

TCIDA Application for Incentives: Preamble

The following is a basic outline of the process for applying to the Tompkins County Industrial Development Agency (TCIDA) for economic incentives. The primary mission of TCIDA is to offer economic incentives to Tompkins County businesses in order to create and retain quality employment opportunities and to strengthen the local tax base. The IDA defines “industrial” to include computer software, agri-business, printing, publishing, and research and development. The IDA prefers to assist those businesses that have a market for products or services extending beyond Tompkins County. The IDA avoids offering incentives to businesses that will compete with or displace existing Tompkins County businesses.

Each applicant will be asked to complete the following application that will be presented to the IDA Board. We ask that each applicant work with the Administrative Director in developing its application. Once the application has been submitted, the IDA Board, at its next scheduled meeting, will consider whether to move forward to the Public Hearing phase where the public will have an opportunity to comment on the project. Public Hearings are held in the taxing jurisdiction where the project is located. Thirty days’ prior notice of the date, time, location and topic of the Public Hearing must be given. After the Public Hearing is held, the IDA Board, at its next scheduled meeting, will consider if economic incentives will be granted. If a resolution is passed that grants economic incentives, the applicant will become an appointed agent of the IDA for the purposes of the approved project and thus be eligible for New York State sales and use tax exemption on purchases related to the project for one year (renewals may be granted upon request). The abatement applies to both the State and local portion of the sales tax. The affected taxing jurisdictions will be notified of the decision of the IDA.

At the appropriate time (at the project closing), the IDA will take title to or a leasehold interest in the project (the project closing) and thus will grant Property and Mortgage Recording tax incentives under a Payment-in-Lieu of Taxes (PILOT) agreement. The standard PILOT agreement is for seven (7) years and reduces the property taxes beginning at 90% in year one and ending at 13% in year seven. At the end of the PILOT agreement, title is returned to the project owners or the lease expires; from that point forward, full taxes are paid on property and any buildings. The IDA and IDA counsel will need to be notified as soon as bank financing is obtained and at least four weeks prior to the desired closing date of all bank financing and property closings. There will also be annual reporting requirements on finances and employment to comply with New York State law.

The applicant is responsible for paying the IDA administrative fee at the time of closing. The fee will be equal to 1% of the project costs. Project cost is defined as the greater of the total value of the improvements involved in the project or the total value of the property to be owned by the IDA. The applicant is also responsible for paying the IDA for all legal costs it incurs including IDA Counsel and Bond Counsel fees. **Please see TCIDA policies and procedures document for more detail.**

An IDA incentive package allows the recipient to pay lower taxes than residents and other businesses in the community. This special treatment must be justified by community benefits that would not occur if the incentives were not granted. The questions in this application are designed to give you an opportunity to describe those benefits. Many questions concern the number and quality of jobs, both temporary and permanent that will be created by the project, but some address other possible benefits the community might derive. There is also space to include benefits that are not addressed by any of the questions.

The following application will ask for information on the company and proposed project, including but not limited to: business history, estimated job creation, possible tenant information, employment information, projected costs, and the value of incentives sought.

Please note that the information supplied on the application will help the IDA Board to determine whether it will grant economic incentives. Your answers are not considered “pass or fail” but are informative to the IDA Board in making its decision. If an applicant agrees to certain conditions based on the information supplied, these conditions will become part of the legal and binding documents tied to the economic incentives. Economic incentives will be terminated if these agreed-upon conditions are not met. Also, if it is discovered that a business or jobs are moved from another New York State county into Tompkins County, economic incentives will be terminated and further penalty fees may be assessed.

