

**Tompkins County Industrial Development Agency  
Lansing Town Center Incentive Zone Program**

*Endorsed by the Lansing Town Board May 18, 2011*

*Adopted by the Tompkins County IDA October 21, 2011*

The Town of Lansing Comprehensive Plan identifies goals and objectives around creating a vibrant Town Center where higher density housing, commercial services catering to the needs of local residents, and recreational opportunities are established that increase the tax base and create a sense of community in Lansing.

The Town currently has very few basic commercial services. It is geographically located 5 miles from the Village of Lansing and more than 10 miles from the City of Ithaca’s downtown and Route 13 commercial districts. In order to attract developers to the Town of Lansing, and the Town Center, an incentive program is critical and the requirements imposed to qualify for the incentives need to be reasonable.

The Lansing Town Center Incentive Zone Program is being considered to encourage development in the Lansing Town Center. Under this program, the Town of Lansing recommends projects to the Tompkins County Industrial Development Agency for consideration of tax incentives.

**Eligible Projects**

The Lansing Town Center Incentive Zone Program encourages development within the boundaries of the Town Center as outlined by the Lansing Town Center Map. In general, the Program supports development at higher densities in the Town Center that increase the tax base. The following criteria and community benefits must be met for a project to be eligible.

1. Industrial – Light manufacturing and industrial projects selling a product or service outside of the local area. This definition very broadly includes computer software, agri-business, printing, publishing, and research and development.
2. Retail/Commercial - Retail/commercial projects that make available goods or services not reasonably accessible in the Town of Lansing or that the Town Board believes would benefit the community. Projects may be single story or part of a multi-story, mixed-use development project.
3. Rental Housing – multi-family housing must be at least two stories and establish a minimum of four new rental units. Projects may be part of a multi-story, mixed-use development project. Mixed income and affordable housing projects are desirable, but not required.
4. Not-For-Profit – Not-for-profit projects qualify for access to low cost tax-exempt bond financing under the regular IDA policies and procedures.

Projects must have new construction costs of at least \$500,000. In addition, the value of projected incentives must be at least three times the projected fees associated with the project. The IDA may waive the minimum construction cost in circumstances where the public benefit outweighs the project costs.

**Public Benefits**

Projects will be evaluated based on the extent to which they meet the public benefits outlined below:

- creates permanent or seasonal jobs
- employ local construction labor as much as possible
- purchase construction materials locally when possible and price competitive
- use hiring practices that encourage women and minority applicants
- increase the property assessed value and generate additional property taxes
- when appropriate to the project, generate net new sales taxes and/or room occupancy taxes

- creates synergy with existing activities, such as sharing curb cuts and driveways
- incorporates public amenities such as benches or bike racks
- incorporate open space improvements
- include mixed uses (commercial and housing)
- housing projects that include mixed income and/or affordable housing
- creates quality rental housing to meet the needs of the community

**Incentive Package**

Property Tax Abatement – The standard Lansing Town Center Incentive Zone property tax abatement will begin at 90% in year one and decrease in equal increments over seven (7) years. The abatement will only impact taxes on improvements to the property and not taxes on the existing value. The IDA retains the ability to offer more or less than the standard Lansing Town Center Incentive Zone abatement based on an analysis of the impact on the economy, the needs of the business, and input from the Town of Lansing. The IDA may negotiate additional abatements based on financial need.

Sales Tax Abatement – The applicant will be exempt from both the local and State portion of sales tax on construction materials, equipment, and furnishings associated with the project. The IDA will pass the sales tax abatement on to a tenant in a retail/commercial space only if the type of business meets the eligibility requirements of the Lansing Town Center Incentive Zone.

Mortgage Recording Tax – The applicant will be exempt from the State portion of the Mortgage Recording Tax (\$2.50 per \$1,000).

