

RESOLUTION NO. R-89-41

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONWAY CERTIFYING LOCAL GOVERNMENT ENDORSEMENT OF BUSINESS TO PARTICIPATE IN THE ARKANSAS ENTERPRISE ZONE PROGRAM.

WHEREAS, the City of Conway has approved Zone designation for Census Tract 9903, Block Group 1, within the corporate limits of the City of Conway; and

WHEREAS, the local government must endorse a business or enterprise to participate in the Arkansas Enterprise Zone Program and benefit from the refunds/exemptions as provided in Part IV of the Arkansas Enterprise Zone Program Regulations of 1983; and

WHEREAS, said endorsement must be made on specific form available from AIDC; and

WHEREAS, De Novo, Inc. located at 645 Exchange Avenue has sought to participate in the program and has been found by the management of the enterprise zone program to be eligible for the benefits thereof, and more specifically has requested benefits accruing from expansion/refurbishment of the manufacturing facility; and

WHEREAS, De Novo, Inc. has agreed to furnish the management of the enterprise zone all necessary information for compliance.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS, THAT:

1. De Novo, Inc. be endorsed by the City of Conway for benefit from the refunds/exemptions as provided in Part IV of the Arkansas Enterprise Zone Program Regulations of 1983, through June 30, 1989.


2. That this resolution shall take effect immediately.

PASSED this 26th day of September, 1989.

APPROVED:

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

Application # \_\_\_\_\_

ARKANSAS ENTERPRISE ZONE PROGRAM

SECTION A - COMPANY INFORMATION

1. Name of firm: De Novo Inc.
2. Principal mailing address: P.O. Box 176  
645 EXCHANGE, CONWAY, AR 72032
3. Location of Business:  
645 EXCHANGE (Street Address) CONWAY FAULKNER (City or County)
4. Enterprise Zone by Census Designation: CT 9903, BG 1; ED \_\_\_\_\_
5. Principal business activity: MANUFACTURING 6. SIC Code 35
7. Date firm began or anticipates operations in Enterprise Zone: 8/17/89
8. Contact person: JIM ALBRIGHT 9. Phone 329-1000

SECTION B - EMPLOYMENT DATA

1. How many employees do you now have? 2 as of 9/25/89  
(Number) (Date)
2. What was your average annual employment for the previous fiscal year? 0 How have you calculated your average annual employment?
3. How many new employees do you anticipate hiring from now through December 31, 1988 (or your fiscal year end 6/30/89)  
(Date)  
15  
(Number)
4. Identify the positions these employees will fill:

|                               |       |
|-------------------------------|-------|
| <u>ADMINISTRATIVE</u>         | _____ |
| <u>ACCOUNTING</u>             | _____ |
| <u>CLERICAL (2)</u>           | _____ |
| <u>SECRETARIAL</u>            | _____ |
| <u>MATERIAL HANDLING</u>      | _____ |
| <u>ENGINEERING (3)</u>        | _____ |
| <u>PRODUCTION SUPERVISION</u> | _____ |
| <u>PRODUCTION (5)</u>         | _____ |

In order to receive enterprise zone tax credits, AIDC strongly encourages hiring through the local Arkansas Employment Security Division. The business must certify (and verify after hiring) that at least 35% of its net new employees meet the criteria set forth in Section 4.02.02 and 4.04.03 or the Arkansas Enterprise Zone Program Regulations.

In proceeding with employment, remember that 35% of all new employees must be (a) residents of the same county as the location of the business or counties adjacent thereto; and (b) have been receiving some form of public assistance immediately prior to employment; or are considered unemployable by traditional standards or lacking in basic skills at the time of employment.

Public assistance means any contribution, monetary or otherwise, made by federal, state, county, and/or local governments to individuals who qualify therefore by reason of indigence and/or unemployment, as determined by the applicable rules, regulations, or guidelines, of each public assistance program (e.g. unemployment insurance compensation, Section 8 housing payments, Social Security, etc.)

