BLUE CROSS/BLUE SHIELD HMO |
|----------------------------------|--|--|---|
| | INDEMNITY PLAN | PREFERRED PROVIDER SERVICE | |
| HOME HEALTH CARE | 100% for a period of Home Health Care max. of 60 visits per calendar year. | 100% for a period of Home Health Care max. of 60 visits per calendar year. | No charge within service area when authorized |
| HOSPITAL SERVICE | Pre-admission Review applies (\$250 penalty for non-compliance) *80% = A *70% = B/C | Pre-admission Review applies (\$250 penalty for non-compliance) *90% | No charge - Pre-admission Review is built in |
| INPATIENT SURGERY | *80% = A; *70% = B/C | *90% | No Charge |
| MATERNITY | *80% = A; *70% = B/C | *90% | No charge for hospitalization \$1 per office visit for pre and postnatal care |
| CANCER SCREENS | *80% = A; *70% = B/C routine check-ups for mammogram, pap, ovarian, prostate or testicular | *90% routine check-ups for mammogram, pap, ovarian, prostate or testicular | \$1 per office visit |
| <u>MENTAL & NERVOUS:</u> | | | |
| OUTPATIENT CARE | 80% = A, 70% = B/C of \$80 limit per visit, \$2,000 maximum per year | *90% = PPO of \$80 limit per visit, \$2,000 maximum per year | \$15 per visit, 40 visits per 2 year benefit period |
| INPATIENT CARE | *Pre-admission review applies, 80% = A, 70% = B/C covered | *Pre-admission review applies, 90% covered | 80% to \$4,000 for adults, and \$6,000 for children under 18 per 2 year benefit period |
| | | | Outpatient-80% up to \$2,000 for adults & child in any 24 consecutive month period |
| | | | Residential-80% up to \$1,000 for adults, and \$2,500 for children in any 24 consecutive month period |
| | | | Inpatient-80% up to \$4,000 for adults, \$6,000 for children in any 24 consecutive month period |
| <u>CHEMICAL & DRUG CARE:</u> | | | |
| OUTPATIENT CARE | 80% = A; 70% = B/C of \$3,000 maximum per year; \$6,000 maximum per lifetime | *90% = PPO of \$3,000 maximum per year; \$6,000 maximum per lifetime | \$1 copay for up to 40 visits in a 2 year benefit period |
| | | | Outpatient-80% up to \$1,500 for adults, and \$2,000 for children in any consecutive 24 month period |

FUJITSU MICROELECTRONICS, INC.
GRESHAM MANUFACTURING DIVISION

| | CIGNA | | KAISER | BLUE CROSS/BLUE SHIELD HMO |
|--|--|--|--|---|
| | INDEMNITY PLAN | PREFERRED PROVIDER SERVICE | | |
| INPATIENT CARE | *80% = A; 70% = B/C for up to 8 days of detoxification | *90% for up to 8 days of detoxification | 80% up to \$4,500 for adults, \$4,000 for children under 18 per 2 year benefit period | Residential-80% up to \$3,500 for adults, and \$3,000 for children in any 24 consecutive 24 month period |
| MAXIMUM (COMBINED) | \$50,000 lifetime | \$50,000 lifetime | \$10,500 for adults, \$12,500 for children under 18 (does not limit 40 mental & nervous outpatient visits) | Inpatient-80% up to \$4,500 for adults, \$4,000 for children in any 24 consecutive month period |
| CHIROPRACTIC, PHYSICAL THERAPY & OTHER THERAPIES | *80% = A; 70% = B/C up to 50 visits total per year, of which 30 visits maximum per year can be for Chiropractic. | *90% up to 50 visits total per year. No PPO for Chiropractic. | Covered at no charge only if recommended by Kaiser physician | Physical Therapy covered if authorized; \$5 copay per visit, 20 visits or 2 months max. Chiropractic not covered |
| DURABLE EQUIPMENT/ACUPUNCTURE | *80% = A; 70% = B/C Acupuncture is subjected to review determined by diagnosis and limited to 15 visits per condition. | *90% Acupuncture is subjected to review determined by diagnosis and limited to 15 visits per condition. | Not Covered Not Covered | Paid at 80% Not Covered |
| CLAIM FORMS | Required | Generally not required | Not required for Kaiser service | Not required |
| PRE-EXISTING CONDITION LIMITATION | Treatment free for 1st 6 months of coverage or services are excluded for 6 months after coverage. Possible credit for prior employment. | | No limit | No limit |
| LIFETIME MAXIMUM | Unlimited | Unlimited | Unlimited | Unlimited |
| APPROVED FACILITIES | Any licensed hospital or medical physician | Must use listed facilities and physicians in PPO directory | Kaiser facilities only | Must use listed facilities noted in directories provided |
| PRESCRIPTION DRUGS | PCS Managed Care Network card used at participating pharmacies: \$5 copayment for generic medicines, \$10 copayment for name brand medicines. 60% reimbursement at non-participating pharmacies. | | \$3 copayment per prescription, at Kaiser pharmacies only | \$5 copayment at participating pharmacies; 50% reimbursement at non-participating pharmacies \$0 copayment for mail-order pharmacy (maintenance medications) |

*ANNUAL DEDUCTIBLE MUST BE SATISFIED AND ALL CHARGES ARE LIMITED TO USUAL AND CUSTOMARY AMOUNTS. THIS BENEFIT DESCRIPTION IS MEANT AS A BRIEF SUMMARY OF EACH BENEFIT OPTION. ALL PLAN PROVISIONS AS NOTED IN THE CONTRACT APPLY AND YOU SHOULD REFER TO THE CONTRACT FOR DETAILS.

Exhibit E.
Fujitsu Employee Handbook
(one copy attached)

Exhibit F.
Multnomah County Road Evaluation



MULTNOMAH COUNTY OREGON

DEPARTMENT OF ENVIRONMENTAL SERVICES
TRANSPORTATION DIVISION
1620 S.E. 190TH AVE.
PORTLAND, OREGON 97233
(503) 248-5050

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR OF THE BOARD
DAN SALTZMAN • DISTRICT 1 COMMISSIONER
GARY HANSEN • DISTRICT 2 COMMISSIONER
TANYA COLLIER • DISTRICT 3 COMMISSIONER
SHARRON KELLEY • DISTRICT 4 COMMISSIONER

May 17, 1995

Rob Fussell
City of Gresham
1333 NW Eastman Parkway
Gresham OR 97030

RE: Fujitsu SIP Application Transportation Impacts

Dear Rob:

The proposed expansion of Fujitsu Microelectronics, Inc. will have impacts to Multnomah County transportation facilities. These impacts will result from an increase in trips generated from the Fujitsu Microelectronics site. The specific impacts are not known at the time of this application. Impacts anticipated are related to street systems adjacent to the site and to the regional street system. The impacts to adjacent streets will be mitigated by improvements determined as part of the planning and permit process. The regional impacts will be mitigated through payment of the Traffic Impact Fees.

In order to assure that these impacts are mitigated, Fujitsu Electronics, through phone conversations with Dick Romano, to be followed up by a written letter from Dick, agrees to mitigate all transportation related impacts as determined by Multnomah County, and to pay all costs and fees associated with such mitigation. Other non-improvement programs related to the transportation section of the SIP are to be detailed during negotiations.

If you have any questions, please call me at 248-3599.

Sincerely,

LARRY F. NICHOLAS, P. E.
Director of Transportation

John K. Dorst
Engineering Services Administrator

JDJS0393.LTR

Exhibit G.
Multnomah County Public Safety Evaluation



Multnomah County Sheriff's Office

12240 N.E. GLISAN ST., PORTLAND, OREGON 97230

JOHN BUNNELL
SHERIFF

(503) 255-3600

May 16, 1995

Multnomah County Chair Beverly Stein
1120 SW Fifth, Suite 1515
Portland, OR 97204

Dear Chair Stein:

I have asked our agency to analyze any potential impact to law enforcement or public safety due to the expansion of the Gresham Fujitsu Manufacturing Division. It is our conclusion that the increase in traffic and congestion potential along Stark can be absorbed with existing resources.

I have also conferred with Chief Art Knori as to possible public safety problems in the Mid-Multnomah County area due to the proposed expansion. Collectively, we feel that the expansion fits a normal growth pattern for the area and should result in no unusual impacts for law enforcement agencies.

This expansion falls within a normal range of growth we would expect in our county over the next five to ten years.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a series of loops and a horizontal stroke.

John Bunnell, Sheriff

Exhibit H.
Expanded Fiscal Impact Study
(with project completion but no abatement)

EXHIBIT H

- 11. Fiscal Impact study lacks an impact analysis of the project assuming the project is built but no abatement is granted. This analysis is a required part of the Application.**

The following paragraphs and tables are based on an analysis which uses data on assessed value of property, property tax levies, and property tax rates from the Oregon Department of Revenue and the Multnomah County Tax Supervising and Conservation Commission. Tax rates are assumed to remain constant without the project.

A Small Increase in Revenue for Multnomah County taxing districts.

The project, if built without the Strategic Investments Program, will add substantial assessed value to the tax rolls of several taxing districts. The addition of assessed value to taxing districts that are not in Measure 5 tax rate compression (primarily general government districts) will not change the amount of property taxes that can be collected by the districts (this is limited by the districts' levies); rather, it will lower the property tax rates in those districts from what the rates would have been without the project. In contrast, the addition of assessed value to taxing districts that are in Measure 5 tax rate compression (primarily educational districts) will increase the amount of property taxes that can be collected by the districts; however, educational districts can expect to see a compensating reduction in revenues from state basic school support, after adjusting for changes in school enrollment.

General government taxing districts with some properties that are in compression and some properties that are not in compression (e.g., Multnomah County and other region-wide general government taxing districts) can expect to see a small increase in property tax revenues and some decrease in property tax rates. The increase in revenue would come from the fact that the decline in the post-compression tax rate would be less than the amount needed to fully offset the increase in revenue from the project itself. Properties in general government property tax rate compression would contribute to these districts' increase in revenue but would not receive a reduction in their property tax rates unless the pre-compression decline in rates was sufficient to lower the combined general government property tax rate below the Measure 5 cap. The decrease in property tax rates would be effective for those properties brought out of compression by the project or not in compression for general government property tax rates. Thus, local taxing districts can expect to see only a small increase in property tax revenue, after adjusting tax rates or basic school support revenue. The calculation of this small increase in revenue is beyond the ability of the analytical methods used in this analysis. Instead, the analysis assumes that no properties are in general government property tax rate compression; therefore, the analysis shows all of the impact of the project on general government districts as a rate decrease rather than as a combination of rate decrease and revenue increase.

Finally, without the Strategic Investments Program, local taxing districts would not receive a community service fee from the project.

Reduced property tax rates for Multnomah County residents.

For Multnomah County residents, the project is expected to reduce property tax rates from what they would have been without the investment. The exact amount of the reduction varies from property to property depending upon the taxing districts in which the properties occur.

Table 4 (this table numbering is intended to integrate with the existing application) shows the likely property tax and revenue effects of the project if the project is built without the Strategic Investments Program. Impacts are shown for the two major categories of taxing districts from 1995 through 2000 (years 2001 through 2012 are presented on following pages). Table 4 shows that most educational taxing districts receive more revenue if the investment is made. This increase in taxing district revenue is due to higher assessed values in school districts with fixed tax rates (after Measure 5 property tax rate compression); however, higher school district property tax revenues are likely to be offset by lower basic school support revenues. This likely reduction in basic school support is not shown in the table, but should be expected to offset fully the increase in educational district property tax revenues, after adjusting for changes in school enrollment.

The impact of the facility on taxing district property tax rates is shown in the "District Rate Changes per Thousand" section of the table. Properties located in some but not all of the same taxing districts as the project would receive a reduction in rates only for those districts in which they resided. Such properties should see a decline in their property tax rates equal to the sum of the declines in the districts in which they reside, unless the property is under Measure 5 property tax rate compression. Properties under property tax rate compression may still see a small decline in their property tax rates due to the downward impact of additional assessed value on the property tax rates that apply to bonded indebtedness. In Table 4, educational taxing district rate impacts are not shown separately; most of the combined educational district rate impact would be due to a projected decline in the tax rate associated with Gresham's school bonds, with a much smaller impact due to Mount Hood Community College's bond. This assumes that the bond amounts remain constant.

Table 4 - Without Strategic Investments Program (cont.)
Effect of Investment on Taxing Districts and Property Owners
 Tax Years 2001 - 2007
 (all figures in thousands of dollars except taxes on home)

| In Thousands of Dollars: | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|---------|---------|---------|---------|---------|---------|---------|
| District Revenues without Facility | | | | | | | |
| Multnomah County | 188,474 | 199,782 | 211,769 | 224,475 | 237,944 | 252,221 | 267,354 |
| Portland J Port | 3,523 | 3,735 | 3,959 | 4,196 | 4,448 | 4,715 | 4,998 |
| Metro J Service | 8,913 | 9,448 | 10,015 | 10,615 | 11,252 | 11,928 | 12,643 |
| Trimet Transit | 8,275 | 8,771 | 9,297 | 9,855 | 10,447 | 11,073 | 11,738 |
| Rockwood Utility | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gresham City | 24,787 | 26,275 | 27,851 | 29,522 | 31,293 | 33,171 | 35,161 |
| Gresham-Barlow 26J School | 13,943 | 14,779 | 15,666 | 16,606 | 17,602 | 18,658 | 19,778 |
| Gresham 26 (Gresham 4 Bond) | 3,448 | 3,655 | 3,874 | 4,107 | 4,353 | 4,614 | 4,891 |
| Multnomah (E) ESD | 13,119 | 13,906 | 14,741 | 15,625 | 16,563 | 17,557 | 18,610 |
| Multnomah (H) ESD | 6,485 | 6,874 | 7,286 | 7,724 | 8,187 | 8,678 | 9,199 |
| Mt Hood Comm College | 6,723 | 7,126 | 7,554 | 8,007 | 8,487 | 8,996 | 9,536 |
| Company's Payments | | | | | | | |
| Facility Property Taxes | 4,858 | 4,065 | 3,623 | 3,496 | 3,389 | 3,283 | 3,199 |
| District Rate Changes | | | | | | | |
| Multnomah County | -0.0282 | -0.0221 | -0.0186 | -0.0169 | -0.0154 | -0.0141 | -0.0129 |
| Portland J Port | -0.0005 | -0.0004 | -0.0003 | -0.0003 | -0.0003 | -0.0003 | -0.0002 |
| Metro J Service | -0.0014 | -0.0011 | -0.0009 | -0.0008 | -0.0007 | -0.0007 | -0.0006 |
| Trimet Transit | -0.0013 | -0.0010 | -0.0008 | -0.0008 | -0.0007 | -0.0006 | -0.0006 |
| Rockwood Utility | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Gresham City | -0.2674 | -0.2124 | -0.1794 | -0.1636 | -0.1499 | -0.1372 | -0.1262 |
| Educational Districts | -0.1233 | -0.0988 | -0.0838 | -0.0766 | -0.0703 | -0.0645 | -0.0595 |
| Total | -0.4220 | -0.3359 | -0.2839 | -0.2589 | -0.2373 | -0.2173 | -0.2001 |
| District Revenue Changes | | | | | | | |
| General Government Districts | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gresham-Barlow 26J School | 688 | 575 | 512 | 494 | 479 | 463 | 451 |
| Gresham 26 (Gresham 4 Bond) | (0) | 0 | 0 | 0 | 0 | 0 | 0 |
| Multnomah (E) ESD | 672 | 562 | 500 | 482 | 467 | 453 | 441 |
| Multnomah (H) ESD | 332 | 278 | 247 | 238 | 231 | 224 | 218 |
| Mt Hood Comm College | 304 | 254 | 226 | 218 | 211 | 205 | 199 |
| Total | 1,997 | 1,668 | 1,486 | 1,432 | 1,388 | 1,344 | 1,309 |

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 4 - Without Strategic Investments Program
Effect of Investment on Taxing Districts and Property Owners
Tax Years 1994 - 2000
(all figures in thousands of dollars except taxes on home)

| In Thousands of Dollars: | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|---|---------|---------|---------|---------|---------|---------|---------|
| District Revenues without Facility | | | | | | | |
| Multnomah County | 125,346 | 132,867 | 140,839 | 149,289 | 158,246 | 167,741 | 177,806 |
| Portland J Port | 2,343 | 2,484 | 2,633 | 2,791 | 2,958 | 3,136 | 3,324 |
| Metro J Service | 5,928 | 6,283 | 6,660 | 7,060 | 7,484 | 7,933 | 8,408 |
| Trimet Transit | 5,503 | 5,833 | 6,183 | 6,554 | 6,948 | 7,364 | 7,806 |
| Rockwood Utility | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gresham City | 16,485 | 17,474 | 18,523 | 19,634 | 20,812 | 22,061 | 23,384 |
| Gresham-Barlow 26J School | 13,739 | 9,829 | 10,419 | 11,044 | 11,706 | 12,409 | 13,153 |
| Gresham 26 (Gresham 4 Bond) | 2,293 | 2,431 | 2,577 | 2,731 | 2,895 | 3,069 | 3,253 |
| Multnomah (E) ESD | 13,088 | 9,249 | 9,804 | 10,392 | 11,015 | 11,676 | 12,377 |
| Multnomah (H) ESD | 6,469 | 4,572 | 4,846 | 5,137 | 5,445 | 5,771 | 6,118 |
| Mt Hood Comm College | 6,445 | 4,739 | 5,024 | 5,325 | 5,644 | 5,983 | 6,342 |
| Company's Payments | | | | | | | |
| Facility Property Taxes | 0 | 0 | 0 | 5,924 | 4,945 | 7,666 | 6,057 |
| District Rate Changes | | | | | | | |
| Multnomah County | 0.0000 | 0.0000 | 0.0000 | -0.0438 | -0.0343 | -0.0507 | -0.0375 |
| Portland J Port | 0.0000 | 0.0000 | 0.0000 | -0.0008 | -0.0006 | -0.0009 | -0.0007 |
| Metro J Service | 0.0000 | 0.0000 | 0.0000 | -0.0021 | -0.0017 | -0.0025 | -0.0018 |
| Trimet Transit | 0.0000 | 0.0000 | 0.0000 | -0.0020 | -0.0015 | -0.0023 | -0.0017 |
| Rockwood Utility | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Gresham City | 0.0000 | 0.0000 | 0.0000 | -0.4045 | -0.3219 | -0.4624 | -0.3497 |
| Educational Districts | 0.0000 | 0.0000 | 0.0000 | -0.1829 | -0.1473 | -0.2074 | -0.1594 |
| Total | 0.0000 | 0.0000 | 0.0000 | -0.6362 | -0.5074 | -0.7261 | -0.5508 |
| District Revenue Changes | | | | | | | |
| General Government Districts | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gresham-Barlow 26J School | 0 | 0 | 0 | 843 | 702 | 1,094 | 861 |
| Gresham 26 (Gresham 4 Bond) | 0 | 0 | 0 | 0 | (0) | 0 | (0) |
| Multnomah (E) ESD | 0 | 0 | 0 | 824 | 686 | 1,068 | 841 |
| Multnomah (H) ESD | 0 | 0 | 0 | 407 | 339 | 528 | 415 |
| Mt Hood Comm College | 0 | 0 | 0 | 373 | 310 | 483 | 380 |
| Total | 0 | 0 | 0 | 2,447 | 2,036 | 3,173 | 2,497 |

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 4 - Without Strategic Investments Program (cont.)
Effect of Investment on Taxing Districts and Property Owners
Tax Years 2008 - 2012
(all figures in thousands of dollars except taxes on home)

| In Thousands of Dollars: | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---------|---------|---------|---------|---------|
| District Revenues without Facility | | | | | |
| Multnomah County | 283,395 | 300,399 | 318,423 | 337,528 | 357,780 |
| Portland J Port | 5,298 | 5,616 | 5,953 | 6,310 | 6,689 |
| Metro J Service | 13,402 | 14,206 | 15,058 | 15,962 | 16,919 |
| Trimet Transit | 12,442 | 13,188 | 13,980 | 14,819 | 15,708 |
| Rockwood Utility | 0 | 0 | 0 | 0 | 0 |
| Gresham City | 37,271 | 39,507 | 41,878 | 44,390 | 47,054 |
| Gresham-Barlow 26J School | 20,965 | 22,222 | 23,556 | 24,969 | 26,467 |
| Gresham 26 (Gresham 4 Bond) | 5,185 | 5,496 | 5,825 | 6,175 | 6,545 |
| Multnomah (E) ESD | 19,727 | 20,910 | 22,165 | 23,495 | 24,904 |
| Multnomah (H) ESD | 9,751 | 10,336 | 10,956 | 11,613 | 12,310 |
| Mt Hood Comm College | 10,108 | 10,715 | 11,358 | 12,039 | 12,761 |
| Company's Payments | | | | | |
| Facility Property Taxes | 3,115 | 3,017 | 2,945 | 2,913 | 2,884 |
| District Rate Changes | | | | | |
| Multnomah County | -0.0119 | -0.0108 | -0.0100 | -0.0093 | -0.0087 |
| Portland J Port | -0.0002 | -0.0002 | -0.0002 | -0.0002 | -0.0002 |
| Metro J Service | -0.0006 | -0.0005 | -0.0005 | -0.0005 | -0.0004 |
| Trimet Transit | -0.0005 | -0.0005 | -0.0004 | -0.0004 | -0.0004 |
| Rockwood Utility | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Gresham City | -0.1161 | -0.1062 | -0.0979 | -0.0914 | -0.0854 |
| Educational Districts | -0.0548 | -0.0502 | -0.0463 | -0.0433 | -0.0405 |
| Total | -0.1841 | -0.1684 | -0.1553 | -0.1450 | -0.1356 |
| District Revenue Changes | | | | | |
| General Government Districts | 0 | 0 | 0 | 0 | 0 |
| Gresham-Barlow 26J School | 439 | 425 | 415 | 410 | 406 |
| Gresham 26 (Gresham 4 Bond) | 0 | (0) | 0 | (0) | (0) |
| Multnomah (E) ESD | 429 | 415 | 405 | 401 | 397 |
| Multnomah (H) ESD | 212 | 205 | 200 | 198 | 196 |
| Mt Hood Comm College | 194 | 188 | 183 | 181 | 180 |
| Total | 1,275 | 1,234 | 1,204 | 1,191 | 1,179 |

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.



May 18, 1995

R. Barry Crook
Budget and Quality Manager
Multnomah County - Budget and Quality Office
1120 S.W. Fifth, Suite 1400
Portland, OR 97204

Re: **Confidential Response #2, Strategic Investment Program
Fujitsu Microelectronics, Inc. - Gresham Expansion**

Dear Barry:

Per your request, I am enclosing additional information regarding hiring, promotion and classification of Fujitsu employees. The listing is dividing into three sections:

- Operators
- Technicians
- Engineers

Questions regarding any aspect of this listing should be addressed to Ron Craig, Manager, Human Resources, Fujitsu GMD.

Please let me know if I can provide additional assistance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Marcy Jacobs".

Marcy Jacobs
Regional Development Officer

cc: Richard Romano, Fujitsu Microelectronics, Inc.
Mike Ogan, PDC



Fujitsu GMD Employee Promotion Data

The following pages contain a detailed job history of hiring, promotion and classification data by employee position and date. The names of individual employees have been deleted from the list to protect confidentiality of personnel matters.

The listing is divided into three sections:

- ◆ Operators
- ◆ Technicians
- ◆ Engineers

Questions regarding any aspect of this listing should be addressed to Ron Craig, Manager, Human Resources, Fujitsu GMD.

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| | | | | | |
|----|----------|----------------------|-------|----------------|----|
| 72 | 01/17/91 | 4.3 Wafer Fab Opr IV | Photo | Transfer | 72 |
| | 10/22/90 | .2 Supv I, Wafer Fab | | Classification | |
| | 06/25/90 | .3 Supv, Wafer Fab | | Promotion | |
| | 12/06/88 | 1.5 Wafer Fab Opr IV | Photo | Classification | |
| | 09/06/88 | .2 Wafer Fab Opr | | New Hire | |

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|----|----------|-----------------------|-----|----------------|----|
| 74 | 03/27/95 | .1 Wafer Fab Opr IV | PVD | Promotion | 74 |
| | 10/01/90 | 4.5 Wafer Fab Opr III | PVD | Promotion | |
| | 04/03/89 | 1.5 Wafer Fab Opr II | | Classification | |
| | 09/06/88 | .6 Wafer Fab Opr | | New Hire | |

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|----|----------|-----------------------|-----------|-----------------|----|
| 75 | 08/01/93 | 1.8 Wafer Fab Opr IV | Photo | Reclassificatio | 75 |
| | 10/12/92 | .8 Wafer Fab Opr IV | Photo/DAX | Reclassificatio | |
| | 09/30/91 | 1.0 Wafer Fab Opr IV | Photo | Promotion | |
| | 10/02/89 | 2.0 Wafer Fab Opr III | Photo | Promotion | |
| | 12/06/88 | .8 Wafer Fab Opr II | | Classification | |
| | 09/06/88 | .2 Wafer Fab Opr | | New Hire | |

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|----|----------|-----------------------|-------------|-----------------|----|
| 78 | 08/01/93 | 1.8 Wafer Fab Opr III | Ion Implant | Reclassificatio | 78 |
| | 04/03/89 | 4.3 Wafer Fab Opr III | CVD | Promotion | |
| | 12/06/88 | .3 Wafer Fab Opr II | Etch | Classification | |
| | 09/06/88 | .2 Wafer Fab Opr | | New Hire | |

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|----|----------|----------------------|-------|----------------|----|
| 81 | 12/06/88 | 6.4 Wafer Fab Opr IV | Photo | Classification | 81 |
| | 09/06/88 | .2 Wafer Fab Opr | | New Hire | |

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| | | | | | |
|----|----------|-------------------------------|--|------------------|----|
| 98 | 01/30/95 | .3 Test Opr IV | | Reclassification | 98 |
| | 08/30/93 | 1.4 Pack Department Scheduler | | Reclassification | |
| | 04/02/90 | 3.4 Supv II, Assembly | | Classification | |
| | 09/19/88 | 1.5 Supv, Assembly | | New Hire | |

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|-----|----------|----------------------|-------------|------------------|-----|
| 103 | 01/30/95 | .3 Wafer Fab Opr III | Ion Implant | Reclassification | 103 |
| | 10/10/94 | .3 Wafer Fab Opr III | CVD | Reclassification | |
| | 09/26/94 | .0 Wafer Fab Opr III | | Promotion | |
| | 09/30/91 | 3.0 Wafer Fab Opr II | Diffusion | Classification | |
| | 08/19/91 | .1 Wafer Fab Opr | | Transfer | |
| | 01/10/89 | 2.6 Test Opr II | | Classification | |
| | 10/10/88 | .3 Test Opr | | New Hire | |

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|-----|----------|------------------|--|----------------|-----|
| 107 | 08/29/94 | .7 Test Opr IV | | Promotion | 107 |
| | 04/01/91 | 3.4 Test Opr III | | Promotion | |
| | 10/02/89 | 1.5 Test Opr II | | Promotion | |
| | 01/10/89 | .7 Test Opr I | | Classification | |
| | 10/10/88 | .3 Test Opr | | New Hire | |

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|-----|----------|---------------------------|--|-----------------|-----|
| 108 | 08/30/93 | 1.7 Test Opr III | | Lateral Transfe | 108 |
| | 03/30/92 | 1.4 Assembly Opr III | | Promotion | |
| | 04/02/90 | 2.0 Assembly Opr II | | Promotion | |
| | 01/10/89 | 1.2 Assembly Opr I | | Promotion | |
| | 10/10/88 | .3 Assembly Opr - Trainee | | New Hire | |

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|-----|----------|----------------------|-----|------------------|-----|
| 109 | 08/01/93 | 1.8 Wafer Fab Opr II | PVD | Reclassification | 109 |
|-----|----------|----------------------|-----|------------------|-----|

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| | | | | | |
|-----|----------|---------------------------|-----------------|------------------|-----|
| | 04/26/93 | .3 Wafer Fab Opr II | | Lateral Transfe | |
| | 04/02/90 | 3.1 Assembly Opr II | | Promotion | |
| | 01/10/89 | 1.2 Assembly Opr I | | Promotion | |
| | 10/10/88 | .3 Assembly Opr - Trainee | | New Hire | |
| | | | | *** | |
| 113 | 09/26/94 | .6 Wafer Fab Opr III | | Promotion | 113 |
| | 08/21/93 | 1.1 Wafer Fab Opr II | Photo | Reclassification | |
| | 04/27/90 | 3.3 Wafer Fab Opr II | Diffusion | Classification | |
| | 01/27/90 | .2 Wafer Fab Opr | | Transfer | |
| | 02/20/89 | .9 Supv I, Test | | Promotion | |
| | 01/10/89 | .1 Test Opr II | | Classification | |
| | 10/10/88 | .3 Test Opr | | New Hire | |
| | | | | *** | |
| 117 | 03/28/94 | 1.1 Q.A. Inspector III | | Promotion | 117 |
| | 01/04/93 | 1.2 Q.A. Inspector II | | Reclassification | |
| | 01/25/89 | 3.9 Assembly Opr II | | Classification | |
| | 10/25/88 | .3 Assembly Opr | | New Hire | |
| | | | | *** | |
| 124 | 02/15/93 | 2.2 Q.A. Inspector II | | Promotion | 124 |
| | 10/02/89 | 3.4 Assembly Opr II | | Promotion | |
| | 02/21/89 | .6 Assembly Opr I | | Classification | |
| | 11/21/88 | .3 Assembly Opr | | New Hire | |
| | | | | *** | |
| 132 | 03/27/95 | .1 Fab Mtc Opr III | Fab Maintenance | Promotion | 132 |
| | 03/29/93 | 2.0 Fab Mtc Opr II | Fab Maintenance | Promotion | |
| | 12/02/90 | 2.3 Fab Mtc Opr I | | Promotion | |
| | 03/01/89 | 1.8 Wafer Fab Opr I | | Classification | |

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| | | | | | |
|-----|----------|----------------------------|-------------|-----------------|-----|
| | 12/01/88 | .2 Wafer Fab Opr - Trainee | | New Hire | |
| | | | | | *** |
| 144 | 08/29/94 | .7 Wafer Fab Opr IV | Diffusion | Promotion | 144 |
| | 10/25/93 | .8 Wafer Fab Opr III | Diffusion | Lateral Transfe | |
| | 09/30/91 | 2.1 Test Opr III | | Promotion | |
| | 04/09/89 | 2.5 Test Opr II | | Classification | |
| | 01/09/89 | .2 Test Opr | | New Hire | |
| | | | | | *** |
| 148 | 03/28/94 | 1.1 Q.A. Inspector IV | | Promotion | 148 |
| | 03/30/92 | 2.0 Q.A. Inspector III | | Promotion | |
| | 09/16/91 | .5 Q.A. Inspector II | | Lateral Transfe | |
| | 04/01/91 | .5 Wafer Fab Opr III | Etch | Promotion | |
| | 04/09/89 | 2.0 Wafer Fab Opr II | | Classification | |
| | 01/09/89 | .2 Wafer Fab Opr | | New Hire | |
| | | | | | *** |
| 151 | 03/28/94 | 1.1 Wafer Fab Opr III | Photo | Reclassificatio | 151 |
| | 08/01/93 | .7 Wafer Fab Opr III | Etch | Reclassificatio | |
| | 04/01/91 | 2.3 Wafer Fab Opr III | Photo | Promotion | |
| | 04/09/89 | 2.0 Wafer Fab Opr II | | Classification | |
| | 01/09/89 | .2 Wafer Fab Opr | | New Hire | |
| | | | | | *** |
| 156 | 03/29/93 | 2.1 Technical Lead Opr III | Ion Implant | Promotion | 156 |
| | 07/23/90 | 2.7 Technical Lead Opr II | Implant | Promotion | |
| | 04/16/89 | 1.3 Wafer Fab Opr III | | Classification | |
| | 01/16/89 | .2 Wafer Fab Opr | | New Hire | |
| | | | | | *** |

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| | | | | | |
|-----|----------|-----------------------|------------|------------------|-----|
| 157 | 03/21/94 | 1.2 Wafer Fab Opr IV | Implant | Reclassification | 157 |
| | 03/29/93 | 1.0 Wafer Fab Opr IV | Etch | Promotion | |
| | 10/01/90 | 2.5 Wafer Fab Opr III | Etch | Promotion | |
| | 04/16/89 | 1.5 Wafer Fab Opr II | Etch/Photo | Classification | |
| | 01/16/89 | .2 Wafer Fab Opr | CVD | New Hire | |

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|-----|----------|----------------------|-------------|------------------|-----|
| 158 | 09/20/94 | .7 Wafer Fab Opr IV | PVD | Reclassification | 158 |
| | 04/23/89 | 5.4 Wafer Fab Opr IV | Ion Implant | Classification | |
| | 01/23/89 | .2 Wafer Fab Opr | | New Hire | |

| | | | | | |
|-----|----------|-----------------------|---------|------------------|-----|
| 162 | 05/08/95 | .0 Wafer Fab Opr IV | CVD | Reclassification | 162 |
| | 01/23/95 | .3 Wafer Fab Opr IV | Implant | Reclassification | |
| | 03/28/94 | .8 Wafer Fab Opr IV | CVD | Promotion | |
| | 10/01/90 | 3.5 Wafer Fab Opr III | CVD | Promotion | |
| | 04/23/89 | 1.4 Wafer Fab Opr II | | Classification | |
| | 01/23/89 | .2 Wafer Fab Opr | | New Hire | |

| | | | | | |
|-----|----------|-----------------------|-----------|-----------------|-----|
| 174 | 03/27/95 | .1 Wafer Fab Opr III | Etch | Promotion | 174 |
| | 07/05/93 | 1.7 Wafer Fab Opr II | Etch | Lateral Transfe | |
| | 03/22/93 | .3 Assembly Opr II | | Lateral Transfe | |
| | 03/30/92 | 1.0 Q.A. Inspector II | | Promotion | |
| | 04/14/91 | 1.0 Q.A. Inspector I | | Classification | |
| | 01/14/91 | .2 Q.A. Inspector | | Promotion | |
| | 05/13/89 | 1.7 Wafer Fab Opr II | Judgement | Classification | |
| | 02/13/89 | .2 Wafer Fab Opr | | New Hire | |

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| | | | | | |
|-----|----------|----------------------|-----------|----------------|-----|
| 201 | 09/26/94 | .6 Wafer Fab Opr III | | Promotion | 201 |
| | 10/02/89 | 5.0 Wafer Fab Opr II | Diffusion | Classification | |
| | 03/13/89 | .6 Wafer Fab Opr | | New Hire | |

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|-----|----------|-----------------------|-----------|------------------|-----|
| 202 | 03/06/95 | .2 Wafer Fab Opr III | PVD | Reclassification | 202 |
| | 02/13/95 | .1 Wafer Fab Opr III | Etch | Reclassification | |
| | 04/01/91 | 3.9 Wafer Fab Opr III | Judgement | Promotion | |
| | 06/13/89 | 1.8 Wafer Fab Opr II | | Classification | |
| | 03/13/89 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|------------------------|--|------------------|-----|
| 213 | 05/02/94 | 1.0 Q.A. Inspector III | | Reclassification | 213 |
| | 02/13/90 | 4.2 Q.A. Tech I | | Classification | |
| | 11/13/89 | .3 Q.A. Tech | | Promotion | |
| | 06/27/89 | .4 Q.A. Inspector I | | Classification | |
| | 03/27/89 | .3 Q.A. Inspector | | New Hire | |

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|-----|----------|-----------------------|--|----------------|-----|
| 220 | 10/21/91 | 3.6 Q.A. Inspector II | | Transfer | 220 |
| | 06/27/89 | 2.3 Wafer Fab Opr II | | Classification | |
| | 03/27/89 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|-----------------------|------|----------------|-----|
| 254 | 08/29/94 | .7 Wafer Fab Opr IV | Etch | Promotion | 254 |
| | 10/01/90 | 3.9 Wafer Fab Opr III | Etch | Promotion | |
| | 08/22/89 | 1.1 Wafer Fab Opr II | | Classification | |
| | 05/22/89 | .3 Wafer Fab Opr | | New Hire | |

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|-------|----------|-------|-----------------------|-------------|------------------|--------|
| | DATES | IN | | | | |
| | | JOBS | | | | |
| 260 | 03/28/94 | 1.1 | Wafer Fab Opr IV | Ion Implant | Promotion | 260 |
| | 04/01/91 | 3.0 | Wafer Fab Opr III | CVD | Promotion | |
| | 08/30/89 | 1.6 | Wafer Fab Opr II | | Classification | |
| | 05/30/89 | .3 | Wafer Fab Opr | | New Hire | |
| | | | | | | *** |
| 262 | 09/26/94 | .6 | Wafer Fab Opr IV | | Promotion | 262 |
| | 09/30/91 | 3.0 | Wafer Fab Opr III | Etch | Promotion | |
| | 10/02/89 | 2.0 | Wafer Fab Opr II | | Classification | |
| | 06/05/89 | .3 | Wafer Fab Opr | | New Hire | |
| | | | | | | *** |
| 268 | 03/29/93 | 2.1 | Wafer Fab Opr IV | PVD | Promotion | 268 |
| | 06/29/92 | .7 | Wafer Fab Opr III | PVD | Reclassification | |
| | 03/30/92 | .2 | Wafer Fab Opr III | Super Clean | Transfer | |
| | 10/02/89 | 2.5 | Wafer Fab Opr III | Super Clean | Classification | |
| | 06/05/89 | .3 | Wafer Fab Opr | | New Hire | |
| | | | | | | *** |
| 282 | 05/29/94 | 1.0 | Wafer Fab Opr IV | Photo | Reclassification | 282 |
| | 09/30/91 | 2.7 | Wafer Fab Opr IV | Ion Implant | Promotion | |
| | 08/20/91 | .1 | Wafer Fab Opr III | | Transfer | |
| | 07/23/90 | 1.1 | Technical Lead Opr II | | Promotion | |
| | 10/02/89 | .8 | Wafer Fab Opr III | | Classification | |
| | 06/12/89 | .3 | Wafer Fab Opr | | New Hire | |
| | | | | | | *** |
| 289 | 03/28/94 | 1.1 | Wafer Fab Opr IV | Test Wafers | Promotion | 289 |
| | 12/05/90 | 3.3 | Wafer Fab Opr III | Test Wafers | Promotion | |
| | 05/22/89 | 1.5 | Wafer Fab Opr | | New Hire | |

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| | | | | | |
|-----|----------|-----------------------|------|-----------------|-----|
| 300 | 04/19/93 | 2.1 Test Opr III | | Lateral Transfe | 300 |
| | 04/02/90 | 3.0 Wafer Fab Opr III | Etch | Promotion | |
| | 10/02/89 | .5 Wafer Fab Opr II | | Classification | |
| | 06/12/89 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|--------------------------|-----|----------------|-----|
| 316 | 08/29/94 | .7 Technical Lead Opr II | PVD | Promotion | 316 |
| | 11/10/92 | 1.8 Technical Lead Opr I | PVD | Promotion | |
| | 04/01/91 | 1.6 Wafer Fab Opr II | PVD | Promotion | |
| | 10/24/89 | 1.4 Wafer Fab Opr I | | Classification | |
| | 07/24/89 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|-----------------------|-----|----------------|-----|
| 318 | 08/29/94 | .7 Q.A. Inspector III | | Promotion | 318 |
| | 04/13/93 | 1.4 Q.A. Inspector II | | Rehire | |
| | 10/31/89 | 3.4 Wafer Fab Opr II | CVD | Classification | |
| | 07/31/89 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|----------------------|-----|----------------|-----|
| 320 | 10/01/90 | 4.6 Wafer Fab Opr IV | CVD | Promotion | 320 |
| | 10/31/89 | .9 Wafer Fab Opr III | | Classification | |
| | 07/17/89 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|--------------------------|-----|----------------|-----|
| 321 | 09/30/91 | 3.6 Wafer Fab Opr IV | CVD | Promotion | 321 |
| | 05/27/91 | .3 Wafer Fab Opr III | | Transfer | |
| | 07/23/90 | .8 Technical Lead Opr II | | Promotion | |
| | 11/15/89 | .7 Wafer Fab Opr III | | Classification | |
| | 07/10/89 | .4 Wafer Fab Opr | | New Hire | |

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|-----|----------|---------------------------|--|-----------------|-----|
| 327 | 03/28/94 | 1.1 Test Opr III | | Promotion | 327 |
| | 08/30/93 | .6 Test Opr II | | Lateral Transfe | |
| | 09/30/91 | 1.9 Assembly Opr II | | Promotion | |
| | 09/14/89 | 2.0 Assembly Opr I | | Classification | |
| | 08/28/89 | .0 Assembly Opr - Trainee | | New Hire | |

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|-----|----------|----------------------------|-----------|-----------|-----|
| 355 | 03/27/95 | .1 Technical Lead Opr III | Diffusion | Promotion | 355 |
| | 05/10/93 | 1.9 Technical Lead Opr II | Diffusion | Promotion | |
| | 03/29/93 | .1 Wafer Fab Opr III | Diffusion | Promotion | |
| | 04/01/91 | 2.0 Wafer Fab Opr II | Diffusion | Promotion | |
| | 11/15/89 | 1.4 Wafer Fab Opr I | | Promotion | |
| | 08/16/89 | .2 Wafer Fab Opr - Trainee | | New Hire | |

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|-----|----------|---------------------------|-------------|----------------|-----|
| 359 | 12/06/93 | 1.4 Technical Lead Opr II | Ion Implant | Promotion | 359 |
| | 11/14/89 | 4.1 Wafer Fab Opr III | Ion Implant | Classification | |
| | 08/14/89 | .3 Wafer Fab Opr | | New Hire | |

| | | | | | |
|-----|----------|--------------------------|---------|----------------|-----|
| 360 | 03/28/94 | 1.1 Wafer Fab Opr IV | Etch | Promotion | 360 |
| | 04/29/91 | 2.9 Wafer Fab Opr III | Etch | Transfer | |
| | 08/06/90 | .7 Technical Lead Opr II | PVD | Promotion | |
| | 04/02/90 | .3 Wafer Fab Opr III | Etch | Promotion | |
| | 11/14/89 | .4 Wafer Fab Opr II | CVD | Classification | |
| | 08/14/89 | .3 Wafer Fab Opr | Implant | New Hire | |

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| EMP.. | JOB..... | TIME. | JOB TITLES..... | AREAS..... | JOB-REASONS.... | EMP_NO |
|-------|----------|-------|----------------------------|-------------|------------------|--------|
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| | | JOBS | | | | |
| 367 | 03/27/95 | | .1 Technical Lead Opr II | PVD | Promotion | 367 |
| | 12/06/93 | | 1.3 Technical Lead Opr I | PVD | Promotion | |
| | 04/01/91 | | 2.7 Wafer Fab Opr II | PVD | Promotion | |
| | 11/15/89 | | 1.4 Wafer Fab Opr I | CVD | Promotion | |
| | 08/16/89 | | .2 Wafer Fab Opr - Trainee | | New Hire | |
| | | | | | *** | |
| 370 | 01/30/95 | | .3 Wafer Fab Opr III | Etch | Reclassification | 370 |
| | 09/26/94 | | .3 Wafer Fab Opr III | | Promotion | |
| | 04/01/91 | | 3.5 Wafer Fab Opr II | Etch | Promotion | |
| | 11/16/89 | | 1.4 Wafer Fab Opr I | | Promotion | |
| | 08/16/89 | | .3 Wafer Fab Opr - Trainee | | New Hire | |
| | | | | | *** | |
| 371 | 03/28/94 | | 1.1 Wafer Fab Opr III | CVD | Promotion | 371 |
| | 04/01/91 | | 3.0 Wafer Fab Opr II | CVD | Promotion | |
| | 11/20/89 | | 1.4 Wafer Fab Opr I | | Promotion | |
| | 08/16/89 | | .3 Wafer Fab Opr - Trainee | | New Hire | |
| | | | | | *** | |
| 381 | 09/26/94 | | .6 Wafer Fab Opr III | | Promotion | 381 |
| | 08/01/93 | | 1.2 Wafer Fab Opr II | Etch | Reclassification | |
| | 10/01/90 | | 2.8 Wafer Fab Opr II | PVD | Promotion | |
| | 01/21/90 | | .7 Wafer Fab Opr I | | Classification | |
| | 08/21/89 | | .4 Wafer Fab Opr | | New Hire | |
| | | | | | *** | |
| 386 | 12/07/94 | | .4 Technical Lead Opr III | PVD | Reclassification | 386 |
| | 07/23/90 | | 4.4 Technical Lead Opr III | Ion Implant | Promotion | |
| | 11/28/89 | | .6 Wafer Fab Opr IV | | Classification | |
| | 08/28/89 | | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|----------------------|-------|------------------|-----|
| 387 | 10/10/94 | .6 Wafer Fab Opr IV | PVD | Reclassification | 387 |
| | 12/11/89 | 4.8 Wafer Fab Opr IV | Photo | Classification | |
| | 09/11/89 | .2 Wafer Fab Opr | | New Hire | |

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|-----|----------|-----------------------|-----------|------------------|-----|
| 388 | 05/08/95 | .0 Wafer Fab Opr III | Diffusion | Reclassification | 388 |
| | 03/27/95 | .1 Wafer Fab Opr III | Diffusion | Promotion | |
| | 03/22/95 | .0 Wafer Fab Opr II | Implant | Reclassification | |
| | 05/14/94 | .9 Wafer Fab Opr II | Diffusion | Reclassification | |
| | 08/01/93 | .8 Wafer Fab Opr II | CVD | Reclassification | |
| | 01/04/93 | .6 Wafer Fab Opr II | | Reclassification | |
| | 09/30/91 | 1.3 Q.A. Inspector II | | Promotion | |
| | 11/28/89 | 1.8 Q.A. Inspector I | | Classification | |
| | 08/28/89 | .3 Q.A. Inspector | | New Hire | |

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|-----|----------|----------------------|---------|------------------|-----|
| 389 | 03/30/95 | .1 Wafer Fab Opr III | CVD | Reclassification | 389 |
| | 01/30/95 | .2 Wafer Fab Opr III | PVD | Reclassification | |
| | 09/26/94 | .3 Wafer Fab Opr III | | Promotion | |
| | 08/01/93 | 1.2 Wafer Fab Opr II | PVD | Reclassification | |
| | 03/29/93 | .3 Wafer Fab Opr II | Implant | Promotion | |
| | 04/13/92 | 1.0 Wafer Fab Opr I | Implant | Reclassification | |
| | 12/11/89 | 2.3 Wafer Fab Opr I | PVD | Classification | |
| | 09/11/89 | .2 Wafer Fab Opr | | New Hire | |

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|-----|----------|----------------------|-------|------------------|-----|
| 410 | 07/02/94 | .9 Wafer Fab Opr IV | PVD | Reclassification | 410 |
| | 12/11/89 | 4.6 Wafer Fab Opr IV | Photo | Classification | |
| | 09/11/89 | .2 Wafer Fab Opr | | New Hire | |

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|-----|----------|----------------------------|-----------|-----------|-----|
| 416 | 03/27/95 | .1 Technical Lead Opr III | Diffusion | Promotion | 416 |
| | 08/02/93 | 1.6 Technical Lead Opr II | Diffusion | Promotion | |
| | 03/29/93 | .3 Wafer Fab Opr III | CVD | Promotion | |
| | 04/01/91 | 2.0 Wafer Fab Opr II | CVD | Promotion | |
| | 11/16/89 | 1.4 Wafer Fab Opr I | | Promotion | |
| | 08/16/89 | .3 Wafer Fab Opr - Trainee | | New Hire | |

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|-----|----------|----------------------------|------|-----------|-----|
| 417 | 03/29/93 | 2.1 Wafer Fab Opr II | Etch | Promotion | 417 |
| | 11/14/89 | 3.4 Wafer Fab Opr I | Etch | Promotion | |
| | 08/16/89 | .2 Wafer Fab Opr - Trainee | | New Hire | |

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|-----|----------|----------------------|-----|----------------|-----|
| 423 | 08/29/94 | .7 Wafer Fab Opr III | PVD | Promotion | 423 |
| | 04/02/90 | 4.4 Wafer Fab Opr II | PVD | Classification | |
| | 09/25/89 | .5 Wafer Fab Opr | CVD | New Hire | |

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|-----|----------|----------------------|-------|------------------|-----|
| 431 | 08/29/94 | .7 Wafer Fab Opr III | Photo | Promotion | 431 |
| | 10/16/93 | .9 Wafer Fab Opr II | Photo | Reclassification | |
| | 07/12/93 | .3 Wafer Fab Opr II | Etch | Rehire | |
| | 01/02/90 | 3.5 Wafer Fab Opr II | Etch | Classification | |
| | 10/02/89 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|-----------------------|-----|------------------|-----|
| 440 | 09/26/94 | .6 Wafer Fab Opr IV | PVD | Promotion | 440 |
| | 08/01/94 | .2 Wafer Fab Opr III | PVD | Reclassification | |
| | 01/30/90 | 4.5 Wafer Fab Opr III | CVD | Classification | |

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|-----|----------|-----------------------|-------------|-----------------|-----|
| | 10/30/89 | .3 Wafer Fab Opr | | New Hire | |
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| 446 | 03/27/95 | .1 Wafer Fab Opr IV | Etch | Promotion | 446 |
| | 03/09/95 | .0 Wafer Fab Opr III | Etch | Reclassificatio | |
| | 11/03/93 | 1.3 Wafer Fab Opr III | CVD | Lateral Transfe | |
| | 04/02/90 | 3.6 Fab Mtc Opr III | | Classification | |
| | 11/27/89 | .3 Fab Mtc Opr | | Promotion | |
| | 09/18/89 | .2 Wafer Fab Opr | | New Hire | |
| | | | | | *** |
| 454 | 05/04/95 | .0 Wafer Fab Opr III | PVD | Reclassificatio | 454 |
| | 04/02/90 | 5.1 Wafer Fab Opr III | Photo | Classification | |
| | 10/30/89 | .4 Wafer Fab Opr | | New Hire | |
| | | | | | *** |
| 458 | 08/29/94 | .7 Wafer Fab Opr IV | Photo | Promotion | 458 |
| | 03/30/92 | 2.4 Wafer Fab Opr III | Photo | Promotion | |
| | 02/06/90 | 2.1 Wafer Fab Opr II | Photo | Classification | |
| | 11/06/89 | .3 Wafer Fab Opr | | New Hire | |
| | | | | | *** |
| 461 | 12/05/94 | .4 Fab Mtc Opr II | | Lateral Transfe | 461 |
| | 08/01/93 | 1.3 Wafer Fab Opr III | PVD | Reclassificatio | |
| | 10/01/90 | 2.8 Wafer Fab Opr III | Etch | Promotion | |
| | 04/02/90 | .5 Wafer Fab Opr II | | Classification | |
| | 10/23/89 | .4 Wafer Fab Opr | | New Hire | |
| | | | | | *** |
| 462 | 03/28/94 | 1.1 Wafer Fab Opr IV | Ion Implant | Promotion | 462 |

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| 08/01/93 | .7 Wafer Fab Opr III | Ion Implant | Reclassification |
| 04/02/90 | 3.3 Wafer Fab Opr III | Photo | Promotion |
| 03/18/90 | .0 Wafer Fab Opr II | | Classification |
| 12/18/89 | .2 Wafer Fab Opr | | New Hire |

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|-----|----------|------------------|----------------|-----|
| 465 | 03/29/93 | 2.1 Test Opr III | Promotion | 465 |
| | 04/01/91 | 2.0 Test Opr II | Promotion | |
| | 01/21/90 | 1.2 Test Opr I | Classification | |
| | 10/30/89 | .2 Test Opr | New Hire | |

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|-----|----------|---------------------------|-----------|------------------|-----|
| 481 | 09/26/94 | .6 Wafer Fab Opr IV | Judgement | Promotion | 481 |
| | 09/07/92 | 2.1 Wafer Fab Opr III | Judgement | Transfer | |
| | 06/29/92 | .2 Q.A. Inspector II | | Reclassification | |
| | 07/15/91 | 1.0 Prod Control Clerk II | | Promotion | |
| | 04/01/91 | .3 Q.A. Inspector II | | Promotion | |
| | 04/02/90 | 1.0 Q.A. Inspector I | | Classification | |
| | 11/27/89 | .3 Q.A. Inspector | | New Hire | |

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|-----|----------|----------------------------|-------------|-----------|-----|
| 498 | 09/26/94 | .6 Technical Lead Opr II | Ion Implant | Promotion | 498 |
| | 07/05/93 | 1.2 Technical Lead Opr I | Ion Implant | Promotion | |
| | 09/30/91 | 1.8 Wafer Fab Opr II | Implant | Promotion | |
| | 04/29/90 | 1.4 Wafer Fab Opr I | | Promotion | |
| | 01/29/90 | .2 Wafer Fab Opr - Trainee | | New Hire | |

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|-----|----------|----------------------|-----------------|-----------|-----|
| 511 | 03/27/95 | .1 Fab Mtc Opr II | Fab Maintenance | Promotion | 511 |
| | 08/19/93 | 1.6 Fab Mtc Opr I | Fab Maintenance | Promotion | |
| | 09/30/91 | 1.9 Wafer Fab Opr II | Etch | Promotion | |

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|-----|----------|----------------------------|-----------------|------------------|-----|
| | 05/28/90 | 1.3 Wafer Fab Opr I | | Promotion | |
| | 02/26/90 | .2 Wafer Fab Opr - Trainee | | New Hire | |
| | | | | *** | |
| 514 | 03/28/94 | 1.1 Wafer Fab Opr III | Etch | Promotion | 514 |
| | 09/30/91 | 2.5 Wafer Fab Opr II | Etch | Promotion | |
| | 05/28/90 | 1.3 Wafer Fab Opr I | | Promotion | |
| | 02/26/90 | .2 Wafer Fab Opr - Trainee | | New Hire | |
| | | | | *** | |
| 521 | 09/26/94 | .6 Wafer Fab Opr III | | Promotion | 521 |
| | 09/30/91 | 3.0 Wafer Fab Opr II | Photo | Promotion | |
| | 06/12/90 | 1.3 Wafer Fab Opr I | | Promotion | |
| | 03/12/90 | .3 Wafer Fab Opr - Trainee | | New Hire | |
| | | | | *** | |
| 524 | 04/24/95 | .1 Wafer Fab Opr II | PVD | Reclassification | 524 |
| | 04/01/91 | 4.1 Wafer Fab Opr II | Ion Implant | Promotion | |
| | 06/26/90 | .8 Wafer Fab Opr I | | Classification | |
| | 03/26/90 | .3 Wafer Fab Opr | | New Hire | |
| | | | | *** | |
| 544 | 05/21/91 | 4.0 Fab Mtc Opr II | Fab Maintenance | Promotion | 544 |
| | 09/04/90 | .7 Wafer Fab Opr II | Photo | Classification | |
| | 06/04/90 | .3 Wafer Fab Opr | | New Hire | |
| | | | | *** | |
| 546 | 03/29/93 | 2.1 Wafer Fab Opr IV | Photo | Promotion | 546 |
| | 10/01/90 | 2.5 Wafer Fab Opr III | Photo | Classification | |
| | 06/18/90 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|-----------------------|-----|----------------|-----|
| 549 | 09/18/90 | 4.7 Wafer Fab Opr III | CVD | Classification | 549 |
| | 06/18/90 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|-----------------------|----------|------------------|-----|
| 551 | 09/20/94 | .7 Wafer Fab Opr III | Photo/II | Reclassification | 551 |
| | 10/01/90 | 4.0 Wafer Fab Opr III | CVD | Promotion | |
| | 06/18/90 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|------------------|--|----------------|-----|
| 552 | 03/29/93 | 2.1 Test Opr IV | | Promotion | 552 |
| | 10/01/90 | 2.5 Test Opr III | | Classification | |
| | 06/18/90 | .3 Test Opr | | New Hire | |

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|-----|----------|----------------------|------|-----------|-----|
| 557 | 01/16/95 | .3 Fab Mtc Opr II | | Rehire | 557 |
| | 09/30/91 | 3.3 Wafer Fab Opr II | Etch | Promotion | |
| | 06/25/90 | 1.3 Wafer Fab Opr I | | New Hire | |

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|-----|----------|----------------------|-------|------------------|-----|
| 561 | 03/27/95 | .1 Wafer Fab Opr III | CVD | Promotion | 561 |
| | 07/15/93 | 1.7 Wafer Fab Opr II | CVD | Reclassification | |
| | 09/30/91 | 1.8 Wafer Fab Opr II | Photo | Promotion | |
| | 07/30/90 | 1.2 Wafer Fab Opr I | | New Hire | |

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|-----|----------|-----------------------|------|-----------|-----|
| 564 | 03/27/95 | .1 Wafer Fab Opr IV | Etch | Promotion | 564 |
| | 03/29/93 | 2.0 Wafer Fab Opr III | Etch | Promotion | |

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| | | | JOBS | | | |
| | 11/06/90 | | 2.4 Wafer Fab Opr II | Etch | Classification | |
| | 08/06/90 | | .3 Wafer Fab Opr | | New Hire | |
| | | | | | *** | |
| 575 | 09/26/94 | | .6 Wafer Fab Opr III | | Promotion | 575 |
| | 09/30/91 | | 3.0 Wafer Fab Opr II | PVD | Promotion | |
| | 08/20/90 | | 1.1 Wafer Fab Opr I | PVD | New Hire | |
| | | | | | *** | |
| 576 | 09/26/94 | | .6 Wafer Fab Opr III | Photo | Promotion | 576 |
| | 08/02/93 | | 1.1 Wafer Fab Opr II | Photo | Reclassification | |
| | 03/29/93 | | .3 Assembly Opr II | | Promotion | |
| | 03/08/93 | | .1 Assembly Opr I | | Lateral Transfe | |
| | 08/20/90 | | 2.5 Wafer Fab Opr I | CVD | New Hire | |
| | | | | | *** | |
| 581 | 03/27/95 | | .1 Technical Lead Opr II | PVD | Promotion | 581 |
| | 02/15/94 | | 1.1 Technical Lead Opr I | PVD | Reclassification | |
| | 11/08/93 | | .3 Technical Lead Opr I | Etch | Promotion | |
| | 10/16/93 | | .1 Wafer Fab Opr II | Etch | Reclassification | |
| | 03/30/92 | | 1.5 Wafer Fab Opr II | PVD | Promotion | |
| | 09/10/90 | | 1.6 Wafer Fab Opr I | PVD | New Hire | |
| | | | | | *** | |
| 583 | 09/26/94 | | .6 Wafer Fab Opr III | | Promotion | 583 |
| | 08/01/93 | | 1.2 Wafer Fab Opr II | Ion Implant | Reclassification | |
| | 03/29/93 | | .3 Wafer Fab Opr II | PVD | Promotion | |
| | 09/10/90 | | 2.5 Wafer Fab Opr I | PVD | New Hire | |
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|-----|----------|----------------------|-------|-----------|-----|
| 584 | 08/29/94 | .7 Wafer Fab Opr III | Photo | Promotion | 584 |
| | 03/30/92 | 2.4 Wafer Fab Opr II | Photo | Promotion | |
| | 09/10/90 | 1.6 Wafer Fab Opr I | Photo | New Hire | |

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|-----|----------|---------------------------|------------|------------------|-----|
| 585 | 12/05/94 | .4 Fab Mtc Opr II | | Lateral Transfe | 585 |
| | 12/06/93 | 1.0 Technical Lead Opr II | Diffusion | Promotion | |
| | 07/24/93 | .4 Wafer Fab Opr III | Etch | Reclassification | |
| | 03/29/93 | .3 Wafer Fab Opr III | Etch/Photo | Promotion | |
| | 01/01/91 | 2.2 Wafer Fab Opr II | Etch/Photo | Classification | |
| | 10/01/90 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|--------------------------|-----------|------------------|-----|
| 586 | 02/21/94 | 1.2 Technical Lead Opr I | Diffusion | Promotion | 586 |
| | 01/02/94 | .1 Wafer Fab Opr II | CVD | Reclassification | |
| | 08/01/93 | .4 Wafer Fab Opr II | PVD | Reclassification | |
| | 03/30/92 | 1.3 Wafer Fab Opr II | Implant | Promotion | |
| | 10/01/90 | 1.5 Wafer Fab Opr I | Implant | New Hire | |

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|-----|----------|-----------------------|------|-----------|-----|
| 588 | 03/28/94 | 1.1 Wafer Fab Opr III | Etch | Promotion | 588 |
| | 03/30/92 | 2.0 Wafer Fab Opr II | Etch | Promotion | |
| | 10/01/90 | 1.5 Wafer Fab Opr I | Etch | New Hire | |

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|-----|----------|--------------------------|-------------|------------------|-----|
| 589 | 02/13/95 | .3 Technical Lead Opr II | Diff/II | Promotion | 589 |
| | 01/30/95 | .0 Wafer Fab Opr III | Etch | Reclassification | |
| | 08/29/94 | .4 Wafer Fab Opr III | Ion Implant | Promotion | |
| | 03/30/92 | 2.4 Wafer Fab Opr II | Ion Implant | Promotion | |
| | 10/01/90 | 1.5 Wafer Fab Opr I | Implant | New Hire | |

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|-----|----------|----------------------|-------|-----------|-----|
| 590 | 09/26/94 | .6 Wafer Fab Opr III | | Promotion | 590 |
| | 03/30/92 | 2.5 Wafer Fab Opr II | Photo | Promotion | |
| | 10/01/90 | 1.5 Wafer Fab Opr I | Photo | New Hire | |

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|-----|----------|-----------------------|--|-----------|-----|
| 599 | 03/27/95 | .1 Q.A. Inspector III | | Promotion | 599 |
| | 03/29/93 | 2.0 Q.A. Inspector II | | Promotion | |
| | 03/09/92 | 1.1 Q.A. Inspector I | | Promotion | |
| | 10/22/90 | 1.4 Assembly Opr I | | New Hire | |

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|-----|----------|----------------------|------|------------------|-----|
| 600 | 06/27/94 | .9 Q.A. Inspector II | | Promotion | 600 |
| | 08/16/93 | .9 Wafer Fab Opr II | Etch | Reclassification | |
| | 08/02/93 | .0 Wafer Fab Opr II | | Reclassification | |
| | 03/30/92 | 1.3 Assembly Opr II | | Promotion | |
| | 10/22/90 | 1.4 Assembly Opr I | | New Hire | |

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|-----|----------|----------------------|-----------|-----------|-----|
| 604 | 09/26/94 | .6 Wafer Fab Opr III | | Promotion | 604 |
| | 03/30/92 | 2.5 Wafer Fab Opr II | Diffusion | Promotion | |
| | 11/05/90 | 1.4 Wafer Fab Opr I | Diffusion | New Hire | |

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|-----|----------|----------------------|-------------|-----------|-----|
| 605 | 03/27/95 | .1 Wafer Fab Opr III | Ion Implant | Promotion | 605 |
| | 03/29/93 | 2.0 Wafer Fab Opr II | Ion Implant | Promotion | |
| | 11/05/90 | 2.4 Wafer Fab Opr I | Photo | New Hire | |

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| | | JOBS | | | | |
| 606 | 09/26/94 | .6 | Wafer Fab Opr III | CVD | Promotion | 606 |
| | 08/10/93 | 1.1 | Wafer Fab Opr II | CVD | Reclassification | |
| | 03/29/93 | .4 | Wafer Fab Opr II | Diffusion | Promotion | |
| | 11/05/90 | 2.4 | Wafer Fab Opr I | Diffusion | New Hire | |
| | | | | | *** | |
| 607 | 09/26/94 | .6 | Wafer Fab Opr III | | Promotion | 607 |
| | 03/29/93 | 1.5 | Wafer Fab Opr II | PVD | Promotion | |
| | 11/05/90 | 2.4 | Wafer Fab Opr I | PVD | New Hire | |
| | | | | | *** | |
| 609 | 03/28/94 | 1.1 | Wafer Fab Opr III | PVD | Promotion | 609 |
| | 03/30/92 | 2.0 | Wafer Fab Opr II | PVD | Promotion | |
| | 11/05/90 | 1.4 | Wafer Fab Opr I | PVD | New Hire | |
| | | | | | *** | |
| 614 | 03/27/95 | .1 | Fab Mtc Opr II | Fab Maintenance | Promotion | 614 |
| | 04/26/93 | 1.9 | Fab Mtc Opr I | Fab Maintenance | Promotion | |
| | 03/29/93 | .1 | Wafer Fab Opr II | Etch | Promotion | |
| | 12/03/90 | 2.3 | Wafer Fab Opr I | Etch | New Hire | |
| | | | | | *** | |
| 616 | 03/27/95 | .1 | Wafer Fab Opr IV | Etch | Promotion | 616 |
| | 03/29/93 | 2.0 | Wafer Fab Opr III | Etch | Promotion | |
| | 04/15/91 | 2.0 | Wafer Fab Opr II | Etch | Classification | |
| | 12/03/90 | .4 | Wafer Fab Opr | | New Hire | |
| | | | | | *** | |
| 623 | 01/30/95 | .3 | Wafer Fab Opr III | CVD | Reclassification | 623 |
| | 09/26/94 | .3 | Wafer Fab Opr III | | Promotion | |

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|----------|----------------------|-----|-----------|
| 03/29/93 | 1.5 Wafer Fab Opr II | CVD | Promotion |
| 01/21/91 | 2.2 Wafer Fab Opr I | CVD | New Hire |

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|-----|----------|----------------------|-------|-----------------|-----|
| 632 | 10/03/94 | .6 Q.A. Inspector II | | Lateral Transfe | 632 |
| | 08/29/94 | .1 Wafer Fab Opr III | Photo | Promotion | |
| | 03/29/93 | 1.4 Wafer Fab Opr II | Photo | Promotion | |
| | 02/18/91 | 2.1 Wafer Fab Opr I | Photo | New Hire | |

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|-----|----------|----------------------|-----------|-----------------|-----|
| 633 | 09/20/94 | .7 Wafer Fab Opr II | Diffusion | Reclassificatio | 633 |
| | 08/10/93 | 1.1 Wafer Fab Opr II | CVD | Reclassificatio | |
| | 03/29/93 | .4 Wafer Fab Opr II | Diffusion | Promotion | |
| | 02/18/91 | 2.1 Wafer Fab Opr I | Diffusion | New Hire | |

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|-----|----------|----------------------|-----------|-----------------|-----|
| 655 | 03/27/95 | .1 Wafer Fab Opr III | Diffusion | Promotion | 655 |
| | 08/01/93 | 1.7 Wafer Fab Opr II | Diffusion | Reclassificatio | |
| | 03/29/93 | .3 Wafer Fab Opr II | CVD | Promotion | |
| | 04/08/91 | 2.0 Wafer Fab Opr I | CVD | New Hire | |

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|-----|----------|-----------------------|-----|----------------|-----|
| 659 | 03/29/93 | 2.1 Wafer Fab Opr III | CVD | Promotion | 659 |
| | 08/12/91 | 1.6 Wafer Fab Opr II | CVD | Classification | |
| | 05/13/91 | .2 Wafer Fab Opr | | New Hire | |

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|-----|----------|-----------------------|-----|----------------|-----|
| 683 | 03/28/94 | 1.1 Wafer Fab Opr III | PVD | Promotion | 683 |
| | 11/12/91 | 2.4 Wafer Fab Opr II | PVD | Classification | |
| | 08/12/91 | .3 Wafer Fab Opr | CVD | New Hire | |

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|-----|----------|---------------------|-----|-----------------|-----|
| 688 | 03/27/95 | .1 Wafer Fab Opr II | CVD | Promotion | 688 |
| | 06/27/94 | .7 Wafer Fab Opr I | CVD | Rehire | |
| | 03/08/93 | 1.3 Assembly Opr I | | Lateral Transfe | |
| | 10/24/91 | 1.4 Wafer Fab Opr I | CVD | Classification | |
| | 07/24/91 | .3 Wafer Fab Opr | CVD | New Hire | |

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|-----|----------|------------------------|--|------------------|-----|
| 689 | 03/28/94 | 1.1 Q.A. Inspector III | | Promotion | 689 |
| | 12/14/92 | 1.3 Q.A. Inspector I | | Reclassification | |
| | 08/05/91 | 1.4 Assembly Opr I | | New Hire | |

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|-----|----------|---------------------|-----------|------------------|-----|
| 690 | 03/27/95 | .1 Wafer Fab Opr II | Implant | Promotion | 690 |
| | 01/08/94 | 1.2 Wafer Fab Opr I | Implant | Reclassification | |
| | 06/29/92 | 1.5 Wafer Fab Opr I | Diffusion | Reclassification | |
| | 08/05/91 | .9 Parts Clerk II | | New Hire | |

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|-----|----------|-----------------------|-------------|------------------|-----|
| 691 | 03/27/95 | .1 Wafer Fab Opr IV | Ion Implant | Promotion | 691 |
| | 10/18/94 | .4 Wafer Fab Opr III | Ion Implant | Reclassification | |
| | 12/09/91 | 2.9 Wafer Fab Opr III | Diffusion | Reclassification | |
| | 12/09/91 | .0 Wafer Fab Opr III | PVD | Classification | |
| | 09/09/91 | .2 Wafer Fab Opr | Etch | New Hire | |

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|-----|----------|----------------------|-----------|-----------|-----|
| 693 | 03/29/93 | 2.1 Wafer Fab Opr II | CVD | Promotion | 693 |
| | 08/26/91 | 1.6 Wafer Fab Opr I | Diffusion | New Hire | |

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|-----|----------|--------------------|--|------------------|-----|
| 695 | 08/29/94 | .7 Test Opr III | | Promotion | 695 |
| | 08/30/93 | 1.0 Test Opr II | | Reclassification | |
| | 03/29/93 | .4 Assembly Opr II | | Promotion | |
| | 08/26/91 | 1.6 Assembly Opr I | | New Hire | |

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|-----|----------|-----------------------|-------------|------------------|-----|
| 700 | 03/27/95 | .1 Wafer Fab Opr IV | Ion Implant | Promotion | 700 |
| | 06/06/94 | .8 Wafer Fab Opr III | Ion Implant | Reclassification | |
| | 08/01/93 | .8 Wafer Fab Opr III | PVD | Reclassification | |
| | 12/09/91 | 1.6 Wafer Fab Opr III | Etch | Classification | |
| | 09/09/91 | .2 Wafer Fab Opr | Etch | New Hire | |

