



## Onondaga County Industrial Development Agency

### Project Summary

<b>1. Project:</b>	Tessy Plastics	<b>2. Project Number:</b>	3101-16-01J
<b>3. Location:</b>	Van Buren	<b>4. School District:</b>	Baldwinsville
<b>5. Tax Parcel(s):</b>	064.-02-19.1	<b>6. Type of Project:</b>	Expansion
<b>7. Description:</b>	Add a 246,000 sq. ft manufacturing facility to the existing assembly and warehouse operation. Project includes construction, addition of resin silos, material handling systems, chillers, production equipment, and upgrade to the existing electrical infrastructure.		

<b>7. Total Project Cost:</b>	\$	31,515,000	<b>8. Total Jobs</b>	858
Land	\$	-	8A. Job Retention	808
Site Work	\$	-		
Building	\$	14,000,000	8B: Job Creation	50
Furniture & Fixtures	\$	500,000	(Next 5 Years)	
Equipment	\$	16,000,000		
Equipment Subject to NYS Production Exemption	\$	-		
Engineering/Architecture Fees	\$	1,000,000		
Financial Charges	\$	-		
Legal Fees	\$	15,000		
Other	\$	-		

<b>Cost Benefit Analysis:</b>	Tessy Plastics
	Fiscal Impact (\$)
<b>Abatement Cost:</b>	\$2,266,282
Sales Tax	\$560,000
Mortgage Tax	\$0
Property Tax Relief (PILOT) 12yr	\$1,706,282
<b>New Investment:</b>	\$828,997,696
PILOT Payments 12yrs	\$2,320,358
Project Wages (10 yrs)	\$581,355,687
Construction Wages	\$2,775,038
Employee Benefits (10 years)	\$210,190,464
Project Capital Investment	\$31,500,000
New County Sales Tax Generated	\$540,000
Agency Fees	\$316,150
<b>Benefit:Cost Ratio</b>	365.80 :1



## ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION INSTRUCTIONS

1. Fill in all blanks, using "none", "not applicable" or "not available" where the question is not appropriate to the Project, which is the subject of this Application (the "Project"). If you have any questions about the way to respond, please call the Agency at (315) 435-3770.
2. If an estimate is given as the answer to a question, put "(est.)" after the figure or answer, which is estimated.
3. If more space is needed to answer any specific question, attach a separate sheet.
4. When completed, return this application by mail or fax to the Agency at the address indicated below. A signed application may also be submitted electronically in PDF format to the Agency Secretary, Honora Spillane at [hspillane@ongov.net](mailto:hspillane@ongov.net). **An application will not be considered by the Agency until the application fee has been received.**
5. The Agency will not give final approval for this Application until the Agency receives a completed NYS Full Environmental Assessment Form concerning the Project, which is the subject of this Application. The form is available at <http://www.dec.ny.gov/permits/6191.html>.
6. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the OCIDA (with certain limited exceptions) are open to public inspection and copying. If the Applicant feels that there are elements of the Project which are in the nature of trade secrets which, if disclosed to the public or otherwise widely disseminated, would cause substantial injury to the Applicant's competitive position, this Applicant must identify such elements in writing and request that such elements be kept confidential. In accordance with Article 6 of the Public Officers Law, the OCIDA may also redact personal, private, and/or proprietary information from publicly disseminated documents.
7. The Applicant will be required to pay the Agency Application fee and, if accepted as a project of the agency, all administrative and legal fees as stated in Section V (H) of the Application.
8. A complete application consists of the following 10 items:
  - ◆ This Application
  - ◆ Employment Plan - Appendix A.
  - ◆ Conflict of Interest Statement - Appendix B
  - ◆ Local Access Agreement - Appendix C
  - ◆ A feasibility statement indicating the need for the requested benefits
  - ◆ 15 year pro forma operating budget, including funding sources
  - ◆ Description of project, Site Plans/Sketches, and Maps
  - ◆ NYS Full Environmental Assessment Form
  - ◆ A check payable to the Agency in the amount of \$1000
  - ◆ A check payable to Gilberti Stinziano Heintz & Smith, P.C. in the amount of \$2,500

**It is the policy of the Agency that any project receiving benefits from the Agency will utilize 100% local contractors and local labor for the construction period of the project unless a waiver is granted in writing by the Agency.**

