

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Ordin. kilgus

CHAPTER 1997-67

No. 632 **AN ORDINANCE** ESTABLISHING A TAX
STABILIZATION PLAN FOR KILGUSS
REALTY, CO., LLC

Approved November 3, 1997

Be it ordained by the City of Providence:

WHEREAS, Section 21-169 of the Ordinance of the City of Providence grants authority to the City Council, pursuant to Section 44-3-9 of the General Laws of the State of Rhode Island, as amended, to exempt property used for industrial, commercial or residential purposes from the payment of property tax if the granting of the exemption meets certain conditions set forth in said Section of the Ordinance; and

WHEREAS, Kilguss Realty Co., LLC has made application under, and has satisfied each condition of the above mentioned Ordinance;

WHEREAS, Kilguss Realty Co., LLC is a commercial concern who intends to retain its facility in the City of Providence and agrees, as a condition of this tax treaty, to not reduce substantially its workforce in the City of Providence, on Royal Little Drive in the Silver Spring Industrial Park, in Providence, Rhode Island, on Assessor's Plat 72, Lots 544, 545, 546 and ("Project");

WHEREAS, the Project will cause an increase in the tax base of the City and will increase employment opportunity in the City; and

WHEREAS, it is in the interest of the residents of the City of Providence to grant such an exemption to induce the development and construction of the Project in the City, and such exemption will inure to the benefit of the City;

Be It Ordained by the City of Providence:

SECTION 1. That the findings set forth in the preceding WHEREAS Clauses are hereby made and confirmed.

SECTION 2. As long as Kilguss Realty Co., LLC owns or operates the facility, it will continue to pay taxes on the facility. Kilguss Realty Co., LLC its successors and assigns, agree that this property will be subject to taxation at the

No.

CHAPTER

AN ORDINANCE

IN CITY COUNCIL
Sept. 4, 1997
FIRST READING
REFERRED TO COMMITTEE ON
FINANCE

CLERK

THE COMMITTEE ON

Finance
Recommends (Be Continued)

Claire Bestwick
Clerk
Sept. 15, 1997

Oct. 6, 1997 Public Hearing

THE COMMITTEE ON
FINANCE

Approves Passage of
The Within Ordinance

Claire Bestwick
Clerk
Oct. 6, 1997

Councilwoman Romano (By Request)

expiration of the tax treaty. Kilguss Realty Co., LLC also agrees not to transfer the property to a tax-exempt entity or to allow any transfer by any subsequent transferee to a tax-exempt entity during the term of the tax treaty. Kilguss Realty Co., LLC is also required as a condition precedent to this tax treaty to record notice of the requirement that the property covered by this Ordinance be transferred only to a tax paying entity, as set forth herein in the Land Evidence Records of the City of Providence. Notwithstanding this provision, in the event that the successor to the property does not make the payments under the tax treaty, Kilguss Realty Co., LLC will be responsible to make payments in lieu of taxes to the City of Providence in the amounts set forth in the attached schedule. In the event that the property covered by this Ordinance is transferred to a tax-exempt entity, whether by Kilguss Realty Co., LLC or any any subsequent transferee of such property, Kilguss Realty Co., LLC will be responsible to make payments in lieu of taxes to the City of Providence equal to the amount of taxes which would have been paid to the City of Providence if such prohibition against transfer to a tax-exempt entity had not been violated. Notwithstanding anything to the contrary herein or in the tax treaty used in connection herewith, the provisions of this Section 2. shall continue to be given full force and effect until such time as the same shall be amended or terminated by majority vote of the City Council of Providence.

SECTION 3. It shall be the goal of Kilguss Realty Co., LLC to award to Minority Business Enterprises as defined in Rhode Island General Laws, Section 37-14.1 ("MBE Act") no less than 10% of the dollar value of the construction costs for the Project (as determined in accordance with the rules and regulations promulgated pursuant to the MBE act). It shall be Kilguss Realty Co., LLC's further goal to award to woman business enterprises (WBE) no less than 10% of the dollar value of the construction costs for the project (as determined in accordance with Section 21-52 of the Code of Ordinances of the City of Providence). It shall be a further goal of Kilguss Realty Co., LLC to achieve a minimum level of 10% for minority and 10% for female employment.