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|-----|----------|----------------------|-------------|------------------|-----|
| 703 | 03/27/95 | .1 Wafer Fab Opr III | Implant | Promotion | 703 |
| | 02/02/95 | .1 Wafer Fab Opr II | Implant | Reclassification | |
| | 05/11/94 | .7 Wafer Fab Opr II | PVD | Reclassification | |
| | 03/29/93 | 1.1 Wafer Fab Opr II | Ion Implant | Promotion | |
| | 09/30/91 | 1.5 Wafer Fab Opr I | Implant | New Hire | |

| | | | | | |
|-----|----------|----------------------|-------|-----------|-----|
| 709 | 08/29/94 | .7 Wafer Fab Opr III | Photo | Promotion | 709 |
| | 03/29/93 | 1.4 Wafer Fab Opr II | Photo | Promotion | |
| | 11/04/91 | 1.4 Wafer Fab Opr I | Photo | New Hire | |

| | | | | | |
|-----|----------|---------------------|-----------------|-----------|-----|
| 718 | 01/31/94 | 1.3 Fab Mtc Opr I | Fab Maintenance | Promotion | 718 |
| | 09/27/93 | .3 Wafer Fab Opr II | CVD | Promotion | |
| | 01/27/92 | 1.7 Wafer Fab Opr I | CVD | New Hire | |

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|-----|----------|---------------------|------|-----------------|-----|
| 720 | 11/30/94 | .5 Wafer Fab Opr II | PVD | Reclassificatio | 720 |
| | 08/29/94 | .3 Wafer Fab Opr II | Etch | Promotion | |
| | 01/27/92 | 2.6 Wafer Fab Opr I | Etch | New Hire | |

| | | | | | |
|-----|----------|---------------------|-------|-----------------|-----|
| 721 | 03/27/95 | .1 Test Opr III | | Promotion | 721 |
| | 03/28/94 | 1.0 Test Opr II | | Promotion | |
| | 08/30/93 | .6 Test Opr I | | Lateral Transfe | |
| | 01/27/92 | 1.6 Wafer Fab Opr I | Photo | New Hire | |

| | | | | | |
|-----|----------|-----------------|--|-----------|-----|
| 728 | 09/27/93 | 1.6 Test Opr II | | Promotion | 728 |
| | 02/24/92 | 1.6 Test Opr I | | New Hire | |

| | | | | | |
|-----|----------|----------------------|-----------|-----------------|-----|
| 732 | 01/08/94 | 1.3 Wafer Fab Opr II | Diffusion | Reclassificatio | 732 |
| | 03/29/93 | .8 Wafer Fab Opr II | CVD | Promotion | |
| | 03/30/92 | 1.0 Wafer Fab Opr I | CVD | New Hire | |

| | | | | | |
|-----|----------|----------------------|-------|-----------|-----|
| 738 | 03/28/94 | 1.1 Wafer Fab Opr II | Etch | Promotion | 738 |
| | 10/12/92 | 1.5 Wafer Fab Opr I | Photo | New Hire | |

| | | | | | |
|-----|----------|----------------------|-------|-----------------|-----|
| 739 | 03/27/95 | .1 Wafer Fab Opr III | CVD | Reclassificatio | 739 |
| | 08/29/94 | .6 Wafer Fab Opr III | Photo | Promotion | |
| | 03/28/94 | .4 Wafer Fab Opr II | Photo | Promotion | |
| | 11/30/92 | 1.3 Wafer Fab Opr I | Photo | New Hire | |

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| | | | | | *** |
| 742 | 09/27/93 | 1.6 Test Opr II | | Promotion | 742 |
| | 01/18/93 | .7 Test Opr I | | New Hire | |
| | | | | | *** |
| 743 | 03/27/95 | .1 Wafer Fab Opr II | Photo | Promotion | 743 |
| | 02/15/93 | 2.1 Wafer Fab Opr I | Photo | Reclassificatio | |
| | 02/01/93 | .0 Wafer Fab Opr I | Ion Implant | New Hire | |
| | | | | | *** |
| 744 | 08/08/94 | .8 Q.A. Inspector I | | Promotion | 744 |
| | 02/01/93 | 1.5 Wafer Fab Opr I | Etch | New Hire | |
| | | | | | *** |
| 769 | 06/07/93 | 1.9 Wafer Fab Opr III | CVD | New Hire | 769 |
| | | | | | *** |
| 773 | 05/10/94 | 1.0 Wafer Fab Opr IV | PVD | Reclassificatio | 773 |
| | 06/21/93 | .9 Wafer Fab Opr IV | CVD | New Hire | |
| | | | | | *** |
| 779 | 08/29/94 | .7 Wafer Fab Opr II | Etch | Promotion | 779 |
| | 07/12/93 | 1.1 Wafer Fab Opr I | Etch | New Hire | |
| | | | | | *** |
| 780 | 01/30/95 | .3 Wafer Fab Opr II | CVD | Reclassificatio | 780 |
| | 09/26/94 | .3 Wafer Fab Opr II | | Promotion | |

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|-----|----------|-----------------------|-------------|-----------------|-----|
| | 07/19/93 | 1.2 Wafer Fab Opr I | CVD | New Hire | |
| | | | | | *** |
| 782 | 04/13/95 | .1 Wafer Fab Opr III | Diffusion | Reclassificatio | 782 |
| | 08/02/93 | 1.7 Wafer Fab Opr III | CVD | New Hire | |
| | | | | | *** |
| 784 | 05/08/95 | .0 Wafer Fab Opr IV | Implant | Reclassificatio | 784 |
| | 12/28/94 | .4 Wafer Fab Opr IV | Photo | Reclassificatio | |
| | 08/23/93 | 1.3 Wafer Fab Opr IV | Ion Implant | New Hire | |
| | | | | | *** |
| 786 | 08/30/93 | 1.7 Wafer Fab Opr IV | CVD | New Hire | 786 |
| | | | | | *** |
| 787 | 03/22/95 | .2 Wafer Fab Opr III | Diffusion | Reclassificatio | 787 |
| | 04/02/94 | 1.0 Wafer Fab Opr III | Implant | Reclassificatio | |
| | 09/13/93 | .6 Wafer Fab Opr III | Diffusion | New Hire | |
| | | | | | *** |
| 790 | 02/06/95 | .3 Wafer Fab Opr II | CVD | Reclassificatio | 790 |
| | 09/26/94 | .4 Wafer Fab Opr II | Etch | Promotion | |
| | 08/23/93 | 1.1 Wafer Fab Opr I | Etch | New Hire | |
| | | | | | *** |
| 791 | 08/23/93 | 1.7 Test Opr III | | New Hire | 791 |
| | | | | | *** |

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| 795 | 01/30/95 | .3 | Wafer Fab Opr II | Ion Implant | Reclassification | 795 |
| | 09/26/94 | .3 | Wafer Fab Opr II | | Promotion | |
| | 09/13/93 | 1.0 | Wafer Fab Opr I | Implant | New Hire | |
| | | | | | | *** |
| 796 | 03/27/95 | .1 | Wafer Fab Opr II | Photo | Promotion | 796 |
| | 09/13/93 | 1.5 | Wafer Fab Opr I | Photo | New Hire | |
| | | | | | | *** |
| 798 | 07/04/94 | .9 | Q.A. Inspector II | | Lateral Transfe | 798 |
| | 09/27/93 | .8 | Wafer Fab Opr II | CVD | New Hire | |
| | | | | | | *** |
| 800 | 03/27/95 | .1 | Wafer Fab Opr II | Implant | Promotion | 800 |
| | 09/27/93 | 1.5 | Wafer Fab Opr I | Implant | New Hire | |
| | | | | | | *** |
| 802 | 08/29/94 | .7 | Wafer Fab Opr III | Photo | Promotion | 802 |
| | 10/25/93 | .8 | Wafer Fab Opr II | Photo | New Hire | |
| | | | | | | *** |
| 803 | 11/15/93 | 1.5 | Wafer Fab Opr III | Photo | New Hire | 803 |
| | | | | | | *** |
| 804 | 11/15/93 | 1.5 | Wafer Fab Opr IV | Etch | New Hire | 804 |
| | | | | | | *** |
| 810 | 11/15/93 | 1.5 | Wafer Fab Opr I | PVD | New Hire | 810 |

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| | DATES | IN | | | | |
| | | JOB | | | | |
| | | | | | | *** |
| 812 | 03/27/95 | .1 | Wafer Fab Opr II | CVD | Promotion | 812 |
| | 11/15/93 | 1.4 | Wafer Fab Opr I | CVD | New Hire | |
| | | | | | | *** |
| 813 | 08/29/94 | .7 | Wafer Fab Opr II | Diffusion | Promotion | 813 |
| | 11/15/93 | .8 | Wafer Fab Opr I | Diffusion | New Hire | |
| | | | | | | *** |
| 815 | 03/27/95 | .1 | Wafer Fab Opr II | Etch | Promotion | 815 |
| | 11/15/93 | 1.4 | Wafer Fab Opr I | Etch | New Hire | |
| | | | | | | *** |
| 817 | 09/26/94 | .6 | Wafer Fab Opr IV | CVD | Promotion | 817 |
| | 12/13/93 | .8 | Wafer Fab Opr III | CVD | New Hire | |
| | | | | | | *** |
| 820 | 03/27/95 | .1 | Wafer Fab Opr II | Photo | Promotion | 820 |
| | 01/30/95 | .2 | Wafer Fab Opr I | Photo | Reclassification | |
| | 12/13/93 | 1.1 | Wafer Fab Opr I | Photo/DAX | New Hire | |
| | | | | | | *** |
| 821 | 03/27/95 | .1 | Wafer Fab Opr II | Photo | Promotion | 821 |
| | 12/13/93 | 1.3 | Wafer Fab Opr I | Photo | New Hire | |
| | | | | | | *** |
| 822 | 12/13/93 | 1.4 | Wafer Fab Opr I | Photo | New Hire | 822 |

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|-----|----------|----------------------|-----------|------------------|-----|
| 823 | 03/27/95 | .1 Wafer Fab Opr II | CVD | Promotion | 823 |
| | 12/13/93 | 1.3 Wafer Fab Opr I | CVD | New Hire | |
| *** | | | | | |
| 824 | 11/28/94 | .5 Test Opr I | | Lateral Transfe | 824 |
| | 09/21/94 | .2 Wafer Fab Opr I | CVD | Reclassification | |
| | 12/13/94 | .8 Wafer Fab Opr I | Etch | New Hire | |
| *** | | | | | |
| 827 | 09/26/94 | .6 Wafer Fab Opr II | | Promotion | 827 |
| | 01/17/94 | .7 Wafer Fab Opr I | Photo | New Hire | |
| *** | | | | | |
| 828 | 09/26/94 | .6 Wafer Fab Opr II | Diffusion | Promotion | 828 |
| | 01/17/94 | .7 Wafer Fab Opr I | Diffusion | New Hire | |
| *** | | | | | |
| 829 | 08/29/94 | .7 Wafer Fab Opr III | Etch | Promotion | 829 |
| | 01/17/94 | .6 Wafer Fab Opr II | Etch | New Hire | |
| *** | | | | | |
| 830 | 01/17/94 | 1.3 Wafer Fab Opr IV | Photo | New Hire | 830 |
| *** | | | | | |
| 833 | 01/17/94 | 1.3 Wafer Fab Opr II | Photo | New Hire | 833 |

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| | | | | | |
|-----|----------|---------------------|-----|-----------|-----|
| 835 | 03/27/95 | .1 Wafer Fab Opr II | CVD | Promotion | 835 |
| | 01/17/94 | 1.2 Wafer Fab Opr I | CVD | New Hire | |

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|-----|----------|---------------------|-----------|-----------|-----|
| 837 | 03/27/95 | .1 Wafer Fab Opr II | Diffusion | Promotion | 837 |
| | 01/17/94 | 1.2 Wafer Fab Opr I | Diffusion | New Hire | |

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|-----|----------|---------------------|-------|-----------|-----|
| 838 | 03/27/95 | .1 Wafer Fab Opr II | Photo | Promotion | 838 |
| | 01/17/94 | 1.2 Wafer Fab Opr I | Photo | New Hire | |

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|-----|----------|-----------------------|-------|----------|-----|
| 843 | 03/07/94 | 1.2 Wafer Fab Opr III | Photo | New Hire | 843 |
|-----|----------|-----------------------|-------|----------|-----|

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|-----|----------|----------------------|-----------|----------|-----|
| 844 | 03/07/94 | 1.2 Wafer Fab Opr IV | Diffusion | New Hire | 844 |
|-----|----------|----------------------|-----------|----------|-----|

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|-----|----------|---------------------|------|-----------|-----|
| 847 | 03/27/95 | .1 Wafer Fab Opr II | Etch | Promotion | 847 |
| | 02/07/94 | 1.1 Wafer Fab Opr I | Etch | New Hire | |

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|-----|----------|----------------|--|-----------|-----|
| 848 | 03/27/95 | .1 Test Opr II | | Promotion | 848 |
| | 02/21/94 | 1.1 Test Opr I | | New Hire | |

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|-----|----------|--------------------|---------------|------------------|-----|
| 849 | 01/02/95 | .4 Wafer Fab Opr I | Monitor Check | Reclassification | 849 |
| | 02/21/94 | .9 Wafer Fab Opr I | Photo | New Hire | |

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|-----|----------|----------------------|--|-----------|-----|
| 859 | 03/27/95 | .1 Q.A. Inspector II | | Promotion | 859 |
| | 04/18/94 | .9 Q.A. Inspector I | | New Hire | |

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|-----|----------|----------------------|------|----------|-----|
| 862 | 04/18/94 | 1.1 Wafer Fab Opr IV | Etch | New Hire | 862 |
|-----|----------|----------------------|------|----------|-----|

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|-----|----------|---------------------|-----|-----------|-----|
| 872 | 03/27/95 | .1 Wafer Fab Opr II | CVD | Promotion | 872 |
| | 05/16/94 | .9 Wafer Fab Opr I | CVD | New Hire | |

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|-----|----------|--------------------|-------------|----------|-----|
| 879 | 06/06/94 | .9 Wafer Fab Opr I | Ion Implant | New Hire | 879 |
|-----|----------|--------------------|-------------|----------|-----|

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|-----|----------|--------------------|-----|----------|-----|
| 881 | 06/06/94 | .9 Wafer Fab Opr I | CVD | New Hire | 881 |
|-----|----------|--------------------|-----|----------|-----|

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|-----|----------|--------------------|-----|----------|-----|
| 889 | 06/27/94 | .9 Wafer Fab Opr I | CVD | New Hire | 889 |
|-----|----------|--------------------|-----|----------|-----|

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|-----|----------|----------------------|-------|----------|-----|
| 891 | 08/08/94 | .8 Wafer Fab Opr III | Photo | New Hire | 891 |
|-----|----------|----------------------|-------|----------|-----|

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| | | JOBS | | | | |
| 892 | 07/11/94 | .8 | Wafer Fab Opr I | Photo | New Hire | 892 |
| | | | | | | *** |
| 893 | 07/11/94 | .8 | Wafer Fab Opr IV | PVD | New Hire | 893 |
| | | | | | | *** |
| 894 | 07/25/94 | .8 | Wafer Fab Opr III | Photo | New Hire | 894 |
| | | | | | | *** |
| 896 | 09/20/94 | .7 | Wafer Fab Opr I | CVD | Reclassificatio | 896 |
| | 07/25/94 | .2 | Wafer Fab Opr I | Photo | New Hire | |
| | | | | | | *** |
| 899 | 11/07/94 | .5 | Test Opr II | | Reclassificatio | 899 |
| | 08/08/94 | .2 | Test Opr I | | New Hire | |
| | | | | | | *** |
| 902 | 08/22/94 | .7 | Test Opr II | | New Hire | 902 |
| | | | | | | *** |
| 905 | 01/30/95 | .3 | Wafer Fab Opr III | CVD | Reclassificatio | 905 |
| | 08/22/94 | .4 | Wafer Fab Opr III | | New Hire | |
| | | | | | | *** |
| 906 | 01/30/95 | .3 | Wafer Fab Opr I | Photo | Reclassificatio | 906 |
| | 08/22/94 | .4 | Wafer Fab Opr I | | New Hire | |
| | | | | | | *** |

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|-----|----------|--------------------|------|----------|-----|
| 908 | 08/22/94 | .7 Wafer Fab Opr I | Etch | New Hire | 908 |
|-----|----------|--------------------|------|----------|-----|

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|-----|----------|--------------------|-----|-----------------|-----|
| 911 | 09/20/94 | .7 Wafer Fab Opr I | CVD | Reclassificatio | 911 |
| | 08/22/94 | .1 Wafer Fab Opr I | | New Hire | |

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|-----|----------|--------------------|-------|----------|-----|
| 913 | 09/05/94 | .7 Wafer Fab Opr I | Photo | New Hire | 913 |
|-----|----------|--------------------|-------|----------|-----|

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|-----|----------|--------------------|-------------|----------|-----|
| 916 | 09/19/94 | .7 Wafer Fab Opr I | Ion Implant | New Hire | 916 |
|-----|----------|--------------------|-------------|----------|-----|

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| 917 | 09/19/94 | .7 Wafer Fab Opr I | PVD | New Hire | 917 |
|-----|----------|--------------------|-----|----------|-----|

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|-----|----------|----------------------|------|-----------------|-----|
| 918 | 11/13/94 | .5 Wafer Fab Opr III | Etch | Reclassificatio | 918 |
| | 10/03/94 | .1 Wafer Fab Opr III | PVD | New Hire | |

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|-----|----------|---------------------|-------|----------|-----|
| 919 | 10/03/94 | .6 Wafer Fab Opr IV | Photo | New Hire | 919 |
|-----|----------|---------------------|-------|----------|-----|

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| 921 | 10/03/94 | .6 Wafer Fab Opr II | Etch | New Hire | 921 |
|-----|----------|---------------------|------|----------|-----|

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|-----|----------|--------------------|-----|----------|-----|
| 923 | 10/03/94 | .6 Wafer Fab Opr I | CVD | New Hire | 923 |
|-----|----------|--------------------|-----|----------|-----|

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|-----|----------|--------------------|-------|-----------------|-----|
| 927 | 04/10/95 | .1 Wafer Fab Opr I | Photo | Reclassificatio | 927 |
| | 10/17/94 | .5 Wafer Fab Opr I | | New Hire | |

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|-----|----------|--------------------|-----|----------|-----|
| 928 | 10/17/94 | .6 Wafer Fab Opr I | CVD | New Hire | 928 |
|-----|----------|--------------------|-----|----------|-----|

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|-----|----------|--------------------|------|-----------------|-----|
| 929 | 10/17/94 | .6 Wafer Fab Opr I | Etch | Reclassificatio | 929 |
| | 10/17/94 | .0 Wafer Fab Opr I | | New Hire | |

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|-----|----------|--------------------|------|----------|-----|
| 930 | 10/17/94 | .6 Wafer Fab Opr I | Etch | New Hire | 930 |
|-----|----------|--------------------|------|----------|-----|

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|-----|----------|----------------------|-----------|-----------------|-----|
| 932 | 11/21/94 | .5 Wafer Fab Opr III | Etch | Reclassificatio | 932 |
| | 10/31/94 | .1 Wafer Fab Opr III | Diffusion | New Hire | |

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|-----|----------|--------------------|-------|----------|-----|
| 935 | 10/31/94 | .5 Wafer Fab Opr I | Photo | New Hire | 935 |
|-----|----------|--------------------|-------|----------|-----|

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| 936 | 10/31/94 | .5 Wafer Fab Opr I | Photo | New Hire | 936 |
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| 937 | 11/28/94 | .5 Wafer Fab Opr III | Etch | New Hire | 937 |
|-----|----------|----------------------|------|----------|-----|

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| 938 | 11/28/94 | .5 Wafer Fab Opr IV | Ion Implant | New Hire | 938 |
|-----|----------|---------------------|-------------|----------|-----|

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|-----|----------|---------------|--|----------|-----|
| 940 | 11/14/94 | .5 Test Opr I | | New Hire | 940 |
|-----|----------|---------------|--|----------|-----|

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| 941 | 11/14/94 | .5 Wafer Fab Opr I | | New Hire | 941 |
|-----|----------|--------------------|--|----------|-----|

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|-----|----------|--------------------|--|----------|-----|
| 942 | 11/14/94 | .5 Wafer Fab Opr I | | New Hire | 942 |
|-----|----------|--------------------|--|----------|-----|

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| 944 | 11/28/94 | .5 Test Opr III | | New Hire | 944 |
|-----|----------|-----------------|--|----------|-----|

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| 946 | 11/28/94 | .5 Wafer Fab Opr II | Photo | New Hire | 946 |
|-----|----------|---------------------|-------|----------|-----|

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|-----|----------|----------------------|-----|----------|-----|
| 947 | 11/28/94 | .5 Wafer Fab Opr III | CVD | New Hire | 947 |
|-----|----------|----------------------|-----|----------|-----|

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| 948 | 11/28/94 | .5 Wafer Fab Opr I | Photo | New Hire | 948 |
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|-----|----------|----|-----------------|-----|----------|-----|
| 949 | 11/28/94 | .5 | Wafer Fab Opr I | CVD | New Hire | 949 |
|-----|----------|----|-----------------|-----|----------|-----|

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|-----|----------|----|-----------------|-------------|----------|-----|
| 950 | 11/28/94 | .5 | Wafer Fab Opr I | Ion Implant | New Hire | 950 |
|-----|----------|----|-----------------|-------------|----------|-----|

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|-----|----------|----|-----------------|-------|----------|-----|
| 951 | 11/28/94 | .5 | Wafer Fab Opr I | Photo | New Hire | 951 |
|-----|----------|----|-----------------|-------|----------|-----|

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|-----|----------|----|------------------|--|----------|-----|
| 953 | 11/28/94 | .5 | Q.A. Inspector I | | New Hire | 953 |
|-----|----------|----|------------------|--|----------|-----|

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|-----|----------|----|------------|--|----------|-----|
| 955 | 11/28/94 | .5 | Test Opr I | | New Hire | 955 |
|-----|----------|----|------------|--|----------|-----|

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|-----|----------|----|------------|--|----------|-----|
| 956 | 11/28/94 | .5 | Test Opr I | | New Hire | 956 |
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| 957 | 11/28/94 | .5 | Wafer Fab Opr I | Etch | New Hire | 957 |
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| 958 | 11/28/94 | .5 | Wafer Fab Opr I | PVD | New Hire | 958 |
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| 959 | 11/28/94 | .5 | Wafer Fab Opr I | Photo | New Hire | 959 |
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| | | | | | *** |
| 961 | 12/12/94 | .4 Wafer Fab Opr I | PVD | New Hire | 961 |
| | | | | | *** |
| 962 | 12/12/94 | .4 Wafer Fab Opr I | Etch | New Hire | 962 |
| | | | | | *** |
| 963 | 12/12/94 | .4 Wafer Fab Opr I | PVD | New Hire | 963 |
| | | | | | *** |
| 965 | 03/03/95 | .2 Wafer Fab Opr I | Etch | Reclassificatio | 965 |
| | 01/02/95 | .2 Wafer Fab Opr I | PVD | New Hire | |
| | | | | | *** |
| 966 | 01/02/95 | .4 Wafer Fab Opr I | Etch | New Hire | 966 |
| | | | | | *** |
| 967 | 03/20/95 | .2 Wafer Fab Opr I | PVD | Reclassificatio | 967 |
| | 01/02/95 | .2 Wafer Fab Opr I | Diffusion | New Hire | |
| | | | | | *** |
| 968 | 01/02/95 | .4 Wafer Fab Opr I | Photo | New Hire | 968 |
| | | | | | *** |
| 970 | 02/06/94 | 1.3 Wafer Fab Opr I | PVD | New Hire | 970 |
| | | | | | *** |

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| | DATES | IN | | | | |
| | | JOB | | | | |
| 971 | 02/06/95 | .3 | Wafer Fab Opr I | Diff/11 | New Hire | 971 |
| | | | | | | *** |
| 973 | 02/27/95 | .2 | Wafer Fab Opr I | Photo | New Hire | 973 |
| | | | | | | *** |
| 974 | 02/27/95 | .2 | Wafer Fab Opr I | Etch | New Hire | 974 |
| | | | | | | *** |
| 975 | 02/27/95 | .2 | Wafer Fab Opr I | Photo | New Hire | 975 |
| | | | | | | *** |
| 976 | 02/27/95 | .2 | Wafer Fab Opr I | Diffusion | New Hire | 976 |
| | | | | | | *** |
| 977 | 02/27/95 | .2 | Wafer Fab Opr I | Implant | New Hire | 977 |
| | | | | | | *** |
| 978 | 02/27/95 | .2 | Wafer Fab Opr I | Etch | New Hire | 978 |
| | | | | | | *** |
| 979 | 02/27/95 | .2 | Wafer Fab Opr I | Photo | New Hire | 979 |
| | | | | | | *** |
| 980 | 03/13/95 | .2 | Wafer Fab Opr I | PVD | New Hire | 980 |

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| 981 | 03/13/95 | .2 Wafer Fab Opr I | Diffusion | New Hire | 981 |
|-----|----------|--------------------|-----------|----------|-----|

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|-----|----------|--------------------|------|----------|-----|
| 982 | 03/13/95 | .2 Wafer Fab Opr I | Etch | New Hire | 982 |
|-----|----------|--------------------|------|----------|-----|

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|-----|----------|--------------------|------|------------------|-----|
| 983 | 04/18/95 | .1 Wafer Fab Opr I | Etch | Reclassification | 983 |
| | 03/13/95 | .1 Wafer Fab Opr I | PVD | New Hire | |

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| | | JOBS | | | | |
| 28 | 10/03/88 | 6.6 | Facilities Mtc Tech IV | Instrumentation | Classification | 28 |
| | 06/27/88 | .3 | Facilities Mtc Tech | | New Hire | |
| | | | | | | *** |
| 29 | 11/27/89 | 5.5 | Facilities Mtc Tech IV | RODI/Waste Treatment | Promotion | 29 |
| | 10/03/88 | 1.1 | Facilities Mtc Tech III | | Classification | |
| | 06/27/88 | .3 | Facilities Mtc Tech | | New Hire | |
| | | | | | | *** |
| 32 | 10/02/89 | 5.6 | Facilities Mtc Tech IV | Mechanical | Promotion | 32 |
| | 04/03/89 | .5 | Facilities Mtc Tech III | | Classification | |
| | 07/06/88 | .7 | Facilities Mtc Tech | | New Hire | |
| | | | | | | *** |
| 40 | 10/01/90 | 4.6 | Facilities Mtc Tech IV | HVAC | Promotion | 40 |
| | 04/03/89 | 1.5 | Facilities Mtc Tech III | | Classification | |
| | 07/11/88 | .7 | Facilities Mtc Tech | | New Hire | |
| | | | | | | *** |
| 56 | 04/03/89 | 6.1 | Facilities Mtc Tech IV | Electrical | Classification | 56 |
| | 07/25/88 | .7 | Facilities Mtc Tech | | New Hire | |
| | | | | | | *** |
| 61 | 11/27/89 | 5.5 | Facilities Mtc Tech IV | Electrical | Promotion | 61 |
| | 04/03/89 | .7 | Facilities Mtc Tech III | | Classification | |
| | 08/01/88 | .7 | Facilities Mtc Tech | | New Hire | |
| | | | | | | *** |
| 62 | 04/02/90 | 5.1 | Facilities Mtc Tech IV | HVAC | Promotion | 62 |

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| 04/03/89 | 1.0 Facilities Mtc Tech III | | Classification |
| 08/08/88 | .7 Facilities Mtc Tech | | New Hire |

| | | | | | |
|----|----------|-----------------------------|------------|----------------|----|
| 63 | 09/30/91 | 3.6 Facilities Mtc Tech IV | Mechanical | Promotion | 63 |
| | 04/03/89 | 2.5 Facilities Mtc Tech III | Mechanical | Classification | |
| | 08/08/88 | .7 Facilities Mtc Tech | | New Hire | |

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|----|----------|-----------------------------|----------------------|----------------|----|
| 66 | 09/30/91 | 3.6 Facilities Mtc Tech IV | RODI/Waste Treatment | Promotion | 66 |
| | 10/02/89 | 2.0 Facilities Mtc Tech III | RODI/Waste Treatment | Promotion | |
| | 04/03/89 | .5 Facilities Mtc Tech II | | Classification | |
| | 08/22/88 | .6 Facilities Mtc Tech | | New Hire | |

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|----|----------|----------------------------|-----|-----------------|----|
| 80 | 07/18/94 | .8 Assoc Engineer/Process | CVD | Promotion | 80 |
| | 03/30/92 | 2.3 Process Engrg Tech III | CVD | Promotion | |
| | 10/02/89 | 2.5 Process Engrg Tech II | CVD | Promotion | |
| | 05/01/89 | .4 Process Engrg Tech I | | Lateral Transfe | |
| | 12/06/88 | .4 Wafer Fab Opr III | | Classification | |
| | 09/06/88 | .2 Wafer Fab Opr | | New Hire | |

| | | | | | |
|----|----------|----------------------------|------|----------------|----|
| 82 | 03/29/93 | 2.1 Process Engrg Tech III | Etch | Promotion | 82 |
| | 09/30/91 | 1.5 Process Engrg Tech II | Etch | Promotion | |
| | 01/21/90 | 1.7 Process Engrg Tech I | Etch | Promotion | |
| | 04/03/89 | .8 Wafer Fab Opr II | Etch | Classification | |
| | 09/06/88 | .6 Wafer Fab Opr | Etch | New Hire | |

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| | | JOBS | | | | |
| 91 | 04/03/89 | | 6.1 Facilities Mtc Tech IV | RODI/Waste Treatment | Classification | 91 |
| | 09/12/88 | | .6 Facilities Mtc Tech | | New Hire | |
| | | | | | | *** |
| 96 | 12/19/88 | | 6.4 Equipment Mtc Tech IV | PVD/Ion Implant | Classification | 96 |
| | 09/19/88 | | .2 Equipment Mtc Tech | | New Hire | |
| | | | | | | *** |
| 97 | 03/22/93 | | 2.1 Equipment Mtc Tech IV | PVD/Ion Implant | Lateral Transfe | 97 |
| | 09/25/89 | | 3.5 Equipment Engineer I | PVD | Promotion | |
| | 04/01/89 | | .5 Equipment Mtc Tech IV | PVD | Classification | |
| | 09/19/88 | | .5 Equipment Mtc Tech | PVD | New Hire | |
| | | | | | | *** |
| 129 | 03/30/92 | | 3.1 Facilities Mtc Tech III | Mechanical | Promotion | 129 |
| | 04/03/89 | | 3.0 Facilities Mtc Tech II | Mechanical | Classification | |
| | 11/21/88 | | .4 Facilities Mtc Tech | Mechanical | New Hire | |
| | | | | | | *** |
| 134 | 10/25/93 | | 1.6 Test Technician IV | | Reclassification | 134 |
| | 08/30/93 | | .2 Test Engineer I | | Reclassification | |
| | 04/29/91 | | 2.3 Assembly Engineer I | | Promotion | |
| | 04/01/91 | | .1 Assembly Tech IV | | Promotion | |
| | 10/02/89 | | 1.5 Assembly Tech III | | Promotion | |
| | 04/03/89 | | .5 Assembly Tech II | | Classification | |
| | 12/05/88 | | .3 Assembly Tech | | New Hire | |
| | | | | | | *** |
| 136 | 10/01/90 | | 4.6 Equipment Mtc Tech IV | PVD/Ion Implant | Promotion | 136 |
| | 04/02/90 | | .5 Equipment Mtc Tech III | | Promotion | |

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|-----|----------|----------------------------|-------|------------------|-----|
| | 10/02/89 | .5 Equipment Mtc Tech II | | Promotion | |
| | 04/03/89 | .5 Equipment Mtc Tech I | | Classification | |
| | 12/05/88 | .3 Equipment Mtc Tech | | New Hire | |
| | | | | | *** |
| 138 | 04/01/91 | 4.1 Equipment Mtc Tech IV | CVD | Promotion | 138 |
| | 10/02/89 | 1.5 Equipment Mtc Tech III | | Promotion | |
| | 04/01/89 | .5 Equipment Mtc Tech II | | Classification | |
| | 12/19/88 | .3 Equipment Mtc Tech | | New Hire | |
| | | | | | *** |
| 145 | 04/09/89 | 6.1 Test Technician IV | | New Hire | 145 |
| | 01/09/89 | .2 Test Technician | | New Hire | |
| | | | | | *** |
| 147 | 08/29/94 | .7 Process Engrg Tech III | Etch | Promotion | 147 |
| | 04/26/93 | 1.3 Process Engrg Tech II | Etch | Lateral Transfe | |
| | 06/29/92 | .8 Wafer Fab Opr III | Photo | Reclassification | |
| | 10/01/90 | 1.7 Process Engrg Tech II | DAX | Promotion | |
| | 05/01/89 | 1.4 Process Engrg Tech I | | Transfer | |
| | 04/09/89 | .1 Wafer Fab Opr III | | Classification | |
| | 01/09/89 | .2 Wafer Fab Opr | | New Hire | |
| | | | | | *** |
| 155 | 03/27/95 | .1 Q.A. Tech III | | Promotion | 155 |
| | 03/02/92 | 3.1 Q.A. Tech II | | Lateral Transfe | |
| | 09/30/91 | .4 Process Engrg Tech II | Etch | Promotion | |
| | 06/04/90 | 1.3 Process Engrg Tech I | Etch | Promotion | |
| | 04/02/90 | .2 Wafer Fab Opr II | Photo | Promotion | |
| | 04/16/89 | 1.0 Wafer Fab Opr I | Photo | Classification | |
| | 01/16/89 | .2 Wafer Fab Opr | Photo | New Hire | |

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| 159 | 09/26/94 | .6 Process Engrg Tech II | PVD | Promotion | 159 |
| | 06/07/93 | 1.3 Process Engrg Tech I | PVD | Lateral Transfe | |
| | 03/30/92 | 1.2 Technical Lead Opr II | PVD | Promotion | |
| | 06/17/91 | .8 Technical Lead Opr I | PVD | Promotion | |
| | 10/01/90 | .7 Wafer Fab Opr II | | Promotion | |
| | 04/23/89 | 1.4 Wafer Fab Opr I | | Promotion | |
| | 01/23/89 | .2 Wafer Fab Opr - Trainee | | New Hire | |

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|-----|----------|---------------------------|------|-----------------|-----|
| 166 | 10/25/93 | 1.6 Equipment Mtc Tech IV | Etch | Lateral Transfe | 166 |
| | 04/30/89 | 4.5 Test Technician IV | | Classification | |
| | 01/30/89 | .2 Test Technician | | New Hire | |

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|-----|----------|--------------------------|-----|------------------|-----|
| 169 | 03/07/94 | 1.2 Process Engrg Tech I | PVD | Reclassification | 169 |
| | 10/18/93 | .4 Process Engrg Tech I | CVD | Promotion | |
| | 04/01/91 | 2.5 Wafer Fab Opr II | CVD | Promotion | |
| | 05/06/89 | 1.9 Wafer Fab Opr I | | Classification | |
| | 02/06/89 | .2 Wafer Fab Opr | | New Hire | |

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|-----|----------|----------------------------|------|----------------|-----|
| 172 | 05/13/89 | 6.0 Equipment Mtc Tech III | Etch | Classification | 172 |
| | 02/13/89 | .2 Equipment Mtc Tech | | New Hire | |

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|-----|----------|-----------------------------|------------|----------------|-----|
| 180 | 10/01/90 | 4.6 Facilities Mtc Tech IV | Electrical | Promotion | 180 |
| | 05/27/89 | 1.3 Facilities Mtc Tech III | | Classification | |
| | 02/27/89 | .2 Facilities Mtc Tech | | New Hire | |

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| 184 | 11/28/94 | .5 Test Equip Tech II | | Rehire | 184 |
| | 03/28/94 | .7 Test Opr IV | | Promotion | |
| | 03/30/92 | 2.0 Test Opr III | | Promotion | |
| | 04/02/90 | 2.0 Test Opr II | | Promotion | |
| | 05/18/89 | .9 Test Opr I | | Classification | |
| | 02/27/89 | .2 Test Opr | | New Hire | |

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|-----|----------|---------------------------|-----------------|------------------|-----|
| 186 | 07/18/94 | .8 Equipment Mtc Tech IV | Photo | Reclassification | 186 |
| | 10/02/89 | 4.8 Equipment Mtc Tech IV | PVD/Ion Implant | Classification | |
| | 03/03/89 | .6 Equipment Mtc Tech | | New Hire | |

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|-----|----------|----------------------------|-----|-----------|-----|
| 187 | 08/29/94 | .7 Assoc Engineer/Process | CVD | Promotion | 187 |
| | 03/06/89 | 5.5 Process Engrg Tech III | CVD | New Hire | |

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|-----|----------|---------------------------|-------|----------------|-----|
| 188 | 10/02/89 | 5.6 Equipment Mtc Tech IV | Photo | Classification | 188 |
| | 03/06/89 | .6 Equipment Mtc Tech | | New Hire | |

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|-----|----------|------------------------------------|--|------------------|-----|
| 198 | 03/27/95 | .1 Assoc Engineer/Equipment | | Reclassification | 198 |
| | 03/07/94 | 1.1 Equip Engrg Technical Spc Etch | | Reclassification | |
| | 03/01/93 | 1.0 Equip Engrg Technical Spc | | Reclassification | |
| | 12/17/90 | 2.2 Supv II, Equip Mtc | | Promotion | |
| | 04/02/90 | .7 Equipment Mtc Tech IV | | Promotion | |
| | 10/02/89 | .5 Equipment Mtc Tech III | | Classification | |
| | 03/13/89 | .6 Equipment Mtc Tech | | New Hire | |

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| | | | | | | *** |
| 200 | 10/02/89 | 5.6 | Facilities Mtc Tech IV | Instrumentation | Classification | 200 |
| | 03/13/89 | .6 | Facilities Mtc Tech | | New Hire | |
| | | | | | | *** |
| 226 | 03/27/95 | .1 | Process Engrg Tech IV | Photo | Promotion | 226 |
| | 03/30/92 | 3.0 | Process Engrg Tech III | Photo | Promotion | |
| | 10/02/89 | 2.5 | Process Engrg Tech II | Photo | Classification | |
| | 04/10/89 | .5 | Process Engrg Tech | Photo | New Hire | |
| | | | | | | *** |
| 232 | 09/27/93 | 1.6 | Facilities Mtc Tech III | Chemical Supply System | Promotion | 232 |
| | 02/03/92 | 1.6 | Facilities Mtc Tech II | Chemical Supply System | Reclassification | |
| | 07/24/89 | 2.5 | Chemical Tech II | Chemical Supply System | Classification | |
| | 04/24/89 | .2 | Chemical Tech | Chemical Supply System | New Hire | |
| | | | | | | *** |
| 236 | 06/13/94 | .9 | Assoc Engineer/Process | | Promotion | 236 |
| | 09/30/91 | 2.7 | Process Engrg Tech III | PVD | Promotion | |
| | 10/01/90 | 1.0 | Process Engrg Tech II | PVD | Promotion | |
| | 08/01/89 | 1.2 | Process Engrg Tech I | PVD | Classification | |
| | 05/01/89 | .3 | Process Engrg Tech | | New Hire | |
| | | | | | | *** |
| 239 | 09/27/93 | 1.6 | Laboratory Tech III | | Promotion | 239 |
| | 02/17/92 | 1.6 | Laboratory Tech II | | Lateral Transfe | |
| | 10/01/90 | 1.4 | Process Engrg Tech II | PVD | Promotion | |
| | 08/01/89 | 1.2 | Process Engrg Tech I | PVD | Classification | |
| | 05/01/89 | .3 | Process Engrg Tech | PVD | New Hire | |

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| 271 | 08/29/94 | .7 Assoc Engineer/Process | Diff/II | Promotion | 271 |
| | 03/07/94 | .5 Process Engrg Tech IV | Diff/II | Reclassification | |
| | 06/29/92 | 1.7 Process Engrg Tech IV | Ion Implant | Promotion | |
| | 03/01/92 | .3 Process Engrg Tech III | DAX | Lateral Transfe | |
| | 10/02/89 | 2.4 Process Engrg Tech III | DAX | Classification | |
| | 05/08/89 | .4 Process Engrg Tech | | New Hire | |

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|-----|----------|----------------------------|--------|----------------|-----|
| 279 | 03/29/93 | 2.1 Process Engrg Tech III | Device | Promotion | 279 |
| | 10/01/90 | 2.5 Process Engrg Tech II | Device | Promotion | |
| | 08/15/89 | 1.1 Process Engrg Tech I | | Classification | |
| | 05/15/89 | .3 Process Engrg Tech | | New Hire | |

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|-----|----------|----------------------------|------|----------------|-----|
| 285 | 09/27/93 | 1.6 Process Engrg Tech III | Etch | Promotion | 285 |
| | 04/01/91 | 2.5 Process Engrg Tech II | Etch | Promotion | |
| | 07/16/90 | .7 Process Engrg Tech I | Etch | Promotion | |
| | 04/02/90 | .3 Wafer Fab Opr III | Etch | Promotion | |
| | 09/19/89 | .5 Wafer Fab Opr II | Etch | Classification | |
| | 06/19/89 | .3 Wafer Fab Opr | Etch | New Hire | |

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|-----|----------|--------------------------|-------|------------------|-----|
| 286 | 03/07/94 | 1.2 Process Engrg Tech I | CVD | Reclassification | 286 |
| | 11/03/93 | .3 Process Engrg Tech I | | Promotion | |
| | 08/01/93 | .3 Wafer Fab Opr III | CVD | Reclassification | |
| | 10/26/92 | .8 Wafer Fab Opr III | Photo | Reclassification | |
| | 04/02/90 | 2.6 Wafer Fab Opr III | CVD | Promotion | |
| | 10/02/89 | .5 Wafer Fab Opr II | CVD | Classification | |
| | 06/19/89 | .3 Wafer Fab Opr | CVD | New Hire | |

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| 299 | 08/29/94 | .7 Equipment Mtc Tech III | Photo | Promotion | 299 |
| | 06/29/92 | 2.2 Equipment Mtc Tech II | Photo | Reclassification | |
| | 04/01/91 | 1.2 Process Engrg Tech II | Photo | Promotion | |
| | 06/11/90 | .8 Process Engrg Tech I | | Promotion | |
| | 04/02/90 | .2 Wafer Fab Opr III | | Promotion | |
| | 10/02/89 | .5 Wafer Fab Opr II | | Classification | |
| | 06/10/89 | .3 Wafer Fab Opr | | New Hire | |

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|-----|----------|------------------------|--|----------------|-----|
| 301 | 02/20/95 | .2 Assoc Engineer/Q.A. | | Promotion | 301 |
| | 03/29/93 | 1.9 Q.A. Tech II | | Promotion | |
| | 12/10/90 | 2.3 Q.A. Tech I | | Promotion | |
| | 09/05/89 | 1.3 Q.A. Inspector II | | Classification | |
| | 06/05/89 | .3 Q.A. Inspector | | New Hire | |

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|-----|----------|---------------------------|------|------------------|-----|
| 311 | 04/02/90 | 5.1 Equipment Mtc Tech IV | Etch | Reclassification | 311 |
| | 10/02/89 | .5 Equipment Mtc Tech III | Etch | Classification | |
| | 06/19/89 | .3 Equipment Mtc Tech | | New Hire | |

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|-----|----------|----------------------------|-------|----------------|-----|
| 312 | 09/27/93 | 1.6 Equipment Mtc Tech IV | Photo | Promotion | 312 |
| | 04/02/90 | 3.5 Equipment Mtc Tech III | Photo | Classification | |
| | 07/05/89 | .7 Equipment Mtc Tech | | New Hire | |

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|-----|----------|-------------------------|--|------------------|-----|
| 313 | 03/29/93 | 2.1 Laboratory Tech III | | Promotion | 313 |
| | 02/03/92 | 1.1 Laboratory Tech II | | Reclassification | |

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| | | JOB | | | | |
| | 10/01/90 | | 1.3 Chemical Tech II | | Promotion | |
| | 04/02/90 | | .5 Chemical Tech I | | Classification | |
| | 07/17/89 | | .7 Chemical Tech | | New Hire | |
| | | | | | *** | |
| 315 | 08/29/94 | | .7 Equipment Mtc Tech III | Etch | Promotion | 315 |
| | 03/30/92 | | 2.4 Equipment Mtc Tech II | Etch | Promotion | |
| | 10/29/90 | | 1.4 Equipment Mtc Tech I | Etch | Promotion | |
| | 04/02/90 | | .6 Wafer Fab Opr III | | Classification | |
| | 07/05/89 | | .7 Wafer Fab Opr | | New Hire | |
| | | | | | *** | |
| 324 | 03/28/94 | | 1.1 Q.A. Tech II | | Promotion | 324 |
| | 12/10/90 | | 3.3 Q.A. Tech I | | Promotion | |
| | 09/19/89 | | 1.2 Q.A. Inspector II | | Classification | |
| | 06/19/89 | | .3 Q.A. Inspector | | New Hire | |
| | | | | | *** | |
| 330 | 03/28/94 | | 1.1 Facilities Mtc Tech IV | RODI/Waste Treatment | Promotion | 330 |
| | 09/30/91 | | 2.5 Facilities Mtc Tech III | RODI/Waste Treatment | Promotion | |
| | 10/02/89 | | 2.0 Facilities Mtc Tech II | RODI/Waste Treatment | Classification | |
| | 06/26/89 | | .3 Facilities Mtc Tech | | New Hire | |
| | | | | | *** | |
| 331 | 09/26/94 | | .6 Facilities Mtc Tech IV | Chemical Supply System | Promotion | 331 |
| | 02/03/92 | | 2.6 Facilities Mtc Tech III | Chemical Supply System | Reclassification | |
| | 04/02/90 | | 1.8 Chemical Tech III | Chemical Supply System | Classification | |
| | 06/26/89 | | .8 Chemical Tech | Chemical Supply System | New Hire | |
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| | JOBS | | | | | |
| 332 | 03/07/94 | 1.2 | Assoc Engineer/Process | Device | Reclassification | 332 |
| | 03/30/92 | 1.9 | Assoc Engineer/Process | Etch | Promotion | |
| | 10/22/90 | 1.4 | Process Engrg Tech III | Etch | Rehire | |
| | 10/30/89 | 1.0 | Process Engrg Tech III | Etch | Classification | |
| | 07/17/89 | .3 | Process Engrg Tech | Etch | New Hire | |
| | | | | | | *** |
| 333 | 03/28/94 | 1.1 | Facilities Mtc Tech III | Chemical Supply System | Promotion | 333 |
| | 02/03/92 | 2.1 | Facilities Mtc Tech II | Chemical Supply System | Reclassification | |
| | 04/02/90 | 1.8 | Chemical Tech II | Chemical Supply System | Classification | |
| | 07/10/89 | .7 | Chemical Tech | Chemical Supply System | New Hire | |
| | | | | | | *** |
| 338 | 04/02/90 | 5.1 | Equipment Mtc Tech IV | PVD/Ion Implant | Classification | 338 |
| | 07/31/89 | .7 | Equipment Mtc Tech | | New Hire | |
| | | | | | | *** |
| 357 | 04/02/90 | 5.1 | Equipment Mtc Tech IV | PVD/Ion Implant | Classification | 357 |
| | 08/14/89 | .6 | Equipment Mtc Tech | PVD | New Hire | |
| | | | | | | *** |
| 375 | 12/19/94 | .4 | Equipment Mtc Tech III | CVD | Promotion | 375 |
| | 10/25/93 | 1.1 | Equipment Mtc Tech II | CVD | Reclassification | |
| | 03/01/93 | .7 | Equipment Mtc Tech II | Photo | Lateral Transfe | |
| | 03/30/92 | .9 | Process Engrg Tech II | CVD | Promotion | |
| | 11/05/90 | 1.4 | Process Engrg Tech I | CVD | Promotion | |
| | 10/01/90 | .1 | Wafer Fab Opr II | CVD | Promotion | |
| | 11/17/89 | .9 | Wafer Fab Opr I | CVD | Promotion | |
| | 08/16/89 | .3 | Wafer Fab Opr - Trainee | CVD | New Hire | |
| | | | | | | *** |

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|-----|----------|--------------------------|-------------|------------------|-----|
| 382 | 08/15/94 | .8 Process Engrg Tech II | PVD | Promotion | 382 |
| | 08/31/93 | 1.0 Wafer Fab Opr III | CVD | Reclassification | |
| | 06/30/92 | 1.2 Wafer Fab Opr III | Diffusion | Reclassification | |
| | 03/30/92 | .3 Wafer Fab Opr III | Diffusion | Transfer | |
| | 04/02/90 | 2.0 Wafer Fab Opr III | Super Clean | Classification | |
| | 08/21/89 | .6 Wafer Fab Opr | | New Hire | |

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|-----|----------|---------------------------|-------|----------------|-----|
| 395 | 03/30/93 | 2.1 Process Engrg Tech II | Photo | Promotion | 395 |
| | 03/30/92 | 1.0 Wafer Fab Opr IV | CVD | Promotion | |
| | 04/02/90 | 2.0 Wafer Fab Opr III | Photo | Classification | |
| | 08/28/89 | .6 Wafer Fab Opr | | New Hire | |

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|-----|----------|------------------------|-------|----------------|-----|
| 397 | 05/23/94 | 1.0 Q.A. Tech II | | Promotion | 397 |
| | 03/28/94 | .2 Q.A. Inspector IV | | Promotion | |
| | 03/30/92 | 2.0 Q.A. Inspector III | | Promotion | |
| | 07/08/91 | .7 Q.A. Inspector II | | Promotion | |
| | 12/05/89 | 1.6 Wafer Fab Opr III | Photo | Classification | |
| | 09/05/89 | .2 Wafer Fab Opr | | New Hire | |

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|-----|----------|----------------------------|-----------|-----------------|-----|
| 405 | 03/27/95 | .1 Equipment Mtc Tech III | CVD | Promotion | 405 |
| | 07/19/93 | 1.7 Equipment Mtc Tech II | CVD | Lateral Transfe | |
| | 03/30/92 | 1.3 Technical Lead Opr III | Diffusion | Promotion | |
| | 08/06/90 | 1.6 Technical Lead Opr II | Diffusion | Promotion | |
| | 04/02/90 | .3 Wafer Fab Opr III | | Promotion | |
| | 12/11/89 | .3 Wafer Fab Opr II | | Classification | |
| | 09/11/89 | .2 Wafer Fab Opr | | New Hire | |

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|-----|----------|---------------------------|-------|----------------|-----|
| 409 | 08/29/94 | .7 Equipment Mtc Tech III | Photo | Promotion | 409 |
| | 03/29/93 | 1.4 Equipment Mtc Tech II | Photo | Promotion | |
| | 01/29/91 | 2.2 Equipment Mtc Tech I | Photo | Classification | |
| | 10/29/90 | .3 Equipment Mtc Tech | | Promotion | |
| | 10/01/90 | .1 Wafer Fab Opr III | | Promotion | |
| | 12/18/89 | .8 Wafer Fab Opr II | | Classification | |
| | 09/18/89 | .2 Wafer Fab Opr | | New Hire | |

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| 411 | 04/02/90 | 5.1 Equipment Mtc Tech IV | Photo | Classification | 411 |
| | 09/05/89 | .6 Equipment Mtc Tech | | New Hire | |

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|-----|----------|----------------------------|------|----------------|-----|
| 419 | 03/28/94 | 1.1 Assoc Engineer/Process | | Promotion | 419 |
| | 03/29/93 | 1.0 Process Engrg Tech III | Etch | Promotion | |
| | 04/01/91 | 2.0 Process Engrg Tech II | Etch | Promotion | |
| | 12/05/89 | 1.3 Process Engrg Tech I | | Classification | |
| | 09/05/89 | .2 Process Engrg Tech | | New Hire | |

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|-----|----------|----------------------------|---------------------|----------------|-----|
| 425 | 10/01/90 | 4.6 Facilities Mtc Tech IV | Instrumentation | Promotion | 425 |
| | 11/21/89 | .9 Facilities Mtc Tech III | | Classification | |
| | 08/21/89 | .3 Facilities Mtc Tech | ROD/Waste Treatment | New Hire | |

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| 430 | 04/02/90 | 5.1 Equipment Mtc Tech IV | CVD | Classification | 430 |
| | 09/05/89 | .6 Equipment Mtc Tech | | New Hire | |

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434 04/02/90 5.1 Equipment Mtc Tech IV Photo Classification 434
10/02/89 .5 Equipment Mtc Tech New Hire

435 10/11/93 1.6 Equipment Mtc Tech III Etch Rehire 435
04/02/90 3.5 Equipment Mtc Tech III Classification
10/09/89 .5 Equipment Mtc Tech

438 03/27/95 .1 Process Engrg Tech IV Device Promotion 438
03/30/92 3.0 Process Engrg Tech III Device Promotion
10/01/90 1.5 Process Engrg Tech II Device Promotion
01/16/90 .7 Process Engrg Tech I Classification
10/16/89 .3 Process Engrg Tech New Hire

450 04/02/90 5.1 Equipment Mtc Tech IV PVD/Ion Implant Classification 450
10/02/89 .5 Equipment Mtc Tech PVD New Hire

452 09/30/91 3.6 Facilities Mtc Tech IV RODI/Waste Treatment Promotion 452
01/16/90 1.7 Facilities Mtc Tech III RODI/Waste Treatment Classification
10/16/89 .3 Facilities Mtc Tech New Hire

464 04/01/91 4.1 Equipment Mtc Tech IV CVD Promotion 464
04/02/90 1.0 Equipment Mtc Tech III Classification
12/18/89 .3 Equipment Mtc Tech New Hire

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|-----|----------|--------------------------|-------|-----------------|-----|
| 466 | 10/31/94 | .5 Equipment Mtc Tech II | Photo | Lateral Transfe | 466 |
| | 08/29/94 | .2 Test Technician II | | Promotion | |
| | 04/01/91 | 3.4 Test Technician I | | Transfer | |
| | 04/02/90 | 1.0 Test Opr III | | Promotion | |
| | 01/30/90 | .2 Test Opr II | | Classification | |
| | 10/30/89 | .3 Test Opr | | New Hire | |

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|-----|----------|-----------------------------|------|----------------|-----|
| 489 | 03/29/93 | 2.1 Facilities Mtc Tech IV | HVAC | Promotion | 489 |
| | 09/30/91 | 1.5 Facilities Mtc Tech III | HVAC | Promotion | |
| | 04/15/90 | 1.5 Facilities Mtc Tech II | | Classification | |
| | 01/15/90 | .2 Facilities Mtc Tech | | New Hire | |

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|-----|----------|-----------------------------|-----------------|----------------|-----|
| 493 | 03/27/95 | .1 Facilities Mtc Tech IV | Instrumentation | Promotion | 493 |
| | 03/29/93 | 2.0 Facilities Mtc Tech III | Instrumentation | Promotion | |
| | 04/22/90 | 2.9 Facilities Mtc Tech II | Instrumentation | Classification | |
| | 01/22/90 | .2 Facilities Mtc Tech | | New Hire | |

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|-----|----------|-----------------------------|-----------------|----------------|-----|
| 494 | 03/29/93 | 2.1 Facilities Mtc Tech IV | Instrumentation | Promotion | 494 |
| | 10/01/90 | 2.5 Facilities Mtc Tech III | Instrumentation | Classification | |
| | 01/22/90 | .7 Facilities Mtc Tech | | New Hire | |

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|-----|----------|------------------------------|-----|------------------|-----|
| 499 | 07/05/93 | 1.9 Equipment Mtc Tech IV | CVD | Reclassification | 499 |
| | 03/29/93 | .3 Equip Engrg Technical Spc | CVD | Reclassification | |
| | 11/09/92 | .4 Equip Engrg Technical Spc | CVD | Promotion | |
| | 10/01/90 | 2.1 Equipment Mtc Tech III | CVD | Classification | |
| | 02/12/90 | .6 Equipment Mtc Tech | | New Hire | |

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| | | | | | |
|-----|----------|---------------------------|--------|-----------|-----|
| 500 | 04/01/91 | 4.1 Process Engrg Tech II | Device | Promotion | 500 |
| | 02/12/90 | 1.1 Process Engrg Tech I | | New Hire | |

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|-----|----------|----------------------------|-------|----------------|-----|
| 517 | 08/29/94 | .7 Equipment Mtc Tech IV | Photo | Promotion | 517 |
| | 03/30/92 | 2.4 Equipment Mtc Tech III | Photo | Promotion | |
| | 06/26/90 | 1.8 Equipment Mtc Tech II | Photo | Classification | |
| | 03/26/90 | .3 Equipment Mtc Tech | | New Hire | |

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|-----|----------|----------------------------|-------|----------------|-----|
| 518 | 08/29/94 | .7 Equipment Mtc Tech IV | Photo | Promotion | 518 |
| | 09/30/91 | 2.9 Equipment Mtc Tech III | Photo | Promotion | |
| | 07/23/90 | 1.2 Equipment Mtc Tech II | | Classification | |
| | 04/23/90 | .2 Equipment Mtc Tech | | New Hire | |

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|-----|----------|-----------------------------|------|------------------|-----|
| 529 | 01/18/94 | 1.3 Facilities Mtc Tech III | HVAC | Reclassification | 529 |
| | 03/29/93 | .8 Facilities Mtc Tech III | HVAC | Promotion | |
| | 04/01/91 | 2.0 Facilities Mtc Tech II | HVAC | Promotion | |
| | 07/09/90 | .7 Facilities Mtc Tech I | | Classification | |
| | 04/09/90 | .2 Facilities Mtc Tech | | New Hire | |

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|-----|----------|----------------------------|----------------------|------------------|-----|
| 532 | 01/18/94 | 1.3 Facilities Mtc Tech IV | HVAC | Reclassification | 532 |
| | 04/01/91 | 2.8 Facilities Mtc Tech IV | RODI/Waste Treatment | Promotion | |
| | 10/01/90 | .5 Facilities Mtc Tech III | | Classification | |
| | 04/23/90 | .4 Facilities Mtc Tech | | New Hire | |

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| EMP.. | JOB..... | TIME. | JOB TITLES..... | AREAS..... | JOB-REASONS.... | EMP_NO |
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| | DATES | IN | | | | |
| | | JOBS | | | | |

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|-----|----------|-----|--------------------------|-----------------|------------------|-----|
| 533 | 08/29/94 | .7 | Assoc Engineer/Equipment | Diff/Wet | Promotion | 533 |
| | 03/07/94 | .5 | Equip Engrg Technical | Spc Diff/Wet | Reclassification | |
| | 03/29/93 | .9 | Equip Engrg Technical | Spc | Reclassification | |
| | 11/09/92 | .4 | Equip Engrg Technical | Spc Ion Implant | Promotion | |
| | 04/01/91 | 1.6 | Equipment Mtc Tech III | CVD | Promotion | |
| | 08/21/90 | .6 | Equipment Mtc Tech II | | Classification | |
| | 05/21/90 | .3 | Equipment Mtc Tech | | New Hire | |

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|-----|----------|-----|------------------------|-----------------|----------------|-----|
| 535 | 09/27/93 | 1.6 | Equipment Mtc Tech IV | PVD/Ion Implant | Promotion | 535 |
| | 09/30/91 | 2.0 | Equipment Mtc Tech III | PVD/Ion Implant | Promotion | |
| | 08/07/90 | 1.1 | Equipment Mtc Tech II | | Classification | |
| | 05/07/90 | .3 | Equipment Mtc Tech | | New Hire | |

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|-----|----------|-----|------------------------|-----------------|----------------|-----|
| 536 | 09/30/91 | 3.6 | Equipment Mtc Tech III | PVD/Ion Implant | Promotion | 536 |
| | 08/07/90 | 1.1 | Equipment Mtc Tech II | | Classification | |
| | 05/07/90 | .3 | Equipment Mtc Tech | | New Hire | |

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|-----|----------|-----|------------------------|-----------------|----------------|-----|
| 537 | 03/28/94 | 1.1 | Equipment Mtc Tech IV | PVD/Ion Implant | Promotion | 537 |
| | 09/30/91 | 2.5 | Equipment Mtc Tech III | PVD/Ion Implant | Promotion | |
| | 08/07/90 | 1.1 | Equipment Mtc Tech II | | Classification | |
| | 05/07/90 | .3 | Equipment Mtc Tech | | New Hire | |

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|-----|----------|-----|------------------------|------|----------------|-----|
| 538 | 08/29/94 | .7 | Equipment Mtc Tech IV | Etch | Promotion | 538 |
| | 03/30/92 | 2.4 | Equipment Mtc Tech III | Etch | Promotion | |
| | 08/07/90 | 1.6 | Equipment Mtc Tech II | Etch | Classification | |

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|-----|----------|-----------------------------|--------|----------------|-----|
| | 05/07/90 | .3 Equipment Mtc Tech | | New Hire | |
| | | | | | *** |
| 555 | 03/27/95 | .1 Q.A. Tech III | | Promotion | 555 |
| | 03/29/93 | 2.0 Q.A. Tech II | | Promotion | |
| | 10/11/90 | 2.5 Q.A. Tech I | | Classification | |
| | 07/11/90 | .3 Q.A. Tech | | New Hire | |
| | | | | | *** |
| 567 | 12/05/94 | .4 Test Process Tech I | | Promotion | 567 |
| | 03/28/94 | .7 Test Opr III | | Promotion | |
| | 04/01/91 | 3.0 Test Opr II | | Classification | |
| | 07/30/90 | .7 Test Opr | | New Hire | |
| | | | | | *** |
| 571 | 03/28/94 | 1.1 Facilities Mtc Tech IV | HVAC | Promotion | 571 |
| | 03/30/92 | 2.0 Facilities Mtc Tech III | HVAC | Promotion | |
| | 12/10/90 | 1.3 Facilities Mtc Tech II | HVAC | Classification | |
| | 09/10/90 | .2 Facilities Mtc Tech | | New Hire | |
| | | | | | *** |
| 573 | 03/27/95 | .1 Q.A. Tech II | | Promotion | 573 |
| | 05/23/94 | .8 Q.A. Tech I | | Promotion | |
| | 03/28/94 | .2 Q.A. Inspector III | | Promotion | |
| | 03/30/92 | 2.0 Q.A. Inspector II | | Promotion | |
| | 08/20/90 | 1.6 Q.A. Inspector I | | New Hire | |
| | | | | | *** |
| 596 | 03/30/92 | 3.1 Process Engrg Tech II | Device | Promotion | 596 |
| | 10/22/90 | 1.4 Process Engrg Tech I | Device | New Hire | |

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| 597 | 03/30/92 | 3.1 Equipment Mtc Tech IV | Etch | Promotion | 597 |
| | 01/22/91 | 1.2 Equipment Mtc Tech III | PVD | Classification | |
| | 10/22/90 | .3 Equipment Mtc Tech | | New Hire | |

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|-----|----------|---------------------------|------|-----------|-----|
| 612 | 03/27/95 | .1 Equipment Mtc Tech III | Etch | Promotion | 612 |
| | 03/29/93 | 2.0 Equipment Mtc Tech II | Etch | Promotion | |
| | 02/24/92 | 1.1 Equipment Mtc Tech I | Etch | Promotion | |
| | 09/30/91 | .4 Wafer Fab Opr II | Etch | Promotion | |
| | 12/03/90 | .8 Wafer Fab Opr I | | New Hire | |

| | | | | | |
|-----|----------|-------------------------|--|-----------|-----|
| 617 | 03/29/93 | 2.1 Test Technician IV | | Promotion | 617 |
| | 09/30/91 | 1.5 Test Technician III | | Promotion | |
| | 11/26/90 | .8 Test Technician II | | New Hire | |

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|-----|----------|----------------------|--|-----------|-----|
| 620 | 05/23/94 | 1.0 Q.A. Tech I | | Promotion | 620 |
| | 09/27/93 | .7 Q.A. Inspector II | | Promotion | |
| | 12/03/90 | 2.8 Q.A. Inspector I | | New Hire | |

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|-----|----------|---------------------------|-------|------------------|-----|
| 622 | 03/27/95 | .1 Equipment Mtc Tech III | Photo | Promotion | 622 |
| | 10/25/93 | 1.4 Equipment Mtc Tech II | Photo | Lateral Transfe | |
| | 07/19/93 | .3 Test Technician II | | Reclassification | |
| | 01/28/91 | 2.5 Assembly Tech II | | New Hire | |

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| | | JOBS | | | | |
| 624 | 01/16/95 | | .3 Process Engrg Tech I | Photo | Other | 624 |
| | 08/29/94 | | .4 Wafer Fab Opr III | Photo | Promotion | |
| | 09/27/93 | | .9 Wafer Fab Opr II | Photo | Promotion | |
| | 01/21/91 | | 2.7 Wafer Fab Opr I | Photo | New Hire | |
| | | | | | | *** |
| 647 | 10/10/94 | | .6 Process Engrg Tech I | Photo | Promotion | 647 |
| | 09/27/93 | | 1.0 Wafer Fab Opr III | Photo | Promotion | |
| | 07/08/91 | | 2.2 Wafer Fab Opr II | Photo | Classification | |
| | 04/08/91 | | .2 Wafer Fab Opr | | New Hire | |
| | | | | | | *** |
| 652 | 03/29/93 | | 2.1 Facilities Mtc Tech II | RODI/Waste Treatment | Promotion | 652 |
| | 04/22/91 | | 1.9 Facilities Mtc Tech I | RODI/Waste Treatment | New Hire | |
| | | | | | | *** |
| 665 | 03/28/94 | | 1.1 Facilities Mtc Tech IV | Instrumentation | Promotion | 665 |
| | 08/28/91 | | 2.6 Facilities Mtc Tech III | Instrumentation | Classification | |
| | 05/28/91 | | .3 Facilities Mtc Tech | | New Hire | |
| | | | | | | *** |
| 672 | 08/29/94 | | .7 Process Engrg Tech II | Photo | Promotion | 672 |
| | 08/30/93 | | 1.0 Process Engrg Tech I | Photo | Promotion | |
| | 03/29/93 | | .4 Wafer Fab Opr III | Photo | Promotion | |
| | 10/10/91 | | 1.5 Wafer Fab Opr II | Photo | Classification | |
| | 07/10/91 | | .3 Wafer Fab Opr | Photo | New Hire | |
| | | | | | | *** |
| 677 | 03/07/94 | | 1.2 Process Engrg Tech I | CVD | Reclassification | 677 |

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| | 11/15/93 | .3 Process Engrg Tech I | | Promotion | |
| | 08/10/93 | .3 Wafer Fab Opr III | CVD | Reclassification | |
| | 03/29/93 | .4 Wafer Fab Opr III | Diffusion | Promotion | |
| | 11/05/91 | 1.4 Wafer Fab Opr II | Diffusion | Classification | |
| | 08/05/91 | .3 Wafer Fab Opr | Diffusion | New Hire | |
| | | | | | *** |
| 707 | 08/29/94 | .7 Equipment Mtc Tech III | CVD | Promotion | 707 |
| | 11/22/93 | .8 Equipment Mtc Tech II | CVD | Promotion | |
| | 01/14/92 | 1.9 Equipment Mtc Tech I | CVD | Classification | |
| | 10/14/91 | .3 Equipment Mtc Tech | | New Hire | |
| | | | | | *** |
| 741 | 03/01/93 | 2.2 Equipment Mtc Tech IV | CVD/Diffusion | New Hire | 741 |
| | | | | | *** |
| 745 | 02/15/93 | 2.2 Equipment Mtc Tech IV | CVD/Diffusion | New Hire | 745 |
| | | | | | *** |
| 747 | 03/08/93 | 2.2 Equipment Mtc Tech IV | Photo | New Hire | 747 |
| | | | | | *** |
| 748 | 03/08/93 | 2.2 Equipment Mtc Tech IV | Etch | New Hire | 748 |
| | | | | | *** |
| 763 | 03/27/95 | .1 Process Engrg Tech II | | Promotion | 763 |
| | 08/01/94 | .7 Process Engrg Tech I | Etch | Promotion | |
| | 05/10/93 | 1.2 Wafer Fab Opr II | Etch | New Hire | |

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|-------|----------|-------|-----------------|------------|-----------------|--------|
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| | | JOBS | | | | |

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| 801 | 10/11/93 | | 1.6 Equipment Mtc Tech III | Etch | New Hire | 801 |
|-----|----------|--|----------------------------|------|----------|-----|

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| 805 | 01/16/95 | | .3 Equipment Mtc Tech II | | Promotion | 805 |
| | 10/25/93 | | 1.2 Wafer Fab Opr I | CVD | New Hire | |

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|-----|----------|--|-------------------------|-----------------|------------------|-----|
| 825 | 11/07/94 | | .5 Equipment Mtc Tech I | PVD/Ion Implant | Promotion | 825 |
| | 09/20/94 | | .1 Wafer Fab Opr I | Ion Implant | Reclassification | |
| | 12/13/93 | | .8 Wafer Fab Opr I | CVD | New Hire | |

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| 851 | 03/07/94 | | 1.2 Equipment Mtc Tech III | PVD/Ion Implant | New Hire | 851 |
|-----|----------|--|----------------------------|-----------------|----------|-----|

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|-----|----------|--|---------------------------|--|-----------|-----|
| 858 | 03/27/95 | | .1 Equipment Mtc Tech III | | Promotion | 858 |
| | 04/18/94 | | .9 Equipment Mtc Tech II | | New Hire | |

| | | | | | | |
|-----|----------|--|---------------------------|--|----------|-----|
| 861 | 04/18/94 | | 1.1 Equipment Mtc Tech II | | New Hire | 861 |
|-----|----------|--|---------------------------|--|----------|-----|

| | | | | | | |
|-----|----------|--|---------------------------|------|----------|-----|
| 863 | 04/18/94 | | 1.1 Equipment Mtc Tech II | Etch | New Hire | 863 |
|-----|----------|--|---------------------------|------|----------|-----|

| | | | | | | |
|-----|----------|--|---------------------------|--|-----------|-----|
| 864 | 03/27/95 | | .1 Equipment Mtc Tech III | | Promotion | 864 |
|-----|----------|--|---------------------------|--|-----------|-----|