### Return to:

Onondaga County Industrial Development Agency  
333 W. Washington Street, Suite 130  
Syracuse, NY 13202  
Phone: 315-435-3770  
Fax: 315-435-3669



# Onondaga County Industrial Development Agency Application

## I. Applicant Data

### A. Contact Information

Company Name:	Tessy Plastics Corp.			
Mailing Address:	488 State Route 5 West			
City:	Elbridge	State:	NY	Zip: 13060
Phone:	3156893924	Fax:	3156892027	
Contact Person:	Ed S Pietruniak			
Email Address:	epietruniak@tessy.com			
Industry Sector:	Manufacturing			
NAICS Code:	326199	Federal Employer Identification Number:	161009788	

### B. Will the Applicant be the Project Beneficiary (i.e. project tenant/company)

☒ Yes

☐ No

If No, Who will:

### C. Principal Stakeholders

List principal owners/officers/directors owning 5% or more in equity holdings with percentage ownership. Public companies should list corporate officers.

Name	% Ownership	Business Address	Phone	Email
Roland Beck	67	488 State Route 5 West, Elbridge, NY 13060	3156893924	
Ken Beck	31	488 State Route 5 West, Elbridge, NY 13060		

### D. Corporate Structure: Attach a schematic if Applicant is a subsidiary or otherwise affiliated with another entity.

☒ Corporation

☒ Private

☐ Public

 Date and Location of  
Incorporation/Organization

03/03/1973 NY

☐ Partnership

☐ General

☐ Limited

 If a foreign corporation, is the  
Applicant authorized to do  
business in the State of New  
York?

☐ Not For Profit

☐ Sole Proprietorship

☐ Limited Liability Company/Partnership

E. Applicant's Counsel

Name:	Angela Orlandella		
Firm:	Barclay Damon		
Mailing Address:	One Park Place, 300 S. Salina Street		
City:	Syracuse	State:	NY
		Zip:	13020
Phone:	3154252874	Fax:	
Email Address:	aorlandella@barclaydamon.com		

F. Applicant's Accountant

Name:	Andy Mistur		
Firm:	Fust Charles Chambers		
Mailing Address:	5784 Widewaters Parkway		
City:	Syracuse	State:	NY
		Zip:	13214
Phone:	3154463600	Fax:	
Email Address:	amistur@fcc-cpa.com		

G. Has the Project Beneficiary received assistance from OCIDA, New York State or the Onondaga Civic Development Corporation in the past If yes, please give year, project name, description of benefits, and address of project.

☒ Yes

☐ No

See attached.

## II. Project Information

### A. Project Location

Address:	7474 State Fair Blvd		
City:	Syracuse	Village/Town:	Van Buren
Zip Code:	13209	School District(s):	Baldwinsville
Tax Map Parcel ID(s):	315689 064.-02-19.1		
Current Assessed Value:	3,245,000.00	Square Footage of Existing Building:	266,964

### B. Type (Check all that apply):

- |  |   |
|--|---|
| <input type="checkbox"/> New Construction                                  | <input type="checkbox"/> Purchase of machinery and/or equipment |
| <input checked="" type="checkbox"/> Expansion/Addition to Current Facility | <input type="checkbox"/> Brownfield/Remediated Brownfield       |
| <input type="checkbox"/> Renovation of Existing Facility                   | <input type="checkbox"/> LEED Certification                     |
| <input type="checkbox"/> Acquisition of Existing facility/property         | <input type="checkbox"/> Other <input type="text"/>             |

C. Description of Project: Please explain your project in detail. This description should include an explanation of all activities which will occur due to this project, size of the project in square feet, current use of the site and use of the site upon completion of the project. Attach copies of any site plans, sketches or maps. (Attach additional sheets if necessary):

#### Proposed Use

#### Proposed Square Footage

Manufacturing	246,000

#### Description:

Add a 246,000 sq. ft. manufacturing facility to the existing assembly and warehouse operation. Project includes construction, addition of resin silos, material handling systems, chillers, production equipment, and upgrade to the existing electrical infrastructure.

### D. Is the Project Beneficiary the owner of the property?

- ☒ Yes ☐ No

If not, by what means will the site be acquired? If leasing, when does the lease end?