SECTION 4. In making employment decisions for the facility located at Royal Little Drie in the Silver Spring Industrial Park, Kilguss Realty Co., LLC shall give preferential consideration to qualified employees/applicants who reside in Providence.

SECTION 5. The schedule listed below is based upon information provided to the Tax Assessor by Kilguss Realty Co., LLC including, but not limited, to estimated construction costs. In the event any of this information is inaccurate or proves to erroneous, this treaty shall be modified to reflect that accurate information.

SECTION 6. That the real and personal property taxes payable to the City by the Project during the term of this Ordinance shall be based upon the real and personal property tax rates in effect for the City's 1997 fiscal year.

SECTION. 7. That the City, in accordance with Section 44-3-9 of the Rhode Island General Laws and Section 21-169 of the Code or Ordinances for the City of Providence, is hereby authorized to grant an exemption from the assessed valuation for tax purposes as of December 31, 1997 up to and including December 31, 2006 to Kilguss Realty Co., LLC located on Royal Little Drive in the Silver Spring Industrial Park in Providence, Rhode Island, on a portion of Assessor's Plat 72, Lots 544, 545, 546 as provided in the above mentioned Ordinance, in accordance with the schedule in Exhibit A.

SECTION 8. This Ordinance shall take effect upon its passage.

IN CITY COUNCIL
[OCT] 9 1997
FIRST READING
READ AND PASSED
Michael R. Clement CLERK

IN CITY COUNCIL
COUNCIL
OCT 23 1997
FINAL READING
READ AND PASSED
Emily V. Fargnoli PRESIDENT
Michael R. Clement CLERK

APPROVED
NOV 3 1997
Vincent A. Cianci
MAYOR

AN ORDINANCE ESTABLISHING TAX
STABILIZATION PLAN FOR KILGUSS
REALTY, CO., LLC

RECEIVED

RECEIVED
CITY OF OMAHA

2011

RECEIVED BY CITY ASSESSOR
PROVIDENCE RHODE ISLAND

8/15/97 DATE

APPLICATION FEE FORWARDED TO
COLLECTOR

300.00 AMOUNT

REVIEWED BY ASSESSOR WITH THE
FOLLOWING RECOMMENDATIONS

Recommend passage. This is an aggressive step to fill Silver Spring Industrial Park with jobs.

SIGNATURE/DATE/ASSESSOR

Pam Levin 8/15/97

RECEIVED BY CITY COLLECTOR

APPLICANT OWES FOLLOWING TAXES

YEAR	AMOUNT
<u>1997</u>	<u>6551.55</u>
<u>1996</u>	<u>6330.02</u>
<u>1995</u>	<u>5859.22</u>
<u>1994</u>	<u>5869.22</u>
<u>total</u>	<u>24,610.01</u>