Tompkins County
Industrial Development Agency
Industrial Application for Incentives

Applicant Information

Name of Company/Applicant:	
Address:	
City/State/ZIP:	
Primary Contact:	
Phone: Email:	Fax:

Applicant Attorney:	
Address:	
City/State/ZIP:	
Primary Contact:	
Phone: Email:	Fax:

Applicant Accountant:	
Address:	
City/State/ZIP:	
Primary Contact:	
Phone: Email:	Fax:

Applicant Engineer/Architect (if known):	
Address:	
City/State/ZIP:	
Primary Contact:	
Phone: Email:	Fax:

Applicant Contractor (if known):	
Address:	
City/State/ZIP:	
Primary Contact:	
Phone:	Fax:
Email:	

Business History

Year Company was Founded: _____

Product or Service:

Major Customers:
<i>The IDA avoids offering incentives to businesses that will compete with or displace existing Tompkins County businesses.</i>

Major Suppliers:

Who are your major competitors in Tompkins County? _____

Has your business ever received incentives tied to job creation from local governments in New York State?

____ Yes ____ No

If Yes, were the goals met? ____ Yes ____ No

If No, why were goals not met? _____

Business Profit History. Please supply in spreadsheet format five (5) years of Past History and Three (3) years future projections.

Years	Historical					Projected		
	1	2	3	4	5	1	2	3
Revenues								
Profits								

Project Description

Please give a brief narrative description of the project.

Location: _____

Property size (acres) – both existing and proposed: _____

Building size (square feet) – both existing and proposed: _____

Proposed project start and completion dates: _____

What types of green building practices do you plan to use, if any? _____

Do you certify that the project will not result in the relocation of all or part of any business or jobs from within New York State to Tompkins County? ____ Yes ____ No

Occupancy

List the name(s), nature of business of proposed tenant(s), and percentage of total square footage to be used for each tenant (Additional sheets may be attached if necessary).

Project Costs

	<u>Amount</u>
Value of land to be acquired (if any):	_____
Value of building to be acquired (if any):	_____
Cost of New Construction:	_____
Value of improvements to existing building:	_____
Value of equipment to be acquired:	_____
Other:	_____
TOTAL	\$ _____

Financing

Amount of anticipated financing from a lending institution \$ _____
(Please note: the applicant must inform the TCIDA at the time of issuance of commitment letter if the financing will exceed the amount stated here.)

Value of Incentives

Property tax abatement

Please attach a separate sheet detailing applicant's proposed schedule of property tax abatement by year (year 1 – 7) and for each taxing jurisdiction with assumptions clearly noted e.g. existing taxes, tax rate. assessment value.

Assumptions	
\$xxx,xxx	value of new assessment
4%	annual increase in assessment and tax rate
\$x,xxx	existing taxes

Year	New Taxes paid <u>\$xx,xxx</u>				Taxes Abated <u>\$xx,xxx</u>			
	County	School	City/Town	Village	County	School	City/Town	Village
1								
2								
3								
4								
5								
6								
7								

Totals

Value of Sales Tax Abatement: \$ _____

Estimated length of Sales Tax Abatement: _____

Estimated value of abatement for facility construction including information on assumptions used in calculations: _____

Estimated value of abatement for furniture, fixtures and equipment including information on assumptions used in calculations: _____

Mortgage Recording Tax Abatement: \$ _____

Other government incentives or support include summary of program, name of contact person and terms and conditions of program: _____

Need for Incentives

If the applicant is requesting incentives that are greater than the IDA's Standard Policies, please include a detailed justification for this provision.

Employment Information (please note that during the course of the abatement you will be required to provide employment information annually.)

Please provide a description of the benefits that you offer to your employees.

Please provide a description of internal training and advancement opportunities offered to your employees.

What percentages of your current positions do women occupy? _____

What percentages of your current positions do minorities occupy? _____

Are you willing to pay a livable wage as defined by the Alternatives Federal Credit Union (AFCU) of Ithaca, NY (see attached) to all employees for the duration of the abatements?

____ Yes ____ No

Do you have a strategy for ensuring diversity in hiring? ____ Yes ____ No

If yes, please describe.

