

City of Scottsbluff, Nebraska

Friday, March 11, 2022

Regular Meeting

Item 1

Receive information and consider approval of Prime Metal Products application.

Staff Contact: Starr Lehl

City of Scottsbluff
Economic Development Grant Application

1. Applicant Information:

Business Name: Prime Metal Products Inc.

Address: 1321 Broadway Scottsbluff, NE

Factory Location 220757 NE Hwy 92 Gering, NE

Applicant Contact:

Herb Gibson

Business Phone:

62-419-1987 Cell 308-633-0025 Office

E-mail address:

hgibson@primemetalproducts.com

2. Business Information:

Structure of Business (proprietorship, partnership, LLC, corporation, etc.):

S Corp

Ownership breakdown (include percentages for each Owner):

51% Gibson Management, 34% Mike Myers, 15% Joe Bergman

General Description of Business:

HVAC Sheet Metal Manufacturer

Products/Services:

Commercial and Residential Metal Products

Number of years in Business (or if a new Business, describe Owners experience in this type of business):

2

Proposed Location Address: 40,000 Additional Sq. Ft.

220757 NE Hwy 92 Gering, NE 69341

Current Zoning Classification:

3. **Employment:**

Base (current) number of full-time positions:

43

Full-time positions to be created:

40

Salary/Wage Range:

\$15-19.00

Benefits provided to employees (include any contribution required by Employees):

Health / Dental / Eye \$300.00

4. **Financial Need:**

Total project cost estimate: \$5,100,000

Breakdown of use of funds:

Equipment \$3,500,000 Working Capital \$1,400,000 Leasehold Improvements \$200,000

Date funds are needed:

March / April

Investment to be made by Applicant (Amount & Source):

\$600,000 Liquidation / Sale of Resources

Loan(s) to be obtained (Amount & Bank Name):

Platte Valley Bank \$1,750,000

LB840 financial assistance amount requested for the Project:

\$1,750,000 between Scottsbluff and Gering

**The committee reserves the right to make part of the funds Grant (forgivable loan) and part of the funds Loan, which is non-forgivable and has repayment terms.

Other Loans/Grants (CDBG, TIF, Re-Use, etc.):

5. Security Available:

Guarantor(s):

Jill Gibson, Gibson management, Herb Gibson, Mike Myers, Joe Bergman

Real Estate:

Existing Liens:

Personal Property:

Existing Liens:

Stock / LLC Interests:

Other:

6. Eligibility:

Principal Source of Income from (circle one):

- a. Manufacturing
- b. Research & development
- c. Processing, storage, transport or sale of goods or commodities in interstate commerce
- d. Sale of Services in interstate commerce
- e. Headquarters facilities relating to eligible activities
- f. Telecommunications activities
- g. Tourism-related activities
- h. Construction and rehabilitation of housing

- i. Retail trade where the principal source of income is from retail sales of products manufactured on the premises.
- j. Film production (Nebraska Film Office Activity Registration Form is also required).

Statement of how project is consistent with the goals of the Scottsbluff Economic Development Program:

Project creates 40 low to moderate income jobs. 61% of current employee base resides in Scottsbluff.

Describe any pending legal action(s), to include the amount at risk and a summary of how ownership is reacting to the action(s):

None

7. **Additional Information to be submitted:**

- a. Resumes of Owners, Management & Key Employees (include experience, training, credentials & work history).
- b. Brief history of your business and where you see your business going in the next 5 years, with emphasis on the impact to the City of Scottsbluff.
Projections Attached
- c. Personal Financial Statement of Guarantors and anyone owning 25% or more of the business. Note: documentation verifying assets and liabilities shall be made available upon request.
- d. Income statement covering the past 2 years of business operations, if in business for that long. Copies of filed tax returns are acceptable and the most recent year's return must be included.
- e. Business Plan, to include:
 - Total project costs to include itemized use of funds
 - Lender Commitments
 - Investor Commitments
 - Financial projections for the next 3 years.
 - Employment projections for the next 3 years
 - Identification of jobs to be created by description, number, average wage, benefits, etc.
 - Information as to suppliers, and in particular, those in the Scottsbluff area

- f. References, to include name, position, address and phone number:
- g. Any other information that you feel will assist the City in evaluating your Application. Please include any marketing or sales brochures.
- h. With respect to the Business, or any persons owning 25% or more of the business and any officers, indicate if there is any past or pending litigation which either has resulted in or could result in a judgment against the Business or any such person. List the nature of the judgment or pending action, and whether any portion remains unpaid as of this date.
None
- i. With respect to any persons owning 25% or more of the business and any officers, indicate any who have been convicted of or plead guilty to any criminal charge or violation of law, excepting minor traffic offenses. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea.
None
- j. Applicant agrees to sign waiver form provided by the City of Scottsbluff for Background and Credit Check.
Yes
8. **Nebraska Advantage Act:**

The Applicant certifies to the city as follows (select one):

☐ The Applicant has not filed nor does it intend to file an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act with respect to this project.

☒ The Applicant has filed or intends to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for this project. If so, indicate if such application includes or will include, as one of the tax incentives, a refund of the City's local option sales tax revenue: ✓; and whether such application has been approved under the Nebraska Advantage Act: ✓.

I certify that the information presented in connection with this Application for Economic Development Assistance is true and correct. Consent is given to the City of Scottsbluff to contact references, conduct one or more credit checks, criminal background checks, and to verify the information contained in this Application.

Dated:

Signed: Herb Gibson
Title: President