

Oswego County Business Expansion Center



Lease Information Package



Operation Oswego County

*An Economic and Job Development Corporation
Serving Oswego County, NY*

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I. GOALS AND OBJECTIVES

Operation Oswego County's business incubator is the Business Expansion Center (BEC) in the City of Oswego. It exists to foster and assist new and existing businesses with space requirements for purposes of providing economic gains and employment opportunities in Oswego County.

The BEC is an integral part of Operation Oswego County's comprehensive economic development strategy for the County. The concept of developing local, homegrown businesses compliments the County's efforts to encourage development and location of new and existing businesses within the area.

The goals for the business incubator is to spawn new business, to encourage the growth and expansion of successful businesses that contribute to the general economic health of Oswego County, to provide new and increased job opportunities, and add to the variety of products and services available to its citizens.

Tenant selection is based on a firm's compatibility with other tenants and the goals of the incubator facility. Businesses are accepted from those in the idea stage to those struggling to get production and sales at a profitable level. When a business becomes capable of competing in the open market, efforts are made to find it a permanent business location in Oswego County.

II. ELIGIBILITY GUIDELINES

Preferred businesses for the business incubator include manufacturing, assembly, and service to business and industry.

Businesses suited to occupy space are those developing new products or technologies, light assembly or manufacturing, and those expanding or diversifying existing product lines. Firms providing new services that will contribute to the economic base and diversity of the area will also be considered.

Eligibility is not restricted because of race, religion or sex.

TENANTS MUST MEET THE FOLLOWING CRITERIA:

1. Be a for-profit entity as a corporation, partnership or sole proprietorship.
2. Be a new, start-up business or an existing, expanding firm.
3. Must have growth potential with the prospects of creating a new product, technology or service, meeting a demand for services or creating new or expanded job opportunities.
4. Must be operated on a full-time basis, as the primary source of income for the primary principal (not including passive investments of owner(s), i.e. rental income, securities, etc.).
5. Must meet applicable zoning, building, fire and health codes.
6. Other potential tenants may include not-for-profit and/or educational related activities that are deemed appropriate and beneficial to the area's economy.

TENANTS ARE CONSIDERED ON A CASE-BY-CASE BASIS USING THE FOLLOWING CRITERIA:

1. Merit of business proposal (product or service).
2. Background and experience of principals.

3. Credit worthiness of principals.
4. Status of business plan, market research and feasibility studies.
5. Growth and job creation potential.
6. Applicant's commitment - both financial and personal time to the venture.

SPECIAL CONSIDERATION IS GIVEN TO:

1. Existing small businesses operated on a part-time basis prepared to begin full-time operations.
2. Firms which suffer from space, management, marketing or financial problems which severely limit their growth.
3. New divisions of existing firms or research and development projects with parent companies seeking to separate from their main operations.
4. Foothold plants for companies based outside Oswego County.
5. Early retirees from industry, government or military who want to begin a second career.
6. Persons working to develop new technologies or to redirect present technologies.

ELIGIBILITY RESTRICTIONS

1. Businesses that are not eligible include real estate and retail sales firms or businesses depending on high traffic use.
2. Businesses with substantially limited growth potential and those operated as a hobby are not eligible for occupancy.

III. LEASING POLICIES

Occupancy Terms. A maximum occupancy time is established at the time of admission to the business incubator facility based on the firm's business plan and the time required for it to become profitable. All leases will be for a period not to exceed one (1) year and renewals are subject to the firm's compliance with required reporting and its compatibility status with other tenants of the incubator. In general, the maximum term of a lease/rental agreement will be five (5) years. This time period may be shortened or lengthened, as directed by Operation Oswego County's Real Estate Development Committee.

Progress Reviews. All tenants are required to submit financial and progress reports as requested by Operation Oswego County. The progress of each tenant is reviewed by Operation Oswego County on a continuing basis. Continued occupancy is contingent upon satisfactory progress of the business, its payment history and overall fit.

Lease Cancellation Policy. Either party may cancel a lease within a 30-day period with prior written notice.

Annual Lease Rates. The lease rates outlined below are the minimum annual rates to be paid on a monthly basis, one month in advance. Unless space occupied is separately metered, gas and electric are charged pro-rata per square foot and will be billed on a quarterly basis. However, special circumstances may be negotiated.