Please provide your Employment Plan

Permanent Occupations in Company	Current Permanent Full-Time Jobs by Occupation		Projection of New Permanent Full-Time Jobs			
	Annual Salary Ranges/ Hourly Wage	Number of Employees	Year 1	Year 2	Year 3	New Jobs
Professional:						
Clerical:						
Sales:						
Services:						
Construction:						
Manufacturing:						
Skilled:						
Semi-Skilled:						
Unskilled:						
Other (Describe):						
Total:						

Construction Labor

Will you use contractors who:

- Have a certified apprenticeship program Yes ___ No ___
- Pay a prevailing wage Yes ___ No ___
- Use local labor Yes ___ No ___

Environmental Review

Environmental Assessment Form – short or long

Submitted to: _____

Agency name: _____

Agency address: _____

Date of submission: _____ Status of submission: _____

(please note: an environmental review must be completed before TCIDA can vote on proposed financial incentive. It is the applicant's responsibility to provide a copy of the determination of environmental impact by another agency to TCIDA.)

Permits

Describe other permits required and status of approval process.

Other

Do you have any thing else you would like to tell TCIDA regarding this project?

CERTIFICATION

_____ deposits that she/he is the _____
(Name of chief executive officer of company submitting application) (Title)

of _____, the corporation named in the attached application; that
(Company Name)

he has read the foregoing application and knows the contents thereof; that the same is true to his knowledge.

Deponent further says that the reason this verification is made by the deponent and not by

_____ is because the said company is a corporation.
(Company Name)

The grounds of deponent’s belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the “Applicant”), deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the nonprofit Tompkins County Industrial Development Agency (hereinafter referred to as the “Agency”) acting in behalf of the attached application whether or not the application, the project it describes, the attendant negotiations and ultimately the necessary issue of bonds or transfer of title are ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action, or withdraws, abandons, cancels, or neglects the application or if the Agency or Applicant are unable to find buyers willing to purchase the total bond issue required or financing for the project, then upon presentation of invoice, the Applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue or transfer of title the Applicant shall pay to the Agency an administrative fee set by the Agency, not to exceed an amount equal to 1% of the total project cost. The cost incurred by the Agency and paid by the Applicant, including bond counsel, the Agency’s general counsel’s fees and the Agency’s administrative fees, may be considered as a cost of the project and included as part of the resultant bond issue.

Signature of chief officer of company submitting application

NOTARY

Sworn to before me this

_____ day of _____, 20_____

Category	Year (2004)	Month (2004)	Month (2002)	Comments	Source
Rent	\$7,224.00	\$602.00	\$527.00	Fair market rent for single bedroom apartment including utilities	HUD
Transportation	\$1,839.40	\$153.28	\$166.54	Weighted average of amount spent on cars, public buses and bicycle	TCAT, Census CES
Food	\$2,014.80	\$167.90	\$161.65	Average of low-cost plan Food Stamp cost for males and females 20-50	USDA
Telephone	\$441.84	\$36.82	\$26.50	Cost of local plan and 30 minutes long-distance per month	Verizon
Health Care	\$1,215.12	\$101.26	\$91.61	Employee's share premium Aetna Health Care plan plus additional out of pocket medical expenses	Consumer Expenditure Survey
Recreation	\$1,271.04	\$105.92	\$114.75	Reading materials, TV, radio, sound equipment	Claritas
Savings	\$630.00	\$52.50	\$50.00	Adjusted for inflation	Alternatives
Miscellaneous	\$1,309.56	\$109.13	\$115.21	Clothing, personal care, housekeeping, small appliances, etc.	Claritas
Net (subtotal)	\$15,945.76	\$1328.81	\$1253.26		
Payroll	\$1,446.68	\$120.56	\$115.14		
Federal	\$1,286.12	\$107.18	\$104.45		
State	\$423.49	\$35.29	\$32.21		
TOTAL	\$19,102.05	\$1591.84	\$1505.06	(5.77% increase \$9.18@40 hrs/wk; \$9.67@38	
Day Care		\$562.50		Infant/toddler	NACCRA
		\$395.83		preschool	NACCRA

Alternatives Federal Credit Union Livable Wage Study 2005

www.alternatives.org