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E. Infrastructure: Please indicate whether the following are onsite, need to be constructed, or need to be renovated/expanded:

Water	To be Renovated/Expanded	Electric	Needs to be Renovated/Expanded
Sanitary/Storm Sewer	Needs to be Renovated/Expanded	Private Roads	Needs to be Renovated/Expanded
Gas	Needs to be Renovated/Expanded	Telecommunication	Needs to be Renovated/Expanded

F. Zoning Classification: Please list current and proposed zoning:

Current Zoning	Commercial	Proposed Zoning	Commercial
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G. Are variances needed to complete the project?

☐ Yes ☒ No

If yes, please describe nature of variances and if municipal approvals have been granted:

H. What will be the primary use of the project upon completion?

Manufacture, assembly, warehouse, and distribution.

I. Will the project generate sales tax for the community?

☐ Yes ☒ No

If yes, what is the company's average annual sales or estimated annual sales?

J. Has the project beneficiary sought sites or facilities outside Onondaga County for this project?

☒ Yes ☐ No

K. In accordance with N.Y. GML Sec. 862(1):

1. Will any other companies or related facilities within the state close or be subjected to reduced activity as a result of this project?

If so please list the town and county of the location(s):

☐ Yes ☒ No

2. Will the completion of the project result in the removal of a plant or facility of the project occupant from one area of the State of New York to another area of the State of New York?

☐ Yes ☒ No

3. Will the completion of the project result in the abandonment of one or more plants or facilities of the project beneficiary located in the State of New York?

☐ Yes ☒ No

i. If any answer to questions 2 or 3 above is yes, is the project reasonably necessary to discourage the project beneficiary from removing such other plant or facility to a location outside the State of New York?

☐ Yes ☐ No

ii. If any answer to questions 2 or 3 above is yes, is the project reasonably necessary to preserve the competitive position of the project applicant in its respective industry?

☐ Yes ☐ No

4. Will the project primarily consist of recreation, medical, or retail facilities?

☐ Yes ☒ No

i. If yes, will the cost of these facilities exceed one-third of the total project cost?

☐ Yes ☐ No

L. For the Agency to consider this project, please provide the following information:

1. Does the project consist of new construction or expansion or substantial renovation of an existing facility?

☒ Yes

☐ No

2. Will the project create new employment opportunities or retain existing jobs that may otherwise be lost?

☒ Yes

☐ No

3. Does the project beneficiary serve a customer base primarily outside of Onondaga County?

☒ Yes

☐ No

4. Please estimate the approximate savings to be realized by Agency participation and the need for such savings:

\$560,000.00

5. Please describe the need for Agency participation and the associated savings:

The expansion is not financially feasible without assistance from OCIDA and other NYS incentive programs.

6. Please describe any compelling circumstances the Agency should be aware of while reviewing this application:

See attached.

M. Environmental Information

1. Have any environmental issues been identified on the property?

☐ Yes

☒ No

If yes, please explain:

**\* Please note a full Environmental Assessment Form (EAF) MUST be completed and submitted along with this application.**

2. Has the Town/Village or any other public body issued a SEQR determination for this project?

☒ Yes

☐ No

If Yes, please attach to this application.

N. Construction

1. Project Timeline (approximate):

Construction Commencement 03/01/2016

Construction Completion 06/01/2017

Date of Occupancy 06/01/2017

2. Please list any other key project milestones:

N/A



Revised COSTS 3.3.17

III. Project Costs and Financing

A. Estimated Project Costs:

Description of Cost Type	Total Amount	Private Source?	Total Private Cost
Land Acquisition		<input type="checkbox"/>	
Site Work/Demo		<input type="checkbox"/>	
Building Construction & Renovation	16,000,000	<input checked="" type="checkbox"/>	16,000,000
Furniture & Fixtures	500,000	<input checked="" type="checkbox"/>	500,000
Equipment	14,000,000	<input checked="" type="checkbox"/>	14,000,000
Equipment Subject to NYS Production Sales Tax Exemption		<input type="checkbox"/>	
Engineering/Architects Fees	1,000,000	<input checked="" type="checkbox"/>	1,000,000
Financial Charges		<input type="checkbox"/>	
Legal Fees	15,000	<input checked="" type="checkbox"/>	15,000
Other		<input type="checkbox"/>	
Total Investment	31,515,000	<input checked="" type="checkbox"/>	31,515,000

B. Total amount of the project being privately financed by applicant:

100%

C. Total amount of direct investment by Applicant:

100%

D. Estimated mortgage amount:

0

E. Company's average yearly purchases or anticipated yearly purchases from vendors within Onondaga County:

13,500,000

F. Estimated capital investment over the next 5 years, beyond this project, if available:

9,000,000 annually

G. Financial Assistance sought (estimated values):

Companies requesting a sales tax exemption from OCIDA must provide the value of the sales tax savings they anticipate receiving.