Employees considered unemployable by traditional standards should have met items 2, 3, and 4 of those listed below. A person that would qualify as lacking in basic skills should meet criteria 1,3, and 4 of the following items:

- (1) be required to participate in a company training program; or
- (2) been unemployed for at least 13 weeks prior to employment with the company;
- (3) should not have quit last employer without good cause to gain employment with the company; and
- (4) have registered with either the Arkansas Employment Security Division or a private employment agency.

5. Provide an estimate of the following:

| <u>Projected Net New Employees</u>                                  | <u>Number</u> | <u>Percent</u> |
|---|---------------|----------------|
| On Public Assistance  | <u>3</u>      | <u>20.0%</u>   |
| Traditionally Unemployable  | <u>      </u> | <u>      </u>  |
| Lacking Basic Skills  | <u>3</u>      | <u>20.0%</u>   |
| Residents of E-Zone<br>County and or<br>Adjacent Arkansas<br>County | <u>12</u>     | <u>      </u>  |
| Out of State Employees  | <u>1</u>      | <u>6.7%</u>    |

\*Do not double-count employees in the first three categories.

6. Describe your plan for increasing employment (e.g. new business; adding a 3rd shift; hiring new employees to operate new machinery/equipment). Also identify the schedule or timing of the hiring process (e.g. 10 new employees per month for six months; 5 employees to be hired in November).

- We CURRENTLY PROJECT 25 ADDITIONAL employee's over THE SUBSEQUENT 15-20 MONTHS. THIS SHOULD BE ACCOMPLISHED THROUGH INCREASING MARKET SHARE. THIS WOULD YIELD A TOTAL OF APPROXIMATELY 40 employees AT 24 MONTHS.

7. Estimated number of qualifying net new employees (exclude owners) for which you expect to take the \$2,000 income tax credit.

10-15

8. How many full-time permanent jobs will be created through this project? ESTIMATED 40 OVER A 24 MONTH PERIOD.

9. How many temporary construction jobs will be created through this project? ESTIMATED 3

SECTION C - INFORMATION FOR SALES/USE TAX

1. Describe the project and the items for which sales/use tax credit is requested. Include whether expansion or new construction of building space; identify whether project is phased development if there are plans for expansion in the future; and construction schedule and purchase of machinery/equipment schedule.

- To ESTABLISH PRODUCTION AND SERVICE OF A FULL LINE OF WAVE SOLDERING AND AQUEOUS CLEANING SYSTEMS.
  - AN EXISTING BUILDING HAS BEEN PURCHASED BY THE PRINCIPAL OF THE COMPANY. THIS BUILDING WILL INITIALLY BE REFURBISHED AND ULTIMATELY EXPANDED. IT IS PRESENTLY ESTIMATED THAT (30) TO (40) PERCENT OF EQUIPMENT NEEDED FOR PRODUCTION WILL BE PURCHASED.
  - WE MUST PURCHASE BUILDING MATERIALS AND SUPPLIES TO REFURBISH THE BUILDING. IN ADDITION WE WILL PURCHASE THE AFOREMENTIONED EQUIPMENT.
2. Name of Company De Novo, INC.



4. Projected Construction Start 9/15/89 \* REFURBISHING  
(Date)
5. Projected Construction Completion 3/31/90  
(Date)
6. Projected Commencement of Hiring 11/1/89  
(Date)

7. Give estimates of sales tax and use tax to be paid, even though the amounts paid may be credited. Also give the rate at which you have calculated the estimated tax.

