



# Business Investment Tax Exemption

General	Section 485-b of the Real Property Tax Law provides a partial exemption for certain business improvement to be effective unless reduced by local law or resolution			
Eligibility	New construction commenced after January 1, 1976 and completed after July 1, 1976. Property must be used for commercial, business or industrial activity including hotels or motels, but excluding residential property.			
Exemption Schedule	<u>Year of Exemption</u> 1 2 3 4 5	<u>% of Exemption</u> 50 45 40 35 30	<u>Year of Exemption</u> 6 7 8 9 10	<u>% of Exemption</u> 25 20 15 10 5
Further Qualifications	The cost of the new construction, alteration, installation or improvement must exceed \$10,000. Ordinary maintenance and repairs cannot be included.			
Procedure	Application by the owner to the local assessor on a form prescribed by the State Board: original to the assessor, copy to the State Board. Approval is by the local assessor. A change in use to an ineligible purpose will result in loss of exemption.			
Approval or Modification	If a local taxing authority takes no action under this law, the exemptions provided therein automatically are available. If the local taxing authority wishes to reduce the percentage of exemption, it may do so by local law in the case of a county, city, town or village; or by resolution of a school district. The taxing authority may establish a board to advise the governing board regarding the desirability of reducing exemptions.			
Note:	The above summary is for convenience only. For complete evaluation, advice of counsel is recommended.			



## Contacts — Village of Newark

Title	Contact	Location	Phone #
Mayor	Jonathan Taylor	Office	315-331-4770
Police Chief	Mark Thoms	Office	315-331-3701
Fire Chief	Rusty Havert	Office	315-331-1451
Department of Public Works Co-managers	Doug Townsend Jeff Decann	Office	315-331-6199
Chief Operator, Waste Water Treatment Plant	John Reynolds	Office	315-331-4685
Director, Water Treatment Plant	Michael Gonzalez	Office	585-289-6094
Clerk/Treasurer	Steve Murawski	Office	315-331-4770
Economic Development Facilitator and Code Enforcement Officer for Village of Newark	Mark Peake	Office Cell	315-331-4773 ext. 106 315-952-1947
Secretary to Code Enforcement Officer, Planning and Zoning Boards	Robbin Bremer	Office	315-331-4773 ext. 108
Director of Economic Development and Planning for Wayne County	Brian Pincelli	Office	315-946-5919
Wayne County Industrial Development Agency	Brian Pincelli	Office	315-946-5917
Wayne County Planning Department	Brett DeRoo	Office	315-946-5919
New York State Dept. of Health		Office	315-789-3030
Underground Facilities Protective Organization (UFPO)		Office	800-962-7962
New York State Electric and Gas (NYSEG)		Office	800-572-1111



## *Local and State Programs*

**Village of Newark Economic Development Loan Program (EDLP)** – Provides low interest loan money to stimulate local business development opportunities. Eligible activities include the acquisition and renovation of commercial/industrial property in the Village and the purchase and installation of capital equipment. The objective of the EDLP, once financial feasibility has been established, is to create new or retain existing employment opportunities, particularly opportunities for low and moderate income persons. Firms that receive loans must agree to make a good faith effort to hire persons for newly created jobs who are of lower moderate income (per HUD guidelines). The firm should expect to create or retain one (1) full-time equivalent job for each \$12,000 borrowed.

**Land for Jobs Policy** – In an effort to attract new businesses to the Village, this policy was instituted whereby businesses would be deeded land, at no charge, for the construction of structures for any business purpose in exchange for the creation of a specific number of full-time jobs. The offer is good on any Village owned land parcel. The business can erect a new structure or expand an existing facility. For every acre requested, one (1) full-time job equivalent must be created and retained during a period of three years commencing on the day the Certificate of Occupancy is issued. (See "Land for Jobs Policy" for more details.)

**Empire State Development** – New York State and the electric and gas utilities serving the State offer a variety of energy cost savings programs that help businesses reduce costs, preserve and create jobs, and boost economic growth. An example is the "Power for Jobs Program" that provides 450 megawatts of low cost electricity to businesses that remain and expand within the State. The State also offers technical services and capital financing to help businesses identify and implement cost-effective and energy-efficient measures. Loan programs and other incentives are detailed in the Empire State Development website.

**New York State Office of Science, Technology and Academic Research (NYSTAR)** – The Matching Grants Leverage Program is to assist New York State research institutions in attracting new federal and private foundation or industry research dollars to New York.

**New York State Energy Research and Development Authority (NYSERDA)** – A myriad of loan, grant and other financing options are available through many sources. For a complete list with details, please refer to the NYSERDA website.

**U.S. Small Business Administration (SBA)** – Offers a number of loan programs: Basic 7(a) Loan Guarantee, Certified Development Company (a 504 Loan Program), and Microloan (a 7m Loan Program). More information is available on the SBA website at [www.sba.gov](http://www.sba.gov).