GMD ACTIVITY TECHNICIANS JOB HISTORY
 16 MAY 1995
 PAGE23

| EMP.. | JOB..... | TIME. | JOB TITLES..... | AREAS..... | JOB-REASONS.... | EMP_NO |
|-------|----------|-------|---------------------------|-----------------|-----------------|--------|
| | DATES | IN | | | | |
| | | JOB | | | | |
| | 05/02/94 | | .9 Equipment Mtc Tech II | CVD/Diffusion | New Hire | |
| | | | | | | *** |
| 874 | 06/06/94 | | .9 Test Technician III | | New Hire | 874 |
| | | | | | | *** |
| 877 | 06/06/94 | | .9 Facilities Mtc Tech IV | HVAC | New Hire | 877 |
| | | | | | | *** |
| 883 | 06/27/94 | | .9 Equipment Mtc Tech IV | PVD/Ion Implant | New Hire | 883 |
| | | | | | | *** |
| 895 | 07/25/94 | | .8 Equipment Mtc Tech IV | PVD/Ion Implant | New Hire | 895 |
| | | | | | | *** |
| 924 | 10/17/94 | | .6 Equipment Mtc Tech IV | | New Hire | 924 |
| | | | | | | *** |
| 945 | 11/28/94 | | .5 Equipment Mtc Tech II | CVD | New Hire | 945 |
| | | | | | | *** |
| 972 | 02/20/95 | | .2 Facilities Mtc Tech IV | Electrical | New Hire | 972 |
| | | | | | | *** |

GMD ACTIVITY ENGINEERS JOB HISTORY

16 MAY 1995

PAGE1

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
 DATES IN
 JOBS

| | | | | | |
|----|----------|---------------------------|--|------------------|----|
| 16 | 08/30/93 | 1.7 Test Engineer III | | Reclassification | 16 |
| | 04/03/89 | 4.4 Assembly Engineer III | | Classification | |
| | 05/09/88 | .9 Assembly Engineer | | New Hire | |

| | | | | | |
|----|----------|-----------------------------------|-----|------------------|----|
| 23 | 03/07/94 | 1.2 Supervising Engr I, Opr E PVD | | Promotion | 23 |
| | 03/01/93 | 1.0 Process Engineer III | CVD | Reclassification | |
| | 04/01/91 | 1.9 Process Engineer III | CVD | Promotion | |
| | 08/28/90 | .6 Process Engineer II | | Promotion | |
| | 05/29/90 | .2 Process Engineer I | | Transfer | |
| | 05/23/88 | 2.0 Supv, Wafer Fab | | New Hire | |

| | | | | | |
|----|----------|------------------------------|-----------|------------------|----|
| 26 | 11/07/94 | .5 Process Engineer IV | Device | Reclassification | 26 |
| | 03/07/94 | .7 Supervising Engr II, Inte | | Promotion | |
| | 08/08/92 | 1.6 Process Engineer IV | CVD/Photo | Reclassification | |
| | 03/30/92 | .4 Process Engineer IV | Photo | Promotion | |
| | 04/03/89 | 3.0 Process Engineer III | Photo | Classification | |
| | 05/23/88 | .9 Process Engineer | | New Hire | |

| | | | | | |
|----|----------|------------------------|--|----------------|----|
| 88 | 09/26/94 | .6 Test Engineer III | | Promotion | 88 |
| | 10/22/90 | 3.9 Test Engineer II | | Promotion | |
| | 12/06/88 | 1.9 Test Technician IV | | Classification | |
| | 09/06/88 | .2 Test Technician | | New Hire | |

| | | | | | |
|----|----------|---------------------------|-------|------------------|----|
| 94 | 03/27/95 | .1 Equipment Engineer III | Photo | Promotion | 94 |
| | 12/06/93 | 1.3 Equipment Engineer II | Photo | Reclassification | |
| | 10/25/93 | .1 Technical Group Supv | Photo | Reclassification | |
| | 03/01/93 | .7 Technical Group Supv | Etch | Reclassification | |

GMD ACT ENGINEERS JOB HISTORY

16 MAY 1995

PAGE2

| EMP.. | JOB..... | TIME. | JOB TITLES..... | AREAS..... | JOB-REASONS.... | EMP_NO |
|-------|----------|-------|-------------------------------------|--------------|------------------|--------|
| | DATES | IN | | | | |
| | | JOBS | | | | |
| | 12/17/90 | | 2.2 Supv II, Equip Mtc | | Promotion | |
| | 04/03/89 | | 1.7 Equipment Mtc Tech IV | | Classification | |
| | 09/19/88 | | .5 Equipment Mtc Tech | | New Hire | |
| | | | | | | *** |
| 95 | 11/08/93 | | 1.5 Equipment Engineer II | Etch | Promotion | 95 |
| | 04/02/90 | | 3.6 Equipment Mtc Tech IV | Etch | Promotion | |
| | 04/03/89 | | 1.0 Equipment Mtc Tech III | | Classification | |
| | 09/19/88 | | .5 Equipment Mtc Tech | | New Hire | |
| | | | | | | *** |
| 179 | 10/25/93 | | 1.6 Q.A. Audit Engineer IV | | Reclassification | 179 |
| | 08/08/92 | | 1.2 Process Engineer IV | Diff/PVD/SPC | Reclassification | |
| | 05/27/89 | | 3.2 Process Engineer IV | Diffusion | Classification | |
| | 02/27/89 | | .2 Process Engineer | | New Hire | |
| | | | | | | *** |
| 197 | 03/07/94 | | 1.2 Supervising Engr I, Opr E Photo | | Promotion | 197 |
| | 09/27/93 | | .4 Process Engineer II | Photo | Promotion | |
| | 03/01/93 | | .6 Process Engineer I | Photo | Reclassification | |
| | 06/10/91 | | 1.7 Process Engineer I | Photo | Promotion | |
| | 04/02/90 | | 1.2 Process Engrg Tech II | | Promotion | |
| | 03/13/89 | | 1.1 Process Engrg Tech I | | New Hire | |
| | | | | | | *** |
| 211 | 03/27/95 | | .1 Process Engineer III | Photo | Promotion | 211 |
| | 04/01/91 | | 4.0 Process Engineer II | Photo | Promotion | |
| | 06/27/89 | | 1.8 Process Engineer I | | Classification | |
| | 03/27/89 | | .3 Process Engineer | | New Hire | |
| | | | | | | *** |

GMD ACTI ENGINEERS JOB HISTORY

16 MAY 1995

PAGE3

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES
IN
JOBS

| | | | | | |
|-----|----------|-------------------------|-------------|-----------------|-----|
| 212 | 03/27/95 | .1 Process Engineer III | Diff/II | Promotion | 212 |
| | 03/07/94 | 1.1 Process Engineer II | Diff/II | Reclassificatio | |
| | 04/01/91 | 2.9 Process Engineer II | Ion Implant | Promotion | |
| | 03/27/89 | 2.0 Process Engineer I | | New Hire | |

| | | | | | |
|-----|----------|-------------------------------|-------|-----------------|-----|
| 257 | 03/27/95 | .1 Equipment Engineer II | | Promotion | 257 |
| | 08/29/94 | .6 Assoc Engineer/Equipment | Photo | Promotion | |
| | 03/01/93 | 1.5 Equip Engrg Technical Spc | Photo | Reclassificatio | |
| | 04/01/91 | 1.9 Equipment Mtc Tech IV | Photo | Promotion | |
| | 04/02/90 | 1.0 Equipment Mtc Tech III | | Promotion | |
| | 10/02/89 | .5 Equipment Mtc Tech II | | Classification | |
| | 06/05/89 | .3 Equipment Mtc Tech | | New Hire | |

| | | | | | |
|-----|----------|------------------------------------|--------------|-----------------|-----|
| 306 | 03/07/94 | 1.2 Supervising Engr I, Opr E Etch | | Promotion | 306 |
| | 08/08/92 | 1.6 Process Engineer II | Etch/Implant | Reclassificatio | |
| | 03/30/92 | .4 Process Engineer II | | Promotion | |
| | 04/01/91 | 1.0 Process Engineer I | | Promotion | |
| | 04/02/90 | 1.0 Assoc Engineer/Process | | Promotion | |
| | 11/10/89 | .4 Process Engrg Tech IV | | Classification | |
| | 07/05/89 | .4 Process Engrg Tech | | New Hire | |

| | | | | | |
|-----|----------|---------------------------|------|----------------|-----|
| 319 | 03/27/95 | .1 Equipment Engineer III | | Promotion | 319 |
| | 10/26/92 | 2.4 Equipment Engineer II | Etch | Promotion | |
| | 04/01/91 | 1.6 Equipment Engineer I | Etch | Promotion | |
| | 04/02/90 | 1.0 Equipment Mtc Tech IV | | Classification | |
| | 07/24/89 | .7 Equipment Mtc Tech | | New Hire | |

16 MAY 1995

PAGE4

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
 DATES IN
 JOBS

| | | | | | |
|-----|----------|----------------------------|------|----------------|-----|
| 346 | 03/28/94 | 1.1 Process Engineer II | | Promotion | 346 |
| | 10/26/90 | 3.4 Process Engineer I | Etch | Promotion | |
| | 10/02/89 | 1.1 Process Engrg Tech III | | Classification | |
| | 07/10/89 | .2 Process Engrg Tech | | New Hire | |

| | | | | | |
|-----|----------|-------------------------------|-------|----------------|-----|
| 354 | 03/07/94 | 1.2 Supervising Engr II, Equi | | Promotion | 354 |
| | 03/29/93 | .9 Equipment Engineer III | Photo | Promotion | |
| | 04/02/90 | 3.0 Equipment Engineer II | Photo | Promotion | |
| | 11/14/89 | .4 Equipment Engineer I | | Classification | |
| | 08/07/89 | .3 Equipment Engineer | | New Hire | |

| | | | | | |
|-----|----------|------------------------------|------------------|-----------------|-----|
| 356 | 03/07/94 | 1.2 Equipment Engineer II | CVD | Reclassificatio | 356 |
| | 11/08/93 | .3 Equip Maintenance Engr II | Diffusion/II/CVD | Promotion | |
| | 04/01/91 | 2.6 Equipment Mtc Tech IV | CVD | Promotion | |
| | 04/02/90 | 1.0 Equipment Mtc Tech III | | Classification | |
| | 08/07/89 | .7 Equipment Mtc Tech | | New Hire | |

| | | | | | |
|-----|----------|-----------------------------|----------------------|----------------|-----|
| 451 | 03/29/93 | 2.1 Facilities Engineer IV | RODI/Waste Treatment | Promotion | 451 |
| | 04/01/91 | 2.0 Facilities Engineer III | RODI/Waste Treatment | Promotion | |
| | 01/08/90 | 1.2 Facilities Engineer II | RODI/Waste Treatment | Classification | |
| | 10/09/89 | .2 Facilities Engineer | RODI/Waste Treatment | New Hire | |

| | | | | | |
|-----|----------|---------------------------|-----------------|-----------------|-----|
| 485 | 03/07/94 | 1.2 Equipment Engineer II | Ion Implant | Reclassificatio | 485 |
| | 12/06/93 | .2 Equipment Engineer II | HVAC | Reclassificatio | |
| | 04/12/93 | .7 Technical Group Supv | PVD/Ion Implant | Promotion | |
| | 03/01/93 | .1 Equipment Mtc Tech IV | PVD/Ion Implant | Lateral Transfe | |

GMD ACTING ENGINEERS JOB HISTORY

16 MAY 1995

PAGE5

| EMP.. | JOB..... | TIME. | JOB TITLES..... | AREAS..... | JOB-REASONS.... | EMP_NO |
|-------|----------|-------|----------------------------------|------------|------------------|--------|
| | DATES | IN | | | | |
| | | JOBS | | | | |
| | 11/09/92 | | .3 Equip Engrg Technical Spc | | Reclassification | |
| | 04/08/90 | | 2.6 Equipment Mtc Tech IV | DAX | Classification | |
| | 01/08/90 | | .2 Equipment Mtc Tech | | New Hire | |
| | | | | | | *** |
| 627 | 01/17/94 | | 1.3 Equipment Engineer I | | Promotion | 627 |
| | 03/29/93 | | .8 Equipment Mtc Tech III | Photo | Promotion | |
| | 01/28/91 | | 2.2 Equipment Mtc Tech II | Photo | New Hire | |
| | | | | | | *** |
| 636 | 03/27/95 | | .1 Industrial Engineer II | | Promotion | 636 |
| | 06/18/91 | | 3.8 Industrial Engineer I | | Classification | |
| | 03/18/91 | | .3 Industrial Engineer | | New Hire | |
| | | | | | | *** |
| 680 | 08/12/91 | | 3.8 Sr Safety Engineer | | New Hire | 680 |
| | | | | | | *** |
| 719 | 03/28/94 | | 1.1 Process Engineer II | | Promotion | 719 |
| | 01/27/92 | | 2.2 Process Engineer I | Device | New Hire | |
| | | | | | | *** |
| 752 | 03/08/93 | | 2.2 Facilities Engineer IV | HVAC | New Hire | 752 |
| | | | | | | *** |
| 767 | 11/07/94 | | .5 Process Engineer III | | Demotion | 767 |
| | 03/07/94 | | .7 Supervising Engr I, Opr E CVD | | Promotion | |
| | 05/31/93 | | .8 Process Engineer II | CVD | New Hire | |

GMD AC ENGINEERS JOB HISTORY

16 MAY 1995

PAGE6

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
DATES IN
JOBS

| | | | | | |
|-----|----------|-------------------------------------|-------------|----------------|-----|
| 818 | 12/13/93 | 1.4 Process Engineer I | Diffusion | New Hire | 818 |
| *** | | | | | |
| 832 | 03/27/95 | .1 Equipment Engineer II | | Promotion | 832 |
| | 04/10/94 | 1.0 Equipment Engineer I | CVD | Classification | |
| | 01/10/94 | .2 Equipment Engineer | CVD | New Hire | |
| *** | | | | | |
| 857 | 03/27/95 | .1 Equipment Engineer II | | Promotion | 857 |
| | 07/04/94 | .7 Equipment Engineer I | Diff/II | Classification | |
| | 04/04/94 | .2 Equipment Engineer | Diff/II | New Hire | |
| *** | | | | | |
| 867 | 12/01/94 | .5 Supervising Engr I, Proce Device | | Promotion | 867 |
| | 05/16/94 | .5 Process Engineer III | Device | New Hire | |
| *** | | | | | |
| 870 | 06/06/94 | .9 Equipment Engineer II | CVD | New Hire | 870 |
| *** | | | | | |
| 873 | 06/06/94 | .9 Equipment Engineer I | Ion Implant | New Hire | 873 |
| *** | | | | | |
| 875 | 06/06/94 | .9 Supervising Engr II, Test | | New Hire | 875 |
| *** | | | | | |

GMD ACTI ENGINEERS JOB HISTORY
 16 MAY 1995
 PAGE7

| EMP.. | JOB..... | TIME. | JOB TITLES..... | AREAS..... | JOB-REASONS..... | EMP_NO |
|-------|----------|-------|------------------------------|------------|------------------|--------|
| | DATES | IN | | | | |
| | | JOBS | | | | |
| 898 | 08/09/94 | | .8 Process Engineer IV | | New Hire | 898 |
| | | | | | | *** |
| 900 | 08/22/94 | | .7 Process Engineer III | | New Hire | 900 |
| | | | | | | *** |
| 901 | 08/22/94 | | .7 Safety Engineer | | New Hire | 901 |
| | | | | | | *** |
| 903 | 08/22/94 | | .7 Q.A. Engineer III | | New Hire | 903 |
| | | | | | | *** |
| 904 | 08/22/94 | | .7 Process Engineer I | | New Hire | 904 |
| | | | | | | *** |
| 910 | 12/12/94 | | .4 Q.A. Engineer IV | | Classification | 910 |
| | 09/12/94 | | .2 Q.A. Engineer | | New Hire | |
| | | | | | | *** |
| 920 | 10/03/94 | | .6 Environmental Engineer II | | Classification | 920 |
| | 10/03/94 | | .0 Environmental Engineer | | New Hire | |
| | | | | | | *** |
| 931 | 10/31/94 | | .5 Facilities Engineer III | Controls | New Hire | 931 |
| | | | | | | *** |
| 964 | 01/02/95 | | .4 Q.A. Engineer II | | New Hire | 964 |

GMD ACTIVE ENGINEERS JOB HISTORY

16 MAY 1995

PAGE8

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS



May 19, 1995

R. Barry Crook
Budget and Quality Manager
Multnomah County - Budget and Quality Office
1120 S.W. Fifth, Room 1400
Portland, OR 97204

Re: **Confidential Response #3, Strategic Investment Program
Fujitsu Microelectronics, Inc. - Gresham Expansion**

Dear Barry:

Per your request of May 12, 1995, I am enclosing the Additional Information requested from Fujitsu. This information was requested to assist in evaluating the application, but not to deem it complete.

We appreciate the opportunity to assist Fujitsu and the county in commencing negotiations. Please address further questions directly to Dick Romano, Vice President for Administration, Fujitsu Microelectronics.

Sincerely,

A handwritten signature in black ink, appearing to read "Marcy Jacobs".

Marcy Jacobs
Regional Development Officer

cc: Richard Romano, Fujitsu Microelectronics, Inc.
Mike Ogan, PDC



CONFIDENTIAL

ADDITIONAL INFORMATION REQUESTED

Submittal #3

Submitted by:

Oregon Economic Development Department

On behalf of:

Fujitsu Microelectronics, Inc.
Gresham Manufacturing Division (GMD)

May 19, 1995

FUJITSU MICROELECTRONICS, INC.
ADDITIONAL INFORMATION REQUESTED
May 19, 1995

Question 1 - Page 5, Attached are copies of all DEQ Non Compliance notifications.

- 1.1 Letter from the DEQ regarding a request for a noise abatement plan dated August 10, 1988 and follow up DEQ report dated November 3, 1989.
- 1.2 Notice of Non Compliance dated February 18, 1992. GMD corrected all listed items of non compliance. No further action was taken by the DEQ.
- 1.3 Notice of Non Compliance, stormwater, dated 2/8/95. No further action was taken by the DEQ.

Question 2 - Page 6 - Attached are copies of all OSHA Citations.

- 2.1 OSHA Citation, dated December 10, 1992, fall protection violations. No further action taken by OSHA.
- 2.2 OSHA Citation, dated 7/8/94, hazardous materials storage violation. No further action taken by OSHA.
- 2.3 A request was also made for 1993 and 1994 worker safety data within the industry. However, this data is not yet published. The most recent data published by OSHA is for the calendar year 1992. Exhibit A lists 1993 lost time and injury incident rates obtained by telephone from OSHA for 3674, the semiconductor industry but the full report will not be available until the annual publish date of September 1995. Data for 1994 will not be available until September, 1996.

Available published data, copies attached:

The SIC code numbers for the electronics industry are 367. The subcategory code for the semiconductor

industry is 3674. Semiconductor specific data may not be reported but may be incorporated into the 367 category.

- 2.3.1 Oregon OSHA injury and illness incident rates for 1992
- 2.3.2 Bureau of labor statistics for 1991, 1992
- 2.3.3 National Safety Council incident rate estimates 1992,1993

Question 3 - The employee handbook was submitted in a prior response dated May 17, 1995.

Question 4 - Please refer to Exhibit 4 which is a scattergram of 1994 W-2 wages as reported for tax purposes. This scattergram represents all employees who worked a full 12 months for the company during 1994. We have drawn in on this graph a line depicting the \$27,200 per year level which we understand to be the average wage in Multnomah County. For the purpose of analysis we have calculated that of the wages represented on this graph 68.7% of them lie above the 27,200 line and 31.3% percent of them fall below. We would hasten to add that these wages represent 1994 wages and that the workforce has received an annual merit increase as of March 27, 1995 which increased wages on average to all employees by 5%.

Question 5 - Definition of regular position

In contemporary Human Resources terminology, a regular position is one which is filled by a full-time employee on a continuing basis. In other words, it is not a temporary position. The word permanent is no longer used in referring to positions in private sector companies as it has significant legal implications. All except one of our regular positions are full-time positions. In order to be classified as a full-time position the job must work in excess of 30 hours per week. The majority of all regular positions at Fujitsu work 40 or more hours per week. As of this writing, there is one position which is a regular part-time position of the approximately 540 regular positions at Fujitsu.

Question 6 - Are cash bonuses figured into wage calculations presented in application

Our cash bonuses were not included in the wage calculations presented in the application. The components of pay which were used to calculate the wages depicted in the application were base rate, compressed overtime, average overtime by job classification, shift differential where applicable and lead pay where applicable. There are three cash bonuses which our non-exempt workforce and some portions of our exempt workforce are eligible. They are lump sum shift payments, paid on a quarterly basis ranging from \$100 to \$400 per quarter, perfect attendance bonuses, ranging from \$50 to \$200 per quarter, and production bonuses equal to one day's pay payable on a monthly basis.

Question 7 - Significant number of advancement opportunities

As of this point in time it is difficult to predict how many of the existing workforce will be transferred into the new facility as opposed to how many will be hired outright for the new facility. It is also difficult to say what percent of those transfers will in effect constitute promotional opportunities. A best estimate would be that one half, 50%, of the individual transferred from our existing fab into the new fab would represent promotional opportunities. However, it would be difficult to make a firm commitment in terms of numbers or percents at this early stage.

Question 8 - Local Hiring Practices

We are providing a list of all employees hired over the last two year period. This list indicates the number of those individuals who were hired locally or who were hired from out of the area. Our analysis of hiring practices over the last two years indicates that 25.4% of employees hired during that time were ~~not~~ local hires and 74.5 percent of those employees hired were hired from the local area. Please refer to the complete listing of those employees and their locations for more detailed information (Exhibit 8). We have no formal policy regarding the hiring of employees from the local area but prudent business practices dictate that to reduce costs per hire and improve rates of retention that the company should select local candidates whenever possible.

Question 9 - Detailed List of Benefits

Please refer to exhibits 1995 Summary of Benefits Plan and Fujitsu Microelectronics Gresham Manufacturing Division Medical Health Plan Comparison for a complete detailed listing of benefits available.

All of the benefits listed are available to all full-time regular employees. A full-time regular employee is an individual employed directly by the company on a continuing basis working more than 30 hours per week.

Question 10 - Each one of our contract service vendors were contacted and specifically requested to allow disclosure of the rates charged to GMD. In every instance they declined, citing competitive harm to their business as the primary reason. A blended form of response to your request would not be meaningful because of the extreme variance between lower paid personnel (i.e. janitorial) versus higher paid (i.e. contract engineers). If we are assured of strict confidentiality we could probably arrange for permission to share this information verbally during the negotiation process.

Question 11 - As stated in the application information we now employ 48 contract employees on a regular basis. This represents 8.9% of our total workforce. Although difficult to predict precisely, we do not anticipate increasing this number more than an additional 10% (5 employees) with the expansion. A 10% increase in contract manpower would represent 5.4% of total workforce at the completion of our project.

Question 12 - Temporary Employees

To fully explain the situation regarding temporary employment at Fujitsu it is important to understand that there are two types of temporary employees in our organization. The first we refer to as pure temporaries. These are individuals brought to work on a project basis. Their employment may range anywhere from one day to several months in length depending upon the nature of the project to which they are assigned. The number of pure temporary employees currently in the organization is approximately 10 individuals. That number fluctuates depending upon the number of projects under way in any point in time. It is unlikely that

those individuals will be become regular employees of the company. These individuals are payrolled through a temporary agency and are actually the employees of that agency.

The second class of temporary employees is what we refer to as special temporaries. These individuals are payrolled through a temporary service. However, they have been selected by the company to participate in our training program designed to qualify them for regular positions as entry level production operators as those regular positions become available. At this point in time we have approximately 40 individuals in that program.

We have policies regarding how temporary employment is considered when an individual becomes a regular employee. They receive prior service credit for temporary time for the purposes of determining their length of service under our pension and 401K plan. We also have a policy which dictates that no special temporary will remain in temporary status longer than 12 months. If they have not become qualified through the acquisition of skills to become a regular employee during that time we end their assignment with us. Special temporaries are eligible to become regular employees after no less than 90 days on their temporary training assignment. The average period of time required for a special temporary to become regular is approximately 4 1/2 months.

Question 13 - The employee handbook was submitted in a prior response dated May 17, 1995.

Question 14 - Exhibit 14, missing page.

Complete copy of the letter from Fujitsu to Alan Johnston dated 11/28/94.

Question 15 - Questions are being directly referred to Art Ayre, Oregon Economic Development Department.

Question 16

Part A - Description of Children's World Capacity

The capacity of the two Children's World facilities located near

the plant in Gresham is 126 children each. Both of these facilities offer a full range of child care programs, one for infants, toddlers and 2 year olds, a second for 3 to 5 year olds, and a third for school age children 6 to 12 years old. The third program for children 6 to 12 does feature a before and after school program.

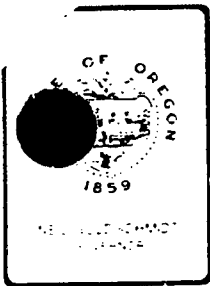
Part B - Analysis of placement rate for child care request by company's referral service

Please see attached letter from Carolyn L. Morrison, Executive Director of Child Care Support Services, who is our contact person for the Metro Child care Resource and Referral service with which Fujitsu has contracted (Exhibit 16).

Part C - Analysis of the number of children of the company's employees attending Children's World

The current count of employee's children attending Children's World is 35. 32 of these children are located in the Rockwood and Gresham facilities, 3 of them are located at the Beaverton facility. Please refer to the attached brochure from Children's World Learning Center, Learning for the Fun of It, for some additional information regarding the types of programs available and their content.

Exhibit 1.1
DEQ Letters Regarding Noise Compliance



Department of Environmental Quality

811 SW SIXTH AVENUE, PORTLAND, OREGON 97204-1390 PHONE (503) 229-5696

August 10, 1988

CRSS Constructors, Inc.
21015 S.E. Stark Street
P.O. Box 728
Gresham, Oregon 97030

Attention: Mr. John Henri

Re: Fujitsu Microelectronics Center
Gresham, Oregon
NP - Multnomah County

Dear Mr. Henri:

This letter is to review the applicable noise regulations, report the results of the ambient surveys, present the maximum allowable noise limits for the subject facility, and offer some comments on the noise pollution problem at the subject facility.

Applicable Noise Regulations

The applicable noise regulation controlling a new noise source located on a previously unused site is Oregon Administrative Rule (OAR) 340-35-035(1)(b)(B) which prohibits the noise levels generated, or indirectly caused, by that new noise source from increasing the ambient statistical noise levels, L_{10} , or L_{50} , by more than 10 dBA in any one hour or from exceeding the noise levels specified in Table 8 of the enclosed Noise Control Regulations.

Ambient Noise Measurements

To meet the requirements of the applicable noise regulations cited above, a determination had to be made of the ambient noise level at the site prior to the present construction. Since the future Fujitsu operation will be a 24 hour operation, the most critical time period for meeting compliance with this regulation will be in the early morning hours. For this reason and because Table 8 of the DEQ Noise Control Regulations will be more protective during daytime operations, the daytime ambient noise was ignored and the early morning time period ambient noise data was used to establish Fujitsu's maximum allowable noise levels. The ambient survey required shutting down all noise sources on the site in an attempt to duplicate the pre-construction noise conditions. In order to minimize the impact of a shutdown on construction activities and to expedite the noise mitigation process we selected the 1 a.m. to 4 a.m. time period for monitoring. This time period was selected because it was considered to be most representative of the lowest ambient level in the area as well as the most

critical period of sleep interference. Also measurement positions along the east property line were recommended so the results would represent ambient levels in the most impacted neighborhood.

- When the ambient survey was taken as planned on July 23, 1988, there were problems with interfering noise sources on the site (transformers and a welding generator) and measurement positions being shielded from traffic on Stark Street which would not be representative of pre-construction conditions.

Another shutdown and ambient survey was planned for the next early morning period on July 24, 1988. A new measurement position was selected by your consultant, in the parking lot on the west side of the property (Position 1). This site was chosen as it seemed to be situated approximately equal distance from Stark Street as the cooling towers and it appeared to adequately simulate the ground elevation and terrain before plant construction. Noise was monitored from 1:15 a.m. to 4:45 a.m. In the opinion of the consultant, measurements made from 2:00 a.m. to 3:20 a.m. and from 4:25 a.m. to 4:45 a.m. best represented the ambient conditions. These results, along with later measurements are shown in Table 1.

Based on the new measurement position and the higher-than-expected results, DEQ requested another ambient survey in which they would participate. This shutdown and survey was planned for the early morning of August 2, 1988. Measurement positions were the west parking lot (Position 1 - CRSS consultant), east property line adjacent to cooling towers (Position 2 - CRSS consultant), and 25 feet toward the cooling towers from the residence at 151 S.E. 214th (Position 3 - DEQ). Between 1 a.m. and 4 a.m. everything on the site was shut down except for the transformers. The transformers were shut down from 2 a.m. to 3 a.m. Noise was measured at all three measurement positions from 1 a.m. to 4 a.m. The results are shown on the following table:

TABLE 1
Ambient Survey

| <u>Date</u> | <u>Time</u> | <u>Position</u> | <u>L10</u> | <u>L50</u> |
|-------------|-------------|-----------------|------------|------------|
| 7/24/88 | 0200-0320 | 1 | 44 dBA | 40 dBA |
| 7/24/88 | 0425-0445 | 1 | 48 dBA | 40 dBA |
| 8/2/88 | 0100-0158 | 1 | 43 dBA | 39 dBA |
| 8/2/88 | 0202-0258 | 1 | 45 dBA | 38 dBA |
| 8/2/88 | 0304-0400 | 1 | 43 dBA | 37 dBA |
| 8/2/88 | 0203-0223 | 2 | 42 dBA | 38 dBA |
| 8/2/88 | 0225-0245 | 2 | 42 dBA | 38 dBA |
| 8/2/88 | 0245-0258 | 2 | 42 dBA | 38 dBA |
| 8/2/88 | 0100-0200 | 3 | 45 dBA | 38 dBA |
| 8/2/88 | 0200-0300 | 3 | 42 dBA | 37 dBA |
| 8/2/88 | 0300-0400 | 3 | 39 dBA | 36 dBA |

Maximum Allowable Noise Levels

As the applicable regulations state, the maximum allowable noise level is based on the hourly ambient statistical noise level (L_{10} and L_{50}) plus 10 dBA or Table 8 of the DEQ Noise Control Regulations. Per standard DEQ procedures, a determination was made of the ambient noise level over the entire site during the most critical time period by arithmetically averaging the measured levels in Table 1 above. This procedure emphasizes neither the higher or lower individual hourly statistical ambient measurements. Due to the relatively small variation in noise levels from site to site or hour to hour, the averaging appears to be an equitable approach. The results, the maximum allowable noise levels are shown below in Table 2:

TABLE 2
Maximum Allowable Noise Levels

| <u>Time Period</u> | <u>L_1</u> | <u>L_{10}</u> | <u>L_{50}</u> |
|--------------------|-------------------------|----------------------------|----------------------------|
| 0700 - 2200 | 75 dBA | 60 dBA | 55 dBA |
| 2200 - 0700 | 60 dBA | 53 dBA | 48 dBA |

Comment

CRSS should be made aware that compliance with the Noise Control Regulations is determined by the noise emissions from the facility during full operation. When noise mitigation plans are developed, consideration must be given to every noise source on the site, not just the cooling towers causing the current neighbor complaints. Consideration must be given to all cooling towers (installed and planned), pumps, air conditioning units, fans, emergency generators, etc. and worst case operating conditions (simultaneous) should be assumed. Your acoustical consultant can review the plans and supply recommendations for the entire project to ensure that the facility is in compliance with the applicable noise regulations when it begins operation. Provision must also be made for future development at the site and the introduction of other noise emitting equipment.

Request for Submittals

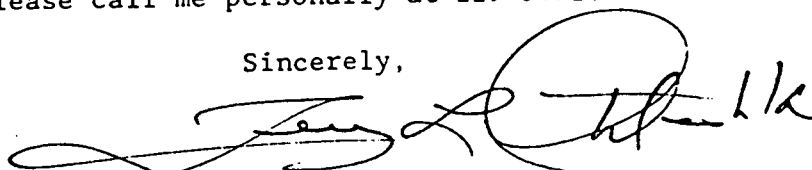
- 1) Please submit, by August 31, 1988, a noise compliance plan and schedule proposing noise reduction measures necessary to ensure the operation of your facility in compliance with the applicable DEQ Noise Control Regulations as shown above in Table 2. The plan should contain detailed technical descriptions of the proposed treatments for each noise source projected to contribute to the noise violation, projected resultant noise levels after treatment, and beginning and completion dates of each step in the treatment process.

CRSS Constructors, Inc.
August 10, 1988
Page 4

- 2) Please submit, by August 24, 1988, a proposal for implementation of immediate, yet temporary if necessary, noise reduction measures to reduce or eliminate the noise emissions from the cooling tower(s) now operating at the site.
- 3) Please submit in writing, by August 31, 1988, a description of development plans for areas to the north of the present construction. These areas may have ambient noise levels different than the area surveyed and further ambient noise surveys may be recommended prior to the start-up of the present construction area. This ambient survey would be necessary for setting maximum allowable noise levels for future development in the area and if taken at this time, a costly future shutdown of the operating facility (necessary for ambient noise measurements) could be prevented.

The Department is most appreciate of both CRSS's and Fujitsu's cooperation in dealing with this noise pollution problem. If I can be of any assistance or answer any questions please call me personally at 229-5092.

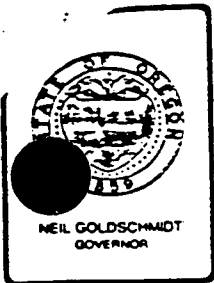
Sincerely,



John J. Ruscigno, P.E.
Senior Noise Analyst
Noise Pollution Control

JJR

JJR:jjr:d
AD3275
Enclosure
cc: Dick Romano
Elki Lahav



file: N-7.1
Department of Environmental Quality

Bob
Mike
File

811 SW SIXTH AVENUE, PORTLAND, OREGON 97204-1390 PHONE (503) 229-5696

November 3, 1989

RECEIVED
NOV - 6 1989
CRSS CONSTRUCTORS

Doug Briggs
CRSS Constructors, Inc.
21015 Southeast Stark Street
PO Box 728
Gresham, OR 97030

Re: Fujitsu Microelectronics, Inc.
Gresham, Oregon
NP - Multnomah County

Dear Mr. Briggs:

This letter is to report the results of the Department's review of the DEQ Compliance Test Report put together by your acoustical consultant, Van Gulik/Oliver Inc., for the Gresham Manufacturing Division facility of Fujitsu Microelectronics, Inc. (FMI) in Gresham, Oregon.

The report presented the results of the DEQ observed noise compliance testing conducted on September 13, 1989. Noise measurements were made at noise sensitive properties in the surrounding neighborhood during periods of operation simulating worst case scenarios for winter, summer, and power failure. The report's measured noise levels agreed with those obtained by the DEQ the night of the testing.

The report speaks to the reported measurement results at Position #1 during worst case summer scenario with all eight cooling towers in operation. Reported results show a 1 dB exceedance in the 500 HZ center frequency octave band of the DEQ maximum allowable nighttime octave band noise levels. The octave band criteria within DEQ Noise Control Regulations may be invoked by the Director of the DEQ when he has reasonable cause to believe the hourly statistical noise criteria do not adequately protect the health, safety, or welfare of the public. In other words, when a facility's noise emissions contain tonal characteristics which are not adequately mitigated through the hourly statistical noise criteria, the Director of the DEQ may invoke the octave band criteria to specifically address those tonal characteristics. In the case of FMI, the octave band criteria has never been invoked.

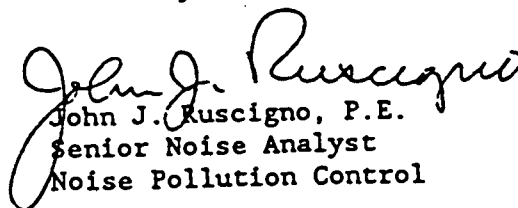
In summary, based on the submitted report and DEQ's own observations and measurements, we find FMI's Gresham facility to currently be operating in compliance with DEQ Noise Control Regulations. We encourage you to maintain the installed noise control elements to ensure continued compliance and also to consider the effects of noise emissions in all equipmental additions/modifications and future plant expansion(s).

Mr. Doug Briggs
November 3, 1988
Page 2

The Department appreciates CRSS' and FMI's cooperation and timely response in addressing Departmental and neighborhood concerns during all phases of the noise abatement process.

Should you have any questions or if I can be of any assistance, please call me personally at 229-5092 or 1-800-452-4011, toll free.

Sincerely,


John J. Ruscigno, P.E.
Senior Noise Analyst
Noise Pollution Control

229-6486

JJR:1
NOISE\AR1866
cc: Van Gulik/Oliver Inc.
Northwest Region, DEQ

Exhibit 1.2
DEQ Notice if Non Compliance
February 18, 1992

February 18, 1992

MR HARRY F DANBERG FACILITIES ENGINEER
FUJITSU MICROELECTRONICS INC
21015 SE STARK STREET
PORTLAND OR 97030-2099

Re: HW-Multnomah County
Fujitsu Microelectronics
EPA Id. No. ORD 987166204
NWR-HSW-92-084
NOTICE OF NONCOMPLIANCE

Dear Mr. Danberg:

This letter confirms the Department of Environmental Quality's (DEQ) inspection and meeting with you on December 10 and 18, 1991, regarding Fujitsu Microelectronics, Inc.'s (FMI) hazardous waste management program and subsequent developments at your facility located at 21015 S.E. Stark Street in Gresham.

FMI generates greater than 1000 kilograms of hazardous waste per month. During our December 10, 1991 inspection, you escorted the DEQ inspection team to FMI's hazardous waste accumulation (90 day storage) room and the "Fab A" building. There, DEQ staff observed the following:

Violation 1: FMI stored containers of hazardous waste without first obtaining a hazardous waste storage permit, in violation of Oregon Revised Statute (ORS) 466.095 (1).

DEQ staff observed that FMI failed to comply with the hazardous waste container management standards of Chapter 40 of the Code of Federal Regulations (CFR) Part (§) 262.34 adopted by reference in Oregon Administrative Rule 340-100-002. Failure to comply with these standards subjects FMI to hazardous waste permitting requirements.



811 SW Sixth Avenue
Portland, OR 97204-1390
(503) 229-5696
TDD (503) 229-6993
DEQ-1

Specifically, FMI stored a 55 gallon drum in 90 day storage for accumulation of ethyl-cellosolve-acetate, an F003 hazardous waste, with a funnel installed in the container's bung. The hinged lid of the funnel was left in the open position, leaving the container open. At the side of the open barrel, there was a 2.5 gallon container of "EB developer" which was an F003 waste which was not labeled as hazardous waste and without an accumulation date. Also, FMI stored two (2) containers of "waste polyamid resin" in satellite storage containers without hazardous waste labels or otherwise indicating the contents. FMI's hazardous waste container management activity does not comply with the following management standards:

- A. 40 CFR § 262.34 (a)(1) directs compliance with 40 CFR § 265.173 (a) which requires the covering of containers except when adding or removing hazardous waste.
- B. 40 CFR § 262.34 (a)(2) requires that satellite containers, when they are removed from the proximity of their initial point of accumulation and stored at another location, must be clearly marked with the date upon which accumulation begins.
- C. 40 CFR § 262.34 (c)(1)(ii) and (c)(2) require that satellite containers be marked with the words "Hazardous Waste" or with other words that identify the contents of the container.

The above violations are Class I violations. They are considered to be serious violations of the Department's rules. Therefore, we are referring these violations to the Department's Enforcement Section for review of this case to determine the formal enforcement action which would be appropriate. There are a range of actions possible including civil penalty assessment.

Violation 2: FMI did not conspicuously place "No Smoking" signs on the outside of the hazardous waste storage room, a ninety day accumulation area where ignitable wastes were stored. This is a violation of 40 CFR § 265.17 (a).

Violation 3: During the inspection, DEQ staff requested to see the land disposal restriction form for manifest #91018 which pertained to a shipment of hazardous waste containing mercury. FMI did not retain on-site copies of all land disposal restriction notification forms as required by 40 CFR § 268.7 (a)(6).

Mr. Harry F. Danberg, Facilities Engineer
February 18, 1992
Page 3

Violation 4: DEQ staff reviewed manifest #91010 which listed a shipment of waste flammable liquids. Item 11(a) contained ethyl cellosolve acetate and isopropyl alcohol which carried only the waste code F003. Similarly, item 28(a) on page 2 of the manifest contained waste xylene which carried the waste code F003. FMI did not use all applicable waste codes for these wastes on the hazardous waste manifest. In the case of these waste liquids, FMI did not include the D001 waste code which violates 40 CFR § 268.9 (a). This law requires that each applicable waste code be determined, and that each hazardous waste carry any applicable waste code listing under 40 CFR § 261 Subpart D and the characteristic waste code designations under § 261 Subpart C that are relevant.

Violation 5: Staff noted during review of the contingency plan that no home addresses and home telephone numbers of Emergency Coordinators were listed. FMI violated 40 CFR § 265.52 (d) which requires that names, addresses and telephone numbers (both office and home) of persons qualified as Emergency Coordinator must be listed and kept up to date. The list must also indicate the priority in which they will assume responsibility.

Violation 6: FMI told Department staff that FMI had made arrangements with emergency response agencies to address emergency services for the Gresham plant. FMI failed to document and describe in the contingency plan the arrangements agreed to by the local emergency response agencies in violation of 40 CFR § 265.52 (c), pursuant to § 265.37.

These violations are Class II violations. If any of these violations or a similar violation occurs again, we may refer the case to the Department's Enforcement Section with a recommendation to proceed with formal enforcement action.

The Department is continuing to review the inspection report and associated data. You will be notified if any additional violations are discovered.

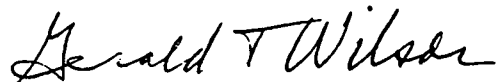
The Department appreciates the actions taken by all FMI staff to this point in correcting the violations that were observed during the December 10 inspection. The DEQ staff believes that FMI was responsive in that some matters were corrected before the inspection team left the premises. Other measures including engineering changes were made by December 13, 1991, and you have continued to keep the Department informed with the submission of information on December 13 and 18, 1991, and February 7, 1992, as further corrections were made. The speed and the cooperation which FMI has demonstrated is commendable.

Mr. Harry F. Danberg, Facilities Engineer
February 18, 1992
Page 4

Regarding your February 7, 1992, submission of the modified "final draft" contingency plan, staff will be unable to complete a review of the document prior to February 21, 1992. A preliminary review has been done, and we believe that further information is needed in Appendix L concerning the emergency coordinators as mentioned above. We will return the contingency plan document when we have completed our review in accordance with Mr. Okada's request.

If you have questions or comments regarding this matter, please contact me at the Northwest Region office at (503) 229-6433.

Sincerely,



Gerald T. Wilson
Hazardous Waste Specialist
Northwest Region

GTW/j

cc: Bruce Long, Oregon Operations, U.S.E.P.A.
Tom Cusak, Hazardous & Solid Waste Division, DEQ
Enforcement Section, DEQ

Exhibit 1.3
DEQ Notice of Non Compliance, Stormwater
February 8, 1995

FEB 08 1995

Oregon

MS JUNE ANN COLE
FUJITSU MICROELECTRONICS INC
21015 SE STARK STREET
GRESHAM OR 97030

DEPARTMENT OF
ENVIRONMENTAL
QUALITY

Re: NPDES Stormwater Permit
File No. 104006
Multnomah County
NOTICE OF NONCOMPLIANCE

NORTHWEST REGION

Dear Ms. Cole:

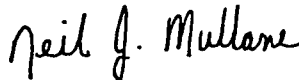
The laboratory results from your sampling show that your facility's stormwater discharges have violated permit limitations for oil and grease. This is a Class II violation of your permit. Oregon Administrative Rule 340-12-041(2)(c) provides that a permittee shall not receive more than three NONs for Class II violations of the same permit within a thirty-six (36) month period without being issued a more formal enforcement action called a Notice of Permit Violation (NPV). The department may, however, issue a NPV prior to the third NON. The Department requests your cooperation in ensuring that this violation does not recur.

This NON requires you to make an effort to determine the source of this pollution and that you take steps to both reduce it and isolate it from your site's stormwater discharges. Steps that can be taken include covering materials that are being contacted by stormwater, improving housekeeping, and placing simple stormwater treatment devices into catch basins or drainage ditches. If, after taking steps to determine the sources of your stormwater pollution you are unable to make a determination as to what is causing your violation, please let us know in writing.

Prior to your next sampling event, communicate to the Department in writing any changes made onsite that are perceived to improve the quality of stormwater leaving your site.

If you have any questions regarding this NON, please contact Paul Keiran at (503) 229-5937.

Sincerely,



Neil J. Mullane, Manager
Water Quality Source Control
Northwest Region

prk

cc: Enforcement Section, DEQ
Water Quality Division, DEQ
File



2020 SW Fourth Avenue
Suite 400
Portland, OR 97201-4987
(503) 229-5263 Voice/TDD
DEQ-1

Exhibit 2.1
OSHA Citation, Fall Protection



SERVICE OF PROCESS TRANSMITTAL FORM

C T Corporation System
The Corporation Trust Company

PORTLAND, OREGON

(City)

(State)

Dec. 15, 1992

(Date)

TO: Mark Utley, Corp. Csl.
Fujitsu Microelectronics, Inc.
3545 N. first St.
San Jose, CA 95134

(☒) Via Federal Express

() Via Messenger

RE: PROCESS SERVED IN _____ OREGON

(Jurisdiction)

FOR FUJITSU MICROELECTRONICS, INC.

(Name of Company)

CA

(Domestic State)

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

1. TITLE OF ACTION: In the Matter of the Alleged Violation of the Oregon Safe Employment Act.
By: Fujitsu Microelectronics Inc.
2. DOCUMENT(S): Citation and Notice of Penalty and Exhibit "A" — Citation # B3184-002-93
3. COURT: Before the State of Oregon Workers' Compensation Dept.
4. NATURE OF ACTION: Alleges violations of above act. Date: 12-10-92
Place: 21015 SE Stark, Gresham, OR 97030
Amount of Penalty: \$300.00
5. BY WHOM PROCESS WAS RECEIVED: C T CORPORATION SYSTEM in Portland, Oregon via regular mail
on Dec. 15, 1992 postmarked: Dec. 11, 1992
6. DATE AND HOUR OF SERVICE: See above.
7. APPEARANCE OR ANSWER DUE: Notice of Corrections Card Due: 1-7-93
8. PLAINTIFF'S ATTORNEY(S): No Attorney
9. REMARKS: (☒) Original Citation (and correction card if applicable) sent to: Mitsumasa Ashida, Pres.

() This confirms our telephone call to your office.

() Above telephoned to C T

office and is sent to you per their instructions.

KINDLY ACKNOWLEDGE RECEIPT BY SIGNING
THE CARBON COPY AND RETURNING IT TO →

Signed C T CORPORATION SYSTEMO. H. Young/bhPer 520 SW YamhillAddress 800 Pacific Bldg.Portland, Oregon 97204

CT SYSTEM®

CT Corporation System
The Corporation Trust Company

SERVICE OF PROCESS TRANSMITTAL FORM

PORTLAND, OREGON

(City)

(State)

Dec. 15, 1992

(Date)

() Via Federal Express

() Via Messenger

TO: East Valley, Corp. Cal.
Fujitsu Microelectronics, Inc.
3841 N. First St.
San Jose, CA 95134

RE: **PROCESS SERVED IN** OREGON

(Jurisdiction)

FOR FUJITSU MICROELECTRONICS, INC.

(Name of Company)

CA

(Domestic State)

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

1. **TITLE OF ACTION:** In the Matter of the Alleged Violation of the Oregon Safe Employment Act.
By: Fujitsu Microelectronics Inc.
2. **DOCUMENT(S):** Citation and Notice of Penalty and Exhibit "A" - Citation # B3184-002-93
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Place: 21015 SE Stark, Gresham, OR 97030
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on Dec. 15, 1992 postmarked: Dec. 11, 1992
6. **DATE AND HOUR OF SERVICE:** See above.
7. **APPEARANCE OR ANSWER DUE:** Notice of Corrections Card Due: 1-7-93
8. **PLAINTIFF'S ATTORNEY(S):** No Attorney
9. **REMARKS:** (x) Original Citation (and correction card if applicable) sent to: Mitsumasa Ashida, Pres.

() This confirms our telephone call to your office.

() Above telephoned to C T

office and is sent to you per their instructions.

**KINDLY ACKNOWLEDGE RECEIPT BY SIGNING
THE CARBON COPY AND RETURNING IT TO** →

By _____

Received on _____

Signed C T CORPORATION SYSTEM

Per C. H. Young/LN
520 SW Yamhill

Address 800 Pacific Bldg.

Portland, Oregon 97204

COPY FOR RECEIPT



Department of Insurance & Finance
Oregon Occupational Safety & Health Division

CITATION

In accordance with OSHA law, and in the interest of assuring a safe, healthy workplace by preventing occupational injuries, illnesses, and fatalities to your employees, the Oregon Occupational Safety and Health Division (OR-OSHA) recently conducted an inspection of a workplace under your control. During this inspection, certain violations of the Oregon Safe Employment Act and occupational health and/or safety rules were found.

This citation lists the violations and sets a date by which the violations must be corrected. If you are not able to correct the violations by the correction date, you may apply for an extension of the compliance date by following the instructions on the back of this page.

Oregon Safe Employment Act laws require that under certain conditions violations of occupational safety and health rules carry a civil penalty. If penalties have been assessed on this citation, they have been computed in conformity with Oregon Administrative Rules, Chapter 437, Division 1.

If you want to appeal this citation, file your request for hearing within 20 days as outlined on the back of this page.

If you want to discuss this citation, call the OR-OSHA office in your area:

Portland 229-5910

Salem 378-3274

Medford 776-6030

Eugene 686-7562

Bend 388-6066

With the continued cooperation between employers, employees and OR-OSHA, occupational injuries, illnesses, and fatalities to our Oregon work force can be prevented.

John A. Pompei, Administrator
Oregon Occupational Safety & Health Division
(503) 378-3272

COPY

CORRECTIVE ACTION

You are required to notify the appropriate OR-OSHA field office of corrective action taken for violations not corrected at the time of inspection. The attached "Letter of Corrective Action" shall be completed and mailed to the field office listed on this letter. The "Letter of Corrective Action" must be received by the field office on or before the latest correction date on the citation. Failure to return this letter by that time may result in another inspection to verify compliance.

SEE REVERSE SIDE ON WHERE AND WHEN TO POST THIS CITATION, PLUS
EMPLOYER AND EMPLOYEE RIGHTS AND RESPONSIBILITIES.

RECEIVED

12-15-92

John A. Pompei

POSTING

THE LAW REQUIRES THAT A COPY OF THIS CITATION BE POSTED PROMPTLY IN A CONSPICUOUS MANNER ABOUT YOUR WORKPLACE, AND IN A SUFFICIENT NUMBER OF PLACES TO INFORM YOUR EMPLOYEES OF THE FACTS. IT MUST BE PROMINENTLY POSTED FOR A PERIOD OF THREE DAYS OR UNTIL THE VIOLATION IS CORRECTED, WHICHEVER COMES LAST.

EMPLOYER APPEAL RIGHTS

You may appeal any violation, penalty, or correction date on this citation. Your appeal must be in writing; be signed; and, include your name, address, telephone number, citation report number, date received, each item appealed, and the reason for the appeal. The appeal should also show whether you desire an informal conference to discuss and possibly resolve the appealed items. The appeal **must be received by the Department within 20 days of your receipt of the citation.** If you do not appeal, this citation becomes a final order of the Department of Insurance & Finance. Send your appeal to: Department of Insurance & Finance, Oregon Occupational Safety & Health Division, Labor & Industries Bldg., Salem, OR 97310.

IMPORTANT NOTE: APPEALING A SERIOUS VIOLATION OR THE REASONABLENESS OF THE CORRECTION DATE DOES NOT AUTOMATICALLY EXTEND OR STAY THE CORRECTION DATE. YOU MAY REQUEST AN EXTENSION OF THE CORRECTION DATE THROUGH OR-OSHA (SEE BELOW) OR REQUEST THAT THE WORKERS' COMPENSATION BOARD HEARINGS DIVISION, FOR GOOD CAUSE, ISSUE A STAY OF THE CORRECTION ORDER, PENDING DISPOSITION OF THE CASE (OREGON ADMINISTRATIVE RULE 438-85-326(2)).

EMPLOYEE RIGHTS

Any employee or representative of employees who believes that any period of time fixed in this citation for the correction of alleged violations is unreasonable has the right to request a hearing by submitting a letter to the Dept. of Insurance & Finance, Oregon Occupational Safety & Health Division, Labor & Industries Bldg., Salem, OR 97310.

EXTENSION OF CORRECTION DATE

- (1) You may apply for an extension of the date for correcting a violation.
- (2) A request for an extension of a correction date must be sent in writing to the field office listed on the "Letter of Corrective Action".
- (3) The request for extension must include:
 - (a) Your name and address.
 - (b) The location of the place of employment.
 - (c) The citation report number.
 - (d) The number of the violation for which the extension is sought.
 - (e) The reason for the request.
 - (f) Facts showing that you have made an effort to correct the violation by the date set for correction, but were unable to do so because of factors beyond your control.
 - (g) All available interim steps being taken to safeguard employees against the cited hazard during the requested extended correction period.
 - (h) The date by which you propose to complete the correction.
 - (i) A statement that a copy of the request for extension has been posted as required by OAR 437-1-275(2)(d) and (h) or for at least 10 days, whichever is longer; and, if appropriate, served on the authorized representative of affected employees; and, certification of the date upon which the posting or service was made.
- (4) Your request must be postmarked or received by the Department no later than the correction date of the violation for which the extension is sought.

CITATION AND NOTICE OF PENALTY

BEFORE THE STATE OF OREGON, DEPARTMENT OF INSURANCE
 ANNUANCE, OREGON OCCUPATIONAL SAFETY & HEALTH
 DIVISION
 Labor and Industries Building, Salem, Oregon, 97310

(2) Employer ID No.: 7487507-000
 (3) Inspection Date: 11/10/92-11/13/92
 (4) Date Issued: 12-10-92
 (5) Inspection Site:
 21015 SE STARK
 GRESHAM OR 97030

In the Matter of the violation of)
 the OREGON SAFE EMPLOYMENT ACT)
 By: FUJITSU MICROELECTRONICS INC)

(6) IMIS Report No.: 123713497(12)
 (7) Citation Optional
 Report No.: B3184-002-93

(1)
 To: FUJITSU MICROELECTRONICS INC
 MITSUMASA ASHIDA PRESIDENT
 1 MAIN PLACE 101 SW MAIN ST
 PORTLAND OR 97204

NOTE: Please include the Citation
 Optional Report Number (Block 7) in all
 correspondence related to this inspection.

| Item No. | Violation Class | Date Correction Required | Penalty |
|---|--------------------|---|---------|
| 1-1. Standard Violated: OAR437-02-015 29 CFR 1910.23(c)(1) Description of Violation: Open-sided floor(s) or platform(s) 4 feet or more above the adjacent floor or ground level were not guarded by standard railings (or the equivalent as specified in 1910.23(e)(3)), on all open sides: (a) Open-sided platform used to access the R.O.D. cross over valves. | SERIOUS | COMPLETED \$ AT TIME OF IN- SPECTION | 150.00 |
| 1-2. Standard Violated: OAR437-50-050(1) Description of Violation: All employees were not protected from fall hazards when working on unguarded surfaces more than 10 feet above a lower level and/or at any height above dangerous equipment. (a) Employees could work off of a ladder to shut off R.O.D. cross over valves without leaving hands on ladder. No fall protection for employees doing this job process. | SERIOUS | COMPLETED \$ AT TIME OF IN- SPECTION | 150.00 |

DEPT. POSTING
 SAFETY/HEALTH

POSTED 12-15-92
12-18-92
Jac

COPY

CITATION AND NOTICE OF PENALTY

FUJITSU MICROELECTRONICS INC

Employer: 7487507-000
 IMIS Report No.: 123713497(12)
 Citation Optional
 Report No.: B3184-002-93

| Item No. | | Violation Class | Date Correction Required | Penalty |
|----------|--|-----------------|--------------------------|---------|
| 2-3. | Standard Violated: OAR437-02-015 29 CFR 1910.23(e)(1) Description of Violation: A standard rail did not consist of top rail and middle rail at a vertical height of 42 inches. (a) The guardrail system on the Number 7 scrubber did not meet the requirements of the standard. (b) The guardrail system on the Number 6 scrubber did not meet the requirements of the standard. (c) The guardrail system on the Number 4 Ammonia scrubber did not meet the requirements of the standard. (d) The guardrail system on the Number 2 acid scrubber did not meet the requirements of the standard. | GENERAL | 01-07-93 | \$ 0.00 |

cc: Mitsumasa Ashida President, Fujitsu Microelectronics Inc, C T Corporation System
 Registered Agent, 800 Pacific Bldg 520 SW Yamhill, Portland OR 97204

Mitsumasa Ashida President, Fujitsu Microelectronics Inc, Attn Mrs. Cohn Head of
 Safety, 21015 SE Stark, Gresham OR 97030

2572-ORCIT/BJH

COPY

 * Total Penalty for *
 * This Citation: \$ 300.00 *

 DEPT. POSTING
 SAFETY/HEALTH
 POSTED 12-15-92
 EXPIRES 12-18-92
 INITIAL Q.C.

Exhibit 2.2
OSHA Citation, Hazardous Materials



Department of Consumer & Business Services
Oregon Occupational Safety & Health Division

CITATION

In accordance with OSHA law, and in the interest of assuring a safe, healthy workplace by preventing occupational injuries, illnesses, and fatalities to your employees, the Oregon Occupational Safety and Health Division (OR-OSHA) recently conducted an inspection of a workplace under your control. During this inspection, certain violations of the Oregon Safe Employment Act and occupational health and/or safety rules were found.

This citation lists those violations and sets a date by which the violations must be corrected. If you are not able to correct the violations by that date, you may apply for an extension of the compliance date by following the instructions on the back of this page.

Oregon Safe Employment Act laws requires that, under certain conditions, violations of occupational safety and health rules carry a civil penalty. If penalties have been assessed on this citation, they have been computed in conformity with Oregon Administrative Rules Chapter 437, Division 1.

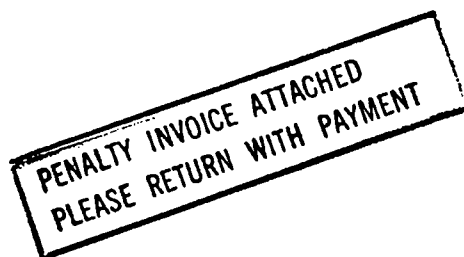
If you want to appeal this citation, file your request for hearing **within 20 days** as outlined on the back of this page.

If you want to discuss this citation, call the OR-OSHA office in your area. All numbers are area code 503 and have TDD access.

| | |
|----------------|----------|
| Portland | 229-5910 |
| Salem | 378-3274 |
| Medford | 776-6030 |
| Eugene | 686-7562 |
| Bend | 388-6066 |

With continued cooperation between employers, employees, and OR-OSHA, occupational injuries, illnesses, and fatalities to Oregon's work force can be prevented.

John A. Pompei, Administrator
Oregon Occupational Safety & Health Division
(503) 378-3272



Corrective Action

You are required to notify the appropriate OR-OSHA field office of corrective action taken for violations not corrected at the time of inspection. The attached "Letter of Corrective Action" must be completed and mailed to the field office listed on this letter. The "Letter of Corrective Action" must be received by the field office on or before the latest correction date on the citation. Failure to return this letter by that time may result in another inspection to verify compliance.

**See reverse side on where and when to post this citation,
plus employer and employee rights and responsibilities.**

Posting

The law requires that a copy of this citation be posted promptly in a conspicuous manner in your workplace, and in a sufficient number of places to inform your employees of the facts. It must be prominently posted for a period of three days or until the violation is corrected, whichever comes last.

Employer Appeal Rights

You may appeal any violation, penalty, or correction date on this citation. Your appeal must be in writing; be signed; and, include your name, address, telephone number, citation report number, date received, each item appealed, and the reason for the appeal. The appeal should also show whether you desire an informal conference to discuss and possibly resolve the appealed items. The appeal **must be received by the department within 20 calendar days of your receipt of the citation**. If you do not appeal, this citation becomes a final order of the Department of Consumer & Business Services. Send your appeal to: Department of Consumer & Business Services, Oregon Occupational Safety & Health Division, Labor & Industries Bldg., Salem, OR 97310.

Important note: Appealing a serious violation or the reasonableness of the correction date does not automatically extend or stay the correction date. You may request an extension of the correction date through OR-OSHA (see below) or request that the Workers' Compensation Board Hearings Division for good cause, issue a stay of the correction order, pending disposition of the case (Oregon Administrative Rule 438-85-326(2)).

Employee Rights

Any employee or representative of employees who believes that any period of time fixed in this citation for the correction of alleged violations is unreasonable has the right to request a hearing by submitting a letter to the Department of Consumer & Business Services, Oregon Occupational Safety & Health Division, Labor & Industries Bldg., Salem, OR 97310.

Extension of Correction Date

- (1) You may apply for an extension of the date for correcting a violation.
- (2) A request for an extension of a correction date must be sent in writing to the field office listed on the "Letter of Corrective Action."
- (3) The request for extension must include:
 - (a) Your name and address.
 - (b) The location of the place of employment.
 - (c) The citation report number.
 - (d) The number of the violation for which the extension is sought.
 - (e) The reason for the request.
 - (f) Facts showing that you have made an effort to correct the violation by the date set for correction, but were unable to do so because of factors beyond your control.
 - (g) All available interim steps being taken to safeguard employees against the cited hazard during the requested extended correction period.
 - (h) The date by which you propose to complete the correction.
 - (i) A statement that a copy of the request for extension has been posted as requested by OAR 437-1-275(2)(d) and (h) or for at least 10 days, whichever is longer; and, if appropriate, served on the authorized representative of affected employees; and, certification of the date upon which the posting or service was made.
- (4) Your request must be postmarked or received by the department no later than the correction date of the violation for which the extension is sought.

CITATION AND NOTICE OF PENALTY

BEFORE THE STATE OF OREGON, DEPARTMENT OF CONSUMER
AND BUSINESS SERVICES, OREGON OCCUPATIONAL SAFETY
AND HEALTH DIVISION
Labor and Industries Building, Salem, Oregon, 97310

(2) Employer ID No.: 7487507-000
(3) Inspection Date: 04-21-94/06-16-94
(4) Date Issued: 07-08-94
(5) Inspection Site:
21015 SE STARK
GRESHAM OR 97030

In the Matter of the violation of)
the OREGON SAFE EMPLOYMENT ACT)
By: FUJITSU MICROELECTRONICS INC)

(6) IMIS Report No.: 124773367(91)
(7) Citation Optional
Report No.: R9932-016-94

(1)
To: FUJITSU MICROELECTRONICS INC
KEN KATASHIBA PRESIDENT
ATTN JUNE ANN COLE
SAFETY OCCUPATIONAL HEALTH MANAGER
21015 SE STARK
GRESHAM OR 97030

NOTE: Please include the Citation
Optional Report Number (Block 7) in all
correspondence related to this inspection.

| Item No. | Violation Class | Date Correction Required | Penalty |
|-------------|---|--|---------|
| 1-1. | Standard Violated: OAR437-2-221(4)(d) Description of Violation: Materials which could cause hazardous reactions were not kept segregated in storage and marked with appropriate warning signs: (a) For the nitric acid stored next to the acetic acid, in which upon contacting each other can result in an uncontrolled exothermic reaction, in the "acid bay area" of Fujitsu Microelectronics Inc in Gresham, Oregon. | SERIOUS COMPLETED \$ AT TIME OF IN- SPECTION | 240.00 |

* Total Penalty for *
* This Citation: \$ 240.00 *

19198-ORCIT/NJS

INVOICE FOR PROPOSED PENALTY

EMPLOYER: FUJITSU MICROELECTRONICS INC

ISSUE DATE: 07-08-94

ATION OPT REPORT #: R9932-016-94

IMIS REPORT #: 124773367(91)

EMPLOYER ID: 7487507-000

TOTAL PENALTY: \$ 240.00

| | |
|---|---------------------------|
| ***** PAYMENT ADVICE ***** | ***** CASHIER STAMP ***** |
| I.R.S. #93-0547295 | 415200 840.345 |
| PAY TO DEPT OF CONSUMER & BUSINESS SVCS | |
| FISCAL SERVICES SECTION | |
| LABOR & INDUSTRIES BUILDING | |
| SALEM, OREGON 97310 | |
| RETURN COPY OF INVOICE WITH PAYMENT | |
| ***** | ***** |

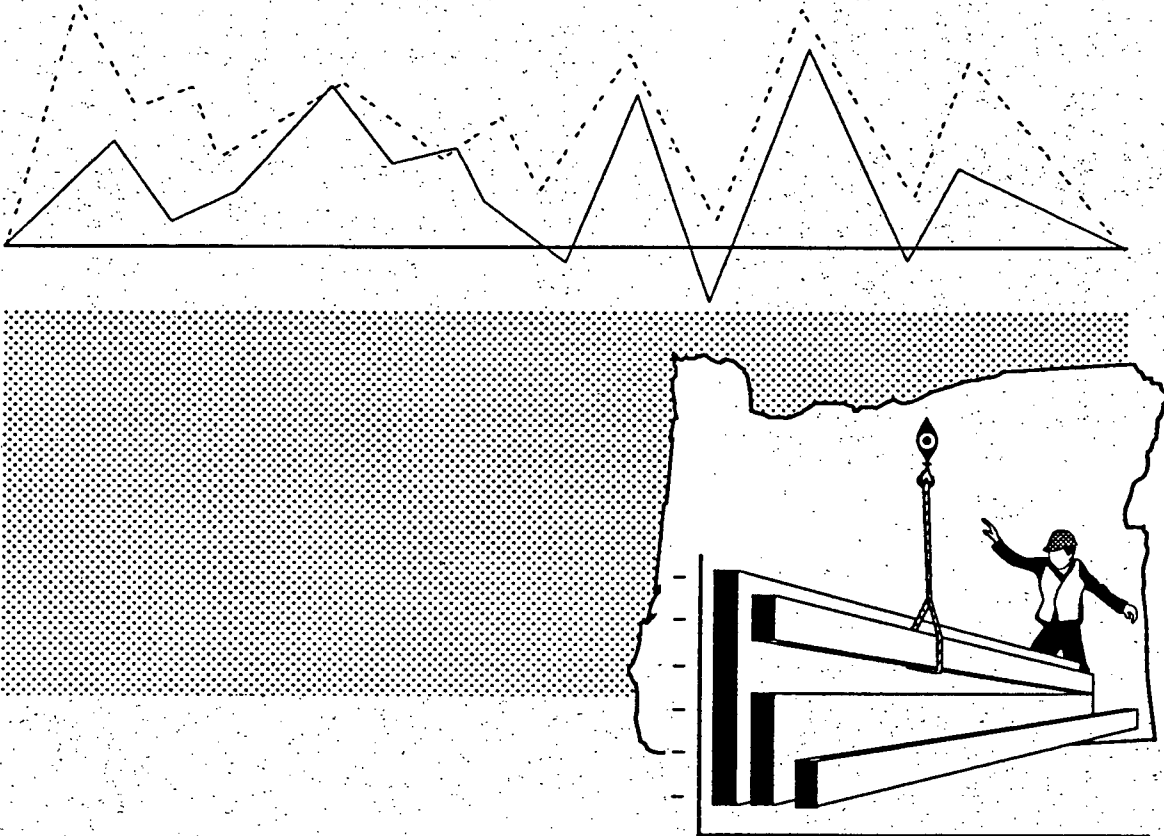
Oregon Revised Statutes, Chapter 654, The Oregon Safe Employment Act Subsection, 654.086(3), states: "When an order assessing a civil penalty becomes final by operation of law or an appeal, unless the amount of penalty is paid within 10 days after the order becomes final, it constitutes a judgment and may be filed with the county clerk in any county of this state. The clerk shall thereupon record the name of the person incurring the penalty and the amount of the penalty in the judgment docket. The penalty provided in the order so docketed shall become a lien upon the title to any interest in property owned by the person against whom the order is entered, and execution upon a judgment of a court of record."

Payment of all penalties shown is to be made by check or money order payable to the order of "Department of Consumer and Business Services" and remitted with a copy of this form.

