

Tompkins County
Industrial Development Agency

Industrial Application for Incentives

Date: 4/1/16

APPLICANT INFORMATION

Name of Company/Applicant: Therm, Incorporated

Owner: _____

Address: 1000 Hudson Street, Ext.

City: Ithaca State: N.Y. Zip: 14850

Primary Contact (First, Last): Robert R. Sprole, III

Phone: 607-272-8500 Email: rrsprole3.therm.com Fax: 607-277-5799

→ Will a separate company hold title to/own the property in question that is separate from the operating company/applicant? Yes No

If yes, please provide the name and contact information for that entity.

Name of Company/Applicant: _____

Owner: _____

Address: _____

City: _____ State: _____ Zip: _____

Primary Contact (if different from owner): _____

Phone: () - Email: _____ Fax: () -

Describe the terms and conditions of the lease between the applicant and the owner of the property.

N/A

APPLICANT ATTORNEY

Attorney: Jonathan Albanese

Address: 401 State Street

City: Ithaca State: N.Y. Zip: 14850

Primary Contact (if different from above): _____

Phone: 607-272-5212 Email: _____ Fax: () -

Major Suppliers:
Meyer Tool, PW Berwick, AW Miller, Poly

Who are your major competitors in Tompkins County?

None

The IDA avoids offering incentives to businesses that will compete with or displace existing Tompkins County businesses.

Has your business every received incentives tied to job creation from local governments in New York State? Yes No

If yes, please describe: Power for jobs (Recharge N.Y.)

Were the goals met? Yes No

If no, why were the goals not met? _____

AFTER EXPANSION:

Annual sales to customers in Tompkins County \$ 3,700

Percent subject to sales tax: 0 %

Annual purchases of operating items subject to local sales tax \$ 521,335

BUSINESS PROFIT HISTORY

Please provide five (5) years of **past history** in the format provided below.

Years	1	2	3	4	5
Revenues	\$ 33,522,822	\$ 34,655,665	\$ 36,875,538	\$ 25,035,568	\$ 17,860,624
Profits	\$	\$	\$	\$	\$

Please provide three (3) years of **future projections** in the format provided below.

Years	1	2	3
Revenues	\$ 33,000,000	\$ 33,000,000	\$ 34,000,000
Profits	\$	\$	\$

Privately held company – profitability not disclosed.

PROJECT DESCRIPTION

Please give a description of the project:

Construction 20,000 square foot building to increase machining capacity

Location (all addresses and tax parcels): 1000 Hudson St., Ext. Tax parcel 54.-2-1
Ithaca, N.Y. 14850

Property Size (acres): existing: 37 Acres proposed: No Change

Building Size (square feet): existing: 144,161 proposed: 164,161

Proposed Dates: start: June 2016 end: April 2017

Describe what green building practices you plan to use:

LED lighting, potential solar energy initiatives

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

Will this project result in a regular increase in overnight visitors to your facility (e.g. for training programs)? Yes No

If yes, number of visitors per year: N/A

Average duration of stays (days): _____

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).

<i>Business</i>	<i>Nature of Business</i>	<i>% of total square footage</i>
1. <u>N/A</u>	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

PROJECT COST

	<i>Amount</i>	<i>% Subject to sales tax</i>
Value of land to be acquired (if any)	\$ _____	N/A
Value of building to be acquired (if any)	\$ _____	N/A
Cost of new construction	\$ 2,250,000	50 %
Value of improvements to existing building	\$ _____	%
Value of equipment to be acquired	\$ 250,000	50 %
Other: _____	\$ _____	%
Other: _____	\$ _____	%
Total	\$ 2,500,000	N/A

For IDA to fill out

<i>Est. reimbursement of soft costs on project cost:</i>	\$ _____
<i>Agency Fee:</i>	\$ _____
<i>Agency Counsel Fee:</i>	\$ _____
<i>Agency Bond Counsel Fee:</i>	\$ _____

FINANCING

Amount of anticipated financing from a lending institution: \$ 0

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

Assumptions

\$ 1,000,000 Value of increase in assessment

4% Annual increase in assessment and tax rate

New Taxes Paid: \$107,107

Taxes Abated: \$104,588

Year	Abatement	County	Town	School	Total	County	Town	School	Total
1	90%	\$674	\$190	\$1,816	\$2,680	\$6,065	\$1,713	\$16,345	\$24,122
2	77%	\$1,602	\$452	\$4,318	\$6,372	\$5,406	\$1,527	\$14,570	\$21,503
3	64%	\$2,603	\$735	\$7,016	\$10,355	\$4,685	\$1,323	\$12,627	\$18,635
4	51%	\$3,682	\$1,040	\$9,924	\$14,647	\$3,898	\$1,101	\$10,504	\$15,503
5	39%	\$4,843	\$1,368	\$13,053	\$19,265	\$3,040	\$859	\$8,192	\$12,091
6	26%	\$6,091	\$1,720	\$16,417	\$24,229	\$2,107	\$595	\$5,679	\$8,381
7	13%	\$7,431	\$2,099	\$20,029	\$29,559	\$1,095	\$309	\$2,951	\$4,355
	Totals	\$26,928	\$7,605	\$72,574	\$107,107	\$26,294	\$7,426	\$70,867	\$104,588

Value of sales tax abatement: \$ 100,000
 Estimated length of sales tax abatement (years): 2 years

Estimated value of abatement for facility construction including information on assumptions used in calculations:
 50% of construction costs subject to 8% sales tax

Estimated value of abatement for furniture, fixtures and equipment including information on assumptions used in calculations:
 50% of equipment, furniture and fixtures subject to 8% sales tax

Mortgage Recording tax abatement: \$ n/a

Other governmental incentives or support. Include summary of program, name of contact person and terms and conditions of program.