12/5/44
see attached

TAXES ARE PAID IN FULL

ARRANGEMENTS HAVE BEEN MADE

YES NO

SIGNATURE/DATE/COLLECTOR

Anthony E. Annino 8-15-97

RECEIVED BY BUILDING INSPECTOR
DATE 8-15-97

Ranji J. Jyga

PLANS AS REVIEWED MEET ALL CURRENT CODES/STATUTES OF CITY

YES NO

Foundation only
NO VIOLATIONS EXIST ON THIS OR OTHER PROPERTIES OWNED BY APPLICANT

YES NO

* VIOLATIONS EXIST AS FOLLOWS

Foundation Permit only

VIOLATIONS HAVE BEEN DISCUSSED WITH APPLICANT(S) ARRANGEMENTS HAVE BEEN MADE TO CORRECT SAME

YES NO

SIGNATURE/DATE/BUILDING INSPECTOR

Ranji J. Jyga 8-15-97



FINANCE DEPARTMENT

CITY COLLECTOR

Plat 72		Lot 544	
Year	Taxes	Interest	
1997	\$ 6,551.55	\$ -	\$ 6,551.55
1996	\$ 6,330.02	\$ 759.60	\$ 7,089.62
1995	\$ 5,859.22	\$ 1,406.21	\$ 7,265.43
1994	\$ 5,869.22	\$ 2,278.81	\$ 8,148.03
			\$ 29,054.63
Plat 72		Lot 545	
Year	Taxes	Interest	
1997	\$ 14,075.60	\$ -	\$ 14,075.60
1996	\$ 13,384.80	\$ 1,606.18	\$ 14,990.98
1995	\$ 12,394.80	\$ 2,974.75	\$ 15,369.55
1994	\$ 12,394.80	\$ 4,818.53	\$ 17,213.33
1993	\$ 12,394.80	\$ 5,949.50	\$ 18,344.30
1992	\$ 12,394.80	\$ 7,436.88	\$ 19,831.68
1991	\$ 12,394.80	\$ 8,924.26	\$ 21,319.06
1990	\$ 11,220.00	\$ 10,411.63	\$ 21,631.63
			\$ 142,776.13
Plat 72		Lot 546	
Year	Taxes	Interest	
1997	\$ 5,201.57	\$ -	\$ 5,201.57
1996	\$ 4,946.29	\$ 593.55	\$ 5,539.84
1995	\$ 4,580.44	\$ 1,099.31	\$ 5,679.75
1994	\$ 4,580.44	\$ 1,780.66	\$ 6,361.10
1993	\$ 4,580.44	\$ 2,198.61	\$ 6,779.05
1992	\$ 4,580.44	\$ 2,748.26	\$ 7,328.70
1991	\$ 4,580.44	\$ 3,297.92	\$ 7,878.36
1990	\$ 4,146.30	\$ 3,847.57	\$ 7,993.87
			\$ 52,762.25

paid 8-22-97

done by Resolution City Council

done by Resolution City Council

7. ESTIMATED COST OF EXPANSION/RENOVATION. (ATTACH EVIDENCE SUPPORTING SUCH FIGURE: COP OF BIDS, CONSTRUCTION CONTRACT, ARCHITECT'S CERTIFICATION). GIVE DETAILS AS TO SCOPE OF PROJECT TO BE UNDERTAKEN—# OF STORIES TYPE OF CONSTRUCTION, TOTAL SQ. FT. ETC.)

See enclosed plans and contracts
 \$2,100,000.00

8. DESCRIBE EXISTING FACILITY:

# OF STORIES	<u>Two stories</u>
# OF SQ. FT./ FLOOR	<u>24,000</u>
AGE OF BUILDING(S)	<u>62 years Addition-14 years</u>
TYPE OF CONSTRUCTION	<u>Concrete block and brick</u>
INTERIOR CONDITION	<u>Excellent</u>
EXTERIOR CONDITION	<u>Excellent</u>

9. APPLICATION IS MADE UNDER THE PROVISION OF THE ORDINANCE FOR THE FOLLOWING REASON(S) (CHECK ONE OR MORE)

<input type="checkbox"/>	a. locate in City of Providence
<input type="checkbox"/>	b. replace section of premises
<input type="checkbox"/>	d. expand building
<input type="checkbox"/>	e. remodel facility
<input checked="" type="checkbox"/>	f. construct new building (s)
<input type="checkbox"/>	g. other (explain) _____

10. WILL PROPOSED CONSTRUCTION/ ALTERATION INCREASE THE EMPLOYMENT AT YOUR COMPANY

YES NO _____

IF YES, GIVE ESTIMATE AS TO NEW POSITIONS TO BE CREATED AND JUSTIFICATION FOR SAME

It will bring 50 new jobs to Providence at the completion of the project

11. WILL THE PROPOSED ALTERATION/ CONSTRUCTION CAUSE ANY OTHER FACILITY TO CLOSE?

YES NO _____

200 Chestnut Street Providence, RI 02903

12. WILL CONSTRUCTION/ALTERATION REQUIRE PURCHASE OF ADDITIONAL FURNITURE/FIXTURES/EQUIPMENT? IF YES, GIVE DETAILS AS TO NUMBER AND TYPE TO BE PURCHASED

YES NO _____

Office furniture and equipment \$50,000. est.