**Local Purchasing and Hiring Practices**

The IDA requires all recipients of IDA incentives to make every effort to purchase goods and services from Tompkins County businesses and to hire Tompkins County residents. The IDA is especially supportive of projects that make a specific commitment to hire women and minorities during the construction phase and as permanent full-time workers of the project’s operating businesses. The IDA may require detailed information concerning the applicant's past and projected purchasing and employment practices.

**Fees**

Administrative Fees – The applicant is responsible for paying the IDA Administrative Fee at the time of closing. This fee will be equal to 1% of the total value of expenses that are positively impacted by IDA incentives. This includes the value of construction of improvements to property that is impacted by property and sales tax abatement and the value of furniture, fixtures and equipment that are impacted by sales tax abatement. It will not include any purchases, such as manufacturing equipment, where the IDA does not deliver an incentive. Soft Costs (legal, consulting, financial, architectural and engineering fees) will be included in the amount considered as total value of expenses.

In an attempt to make its incentive program cost effective for smaller projects, the IDA will reimburse the applicant for 100% of the Administrative Fee, IDA Counsel Fee, and IDA Bond Counsel Fee associated with the IDA involvement in the project if the total project cost is less than \$1 Million. For total project cost greater than \$1 Million but less than \$2 Million, the reimbursement of fees will be reimbursed on a sliding scale that declines from 100% to 0% gradually based on project size. There will be no reimbursement of fees for projects with costs over \$2 Million. The reimbursement will take the form of additional property tax abatement credited to the business in the initial years of the Payment In Lieu of Tax agreement (PILOT). The IDA retains the right to determine the credit the applicant will receive. For projects where there is no property tax abatement, there will not be any form of fee reimbursement.

IDA Counsel Fees – The applicant is also responsible for paying the IDA for all legal costs it incurs including IDA Counsel and Bond Counsel fees.

Applicant Attorney Fees – The applicant is responsible for its own attorney fees associated with closing IDA incentives.

### **Application Process**

Tompkins County Area Development, Inc. (TCAD) provides administrative and marketing services to the IDA. Potential applicants should work with TCAD to determine whether the proposed project is eligible. If the project appears to be eligible, TCAD will work with the applicant to apply for assistance.

