

Tompkins County Industrial Development Agency

ADMINISTRATION PROVIDED BY 

Emmy's Organics – Community Benefits Overview *6/12/19*

Project Overview

Emmy's Organics, founded in 2009 in Ithaca, manufactures and distributes certified organic, gluten, free, vegan snack food including coconut based cookies. Products can be found at major retailers throughout the United States and Canada including Starbucks, Whole Foods Markets, CVS, Rite Aid, Wegmans, and Sprouts. The company plans to relocate from a rented building in the City of Ithaca that no longer suits their growing business to an existing building at 15 Royal Road in the Town of Dryden. A previously planned new building on Cherry Street in the City of Ithaca did not move forward due to site/soil constraints. The project will enable Emmy's to remain in Tompkins County and bring back in house production that has been shifted to a co-packer out of state.

The project includes purchasing the approximately 20,000 square foot existing building, interior renovations including adding a processing room, additional office space and bathrooms along with the purchase of equipment.

The interior renovations will not significantly increase the value of the building and as a result, I am recommending a schedule that will provide an established tax payment for 7 years that is based on the taxes associated with the current value of the building followed by a three year phase in of the full tax payment.

Cost-Benefit Analysis

- Extent to which project would create and/or retain private sector jobs – The project will retain 27 jobs and create 5 new jobs over three years.
- Estimated value of tax exemption

Property Tax Incentive:	\$104,746	Projected taxes to be paid:	\$387,502
Sales Tax Incentive:	\$42,800		
Mortgage Recording Tax:	\$5,169		
TOTAL:	\$152,715		
- Estimate of private sector investment to be generated by the project – \$2,360,000
- Likelihood of completing project in a timely manner – Bank financing has been secured and gap financing is in process (with an application submitted to TCAD's revolving loan fund program). The sale is projected to close in mid July and renovation to begin shortly thereafter. A building permit is the only outstanding permit from the Town. It is reasonable that the project will commence in July as planned.
- Extent to which project would generate additional sources of revenue for local taxing jurisdictions – This project will reinvest in an existing building in the Town of Dryden and increase property taxes in the future.