Exhibit 2.3.1
Oregon OSHA Injury and Illness Rates
1992



DEPARTMENT OF CONSUMER & BUSINESS SERVICES
Research & Analysis Section



**OREGON OCCUPATIONAL INJURY AND
ILLNESS SURVEY CALENDAR YEAR 1992**

September 1994

**OREGON OCCUPATIONAL INJURY
AND ILLNESS SURVEY 1992**

DEPARTMENT OF CONSUMER & BUSINESS SERVICES

Kerry Barnett, Director

Information Management Division

Dan Adelman, Administrator

Research & Analysis Section

Ed Bissell, Manager

Kathy Thomas, Supervising Research Analyst

Jim Locnikar, Research Analyst

Research Assistants

Stacey Barnhart

Clara Orr

Sarah Loudon

September 1994

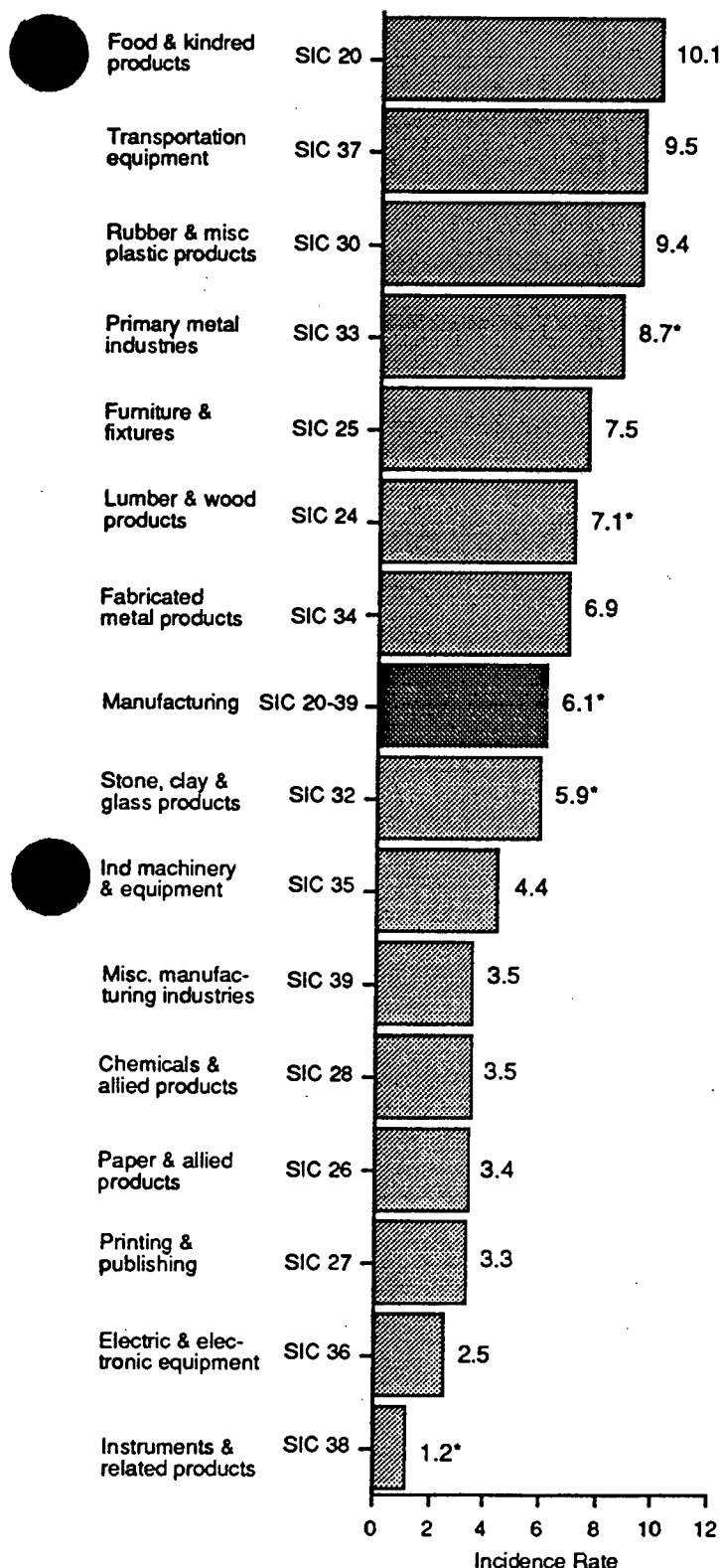


DEPARTMENT OF
CONSUMER
& BUSINESS
SERVICES

Information Management Division
300 Labor & Industries Building
Salem, OR 97310

Figure 7

Lost Workday Cases Incidence Rates by Type of Manufacturing Activity, Oregon, 1992



* Lowest rate ever reported for this industry

The 1992 manufacturing rate of 6.1 was the third consecutive record low for the industry in Oregon, 9.0 percent below the old record of 6.7 set in 1991. Lost workday cases rates among the major groups of manufacturing industries ranged from a high of 10.1 to a low of 1.2 in 1992, with some major groups reporting their lowest rate ever (see Figure 7). Lumber and wood products (SIC 24) reported its sixth straight decrease, down 11.2 percent to 7.1. Miscellaneous manufacturing industries (SIC 39) dropped nearly 60 percent to 3.5. Food and kindred products (SIC 20) registered the highest rate, increasing 11.0 percent to 10.1 from 9.1 in 1991.

HAZARDOUS INDUSTRIES

In 1992, six of the ten most hazardous industries at the three-digit SIC level were engaged in some type of manufacturing activity, while one was involved in services, one in agriculture, forestry and fishing, and two were in transportation and public utilities. As shown in Text Table 1, meat products (SIC 201) recorded the highest 1992 lost workday cases incidence rate of the three-digit SIC industries, 15.4 cases per 100 full-time workers. This represents a 20.3 percent increase from the 1991 rate of 12.8. The lost workday cases rate in logging fell for the eighth consecutive year, dropping 6.8 percent to a new record low of 9.6. The previous record was 10.3 in 1991.

RATES BY EMPLOYMENT SIZE

Establishments in the intermediate size ranges continued to post the highest incidence rates. For the private sector as a whole, establishments with 100-249 employees reported the highest lost workday cases incidence rate of 5.8 cases per 100 full-time employees. As shown in Text Table 2, the lowest incidence rates for the private sector were reported by establishments with fewer than 20 employees and establishments with 2,500 or more employees. The tendency for intermediate sized establishments to have the highest rates has held in Oregon since the inception of the survey and is characteristic of rates by employment size for the nation as well.

Text Table 1

**Ranking of the 10 Highest Lost Workday Cases Incidence Rate
3-Digit SIC Industries, Oregon, 1988-1992**

| Industry | SIC ¹ | Incidence Rates ² | | | | |
|---|------------------|------------------------------|------|------|------|------|
| | | 1988 | 1989 | 1990 | 1991 | 1992 |
| Meat Products | 201 | 16.4 | -- | 17.8 | 12.8 | 15.4 |
| Ship and Boat Building & Repairing | 373 | 24.0 | -- | 21.2 | 20.3 | 14.7 |
| Miscellaneous Foods & Kindred Products | 209 | 17.8 | 15.5 | 14.7 | 8.7 | 11.2 |
| Trucking & Courier Services, Except Air | 421 | 10.8 | 9.8 | 9.5 | 10.0 | 10.8 |
| Concrete Work | 177 | -- | 2.9 | 8.1 | 6.3 | 10.3 |
| Nursing & Personal Care Facilities | 805 | -- | 12.3 | 12.3 | 10.7 | 9.8 |
| Bakery Products | 205 | -- | -- | 7.7 | 10.4 | 9.6 |
| Logging | 241 | 14.9 | 13.8 | 11.0 | 10.3 | 9.6 |
| Air Transportation, Scheduled | 451 | 7.6 | 7.4 | 9.7 | -- | 9.6 |
| Motor Vehicles & Equipment | 371 | 7.7 | 7.4 | 8.1 | 5.7 | 9.4 |

¹ Standard Industrial Classification Manual, 1987 Edition.

² Incidence rates represent the number of injuries and illnesses per 100 full-time equivalent workers per year.

Note: Dashes indicate data do not meet publication criteria.

Text Table 2

**Lost Workday Cases Incidence Rates
by Size Class, Oregon, 1988-1992**

| Number of Employees | Incidence Rates ¹ | | | | |
|---------------------|------------------------------|------|------|------|------|
| | 1988 | 1989 | 1990 | 1991 | 1992 |
| All Sizes | 5.6 | 5.2 | 4.8 | 4.4 | 4.4 |
| 1-3 | 2.0 | 1.4 | 1.6 | 2.6 | 1.4 |
| 4-10 | 2.9 | 2.5 | 2.8 | 2.2 | 3.0 |
| 11-19 | 4.4 | 4.3 | 3.2 | 3.4 | 3.6 |
| 20-49 | 5.6 | 5.0 | 4.4 | 4.0 | 4.7 |
| 50-99 | 6.3 | 5.8 | 5.6 | 4.6 | 4.8 |
| 100-249 | 8.1 | 7.4 | 6.1 | 5.5 | 5.8 |
| 250-499 | 7.4 | 7.3 | 7.0 | 6.3 | 5.7 |
| 500-999 | 6.8 | 6.6 | 7.1 | 6.5 | 4.2 |
| 1000-2499 | 4.7 | 5.0 | 4.4 | 5.3 | 5.6 |
| 2500+ | 4.0 | 3.3 | 3.4 | 2.4 | 2.4 |

¹ Incidence rates represent the number of injuries and illnesses per 100 full-time equivalent workers per year.

| Industry ² | SIC code ³ | 1992 Annual average employment ⁴ (000's) | Injuries and illnesses | | | | Injuries | | | |
|--|-----------------------|---|------------------------|--------------------|---------------------------------------|------------------------------|-------------|--------------------|---------------------------------------|------------------------------|
| | | | Total cases | Lost workday cases | | Cases without lost work-days | Total cases | Lost workday cases | | Cases without lost work-days |
| | | | | Total ⁵ | With days away from work ⁶ | | | Total ⁵ | With days away from work ⁶ | |
| All industries including state and local government⁷ | | 1,224.3 | 8.8 | 4.2 | 3.2 | 4.7 | 8.2 | 3.9 | 3.0 | 4.3 |
| Private industry⁷ | | 1,042.9 | 9.1 | 4.4 | 3.3 | 4.7 | 8.5 | 4.1 | 3.2 | 4.4 |
| Agriculture, forestry, and fishing ⁷ | | 36.7 | 10.3 | 5.1 | 4.2 | 5.2 | 9.5 | 4.7 | 3.9 | 4.7 |
| Agricultural production ⁷ | 01-02 | 22.5 | 9.8 | 5.1 | 4.0 | 4.8 | 9.4 | 4.9 | 3.9 | 4.5 |
| Agricultural production-crops ⁷ | 01 | 20.4 | 9.9 | 5.1 | 3.9 | 4.8 | 9.4 | 4.9 | 3.7 | 4.6 |
| Fruits and tree nuts ⁷ | 017 | 6.1 | 8.8 | 5.0 | 3.6 | 3.8 | 8.2 | 4.5 | 3.1 | 3.7 |
| Horticultural specialties ⁷ | 018 | 6.9 | 11.6 | 5.4 | 3.7 | 6.2 | 10.9 | 5.3 | 3.6 | 5.7 |
| Agricultural services | 07 | 9.3 | 10.3 | 5.3 | 4.8 | 5.0 | 9.1 | 4.7 | 4.2 | 4.4 |
| Veterinary services | 074 | 2.2 | 7.9 | 3.8 | 2.6 | 4.1 | 7.9 | 3.8 | 2.6 | 4.1 |
| Landscape and horticultural services | 078 | 3.5 | 14.9 | 8.6 | 8.1 | 6.3 | 12.5 | 7.3 | 6.8 | 5.2 |
| Forestry | 08 | 4.1 | 13.7 | 5.8 | 4.8 | 7.9 | 11.7 | 5.4 | 4.6 | 6.3 |
| Forestry services | 085 | 2.6 | 15.6 | 6.8 | 5.9 | 8.8 | 13.3 | 6.3 | 5.7 | 7.0 |
| Mining ⁸ | | 1.6 | 3.8 | 2.4 | 2.3 | 1.4 | 3.8 | 2.4 | 2.3 | 1.4 |
| Construction | | 50.2 | 13.4 | 6.1 | 5.5 | 7.3 | 13.0 | 5.9 | 5.3 | 7.1 |
| General building contractors | 15 | 11.4 | 13.9 | 7.2 | 6.1 | 6.7 | 13.6 | 7.1 | 6.1 | 6.5 |
| Residential building construction | 152 | 6.1 | 13.3 | 7.6 | 6.7 | 5.7 | 12.9 | 7.6 | 6.7 | 5.4 |
| Nonresidential building construction | 154 | 5.2 | 14.1 | 6.7 | 5.5 | 7.4 | 13.9 | 6.7 | 5.4 | 7.3 |
| Heavy construction, except building | 16 | 7.6 | 14.4 | 4.8 | 4.2 | 9.7 | 13.6 | 4.5 | 3.9 | 9.1 |
| Highway and street construction | 161 | 3.1 | 13.4 | 4.7 | 4.1 | 8.7 | 12.6 | 4.3 | 3.8 | 8.3 |
| Heavy construction, except highway | 162 | 4.6 | 15.2 | 4.8 | 4.3 | 10.3 | 14.3 | 4.6 | 4.0 | 9.7 |
| Special trade contractors | 17 | 31.1 | 13.0 | 6.0 | 5.5 | 6.9 | 12.7 | 5.8 | 5.4 | 6.8 |
| Plumbing, heating, air-conditioning | 171 | 7.1 | 13.2 | 5.9 | 5.4 | 7.3 | 12.9 | 5.7 | 5.2 | 7.2 |
| Painting and paper hanging | 172 | 2.2 | 8.4 | 4.6 | 4.3 | 3.8 | 8.4 | 4.6 | 4.3 | 3.8 |
| Electrical work | 173 | 5.8 | 9.8 | 3.2 | 2.8 | 6.6 | 9.6 | 3.1 | 2.6 | 6.5 |
| Masonry, stonework, and plastering | 174 | 3.8 | 15.2 | 7.3 | 7.3 | 7.8 | 14.9 | 7.3 | 7.3 | 7.5 |
| Carpentry and floor work | 175 | 2.2 | 12.9 | 7.6 | 7.6 | 5.3 | 11.9 | 6.7 | 6.7 | 5.2 |
| Roofing, siding, and sheet metal work | 176 | 2.4 | 16.3 | 7.9 | 7.5 | 8.4 | 16.1 | 7.7 | 7.3 | 8.4 |
| Concrete work | 177 | 2.2 | 17.1 | 10.3 | 9.6 | 6.8 | 16.7 | 10.2 | 9.5 | 6.5 |
| Miscellaneous special trade contractors | 179 | 5.2 | 14.3 | 6.3 | 5.2 | 8.0 | 14.0 | 6.1 | 5.0 | 7.9 |
| Manufacturing | | 208.9 | 13.0 | 6.1 | 4.0 | 6.8 | 11.7 | 5.6 | 3.8 | 6.1 |
| Durable goods | | 147.0 | 13.0 | 6.0 | 3.7 | 7.0 | 11.8 | 5.5 | 3.5 | 6.3 |
| Lumber and wood products | 24 | 55.0 | 15.9 | 7.1 | 4.5 | 8.8 | 14.8 | 6.8 | 4.3 | 8.0 |
| Logging | 241 | 10.2 | 17.0 | 9.6 | 8.8 | 7.4 | 16.6 | 9.6 | 8.7 | 7.1 |
| Sawmills and planing mills | 242 | 16.3 | 15.7 | 6.5 | 3.5 | 9.2 | 14.0 | 6.0 | 3.3 | 8.1 |
| Sawmills and planing mills, general | 2421 | 15.4 | 15.2 | 6.1 | 3.3 | 9.0 | 13.7 | 5.8 | 3.2 | 8.0 |
| Millwork, plywood and structural members | 243 | 22.4 | 15.0 | 6.7 | 3.5 | 8.3 | 14.0 | 6.3 | 3.3 | 7.7 |
| Millwork | 2431 | 7.9 | 12.8 | 5.5 | 3.8 | 7.4 | 11.9 | 5.0 | 3.6 | 6.9 |
| Softwood veneer and plywood | 2436 | 10.3 | 17.6 | 7.4 | 2.5 | 10.2 | 16.3 | 7.0 | 2.3 | 9.3 |
| Wood buildings and mobile homes | 245 | 2.4 | 26.0 | 9.0 | 6.2 | 17.0 | 25.5 | 8.8 | 6.0 | 16.8 |
| Mobile homes | 2451 | 2.1 | 25.9 | 7.8 | 4.8 | 18.1 | 25.5 | 7.7 | 4.7 | 17.8 |
| Miscellaneous wood products | 249 | 3.3 | 13.6 | 6.5 | 4.6 | 7.1 | 12.6 | 5.9 | 4.3 | 6.7 |
| Furniture and fixtures | 25 | 3.2 | 14.3 | 7.5 | 5.8 | 6.8 | 14.2 | 7.4 | 5.8 | 6.8 |
| Stone, clay, and glass products | 32 | 3.9 | 16.9 | 5.9 | 4.2 | 11.1 | 16.6 | 5.7 | 4.1 | 10.9 |
| Concrete, gypsum, and plaster products | 327 | 2.1 | 12.7 | 5.9 | 4.9 | 6.9 | 12.6 | 5.7 | 4.7 | 6.9 |
| Primary metal industries | 33 | 10.6 | 17.5 | 8.7 | 4.0 | 8.8 | 14.6 | 7.8 | 3.7 | 6.7 |
| Primary nonferrous metals | 333 | 2.2 | 15.0 | 8.7 | 2.6 | 6.2 | 13.6 | 8.0 | 2.4 | 5.6 |
| Fabricated metal products | 34 | 10.6 | 15.8 | 6.9 | 4.6 | 9.0 | 14.8 | 6.4 | 4.4 | 8.4 |
| Fabricated structural metal products | 344 | 4.2 | 18.5 | 8.7 | 6.5 | 9.8 | 17.6 | 8.1 | 6.2 | 9.6 |
| Miscellaneous fabricated metal products | 349 | 2.1 | 14.1 | 7.2 | 3.8 | 6.9 | 13.9 | 7.1 | 3.7 | 6.8 |
| Industrial machinery and equipment | 35 | 17.0 | 9.8 | 4.4 | 3.3 | 5.4 | 9.1 | 4.1 | 3.0 | 5.0 |

See footnotes at end of table.

Oregon

| Industry ² | SIC code ³ | 1992 Annual average employment ⁴ (000's) | Injuries and illnesses | | | | Injuries | | | |
|--|-----------------------|---|------------------------|--------------------|---------------------------------------|------------------------------|-------------|--------------------|---------------------------------------|------------------------------|
| | | | Total cases | Lost workday cases | | Cases without lost work-days | Total cases | Lost workday cases | | Cases without lost work-days |
| | | | | Total ⁵ | With days away from work ⁶ | | | Total ⁵ | With days away from work ⁶ | |
| Construction and related machinery | 353 | 2.5 | 10.7 | 3.9 | 2.3 | 6.8 | 10.2 | 3.9 | 2.3 | 6.3 |
| Special industry machinery | 355 | 2.6 | 13.3 | 8.4 | 6.6 | 5.0 | 12.9 | 8.0 | 6.3 | 4.9 |
| Computer and office equipment | 357 | 5.1 | 3.7 | 1.4 | 1.2 | 2.2 | 2.7 | 1.1 | 1.0 | 1.6 |
| Industrial machinery, n.e.c. | 359 | 2.4 | 12.0 | 4.2 | 3.7 | 7.9 | 11.3 | 3.6 | 3.2 | 7.7 |
| Industrial machinery, n.e.c. | 3599 | 2.1 | 11.6 | 4.2 | 3.7 | 7.4 | 11.0 | 3.6 | 3.1 | 7.4 |
| Electronic and other electric equipment | 36 | 18.6 | 4.8 | 2.5 | 1.7 | 2.3 | 3.3 | 1.8 | 1.3 | 1.5 |
| Electronic components and accessories | 367 | 14.2 | 4.5 | 2.3 | 1.6 | 2.2 | 2.8 | 1.5 | 1.2 | 1.3 |
| Printed circuit boards | 3672 | 2.1 | 6.4 | 2.3 | 2.2 | 4.1 | 5.0 | 1.9 | 1.8 | 3.1 |
| Semiconductors and related devices | 3674 | 10.2 | 3.2 | 1.9 | 1.4 | 1.3 | 2.1 | 1.3 | 1.0 | 0.7 |
| Transportation equipment | 37 | 13.3 | 19.2 | 9.5 | 5.4 | 9.7 | 17.5 | 8.8 | 4.8 | 8.7 |
| Motor vehicles and equipment | 371 | 6.0 | 18.4 | 9.4 | 4.7 | 9.0 | 16.6 | 8.3 | 3.9 | 8.4 |
| Motor vehicles and car bodies | 3711 | 3.0 | 17.5 | 7.6 | 3.8 | 9.9 | 15.6 | 6.8 | 3.5 | 8.9 |
| Ship and boat building and repairing | 373 | 2.6 | 30.6 | 14.7 | 11.6 | 15.9 | 29.3 | 14.3 | 11.2 | 15.0 |
| Instruments and related products | 38 | 11.0 | 3.6 | 1.2 | 0.9 | 2.4 | 2.8 | 0.9 | 0.6 | 1.9 |
| Measuring and controlling devices | 382 | n.a. | 3.6 | 1.3 | 0.9 | 2.2 | 2.7 | 1.0 | 0.7 | 1.7 |
| Instruments to measure electricity | 3825 | n.a. | 3.7 | 1.4 | 1.0 | 2.3 | 2.7 | 1.1 | 0.8 | 1.6 |
| Miscellaneous manufacturing industries | 39 | 3.8 | 7.1 | 3.5 | 2.0 | 3.6 | 5.9 | 2.7 | 1.8 | 3.2 |
| Nondurable goods | | 61.9 | 12.8 | 6.5 | 4.8 | 6.3 | 11.7 | 6.0 | 4.5 | 5.7 |
| Food and kindred products | 20 | 25.2 | 18.9 | 10.1 | 7.6 | 8.9 | 16.9 | 9.1 | 6.9 | 7.8 |
| Meat products | 201 | 2.1 | 27.3 | 15.4 | 8.6 | 12.0 | 22.3 | 12.9 | 7.4 | 9.4 |
| Preserved fruits and vegetables | 203 | 11.3 | 15.3 | 8.6 | 6.7 | 6.6 | 13.8 | 7.5 | 5.9 | 6.3 |
| Canned fruits and vegetables | 2033 | 2.5 | 15.9 | 9.2 | 7.4 | 6.6 | 14.2 | 7.8 | 6.3 | 6.4 |
| Frozen fruits and vegetables | 2037 | 7.1 | 15.7 | 8.6 | 6.9 | 7.1 | 14.5 | 7.7 | 6.3 | 6.8 |
| Bakery products | 205 | 2.6 | 16.2 | 9.6 | 7.8 | 6.6 | 15.0 | 9.0 | 7.2 | 6.0 |
| Miscellaneous food and kindred products | 209 | 3.7 | 27.5 | 11.2 | 7.3 | 16.2 | 23.1 | 10.5 | 7.1 | 12.5 |
| Paper and allied products | 26 | 9.0 | 7.9 | 3.4 | 2.6 | 4.4 | 7.1 | 3.4 | 2.6 | 3.7 |
| Paper mills | 262 | 3.3 | 6.8 | 3.7 | 2.5 | 3.2 | 5.6 | 3.6 | 2.4 | 2.1 |
| Miscellaneous converted paper products | 267 | 2.4 | 9.4 | 3.8 | 3.1 | 5.6 | 8.1 | 3.6 | 3.0 | 4.5 |
| Printing and publishing | 27 | 14.8 | 6.8 | 3.3 | 2.8 | 3.5 | 6.1 | 3.0 | 2.6 | 3.1 |
| Newspapers | 271 | 4.7 | 6.3 | 3.2 | 2.5 | 3.1 | 5.2 | 2.6 | 2.1 | 2.6 |
| Commercial printing | 275 | 6.1 | 8.0 | 4.1 | 3.8 | 3.9 | 7.5 | 3.9 | 3.6 | 3.6 |
| Commercial printing, lithographic | 2752 | 4.8 | 7.9 | 3.6 | 3.2 | 4.4 | 7.4 | 3.4 | 3.1 | 4.0 |
| Chemicals and allied products | 28 | 2.6 | 7.4 | 3.5 | 2.0 | 3.9 | 7.3 | 3.5 | 2.0 | 3.8 |
| Rubber and miscellaneous plastics products | 30 | 4.9 | 16.5 | 9.4 | 5.5 | 7.1 | 16.1 | 9.2 | 5.4 | 6.8 |
| Miscellaneous plastics products, n.e.c. | 308 | 4.1 | 14.6 | 7.7 | 4.8 | 6.9 | 14.1 | 7.6 | 4.7 | 6.6 |
| Plastics products, n.e.c. | 3089 | 2.8 | 13.7 | 6.8 | 3.8 | 7.0 | 13.6 | 6.7 | 3.7 | 6.9 |
| Transportation and public utilities ⁸ | | 62.0 | 10.4 | 6.4 | 5.1 | 4.0 | 10.0 | 6.3 | 5.0 | 3.8 |
| Railroad transportation ⁸ | 40 | n.a. | 7.8 | 6.1 | 5.5 | 1.7 | 7.3 | 5.8 | 5.3 | 1.4 |
| Local and interurban passenger transit | 41 | 3.7 | 6.9 | 4.3 | 3.2 | 2.6 | 6.9 | 4.3 | 3.2 | 2.6 |
| Trucking and warehousing | 42 | 24.8 | 16.7 | 10.8 | 8.4 | 5.9 | 16.6 | 10.7 | 8.4 | 5.9 |
| Trucking and courier services, except air | 421 | 23.0 | 16.9 | 10.8 | 8.4 | 6.1 | 16.8 | 10.8 | 8.4 | 6.0 |
| Transportation by air | 45 | 5.3 | 12.4 | 7.5 | 6.8 | 4.9 | 12.4 | 7.5 | 6.8 | 4.8 |
| Air transportation, scheduled | 451 | 4.1 | 14.4 | 9.6 | 8.7 | 4.7 | 14.3 | 9.6 | 8.7 | 4.7 |
| Transportation services | 47 | 4.3 | 2.7 | 1.6 | 1.0 | 1.0 | 2.5 | 1.6 | 1.0 | 0.9 |
| Communications | 48 | 12.8 | 2.9 | 1.3 | 1.0 | 1.5 | 2.1 | 0.9 | 0.8 | 1.1 |
| Telephone communications | 481 | 8.4 | 3.7 | 1.6 | 1.2 | 2.0 | 2.6 | 1.2 | 1.0 | 1.4 |
| Electric, gas, and sanitary services | 49 | 9.1 | 5.9 | 2.7 | 1.7 | 3.2 | 5.3 | 2.5 | 1.6 | 2.8 |
| Wholesale and retail trade | | 320.7 | 8.2 | 3.7 | 3.1 | 4.4 | 8.0 | 3.6 | 3.0 | 4.3 |
| Wholesale trade | | 80.8 | 7.8 | 4.1 | 3.5 | 3.7 | 7.7 | 4.1 | 3.4 | 3.6 |
| Wholesale trade—durable goods | 50 | 45.9 | 7.2 | 3.9 | 3.2 | 3.3 | 7.2 | 3.9 | 3.2 | 3.3 |
| Lumber and construction materials | 503 | 5.5 | 8.1 | 4.4 | 3.7 | 3.7 | 8.1 | 4.4 | 3.7 | 3.7 |
| Professional and commercial equipment | 504 | 8.9 | 4.2 | 2.0 | 1.6 | 2.2 | 4.2 | 2.0 | 1.6 | 2.2 |
| Machinery, equipment, and supplies | 508 | 10.2 | 6.1 | 3.4 | 2.9 | 2.7 | 6.1 | 3.3 | 2.8 | 2.7 |
| Wholesale trade—nondurable goods | 51 | 34.9 | 8.6 | 4.5 | 3.9 | 4.1 | 8.4 | 4.4 | 3.8 | 3.9 |
| Paper and paper products | 511 | 2.7 | 4.0 | 2.1 | 1.4 | 1.9 | 4.0 | 2.1 | 1.4 | 1.9 |

See footnotes at end of table.

Table 2. Number of nonfatal occupational injuries and illnesses, by industry, 1992 — Continued

Oregon

| Industry ¹ | SIC code ² | 1992 Annual average employment ³ (000's) | Injuries and illnesses | | | | Injuries | | | |
|--|-----------------------|---|------------------------|----------------------------|---|--------------------------------------|---------------------|----------------------------|---|--------------------------------------|
| | | | Total cases (000's) | Lost workday cases | | Cases without lost work-days (000's) | Total cases (000's) | Lost workday cases | | Cases without lost work-days (000's) |
| | | | | Total ⁴ (000's) | With days away from work ⁵ (000's) | | | Total ⁴ (000's) | With days away from work ⁵ (000's) | |
| Miscellaneous fabricated metal products | 349 | 2.1 | 0.3 | 0.1 | 0.1 | 0.1 | 0.3 | 0.1 | 0.1 | 0.1 |
| Industrial machinery and equipment | 35 | 17.0 | 1.4 | 0.6 | 0.5 | 0.8 | 1.3 | 0.6 | 0.4 | 0.7 |
| Construction and related machinery | 353 | 2.5 | 0.3 | 0.1 | 0.1 | 0.2 | 0.3 | 0.1 | 0.1 | 0.2 |
| Special industry machinery | 355 | 2.6 | 0.3 | 0.2 | 0.2 | 0.1 | 0.3 | 0.2 | 0.2 | 0.1 |
| Computer and office equipment | 357 | 5.1 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | (⁷) | (⁷) | 0.1 |
| Industrial machinery, n.e.c. | 359 | 2.4 | 0.3 | 0.1 | 0.1 | 0.2 | 0.3 | 0.1 | 0.1 | 0.2 |
| Industrial machinery, n.e.c. | 3599 | 2.1 | 0.2 | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 | 0.1 | 0.2 |
| Electronic and other electric equipment | 36 | 18.6 | 1.0 | 0.5 | 0.3 | 0.5 | 0.7 | 0.3 | 0.3 | 0.3 |
| Electronic components and accessories | 367 | 14.2 | 0.6 | 0.3 | 0.2 | 0.3 | 0.4 | 0.2 | 0.2 | 0.2 |
| Printed circuit boards | 3672 | 2.1 | 0.1 | 0.1 | (⁷) | 0.1 | 0.1 | (⁷) | (⁷) | 0.1 |
| Semiconductors and related devices | 3674 | 10.2 | 0.3 | 0.2 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 |
| Transportation equipment | 37 | 13.3 | 2.4 | 1.2 | 0.7 | 1.2 | 2.2 | 1.1 | 0.6 | 1.1 |
| Motor vehicles and equipment | 371 | 6.0 | 1.1 | 0.6 | 0.3 | 0.5 | 1.0 | 0.5 | 0.2 | 0.5 |
| Motor vehicles and car bodies | 3711 | 3.0 | 0.6 | 0.3 | 0.1 | 0.3 | 0.5 | 0.2 | 0.1 | 0.3 |
| Ship and boat building and repairing | 373 | 2.6 | 0.6 | 0.3 | 0.2 | 0.3 | 0.6 | 0.3 | 0.2 | 0.3 |
| Instruments and related products | 38 | 11.0 | 0.3 | 0.1 | 0.1 | 0.2 | 0.3 | 0.1 | 0.1 | 0.2 |
| Measuring and controlling devices | 382 | n.a. | 0.2 | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 | (⁷) | 0.1 |
| Instruments to measure electricity | 3825 | n.a. | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | (⁷) | 0.1 |
| Miscellaneous manufacturing industries | 39 | 3.8 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 |
| Nondurable goods | | 61.9 | 6.9 | 3.5 | 2.6 | 3.4 | 6.3 | 3.2 | 2.4 | 3.0 |
| Food and kindred products | 20 | 25.2 | 4.1 | 2.2 | 1.6 | 1.9 | 3.7 | 2.0 | 1.5 | 1.7 |
| Meat products | 201 | 2.1 | 0.5 | 0.3 | 0.2 | 0.2 | 0.4 | 0.2 | 0.1 | 0.2 |
| Preserved fruits and vegetables | 203 | 11.3 | 1.5 | 0.9 | 0.7 | 0.7 | 1.4 | 0.7 | 0.6 | 0.6 |
| Canned fruits and vegetables | 2033 | 2.5 | 0.4 | 0.2 | 0.2 | 0.2 | 0.3 | 0.2 | 0.2 | 0.2 |
| Frozen fruits and vegetables | 2037 | 7.1 | 1.0 | 0.6 | 0.4 | 0.5 | 0.9 | 0.5 | 0.4 | 0.4 |
| Bakery products | 205 | 2.6 | 0.4 | 0.2 | 0.2 | 0.2 | 0.4 | 0.2 | 0.2 | 0.2 |
| Miscellaneous food and kindred products | 209 | 3.7 | 0.9 | 0.4 | 0.2 | 0.5 | 0.7 | 0.3 | 0.2 | 0.4 |
| Paper and allied products | 26 | 9.0 | 0.7 | 0.3 | 0.2 | 0.4 | 0.6 | 0.3 | 0.2 | 0.3 |
| Paper mills | 262 | 3.3 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 |
| Miscellaneous converted paper products | 267 | 2.4 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 |
| Printing and publishing | 27 | 14.8 | 0.8 | 0.4 | 0.3 | 0.4 | 0.7 | 0.4 | 0.3 | 0.4 |
| Newspapers | 271 | 4.7 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 |
| Commercial printing | 275 | 6.1 | 0.4 | 0.2 | 0.2 | 0.2 | 0.4 | 0.2 | 0.2 | 0.2 |
| Commercial printing, lithographic | 2752 | 4.8 | 0.4 | 0.2 | 0.1 | 0.2 | 0.3 | 0.2 | 0.1 | 0.2 |
| Chemicals and allied products | 28 | 2.6 | 0.2 | 0.1 | (⁷) | 0.1 | 0.2 | 0.1 | (⁷) | 0.1 |
| Rubber and miscellaneous plastics products | 30 | 4.9 | 0.8 | 0.5 | 0.3 | 0.3 | 0.8 | 0.4 | 0.3 | 0.3 |
| Miscellaneous plastics products, n.e.c. | 308 | 4.1 | 0.6 | 0.3 | 0.2 | 0.3 | 0.6 | 0.3 | 0.2 | 0.3 |
| Plastics products, n.e.c. | 3089 | 2.8 | 0.4 | 0.2 | 0.1 | 0.2 | 0.4 | 0.2 | 0.1 | 0.2 |
| Transportation and public utilities ⁸ | | 62.0 | 6.4 | 4.0 | 3.1 | 2.5 | 6.2 | 3.9 | 3.1 | 2.3 |
| Railroad transportation ⁸ | 40 | n.a. | 0.3 | 0.2 | 0.2 | 0.1 | 0.3 | 0.2 | 0.2 | 0.1 |
| Local and interurban passenger transit | 41 | 3.7 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 |
| Trucking and warehousing | 42 | 24.8 | 4.1 | 2.7 | 2.1 | 1.5 | 4.1 | 2.6 | 2.1 | 1.5 |
| Trucking and courier services, except air | 421 | 23.0 | 3.9 | 2.5 | 1.9 | 1.4 | 3.9 | 2.5 | 1.9 | 1.4 |
| Transportation by air | 45 | 5.3 | 0.6 | 0.3 | 0.3 | 0.2 | 0.6 | 0.3 | 0.3 | 0.2 |
| Air transportation, scheduled | 451 | 4.1 | 0.5 | 0.3 | 0.3 | 0.2 | 0.5 | 0.3 | 0.3 | 0.2 |
| Transportation services | 47 | 4.3 | 0.1 | 0.1 | (⁷) | (⁷) | 0.1 | 0.1 | (⁷) | (⁷) |
| Communications | 48 | 12.8 | 0.4 | 0.2 | 0.1 | 0.2 | 0.3 | 0.1 | 0.1 | 0.1 |
| Telephone communications | 481 | 8.4 | 0.3 | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 |
| Electric, gas, and sanitary services | 49 | 9.1 | 0.5 | 0.2 | 0.1 | 0.3 | 0.4 | 0.2 | 0.1 | 0.2 |
| Wholesale and retail trade | | 320.7 | 21.2 | 9.7 | 7.9 | 11.5 | 20.7 | 9.5 | 7.7 | 11.2 |
| Wholesale trade | | 80.8 | 6.0 | 3.2 | 2.7 | 2.8 | 5.9 | 3.1 | 2.6 | 2.7 |
| Wholesale trade—durable goods | 50 | 45.9 | 3.2 | 1.7 | 1.4 | 1.5 | 3.2 | 1.7 | 1.4 | 1.5 |
| Lumber and construction materials | 503 | 5.5 | 0.4 | 0.2 | 0.2 | 0.2 | 0.4 | 0.2 | 0.2 | 0.2 |

See footnotes at end of table.

Table 2. Number of nonfatal occupational injuries and illnesses, by industry, 1992 — Continued

Oregon

| Industry ¹ | SIC code ² | 1992 Annual average employment ³ (000's) | Injuries and illnesses | | | | Injuries | | | |
|--|-----------------------|---|------------------------|----------------------------|---|--------------------------------------|---------------------|----------------------------|---|--------------------------------------|
| | | | Total cases (000's) | Lost workday cases | | Cases without lost work-days (000's) | Total cases (000's) | Lost workday cases | | Cases without lost work-days (000's) |
| | | | | Total ⁴ (000's) | With days away from work ⁵ (000's) | | | Total ⁴ (000's) | With days away from work ⁵ (000's) | |
| Professional and commercial equipment | 504 | 8.9 | 0.4 | 0.2 | 0.1 | 0.2 | 0.4 | 0.2 | 0.1 | 0.2 |
| Machinery, equipment, and supplies | 508 | 10.2 | 0.6 | 0.3 | 0.3 | 0.3 | 0.6 | 0.3 | 0.3 | 0.3 |
| Wholesale trade—nondurable goods | 51 | 34.9 | 2.8 | 1.4 | 1.2 | 1.3 | 2.7 | 1.4 | 1.2 | 1.3 |
| Paper and paper products | 511 | 2.7 | 0.1 | (⁷) | (⁷) | (⁷) | 0.1 | (⁷) | (⁷) | (⁷) |
| Apparel, piece goods, and notions | 513 | 4.2 | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) |
| Groceries and related products | 514 | 12.6 | 1.4 | 0.7 | 0.7 | 0.7 | 1.3 | 0.7 | 0.6 | 0.6 |
| Miscellaneous nondurable goods | 519 | 7.6 | 0.6 | 0.2 | 0.2 | 0.3 | 0.6 | 0.2 | 0.2 | 0.3 |
| Retail trade | | 240.0 | 15.3 | 6.5 | 5.3 | 8.7 | 14.8 | 6.3 | 5.1 | 8.5 |
| Building materials and garden supplies | 52 | 9.3 | 1.0 | 0.5 | 0.4 | 0.5 | 1.0 | 0.5 | 0.4 | 0.5 |
| Lumber and other building materials | 521 | 4.3 | 0.5 | 0.2 | 0.2 | 0.2 | 0.5 | 0.2 | 0.2 | 0.2 |
| General merchandise stores | 53 | 31.0 | 2.5 | 1.2 | 0.9 | 1.3 | 2.4 | 1.2 | 0.9 | 1.2 |
| Department stores | 531 | 22.2 | 1.9 | 0.9 | 0.6 | 1.0 | 1.8 | 0.9 | 0.6 | 0.9 |
| Variety stores | 533 | 6.3 | 0.5 | 0.2 | 0.2 | 0.3 | 0.5 | 0.2 | 0.2 | 0.3 |
| Food stores | 54 | 38.7 | 3.1 | 1.2 | 1.1 | 1.9 | 3.0 | 1.1 | 1.0 | 1.8 |
| Automotive dealers and service stations | 55 | 27.7 | 2.4 | 1.1 | 0.8 | 1.3 | 2.3 | 1.0 | 0.7 | 1.3 |
| New and used car dealers | 551 | 11.2 | 1.2 | 0.6 | 0.4 | 0.6 | 1.1 | 0.5 | 0.4 | 0.6 |
| Apparel and accessory stores | 56 | 12.3 | 0.3 | 0.1 | 0.1 | 0.2 | 0.3 | 0.1 | 0.1 | 0.2 |
| Women's clothing stores | 562 | 2.5 | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) |
| Family clothing stores | 565 | 5.8 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 |
| Furniture and homefurnishings stores | 57 | 9.9 | 0.7 | 0.4 | 0.4 | 0.3 | 0.7 | 0.4 | 0.3 | 0.3 |
| Eating and drinking places | 58 | 84.8 | 4.6 | 1.6 | 1.5 | 2.9 | 4.5 | 1.6 | 1.5 | 2.9 |
| Miscellaneous retail | 59 | 26.4 | 0.7 | 0.3 | 0.2 | 0.4 | 0.7 | 0.3 | 0.2 | 0.4 |
| Drug stores and proprietary stores | 591 | 3.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Nonstore retailers | 596 | 4.5 | 0.1 | 0.1 | (⁷) | (⁷) | 0.1 | 0.1 | (⁷) | (⁷) |
| Finance, insurance, and real estate | | 66.6 | 2.0 | 0.9 | 0.7 | 1.2 | 1.7 | 0.8 | 0.7 | 1.0 |
| Depository institutions | 60 | 21.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | (⁷) | 0.1 |
| Savings institutions | 603 | 4.0 | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) |
| Nondepository institutions | 61 | 4.1 | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) |
| Insurance carriers | 63 | 14.1 | 0.3 | 0.1 | 0.1 | 0.2 | 0.2 | (⁷) | (⁷) | 0.1 |
| Fire, marine, and casualty insurance | 633 | 5.9 | 0.2 | (⁷) | (⁷) | 0.2 | 0.1 | (⁷) | (⁷) | 0.1 |
| Real estate operators and lessors | 651 | 8.3 | 0.5 | 0.3 | 0.3 | 0.2 | 0.5 | 0.3 | 0.3 | 0.2 |
| Services | | 295.1 | 15.6 | 7.4 | 5.8 | 8.2 | 14.4 | 6.9 | 5.3 | 7.6 |
| Hotels and other lodging places | 70 | 18.3 | 1.5 | 0.7 | 0.6 | 0.8 | 1.4 | 0.7 | 0.6 | 0.7 |
| Hotels and motels | 701 | 17.2 | 1.3 | 0.6 | 0.5 | 0.7 | 1.3 | 0.6 | 0.5 | 0.7 |
| Laundry, cleaning, and garment services | 721 | 3.9 | 0.3 | 0.1 | 0.1 | 0.2 | 0.3 | 0.1 | 0.1 | 0.2 |
| Business services | 73 | 53.1 | 1.5 | 0.8 | 0.7 | 0.7 | 1.5 | 0.8 | 0.7 | 0.7 |
| Miscellaneous business services | 738 | 12.5 | 0.7 | 0.4 | 0.4 | 0.2 | 0.6 | 0.4 | 0.3 | 0.2 |
| Auto repair, services, and parking | 75 | 10.6 | 0.6 | 0.3 | 0.3 | 0.3 | 0.6 | 0.3 | 0.3 | 0.3 |
| Miscellaneous repair services | 76 | 4.9 | 0.5 | 0.2 | 0.2 | 0.2 | 0.4 | 0.2 | 0.2 | 0.2 |
| Miscellaneous repair shops | 769 | 2.9 | 0.3 | 0.1 | 0.1 | 0.2 | 0.3 | 0.1 | 0.1 | 0.2 |
| Amusement and recreation services | 79 | 12.3 | 0.5 | 0.3 | 0.2 | 0.3 | 0.5 | 0.3 | 0.2 | 0.3 |
| Miscellaneous amusement, recreation services | 799 | 8.8 | 0.4 | 0.2 | 0.2 | 0.2 | 0.4 | 0.2 | 0.2 | 0.2 |
| Health services | 80 | 89.1 | 6.0 | 2.5 | 2.0 | 3.5 | 5.3 | 2.3 | 1.7 | 3.0 |
| Offices and clinics of dentists | 802 | 8.6 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 |
| Offices of other health practitioners | 804 | 3.9 | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) | (⁷) |
| Nursing and personal care facilities | 805 | 14.9 | 2.0 | 1.2 | 0.8 | 0.9 | 1.9 | 1.1 | 0.8 | 0.8 |
| Hospitals | 806 | 35.8 | 3.0 | 1.0 | 0.8 | 2.0 | 2.7 | 1.0 | 0.8 | 1.8 |
| Educational services | 82 | 11.2 | 0.4 | 0.2 | 0.2 | 0.2 | 0.4 | 0.2 | 0.2 | 0.2 |
| Colleges and universities | 822 | 5.0 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 |
| Social services | 83 | 27.1 | 2.5 | 1.3 | 0.8 | 1.2 | 2.5 | 1.3 | 0.8 | 1.2 |
| Job training and related services | 833 | 4.2 | 0.9 | 0.4 | 0.4 | 0.4 | 0.9 | 0.4 | 0.4 | 0.4 |
| Engineering and management services | 87 | 21.8 | 0.7 | 0.4 | 0.3 | 0.3 | 0.6 | 0.4 | 0.3 | 0.2 |
| Management and public relations | 874 | 4.8 | 0.1 | (⁷) | (⁷) | 0.1 | 0.1 | (⁷) | (⁷) | 0.1 |

See footnotes at end of table.

Table 3. Incidence rates per 100 full-time workers¹ of lost workdays due to nonfatal occupational injuries and illnesses, by industry, 1992

Oregon

| Industry ² | SIC code ³ | Injury and illness lost workdays | | | Injury lost workdays | | |
|---|-----------------------|----------------------------------|--------------------------|--|----------------------|--------------------------|--|
| | | Total ⁴ | With days away from work | With days of restricted work activity ⁵ | Total ⁴ | With days away from work | With days of restricted work activity ⁵ |
| All industries including state and local government ⁶ | | 94.5 | 58.8 | 35.7 | 88.1 | 55.6 | 32.5 |
| Private industry ⁶ | | 99.7 | 62.0 | 37.8 | 93.2 | 58.9 | 34.4 |
| Agriculture, forestry, and fishing ⁶ | | 114.7 | 83.3 | 31.4 | 110.8 | 80.5 | 30.3 |
| Agricultural production ⁶ | 01-02 | 139.2 | 95.2 | 44.0 | 138.1 | 94.7 | 43.4 |
| Agricultural production-crops ⁶ | 01 | 135.4 | 92.6 | 42.9 | 134.3 | 92.1 | 42.2 |
| Fruits and tree nuts ⁶ | 017 | 120.3 | 91.8 | - | 118.8 | 90.3 | - |
| Horticultural specialties ⁶ | 018 | 131.7 | 69.6 | 62.1 | 129.8 | 69.5 | 60.4 |
| Agricultural services | 07 | 83.7 | 71.9 | 11.8 | 74.7 | 64.2 | 10.5 |
| Veterinary services | 074 | 50.8 | 29.8 | 21.0 | 50.8 | 29.8 | 21.0 |
| Landscape and horticultural services | 078 | 156.7 | 148.5 | - | 137.5 | 131.3 | - |
| Forestry | 08 | 118.4 | 84.3 | 34.1 | 114.1 | 82.7 | 31.5 |
| Forestry services | 085 | 169.3 | 116.8 | 52.5 | 162.8 | 114.2 | 48.6 |
| Mining ⁷ | | 131.9 | 117.3 | 14.6 | 131.9 | 117.3 | 14.6 |
| Construction | | 148.1 | 121.9 | 26.2 | 144.3 | 118.6 | 25.7 |
| General building contractors | 15 | 154.9 | 118.3 | 36.6 | 154.6 | 118.1 | 36.5 |
| Residential building construction | 152 | 181.0 | 148.7 | 32.2 | 180.8 | 148.7 | 32.1 |
| Nonresidential building construction | 154 | 126.7 | 84.6 | 42.1 | 126.3 | 84.3 | 42.1 |
| Heavy construction, except building | 16 | 112.0 | 89.8 | 22.2 | 101.0 | 79.5 | 21.5 |
| Highway and street construction | 161 | 119.7 | 95.0 | 24.8 | 104.9 | 80.1 | 24.8 |
| Heavy construction, except highway | 162 | 106.5 | 86.2 | - | 98.2 | 79.1 | - |
| Special trade contractors | 17 | 154.9 | 131.0 | 23.9 | 151.7 | 128.4 | 23.3 |
| Plumbing, heating, air-conditioning | 171 | 154.8 | 113.4 | 41.5 | 149.3 | 110.2 | - |
| Painting and paper hanging | 172 | 121.9 | - | 19.8 | 121.9 | - | 19.8 |
| Electrical work | 173 | 83.5 | 71.4 | 12.1 | 81.6 | 69.5 | 12.1 |
| Masonry, stonework, and plastering | 174 | 152.3 | 145.2 | 7.1 | 152.3 | 145.2 | 7.1 |
| Carpentry and floor work | 175 | 122.5 | 117.7 | - | 121.6 | 116.7 | - |
| Roofing, siding, and sheet metal work | 176 | 263.4 | 237.1 | 26.3 | 261.2 | 235.0 | 26.3 |
| Concrete work | 177 | 337.1 | 279.3 | 57.8 | 329.2 | 271.4 | 57.8 |
| Miscellaneous special trade contractors | 179 | 155.6 | 134.4 | 21.1 | 151.0 | 129.9 | 21.1 |
| Manufacturing | | 134.1 | 74.1 | 60.1 | 117.9 | 67.1 | 50.8 |
| Durable goods | | 133.9 | 72.3 | 61.6 | 117.4 | 65.3 | 52.0 |
| Lumber and wood products | 24 | 170.1 | 99.6 | 70.5 | 160.4 | 95.3 | 65.0 |
| Logging | 241 | 274.2 | 245.4 | 28.8 | 273.4 | 244.6 | 28.8 |
| Sawmills and planing mills | 242 | 147.6 | 73.9 | 73.7 | 141.1 | 72.3 | 68.8 |
| Sawmills and planing mills, general | 2421 | 146.3 | 73.5 | 72.9 | 140.7 | 72.1 | 68.6 |
| Millwork, plywood and structural members | 243 | 157.4 | 77.7 | 79.7 | 144.2 | 69.8 | 74.3 |
| Millwork | 2431 | 88.8 | 49.0 | 39.9 | 75.7 | 45.5 | 30.2 |
| Softwood veneer and plywood | 2436 | 181.0 | 75.7 | 105.3 | 167.0 | 64.5 | 102.5 |
| Wood buildings and mobile homes | 245 | 152.9 | 64.7 | 88.2 | 138.3 | 63.9 | 74.3 |
| Mobile homes | 2451 | 97.4 | 39.7 | 57.6 | 95.5 | 39.0 | 56.4 |
| Miscellaneous wood products | 249 | 134.7 | 44.7 | 90.0 | 112.9 | 39.7 | 73.2 |
| Furniture and fixtures | 25 | 145.1 | 106.9 | 38.2 | 142.2 | 105.8 | 36.4 |
| Stone, clay, and glass products | 32 | 139.4 | 48.6 | 90.7 | 133.8 | 48.3 | 85.5 |
| Concrete, gypsum, and plaster products | 327 | 70.5 | 32.9 | 37.6 | 70.1 | 32.5 | 37.6 |
| Primary metal industries | 33 | 177.2 | 58.7 | 118.5 | 146.3 | 50.1 | 96.1 |
| Primary nonferrous metals | 333 | 243.9 | 62.9 | 181.0 | 212.6 | 57.1 | 155.4 |
| Fabricated metal products | 34 | 122.7 | 80.6 | 42.2 | 114.0 | 77.2 | 36.7 |
| Fabricated structural metal products | 344 | 139.6 | 98.7 | 40.9 | 131.4 | 94.7 | 36.7 |
| Miscellaneous fabricated metal products | 349 | 113.3 | 65.6 | - | 112.9 | 65.3 | - |
| Industrial machinery and equipment | 35 | 71.3 | 35.5 | 35.8 | 58.0 | 25.8 | 32.2 |
| Construction and related machinery | 353 | 71.4 | 23.3 | 48.1 | 71.4 | 23.3 | 48.1 |
| Special industry machinery | 355 | 67.6 | 39.2 | 28.4 | 62.4 | 35.4 | 27.0 |
| Computer and office equipment | 357 | 27.6 | 15.5 | 12.1 | 14.8 | 7.6 | 7.2 |
| Industrial machinery, n.e.c. | 359 | 79.6 | 69.7 | 9.9 | 52.3 | 43.0 | 9.3 |
| Industrial machinery, n.e.c. | 3599 | 74.6 | 65.5 | 9.0 | 46.7 | 37.7 | 9.0 |

See footnotes at end of table.

Table 3. Incidence rates per 100 full-time workers¹ of lost workdays due to nonfatal occupational injuries and illnesses, by industry, 1992 — Continued

Oregon

| Industry ² | SIC code ³ | Injury and illness lost workdays | | | Injury lost workdays | | |
|--|-----------------------|----------------------------------|--------------------------|--|----------------------|--------------------------|--|
| | | Total ⁴ | With days away from work | With days of restricted work activity ⁵ | Total ⁴ | With days away from work | With days of restricted work activity ⁵ |
| Electronic and other electric equipment | 36 | 60.3 | 23.7 | 36.6 | 29.4 | 16.2 | 13.2 |
| Electronic components and accessories | 367 | 66.8 | 26.0 | 40.8 | 30.3 | 17.0 | 13.3 |
| Printed circuit boards | 3672 | 43.7 | 39.5 | 4.1 | 35.9 | 31.8 | 4.1 |
| Semiconductors and related devices | 3674 | 52.7 | 21.4 | 31.3 | 29.3 | 13.3 | 15.9 |
| Transportation equipment | 37 | 242.5 | 133.4 | 109.1 | 210.2 | 112.2 | 98.0 |
| Motor vehicles and equipment | 371 | 188.0 | 87.7 | 100.3 | 136.7 | 50.1 | 86.6 |
| Motor vehicles and car bodies | 3711 | 131.6 | 57.4 | 74.3 | 109.6 | 50.5 | 59.2 |
| Ship and boat building and repairing | 373 | 514.4 | 457.2 | 57.3 | 499.6 | 442.4 | 57.3 |
| Instruments and related products | 38 | 28.0 | 13.4 | 14.7 | 15.0 | 7.0 | 8.0 |
| Measuring and controlling devices | 382 | 24.1 | 15.5 | 8.6 | 12.8 | 8.0 | 4.8 |
| Instruments to measure electricity | 3825 | 26.5 | 17.3 | 9.3 | 14.0 | 8.9 | 5.1 |
| Miscellaneous manufacturing industries | 39 | 69.0 | 28.1 | 40.9 | 49.7 | 24.1 | 25.6 |
| Nondurable goods | | 134.8 | 78.7 | 56.1 | 119.4 | 71.6 | 47.8 |
| Food and kindred products | 20 | 205.9 | 121.2 | 84.7 | 176.7 | 110.2 | 66.4 |
| Meat products | 201 | 389.0 | 146.8 | 242.1 | 271.0 | 117.3 | 153.6 |
| Preserved fruits and vegetables | 203 | 166.9 | 104.7 | 62.2 | 138.4 | 92.6 | 45.9 |
| Canned fruits and vegetables | 2033 | 134.7 | 76.8 | 57.9 | 111.0 | 68.2 | 42.7 |
| Frozen fruits and vegetables | 2037 | 185.7 | 125.5 | 60.2 | 153.4 | 111.5 | 41.8 |
| Bakery products | 205 | 199.9 | 140.2 | 59.7 | 180.6 | 133.1 | 47.5 |
| Miscellaneous food and kindred products | 209 | 270.6 | 131.9 | 138.7 | 255.5 | 124.4 | 131.1 |
| Paper and allied products | 26 | 95.2 | 62.5 | 32.7 | 94.4 | 62.3 | 32.1 |
| Paper mills | 262 | 82.9 | 56.3 | 26.6 | 82.7 | 56.2 | 26.6 |
| Miscellaneous converted paper products | 267 | 127.7 | 80.3 | 47.4 | 124.4 | 79.5 | 44.9 |
| Printing and publishing | 27 | 70.0 | 50.3 | 19.8 | 55.6 | 38.7 | 16.9 |
| Newspapers | 271 | 58.8 | 36.7 | 22.1 | 41.6 | 25.8 | 15.8 |
| Commercial printing | 275 | 96.3 | 76.3 | 20.1 | 79.2 | 59.1 | 20.1 |
| Commercial printing, lithographic | 2752 | 77.4 | 55.4 | 21.9 | 63.4 | 41.5 | 21.9 |
| Chemicals and allied products | 28 | 65.7 | 23.3 | 42.4 | 65.7 | 23.3 | 42.4 |
| Rubber and miscellaneous plastics products | 30 | 160.7 | 62.3 | 98.4 | 159.1 | 61.9 | 97.1 |
| Miscellaneous plastics products, n.e.c. | 308 | 109.7 | 45.2 | 64.4 | 108.6 | 44.8 | 63.8 |
| Plastics products, n.e.c. | 3089 | 99.7 | 33.7 | 66.0 | 99.2 | 33.4 | 65.8 |
| Transportation and public utilities ⁷ | | 174.4 | 130.2 | 44.2 | 165.6 | 127.1 | 38.5 |
| Railroad transportation ⁷ | 40 | 368.8 | 340.8 | 28.1 | 364.2 | 336.8 | 27.4 |
| Local and interurban passenger transit | 41 | 103.4 | 36.8 | 66.6 | 103.4 | 36.8 | 66.6 |
| Trucking and warehousing | 42 | 255.8 | 192.9 | 62.9 | 254.3 | 191.7 | 62.6 |
| Trucking and courier services, except air | 421 | 253.5 | 194.7 | 58.8 | 252.9 | 194.1 | 58.8 |
| Transportation by air | 45 | 170.2 | 132.8 | 37.3 | 170.2 | 132.8 | 37.3 |
| Air transportation, scheduled | 451 | 221.9 | 172.2 | 49.7 | 221.9 | 172.2 | 49.7 |
| Transportation services | 47 | 12.4 | — | 4.7 | 12.4 | — | 4.7 |
| Communications | 48 | 52.2 | 17.7 | — | 15.2 | 6.7 | 8.5 |
| Telephone communications | 481 | 55.3 | 24.9 | 30.4 | 21.4 | 9.1 | 12.3 |
| Electric, gas, and sanitary services | 49 | — | — | — | — | — | 32.6 |
| Wholesale and retail trade | | 84.6 | 52.6 | 32.0 | 81.8 | 50.8 | 31.0 |
| Wholesale trade | | 77.8 | 45.8 | 32.0 | 77.3 | 45.5 | 31.8 |
| Wholesale trade—durable goods | 50 | 68.2 | 37.7 | 30.6 | 68.2 | 37.6 | 30.6 |
| Lumber and construction materials | 503 | 72.6 | 35.7 | — | — | 35.7 | — |
| Professional and commercial equipment | 504 | 24.9 | 5.4 | — | — | 5.4 | — |
| Machinery, equipment, and supplies | 508 | 71.7 | 30.6 | 41.2 | 71.7 | 30.5 | 41.2 |
| Wholesale trade—nondurable goods | 51 | 91.0 | 57.0 | 34.0 | 89.8 | 56.3 | 33.5 |
| Paper and paper products | 511 | 30.6 | 27.4 | — | 30.6 | 27.4 | — |
| Apparel, piece goods, and notions | 513 | 16.5 | 3.2 | 13.3 | 12.1 | 1.9 | 10.1 |
| Groceries and related products | 514 | 126.1 | 86.9 | 39.1 | 124.2 | 85.7 | 38.5 |
| Miscellaneous nondurable goods | 519 | 34.2 | 20.3 | 13.8 | 34.2 | 20.3 | 13.8 |
| Retail trade | | 87.4 | 55.4 | 31.9 | 83.6 | 53.0 | 30.6 |
| Building materials and garden supplies | 52 | 174.4 | 84.4 | — | 173.3 | 83.6 | — |
| Lumber and other building materials | 521 | 92.3 | 75.9 | 16.5 | 92.3 | 75.9 | 16.5 |
| General merchandise stores | 53 | 124.5 | 63.2 | 61.3 | 124.3 | 63.1 | 61.2 |

See footnotes at end of table.

Table 4. Number of lost workdays due to nonfatal occupational injuries and illnesses, by industry, 1992

Oregon

| Industry 1 | SIC code 2 | Injury and illness lost workdays | | | | Injury lost workdays | | | |
|--|------------|----------------------------------|---|--|---|----------------------|---|--|---|
| | | Total 3 (000's) | With days away from work (000's) | With days of restricted work activity 4 (000's) | Average lost workdays per lost workday case 5 | Total 3 (000's) | With days away from work (000's) | With days of restricted work activity 4 (000's) | Average lost workdays per lost workday case 5 |
| All industries including state and local government 6 | | 950.0 | 591.2 | 358.8 | 23 | 885.8 | 559.0 | 326.9 | 22 |
| Private industry 6 | | 861.6 | 535.3 | 326.3 | 23 | 805.3 | 508.5 | 296.8 | 23 |
| Agriculture, forestry, and fishing 6 | | 26.6 | 19.3 | 7.3 | 23 | 25.7 | 18.7 | 7.0 | 23 |
| Agricultural production 6 | 01-02 | 17.4 | 11.9 | 5.5 | 27 | 17.3 | 11.9 | 5.4 | 28 |
| Agricultural production-crops 6 | 01 | 15.5 | 10.6 | 4.9 | 27 | 15.3 | 10.5 | 4.8 | 28 |
| Fruits and tree nuts 6 | 017 | 3.3 | 2.5 | - | 24 | 3.3 | 2.5 | - | 26 |
| Horticultural specialties 6 | 018 | 6.1 | 3.2 | 2.9 | 24 | 6.1 | 3.2 | 2.8 | 25 |
| Agricultural services | 07 | 6.0 | 5.1 | 0.8 | 16 | 5.3 | 4.6 | 0.8 | 16 |
| Veterinary services | 074 | 0.8 | 0.5 | 0.3 | 13 | 0.8 | 0.5 | 0.3 | 13 |
| Landscape and horticultural services | 078 | 4.4 | 4.1 | - | 18 | 3.8 | 3.7 | - | 19 |
| Forestry | 08 | 3.2 | 2.3 | 0.9 | 20 | 3.1 | 2.2 | 0.8 | 21 |
| Forestry services | 085 | 2.9 | 2.0 | 0.9 | 25 | 2.8 | 1.9 | 0.8 | 26 |
| Mining 7 | | 1.9 | 1.7 | 0.2 | 55 | 1.9 | 1.7 | 0.2 | 55 |
| Construction | | 64.1 | 52.7 | 11.3 | 24 | 62.4 | 51.3 | 11.1 | 25 |
| General building contractors | 15 | 13.8 | 10.5 | 3.3 | 22 | 13.7 | 10.5 | 3.2 | 22 |
| Residential building construction | 152 | 8.5 | 7.0 | 1.5 | 24 | 8.5 | 7.0 | 1.5 | 24 |
| Nonresidential building construction | 154 | 5.2 | 3.5 | 1.7 | 19 | 5.2 | 3.5 | 1.7 | 19 |
| Heavy construction, except building | 16 | 7.6 | 6.1 | 1.5 | 23 | 6.9 | 5.4 | 1.5 | 23 |
| Highway and street construction | 161 | 3.4 | 2.7 | 0.7 | 26 | 3.0 | 2.3 | 0.7 | 24 |
| Heavy construction, except highway | 162 | 4.2 | 3.4 | - | 22 | 3.9 | 3.1 | - | 21 |
| Special trade contractors | 17 | 42.7 | 36.1 | 6.6 | 26 | 41.8 | 35.4 | 6.4 | 26 |
| Plumbing, heating, air-conditioning | 171 | 10.0 | 7.3 | 2.7 | 26 | 9.7 | 7.1 | - | 26 |
| Painting and paper hanging | 172 | 2.3 | - | 0.4 | 26 | 2.3 | - | 0.4 | 26 |
| Electrical work | 173 | 4.6 | 3.9 | 0.7 | 26 | 4.5 | 3.8 | 0.7 | 27 |
| Masonry, stonework, and plastering | 174 | 4.9 | 4.7 | 0.2 | 21 | 4.9 | 4.7 | 0.2 | 21 |
| Carpentry and floor work | 175 | 2.2 | 2.1 | - | 16 | 2.2 | 2.1 | - | 18 |
| Roofing, siding, and sheet metal work | 176 | 5.1 | 4.6 | 0.5 | 33 | 5.0 | 4.5 | 0.5 | 34 |
| Concrete work | 177 | 6.1 | 5.0 | 1.0 | 33 | 5.9 | 4.9 | 1.0 | 32 |
| Miscellaneous special trade contractors | 179 | 7.2 | 6.3 | 1.0 | 25 | 7.0 | 6.0 | 1.0 | 25 |
| Manufacturing | | 258.7 | 142.8 | 115.8 | 22 | 227.4 | 129.4 | 98.1 | 21 |
| Durable goods | | 186.2 | 100.5 | 85.7 | 22 | 163.2 | 90.8 | 72.4 | 21 |
| Lumber and wood products | 24 | 91.2 | 53.4 | 37.8 | 24 | 86.0 | 51.1 | 34.9 | 24 |
| Logging | 241 | 22.9 | 20.5 | 2.4 | 28 | 22.8 | 20.4 | 2.4 | 28 |
| Sawmills and planing mills | 242 | 24.7 | 12.4 | 12.3 | 23 | 23.6 | 12.1 | 11.5 | 24 |
| Sawmills and planing mills, general | 2421 | 23.3 | 11.7 | 11.6 | 24 | 22.4 | 11.5 | 10.9 | 24 |
| Millwork, plywood and structural members | 243 | 35.4 | 17.5 | 17.9 | 24 | 32.5 | 15.7 | 16.7 | 23 |
| Millwork | 2431 | 6.7 | 3.7 | 3.0 | 16 | 5.7 | 3.4 | 2.3 | 15 |
| Softwood veneer and plywood | 2436 | 19.3 | 8.1 | 11.2 | 24 | 17.8 | 6.9 | 10.9 | 24 |
| Wood buildings and mobile homes | 245 | 3.9 | 1.6 | 2.2 | 17 | 3.5 | 1.6 | 1.9 | 16 |
| Mobile homes | 2451 | 2.1 | 0.9 | 1.3 | 12 | 2.1 | 0.9 | 1.2 | 12 |
| Miscellaneous wood products | 249 | 4.3 | 1.4 | 2.9 | 21 | 3.6 | 1.3 | 2.3 | 19 |
| Furniture and fixtures | 25 | 4.5 | 3.3 | 1.2 | 19 | 4.4 | 3.3 | 1.1 | 19 |
| Stone, clay, and glass products | 32 | 5.4 | 1.9 | 3.5 | 24 | 5.2 | 1.9 | 3.3 | 23 |
| Concrete, gypsum, and plaster products | 327 | 1.3 | 0.6 | 0.7 | 12 | 1.2 | 0.6 | 0.7 | 12 |
| Primary metal industries | 33 | 14.8 | 4.9 | 9.9 | 20 | 12.2 | 4.2 | 8.0 | 19 |
| Primary nonferrous metals | 333 | 5.3 | 1.4 | 3.9 | 28 | 4.6 | 1.2 | 3.4 | 26 |
| Fabricated metal products | 34 | 12.4 | 8.1 | 4.2 | 18 | 11.5 | 7.8 | 3.7 | 18 |
| Fabricated structural metal products | 344 | 5.4 | 3.8 | 1.6 | 16 | 5.1 | 3.7 | 1.4 | 16 |
| Miscellaneous fabricated metal products | 349 | 2.3 | 1.3 | - | 16 | 2.3 | 1.3 | - | 16 |
| Industrial machinery and equipment | 35 | 10.4 | 5.2 | 5.2 | 16 | 8.5 | 3.8 | 4.7 | 14 |
| Construction and related machinery | 353 | 1.8 | 0.6 | 1.2 | 18 | 1.8 | 0.6 | 1.2 | 18 |

See footnotes at end of table.

