

Industrial Tax Exemption Program Application - (Post Executive Order 2018)

** Any changes made to the information provided after the initial submission of this Application, whether requested by the Company or by LED, may result in a delay in Application processing time and/or Board of Commerce & Industry consideration. **

Project ID: 20190323-ITE

Date Received: 7/9/2020

PROJECT INFORMATION

Company: Pratt (Delta Container), Inc.
Project Name: Delta Container, Inc.
Project Location: 1301 Pride Dr. , Hammond, LA, 70401
Parish: Tangipahoa
City Limits?:

COMPANY INFORMATION

Product Manufactured: Corrugated Packaging and Related Products
Manufacturing Process/Activities: Currently using 100% recycled corrugated sheets manufactured by one of the company's plants, this facility converts those sheets into packaging. This involves dye-cutting, gluing, printing and folding to create five basic types of boxes: RSC, Dye-Cut, Full Overlap, 2-Piece and 5-Panel.

GAMING

Has the applicant or any affiliates received, applied for, or considered applying for a license to conduct gaming activities? Yes No

If yes, please give a detailed explanation including the name of the entity receiving or applying for the license, the relationship to the business if an affiliate, the location and the type of gaming activities:

N/A

PROJECT DETAILS

NAICS: 322211
Project Type: Addition
Project Start Date (beginning of construction and/or installation): 10/9/2019
Project End Date (ending of construction and/or installation): 12/31/2020
Anticipated date for the commencement of operations of this project: 8/31/2020
Project Description:

The company will be relocating from an existing plant in New Orleans, LA where our lease is expiring, as this site is no longer cost effective for our plans to expand and stay competitive in the marketplace and to also retain our current employee levels. We will be moving into a newly constructed building in Hammond, LA (See Application #20190259-ITE) and invest heavily in new technologies with a focus on retaining jobs. These technology investments will have a focus on ergonomics to benefit employee well-being and retention. We will be purchasing new cutting, gluing, and printing machinery and equipment used for converting raw corrugated sheets into finished product for our end users. Total Estimated Investment for this project is roughly \$7.2 million, with \$2.5 million (real property) being applied for under Application #20190259-ITE, and the balance of the total Estimated Investment (\$4.7 million of personal property) being applied for under Application #20190323-ITE. The New Orleans (future Hammond) location of Pratt (Delta Container), Inc. is a member of a corporation with facilities in more than 25 U.S. states. Therefore, we compete internally each year for capital for upgrades and improvements to our equipment and facilities. As with all corporate decisions, a return on investment is key. Thus, we are pursuing ITEP benefits for our project. Although we are not able to commit to any new jobs for this particular project, we are willing to commit to maintaining a certain level of employment and payroll. This new capital investment is critical to maintain / grow our market share and retain our employee base in these challenging economic times, as well as for the potential of future growth in capacity, market share, and / or employment. Ultimately, we are making this current investment to maintain a modern facility in the southeast portion of Louisiana that will remain competitive for years to come.

Will any portion of this project become operational/usable prior to the overall project's completion (i.e. application filled in phases)? Yes No

Calendar Years: 2020

ESTIMATED INVESTMENTS

Building & Materials:	\$0.00
Machinery & Equipment:	\$3,912,911.00
Labor & Engineering:	\$836,670.00
Estimated Total Investment Amount:	\$4,749,581.00
Less: Restricted Amount:	\$0.00
Total Estimated Investments:	\$4,749,581.00

ESTIMATED JOBS

Existing Jobs at Project Site:	0
Existing Jobs Statewide:	198
Will this project create new jobs?	<input type="radio"/> Yes <input checked="" type="radio"/> No
New Direct Jobs:	0
Contract Jobs:	0
Will new jobs be created in phases?	No, but '51' existing jobs will be retained and transferred from 220

Explain:

Plantation Road in New Orleans to 1301 Pride Drive in Hammond during summer 2020.

Construction Jobs:

5

Total Estimated Jobs:

5

New Jobs for this phase:

0

If no new jobs are being created with this project, will existing jobs be retained?

Yes No

If yes, provide a compelling reason(s) for retention:

The company will be relocating from an existing plant in New Orleans, LA, as this site is no longer cost effective for our plans to expand and stay competitive in the marketplace and to also retain our current employee levels. We will be moving into a newly constructed building in Hammond, LA (See Application #20190259-ITE) and invest heavily in new technologies with a focus on retaining jobs. These technology investments will have a focus on ergonomics to benefit employee well-being and retention. We will be purchasing new cutting, gluing, and printing machinery and equipment used for converting raw corrugated sheets into finished product for our end users. The New Orleans (future Hammond) location of Pratt (Delta Container), Inc. is a member of a corporation with facilities in more than 25 U.S. states. Therefore, we compete internally each year for capital for upgrades and improvements to our equipment and facilities. As with all corporate decisions, a return on investment is key. Thus, we are pursuing ITEP benefits for our project. Although we are not able to commit to any new jobs for this particular project, we are willing to commit to maintaining a certain level of employment and payroll. This new capital investment is critical to maintain / grow our market share and retain our employee base in these challenging economic times, as well as for the potential of future growth in capacity, market share, and / or employment. Ultimately, we are making this current investment to maintain a modern facility in the southeast portion of Louisiana that will remain competitive for years to come.

