

# Land For Jobs Policy



The Village of Newark, in an effort to offer economic incentives to attract new businesses, has instituted a "Land for Jobs" program whereby businesses would be deeded land, **free of any cost**, for the construction of structures for any business purpose in exchange for the creation of a specific number of full-time jobs. The details follow:

- A. This offer is good on any Village owned land parcel.
- B. The business seeking the land can be erecting a new structure, or expanding an existing facility. Land speculation is not a valid application of this policy.
- C. Construction must begin within one year of receipt of the necessary building permits, which must be applied for by the applicant, and the meeting of all planning and zoning requirements. The time may be extended if both parties agree.
- D. For every acre, or portion of an acre, requested, one (1) full-time job equivalent must be created anytime during the first two years to qualify, but the new jobs must be maintained for the entire third year of the job creation period to be counted towards meeting the stated number of jobs needing to be created. The date the Certificate of Occupancy (on the newly constructed or renovated structure) shall serve as a starting date for determining job creation. The initial employment level will be determined at the time of application, based on the full-time equivalent employment level history of the past two years, to be agreed upon by the Loan Committee and the Applicant. The source of the employment history information will be the payroll filing reports the applicant is required to file with the relevant Federal and New York State government entities, if applicable. The Village and the Applicant will be required to attest to the fact that the initial full-time equivalent job level will not be contested once the agreement is signed. The business shall file a statement of employment statistics every six (6) months commencing on the day the Certificate of Occupancy is issued and terminating three years later. The employment information will be submitted on forms provided by the Village of Newark.
- E. For purposes of this policy, the value of land will be set at \$18,000 per acre. Land value will be reviewed on a semi-annual basis in an effort to keep current with market costs.
- F. The initial contract between the Village of Newark and the business applying for land will be considered a loan with a total value equal to the number of acres multiplied by the established land value. No payments will need to be made on this loan for a period of three years from the date of the Certificate of Occupancy.



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- G. If, at the three-year mark, (as defined in Part D) the business has met the employment criteria, the loan will be completely forgiven with no payments owed.
- H. If the business has not met the employment stipulation at the three-year mark (as defined in Part D), the total value of the loan (as defined in Part F), along with prevailing interest to be determined by the Village's Loan Committee, will be paid back over a ten-year (120 months) period. There will be no penalty for pre-payment of the loan principle after the first year of payments.
- I. Loan payments will be due by the first of the month, with the first payment occurring at the beginning of the next month immediately following the three-year mark (as defined in Part D).
- J. If loan payments are delinquent by more than thirty (30) days, the Village, after notice has been given to the borrowing business, can institute a collection process by normal legal means and add the subsequent collection charge to the principle owed by the borrower.
- K. The applicant(s) will be required to sign documents approving that the Village perform both a background check and credit check on all applicant(s), providing both a tax identification number (S.S. or TIN), and a date of birth for individual applicants.
- L. The business that is being proposed is currently legal in New York State at the time of the application.

Number of acres requested:

Brief description of location:

I agree to the contract as defined above.

Borrower's Signature \_\_\_\_\_

Borrower's Name (Please Print) \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Business Name \_\_\_\_\_

Business Address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_