## Planned Industrial Development District

### § 170-40.1 Permitted Uses

In a Planned Industrial Development District (PID) the following uses are permitted when contained within an enclosed building:

- Animal hospital, veterinary clinic with enclosed kennels only
- Automobile, mobile home, trailer, farm implement and contractor's equipment sales, service, repair and rent
- Business office
- Commercially operated schools
- Contractor's facility
- Day-care facility
- Freight or trucking terminal
- Hotel/Motel
- Indoor places of public assembly, entertainment and recreation
- Laundry, dry cleaner
- Light industrial process and service
- Light manufacturing industries
- Machinery and transportation equipment sales and service
- Printing and publishing
- Public utility
- Research laboratory
- Retail or wholesale distribution
- Service and repair
- Warehouse

NOTE: In a PID, adult entertainment shall not be a permitted use.

### § 170-40.2 Area, yard, coverage, height and supplementary regulations

Area, yard, coverage, height and supplementary regulations shall be as follows:

Dimension	Requirement
Lot area minimum	45,000 square feet
Lot frontage minimum	150 feet
Lot depth minimum	250 feet
Front yard minimum	40 feet
Rear yard minimum	25 feet, or 100 feet abutting residential uses or districts
Side yard minimum	25 feet, or 100 feet abutting residential uses or districts
Coverage maximum	40%
Building height maximum	2 stories or 50 feet, whichever is less

# ***Planned Industrial Development District***



## **§ 170-40.3 Special permit uses**

The following uses are permitted upon approval by the Planning Board and after issuances of a special permit by the Board of Appeals:

- A. Other uses upon the finding by the Planning Board that such use is of the same general character as those permitted and which will not be detrimental to the other uses within the district that will be created
- B. Any fencing or other outside uses.

## **§ 170-40.4 Parking**

- A. For a PID District, the required number of the parking spaces per § 170-43 shall be provided for on the final site plan; however, only the necessary parking spaces as determined by the Planning Board for the operation of the facility shall be required at the time of the application.
- B. Twenty percent of all parking spots may be allotted for compact cars.
- C. A suitable parking surface shall be provided for all employees



## Land For Jobs Policy

The Village of Newark, in an effort to offer economic incentives to attract new businesses, has instituted a "Land for Jobs" program whereby businesses would be deeded land, **free of any cost**, for the construction of structures for any business purpose in exchange for the creation of a specific number of full-time jobs. The details follow:

- A. This offer is good on any Village owned land parcel.
- B. The business seeking the land can be erecting a new structure, or expanding an existing facility. Land speculation is not a valid application of this policy.
- C. Construction must begin within one year of receipt of the necessary building permits, which must be applied for by the applicant, and the meeting of all planning and zoning requirements. The time may be extended if both parties agree.
- D. For every acre requested, one (1) full-time job equivalent must be created and retained during a period of three years commencing on the day the Certificate of Occupancy (on the newly constructed or renovated structure) is issued. The initial employment level will be determined at the time of application, based on the full-time equivalent employment level history of the past two years, to be agreed upon by the Loan Committee and the Applicant. The source of the employment history information will be the payroll filing reports the applicant is required to file with the relevant Federal and New York State government entities, if applicable. The Village and the Applicant will be required to attest to the fact that the initial full-time equivalent job level will not be contested once the agreement is signed. The new jobs may be created anytime during the two-year period to qualify, but the employment level for purposes of policy compliance will be that total as reported on the three-year anniversary of the Certificate of Occupancy date (the "three-year mark"). The business shall file a statement of employment statistics every six (6) months commencing on the day that the Certificate of Occupancy is issued and terminating three years later. The employment information will be submitted on forms provided by the Village of Newark.
- E. For purposes of this policy, the value of land will be set at \$18,000 per acre. Land value will be reviewed on a semi-annual basis in an effort to keep current with market costs.
- F. The initial contract between the Village of Newark and the business applying for land will be considered a loan with a total value equal to the number of acres multiplied by the established land value. No payments will need to be made on this loan for a period of three years from the date of the Certificate of Occupancy.



## Land For Jobs Policy

- G. If, at the three-year mark, (as defined in Part D) the business has met the employment criteria, the loan will be completely forgiven with no payments owed.
- H. If the business has not met the employment stipulation at the three-year mark (as defined in Part D), the total value of the loan (as defined in Part F), along with prevailing interest to be determined by the Village's Loan Committee, will be paid back over a ten-year (120 months) period. There will be no penalty for pre-payment of the loan principle after the first year of payments.
- I. Loan payments will be due by the first of the month, with the first payment occurring at the beginning of the next month immediately following the three-year mark (as defined in Part D).
- J. If loan payments are delinquent by more than thirty (30) days, the Village, after notice has been given to the borrowing business, can institute a collection process by normal legal means and add the subsequent collection charge to the principle owed by the borrower.

Number of acres requested:

Brief description of location:

I agree to the contract as defined above.