Table 4. Number of lost workdays due to nonfatal occupational injuries and illnesses, by industry, 1992 — Continued

Oregon

| Industry ¹ | SIC code ² | Injury and illness lost workdays | | | | Injury lost workdays | | | |
|--|-----------------------|----------------------------------|---|---|--|-------------------------------|---|---|--|
| | | Total ³ (000's) | With days away from work (000's) | With days of restricted work activity ⁴ (000's) | Average lost workdays per lost workday case ⁵ | Total ³ (000's) | With days away from work (000's) | With days of restricted work activity ⁴ (000's) | Average lost workdays per lost workday case ⁵ |
| Special industry machinery | 355 | 1.7 | 1.0 | 0.7 | 8 | 1.6 | 0.9 | 0.7 | 8 |
| Computer and office equipment | 357 | 1.2 | 0.7 | 0.5 | 19 | 0.6 | 0.3 | 0.3 | 13 |
| Industrial machinery, n.e.c. | 359 | 1.8 | 1.6 | 0.2 | 19 | 1.2 | 1.0 | 0.2 | 15 |
| Industrial machinery, n.e.c. | 3599 | 1.5 | 1.3 | 0.2 | 18 | 0.9 | 0.8 | 0.2 | 13 |
| Electronic and other electric equipment | 36 | 12.0 | 4.7 | 7.3 | 24 | 5.8 | 3.2 | 2.6 | 17 |
| Electronic components and accessories | 367 | 9.6 | 3.7 | 5.9 | 29 | 4.4 | 2.4 | 1.9 | 20 |
| Printed circuit boards | 3672 | 1.0 | 0.9 | 0.1 | 19 | 0.8 | 0.7 | 0.1 | 19 |
| Semiconductors and related devices | 3674 | 5.5 | 2.2 | 3.3 | 28 | 3.1 | 1.4 | 1.7 | 22 |
| Transportation equipment | 37 | 30.5 | 16.8 | 13.7 | 25 | 26.4 | 14.1 | 12.3 | 24 |
| Motor vehicles and equipment | 371 | 11.4 | 5.3 | 6.1 | 20 | 8.3 | 3.0 | 5.2 | 17 |
| Motor vehicles and car bodies | 3711 | 4.6 | 2.0 | 2.6 | 17 | 3.8 | 1.8 | 2.1 | 16 |
| Ship and boat building and repairing | 373 | 10.7 | 9.5 | 1.2 | 35 | 10.4 | 9.2 | 1.2 | 35 |
| Instruments and related products | 38 | 2.7 | 1.3 | 1.4 | 23 | 1.4 | 0.7 | 0.8 | 16 |
| Measuring and controlling devices | 382 | 1.6 | 1.1 | 0.6 | 18 | 0.9 | 0.5 | 0.3 | 13 |
| Instruments to measure electricity | 3825 | 1.6 | 1.1 | 0.6 | 19 | 0.9 | 0.5 | 0.3 | 13 |
| Miscellaneous manufacturing industries | 39 | 2.4 | 1.0 | 1.4 | 20 | 1.7 | 0.8 | 0.9 | 18 |
| Nondurable goods | | 72.5 | 42.3 | 30.1 | 21 | 64.2 | 38.5 | 25.7 | 20 |
| Food and kindred products | 20 | 44.8 | 26.3 | 18.4 | 20 | 38.4 | 24.0 | 14.4 | 20 |
| Meat products | 201 | 7.3 | 2.8 | 4.5 | 25 | 5.1 | 2.2 | 2.9 | 21 |
| Preserved fruits and vegetables | 203 | 16.5 | 10.3 | 6.1 | 19 | 13.7 | 9.1 | 4.5 | 19 |
| Canned fruits and vegetables | 2033 | 3.2 | 1.8 | 1.4 | 15 | 2.7 | 1.6 | 1.0 | 14 |
| Frozen fruits and vegetables | 2037 | 12.0 | 8.1 | 3.9 | 22 | 9.9 | 7.2 | 2.7 | 20 |
| Bakery products | 205 | 5.1 | 3.6 | 1.5 | 21 | 4.6 | 3.4 | 1.2 | 20 |
| Miscellaneous food and kindred products | 209 | 8.5 | 4.1 | 4.4 | 24 | 8.0 | 3.9 | 4.1 | 24 |
| Paper and allied products | 26 | 8.5 | 5.6 | 2.9 | 28 | 8.4 | 5.5 | 2.9 | 28 |
| Paper mills | 262 | 2.6 | 1.8 | 0.8 | 23 | 2.6 | 1.8 | 0.8 | 23 |
| Miscellaneous converted paper products | 267 | 2.6 | 1.6 | 1.0 | 34 | 2.6 | 1.6 | 0.9 | 35 |
| Printing and publishing | 27 | 8.4 | 6.1 | 2.4 | 21 | 6.7 | 4.7 | 2.0 | 19 |
| Newspapers | 271 | 2.3 | 1.4 | 0.9 | 18 | 1.6 | 1.0 | 0.6 | 16 |
| Commercial printing | 275 | 5.4 | 4.3 | 1.1 | 24 | 4.4 | 3.3 | 1.1 | 20 |
| Commercial printing, lithographic | 2752 | 3.5 | 2.5 | 1.0 | 22 | 2.9 | 1.9 | 1.0 | 19 |
| Chemicals and allied products | 28 | 1.4 | 0.5 | 0.9 | 19 | 1.4 | 0.5 | 0.9 | 19 |
| Rubber and miscellaneous plastics products | 30 | 7.7 | 3.0 | 4.7 | 17 | 7.6 | 3.0 | 4.7 | 17 |
| Miscellaneous plastics products, n.e.c. | 308 | 4.5 | 1.8 | 2.6 | 14 | 4.4 | 1.8 | 2.6 | 14 |
| Plastics products, n.e.c. | 3089 | 2.9 | 1.0 | 1.9 | 15 | 2.8 | 1.0 | 1.9 | 15 |
| Transportation and public utilities ⁷ | | 107.5 | 80.3 | 27.3 | 27 | 102.1 | 78.4 | 23.7 | 26 |
| Railroad transportation ⁷ | 40 | 13.9 | 12.8 | 1.1 | 61 | 13.7 | 12.7 | 1.0 | 62 |
| Local and interurban passenger transit | 41 | 2.6 | 0.9 | 1.7 | 24 | 2.6 | 0.9 | 1.7 | 24 |
| Trucking and warehousing | 42 | 63.2 | 47.6 | 15.5 | 24 | 62.8 | 47.4 | 15.5 | 24 |
| Trucking and courier services, except air | 421 | 58.2 | 44.7 | 13.5 | 23 | 58.1 | 44.6 | 13.5 | 23 |
| Transportation by air | 45 | 7.7 | 6.0 | 1.7 | 23 | 7.7 | 6.0 | 1.7 | 23 |
| Air transportation, scheduled | 451 | 7.6 | 5.9 | 1.7 | 23 | 7.6 | 5.9 | 1.7 | 23 |
| Transportation services | 47 | 0.5 | - | 0.2 | 8 | 0.5 | - | 0.2 | 8 |
| Communications | 48 | 6.6 | 2.2 | - | 39 | 1.9 | 0.8 | 1.1 | 16 |
| Telephone communications | 481 | 4.9 | 2.2 | 2.7 | 34 | 1.9 | 0.8 | 1.1 | 18 |
| Electric, gas, and sanitary services | 49 | - | - | - | - | - | - | 2.6 | - |
| Wholesale and retail trade | | 219.3 | 136.3 | 82.9 | 23 | 212.1 | 131.7 | 80.3 | 22 |
| Wholesale trade | | 59.6 | 35.0 | 24.5 | 19 | 59.2 | 34.8 | 24.3 | 19 |
| Wholesale trade—durable goods | 50 | 30.2 | 16.7 | 13.6 | 18 | 30.2 | 16.7 | 13.5 | 18 |
| Lumber and construction materials | 503 | 4.0 | 2.0 | - | 16 | - | 2.0 | - | - |
| Professional and commercial equipment | 504 | 2.2 | 0.5 | - | 12 | - | 0.5 | - | - |
| Machinery, equipment, and supplies | 508 | 7.1 | 3.0 | 4.1 | 21 | 7.1 | 3.0 | 4.1 | 21 |
| Wholesale trade—nondurable goods | 51 | 29.3 | 18.4 | 11.0 | 20 | 28.9 | 18.2 | 10.8 | 20 |
| Paper and paper products | 511 | 0.7 | 0.6 | - | 15 | 0.7 | 0.6 | - | 15 |
| Apparel, piece goods, and notions | 513 | 0.5 | 0.1 | 0.4 | 15 | 0.4 | 0.1 | 0.3 | 13 |

See footnotes at end of table.

Exhibit 2.3.2

Bureau of Labor Statistic 1991, 1992

Source: Accident Facts, National Safety Council
1993 and 1994 Editions

BLS Estimates of Occupational Injury and Illness Incidence Rates for Selected Industries, 1991, Cont.

| Industry ^a | Incidence Rates ^c | | | | |
|---|------------------------------|--------------------------|--------------------|--------------------------------------|---------------|
| | SIC Code ^b | Total Cases ^d | Lost Workday Cases | Nonfatal Cases Without Lost Workdays | Lost Workdays |
| Industrial machinery, n.e.c. | 359 | 11.5 | 4.7 | 6.8 | 94.4 |
| Electronic and other electric equipment | 36 | 8.6 | 3.7 | 4.9 | 83.0 |
| Electric distribution equipment | 361 | 12.2 | 5.2 | 7.0 | 117.4 |
| Electrical industrial apparatus | 362 | 9.8 | 4.1 | 5.7 | 96.7 |
| Household appliances | 363 | 17.6 | 7.1 | 10.5 | 142.1 |
| Electric lighting and wiring equipment | 364 | 10.3 | 4.5 | 5.9 | 103.7 |
| Household audio and video equipment | 365 | 10.3 | 4.5 | 5.8 | 97.1 |
| Communications equipment | 366 | 4.4 | 2.0 | 2.4 | 45.6 |
| Electronic components and accessories | 367 | 6.3 | 2.8 | 3.4 | 64.1 |
| Transportation equipment | 37 | 18.3 | 7.0 | 11.3 | 166.1 |
| Motor vehicles and equipment | 371 | 23.4 | 8.0 | 15.4 | 192.5 |
| Aircraft and parts | 372 | 10.9 | 4.3 | 6.6 | 114.4 |
| Ship and boat building and repairing | 373 | 37.6 | 17.3 | 20.3 | 367.9 |
| Railroad equipment | 374 | 21.1 | 9.1 | 12.0 | 199.3 |
| Guided missiles, space vehicles, parts | 376 | 4.3 | 2.1 | 2.2 | 51.0 |
| Instruments and related products | 38 | 6.0 | 2.7 | 3.3 | 64.4 |
| Search and navigation equipment | 381 | 4.5 | 1.9 | 2.6 | 47.1 |
| Measuring and controlling devices | 382 | 6.4 | 2.9 | 3.6 | 69.8 |
| Medical instruments and supplies | 384 | 6.8 | 3.2 | 3.6 | 75.5 |
| Photographic equipment and supplies | 386 | 5.8 | 2.9 | 2.9 | 59.8 |
| Miscellaneous manufacturing industries | 39 | 11.3 | 5.1 | 6.2 | 104.0 |
| Musical instruments | 393 | 12.4 | 5.5 | 6.9 | 160.6 |
| Toys and sporting goods | 394 | 14.8 | 7.3 | 7.5 | 141.5 |
| Pens, pencils, office, and art supplies | 395 | 9.5 | 4.3 | 5.2 | 98.2 |
| Costume jewelry and notions | 396 | 6.9 | 3.4 | 3.5 | 86.0 |
| <i>Non durable goods</i> | | 11.5 | 5.5 | 6.0 | 119.7 |
| Food and kindred products | 20 | 19.5 | 9.9 | 9.7 | 207.2 |
| Meat products | 201 | 30.0 | 15.0 | 15.0 | 324.6 |
| Dairy products | 202 | 16.2 | 8.5 | 7.8 | 174.5 |
| Preserved fruits and vegetables | 203 | 16.6 | 7.8 | 8.8 | 134.8 |
| Grain mill products | 204 | 13.4 | 6.9 | 6.5 | 158.5 |
| Bakery products | 205 | 14.2 | 7.9 | 6.3 | 187.6 |
| Sugar and confectionery products | 206 | 14.9 | 7.8 | 7.1 | 154.1 |
| Fats and oils | 207 | 15.5 | 7.2 | 8.3 | 155.9 |
| Beverages | 208 | 18.6 | 9.3 | 9.3 | 184.9 |
| Miscellaneous food and kindred products | 209 | 16.5 | 8.2 | 8.2 | 174.1 |
| Tobacco products | 21 | 6.4 | 2.8 | 3.7 | 52.0 |
| Textile mill products | 22 | 10.0 | 4.4 | 5.6 | 88.3 |
| Broadwoven fabric mills, cotton | 221 | 7.8 | 3.7 | 4.1 | 57.9 |
| Broadwoven fabric mills, manmade | 222 | 6.7 | 2.6 | 4.1 | 53.5 |
| Broadwoven fabric mills, wool | 223 | 8.1 | 3.8 | 4.3 | 92.1 |
| Narrow fabric mills | 224 | 10.9 | 4.6 | 6.3 | 100.1 |
| Knitting mills | 225 | 9.5 | 4.5 | 5.0 | 85.5 |
| Textile finishing, except wool | 226 | 10.9 | 5.0 | 5.9 | 117.6 |
| Carpets and rugs | 227 | 13.8 | 5.8 | 8.0 | 131.3 |
| Yarn and thread mills | 228 | 10.9 | 3.7 | 7.2 | 81.4 |
| Apparel and other textile products | 23 | 9.2 | 4.2 | 5.0 | 99.9 |
| Men's and boys' suits and coats | 231 | 9.9 | 4.6 | 5.3 | 118.0 |
| Men's and boys' furnishings | 232 | 12.1 | 5.6 | 6.5 | 149.9 |
| Women's and misses' outerwear | 233 | 5.4 | 2.2 | 3.2 | 51.4 |
| Women's and children's undergarments | 234 | 8.4 | 3.5 | 4.9 | 86.3 |
| Hats, caps and millinery | 235 | 9.7 | 4.7 | 5.1 | 150.6 |
| Girls' and children's outerwear | 236 | 9.0 | 4.7 | 4.2 | 86.3 |
| Miscellaneous apparel and accessories | 238 | 8.7 | 3.9 | 4.8 | 95.6 |
| Miscellaneous fabricated textile products | 239 | 11.3 | 5.3 | 6.0 | 110.0 |
| Paper and allied products | 26 | 11.2 | 5.0 | 6.3 | 122.7 |
| Paper mills | 262 | 10.5 | 4.1 | 6.4 | 127.7 |
| Paperboard mills | 263 | 11.5 | 4.9 | 6.6 | 127.0 |
| Paperboard containers and boxes | 265 | 12.5 | 5.7 | 6.8 | 135.7 |
| Printing and publishing | 27 | 6.7 | 3.2 | 3.5 | 74.5 |
| Newspapers | 271 | 7.2 | 3.4 | 3.8 | 86.6 |
| Periodicals | 272 | 2.4 | 1.3 | 1.1 | 32.0 |
| Books | 273 | 5.5 | 2.5 | 3.0 | 51.2 |
| Commercial printing | 275 | 7.4 | 3.6 | 3.8 | 79.6 |
| Manifold business forms | 276 | 10.1 | 4.3 | 5.8 | 100.0 |
| Blankbooks and bookbinding | 278 | 10.5 | 4.7 | 5.7 | 94.2 |
| Chemicals and allied products | 28 | 6.4 | 3.1 | 3.3 | 62.4 |
| Industrial inorganic chemicals | 281 | 5.5 | 2.7 | 2.8 | 59.7 |
| Plastics materials and synthetics | 282 | 4.8 | 2.3 | 2.5 | 50.5 |
| Drugs | 283 | 6.3 | 3.1 | 3.3 | 62.1 |
| Soap, cleaners, and toilet goods | 284 | 7.9 | 4.0 | 3.8 | 81.5 |
| Paints and allied products | 285 | 9.2 | 4.4 | 4.8 | 73.9 |
| Industrial organic chemicals | 286 | 5.5 | 2.5 | 3.0 | 53.5 |

See source and footnotes on page 45.

BLS Estimates of Nonfatal Occupational Injury and Illness Incidence Rates for Selected Industries, 1992^c, Cont.

| Industry ^a | Incidence Rates ^d | | | | |
|---|------------------------------|-------------|--------------------|-----------------------------|---------------|
| | SIC Code ^b | Total Cases | Lost Workday Cases | Cases Without Lost Workdays | Lost Workdays |
| Industrial machinery, n.e.c. | 359 | 12.3 | 4.5 | 7.8 | 90.7 |
| Electronic and other electric equipment | 36 | 8.4 | 3.6 | 4.8 | 81.2 |
| Electric distribution equipment | 361 | 10.9 | 4.5 | 6.4 | 89.5 |
| Electrical industrial apparatus | 362 | 9.9 | 4.3 | 5.6 | 91.4 |
| Household appliances | 363 | 16.5 | 6.3 | 10.2 | 118.4 |
| Electric lighting and wiring equipment | 364 | 10.7 | 4.8 | 5.9 | 114.5 |
| Household audio and video equipment | 365 | 8.7 | 3.7 | 5.1 | 77.8 |
| Communications equipment | 366 | 5.0 | 2.3 | 2.6 | 62.7 |
| Electronic components and accessories | 367 | 5.7 | 2.5 | 3.2 | 58.6 |
| Transportation equipment | 37 | 18.7 | 7.1 | 11.5 | 186.6 |
| Motor vehicles and equipment | 371 | 24.5 | 8.4 | 16.1 | 224.6 |
| Aircraft and parts | 372 | 11.1 | 4.5 | 6.6 | 125.4 |
| Ship and boat building and repairing | 373 | 32.4 | 15.9 | 16.5 | 373.1 |
| Railroad equipment | 374 | 20.0 | 8.7 | 11.3 | 192.7 |
| Guided missiles, space vehicles, parts | 376 | 4.0 | 1.8 | 2.3 | 50.3 |
| Instruments and related products | 38 | 5.9 | 2.7 | 3.2 | 65.3 |
| Search and navigation equipment | 381 | 3.9 | 1.5 | 2.4 | 39.4 |
| Measuring and controlling devices | 382 | 6.2 | 2.7 | 3.5 | 62.6 |
| Medical instruments and supplies | 384 | 7.0 | 3.4 | 3.6 | 86.8 |
| Ophthalmic goods | 385 | 5.6 | 2.6 | 3.0 | 66.5 |
| Miscellaneous manufacturing industries | 39 | 10.7 | 5.0 | 5.7 | 108.2 |
| Musical instruments | 393 | 9.4 | 4.7 | 4.8 | 82.4 |
| Toys and sporting goods | 394 | 13.1 | 6.5 | 6.6 | 144.2 |
| Pens, pencils, office, and art supplies | 395 | 10.3 | 4.9 | 5.4 | 114.8 |
| Costume jewelry and notions | 396 | 7.1 | 3.4 | 3.7 | 70.7 |
| <i>Nonurable goods</i> | | 11.3 | 5.3 | 6.0 | 121.8 |
| Food and kindred products | 20 | 18.8 | 9.5 | 9.3 | 211.9 |
| Meat products | 201 | 29.5 | 15.0 | 14.5 | 338.3 |
| Dairy products | 202 | 15.9 | 7.8 | 8.1 | 167.7 |
| Preserved fruits and vegetables | 203 | 15.6 | 7.9 | 7.7 | 150.5 |
| Grain mill products | 204 | 13.0 | 6.2 | 6.8 | 149.5 |
| Bakery products | 205 | 13.6 | 6.9 | 6.6 | 183.1 |
| Sugar and confectionery products | 206 | 14.1 | 7.7 | 6.4 | 179.8 |
| Fats and oils | 207 | 13.3 | 7.0 | 6.3 | 164.7 |
| Beverages | 208 | 17.3 | 8.4 | 8.9 | 183.2 |
| Miscellaneous food and kindred products | 209 | 15.1 | 7.5 | 7.6 | 156.4 |
| Tobacco products | 21 | 6.0 | 2.4 | 3.5 | 42.9 |
| Textile mill products | 22 | 9.9 | 4.2 | 5.7 | 87.1 |
| Broadwoven fabric mills, cotton | 221 | 8.3 | 3.3 | 4.9 | 72.5 |
| Broadwoven fabric mills, manmade | 222 | 6.4 | 2.7 | 3.7 | 49.1 |
| Broadwoven fabric mills, wool | 223 | 8.6 | 3.5 | 5.0 | 114.0 |
| Knitting mills | 225 | 10.3 | 4.6 | 5.7 | 95.5 |
| Textile finishing, except wool | 226 | 9.7 | 4.5 | 5.3 | 85.5 |
| Carpets and rugs | 227 | 13.8 | 5.6 | 8.2 | 145.5 |
| Yarn and thread mills | 228 | 9.6 | 3.2 | 6.3 | 56.1 |
| Miscellaneous textile goods | 229 | 12.7 | 5.9 | 6.9 | 117.2 |
| Apparel and other textile products | 23 | 9.5 | 4.0 | 5.4 | 104.6 |
| Men's and boys' suits and coats | 231 | 9.0 | 4.3 | 4.8 | 125.9 |
| Men's and boys' furnishings | 232 | 12.6 | 5.4 | 7.2 | 150.3 |
| Women's and misses' outerwear | 233 | 6.8 | 2.6 | 4.1 | 71.2 |
| Women's and children's undergarments | 234 | 6.8 | 2.7 | 4.1 | 72.8 |
| Hats, caps and millinery | 235 | 14.2 | 6.8 | 7.4 | 248.9 |
| Girls' and children's outerwear | 236 | 8.5 | 3.7 | 4.8 | 79.3 |
| Miscellaneous apparel and accessories | 238 | 8.1 | 3.5 | 4.5 | 89.2 |
| Miscellaneous fabricated textile products | 239 | 10.4 | 4.7 | 5.7 | 94.2 |
| Paper and allied products | 26 | 11.0 | 5.0 | 6.0 | 125.9 |
| Paper mills | 262 | 9.7 | 3.9 | 5.8 | 112.8 |
| Paperboard mills | 263 | 11.6 | 4.7 | 6.9 | 109.7 |
| Paperboard containers and boxes | 265 | 12.2 | 5.6 | 6.6 | 133.9 |
| Printing and publishing | 27 | 7.3 | 3.2 | 4.2 | 74.8 |
| Newspapers | 271 | 7.3 | 3.2 | 4.5 | 80.5 |
| Periodical | 272 | 3.9 | 1.9 | 2.0 | 58.6 |
| Books | 273 | 6.7 | 3.0 | 3.7 | 70.4 |
| Commercial printing | 275 | 8.4 | 3.5 | 4.8 | 76.1 |
| Manifold business forms | 276 | 8.2 | 3.4 | 4.9 | 62.5 |
| Blankbooks and bookbinding | 278 | 10.3 | 4.9 | 5.4 | 131.7 |
| Chemicals and allied products | 28 | 6.0 | 2.8 | 3.2 | 64.2 |
| Industrial inorganic chemicals | 281 | 4.6 | 2.1 | 2.4 | 52.4 |
| Plastics materials and synthetics | 282 | 4.9 | 2.3 | 2.7 | 56.7 |
| Drugs | 283 | 5.7 | 2.6 | 3.1 | 58.9 |
| Soap, cleaners, and toilet goods | 284 | 78.0 | 4.0 | 3.8 | 87.3 |
| Paints and allied products | 285 | 9.4 | 4.3 | 5.2 | 63.5 |
| Industrial organic chemicals | 286 | 3.9 | 1.7 | 2.2 | 44.6 |

See source and footnotes on page 45.

Exhibit 2.3.3

National Safety Council

Incident Rate Estimates 1992 and 1993

Source: Accident Facts, National Safety Council
1993 and 1994 Editions

Occupational Injury and Illness Incidence Rates by Industry, 1992, Reporters to the National Safety Council

| Industry | SIC Code ^b | Incidence Rates per 100 Full-Time Employees ^a | | | | | |
|--|-----------------------|--|--------------------|--|--------------------------------------|----------------------------|---------------------|
| | | Total Cases | Lost Workday Cases | Cases Involving Days Away From Work & Deaths | Nonfatal Cases Without Lost Workdays | Lost Workdays ^c | Days Away From Work |
| All Industries^d | | 9.1 | 3.8 | 2.1 | 5.3 | 84 | 48 |
| Agriculture, forestry and fishing | | 6.1 | 2.5 | 1.6 | 3.5 | 54 | 17 |
| Agricultural production, crops | 01 | 13.2 | 7.0 | 3.2 | 6.3 | 165 | 39 |
| Forestry | 08 | 2.4 | 0.5 | 0.4 | 2.0 | 18 | 7 |
| Mining | | 3.8 | 1.5 | 1.0 | 2.2 | 50 | 39 |
| Metal mining | 10 | 4.4 | 2.0 | 1.6 | 2.3 | 55 | 45 |
| Coal mining | 12 | 2.8 | 0.9 | 0.6 | 1.9 | 28 | 19 |
| Oil and gas extraction | 13 | 3.1 | 1.4 | 0.9 | 1.7 | 49 | 38 |
| Nonmetallic minerals, except fuels | 14 | 5.4 | 1.6 | 0.9 | 3.9 | 55 | 42 |
| Construction | | 5.4 | 2.1 | 1.4 | 3.3 | 48 | 37 |
| General building contractors | 15 | 5.2 | 1.9 | 1.1 | 3.3 | 38 | 31 |
| Heavy construction, except buildings | 16 | 5.4 | 2.2 | 1.5 | 3.2 | 49 | 38 |
| Special trade contractors | 17 | 6.9 | 3.2 | 2.0 | 3.7 | 78 | 50 |
| Manufacturing | | 10.8 | 4.0 | 1.7 | 6.9 | 91 | 42 |
| Durable goods | | 15.3 | 5.3 | 2.2 | 10.0 | 120 | 57 |
| Lumber and wood products | 24 | 9.6 | 3.5 | 2.1 | 6.1 | 87 | 52 |
| Sawmills and planing mills | 242 | 12.8 | 5.1 | 3.0 | 7.7 | 124 | 69 |
| Millwork, plywood and structural members | 243 | 8.0 | 2.9 | 1.8 | 5.1 | 74 | 42 |
| Furniture and fixtures | 25 | 10.8 | 3.5 | 1.9 | 7.3 | 65 | 35 |
| Household furniture | 251 | 11.4 | 3.6 | 2.0 | 7.9 | 54 | 29 |
| Stone, clay, and glass products | 32 | 12.3 | 4.9 | 2.1 | 7.3 | 126 | 65 |
| Cement, hydraulic | 324 | 15.3 | 5.2 | 3.2 | 10.1 | 171 | 110 |
| Concrete, gypsum, and plaster products | 327 | 7.5 | 2.4 | 1.5 | 5.1 | 64 | 39 |
| Misc. nonmetallic mineral products | 329 | 9.1 | 4.9 | 2.7 | 4.2 | 142 | 90 |
| Primary metal industries | 33 | 16.3 | 5.2 | 2.1 | 11.2 | 124 | 64 |
| Blast furnace and basic steel products | 331 | 10.7 | 2.7 | 1.7 | 6.0 | 76 | 61 |
| Iron and steel foundries | 332 | 29.2 | 8.2 | 2.7 | 20.9 | 151 | 55 |
| Primary nonferrous metals | 333 | 22.9 | 8.7 | 4.6 | 14.2 | 236 | 145 |
| Nonferrous rolling and drawing | 335 | 12.6 | 5.1 | 1.3 | 7.5 | 137 | 50 |
| Fabricated metal products | 34 | 17.5 | 5.9 | 2.4 | 11.6 | 120 | 60 |
| Metal cans and shipping containers | 341 | 16.7 | 5.8 | 3.2 | 10.9 | 121 | 78 |
| Cutlery, hand tools, and hardware | 342 | 8.9 | 3.8 | 1.9 | 5.1 | 71 | 32 |
| Fabricated structural metal products | 344 | 7.4 | 2.4 | 1.3 | 5.0 | 69 | 47 |
| Metal forgings and stampings | 346 | 42.4 | 13.4 | 3.7 | 28.9 | 226 | 94 |
| Misc. fabricated metal products | 349 | 12.0 | 4.4 | 2.7 | 7.6 | 101 | 66 |
| Industrial machinery and equipment | 35 | 10.2 | 3.5 | 1.6 | 6.8 | 80 | 36 |
| Farm and garden machinery | 352 | 8.1 | 2.6 | 0.6 | 5.5 | 51 | 15 |
| Construction and related machinery | 353 | 13.3 | 4.7 | 2.2 | 8.6 | 108 | 54 |
| Metalworking machinery | 354 | 11.1 | 4.2 | 2.1 | 6.9 | 55 | 36 |
| Special industry machinery | 355 | 6.2 | 2.6 | 1.3 | 3.6 | 57 | 39 |
| General industrial machinery | 356 | 8.4 | 2.7 | 1.5 | 5.7 | 56 | 33 |
| Refrigeration and service machinery | 358 | 18.5 | 5.5 | 3.6 | 13.0 | 137 | 65 |
| Industrial machinery, n.e.c. | 359 | 19.1 | 5.8 | 2.2 | 13.3 | 226 | 49 |
| Electronic and other electric equipment | 36 | 5.5 | 2.2 | 1.3 | 3.3 | 57 | 32 |
| Electric distribution equipment | 361 | 10.5 | 2.9 | 1.6 | 7.6 | 62 | 29 |
| Electrical industrial apparatus | 362 | 6.0 | 2.9 | 1.1 | 3.1 | 62 | 26 |
| Household appliances | 363 | 14.0 | 5.8 | 2.4 | 8.2 | 162 | 90 |
| Electric lighting and wiring equipment | 364 | 7.8 | 2.9 | 2.1 | 4.9 | 56 | 34 |
| Communications equipment | 366 | 3.3 | 1.9 | 1.1 | 1.4 | 49 | 28 |
| Electronic components and accessories | 367 | 2.6 | 1.0 | 0.7 | 1.6 | 24 | 14 |
| Misc. electrical equipment and supplies | 369 | 11.2 | 3.7 | 2.2 | 7.5 | 122 | 66 |
| Transportation equipment | 37 | 25.5 | 8.7 | 3.4 | 16.9 | 198 | 85 |
| Motor vehicles and equipment | 371 | 41.1 | 12.8 | 4.9 | 28.3 | 290 | 129 |
| Aircraft and parts | 372 | 2.9 | 1.1 | 0.6 | 1.7 | 18 | 6 |
| Ship and boat building and repairing | 373 | 26.5 | 13.2 | 4.9 | 13.3 | 309 | 101 |
| Railroad equipment | 374 | 13.0 | 4.5 | 3.3 | 8.5 | 110 | 85 |
| Guided missiles, space vehicles, parts | 376 | 2.9 | 1.1 | 0.7 | 1.8 | 30 | 14 |
| Instruments and related products | 38 | 3.8 | 1.7 | 0.9 | 2.2 | 34 | 19 |
| Measuring and controlling devices | 382 | 5.7 | 2.6 | 2.0 | 3.2 | 76 | 60 |
| Medical instruments and supplies | 384 | 8.5 | 3.9 | 1.3 | 4.6 | 69 | 27 |
| Misc. manufacturing industries | 39 | 10.5 | 5.6 | 2.9 | 4.9 | 112 | 45 |
| Nondurable goods | | 7.2 | 2.9 | 1.2 | 4.3 | 66 | 31 |
| Food and kindred products | 20 | 17.0 | 6.7 | 3.1 | 10.3 | 139 | 69 |
| Meat products | 201 | 26.9 | 9.8 | 3.6 | 17.1 | 182 | 70 |
| Dairy products | 202 | 10.3 | 4.7 | 3.2 | 5.6 | 101 | 57 |
| Preserved fruits and vegetables | 203 | 23.0 | 9.1 | 3.2 | 13.9 | 153 | 62 |
| Grain mill products | 204 | 9.6 | 3.1 | 2.6 | 6.5 | 70 | 59 |
| Bakery products | 205 | 14.9 | 8.9 | 5.3 | 6.0 | 234 | 147 |

See source and footnotes on page 51.

Occupational Injury and Illness Incidence Rates by Industry, 1993, Reporters to the National Safety Council

| Industry | SIC Code ^b | Incidence Rates per 100 Full-Time Employees ^a | | | | | |
|---|-----------------------|--|--------------------|--|--------------------------------------|-----------------------------|---------------------|
| | | Total Cases | Lost Workday Cases | Cases Involving Days Away From Work & Deaths | Nonfatal Cases Without Lost Workdays | Lost Work-days ^c | Days Away From Work |
| All Industries^d | | 10.35 | 4.19 | 2.09 | 6.16 | 89 | 45 |
| Agriculture, forestry and fishing | | 5.24 | 2.62 | 1.67 | 2.62 | 50 | 32 |
| Agricultural production, crops | 01 | 12.44 | 7.71 | 3.51 | 4.73 | 159 | 74 |
| Forestry | 08 | 2.31 | 1.01 | 0.84 | 1.30 | 29 | 24 |
| Mining | | 4.01 | 1.41 | 0.89 | 2.58 | 45 | 35 |
| Metal mining | 10 | 5.32 | 1.55 | 1.25 | 3.78 | 54 | 49 |
| Coal mining | 12 | 4.48 | 1.20 | 0.40 | 3.28 | 18 | 8 |
| Oil and gas extraction | 13 | 3.79 | 1.47 | 0.76 | 2.30 | 43 | 32 |
| Nonmetallic minerals, except fuels | 14 | 5.73 | 2.10 | 1.63 | 3.59 | 79 | 63 |
| Construction | | 4.68 | 1.95 | 0.89 | 2.72 | 38 | 20 |
| General building contractors | 15 | 10.04 | 4.42 | 3.25 | 5.61 | 130 | 106 |
| Heavy construction, except buildings | 16 | 5.36 | 1.92 | 1.30 | 3.44 | 41 | 28 |
| Special trade contractors | 17 | 11.07 | 4.21 | 2.10 | 6.86 | 128 | 103 |
| Manufacturing | | 12.27 | 4.63 | 1.90 | 7.64 | 101 | 44 |
| Durable goods | | 17.80 | 6.31 | 2.69 | 11.49 | 138 | 61 |
| Lumber and wood products | 24 | 8.34 | 3.56 | 1.96 | 4.79 | 90 | 51 |
| Sawmills and planing mills | 242 | 9.79 | 4.78 | 2.66 | 5.01 | 108 | 61 |
| Millwork, plywood, and structural members | 243 | 7.22 | 2.64 | 1.50 | 4.59 | 70 | 41 |
| Furniture and fixtures | 25 | 10.58 | 4.29 | 1.60 | 6.29 | 74 | 28 |
| Household furniture | 251 | 9.75 | 3.41 | 1.82 | 6.34 | 54 | 31 |
| Stone, clay, and glass products | 32 | 13.71 | 4.89 | 2.00 | 8.82 | 126 | 62 |
| Cement, hydraulic | 324 | 17.56 | 4.19 | 2.00 | 13.37 | 59 | 32 |
| Concrete, gypsum, and plaster products | 327 | 7.35 | 1.65 | 0.94 | 5.70 | 61 | 43 |
| Misc. nonmetallic mineral products | 329 | 11.00 | 5.95 | 3.00 | 5.06 | 147 | 99 |
| Primary metal industries | 33 | 17.48 | 5.92 | 2.20 | 11.55 | 140 | 63 |
| Blast furnace and basic steel products | 331 | 10.17 | 3.75 | 2.27 | 6.39 | 111 | 83 |
| Iron and steel foundries | 332 | 30.15 | 8.92 | 3.15 | 21.22 | 182 | 73 |
| Primary nonferrous metals | 333 | 24.54 | 8.64 | 4.01 | 15.91 | 224 | 106 |
| Nonferrous rolling and drawing | 335 | 12.55 | 4.91 | 0.92 | 7.64 | 109 | 26 |
| Fabricated metal products | 34 | 19.67 | 7.17 | 2.79 | 12.50 | 151 | 70 |
| Metal cans and shipping containers | 341 | 18.66 | 6.20 | 3.07 | 12.45 | 117 | 67 |
| Cutlery, hand tools, and hardware | 342 | 10.28 | 4.39 | 2.30 | 5.89 | 97 | 44 |
| Fabricated structural metal products | 344 | 9.40 | 2.96 | 2.25 | 6.44 | 61 | 46 |
| Metal forgings and stampings | 346 | 43.78 | 16.15 | 4.78 | 27.63 | 338 | 133 |
| Misc. fabricated metal products | 349 | 13.48 | 5.28 | 2.83 | 8.20 | 122 | 76 |
| Industrial machinery and equipment | 35 | 10.13 | 3.43 | 1.52 | 6.67 | 86 | 31 |
| Farm and garden machinery | 352 | 9.31 | 3.13 | 0.58 | 6.17 | 54 | 9 |
| Construction and related machinery | 353 | 17.31 | 5.82 | 2.69 | 11.49 | 162 | 62 |
| Metalworking machinery | 354 | 15.66 | 7.24 | 3.57 | 8.42 | 134 | 68 |
| Special industry machinery | 355 | 5.39 | 3.12 | 1.82 | 2.27 | 86 | 68 |
| General industrial machinery | 356 | 9.39 | 2.96 | 1.39 | 6.44 | 66 | 26 |
| Refrigeration and service machinery | 358 | 16.93 | 4.83 | 2.37 | 12.10 | 139 | 48 |
| Industrial machinery, n.e.c. | 359 | 20.20 | 6.34 | 2.73 | 13.86 | 183 | 41 |
| Electronic and other electric equipment | 36 | 6.10 | 2.37 | 1.38 | 3.73 | 57 | 31 |
| Electric distribution equipment | 361 | 11.24 | 4.22 | 1.35 | 7.01 | 68 | 15 |
| Electric industrial apparatus | 362 | 4.43 | 1.90 | 1.02 | 2.53 | 39 | 24 |
| Household appliances | 363 | 13.15 | 5.27 | 2.06 | 7.88 | 99 | 40 |
| Electric lighting and wiring equipment | 364 | 9.41 | 3.88 | 2.54 | 5.53 | 88 | 54 |
| Communications equipment | 366 | 3.69 | 1.82 | 1.10 | 1.87 | 52 | 29 |
| Electronic components and accessories | 367 | 5.02 | 1.93 | 1.26 | 3.09 | 46 | 29 |
| Misc. electrical equipment and supplies | 369 | 10.95 | 3.39 | 1.93 | 7.56 | 77 | 32 |
| Transportation equipment | 37 | 31.38 | 10.97 | 4.74 | 20.41 | 227 | 97 |
| Motor vehicles and equipment | 371 | 49.89 | 15.64 | 6.66 | 34.24 | 336 | 155 |
| Aircraft and parts | 372 | 3.68 | 1.25 | 0.65 | 2.43 | 29 | 12 |
| Ship and boat building and repairing | 373 | 21.66 | 10.71 | 4.60 | 10.95 | 191 | 55 |
| Railroad equipment | 374 | 7.19 | 3.15 | 3.15 | 4.03 | 101 | 101 |
| Guided missiles, space vehicles, parts | 376 | 3.35 | 1.59 | 0.77 | 1.76 | 41 | 19 |
| Instruments and related products | 38 | 3.33 | 1.67 | 0.78 | 1.65 | 40 | 20 |
| Measuring and controlling devices | 382 | 7.34 | 3.28 | 1.66 | 4.05 | 68 | 39 |
| Medical instruments and supplies | 384 | 5.73 | 3.39 | 1.21 | 2.33 | 84 | 35 |
| Misc. manufacturing industries | 39 | 9.60 | 4.38 | 1.39 | 5.22 | 91 | 28 |
| Nondurable goods | | 7.41 | 3.15 | 1.21 | 4.26 | 68 | 29 |
| Food and kindred products | 20 | 16.02 | 6.77 | 2.75 | 9.24 | 136 | 61 |
| Meat products | 201 | 25.58 | 9.81 | 3.18 | 15.78 | 174 | 69 |
| Dairy products | 202 | 10.97 | 5.70 | 3.08 | 5.25 | 116 | 58 |
| Preserved fruits and vegetables | 203 | 18.08 | 7.30 | 2.03 | 10.77 | 149 | 56 |
| Grain mill products | 204 | 9.12 | 3.89 | 3.14 | 5.22 | 89 | 67 |

See source and footnotes on page 51.

rnings

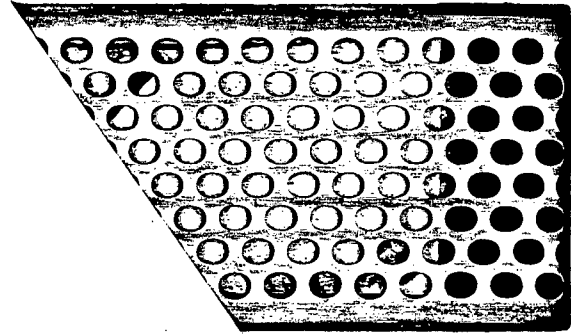


Chart1

GMD 1994 W-2 EARNINGS

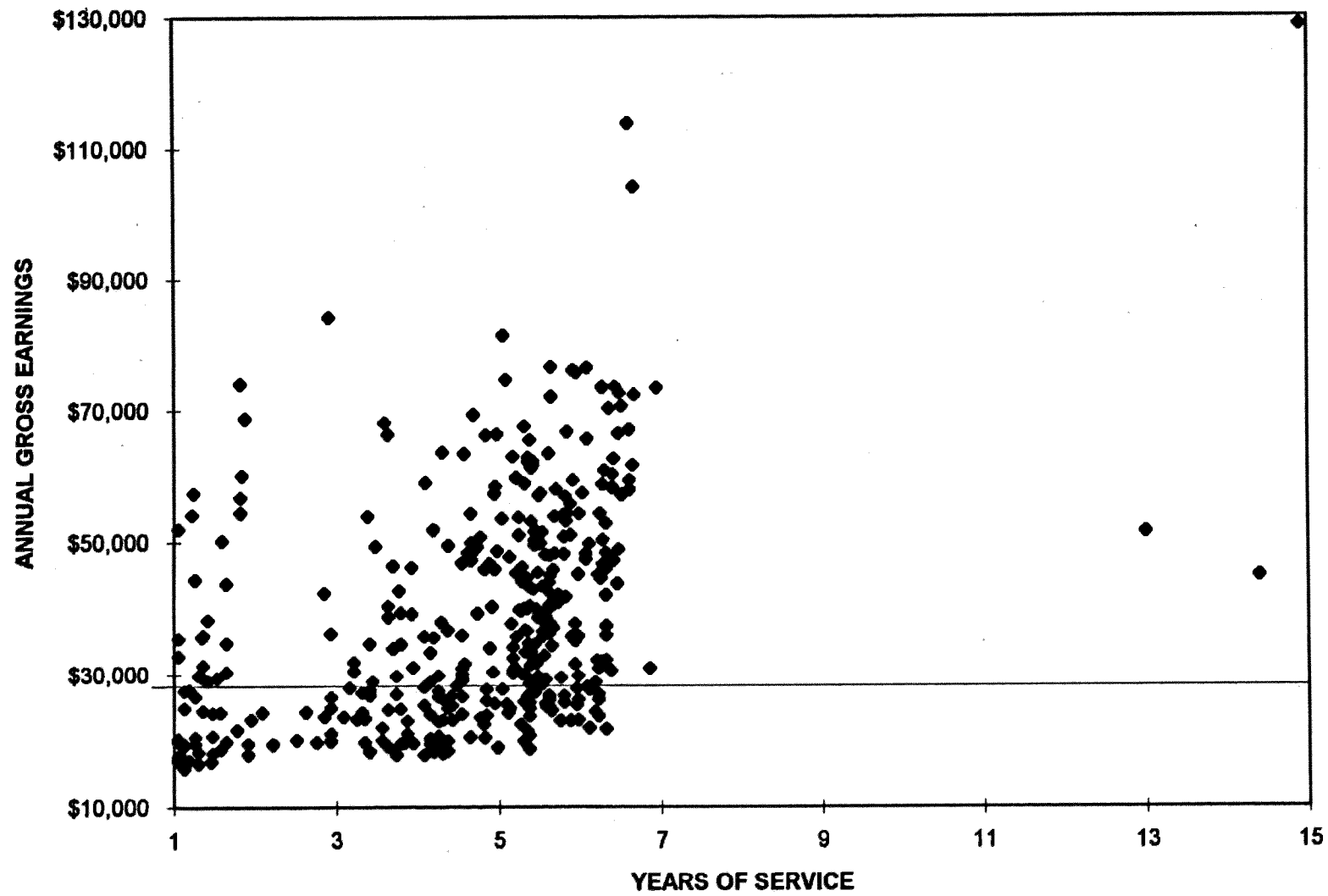


Exhibit 8
Local Hiring Practices

| EMP NO. | NAME | JOB TITLE | HIRE DATE | CURRENT CITY | HIRE CITY |
|---------|-----------------------|----------------------------|-----------|--------------|-------------|
| 941 | Abbott,Faye | Wafer Fab Opr I | 11/14/94 | Portland | |
| 972 | Abelein,Daniel O. | Facilities Mtc Tech IV | 02/20/95 | Boring | |
| 780 | Adee,Jason A. | Wafer Fab Opr II | 07/19/93 | Gresham | |
| 873 | Akagi,Kai Y. | Equipment Engineer I | 06/06/94 | Gresham | |
| 983 | Alagar,Teresa | Wafer Fab Opr I | 03/13/95 | Gresham | |
| 965 | Al-Sheikhly,Ali | Wafer Fab Opr I | 01/02/95 | Beaverton | |
| 913 | Anke,Michael J. | Wafer Fab Opr I | 09/05/94 | Boring | |
| 798 | Ashbaugh,Allen R. | Q.A. Inspector II | 09/27/93 | Portland | |
| 919 | Aviles,Maria A. | Wafer Fab Opr IV | 10/03/94 | Gresham | Anaheim, CA |
| 899 | Balanguue,Donna | Test Opr II | 08/08/94 | Portland | |
| 879 | Bard,Donald M. | Wafer Fab Opr I | 06/06/94 | Portland | |
| 898 | Bassett,Doug | Process Engineer IV | 08/09/94 | Gresham | Mesa, AZ |
| 963 | Baxter,Andrew M. | Wafer Fab Opr I | 12/12/94 | Portland | |
| 842 | Beidalah,Athman H. | Process Engineer IV | 02/07/94 | Sacramento | |
| 880 | Bieker,Barry A. | Wafer Fab Opr I | 06/06/94 | Boring | |
| 932 | Blake,Deborah L. | Wafer Fab Opr III | 10/31/94 | Boring | |
| 973 | Blanscett,Aaron | Wafer Fab Opr I | 02/27/95 | Portland | |
| 866 | Bonciolini,Dennis J. | Mgr, Operations Engrg | 05/02/94 | Hillsboro | |
| 794 | Bonstein,Stephanie M. | Wafer Fab Opr I | 09/13/93 | Milwaukie | |
| 844 | Boyd,Debra A. | Wafer Fab Opr IV | 03/07/94 | Gresham | Tustin, CA |
| 795 | Boyd,Judy K. | Wafer Fab Opr II | 09/13/93 | Milwaukie | |
| 775 | Brace,Marty S. | Wafer Fab Opr II | 07/12/93 | St. Helens | |
| 947 | Brown,Beverly A. | Wafer Fab Opr III | 11/28/94 | Portland | |
| 927 | Brown,Jody | Wafer Fab Opr I | 10/17/94 | Milwaukie | |
| 802 | Brown,Robert A. | Wafer Fab Opr III | 10/25/93 | Gresham | Kearns, UT |
| 786 | Brown,Susan | Wafer Fab Opr IV | 08/30/93 | Gresham | Murray, UT |
| 895 | Browning,Roy D. | Equipment Mtc Tech IV | 07/25/94 | Hillsboro | |
| 954 | Budge,Kirk R. | Trainer I (Test) | 11/28/94 | Troutdale | |
| 925 | Bui,Khanh | Probe Card Repair Spclt II | 10/17/94 | Portland | |
| 829 | Burke,Kent M. | Wafer Fab Opr III | 01/17/94 | Portland | Murray, UT |
| 881 | Burke,Lorenz | Wafer Fab Opr I | 06/06/94 | Portland | |
| 762 | Burlison,Alett R. | Wafer Fab Opr I | 05/10/93 | Gresham | |
| 763 | Burlison,Kevin K. | Process Engrg Tech II | 05/10/93 | Gresham | |
| 974 | Burlison,Michael | Wafer Fab Opr I | 02/27/95 | Turner | |
| 779 | Burniston,Tami K. | Wafer Fab Opr II | 07/12/93 | Portland | |
| 907 | Calliham,Retha M. | Wafer Fab Opr I | 08/22/94 | Portland | |
| 785 | Cameron,Deborah A. | Technical Lead Opr II | 08/23/93 | Vancouver | |
| 975 | Campan,Ana | Wafer Fab Opr I | 02/27/95 | Portland | |

| EMP NO. | NAME | JOB TITLE | HIRE DATE | CURRENT CITY | HIRE CITY |
|---------|--------------------------|------------------------|-----------|--------------|----------------------|
| 900 | Campbell, Jan | Process Engineer III | 08/22/94 | Sandy | Bik Forest, CO |
| 781 | Carey, Belinda G. | Supv I, Wafer Fab | 08/02/93 | Gresham | |
| 809 | Carmocan, Nick | Wafer Fab Opr I | 11/15/93 | Gresham | |
| 959 | Casas, Irma | Wafer Fab Opr I | 11/28/94 | Gresham | |
| 876 | Cassel, Denise A. | Human Resources Rep | 06/06/94 | Troutdale | |
| 783 | Caywood, Tony C. | Wafer Fab Opr III | 08/09/93 | Vancouver | |
| 790 | Chungratsang, Tenzing G. | Wafer Fab Opr II | 08/23/93 | Gresham | |
| 905 | Clark, Connie K. | Wafer Fab Opr III | 08/22/94 | Gresham | |
| 776 | Clark, Tino E. | Wafer Fab Opr I | 07/12/93 | Portland | |
| 863 | Clement, Ronald D. | Equipment Mtc Tech II | 04/18/94 | Portland | Harrisburg, OR |
| 851 | Clifford, Mark R. | Equipment Mtc Tech III | 03/07/94 | Milwaukie | |
| 943 | Coleman, Nadine | Parts Clerk II | 11/14/94 | Portland | |
| 901 | Collins, Blair | Safety Engineer | 08/22/94 | Portland | |
| 914 | Colvin, Kenneth L. | Wafer Fab Opr I | 09/05/94 | Boring | |
| 980 | Combs, Rhonda | Wafer Fab Opr I | 03/13/95 | Portland | |
| 847 | Cook, Karen A. | Wafer Fab Opr II | 02/07/94 | Portland | |
| 777 | Cordova, Justin W. | Wafer Fab Opr I | 07/19/93 | Portland | |
| 902 | Corley, Barry R. | Test Opr II | 08/22/94 | Gresham | Colorado Springs, CO |
| 946 | Corral, Joaquin D. | Wafer Fab Opr II | 11/28/94 | Gresham | |
| 796 | Cousins, Terry M. | Wafer Fab Opr II | 09/13/93 | Troutdale | |
| 761 | Crase, Karen J. | Q.A. Inspector II | 05/10/93 | Woodland | Woodland, WA |
| 945 | Dahlman, Michael J. | Equipment Mtc Tech II | 11/28/94 | Milwaukie | |
| 894 | Davis, Robert K. | Wafer Fab Opr III | 07/25/94 | Gresham | W. Jordan, UT |
| 949 | Delozier, Bryan D. | Wafer Fab Opr I | 11/28/94 | Tigard | |
| 960 | Deona, Jose B. | Wafer Fab Opr I | 12/12/94 | Portland | |
| 877 | Dilger, John W. | Facilities Mtc Tech IV | 06/06/94 | Gresham | |
| 955 | Dinh, Tuat M. | Test Opr I | 11/28/94 | Portland | |
| 961 | Doan, Tuan | Wafer Fab Opr I | 12/12/94 | Portland | |
| 835 | Dongretsang, Kalsang D. | Wafer Fab Opr II | 01/17/94 | Gresham | |
| 942 | Duffey, Sean | Wafer Fab Opr I | 11/14/94 | Vancouver | |
| 872 | Eaton, E. Dean | Wafer Fab Opr II | 05/16/94 | Troutdale | |
| 887 | Edward, Gloria | Q.A. Inspector II | 06/27/94 | Portland | |
| 929 | Elliott, Dinnelle | Wafer Fab Opr I | 10/17/94 | Corbett | |
| 968 | Ellis, Heather | Wafer Fab Opr I | 01/02/95 | Milwaukie | |
| 910 | Espeillac, Georgette | Q.A. Engineer IV | 09/12/94 | Gresham | Eugene |
| 784 | Eubanks, Kenneth J. | Wafer Fab Opr IV | 08/23/93 | Camas | Corona, CA |
| 918 | Evans, Lynn W. | Wafer Fab Opr III | 10/03/94 | Portland | Payson, UT |
| 836 | Fetterhoff, Sherry | Wafer Fab Opr I | 01/17/94 | Portland | |

| EMP NO. | NAME | JOB TITLE | HIRE DATE | CURRENT CITY | HIRE CITY |
|---------|-----------------------|-------------------------------|-----------|--------------|----------------|
| 908 | Findling, Jason E. | Wafer Fab Opr I | 08/22/94 | Portland | |
| 896 | Fink, Timothy R. | Wafer Fab Opr I | 07/25/94 | Portland | |
| 833 | Finnigan, Charles M. | Wafer Fab Opr II | 01/17/94 | Colton | |
| 958 | Flanary, Lynda | Wafer Fab Opr I | 11/28/94 | Portland | |
| 830 | Freund, Ken D. | Wafer Fab Opr IV | 01/17/94 | Gresham | Midvale, UT |
| 888 | Gallagher, Vincent J. | Wafer Fab Opr I | 06/27/94 | Corvallis | |
| 916 | Garabato, Joenellie | Wafer Fab Opr I | 09/19/94 | Portland | |
| 771 | Garcia, Angel R. | Wafer Fab Opr I | 06/07/93 | Portland | |
| 778 | Garcia, Magaly J. | Wafer Fab Opr II | 07/12/93 | Portland | |
| 764 | Giger, Maryanna | Translator/Admin Asst | 05/10/93 | Portland | |
| 935 | Giorgianni, Victor | Wafer Fab Opr I | 10/31/94 | Vancouver | |
| 967 | Gleason, Eric | Wafer Fab Opr I | 01/02/95 | Gladstone | |
| 852 | Gormley, Sheri A. | Admin Svcs Spclt I | 03/07/94 | Vancouver | |
| 890 | Gray, Linda L. | Wafer Fab Opr III | 06/27/94 | Aloha | |
| 788 | Grayson, Bart M. | Supervising Engr I, Equipment | 10/04/93 | Sandy | |
| 933 | Grose, Dale E. | Section Head/Accounting | 10/31/94 | Eugene | Eugene, OR |
| 957 | Gyalnub, Migmar | Wafer Fab Opr I | 11/28/94 | Gresham | |
| 822 | Hache, Stephen T. | Wafer Fab Opr I | 12/13/93 | Gresham | |
| 911 | Hall, H. Dewayne | Wafer Fab Opr I | 08/22/94 | Troutdale | |
| 923 | Hall, Robin D. | Wafer Fab Opr I | 10/03/94 | Portland | |
| 878 | Halva, Chuck B. | Facilities Mtc Tech III | 06/06/94 | Beaverton | |
| 931 | Halvorson, Michael V. | Facilities Engineer III | 10/31/94 | Lake Oswego | Palo Alto, CA |
| 837 | Hammons, Narda L. | Wafer Fab Opr II | 01/17/94 | Gresham | |
| 858 | Hatch, William F. | Equipment Mtc Tech III | 04/18/94 | Gresham | |
| 857 | Hiramoto, Wesley T. | Equipment Engineer II | 04/04/94 | Gresham | Orosi, CA |
| 939 | Hobart, Kim L. | Supv II, Wafer Fab | 11/28/94 | Troutdale | San Marcus, CA |
| 769 | Hogue, Ardin D. | Wafer Fab Opr III | 06/07/93 | Vancouver | |
| 971 | Hussain, Neena | Wafer Fab Opr I | 02/06/95 | Portland | |
| 826 | Huynh, Anthony | Wafer Fab Opr II | 02/07/94 | Hillsboro | San Jose, CA |
| 821 | Iem, Bo V. | Wafer Fab Opr II | 12/13/93 | Portland | |
| 782 | Igo, Larry K. | Wafer Fab Opr III | 08/02/93 | Portland | Mosier, OR |
| 810 | Jackson, Brenda L. | Wafer Fab Opr I | 11/15/93 | Portland | |
| 904 | Jewett, Jason A. | Process Engineer I | 08/22/94 | Portland | |
| 774 | John, Patrick B. | Equipment Mtc Tech IV | 08/09/93 | Beaverton | |
| 977 | Joldes, Benjamin | Wafer Fab Opr I | 02/27/95 | Portland | |
| 804 | Jones, Gwenlauri | Wafer Fab Opr IV | 11/15/93 | Portland | Riverside, CA |
| 915 | Jones, Jeffrey | Programmer Analyst IV | 09/19/94 | Beaverton | |
| 803 | Jones, Robert M. | Wafer Fab Opr III | 11/15/93 | Portland | Riverside, CA |

| EMP NO. | NAME | JOB TITLE | HIRE DATE | CURRENT CITY | HIRE CITY |
|---------|------------------------|---------------------------|-----------|---------------|-----------------|
| 976 | Jones, Sonja | Wafer Fab Opr I | 02/27/95 | Gresham | |
| 969 | Jones, Stanley | Programmer Analyst IV | 02/06/95 | Washougal | Washougal, WA |
| 770 | Kee, Lloyd | Wafer Fab Opr I | 06/07/93 | Portland | |
| 875 | Kelley, Joseph E. | Supervising Engr II, Test | 06/06/94 | Gresham | St. Charles, MO |
| 903 | Kessenich, Jeffrey A. | Q.A. Engineer III | 08/22/94 | Hillsboro | |
| 891 | Kirkman, Dale | Wafer Fab Opr III | 08/08/94 | Clackamas | W. Jordan, UT |
| 856 | Kliffmueller, Colin F. | Equipment Mtc Tech III | 03/28/94 | Thousand Oaks | Corvallis, OR |
| 808 | Knight, Bernadine R. | Wafer Fab Opr III | 11/15/93 | Cornelius | |
| 797 | Kuglin, Diane L. | Wafer Fab Opr IV | 09/27/93 | Tualatin | San Jose, CA |
| 864 | Laakso, David C. | Equipment Mtc Tech III | 05/02/94 | Sherwood | |
| 953 | Lao, Amy I. | Q.A. Inspector I | 11/28/94 | Portland | |
| 937 | Le, Hao P. | Wafer Fab Opr III | 11/28/94 | Portland | San Diego, CA |
| 938 | Lo, Ge C. | Wafer Fab Opr IV | 11/28/94 | Portland | Midvale, UT |
| 855 | Lopez, Annette J. | Wafer Fab Opr I | 03/28/94 | Gresham | San Antonio, TX |
| 792 | Lopez, Augustina M. | Wafer Fab Opr III | 09/13/93 | San Antonio | San Antonio, TX |
| 924 | Lopez, Roy | Equipment Mtc Tech IV | 10/17/94 | Gresham | Albuquerque, NM |
| 874 | Ly, Suor | Test Equip Tech III | 06/06/94 | Beaverton | |
| 978 | Macki, Reino | Wafer Fab Opr I | 02/27/95 | Gresham | |
| 791 | Mapile, Marilyn P. | Test Opr III | 08/23/93 | Portland | |
| 917 | Martz, Sandra | Wafer Fab Opr I | 09/19/94 | Portland | |
| 930 | McBride, Steve | Wafer Fab Opr I | 10/17/94 | Portland | |
| 811 | McGill, Daniel D. | Wafer Fab Opr I | 11/15/93 | Gresham | |
| 936 | McNamara, Michael | Wafer Fab Opr I | 10/31/94 | Beaverton | |
| 832 | Michalski, Kerry D. | Equipment Engineer II | 01/10/94 | Boring | |
| 962 | Miller, Carol A. | Wafer Fab Opr I | 12/12/94 | Portland | |
| 926 | Miller, Stephen S. | Section Head/M.I.S. | 10/17/94 | Beaverton | |
| 948 | Miller, Terry O. | Wafer Fab Opr I | 11/28/94 | Boring | |
| 823 | Mitchell, Wendy L. | Wafer Fab Opr II | 12/13/93 | Portland | |
| 843 | Montgomery, Wanda L. | Wafer Fab Opr III | 03/07/94 | Gresham | Santa Ana, CA |
| 859 | Morales, Deborah R. | Q.A. Inspector II | 04/18/94 | Troutdale | |
| 950 | Morin, Matthew L. | Wafer Fab Opr I | 11/28/94 | Portland | |
| 818 | Mullen, Corina P. | Process Engineer I | 12/13/93 | Milwaukie | |
| 817 | Mullens, Oscar A. | Wafer Fab Opr IV | 12/13/93 | Portland | |
| 772 | Munchel, Sandra | Wafer Fab Opr I | 06/07/93 | Portland | |
| 886 | Murphy, Kinuko | Assoc Accountant | 06/27/94 | Gresham | |
| 766 | Nakamura, Yoko | Translator/Admin Asst II | 05/10/93 | Portland | |
| 812 | Nelson, Allen W. | Wafer Fab Opr II | 11/15/93 | Troutdale | |
| 862 | Nelson, Beatrice F. | Wafer Fab Opr IV | 04/18/94 | Troutdale | |

| EMP NO. | NAME | JOB TITLE | HIRE DATE | CURRENT CITY | HIRE CITY |
|---------|--------------------------|--------------------------------|-----------|---------------|--------------------|
| 951 | Nelson, Michael S. | Wafer Fab Opr I | 11/28/94 | Gresham | |
| 820 | Nguyen, Cynthia H. | Wafer Fab Opr II | 12/13/93 | Portland | |
| 970 | Nguyen, Hung | Wafer Fab Opr I | 02/06/95 | Portland | |
| 765 | Ortiz, Rosalie L. | Wafer Fab Opr II | 05/10/93 | Beaverton | |
| 773 | Osterman, Richard A. | Wafer Fab Opr IV | 06/21/93 | Portland | |
| 834 | Pacheco, Christina M. | Wafer Fab Opr I | 01/17/94 | Russellville | |
| 889 | Pappas, Kenneth R. | Wafer Fab Opr I | 06/27/94 | Portland | |
| 827 | Peckham, Debbie I. | Wafer Fab Opr II | 01/17/94 | Portland | Midvale, UT |
| 828 | Peckham, Justin M. | Wafer Fab Opr II | 01/17/94 | Portland | Midvale, UT |
| 865 | Perry, Edward D. | Equipment Mtc Tech II | 05/02/94 | Troutdale | |
| 928 | Pham, Phuong H. | Wafer Fab Opr I | 10/17/94 | Portland | |
| 944 | Phan, Daniel | Test Opr III | 11/28/94 | Gresham | Orange, CA |
| 893 | Phetnouvong, Chhunleng | Wafer Fab Opr IV | 07/11/94 | Portland | Auburn, WA |
| 892 | Phetnouvong, Jean-Noel | Wafer Fab Opr I | 07/11/94 | Portland | Auburn, WA |
| 838 | Phuntsok, Tenzin | Wafer Fab Opr II | 01/17/94 | Gresham | |
| 981 | Porter, Michael | Wafer Fab Opr I | 03/13/95 | Gresham | |
| 793 | Portier, Edwin R. | Equipment Engineer III | 09/13/93 | Sunnyvale | Sunnyvale, CA |
| 813 | Pot, Chivoan | Wafer Fab Opr II | 11/15/93 | Gladstone | |
| 801 | Pryor, David F. | Equipment Mtc Tech III | 10/11/93 | Troutdale | Everett, WA |
| 956 | Pryor, Tiffanie M. | Test Opr I | 11/28/94 | Portland | |
| 885 | Pyne, Jim A. | Supv II, Wafer Fab | 06/27/94 | Boring | Encinitas, CA |
| 814 | Ragalie, Narcis | Wafer Fab Opr I | 11/15/93 | Portland | |
| 787 | Richardson, Lori A. | Wafer Fab Opr III | 09/13/93 | Portland | Salt Lake City, UT |
| 921 | Richins, Tami | Wafer Fab Opr II | 10/03/94 | Gresham | Wenatchee, WA |
| 850 | Richmond, Stanley E. | Process Engrg Tech II | 03/07/94 | Portland | |
| 800 | Ronald, Michael S. | Wafer Fab Opr II | 09/27/93 | Milwaukie | |
| 884 | Sakurai, Robert K. | Supervising Engr II, Opr Engrg | 06/27/94 | Portland | |
| 870 | Schenk, Alan L. | Equipment Engineer II | 06/06/94 | Vancouver | Las Vegas, NV |
| 920 | Schrott, David | Environmental Engineer II | 10/03/94 | Portland | |
| 940 | Scott, Lori | Test Opr I | 11/14/94 | Milwaukie | |
| 979 | Secasiu, Ada | Wafer Fab Opr I | 02/27/95 | Portland | |
| 849 | Shaw, Sandra R. | Wafer Fab Opr I | 02/21/94 | Portland | Longview, WA |
| 922 | Silva, Lari L. | Supv II, Wafer Fab | 10/03/94 | Aloha | |
| 839 | Simonis, David K. | Wafer Fab Opr II | 01/17/94 | Portland | |
| 853 | Smith, Robin D. | Fab Mtc Opr | 03/28/94 | Milwaukie | |
| 984 | Snow, Laura | Sr Payroll Clerk | 03/27/95 | Battle Ground | Battle Ground, WA |
| 831 | Srinivasa, Vrithamani N. | Q.A. Engineer IV | 01/17/94 | Cupertino | Cupertino, CA |
| 867 | Stein, John H. | Supervising Engr I, Process | 05/16/94 | Beaverton | |

| EMP NO. | NAME | JOB TITLE | HIRE DATE | CURRENT CITY | HIRE CITY |
|---------|---------------------|-------------------------|-----------|--------------|-----------------|
| 906 | Stiles, David R. | Wafer Fab Opr I | 08/22/94 | Troutdale | |
| 848 | Storms, Michael J. | Test Opr II | 02/21/94 | Troutdale | |
| 871 | Strasburg, Max V. | Section Head/Prod Engrg | 05/23/94 | Gresham | Boise, ID |
| 816 | Summey, Randall A. | Wafer Fab Opr II | 12/13/93 | Lake Oswego | Ft. Collins, CO |
| 799 | Sumpter, Rob R. | Equipment Mtc Tech III | 09/27/93 | Vancouver | |
| 982 | Telles, Jim | Wafer Fab Opr I | 03/13/95 | Troutdale | |
| 861 | Thurman, Travis W. | Equipment Mtc Tech II | 04/18/94 | Gresham | Springfield, OR |
| 964 | Tran, Long | Q.A. Engineer II | 01/02/95 | Aloha | |
| 824 | Tran, Sanh H. | Test Opr I | 12/13/93 | Portland | |
| 952 | Trieu, Sunny K. | Wafer Fab Opr I | 11/28/94 | Portland | |
| 825 | Vernholm, David C. | Equipment Mtc Tech I | 12/13/93 | Portland | |
| 966 | Vosika, Tim | Wafer Fab Opr I | 01/02/95 | Troutdale | |
| 934 | Vuksich, Adam | Wafer Fab Opr I | 10/31/94 | Gresham | |
| 883 | Weiland, David M. | Equipment Mtc Tech IV | 06/27/94 | Gresham | Plantation, FL |
| 805 | White, Robert E. | Equipment Mtc Tech II | 10/25/93 | Gresham | |
| 815 | Wiek, Dawn L. | Wafer Fab Opr II | 11/15/93 | Gresham | |
| 860 | Williams, Dwayne E. | Q.A. Inspector II | 04/18/94 | Vancouver | |
| 789 | Wilson, Beverly L. | Wafer Fab Opr III | 08/23/93 | Hillsboro | |
| 767 | Withers, Robert J. | Process Engineer III | 05/31/93 | Portland | W. Jordan, UT |
| 819 | Woods, Dennis L. | Supv II, Equip Mtc | 12/13/93 | Battleground | Nampa, ID |
| 868 | Zapanta, Melvi A. | Wafer Fab Opr IV | 05/16/94 | Aloha | |
| 869 | Zapanta, Romuald G. | Wafer Fab Opr IV | 05/16/94 | Aloha | |

Exhibit 14
Environmental and Safety Data

November 28, 1994

Alan Johnston
Pretreatment Coordinator
City of Gresham
Department of Environmental Services
1333 N.W. Eastman Parkway
Gresham, OR 97030-2549

Dear Mr. Johnston:

This letter is to address the action items presented in your memo dated November 1, 1994. The action items were identified during an audit performed on September 23, 1994. Our responses are as follows:

Action Item 1: *"Recent sampling and analysis results have been indicating a trend toward non-compliance with pH limit requirements at the combined monitoring location. Due to the large volume of wastewater being discharged from the facility, the compliance with pH requirements must be met to ensure POTW worker health and safety. Please provide the city with operating procedures for the chemical loading area located west of the pretreatment plant. Recent occurrences indicate that this area has the potential for slug discharges of unwanted materials into the collection system due to the manually operated discharge valve."*

Fujitsu understands that as a high volume generator of wastewater we must be concerned with the potential to discharge wastewater out of compliance. Part of this concern stems from a pH excursion which resulted from activities in the chemical loading area. Fujitsu has procedures and guidelines set forth in our *Site Contingency Plan* for controlling water collected in the chemical loading area. These procedures are included as Attachment I. Despite having procedures in place, a discharge of low pH water accumulated in the chemical loading area did occur. A worker responsible for loading dock activities was under the false notion that water from the chemical loading area exits the facility through the acid waste neutralization (AWN) system. Subsequent to the incident the procedure for discharging accumulated water has been reviewed and the responsible employee subject to corrective action.

Action Item 2: *"Communications during the inspection indicated that the pretreatment plant was undergoing modifications that may have been a factor in a recent pH excursion. Provide the city with a description of the modifications. Are the changes modifications, improvements, capacity increases, changes in treatment techniques, etc.?"*

As you are aware, pH excursions to the combined effluent have occurred during recent modifications to our AWN system. The primary cause of the excursions was improper switching over

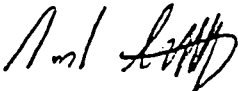
from one system to the other. With both systems in full operation swithcing over should not cause any problems.

In response to your question in Action Item 2, the purpose of modifications to the AWN is to increase the capacity of the Fab A system to operate at the current capacities of the Fab B system. Since July of 1994, the Fab B AWN system has had the capacity to handle an average flow of 350 gpm and a peak flow of 500 gpm. The Fab A system capacities were at 220 gpm and 380 gpm for average and peak flows respectively. Increasing the capacity of the Fab A system will provide us with two redundant systems thereby offering this facility greater operational and maintenance flexibility. Regular and unscheduled maintenance intervals will be performed without disrupting production or sacrificing effluent water quality.

The changes made to the system include pipe, pump, and valve modifications. Because no process changes were part of the modifications, we expect operations and effluent quality to remain the same. Under normal conditions the systems will alternate in operation. In the winter months the Fab A and Fab B systems will be operated in parallel in order to avoid freezing.

If you have any additional questions regarding operational procedures or changes to our systems please call myself at (503) 669-5572 or June Ann Cole at (503) 669-6091.

Sincerely,



Dave Schrott

Approved By,



June Ann Cole
Section Head

ATTACHMENT 1

**Spill Prevention Control and Countermeasure Plan (Part of Fujitsu's Contingency Plan)
Procedure for Releasing Water from the Chemical Loading Area**

Unloading Areas

Fuel oil is unloaded into the 10,000 gallon tank at an unloading pad adjacent to the storage tank. The pad has a drain line that discharges to the storm drain system. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area. The hose connection for the tank truck is capped and the block valve is kept shut except when oil is received.

Bulk acid and caustic is unloaded into the appropriate tanks at an unloading pad adjacent to the acid and caustic bulk tanks. The truck unloading pad has a drain line that discharges directly in to the City of Gresham Sewer line. This line has a block valve that is normally closed. The area is drained when it is determined that the water is uncontaminated or will not cause an exceedance of the City of Gresham Wastewater permit discharge limits. The hose connections for the tank truck are located within the containment area. These connections are capped and the block valve is kept shut except when chemicals are received.

Utility Building chemicals are unloaded from trucks near the UB roll up door. The chemicals are immediately transported to their respective storage and use locations. There is no secondary containment for the truck. Any spill is immediately contained via temporary means and would be discharged offsite via the storm drain system.

CSS and other Fab Chemicals are received in drums, bottles or canisters. They are unloaded at the Chemical Dock near the CSS building. The chemicals are immediately transported to their respective storage and use locations. The dock has a trench drain that discharges to the storm drain system. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area.

The Main Receiving Dock also has a trench drain. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area.

Spill Prevention Practices

The stormwater discharge structure has an underflow weir to prevent the discharge of floating oil and debris. If oil is not trapped by this weir, it can be expected to collect in the ponds where it could be removed prior to offsite discharge.

All chemical storage areas and tanks are regularly inspected as part of normal facility operation. Normal inspections consist of visual inspections for leaks and the containment integrity. Whenever a leak or spill is found, the spilled material is cleaned up and the source of the spill is identified and corrected. The tank or area is not used until the problem is corrected. Once

Exhibit 16
Child Care Information



CHILD CARE
SUPPORT SERVICES, INC.

BOARD OF DIRECTORS

Mark Chambers
Standard Insurance Co.

Peter Dom
Attorney at Law

Cloria Lee
Great Beginnings
Child Care Centers

Tammy Marquez
Children's World

Deborah Thomas
Silver Oak Advisory Group

Jim Whitty
Associated Oregon Industries

Pamela Knowles
Davis, Wright, Trimalne
Board Chairperson

Carolyn Morrison
Executive Director

1509 SE 122nd
Portland, OR 97233
503/256-6484
503/253-0406 FAX

U.S.D.A.
Child Care Food Program

Metro Child Care
Resource & Referral

May 17, 1995

Duane Watari
Fujitsu Microelectronics, Inc.
21015 S.E. Stark Street
Gresham, OR 97030

Dear Duane:

I hope the following information is helpful to you in preparing your response for the SIP application. In addition to the requested statistics, information relating to shift workers and child care issues that may also be useful is included.