**Please ensure that you provide a realistic estimate. NYS regulations require OCIDA to recapture any benefit that exceeds the amount listed in a company's application.**

<input checked="" type="checkbox"/>	Real Property Tax Abatement (PILOT)	
<input type="checkbox"/>	Mortgage Recording Tax Exemption (1% of amount mortgaged)	
<input checked="" type="checkbox"/>	Sales and Use Tax Exemption (\$4% Local, 4% State)	\$790,000 (consisting of \$744,000 on the building, \$26,000 for equipment not traditionally exempt and \$20,000 on furniture)
<input type="checkbox"/>	Tax Exempt Bond Financing (Amount Requested)	
<input type="checkbox"/>	Taxable Bond Financing (Amount Requested)	



### III. Project Costs and Financing

#### A. Estimated Project Costs:

Description of Cost Type	Total Amount	Private Source?	Total Private Cost
Land Acquisition	N/A	<input type="checkbox"/>	N/A
Site Work/Demo	N/A	<input type="checkbox"/>	N/A
Building Construction & Renovation	\$14,000,000.00	<input checked="" type="checkbox"/>	\$14,000,000.00
Furniture & Fixtures	\$500,000.00	<input checked="" type="checkbox"/>	\$500,000.00
Equipment	\$16,000,000.00	<input checked="" type="checkbox"/>	\$16,000,000.00
Equipment Subject to NYS Production Sales Tax Exemption	N/A	<input type="checkbox"/>	N/A
Engineering/Architects Fees	\$1,000,000.00	<input checked="" type="checkbox"/>	\$1,000,000.00
Financial Charges	N/A	<input type="checkbox"/>	N/A
Legal Fees	\$15,000.00	<input checked="" type="checkbox"/>	\$15,000.00
Other	N/A	<input type="checkbox"/>	N/A
Total Investment	\$31,515,000.00	<input checked="" type="checkbox"/>	\$31,515,000.00

#### B. Total amount of the project being privately financed by applicant:

100%

#### C. Total amount of direct investment by Applicant:

100%

#### D. Estimated mortgage amount:

0

#### E. Company's average yearly purchases or anticipated yearly purchases from vendors within Onondaga County:

\$13,500,000.00

#### F. Estimated capital investment over the next 5 years, beyond this project, if available:

\$9,000,000.00 annually

#### G. Financial Assistance sought (estimated values):

Companies requesting a sales tax exemption from OCIDA must provide the value of the sales tax savings they anticipate receiving.

**Please ensure that you provide a realistic estimate. NYS regulations require OCIDA to recapture any benefit that exceeds the amount listed in a company's application.**

<input checked="" type="checkbox"/>	Real Property Tax Abatement (PILOT)	
<input type="checkbox"/>	Mortgage Recording Tax Exemption (1% of amount mortgaged)	
<input checked="" type="checkbox"/>	Sales and Use Tax Exemption (\$4% Local, 4% State)	
<input type="checkbox"/>	Tax Exempt Bond Financing (Amount Requested)	
<input type="checkbox"/>	Taxable Bond Financing (Amount Requested)	

IV. Employment and Payroll Information

**\* Full Time Equivalent (FTE) is defined as one employee working no less than 35 hours per week or two or more employees together working a total of 35 hours per week.**

A. Are there people currently employed at the project site?

☒ Yes

☐ No

If yes, provide number of full time equivalent (FTE) jobs at the facility: 144

Estimate the number of full time equivalent (FTE) jobs to be retained as a result of this project:	250
Estimate the number of construction jobs to be created by this project:	85
Estimate the average length of construction jobs to be created (months):	9 months
Current annual payroll at Onondaga County facility:	46 million
Average annual growth rate of wages:	3%
Please list, if any, benefits that will be available to either full and/or part time employees:	401(k), 401(k) match, health insurance, profit sharing
Average annual benefit paid by the company (\$ or % salary) per FTE job:	\$24,624.00 (1,200.00+6,424.00+17,000.00)
Average growth rate of benefit cost:	5%
Amount or percent of wage employees pay for benefits:	0%
Provide an estimate of the number of residents in the Economic Development Region (Onondaga, Madison, Cayuga, Oswego, and Cortland Counties) to fill new FTE jobs:	N/A