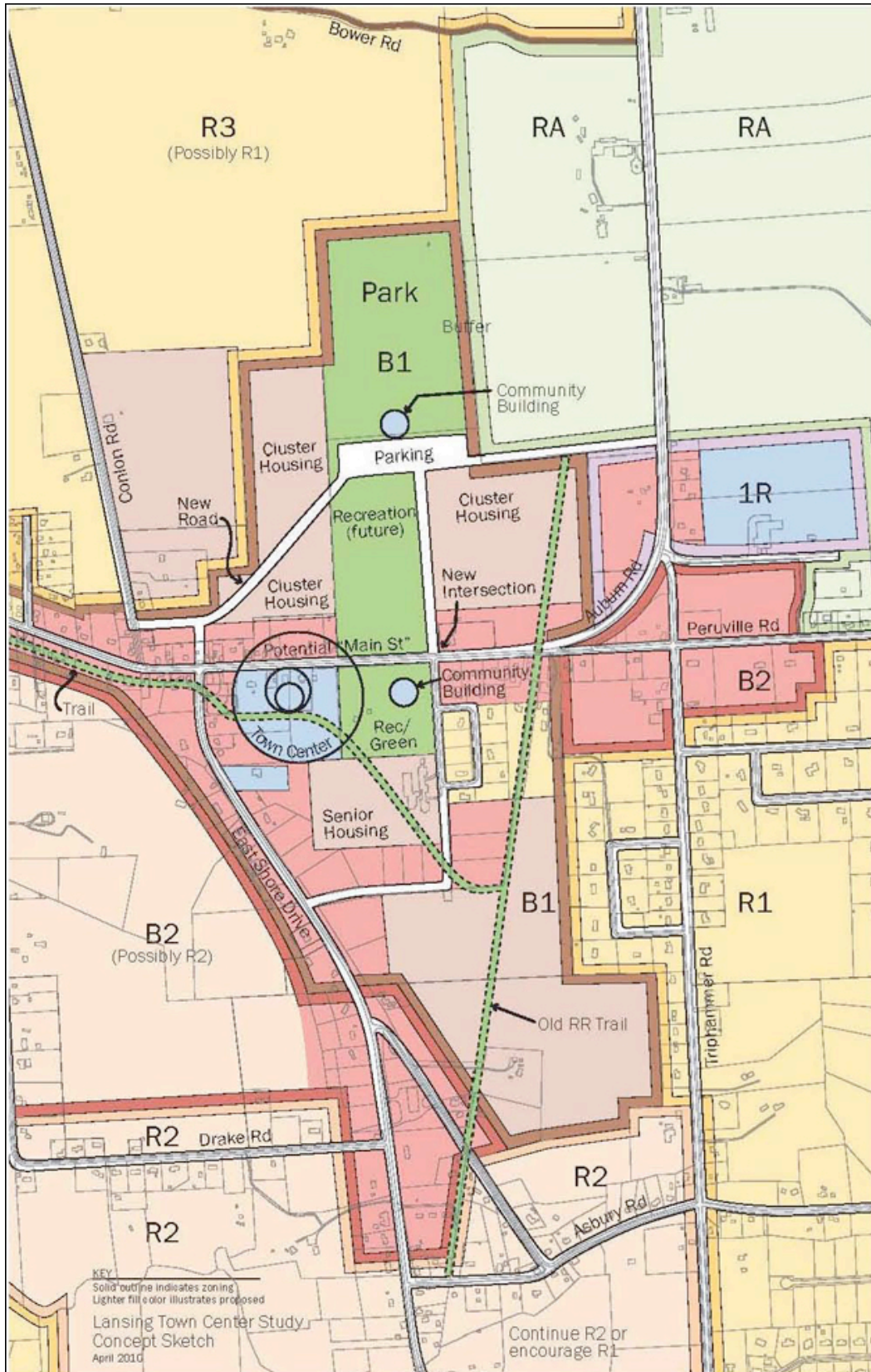
It is strongly advised that a potential applicant meet with TCAD staff as early in the process as possible to determine if the dollar value of the proposed incentives exceeds the associated fees.

Based on the nature of the project and the incentives requested, the following will occur:

1. Pre-Application – A developer seeking a tax abatement under this program must first submit a pre-application to the Town of Lansing. The application will be in such a form that it identifies which criteria the project is eligible under and outlines the community benefits achieved by the project.
2. Town Recommendation – The Town of Lansing must recommend, by resolution, the project to the IDA. All projects are still subject to Planning and Zoning Board approvals and other normal requirements.
3. IDA Application – A full IDA application will be submitted to the IDA accompanied by the Pre-Application and a resolution from the Town of Lansing. The IDA will make an independent determination of the project, weighing the costs and benefits of any tax incentives it delivers. The IDA recognizes that, in adopting the Lansing Town Center Incentive Zone, it is accepting that it may favor some local businesses over others in an effort to influence location decisions. The IDA also recognizes that the negative impact on existing businesses may outweigh the benefits gained from locating new development within the Zone. The IDA will also evaluate the potential impact on other governmental entities, including school districts.
4. Public Hearing – Following an initial review, the IDA will, if favorably disposed toward a project, schedule a public hearing on the proposed incentive package. Standard IDA policies apply with regards to public hearing notification and other requirements.
5. IDA Determination – Following a public hearing, the IDA will make a determination on the project. No final decision may be reached by the IDA until SEQR requirements have been met by the developer.
6. Notification and Reporting – The IDA will notify the Town of Lansing and appropriate taxing jurisdictions once a project is approved. The IDA may diminish or rescind incentives should the project materially change. IDA agreements generally have claw back requirements.
7. Applications under this policy may not be accepted after December 31, 2021 unless the IDA and the Town of Lansing vote to extend the policy beyond that date.