If you should have questions later this week, please call Anine at 253-1781. She will probably be able to assist you in my absence. I'll call you early next week to follow up.

**PLACEMENT RATE ANALYSIS OF ENHANCED CHILD CARE REFERRAL SERVICES
FUJITSU**

Usage

56 employees of Fujitsu contacted Metro CCR&R for information on parenting and child care. 23 requested written materials, 2 requested consultation and 31 requested referrals to child care. The 31 employees had 50 children and were referred to 178 providers.

Follow-ups

The return rate for written follow-ups is 68%. The results are as follows:

89% found new child care arrangements
58% found their new arrangements through the list provided by Metro CCR&R
88% cited their new care arrangements as very good

The statistics are consistent with reports provided by a national enhanced child care resource & referral service, Work/Family Directions, which shows a 60 percent average for clients choosing care among those provided by the resource and referral services (1993 and 1994 year end statistics). However, the national statistics are based on requests primarily for regular working hours. Fujitsu statistics show 39 percent of total requests are for evening and/or weekend care. Studies show that two parent families sometimes seek shift work as a way to minimize the worry and cost of child care, working opposite shifts and sharing the child care responsibilities. Consequently, the percentage for usage by shift workers is expected to be lower than the overall norm.

Sincerely,


Carolyn L. Morrison
Executive Director

9888004
PFM ANALYSIS

***ANALYSIS OF
FUJITSU'S SIP APPLICATION***

***Prepared for
MULTNOMAH COUNTY***

May 31, 1995

***Prepared by
Public Financial Management, Inc.
1000 SW Broadway, Suite 1500
Portland, Oregon 97205
(503) 223-3383***

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Analysis of Fujitsu's SIP Application Executive Summary

Public Financial Management, Inc., in conjunction with Dr. Thomas Potiowsky (Professor of Economics at Portland State University) (the "Consultant") has completed an analysis of the Fujitsu application for tax abatements under the Strategic Investment Program. Fujitsu Microelectronics Inc. develops, manufactures and markets a broad range of semiconductors. The Gresham Manufacturing Division opened in 1988 with 225,000 square feet of building. They are proposing a major expansion of the Gresham plant in two phases. The first phase would include investment of \$500 million and the second phase would include investment of \$350 million. In addition, Fujitsu expects additional investments to bring the total investment to over a billion dollars by 2011. The new plants will produce the next generation of Dynamic Random Access Memory microchips (DRAMs) and Erasable Programmable Read Only Memory (EPROM) chips, replacing the products currently manufactured at the existing plant. Fujitsu remains uncommitted as to the use of the old plant once the new ones are built but has expressed some plans for retrofitting to produce yet-undetermined products.

Fujitsu projects new employment arising from the plant expansion which will produce 445 new jobs. Of these, 330 will be Operators which are relatively low wage, low skill jobs. There is a clear career path within the Company and it has excellent training programs. This results in the new Operators progressing to family wage positions normally within 3 years of employment. The average compensation for a Level II Operator is \$28,034 plus benefits.

The application clearly meets and exceeds the County's goals in the area of training and career paths. There are numerous training opportunities which include on-site courses leading to an AA degree from Mt. Hood Community College to more advanced training which is available through programs in conjunction with local universities. The Company also provides a strong benefits package which is clearly aimed at retaining employees.

Fujitsu has a child care program in conjunction with Children's World. This program provides care for children 12 months through 12 years, from 5:30 a.m. to 6:30 p.m., 5 days a week. While there is a referral program for those preferring not to use Children's World, there does not appear to be a program for parents who work hours not compatible with Children's World. The Company has acknowledged that they may need to expand options if operations are expanded.

In terms of an impact on housing, PFM prepared an analysis using an assessment tool provided by the County. The result of the analysis is that Fujitsu will have a significant impact on the affordable housing stock in Multnomah County in that the majority of the employees will not be able to pay market rents using acceptable percentages of their take home pay. While a good number of these employees may well be in the affordable housing units already in the County, and while these jobs may result in a substantial increase in their current take home pay, we are not able to specifically identify the new Fujitsu employees now. We have, therefore, recommended a more detailed study at a later date.

While the Company has described efforts to decrease trip generation at the existing plant, efforts to date have had little result reported. No specific additional plans were included in the proposal.

The Company has a solid history of complying with environmental standards and requirements.

From a financial standpoint, the Fujitsu project is expected to pay for all improvements to water, transportation and public safety infrastructure that is required by the project. Impacts on schools are impossible to determine due to the diversity of home locations expected. Our analysis of the fiscal impact of the Project confirmed the analysis provided by the Company. Tax rates will go down as a result of this expansion due to the addition of \$100 million in assessed value. Rates will not go down as much as if the tax abatement was not granted and the project built anyway. The projections indicate the total rate reductions will be between \$0.14 and \$0.18 per thousand as a result of the project.

Job growth over the 15 years is compiled from information from the Company and the Oregon Economic Model. Employment gains, predicted by our analysis are slightly lower than those predicted by the Company, with the largest difference of around 14% less in 1999 but the gap disappears by 2005. Personal income, on a present value basis, is approximately \$313 million, \$11 million less than projected.

At the present time, no other facility in the area is producing DRAM's and /or EPROM's. The closest possible competitor is Hewlett Packard who only produces chips for internal use in their products. All firms are competitors for labor. Given the low unemployment rate and lag time for in-migration to catch up with firm's demand for labor, wages could rise above the national average increases in the short-run. Established firms who use engineers, technicians, and the like, would be adversely affected. Labor costs will move back to trend once in-migrants put downward pressure on wages.

POLICY ANALYSIS

POLICY ANALYSIS

Need for the exemption

Multnomah County Goal:

- *Abatements will be granted to secure investments that would otherwise not take place within Multnomah County.*

Fujitsu has indicated that they will not likely make the major plant expansions proposed in this application without the abatement. They are currently considering locations in Japan and England as alternatives to Gresham. Since Fujitsu has a unique market niche for the type of product being proposed for development at the Gresham plant (16 Mg DRAM and 64 Mg DRAM), it is not likely that a plant producing the same product will be built if not by Fujitsu.

Standard:

- *Applicant will describe why an abatement is needed and state that they would not locate here otherwise.*

Fujitsu has not clearly described why an abatement is needed other than to point to other locations which offer sites with significantly lower property taxes. The chip manufacturing industry is particularly capital intensive. There is a very high ratio of capital per employee making new developments very sensitive to property taxes. Further, the majority of their employees are at the lower end of the skill/training spectrum, making labor a relatively easy factor in the locational decision.

In terms of assessing whether or not an abatement is needed, it is impossible to tell exactly what factors will weigh in Fujitsu's consideration but when they consider multiple sites, some will offer tax abatements or have lower taxes in general. This will be one factor that is worth a considerable amount of money over the course of the fabrication plant's life and is likely to be considered heavily. It is our analysis that Fujitsu will, in fact, not expand operations in Gresham without the abatement.

Hiring, Wages, Benefits, Training, and Retention

Multnomah County Goals:

- *The creation of long-term jobs with family wages, benefits, and working conditions for residents of Multnomah County or the creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or underemployed, with a clear career track from entry-level jobs to family wage jobs.*
- *Company will do a child care impact study and respond by providing support for all parents needing child care, especially entry-level parents.*
- *Provide educational opportunities to enhance upward mobility for both technical and management roles.*
- *Minimize the number of contracted on-site jobs that pay low wages.*

Fujitsu proposes to expand its current Gresham operations by building one or more new fabrication plants. This expansion will result in 445 new jobs. The vast majority of these jobs will in the lower wage ranges but provide a clear career path toward family wage positions within 3 to 4 years of entering employment. The Company provides extensive educational options to enhance employees' promotional opportunities and has a clear history of promoting existing staff although the transition from technical to managerial roles has not yet been clearly demonstrated. (Fujitsu will be providing more information regarding past practices during negotiation.) They have agreed to use PDC's Job Net for a first source hiring agreement and therefore will be focusing on Portland area

residents. No clear commitment, however, was presented for hiring senior or managerial personnel from the Portland area. Negotiations could specify targets in this area.

Fujitsu currently attempts to meet child care needs through contracts with Children's World and has agreed to assess the need for expanded services beyond Children's Worlds' 5:30 am to 6:30 pm, 5 days a week, schedule. There has been no commitment, however, specified in the responses provided thus far. It may be reasonable to specify the types of results in a survey that would trigger negotiation of night time and weekend child care during negotiations. While the current program may meet the needs of the current schedule, child care needs of those required to work hours that Children's World is not open are largely ignored.

Lastly, Fujitsu currently contracts for 48 employees at Fab I. A projection of the number of additional contract employees expected as a result of the expansion was not included. The County may wish to specifically negotiate the maximum number of contract employees that Fujitsu may engage or specifically require information on wage and benefits be provided during negotiations.

Standards:

Multnomah County wishes to attract firms that will pay especially high wages and will employ large numbers of area residents who are unemployed or underemployed, but understands that jobs that pay especially high wages generally require skills that large numbers of unemployed or underemployed area residents are unlikely to possess. In recognition of the fact that projects eligible for the SIP are likely to fall into two broad categories--research-oriented facilities that pay high wages but are unlikely to employ large numbers of current area residents and production-oriented facilities that can employ significant numbers of current area residents but at wages that are high only in relation to other production jobs--this policy provides two parallel sets of standards.

The following standard will be met by an applicant offering primarily high-wage jobs:

- The applicant will make assurance that 75 percent of regular employees (counted on an FTE basis) will be paid more than the mean covered payroll per employee in Multnomah County.*

The following standards will be met by an applicant offering a full spectrum of jobs (an applicant not meeting the above standard):

- The applicant will agree to a minimum number of jobs to be created through the project as part of the terms and conditions of the abatement contract.*

Fujitsu has agreed to create 445 full time jobs in several phases. These jobs will be created over three years: 1996 - 77 jobs, 1997 - 211 jobs, and 1998 - 157 jobs. Since the existing plant will be dealing with production of an old technology it is not clear how many or what kinds of jobs will remain at the old site. Negotiations should seek to set targets for the total number of jobs at Fujitsu so that the net number of new jobs is clear rather than allowing for the transfer of jobs from the old plant to the new plant to be counted as if it was job creation.

- The applicant will demonstrate that a clear path exists for advancement from entry-level positions to positions that provide higher pay, including positions that pay more than the mean covered payroll per employee in the county.*

Fujitsu has a clear hierarchy of employment opportunities. They provided clear information on the current practices at the existing plant which indicates a pattern of promoting employees to positions of higher salary and broader responsibilities. Information provided by Fujitsu indicated that 69% of the operators had been promoted and 55% of the technicians. Since the proposed project is the creation of a new Fab at the old site, it is anticipated that a number of promotions for existing staff will occur. We've asked for more details on Fujitsu's current promotional practices which will be available during negotiations.

Since, however, there is a clear distinction between the educational background of entry level operators and technicians versus the engineers and administrators, there is not a clear path from an entry level job to a senior

level job. It is clear that the entry level worker would need to complete a degree to be eligible for promotion to the top rungs of the Company. While Fujitsu does have an impressive program for continued education, this path is clearly up to the employee's willingness to spend the extra time and energy required beyond the work day.

- *The applicant will describe its wage scale for occupations with entry-level positions and describe how an entry-level employee might typically move through pay levels and job classifications.*

Entry level Wafer Fab Operator Trainees begin at \$6.75/hour. They are also eligible for shift differentials and overtime pay. The application describes a career path in which the typical Trainee will graduate within 4 months to a Level I position. Level I Operators earn between \$7.25 and \$8.71/hour. Given overtime and shift differentials, this results in an average yearly compensation of \$19,983. Operators will make up nearly 75% of the jobs provided by the Fujitsu expansion. Within 3 to 4 years, an individual operator would be eligible for promotion to Level II where the average compensation is currently \$28,034. There are 4 levels of operators noted in the salary structure provided by Fujitsu. In addition, it appears that operators are eligible to bid for job openings as technicians or engineers but it appears that moving to such a position would require outside education.

- *The applicant will agree to negotiate contract terms and conditions appropriate to its operations and to the local labor market that will specify minimum percentages for hiring current residents of the region.*

Fujitsu has agreed to use Job Net as a first source for hiring operators. No specific percentages were specified in the application. The negotiation sessions will need to specify minimums for each level. It should be noted that microelectronics firms resist any minimums set for hiring professionals as they seek the best they can find. It is widely felt that Oregon colleges and universities are not currently producing adequate numbers of qualified professionals (especially engineers) to meet the industry's requirements. Fujitsu has entered into a partnership with Mount Hood Community College for training programs and AA degrees for its employees but this really deals with entry level employees not the more senior, higher paying jobs.

- *The applicant will describe how their employment practices facilitate the retention of employees and will agree to negotiate contract terms that specify appropriate measures and standards for employee retention.*

Fujitsu has agreed to negotiate contract terms that specify appropriate measures for employee retention. In discussions with Fujitsu, it appears that the Company has a strong commitment to retaining employees. The two indicators provided by Fujitsu are the Benefits package which appears to be substantial, and the training/educational programs available through the employer. The Benefits package is fully described in the application and addressed in a different section of this evaluation. The training options, also described in detail in the application, include on site classes and programs to support those pursuing college degrees.

Fujitsu clearly benefits by retaining workers who have completed the training program. The Employee Handbook stresses a focus on keeping employees and the importance of the employee in the Company.

- *The applicant will describe a credible program to assist employees who need child care, taking into account the hours and shifts that employees will work, and will make assurance that such a program will be implemented. This standard applies only to employers that will be offering a substantial number of below-family-wage jobs.*

Fujitsu currently provides a 15% subsidy for employees using Children's World. They have also negotiated a 15% discount for Fujitsu employees using Children's World. For employees who need child care but prefer to use a different provider, Fujitsu provides a referral service. Children's World currently provides service at 11 sites in the Portland metro area, 2 of which are in Gresham. The service is provided from 5:30 a.m. to 6:30 p.m., 5 days a week. They serve children from 12 months to 12 years old. Children's World provides transportation to and from many of the nearby schools. The expansion will create a number of jobs that require child care outside of the hours that Children's World is currently open. Fujitsu has committed to survey its workforce to determine if additional services are needed. If the Company determines more service is needed, they have committed, in their supplemental submission, to negotiate with Children's World to expand operation to 24 hours and 7 days a week.

Given the priority the County has placed on child care, it may be prudent to establish benchmarks for required 24 hour, 7 day a week, provision of child care rather than leaving it solely up to the Company's future discretion.

The following standards will be met by all applicants:

- The applicant will describe by category (e.g., entry-level production, skilled production, technical and professional, management, administrative and support, sales, clerical, maintenance, security, shipping and receiving, food service, etc.) the number of jobs and wage scales of those jobs that the project will create at the facility. The applicant also will specify which of these are regular full time, part time, temporary or contract positions.*

Fujitsu provided a detailed plan for the number and types of jobs that will be created by the expansion.

| Classifications | 1996 | 1997 | 1998 | Total |
|-----------------|------|------|------|-------|
| Operators | 32 | 149 | 149 | 330 |
| Technicians | 36 | 22 | 0 | 58 |
| Engineer | 9 | 2 | 8 | 37 |
| Administrative | 0 | 10 | 0 | 10 |
| Supervisors | 0 | 10 | 0 | 10 |
| Total | 77 | 211 | 157 | 445 |

All of these positions are regular full time with the exception that all Trainees enter as temporary employees until the completion of the training period. Additionally, the application specified 48 contract positions. The Company has not provided wage information regarding the contract positions citing confidentiality requirements of those contracts. The County may inquire further as to the status of those employees during negotiations when there is protection the confidentiality of this information.

- The applicant will agree to enter into an exclusive Full Service First Source Agreement to use Job Net or an equivalent sourcing arrangement.*

Fujitsu has agreed to enter into such an agreement with Job Net.

- The applicant will describe training and education programs available to entry-level employees and training and education programs available to other employees, In-house programs, tuition assistance for job-related training and education, or contracts directly with community colleges or universities would meet this standard.*

Fujitsu has a number of educational opportunities available to its employees. The Company has a partnership with Mt. Hood Community College for an Associate of Applied Science Degree which is provided at the Company's expense at the Gresham campus. The spring term enrollment in this program is approximately 100 employees. This program is linked with the Oregon Institute of Technology through a Bachelor Degree program. The Company reimburses employees for coursework taken in this program. There are other numerous options which include an Equipment Maintenance Co-op program for full-time students working 25 hours a week.

In house training is provided by Fujitsu. All new hires receive 40 hours of training. The application lists, in some detail, the initial and on-going learning programs for employees. This aspect of Fujitsu's application clearly exceeds the minimum standards set by the County.

- *The applicant will describe the benefits offered to employees, making clear what the employer's contribution is and which employees qualify.*

The application and the additional materials submitted by Fujitsu describe the benefits package provided by the Company. The package includes medical, dental, and vision coverage, an employee assistance program, pension, a 401K, Life, AD&D and LTD insurance, bonus options and leave options. Of Fujitsu's current 540 employees only one works less than 30 hours a week and therefore does not qualify for the entire benefits package. Benefits are provided on a pro-rata basis for part time employees. The Company pays between 100% to 60% of the monthly requirements for the benefits depending on the type of health insurance chosen and the level of coverage for family members beyond the employee. Please see pages 22-23 for a specific listing of the contributions. The benefits provided by Fujitsu are quite substantial.

- *The applicant will demonstrate its commitment to all full-time long-term employees by describing employer-paid benefits, which may include: health insurance, dental insurance, life insurance, accidental death insurance, disability insurance, retirement, profit sharing, employee ownership/stock purchase, educational assistance, day care, and transportation assistance. As a part of these benefits, the applicant must provide employer-paid health insurance equal to or better on the whole than the Oregon Health Plan, and must allow other employees and members of employees' families to purchase health insurance at or below cost, to the extent that the applicant's health-insurance carrier will write coverage for such persons.*

The total benefits package is described in the application on page 22 and 23 and in the supplemental materials provided by Fujitsu as Exhibit C. The benefits package allows members of the employee's family to purchase coverage, below the actual cost. The health care coverage provides options through HMO Oregon, Kaiser and Cigna. While a direct comparison to the Oregon Health Plan is difficult given it is free and the Company plans have a cost, from a benefits standpoint, all three options provide a wide range of services equal to or better than the Oregon Health Plan.

Housing and Transportation

Multnomah County Goals:

- *Provide assistance securing affordable housing*
- *Encourage employees to use transit, car pools, van pools, or alternative modes of transportation.*

Standards:

- *The County will place a percentage of the Community Service Fee aside to address the need for assistance with home ownership and the creation of low and moderate rental units.*

To be addressed by the County

- *The County will work with the City in which the project will be located, other cities in the region, and Metro to assess the applicants impact on the availability of affordable housing in the region and, if an adverse impact is predicted, the applicant will agree in negotiations to fund an appropriate company-or community-operated program.*

In order to assess the potential impacts of the project on affordable housing within the Gresham area, PFM has relied upon an assessment tool provided by the County in cooperation with the Housing and Community Development Commission (HCDC). The model, in its simplest form, attempts to predict whether an applicant under the SIP will have an adverse impact on housing affordability. The methodology of the assessment tool is based on the approach used in the "Economic Nexus Analysis Linked Development Fee" prepared by Keyser Marston Association for the City of San Diego. The approach utilized by this assessment tool is simpler than the approach used in the economic nexus analysis but some of the assumptions used in this study have helped to develop a framework for developing this assessment model.

The primary goal of this assessment tool is to determine whether the Company's project will adversely affect housing affordability. In attempting to do so, the assessment tool uses two approaches to predict whether the affected area of the project (City of Gresham) will experience any impact on affordability of housing.

The first approach utilizes a simple predictor of impact on housing affordability based upon the underlying assumption that new growth creates demand which adversely affects housing affordability. The first approach predicts housing affordability using two general statistics - unemployment rates and rental vacancy rates. The assessment tool predicts that if the unemployment rate is 1% or more below the national average, and rental vacancy rates (2 bedroom 1 bath, average sq. ft. apartment in subarea) are below average (5% is industry standard), then housing affordability will be adversely affected. Based upon this criterion, the project is predicted to have an adverse impact (see attachment 2 or 3 for rates used to perform this test).

As emphasized by HCDC, this does not explain the degree to which housing affordability may be impacted - it simply attempts to address whether or not there will be an impact.

Approach two requires the usage of the applicants wage scale in order to assess the number of lower wage jobs that will be produced as result of the project. The proposed format for calculating this approach is included as attachment 1. In order to "fit" the applicant's organizational structure into a form that can be utilized for the purposes of this assessment, we organized the job categories consistent with those described on page 17 of the application.

In order to determine the number of lower wage jobs (defined as those who will earn less than 80% of current area median income, as adjusted for a family of two - the Median Family Income or MFI), two sources of wage information were used to produce to two separate schedules (attachments 2 and 3). Attachment 1 relies on the annual median earnings of each job classification as provided in the application. As indicated in the application, these figures overstate the earnings of each job category as they factor in overtime and bonus compensation but they do provide us with rough estimate of earnings by category. Using this data, we find that the Operator category appears to fall below our 80% MFI threshold (see attachment 2).

Attachment 3 utilizes the hourly and/or monthly wages (taken from the Company's wage scale) of each job category. Using these figures we likewise find that Operators fall below our 80% MFI threshold (see attachment 3). In both cases we find that there appears to be no affordable rent gap within any of the categories.

This assessment is tool is very rudimentary and does not take into account the impact of multipliers and relies on data sources that are likely to be out of date and is somewhat subjective nature. What we can gather from this tool is that there will be an impact on housing, but to what extent is uncertain. Much more extensive analysis will need to be performed in order to accurately gage the project's impact on housing affordability.

- *The applicant will describe a credible program to encourage employees to use transit, car pools, van pools, or alternative modes of transportation and will make assurance that such a program will be implemented.*

Fujitsu has established a program, in conjunction with Tri-Met and the City of Gresham, to encourage ride sharing and use of alternative modes of transportation. The program is an informational program and will include preferential parking and recognition of employees who participate in the traffic abatement program. No specific plan other than the informational program exists. The Company has named a key employee who is in charge of implementing the program. The key employee is a senior level person in the Human Resources Department.

Infrastructure and Public Services

Multnomah County Goals:

- *No unmitigated adverse impacts on the level of services provided to existing residents of Multnomah County and the region.*

Standards:

As part of its application, the applicant will describe impacts in the following areas and what it has committed to do to mitigate negative impacts. The applicant will provide statements from the relevant agencies that there will be no unmitigated adverse impacts on the level of service or infrastructure or that describe what unmitigated adverse impacts will result from the project. Remedies for unmitigated adverse impacts will be negotiated as part of the terms and conditions of the contract.

- *Transportation infrastructure (including traffic and congestion, transit, port, rail, air, multi-modal).*
- *Utility infrastructure (water and sewer capacity; solid and hazardous waste disposal).*
- *Public safety (police, fire, emergency medical services, disaster preparedness).*

Fujitsu has provided letters from the City of Gresham and Multnomah County regarding impacts on local infrastructure. Both Gresham and Multnomah County anticipate some impacts on the transportation infrastructure which will need to be mitigated. Negotiations should require the direct costs of such mitigation be borne by Fujitsu. Neither Gresham nor Multnomah County anticipate negative impacts on water, sewer, waste disposal infrastructure nor public safety levels of service.

Environmental Protection

Multnomah County Goal:

- *To grant abatements only to firms that demonstrate a commitment to environmental protection.*

Standards:

The applicant will describe credible programs in each of the following areas, will present verification by the relevant regulatory authorities that these programs are reasonable, and will demonstrate a commitment to ongoing monitoring.

- *Reducing the use of toxic and hazardous materials.*

Fujitsu provided letters from the City of Gresham and the Oregon DEQ noting their reduction plans. The Company met its 2001 reduction goal in 1992. They continue to work on elimination of certain other chemicals. A full list of the targeted chemicals is on page 30 of the application.

- *Water conservation, reuse, and waste water discharge.*

Fujitsu has implemented an on-site water reuse and wastewater treatment program. The Company provided reports from the City of Gresham verifying water quality. The latest report had a note regarding pH levels. The Company has installed additional monitoring devices as a result. The water reuse program saves approximately 200,000 gallons a day. The new facilities will install equivalent or better equipment.

- *Air quality.*

The Company has provided the latest inspection report from the Oregon DEQ regarding air quality. Fujitsu is in compliance with all standards.

- *Waste reduction and recycling.*

Fujitsu provided a letter from their current waste hauler citing their working history and the recycling efforts the hauler has taken on Fujitsu's behalf. Since there is no direct regulator, third party verification of waste reduction

and recycling activities is impossible. The application describes various activities such as oil, cardboard and paper recycling. The County may wish to establish recycling goals during negotiations.

- *Energy conservation.*

Fujitsu has a team of facilities representatives who focus on implementing energy saving solutions. These efforts have resulted in rebates and credits from PGE for energy conservation according to the application. The County may wish to establish conservation goals during negotiations.

Stimulation of Local Economy

Multnomah County Goal:

- *To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.*

Standards:

- *The applicant will have a plan to identify for procurement locally-produced or sold goods and services and to solicit bids from local suppliers.*

While the Company states it has a policy to encourage "meaningful participation" from local vendors, we could find no specific policy regarding local procurement. Fujitsu points to \$8.3 million in expenditures in Multnomah County from 428 vendors over the past 9 months as proof of its local purchasing policy. In the Company's supplemental information, Fujitsu agreed to develop a more detailed plan and policy regarding local purchases as part of negotiations. The County may wish to set targets and specific activities that the Company must meet. The County may also wish to require local purchase if pricing is within a certain percentage of the low bid (local preference).

FISCAL IMPACT ANALYSIS

FISCAL IMPACT ANALYSIS

Methodology

Investment Schedule

The revenue projections presented in the completed Fujitsu SIP application were derived based upon a number of assumptions and a series of calculations which are not clearly described in the application. In order to assess the project's impact on property tax revenue for the County, the City of Gresham and affected education and service districts, the model begins with certain operating assumptions with regard to the value of the Fujitsu investment throughout the proposed abatement period (1995-2011). Fujitsu expects the investments to occur in two phases. The first phase involves the construction of a building and purchase of manufacturing equipment. This phase is set to begin in late 1995 and to be completed by early 1997. The second phase is a purchase of equipment that would occur in 1997. The table below shows the Fujitsu's anticipated investment schedule, which includes reinvestment in equipment throughout the foreseeable future.

Table 1
Project Investment Schedule
(\$ millions)

| Calendar Year | Land | Building | Process Support | Equipment | Total |
|------------------|-------|----------|--------------------|-----------|-----------|
| 1995 | \$0.0 | \$25.0 | | | \$25.0 |
| 1996 | | \$75.0 | \$75.0 | \$125.0 | \$275.0 |
| 1997 | | | \$75.0 | \$125.0 | \$200.0 |
| 1998 | | | | \$350.0 | \$350.0 |
| 1999 | | | | \$14.0 | \$14.0 |
| 2000 | | | | \$14.0 | \$14.0 |
| 2001 | | | | \$14.0 | \$14.0 |
| 2002 | | | | \$14.0 | \$14.0 |
| 2003 | | | | \$14.0 | \$14.0 |
| 2004 | | | | \$14.0 | \$14.0 |
| 2005 | | | | \$14.0 | \$14.0 |
| 2006 | | | | \$14.0 | \$14.0 |
| 2007 | | | | \$14.0 | \$14.0 |
| 2008 | | | | \$14.0 | \$14.0 |
| 2009 | | | | \$14.0 | \$14.0 |
| 2010 | | | | \$14.0 | \$14.0 |
| 2011 | | | | \$14.0 | \$14.0 |
| Total | \$0.0 | \$100.0 | \$150.0 | \$782.0 | \$1,032.0 |

The table above reflects the current value of the Company's investments on an annual basis. In order to derive the assessed value of the projected investments, the above schedule was then adjusted for depreciation based on depreciation schedules for new construction and high-technology equipment as provided by the Oregon Department of Revenue. Technological change is expected to lead to rapid depreciation of the semiconductor wafer fabrication equipment. Clean room and process support equipment is expected to depreciate more slowly. The appraised value of the building shell is expected to decline in value even more slowly.

Assessed Values

The following chart presents the assessed value that the project would add to the tax rolls both with and without the Strategic Investment Program (SIP). The first column reflects the assessed value added by the project assuming the project is implemented without the use of tax abatements. The second column represents the projected assessed value of the project under the SIP.

Table 2
Increase in Assessed Value
Due to the Project
(\$ Millions)

| Year | Without SIP | With* SIP |
|------|----------------|--------------|
| 1995 | 0.0 | 0.0 |
| 1996 | 0.0 | 0.0 |
| 1997 | 396.9 | 100.0 |
| 1998 | 328.4 | 104.0 |
| 1999 | 516.7 | 108.2 |
| 2000 | 403.5 | 112.5 |
| 2001 | 320.9 | 117.0 |
| 2002 | 266.9 | 121.7 |
| 2003 | 237.2 | 126.5 |
| 2004 | 228.4 | 131.6 |
| 2005 | 221.2 | 136.9 |
| 2006 | 214.0 | 142.3 |
| 2007 | 208.2 | 148.0 |
| 2008 | 202.6 | 153.9 |
| 2009 | 196.0 | 160.1 |
| 2010 | 191.1 | 166.5 |
| 2011 | 188.9 | 173.2 |
| 2012 | 186.9 | 186.9 |

* Assumes 4% annual increase in SIP cap

Under the Strategic Investments Program, the assessed value of a project is capped at \$100 million dollars in its first year on the tax rolls. The model assumes that the \$100 million cap floats upward each year at a rate of 4% annually which appears inconsistent with the 6% inflation rate used to estimate future assessed value and levies for the all affected governmental units. This is largely because the 6% annual growth rate of assessed value in taxing districts represents both a 4% appreciation in the value of existing properties (which has been the historical trend for properties in the County) and the addition of new assessed value (assumed to equal 2% of the value of existing property each year). Under current SIP legislation, the SIP cap is tied to the value of existing property only - not the addition of new assessed value. Consequently, despite the fact that the Company may add new property to the tax rolls, the SIP cap may only rise by the rate of increase on existing property or 4% in this case. Assuming that a 6% increase is factored into the model, then potential savings to the Company are overstated especially in light of the fact that Fujitsu will also be required to pay a community service fee equal to one quarter of the forgiven property taxes (or a maximum of \$2 million per year) in addition to the taxes on the capped assessed value. By increasing the inflation rate to 6%, tax revenues under the SIP scenario increase such that current savings to the Company are reduced by approximately \$2.9 million when comparing the tax revenue generated by the project with SIP (including the community service fee) to the project without the SIP.

Using the assessed value projections shown above in addition to projections of assessed value for each affected taxing district, the model then derives three scenarios of estimated assessed values for each affected governmental unit. The first scenario assumes that the facility is built under the SIP and adds the capped assessed value under the program to the annual tax rolls of each affected entity. In order to avoid double counting, the assessed value of the project which was added in the prior year is subtracted out from the current total assessed value of the entity. The model assumes that the assessed value (exclusive of the value of the project) is inflated at 6% and the then current assessed value of the project is added to the tax roll. The second scenario assumes that the facility is built but without the SIP while the third scenario assumes that the project is not built at all. Scenario two employs the same methodology of adding the value of the project to the tax rolls while scenario three assumes that no additional value is added to the tax rolls.

Tax Rates

The model assumes that there are six general government entities which will be affected by the project. These include: Multnomah County and the City of Gresham, Port of Portland, Metro, Tri-Metropolitan Transportation District and the Rockwood Utility. The model also assumes that there are four education districts which will be affected by the project. These include: Gresham Barlow SD #26J, Multnomah Education Service District (Elementary), Multnomah Education Service District (High School) and Mt. Hood Community College.

In order to assess the project's direct impact on tax rates of the affected districts, the model accounts for rates that are subject to Measure 5 tax limitations and those which are not. For those entities currently in compression (mainly educational districts), the general rate for each entity is proportionally reduced such that the aggregate total for all educational districts is within the Measure 5 limit. For educational system funding, the limit is \$7.50/1,000 of assessed value for fiscal year 1995 and \$5.00/1,000 of assessed value for fiscal year 1996 and thereafter. For general governments this limit is set \$10/1000 of assessed value. Rates for bonded debt service relating to each district is also added to the overall rate for each respective district.

Fiscal Impacts Summary

The application asserts that the addition of assessed value to general government taxing districts, which are not in Measure 5 tax rate compression, will not change the amount of property taxes that can be collected by the districts, rather, it will lower the property tax rates in those districts from what the rates would have been without the project. This means that on a year-by-year basis tax rates will be lower than they would have been without the addition of the project's assessed value both under the SIP scenario and the non-SIP scenario. Essentially, the greater the value added to the rolls, the more dramatic the rate decrease. Therefore, the scenario which adds the greatest amount of assessed value (facility without SIP) will experience the most dramatic rate decrease as the assessed value (denominator) will have increased in greater proportion relative to the tax levy (numerator). The application further asserts that the addition of assessed value to educational taxing districts, which are in Measure 5 tax rate compression, will increase the amount of property taxes that can be collected by the districts. In order to test the validity of these assertions, the Model was tested by substantially increasing assessed value. For general governments this resulted in driving rates closer to zero as the levy remains the same despite increasing value, while for compressed districts, the rate remains the same (as mandated by law) but the taxable value increases, resulting in an increase in revenue.

Under both scenarios, property values will rise directly due to the project (as described above) and indirectly due to employment and migration effects. Estimating such indirect assessed property effects is not addressed by the Model, however, as stated in the application, this only provides a more conservative estimate of the project's impacts on property tax rates and revenues. An increase in value due to indirect property effects would only further amplify the rate increases for non-compressed entities and increase revenues for compressed entities.

Education Districts

Our analysis of the impact the project will have on the project (both with and without the SIP) concurs with the results of the Model as we expect there to be an increase in revenues for all affected educational districts. It should be noted that the Model treats 3 bond issues (City of Gresham Public Safety, Multnomah County Corrections and Multnomah County Library) differently than other bonded indebtedness. All three issues should be treated as normal bonded indebtedness as they have simply been structured to maintain level debt service which will not vary by more than 7% per year. All of the bonds mature in 1996 and consequently have no impact upon the calculation of projected rates. The table below lists the projected revenues streams for each taxing district for selected years of the SIP period.

Table 3
Tax Revenues Per Taxing District
(Tax Revenues in thousands of dollars)

| | | | |
|---|-------------|-------------|-------------|
| Revenues w/out Facility | | | |
| District | 1997 | 2005 | 2011 |
| Gresham-Barlow 26J | \$19,634 | \$31,293 | \$44,390 |
| Multnomah (E) ESD | 11,015 | 16,563 | 23,495 |
| Multnomah (H) ESD | 5,137 | 8,187 | 11,613 |
| Mt. Hood C.C. | 5,325 | 8,487 | 12,039 |
| Revenues w/ Facility w/ SIP | | | |
| District | 1997 | 2005 | 2011 |
| Gresham-Barlow 26J | \$19,851 | \$31,590 | \$44,766 |
| Multnomah (E) ESD | 11,227 | 16,853 | 16,931 |
| Multnomah (H) ESD | 5,242 | 8,331 | 11,795 |
| Mt. Hood C.C. | 5,421 | 8,618 | 12,205 |
| Revenues w/ Facility w/out SIP | | | |
| District | 1997 | 2005 | 2011 |
| Gresham-Barlow 26J | \$20,477 | \$31,772 | \$20,044 |
| Multnomah (E) ESD | 11,839 | 17,030 | 11,416 |
| Multnomah (H) ESD | 5,544 | 5,368 | 5,335 |
| Mt. Hood C.C. | 5,698 | 5,536 | 5,506 |

Multnomah County

Our analysis indicates that so far as the County is concerned, the Model can only provide an estimate as to the likely impact the project will have on property tax rates and revenues. The Model predicts reduction in property tax rates from what they would have been without the investment with an even sharper reduction predicted when comparing the project without the SIP to no investment at all. Because certain districts within the County may or may not be under compression, the exact amount of the reduction in rate will vary from property to property depending upon the taxing districts in which the properties are located. Consequently, the only accurate way to assess the impact of the project would be to perform the analysis on a property-by-property basis. Our analysis shows that if we assume the project is not built, tax rates for the County will remain constant as it is assumed that County tax levy and assessed value (without the project) will continue to grow at the same rate. To the extent that assessed value outpaces the tax levy, then property rates will experience a proportional decrease. The following table depicts the anticipated tax rates for the County assuming the project is built both with and without the SIP program.

Table 4
Estimated County Tax Rates
(Rates per \$1000 of assessed value)

| | | | |
|--|-------------|-------------|-------------|
| Rates Without Facility | 1997 | 2005 | 2011 |
| Multnomah County | \$4.0814 | \$4.0814 | \$4.0814 |
| Rates With Facility With SIP | 1997 | 2005 | 2011 |
| Multnomah County | 4.0703 | 4.0708 | 4.0727 |
| Rates With Facility Without SIP | 1997 | 2005 | 2011 |
| Multnomah County | 4.0376 | 4.0660 | 4.0727 |

City of Gresham and Special Districts

Similar to the County, the City and the affected special districts are expected to experience rate decreases as a result of the project both with and without the SIP. Tax rates for the City and the affected special districts are likewise expected to remain constant assuming the project is not built. To the extent that assessed value outpaces City or special district levies, then property rates will experience a proportional decrease. The following table depicts the anticipated tax rates for the City and special districts assuming the project is built both with and without the SIP program.

Table 5
Estimated City and Special District Tax Rates
(Rates per \$1000 of assessed value)

| | | | |
|------------------------------------|-------------|-------------|-------------|
| Rates w/out Facility | | | |
| District | 1997 | 2005 | 2011 |
| City of Gresham | \$4.6803 | \$4.6803 | \$4.6803 |
| Port of Portland | 0.0763 | 0.0763 | 0.0763 |
| Metro | 0.1955 | 0.1955 | 0.1955 |
| Tri-Met Transit | 0.1813 | 0.1813 | 0.1813 |
| Rockwood Utility | 0.0000 | 0.0000 | 0.0000 |
| Rates w/ Facility w/ SIP | | | |
| District | 1997 | 2005 | 2011 |
| City of Gresham | 4.5713 | 4.5864 | 4.5964 |
| Port of Portland | 0.0761 | 0.0761 | 0.0761 |
| Metro | 0.1950 | 0.1950 | 0.1951 |
| Tri-Met Transit | 0.1808 | 0.1809 | 0.1809 |
| Rockwood Utility | 0.0000 | 0.0000 | 0.0000 |
| Rates w/ Facility w/out SIP | | | |
| District | 1997 | 2005 | 2011 |
| City of Gresham | 4.2758 | 4.5304 | 4.5889 |
| Port of Portland | 0.0755 | 0.0760 | 0.0761 |
| Metro | 0.1934 | 0.1948 | 0.1950 |
| Tri-Met Transit | 0.1793 | 0.1806 | 0.1809 |
| Rockwood Utility | 0.0000 | 0.0000 | 0.0000 |

Impact on Property Tax Payer

In order to assess the direct impact of the project on existing property tax payers, the model assumes a 4% annual growth rate that is applied to individual properties. This growth rate, as previously mentioned, represents the anticipated growth rate of on average assessed value in County. Between 1984 and 1994 the average assessed value per tax account has increased by a compounded rate of 3.9% in Multnomah County. Although this appears inconsistent with the growth rate (6%) used to project assessed value in taxing districts, it is more accurate to use the County's historical rate largely because the 6% rate includes the addition of new assessed value to the taxing district which is assumed to equal 2% of the value of existing property. It can be argued that individual property owners may also add new assessed value to their property through improvements to individual property and therefore some adjustment in rate should be factored into the assumed growth rate. Unfortunately, the magnitude and consistency of such additions can only be analyzed on a property-by-property basis. If some incremental adjustment to the growth were applied, 0.5%, for example, this results in a modest increase in taxes to the individual homeowner ranging from \$22-\$26 in 1997 or \$80 to \$112 in 2011.

Because the project will added assessed value to tax rolls (both with or without the SIP) this has the effect of lower overall rates and consequently decreasing the individual taxpayers burden. On average the taxpayer can expect to pay the higher taxes if no project is built, slightly lower taxes if the project is built with the SIP (in the range of \$20 less in 1997 and \$26 less in 2011). If the project is built without the SIP, the taxpayer can expect to pay in 1997 approximately \$70 less in taxes relative the tax burden associated with no project and approximately \$50 less relative to the project funded with the SIP. This is to say that the taxpayer would stand to save approximately \$50 if the project were not funded SIP as opposed to being funded with the SIP. In 2011 these differences are substantially reduced as the margin of incremental tax falls to approximately \$30 less in taxes if the project is built without the SIP and approximately \$2 less if the project were not funded through the SIP as relative to funding with the SIP.

Cumulative Fiscal Impacts

Our analysis concurs with the Model's estimate of current value savings to the Company (or current value loss of revenue to County). If the project is not built, then there will obviously be no additional revenue gained by the County. Consequently, the comparison to be drawn is the revenue to be gained through SIP funding versus the revenue to be gained through a project funded without the SIP. In determining the present value savings to the Company, the Model assumes an 8% discount which is inaccurately characterized in the application as "1995 \$ savings." This most likely understates the true cost of capital from the Company's perspective as it would probably have to borrow these funds at corporate rates which are likely to be slightly higher than the assumed 8%. More importantly, from the County's perspective, this stream of cash flows can be viewed as revenue lost due to the abatement and consequently, it should be discounted at the County's potential cost of capital or its municipal bond rate. For the purpose of our analysis, we have assumed a 6% rate which results in a present value loss of tax revenues of approximately \$17.8 million. The table below presents our revised calculation of present value dollars foregone as a result of the SIP.

Table 6
(Calculation of Tax Revenue Impact of SIP)
(\$ thousands)

| Tax Year | Prop Tax | Payments Svc Fee | with SIP Other | Total | Prop Tax w/o SIP | Savings | Present Value of tax abatements |
|--------------------|-----------------|-------------------------|-----------------------|---------------|-------------------------|----------------|--|
| During CIP* | | | | | | | |
| 1995 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1996 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| During SIP* | | | | | | | |
| 1997 | 1,539 | 1,142 | 107 | 2,788 | 5,924 | 3,136 | 2,958 |
| 1998 | 1,601 | 864 | 0 | 2,465 | 4,945 | 2,480 | 2,207 |
| 1999 | 1,665 | 1,573 | 0 | 3,238 | 7,666 | 4,428 | 3,718 |
| 2000 | 1,732 | 1,120 | 0 | 2,852 | 6,057 | 3,204 | 2,538 |
| 2001 | 1,802 | 785 | 0 | 2,587 | 4,858 | 2,271 | 1,697 |
| 2002 | 1,874 | 559 | 0 | 2,434 | 4,065 | 1,631 | 1,150 |
| 2003 | 1,950 | 426 | 0 | 2,376 | 3,623 | 1,248 | 830 |
| 2004 | 2,028 | 373 | 0 | 2,401 | 3,496 | 1,095 | 687 |
| 2005 | 2,109 | 325 | 0 | 2,434 | 3,389 | 955 | 565 |
| 2006 | 2,194 | 276 | 0 | 2,470 | 3,283 | 813 | 454 |
| 2007 | 2,282 | 232 | 0 | 2,515 | 3,199 | 685 | 361 |
| 2008 | 2,374 | 187 | 0 | 2,562 | 3,115 | 554 | 275 |
| 2009 | 2,469 | 138 | 0 | 2,608 | 3,017 | 409 | 192 |
| 2010 | 2,569 | 95 | 0 | 2,664 | 2,945 | 281 | 124 |
| 2011 | 2,672 | 61 | 0 | 2,733 | 2,913 | 180 | 75 |
| SIP* Sum | 30,861 | 8,157 | 107 | 39,125 | 62,494 | 23,370 | 17,382 |
| After SIP* | | | | | | | |
| 2012 | 2,884 | 0 | 0 | 2,884 | 2,884 | 0 | 0 |

* CIP is the construction-in-progress property tax exemption; SIP is the strategic investments program property tax exemption.

**SUMMARY OF IMPLICATIONS
FROM ECONOMIC IMPACTS**

SUMMARY OF IMPLICATIONS FROM ECONOMIC IMPACTS

Job Market Impacts

Job growth over the 15 years is compiled from information from the Company and the Oregon Economic Model. While the structure of the Oregon Economic Model appears well suited for this analysis, the implementation of the model is questionable. The main contention is with the timing of job growth. We find the job growth to take longer to reach its plateau than is presented in the application. Coupled with this is the belief that the multiplier of 2.3 is too high, the result of using the average wage initially rather than a more realistic lower wage that would not reach the stated average wage until the year 1999. Taken together, both employment gains and personal income growth are overstated. Employment gains are slightly lower, with the largest difference of around 14% less in 1999 but the gap disappears by 2005. Personal income, on a present value basis, is approximately \$11 million less than projected.

Indirect and Induced Business Activity

The secondary impact on employment is concentrated in the service sector. Over one-third of total employment growth occurs in the services and retail trade sectors, with an average wage around \$25,000. Although property value increases are difficult to quantify, given the low unemployment in the region, housing prices should rise as in-migration bids up property values. This may displace the lower wage employees to locate further from their work place in search of less expensive housing. To mitigate this effect and keep a viable labor pool in the immediate region, transportation and housing issues must be addressed.

Competitive Impacts

At the present time, no other facility in the area is producing DRAM's and /or EPROM's. The closest possible competitor is Hewlett Packard who only produces chips for internal use in their products. All firms are competitors for labor. Given the low unemployment rate and lag time for in-migration to catch up with firm's demand for labor, wages could rise above the national average increases in the short-run. Established firms who use engineers, technicians, and the like, would be adversely affected. Labor costs will move back to trend once in-migrants put downward pressure on wages.

Dollars of Abated Taxes Per Job Created

Based on present value calculations, this ratio ranges from \$14,902 to \$25,402. The difference is due to concentrating on current residents and a lower discount factor in the later measure. We also look at a personal income to tax abatement ratio to capture the overall economic activity caused by in-migrants and residents alike.

Jobs per acre

This employment density measure follows numbers supplied by the application.

Labor Market Impacts & Indirect and Induced Business Activity

Labor

The Model assumes 445 direct employees - figures come from Fujitsu. (This is a commitment; see page 12 of Application). There is an implicit level of "induced" High Tech employment that totals about 4.3 percent of Direct Employment. This shows up as the difference between the direct employment commitment by Fujitsu and the High Tech employment figures produced by the Oregon Economic Model. The "induced" employment totals zero workers in 1996, one worker in 1997, six additional workers in 1998, eight additional workers in 1999, three additional workers in 2000 and one additional worker in 2001 (nineteen total "induced" workers for a total of 464 new High Tech workers or 4.3 percent of direct High Tech employment). There is no model documentation that supports this "Agglomeration Effect" but it is not an unreasonable application. Agglomeration refers to the fact that the addition of jobs in a particular plant tends to support additional employment in the same industry.

A 2.3 total employment multiplier is assumed. This multiplier is generated from an Intel D1E indirect job analysis done previously. However, because average wages are higher at Intel than at Fujitsu (\$40,200 vs. \$34,000 first year) the multiplier may be overstated. This is because indirect employment effects depend, in part, on personal income increases generated by the project's direct employees. If total personal income expected from direct employment at Fujitsu is less than that at Intel, then you would expect a lower indirect multiplier.

Total employment impacts accrue over five years at a slightly increasing level. (The effect of construction employment in the first few years obscures the true employment multiplier over the same period. The multiplier in the first full year of plant construction is about 7.15. This is reasonable in that many of these new jobs directly support construction at the plant. It should be noted that these jobs are temporary.)

The multiplier is overstated in the first year of operation, 1999; the year in which all new direct employee hiring is completed. The multiplier in this year is equal to 2.24, just slightly under the long run multiplier of 2.3. The assumption is that nearly all indirect employment impacts have worked through the economy by this time. (There is some ramp-up of indirect effects from year one, however, the true extent of this ramp-up is obscured by construction employment impacts. Regardless, the initial indirect effects appear too large). There are at least two reasons why this is not likely. The first reason is general, the second is more specific to this project.

First, studies have shown that it takes several years (up to 8) for indirect impacts to work through a local economy - not all direct jobs are created in the first year. The Oregon Economic Model shows that first year impacts for durable manufacturing are just 63 percent of impacts after the fifth year.

The second reason that the multiplier is too high in the initial years regards the hiring pattern of Fujitsu. The hiring schedule on page 11 of the Application reveals an inconsistent pattern of hiring by type (and, therefore, wage level) of worker. In 1996, 58 percent of the workers hired are higher wage Technicians and Engineers. The remaining hires are lower wage Operators. (It can be further assumed that the majority of the remaining hires in that year, the Operators, will be hired away from the existing plant at above "entry wages". However, it is equally likely that these workers will be replaced with entry wage Operators such that the net effect for purposes of evaluation is that starting wages for "new hires" will be low.) In 1997, just 19 percent of new hires will be higher wage Technicians and Engineers. Finally, in 1998, just five percent of new hires will be Technicians and Engineers. This uneven hiring schedule suggests that the increase in personal income due to direct employment is not consistent from year-to-year. To the extent that direct employment personal income effects indirect employment, an argument could be made for a non-constant multiplier (the rate by which direct employment induces indirect employment should be variable).

The table below presents a more realistic employment pattern for indirect employment effects. It shows that employment will increase more slowly than presented in the Application. The full effects of new employment at Fujitsu are not realized until 2005 (as opposed to 2000 in the Application). This has an effect on Personal Income (and Income Taxes) as revealed in the table below. On a net present value basis, the loss in personal income of this longer period is \$11 million, \$9 million of which occurs in the 6 years to 2001.

| | Wage & Salary Employment | High Tech Employment | Construction Employment | Personal Income (\$ MM) | Population |
|------|-----------------------------|-------------------------|----------------------------|----------------------------|------------|
| 1995 | 113 | | 113 | 3.4 | 0 |
| 1996 | 644 | 33 | 470 | 18.9 | 45 |
| 1997 | 599 | 189 | 121 | 19.6 | 279 |
| 1998 | 640 | 385 | 16 | 21.3 | 396 |
| 1999 | 867 | 448 | 21 | 28.2 | 512 |
| 2000 | 952 | 453 | 26 | 32.4 | 574 |
| 2001 | 987 | 455 | 29 | 36.0 | 623 |
| 2002 | 1004 | 455 | 29 | 38.1 | 634 |
| 2003 | 1014 | 458 | 30 | 40.0 | 640 |
| 2004 | 1018 | 460 | 30 | 41.8 | 643 |
| 2005 | 1019 | 462 | 30 | 43.5 | 644 |
| 2006 | 1019 | 462 | 30 | 45.3 | 644 |
| 2007 | 1019 | 462 | 30 | 47.1 | 644 |
| 2008 | 1019 | 462 | 30 | 49.0 | 644 |
| 2009 | 1019 | 462 | 30 | 50.9 | 644 |
| 2010 | 1019 | 462 | 30 | 53.0 | 644 |
| 2011 | 1019 | 462 | 30 | 55.1 | 644 |
| 2012 | 1019 | 462 | 30 | 57.3 | 644 |

Net Present Value
(1995 - 12)

\$302.62

Net Present Value
(1995 - 01)

\$111.26

Fujitsu Application

Net Present Value
(1995 - 12)

\$313.05

Net Present Value
(1995 - 01)

\$120.55

The employment multipliers implicit in the above table are taken directly from the Oregon Economic Model. (*The Oregon Economic Model: Annual Review of Methodology*, Paul Warner and David Griffiths, Office of Economic Analysis, Department of Administrative Services, April 1995.)

Page 49 of the Application states that "(W)ith the exception of engineers, between 50% and 90% of persons hired are expected to be current Oregonians." This statement is not consistent with assumptions used in the Model. The Model assumes that 50 percent of Operators and Administrators and 10 percent of Engineers and Technicians positions will be filled by current Oregonians. (These figures do show up in the Application on page 39.)

Wages

The Model assumes that the current average wage will be paid employees beginning with the initial year of operation (figures on page 11 of the Application are consistent with the assumptions in the Model). This may be true for the new facility, as first year employees will likely come from existing operations. However, to the extent that these employees are replaced by new hires at the existing facility, the net wages paid will probably be below

average. Full employment at the new facility is not achieved until after the third year of operation. Therefore, it will probably be 1999 before employees hired as a result of the new facility are paid average wages.

The model assumes 4 percent average wage growth. This is about equal to the expected rate of inflation. Therefore, real average wages (1996 dollars) are expected to stay constant. The implication is that real wage increases occur only through job advancement. In that there are certain constraints associated with unlimited advancement (educational, inherent skills, no openings) the assumption of constant real average wages implies a certain "ceiling" to wage advancement.

After all employment affects have occurred, total personal income remains constant in real terms. This implies that, in aggregate, there is no increase in the standard-of-living for those employed as a result of this project.

The 4 percent wage growth assumption in the Model appears to be inconsistent with the statement on page 23 of the Application; "(a)nnual salary increases based on performance (average 4.5% year)" - the reference is to Annual Merit Increases.

The Model does not implicitly identify the types of indirect employment expected to be created by the new facility. While not corroborated by the Model, Page 40 of the Application states that about 353 new indirect jobs will be in the services and retail trade sectors. An additional assumption is made about employment increases in the Portland Area (90 percent of total). Average payroll in services and retail trade are approximately \$25,000. Thus, over one-third of all jobs created will be relatively low paying positions.

Finally, in the Model, wages after 2005 remain constant (in nominal terms). While the abatement program is affective through 2011, the employment and income analysis seems to end after 2005. References in the Application generally refer to a 15 year period regarding cumulative savings to the Company and property taxes and service fees. Yet comments regarding income and income tax analysis generally refer to 2001 (see pages 3 & 35). This relates to the Oregon Economic Model producing forecasts only to 2001. As noted earlier, a more realistic pattern of impacts takes a longer period of time.

Impacts on Other Employers

Other than the multiplier affect, the Model does not address this. However, in the Application there is mention of Fujitsu hiring trained workers from locally established firms (page 39). This implies a redistribution of (training) costs from Fujitsu to the other firms. In that some of these firms may be direct competitors, it also implies a relative cost advantage due to the SIP (assuming Fujitsu does not locate absent the SIP).

Direct construction employment impacts are significant over the first three years before settling out to about 6.5 percent of Direct Employment (30 workers) by 2001. (These figures come from the Oregon Economic Model.) As noted above, these jobs are modeled separately from the employment multiplier.

Page 43 of the Application states that much of the \$100 million cost of site preparation and building construction work will be done by local construction companies. This specific project is short-term (one year) and is not likely to, in-and-of-itself, support continued impacts in construction and construction employment.

Competitive Impacts on Existing Businesses

The Model does not explicitly address this. The Application makes only an unsupported general statement (page 50). There are no direct competitors in the immediate area for the DRAM chip. However, in that the DRAM chip may be a substitute for another locally produced component (HP) there may be some competitive advantage associated with the SIP. Further, there could be similar companies that have not yet located in the area that would demand similar abatements, arguing that they would otherwise be at a cost disadvantage vis-à-vis the existing Company (thereby holding the county hostage).

With a low unemployment rate and relatively tight labor markets, short-run impacts should raise labor costs. This will adversely affect established firms who compete globally, such as Boeing. As labor costs rise, these firms' revenues are based on conditions outside of their geographic location. Even though their labor costs are rising, this does not translate into higher revenues to cover these costs. Established firms whose major market is local should not be adversely affected. Even though labor costs rise, revenues should be rising for the same reasons. As immigration is attracted to the region, pressure on wages should be alleviated by the increasing supply of labor.

Dollars of Abated Taxes per Job Created

Based on the amount of tax savings to the Company on page 38 of the application and the number of jobs created, the numbers follow as reported on page 50. The "savings" are from the Company's perspective and the last column on Table 3 should be retitled "Present Value..." and not "1995 \$ Value...", since the discount is 8% or what the Company would have to pay to borrow this amount of funds. A present value formulation should be used in this calculation for the timing of the amount of savings each year does make a difference. But "savings" can also be viewed from the County's perspective as "dollars of abated taxes", taxes that the County forgoes to have the Company build its plant. Arguments can be made that without the tax abatement the Company would not locate here, thus the County is not losing any taxes. This only applies to the present applicant, it does not mean that another firm or set of firms would not locate here without being granted a tax abatement. From the County's perspective, the stream of tax abatements should be discounted at around the municipal bond rate, which for 15 to 20 year maturities is approximately 6%. This results in a present value for tax abatements of \$17.832 million. This figure should then be divided by the number of jobs created: 445 direct jobs gives \$40,072 (annual average of \$2,671 per direct job created). Including all indirect employment gives \$1,167 on an annual average. Two issues can be raised with this measure: 1) Are current Oregonians being employed? 2) the time path of the creation of jobs. Both items can be looked at with the aid of the table below. The per year dollar abatement per job is higher in the years of high tax breaks and falls as the tax break lessens while jobs created rises and stays at the higher level. But this implies that the County must continue to give tax abatements just to maintain the jobs created. A better measure uses the net present value of Savings. Essentially, this is the amount of funds the County would be willing to expend today as opposed to the pattern of savings over the 15 years. And if the objective was to provide jobs, then the present value represents the payment the County would make today to achieve the stream of new jobs over the 15 year period. The amount of abated taxes could be compared to the amount of dollars spent on training programs, welfare aid, and the like to help people reenter the workforce.

DOLLARS OF TAX ABATEMENT PER JOB CREATED
State Wide and In-migration Hires

| | Savings (millions) | Wage & Salary Employment | Direct High Tech Employment | Direct Engineer Technicians Employment | Direct Operators Administrative Employment | Construction plus Indirect Employment | Dollars of Abated Taxes per Job Created |
|---|-------------------------------|---|--|---|---|--|--|
| 1995 | | 113 | | | | 113 | |
| 1996 | | 644 | 33 | 16 | 17 | 611 | |
| 1997 | 3136 | 599 | 188 | 61 | 127 | 411 | 5235 |
| 1998 | 2480 | 640 | 378 | 91 | 287 | 262 | 3875 |
| 1999 | 4428 | 867 | 445 | 95 | 350 | 422 | 5107 |
| 2000 | 3204 | 952 | 445 | 95 | 350 | 507 | 3366 |
| 2001 | 2271 | 987 | 445 | 95 | 350 | 542 | 2301 |
| 2002 | 1631 | 1004 | 445 | 95 | 350 | 559 | 1625 |
| 2003 | 1248 | 1014 | 445 | 95 | 350 | 569 | 1231 |
| 2004 | 1095 | 1018 | 445 | 95 | 350 | 573 | 1076 |
| 2005 | 955 | 1019 | 445 | 95 | 350 | 574 | 937 |
| 2006 | 813 | 1019 | 445 | 95 | 350 | 574 | 798 |
| 2007 | 685 | 1019 | 445 | 95 | 350 | 574 | 672 |
| 2008 | 554 | 1019 | 445 | 95 | 350 | 574 | 544 |
| 2009 | 409 | 1019 | 445 | 95 | 350 | 574 | 401 |
| 2010 | 281 | 1019 | 445 | 95 | 350 | 574 | 276 |
| 2011 | 180 | 1019 | 445 | 95 | 350 | 574 | 177 |
| SUM | 23370 | | | | | | |
| NPV @ 6% | \$ 17,832 | | | | | | |
| NPV of tax abated dollars per job created | | | | \$ 17,500 | | | |

DOLLARS OF TAX ABATEMENT PER JOB CREATED (cont)
Portland Metro Hires

| | Savings (millions) | Wage & Salary Employment | Direct High Tech Employment | Direct Engineer Technicians Employment | Direct Operators Administrative Employment | Construction plus Indirect Employment | Total Portland Metro Hires | Dollars of Abated Taxes per Job Created |
|------|-----------------------|--------------------------------|-----------------------------------|---|---|---|-------------------------------------|---|
| 1995 | | 113 | | | | 102 | 102 | |
| 1996 | | 644 | 33 | 2 | 9 | 550 | 561 | |
| 1997 | 3136 | 599 | 188 | 6 | 64 | 370 | 440 | 7127 |
| 1998 | 2480 | 640 | 378 | 9 | 144 | 236 | 389 | 6375 |
| 1999 | 4428 | 867 | 445 | 10 | 175 | 380 | 565 | 7837 |
| 2000 | 3204 | 952 | 445 | 10 | 175 | 456 | 641 | 4998 |
| 2001 | 2271 | 987 | 445 | 10 | 175 | 488 | 673 | 3374 |
| 2002 | 1631 | 1004 | 445 | 10 | 175 | 503 | 688 | 2371 |
| 2003 | 1248 | 1014 | 445 | 10 | 175 | 512 | 697 | 1791 |
| 2004 | 1095 | 1018 | 445 | 10 | 175 | 516 | 701 | 1562 |
| 2005 | 955 | 1019 | 445 | 10 | 175 | 517 | 702 | 1360 |
| 2006 | 813 | 1019 | 445 | 10 | 175 | 517 | 702 | 1158 |
| 2007 | 685 | 1019 | 445 | 10 | 175 | 517 | 702 | 976 |
| 2008 | 554 | 1019 | 445 | 10 | 175 | 517 | 702 | 789 |
| 2009 | 409 | 1019 | 445 | 10 | 175 | 517 | 702 | 583 |
| 2010 | 281 | 1019 | 445 | 10 | 175 | 517 | 702 | 400 |
| 2011 | 180 | 1019 | 445 | 10 | 175 | 517 | 702 | 256 |

SUM \$23,370

NPV @ 6% \$17,832

NPV of tax abated dollars per job created

\$ 25,402

The above table breaks out the jobs going to current Oregonians in the Portland Metro area, based on assumptions given in the application (p.39 and 40). With the relatively tight labor markets locally, these assumptions may not be that restrictive. Note that if the concern is with the impact of tax abatements directly on citizens in the Portland Metro area, then jobs taken by in-migrants are to be excluded. This leaves 702 jobs in total and an increase in the dollar abatement per job to \$25,402. This may seem rather high and it is if one looks only at jobs to current residents. But if we look at the personal income that is being generated in the area, this would include the economic impact of in-migrants. Based on the assumption that 90% of the total employment will reside in the Portland Metro area, along with the impacts on personal income essentially worked out to the year 2001, the relevant ratio would be the present value of personal income to the present value of savings through the year 2001. The ratio equals 7.63, or for every present value dollar of savings (forgone taxes) results in 7.63 dollars of personal income.

Jobs per Acre

This calculation appears to follow numbers given in the application, i.e., 3.4 jobs per acre.

ATTACHMENTS

| Job Category | | # FTE | Entry Wage | | % MFI ¹ | | Affrd. Mo. Payment ² | Ave Rent: 2 bd/ 1 bth apt ³ | Affrd Rent Gap |
|----------------------------|-----------|-------|------------|-------|--------------------|---|---------------------------------|--|----------------|
| | | | \$/hr | \$/mo | | | | | |
| Entry-level production | Full Time | | | | | <p>← The table at left represents the actual number employed and how the relative wage computed on a monthly basis compares to the area Median Family Income (MFI).</p> <p>The table at right uses the monthly wage level for each employee to determine affordable rent and if an affordability gap exists. If a gap is present it is represented in parenthesis →</p> | | | |
| | Part Time | | | | | | | | |
| Skilled production | Full Time | | | | | | | | |
| | Part Time | | | | | | | | |
| Technical and Professional | Full Time | | | | | | | | |
| | Part Time | | | | | | | | |
| Management | Full Time | | | | | | | | |
| | Part Time | | | | | | | | |
| Administrative and support | Full Time | | | | | | | | |
| | Part Time | | | | | | | | |
| ETC. | Full Time | | | | | | | | |
| | Part Time | | | | | | | | |
| Total | Full Time | | | | | | | | |
| | Part Time | | | | | | | | |

| | | |
|--------------------------|--|--|
| Unemployment Rate | | If the local unemployment rate is one point below the national average (currently about 6.0%), it can be assumed that a major new plant location would draw new residents to the area resulting in increased pressure on the housing market. |
|--------------------------|--|--|

| | | |
|---------------------------------|--|---|
| Vacancy Rate⁴ | | If vacancy rate equals 0-2%, it can be effectively considered 0%, as normal market turnover accounts for vacancies. If rate is 2-5%, a severely limited supply of housing is available - available units will typically be available in higher price categories and will be highly subject to market demand and external factors such as population growth. |
|---------------------------------|--|---|

¹ HUD area median family income (MFI) for a household size of two persons. MFI for a 2 person household is \$34,150 (12/94, HUD).

² Affordable monthly payment is based upon a 30% expenditure on monthly rent and utilities not included in rent. Utility allowance is available from the Housing Authority of Portland.

³ Source: "Apartment Data Center", Semi-annual report, average square footage apartment.

⁴ Source: "Apartment Data Center", Semi-annual report, average square footage apartment.

Attachment 2

| Job Category | # FTE | Entry Wage (1) (monthly) | % MFI (2) | | Affrd. Mo. Payment(3) | Ave Rent: 2 bd/1 bth apt.(4) | Affrd Rent Gap |
|----------------|-------|-----------------------------|-----------|--|-----------------------|------------------------------|----------------|
| Operators | 330 | \$2,183 | 76.7% | The table at left represents the actual number employed and how the relative wage computed on a monthly basis compares to the MFI. | \$716 | \$592 | \$124 |
| Technicians | 58 | \$4,067 | 142.9% | | \$1,281 | \$592 | \$689 |
| Engineers | 37 | \$4,533 | 159.3% | | \$1,421 | \$592 | \$829 |
| Administrative | 10 | \$3,400 | 119.5% | | \$1,081 | \$592 | \$489 |
| Supervisors | 10 | \$4,675 | 164.3% | | \$1,464 | \$592 | \$872 |
| | | | | The table at right uses the monthly wage level for each employee to determine affordable rent and if an affordability gap exists. If a gap is present it is represented in (parenthesis) | | | |
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| | | |
|--------------------------|-------|---|
| Unemployment (5) Rate | 4.40% | If the local unemployment rate is one point below the national average (current about 6%), it can be assumed that a major new plant location would draw new residents to the area resulting in increased pressure on the housing market. |
| Vacancy(6) Rate | 3.80% | If vacancy rate equals 0-2%, it can be effectively considered 0%, as normal market turnover accounts for vacancies. If rate is 2-5%, a severely limited supply of housing is available - available units will typically be available in higher price categories and will be highly subject to market demand and external factors such as population growth. |

(1) Based on annual median earnings

(2) HUD are median family income (MFI) for a household of two persons. MFI for a two person household is \$34,150

(3) Affordable monthly payment is based upon a 30% expenditure on monthly rent and utilities not included in rent. Analysis assumes \$61/month for utilities. Utility information provided by HAP.

(4) Source: *Apartment Data Center, Semi-annual report, average square footage apartment.

(5) Represents Portland PMSA. Gresham rate is not available.

(6) Source: *Apartment Data Center, Semi-annual report, average square footage apartment.

Attachment 3

| Job Category | # FTE | Entry Wage (1) (monthly) | % MFI (2) | | Affrd. Mo. Payment(3) | Ave Rent 2 bd/1 bth apt.(4) | Affrd Rent Gap |
|----------------|-------|-----------------------------|-----------|--|-----------------------|--------------------------------|----------------|
| Operators | 330 | \$1,921 | 67.5% | The table at left represents the actual number employed and how the relative wage computed on a monthly basis compares to the MFI. | \$637 | \$592 | \$45 |
| Technicians | 58 | \$2,740 | 96.3% | | \$883 | \$592 | \$291 |
| Engineers | 37 | \$3,932 | 138.2% | | \$1,241 | \$592 | \$649 |
| Administrative | 10 | \$3,303 | 116.1% | | \$1,052 | \$592 | \$460 |
| Supervisors | 10 | \$4,005 | 140.7% | | \$1,263 | \$592 | \$671 |
| | | | | The table at right uses the monthly wage level for each employee to determine affordable rent and if an affordability gap exists. If a gap is present it is represented in parenthesis | | | |
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| | | | | | | | |

| | | |
|--------------------------|-------|---|
| Unemployment (5) Rate | 4.40% | If the local unemployment rate is one point below the national average (currentl about 6%), it can be assumed that a major new plant location would draw new residents to the area resulting in increased pressure on the housing market> |
|--------------------------|-------|---|

| | | |
|---------------------|-------|--|
| Vacancy (6) Rate | 3.80% | If vacancy rate equals 0-2%, it can be effectively considered 0%, as normal market turnover accounts for vacancies. If rate is 2-5%, a severely limited supply of housing is available - available units will typically be available in higher price categories and will be highly subject to market demand and external factors such as population growth |
|---------------------|-------|--|

(1) Blended calculation of median wages for all levels of job classification.

(2) HUD are median family income (MFI) for a household of two persons. MFI for a two person household is \$34,160

(3) Affordable monthly payment is based upon a 30% expenditure on monthly rent and utilities not included in rent. Analysis assumes \$61/month for utilities. Utility information provided by HAP.

(4) Source: *Apartment Data Center, Semi-annual report, average square footage apartment.

(5) Represents Portland PMSA . Gresham rate is not available.

(6) Source: *Apartment Data Center, Semi-annual report, average square footage apartment.



PUBLIC FINANCIAL MANAGEMENT, INC.

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Fujitsu Microelectronics Strategic Investment Plan Contract Analysis

Multnomah County and Fujitsu Microelectronics Inc. (Fujitsu) completed negotiations on the terms of a contract granting tax abatements for the proposed expansion of Fujitsu's Gresham plant. Fujitsu develops, manufactures and markets a broad range of semiconductors. The Gresham Manufacturing Division opened in 1988 with 225,000 square feet of building. They are proposing a major expansion of the Gresham plant in two phases. The first phase would include investment of \$500 million and the second phase would include investment of \$350 million. In addition, Fujitsu expects additional investments to bring the total investment to over a billion dollars by 2011. The new plants will produce the next generation of Dynamic Random Access Memory microchips (DRAMs) and Erasable Programmable Read Only Memory (EPROM) chips, replacing the products currently manufactured at the existing plant. Fujitsu remains uncommitted as to the use of the old plant once the new ones are built but has expressed some plans for retrofitting to produce yet-undetermined products. Under the terms of the Strategic Investment Policy, the County will agree to cap the assessed valuation of the new facilities identified in the application at \$100 million. This valuation grows at 4 percent per year.

