

ST. CHARLES PARISH COUNCIL FINANCE COMMITTEE MEETING

JANUARY 11, 2021



DISCUSSION POINTS

- **INDUSTRIAL TAX EXEMPTION PROGRAM (ITEP)**
- **ITEP PROJECT REQUEST INTRODUCTION—
SUPPORTING RESOLUTION**

ITEP BASICS

- **Manufacturers—(NAICS) Codes 31, 32, or 33**
- **Create or retain jobs**
- **80% property tax abatement for up to 10 years (5-yr. initial approval with a 5-yr renewal) on qualifying capital investment related to the manufacturing process**

ITEP 3.0 – A “New” New Beginning

Compressed approval time

- Can file application before/during construction
- 30-60 days
- Locals can Opt In/Out

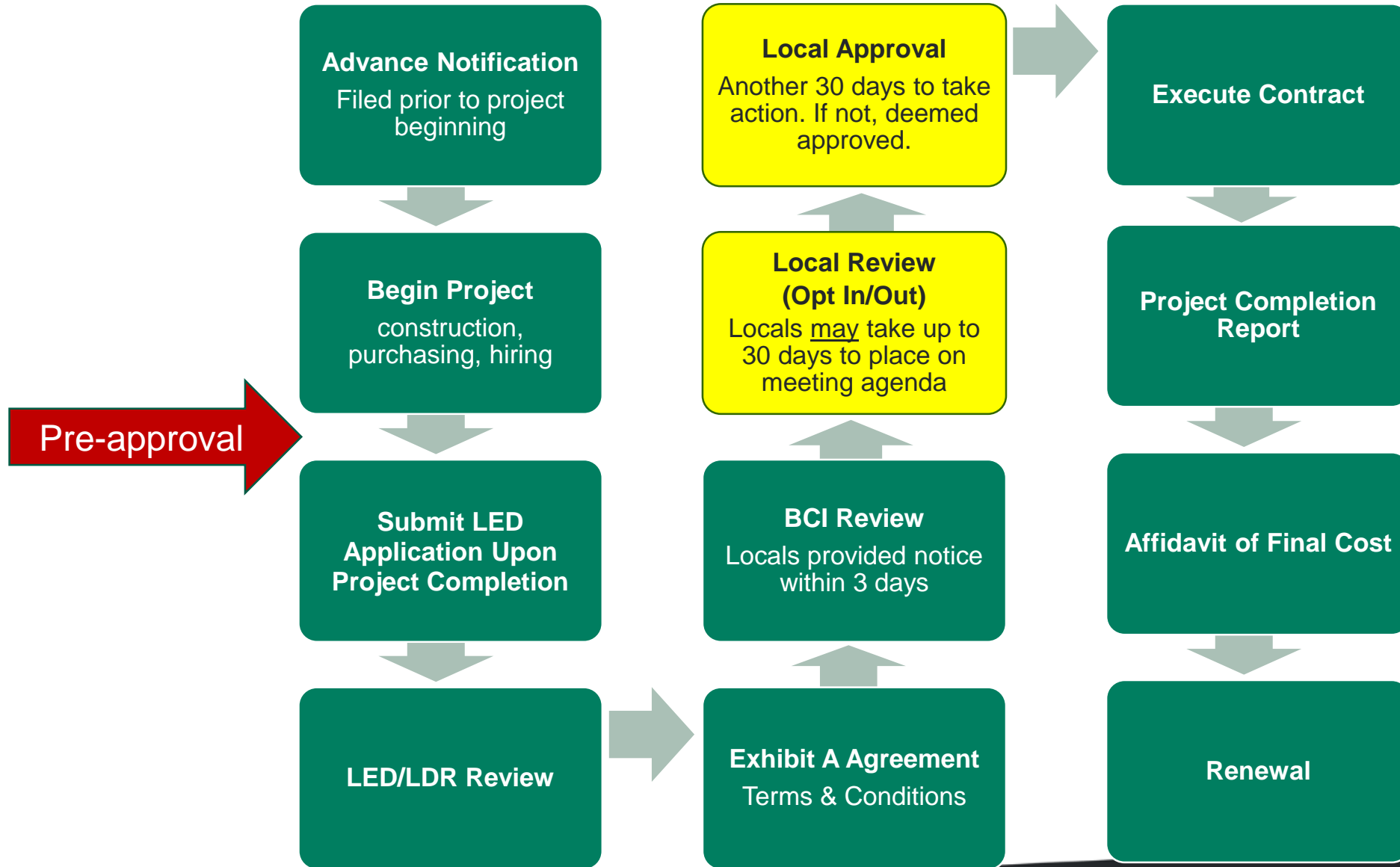
Return to 10-yr benefits

- 80% exemption
- 20% taxable Year 1
- Mega project = 93%

Maintains previous reforms

- No MCA's
- New/retained jobs & payroll memorialized
- Stricter manufacturing definitions

Standard Approval Process



Local Obligations

- **Important to be proactive in driving the ITEP narrative.**
- **Positive, local message regarding the benefits of ITEP to the community.**
- **Companies should promote local outreach efforts & highlight all of their local contributions.**
- **Negates the potential for anti-industry forces marshaling in nearby communities.**

- **All ITEP applicants commit to executing certain local performance obligations such as:**

- Hosting a job fair.
- Hosting a vendor fair.
- Requiring embedded & general contractors to participate in fairs.
- Sending all employment openings to SCPED, including contractor positions.
- Local advertising all employment openings.
- Complying with an existing Parish Ordinance and annually report total employment & SCP resident employment.
- Annual reporting of local procurement activities, i.e., utilization of SCP vendors.
- Annual reporting of all philanthropic giving in SCP in order to emphasize the company's total economic impact.

Applicability

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ITEP REQUEST: GREEN SHUTTER TEAS



Green Shutter

About ▾

Services ▾

Values ▾

The Green Shutter Story



*O the Green Shutter, the Green Shutter,