Estimated state sales tax: \$ 10,000 at 4 %

Estimated county sales tax: \$ 2,500 at 1 %

Estimated city sales tax: \$ 2,500 at 1 %

Total Estimated Sales Tax: \$ 15,000

Estimated Use Tax: \$ 2,000



SECTION D - INFORMATION FOR INCOME TAX EXEMPTION

1. Is ownership of your business:

Individual \_\_\_\_\_ Fiduciary \_\_\_\_\_  
 Partnership \_\_\_\_\_  
 Taxable Corporation X Small Business Corp. \_\_\_\_\_

| <u>Owner(s) Name</u>   | <u>Percent Ownership</u> | <u>Social Security or Corporate Tax I.D. Number</u> |
|------------------------|--------------------------|---|
| <u>JOHN H. TREIBER</u> | <u>100%</u>              | <u>522 58 4679</u>                                  |
|                        |                          |   |
|                        |                          |   |
|                        |                          |   |
|                        |                          |   |

3. A business must file its Arkansas income tax statement no later than 4 1/2 months after the end of the calendar or fiscal year. When will this company file its state income tax return forms? 10/15  
 (Date)

What is your tax year? 6/30 to 6/30  
 (Date) (Date)

4. Agriculture/Forestry/Fishing \_\_\_\_\_  
 Mining \_\_\_\_\_ Construction \_\_\_\_\_  
 Manufacturing X  
 Transportation/Communications/Utilities \_\_\_\_\_  
 Wholesale Trade \_\_\_\_\_ Retail Trade \_\_\_\_\_  
 Finance/Insurance/Real Estate \_\_\_\_\_  
 Services \_\_\_\_\_ Other (specify) \_\_\_\_\_

5. State income tax liability for previous year 0 19 89  
 (amount)

6. Estimated state income tax for current year 0 19 90  
 (amount)

7. CERTIFICATION

BEFORE ME, the undersigned authority, personally came and appeared

JIM ALBRIGHT who being first duly sworn did depose and  
(Name of Company Official)

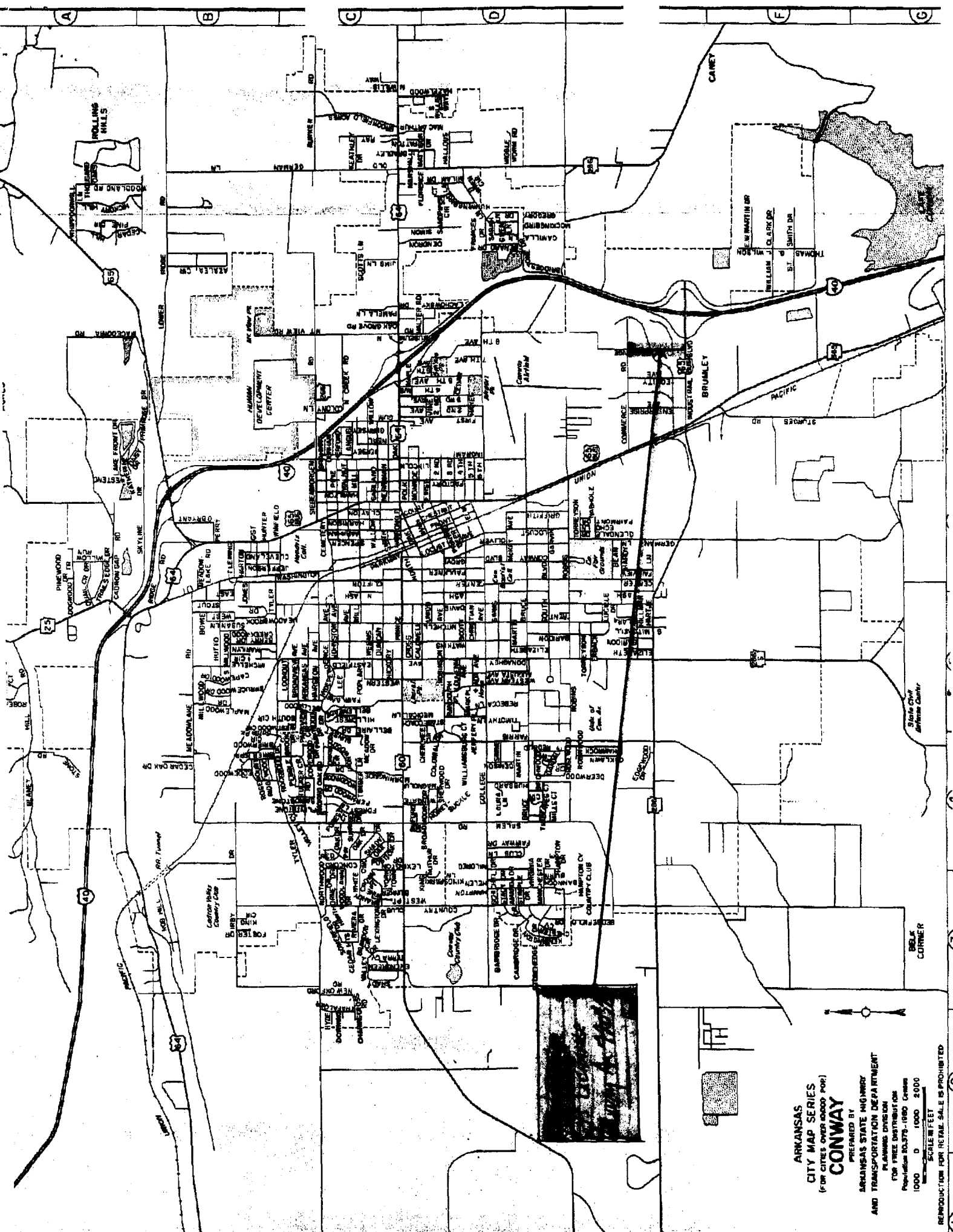
say, that s/he is CONTROLLER of De Novo Inc.  
(Title) (Company)