	<u>Non-Manufacturing Space</u>	<u>Manufacturing Space</u>
1st Year	\$6.00/sf of actual space used	\$5.50/sf of actual space used
2nd Year	\$6.50/sf of actual space used	\$6.00/sf of actual space used
3rd Year	\$7.00/sf of actual space used	\$6.50/sf of actual space used
4th Year	\$7.50/sf of actual space used	\$7.00/sf of actual space used
5th Year	\$8.00/sf of actual space used	\$7.50/sf of actual space used

Leases beyond the 5th year are applicable only to tenants formally extended for approval by Operation Oswego County's Real Estate Development Committee. One of the following criteria must be met in order to qualify for an extension: (1) No other like space is available within the area; (2) The tenant can show a financial need/justification to remain, or (3) It is to Operation Oswego County's advantage to keep the firm in the incubator in order to sustain the economics of operating the incubator and carrying the associated overhead costs. It is the general practice to allow up to 50% of the space to be used for this purpose.

IV. APPLICATION PROCEDURES

The focus of business incubation is to foster business growth through a low cost professional environment. It is therefore necessary that we fully understand the business approach and practices of the tenants so that we may assist them in their growth to become strong independent companies able to grow and move out into their own permanent location within the allotted time frame. The formal process for application is:

1. Submission of Application. Potential occupants must submit the Application form (see Page 5) to Operation Oswego County for review of business type, principals and history and for screening for compatibility with the incubator's goals and objectives, as well as eligibility requirements.
2. Credit Verification. At the time the Application is being reviewed, a credit check is also performed for all principals associated with the application. Accordingly, potential applications must complete the Credit Verification form provided on Page 6.
3. Business Plan. At the sole discretion of Operation Oswego County, a business plan may be required for final approval. If an applicant lacks any of the required items, Operation Oswego County may provide assistance to help the firm develop the necessary information.
4. Approval. Final approval of the application is provided by Operation Oswego County's Real Estate Development Committee.
5. Lease Agreement. Once approval of the Application has been given and credit has been verified, a copy of the draft Lease Agreement will be provided to you. You may want to review this with your Attorney prior to signing it.

APPLICATION FORM
OSWEGO COUNTY BUSINESS EXPANSION CENTER

APPLICANT/COMPANY NAME: _____.

APPLICANT ADDRESS (physical & mailing address): _____.

PERSON TO CONTACT & PHONE NO: _____.

FEDERAL I.D. NO. OR SOCIAL SECURITY NO: _____.

BUSINESS TYPE: _____ Corporation _____ Partnership _____ Sole Proprietorship

DATE OF ESTABLISHMENT: _____.

DESCRIBE PRODUCT/SERVICE: _____.

EST. # OF JOBS TO BE CREATED IN FIRST YEAR OF OCCUPANCY: _____.

EST. TOTAL PAYROLL IN FIRST YEAR OF OCCUPANCY: _____.

EST. CAPITAL INVESTMENT IN FIRST YEAR OF OCCUPANCY: _____.

REASON FOR LOCATING TO THE BEC/SUF:

KEY INDIVIDUALS AND THEIR RELATIONSHIP TO BUSINESS (including principal stockholders):

ATTORNEY: _____ ACCOUNTANT: _____.

BANK REFERENCES (incl. Person handling Account): _____.

HAVE THE PRINCIPAL OWNER(S) EVER DECLARED BANKRUPTCY? _____.

TRADE REFERENCES: SUPPLIERS: _____.

CUSTOMERS: _____.

SPACE REQUIREMENTS: _____ Total Sq. Ft. = Office: _____ Factory: _____ . SPECIAL REQUIREMENTS FOR SPACE (electrical, ventilating, floor load, etc.): _____.

ATTACH A BRIEF BUSINESS HISTORY - Including dates, locations, number of employees, permits obtained, product, services, markets, etc., from business start-up to present.

I (WE) HEREBY CERTIFY THAT TO THE BEST OF MY (OUR) KNOWLEDGE AND BELIEF, ALL THE INFORMATION CONTAINED HEREIN IS TRUE AND ACCURATE.

SIGNATURE(S) OF PRINCIPAL OWNER(S): _____

Credit Verification Authorization

I/We understand a verification process regarding my/our finances and credit history is necessary to insure my/our eligibility in obtaining a loan and/or lease through Operation Oswego County (OOC) and/or the County of Oswego Industrial Development Agency (IDA) for my/our business located at:

(Number, Street, City) _____

I/We authorize you to contact (Bank) _____ and other sources (Experian, Equifax, Trans Union, Dun & Bradstreet, etc.) who can provide OOC/IDA with information to complete and expedite the financial/credit history verification in my/our case.

I/We concur that all financial information is complete and true to the best of my/our knowledge. I/We understand this information will be kept strictly confidential.

Signature of Applicant

Signature of Second Applicant

Social Security Number

Social Security Number

Print Entire Name

Print Entire Name

Home Address, City, State, Zip

Home Address, City, State, Zip

Date

Date

OOC Authorized Signature and Date