Please complete the following chart describing current and projected employment:

Current & Planned Full Time Occupations (Job Titles)	Current Number of FTEs	Salary (Annual or Hourly)	Estimated Number of FTE Jobs After Project Completion				
			Year 1	Year 2	Year 3	Year 4	Year 5
Administration	85	\$106,000.00	88	91	92	92	92
Automation	39	\$79,000.00	41	42	42	42	42
Production	488	\$47,000.00	498	508	519	519	519
Quality Control	69	\$60,000.00	71	72	73	73	73
Inventory & Warehouse	54	\$52,000.00	57	58	59	59	59
Maintenance & Tooling	73	\$66,000.00	73	73	73	73	73

## V. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

**A. Jobs Listings:** In accordance with §858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity of the service delivery area created by the Workforce Investment Act of 1998 (the "WIA") in which the Project is located. In Onondaga County, please contact CNY Works. Additionally, the applicant is encouraged to review the services provided by JOBSPlus! for candidate matching services.

Initial

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**B. First Consideration for Employment:** In accordance with §858-b (2) of the New York General Municipal Law, the Applicant understands and agrees that if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in WIA programs who shall be referred by the CNY Works for new employment opportunities created as a result of the Project.

Initial

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**C. Other NYS Facilities:** In accordance with §862 (1) of the New York General Municipal Law, the Applicant understands and agrees that projects which will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant within the state is ineligible for Agency Financial Assistance, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry.

Initial

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**D. Annual Sales Tax Filings:** In accordance with §874(8) of the New York General Municipal Law, the Applicant understands and agrees that if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.

Initial

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**E. Annual Employment Reports and Outstanding Bonds:** The Applicant understands and agrees that if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency on an annual basis, reports regarding the number of FTE at this project site. The Applicant also understands and agrees to provide on an annual basis any information regarding bonds, if any, issued by the Agency for the project that is requested by the Comptroller of the State of New York.

Initial

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**F. Absence of Conflicts of Interest:** The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect in any transaction contemplated by this Application, except as hereinafter described in Appendix B.

Initial

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**G. Local Access Policy:** The Applicant understands and agrees that local labor and contractors must be used for the construction of the Project, as stated in the Agency Local Access Policy located in Appendix C.

Initial

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**H. Compliance:** The Applicant understands and agrees that it is in substantial compliance with applicable local, state, and federal tax, worker protection, and environmental laws, rules, and regulations.

Initial

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**I. False or Misleading Information:** The Applicant understands and agrees that the submission of knowingly false or knowingly misleading information in this Application may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemptions claimed by reason of Agency involvement in the Project.

Initial

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**J. Fees:** This application should be submitted with a non-refundable \$1000 application fee to the Onondaga County Industrial Development Agency and a \$2,500 legal deposit made out to Gilberti Stinziano Heintz & Smith, P.C.

Initial

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The Agency will collect an administrative fee and all remaining legal fees based on the Fee Schedule below:

### Agency Fees:

- ♦ Fee for manufacturing projects under \$10 million - .0075 of the project cost
- ♦ Fee for all agency projects except those with PILOT agreements - .01 of the project cost
- ♦ Additional Fee for PILOT Agreement Projects - .0025 of bond amount or project cost
- ♦ Fee for bond refinancing & refunding - .0025 of refinancing or refunding amount.

### Agency Legal Fees:

- ♦ Fee for first \$20 million - .0025 of project cost
- ♦ Fee for anything above \$20 million - .00125 of project cost

### Payment terms:

- ♦ **Application fee:** Payable at the time of application
- ♦ **Legal deposit:** Payable at the time of application
- ♦ **Agency fee for Bond Projects:** Payable at Closing
- ♦ **Agency and Legal Fees for all other projects:** Due and payable at Inducement

\* A sales tax certificate will generally not be issued until the Agency Fee is paid in full



#### **K. Recapture of Tax Abatements/Exemptions:**

Recapture of Benefits. It is the policy of the Agency to recapture the value of Payment in Lieu of Taxes (PILOTs), State and County Sales Tax, and Mortgage Recording Tax Exemptions in accordance with the provisions contained herein and the Laws of the State of New York. Before receiving benefits, projects of the Agency must attest in writing to their understanding of and agreement to the Recapture Provisions of the Agency Uniform Tax Exemption Policy. The recapture provision contained herein may be modified from time to time by the Board at its sole discretion.

