

RESOLUTION NO. _____

A RESOLUTION CERTIFYING LOCAL GOVERNMENT ENDORSEMENT OF ZERO MOUNTAIN, INC. TO PARTICIPATE IN THE TAX BACK PROGRAM AS AUTHORIZED BY SECTION 15-4-2706(D) OF THE CONSOLIDATED INCENTIVE ACT OF 2003; AND FOR OTHER PURPOSES.

WHEREAS, in order to be considered for participation in the Tax Back Program, the local government must endorse a business to participate in the Tax Back Program and benefit from the sales and use tax refunds as provided in the Consolidated Incentive Act of 2003; and

WHEREAS, said endorsement must be made on specific form available from the Arkansas Department of Economic Development; and

WHEREAS, Zero Mountain, Inc., P. O. Box 6209, Fort Smith, AR 72916, has sought to participate in the program and more specifically has requested benefits accruing from the new construction and expansion of its facility to be located at 1400 East Gregory in North Little Rock (Incentive Application form attached hereto as Exhibit "A"); and

WHEREAS, Zero Mountain, Inc. has agreed to furnish the local government all necessary information for compliance.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That Zero Mountain, Inc. is hereby endorsed by the City Council of North Little Rock, Arkansas for benefits from the sales and use tax refunds as provided by Section 15-4-2706(d) of the Consolidated Incentive Act of 2003.

SECTION 2: That the Department of Finance and Administration is authorized to refund local sales and use tax to Zero Mountain, Inc.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Joe A. Smith

SPONSORS:

Joe A. Smith
Mayor Joe A. Smith *59C*

Debi Ross
Alderman Debi Ross *59C*

Beth White
Alderman Beth White *59C*

APPROVED AS TO FORM:

Jason Carter
C. Jason Carter, City Attorney

ATTEST:

Diane Whitbey, City Clerk

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/b

FILED <u>11:46</u> A.M. _____ P.M.
By <u>City Atty Carter</u>
DATE <u>11/18/16</u>
Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas
RECEIVED BY <u>T. McGraw</u>



**Consolidated Incentive Act of 2003
Incentive Application**

OFFICE USE ONLY

Project #
Ben France

Project Manager
9/22/2016

Date Received

Incentive Program

Please select which of the following program(s) are applicable to this application:

Job Creation:

Advantage Arkansas (Income Tax Credit program)

Investment: (construction, expansion, modernization)

Applicants may only select one of the following programs:

Tax Back (Sales and Use Tax Refund program)

For new or expanding businesses with a \$100,000 minimum investment

OR

InvestArk (Sales and Use Tax Credit program)

For existing businesses only, with two (2) or more years of operating in Arkansas, investing a minimum of \$5,000,000 and obtaining a direct-pay sales/use tax permit.

Applicant

Zero Mountain, Inc.

Local Operating Name of Company

P.O. Box 6209

Fort Smith, AR

72916

Mailing Address

City/State

Zip

1400 East Gregory North Little Rock, AR 72214 Pulaski

Physical Location of Project

City/State/Zip

County

Joseph Rumsey V

479-646-7757

479-648-1265

Name and Title of Local Company Contact

Phone

Fax

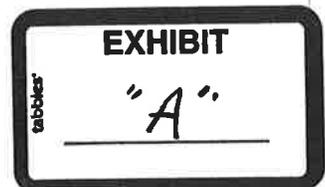
joerumsey@zeromtn.com

www.zeromtn.com

Company Contact e-mail address

Company Website

Complete Company Name, if company is filing for tax credit under a different name



Project	
Cost Estimate	Land \$ 100,000.00
	Building (a) New construction \$ 2,500,000.00
	(b) Existing building..... \$ 2,300,000.00
	Equipment..... \$ 2,500,000.00
	TOTAL \$ <u>7,400,000.00</u>

Employment

Present employment: 0

Number of new employees resulting from this project: 10-15

Average Hourly wage of new employees hired for this project: \$ 15.00 per hr.

Total annual payroll of new employees hired for this project: \$ 500,000.00

NOTE: To qualify for the income tax credits provided by the Advantage Arkansas program, the company must be an eligible business and meet the minimum payroll requirements for the Tier (county) in which the project is located. The Tier Map is available on line at www.ArkansasEDC.com.

NAICS Classification Code

~~49342~~ 493110

Cold Storage Warehousing/Transportation/Logistics
Description of principal business activity, products manufactured, etc.

What percentage of the applicant's gross sales are retail sales to the public? 0 %
(An eligible company must not derive more than 10% of its revenue from sales to the general public)

If the applicant is a computer-related company, a distribution center, office sector business, motion picture company or a scientific and technical services business, 75% of the applicant's sales revenue must be derived from out of state.