The County's SIP directs recipients of the abatement to make efforts to achieve the County's goals in a number of areas. This is different than the programs implemented elsewhere. Traditional SIP contracts have only specified mitigation of impact, up front payments and job creation. Multnomah County's program directed the contract to engage the recipients in a comprehensive program targeted toward welfare, underemployed and unemployed residents of Multnomah County. We are pleased with the outcome of the negotiations. The contract represents a sincere commitment on the behalf of Fujitsu to become a leader in job creation and support of those County residents who have not become successful participants in the County's economic health. The contract seeks to get to a specific population with jobs, to provide services to those people in terms of child care, housing and transportation to assure that they will not find those areas impediments to job success. Additionally, the contract seeks to make certain contributions to the community at large.

The contract is a binding agreement between the County and Fujitsu and sets forth a number of commitments by Fujitsu which must be met in order to retain the full benefit of the tax abatement. These commitments are in the following areas: Investment, Payment of the Community Service Fee, Job Creation, Training, Child Care, Housing, Environmental Protection and Mitigation of Impacts on Public Infrastructure. In addition to these contractual commitments, Fujitsu's expansion in Gresham will add \$100 million to the assessed value base in Gresham. This addition is expected to decrease taxes paid by the average property tax payer by \$20 per year.

In addition to the contract between Fujitsu and Multnomah County, a key element of the implementation of the goals is the First Source Agreement (FSA) between PDC's Job Net and Fujitsu. This contract, developed jointly by PDC and Multnomah County, requires Fujitsu to hire all of its jobs which require less than 2 years of college through Job Net. Jobs requiring more than 2 years of college are jointly recruited by Fujitsu and Job Net. The FSA sets forth a number of steps and requirements for ensuring the targeted population finds its way into the positions created under the tax abatement program.

Investment

In order to benefit from the tax abatement program, Fujitsu must investment in capital improvements to the manufacturing plant in Gresham. Since the assessed value under the SIP will be capped at \$100



million, Fujitsu must invest more than that to begin enjoying the benefits of the program. As noted, this results in the first part of the investment accruing to the tax roles in Multnomah County. Since the County is not limited in its property tax collections in the area where the plant will be built, additional assessed value does not result in increased tax revenues but rather results in lower taxes paid by the County's taxpayers. Without the expansion, taxes would be unchanged, with the expansion, taxpayers will pay less taxes. At the end of the 15 year abatement period, all of the assessed value will be on the County's tax rolls.

Payment of the Community Service Fee

The SIP requires Fujitsu to make payments directly to Multnomah County equal to 25% of the abated taxes. This results in over \$8 million in payments to the County. The County's use of the Community Service Fee is not specified in the contract.

Job Creation

The County sought to create a wide range of jobs with career advancement opportunities. We believe this goal has been attained.

The contract commits Fujitsu to the creation of 445 jobs. Over 330 of these jobs will be the type of job which presents an entry level opportunity for welfare, un- and under- employed residents of Multnomah County. Since it is not legal to require residency in Multnomah County, we have involved Job Net of the Portland Development Commission to be the exclusive recruiting agent of Fujitsu. Under a direct contract with the County and City, Job Net will seek applicants from mid-Multnomah County. They will develop a strategy to reach the population identified by the County. Fujitsu will be required to hire from this population to the extent Job Net can produce qualified applicants. This commitment to use the Job Net process will run during the entire period of the abatement.

Additionally, Fujitsu has committed to develop a program to track the career path of all newly hired workers to make sure targeted populations are supported in ways that allow them to progress professionally.

Fujitsu has committed to maintain both wages and benefits comparable to the present program. It expects, however, due to competition for workers, both wages and benefits will rise during the next decade.

In addition to the committed jobs, another 300 jobs are expected to be created in Multnomah County as indirect results of this expansion and several hundred construction jobs during the construction periods.

First Source Agreement

The contract requires Fujitsu to enter into an "Exclusive Full Service First Source Agreement" with Job Net. The FSA provides that all openings be advertised through Job Net. Positions requiring more than 2 years of college may, upon mutual agreement between Job Net and Fujitsu, be advertised outside of the Job Net process. The FSA sets forth a process through which the targeted population in Multnomah County is notified of the jobs. The FSA also sets forth a process for outreach to the Mid- and East-County residents to make them aware of job and training opportunities. The FSA is attached as an exhibit to the contract. The contract provides for payments equal to \$180,000 over the first three years and \$300 per job placement thereafter.

Training

The County sought to make sure that the targeted population would be qualified for jobs created under the SIP. This requires readiness skills in specific job related skills. We believe the contract has accomplished this goal.

Fujitsu acknowledged that it will be challenging to find 445 qualified people for their jobs. In order to accomplish the goal of hiring the County's targeted population Fujitsu has committed to participating in a

comprehensive skill development program to be designed cooperatively by East County schools, Mt. Hood Community College, Multnomah County and other major microelectronics firms. The program will involve the job readiness program at Mt. Hood Community College, the School to Work program and various other projects of the Consortium. The Mid-County Superintendents and Mike Dillion of MHCC have already begun meeting with Fujitsu to design and impleinent the program. They have committed to developing the program and funding up to 1/2 of the cost of such a program. The training program is expected to begin before the plant is completed. This will result in Fujitsu making payments prior to receiving the benefit of the abatement.

Once potential employees are identified by Fujitsu, they have committed to providing a paid, two week job training program to increase the beginning success of people being newly hired into the industry. Once on the job, Fujitsu has committed to maintaining various continuing education opportunities they already provide.

Lastly, Fujitsu has committed to providing 10 scholarships to MHCC and PCC a year for 15 years.

The total expected cost of the training component of the contract is approximately \$1.5 million over 15 years.

Child Care

The County sought to create a work environment which include child care options so that child care is not an obstacle to a career. We believe the contract has achieved this goal.

Fujitsu provides substantial child care subsidies to its employees. While its current program is somewhat limited in that it focuses on a single provider near the plant and that provider is only open during weekdays, the company has agreed to expand options to assure that no one has difficulties in taking or keeping a job due to child care concerns. This has involved a commitment to allow a preference for those needing child care for day shifts, and a commitment to fund alternative child care during the weekends and nights as necessary. Additionally, the child care subsidy has been increased for families making below the County's mean income.

The combined estimated cost to the company for new child care programs and subsidies is approximately \$1.1 million.

Housing

The County's goal in the area of housing was to remove housing costs as a barrier to employment and to increase the stock of affordable housing. We believe both of these goals have been met.

Fujitsu has committed to provide the County with \$500,000 as a one time payment for the County to use to develop affordable housing. Additionally, Fujitsu has committed to a rental subsidy program which will subsidize the cost of housing (up to \$200 per month) for families making below the County's mean wage. The expected cost of this program is \$650,000. To the extent that this program is not utilized by Fujitsu's employees, the unused portion will be contributed to the County for additional affordable housing. The entire housing related package is estimated at \$1.15 million.

Transportation

The County has sought to eliminate the lack of transportation as a barrier to employment and to encourage use of modes of transportation other than single occupancy vehicles. We believe this goal has been met.

Fujitsu has proposed three programs to address this concern. The first program is to provide shuttle service to and from the nearest light rail station for shift changes when Tri-Met is not running on Stark (in front of the plant). This really addresses two shift changes on which occur on Saturday and Sunday early mornings. The second is to subsidize the purchase of bus passes by paying half the cost of the pass.

The third initiative is to provide payments to van pool drivers to encourage the use of van pools. In addition to these specific programs, Fujitsu will be developing a traffic management plan aimed at trip reduction in conjunction with its permitting process in Gresham. This will include a plan to encourage more transit use, designation of prime parking spaces for car pools, provision of bike racks and shift scheduling to avoid traffic peaks.

Environmental Protection

The County sought to have Fujitsu take leadership in protecting the environment and reducing waste. We believe this goal has been met.

Fujitsu has a well documented history of complying with environmental regulations. They have regularly exceeded the minimum standards set by regulatory agencies. Fujitsu has agreed to revisit the extensive plan they have developed to include a more comprehensive program aimed not at compliance but at continued reduction of all toxins and waste products. Under this agreement, Fujitsu will use all new technology to reduce waste and consumption as it becomes available.

Impact Mitigation

The County sought to have all impacts on local infrastructure mitigated. This goal has been achieved.

The contract specifies that Fujitsu will pay for all impacts on local infrastructure as a result of this project. Those impacts are not specifically known at this time due to the fact that site plans have not been formally filed with Gresham. Gresham's normal process will evaluate all the impact on both Gresham's services and the County's services and assess appropriate costs before granting the necessary permits to complete the project.

Summary

We believe all the goals of Multnomah County's SIP have been addressed in this contract. The contract has been written toward outcomes rather than dollar figures. Fujitsu must achieve results, not just spend money. To the extent that they can achieve goals in efficient means, the contract allows them to spend less. To the extent that goals are not being achieved, the contract specifies no maximum amounts of money that must be spent. Fujitsu must provide a training program to get people ready to work, they must hire through Job Net, they must support those hired through on-going training, addressing housing, child care, transportation needs as well as wages and benefits above the industry norm. They must act as an environmental steward and make contributions to the community at large through payment of property taxes, community service fees and contributions to a community wide affordable housing fund.

EXCLUSIVE FULL-SERVICE FIRST SOURCE HIRING AGREEMENT

FUJITSU MICROELECTRONICS, INC.

I. PARTIES

This Exclusive Full-Service First Source Hiring Agreement (FSA) is for the recruitment, referral and placement of employees in covered positions and is between Portland Development Commission JobNet Program (PDCJNP) and Fujitsu Microelectronics, Inc., Gresham, Oregon (FMI). Multnomah County (County) and City of Gresham (City) are Third Party Beneficiaries (TPB) of this FSA and are entitled to enforce its terms. By executing this FSA, County and City accept TPB status.

II. RECITALS

- A. On April 13, 1995, County adopted a Strategic Investment Program (SIP) Policy pursuant to the provisions of ORS 285.330 et seq. and ORS 307.123. This Policy provides procedures, goals and standards to evaluate SIP applications.
- B. The County, City and FMI must sign an SIP Contract setting out the additional reasonable requirements that FMI will meet in order for the County to request State financing for FMI's proposed Project. The Contract and the State financing are prerequisites for FMI qualifying for a Property Tax Abatement.
- C. A provision of the SIP Contract requires that FMI enter into an FSA with PDCJNP.
- D. PDCJNP is the entity designated as the publicly funded job training provider with which FMI must enter into a first-source hiring agreement pursuant to ORS 285.323.
- E. Amid regional growth and economic prosperity, too many citizens of Multnomah County live in poverty; a disproportionate share of them are women. Over 14% of families with children under the age of 18 have incomes below the poverty level; sixty percent of these households are headed by women. The County seeks to link the job creation benefits of industrial expansion to disadvantaged residents, ensuring access to new jobs by that population. The County also recognizes that in order to ensure the success of such residents in family wage jobs, private and public resources must be dedicated to the support of families during their transition from poverty to self-sufficiency.

- F. FMI and PDCJNP commit to work together and in partnership with Mount Hood Community College (MHCC), Portland Community College (PCC), other institutions of higher learning, Public School Districts, Multnomah Educational Service District, Oregon State Employment Department (OSED), Adult and Family Services (AFS), Private Industry Council (PIC), churches and social services infrastructure to identify, train and refer a targeted population of potential FMI employees to FMI for regular employment with career advancement opportunities.
- G. The targeted population includes welfare recipients, unemployed, underemployed, students in a School-to-Work Program and Oregon graduates of high schools, vocational and technical schools, two year and four year colleges and universities.
- H. The Multnomah County East Branch of AFS is the largest branch in the State providing services and welfare benefits for over 4000 families.
- I. There are a substantial number of unemployed and underemployed in Outer Southeast and East County.
- J. The parties recognize that this targeted population may have less financial, social and emotional support to cope with impediments to employment. The Parties commit to a strong collaborative effort to overcome these impediments by marshalling support services which will allow recruiting, training, referring and employing these persons.

THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

III. TERMS AND CONDITIONS

A. Definitions

1. Applicant: Persons who apply for employment with FMI, whether referred by PDCJNP or another referral source or self-referred.
2. Contract Worker: Persons hired on a temporary or permanent basis who are self-employed or employees of a business other than FMI who perform under a contract for services.
3. Covered Positions: Regular Jobs of FMI in the Portland Metropolitan area. There are two categories of covered positions:

- (1) Category One: Jobs which require less than a two year college degree or certificate which are not highly technical nor managerial in nature.
- (2) Category Two: Jobs which require a two year college certificate or degree, two or more years of college or are highly technical or managerial in nature.
4. Internal Hire: FMI positions which are filled by FMI regular employees by internal promotion, transfer or recall of a laid off employee.
5. Potential Applicant: Anyone who is a member of the targeted population or any other person who comes to PDCJNP to apply for a position with FMI.
6. Qualified Applicant: FMI, PDCJNP and County shall determine minimum threshold objective criteria for identifying a "qualified applicant" as an individual who possesses core competencies, abilities, training or experience which are consistent with the job description for the specific position. Criteria for identifying a qualified applicant shall be consistent with FMI job descriptions and this Agreement.
7. Regular Employee: Full-time regular employee on the regular payroll of FMI entitled to employer-paid benefits.
8. Regular Job: Full-time and part-time regular positions on the regular payroll entitled to employer-paid benefits.
9. School-to-Work: This is a program created pursuant to the Oregon Educational Act for the 21st Century which encourages educational institutions and businesses to develop programs related to School-to-Work transitions and work experience internships. ORS 329.885.
10. Targeted Population: A person who is a welfare recipient, unemployed, underemployed, school-to-work participant and graduates of local vocational and semiconductor training programs and other Oregon institutions of higher education.
11. Temporary Operator: An entry level operator who is a payrolled temporary employee hired with the intention that he/she will become a regular

employee. Such an employee can be hired for a regular position at any time during the nine month probationary period, but if not hired by the end of the nine months is not permitted to remain employed at FMI, unless there are no positions open at the end of the nine month probationary period. If such an employee is passed over for hiring when positions come open, FMI may terminate such an employee.

12. Underemployed: Multnomah County shall develop a working definition of this term.
13. Unemployed: Persons without a job that pays compensation or who is receiving unemployment compensation.
14. Welfare Recipients: Persons receiving support payments from AFS.

B. Recruitment

1. Exclusive Recruiting Through PDCJNP

- a. FMI shall recruit potential applicants for Category One covered positions exclusively through PDCJNP, except for internal hires.

It is agreed that FMI shall provide PDCJNP with an advanced notice a minimum of eight (8) weeks prior to the anticipated hire date for all planned hiring activity. If PDCJNP is unable to supply sufficient candidates by four weeks prior to the date of hiring, FMI will be authorized to pursue applicants from any other source of their choice.

If the eight week minimum notice is not reasonably possible, PDCJNP and FMI will work together to assure FMI meets its hiring requirement in the most effective manner.

- b. PDCJNP may share FMI job openings for all covered positions with its JobNet partners and affiliated agencies, including but not limited to the OSED, Department of Vocational Rehabilitation and AFS; PCC; Clackamas Community College; MHCC; PIC; and Employment, Training and Business Services.

2. PDCJNP Outreach to Targeted Population

- a. PDCJNP shall work with MHCC, OSED, social service agencies, churches, schools and others to identify potential applicants for all FMI covered positions.
- b. PDCJNP shall develop and implement recruitment processes for all covered positions.

3. Workforce Development

- a. FMI shall work with PDCJNP, MHCC, local public school districts, Multnomah Educational Service District and other education and training providers to develop training systems related to the semiconductor industry which will result in the targeted population acquiring the education and skills necessary for students to be certified as qualified applicants and meet FMI's employment needs.
- b. FMI shall assist in creating industry standards and a certification process for operators and technicians.
- c. FMI shall work with local education and training providers to develop cooperative education and internship programs for high school, community colleges and college/university students. FMI shall expend reasonable efforts to identify intern positions which students enrolled in microelectronics or semiconductor related training programs can fill.
- d. FMI shall help PDCJNP create screening and assessment tools for the targeted population. FMI shall not disqualify any potential training candidate on the basis of prior work history. FMI shall provide personnel to advise and screen candidates for semiconductor training programs at MHCC and local high schools. In the event the screening and assessment tools become obsolete, FMI agrees to initiate appropriate revisions

4. Notification of Open Covered Positions

FMI shall notify PDCJNP of its hiring schedule, position qualifications, wages offered, shifts

needed and other relevant job related information as soon as FMI becomes aware of the need for new employees in all covered positions. FMI shall provide job descriptions and qualifications for all positions in order to facilitate PDCJNP's determination of qualified applicants upon request from PDCJNP.

C. Referral and Hiring

1. PDCJNP shall process for referral any qualified applicant who applies or is referred for any covered position when an opening exists at FMI.
2. PDCJNP shall screen all applicants for openings for covered positions using the developed objective criteria determined pursuant to Section III (A)(6) to decide who is a "qualified applicant." FMI specifically agrees that successful completion of the MHCC training program which FMI established or approved and FMI's two-week training program will substitute for any requirement of a stable work history. However, FMI shall not be required to hire such an applicant if the applicant does not otherwise meet FMI's hiring criteria as established under Section III (A)(6) of this agreement.
3. PDCJNP shall refer applicants to FMI who meet the developed objective criteria FMI notified PDCJNP of openings for covered positions.
4. FMI shall request a specific number of applicants for each job opening and FMI shall conduct a personal interview with every qualified job applicant referred to FMI at FMI's request.
5. FMI shall make the final hiring decision on any job applicant but shall select employees for Category One covered positions from among the qualified persons referred by PDCJNP.
6. For Category Two position openings, FMI agrees to consider qualified applicants referred by PDCJNP and to make a good faith effort to maximize hiring from qualified local residents, graduates of local vocational and semiconductor training programs and local two and four year colleges and universities.
7. After FMI has hired an applicant referred by PDCJNP, PDCJNP shall not be responsible for the employee's actions.

8. FMI shall provide supervisors of Temporary Operators and Operators I with performance criteria so that if any employee fails to meet these they will be referred to the Department of Human Resources before disciplinary action. FMI's Department of Human Resources shall connect an employee from the targeted population with the appropriate provider of counseling support as identified by the County. This additional cooperative effort, as required under Section II (A)(3)(b) of the SIP contract (including employees who are at risk of being terminated for cause), which is intended to improve employee retention figures, shall be taken for the first year of employment, including the temporary period, on behalf of an employee from the targeted population. Nothing in this provision overrides FMI's standards for employment as set by FMI's personnel policies and procedures. The employees from the targeted population shall have no special or additional rights arising from the FSA.

D. Reporting Requirements

1. FMI, PDCJNP and the County shall work together to create reporting forms for the reporting requirements set out in Section II(C) of the SIP Contract between FMI and County/City.
2. FMI and PDCJNP shall work together to determine a process of disseminating employee surveys which will be used for evaluating how well the County goals are being met through the FMI, PDCJNP, County and City partnership.

E. Controlling Regulations and Laws

1. FMI and PDC shall comply with all federal, state and local laws, regulations, and ordinances relative to employment. If this Agreement conflicts with any labor laws or other governmental regulations, the laws or regulations shall prevail.
2. FMI and PDC agree to comply with Title VII of the Civil Rights Act of 1964, and with Section V of the Rehabilitation Act of 1973, as amended or with any successor statutes. No individual shall be excluded from participation in, denied the benefits of or subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of race,

color, sex, national origin, marital status, age, or religion.

F. Assignments and Modifications

1. If, during the term of this FSA, FMI should transfer possession of all or a portion of its business concerns affected by this FSA to any other party by lease, sale or assignment or otherwise, FMI, as a condition of transfer shall require the party taking possession to agree, in writing, to the terms of this FSA.
2. If PDCJNP's federal, state or local grants are suspended or terminated before or during the contract period, this FSA may be assigned to another member of JobNet mutually selected by FMI and County.
3. FMI and County may mutually agree to modify this agreement in order to improve the working relationship described herein.

G. Payment for Services

1. Compensation

FMI shall pay to the County, for PDCJNP's services, \$60,000 each year beginning August 1, 1995, and continuing through July 31, 1998. For the remaining years of this agreement, beginning August 1, 1998, FMI shall pay to the County, for PDCJNP's services, an annual amount computed as follows: (a) \$300 for each Category One job opening which occurred at FMI and posted with JobNet; and, (b) \$300 for each Category Two job placement which occurs at FMI through JobNet, in the prior fiscal year, July 1-June 30. A lump sum annual payment will be made to the County Finance Department by September 1 of each year.

2. Scope of Work

A summary of the scope of the work which will be provided to FMI by PDCJNP follows:

- a. Develop with FMI the objective criteria for "qualified applicant."

- b. Develop and implement recruitment processes for all FMI covered positions.
 - (1) Identify and locate the targeted population.
 - (2) Announce all job openings through PDCJNP's network.
 - (3) Perform preliminary screening and assessment based on agreed upon criteria.
- c. Develop with FMI the report forms necessary for quarterly and annual compliance reports.
- d. Develop employee survey and work with FMI to create a dissemination and collection process.
- e. Develop surveys and evaluation criteria for applicants from the targeted population who do not accept employment.
- f. Evaluate surveys, track targeted population and prepare report to County.
- g. Act as a contact for referral for FMI supervisors who have identified targeted population employees as having a problem which interferes with their employment.
- h. Evaluate job related portions of quarterly and annual FMI reports received from County and report back to County on compliance issues.
- i. Expand JobNet's contacts in outer southeast and East county.
- j. Assist in efforts to develop workforce strategies to increase education, training and job opportunities.
- k. Assist in creating a social services infrastructure in outer southeast and East Multnomah County.

3. Credit for participation by other SIP firms

In the event other firms enter into an SIP contract with the County, it is the intent of PDCJNP to fairly apportion the costs of its services between the firms. A ratio for apportionment will be created based upon the annual hiring commitment of

each company. PDCJNP will determine the additional marginal costs attributable to the addition firm(s). The total costs will be apportioned between all of the firms. FMI's maximum potential liability is limited to \$60,000 each of the first three years of this agreement, but it could receive a credit to the extent FMI's proportional share is less than \$60,000 in any one year. This provision does not apply after the first three years of the FSA.

H. Sanctions

A breach of the FSA is a breach of the SIP Contract. The sanctions set forth therein are applicable. Additionally, any actual costs incurred by PDCJNP on account of a breach, including administrative time of the staff, shall be paid by FMI to PDCJNP upon demand. In the event of a dispute regarding this provision, the Arbitration provisions of Section K. of this FSA apply.

I. Incorporation of SIP contract.

1. The SIP contract is incorporated into this FSA by this reference. To the extent there are any conflicts between the SIP contract and the FSA, the SIP contract controls.
2. However, this FSA is intended to implement the job creation and retention provisions of the SIP contract by providing further specificity regarding FMI's good faith efforts to hire from a targeted population.
3. To the extent that this FSA places additional obligations on FMI, it is not inconsistent with the SIP contract.

J. Effective Date

This FSA shall take effect when the Multnomah County Board of County Commissioners approves the SIP Contract.

K. Arbitration

If any breach or disputed term or condition of this FSA cannot be resolved to the mutual satisfaction of the parties, the binding arbitration procedure set out in Section IV A(6) et seq. of the SIP contract shall be used to resolve the matter.

L. Term

This FSA shall be in effect until the end of the property tax abatement period for FMI which is expected to include tax year 2011/12, ending June 30, 2012.

IT IS SO AGREED:

By _____
Fujitsu Microelectronics, Inc.
Office: _____
Dated: _____

By _____
Jan Burreson
Executive Director

Dated: _____

APPROVED AS TO FORM:

By _____
Portland Development Commission
Legal Counsel

Dated: _____

By _____
Beverly Stein, Chair
Multnomah County
Board of Commissioners

Dated: _____

REVIEWED:

By _____
Sandra N. Duffy
Assistant County Counsel

Dated: _____

By _____
Gussie McRoberts, Mayor
City of Gresham

Dated: _____

REVIEWED:

By _____
Richard Faus, Assistant City Attorney
City of Gresham

Dated: _____

F:\DATA\COUNSEL\WPDATA\SDX\2638ND.CON\mw

STRATEGIC INVESTMENT PROGRAM CONTRACT

BETWEEN

MULTNOMAH COUNTY, OREGON,

CITY OF GRESHAM, OREGON,

AND

FUJITSU MICROELECTRONICS, INC.

JULY __, 1995

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AGREEMENT

This Agreement is by and between Multnomah County (the County), the City of Gresham (the City) and Fujitsu Microelectronics, Inc. (FMI), 21015 SE Stark Street, Gresham, Oregon 97030.

RECITALS

A. The 1993 Oregon Legislature adopted House Bill (HB) 3686 to establish the Strategic Investment Program (SIP) by amending ORS 285.330 et seq. and 307.123. The SIP provides, upon approval and recommendation of the county in which the facility is located, incentives for the development of industrial facilities for statutorily defined "key industries". The SIP provides state revenue bond financing for eligible facilities. With County approval the value for property tax purposes of eligible facilities is limited initially to \$100 million while such bonds are outstanding (but no longer than 15 years).

B. In consideration of the state financing and the limits to property taxation, a company and the affected county and city, if the facility is located within a city, are required to enter into an agreement which specifies the conditions which must be met by the company, including, but not limited to, making special efforts to hire employees from within the county and payment of a Community Service Fee (CSF) to offset the costs of public services related to the facility. The governing body of the county and the city may impose additional reasonable requirements on an applicant for the SIP.

C. On April 13, 1995, the County adopted Resolution 95-77, which provides a process and criteria for the evaluation of applications for participation in the SIP. On May 8, 1995, FMI submitted an application for expansion of FMI's Gresham Manufacturing Division for manufacturing silicon wafers (The Project) pursuant to Resolution 95-77.

D. The County has reviewed the application of FMI and has relied on the application and on submittal of additional information by FMI to find that the application demonstrates compliance with the criteria and evaluation guidelines adopted by Resolution 95-77.

E. The City has reviewed the application of FMI and has relied upon said application and on submittal of additional information by FMI to find that the Project merits approval under the SIP.

F. This Agreement provides the terms under which the County and the City agree to recommend to the State of Oregon that the Project to be undertaken by FMI be financed under the terms of the

SIP and receive other benefits as authorized by law and as provided by this Agreement.

TERMS AND CONDITIONS

Now therefore, in consideration of the following mutual promises, the parties agree as follows:

I. DEVELOPMENT OF PROJECT BY MEANS OF STRATEGIC INVESTMENT PROGRAM

A. FAB II Investment

The Project, identified as FAB II by FMI, represents an investment of approximately \$1.032 billion.

B. Use of State of Oregon Industrial Development Revenue Bonds

FMI intends to apply for, and will take such actions as are required by the State of Oregon for, issuance of industrial development revenue bonds (the Bonds) to finance at least 5% of the costs of the Project as more specifically described in FMI's SIP application to the County dated May 8, 1995. The actual scheduling of the Project will be subject to the provisions of the agreements between FMI and the State of Oregon regarding issuance of the Bonds.

II. OBLIGATIONS OF FMI

In consideration of the County's and City's actions to approve an abatement of property taxes for FAB II presently estimated at approximately \$32 million (the property tax abatement), FMI has agreed to fill the role of an exemplary corporate citizen in Multnomah County. Such a citizen provides resources to prepare the unemployed and underemployed, including welfare recipients and school-to-work students, for entry level jobs which provide career paths, family wages, excellent benefits including child care, transportation and housing which assure the success of the employee in those jobs. An exemplary corporate citizen also leads the business community by progressing toward a goal to have no negative impact on the environment through state-of-the-art transportation and environmental programs. And, an exemplary corporate citizen positively affects the educational and economic well-being of the community in which it resides by directing its efforts and resources to the benefit of its community's citizens and businesses. In meeting these performance requirements, FMI agrees as follows:

A. Job Creation, Compensation, Retention and Career Paths

County goal: It is the Goal of Multnomah County to create long term jobs with family wages, benefits and working conditions for County residents or creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or underemployed, with a clear career track from entry-level jobs to family wage jobs.

1. First Source Agreement

In order to target the County's unemployed and underemployed population, FMI shall enter into an Exclusive Full-Service First Source Hiring Agreement (FSA), with the Portland Development Commission Job Net Program (PDCJNP). An executed copy of the FSA is attached to this Agreement as Exhibit A.

2. Creation of New Jobs

- a. FMI employs 535 FTE in its present Gresham facility (FAB I). This number is a baseline from which to calculate the number of new jobs added by FAB II. The job classifications for FAB I, the wage range, and the number of employees in each classification are set out below:

| Classifications | Wage Range | 1995 |
|-----------------|-----------------------|------|
| Operator | \$6.75- 16.97/hr. | |
| Technician | \$10.28- 24.84/hr. | |
| Engineer | \$578- 1,534/wk. | |
| Administrative | \$7.32- 24.34/hr. | |
| Supervisors | \$635- 1,267/wk. | |
| TOTAL | --- | 535 |

- b. FMI shall, as a result of development of the FAB II Project, create and retain, as described below, no less than 445 new jobs with benefits. "New Jobs" are defined as full time permanent positions on the regular payroll that are in addition to the 535 jobs identified above as an employment baseline

above which are assigned to the Project after the date of execution of this Agreement and meet retention and compensation requirements set out below. The phasing, number, and classification of such jobs shall be as follows:

Projected Full Time Employee Hiring Schedule

| Classifications | Wage Range | 1996 | 1997 | 1998 | Total |
|-----------------|-----------------------|------|------|------|-------|
| Operator | \$6.75- 16.97/hr | 32 | 149 | 149 | 330 |
| Technician | \$10.28- 24.84/hr. | 36 | 22 | --- | 58 |
| Engineer | \$578- 1,534/wk. | 9 | 20 | 8 | 37 |
| Administrative | \$7.32- 24.37/hr. | --- | 10 | --- | 10 |
| Supervisors | \$635- 1,267/wk. | --- | 10 | --- | 10 |
| TOTAL | --- | 77 | 211 | 157 | 445 |

FMI shall create, at a minimum, the total number of new jobs set out in the chart above for each of the identified years (the New Jobs). Each year's minimum shall be created by December 30 of the relevant year. A New Job is "created" when someone is hired as a regular full-time employee.

At present there are 48 contract employees at FAB I in non-production positions. It is anticipated that additional contract employees may be hired during the start-up period for FAB II which may include some production positions. The start-up period will end December 30, 1998. Permanent contract employees shall not be hired as regular full-time production employees. The number of permanent contract employees for non-production positions at FAB II shall not exceed 10% of the number of New Jobs at FAB II.

3. Job Retention and Career Paths

a. Retention of 445 Jobs

It is the intent of the parties that FMI create and retain 445 New Jobs after construction of FAB II. The retention of that number of New Jobs for each year of the

fifteen (15) years of the Property Tax Abatement is a specific condition of the Property Tax Abatement. Whether a failure to maintain the yearly minimum number of jobs is a breach of the agreement shall be determined under the procedures set out in Section IV A, which includes a provision for the County to waive the sanction for a breach, if it is determined that industry-wide conditions have made retention of job positions economically infeasible.

b. Retention of Individual Employees in a Specific Job and Advancement on Career Path

(1) Long-Term Employees

It is the intent of the parties that employees hired in New Jobs and employees hired for FAB I to replace employees transferred or promoted to FAB II be retained long term either in the initial position or in progressively more responsible positions within FMI. FMI shall demonstrate that 70% of all of its regular full-time employees as long-term employees. An employee whose employment with FMI terminates in less than two years will not be considered a long-term employee. The following employees will not be counted as a less than two-year employee: (1) those terminated for cause; and (2) those who voluntarily terminate employment other than for reasons of inadequacy of child care, transportation or housing.

(2) Promotional Practices

Current promotional practices have resulted in 69% of operators being promoted and 55% of technicians being promoted. To meet the County's goal of encouraging local employment that provides clear career paths, FMI shall, during the term of the Property Tax Abatement, maintain as a baseline the present promotion percentages and make good faith efforts to increase those percentages.

4. Wage Scales by Job Type

Beginning the sixth year of the Tax Abatement, and all subsequent years the Property Tax Abatement is in effect, 50% or more of the 445 New Jobs created shall pay an amount at or above the mean annual covered wage in Multnomah County as determined by the most recent data from the Oregon Employment Department.

5. Employer-Paid Benefits

FMI now provides its regular full-time employees, and part-time employees on a pro rata basis, with the following benefits:

- a. Medical insurance
- b. Dental insurance
- c. Vision insurance
- d. An Employee Assistance Plan
- e. Pension Plan
- f. 401K Plan
- g. Life insurance
- h. AD&D
- i. Long-term disability
- j. Bonus options
- k. Leave options
- l. Vacation
- m. \$ 125 Federal Dependent Care Reimbursement
- n. 30% Subsidy at Children's World Child Care Center or an equivalent service

For operators and technicians, these benefits represent 41% of salary. County/City recognizes that these benefits exceed the microelectronics industry standard. The parties also recognize that market conditions (e.g. health costs) may dictate a change in employee contributions or a redesign of benefits where such benefits become cost prohibitive.

County/City requires that FMI, during the period of the Tax Abatement, continue to provide benefits which represent the same percent of salary and which exceed its industry standard. The data to be used to determine the industry standard is Radford Consulting Group Survey of High Technology Companies, or its equivalent.

If, during the Property Tax Abatement, the industry standard provides health insurance benefits not, on the whole, equal to those provided under the Oregon Health Plan (OHP), then OHP (or its successor plan) shall be the minimum standard for an employee

health plan. Any such health insurance plan of FMI must also allow other employees not covered by the plan, and members of employees' families, to purchase health insurance at or below cost to the extent that FMI's health-insurance carrier will write coverage for such persons.

FMI specifically agrees that any future increases in required employee contributions for benefits based upon increases in premiums shall be on a pro rata basis, with employee and employer assuming a proportional share of the increase.

6. Child Care

County Goal: To provide support for all parents needing child care, especially entry-level parents.

To meet the County's goal and assure that no applicant for employment be unable to accept employment because of the unavailability of affordable child care, FMI shall provide all of its regular employees at FAB I and FAB II the following child care benefits:

- a. Shift assignment preference shall be given to any employee, regardless of job classification, who demonstrates in writing that a particular work shift will resolve or alleviate child care problems.
- b. Child care subsidies shall be paid for all FAB I or FAB II covered employees with children below the age of 14 whose gross family earnings fall below 75% of the average county wage level (\$20,800 per year 1994). Such qualified employees shall have the cost of their child care at Children's World Child Care Center subsidized at 50% of the market rate. All other employees with child care needs shall continue to receive the currently available 30% subsidy on the market cost of that child care at Children's World Child Care Center.
- c. FMI shall continue to provide child care resource and referral services through Metro Childcare Resources and Referral Agency (MCRRA) for all employees.
- d. FMI shall contract with MCRRA or an equivalent agency to accomplish a reasonable child care solution for every employee. It is

anticipated that night and weekend child care will be the most difficult to accommodate. FMI agrees to financially support the most cost-effective solution for its employees, including, but not limited to subsidizing expanded hours at an existing day care facility.

- e. If the County's goal cannot be met solely by subsidies to Children's World, then FMI must broaden its child care subsidy program to other MCRRA providers in order to meet the goal.
- f. County will determine whether its goal has been met based on applicant and employee surveys conducted in a manner to be agreed upon by FMI and PDCJNP.

7. Transportation

County Goal: To encourage employees to use transit, carpools, vanpools, or alternative modes of transportation.

To meet the County's goal which is intended to lessen the harmful environmental impact of traffic and to assure that no applicant for employment be unable to accept employment because of the unavailability of affordable transportation, FMI agrees to the following transportation plan for regular employees hired for New Jobs:

- a. FMI shall provide a 50% subsidy of bus passes.
- b. FMI shall establish, through its on-site ride sharing coordinator, a program which matches employees by their location for the purpose of carpooling. Additionally, FMI shall pay a cash payment of \$35 per month for the driver of the vehicle who carpools with another FMI employee more than 80% of the work days in any one calendar month.
- c. FMI shall reserve ten of the most convenient spaces to the facility for carpool parking. This number shall be expanded if needed, or reduced after one year if not used.
- d. FMI shall negotiate and contract with Tri-Met or other transportation entity for the provision of additional outlying schedules which coincide with plant shift schedules.

- e. FMI shall provide bike racks.
- f. FMI shall provide shower and locker facilities to facilitate use of alternate modes of transportation.
- g. FMI shall guarantee rides home for those who work overtime or miss their carpool or vanpool.
- h. FMI shall continue to work with the City and Tri-Met to facilitate and encourage employee utilization of public transportation and to create a written transportation program.

Each applicant for a job with FMI shall be provided with a written statement which explains these benefits, as well as all other benefits that FMI will make available to those applicants who become employees.

B. Community Obligations

1. Community Service Fee

a. 25% up to \$2 million

For each year in which FMI receives the Property Tax Abatement, FMI shall pay to the County a Community Service Fee (CSF), as provided by ORS 285.330 (5) (b), equal to 25 percent of the property taxes abated in such tax year, but not exceeding \$2 million.

b. By November 15

Such payment shall be made to the County Finance Manager no later than November 15, beginning the first tax year of the Property Tax Exemption. Payment shall be made based on an invoice submitted by the County to FMI in such form and according to such method as shall be agreed to by the parties prior to November 15 of the tax year in which the Project is assessed and taxed. The payment shall be sent to:

Name: Dave Boyer
Position Title: County Finance Manager
Address: 1120 SW Fifth, Suite 1430
Portland, OR 97204

c. Statement 30 Days in Advance

County shall provide FMI with a statement of the CSF due no less than 30 days prior to the due date.

d. CFS Not a Tax

Any increase in amounts paid by FMI as provided herein resulting from a change in property values shall not be considered a change in tax or tax rate.

2. Additional Contributions

FMI shall make additional monetary and in-kind contributions to the County in the amounts and at the times described herein. The in-kind contributions may consist of the allocation of staff time, facilities, equipment and/or any other activity on the part of FMI that furthers the program objectives of the County and FMI, as described herein.

a. Job Training

County Goals:

- ◆ *To build a world-class workforce that provides the full range of skills necessary to attract and sustain competitive, high performance companies.*
- ◆ *To graduate all children from high school with skills enabling them to succeed in the workforce and/or in post-secondary education, including the fundamental ability to read, write, communicate and reason.*
- ◆ *To establish stronger educational programs beyond the secondary level to meet the region's needs for accessible education, expanded graduate programs, high-quality research, technology transfer and economic development.*

- ◆ *To provide educational opportunities to enhance upward mobility for both technical and management roles.*

FMI shall make additional contributions to programs and facilities for training and education in the high tech industry as follows:

(1) Strategic Workforce Development Program

FMI will help establish the training programs and criteria for the training to be provided through the Strategic Workforce Development Program.

FMI shall make additional monetary contributions for start up and ongoing training costs for an East County Microelectronics Center related to education and training for the high tech industry.

The amount of these contributions shall be determined in the following manner:

(a) A Budget Committee comprised of representatives from MHCC, a superintendent of a school district member of Mt. Hood Regional Cooperative Consortium (MHRCC), the County and each microelectronics firm located in the County which has entered into an SIP contract with the County/City shall determine a Training Center start-up budget and an annual operating budget;¹

(b) After the budget is agreed upon by a majority of the committee, the funding for the budget shall be apportioned between the

¹ The public entities will enter into an ORS Chapter 190 Intergovernmental Agreement to authorize this partnership.

microelectronics firms which have entered into SIP contracts with County/City. The apportionment is based on a ratio of the SIP personnel commitment for the entire project for each firm.² Payments will be scheduled by the Budget Committee. Compliance by FMI with those scheduled payments, is compliance with this Agreement.

(2) School-to-Work

The Strategic Workforce Development Program will include the School-to-Work Program which operates in conjunction with local high schools.

Good faith efforts shall be made by FMI, along with other local semiconductor companies, to increase meaningful participation in the Program through the building blocks of implementation strategies identified and illustrated in the chart created by the Semiconductor Workforce Consortium (SWC) and attached as Exhibit B.

(3) Scholarships

FMI shall provide ten (10) scholarships of \$2,500 each for each year of the Property Tax Abatement to support students in the fields of engineering and science. Five scholarships shall be awarded at Mt. Hood Community College and five scholarships shall be awarded at Portland Community College. The scholarship money shall be paid to each school on or before January 1 of each year of the Property Tax Abatement. These scholarships shall be awarded

²

If Firm A has made a personnel commitment for its entire project of 500 employees and Firm B has made a personnel commitment for 1000 employees, Firm A will pay an amount equal to 1/3 of the budget and Firm B will pay 2/3 of the budget.

through each school's Financial Aid Office on a needs basis using applicable federal or state regulations to determine the need.

(4) Entry Level On-the-Job Training

FMI shall provide a minimum of two weeks (80 hours) on-site or off-site job training for each employee hired as an operator at no cost to the employee. The employee shall be paid at least Oregon minimum wage during the training period.

(5) Ongoing Education of Employees

FMI provides tuition reimbursement for its employees who take classes related to improving their on-the-job skills, or which lead to a certificate or degree relevant to the microelectronics industry. FMI shall make good faith efforts to identify and support employees for career paths through education in a manner demonstrated in the PDC chart attached as Exhibit C. This is an FMI employee benefit which shall continue under the terms and conditions set out in Section II A (5) above.

b. Housing Program

County Goal: To provide assistance securing affordable housing.

(1) For Employees

In addition to the County's general goal, the County wants to assure that no potential FMI employee be unable to accept a job due to the unavailability of affordable housing. In furtherance of the County's goal, FMI shall establish a program to provide affordable housing subsidies for all regular employees

holding New Jobs either special temp or regular who are wage earners with dependent children whose household earnings are below 75% of the average county wage (\$20,800 per year for 1994). The subsidy that FMI shall offer is as follows:

For any employee meeting the eligibility requirements as stated above, whose earnings are from \$6.75 per hour to \$8.00 an hour, FMI shall provide a housing subsidy of \$200 per month. For employees earning from \$8.01 per hour to \$9.30 per hour FMI shall provide \$100 in a monthly housing subsidy.

Each applicant for a job with FMI shall be provided with a written statement which explains this benefit, as well as all other benefits that FMI will make available to those applicants who become employees.

(2) For the Multnomah County Community

FMI shall make a one-time payment of \$500,000, on or before July 1, 1996, to the County Finance Department to be used to increase the inventory of affordable low-income housing in Multnomah County. The County will determine which community program will receive the funds.

Additionally, to the extent that the individual employee housing subsidies provided in Section II B (2)(b)(1) and individual employee relocation payments provided in Section II A (7)(b) do not total the estimated annual expenditures set out below, the difference shall be paid to the County Finance Department to be added to the community housing funds for affordable low-income housing.

SIP PROGRAM

| Year | Housing Subsidy | Year | Housing Subsidy |
|-------|-----------------|---------|-----------------|
| 1996 | 3,333 | 2004 | 32,050 |
| 1997 | 101,600 | 2005 | 32,542 |
| 1998 | 101,950 | 2006 | 33,059 |
| 1999 | 29,918 | 2007 | 33,602 |
| 2000 | 32,303 | 2008 | 34,172 |
| 2001 | 29,709 | 2009 | 34,711 |
| 2002 | 31,134 | 2010 | 35,400 |
| 2003 | 31,581 | 2011 | 37,060 |
| TOTAL | | 633,189 | |

c. Procure Locally Produced or Sold Goods and Services

County Goal: To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.

(1) FMI shall have a written local procurement plan for expanding procurement of local goods and services. The plan will identify:

- a. The types of goods and services which FMI purchases in the conduct of its business.
- b. Those goods and services unavailable within the County and/or state.
- c. The types of vendors with whom it presently contracts.
- d. The solicitation efforts it can make to expand local procurement including, but not limited to

educating potential local suppliers through the Gresham and Troutdale and Portland Area Chambers of Commerce (notifications in their monthly newsletters, at bi-monthly noon forums, at Business AM's hosted by FMI and Expo-East & After Hour Showcase), working with Oregon Association of Minority Entrepreneurs to assure solicitation of Women's Business Enterprises (WBE), Minority Business Enterprises (MBE), and utilization of the Oregon Market Place which works with buyers seeking Oregon-based suppliers.

- e. A separate analysis of the construction expenditures for the Project which can be made locally through a contractual agreement with FMI's construction contractor in which the contractor makes a commitment to:

- (i) Purchase locally where the cost is the same or lower than non-local goods and services if quality specifications meet or exceed those of the non-local goods and services; and

- (ii) Hire local labor and craftsmen.

- (2) In 1994, \$1 million of FMI's monthly expenditures for goods and services were made within the State of Oregon, and of that amount, \$900,000 of its monthly expenditures were within Multnomah County. Using those figures as a baseline, it is FMI's goal to materially increase these expenditures annually, subject to FMI's ability to find local suppliers whose products meet FMI's specifications and quality standards and whose products cost the same or lower than non-local goods and services. FAB II construction expenditures are not credited against these figures.

d. Environmental Management Plan

County Goal: To approve tax abatements only for firms that demonstrate a commitment to environmental protection.

To meet the County goal, FMI must demonstrate its commitment to the environment by writing, adopting and implementing an exemplary Environmental Management Program (EMP) that has as its goal that FMI have no adverse impact on the environment to which it is a steward.

FMI's EMP shall be a systematic Environmental Management Plan which identifies baseline measures in each of the following categories: (1) toxic and hazardous materials; (2) water conservation, reuse and waste water discharge; (3) air quality; (4) waste reduction and recycling; and (5) energy conservation. The EMP shall include an evaluation matrix to measure progress toward eliminating FMI's environmental impact under the EMP over time.

FMI shall consult with Oregon Department of Environmental Quality employee Phil Berry, or his successor, and other consultants in drafting its EMP.

An acceptable EMP which meets the exemplary standard in the microelectronics industry as determined by DEQ, shall be submitted to the County on or before December 31, 1995. Compliance with this requirement is mandatory. The sanction for failure to comply, set out in Section IV B(10) is intended to disgorge a significant portion of the tax abatement until compliance occurs.

e. Infrastructure and Public Services

County Goal: To have no unmitigated adverse impacts on the level of services provided to existing residents of the County and City involving transportation infrastructure, utility infrastructure and public safety.

FMI shall comply with all applicable City and County development requirements to mitigate adverse impacts on the level of services to existing residents of the County and City which involve transportation and utility infrastructure and public safety. Failure to comply with these state or local development requirements is a breach of this Agreement.

C. FMI Reporting Requirements

1. FMI to Report Contract Compliance to County

FMI shall prepare and submit to County Budget and Quality quarterly reports on the jobs created under this contract, including compensation and job retention information. FMI shall prepare and submit to County Budget and Quality annual reports demonstrating compliance with all other aspects of this contract. The annual report shall include the quarterly report information on the jobs information for the quarter ending September 30. No separate quarterly report is required. The report is to be sent to the following address:

Barry Crook
Multnomah County Office of Budget & Quality
1120 SW Fifth Avenue, Suite 1400
Portland, OR 97204

2. Confidentiality of Reports

These reports and any documents in support of the report, which are submitted to the County are submitted in confidence. County agrees to treat them in a confidential manner. While any such

documents submitted to the County become public records, it is the intention of the parties to assert an exemption to disclosure for those documents under the Public Records Law, ORS 192.502(3). This contract is intended as the written request from FMI for confidentiality as well as the County's assurance it will treat the documents as confidential. These documents contain proprietary information which may give competitors an undue advantage which are also entitled to nondisclosure protection under ORS 192.501(2), and contain employee survey information of a private nature, exempt from disclosure under ORS 192.502(2).

FMI understands and agrees that the County may send portions of the report to other governmental entities for review, for example, the portion of the report on compliance with the EMP may be sent to DEQ for review. The confidentiality of the documents is intended to extend to them in the hands of all other governmental agencies. ORS 192.502(9) contemplates continued confidentiality for documents transferred by a public body to another public body.

3. Quarterly Reports on Job Creation, Compensation and Retention

Beginning the first year of the Property Tax Abatement, FMI shall prepare and deliver within 45 days of the close of each fiscal quarter (March 31, June 30, September 30 and December 31), a report addressing the number of jobs which have been created in the prior quarter, the compensation paid for those jobs and the retention percentage of jobs created prior to the prior quarter. These quarterly reports shall contain the following information:

- a. Hiring activity for the prior quarter for FAB II, including day of hire, title and level and starting compensation.
- b. Percent of FAB II employees hired before the prior quarter and who remain employed by FMI, those who have left and a classification of the reasons the employees, if any, left FMI.

- c. Hiring and termination activity of new employees of FAB I to demonstrate retention of the 535 FAB I jobs identified in Section II A (2) of this Agreement. This should include date of hire or termination; title, level, compensation and classification of reasons for termination.
- d. Number of promotions of operators within the classification promotions of operators to technicians within the classification and number of promotions from technician to other than a technician.
- e. The average amount of time of employees in each classification.

4. Annual Reports

FMI shall prepare and deliver by November 15 of the tax year following the tax abatement year, a report which addresses each of the reporting requirements listed below:

a. Benefits

FMI shall compile statistical data of the employee benefits provided for operator classifications. The data shall include FMI's actual costs to provide each of those benefits and the value of any tax credits or tax deductions, if any, applicable to any of those business expenses.

The report shall include industry data from which a meaningful comparison can be made to determine whether FMI has continued to provide 41% of salary as benefits for all employee classifications and to exceed the industry standard for employee benefits.

FMI, County and PDCJNP will work together to determine the form of report necessary to

track benefits of the targeted population. To the extent possible, data compilations generated and used by FMI in its operations will be used for the report to the County.

b. Hiring Outside of FSA

The report shall include information regarding employee hires made outside of the FSA. It shall include the date of hire, job classification, wage scale and residency (state, county, city) at, or just prior to, time of hire. A report form shall be created by County and/or City with FMI.

c. Child Care

FMI shall report the number of employee's who:

- (1) Receive child care subsidies;
- (2) Whether it is a 30% subsidy or a 50% subsidy;
- (3) The number of FMI employee children at each participating child care facility;
- (4) The efforts used to inform employees of their child care benefits (booklets or brochures should be attached);
- (5) The number of requests for alternative providers or alternative child care help.
- (6) The number of requests for a particular shift to accommodate child care needs. The number of requests granted, the number denied, the number put on a waiting list.
- (7) How many children, on the average, are provided child care benefits for a child on the 6 p.m.-to-6 a.m. shift? On

weekends during the day; on weekends during the night?

- (8) What was the total actual cost to FMI for direct subsidies to employees?

d. Transportation

The state may require companies to prepare Traffic Management Plans (TMP). The County will accept that report in lieu of the reporting requirements set out below to the extent the TMP covers the matter.

FMI shall report:

(1) Employee Transportation Matters:

- a. Total number of monthly bus passes subsidized for year for all employees (FAB I and FAB II).
- b. How many employees received the southeast relocation benefit for the year? Identify prior location for each employee and distance from plant. What was the median total cost per relocation? What was the median monthly rent (only) amount per relocation?
- c. Describe the FMI program which matches employees by their location for carpooling. Submit any written material which has been created in the implementation of the program. How many employee matches were made this year? How many payments of \$35 were made to drivers? What procedures are used to evaluate the plan? What program changes have been or will be made to improve employee participation? Any tax benefits? Net cost to FMI?

- d. Describe the results of negotiations with Tri-Met for provision of additional schedules for employees. What actual costs, if any, did FMI have for additional service? Any tax benefits? Net cost to FMI?
- e. FMI shall monitor reserved carpool parking spaces twice a day, one hour after shift change, for a week once a quarter to determine usage of carpool spaces. Please report those findings. Describe expansion or intent to decrease spaces, if any.
- f. FMI shall monitor bike racks and make a report in the same manner as for carpool spaces. What was FMI's net cost (after tax advantages) for this benefit?
- g. FMI shall report number of "guaranteed rides" provided pursuant to Section II C(4)(d) of this agreement? What was FMI's net cost (after tax advantages) for this benefit?

2. Community Transportation Matters:

Describe what progress has been made in the last year to facilitate and encourage utilization of public transportation and to create a written program. What does the program contemplate for the near and long future to continue progress toward the County/City goal of substantially decreasing reliance on single occupant automobiles by FMI employees?

e. Job Training

FMI shall report on:

- (1) Payments to Mt. Hood Community College for East County Microelectronics Training

Center

FMI shall report the amount of its payment to Mt. Hood Community College for its budgeted program share of capital and operating costs for the East County Microelectronics Training Center for the year and the date it was made.

(2) Scholarships

FMI shall report the amount of its scholarship contributions, the beneficiaries and the date made.

(3) Entry Level On-the-Job Training

FMI shall report the number of production entry-level employees who have had on-the-job training; the length of such training and the completion rate of the training.

(5) Ongoing Education of Employees

FMI shall report on its efforts to inform its employees of ongoing educational opportunities; the number of employees who received tuition reimbursements during the year; and, a comparison to the prior year. The reimbursement reporting should identify the type of program the employee was in, whether post-graduate degree, four-year degree, two-year degree, certification program, individual training or enrichment without certificate or degree goal.

f. Employee Housing Subsidy

FMI shall report on:

- (1) The number of employees receiving affordable housing subsidies in prior

years;

- (2) The total number of \$100 monthly subsidies;
- (3) The total number of \$200 monthly subsidies;
- (4) Net cost to FMI (after tax advantages) for program.

g. Community Housing Payments

FMI shall report on the amount of payment made and date of payment.

h. Local Procurement

FMI shall report:

- (1) Progress toward a written Local Procurement Plan, or amendments to the Plan.
- (2) The amount of FMI expenditures in Oregon.
- (3) The amount of expenditures in Multnomah County.
- (4) The percent increase of expenditures over prior year.
- (5) All solicitation efforts to identify local providers of goods and services to propose bids.

i. Infrastructure and Public Service

- (1) FMI shall provide a copy of its development approval, including conditions of approval, within 30 days of the approval, so that the County/City can identify development impacts which have been or will be mitigated through development conditions and those which will have to be mitigated separately under this Agreement.
- (2) FMI shall report on its compliance with the conditions of approval for its development permit as it relates to transportation and utility infrastructure and public safety.
- (3) FMI shall report on its compliance with additional requirements for mitigation imposed under this Agreement.

D. Cooperation With Oregon Department of Revenue

FMI shall comply with the requirements of the Oregon Department of Revenue for designating and describing the improvements and equipment that are being financed, in whole or in part, by the Bonds and which shall be subject to the property tax exemption as described in this Agreement.

III. OBLIGATIONS OF COUNTY AND CITY

A. Findings

In consideration of the actions of FMI as described in this Agreement the County and the City find that:

1. Development of the Project will foster the economic growth and legislative policy as set forth in ORS 285.310.
2. The Project is consistent with the City of Gresham's Comprehensive Plan acknowledged by the Land Conservation and Development Commission pursuant to ORS chapter 197.

3. The completion of the Project in the County and the City would be in the best interest of the citizens of Multnomah County and the City of Gresham.

B. The County and City Agree as follows:

1. Approval of Provisions Related to Property Tax Exemption

The County and the City approve the provisions of this Agreement related to the Property Tax Exemption by execution of this Agreement. The County agrees to approve the application of FMI by official action of its governing body in compliance with ORS 285.330 et seq.

2. Request for Undertaking of Project

The County agrees to request that the state, acting through the State Treasurer authorize and issue revenue bonds in accordance with ORS 285.310 to 285.397 to finance, in whole or in part, the costs of the Project and lease the Project to FMI.

3. Property Tax Exemption

Upon issuance of the Bonds and leasing of the Project by the state, the Project shall be subject to assessment and taxation as provided in ORS 307.123.

IV. REMEDIES OF THE COUNTY

- A. Procedure to Determine if a Breach of Agreement by FMI Has Occurred

1. Multnomah County's Office of Budget and Quality (Budget) shall have the duty to monitor compliance by FMI with the terms of this Agreement.
2. If Budget has substantial evidence to believe that FMI has failed to comply with any term of this

Agreement, it will confer with City and take whatever action is necessary to aid in a preliminary determination of whether a breach has occurred. FMI shall have the burden of documenting compliance with this Agreement. FMI shall provide to the County such documentation or information as County requires to verify compliance with the Agreement.

3. If Budget determines that a breach has occurred, it shall send a notice to FMI that it is not in compliance with this Agreement. The notice shall be in writing and shall be sent to FMI at the following address:

Richard Romano
Fujitsu Microelectronics, Inc.
21015 SE Stark Street
Gresham, Oregon 97030

4. FMI shall have 30 days to respond in writing to any notice of noncompliance. If FMI's written response fails to satisfy the County that a breach has not occurred, the County may retain an outside consultant, or the County Auditor may be used to verify FMI's compliance. The City in which the Project is located may submit substantial evidence of a contract breach to Budget which shall commence this breach determination procedure. FMI shall provide access to the facility and to necessary records to aid in the determination.
5. If the County concludes that a breach of this Agreement has occurred, these procedures shall be followed:
 - a. If FMI agrees that a breach has occurred, it can enter into a compliance agreement to cure the breach.
 - b. If FMI does not agree that a breach has occurred, the parties shall mediate the matter with a professional mediation service recognized by and used by legal practitioners in the community. If there is an agreement that FMI has not breached the agreement, the

matter is concluded. If there is an agreement that FMI did breach the agreement, the parties shall enter into a compliance agreement. The terms of the compliance agreement are subject to the mediation and binding arbitration provisions of this Agreement.

- c. If no agreement is reached in mediation, the parties shall submit the matter to binding arbitration.
- 6. The parties shall use an arbitrator with the American Arbitration Association, or shall, by mutual agreement, choose an arbitrator from the official arbitrator list maintained by Multnomah County Circuit Court. If the parties cannot agree on an arbitrator, they shall submit the determination to the Presiding Judge of the Circuit Court.
- 7. In determining whether a breach of this Agreement has occurred, an arbitrator will have to interpret the terms of this Agreement. The arbitrator is charged with a duty to make a decision based on the plain meaning language of this Agreement and the evidence presented. In interpreting the non-objective performance standards set forth in this Agreement, the arbitrator shall interpret such standards in light of the County's goals set forth in Resolution 95-77. The arbitrator shall be guided by equitable principles as applied by courts of equity in order to arrive at to a fair result.
- 8. If the arbitrator determines that FMI has breached this agreement he/she shall:
 - a. Prepare a compliance agreement which sets a reasonable period of time for FMI to cure its breach; or
 - b. Impose the appropriate sanction provided in this Agreement. In the event a sanction for a breach is not specifically provided for in this Agreement, the arbitrator shall determine the sanction. The goal of the sanction is to disgorge any benefit FMI realized from the breach and imposing a 100% penalty (i.e. the payment due is two times what FMI should have

spent to comply with the agreement), but not to exceed 75% of the tax abatement value in the year of the breach; or

c. Determine whether the breach was on account of an industry-wide problem and beyond the control of FMI.

(1) The burden of proof to show that an industry-wide problem has prevented compliance with the terms of this Agreement is on FMI. This burden is met by a preponderance of the evidence. Even if an industry-wide problem exists in the area of employment, i.e. the industry is terminating employees and not hiring new employees, FMI's job-creation requirements are not excused unless there is no net hiring by FMI of regular full-time production employees in any of its plants wherever located.

(2) If there was no industry-wide problem which accounts for the breach of the Agreement by FMI, the appropriate sanction under this Agreement shall be imposed.

(3) If there was an industry-wide problem which resulted in the breach of this Agreement, the County, with input from the City, may waive the breach or the arbitrator may equitably mitigate the sanction, in whole or in part, balancing the best interests of the citizens of Multnomah County in the continued economic viability of FMI with the right of County citizens to have the benefit of the County's bargain in which substantial property taxes were foregone.

9. The decision of the arbitrator is final and binding on the parties. The arbitrator's decision shall be enforced as provided by the law of the State of Oregon.

10. The costs of the investigation and verification on a breach of this Agreement shall be paid by FMI if a breach has occurred. If no breach is determined to have occurred, the County/City shall pay for the investigation.

B. Specific Remedies for Specific Breaches

It is the intent of the parties that good faith efforts will be made to comply with all the terms of this Agreement. However, in such a large Project, over a long period of time (15 years) it is difficult to anticipate all contingencies with accuracy. In a spirit of fairness and recognizing the cyclical vagaries of business, the County/City are willing to waive sanctions where the variance from numerically ascertainable terms varies by a plus or minus 5%. For example, the requirement that job benefits represent 41% of salary can vary by 5%--which means benefits can be 38.95% of salary (i.e. -5% variance) one year, and no sanction will be imposed. The variance is not cumulative (i.e. in the example above, in the year following the -5% variance, 41% remains the contract term which must be met and the variance, if any, is calculated from that). This waiver applies to Sections 2, 5 and 8 below.

If FMI breaches any provision of this agreement, the sanction for each breach is as set forth below:

1. Failure to Pay CSF

If, in any tax year, FMI fails to pay the CSF required under Section II B(1), or any portion thereof, the County may collect the amount of the delinquency plus a penalty equal to 100% of the delinquent CSF (i.e. twice the amount of the delinquency).

2. Failure to Create and Retain Jobs

If FMI fails to meet the job creation or job retention requirements of this Agreement, FMI shall pay an amount equal to twice the average gross annual salary plus benefits for operators and technicians in the year of the breach for every job not created or job not retained.

3. Failure to Retain Long-Term Employees

If FMI fails to retain long-term employees, as defined by this agreement, FMI shall work with PDCJNP to identify the problem(s) and to fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

4. Failure to Meet Promotion Requirements

If FMI fails to meet promotion requirements, FMI shall meet with PDCJNP to identify the problem(s) and fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

5. Failure to Maintain Compensation Levels, Including Benefits

If FMI fails to maintain wage levels, including benefits, except as otherwise provided in this Agreement, FMI shall pay twice the amount of the monetary benefit realized by FMI on account of its breach.

6. Failure to Use FSA

If FMI fails to perform its obligations under the provisions of the FSA, FMI shall pay 75% of the Property Tax Abatement for that year.

7. Failure to Meet Child Care Subsidy, Housing Subsidy, Transportation Costs or Other Employer Paid Benefit Requirements

If FMI fails to meet the child care subsidy, housing subsidy or other employer-paid benefits requirements under this Agreement, FMI shall pay an amount twice the subsidy payment or the cost which has been foregone from the time of the breach until time compliance begins.

8. Failure to Meet Procurement of Locally Produced

Goods and Services Requirements

If FMI fails to meet local procurement requirements, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goals.

9. Failure to Meet Reporting Requirements

If FMI fails to meet reporting requirements under this Agreement, FMI shall pay twice the amount necessary to have an auditor investigate and prepare the report, or any portion thereof which has been omitted.

10. Failure to Meet Any Environmental Objectives

If FMI, after submitting an acceptable EMP, fails to make material progress toward the objectives of its Environmental Management Plan, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

If FMI fails to submit an acceptable plan by December 31, 1995, or intentionally violates federal, state or local civil or criminal environmental laws, FMI shall pay 75% of the tax abatement for the tax year in which the failure or the act occurred.

11. Failure to Pay the Costs of Unmitigated Costs to Transportation and Utility Infrastructure and Public Safety

If FMI fails to meet any costs of unmitigated costs to transportation and utility infrastructure and public safety, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

12. Failure to Meet Job Training Requirements

a. Strategic Workforce Development Program

If FMI fails to make its payments to the SWD Program, the County shall collect an amount equal to twice the amount of the foregone payment.

b. School-to-Work

If FMI fails to meet its obligations in the School-to-Work Program, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goal.

c. Scholarships

If FMI fails to make scholarship contributions the County shall collect an amount equal to twice the amount of the foregone contributions.

d. Entry Level On-the-Job Training

If FMI fails to provide job training or pay wages during the training period, the County shall collect an amount equal to twice the amount of the foregone wages and the reasonable market value of the training.

e. Ongoing Education of Employees

If FMI fails to provide ongoing education of employees, the County shall collect an amount equal to twice the amount of tuition reimbursements paid in 1995.

C. Non-Applicability

These remedies shall not apply to any year for which FMI

has paid ad valorem property taxes on the full market value of the Project, due to cancellation or disqualification of the property tax exemption provided for by ORS 307.123.

No sanction or combination of sanctions shall exceed 75% of the total tax abatement for any single tax year. A tax year begins on July 1 and ends on the following June 30.

D. Allocation of Funds Paid by FMI for Failure to Comply with Agreement

Any funds collected under Sections IV B above, shall be paid to the County Finance Manager and held in a segregated fund. The funds shall be distributed by the County to a program or project in the area of public policy most directly related to the failure to comply.

V. REMEDIES OF FMI

If the City or County breaches this Agreement, FMI shall be entitled to exercise any of its legal or equitable remedies, either through the arbitration process set forth in Section IV A or through administrative or judicial processes.

VI. TERM OF AGREEMENT

This Agreement shall commence on the date of execution by the parties and terminate on the completion of the obligations of all parties after the conclusion of the final year of the Property Tax Abatement.

VII. ELECTION TO NOT CONSTRUCT OR TO DELAY PHASE 2

In the event that FMI elects not to commence construction of Phase 2 of the Project by January 1, 1997, or elects by January 1, 1997 to defer construction of Phase 2 to a later date, then the total number of New Jobs to be provided will be reduced by 234, and the rights and obligations under this Agreement of the parties will be proportionately reduced, except any monies already paid in excess of the proportional

amount does not have to be repaid, and this Agreement shall apply only to Phase 1.

If FMI does not commence construction of Phase 2 of the Project by January 1, 1997, but such a decision is only to defer construction of Phase 2 to a later date, then FMI shall so notify the County in Writing. If Phase 2 is constructed, then Phase 2 shall be taxed pursuant to ORS 307.123; provided however, that upon the completion of construction of Phase 2 FMI shall be obligated to provide an additional 211 New Jobs (445-234 in Phase 1) along with the other benefits and contributions which are otherwise required by this Agreement with respect to the additional 211 New Jobs.

VIII. MISCELLANEOUS TERMS

- A. No persons shall be denied or subject to discrimination in receipt of the benefits of any services or activities made possible by or resulting from the Agreement on the grounds of sex, race, color, creed, marital status, age, national origin, mental health or physical handicap, disabled or Vietnam era veteran status (except where there are bona fide occupational qualifications). Any violation of this provision shall be considered a material violation of the Agreement.
- B. All requirements of the Oregon Revised Statutes Nos. 279.320 through 279.430, Public Contracting, as applicable, are incorporated herein by reference.
- C. This Agreement shall be governed by the law of the State of Oregon. Any actions or suits commenced in connection with this Agreement shall be in Circuit Court of Multnomah County or Federal District Court for Oregon.
- D. This Agreement is the complete and exclusive statement of the Agreement between the parties relevant to the purpose described above and supersedes all prior agreements or proposals, oral or written, and all other communication between the parties relating to the subject matter of this Agreement. No modifications of the Agreement will be binding on any party except as a written addendum signed by authorized agents of each party. In the event that there is no tax abatement for any year within the 15-year abatement period, the parties may negotiate to modify the term of the Agreement. An arbitrator's

written determination under Section IV A of this Agreement is specifically included as part of this Agreement.

- E. All rights and remedies of each party shall be cumulative and may be exercised successively or concurrently. The foregoing is without limitation to or waiver of any other rights or remedies of either party according to law.
- F. The parties acknowledge that any payments required under this Agreement do not constitute property taxes and are not subject to the limits under Section II.B. Article XI of the Oregon Constitution.
- G. FMI acknowledges that its compliance with this agreement will be an important consideration for local government approval of any future applications seeking property tax exemptions.
- H. This agreement shall bind the successors and assigns of the parties.

DATED this _____ day of _____, 1995.

MULTNOMAH COUNTY

FUJITSU MICROELECTRONICS, INC.
(FMI)

Beverly Stein, Chairman
Board of Commissioners

Vice President

REVIEWED:

Sandra N. Duffy
Assistant County Counsel

CITY OF GRESHAM

Mayor

City Recorder

REVIEWED:

City Attorney

F:\DATA\COUNSEL\WPDATA\SDX\265SND.CON\mw

FSA

between

PORTLAND DEVELOPMENT COMMISSION
JOB NET PROGRAM

and

FUJITSU MICROELECTRONICS, INC.