Factory equipment:

Vault	\$ 70,000.00
Plating room	75,000.00
Security	30,000.00
Miscellaneous	25,000.00

13. CONSTRUCTION SHALL BEGIN Late summer 1997
ANTICIPATED THAT CONSTRUCTION SHALL BE COMPLETED Summer 1998

14. ARE ALTERATIONS/CONSTRUCTION PLANS PERMITTED UNDER THE PRESENT ZONING; YES X NO _____

IF NO, PLEASE ADVISE AS TO WHETHER APPLICATION HAS BEEN OR WILL BE FILED WITH ZONING BOARD OF REVIEW. _____

HAS HEARING BEEN SCHEDULED? _____

IT IS THE UNDERSTANDING OF THE APPLICANT(S) THAT THE EXEMPTION, IF APPROVED, IS APPLICABLE ONLY TO COMMERCIAL/ INDUSTRIAL CONCERNS WHO WISH TO LOCATE IN THE CITY, OR WHO WISH TO REPLACE, RECONSTRUCT, EXPAND OR REMODEL CURRENT FACILITIES; THAT MEET THE APPROVAL OF THE BUILDING INSPECTOR; THAT ALL CURRENT AND PAST TAXES DUE BY THE APPLICANT(S) MUST BE PAID IN FULL; THAT THE EXEMPTION WOULD BE ATTRIBUTABLE ONLY TO THAT PORTION OF THE ASSESSMENT ATTRIBUTABLE TO THIS CONSTRUCTION / RENOVATION; THAT THE EXEMPTION MAY BE REVOKED IN THE EVENT OF FRAUD OR MISREPRESENTATION BY THE APPLICANT(S).

Howard M. Kujala
SIGNATURE OF APPLICANT

C. William Connell
WITNESS

200 Chestnut Street Providence, RI
ADDRESS

8/14/97
DATE

8/14/97
DATE

EXCELL

Manufacturing Company

200 Chestnut Street, Providence, RI 02903 U S A (401) 421-5957

57-12
115

045759

DATE August 14, 1997

PAY EXACTLY

EXCELL MFG. INC. 300 DOLS 00 CTS

PAY TO THE ORDER OF Providence City Tax Collector

\$300.00

CITIZENS BANK
CITIZENS TRUST CO.
PROVIDENCE, RI



AUTHORIZED SIGNATURE

⑈045759⑈ ⑆011500120⑆ 005 536 0⑈

YEAR#	% ABATED	ASSESSMENT DATE	TAXES PAID	ASSESSMENT ABATED	TAXES ABATED	
1	90	12/31/97	\$9,202.56	2,589,030	\$82,823.07	
2	80	12/31/98	\$ 18,405.13	2,301,360	\$ 75,269.09	
3	70	12/31/99	\$ 27,607.69	2,013,690	\$ 64,717.94	
4	60	12/31/00	\$ 36,810.25	1,726,020	\$ 55,215.38	
5	50	12/31/01	\$ 46,012.82	1,438,350	\$ 46,012.82	
6	40	12/31/02	\$ 55,215.38	1,150,680	\$ 36,810.25	
7	30	12/31/03	\$ 64,717.94	863,010	\$ 27,607.69	
8	20	12/31/04	\$ 75,269.09	575,340	\$ 18,405.13	
9	10	12/31/05	\$ 82,823.07	287,670	\$ 9,202.56	
10	0	12/31/06	\$ 92,025.63	0	0	
			TOTAL	\$508,089.56	12,945,150	\$416,063.93
TOTAL OF REAL ASSESSMENT OF PROJECT \$2,876,700						
PROJECT ASSESSMENT						
		LAND	\$204,800			
		IMPROVEMENTS	\$2,671,900			
		TOTAL ASSESSMENT	\$2,876,700			
STABLIZATION FOR KILGUSS REALTY						
EXCELL MANUFACTURING						
CITY ORDINANCE #						
OWNER KILGUSS REALTY						
200 CHESTNUT STREET						
LOCATION OF PROPERTY						
ROYAL LITTLE DRIVE						
SILVER SPRING INDUSTRIAL PARK						