What percentage of the applicant's sales is derived from out of state? 75 %

NOTE: Information contained in this application is subject to audit by the Arkansas Department of Finance and Administration. If any of the above information is found to be inaccurate and does not qualify, the business will be decertified and shall not receive any benefits and may be required to repay any benefits received, plus penalty.

I.D. Numbers Employer's Federal I.D. Number 71-0280032
Arkansas Sales or Consumer Use Tax Number 00046709-SLS

Information for Income Tax Credit **Ownership of Company** (Please check the appropriate box.)

Individual
 Partnership
 LLC
 Taxable Corporation (C Corporation)
 Small Business Corporation (Sub S Corporation)

If ownership of company is Individual, Partnership, LLC or Small Business Corporation, please provide the following information (a separate attachment may be submitted if necessary):

Name(s) of Owner(s)	Percent Ownership	Social Security Number or Federal Tax I.D. Number
Mark B. Rumsey	20.06%	71-0280032
Mary Rumsey	19.97%	71-02/0032

When does your tax year end? 06 30
Month Date

Consultant Information (If Applicable)

Name of Consultant filing this application	Phone	Fax
Consultant Firm Name		
Mailing Address	City/ State/ Zip	
Consultant E-mail address		

Project Plan

Please indicate the activity planned by the company associated with this application.
(Check all that apply)

New Construction Expansion of existing business Modernization

Estimated Start Date of Project: 10-1-16 Estimated Completion Date of Project: 05-31-17

Project Description: Renovate, Remodel and Repair entire exterior and interior of existing and grounds. Modernize building and machinery. To ship and receive product for customers across the country. Provide logistics services for customers.

Project Cost Estimates:		
Land:	Description: 15.0 Acres Developed with 88,016 s.f. cold storage warehouse with parking and landscaped areas.	
	\$	100,000.00
	<i>Land Total:</i>	\$ 100,000.00
Building:	New construction: Install security fencing for the entire perimeter of the property. Install new signage and security lighting, etc.	\$ 2,500,000.00
	Expansion or Purchase of existing facility: Completely remodel, repair and restore exterior and interior existing building. To include, but not limited to new roof, all new LED lighting, replacing damaged doors, mold extraction, gutting and renovation of entire office space, etc.	\$ 2,300,000.00
	<i>Building Total:</i>	\$ 4,800,000.00
Machinery and Equipment:	Description: Restore and replace all existing machinery. Repair and replace racks, evacuate current refrigeration system, new a.c. and heating units as well as other updates and replacements deemed necessary that can not be accessed currently	\$ 2,500,000.00
	<i>Machinery & Equipment Total:</i>	\$ 2,500,000.00
Total Estimated Project Cost:		\$ 7,400,000.00

Certification

The undersigned authority, _____ acknowledges that he/she is
Company Official (Printed Name)
the owner or authorized official of the applicant company that has the authority to act on behalf of
the applicant.

This affidavit is made for the specific purpose of verifying that the information contained in this application is true and correct. The applicant acknowledges that only those eligible project costs incurred and/or employees hired after the date this application is received by the Commission will be considered for refund or credit. The Advantage Arkansas program requires a separate financial incentive agreement, signed by the applicant company and the Commission, before hiring any new, full-time, permanent employees. The applicant company does hereby agree to report new job creation and investment figures annually to the Arkansas Department of Finance and Administration for the term of the incentive agreement and to the Arkansas Economic Development Commission upon request.

Signature of Company Official

Title

Date

Contract Disclosure

Any individual contracting with the State of Arkansas must make full disclosure if he or she is a current or former: member of the General Assembly, Constitutional Officer, Board or Commission member, State employee, or the spouse or immediate family member of any of the persons described herein; or if such persons having any position of control or any ownership interest of ten percent (10%) or greater in the entity currently applying to contract with the State. Please indicate if this disclosure is required for this application. Failure to disclose such information is a criminal offense and shall render any contract with the State of Arkansas null and void.

Disclosure Required?: Yes or No

Press Release Disclosure

I do do not authorize the Arkansas Economic Development Commission to release to the press the new job creation and investment figures.

(Signing this authorization to release job creation and investment numbers is not mandatory. However, information about benefits received is public information and may be obtained through a Freedom of Information request filed with the Arkansas Department of Finance and Administration.)

Signature of Company Official

Title

Date

If you have questions about the incentive programs included in this application, please call the Arkansas Economic Development Commission at 501-682-7675 or visit the Commission's website at www.ArkansasEDC.com.

Submit this application to:
Business Development Division
Arkansas Economic Development Commission
900 West Capitol, Suite 400
Little Rock, AR 72201

AEDC APPROVAL

The Commission's approval of this application is based upon its content. The eligibility provisions of the individual incentive programs will be administered by the Arkansas Department of Finance and Administration upon audit at a later date.

Signature of AEDC Incentives Manager