Refer to Tompkins County Industrial Development Agency Mission, Policies and Procedures for additional information.

# Lansing Town Center Map



# *Lansing Town Center Incentive Zone Program*

## **Pre-Application for Incentives**

Applicants seeking IDA incentives under the Lansing Town Center Incentive Zone Program must first submit the pre-application to the Town of Lansing. The Town of Lansing must recommend, by resolution, the project to the IDA. The IDA requires submission of the Town resolution, the pre-application, and a full IDA application. Projects are subject to all Planning and Zoning Board approvals and other normal requirements.

### **Applicant Information**

Name of Company/Applicant: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/ZIP: \_\_\_\_\_

Primary Contact: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

### **Type of Project** (Check all that apply)

\_\_\_\_\_ Industrial – Light manufacturing and industrial projects selling a product or service outside of the local area (includes computer software, agri-business, printing, publishing, and research and development)

\_\_\_\_\_ Retail/Commercial - Retail/commercial projects that make available goods or services not reasonably accessible in the Town of Lansing or that the Town Board believes would benefit the community. Projects may be single story or part of a multi-story, mixed-use development project.

\_\_\_\_\_ Rental Housing – multi-family housing of at least two stories and adding at least four new rental units. Projects may be part of a multi-story, mixed-use development project. Mixed income and affordable housing projects are desirable, but not required.

### **Business History**

Year Company was Founded: \_\_\_\_\_ Type of Ownership (Corporation, LLC, Sole Proprietor): \_\_\_\_\_

Product or Service:

Major Customers:

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

Major Suppliers:

Who are your major competitors in Tompkins County? \_\_\_\_\_

**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: \_\_\_\_\_

**Occupancy**

List the name(s), nature of business of proposed tenant(s), and percentage of total square footage to be used for each tenant. For rental housing projects, identify the number of units and square footage of each unit.  
(Additional sheets may be attached if necessary)

**Project Costs**

	<u>Amount</u>	<u>Amount Subject to Sales Tax</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:	_____	_____
<b>TOTAL</b>	_____	_____

**Financing**

Amount of anticipated financing from a lending institution \$ \_\_\_\_\_

**Public Benefits**

Projects will be evaluated based on the extent to which they meet public benefits as outlined below (Check all that apply)

- \_\_\_ Creates Permanent Jobs  
    Number of Jobs: \_\_\_\_\_ Average Annual Salary: \_\_\_\_\_
- \_\_\_ Creates Seasonal jobs  
    Explain: \_\_\_\_\_
- \_\_\_ Construction contractor uses local labor  
    Explain: \_\_\_\_\_
- \_\_\_ Purchases construction materials locally when possible and price competitive  
    Explain: \_\_\_\_\_
- \_\_\_ Hiring practices encourage women and minority applicants  
    Explain: \_\_\_\_\_
- \_\_\_ Increases the property assessed value and generates additional property taxes  
    Explain: \_\_\_\_\_
- \_\_\_ Generates net new sales taxes and/or room occupancy taxes  
    Explain: \_\_\_\_\_
- \_\_\_ Creates synergy with existing activities, such as sharing curb cuts and driveways  
    Explain: \_\_\_\_\_

\_\_\_ Incorporates public amenities (i.e., benches, bike racks)

Explain: \_\_\_\_\_

\_\_\_ Incorporates open space improvements

Explain: \_\_\_\_\_

\_\_\_ Includes mixed uses (i.e., commercial and housing)

Explain: \_\_\_\_\_

\_\_\_ Housing projects that include mixed income and/or affordable housing

Explain: \_\_\_\_\_

\_\_\_ Creates quality rental housing to meet the needs of the community

Explain: \_\_\_\_\_

**Other**

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

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

\_\_\_\_\_ Town Board Approval Date

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.

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

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_