<i>Program</i>	<i>Contact Person</i>	<i>Terms & Conditions</i>
_____	_____	_____
_____	_____	_____
_____	_____	_____

NEED FOR INCENTIVES

Are you asking for a schedule of incentives that deviates from the IDA's Standard Tax Abatement Program as listed below? Yes No

<i>Year</i>	<i>Standard Abatement</i>
1	90%
2	77%
3	64%
4	51%
5	39%
6	26%
7	13%

If the applicant is requesting incentives that are greater than the IDA's Standard Policy, please include a detailed description and justification for this request. **Please submit as an attachment to the application.**

EMPLOYMENT INFORMATION

Note: during the course of the abatement you will be required to provide detailed employment information annually.

Please provide a description of the benefits that you offer to your employees.
Group Medical, Dental, Vision, Prescription Drug, Flexible Spending Accounts, GTL, Paid Vacation, Paid Personal Time, 401(K) plan with match, EAP, Uniforms, Service Award Program, Tuition Reimbursement Program, Employee Referral Incentive, AFLAC, Company Picnic, and more.

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

Our employees can take courses within the company to advance their careers. We currently offer a certified operator training program and a welding program. We do our best to post jobs internally as they open so our employees can grow and change within our organization. Most recently our second shift janitor trained to be a first shift Purchasing Agent.

What percentage of your current positions do women occupy? 20 %

What percentage of your current positions do minorities occupy? 5 %

Are you willing to pay a livable wage, as defined by the Alternatives Federal Credit union (AFCU) of Ithaca, NY (http://www.alternatives.org/pdf/AFCU-2015-1055_FINAL2.pdf) to all employees for the duration of the abatements? Yes No

What percent of your current workforce and management are in:

Tompkins County?	<u>100</u>	%
New York State?	<u>100</u>	%
Out of New York State?	<u>0</u>	%

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

If yes, please describe: *See below

Will you allow your building to be used as a polling facility? Yes No

*We like to hire a broad range of employees. We recruit through the NYS OJT Program, Challenge Industries, Women's Opportunity Center, Rescue Mission, Veterans Services, Meet the Employer at the NYS DOL and through various job fairs.

EMPLOYMENT PLAN

Occupation in Company	Jobs by Occupation		Permanent Full-Time Jobs			
	Average Annual Salary Ranges/ Hourly Wage	Number of Employees	New Jobs Added in Year 1	New Jobs Added in Year 2	New Jobs Added in Year 3	Total New Jobs
Professional	1,400,000	7	0	0	0	7
Clerical	535,000	13	0	0	0	13
Sales	50,000	1	0	0	0	1
Services						
Construction						
Manufacturing						
High Skilled	2,600,000	58	2	2	0	62
Medium Skilled	3,315,000	74	3	3	0	80
Basic Skilled	80,000	4	0	0	0	4
Other (describe)						
Driver	50,000	1	0	0	0	1
Total	8,030,000	158	5	5	0	168

Estimated percentage of new hires who would be unemployed at time of hire: 50 %

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 Form Long Form

Submitted to: Currently being prepared by Engineer

Agency Name: _____

Agency Address: _____

City: _____ State: _____ Zip: _____

Date of submission: _____ Status of submission: _____

Please note: an environmental review must be completed before TCIDA can vote on proposed financial incentives. 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.

<i>Permit</i>	<i>Status</i>
1. <u>Building – Electrical – plumbing</u>	<u>In process</u>
2. <u>DPW – Water & sewer taps</u>	<u>In process</u>
3. <u>Storm water</u>	<u>In process</u>
4. <u>Energy code compliance</u>	<u>In process</u>

OTHER

Do you have anything else you would like to tell the TCIDA regarding this project?

Therm is a 3rd generation family owed company.

Founded in 1935 and have been in same location.

In our 80 years of existence Therm has been financially instrumental in founding and supporting Challenge Industries, TC3, and YMCA.

Many of our employees have been active in supporting community activities.

Current average length of service of our employees is 20 years.

44 employees or about 28% of our total workforce are related.

CERTIFICATION

_____ deposes that s/he is the _____ of _____, the corporation in the attached application; that s/he has read the foregoing application and knows the content 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.

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.

Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law, that any New York State and local sales and use tax exemption claimed by Applicant and approved by the Agency in connection with the Project may be subject to recapture by the Agency under such terms and conditions as will be set forth in the Agent Agreement to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of New York State and local sales and use tax exemption benefits, is true, accurate and complete.

SIGNATURE PAGE FOLLOWS ON SEPARATE PAGE

**CERTIFICATION
SIGNATURE PAGE**


Signature of Chief Officer of Company submitting application

Notary
Sworn to before me this
6 day of April, 2016
Joanne Finlay

JOANNE FINLAY
Notary Public, State of New York
No. 01F16190415
Qualified in Cortland County
Commission Expires July 28, 2016