Where artists fume and poets sputter,
Where books are read but seldom bought
And many a battle of words is fought,
I will recall with my heart's last flutter
That heathen crowd at the Green Shutter.*

Carl Carmer, "Song for the Green Shutter,"

Over 150 years of history

Martha Westfeldt's Green Shutter tearoom provided respite and safety to the most creative minds of 1920's New Orleans. As Carl Carmer's Poem illustrates, it was a refuge for debate and disagreement. Today, this inspires us. We seek to transform the safe to the exciting, provide a sanctuary from the ordinary and challenge your conception of what is possible in beverages.

Our business is new, but our story rich, vibrant & cherished, much like our beverages. Our goal is to bridge the best of the old, with a search for the new.

Our roots are firmly located in the roaring city of New Orleans. Established and owned by the distinguished Westfeldt family, Green Shutter is an extension of their ongoing passion & commitment to quality beverages, community & disruptive innovation. At our core, we are focused on delivering world class customer service, exceptional quality and exciting beverage experiences.



From website

Quality blends every time

*Our operation is positioned to meet your blending needs with fast lead times and superior quality. Our **Munson Rotary Batch Blender** incorporates a four-way mixing action that gently folds, tumbles, and turns the material. As the gold standard for our industry, the Munson allows for greater consistency, quality, and flexibility.*

Our team of blending experts will work with you on designing a blend that fits all the desired attributes of your product profile. Every blend goes through rigorous QC testing to assure you are receiving the highest quality product.



From website

Cutting edge warehouse

With ample warehousing space we can accommodate a large supply of inventory. Our warehouse is temperature and humidity controlled, assuring your product is kept fresh and secure. If you need additional warehouse space to inventory your product, it will be in good hands!