This affidavit is made for the specific purpose of verifying that s/he  
has examined the information contained in these nine pages. Sworn to  
and subscribed before me the 25<sup>th</sup> day of September, 1989.

Margaret A. Smith  
(Notary)

My commission expires 8-1-99

By J. Albright  
(Signature of Company Official)



ARKANSAS  
 CITY MAP SERIES  
 (FOR CITIES OVER 5000 POP.)  
**CONWAY**  
 PREPARED BY  
 ARKANSAS STATE HIGHWAY  
 AND TRANSPORTATION DEPARTMENT  
 PLANNING DIVISION  
 FOR FREE DISTRIBUTION  
 Population 50,379 - 1980 Census  
 1000 D 1000 2000  
 SCALE IN FEET  
 REPRODUCTION FOR RETAIL SALE IS PROHIBITED



BELK  
 CORNER

State City  
 Office City

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF <sup>Conway</sup> (NAME OF CITY) CERTIFYING LOCAL GOVERNMENT ENDORSEMENT OF BUSINESS TO PARTICIPATE IN THE ARKANSAS ENTERPRISE ZONE PROGRAM.

WHEREAS, the City of <sup>Conway</sup> (Name of City) has approved Zone designation for enumeration district \_\_\_\_\_ within the corporate limits of the City of <sup>Conway</sup> (Name of City); and

WHEREAS, the local government must endorse a business or enterprise to participate in the Arkansas Enterprise Zone Program and benefit from the refunds/exemptions as provided in Part IV of the Arkansas Enterprise Zone Program Regulations of 1983; and

WHEREAS, said endorsement must be made on specific form available from AIDC; and

WHEREAS, <sup>De Novo</sup> (Name of Company) located at <sup>645 Exchange Ave</sup> (Physical Address of Company) has sought to participate in the program and has been found by the management of the enterprise zone program to be eligible for the benefits thereof, and more specifically has requested benefits accruing from (expansion/~~construction~~) of the specific facility <sup>Manufacturing facility</sup> and

WHEREAS, <sup>De Novo Inc</sup> (Name of Company) has agreed to furnish the management of the enterprise zone all necessary information for compliance.

NOW THEREFOR BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF (NAME OF CITY) ARKANSAS, THAT:

1. That <sup>De Novo Inc</sup> (Name of Company) be endorsed by the City of <sup>Conway</sup> (Name of City) for benefit from the refunds/exemptions as provided in Part IV of the Arkansas Enterprise Zone Program Regulations of 1983, through June 30, 1989.
2. That this resolution shall take effect immediately.

\_\_\_\_\_  
Mayor

Date Passed: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
City Clerk