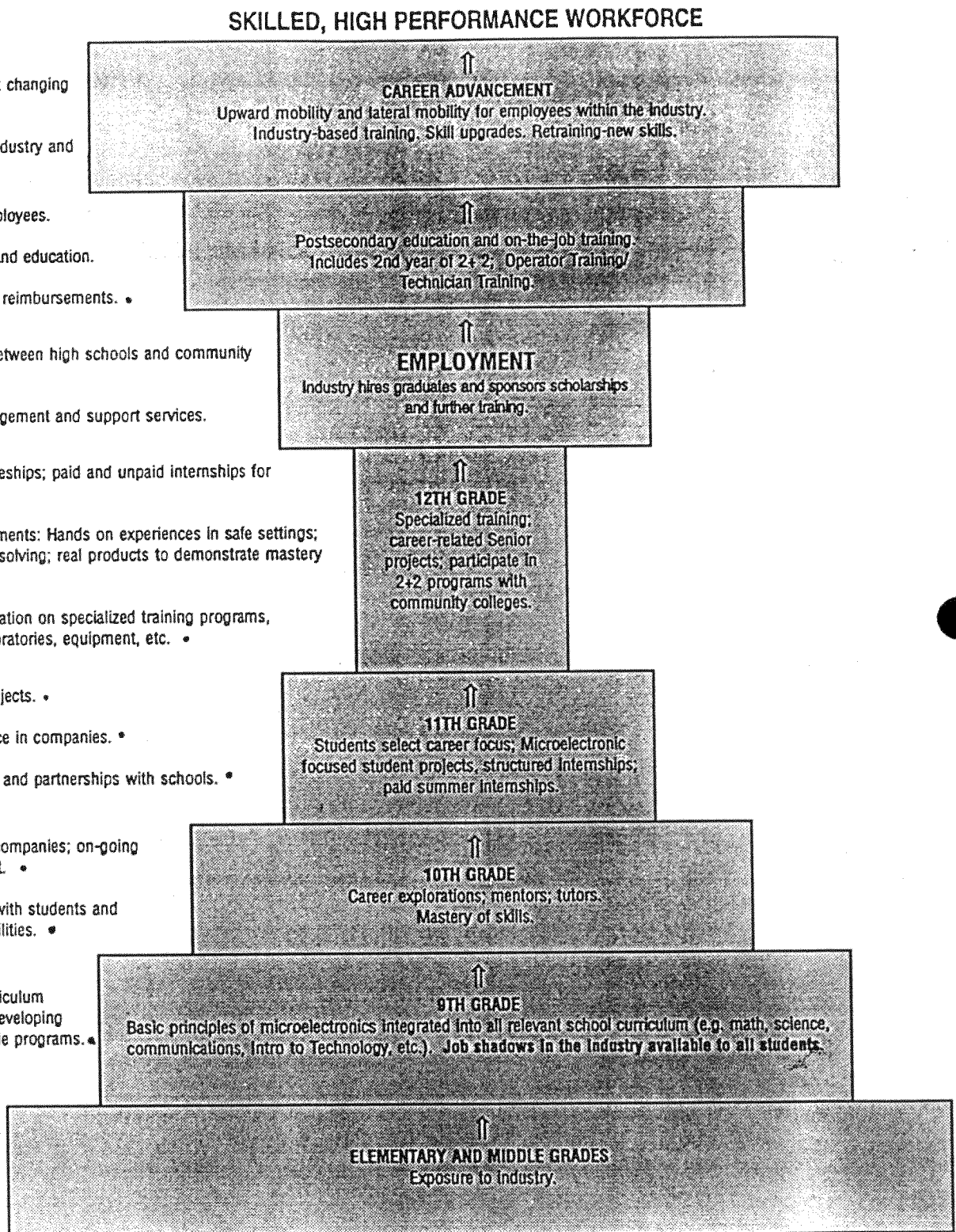
EXHIBIT A

SCHOOL-TO-WORK PLAN

SCHOOL-TO-WORK BUILDING BLOCKS FOR THE SEMICONDUCTOR INDUSTRY

Suggested Implementation Strategies:

- Targeted training to meet changing workforce needs.
- Ongoing evaluation by industry and educators.
- Ongoing training for employees.
- Non-traditional training and education.
- Scholarships and tuition reimbursements. •
- Articulated curriculum between high schools and community colleges.
- Job retention/case management and support services.
- Company-paid apprenticeships; paid and unpaid internships for students. •
- Simulated work environments: Hands on experiences in safe settings; real tools; real problem-solving; real products to demonstrate mastery of skills. •
- Industry/school collaboration on specialized training programs, curriculum options, laboratories, equipment, etc. •
- Work-based student projects. •
- Summer work experience in companies. •
- Employer commitments and partnerships with schools. •
- Teacher internships in companies; on-going curriculum development. •
- Company connections with students and teachers: Many possibilities. •
- Industry/education curriculum development teams: Developing 9th, 10th, 11th, 12th grade programs. •
- Marketing industry concepts: Field trips, classroom projects, etc.



INDUSTRY AWARENESS FOR ALL YOUTH

EDUCATIONAL CAREER PROGRESSION

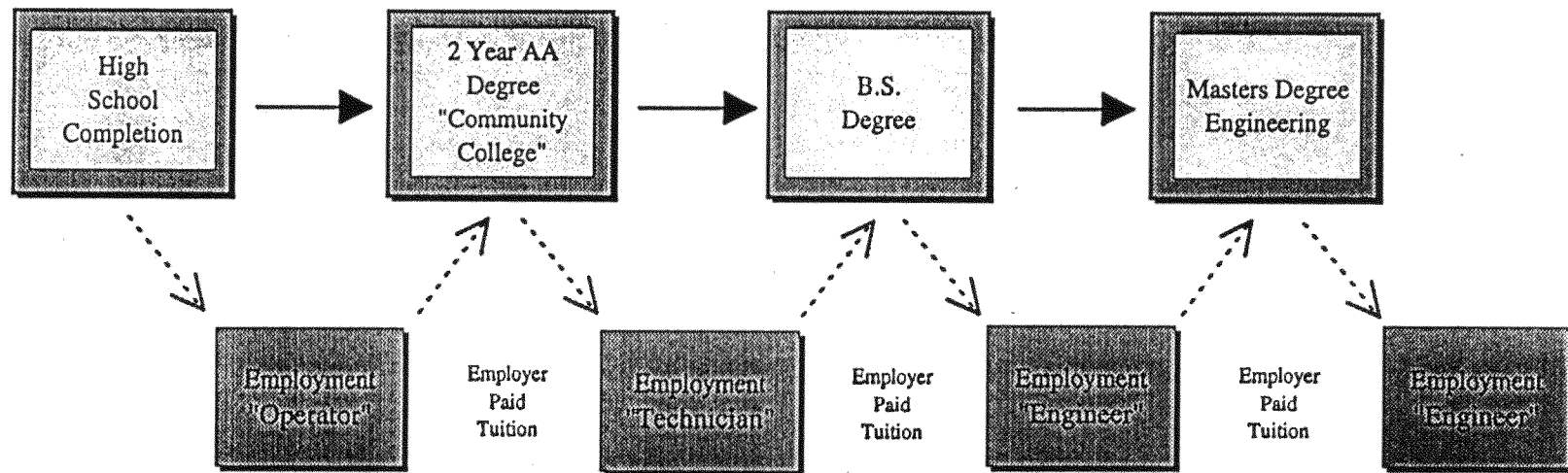
IN

SEMICONDUCTOR INDUSTRY CHART

CAREER PROGRESSION IN THE SEMICONDUCTOR INDUSTRY

EXHIBIT C

EDUCATION ROUTE



EMPLOYMENT/ON-THE-JOB TRAINING ROUTE

Source: Portland Development Commission.

CHART 5

STRATEGIC INVESTMENT PROGRAM CONTRACT

BETWEEN

MULTNOMAH COUNTY, OREGON,

CITY OF GRESHAM, OREGON,

AND

FUJITSU MICROELECTRONICS, INC.

JUNE __, 1995

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- B. School-to-Work Plan
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AGREEMENT

This Agreement is by and between Multnomah County (the County), the City of Gresham (the City) and Fujitsu Microelectronics, Inc. (FMI), 21015 SE Stark Street, Gresham, Oregon 97030.

RECITALS

A. The 1993 Oregon Legislature adopted House Bill (HB) 3686 to establish the Strategic Investment Program (SIP) by amending ORS 285.330 et seq. and 307.123. The SIP provides, upon approval and recommendation of the county in which the facility is located, incentives for the development of industrial facilities for statutorily defined "key industries". The SIP provides state revenue bond financing for eligible facilities. With County approval the value for property tax purposes of eligible facilities is limited initially to \$100 million while such bonds are outstanding (but no longer than 15 years).

B. In consideration of the state financing and the limits to property taxation, a company and the affected county and city, if the facility is located within a city, are required to enter into an agreement which specifies the conditions which must be met by the company, including, but not limited to, making special efforts to hire employees from within the county and payment of a Community Service Fee (CSF) to offset the costs of public services related to the facility. The governing body of the county and the city may impose additional reasonable requirements on an applicant for the SIP.

C. On April 13, 1995, the County adopted Resolution 95-77, which provides a process and criteria for the evaluation of applications for participation in the SIP. On May 8, 1995, FMI submitted an application for expansion of FMI's Gresham Manufacturing Division for manufacturing silicon wafers (The Project) pursuant to Resolution 95-77.

D. The County has reviewed the application of FMI and has relied on the application and on submittal of additional information by FMI to find that the application demonstrates compliance with the criteria and evaluation guidelines adopted by Resolution 95-77.

E. The City has reviewed the application of FMI and has relied upon said application and on submittal of additional information by FMI to find that the Project merits approval under the SIP.

F. This Agreement provides the terms under which the County and the City agree to recommend to the State of Oregon that the

Project to be undertaken by FMI be financed under the terms of the SIP and receive other benefits as authorized by law and as provided by this Agreement.

TERMS AND CONDITIONS

Now therefore, in consideration of the following mutual promises, the parties agree as follows:

I. DEVELOPMENT OF PROJECT BY MEANS OF STRATEGIC INVESTMENT PROGRAM

A. FAB II Investment

The Project, identified as FAB II by FMI, represents an investment of approximately \$1.032 billion.

B. Use of State of Oregon Industrial Development Revenue Bonds

FMI intends to apply for, and will take such actions as are required by the State of Oregon for, issuance of industrial development revenue bonds (the Bonds) to finance at least 5% of the costs of the Project as more specifically described in FMI's SIP application to the County dated May 8, 1995. The actual scheduling of the Project will be subject to the provisions of the agreements between FMI and the State of Oregon regarding issuance of the Bonds.

II. OBLIGATIONS OF FMI

In consideration of the County's and City's actions to approve an abatement of property taxes for FAB II presently estimated at approximately \$32 million (the property tax abatement), FMI has agreed to fill the role of an exemplary corporate citizen in Multnomah County. Such a citizen provides resources to prepare the unemployed and underemployed, including welfare recipients and school-to-work students, for entry level jobs which provide career paths, family wages, excellent benefits including child care, transportation and housing which assure the success of the employee in those jobs. An exemplary corporate citizen also leads the business community by progressing toward a goal to have no negative impact on the environment through state-of-the-art transportation and environmental programs. And, an exemplary corporate citizen positively affects the educational and economic well-being of the community in which it resides by directing its efforts and resources to the benefit of its community's citizens and businesses. In meeting these performance requirements, FMI agrees as follows:

A. Job Creation, Compensation, Retention and Career Paths

County goal: It is the Goal of Multnomah County to create long term jobs with family wages, benefits and working conditions for County residents or creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or underemployed, with a clear career track from entry-level jobs to family wage jobs.

1. First Source Agreement

In order to target the County's unemployed and underemployed population, FMI shall enter into an Exclusive Full-Service First Source Hiring Agreement (FSA), with the Portland Development Commission Job Net Program (PDCJNP). An executed copy of the FSA is attached to this Agreement as Exhibit A.

2. Creation of New Jobs

- a. FMI employs 535 FTE in its present Gresham facility (FAB I). This number is a baseline from which to calculate the number of new jobs added by FAB II. The job classifications for FAB I, the wage range, and the number of employees in each classification are set out below:

| Classifications | Wage Range | 1995 |
|-----------------|-----------------------|------|
| Operator | \$6.75- 16.97/hr. | |
| Technician | \$10.28- 24.84/hr. | |
| Engineer | \$578- 1,534/wk. | |
| Administrative | \$7.32- 24.34/hr. | |
| Supervisors | \$635- 1,267/wk. | |
| TOTAL | --- | 535 |

- b. FMI shall, as a result of development of the FAB II Project, create and retain, as described below, no less than 445 new jobs with benefits. "New Jobs" are defined as full time permanent positions on the regular

payroll that are in addition to the 535 jobs identified above as an employment baseline above which are assigned to the Project after the date of execution of this Agreement and meet retention and compensation requirements set out below. The phasing, number, and classification of such jobs shall be as follows:

Projected Full Time Employee Hiring Schedule

| Classifications | Wage Range | 1996 | 1997 | 1998 | Total |
|-----------------|-----------------------|------|------|------|-------|
| Operator | \$6.75- 16.97/hr | 32 | 149 | 149 | 330 |
| Technician | \$10.28- 24.84/hr. | 36 | 22 | --- | 58 |
| Engineer | \$578- 1,534/wk. | 9 | 20 | 8 | 37 |
| Administrative | \$7.32- 24.37/hr. | --- | 10 | --- | 10 |
| Supervisors | \$635- 1,267/wk. | --- | 10 | --- | 10 |
| TOTAL | --- | 77 | 211 | 157 | 445 |

FMI shall create, at a minimum, the total number of new jobs set out in the chart above for each of the identified years (the New Jobs). Each year's minimum shall be created by December 30 of the relevant year. A New Job is "created" when someone is hired as a regular full-time employee.

At present there are 48 contract employees at FAB I in non-production positions. It is anticipated that additional contract employees may be hired during the start-up period for FAB II which may include some production positions. The start-up period will end December 30, 1998. Permanent contract employees shall not be hired as regular full-time production employees. The number of permanent contract employees for non-production positions at FAB II shall not exceed 10% of the number of New Jobs at FAB II.

3. Job Retention and Career Paths

a. Retention of 445 Jobs

It is the intent of the parties that FMI create and retain 445 New Jobs after construction of FAB II. The retention of that number of New Jobs for each year of the fifteen (15) years of the Property Tax Abatement is a specific condition of the Property Tax Abatement. Whether a failure to maintain the yearly minimum number of jobs is a breach of the agreement shall be determined under the procedures set out in Section IV A, which includes a provision for the County to waive the sanction for a breach, if it is determined that industry-wide conditions have made retention of job positions economically infeasible.

b. Retention of Individual Employees in a Specific Job and Advancement on Career Path

(1) Long-Term Employees

It is the intent of the parties that employees hired in New Jobs and employees hired for FAB I to replace employees transferred or promoted to FAB II be retained long term either in the initial position or in progressively more responsible positions within FMI. FMI shall demonstrate that 70% of all of its regular full-time employees as long-term employees. An employee whose employment with FMI terminates in less than two years will not be considered a long-term employee. The following employees will not be counted as a less than two-year employee: (1) those terminated for cause; and (2) those who voluntarily terminate employment other than for reasons of inadequacy of child care, transportation or housing.

(2) Promotional Practices

Current promotional practices have resulted in 69% of operators being promoted and 55% of technicians being promoted. To meet the County's goal of encouraging local employment that

provides clear career paths, FMI shall, during the term of the Property Tax Abatement, maintain as a baseline the present promotion percentages and make good faith efforts to increase those percentages.

4. Wage Scales by Job Type

Beginning the sixth year of the Tax Abatement, and all subsequent years the Property Tax Abatement is in effect, 50% or more of the 445 New Jobs created shall pay an amount at or above the mean annual covered wage in Multnomah County as determined by the most recent data from the Oregon Employment Department.

5. Employer-Paid Benefits

FMI now provides its regular full-time employees, and part-time employees on a pro rata basis, with the following benefits:

- a. Medical insurance
- b. Dental insurance
- c. Vision insurance
- d. An Employee Assistance Plan
- e. Pension Plan
- f. 401K Plan
- g. Life insurance
- h. AD&D
- i. Long-term disability
- j. Bonus options
- k. Leave options
- l. Vacation
- m. \$ 125 Federal Dependent Care Reimbursement
- n. 30% Subsidy at Children's World Child Care Center or an equivalent service

For operators and technicians, these benefits represent 41% of salary. County/City recognizes that these benefits exceed the microelectronics industry standard. The parties also recognize that market conditions (e.g. health costs) may dictate a change in employee contributions or a redesign of benefits where such benefits become cost prohibitive.

County/City requires that FMI, during the period of the Tax Abatement, continue to provide benefits which represent the same percent of salary and which exceed its industry standard. The data to be

used to determine the industry standard is Radford Consulting Group Survey of High Technology Companies, or its equivalent.

If, during the Property Tax Abatement, the industry standard provides health insurance benefits not, on the whole, equal to those provided under the Oregon Health Plan (OHP), then OHP (or its successor plan) shall be the minimum standard for an employee health plan. Any such health insurance plan of FMI must also allow other employees not covered by the plan, and members of employees' families, to purchase health insurance at or below cost to the extent that FMI's health-insurance carrier will write coverage for such persons.

FMI specifically agrees that any future increases in required employee contributions for benefits based upon increases in premiums shall be on a pro rata basis, with employee and employer assuming a proportional share of the increase.

6. Child Care

County Goal: To provide support for all parents needing child care, especially entry-level parents.

To meet the County's goal and assure that no applicant for employment be unable to accept employment because of the unavailability of affordable child care, FMI shall provide all of its regular employees at FAB I and FAB II the following child care benefits:

- a. Shift assignment preference shall be given to any employee, regardless of job classification, who demonstrates in writing that a particular work shift will resolve or alleviate child care problems.
- b. Child care subsidies shall be paid for all FAB I or FAB II covered employees with children below the age of 14 whose gross family earnings fall below 75% of the average county wage level (\$20,800 per year 1994). Such qualified employees shall have the cost of their child care at Children's World Child Care Center subsidized at 50% of the market rate. All other employees with child care needs shall continue to receive the currently available 30% subsidy on the market cost of

that child care at Children's World Child Care Center.

- c. FMI shall continue to provide child care resource and referral services through Metro Resources and Referral Agency (MRRA) for all employees.
- d. FMI shall contract with MRRA or an equivalent agency to accomplish a reasonable child care solution for every employee. It is anticipated that night and weekend child care will be the most difficult to accommodate. FMI agrees to financially support the most cost-effective solution for its employees, including, but not limited to subsidizing expanded hours at an existing day care facility.
- e. If the County's goal cannot be met solely by subsidies to Children's World, then FMI must broaden its child care subsidy program to other MRRA providers in order to meet the goal.
- f. County will determine whether its goal has been met based on applicant and employee surveys conducted in a manner to be agreed upon by FMI and PDCJNP.

7. Transportation

County Goal: To encourage employees to use transit, carpools, vanpools, or alternative modes of transportation.

To meet the County's goal which is intended to lessen the harmful environmental impact of traffic and to assure that no applicant for employment be unable to accept employment because of the unavailability of affordable transportation, FMI agrees to the following transportation plan for regular employees hired for New Jobs:

- a. FMI shall provide a 50% subsidy of bus passes.
- b. FMI shall offer a southeast relocation benefit to regular employees who live more than 15 miles from the FMI location. To receive the benefit, the employee will be required to move within four miles of the FMI plant.

The amount of the benefit is the total of one month's rent, landlord required deposits and the costs of renting moving van equipment as demonstrated by rental agreements or receipts.

- c. FMI shall establish, through its on-site ride sharing coordinator, a program which matches employees by their location for the purpose of carpooling. Additionally, FMI shall pay a cash payment of \$35 per month for the driver of the vehicle who carpools with another FMI employee more than 80% of the work days in any one calendar month.
- d. FMI shall reserve ten of the most convenient spaces to the facility for carpool parking. This number shall be expanded if needed, or reduced after one year if not used.
- e. FMI shall negotiate and contract with Tri-Met or other transportation entity for the provision of additional outlying schedules which coincide with plant shift schedules.
- f. FMI shall provide bike racks.
- g. FMI shall provide shower and locker facilities to facilitate use of alternate modes of transportation.
- h. FMI shall guarantee rides home for those who work overtime or miss their carpool or vanpool.
- i. FMI shall continue to work with the City and Tri-Met to facilitate and encourage employee utilization of public transportation and to create a written transportation program.

Each applicant for a job with FMI shall be provided with a written statement which explains these benefits, as well as all other benefits that FMI will make available to those applicants who become employees.

B. Community Obligations

1. Community Service Fee

a. 25% up to \$2 million

For each year in which FMI receives the

Property Tax Abatement, FMI shall pay to the County a Community Service Fee (CSF), as provided by ORS 285.330 (5) (b), equal to 25 percent of the property taxes abated in such tax year, but not exceeding \$2 million.

b. By November 15

Such payment shall be made to the County Finance Manager no later than November 15, beginning the first tax year of the Property Tax Exemption. Payment shall be made based on an invoice submitted by the County to FMI in such form and according to such method as shall be agreed to by the parties prior to November 15 of the tax year in which the Project is assessed and taxed. The payment shall be sent to:

Name: Dave Boyer
Position Title: County Finance Manager
Address: 1120 SW Fifth, Suite 1430
Portland, OR 97204

c. Statement 30 Days in Advance

County shall provide FMI with a statement of the CSF due no less than 30 days prior to the due date.

d. CFS Not a Tax

Any increase in amounts paid by FMI as provided herein resulting from a change in property values shall not be considered a change in tax or tax rate.

2. Additional Contributions

FMI shall make additional monetary and in-kind contributions to the County in the amounts and at the times described herein. The in-kind contributions may consist of the allocation of staff time, facilities, equipment and/or any other activity on the part of FMI that furthers the program objectives of the County and FMI, as described herein.

a. Job Training

County Goals:

- ◆ *To build a world-class workforce that provides the full range of skills necessary to attract and sustain competitive, high performance companies.*
- ◆ *To graduate all children from high school with skills enabling them to succeed in the workforce and/or in post-secondary education, including the fundamental ability to read, write, communicate and reason.*
- ◆ *To establish stronger educational programs beyond the secondary level to meet the region's needs for accessible education, expanded graduate programs, high-quality research, technology transfer and economic development.*
- ◆ *To provide educational opportunities to enhance upward mobility for both technical and management roles.*

FMI shall make additional contributions to programs and facilities for training and education in the high tech industry as follows:

(1) Strategic Workforce Development Program

FMI shall make additional monetary contributions for start up and ongoing training costs for an East County Microelectronics Center related to education and training for the high tech industry.

The amount of these contributions shall be determined in the following manner:

(a) A Budget Committee comprised of representatives from MHCC, a superintendent of a school district member of Mt. Hood Regional Cooperative Consortium (MHRCC), the County and each microelectronics firm located in the County which has entered into an SIP contract with the County/City shall determine a Training Center start-up budget and an annual operating budget¹;

(b) After the budget is agreed upon by a majority of the committee, the funding for the budget shall be apportioned between the microelectronics firms which have entered into SIP contracts with County/City. The apportionment is based on a ratio of the SIP personnel commitment for the entire project for each firm². Payments will be scheduled by the Budget Committee. Compliance by FMI with those scheduled payments, is compliance with this Agreement.

(2) School-to-Work

The Strategic Workforce Development Program will include the School-to-Work Program which operates in conjunction with local high schools.

Good faith efforts shall be made by FMI, along with other local semiconductor

¹ The public entities will enter into an ORS Chapter 190 Intergovernmental Agreement to authorize this partnership.

² If Firm A has made a personnel commitment for its entire project of 500 employees and Firm B has made a personnel commitment for 1000 employees, Firm A will pay an amount equal to 1/3 of the budget and Firm B will pay 2/3 of the budget.

companies, to increase meaningful participation in the Program through the building blocks of implementation strategies identified and illustrated in the chart created by the Semiconductor Workforce Consortium (SWC) and attached as Exhibit B.

(3) Scholarships

FMI shall provide ten (10) scholarships of \$2,500 each for each year of the Property Tax Abatement to support students in the fields of engineering and science. Five scholarships shall be awarded at Mt. Hood Community College and five scholarships shall be awarded at Portland Community College. The scholarship money shall be paid to each school on or before January 1 of each year of the Property Tax Abatement. These scholarships shall be awarded through each school's Financial Aid Office on a needs basis using applicable federal or state regulations to determine the need.

(4) Entry Level On-the-Job Training

FMI shall provide a minimum of two weeks (80 hours) on-site or off-site job training for each employee hired as an operator at no cost to the employee. The employee shall be paid at least Oregon minimum wage during the training period.

(5) Ongoing Education of Employees

FMI provides tuition reimbursement for its employees who take classes related to improving their on-the-job skills, or which lead to a certificate or degree relevant to the microelectronics industry. FMI shall make good faith efforts to identify and support employees for career paths through education in a

manner demonstrated in the PDC chart attached as Exhibit C. This is an FMI employee benefit which shall continue under the terms and conditions set out in Section II A (5) above.

b. Housing Program

County Goal: To provide assistance securing affordable housing.

(1) For Employees

In addition to the County's general goal, the County wants to assure that no potential FMI employee be unable to accept a job due to the unavailability of affordable housing. In furtherance of the County's goal, FMI shall establish a program to provide affordable housing subsidies for all regular employees holding New Jobs either special temp or regular who are wage earners with dependent children whose household earnings are below 75% of the average county wage (\$20,800 per year for 1994). The subsidy that FMI shall offer is as follows:

For any employee meeting the eligibility requirements as stated above, whose earnings are from \$6.75 per hour to \$8.00 an hour, FMI shall provide a housing subsidy of \$200 per month. For employees earning from \$8.01 per hour to \$9.30 per hour FMI shall provide \$100 in a monthly housing subsidy.

Each applicant for a job with FMI shall be provided with a written statement which explains this benefit, as well as all other benefits that FMI will make available to those applicants who become employees.

(2) For the Multnomah County Community

FMI shall make a one-time payment of \$500,000, on or before July 1, 1996, to the County Finance Department to be used to increase the inventory of affordable low-income housing in Multnomah County. The County will determine which community program will receive the funds.

Additionally, to the extent that the individual employee housing subsidies provided in Section II B (2)(b)(1) and individual employee relocation payments provided in Section II A (7)(b) do not total the estimated annual expenditures set out below, the difference shall be paid to the County Finance Department to be added to the community housing funds for affordable low-income housing.

SIP PROGRAM

| Year | Housing Subsidy | Year | Housing Subsidy |
|-------|-----------------|---------|-----------------|
| 1996 | 3,333 | 2004 | 38,050 |
| 1997 | 107,600 | 2005 | 38,542 |
| 1998 | 107,950 | 2006 | 39,059 |
| 1999 | 35,918 | 2007 | 39,602 |
| 2000 | 38,303 | 2008 | 40,172 |
| 2001 | 35,709 | 2009 | 40,711 |
| 2002 | 37,134 | 2010 | 41,400 |
| 2003 | 37,581 | 2011 | 42,060 |
| TOTAL | | 722,183 | |

c. Procure Locally Produced or Sold Goods and Services

County Goal: To encourage the purchase of goods and

services produced or sold by businesses in Multnomah County and the region.

(1) FMI shall have a written local procurement plan for expanding procurement of local goods and services. The plan will identify:

- a. The types of goods and services which FMI purchases in the conduct of its business.
- b. Those goods and services unavailable within the County and/or state.
- c. The types of vendors with whom it presently contracts.
- d. The solicitation efforts it can make to expand local procurement including, but not limited to educating potential local suppliers through the Gresham and Troutdale and Portland Area Chambers of Commerce (notifications in their monthly newsletters, at bi-monthly noon forums, at Business AM's hosted by FMI and Expo-East & After Hour Showcase), working with Oregon Association of Minority Entrepreneurs to assure solicitation of Women's Business Enterprises (WBE), Minority Business Enterprises (MBE), and utilization of the Oregon Market Place which works with buyers seeking Oregon-based suppliers.
- e. A separate analysis of the construction expenditures for the Project which can be made locally through a contractual agreement with FMI's construction contractor in which the contractor makes a commitment to:

(i) Purchase locally where the cost is the same or lower than non-local goods and services if quality specifications meet or exceed those of the non-local goods and services; and

(ii) Hire local labor and craftsmen.

(2) In 1994, \$1 million of FMI's monthly expenditures for goods and services were made within the State of Oregon, and of that amount, \$900,000 of its monthly expenditures were within Multnomah County. Using those figures as a baseline, it is FMI's goal to materially increase these expenditures annually, subject to FMI's ability to find local suppliers whose products meet FMI's specifications and quality standards and whose products cost the same or lower than non-local goods and services. FAB II construction expenditures are not credited against these figures.

d. Environmental Management Plan

County Goal: To approve tax abatements only for firms that demonstrate a commitment to environmental protection.

To meet the County goal, FMI must demonstrate its commitment to the environment by writing, adopting and implementing an exemplary Environmental Management Program (EMP) that has as its goal that FMI have no adverse impact on the environment to which it is a steward.

FMI's EMP shall be a systematic Environmental Management Plan which identifies baseline measures in each of the following categories: (1) toxic and hazardous materials; (2) water conservation, reuse and waste water discharge; (3) air quality; (4) waste reduction and

recycling; and (5) energy conservation. The EMP shall include an evaluation matrix to measure progress toward eliminating FMI's environmental impact under the EMP over time.

FMI shall consult with Oregon Department of Environmental Quality employee Phil Berry, or his successor, and other consultants in drafting its EMP.

An acceptable EMP which meets the exemplary standard in the microelectronics industry as determined by DEQ, shall be submitted to the County on or before December 31, 1995. Compliance with this requirement is mandatory. The sanction for failure to comply, set out in Section IV B(10) is intended to disgorge a significant portion of the tax abatement until compliance occurs.

e. Infrastructure and Public Services

County Goal: To have no unmitigated adverse impacts on the level of services provided to existing residents of the County and City involving transportation infrastructure, utility infrastructure and public safety.

FMI shall comply with all applicable City and County development requirements to mitigate adverse impacts on the level of services to existing residents of the County and City which involve transportation and utility infrastructure and public safety. Failure to comply with these state or local development requirements is a breach of this Agreement.

c. FMI Reporting Requirements

1. FMI to Report Contract Compliance to County

FMI shall prepare and submit to County Budget and Quality quarterly reports on the jobs created under this contract, including compensation and job

retention information. FMI shall prepare and submit to County Budget and Quality annual reports demonstrating compliance with all other aspects of this contract. The annual report shall include the quarterly report information on the jobs information for the quarter ending September 30. No separate quarterly report is required. The report is to be sent to the following address:

Barry Crook
Multnomah County Office of Budget & Quality
1120 SW Fifth Avenue, Suite 1400
Portland, OR 97204

2. Confidentiality of Reports

These reports and any documents in support of the report, which are submitted to the County are submitted in confidence. County agrees to treat them in a confidential manner. While any such documents submitted to the County become public records, it is the intention of the parties to assert an exemption to disclosure for those documents under the Public Records Law, ORS 192.502(3). This contract is intended as the written request from FMI for confidentiality as well as the County's assurance it will treat the documents as confidential. These documents contain proprietary information which may give competitors an undue advantage which are also entitled to nondisclosure protection under ORS 192.501(2), and contain employee survey information of a private nature, exempt from disclosure under ORS 192.502(2).

FMI understands and agrees that the County may send portions of the report to other governmental entities for review, for example, the portion of the report on compliance with the EMP may be sent to DEQ for review. The confidentiality of the documents is intended to extend to them in the hands of all other governmental agencies. ORS 192.502(9) contemplates continued confidentiality for documents transferred by a public body to another public body.

3. Quarterly Reports on Job Creation, Compensation and Retention

Beginning the first year of the Property Tax Abatement, FMI shall prepare and deliver within 45 days of the close of each fiscal quarter (March 31, June 30, September 30 and December 31), a report addressing the number of jobs which have been created in the prior quarter, the compensation paid for those jobs and the retention percentage of jobs created prior to the prior quarter. These quarterly reports shall contain the following information:

- a. Hiring activity for the prior quarter for FAB II, including day of hire, title and level and starting compensation.
- b. Percent of FAB II employees hired before the prior quarter and who remain employed by FMI, those who have left and a classification of the reasons the employees, if any, left FMI.
- c. Hiring and termination activity of new employees of FAB I to demonstrate retention of the 535 FAB I jobs identified in Section II A (2) of this Agreement. This should include date of hire or termination; title, level, compensation and classification of reasons for termination.
- d. Number of promotions of operators within the classification promotions of operators to technicians within the classification and number of promotions from technician to other than a technician.
- e. The average amount of time of employees in each classification.

4. Annual Reports

FMI shall prepare and deliver by November 15 of the tax year following the tax abatement year, a report

which addresses each of the reporting requirements listed below:

a. Benefits

FMI shall compile statistical data of the employee benefits provided for operator classifications. The data shall include FMI's actual costs to provide each of those benefits and the value of any tax credits or tax deductions, if any, applicable to any of those business expenses..

The report shall include industry data from which a meaningful comparison can be made to determine whether FMI has continued to provide 41% of salary as benefits for all employee classifications and to exceed the industry standard for employee benefits.

FMI, County and PDCJNP will work together to determine the form of report necessary to track benefits of the targeted population. To the extent possible, data compilations generated and used by FMI in its operations will be used for the report to the County.

b. Hiring Outside of FSA

The report shall include information regarding employee hires made outside of the FSA. It shall include the date of hire, job classification, wage scale and residency (state, county, city) at, or just prior to, time of hire. A report form shall be created by County and/or City with FMI.

c. Child Care

FMI shall report the number of employee's who:

- (1) Receive child care subsidies;

- (2) Whether it is a 30% subsidy or a 50% subsidy;
- (3) The number of FMI employee children at each participating child care facility;
- (4) The efforts used to inform employees of their child care benefits (booklets or brochures should be attached);
- (5) The number of requests for alternative providers or alternative child care help.
- (6) The number of requests for a particular shift to accommodate child care needs. The number of requests granted, the number denied, the number put on a waiting list.
- (7) How many children, on the average, are provided child care benefits for a child on the 6 p.m.-to-6 a.m. shift? On weekends during the day; on weekends during the night?
- (8) What was the total actual cost to FMI for direct subsidies to employees?

d. Transportation

The state may require companies to prepare Traffic Management Plans (TMP). The County will accept that report in lieu of the reporting requirements set out below to the extent the TMP covers the matter.

FMI shall report:

(1) Employee Transportation Matters:

- a. Total number of monthly bus passes

subsidized for year for all employees (FAB I and FAB II).

- b. How many employees received the southeast relocation benefit for the year? Identify prior location for each employee and distance from plant. What was the median total cost per relocation? What was the median monthly rent (only) amount per relocation?
- c. Describe the FMI program which matches employees by their location for carpooling. Submit any written material which has been created in the implementation of the program. How many employee matches were made this year? How many payments of \$35 were made to drivers? What procedures are used to evaluate the plan? What program changes have been or will be made to improve employee participation? Any tax benefits? Net cost to FMI?
- d. Describe the results of negotiations with Tri-Met for provision of additional schedules for employees. What actual costs, if any, did FMI have for additional service? Any tax benefits? Net cost to FMI?
- e. FMI shall monitor reserved carpool parking spaces twice a day, one hour after shift change, for a week once a quarter to determine usage of carpool spaces. Please report those findings. Describe expansion or intent to decrease spaces, if any.
- f. FMI shall monitor bike racks and make a report in the same manner as for carpool spaces. What was FMI's net cost (after tax advantages) for this benefit?

- g. FMI shall report number of "guaranteed rides" provided pursuant to Section II C(4)(d) of this agreement? What was FMI's net cost (after tax advantages) for this benefit?

2. Community Transportation Matters:

Describe what progress has been made in the last year to facilitate and encourage utilization of public transportation and to create a written program. What does the program contemplate for the near and long future to continue progress toward the County/City goal of substantially decreasing reliance on single occupant automobiles by FMI employees?

e. Job Training

FMI shall report on:

- (1) Payments to Mt. Hood Community College for East County Microelectronics Training Center

FMI shall report the amount of its payment to Mt. Hood Community College for its budgeted program share of capital and operating costs for the East County Microelectronics Training Center for the year and the date it was made.

- (2) Scholarships

FMI shall report the amount of its scholarship contributions, the beneficiaries and the date made.

- (3) Entry Level On-the-Job Training

FMI shall report the number of production entry-level employees who have had on-the-job training; the length of such training and the completion rate of the training.

(5) Ongoing Education of Employees

FMI shall report on its efforts to inform its employees of ongoing educational opportunities; the number of employees who received tuition reimbursements during the year; and, a comparison to the prior year. The reimbursement reporting should identify the type of program the employee was in, whether post-graduate degree, four-year degree, two-year degree, certification program, individual training or enrichment without certificate or degree goal.

f. Employee Housing Subsidy

FMI shall report on:

- (1) The number of employees receiving affordable housing subsidies in prior years;
- (2) The total number of \$100 monthly subsidies;
- (3) The total number of \$200 monthly subsidies;
- (4) Net cost to FMI (after tax advantages) for program.

g. Community Housing Payments

FMI shall report on the amount of payment made and date of payment.

h. Local Procurement

FMI shall report:

- (1) Progress toward a written Local Procurement Plan, or amendments to the Plan.
- (2) The amount of FMI expenditures in Oregon.
- (3) The amount of expenditures in Multnomah County
- (4) The percent increase of expenditures over prior year.
- (5) All solicitation efforts to identify local providers of goods and services to propose bids.

i. Infrastructure and Public Service

- (1) FMI shall provide a copy of its development approval, including conditions of approval, within 30 days of the approval, so that the County/City can identify development impacts which have been or will be mitigated through development conditions and those which will have to be mitigated separately under this Agreement.
- (2) FMI shall report on its compliance with the conditions of approval for its development permit as it relates to transportation and utility infrastructure and public safety.
- (3) FMI shall report on its compliance with additional requirements for mitigation imposed under this Agreement.

D. Cooperation With Oregon Department of Revenue

FMI shall comply with the requirements of the Oregon Department of Revenue for designating and describing the improvements and equipment that are being financed, in whole or in part, by the Bonds and which shall be subject to the property tax exemption as described in this Agreement.

III. OBLIGATIONS OF COUNTY AND CITY

A. Findings

In consideration of the actions of FMI as described in this Agreement the County and the City find that:

1. Development of the Project will foster the economic growth and legislative policy as set forth in ORS 285.310.
2. The Project is consistent with the City of Gresham's Comprehensive Plan acknowledged by the Land Conservation and Development Commission pursuant to ORS chapter 197.
3. The completion of the Project in the County and the City would be in the best interest of the citizens of Multnomah County and the City of Gresham.

B. The County and City Agree as follows:

1. Approval of Provisions Related to Property Tax Exemption

The County and the City approve the provisions of this Agreement related to the Property Tax Exemption by execution of this Agreement. The County agrees to approve the application of FMI by official action of its governing body in compliance with ORS 285.330 et seq.

2. Request for Undertaking of Project

The County agrees to request that the state, acting through the State Treasurer authorize and issue revenue bonds in accordance with ORS 285.310 to 285.397 to finance, in whole or in part, the costs of the Project and lease the Project to FMI.

3. Property Tax Exemption

Upon issuance of the Bonds and leasing of the Project by the state, the Project shall be subject to assessment and taxation as provided in ORS 307.123.

IV. REMEDIES OF THE COUNTY

A. Procedure to Determine if a Breach of Agreement by FMI Has Occurred

1. Multnomah County's Office of Budget and Quality (Budget) shall have the duty to monitor compliance by FMI with the terms of this Agreement.
2. If Budget has substantial evidence to believe that FMI has failed to comply with any term of this Agreement, it will confer with City and take whatever action is necessary to aid in a preliminary determination of whether a breach has occurred. FMI shall have the burden of documenting compliance with this Agreement. FMI shall provide to the County such documentation or information as County requires to verify compliance with the Agreement.
3. If Budget determines that a breach has occurred, it shall send a notice to FMI that it is not in compliance with this Agreement. The notice shall be in writing and shall be sent to FMI at the following address:

Richard Romano

Fujitsu Microelectronics, Inc.

21015 SE Stark Street
Gresham, Oregon 97030

4. FMI shall have 30 days to respond in writing to any notice of noncompliance. If FMI's written response fails to satisfy the County that a breach has not occurred, the County may retain an outside consultant, or the County Auditor may be used to verify FMI's compliance. The City in which the Project is located may submit substantial evidence of a contract breach to Budget which shall commence this breach determination procedure. FMI shall provide access to the facility and to necessary records to aid in the determination.
5. If the County concludes that a breach of this Agreement has occurred, these procedures shall be followed:
 - a. If FMI agrees that a breach has occurred, it can enter into a compliance agreement to cure the breach.
 - b. If FMI does not agree that a breach has occurred, the parties shall mediate the matter with a professional mediation service recognized by and used by legal practitioners in the community. If there is an agreement that FMI has not breached the agreement, the matter is concluded. If there is an agreement that FMI did breach the agreement, the parties shall enter into a compliance agreement. The terms of the compliance agreement are subject to the mediation and binding arbitration provisions of this Agreement.
 - c. If no agreement is reached in mediation, the parties shall submit the matter to binding arbitration.
6. The parties shall use an arbitrator with the American Arbitration Association, or shall, by mutual agreement, choose an arbitrator from the official arbitrator list maintained by Multnomah County Circuit Court. If the parties cannot agree on an arbitrator, they shall submit the

determination to the Presiding Judge of the Circuit Court.

7. In determining whether a breach of this Agreement has occurred, an arbitrator will have to interpret the terms of this Agreement. The arbitrator is charged with a duty to make a decision based on the plain meaning language of this Agreement and the evidence presented. In interpreting the non-objective performance standards set forth in this Agreement, the arbitrator shall interpret such standards in light of the County's goals set forth in Resolution 95-77. The arbitrator shall be guided by equitable principles as applied by courts of equity in order to arrive at to a fair result.
8. If the arbitrator determines that FMI has breached this agreement he/she shall:
 - a. Prepare a compliance agreement which sets a reasonable period of time for FMI to cure its breach; or
 - b. Impose the appropriate sanction provided in this Agreement. In the event a sanction for a breach is not specifically provided for in this Agreement, the arbitrator shall determine the sanction. The goal of the sanction is to disgorge any benefit FMI realized from the breach and imposing a 100% penalty (i.e. the payment due is two times what FMI should have spent to comply with the agreement), but not to exceed 75% of the tax abatement value in the year of the breach; or
 - c. Determine whether the breach was on account of an industry-wide problem and beyond the control of FMI.
 - (1) The burden of proof to show that an industry-wide problem has prevented compliance with the terms of this Agreement is on FMI. This burden is met by a preponderance of the evidence. Even if an industry-wide problem exists in the area of employment, i.e. the industry is

terminating employees and not hiring new employees, FMI's job-creation requirements are not excused unless there is no net hiring by FMI of regular full-time production employees in any of its plants wherever located.

(2) If there was no industry-wide problem which accounts for the breach of the Agreement by FMI, the appropriate sanction under this Agreement shall be imposed.

(3) If there was an industry-wide problem which resulted in the breach of this Agreement, the County, with input from the City, may waive the breach or the arbitrator may equitably mitigate the sanction, in whole or in part, balancing the best interests of the citizens of Multnomah County in the continued economic viability of FMI with the right of County citizens to have the benefit of the County's bargain in which substantial property taxes were foregone.

9. The decision of the arbitrator is final and binding on the parties. The arbitrator's decision shall be enforced as provided by the law of the State of Oregon.

10. The costs of the investigation and verification on a breach of this Agreement shall be paid by FMI if a breach has occurred. If no breach is determined to have occurred, the County/City shall pay for the investigation.

B. Specific Remedies for Specific Breaches

It is the intent of the parties that good faith efforts will be made to comply with all the terms of this Agreement. However, in such a large Project, over a long period of time (15 years) it is difficult to anticipate all contingencies with accuracy. In a spirit of fairness and recognizing the cyclical vagaries of business, the County/City are willing to waive sanctions where the

variance from numerically ascertainable terms varies by a plus or minus 5%. For example, the requirement that job benefits represent 41% of salary can vary by 5%-- which means benefits can be 38.95% of salary (i.e. -5% variance) one year, and no sanction will be imposed. The variance is not cumulative (i.e. in the example above, in the year following the -5% variance, 41% remains the contract term which must be met and the variance, if any, is calculated from that). This waiver applies to Sections 2, 5 and 8 below.

If FMI breaches any provision of this agreement, the sanction for each breach is as set forth below:

1. Failure to Pay CSF

If, in any tax year, FMI fails to pay the CSF required under Section II B(1), or any portion thereof, the County may collect the amount of the delinquency plus a penalty equal to 100% of the delinquent CSF (i.e. twice the amount of the delinquency).

2. Failure to Create and Retain Jobs

If FMI fails to meet the job creation or job retention requirements of this Agreement, FMI shall pay an amount equal to twice the average gross annual salary plus benefits for operators and technicians in the year of the breach for every job not created or job not retained.

3. Failure to Retain Long-Term Employees

If FMI fails to retain long-term employees, as defined by this agreement, FMI shall work with PDCJNP to identify the problem(s) and to fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

4. Failure to Meet Promotion Requirements

If FMI fails to meet promotion requirements, FMI

shall meet with PDCJNP to identify the problem(s) and fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

5. Failure to Maintain Compensation Levels, Including Benefits

If FMI fails to maintain wage levels, including benefits, except as otherwise provided in this Agreement, FMI shall pay twice the amount of the monetary benefit realized by FMI on account of its breach.

6. Failure to Use FSA

If FMI fails to perform its obligations under the provisions of the FSA, FMI shall pay 75% of the Property Tax Abatement for that year.

7. Failure to Meet Child Care Subsidy, Housing Subsidy, Transportation Costs or Other Employer Paid Benefit Requirements

If FMI fails to meet the child care subsidy, housing subsidy or other employer-paid benefits requirements under this Agreement, FMI shall pay an amount twice the subsidy payment or the cost which has been foregone from the time of the breach until time compliance begins.

8. Failure to Meet Procurement of Locally Produced Goods and Services Requirements

If FMI fails to meet local procurement requirements, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goals.

9. Failure to Meet Reporting Requirements

If FMI fails to meet reporting requirements under this Agreement, FMI shall pay twice the amount necessary to have an auditor investigate and prepare the report, or any portion thereof which has been omitted.

10. Failure to Meet Any Environmental Objectives

If FMI, after submitting an acceptable EMP, fails to make material progress toward the objectives of its Environmental Management Plan, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

If FMI fails to submit an acceptable plan by December 31, 1995, or intentionally violates federal, state or local civil or criminal environmental laws, FMI shall pay 75% of the tax abatement for the tax year in which the failure or the act occurred.

11. Failure to Pay the Costs of Unmitigated Costs to Transportation and Utility Infrastructure and Public Safety

If FMI fails to meet any costs of unmitigated costs to transportation and utility infrastructure and public safety, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

12. Failure to Meet Job Training Requirements

a. Strategic Workforce Development Program

If FMI fails to make its payments to the SWD Program, the County shall collect an amount equal to twice the amount of the foregone payment.

b. School-to-Work

If FMI fails to meet its obligations in the

School-to-Work Program, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goal.

c. Scholarships

If FMI fails to make scholarship contributions the County shall collect an amount equal to twice the amount of the foregone contributions.

d. Entry Level On-the-Job Training

If FMI fails to provide job training or pay wages during the training period, the County shall collect an amount equal to twice the amount of the foregone wages and the reasonable market value of the training.

e. Ongoing Education of Employees

If FMI fails to provide ongoing education of employees, the County shall collect an amount equal to twice the amount of tuition reimbursements paid in 1995.

C. Non-Applicability

These remedies shall not apply to any year for which FMI has paid ad valorem property taxes on the full market value of the Project, due to cancellation or disqualification of the property tax exemption provided for by ORS 307.123.

No sanction or combination of sanctions shall exceed 75% of the total tax abatement for any single tax year. A tax year begins on July 1 and ends on the following June 30.

D. Allocation of Funds Paid by FMI for Failure to Comply

with Agreement

Any funds collected under Sections IV B above, shall be paid to the County Finance Manager and held in a segregated fund. The funds shall be distributed by the County to a program or project in the area of public policy most directly related to the failure to comply.

V. REMEDIES OF FMI

If the City or County breaches this Agreement, FMI shall be entitled to exercise any of its legal or equitable remedies, either through the arbitration process set forth in Section IV A or through administrative or judicial processes.

VI. TERM OF AGREEMENT

This Agreement shall commence on the date of execution by the parties and terminate on the completion of the obligations of all parties after the conclusion of the final year of the Property Tax Abatement.

VII. ELECTION TO NOT CONSTRUCT PHASE 2

In the event that FMI elects not to commence construction of Phase 2 of the Project by January 1, 1997, then the total number of New Jobs to be provided will be reduced by 234, and the rights and obligations under this Agreement of the parties will be proportionately reduced, except any monies already paid in excess of the proportional amount does not have to be repaid, and this Agreement shall apply only to Phase 1.

If FMI commences construction of Phase 2 of the Project after January 1, 1997, any property tax abatement which the Multnomah County Assessor is required to apply to FMI's tax account shall be disgorged by a payment each relevant tax year to the Finance Director of Multnomah County in an amount the same as the value of the property tax abatement attributable to Phase 2 of the Project.

VIII. MISCELLANEOUS TERMS

- A. No persons shall be denied or subject to discrimination in receipt of the benefits of any services or activities made possible by or resulting from the Agreement on the grounds of sex, race, color, creed, marital status, age, national origin, mental health or physical handicap, disabled or Vietnam era veteran status (except where there are bona fide occupational qualifications). Any violation of this provision shall be considered a material violation of the Agreement.
- B. All requirements of the Oregon Revised Statutes Nos. 279.320 through 279.430, Public Contracting, as applicable, are incorporated herein by reference.
- C. This Agreement shall be governed by the law of the State of Oregon. Any actions or suits commenced in connection with this Agreement shall be in Circuit Court of Multnomah County or Federal District Court for Oregon.
- D. This Agreement is the complete and exclusive statement of the Agreement between the parties relevant to the purpose described above and supersedes all prior agreements or proposals, oral or written, and all other communication between the parties relating to the subject matter of this Agreement. No modifications of the Agreement will be binding on any party except as a written addendum signed by authorized agents of each party. In the event that there is no tax abatement for any year within the 15-year abatement period, the parties may negotiate to modify the term of the Agreement. An arbitrator's written determination under Section IV A of this Agreement is specifically included as part of this Agreement.
- E. All rights and remedies of each party shall be cumulative and may be exercised successively or concurrently. The foregoing is without limitation to or waiver of any other rights or remedies of either party according to law.
- F. The parties acknowledge that any payments required under this Agreement do not constitute property taxes and are not subject to the limits under Section II.B. Article XI of the Oregon Constitution.
- G. FMI acknowledges that its compliance with this agreement will be an important consideration for local government

approval of any future applications seeking property tax exemptions.

H. This agreement shall bind the successors and assigns of the parties.

DATED this _____ day of _____, 1995.

MULTNOMAH COUNTY

FUJITSU MICROELECTRONICS, INC.
(FMI)

Beverly Stein, Chairman
Board of Commissioners

Vice President

REVIEWED:

Sandra N. Duffy
Assistant County Counsel

CITY OF GRESHAM

Mayor

City Recorder

REVIEWED:

City Attorney

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FSA

between

PORTLAND DEVELOPMENT COMMISSION
JOB NET PROGRAM

and

FUJITSU MICROELECTRONICS, INC.

SCHOOL-TO-WORK PLAN

EDUCATIONAL CAREER PROGRESSION

IN

SEMICONDUCTOR INDUSTRY CHART

EXCLUSIVE FULL-SERVICE FIRST SOURCE HIRING AGREEMENT

FUJITSU MICROELECTRONICS, INC.

I. PARTIES

This Exclusive Full-Service First Source Hiring Agreement (FSA) is for the recruitment, referral and placement of employees in covered positions and is between Portland Development Commission JobNet Program (PDCJNP) and Fujitsu Microelectronics, Inc., Gresham, Oregon (FMI). Multnomah County (County) and City of Gresham (City) are Third Party Beneficiaries (TPB) of this FSA and are entitled to enforce its terms. By executing this FSA, County and City accept TPB status.

II. RECITALS

- A. On April 13, 1995, County adopted a Strategic Investment Program (SIP) Policy pursuant to the provisions of ORS 285.330 et seq. and ORS 307.123. This Policy provides procedures, goals and standards to evaluate SIP applications.
- B. The County, City and FMI must sign an SIP Contract setting out the additional reasonable requirements that FMI will meet in order for the County to request State financing for FMI's proposed Project. The Contract and the State financing are prerequisites for FMI qualifying for a Property Tax Abatement.
- C. A provision of the SIP Contract requires that FMI enter into an FSA with PDCJNP.
- D. PDCJNP is the entity designated as the publicly funded job training provider with which FMI must enter into a first-source hiring agreement pursuant to ORS 285.323.
- E. Amid regional growth and economic prosperity, too many citizens of Multnomah County live in poverty; a disproportionate share of them are women. Over 14% of families with children under the age of 18 have incomes below the poverty level; sixty percent of these households are headed by women. The County seeks to link the job creation benefits of industrial expansion to disadvantaged residents, ensuring access to new jobs by that population. The County also recognizes that in order to ensure the success of such residents in family

wage jobs, private and public resources must be dedicated to the support of families during their transition from poverty to self-sufficiency.

- F. FMI and PDCJNP commit to work together and in partnership with Mount Hood Community College (MHCC), Portland Community College (PCC), other institutions of higher learning, Public School Districts, Multnomah Educational Service District, Oregon State Employment Department (OSD), Adult and Family Services (AFS), Private Industry Council (PIC), churches and social services infrastructure to identify, train and refer a targeted population of potential FMI employees to FMI for regular employment with career advancement opportunities.
- G. The targeted population includes welfare recipients, unemployed, underemployed, students in a School-to-Work Program and Oregon graduates of high schools, vocational and technical schools, two year and four year colleges and universities.
- H. The Multnomah County East Branch of AFS is the largest branch in the State providing services and welfare benefits for over 4000 families.
- I. There are a substantial number of unemployed and underemployed in Outer Southeast and East County.
- J. The parties recognize that this targeted population may have less financial, social and emotional support to cope with impediments to employment. The Parties commit to a strong collaborative effort to overcome these impediments by marshalling support services which will allow recruiting, training, referring and employing these persons.

THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

III. TERMS AND CONDITIONS

A. Definitions

- 1. Applicant:
- 2. Contract Worker: Persons hired on a temporary or permanent basis who are self-employed or employees of a business other than FMI who perform under a contract for services.

3. Covered Positions: Regular Jobs of FMI in the Portland Metropolitan area. There are two categories of covered positions:
 - (1) Category One: Jobs which require less than a two year college degree or certificate which are not highly technical nor managerial in nature.
 - (2) Category Two: Jobs which require a two year college certificate or degree, two or more years of college or are highly technical or managerial in nature.
4. Internal Hire: FMI positions which are filled by FMI regular employees by internal promotion, transfer or recall of a laid off employee.
5. Potential Applicant: Anyone who is a member of the targeted population or any other person who comes to PDCJNP to apply for a position with FMI.
6. Qualified Applicant: FMI, PDCJNP and County shall mutually determine a definition for "Qualified Applicant" in conjunction with the creation of industry standards and a certification process for operators and technicians in Section III B(3) infra . . .
7. Regular Employee: Full-time permanent employee on the regular payroll of FMI entitled to employer-paid benefits.
8. Regular Job: Full-time permanent positions on the regular payroll entitled to employer-paid benefits.
9. School-to-Work: This is a program created pursuant to the Oregon Educational Act for the 21st Century which encourages educational institutions and businesses to develop programs related to School-to-Work transitions and work experience internships. ORS 329.885.
10. Targeted Population: A person who is a welfare recipient, unemployed, underemployed, school-to-work participant and graduates of local vocational and semiconductor training programs and other Oregon institutions of higher education.

11. Temporary Operator: An entry level operator who is an FMI employee hired with the intention that he/she will become a permanent employee. Such an employee can be hired for a permanent position at any time during the six month probationary period, but if not hired by the end of the six months is not permitted to remain employed at FMI.
12. Underemployed: [Multnomah County shall develop a working definition of this term.]
13. Unemployed: Persons without a job that pays compensation or who is receiving unemployment compensation.
15. Welfare Recipients: Persons receiving support payments from AFS.

B. Recruitment

1. Exclusive Recruiting Through PDCJNP
 - a. FMI shall recruit potential applicants for Category One covered positions exclusively through PDCJNP, except for internal hires. FMI shall not advertise, announce or recruit open Category One covered positions unless notified in writing by PDCJNP that is unable to refer a sufficient number of qualified applicants.
 - b. PDCJNP may share FMI job openings for all covered positions with its JobNet partners and affiliated agencies, including but not limited to the OSED, Department of Vocational Rehabilitation and AFS; PCC: Clackamas Community College; MHCC; PIC; and Employment, Training and Business Services.
2. PDCJNP Outreach to Targeted Population
 - a. PDCJNP will work with MHCC, OSED, social service agencies, churches, schools and others to identify potential applicants for all FMI covered positions.
 - b. PDCJNP shall develop and implement recruitment and screening processes for all covered positions.

3. Workforce Development

- a. FMI shall work with PDCJNP, MHCC, local public school districts, Multnomah Educational Service District and other education and training providers to develop training systems related to the semiconductor industry which will result in the targeted population acquiring the education and skills necessary for students to be certified as qualified applicant's and meet FMI's employment needs.
- b. FMI shall assist in creating industry standards and a certification process for operators and technicians.
- c. FMI shall continue participate in the "train-the-trainer" program.
- d. FMI will work with local education and training providers to develop cooperative education and internship programs for high school, community colleges and college/university students. FMI shall expend reasonable efforts to identify intern positions which students enrolled in microelectronics of semiconductor related training programs can fill.
- e. FMI shall help PDCJNP create screening and assessment tools for the targeted population. FMI shall provide personnel to advise and screen candidates for semiconductor training programs at MHCC and local high schools.

4. Notification of Open Covered Positions

FMI shall notify PDCJNP of its hiring schedule, position qualifications, wages offered, shift needed and other relevant job related information as soon as FMI becomes aware of the need for new employees in all covered positions. FMI shall provide job descriptions and qualifications for all positions in order to facilitate PDCJNP's determination of qualified applicants upon request from PDCJNP.

C. Referral and Hiring

1. PDCJNP shall process for referral any qualified applicant who applies or is referred for any covered position when an opening exists at FMI.
2. PDCJNP shall screen all applicants for openings for covered positions according to the qualifications required by FMI. FMI specifically agrees that successful completion of a training program which FMI helped develop will substitute for any requirement of a stable work history.
3. PDCJNP shall refer qualified job applicants to FMI in response to notification from FMI of openings for covered positions.
4. FMI shall conduct a personal interview with every qualified job applicant referred to FMI.
5. FMI shall make the final hiring decision on any job applicant but shall select employees for Category One covered positions from among the qualified persons referred by PDCJNP.
6. For Category Two position openings, FMI agrees to consider qualified applicants referred by PDCJNP and to make a good faith effort to maximize hiring from qualified local residents, graduates of local vocational and semiconductor training programs and local two and four year colleges and universities.
7. After FMI has hired an applicant referred by PDCJNP, PDCJNP shall not be responsible for the employee's actions. [Hold harmless language.]
8. FMI shall provide supervisors of Temporary Operators and Operators I with additional supervisor training to provide them with the skills necessary to identify employee problems of the targeted population at an early stage. FMI's supervisors shall contact PDCJNP which shall connect the employee with the appropriate employee counseling support. This additional cooperative effort, intended to improve employee retention figures, shall be taken for the first year of employment, including the probationary period, on behalf of an employee from the targeted population.

9. All persons hired under this FSA are subject to FMI's personnel policies and procedures and have no special or additional rights arising from the FSA.

D. Reporting Requirements

1. FMI, PDCJNP and the County shall work together to create reporting forms for the reporting requirements set out in Section II(C) of the SIP Contract between FMI and County/City.
2. FMI and PDCJNP shall work together to determine a process of disseminating employee surveys which will be used for evaluating how well the County goals are being met through the FMI, PDCJNP, County and City partnership.

E. Assignments and Modifications

1. If, during the term of this FSA, FMI should transfer possession of all or a portion of its business concerns affected by this FSA to any other party by lease, sale or assignment or otherwise, FMI, as a condition of transfer shall require the party taking possession to agree, in writing, to the terms of this FSA.
2. If PDCJNP's federal, state or local grants are suspended or terminated before or during the contract period, this FSA may be assigned to another member of JobNet mutually selected by FMI and County.
3. FMI and County may mutually agree to modify this agreement in order to improve the working relationship described herein.

F. Payment for Services

FMI shall pay PDC \$60,000 each year beginning August 1, 1995, and continuing through July 31, 1998. For the remaining years of this agreement, beginning August 1, 1998, FMI will pay PDC an annual amount computed as follows: \$300 for each job opening which occurred at FMI and posted with JobNet in the prior fiscal year, July 1-June 30. A lump sum annual payment will be made to PDC by September 1 of each year.

G. Sanctions

A breach of the FSA is a breach of the SIP Contract. The sanctions set forth therein are applicable. Additionally, any actual costs incurred by PDCJNP on account of a breach, including administrative time of the staff, shall be paid by FMI to PDCJNP upon demand. In the event of a dispute regarding this provision, the Arbitration provisions of Section K. of this FSA apply.

H. Effective Date

This FSA shall take effect when the Multnomah County Board of County Commissioners approves the SIP Contract.

I. Arbitration

If any breach or disputed term or condition of this fsa cannot be resolved to the mutual satisfaction of the parties, the binding arbitration procedure set out in Section IV A(6) et seq. shall be used to resolve the matter.

J. Term

This FSA shall be in effect until the end of the property tax abatement period for FMI which is expected to include tax year 2001/02, ending June 30, 2002.

IT IS SO AGREED:

By _____
Fujitsu Microelectronics, Inc.
Office: _____
Dated: _____

By _____
Vera Katz, Mayor
City of Portland

Dated: _____

APPROVED AS TO FORM:

By _____
Portland Development Commission
Legal Counsel

Dated: _____

By _____
Beverly Stein, Chair
Multnomah County
Board of Commissioners

Dated: _____

REVIEWED:

By _____
Sandra N. Duffy
Assistant County Counsel

Dated: _____

By _____
Gussie McRoberts, Mayor
City of Gresham

Dated: _____

REVIEWED:

By _____
Tom Sponsler, City Attorney
City of Gresham

Dated: _____

F:\DATA\COUNSEL\WPDATA\SDX\524SND.CON\MW

#1

PLEASE PRINT LEGIBLY!

MEETING DATE

7/17/95

NAME

Bob Robinson for Guetcher
Kathory

ADDRESS

City Hall - 1211 SW 5th
STREET

Portland, OR
CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#2

PLEASE PRINT LEGIBLY!

MEETING DATE 7-17-95

NAME

Paul Thelhofer

ADDRESS

920 SW. Cherry Park Rd
STREET

Troutdale, OR 97060
CITY ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. PH-1

SUPPORT ☒ **OPPOSE** ☐

SUBMIT TO BOARD CLERK

#3

PLEASE PRINT LEGIBLY!

MEETING DATE 7-17-95

NAME

Jean M. Ridings

ADDRESS

21510 NE Blumh Rd

STREET

Troutdale, OR 97060

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. Fujitsu

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#4

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME

Sue O'Halloran

ADDRESS

3844 SE Augusta Place

STREET

Gresham

CITY

97080

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. SIP Hearing
SUPPORT ☒ **OPPOSE** ☐

SUBMIT TO BOARD CLERK

#5

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME JERRY GILLHAM
ADDRESS 150 W. POWELL
STREET
GRESHAM 97030
CITY **ZIP**

I WISH TO SPEAK ON AGENDA ITEM NO. 518
SUPPORT X **OPPOSE** _____
SUBMIT TO BOARD CLERK _____

#6

PLEASE PRINT LEGIBLY!

MEETING DATE 7-17-95

NAME

Dick Manley

ADDRESS

6016 NE 42 ave

STREET

Portland

CITY

97218

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. Fujitsu

SUPPORT _____

OPPOSE X

SUBMIT TO BOARD CLERK

#7

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME DAVID MAZZA

ADDRESS POB 9012

STREET

PORTLAND 97207

CITY **ZIP**

I WISH TO SPEAK ON AGENDA ITEM NO. _____

SUPPORT _____ **OPPOSE** ☒

SUBMIT TO BOARD CLERK

#8

PLEASE PRINT LEGIBLY!

MEETING DATE

7/17

NAME

Row Craig (Fujitsu)

ADDRESS

3252 SW 32nd Ct

STREET

Gresham

CITY

97080

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

PH-1

SUPPORT

☒

OPPOSE

SUBMIT TO BOARD CLERK

#9

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME

ADDRESS

D. Patrick Whitcomb
3530 S.E. 84th #709

STREET

CITY

Portland, Ore. 97266
ZIP

I WISH TO SPEAK ON AGENDA ITEM NO.

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

P.H.-I

#10

PLEASE PRINT LEGIBLY!

MEETING DATE 7-17-95

NAME Bertha Ferrán (HCDC)

ADDRESS 808 SW 3rd Rm 600
STREET

97204
CITY ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM # _____

SUPPORT ☒ _____ OPPOSE _____
SUBMIT TO BOARD CLERK

#11

PLEASE PRINT LEGIBLY!

MEETING DATE 17 July 1995

NAME

Thomas Janik Ustach USTACK

ADDRESS

4230 NE 68th

STREET

Portland OR 97218

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. P11-1

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#12

PLEASE PRINT LEGIBLY!

NAME NEIL BEER MEETING DATE 7-17-95
Mike Peterson (HCDC)

ADDRESS 808 SW 3rd Rm 400
STREET PHD ZIP CODE 97204
CITY _____

I WISH TO SPEAK ON AGENDA ITEM # PH-1

SUPPORT ✓ OPPOSE _____
SUBMIT TO BOARD CLERK

#13

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME

Stephen Price

ADDRESS

2606 NE 59th

STREET

Portland

97213

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO.

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#14

PLEASE PRINT LEGIBLY!

MEETING DATE

7-17-95

NAME

TERLY McCall

ADDRESS

2318 SE DARLING

STREET

GRESHAM

97080

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

SUPPORT

✓

OPPOSE

SUBMIT TO BOARD CLERK

#15

PLEASE PRINT LEGIBLY!

MEETING DATE

7/17/95

NAME

Jack Semke

Semke

ADDRESS

2057 NW Johnson

STREET

Port Huron

97209

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO.

SLP

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

X

#14

PLEASE PRINT LEGIBLY!

MEETING DATE

7/27/95

NAME

MICHAEL DILLON

ADDRESS

7312 SE 141st

STREET

CITY

PORTLAND

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

51P

SUPPORT

☒ SUBMIT TO BOARD CLERK

OPPOSE

#17

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME Barbara Davis

ADDRESS 2426 NE 16

STREET

Portland, OR 97212

CITY **ZIP**

I WISH TO SPEAK ON AGENDA ITEM NO. 9577

SUPPORT _____ **OPPOSE** X

SUBMIT TO BOARD CLERK

18

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME

SHAR GIARD GEARO

ADDRESS

19123 KE-HASSALO

STREET

~~PORTLAND~~ Gresham

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. PH-1

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#19

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME

ADDRESS

Rose Mary Joslin

STREET

3134 NE 62

CITY

Portland

ZIP

97213

I WISH TO SPEAK ON AGENDA ITEM NO.

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

X

X

#20

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME

Everett Antula "Antilla"

ADDRESS

STREET

3415 NE 22 AV

CITY

Portland

ZIP

97212

I WISH TO SPEAK ON AGENDA ITEM NO.

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#21

PLEASE PRINT LEGIBLY!

MEETING DATE 7-17-95

NAME DUANE E. ROBINSON

ADDRESS 19601 NE HALSET

STREET

PORTLAND, OR.

CITY

97231

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM # PH # 1

SUPPORT L **OPPOSE**

SUBMIT TO BOARD CLERK

#22

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME

LISA TELLEFSON TELLEFSON

ADDRESS

1702 NE TILLAMOOK

STREET

PORTLAND OR 97212

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. PH-1

SUPPORT _____ **OPPOSE** ✓

SUBMIT TO BOARD CLERK

#23

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME

MARK NUISMER

ADDRESS

3427 #A SE 16th

STREET

Portland OR, 97202

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. PH-1

SUPPORT _____ **OPPOSE** ✓

SUBMIT TO BOARD CLERK

#24

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MEETING DATE

7-17-95

NAME

ADDRESS

STREET

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. PH-1

SUPPORT PRO **OPPOSE** _____

SUBMIT TO BOARD CLERK

#25

PLEASE PRINT LEGIBLY!

MEETING DATE July 17, 1995

NAME

Tom Crapper

ADDRESS

2434 NE 63

STREET

PORTLAND

97213

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. PH-1

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

X

#24

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME GERRI PECK

ADDRESS 2405 NE 46th Avenue

STREET PORTLAND OR 97213

CITY **ZIP CODE**

I WISH TO SPEAK ON AGENDA ITEM # PH-1

SUPPORT **OPPOSE** X

SUBMIT TO BOARD CLERK

#27

PLEASE PRINT LEGIBLY!

MEETING DATE 2-17-95

NAME Frank Gearhart

ADDRESS 2103 N/E 24th

STREET Gresham, Or 97030

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM # Attachment

SUPPORT _____ OPPOSE X

SUBMIT TO BOARD CLERK

#28

PLEASE PRINT LEGIBLY!

MEETING DATE

July 12

NAME

Bill Resnick

ADDRESS

1615 SE 35th Ave

STREET

Woodland

OR

97214

CITY

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

PH-1

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#29

PLEASE PRINT LEGIBLY!

MEETING DATE

7/17/95

NAME

JOHN MARKS

ADDRESS

0668 SW PALATINE HILL RD

STREET

PORTLAND

CITY

97219

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

PH-1

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#30

PLEASE PRINT LEGIBLY!

MEETING DATE July 17, 1995

NAME

Jennifer A Jordan

ADDRESS

1650 SE Hawthorne #205

STREET

Portland, OR 97214

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO.

PH-1

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

X

#31

PLEASE PRINT LEGIBLY!

MEETING DATE July 17

NAME

Keri DUFFY

ADDRESS

2814 NE 7th Ave

STREET

Portland OR 97212

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. PH-1

SUPPORT _____ **OPPOSE** X

SUBMIT TO BOARD CLERK

#32

PLEASE PRINT LEGIBLY!

MEETING DATE 7-17-95

NAME

Bonnie Marino-Blair

ADDRESS

3428 SE 45th

STREET

Portland, OR 97206

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO.

⑦ Fujitsu

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#33

PLEASE PRINT LEGIBLY!

MEETING DATE 7-17-95

NAME

DR Willis G Blair

ADDRESS

3428 SE 4th

STREET

Portland, OR 97206

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. ③ Fujitsu

SUPPORT \$ **OPPOSE** X

SUBMIT TO BOARD CLERK

need 9 minutes!

#34

PLEASE PRINT LEGIBLY!

MEETING DATE July 17, 1995

NAME

ADDRESS

Louise Weidlich, Director
Neighborhood Protective
STREET Assn

PO Box 19274
CITY Portland, Oregon **ZIP** 97219

I WISH TO SPEAK ON AGENDA ITEM NO.

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

PH-1



35

PLEASE PRINT LEGIBLY!

MEETING DATE 7/17/95

NAME

DAN HARMON

ADDRESS

1300 S.W. 6TH AVE

STREET

PORTLAND OREGON 97102

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. PH-1

SUPPORT

X

OPPOSE

SUBMIT TO BOARD CLERK

#36

PLEASE PRINT LEGIBLY!

MEETING DATE 7.17.95

NAME

DAN VIZZINI

ADDRESS

13830 VERTE COURT

STREET

LAKE OSWEGO 97034

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. PH-1

SUPPORT _____ **OPPOSE** X

SUBMIT TO BOARD CLERK

#37

PLEASE PRINT LEGIBLY!

MEETING DATE

7-17-95

NAME

JIM WORTHINGTON

ADDRESS

3232 S. E 153 RD

STREET

PORTLAND OR.

CITY

97236

ZIP CODE

I WISH TO SPEAK ON AGENDA ITEM #

P4-1

SUPPORT

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OPPOSE

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