Borrower's Signature \_\_\_\_\_

Borrower's Name (Please Print) \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Business Name \_\_\_\_\_

Business Address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_



Many competitive and attractive tax and financial incentives are available to businesses that relocate to, or expand, within Wayne County. The Wayne Industrial Development Agency (WCIDA) will provide a detailed listing of incentives tailored to your individual needs and utilizing all applicable local, state and federal programs.

## ***Wayne County IDA Revolving Loan Fund***

Enhances industrial development and job creation through low-interest loans in cooperation with private and other government lending programs to provide gap financing for manufacturing projects. Recipients must create one new job for every \$20,000 in loans. Available for the purchase of land, construction, renovation, machinery and equipment, and working capital. Loans can be up to 20 percent of projected costs, up to a maximum of \$300,000 (subject to availability). The interest rate is fixed as a percentage of prime adjusted quarterly and the repayment terms are typically the same as set by the principal lender.

For-profit manufacturing, industrial, commercial, warehousing and research companies in Wayne County are eligible. Retail, service, residential and farming businesses are ineligible.

## ***Wayne County Industrial Site Fund***

Unique on a county level, this fund assists municipalities with public infrastructure improvements required to locate a manufacturing facility. Wayne County will assist in the cost of any required improvements at the lesser of one-third of the total cost, or \$100,000. Can include any public water lines, sewer lines, roads, curbing, lighting, etc.

Typically, the county pays one-third, the town pays one-third, and the developer pays one-third. On larger projects, we may request assistance from state or federal government programs. In such instances, the local match is then divided using the above formula with the approval of the Wayne County Board of Supervisors. No such request has ever been declined locally.

## ***IDA Revenue Bonds and Tax Incentive Program***

WCIDA helps facilitate the financing of an industrial or qualified non-industrial project through issuance of taxable or tax-exempt industrial development (revenue) bonds (IRB or IDB).

Tax Incentives may be accessed without bond financing using a sale/leaseback transaction. Eligible projects include construction, acquisition and renovation of real property as well as the purchase of machinery and equipment. IDB financing also provides companies with sale/leaseback benefits. A project owned by WCIDA and leased to a manufacturing entity can provide many benefits. A sales tax exemption on the project, related sales and use taxes, and an exemption of the one percent New York State Mortgage tax are cases in point.

Additionally, the WCIDA has adopted a countywide policy for the provision of real property tax incentives for expanding manufacturing industries. The incentives provided apply to value added only. This 10-year program allows for a 100 percent abatement for the first five years and a 50 percent abatement the second five years of county, town, village and school district real estate taxes, except special districts.



## ***Business Property Tax Exemption***

With few exceptions, this exemption is available for county, town, village and school district taxes and does apply to special district taxes. It consists of a 50 percent exemption in increased assessed valuation for the first year and for any new construction or improvement exceeding \$10,000. The exemption would decline 5 percent per year for an additional nine years for a total 10-year exemption. It is available for all commercial and industrial projects, including hotels and motels, but cannot be used in conjunction with the IDA tax incentive program. A one-page application to the town assessor is all that is required.

## ***Micro Enterprise Revolving Loan Program***

Makes loans up to \$25,000 for the purchase of fixed assets or working capital. Provides both technical and financial assistance to the startup or expanding small business creating or retaining low to moderate income jobs. The interest rate, based on prime, will be fixed at the time of closing with a repayment term of up to eight years, depending on the use of proceeds. This is available for businesses with five or fewer employees within Wayne County. At the time of application ineligible businesses are those involved in real estate speculation, lending, gambling, or other illegal activities, pyramid sales, opinion molding and investment activities. Additionally, refinancing of existing debt is not permitted.

## ***Small Business Administration Program (SBA 504)***

This fixed asset economic development program from the U.S. Small Business Administration promotes growth and job creation in small businesses. The WEDC is a resource center for this program that provides long-term, second mortgage money for expanding businesses. The interest rate is fixed at the time of the loan funding at rates tied to yields on treasury securities, usually below the prime rate. The rate, inclusive of all serving fees, is usually 2 percent of above the five or 10 year U.S. Treasury Note yield and is typically 1 percent to 2 percent under market rates.

SBA 504 loans are used in conjunction with conventional bank financing to provide a total of 50 percent of project costs or appraised value. Loans are available ranging from \$100,000 to \$1.5 million (in some cases \$2 million), or up to 40 percent of appraised value or total project costs, whichever is less. To be eligible, owner-occupied projects should create or retain one job for each \$50,000 provided by the SBA.

Recipients must use proceeds from 504 loans for fixed asset projects such as purchasing land, buildings, long-term machinery and equipment, building expansion and new construction. The 504 program cannot be used for working capital, inventory, consolidating or repaying debt or refinancing. Most related soft costs of the project are eligible. Loan terms are up to 10 years for purchase of equipment and machinery and up to 20 years for real property. This program is available to most types of for-profit, creditworthy businesses with a tangible net worth of under \$7.5 million and which do not have an average net income over \$2.5 million during the last two years.