Recapture of a PILOT, Sales Tax and the Mortgage Recording Tax Exemptions. In the event the facility is sold or closed, or the number of jobs is reduced below 75% of the number employed or projected to be employed at time of application to the Agency and no substantial future economic benefit is likely to accrue to the community, then the value of the Property Tax, Sales tax and the Mortgage Recording Tax benefits extended to the project by the Agency shall be subject to recapture.

Recapture Payment. The Recapture payment paid by the Project to the Agency shall be determined (1) by the difference between any PILOT payments made by the Project and the property taxes that would be paid by the Project, if the property were not in the ownership or control of the Agency, (2) the value of any Mortgage Recording Tax Exemption, if awarded to the Project and (3) the amount of sales tax that would have been paid if an exemption was not granted.

Recapture of the PILOT, Sales Tax or Mortgage Recording Tax: The Recapture Schedule for a Payment in Lieu of Taxes Agreement, Sales Tax or the Mortgage Recording Tax is as follows:

Within two (2) years of Certificate of Occupancy:	100%
Within three (3) years:	80%
Within four (4) years:	60%
Within five (5) years:	40%
Within six (6) years:	30%
Within seven (7) years:	20%
Within eight (8) years:	10%
Eight years or more:	0%

Distribution of the Recapture Payment. Any funds recaptured as the result of an Agreement with the Agency shall be distributed to the affected taxing jurisdictions in the same proportion as if the payments were paid or owed by the Project on the date of recapture.

Additional Conditions for the Recapture of Sales and Use Tax. As of April 1, 2013, New York State law requires Industrial Development Agencies to recapture sales tax benefits where:

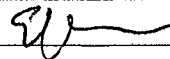
- ◆ A Project is not entitled to receive the benefits;
- ◆ Exemptions received exceed the amount authorized by the Agency;
- ◆ Exemptions are claimed by the Project for unauthorized property or services; or
- ◆ A Project fails to use property in the manner required by its IDA agreements.

**I have read the foregoing and agree to comply with all the terms and conditions contained therein as well as policies of the Onondaga County Industrial Agency.**

Name of Applicant Company

Tessy Plastics Corp.

Signature of Officer or Authorized Representative



Name & Title of Officer or Authorized Representative

Ed S. Pietruniak, CPA VP Finance & Administration

Date

December 10, 2015

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein misleading.

☒ I have read paragraph 6 in the instructions and understand that the applicant must identify in writing to OCIDA any information it deems proprietary and requests not be made publicly available.

☒ Please check here if you have marked information as confidential/proprietary

Name of Applicant Company

Tessy Plastics Corp.

Signature of Officer or Authorized Representative



Name & Title of Officer or Authorized Representative

Ed S. Pietruniak, CPA VP Finance & Administration

Date

December 10, 2015

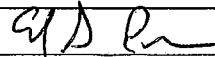
#### VI. Hold Harmless Agreement

Applicant hereby releases Onondaga County Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by: (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax-exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction, and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project, including without limiting the generality of the foregoing, all cause of action and attorney's fees and any other expenses incurred in defending any suits or action which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, 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 the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the process of the Application, including attorney's fees, if any.

Name of Applicant Company

Tessy Plastics Corp.

Signature of Officer or Authorized Representative



Name & Title of Officer or Authorized Representative

Ed S. Pietruniak, CPA VP Finance & Administration

Date

December 10, 2015

Onondaga County Industrial Development Agency Application  
Appendix A

Are the employees of your company currently covered by a collective bargaining agreement?

☐ Yes

☒ No

If yes, Name and Local:

Is the labor pool in Onondaga County and/or the CNY Economic Development Region is adequate to fill new FTE positions?

☐ Yes

☒ No

Enter Company Name in three (3) places below and sign by an authorized company officer:

In consideration of the benefits provided by the Onondaga County Industrial Development Agency (OCIDA),

, project beneficiary, agrees to cause any new employment opportunities created in connection with industrial or commercial projects financed by the proceeds of such benefits to be listed with the New York State Department of Labor Community Services Division (DOL) and with CNY Works.

