

Print Mail Communications, Inc. (PMC)

Incentives Request

History

- In July 2013, PMC entered into a BPOL Reimbursement and Incentive Agreement with the EDA to relocate its printing and mailing services business to the County from Fairfax. In exchange, so long as they satisfied certain performance goals, the EDA would reimburse PMC a total of \$208,000.
- Since 2013, PMC has operated its business at 4333 Davenport Road and has fully satisfied the performance requirements under the Prior Incentive Agreement.
- PMC was originally going to occupy 98,812 square feet, but thereafter ended-up leasing an additional 61,200 square feet.
- Last year, PMC was in the process of purchasing the building, along with new advanced printing equipment, to continue the expansion of the Company's workforce and capabilities within the County.
- PMC requested the EDA approve a new performance agreement.
- On June 28, 2018, the EDA, subject to BOS approval, recommended for approval, BPOL tax reimbursements capped at \$416,000; up to \$41,600 annually for a period of 10 years.



Current Incentives Paid

- BPOL rebate amounts for years 1 - 5:
 - Year 1 (tax year 2014) = \$15,363.03
 - Year 2 (tax year 2015) = \$29,990.35
 - Year 3 (tax year 2016) = \$30,093.17
 - Year 4 (tax year 2017) = \$32,474.57
 - Year 5 (tax year 2018) = \$33,070.48
- Reimbursed to date = \$140,991.60
- Reimbursement for 2018 (Year 6) will be in the amount of \$32,806.46 leaving a balance of \$34,201.94 for 2019 (Year 7).

Company Commitments

In exchange for the Incentive Grant, PMC agrees to:

- Maintain no less than 150 full time employees each year along with the corresponding average base salary per year, not counting benefits, bonuses or other compensation **(currently in compliance)**;
- Execute and provide documentation of a recorded Deed for the purchase of the Company Facility within 30 days of the Agreement **(completed and purchased the property for over \$7.15 million)**;
- Retain its business operations, including office, manufacturing, and research and development activities in Spotsylvania County for 10 years commencing on the year that PMC first occupies the Company Facility, but commencing no later than 12/31/18 **(in compliance)**;
- Comply with all County, State and Federal laws and regulations **(in compliance)**; and
- Annually provide documentation necessary to verify that the Company has met and maintained the Company Commitments to include the following:
 - proof of all tax and fee payments.
 - evidence of the number of Full Time Employees.
 - other documentation reasonably necessary for the Authority and County to verify that the Company Commitments have been met.

Company Investments

- Purchased the Facility on July 1, 2018 for \$7,150,000.
- Have already invested in over \$2.5 million of new equipment.
- Investment of \$450k in real estate improvements
 - Have already spent \$20,000 on: repairing the outside building and parking lot lights; landscape cleanup; and repairing, sealing and striping the parking lot. The remainder will be spent over the next 5 years on additional real estate improvements.
- Employment:
 - 221 employees: 200 full-time, 21 part-time or seasonal.
 - Payroll increased from \$4,800,000 in 2013 to \$6,071,000 in 2018.
 - In 2013 PMC issued 254 W2s with 30 team members earning more than \$40,000/year
 - In 2018 326 W2s were issued with 49 team members earning more than \$40,000/year.
 - Additionally, PMC offers benefits to all our fulltime employees, including paid time off, Safe Harbor 401K and health insurance.
 - PMC has invested in equipment to improve the wages they are able to pay and have hired a fulltime recruiter tasked with finding and bringing on board new team members.
- PMC is in compliance with all regulatory and contractual requirements and all taxes are current.