PROJECT DETAILS

- **Corporate HQ**
- **40,500 s.f. in James Business Park**
- **12 new jobs**
- **~\$575,000 payroll**
- **~\$1M capex**
- **Future expansion plans**
- **New industry**

Assumptions	
Tax Roll Start Value	\$ 892,685
20-Yr Asset Value	\$ 757,720
12-Yr Asset Value	\$ 130,345
Millage	0.11750

Green Shutter Teas Estimated ITEP Impact

Operating Yr	PIS Yr	Calendar Yr	20-Yr Depreciation Multipliers	12-Yr Depreciation Multipliers	Assessed/Depr Value 20-Yr Assets	Assessed/Depr Value 12-Yr Assets	Prop. Tax w/o ITE (Est.)	Prop. Tax w/ ITE (Est.)	Property Tax Saved Due to ITE (Est.)
1	0	2021					\$ -	\$ -	\$ -
2	1	2022	0.95	0.92	\$ 719,834	\$ 119,917	\$ 14,801	\$ 2,960	\$ 11,840
3	2	2023	0.94	0.88	\$ 712,257	\$ 114,704	\$ 14,575	\$ 2,915	\$ 11,660
4	3	2024	0.93	0.83	\$ 704,680	\$ 108,186	\$ 14,327	\$ 2,865	\$ 11,461
5	4	2025	0.88	0.75	\$ 666,794	\$ 97,759	\$ 13,475	\$ 2,695	\$ 10,780
6	5	2026	0.85	0.69	\$ 644,062	\$ 89,938	\$ 12,937	\$ 2,587	\$ 10,349
7	6	2027	0.82	0.61	\$ 621,330	\$ 79,510	\$ 12,352	\$ 2,470	\$ 9,882
8	7	2028	0.78	0.53	\$ 591,022	\$ 69,083	\$ 11,634	\$ 2,327	\$ 9,307
9	8	2029	0.76	0.47	\$ 575,867	\$ 61,262	\$ 11,229	\$ 2,246	\$ 8,984
10	9	2030	0.73	0.40	\$ 553,136	\$ 52,138	\$ 10,668	\$ 2,134	\$ 8,534
11	10	2031	0.67	0.32	\$ 507,672	\$ 41,710	\$ 9,683	\$ 1,937	\$ 7,746
10-Yr Totals							\$ 125,681	\$ 25,136	\$ 100,545
12	11	2032	0.63	0.28	\$ 477,364	\$ 36,497	\$ 9,057	\$ 9,057	
13	12	2033	0.60	0.26	\$ 454,632	\$ 33,890	\$ 8,610	\$ 8,610	
14	13	2034	0.57	0.25	\$ 431,900	\$ 32,586	\$ 8,187	\$ 8,187	
15	14	2035	0.53	0.25	\$ 401,592	\$ 32,586	\$ 7,652	\$ 7,652	
16	15	2036	0.50	0.25	\$ 378,860	\$ 32,586	\$ 7,252	\$ 7,252	
17	16	2037	0.45	0.25	\$ 340,974	\$ 32,586	\$ 6,584	\$ 6,584	
18	17	2038	0.40	0.25	\$ 303,088	\$ 32,586	\$ 5,916	\$ 5,916	
19	18	2039	0.36	0.25	\$ 272,779	\$ 32,586	\$ 5,382	\$ 5,382	
20	19	2040	0.33	0.25	\$ 250,048	\$ 32,586	\$ 4,981	\$ 4,981	
21	20	2041	0.32	0.25	\$ 242,470	\$ 32,586	\$ 4,848	\$ 4,848	
20-Yr Totals							\$ 194,151	\$ 93,606	\$ 100,545

Millage Totals	Est. Millage	% Millage	10 Year Taxes COLLECTED (Est.)	Annual Avg. Taxes Collected Based on 10-Yr Total	10 Year Taxes ABATED (Est.)
Sheriff	21.58	18.366%	\$ 4,617	\$ 462	\$ 18,466
Parish Govt.	30.07	25.591%	\$ 6,433	\$ 643	\$ 25,731
Assessor	1.31	1.115%	\$ 280	\$ 28	\$ 1,121
Hospital	5.59	4.757%	\$ 1,196	\$ 120	\$ 4,783
School	55.76	47.455%	\$ 11,929	\$ 1,193	\$ 47,714
Pontch. Levee	3.19	2.715%	\$ 682	\$ 68	\$ 2,730
EB TOTAL	117.5		\$ 25,136		\$ 100,545

*Does not include Inventory Taxes.

QUESTIONS?