ESTIMATED PAYROLL

Existing Jobs Payroll:	\$0.00
Existing Jobs Statewide Payroll:	\$16,230,894.00
New Direcy Jobs Payroll:	\$0.00
Contract Jobs Payroll:	\$0.00
Construction Jobs Payroll:	\$150,000.00
Total Estimated Payroll:	\$150,000.00
 New payroll for current phase:	\$0.00

PROPERTY TAX

Millage Rate for this property. Use the millage rate obtained from the parish assessor to calculate the fee. 0.1043

This is usually a whole number (i.e., 115.47 or 92.665. A millage rate is expressed in 1/1000ths of a dollar (known as one mill). Convert the whole number millage rate by dividing by 1000 to a decimal number (i.e., the whole numbers converted to 1/1000ths would be .1154 or .0927 when rounded to four digits.)

Note: [Proof of Millage/Location form](#) must be completed by the parish assessor and uploaded to the attachments of this application.

Total Property Taxes paid (most recent year for this site): 2123.00

BUSINESS LEGAL STRUCTURE

Is this company an LLC?

Yes No

If an LLC members or pass through entity, list below the names and the LA Dept. of Revenue tax identification number or social security number for all.

LLC Members

Legal Name

ESTIMATED BENEFIT

Investment Amount:	\$4,749,581.00
x Assessment Percentage:	0.15
x Millage Rate:	0.1043
=Annual Exemption	\$74,314.32
Annual Exemption * 5 years at 80%	\$297,257.28
+ Annual Exemption * 5 years at 80%	\$297,257.28
=Estimated Ten Year Property Tax Exemption	\$594,514.56

FEE CALCULATION

Estimated Ten Year Property Tax Exemption :	\$594,514.56
x Rate	0.005
= Assessed Fee (\$500.00 Minimum—\$15000.00 Maximum)	\$2,972.57
Amount Paid:	\$2,972.57
Amount Due:	\$0.00

ATTACHMENTS

Document Type	Document Name	Date
Notarized Affidavit	Pratt - ITEP Contract Affidavit Signed.pdf	12/30/2019
Proof of Millage Rate	Pratt - ITEP Assessor Proof of Millage Location Verification Form Signed.pdf	2/5/2020
Breakdown of Purchases	Pratt - 20190323 ITEP Breakdown of Purchases.xlsx	2/10/2020
ES4	YRA_YSB_Z3Z - SUI Recaps 2Q19-3Q19.pdf	2/10/2020
Proof of Millage	Pratt - 1301 Pride Drive Assessment.pdf	3/4/2020
Other	Pratt - Compelling Reason for Retention ITEP Application Attachment.docx	7/9/2020
Baseline Calculation Worksheet	Pratt - Signed ITE Employment Baseline Calc Worksheet.pdf	7/15/2020

PAYMENTS

Fee Type	Amount Paid	Date Received	Confirmation #	Transaction Type
APPLICATION	\$2,972.57	7/9/2020	I9D950FPB8	visa_credit

PROJECT CONTACTS

Contact First Name	Contact Last Name	Email Address	Company Name	Mailing Address	Phone Number	Contact Type
Jimmy	Leonard	jimmy.leonard@advantous.com	Advantous	9270 Siegen Lane Suite 801, Baton Rouge, LA, 70810	(225) 769-1818	Consultant
Reuben	Rangel	led@advantous.com	Advantous Consulting, L.L.C.	9270 Siegen Lane Suite 801, Baton Rouge, LA, 70810	(225) 769-1818	Consultant
Stephen	Ward	sward@prattindustries.com	Pratt Industries, Inc.	1800-C Sarasota Pkwy. , Conyers, GA, 30013	(770) 918-5678	Business
Jeffrey	Bieber	jbieber@prattindustries.com	Pratt Industries, Inc.	1800-C Sarasota Pkwy. , Conyers, GA, 30013	(513) 791-7728	Business
DJ	Kyles	djkyles@prattindustries.com	Pratt Industries, Inc.	1800-C Sarasota Pkwy. , Conyers, GA, 30013	(770) 918-5678	Business Signatory
Fiona	Croston	fcroston@prattindustries.com	Pratt Industries, Inc.	1800-C Sarasota Parkway , Conyers, GA, 30013	(678) 607-4011	Business

CONTRACT SIGNATORY

The contract signatory will be used when signing contracts. The contracts will be signed online and will take place after the board approves a form.

Title: CFO

First Name: Stephen

Last Name: Ward

Email Address: sward@prattindustries.com

CERTIFICATION STATEMENT

I hereby certify that this project meets all Constitutional, statutory and regulatory provisions applicable to this program. I hereby certify that the information provided in this document and additional materials is true and correct and that I am aware that my submission of any false information or omission of any pertinent information resulting in the false representation of a

material fact may subject me to civil and/or criminal penalties for filing false public records (R.S. 14:133) and/or forfeiture of any tax benefits approved under this program. I understand that the application and information submitted shall not be returnable to the applicant.

FORM SIGNATURE

I, **DJ Kyles**

, **approve the above information.**

A handwritten signature in blue ink, appearing to read "DJ KYLES". The signature is stylized and cursive, with the first name "DJ" written in a blocky, outlined style, and the last name "KYLES" written in a more fluid, cursive script.