, project beneficiary, also agrees to report to OCIDA on or before March 1 of each year the status of employment opportunities filed with the DOL, including the number of new employment opportunities created, the number listed, and the number filled for the year ending the prior December 31.

, project beneficiary, further agrees that, to the extent practicable and feasible, and subject to the requirements of any existing collective bargaining agreement, shall fill at least 10% of new employment opportunities with persons eligible for service under the Workforce Investment Act.

Name of Applicant Company

Signature of Officer or Authorized Representative

Name & Title of Officer or Authorized Representative

Date



ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION

**Application Attachments Listing**

- ♦ A feasibility statement indicating the need for the requested benefits
- ♦ 15 year pro forma operating budget, including funding sources
- ♦ Corporate schematic, if a subsidiary
- ♦ Description of project, Site Plans/Sketches, and Map
- ♦ NYS Full Environmental Assessment Form
- ♦ A check payable to the Agency in the amount of \$1000
- ♦ A check payable to Gilberti Stinziano Heintz & Smith, P.C. in the amount of \$2,500

Project #	Project Description	
3101-14-031	14 renovate Skan Plant	700 Visions Dr Skaneateles NY
3101-12-05H	12 expand S Plant warehouse	488 Rt 5 West Elbridge NY
3101-11-03G	11 renovate N Plant	7474 State Fair Blvd. Syracuse, NY 13209
3101-09-05F	09 build S Plant	488 Rt 5 West Elbridge NY
3101-08-10E	08 expand W Plant warehouse 40,000	488 Rt 5 West Elbridge NY
3101-06-13D	06 expand W Plant warehouse expansion	488 Rt 5 West Elbridge NY
3101-03-08B	03 ?	488 Rt 5 West Elbridge NY
3101-98-12A	98 ?	488 Rt 5 West Elbridge NY



## 2015 Expansion Project

- Summary:** Tessy Plastics is an innovative injection mold plastics manufacturer headquartered in Central New York, with facilities in Virginia and China. Tessy serves the medical, consumer products, business machines, electronics, and packaging industries. Tessy uses the latest proven quality assurance tools and machinery, and relies on lean manufacturing and innovative process design to provide cost savings to its customers while delivering a high-quality end product. Roland Beck is the majority owner and President of Tessy.
- Employment:** Tessy has a workforce of almost 900 people in Central New York working at its Elbridge, Van Buren, and Skaneateles facilities. Tessy offers strong benefits to its workforce with many opportunities for training and advancement.
- Customers:** Tessy's two primary customers for consumer goods are Procter & Gamble and Colgate.
- Product:** Tessy has designed and developed a five-piece deodorant container with each piece molded separately at Tessy, then assembled, labeled, and packaged on site. This is an automated, high volume, and high speed production process. Tessy ships more than 380 million deodorant containers to fill plants on an annual basis.
- Transportation:** After Tessy manufactures the deodorant containers, they are shipped to fill plants in South Carolina and North Carolina to complete the production process. The primary customers expect Tessy to absorb the high transportation costs associated with shipping. Tessy has to adjust its pricing to incorporate the transportation costs, making it difficult to remain competitive. The primary customers want to continue working with Tessy because of its ability to deliver large volumes of product timely with high quality control, but have tight profit margins that must be maintained.
- Relocation:** P&G and Colgate have asked and continue to pressure Tessy to construct a manufacturing facility in South Carolina to eliminate the high costs of transporting deodorant containers to the fill plants. Tessy has been presented with a package of incentives from several South Carolina locations to construct and equip a manufacturing facility – the most favorable package is offered by Oconee County.
- South Carolina Incentives:** Incentives offered by Oconee County include (additional incentives are under negotiation):
- Fee-in-Lieu of Property Tax and other property tax offsets
  - 111 acres of land provided at no cost
  - \$1.5 million in grants for site development
  - Road infrastructure and utility improvements at no cost
  - \$3.9 million in Job Development Credits
  - New Market Tax Credits
  - Job training funds and additional tax credits
  - Other statutory tax incentives



**Impact:**

Should Tessy locate its existing manufacturing operations for P&G and Colgate out of state, it will result in:

- Loss of 300 jobs in Central New York
- Van Buren facility would be vacated and put up for sale
- Expansion plans under consideration for Van Buren would be abandoned
- \$80 million annually in consumer products would be manufactured outside of New York State
- Future expansion of lines for P&G, Colgate, and other customers located in the southern portion of the United States would occur in South Carolina